

รดยพระบาทยาตราทุกสารทิศ

รดยบุญญาแผ่ร่มโพธิ์ร่มไทร

“เราจะครองแผ่นดินโดยธรรม”ราชดำรัส

๗๐ปี ร่มโพธิ์ทองครองใจไทย

รดยลิขิตน้ำพระทัยแผ่ไพศาล

ทุกสถานสถิตภาพซาบซึ้งใจ

ส่องประกายฉายชัดรัชสมัย

ถารักไว้ในดวงจิตนิรันดร์



ปดงข้าพระพุทธเจ้า ขอน้อมเกล้าขอน้อมกระหม่อมรำลึกในพระมหากรุณาธิคุณหาที่สุคมิได้

ข้าพระพุทธเจ้า บริษัท โสภ โปรตักส์ เซ็นเตอร์ จำกัด (มหาชน)

(คำประพันธ์ : อีระนันท์ พิตรปรีชา)



# Analyst Meeting

---

3Q'16 Results

November 1, 2016

This Presentation (The “Presentation”) has been prepared by Home Product Center Plc. The Presentation is private and confidential and is being made available for information purposes only. Accordingly, this Presentation may not be copied, reproduced or redistributed to any other person save with the prior written permission of the Company. By accepting this presentation, each recipient accepts and agrees with the Company that it will comply with, and that it will procure that any other person to whom it provides this Presentation complies with, the Terms set out herein and all applicable laws and regulations.

This Presentation is not a prospectus and is not intended to and does not constitute offer or solicitation of any offer in respect of securities. It does not constitute any recommendation or Investment advice, is not intended to form the basis of an investment decision and should not be relied upon for such purpose. This Presentation has not been approved by any regulatory authority. Neither the Company or their respective advisers accepts any liability whatsoever arising in connection with the distribution of this Presentation to recipients hereof.

This Presentation is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly to any other person or published, in whole or in part, for any purpose. No part of this presentation may be reproduced or taken or transmitted. The distribution of this presentation in other jurisdictions may be restricted by law, and persons into whose possession this presentation comes should inform themselves about, and such restrictions. By accepting this presentation you agree to be bound by the foregoing restrictions.



HomePro is the leading home improvement retailer in Thailand.

Our product range covers 40,000 items.

We operate 78 stores nationwide, providing complete services as One Stop Shopping to attain highest customer satisfaction.

The HomePro's stock is traded on the Stock Exchange of Thailand (SET - hmpro, BB - hmpro:tb).

# Agenda

- **3Q'16 Financial Results**
- **Business Outlook**



# Corporate Group Structure



Home Product Center Plc. : Operating HomePro in Thailand



## 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.



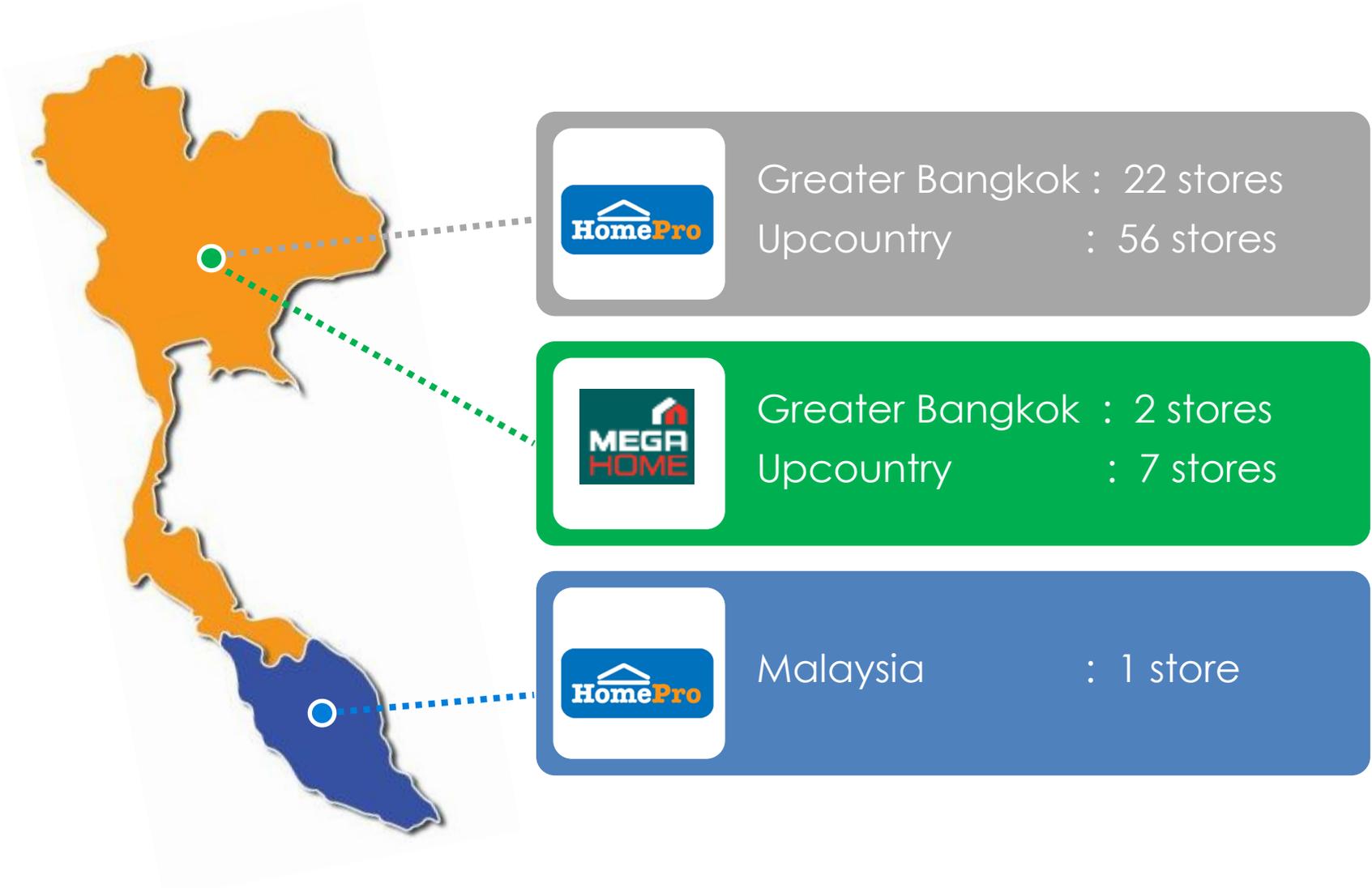
## Mega Home Center Co., Ltd.

- 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.

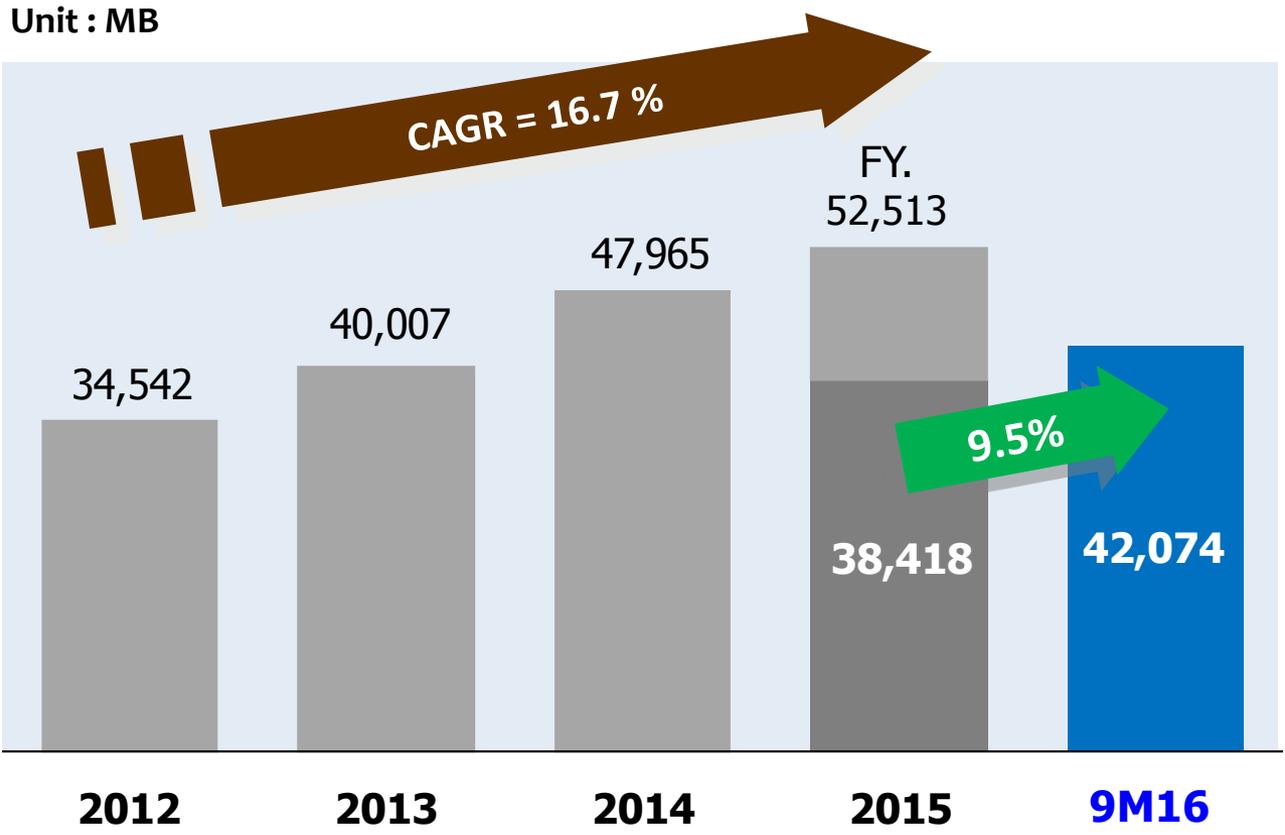


# P & L Summary

Unit : MB

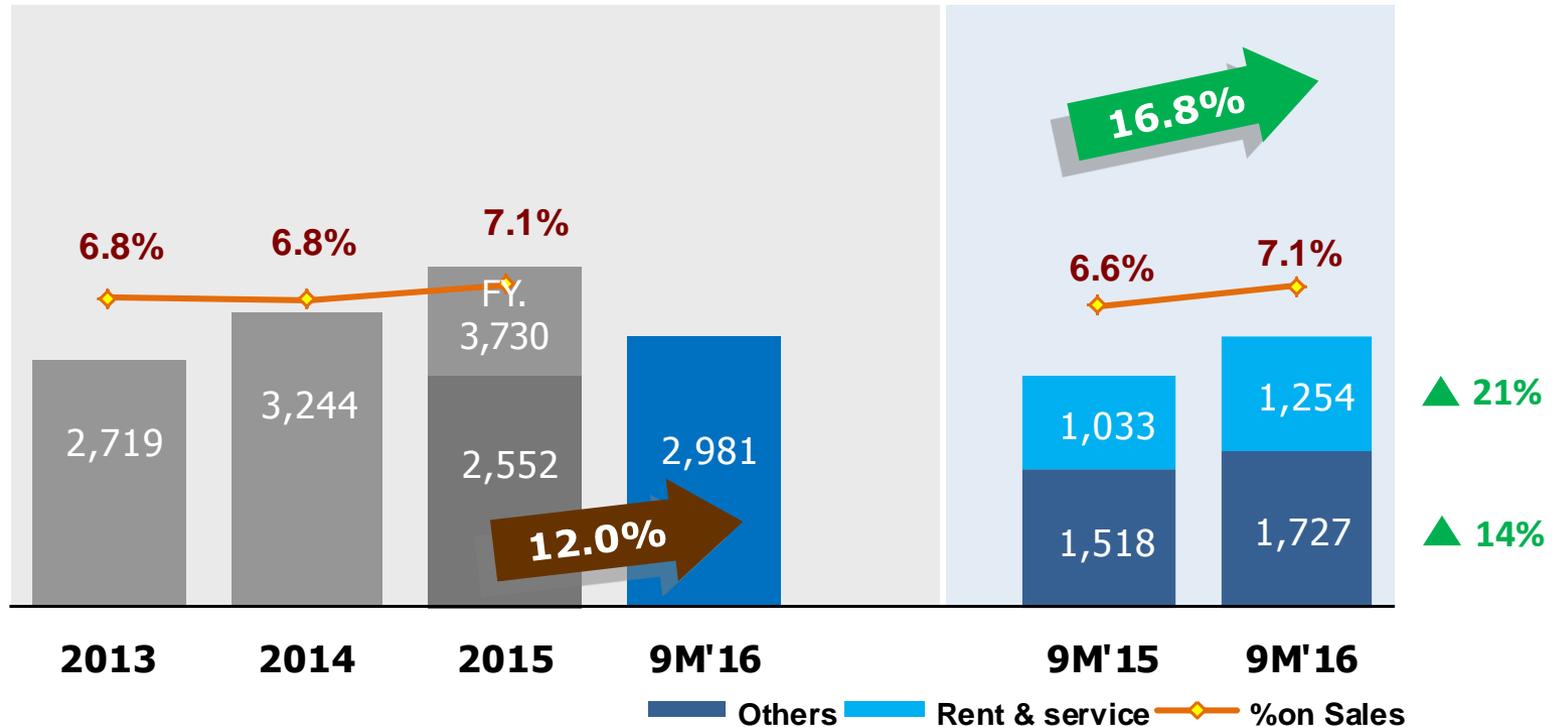
	9M'16	% on Sales	9M'15	% on Sales	VAR	% Growth
Sales	42,074.1	100.0	38,418.5	100.0	3,655.7	9.5
Other Income	2,981.4	7.1	2,551.8	6.6	429.6	16.8
<b>Total Revenue</b>	<b>45,055.6</b>	<b>107.1</b>	<b>40,970.2</b>	<b>106.6</b>	<b>4,085.3</b>	<b>10.0</b>
COGS	31,437.2	74.7	28,521.2	74.2	2,916.0	10.2
SG&A	9,695.2	23.0	9,063.0	23.6	632.2	7.0
<b>Total Expenses</b>	<b>41,132.4</b>	<b>97.8</b>	<b>37,584.2</b>	<b>97.8</b>	<b>3,548.2</b>	<b>9.4</b>
EBIT	3,923.2	9.3	3,386.0	8.8	537.1	15.9
Financial Exp.	380.2	0.9	416.2	1.1	(36.0)	(8.7)
Tax	737.7	1.8	613.2	1.6	124.5	20.3
<b>Net Profit</b>	<b>2,805.3</b>	<b>6.7</b>	<b>2,356.6</b>	<b>6.1</b>	<b>448.7</b>	<b>19.0</b>
Depreciation	2,158.6	5.1	2,013.3	5.2	145.3	7.2
EBITDA	6,081.7	14.5	5,399.3	14.1	682.4	12.6

# Sustainable Sales Growth



# Rising Other Income

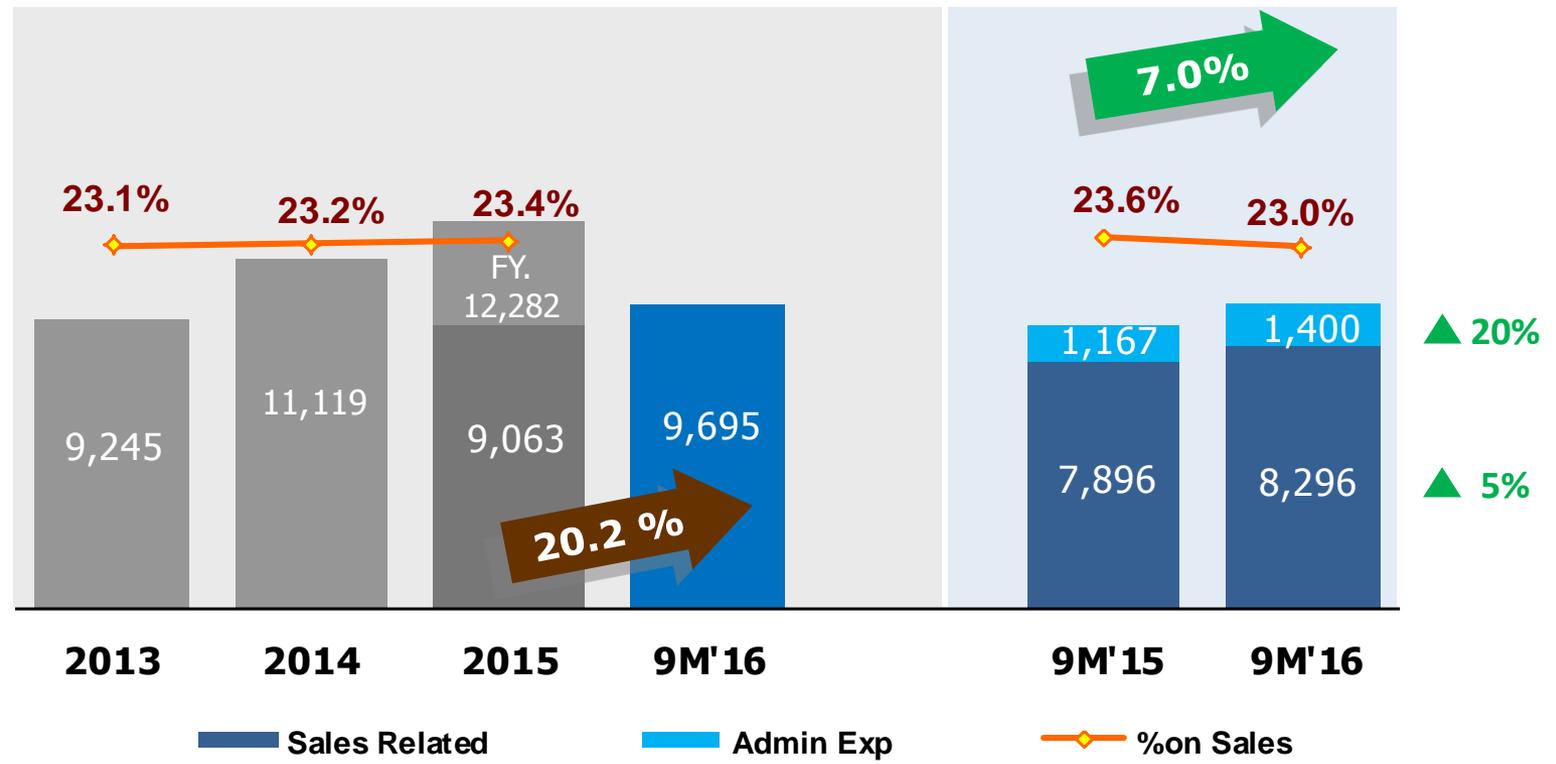
Unit : MB



- **Rental & Service Income** increasing from the improvement and area expansion of Suvarnabhumi Market Village which was opened in May 2015 as well as an increase in rental space of new HomePro branch.
- The increase in **Other Income** was mainly due to increasing joint-advertising income and in-store promotion with vendor as well as service income from "Home Service" program.

# SG&A Expenses

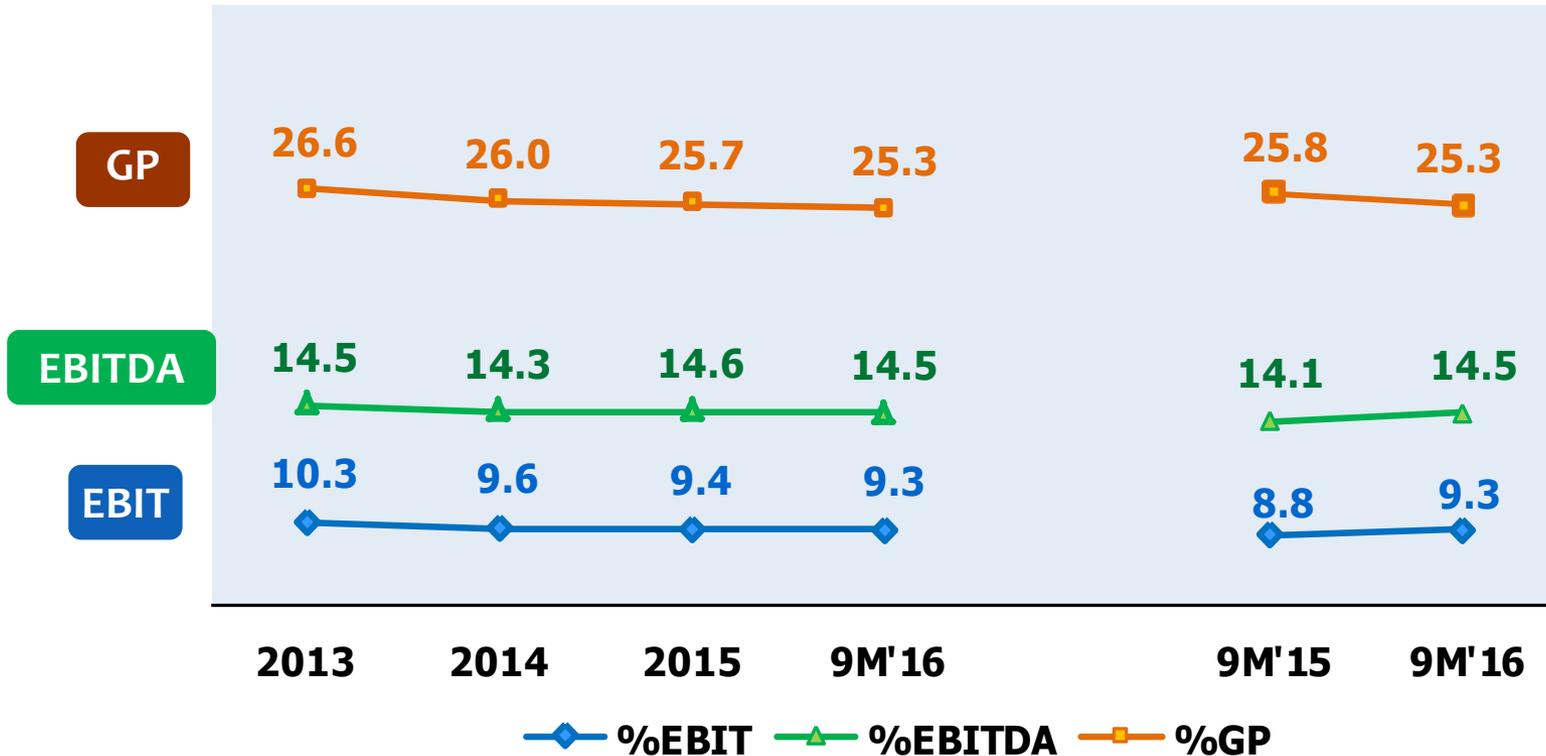
Unit : MB



9M16, SG&A increased by 7.0% compared to the same period last year. The increases are mainly from depreciation, salary and expenses related to "Home Service". However, SG&A % to sales has marginally improved, resulting to the decrease from 23.6% in 9M'15 to 23.0%.

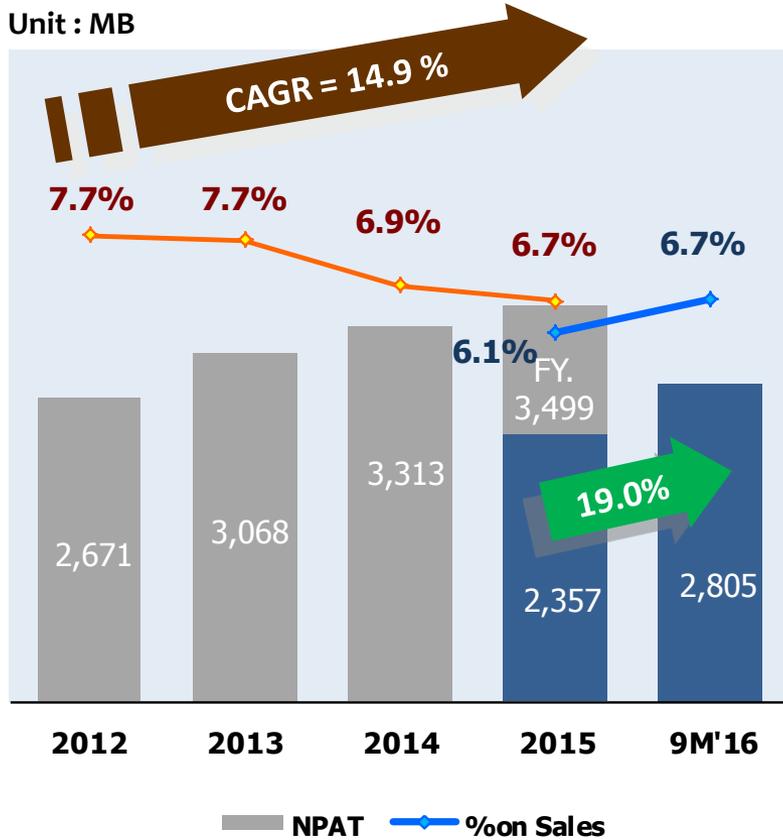
# Profitability Ratio

Unit : %



9M16, GP has decreased to 25.3% due to change of the merchandising mix of HomePro sales and the blended margin of HomePro business and Mega Home business which has a lower gross margin structure.

# NPAT & EPS



9M16 **NPAT** growth by 19.0% and NPAT % to sales increased from 6.1% to 6.7%

**EPS** in 2015 taking impact of stock dividend at ratio of 15:1 paid in May 2015 (2014 final dividend).

# Balance Sheet at a Glance

Unit : MB

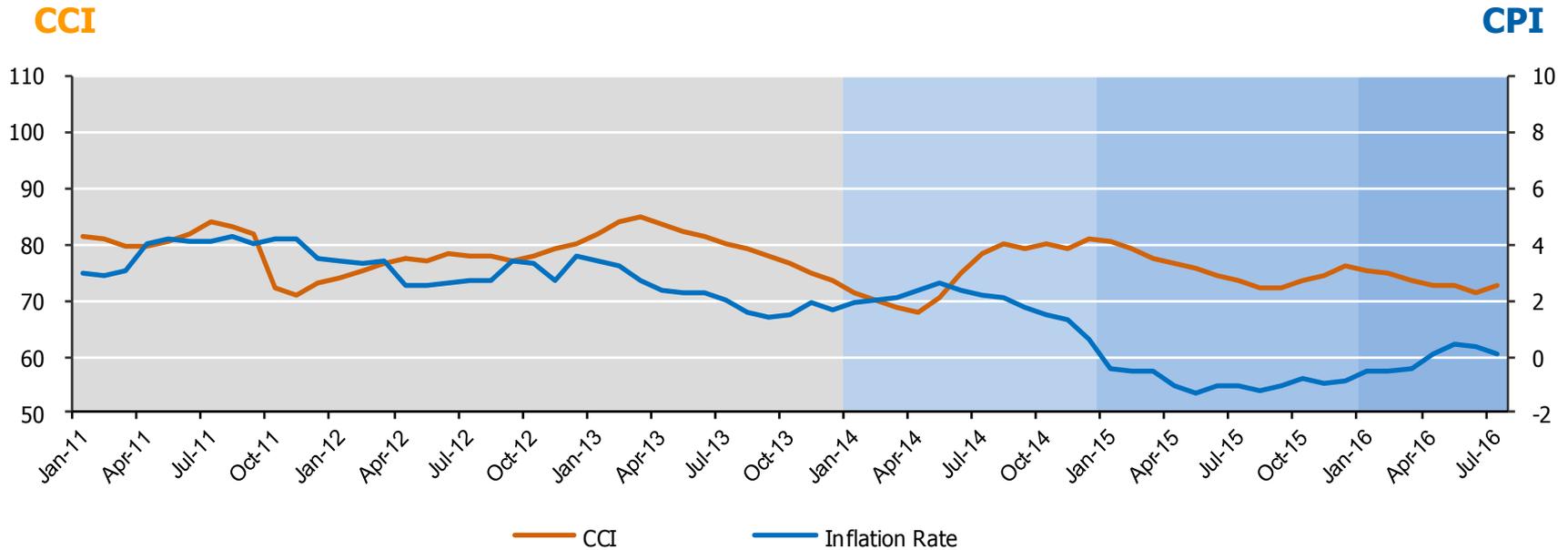
	30 Sep 16	31 Dec 15	VAR	%
Cash & Deposit	1,464.7	2,698.1	(1,233.3)	(45.7)
Inventory	9,329.5	8,364.8	964.7	11.5
Land Building & Equipment	34,283.2	33,386.6	896.6	2.7
Others	2,199.7	2,541.6	(341.9)	(13.5)
<b>Total Assets</b>	<b>47,277.1</b>	<b>46,991.0</b>	<b>286.1</b>	<b>0.6</b>
Financial Debt	15,230.2	14,377.1	853.1	5.9
Account Payable	13,190.8	12,762.6	428.2	3.4
Others	2,684.8	2,948.7	(263.9)	(9.0)
<b>Total Liabilities</b>	<b>31,105.8</b>	<b>30,088.4</b>	<b>1,017.4</b>	<b>3.4</b>
Paid-Up Capital	13,151.2	13,151.2	-	-
Share Premium	646.3	646.3	-	-
Retain Earnings	2,373.8	3,105.1	(731.4)	(23.6)
<b>Total Equities</b>	<b>16,171.3</b>	<b>16,902.6</b>	<b>(731.4)</b>	<b>(4.3)</b>

# Agenda

- 3Q'16 Financial Results
  - **Business Outlook**
- 



# Thai Consumer Confidence continually rose in SEP



Thailand Consumer Confidence Index (CCI) rose to 74.2 in September, compared with 73.2 in August and 72.5 in July. Consumer price increased for the fifth months to 0.38% .

Thai consumer confidence rose for the 3 consecutive months in year 2016, driven by better attitude about overall economic, social, and political stability. However, employment, global economic uncertainty, and flooding were major factors that pressured consumer confidence.

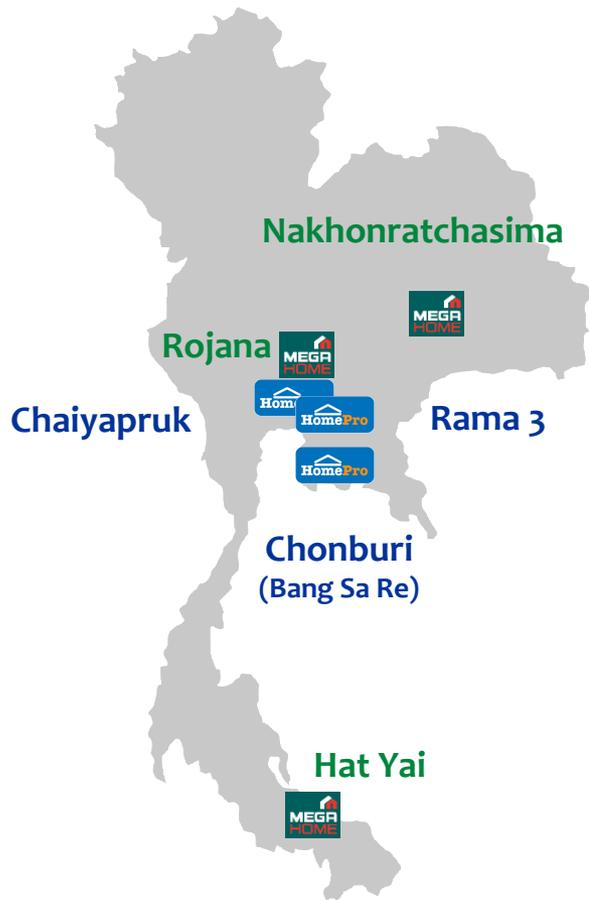
Consumer price was increased to 0.38% due to increased in overall price of food, especially fruits and vegetables.

# Continuous margin expansion through Private Label



The main objective of the development and selection of private brand products is an adherence to build up value-added to customers. Therefore, the core element of private brand products is quality and worthiness. In addition to the Company's increase of variety of products, it had continued to develop and select products with quality to continuously provide worthiness to customers. To date, we have a total of 36 private brands and over 1,000 items.

# 2016 Store Expansion Plan



## 2016 No. of New stores



5

3-4

1

Quarter	Location	Date	HomePro	MEGA HOME	HomePro Malaysia
1Q	Chaiyapruk	26 Feb	Yes	No	No
2Q	Rojana		No	Yes	No
	Rama 3 (Relocation)	27 May	No	Yes	No
3Q	Hat Yai		No	Yes	No
	Chonburi (Bang Sa Re)	30 Sep	Yes	No	No
4Q	Nakhonratchasima		Yes	No	No
	2 stores in BKK	Dec	Yes	No	No
	1 store in upcountry	Dec	Yes	No	No
	The Summit Subang USJ		No	No	Yes

## Our stores in 2016

Total (stores)	80	10 - 11	2
----------------	----	---------	---



## HomePro EXPO 24

18-27 November 2016 @ Impact Muangthong Thani

Home lovers enjoyed this event which offers a wide range of brand name from over 300 manufactures and distributors, home service and innovation, including special discounts from leading financial institution.



Q & A

**Contact us**

Tel +662-832-1416

Email : [IR@homepro.co.th](mailto:IR@homepro.co.th)

---