



Analyst Meeting | 2Q'17 Results

August 1, 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.

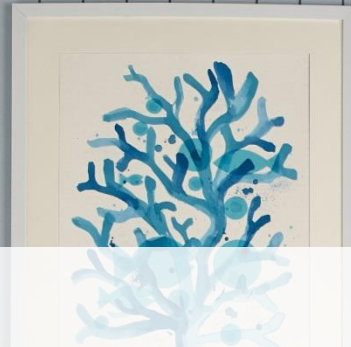
Our product range covers 40,000 items.

We operate 82 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

- **2Q'17 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.



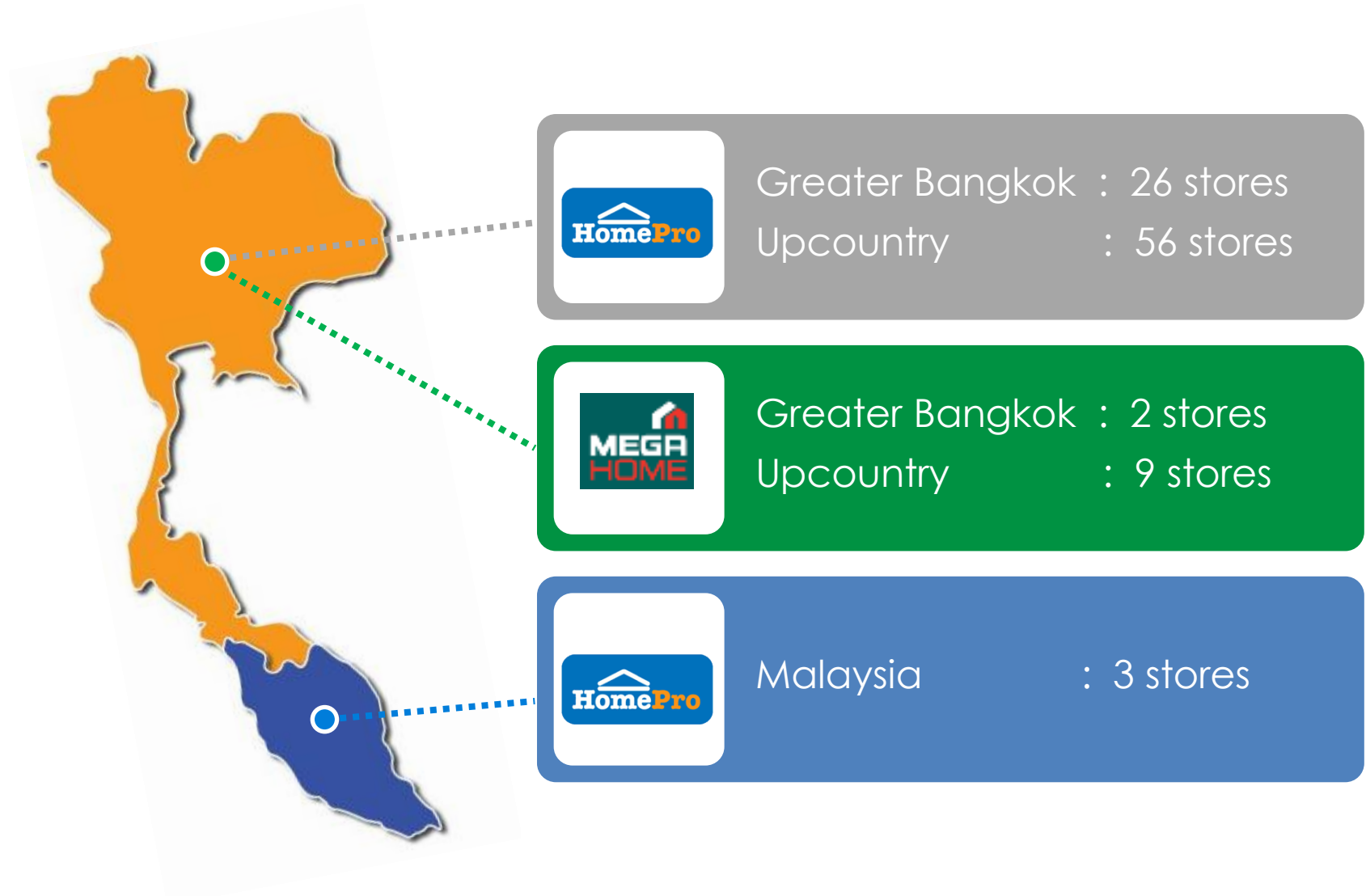
Mega Home Center Co., Ltd.

- 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.

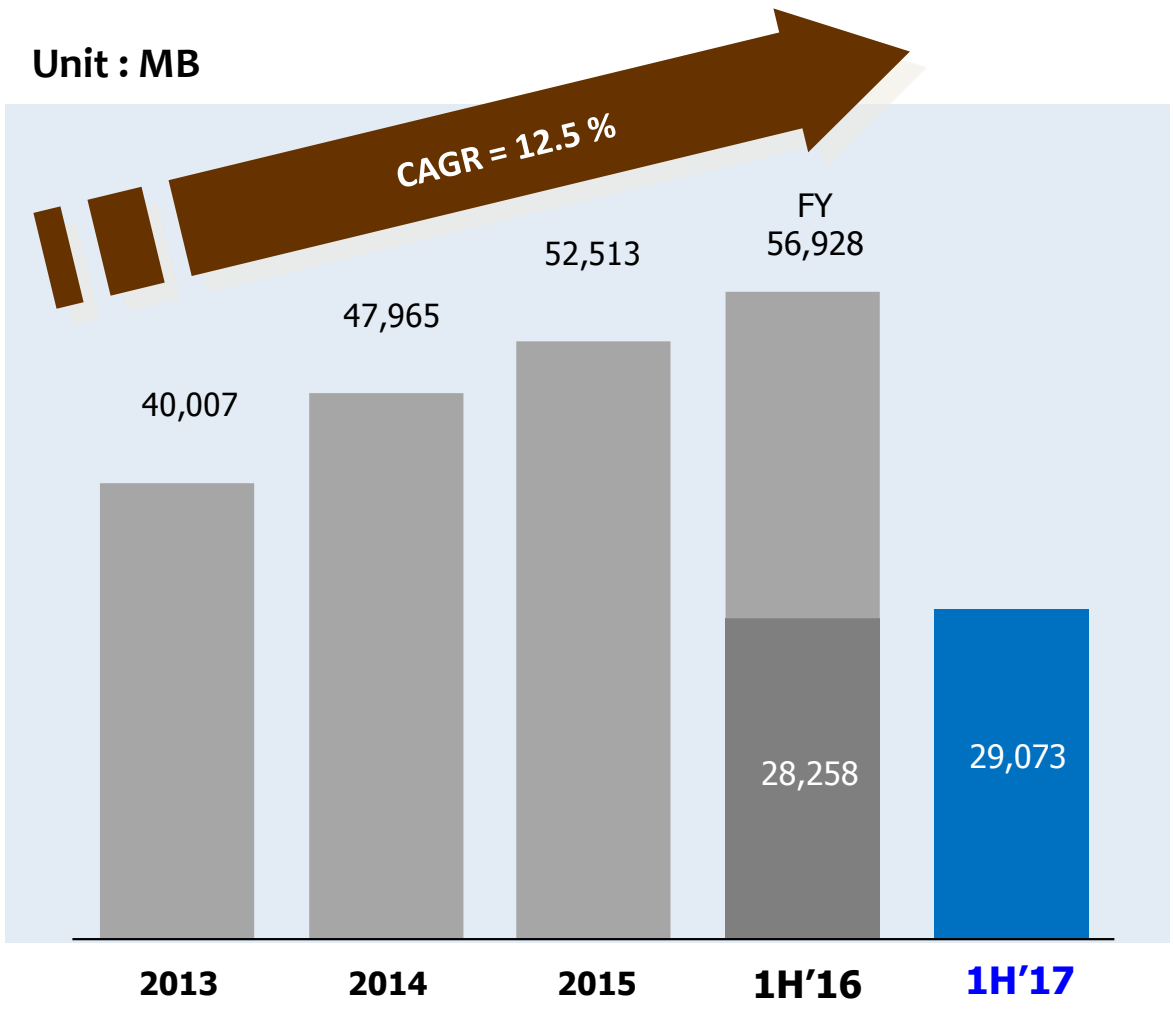


Unit : MB

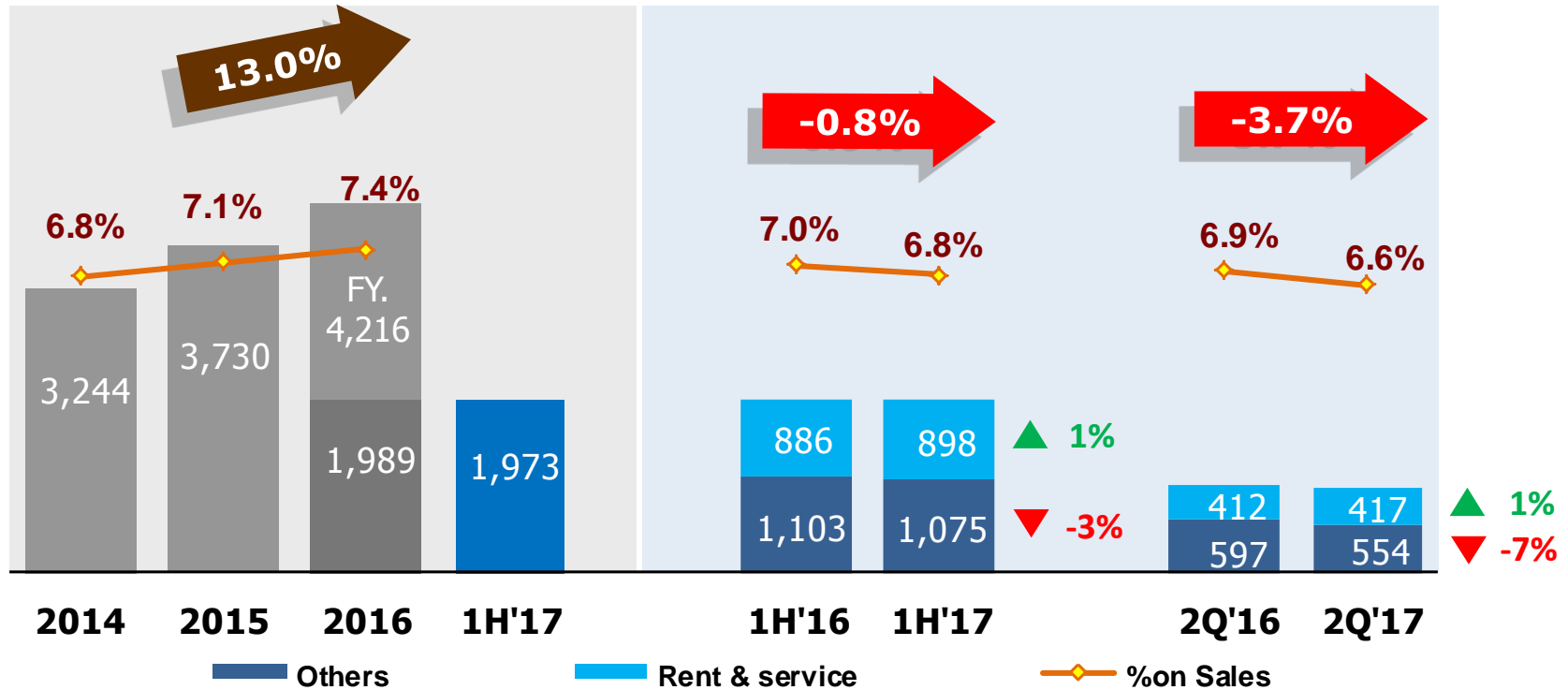
	1H'17	% on sale	1H'16	% on sale	VAR	% Growth
Sales	29,073.0	100.0	28,257.9	100.0	815.1	2.9
Other Income	1,973.1	6.8	1,989.2	7.0	(16.1)	(0.8)
Total Revenue	31,046.0	106.8	30,247.0	107.0	799.0	2.6
COGS	21,513.9	74.0	21,130.1	74.8	383.8	1.8
SG&A	6,621.4	22.8	6,526.6	23.1	94.8	1.5
Total Expenses	28,135.3	96.8	27,656.6	97.9	478.6	1.7
EBIT	2,910.8	10.0	2,590.4	9.2	320.4	12.4
Financial Exp.	234.5	0.8	248.5	0.9	(14.0)	(5.6)
Tax	498.8	1.7	485.0	1.7	13.8	2.8
Net Profit	2,177.4	7.5	1,856.9	6.6	320.6	17.3
Depreciation	1,530.8	5.3	1,429.8	5.1	101.0	7.1
EBITDA	4,441.6	15.3	4,020.2	14.2	421.4	10.5



Sustainable Sales Growth

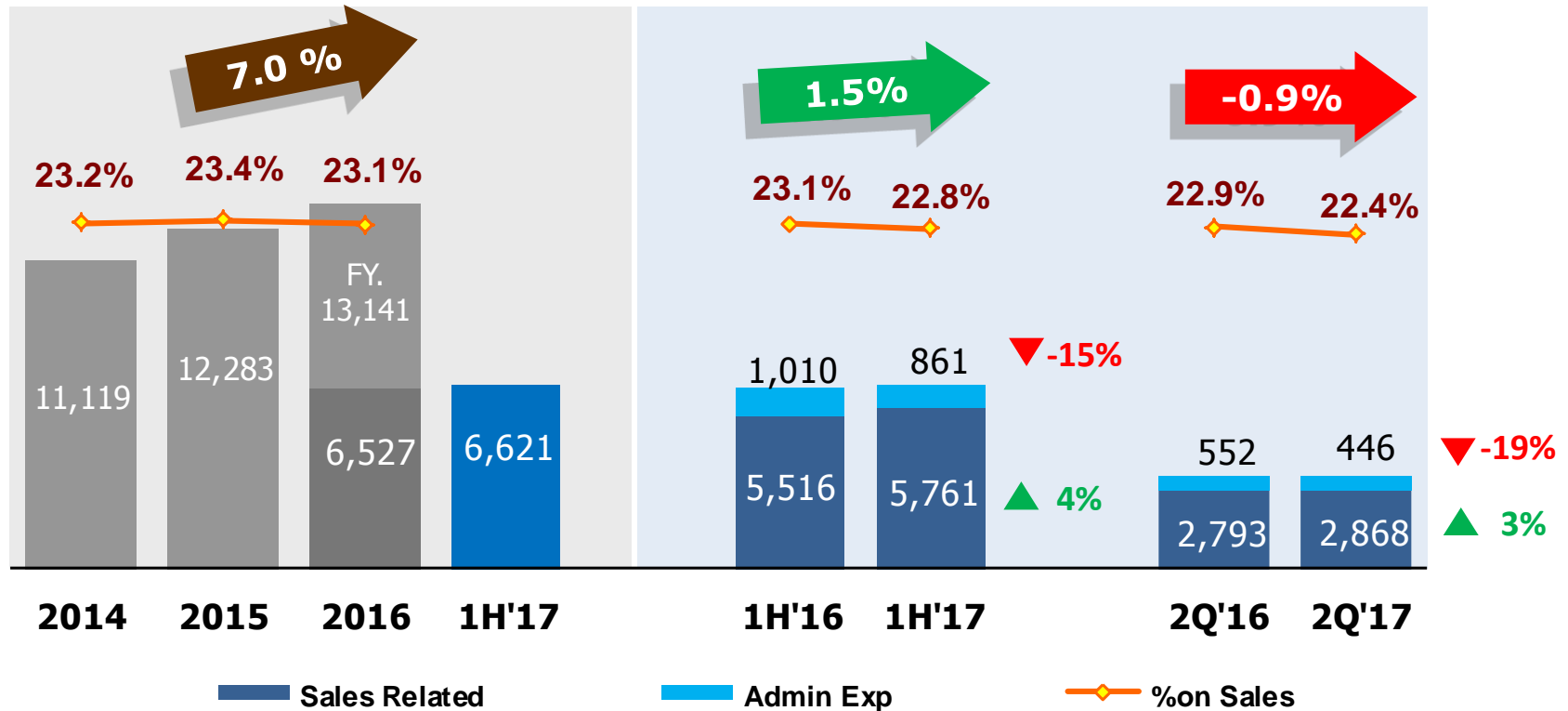


Unit : MB



- **Rental & Service Income** increasing from higher rental income from the additional HomePro's leasable areas of new stores expansion in 2H'16.
- The decrease in **Other Income** was due to the shift of joint marketing activities with suppliers to 2H'17.

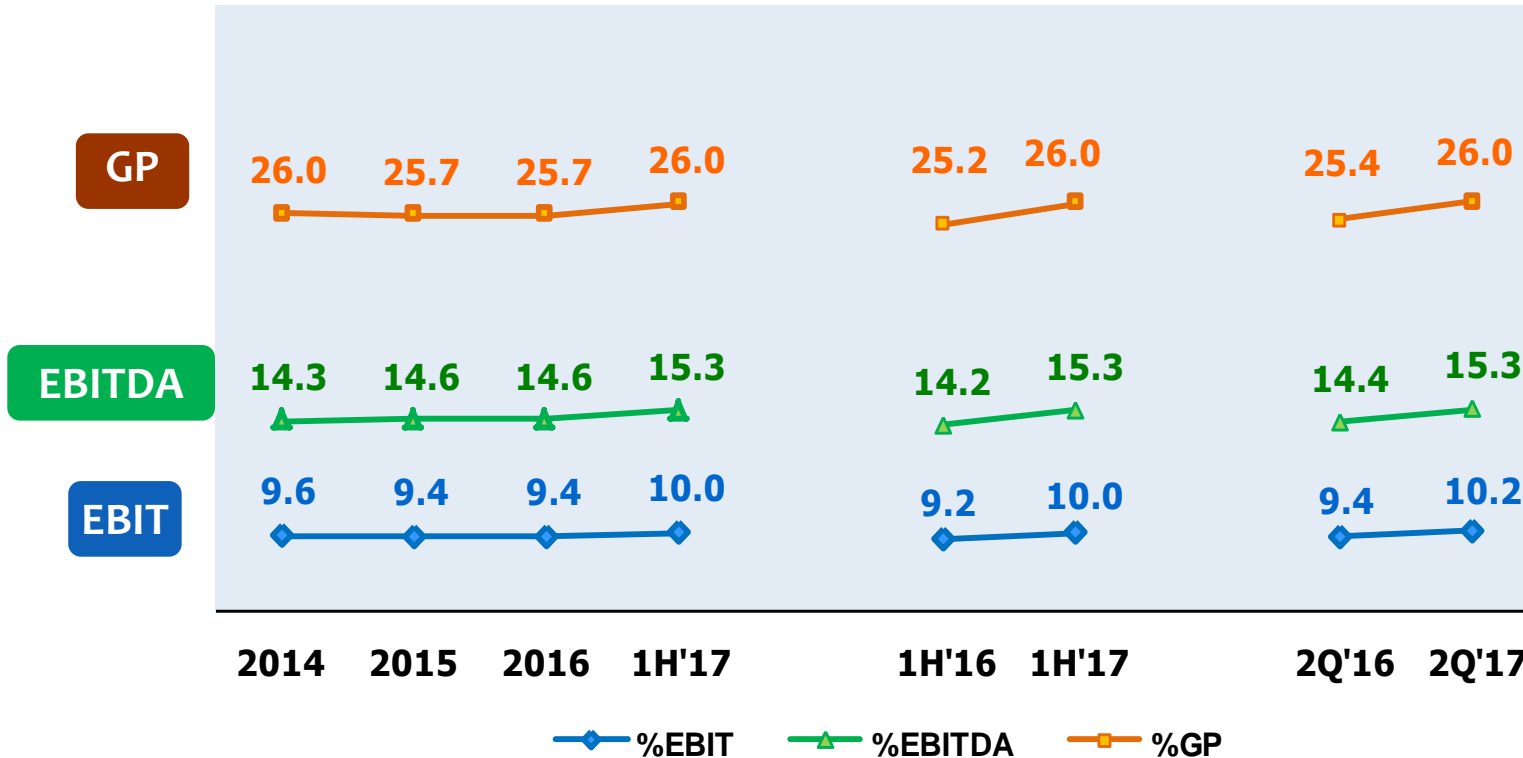
Unit : MB



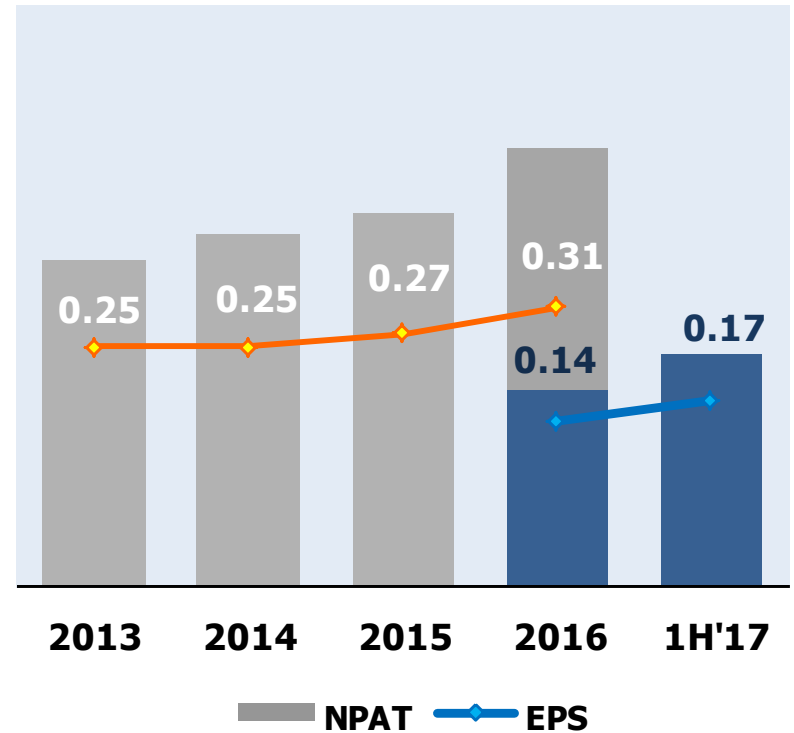
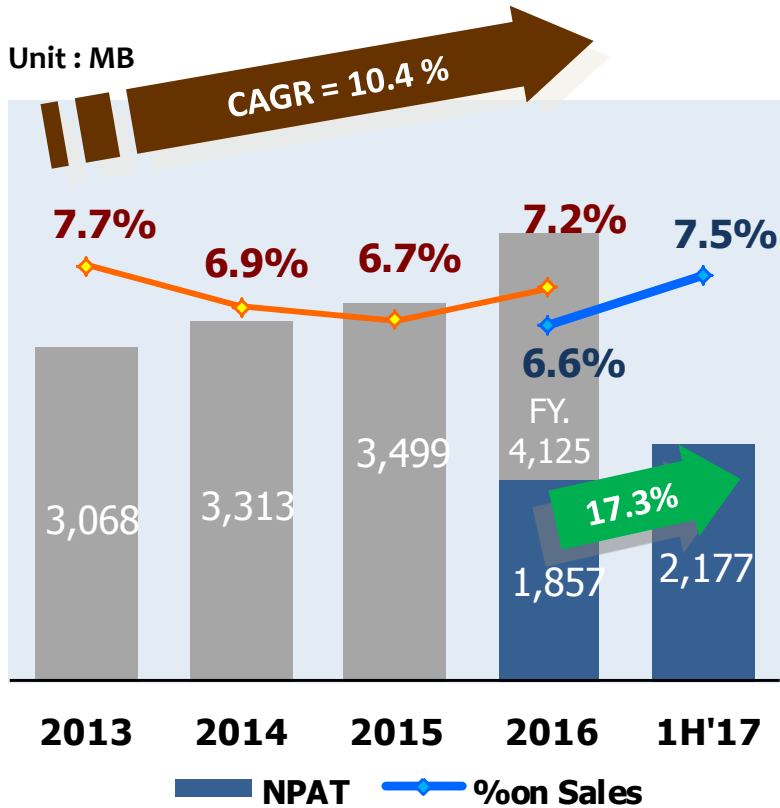
2Q'17 SG&A was down by 0.9%. The decreases were mainly from utility expense and cost related to sales such as marketing expense. However, SG&A as a percentage of sales has marginally decreased due to the improvement in cost efficiency.

Profitability Ratio

Unit : %



1H'17, **GP** has increased from 25.2% in 1H'16 to 26.0% due to change in product sales mix of both general merchandise and directly sourced private-label goods, product assortment planning as well as increasing in GP from Mega Home business.



1H'17 **NPAT** growth by 17.3% and NPAT % to sales increased from 6.6% to 7.5%.

Earnings per share (**EPS**) were Baht 0.17 in 1H'17, up 17.3% as compared with last year.

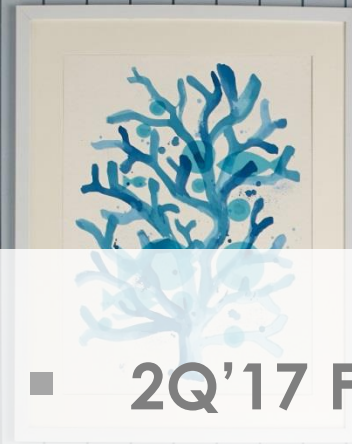
Balance Sheet at a Glance

Unit : MB

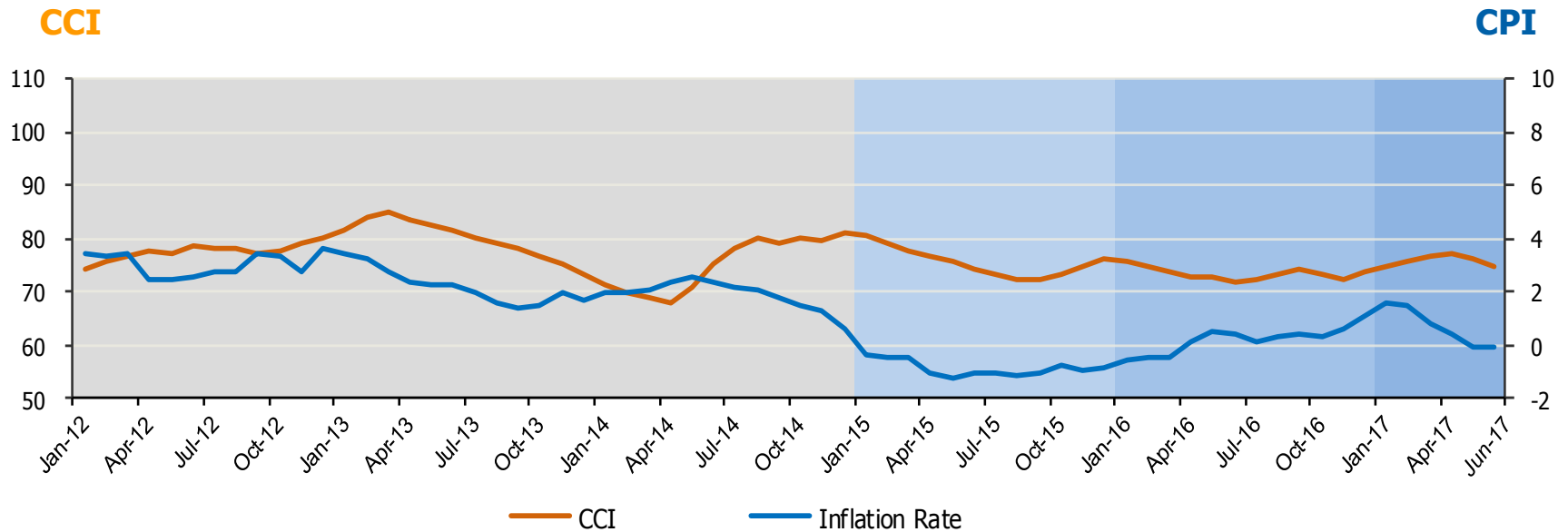
	30 Jun 17	31 Dec 16	VAR	%
Cash & Deposit	4,768.6	3,720.6	1,048.0	28.2
Inventory	10,352.1	9,671.5	680.5	7.0
Land Building & Equipment	34,759.8	35,533.4	(773.5)	(2.2)
Others	2,495.4	2,820.8	(325.4)	(11.5)
Total Assets	52,375.9	51,746.2	629.7	1.2
Financial Debt	18,476.9	16,875.1	1,601.8	9.5
Account Payable	13,268.5	14,031.6	(763.1)	(5.4)
Others	2,937.1	3,349.1	(412.0)	(12.3)
Total Liabilities	34,682.4	34,255.9	426.5	1.2
Paid-Up Capital	13,151.2	13,151.2	-	-
Share Premium	646.3	646.3	-	-
Retain Earnings	3,896.0	3,692.8	203.1	5.5
Total Equities	17,693.5	17,490.4	203.1	1.2

Agenda

- 2Q'17 Financial Results
 - **Business Outlook**
-



Consumers lower confident in economy in June



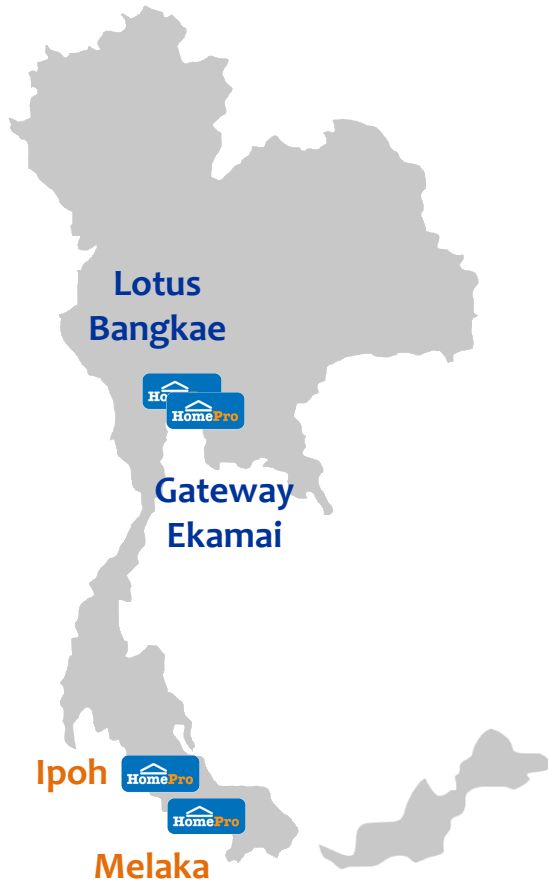
Thailand Consumer Confidence Index (CCI) decrease to 74.9 in June, compared to 76.0 in May and 77 in April.

Thai consumers confidence dropped for the second consecutive month. Consumers were concerned in slow economic recovery as well as poor agricultural price, especially rice, rubber, tapioca, maize and palm oil, pressured purchasing power in rural area. Uncertainty of the global economy also another factor pressured consumer confidence.

Consumer price decrease for the second consecutive month to -0.05% mainly due higher food price because of drought in the last year and dropped in oil price.



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.



				Malaysia
■ 2017 No. of new stores		2 - 3*	1	3 - 4
1Q		-	-	-
2Q	Lotus Bangkai	7 Apr		
	Melaka (Malaysia)			16 Apr
	Gateway Ekamai	2 Jun		
2H	Ipoh (Tesco Station 18)			26 Jul
	Bangkok	1		
	Upcountry		1	
	Malaysia			1 - 2

* HomePro S format

■ Our stores in 2017

Total (stores)	82 - 83	12	5 - 6
----------------	---------	----	-------

■ HomePro Fair

โฮมโพร แฟร์
ช้อป กิน บิน เที่ยว
งานแฟร์ เรื่องบ้าน ที่ทุกคนต้องมา
21 - 30 ก.ค. 60
อิมแพ็ค เมืองทองธานี
ฮอลล์ 5-8

ลดสูงสุด **70%**
ลด+รับเพิ่ม **38%**

ตลาดนำ
กลางเมือง
ณ โฮมโพรแฟร์ ฮอลล์ 7

HomePro
FAIR
LIVING & LIFESTYLE FAIR
2017

21-30 July @ Muang Thong Thani
A 10-day long exhibition, come visit and join our activities, special shows, and food truck.

■ In-Store Promotions

HomePro
RAINY SALE

วันพี - 23 ส.ค. 60
ชั้น 2 หน้าโฮมโพร แฟชั่น ไอส์แลนด์

ลดสูงสุด **35%**
ผ่อน **0%**
นานสูงสุด **10 เดือน***

*ภายใต้เงื่อนไขบริษัทฯ

ช็อคเซล
HOMEPRO SHOCK SALE

เพิ่มพื้นที่ใช้สอย
ด้วยแคบเคอร์เซอร์

พบกับส่วนลด
พิเศษ Party **40%**

ต้อนรับ เพิ่ม ขยาย
ครบทุก องค์ประกอบ



Q & A

Contact us

Tel +662-832-1416

Email : IR@homepro.co.th

