



# Opportunity Day | 2Q'17 Results

The Stock Exchange of Thailand

August 22, 2017

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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).

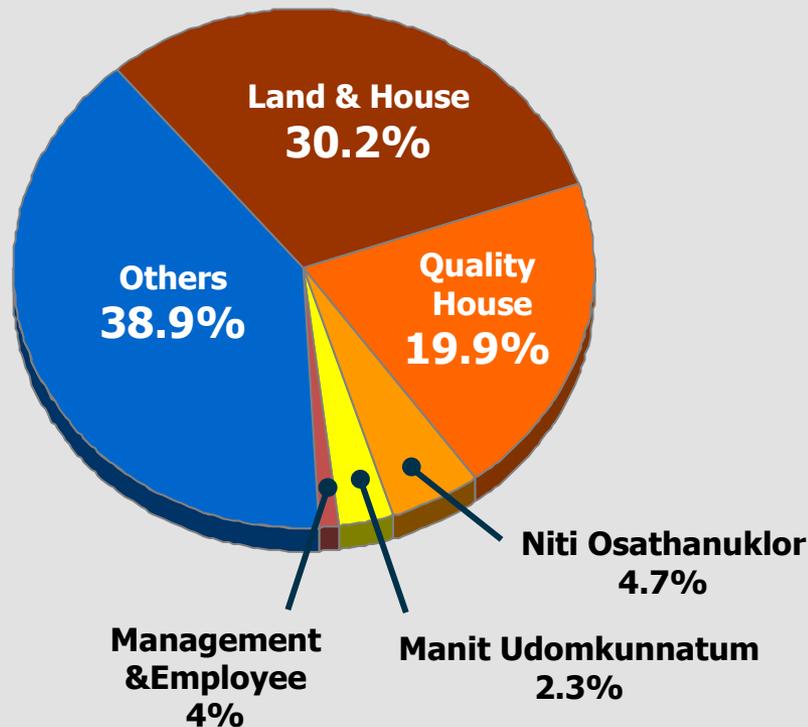
## ■ Background



## ■ What dose HomePro do?

Thailand and Southeast Asia's largest retailer of home improvement products which includes home improvement products (hardware, plumbing, painting, tools, outdoor living & garden), bathroom, kitchen, lighting, home appliances and household accessories, furniture and decorative products with full service support under HomePro format.

With Mega Home business, there are more merchandise categories than above: construction materials, daily use products, office supplies, leisure goods and more household products are added.



## Top 10 Shareholders

## % Share

1. Land and Houses Plc.	30.2
2. Quality Houses Plc.	19.9
3. Mr. Niti Osathanuklor	4.7
4. Thai NVDR Co., Ltd.	4.0
5. Social Security	3.3
6. Mr. Manit Udomkunnatum	2.3
7. Chase Nominees Limited	1.9
8. State Street Bank Europe	1.5
9. AIA Co., Ltd.	1.4
10. Sarasin Co., Ltd.	1.3
11. Others	29.5

■ **Market Capitalization : 129,539.30 MB (as at 21 August 2017)**

Paid-up Capital : 13,151,198,025 shares



## 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".



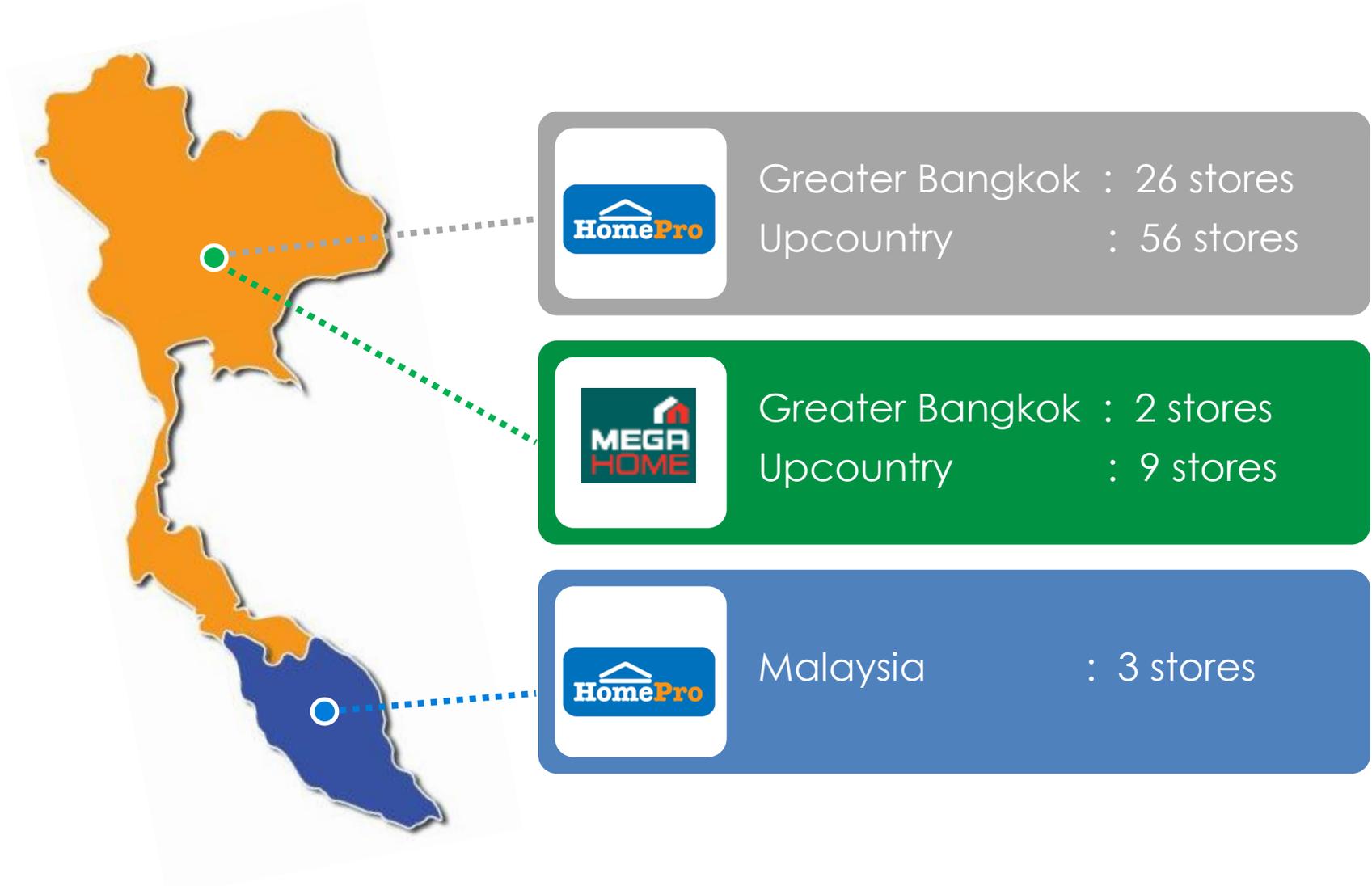
### DC Service Center Co., Ltd.

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

# Agenda

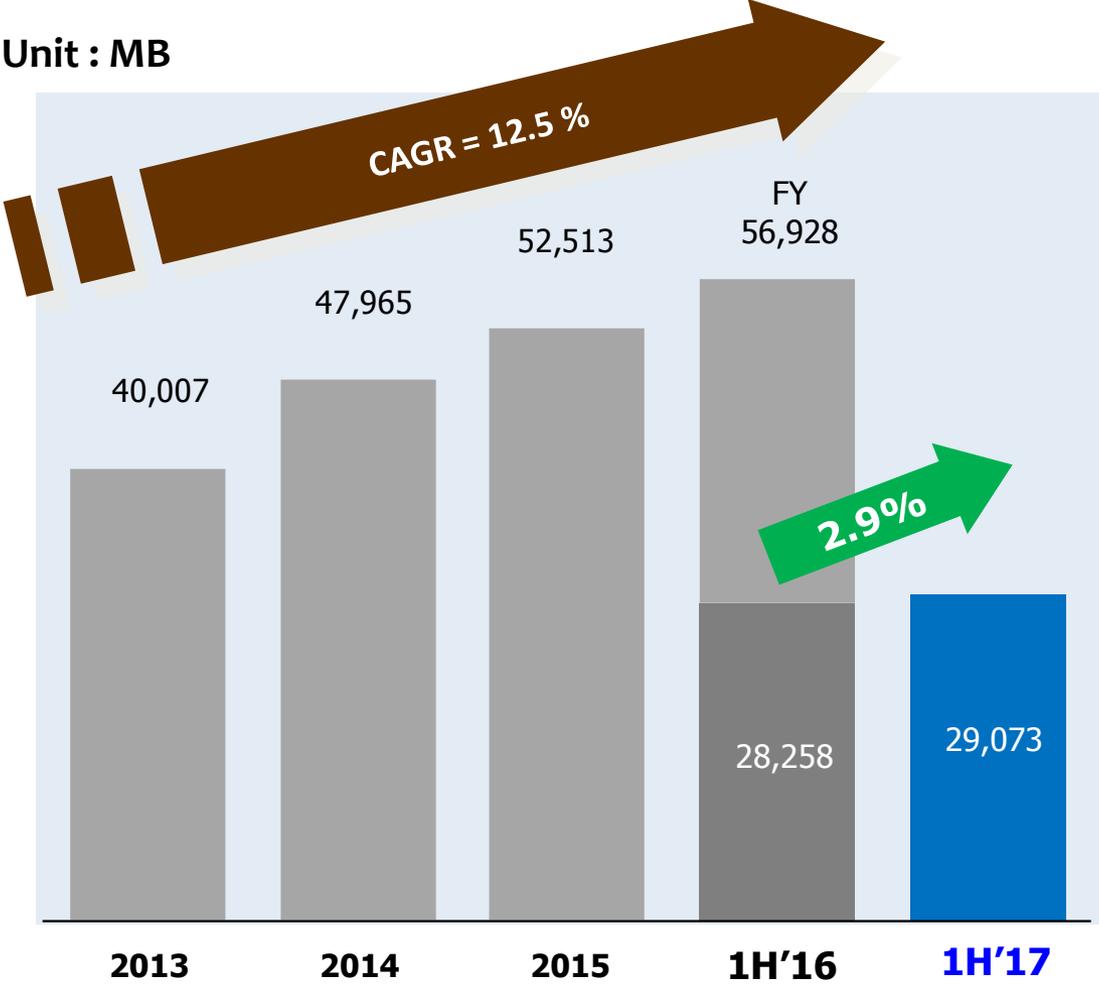
- **2Q'17 Financial Results**
- **Business Outlook**





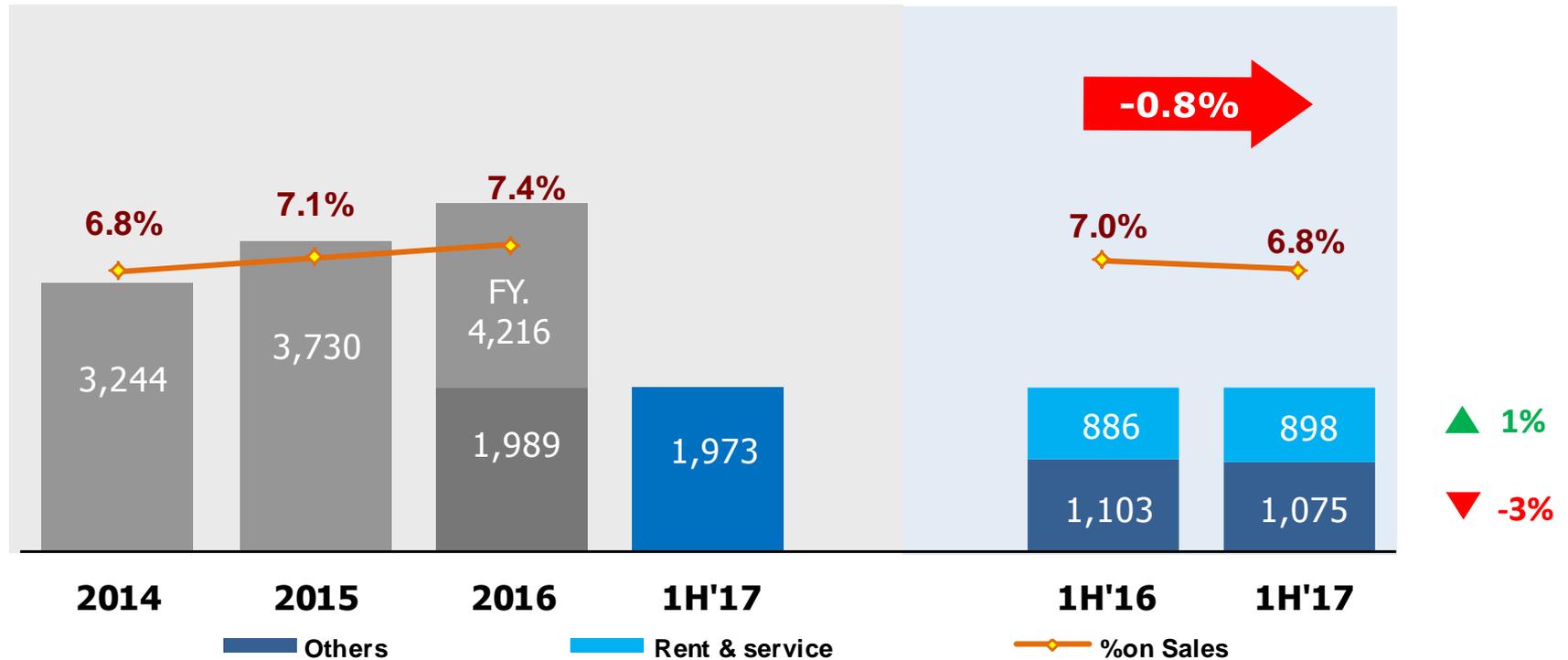


# Sustainable Sales Growth



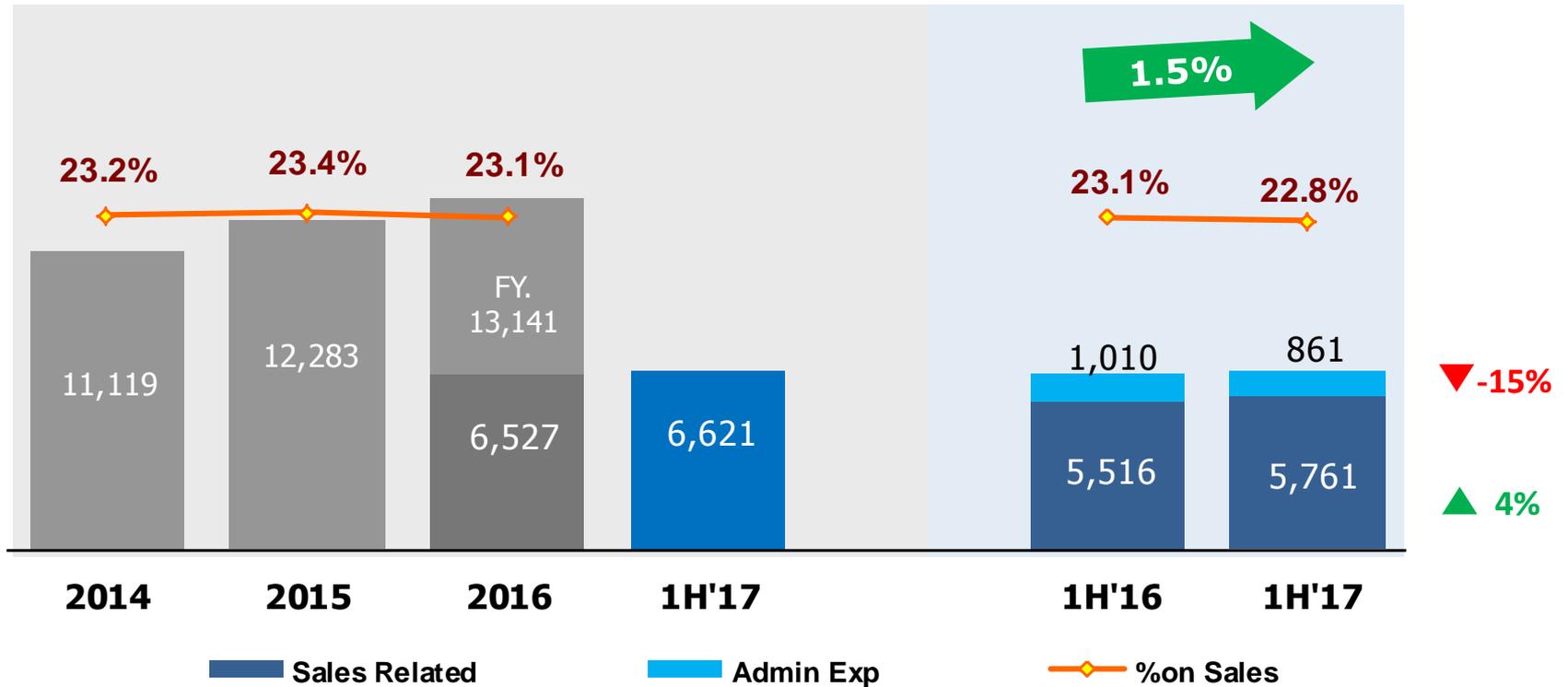
1H'17, sales growth 2.9% YoY, driven by sales of HomePro and its subsidiaries, while SSSG was still declining as mainly due to the weak of consumption and a cannibalization effect from Rama 9 and Srinakarin branch.

Unit : MB

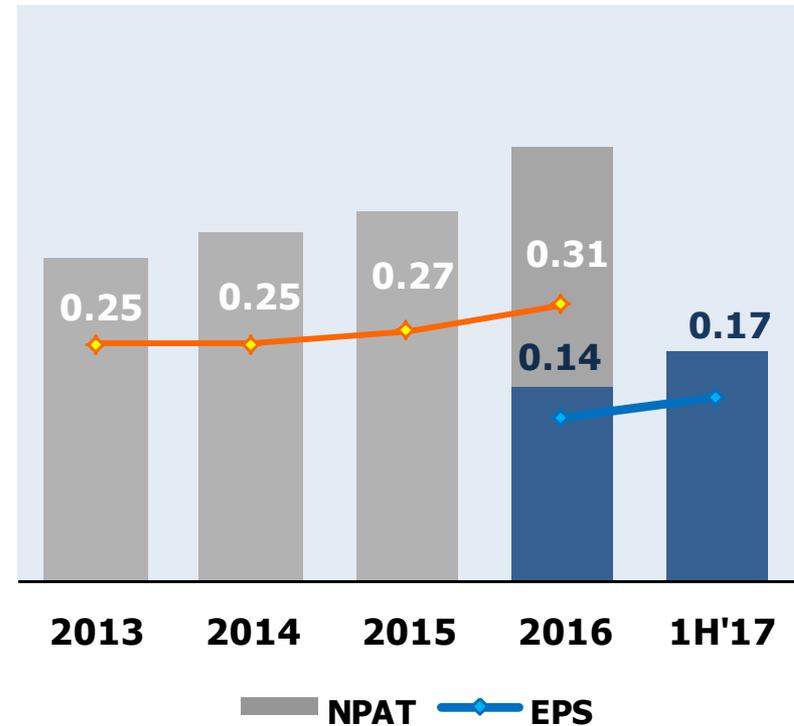
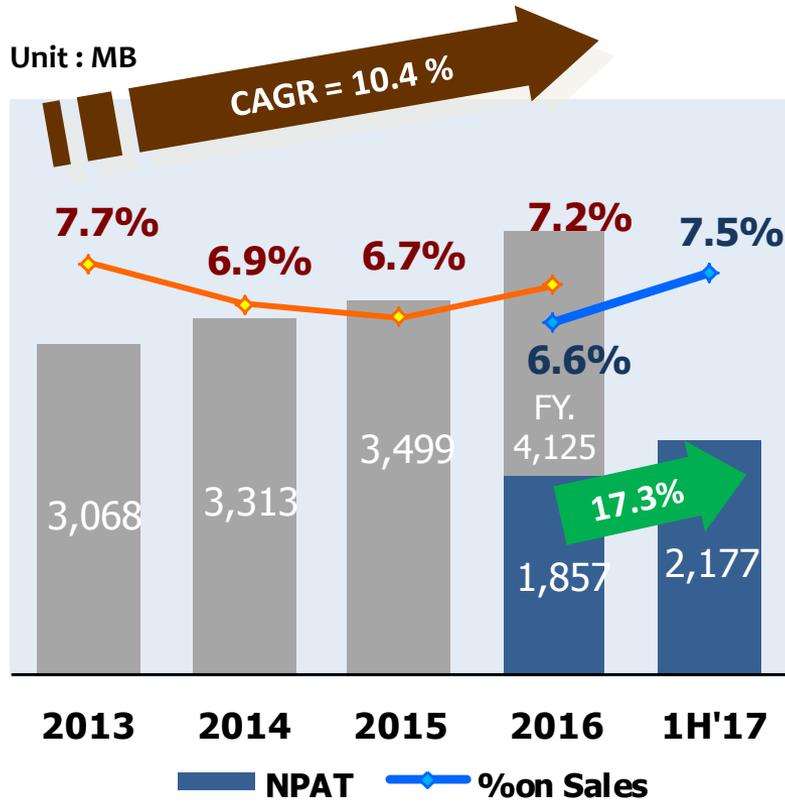


- **Rental & Service Income** increasing from higher rental income from the additional HomePro's leasable areas of new stores expansion in 2H'16.
- The decrease in **Other Income** was due to the shift of joint marketing activities with suppliers to 2H'17.

Unit : MB

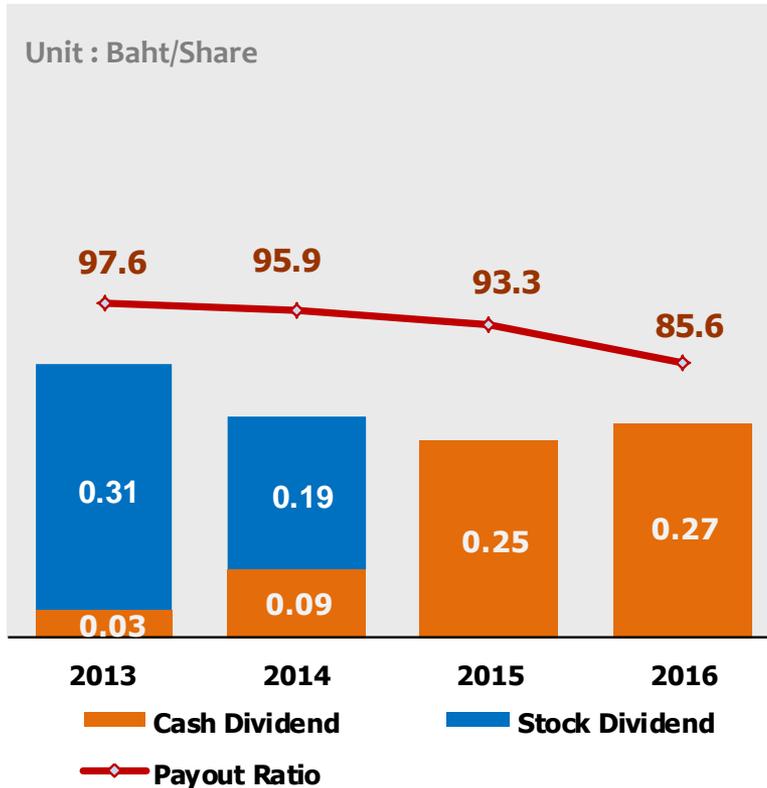


2Q'17 SG&A was down by 0.9%. The decreases were mainly from utility expense and cost related to sales such as marketing expense. However, SG&A as a percentage of sales has marginally decreased due to the improvement in cost efficiency.



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.



## 2016

### ■ Final Dividend (payment date : 3/5/2017)

On 5 April 2017, AGM has passed resolution to pay **cash dividend at Baht 0.15/share**

### ■ Interim Dividend (payment date : 28/9/2016)

On 30 August 2016, the Board of Director has passed resolution to pay **cash dividend at Baht 0.12/share**

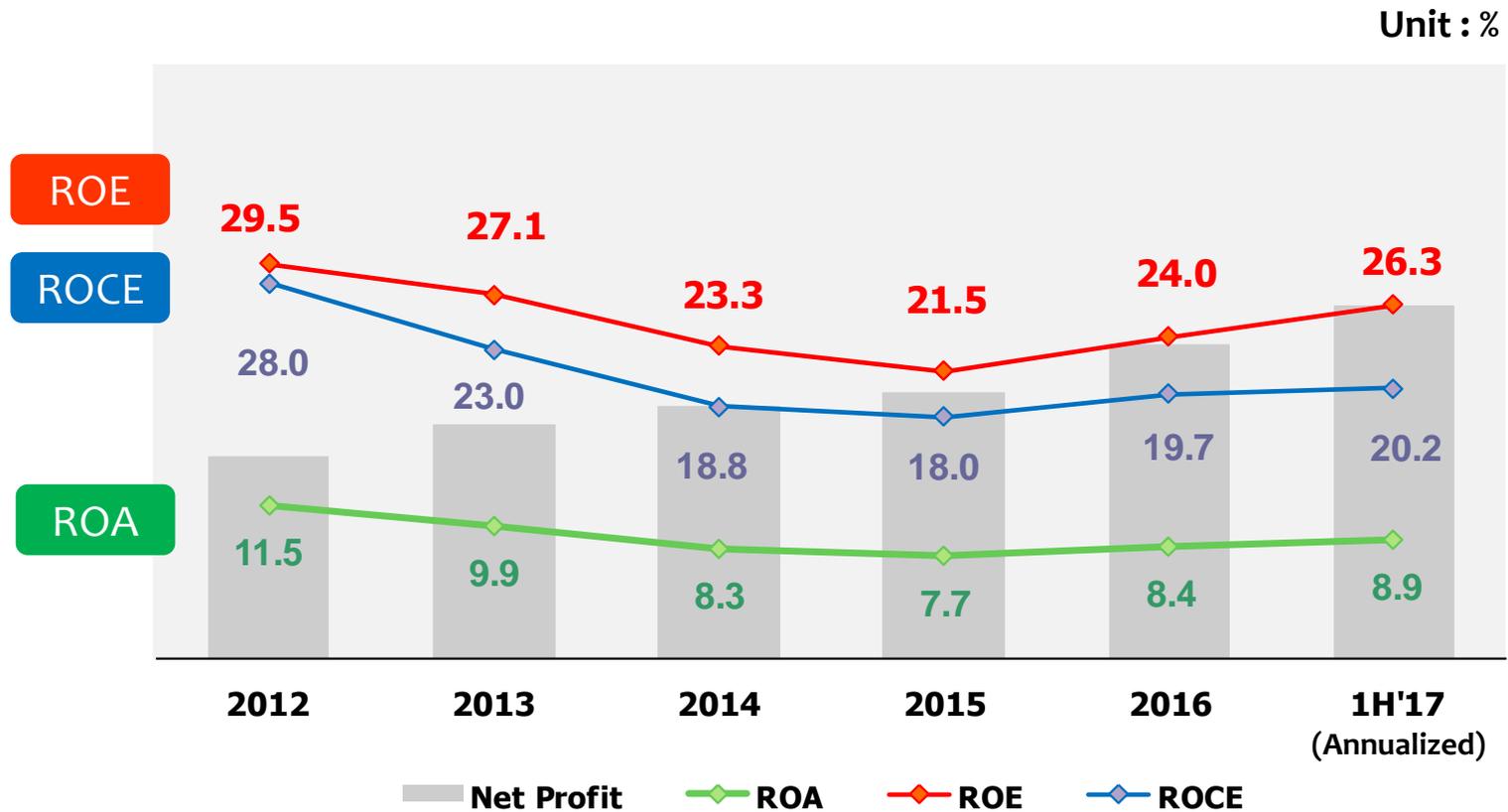
## 2015

### ■ Final Dividend (payment date : 29/4/2016)

On 7 April 2016, AGM has passed resolution to pay **cash dividend at Baht 0.15/share.**

### ■ Interim Dividend (payment date : 22/9/2015)

On 25 August 2015, the Board of Director passed resolution to pay **cash dividend at Baht 0.10/share.**

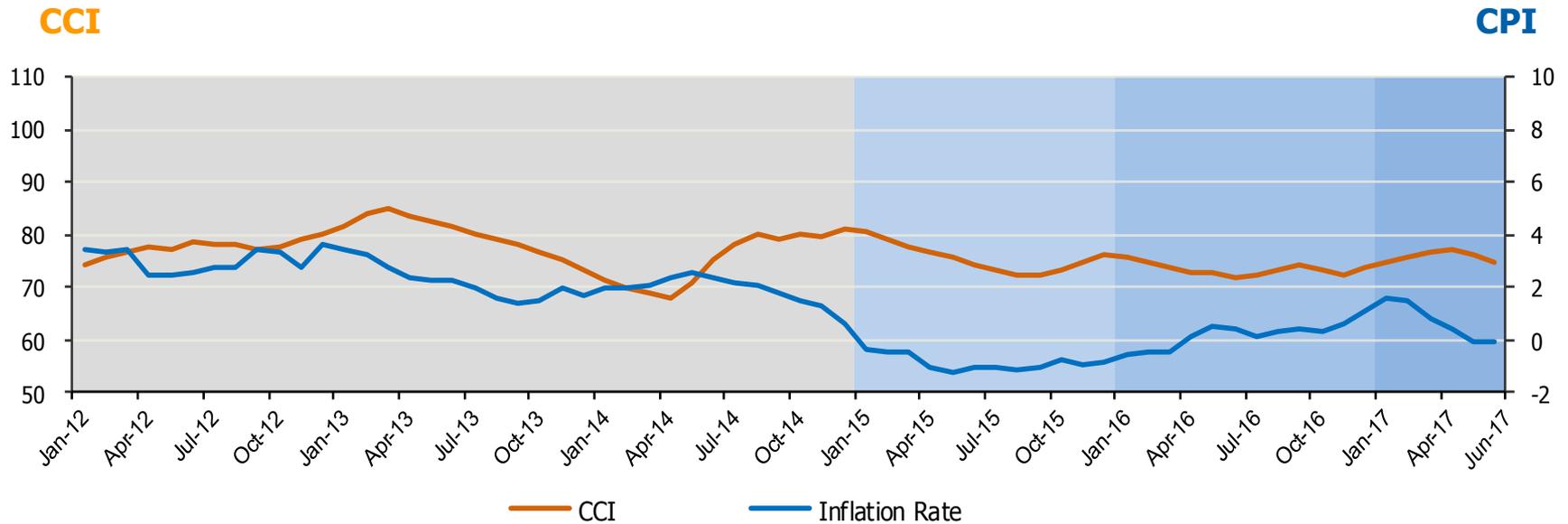


# Agenda

- 2Q'17 Financial Results
  - **Business Outlook**
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# Thai consumer confidence declines for the third month in July



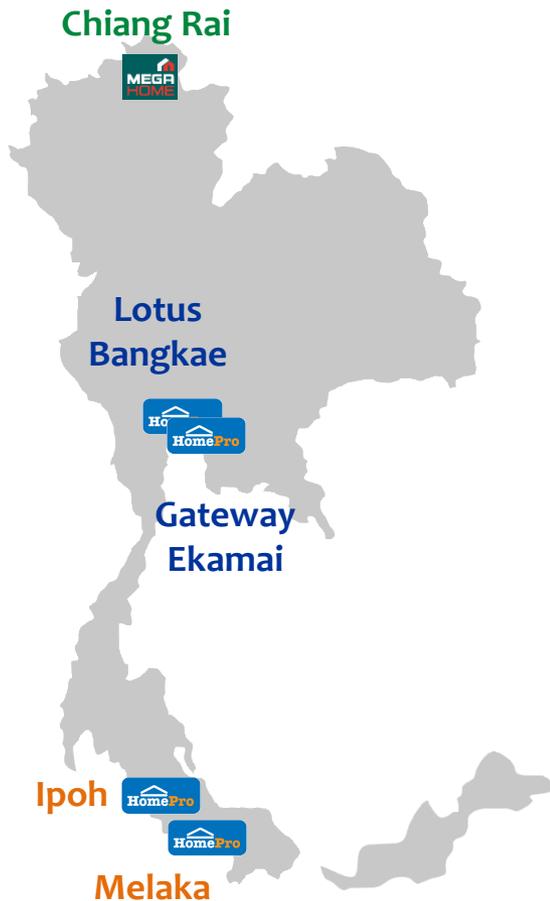
Consumer confidence in July dropped for a third straight month, hitting a 7-month low, due to concerns about flooding in parts of the country, low commodity prices and a slow economic recovery.

The index fell to 73.9 in July from 74.9 in June. Consumers felt the economy had not recovered much, so the government should ramp up investments to lift consumer spending, especially in the provinces, which was softening, Floods, causing damage.

The Overall Consumer Confidence Index reflects views on the economy, job opportunities and future income. The survey is usually done in the last week of the month.



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 No. of new stores	2 - 3*	1	Malaysia 3 - 4
1Q		-	-	-	
2Q	Lotus Bangkae	7 Apr			
	Melaka (Malaysia)				16 Apr
	Gateway Ekamai	2 Jun			
2H	Ipoh (Tesco Station 18)				26 Jul
	Chiang Rai			10 Aug	
	Bangkok	1			
	Malaysia				1 - 2

\* HomePro S format

## Our stores in 2017

Total (stores)	82 - 83	12	5 - 6
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## 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 สูงสุด **38%**

ตลาดนำ  
**กลางเมือง**  
ณ โฮมโพรแฟร์ ฮอลล์ 7

HomePro FAIR 2017  
LIVING & LIFESTYLE FAIR

**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**

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

ลดสูงสุด **35%**

ผ่อน **0%**  
นานสูงสุด **10 เดือน\***

\*ภายใต้เงื่อนไขบริษัทฯ

**ช็อค เซล**  
HOMEPRO SHOCK SALE

เพิ่มพื้นที่ใช้สอย ด้วยเคาน์เตอร์เสริม

พบกับส่วนลดสูงสุด 40%

ต้อนรับ เพิ่ม ขยาย ครบทุก องค์ประกอบ



# Q & A

**Contact us**

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