TCM Group A/S
Interim Report April - June 2024

August 21, 2024

Business update Q2 2024

TCM Group

- Organic revenue grew by 5% supported by strong growth in B2C sales.
- Revenue in Q2 of DKK 332 million vs. DKK 256 million last year, +30%.
- Total order-intake in Denmark up 9% compared to LY Q2.
- Gross margin improvement on LY Q2, up from 20.2% to 21.5%.
- Two AUBO store openings in Denmark in Q2.

The B2C market is in good shape while the B2B market is challenged

- The strong order intake for B2C in Q1 continued in Q2 with order intake up more than 20% y-o-y.
- B2C revenue up 25% y-o-y in Q2.
- B2C orders generally have a higher average sales prices and thus more profitable than B2B orders (on average).
- B2B sales under pressure primarily due to the weak project market.
- Project sales are expected to continue to decline in the 2nd half of 2024,
- It should be noted that when the project market start to recover, we will be well into 2025 before kitchen deliveries starts to ramp up.

Q2: Organic sales growth and improved earnings

Revenue
332 mDKK
(256 mDKK)

30%
revenue increase
y-o-y

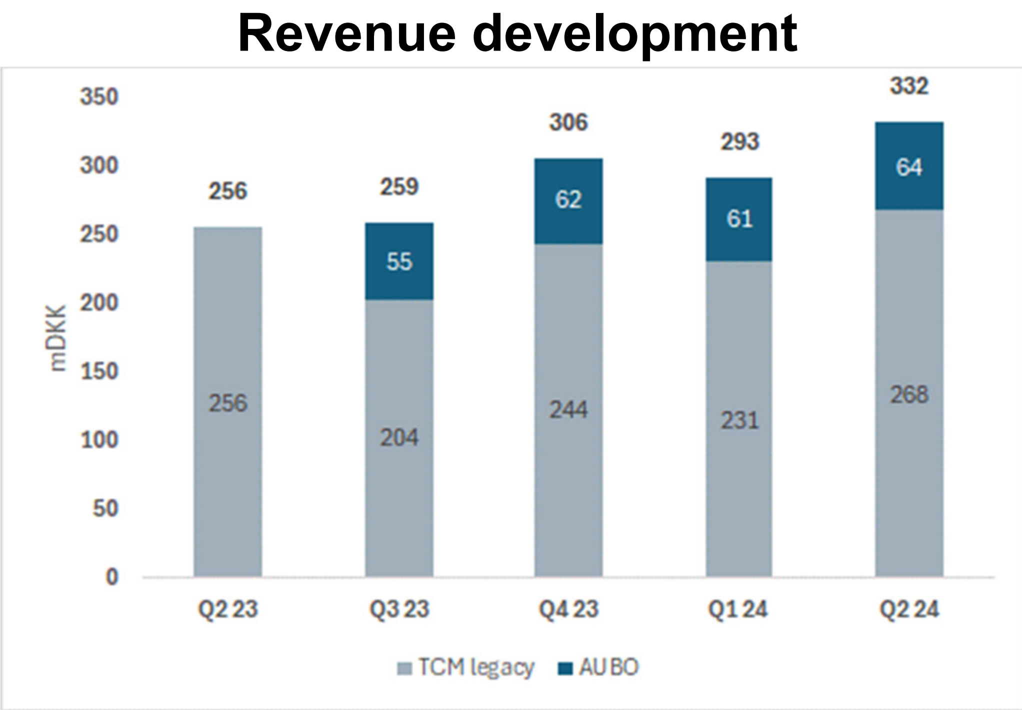
Adjusted EBIT
28 mDKK
(22 mDKK)

Adjusted
EBIT margin
8.4%
(8.7%)

NWC ratio
-1.3%
(-0.1%)

Cash conversion
94.8%
(48.8%)

Q2: Revenue development



Q2 comments:

- Reported revenue growth of 30.0% due to AUBO inclusion and organic growth.
- Organic revenue increase of 5.1% despite a decline in B2B-sales.
- Reported revenue in Denmark increased by 14.7%.
- Organic growth in Denmark of 5.6%.
- Revenue in Norway increased by 213% due to the inclusion of AUBO.
- Organic growth in Norway of 0.9%.

Income statement highlights

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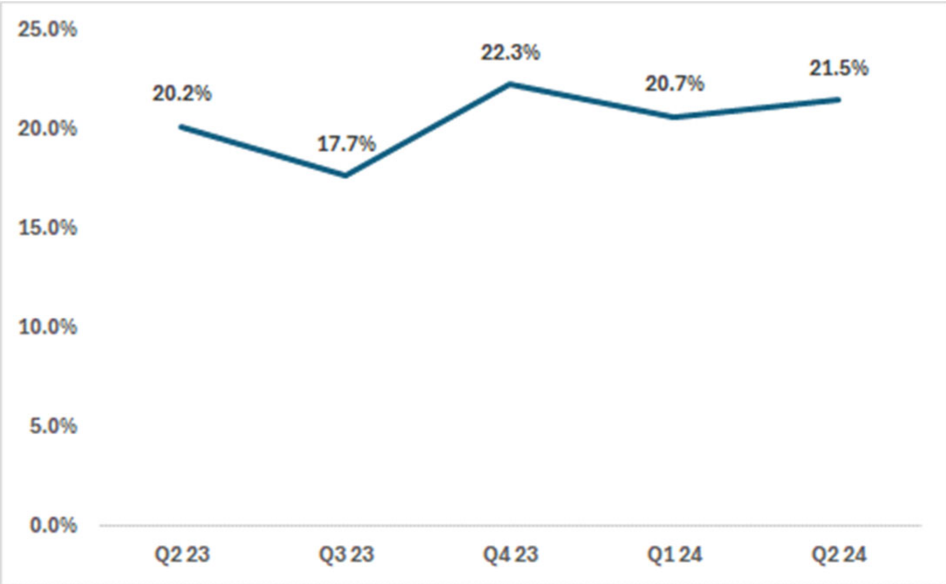
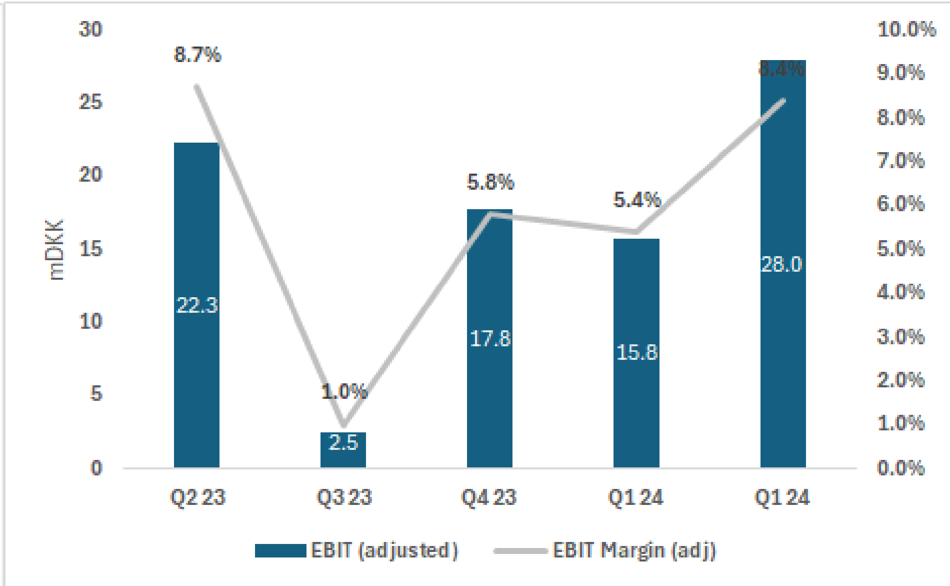
Gross margin



EBIT and EBIT margin



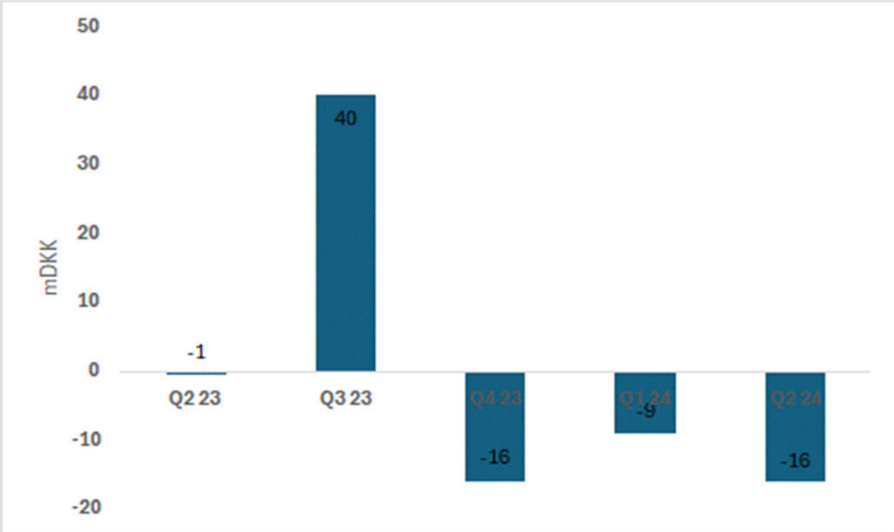
Q2 comments:

- ❑ Gross margin significantly improved: 21.5% up from 20.2% in Q2 LY
    - ❑ Sales mix as more profitable B2C sales took a bigger share of sales
    - ❑ Inclusion of AUBO which operates with a higher Gross Margin

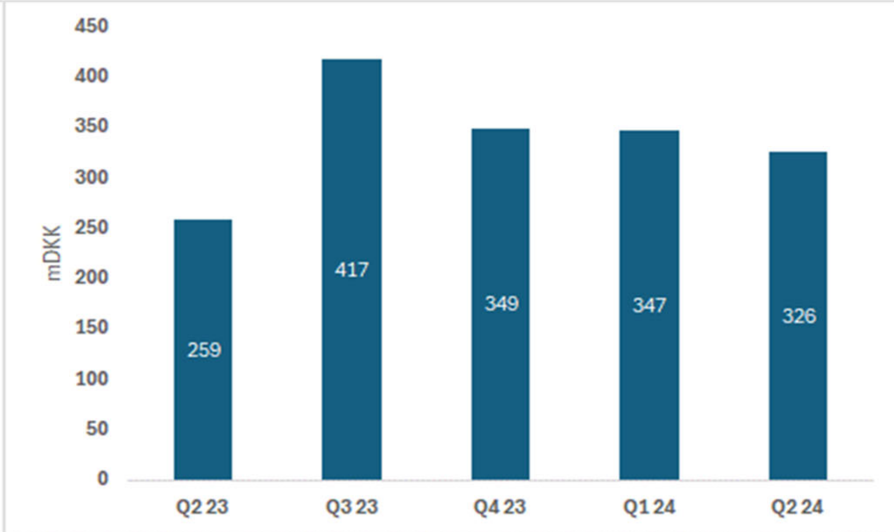
- ❑ Reported EBIT-margin decreased to 8.4% from 8.7% in Q2 LY
- ❑ Adjusted for amortization on intangible AUBO assets, underlying EBIT was 8.9% in Q2.

Net working capital and NIBD

Net working capital



Net interest-bearing debt

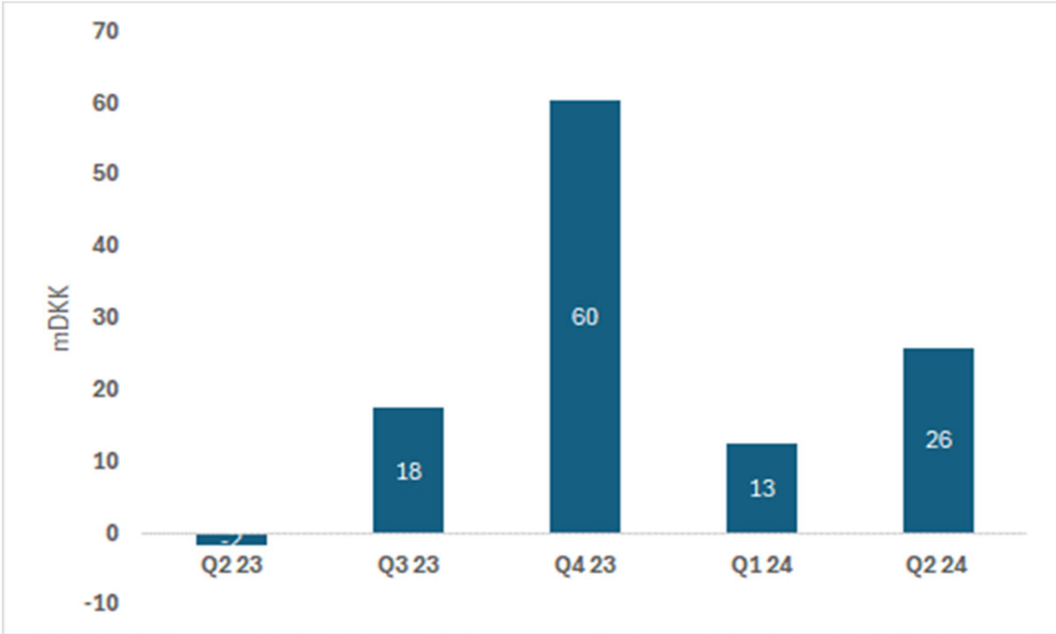


Q2 comments:

- NWC ratio -1.3% compared to -0.1% LY
- Inventories on par with last quarter in spite of higher activity level.
- Inventories as percentage of sales reduced from 31% to 26%.
- NIBD reduced to DKK 326m through positive free cashflow
- Leverage ratio of 3.20 (2.80 Q2 LY), well within covenants

Cash flow

Free cash-flow



Q2 comments:

- ❑ Free cash flow was DKK 26m compared to DKK -2m in Q2 LY.
- ❑ Capex ratio was 1.3% of revenue compared to 2.3% in Q2 LY.
- ❑ Cash conversion of 95%, supported by the positive development in NWC in recent quarters.

Financial outlook 2024

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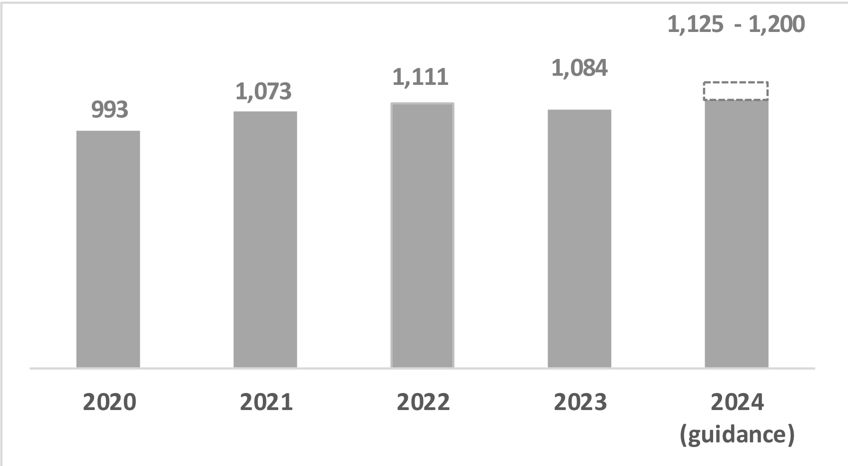
Financial outlook:

- Net revenue: DKK 1,125-1,200 million (previously DKK 1,000-1,150 million)
- Adjusted EBIT: DKK 70-90 million (previously DKK 55-80 million)
- Adjusted EBIT includes an expected positive effect from adjustment of contingent payment obligations related to the AUBO acquisition in the range of DKK 3-5 million.

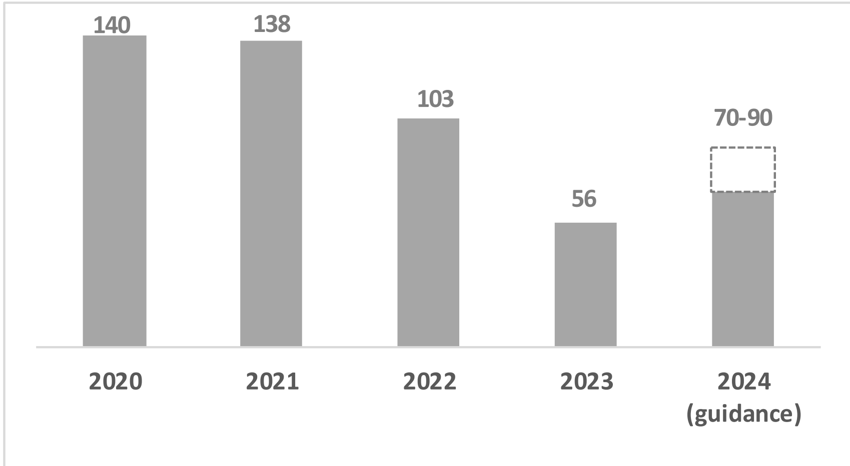
Revenue development

DKKm



Adjusted EBIT development

DKKm



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Q&A