

OFFUTURE FINANCIAL REPORT 2011 - 2014

Presented by OnPast



OFFUTURE
THE FUTURE OF OFFICE SUPPLIES

Key Insights

Profit and Revenue **rising strongly** year by year

Customer base **growing slower** than the financial metrics

“How do we turn **strong financial growth** into **broader customer growth?**”



Content

- Performance overview
- Product Performance
- Customer insights
- Geographical Analysis

“How do we turn **strong financial growth** into **broader customer growth?**”

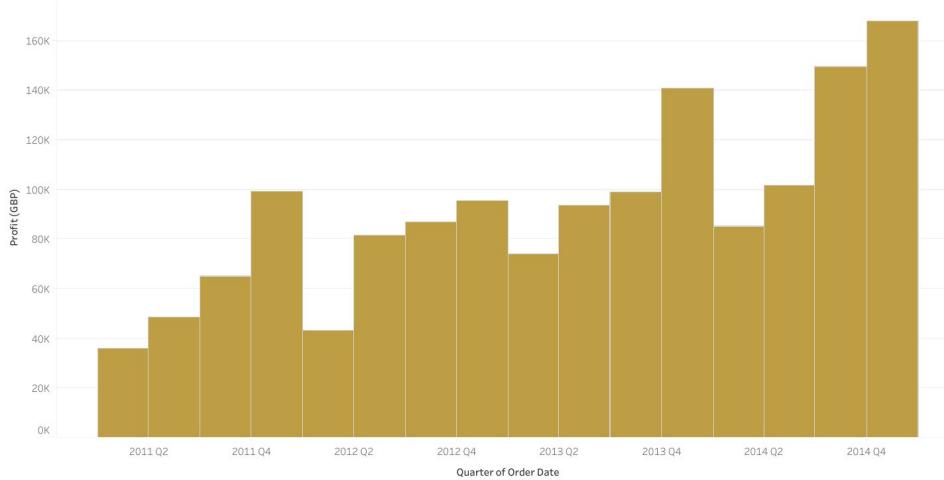


Performance Overview



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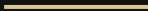
Profits per Quarter (2011-2014)



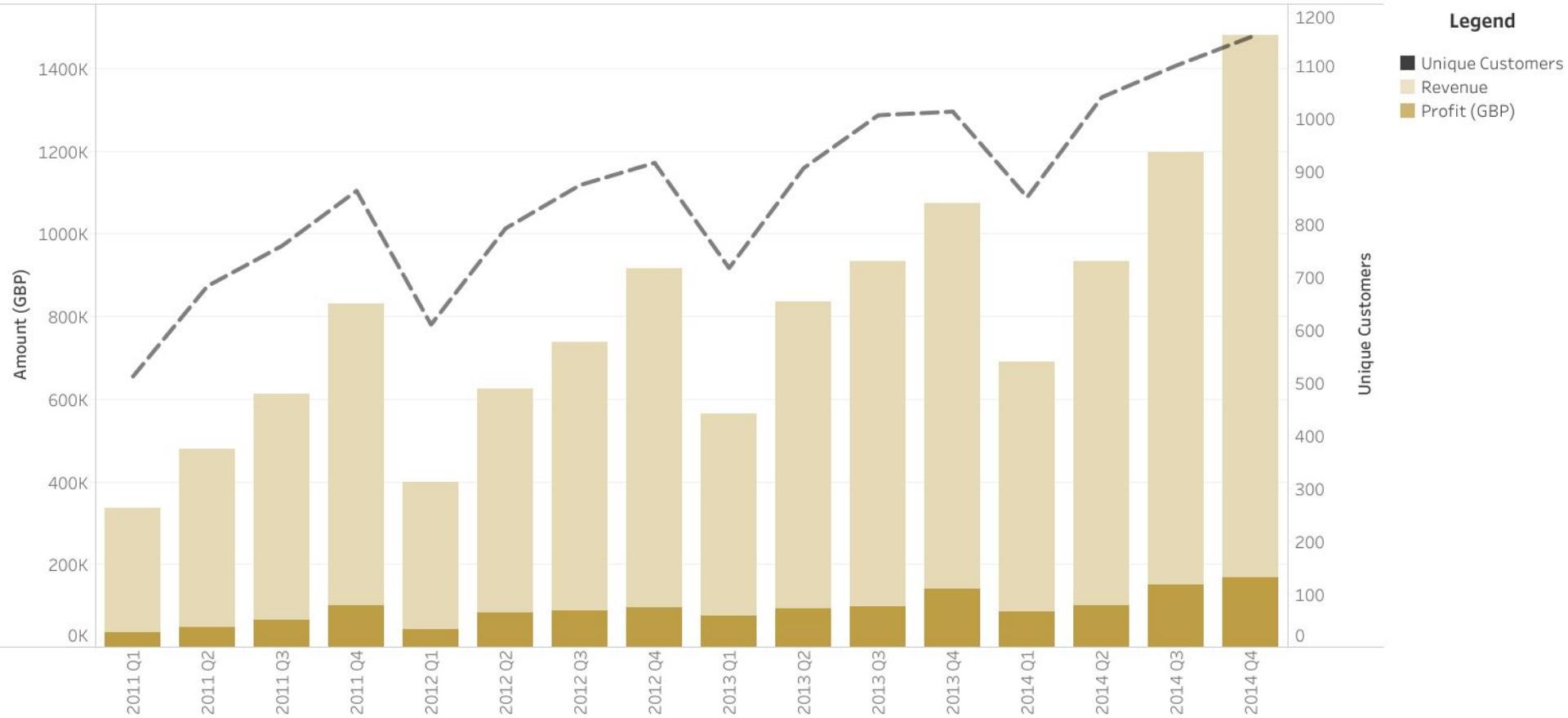
Profits increased by 366%
between 2011 Q1 - 2014 Q4

Saw-tooth pattern driven by
higher sales in winter
months

Current trends indicate a
total profit in 2015 of ~£580K



Profit, Revenue and Unique Customer Growth (2011-2014)



Product Performance



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2011	Consumer	Corporate	Home Office
<i>Furniture</i>	5.2	8.6	10.2
<i>Office Supplies</i>	11.4	15.9	11.0
<i>Technology</i>	13.2	12.8	13.8

2012	Consumer	Corporate	Home Office
<i>Furniture</i>	6.9	7.4	5.3
<i>Office Supplies</i>	12.3	13.2	15.0
<i>Technology</i>	14.1	14.2	15.0

2013	Consumer	Corporate	Home Office
<i>Furniture</i>	7.8	8.0	5.6
<i>Office Supplies</i>	14.6	14.4	15.8
<i>Technology</i>	13.8	13.4	13.4

2014	Consumer	Corporate	Home Office
<i>Furniture</i>	8.0	3.7	6.5
<i>Office Supplies</i>	13.0	15.1	13.7
<i>Technology</i>	14.9	13.2	15.6

Table 3a: Profit margin (%) by customer sector (columns) by product category (rows)

Percentage Profit Margins

Profit margins fairly stable year by year

(most $\Delta < 2\%$, max $\Delta \approx 5\%$)

Average profit margins by customer sector:

Consumer: 11.3%, Corporate: 11.7%, Home Office: 11.7%

**Profitability varies by product category,
not by customer sector**



Percentage Profit Margins

Average fairly consistent year by year

Furniture decreases year by year & is consistently weaker than other categories

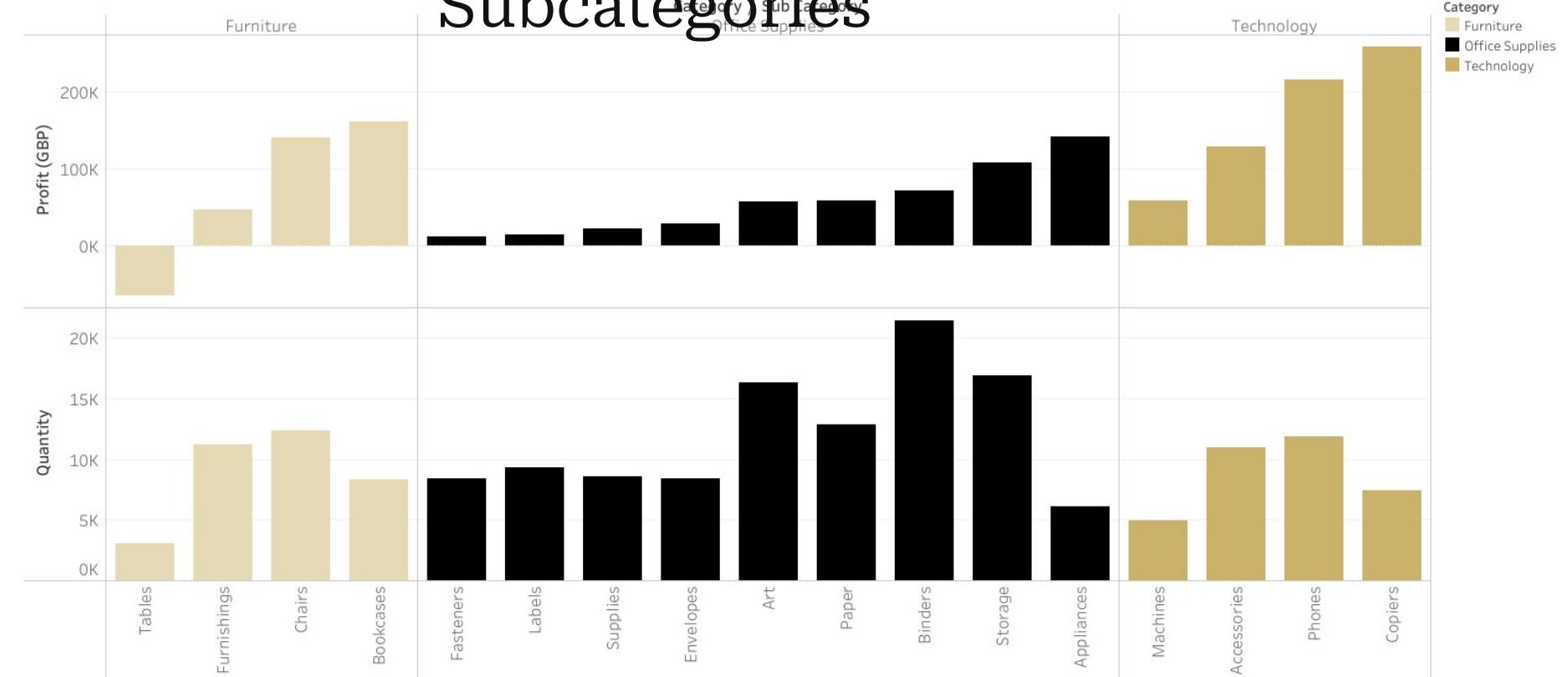
Furniture drags overall profit margins down

Year	Furniture	Office Supplies	Technology	Average
2011	7.1	12.7	13.2	11.0
2012	6.8	13.0	14.3	11.3
2013	7.5	14.8	13.6	12.0
2014	6.5	13.8	14.5	11.6
Average	6.9	13.8	14.1	

Table 2: Profit margin (%) by product category, year by year



Profit, Quantity across Subcategories



Best-Selling Products



Product Category	Product Name	2011		2012		2013		2014		Grand Total	
		Profit (£)	Revenue (£)	Profit (£)	Revenue (£)						
Copiers	Canon imageCLASS 2200 ..					9,520	25,900	15,680	35,700	25,200	61,600
	Canon Wireless Fax, Laser	195	756	826	3,480	2,729	8,202	4,388	9,840	8,138	22,278
	Hewlett Wireless Fax, Hi..	1,044	2,270	1,635	3,406	2,373	5,749	3,626	12,386	8,678	23,811
	Total	1,240	3,026	2,461	6,885	14,622	39,851	23,694	57,926	42,016	107,688
Tables	Barricks Training Table, ..			2,256	7,051	-205	897	-292	753	1,759	8,701
	Chromcraft Computer Ta..	2,402	4,902	-12	654			619	2,028	3,009	7,583
	Hon Training Table, Adju..	559	1,942			214	670	1,138	3,114	1,912	5,727
	Total	2,961	6,844	2,244	7,704	9	1,567	1,466	5,895	6,680	22,011

Table 4a: Best performing products



Worst-Selling Products



Product Category	Product Name	2011		2012		2013		2014		Grand Total	
		Profit (£)	Revenue (£)	Profit (£)	Revenue (£)						
Copiers	Canon Copy Machine, Dig..	-520	2,996	71	2,160	-196	5,217	-216	1,810	-862	12,184
	Canon Fax Machine, Color	52	4,294	-2	1,064	-513	1,689	-1,167	3,068	-1,630	10,115
	Sharp Fax Machine, Digit..	-26	2,752	0	1,181	-1,489	5,466	59	4,547	-1,456	13,947
	Total	-493	10,043	68	4,405	-2,198	12,373	-1,324	9,426	-3,947	36,246
Tables	Bevis Computer Table, F..	-301	3,318	-564	786	-603	3,662	-2,042	3,412	-3,510	11,178
	Bevis Conference Table, ..	-893	4,129	-1,955	11,064	-630	5,344	-899	3,895	-4,377	24,432
	Lesro Round Table, Adjus..	-23	201	-650	2,847	-1,703	1,499	-1,174	3,860	-3,550	8,407
	Total	-1,217	7,648	-3,169	14,698	-2,936	10,504	-4,115	11,167	-11,437	44,016

Table 4b: Worst performing products



Customer Insights



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Compound Annual Growth Rates (CAGR)

Year	Revenue CAGR %	Profit CAGR %	Customer CAGR %
2012	18.5	23.5	4.9
2013	22.8	27.9	5.5
2014	23.9	26.5	4.9

CAGR is the average yearly growth rate that would get you from the starting point to the end point, as if growth had been steady the whole way.

Strong annual revenue ($\approx 24\%$) and profit ($\approx 27\%$) growth

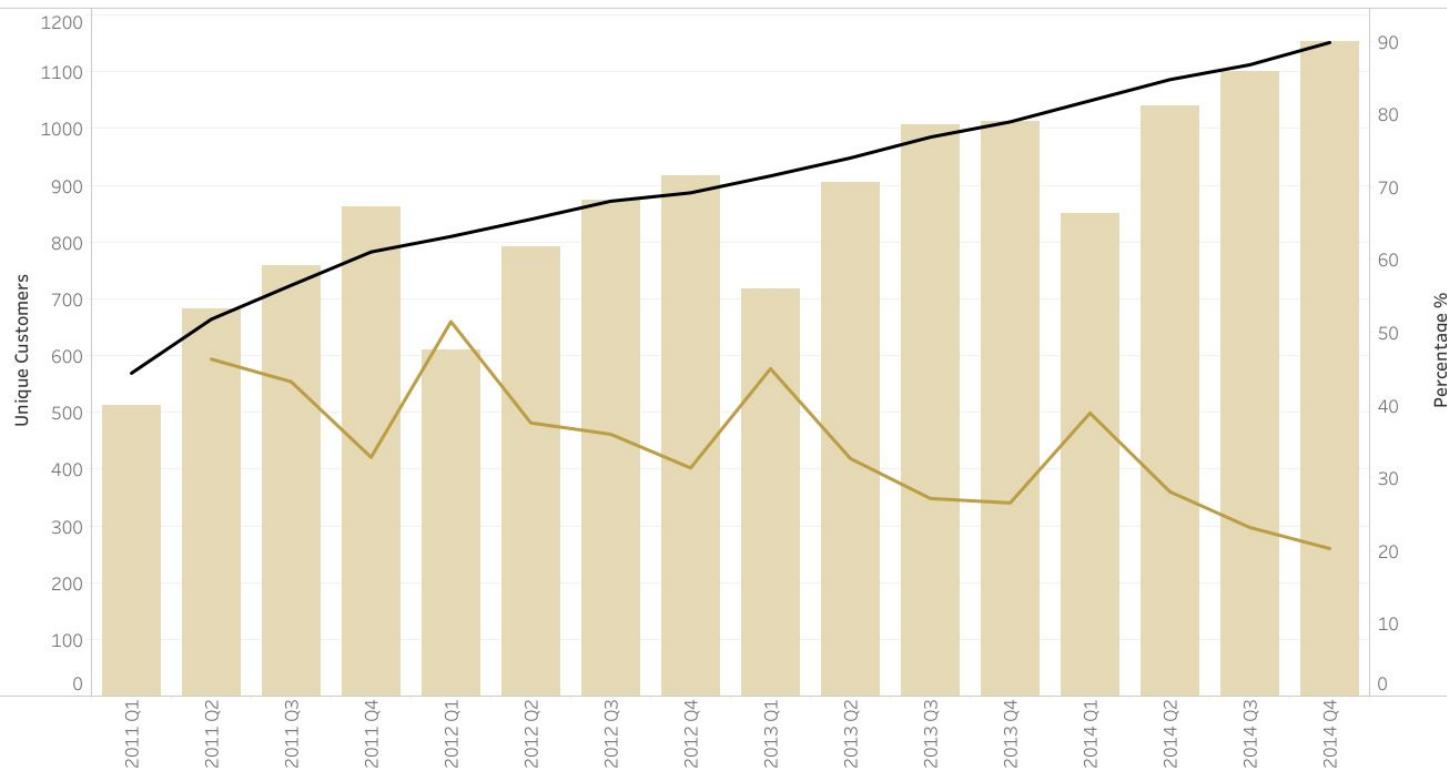
Slower annual customer base ($\approx 5\%$) expansion

Product price not changing year by year

Thus existing customers spending more each year



Unique Customers and Churn Rate



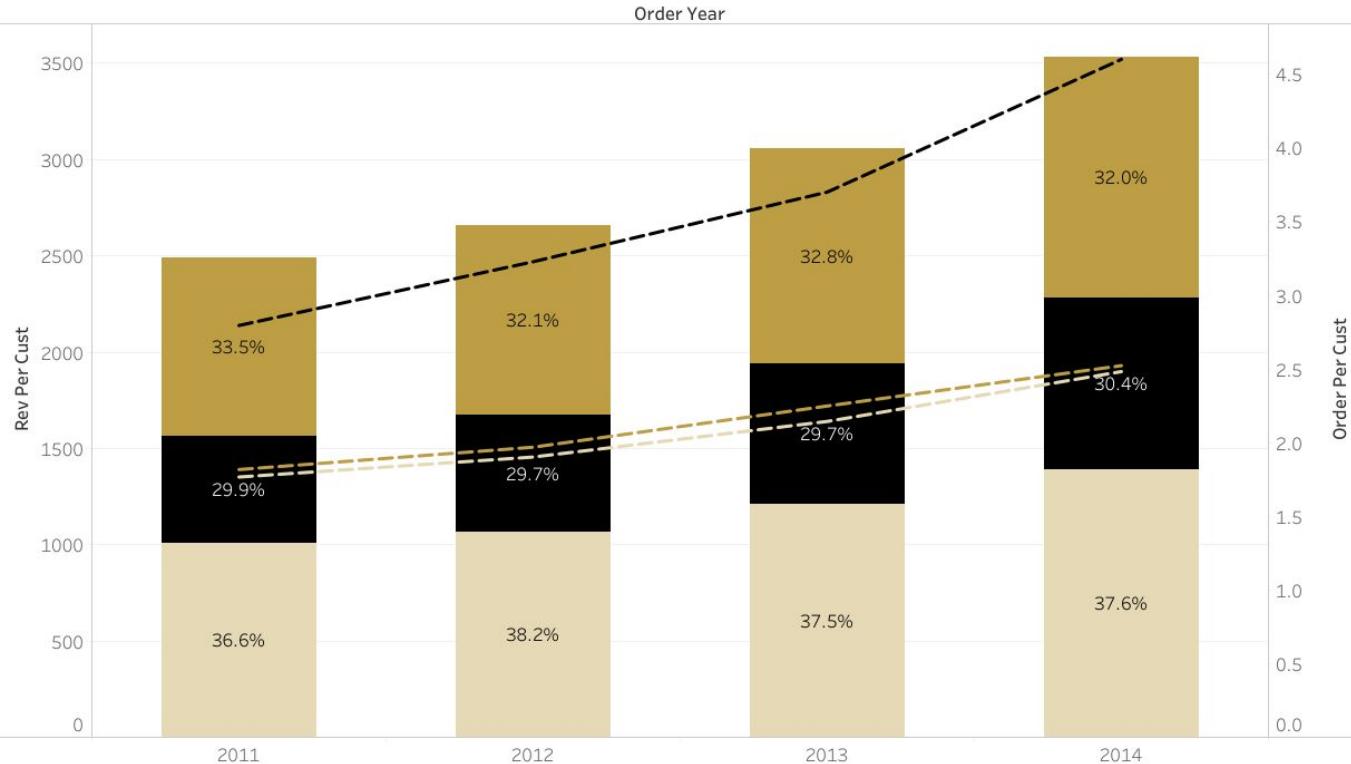
Measure Names
■ Churn
■ Customer
■ Customer Rolling Average

Unique
customers
increasing

Decreasing
churn rate, i.e.
higher
customer
retention rate



Revenue and Orders per Customer



Revenue per customer
is increasing

Average number of
orders per customer is
increasing

Category proportions
do not change

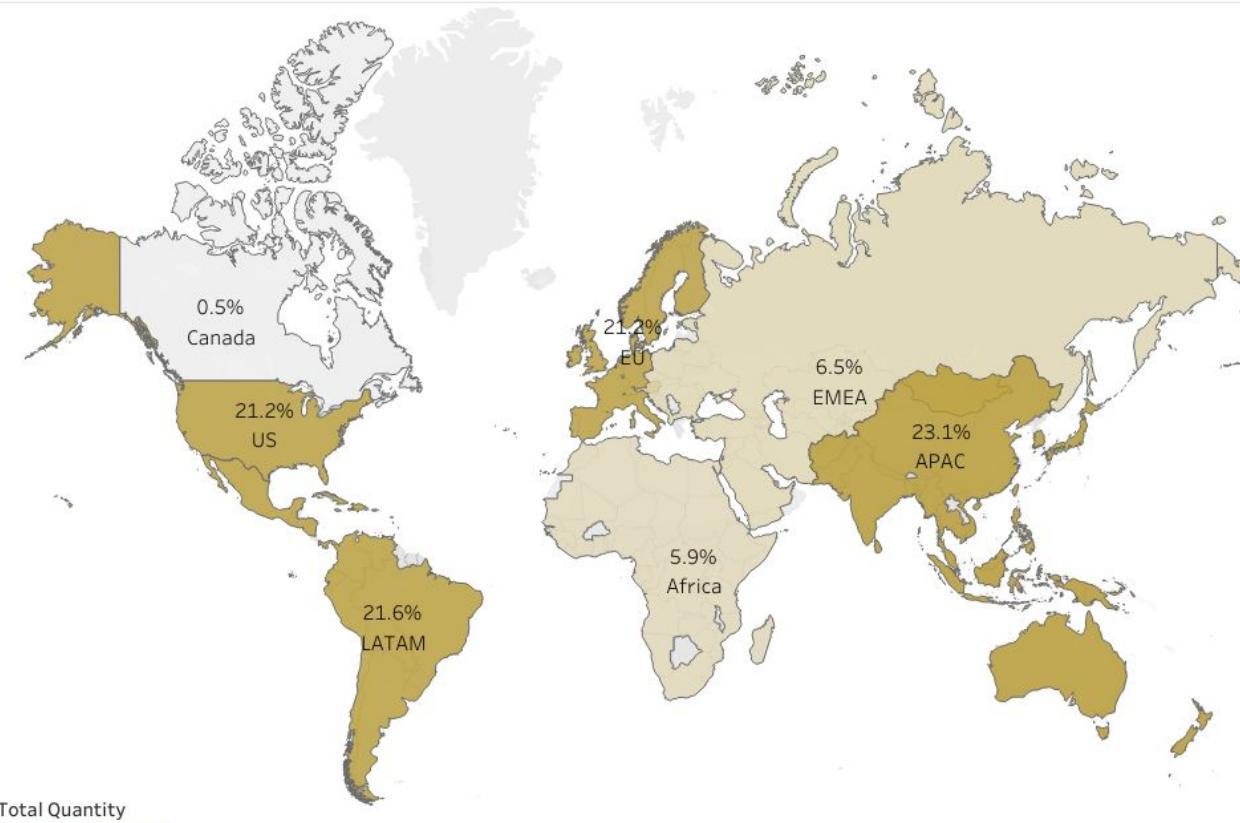


Geographical Analysis



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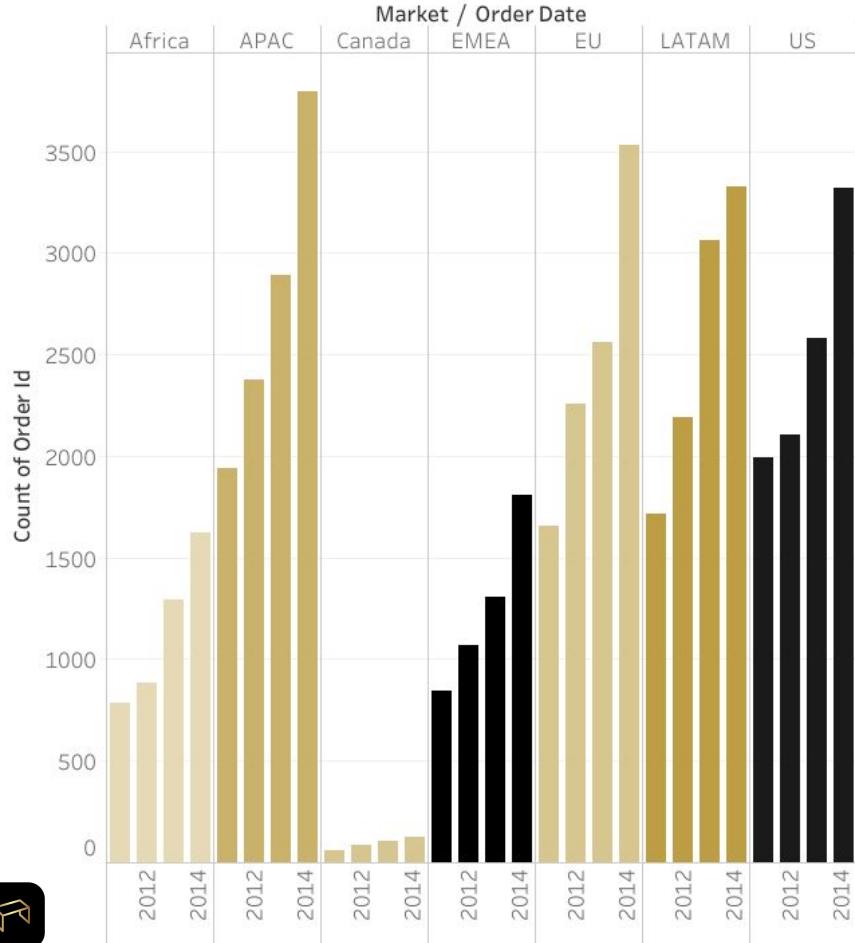
Percentage Share of Total Sales by Market



% of Total Quantity



Market Growth



APAC growing rapidly and
largest quantity

EU, LATAM, and US share
similar growth over the years



Strengths:

- Profits and revenue growing fast year on year
- Customers becoming more valuable:
 - Each spending more
 - Increasing retention rate

Weaknesses:

- Slow customer acquisition
- Poor furniture profit margins due to table losses

Golden Opportunity:

Further expansion into the fast growing APAC region to broaden customer base

