TCM Group A/S

Interim Report January - March 2024

May 16, 2024

Business update Q1 2024

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- Revenue in Q1 of DKK 293 million vs. DKK 264 million last year.
- Organic revenue decline of 12.3% in the quarter, but B2C market in Denmark starting to pick up with order intake up by more than 10%
- Total order-intake in Denmark up 3%
- Gross margin improvement on LY Q1, up from 18.9% to 20.7%
- Three store openings in Denmark in Q1.
- Continued demand uncertainty in the market

B2C market supporting sales in weak B2B environment

- Strong foothold in B2B in line with the long-term strategy
  - B2B sales offers long-term customer relationships and sales pipeline stability, but at lower average sales prices and margins
  - B2B market challenged as builders are reluctant to start new projects
- B2C market is starting to show promise with orders rising and a more positive market sentiment
  - TCM is increasing focus on B2C using freed up resources from the challenged B2B market
- +10% Growth in B2C order intake in Denmark in Q1
- B2C orders are generally more profitable and on average bigger than B2B orders

Market focus: Norway

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- Norway represents 20% of group revenue in Q1, with AUBO playing a big role in Norway
- 10 Svane shops
- 55 AUBO shop-in-shops
- 24 Nettoline shop-in-shops
- Organic decline in revenue of 27% in the quarter as the Norwegian market has seen a sharp slowdown as higher uncertainty and interest rates have dampened demand
- Together with Optimera TCM is increasing focus on the B2C market.

Q1: Overall development in line with our expectations

Revenue
293 mDKK
(264 mDKK)

11%
revenue increase
y-o-y

Adjusted EBIT
16 mDKK
(13 mDKK)

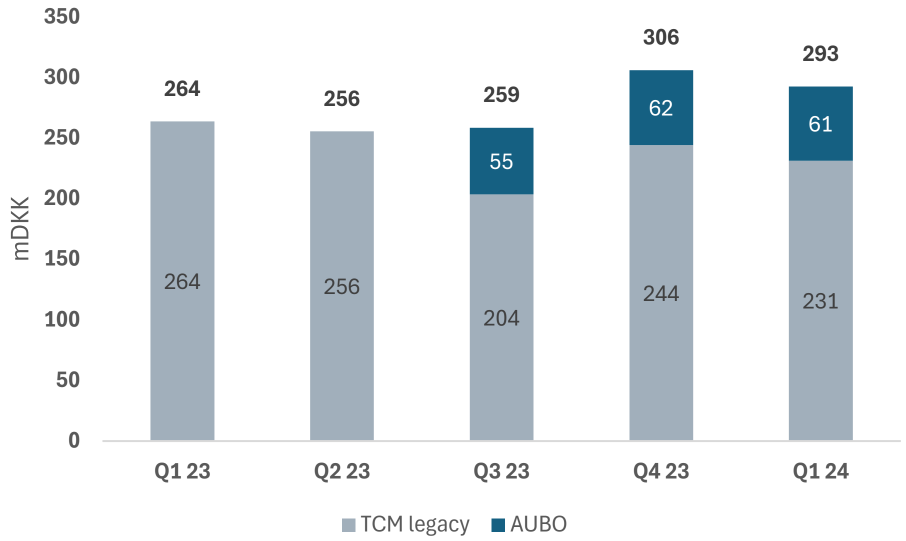
Adjusted
EBIT margin
5.4%
(4.9%)

NWC ratio
-0.8%
(-1.4%)

Cash conversion
69.2%
(61.5%)

Q1: Revenue development

Revenue development



Q1 comments:

- ❑ Reported revenue growth of 10.9% due to AUBO inclusion
- ❑ Reported revenue in Denmark declined by 2.1%.
- ❑ Revenue in Norway increased by 134.8% due to AUBO inclusion.
- ❑ Organic revenue decline of 12.3% as markets continued to be challenging

Income statement highlights

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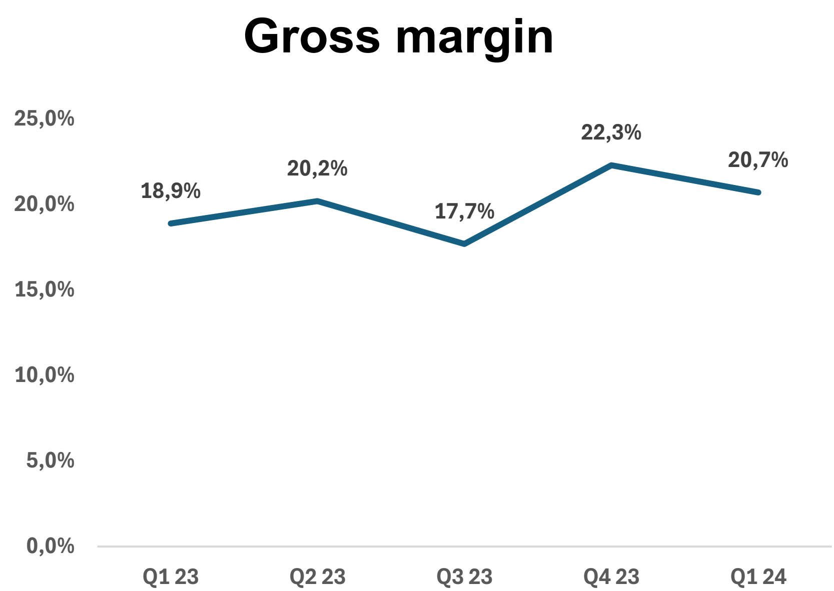

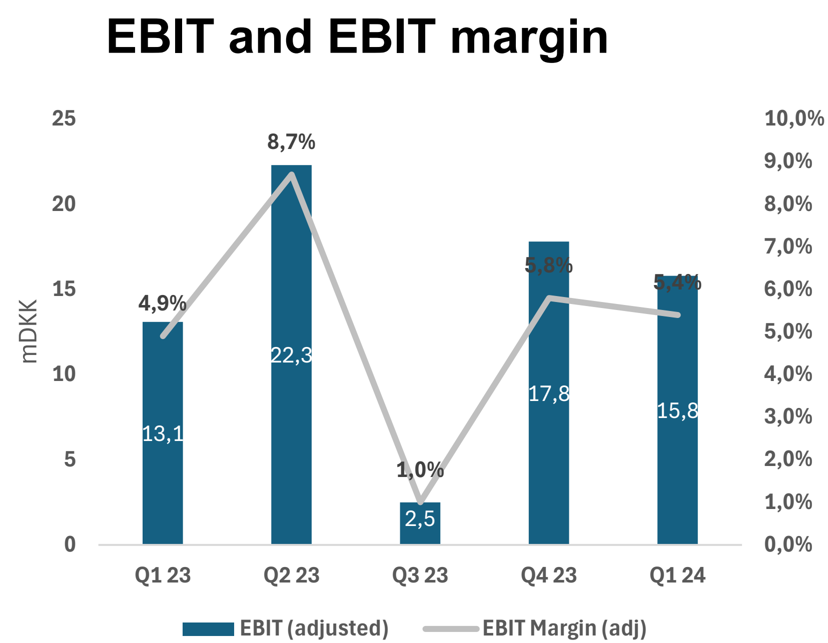

Q1 comments:

- ❑ Gross margin significantly improved: 20.7% up from 18.9% in Q1 LY
  - ❑ Sales mix as more profitable B2C sales took a bigger share of sales
  - ❑ Inclusion of AUBO which has a higher Gross Margin

- ❑ EBIT-margin lifted to 5.4% from 4.9% in Q1 LY reflecting higher Gross Margin and good cost control in spite falling sales, demonstrating the flexibility of the business model

Net working capital and NIBD

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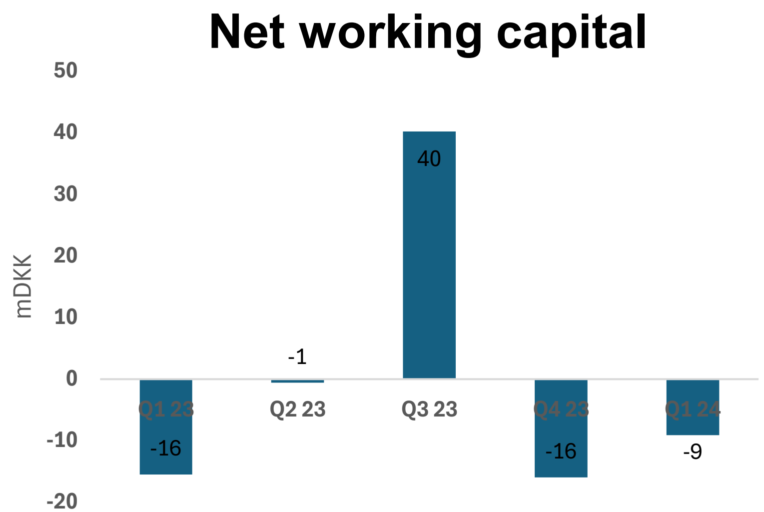

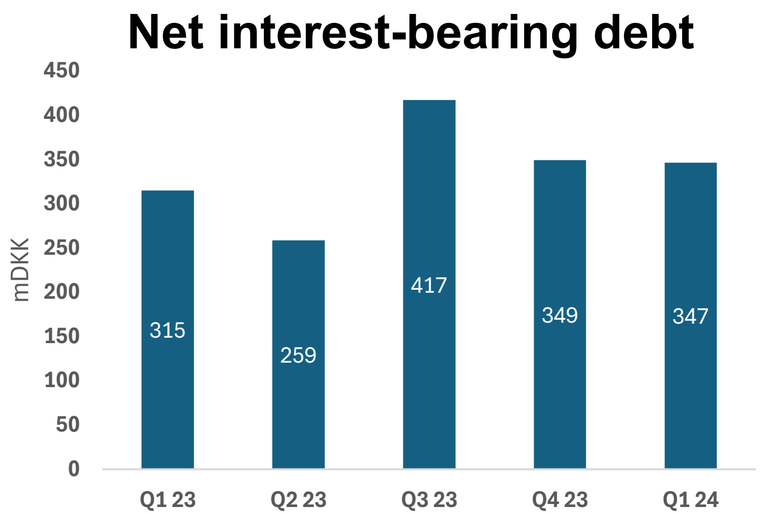

Q1 comments:

- NWC ratio -0.8% compared to -1.4% LY
  - AUBO business model includes higher NWC than rest of TCM
- Inventories reduced in the quarter showing continued focus on NWC
- NIBD reduced to DKK 347m with positive cashflow
- Leverage ratio of 3.73 (2.95 Q1 LY), well within covenants

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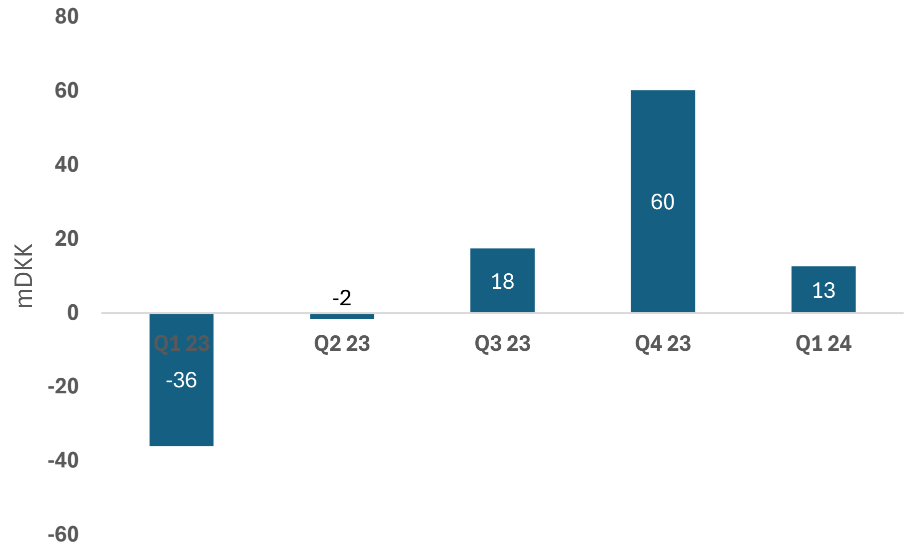
Free cash-flow



Q1 comments:

- ❑ Free cash flow was DKK 13m compared to DKK -36m in Q1 LY.
- ❑ Capex ratio was 1.0% of revenue on par with LY.
- ❑ Cash conversion of 69%.

Financial outlook 2024 reiterated

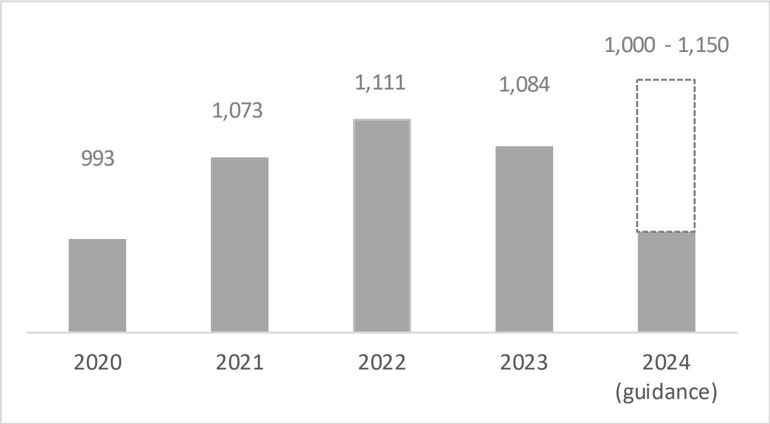
Financial outlook:

- ❑ Net revenue: DKK 1,000-1,150
- ❑ Adjusted EBIT: DKK 55-85m

(EBIT excluding non-recurring items)

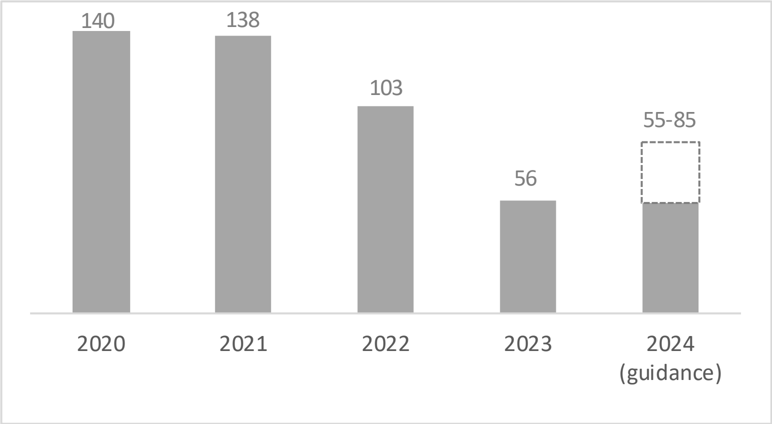
Revenue development

DKKm



Adjusted EBIT development

DKKm



Forward looking statements

This presentation contains statements relating to the future, including statements regarding TCM Group's future operating results, financial position, cash flows, business strategy and plans for the future. The statements are based on management's reasonable expectations and forecasts at the time of the disclosure of the report. Any such statements are subject to risks and uncertainties, and a number of different factors, many of which are beyond TCM Group's control, could mean that actual performance and actual results will differ significantly from the expectations expressed in this interim report. Without being exhaustive, such factors include general economic and commercial factors, including market and competitive matters, supplier issues and financial issues.

Q&A

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