



Analyst Meeting | 1Q'18 Results

May 2, 2018



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About HomePro



HomePro is the **leading home** improvement retailer in Thailand.



HomePro's products cover **40,000** items



HomePro operates **85** stores nationwide



HomePro provides complete service as **One Stop Shopping**



Agenda

- **1Q'18 Financial Results**
- **Business Outlook**



Corporate Group Structure



Home Product Center Plc. : Operating HomePro in Thailand



HUA HIN
Market Village
ศูนย์การค้าฮั่วฮิน

Market Village Co., Ltd.

- Holds 99.99% of total shares
- Objective to manage rental space and provide utilities services to tenants.



Home Product Center (Malaysia) Sdn. Bhd.

- Holds 100% of total shares
- Objective to operate a retail business in Malaysia.



Mega Home Center Co., Ltd.

- Holds 99.99% of total shares
- Objective to operate retail business under trade name "Mega Home".

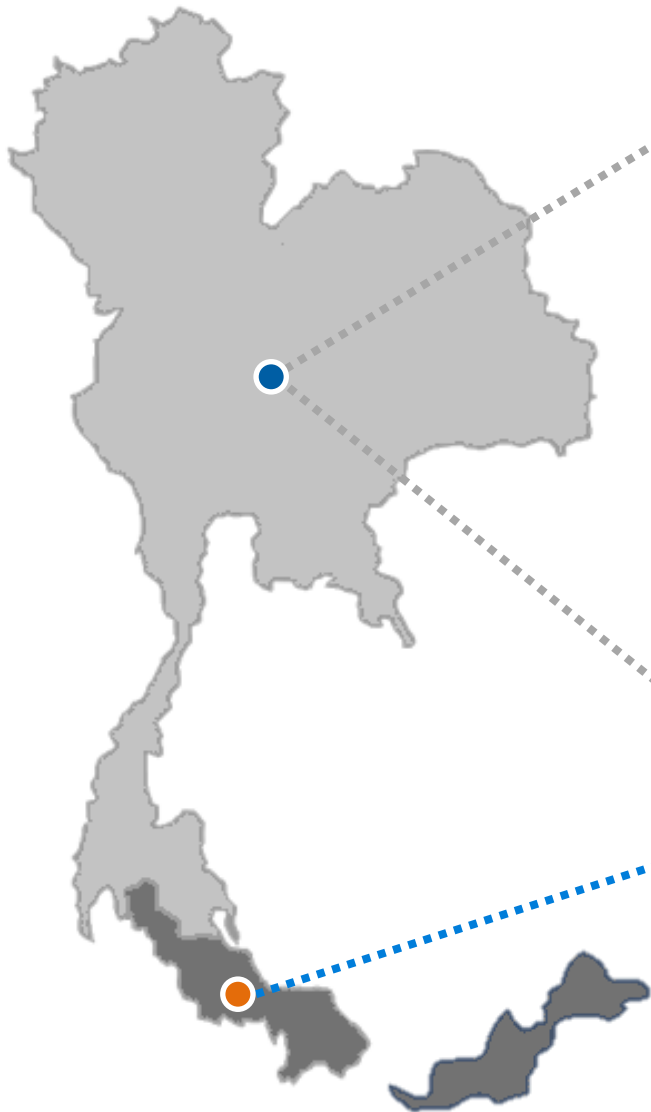


DC Service Center Co., Ltd.

- Holds 99.99% of total shares
- Objective to operate the warehousing and distribution.



Store Footprint



 Greater Bangkok : 25 stores
Upcountry : 56 stores

 Greater Bangkok : 3 stores
Upcountry : 1 store

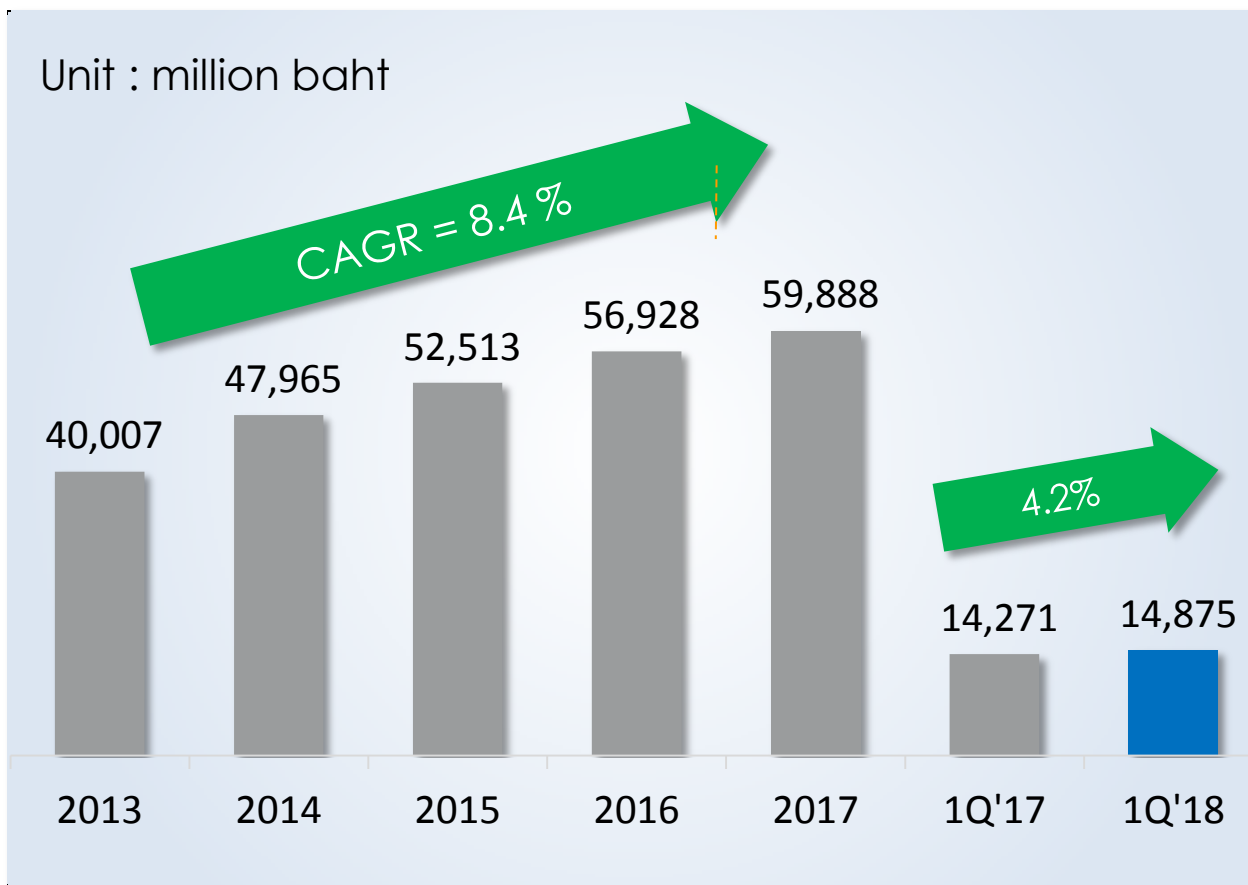
 Greater Bangkok : 2 stores
Upcountry : 10 stores

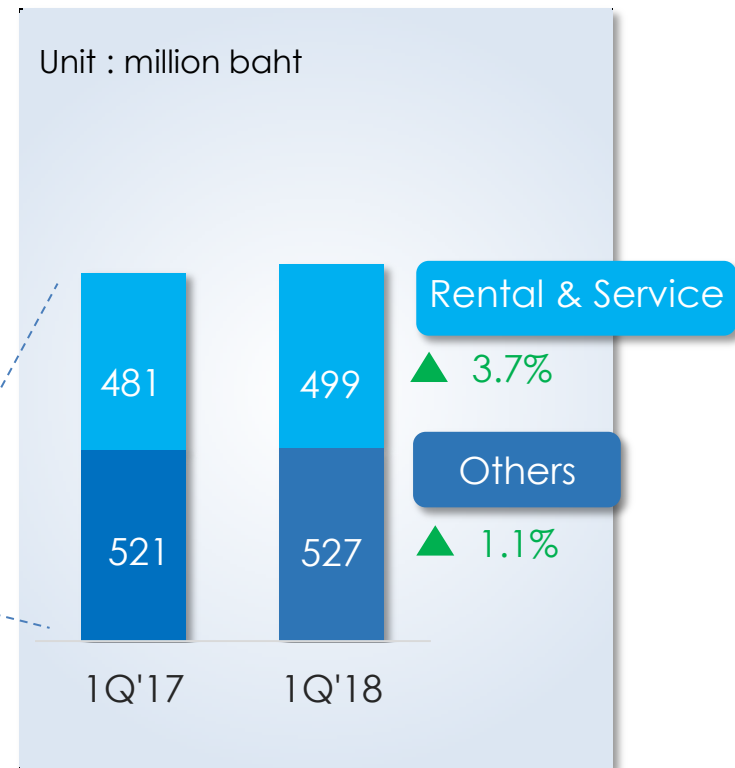
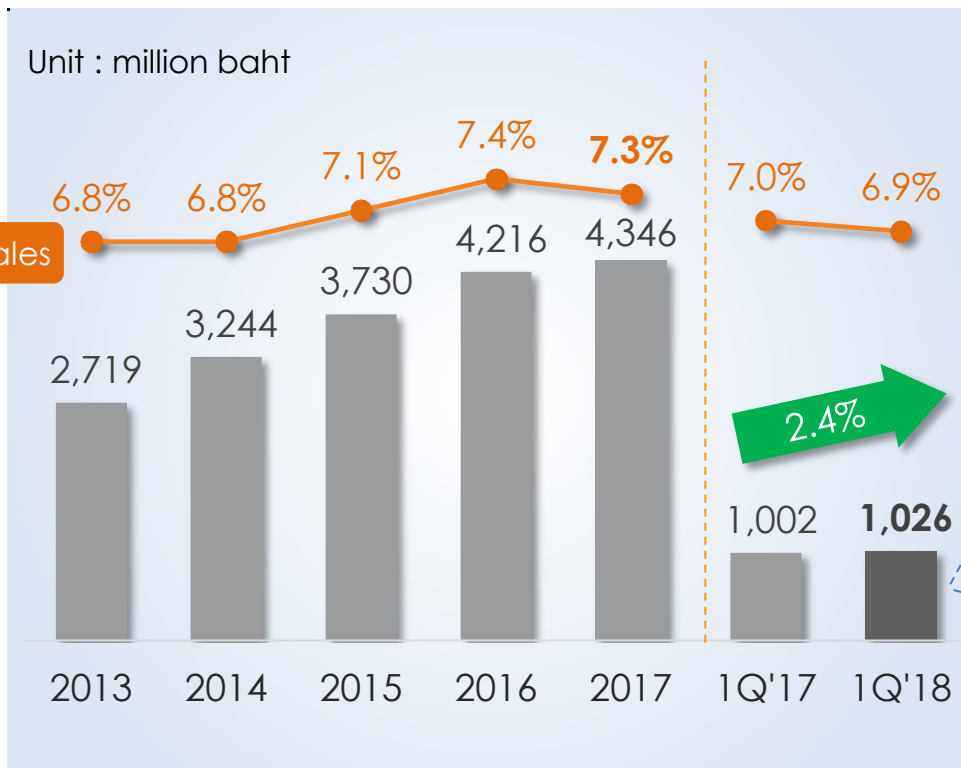
 Malaysia : 6 stores

Unit : MB

	1Q'18	% of sales	1Q'17	% of sales	Var	% change
Sales	14,874.7	100.0	14,270.7	100.0	604.1	4.2
Other Income	1,025.6	6.9	1,001.9	7.0	23.7	2.4
Total Revenue	15,900.3	106.9	15,272.6	107.0	627.8	4.1
COGS	10,884.2	73.2	10,559.3	74.0	324.9	3.1
SG&A	3,384.5	22.8	3,307.8	23.2	76.7	2.3
Total Expenses	14,268.8	95.9	13,867.1	97.2	401.6	2.9
EBIT	1,631.6	11.0	1,405.4	9.8	226.1	16.1
Finance Cost	98.1	0.7	110.1	0.8	(12.0)	(10.9)
Tax	285.0	1.9	249.1	1.7	35.9	14.4
Net Profit	1,248.5	8.4	1,046.2	7.3	202.2	19.3
Depreciation	757.2	5.1	765.6	5.4	(8.4)	(1.1)
EBITDA	2,388.7	16.1	2,171.0	15.2	217.7	10.0

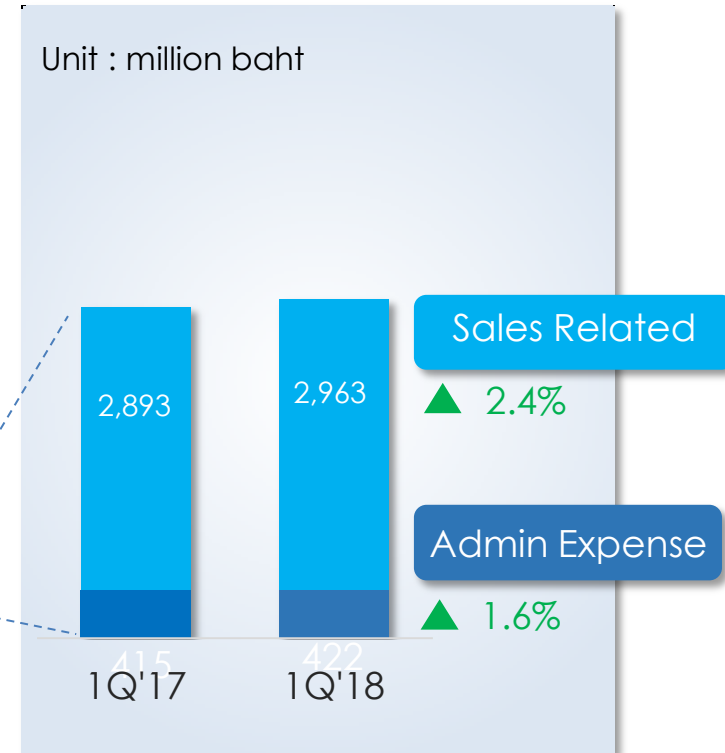
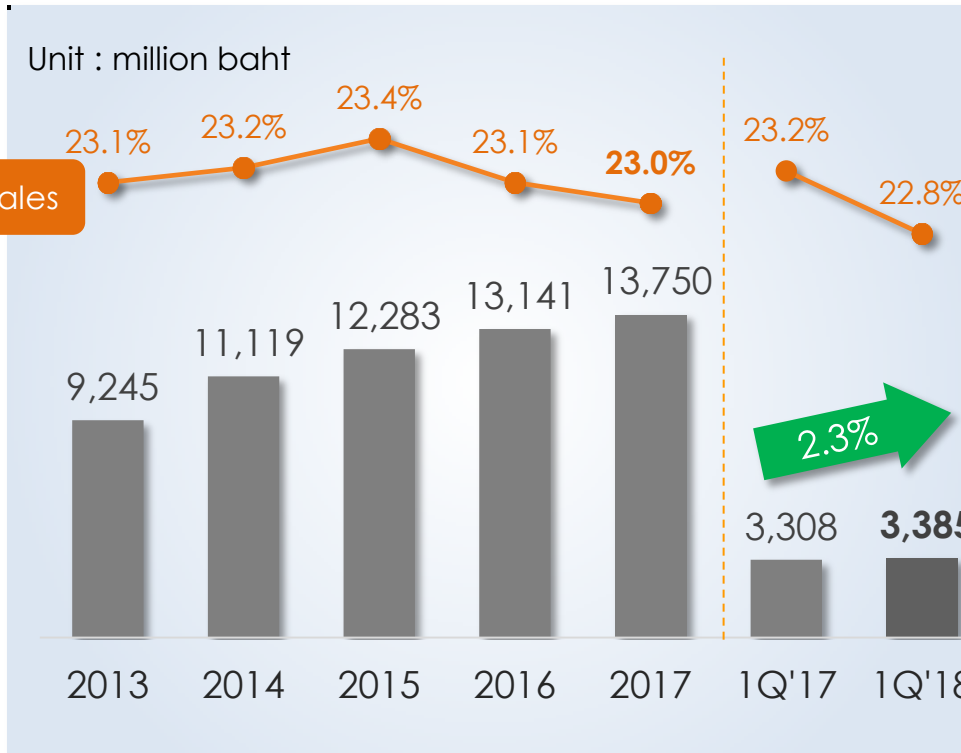
Sustainable Sales Growth





● Rent & Service ● Others ● % to Sales

- Rental and service income was up by 3.7% from higher rental income from Market Village.
- Other income was up by 1.1% due to higher service income derived from customers under "Home Service" program.



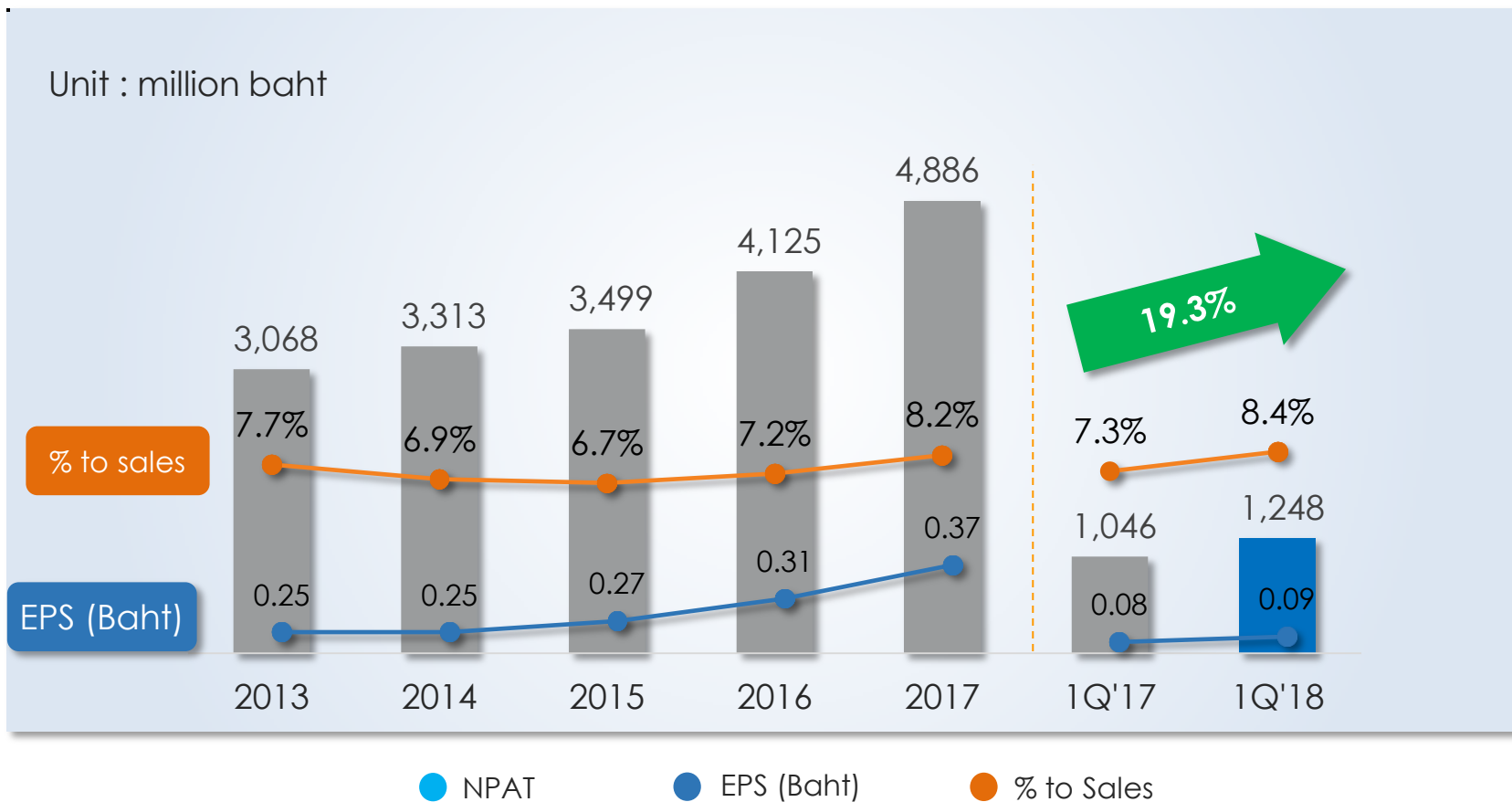
● Sales Related ● Admin Expense ● % to Sales

The amount increases were mainly driven by the rise in personnel expenses, rental cost, cost of services to customers, cost of transportation, and maintenance cost. However, SG&A as a percentage of sales has marginally improved, resulting to the decrease from 23.2% in 1Q'17 to 22.8% in 1Q'18. This decrease was due to the improvement in cost efficiency.

Profitability Ratio



Gross profit margin as a percentage of sales has increased from 26.0% in 1Q'17 to 26.8% in 1Q'18 due to change in product sales mix of both general merchandise and directly sourced private-label goods, product assortment planning and increasing in gross profit margin from Mega Home.



NPAT growth by 19.3% and its % to sales increased from 7.3% in 1Q'17 to 8.4% in 1Q'18. Earnings per share (**EPS**) were Baht 0.09 in 1Q'18, up 19.3% YoY.

Balance Sheet at a glance

Unit : million baht

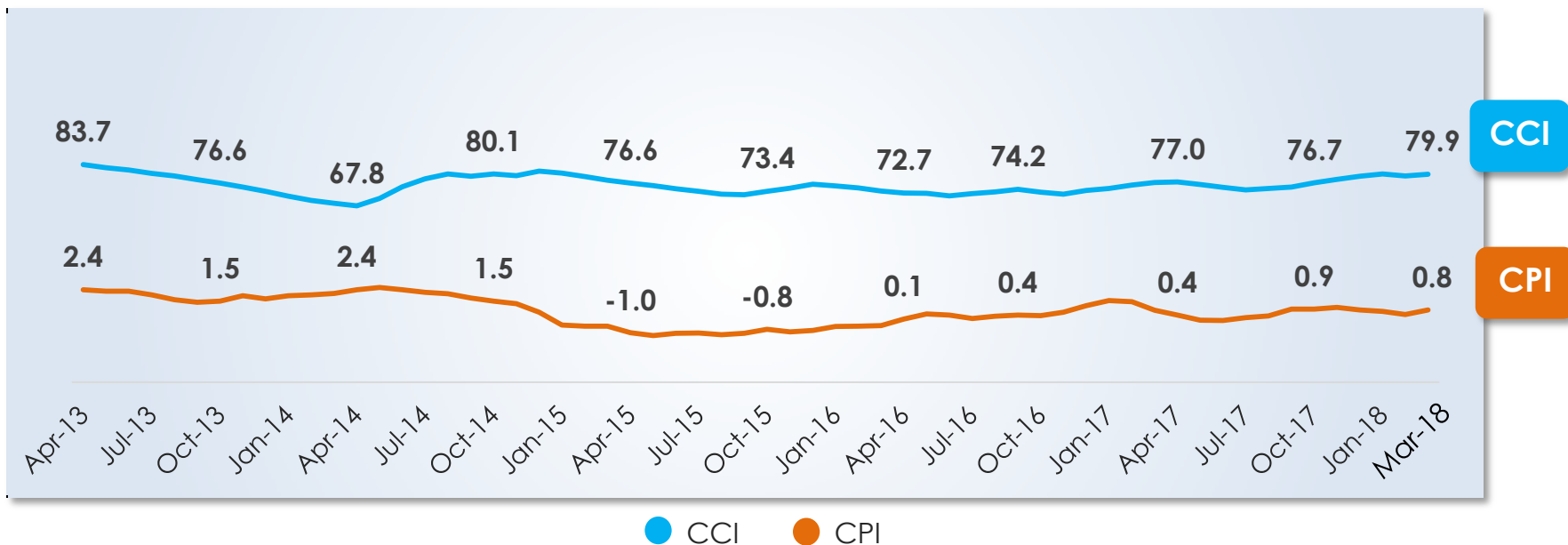
	31 Mar 2018	31 Dec 2017	Var	% change
Cash & Deposit	4,946.7	2,504.9	2,441.8	97.5
Inventory	9,868.6	10,343.0	(474.4)	(4.6)
Land Building & Equipment	35,266.2	35,351.1	(84.9)	(0.2)
Others	2,535.6	2,750.4	(214.8)	(7.8)
Total Assets	52,617.1	50,949.3	1,667.7	3.3
Financial Debt	16,015.4	15,062.8	952.6	6.3
Account Payable	13,126.8	14,084.9	(958.1)	(6.8)
Others	3,592.2	3,166.9	425.4	13.4
Total Liabilities	32,734.4	32,314.6	419.8	1.3
Paid-Up Capital	13,151.2	13,151.2	-	-
Share Premium	646.3	646.3	-	-
Retain Earnings	6,085.2	4,837.3	1,247.9	25.8
Total Equities	19,882.7	18,634.8	1,247.9	6.7



Agenda

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Recovered confidence



Thailand Consumer Confidence (CCI) recovered after dropping in the previous month, driven by improved economic conditions from expansion in exports and tourism. As a result, the index jumped to 79.9 in March from 79.3 in February.

However, a number of people are concerned with political uncertain, trade war, appreciation on Thai Baht, and minimum wage hike which may Thailand's economic. Additionally, commodity prices remained at a relatively low level leading to weak purchasing power in many parts of Thailand. Moreover, the economic is improved in limited areas relevant to export and tourism sectors.



Margin expansion through Private Label



Over **36** Private Brands



Quality **and** worthiness



Over **3,000** items



Continuous **development**



2018 Store Expansion Plan



2018 New stores

1

8

1Q	Paseo Kanchanaphisek	-	30 Mar	-	-
2Q	BigC Bang-Na	-	May	-	-
	Kanlapaphruek	1	-	-	-
2H		-	6	TBC	TBC

Our stores in 2018

Total (stores)	82	11	12	6
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โฮมโปร แฟร์
งานแฟร์ เรื่องบ้าน
ที่ทุกคนต้องมา

HomePro
FAIR
2018
LIVING &
LIFESTYLE FAIR

ลดสูงสุด
70%*

ลด 3%
+ เครดิตเซ็นคิม
เพิ่ม 2%*

ที่ศูนย์แสดงสินค้า
นานาชาติฯ เชียงใหม่

Chiang Mai Fair

4 – 13 May

Up to
70% Off

A 10-day long exhibition, Come visit and join our activities, special shows, and food truck .



Shop Label No.5 Energy Saving Products

Today - 31 May

- Save up to 2,000 Baht discount
- Free Home Service Prepaid Card (1,300 Baht)



HOME SERVICE
Mobile Application

แอปเดียวเหมือนมี
ช่างประจำบ้าน
จากโฮมโปร

“
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ได้แล้ววันนี้
”



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Google Play



Your one-step solution to all your household woes.

Now available on iOS and Andriod !

Trusted services from HomePro include a range of help services that are aimed at making lives easy. Book services using our app, and get them done by our experienced professionals.



Q & A

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