



Market Update

Moonpig Group plc

June 2022



uncommon sense

Agenda

UK Card Market & Moonpig Competitive Position

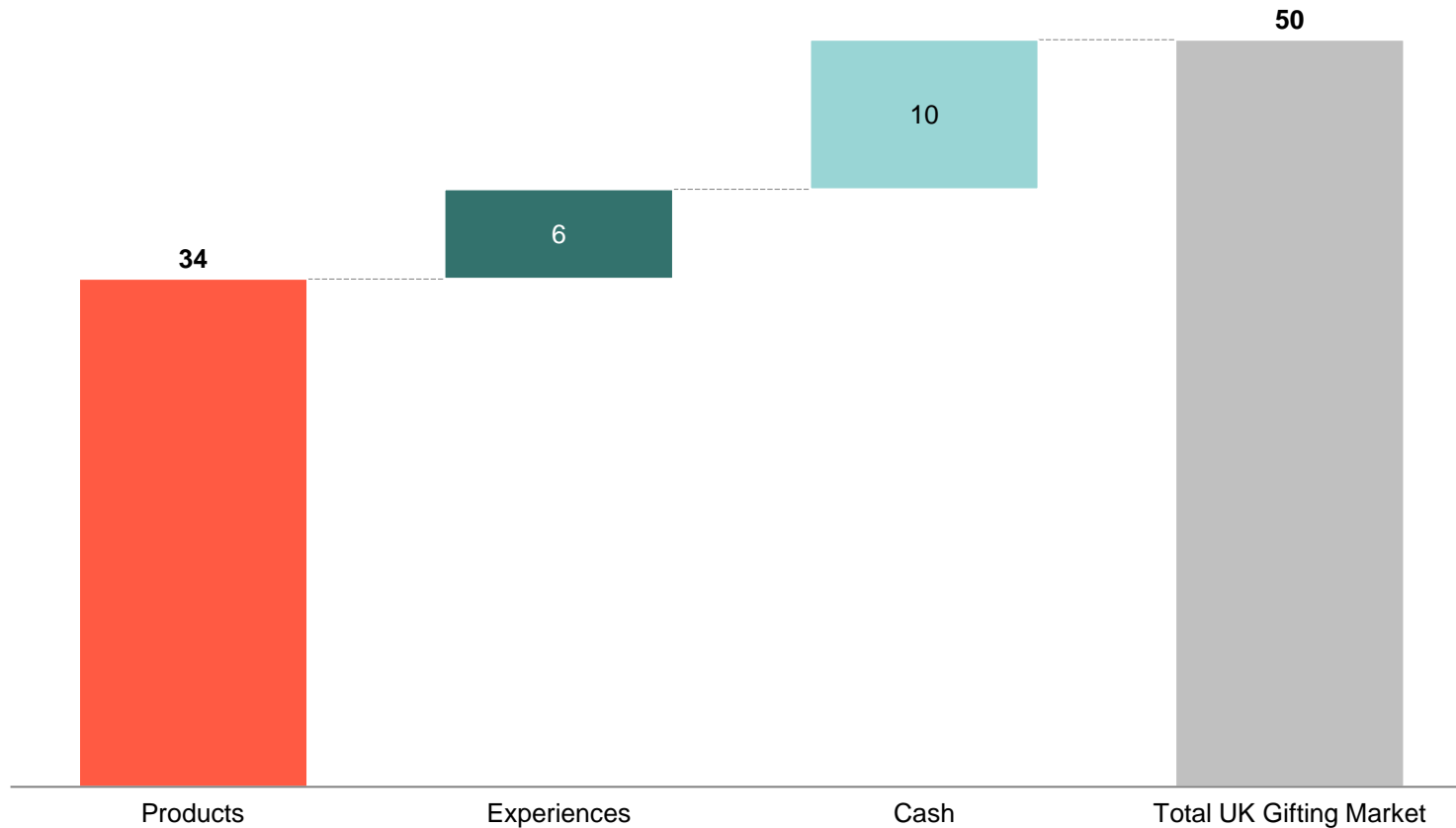
NL Card Market & Greetz Competitive Position





The total UK gifting market is worth c£50bn of which £34bn are physical product purchases, c£6bn experiences and c£10bn cash gifts

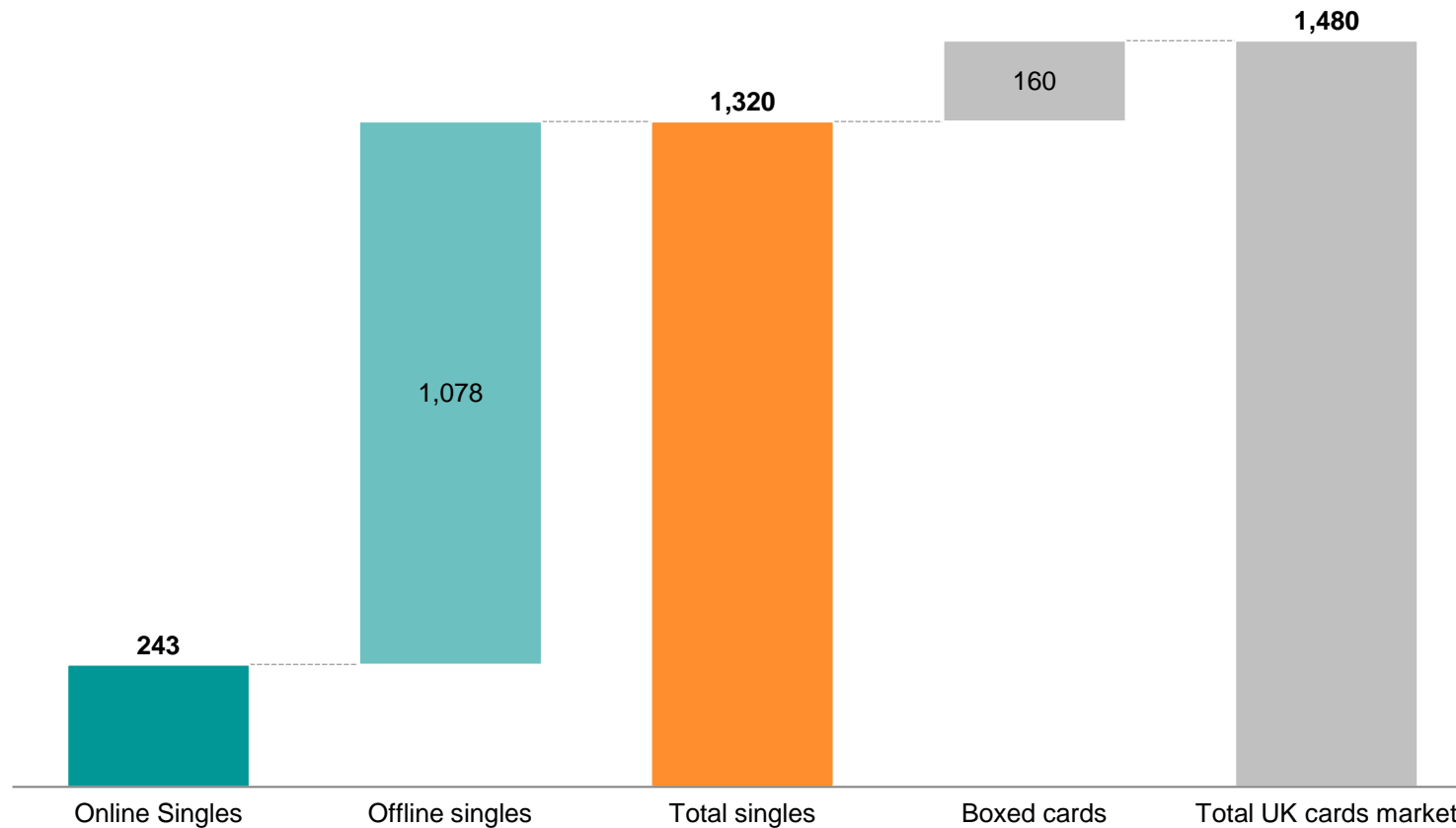
UK Total Gifting Market 2021E





In the UK, singles (where Moonpig focuses) account for just above £1.3bn out of the £1.5bn UK greeting card market

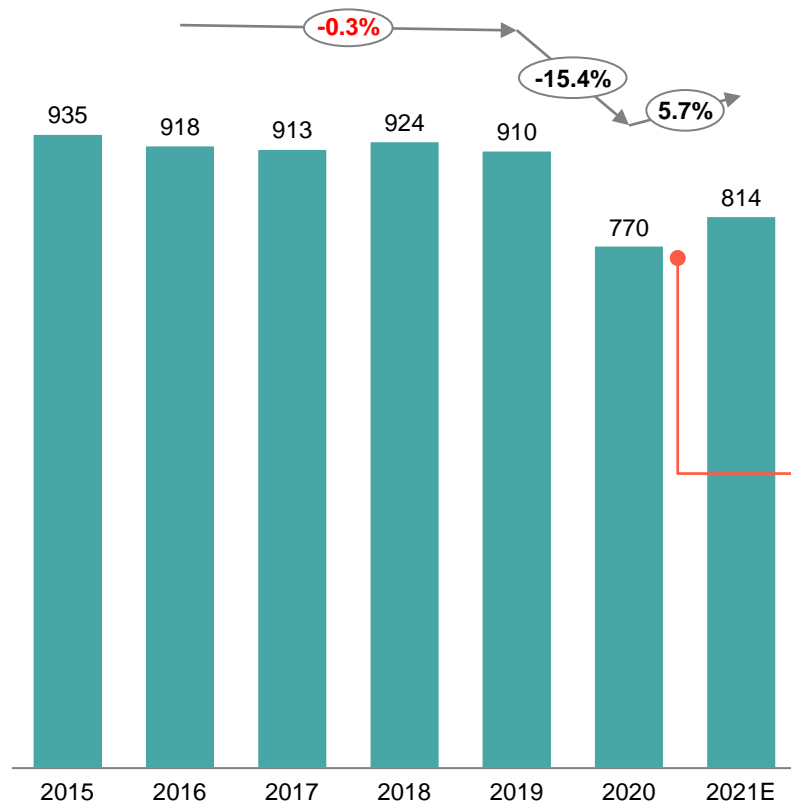
UK Greetings Card (Single + Boxed) Market Value (£m) 2021E



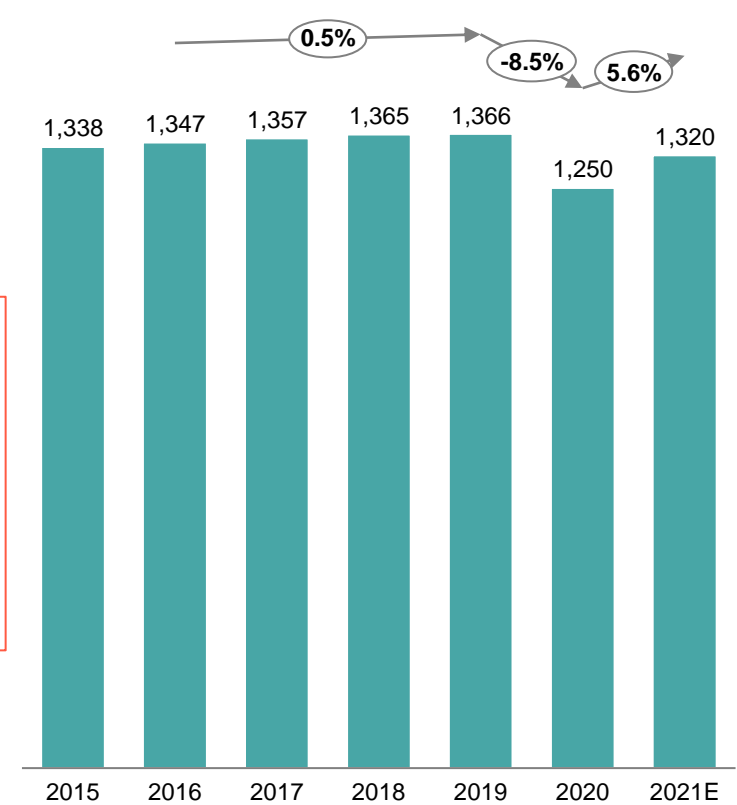
Pre-COVID singles market been stable experiencing slight (0-1%) volume decline and modest (0-1%) value growth – overall market volumes impacted in COVID from closure of non-essential stores

UK Singles Greetings Card Market Evolution, 2016-21

UK Singles Greetings Card Market Volume (Millions Cards)



UK Singles Greetings Card Market Value (£m)



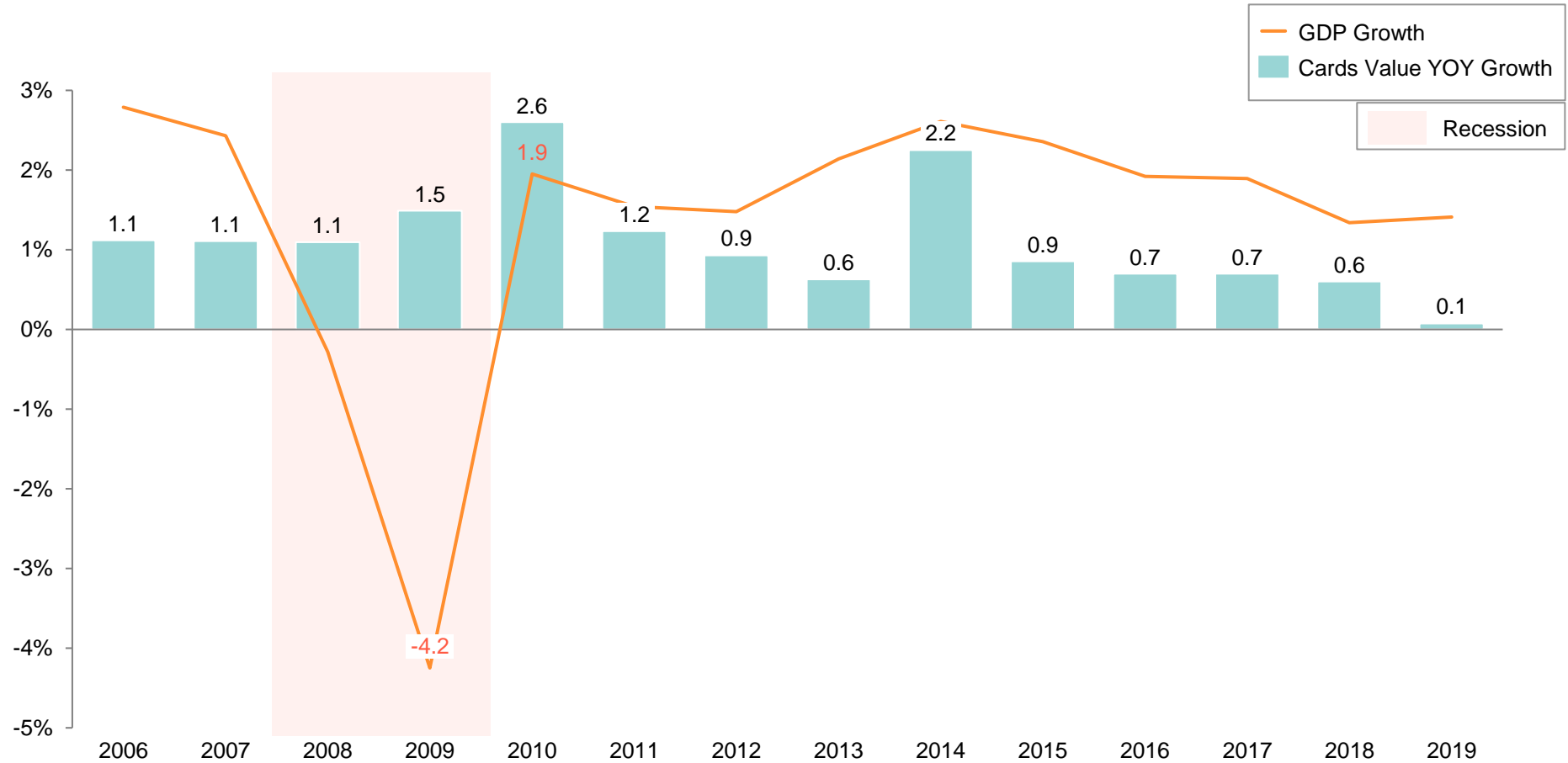
Closure of non-essential stores – reduction in social occasions drive drop in card market volumes and value in 2020. 2021 also impacted, particularly in Q1 from COVID lockdown





The overall UK greeting card market has historically proven recession resilient – demonstrating consistent growth through the 08-09 downturn

UK Singles Greetings Card Market Value, Year on Year Growth¹, 2006-19

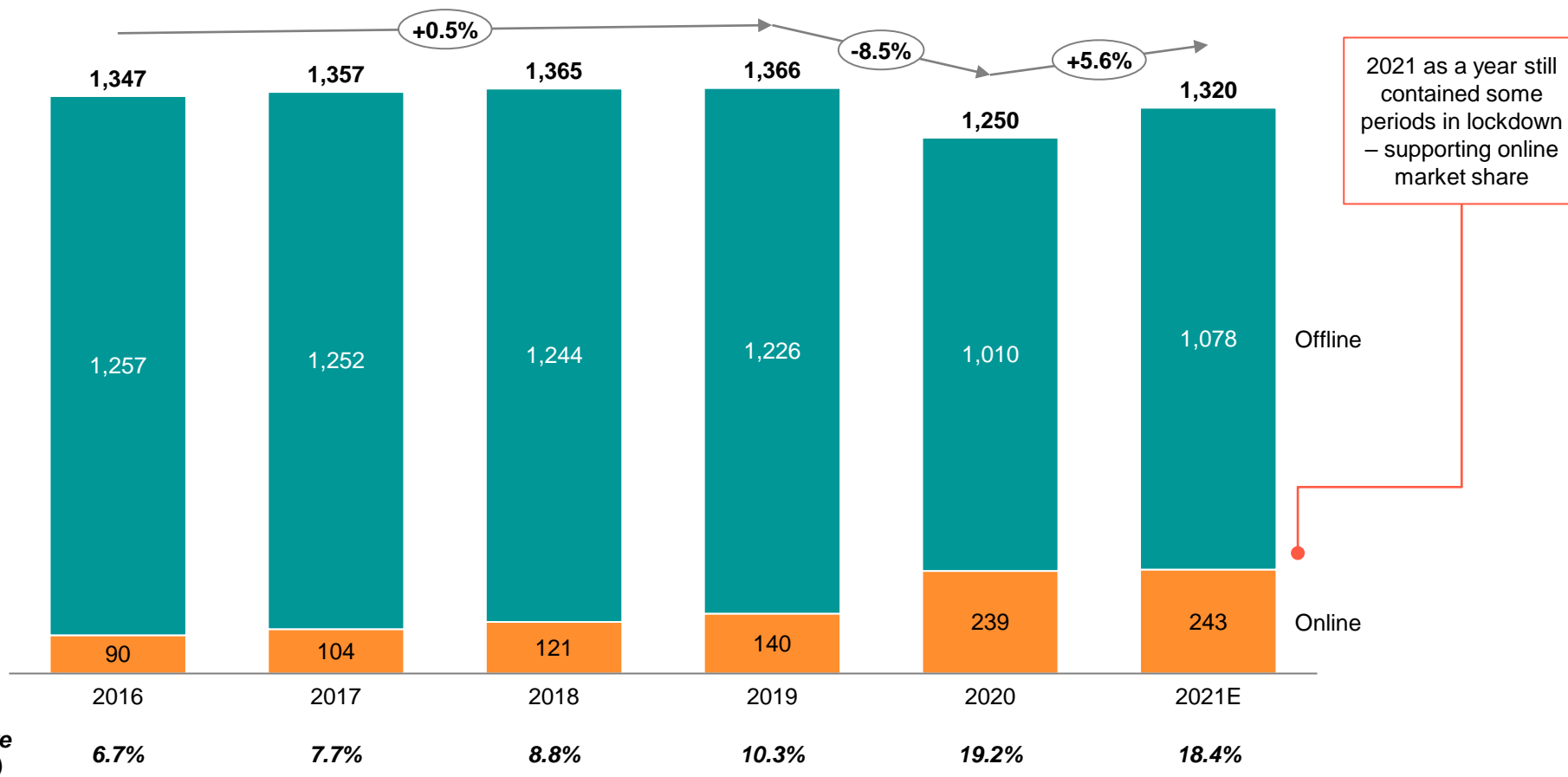


1. 2012 cards value YOY growth is estimation based on 2011 and 2013 data given limited available data
Source: OC&C market model, World Bank, OC&C analysis



Online card sales were worth c£240m in both 2020 and 2021 – accounting for 18-19% of card sales by value

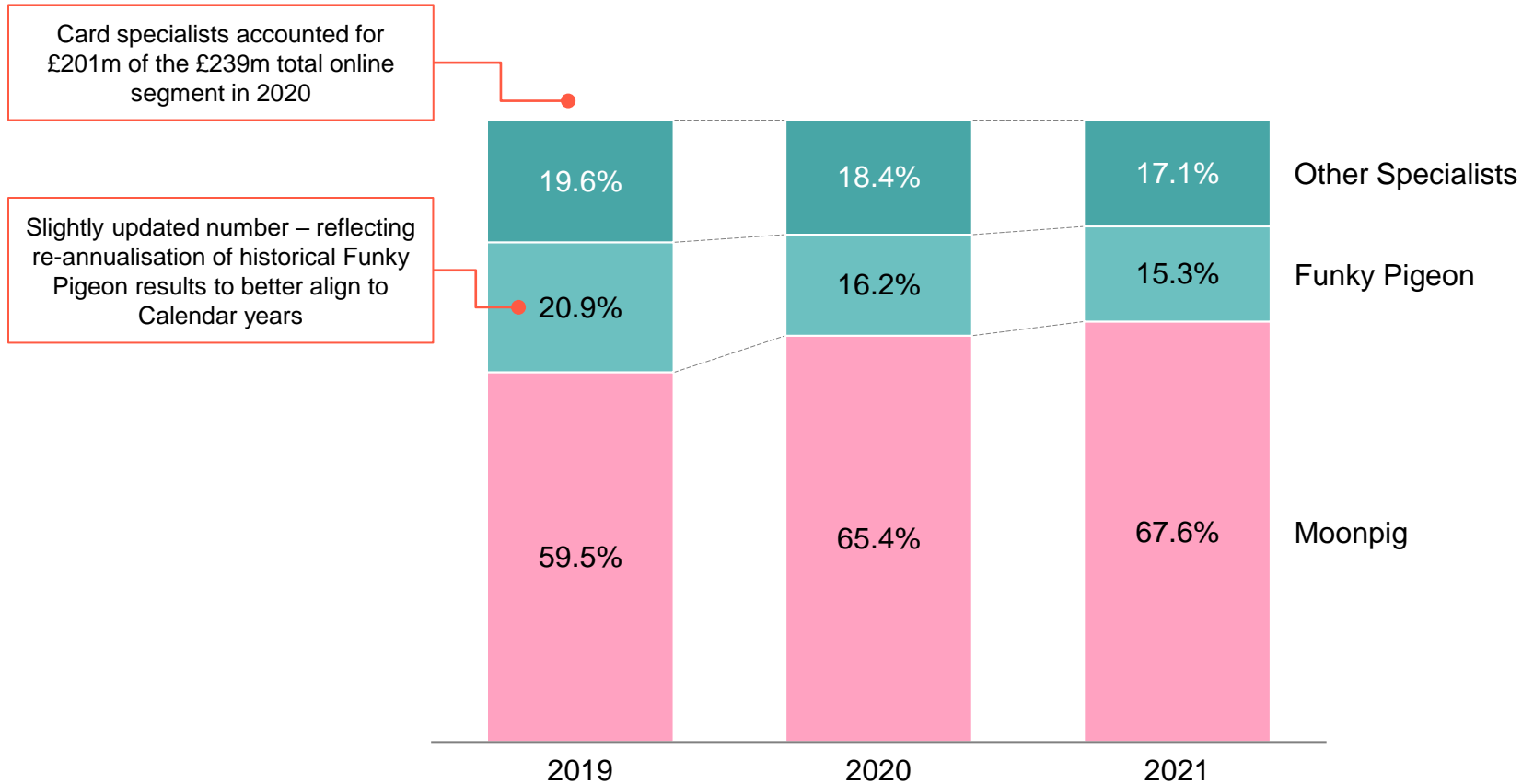
UK Singles Greeting Cards Market by Channel, 2016-21E (£m)





Against online card specialists Moonpig has gained share through both 2020 and 2021

Share of Online Sales of Major Specialist Greetings Card Players¹, 2019-21
(% of total online card specialist sales; excludes online sales of non-specialists)



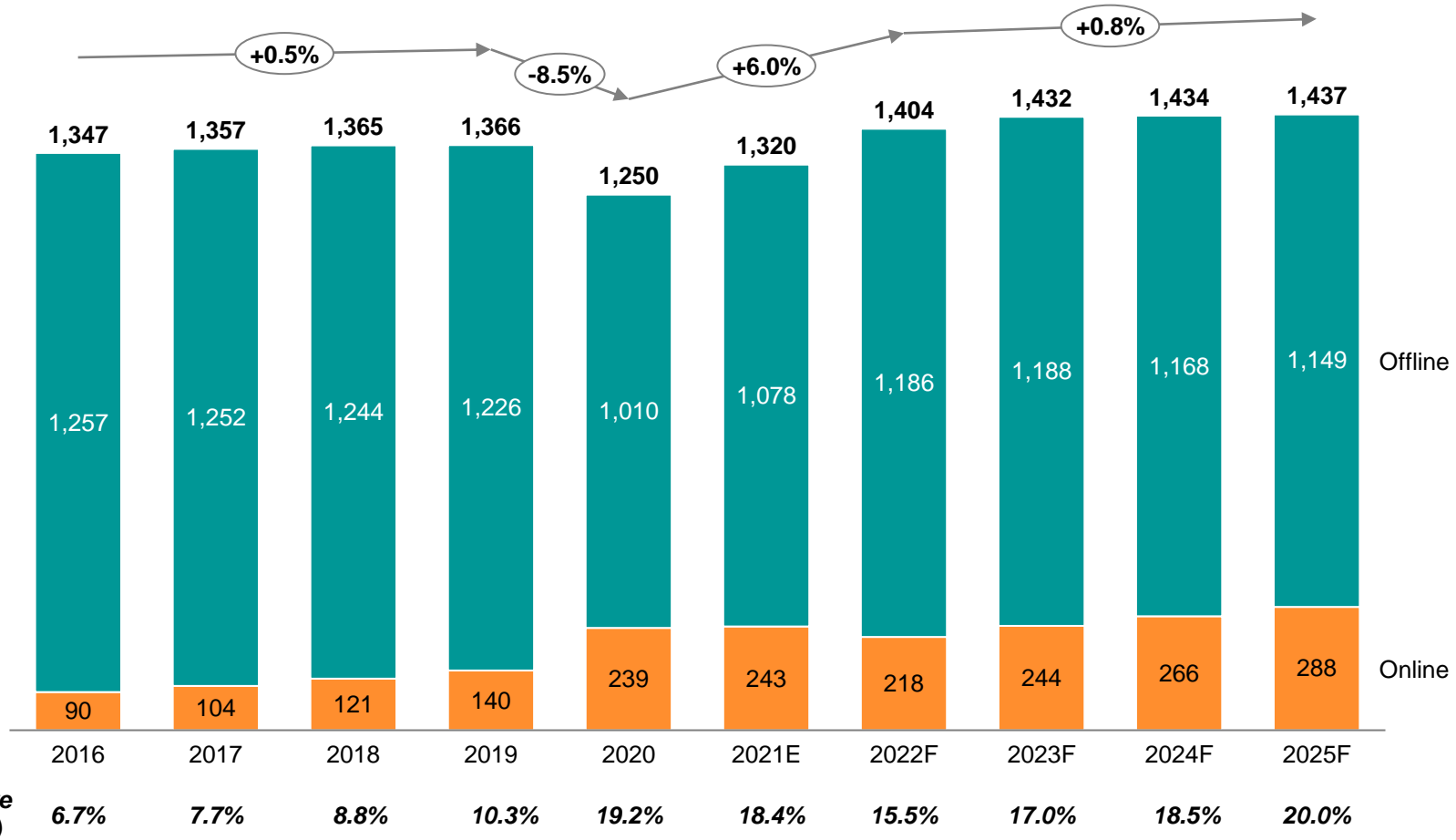
1. Other specialists include Card Factory, Thortful, TouchNote, Clintons, Paperchase, Hallmark, Boomf, Papier
Source: Management Data, Company Accounts, OC&C analysis and market model





Looking forwards, central case projects c1% value growth in singles cards market – with online channel slipping back slightly in 2022 and growing to c£290m in 2025

UK Singles Greeting Cards Market by Channel, 2016-25E (£m)



Online share of value (%)

Source: OC&C market model

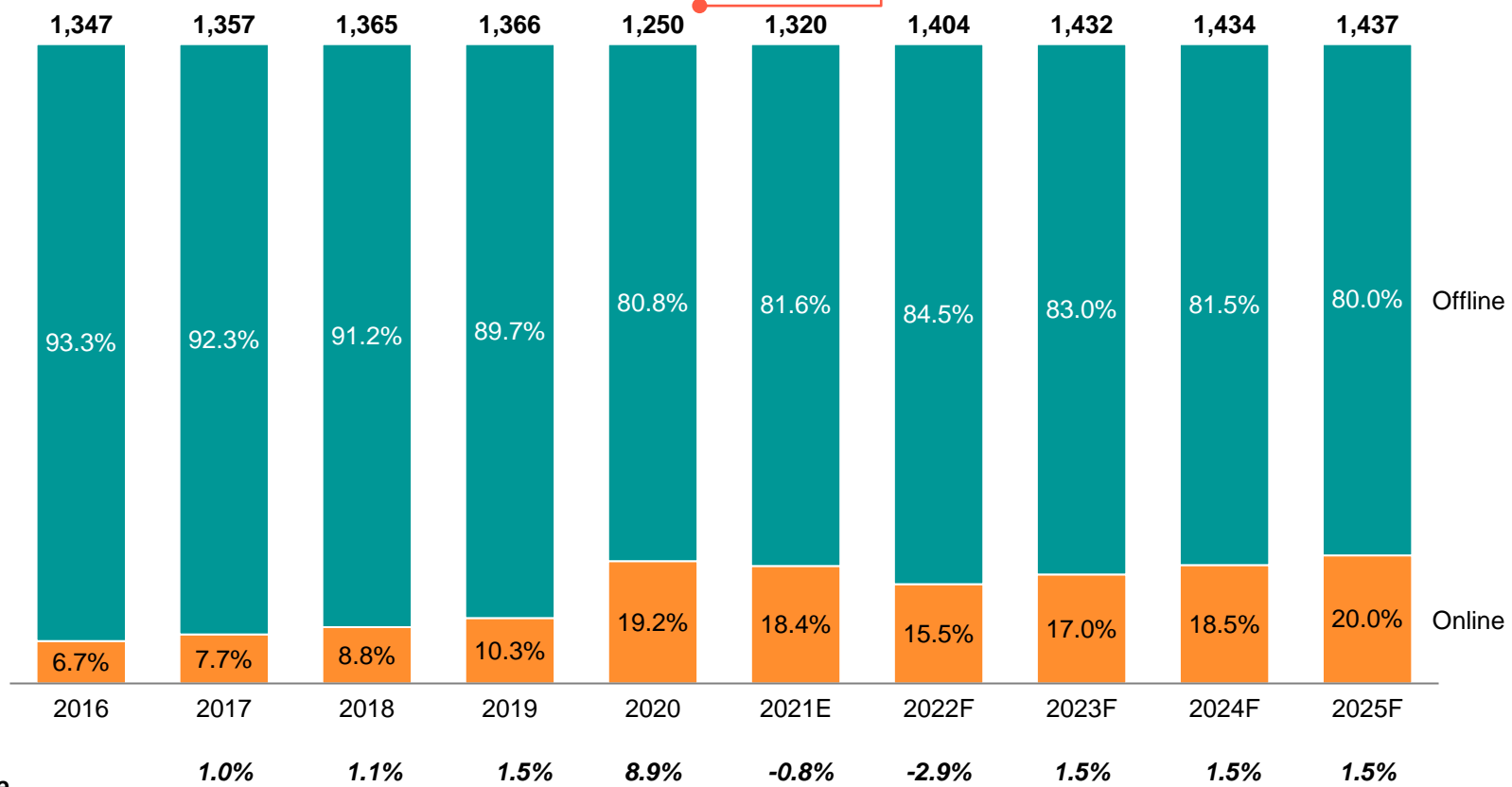




Online share of singles card market projected to rise to c20% by 2025 – after fall in 2022 which physical channels fully reopen which will restimulate market volume recovery

UK Singles Greeting Cards Market Share of Value by Channel, 2016-25E (%)

High online share in 2020 and 2021 in part driven by decline in total market volumes in 2020 and 2021 as some sales in closed physical channels lost to market. Online share will naturally fall in 2022 as those sales recovered by market in physical channels



Delta in online share (%)

Source: OC&C market model



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UK Card Market & Moonpig Competitive Position

NL Card Market & Greetz Competitive Position

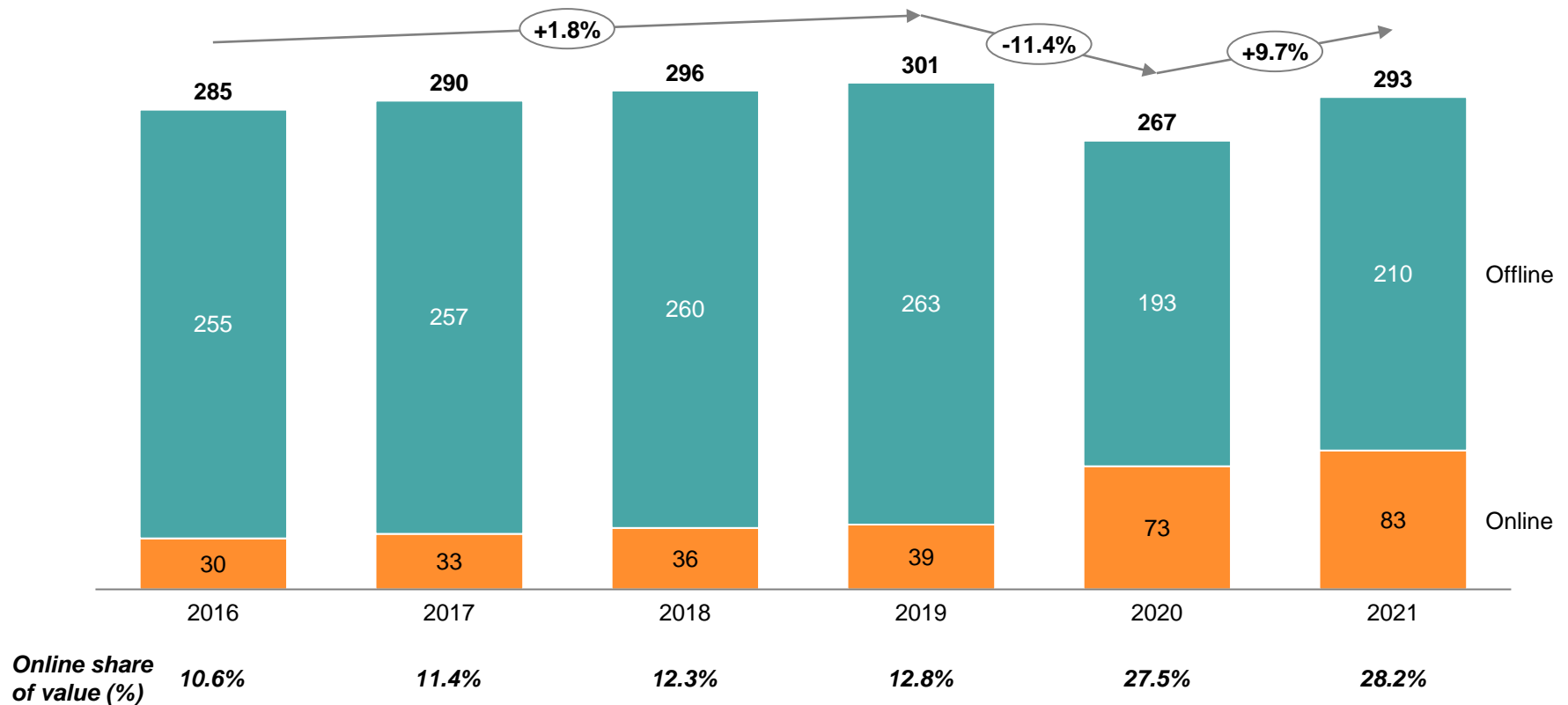




NL singles cards market worth just over £290m - with online segment worth c£80m in 2021

Estimated NL Greeting Cards Market by Segment, 2016-21 (£m)

Projections shown at constant 2021 exchange rate

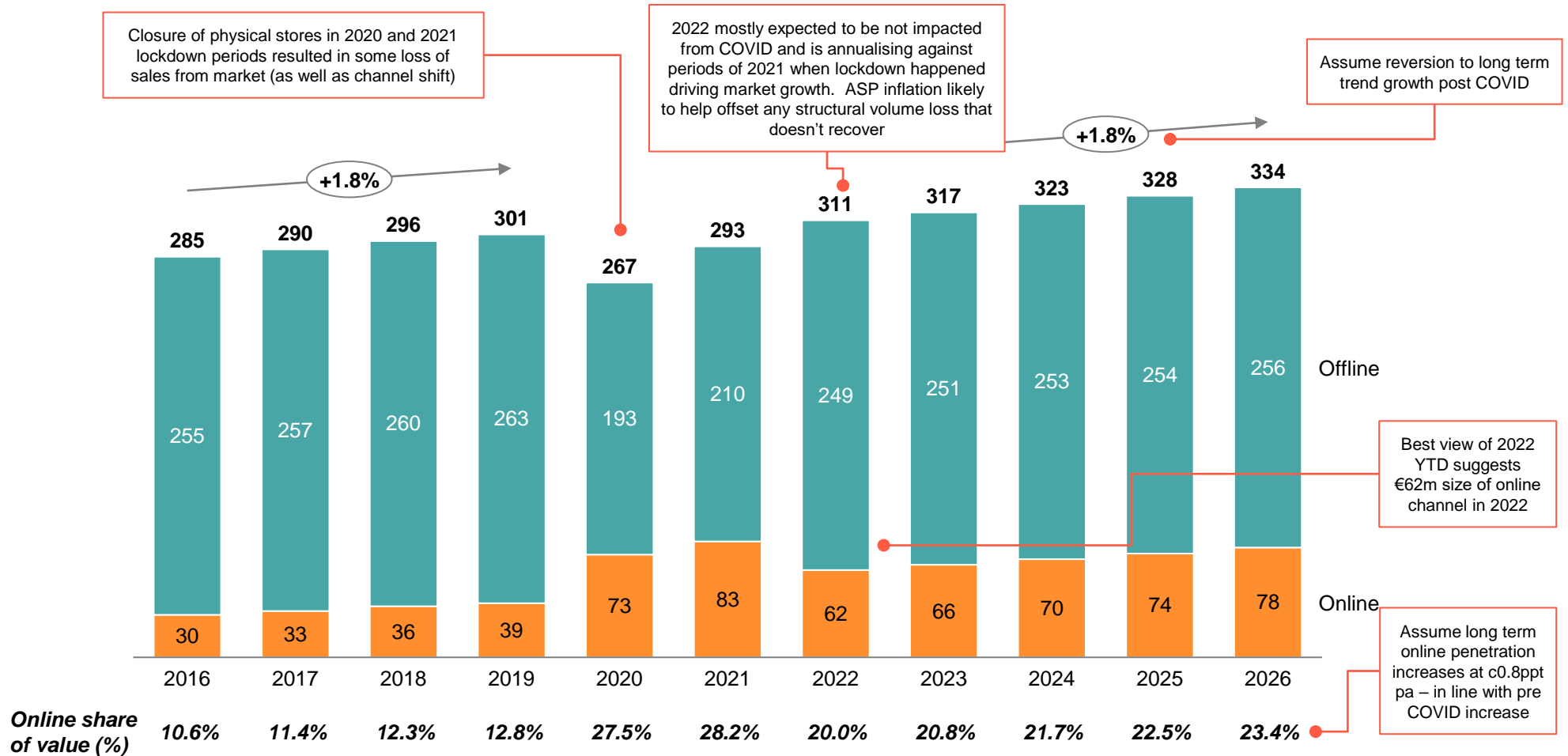




Best view of future Netherlands greeting card market growth suggests it will revert to long run 1-2% pa growth after COVID recovery and near term inflation. Online projected to gain share after slipping back in 2022

Estimated NL Greeting Cards Market by Segment, 2016-26 (£m)

Projections shown at constant 2021 exchange rate



Source: Company Annual Accounts, Management Accounts, OC&C Survey, OC&C market model

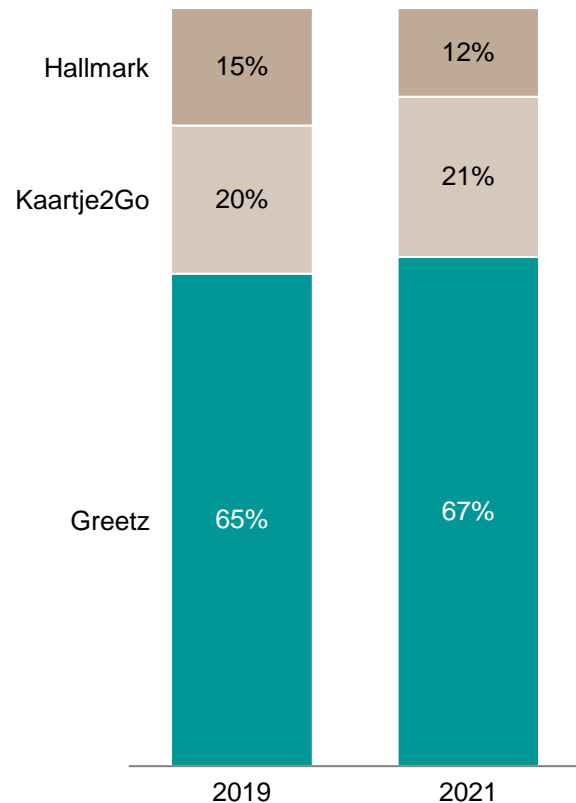




Among the largest three online card players, Greetz has a c.67% share of online card revenue in NL – up from 65% 2 years ago

Online Sales of Major Specialist Greetings Card Players in NL – 2019 and 2021E

Share of Leading Online Specialist Card Players, 2021E
(% of online specialist card sales)



Largest 3 online card players are based on estimated online greeting card sales in the Netherlands. Based on reported revenue data where available; where not, estimated by traffic to these players from which revenue is estimated based on ratio of Greetz revenue/ traffic. This has been triangulated with consumer survey data from previous work at Greetz analysing stated purchasing levels by retailer

Commentary

- 3 major players in Netherlands account for c65% of total online cards market
- The revenue of Kaartje2Go and Hallmark is estimated by scaling Greetz revenue relative to traffic, given similar category offering and business model
- Greetz has an estimated 67% of the online segment – up from 65% 2 years ago supported by
 - Faster web channel growth than peers
 - Driving use and sales via app channel (albeit not yet developed to same degree as Moonpig in UK)

