



Analyst Meeting | 2016 Results

March 3, 2017

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.

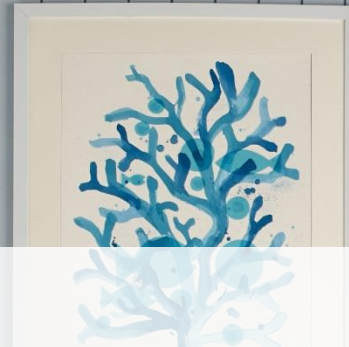
Our product range covers 40,000 items.

We operate 80 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

- **2016 Financial Results**
- **Business Outlook**





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.



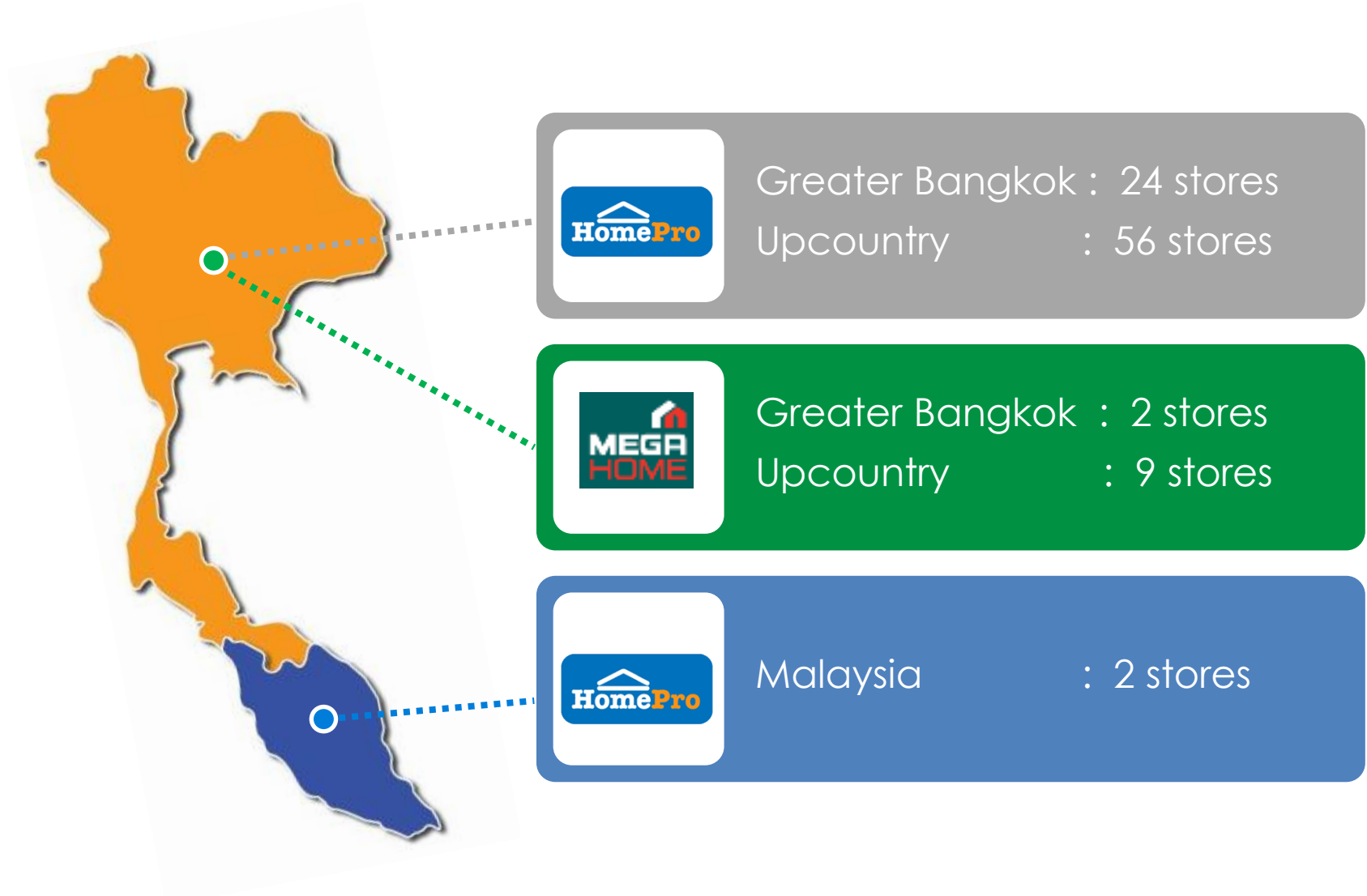
Mega Home Center Co., Ltd.

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



DC Service Center Co., Ltd.

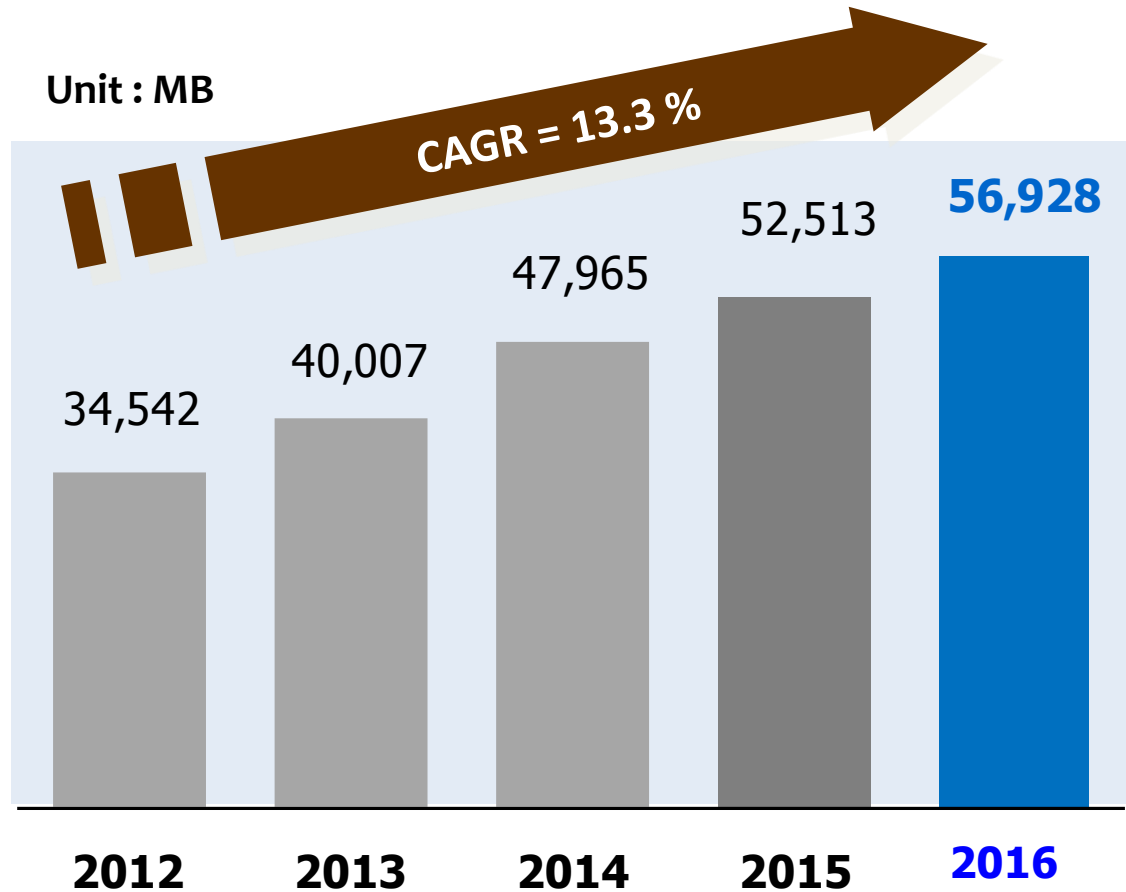
- Holds 99.99% of total shares
- Objective to operate the warehousing and distribution.



Unit : MB

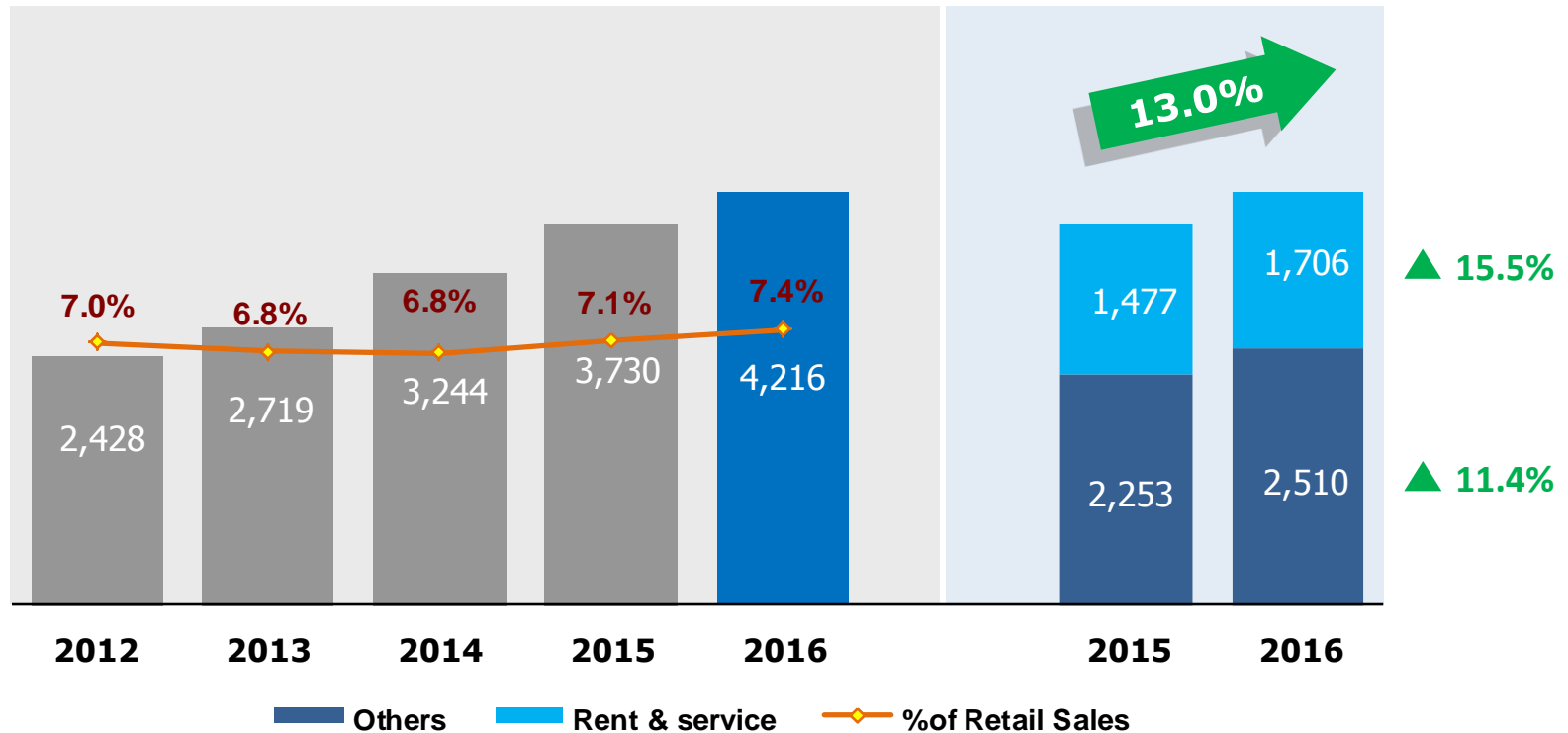
	2016	% on Sales	2015	% on Sales	VAR	% Growth
Sales	56,928.4	100.0	52,512.7	100.0	4,415.6	8.4
Other Income	4,215.7	7.4	3,730.5	7.1	485.2	13.0
Total Revenue	61,144.1	107.4	56,243.2	107.1	4,900.9	8.7
COGS	42,404.7	74.5	38,999.7	74.3	3,404.9	8.7
SG&A	13,140.8	23.1	12,283.0	23.4	857.9	7.0
Total Expenses	55,545.5	97.6	51,275.7	97.7	4,262.8	8.3
EBIT	5,598.6	9.8	4,960.5	9.4	638.1	12.9
Financial Exp.	503.7	0.9	543.7	1.0	(40.0)	(7.4)
Tax	969.7	1.7	918.0	1.7	51.7	5.6
Net Profit	4,125.2	7.2	3,498.8	6.7	626.4	17.9
Depreciation	2,905.0	5.1	2,720.7	5.2	184.2	6.8
EBITDA	8,503.6	14.9	7,681.2	14.6	822.4	10.7

Sustainable Sales Growth



Rising Other Income

Unit : MB

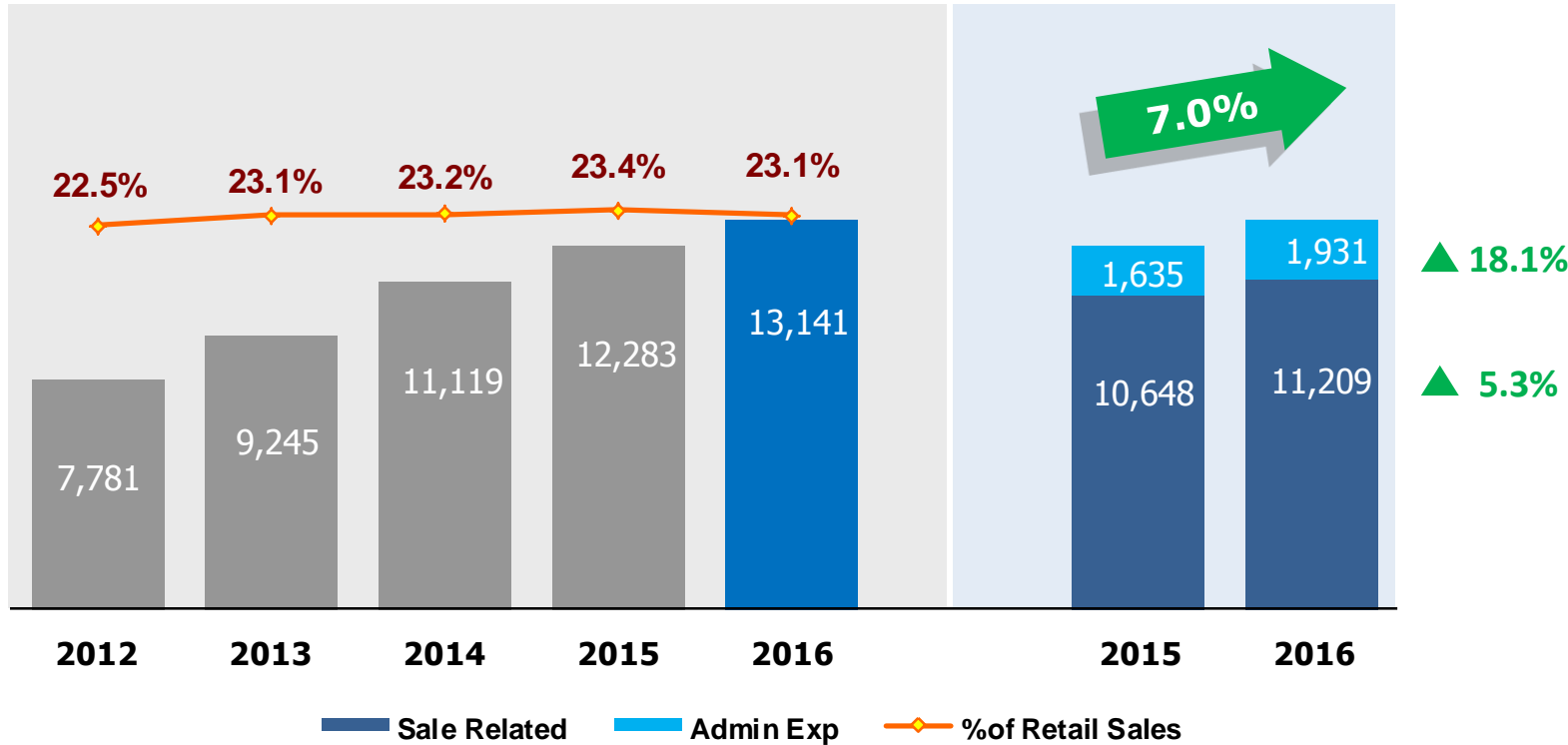


- **Rental & Service Income** increasing from additional rental space of Market Village as well as higher higher rental income from the additional HomePro's leasable areas.
- The increase in **Other Income** was mainly due to increasing support fee of promotional activities, as well as service income from customers under "Home Service" program.



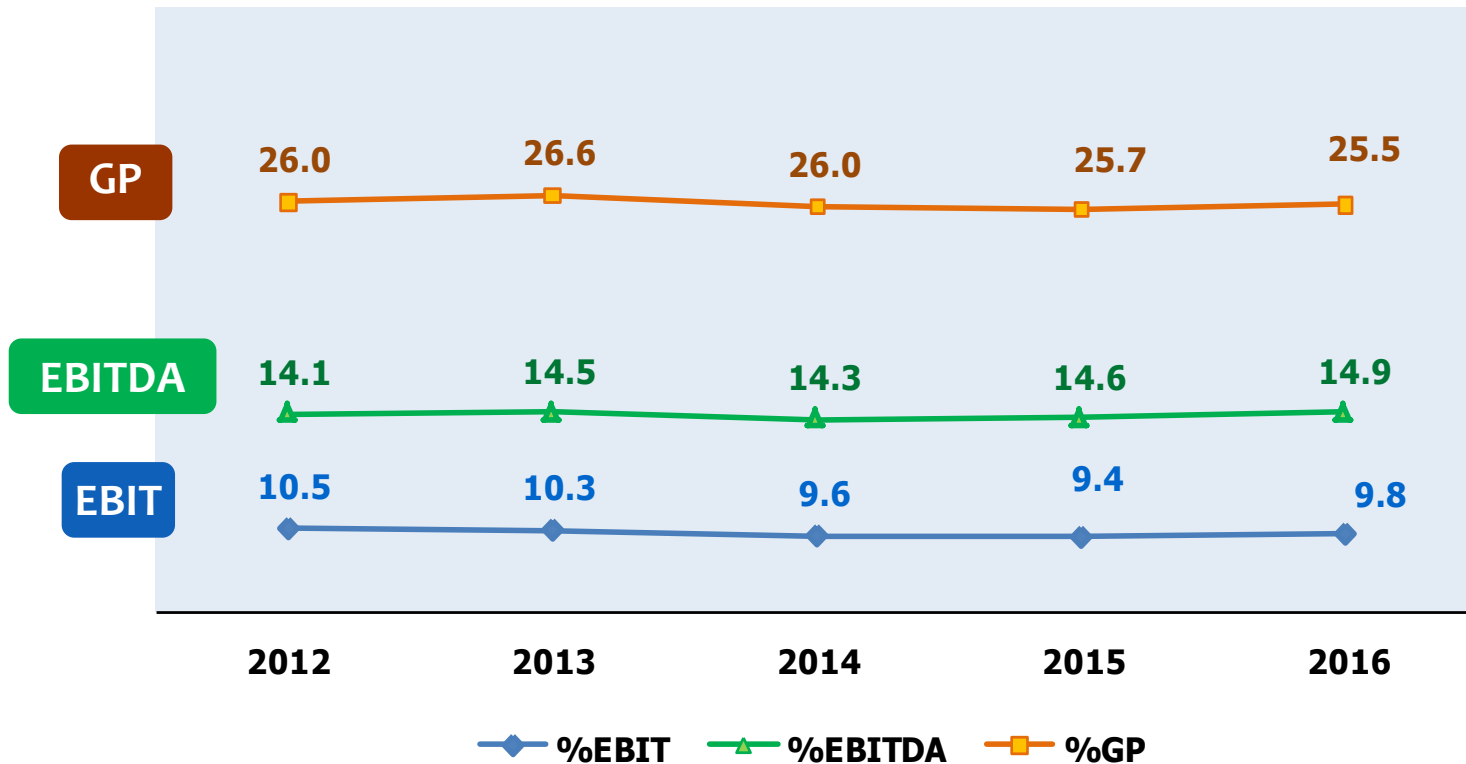
SG&A Expenses

Unit : MB



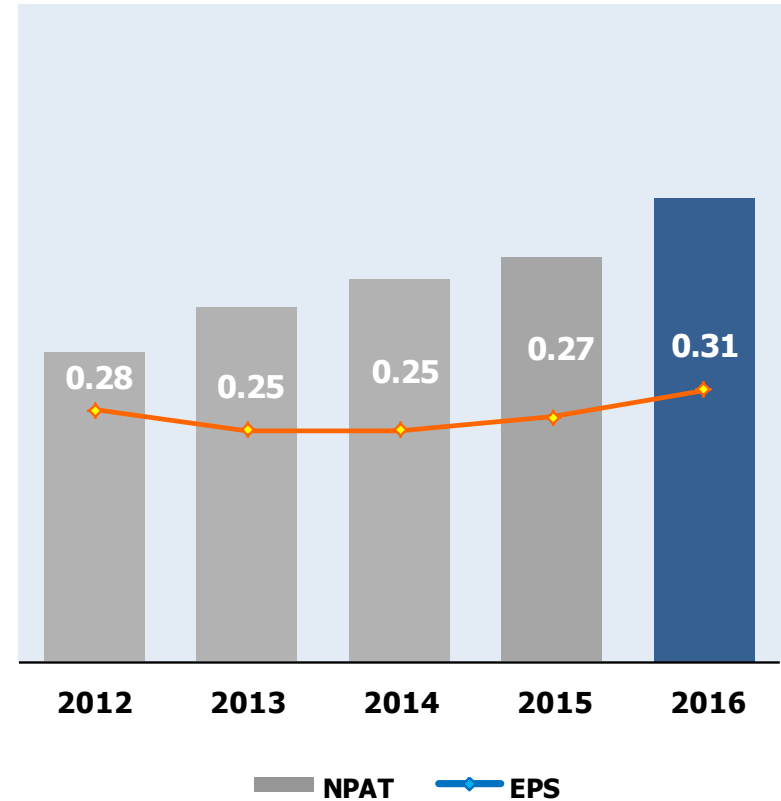
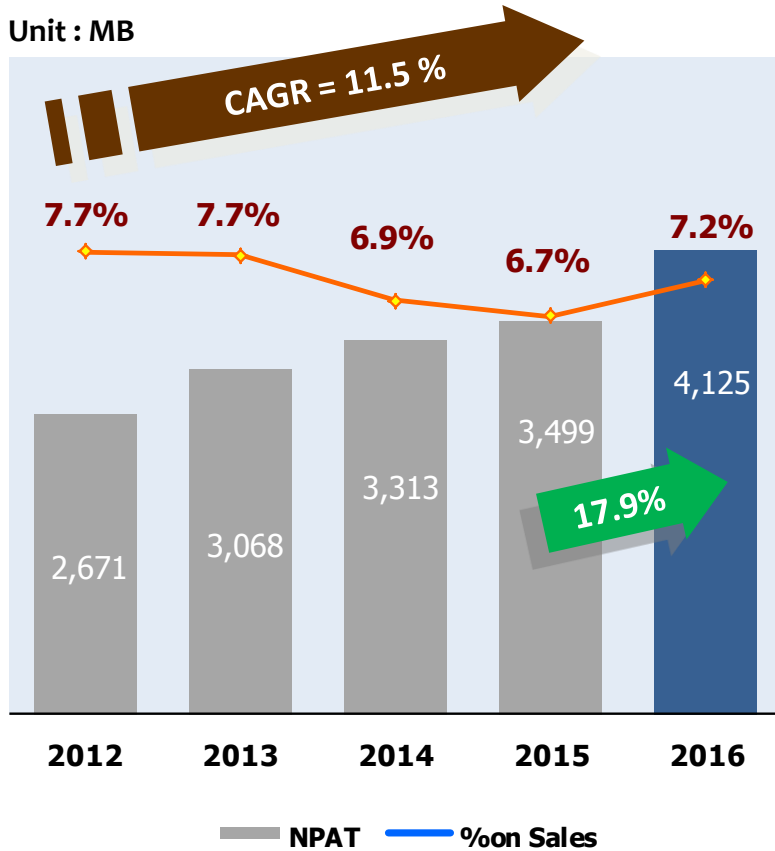
2016, SG&A represented 23.1% to sales comparing with 23.4% of the same period of the previous year. The main decrease was due to the improvement in cost efficiency and more economies of scale from Mega Home business.

Unit : %



2016, GP has decreased from 25.7% in the previous year to 25.5% due to the blended margin of HomePro business and Mega Home business which has a lower gross margin structure and a higher sales mix of Mega Home business.

Unit : MB



2016 **NPAT** growth by 17.9% and NPAT % to sales increased from 6.7% to 7.2%

Earnings per share (**EPS**) were Baht 0.31 in 2016, up 17.9 percent as compared with last year.

■ AGM Update

XM : 9 March 2017

AGM : 5 April 2017

**Place : Grand Ballroom,
Mandarin Hotel
662 Rama 4 Rd.,
Bangrak, Bangkok**



■ Dividend

On 27 Feb 2017 the Board proposed to pay cash dividend at the rate of Baht 0.15 per share subject to shareholders approval on 5 April 2017.

XD : 12 April 2017

Payment date : 3 May 2017

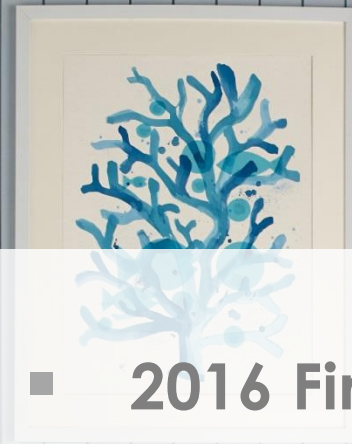
Balance Sheet at a Glance

Unit : MB

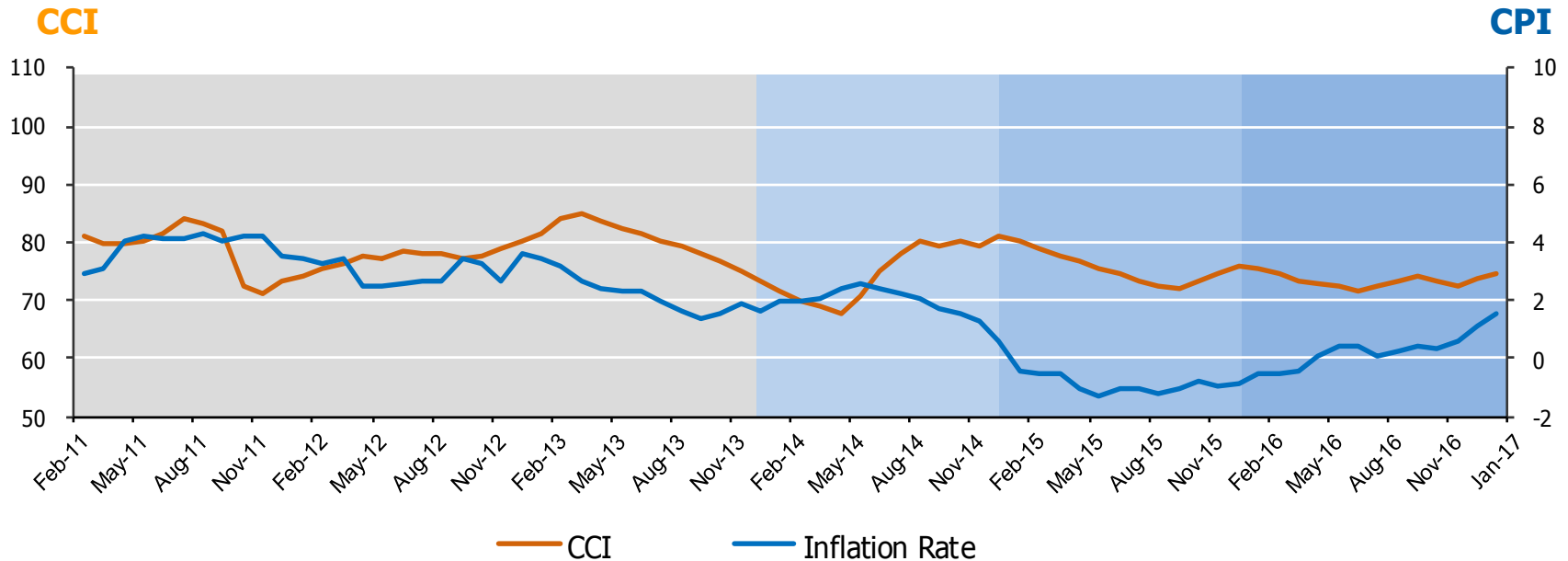
	31 Dec 16	31 Dec 15	VAR	%
Cash & Deposit	3,720.6	2,698.1	1,022.5	37.9
Inventory	9,671.5	8,364.8	1,306.8	15.6
Land Building & Equipment	35,533.4	33,386.6	2,146.7	6.4
Others	2,820.7	2,541.5	279.2	11.0
Total Assets	51,746.2	46,991.0	4,755.2	10.1
Financial Debt	16,875.1	14,377.1	2,498.0	17.4
Account Payable	14,031.6	12,773.3	1,258.3	9.9
Others	3,349.1	2,938.0	411.1	14.0
Total Liabilities	34,255.8	30,088.4	4,167.4	13.9
Paid-Up Capital	13,151.2	13,151.2	-	-
Share Premium	646.3	646.3	-	-
Retain Earnings	3,692.8	3,105.1	587.7	18.9
Total Equities	17,490.4	16,902.6	587.7	3.5

Agenda

- 2016 Financial Results
 - **Business Outlook**
-



Consumers more confident in economy



Thailand Consumer Confidence Index (CCI) rose to 74.5 in January, compared to 73.7 in December and 72.3 in November. Consumer price increased to 1.55%. The CCI jumped to its highest level in 11 months.

The positive factors contributing to the sentiment increase are government's stimulus programs, higher exports, recovering of rubber prices, and spending during the New Year and the Chinese New Year. However, the concern of Donald Trump's policies and uncertainty of global economy was pressured the sentiment.

Consumer price was increased to 1.55% highest in over 2 years due to increased in oil price and overall price of food.



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.

2017 Store Expansion Plan



■ 2017 No. of New stores

		2 - 3	3 - 4	2 - 3
1H	Bangkok	1	-	
	Malaysia			1
2H	Bangkok	1 - 2		
	Upcountry		3 - 4	
	Malaysia			1 - 2

■ Our stores in 2017

Total (stores)	82 - 83	14 - 15	4 - 5
----------------	---------	---------	-------

* Excluding HomePro Living and Bike Club



โอกาสของคุณมาถึงแล้ว

สมัคร
ฟรี!



Home Makeover 2

TV Reality

The qualified 10 families will receive improvement in their home. The show begins airing in October.



HomePro EXPO 25

17 – 26 March 2017 @ 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
