

# SET Opportunity Day 1H23 Results

7 August 2023

 HomePro



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# About HomePro

We are the **leading home improvement retailer** in Thailand.

Our products cover **50,000** items

**We make a better living**

We now operate **91 HomePro & 24 Mega Home** stores nationwide

We provide complete service as **One Stop Shopping**

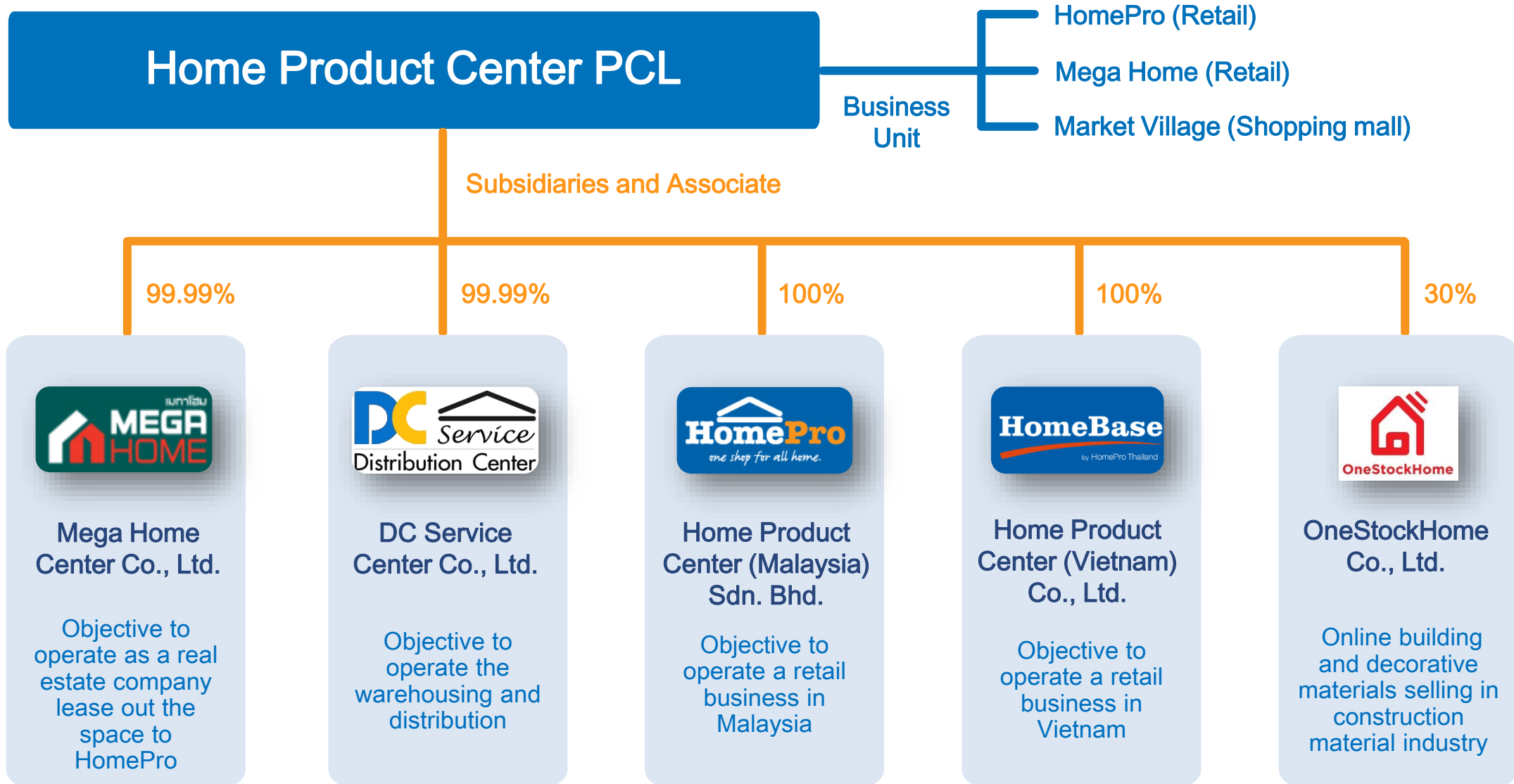


# Agenda

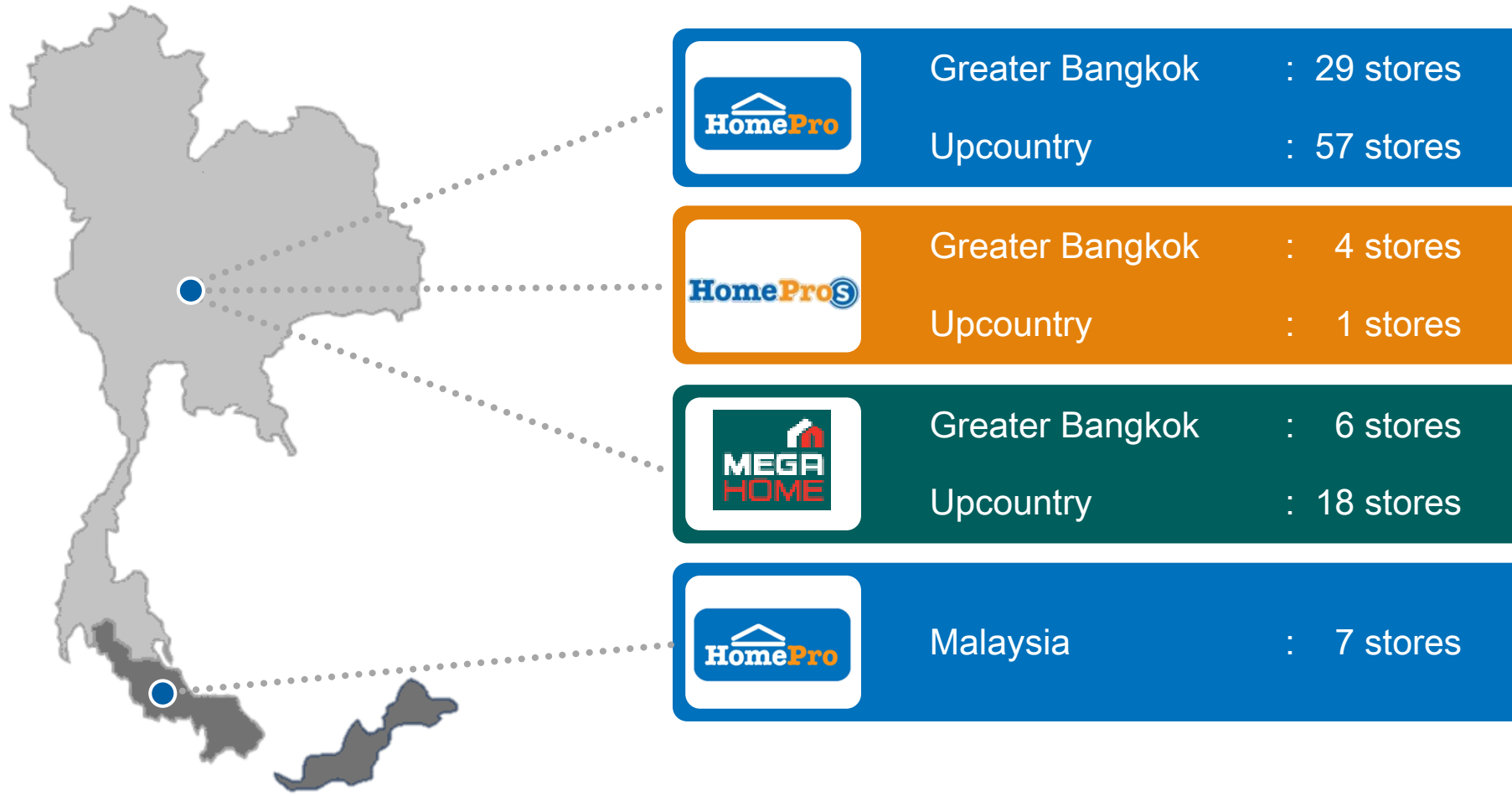
- 1H23 Financial Results
- Business Outlook
- Sustainability Development



# Corporate Group Structure

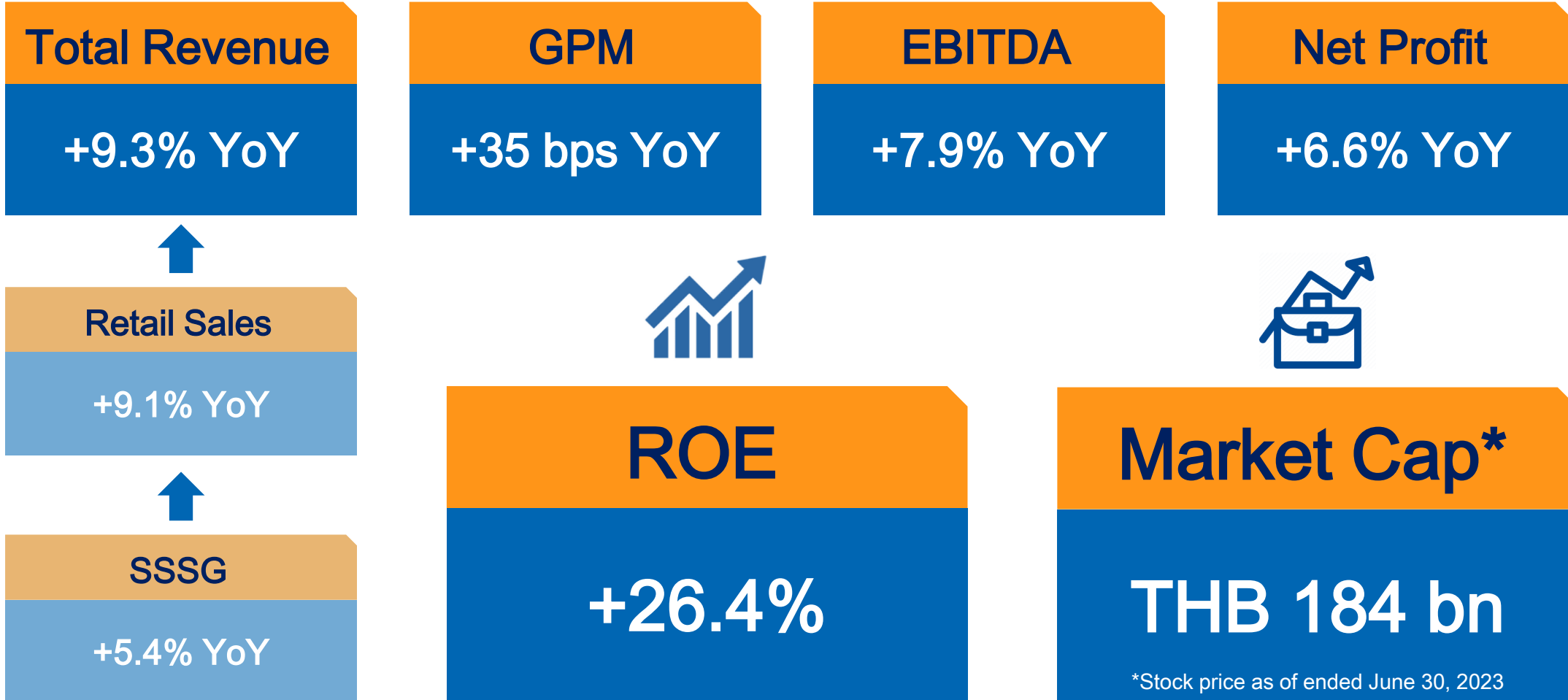


# Store Footprint



Remark : Data as of ended June 30, 2023.  
1 closure of HomePro Lotus Bangkae during 2Q23.

# 1H23 Key Financials



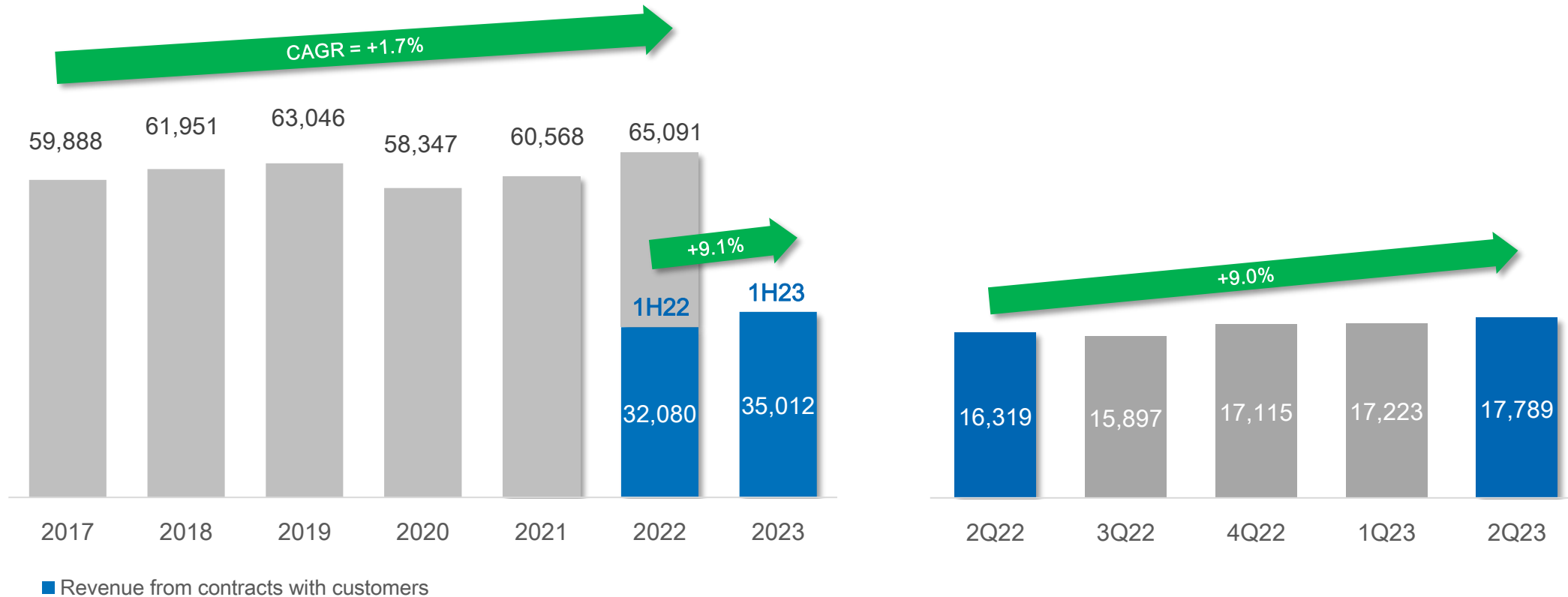
# Income Statement Summary

Unit : million Baht	1H23	% of sales	1H22	% of sales	Var	% change
Revenue from contracts with customers	35,012.30	100.00%	32,079.54	100.00%	2,932.76	9.14%
Rental Income	940.58	2.69%	815.62	2.54%	124.96	15.32%
Other Income	1,201.66	3.43%	1,084.91	3.38%	116.75	10.76%
<b>Total Revenue</b>	<b>37,154.54</b>	<b>106.12%</b>	<b>33,980.07</b>	<b>105.92%</b>	<b>3,174.47</b>	<b>9.34%</b>
Cost of sales and service	25,839.97	73.80%	23,787.44	74.15%	2,052.53	8.63%
<b>Gross profit</b>	<b>9,172.34</b>	<b>26.20%</b>	<b>8,292.10</b>	<b>25.85%</b>	<b>880.24</b>	<b>10.62%</b>
Cost of Rental	393.83	1.12%	331.17	1.03%	62.66	18.92%
<b>Selling and Administrative Expenses</b>	<b>6,658.66</b>	<b>19.02%</b>	<b>5,899.42</b>	<b>18.39%</b>	<b>759.23</b>	<b>12.87%</b>
EBIT	4,262.10	12.17%	3,962.05	12.35%	300.05	7.57%
Share of profit (loss) from investment in associates	-0.83	0.00%	0.00	0.00%	-0.83	n.a.
Financial Income	14.06	0.04%	3.68	0.01%	10.39	282.67%
Financial Cost	263.25	0.75%	192.19	0.60%	71.06	36.98%
Tax	781.09	2.23%	742.52	2.31%	38.57	5.19%
<b>Net Profit</b>	<b>3,230.99</b>	<b>9.23%</b>	<b>3,031.02</b>	<b>9.45%</b>	<b>199.97</b>	<b>6.60%</b>
Depreciation	1,686.40	4.82%	1,552.45	4.84%	133.95	8.63%
EBITDA	5,948.49	16.99%	5,514.49	17.19%	434.00	7.87%



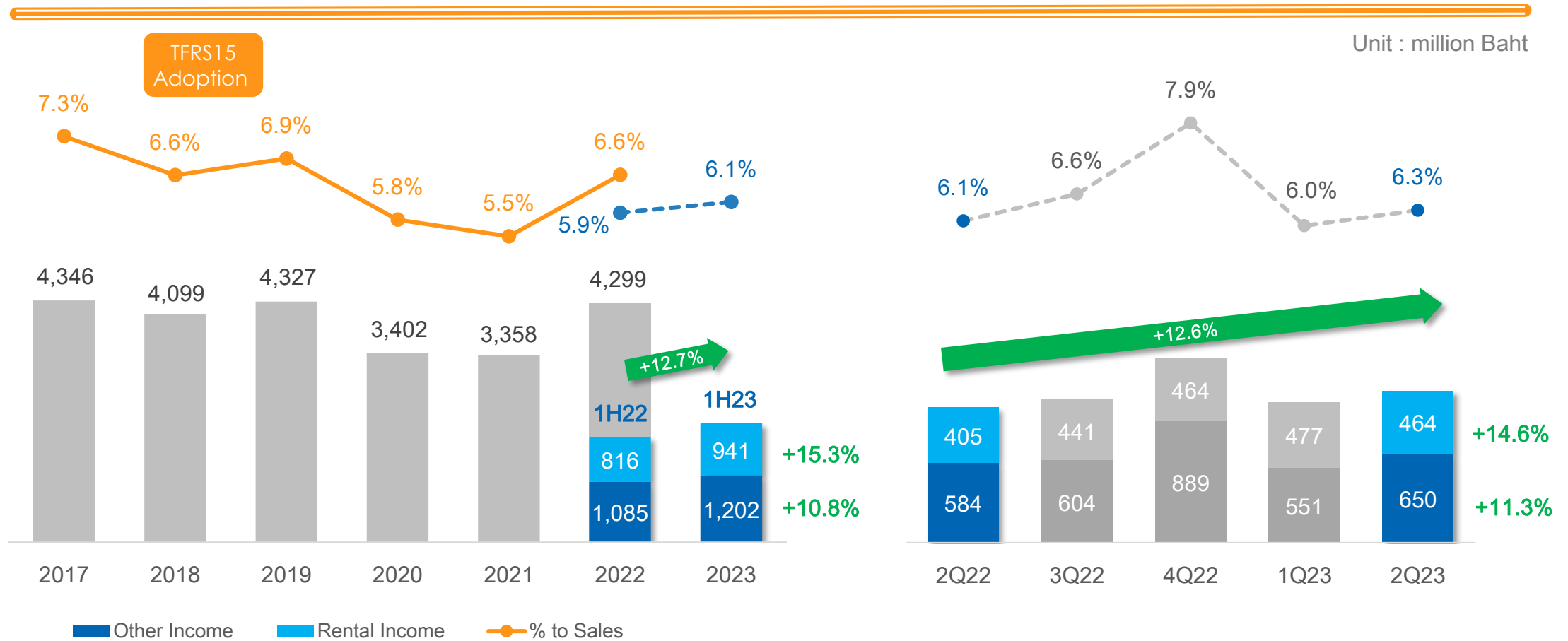
# Sustainable Sales Growth

Unit : million Baht



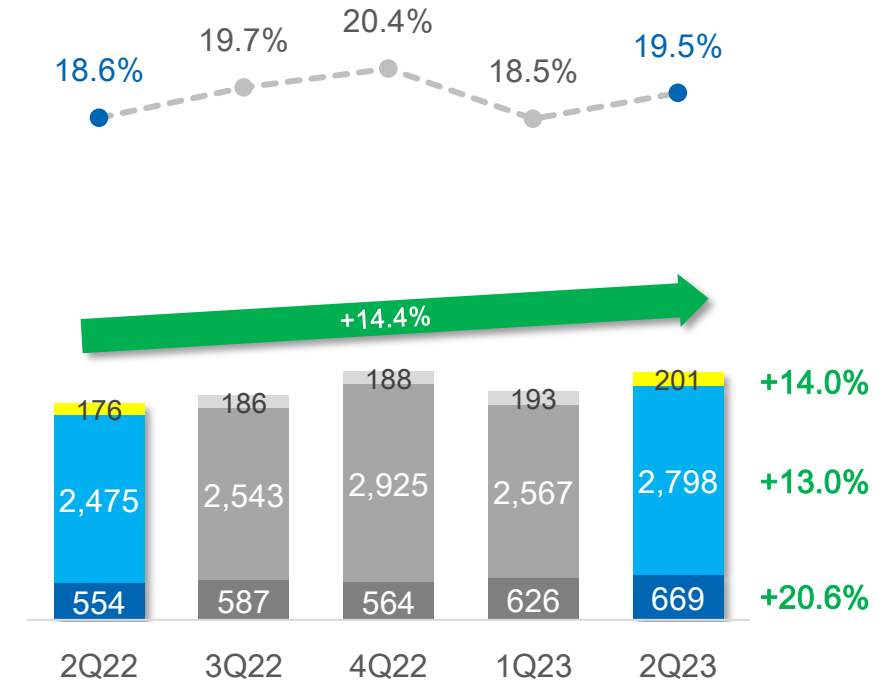
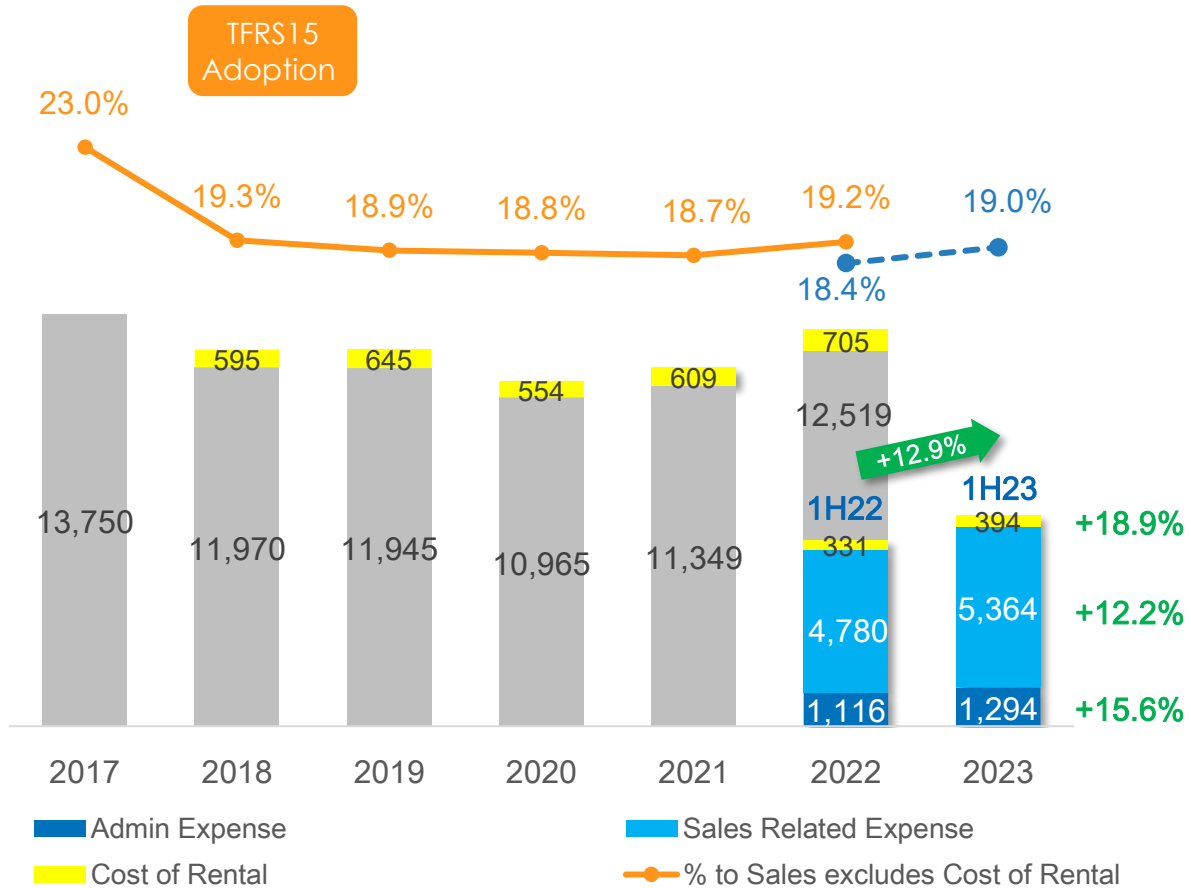
- In 2Q23, the revenue from contracts with customers which comprised of product sales revenue and service income of Home Service increased by 9.0%.

# Other Income



- In 2Q23, rental and service income increased thanks to more rental income from leasable space of HomePro stores and Market Village shopping mall particularly in tourist area of the southern region, compared to the same period last year.
- Other income increased in relation to the increasing promotional activities with vendors in both at stores and online channels.

# SG&A Expenses

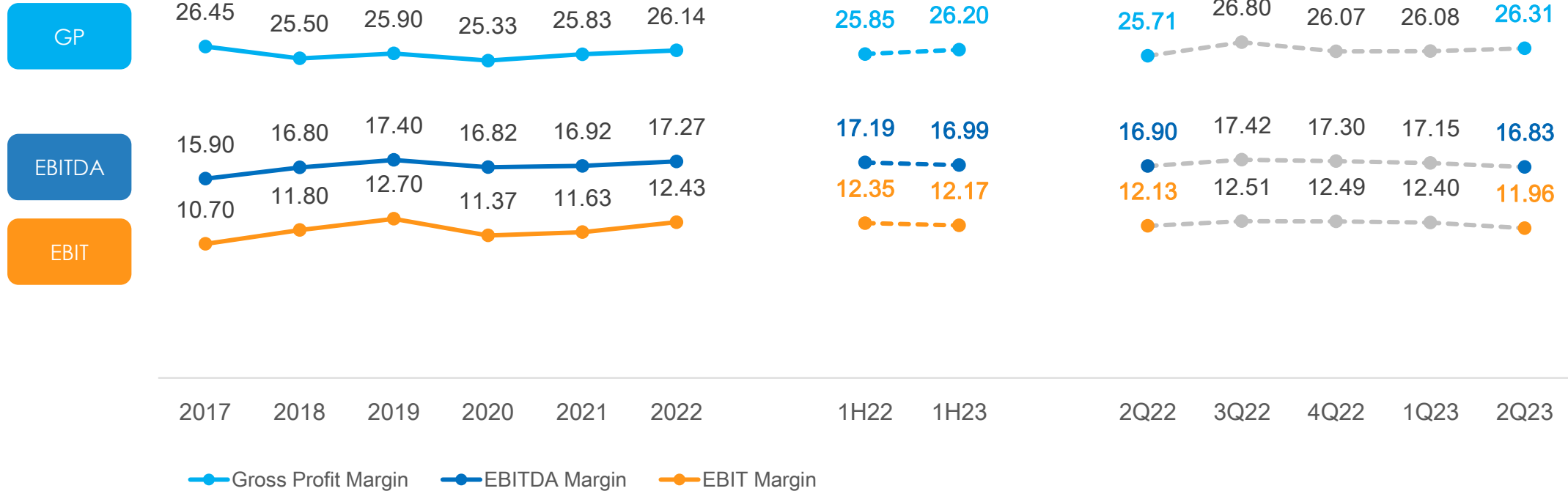


- In 2Q23, the amount increases in SG&A was attributable to the increase of expenses related to electricity and utilities cost, including three new stores pre-opening cost of Mega Home during the second quarter.
- Cost of rental increased due to higher utilities cost.

# Profitability Ratio

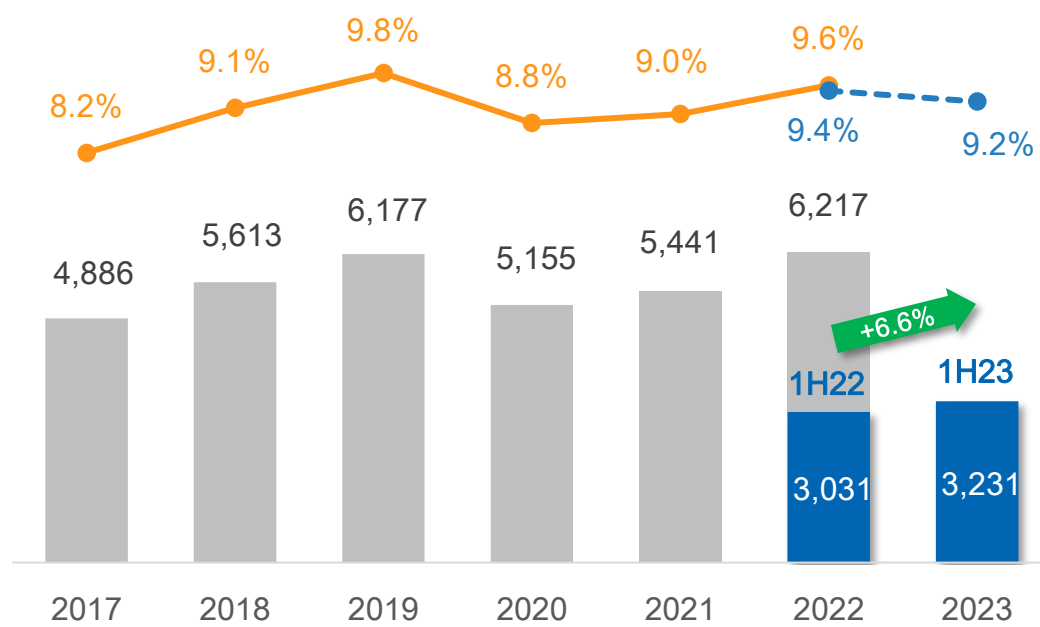
TFRS15 Adoption

Unit : % to Sales

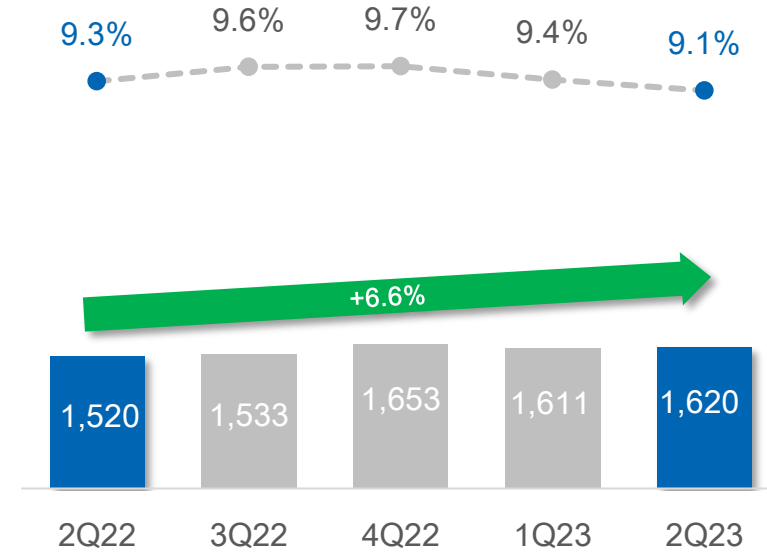


- In 2Q23, the gross profit as percentage of sales increased from 25.71% to 26.31% which was attributed to the better of product mix toward high margin products, as well as higher volume discount for seasonal items received from vendors.

# Net Profit & EPS



Unit : million Baht



■ Net Profit After Tax (NPAT)    ● % to Sales

FY	2017	2018	2019	2020	2021	2022	1H22	1H23
EPS	0.37	0.43	0.47	0.39	0.41	0.47	0.23	0.25

2Q22	3Q22	4Q22	1Q23	2Q23
0.12	0.12	0.13	0.12	0.12

- NPAT in 2Q23 increased by 6.6% YoY.
- Earnings per share (EPS) were 0.12 Baht in 2Q23.

# Balance Sheet at a Glance

Unit : million Baht	30 Jun 2023	31 Dec 2022	Var	% change
Cash & Deposit	2,004.69	5,420.30	-3,415.61	-63.02%
Inventory	14,070.64	13,630.08	440.56	3.23%
Land Building & Equipment	44,096.92	42,652.54	1,444.38	3.39%
Other Assets	2,978.20	3,481.83	-503.63	-14.46%
<b>Total Assets</b>	<b>63,150.45</b>	<b>65,184.74</b>	<b>-2,034.29</b>	<b>-3.12%</b>
Financial Debt*	19,300.54	21,333.62	-2,033.09	-9.53%
Account Payable	15,517.78	15,811.88	-294.10	-1.86%
Other Liabilities	3,618.43	3,793.36	-174.93	-4.61%
<b>Total Liabilities</b>	<b>38,436.75</b>	<b>40,938.86</b>	<b>-2,502.12</b>	<b>-6.11%</b>
Paid-Up Capital	13,151.20	13,151.20	0.00	0.00%
Share Premium	646.32	646.32	0.00	0.00%
Retain Earnings	10,916.18	10,448.36	467.82	4.48%
<b>Total Equities</b>	<b>24,713.70</b>	<b>24,245.88</b>	<b>467.82</b>	<b>1.93%</b>

\* Included impact of TFRS16 on lease liabilities 6,135.33 of million Baht

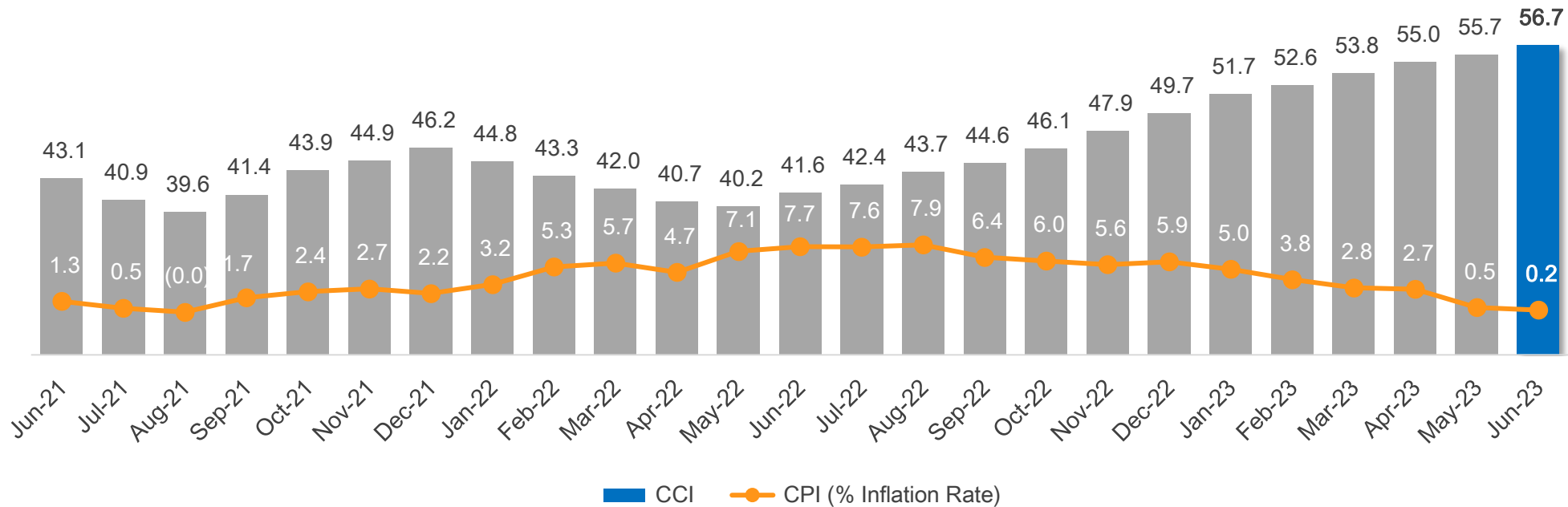


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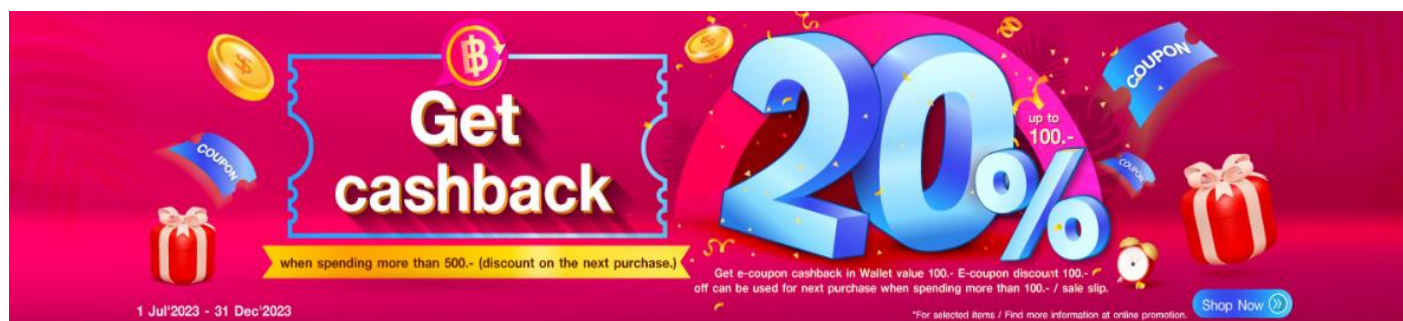
# CCI edges higher amid the decreasing trend of inflation



Consumer Confidence Index (CCI) further increased for the thirteenth month to 56.7 in June 2023 from 55.7 in the previous month. It was the highest reading since February of 2020, boosted by continued recovery in the tourism sector and still expecting at least 25 million visitors in 2023. However, despite steadily improving morale, consumers were still concerned about the impacts of political uncertainty. Inflation Rate in Thailand decreased to 0.2% in June from 0.5% in the previous month but defying market expectations of a 0.1% decrease. It was the lowest reading since August 2021.



# 2Q23 Highlight and Recent Activities



# 2023 New Services: Trade-in

## Trade-in at HomePro for a Better Future



Sustainable Waste Management Towards a Circular Economy

UP TO **5,000** THB\* OFF your purchases

**0%** INTEREST FOR UP TO **24 MONTHS\***  
(For selected credit cards and cash loans only)



1 JUL 2023 - 31 DEC 2023

HomeCard #HOMEPRO IS THE ANSWER FOR YOUR HOME.  
 Member Privileges \*Under terms & conditions of the company / Only for participating items.



# Margin expansion through Private Label



homebase

PARNO

Solshield

TARA

Zimple

SOON:

MOYA

Bathtime

Ekono

KECH

MAILBOX

X-FIRE

Spring

Carini

onground

HLS

ineatymix

ELECTA

Furdini

CABIN

BENETIA

Fontän

CRABERN

PARNO

MATALI

porrin+

asLE

MAZDOX

PLIM

flusfo

ZynTec

ACCO

SNO:

GRXNDI

dara

PACKIN

Over 36  
Private Brands

Over 15,000  
items

Quality and  
worthiness  
focused

Continuous  
development

# 2023 Store Expansion Plan

No. of stores as of ended 2Q23

HomePro<sup>S</sup>

Malaysia

Ended 2022	87	5	18	7
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## ■ New stores in 2023

1Q23	Rattathibet	-	-	27 Jan	-
	Bangplee	-	-	10 Feb	-
	Tiwanon	-	-	3 Mar	-
2Q23	Nakhonpathom	-	-	28 Apr	-
	Chiangmai	-	-	5 May	-
	Bangsaen	-	-	2 June	-
3Q23	Seacon Bangkae	8 Jul	-	-	-
4Q23		1	-	3	

## ■ Our stores in ended 2023

Total (stores)	88	5	27	7
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Remark : 1 closure of HomePro Lotus Bangkae during 2Q23.

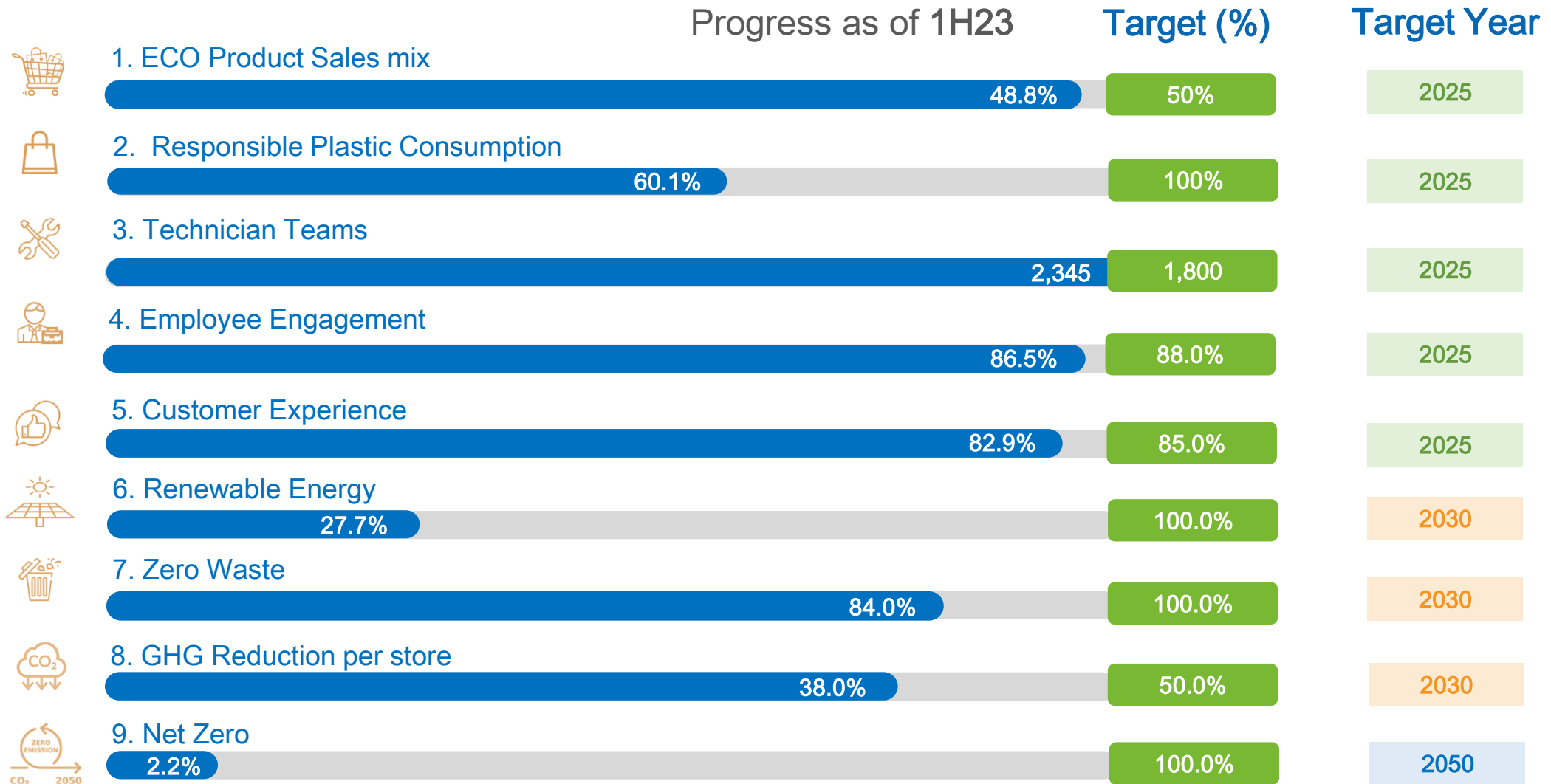


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# 2025-2050 SD Roadmap

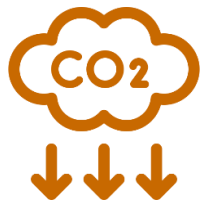


# 2022 SD Progress



## United Nations Global Compact

### Pathway to Net Zero 2050



#### Decarbonization

- Renewable Energy
- Building Management
- Green transportation
- Waste Management
- Responsible Consumption



#### Carbon Removal

- No deforestation
- Reforestation or forest preservation
- Carbon removal technologies



**Global Compact Status:**  
Active

**Participant Since**  
25 May 2022

# Track record of endorsement in key sustainable indices

## International

Member of  
**Dow Jones Sustainability Indices**  
Powered by the S&P Global CSA



**FTSE4Good**

Included in the DJSI Emerging Market since 2017

Included in the FTSE4Good since 2016

**MSCI**  
ESG RATINGS **AA**

Received AA rating from MSCI-ESG



Included in the Bloomberg Gender Equality Index (GEI)



Received Sustainably Low Risk Rating in ESG Risk ranking

## Domestic



AGM Investors' Choice



Being listed in Thailand Sustainability Investment by SET for the 8<sup>th</sup> consecutive year



Receiving a highly commended in Sustainability Awards from SET



Receiving Sustainability Disclosure Recognition 2021 from Thaipat institute



Excellence CG Score



Listed in ESG100 Index



Anti-Corruption Certified



# Q&A

## Contact us

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