



TCM Group A/S

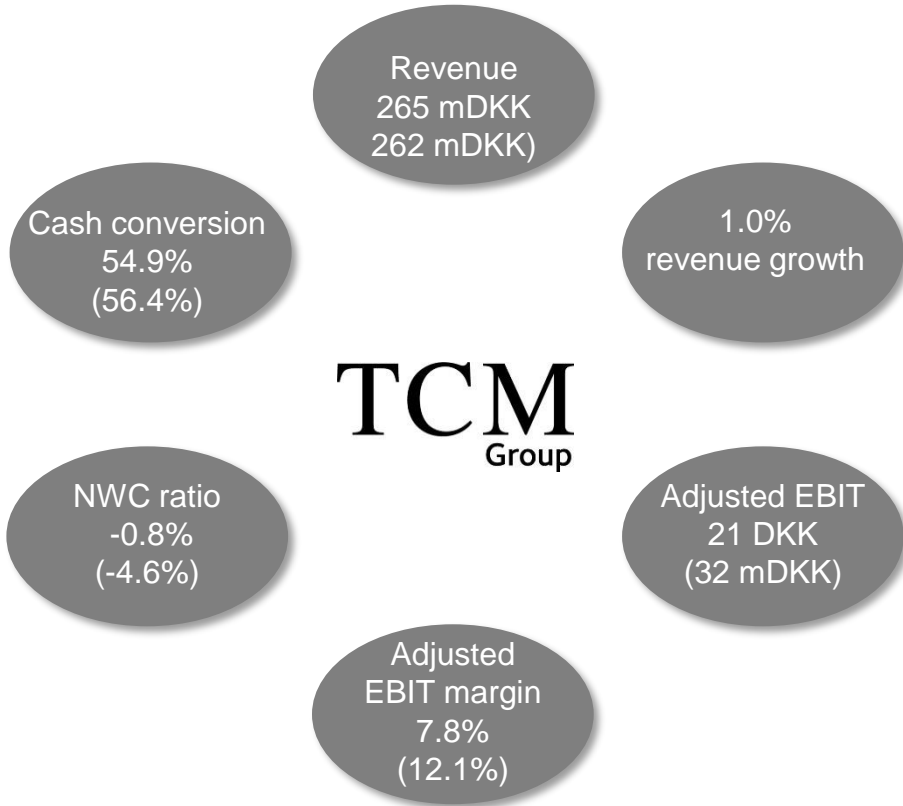
Interim Report July-September 2022

November 15, 2022

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- ❑ Organic like-for-like growth (core business) of 4%
- ❑ Strong growth in the Norwegian business
- ❑ Decline in high margin B2C sales offset by growth in lower margin B2B project sales, resulting in an unfavorable change in sales mix and reduced earnings.
- ❑ Mitigation actions implemented incl. shut down of the third shift in the primary production site
- ❑ Mandate regarding possible extraordinary dividend distribution not exercised
- ❑ Number of branded stores was 92 (91).
- ❑ Tvis Køkken launched MG50





Q3: Revenue flat in DK. Strong growth in Norway

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep
Net revenue (mDKK)	265	262	871	834
- Organic growth	1.0%		4.4%	

Q3 comments:

- ❑ Reported revenue declined in Denmark with 1.7% - organic like-for-like growth excluding third party revenue (core business) in Denmark was 1%.
- ❑ Revenue outside Denmark increased by 38.6%, driven by growth in sales to the Norwegian market, both organic growth and growth from new stores.

1% growth
in core
DK revenue

39% growth
in revenue
outside DK

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep
Net revenue (mDKK)	265	262	871	834
- <i>Gross Margin</i>	18.7%	21.5%	20.5%	23.6%
Adjusted EBIT (mDKK)	21	32	86	109
- <i>Adjusted EBIT margin</i>	7.8%	12.1%	9.8%	13.0%

Q3 comments:

- ❑ Decline in high margin B2C sales, offset by growth in lower margin B2B project sales leading to significant negative impact on gross margin and effect from implemented sales price increases.
- ❑ Gross margin declined from 21.5% to 18.7%.
- ❑ Higher selling expenses a.o. driven by the launch of MG50 in Tvis Køkken.
- ❑ Non-recurring costs of 4.7mDKK in Q3 2022 compared to non-recurring net gain in Q3 LY of -12.0mDKK.

	2022 Sep	2021 Sep
Net working capital (mDKK)	-9	-50
NWC ratio	-0.8%	-4.6%
NIBD (mDKK)	335	224
Leverage (excl. IFRS 16)	2.1	1.2

Q3 comments:

- ❑ Change in NWC compared to Q3 LY primarily due to higher inventory levels and lower trade and other payables.
- ❑ NWC last year was favourably impacted by stimulus packages of c. 10mDKK.
- ❑ NWC ratio was -0.8% compared to -4.6% in Q3 LY.
- ❑ NIBD was 335mDKK compared to 224mDKK in Q3 LY.
- ❑ Excluding liabilities related to IFRS 16 NIBD was 274mDKK compared to 187mDKK LY.
- ❑ Leverage ratio was 2.5 (1.3), excluding IFRS 16 leverage ratio was 2.1 (1.2).

	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep
Operating profit (mDKK)	16	44	79	118
Depreciation and amortization (mDKK)	5	4	14	13
Other non-cash operating items	0	-18	0	-18
Change in NWC (mDKK)	-22	-33	-79	-71
Tax a.o (mDKK)	0	0	-7	-7
Capex excl. acquisitions, net (mDKK)	-6	-9	-19	-19
Free cash flow excl. acquisitions (mDKK)	-6	-12	-13	16
Cash conversion			54.9%	56.4%
Capex ratio			1.4%	2.7%

Q3 comments:

- ❑ Free cash flow was -6mDKK compared to -12mDKK in Q3 LY.
- ❑ Development primarily driven by the change in NWC in the quarter compared to Q3 LY and lower investments compared to Q3 LY.
- ❑ Capex ratio YTD was 1.4% of revenue compared to 2.7% LY.
- ❑ Cash conversion in Q3 at 55%.

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Financial outlook:

❑ Net revenue: 1,120-1,160mDKK (Q2 :1,150-1,225mDKK)

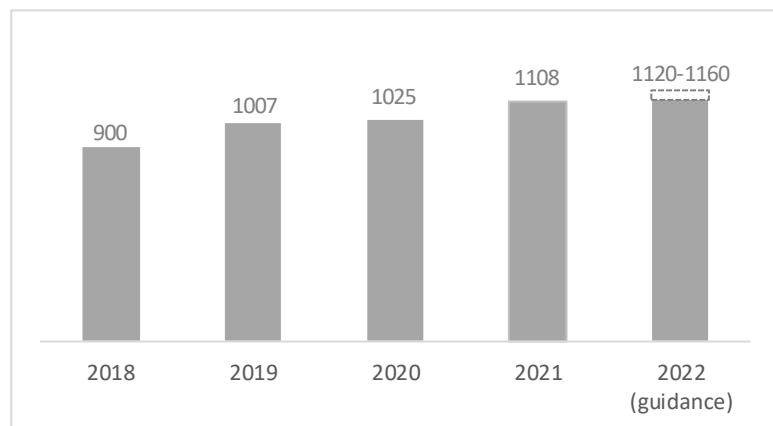
❑ Adjusted EBIT: 100-130mDKK (Q2: 130-160mDKK).

(EBIT excluding non-recurring items)



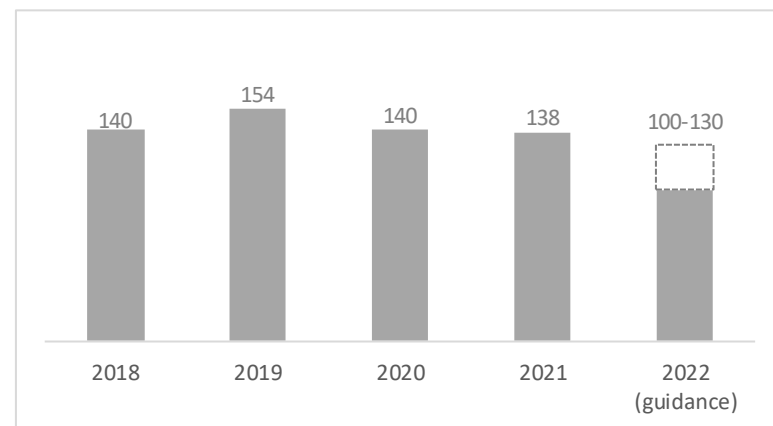
Revenue development

DKKm



Adjusted EBIT development

DKKm





Q&A

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