

SET Opportunity Day 2022 Results

13 March 2023

HomePro



ซื้อวันนี้ ส่งวัน
SAMEDAY
DELIVERY

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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
92
stores nationwide

We provide complete service as
One Stop Shopping



Agenda

- 2022 Financial Results
- Business Outlook
- Sustainability Development



Corporate Group Structure

Home Product Center PCL : Operating HomePro in Thailand



Mega Home
Center Co., Ltd.

Objective to
operate retail
business under
trade name
"Mega Home"

Holds 99.99%
of total shares



Market Village
Co., Ltd.

Objective to
manage rental
space and
provide utilities
services to
tenants

Holds 99.99%
of total shares



DC Service
Center Co., Ltd.

Objective to
operate the
warehousing and
distribution

Holds 99.99%
of total shares



Home Product
Center (Malaysia)
Sdn. Bhd.

Objective to
operate a retail
business in
Malaysia

Holds 100%
of total shares



Home Product
Center (Vietnam)
Co., Ltd.

Objective to
operate a retail
business in
Vietnam

Holds 100%
of total shares

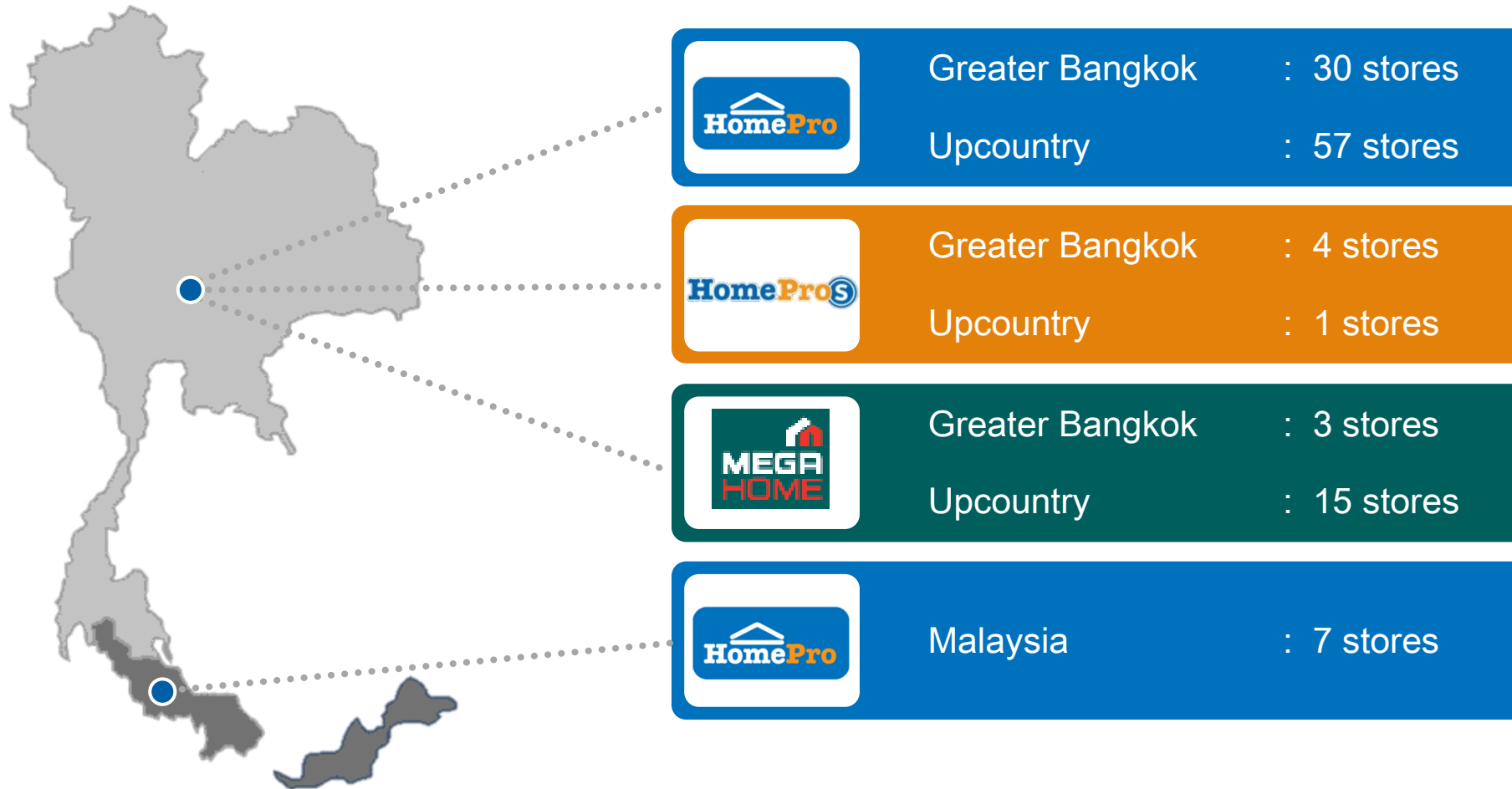


OneStockHome
Co., Ltd.

Online building
and decorative
materials selling
in construction
material industry

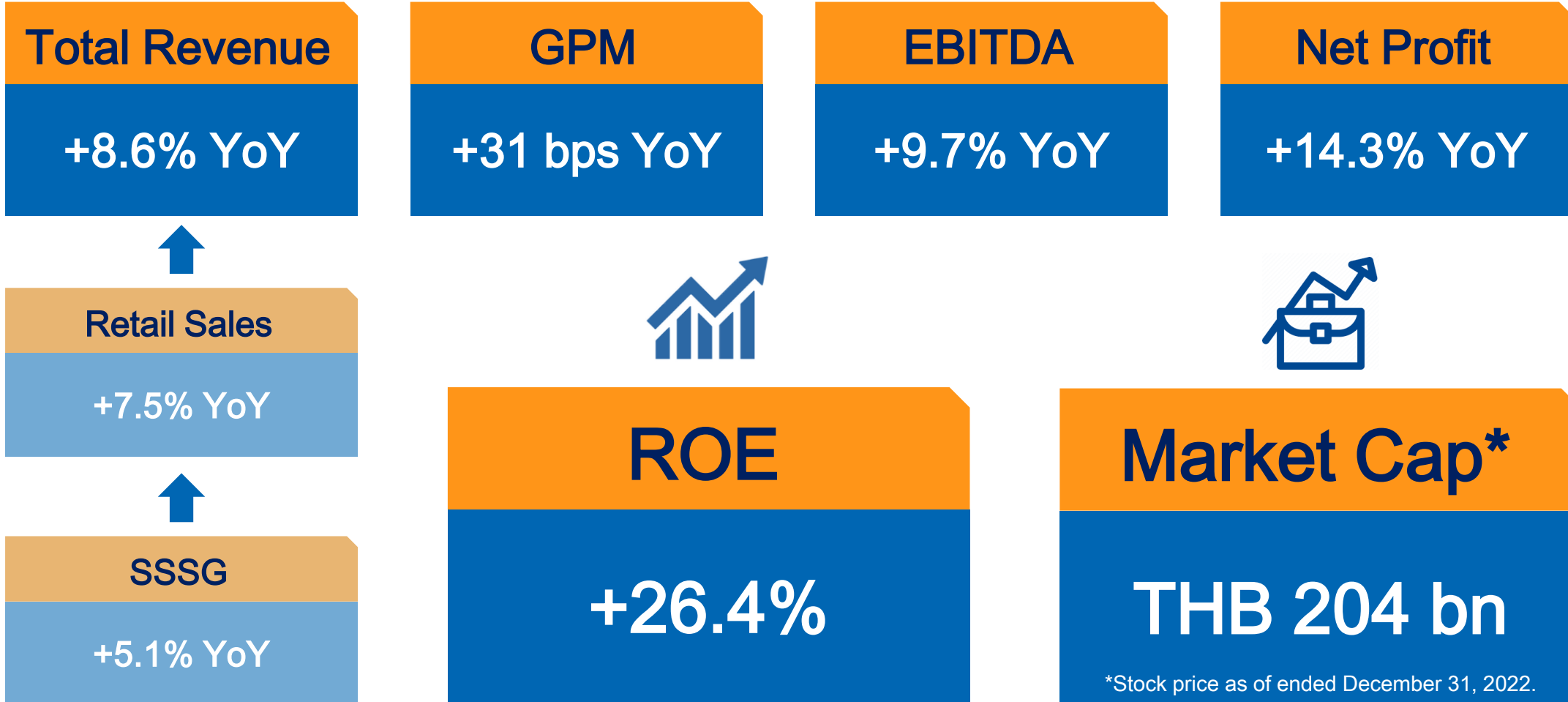
Holds 30%
of total shares

Store Footprint



Remark : Data as of ended December 31, 2022

2022 Key Financials

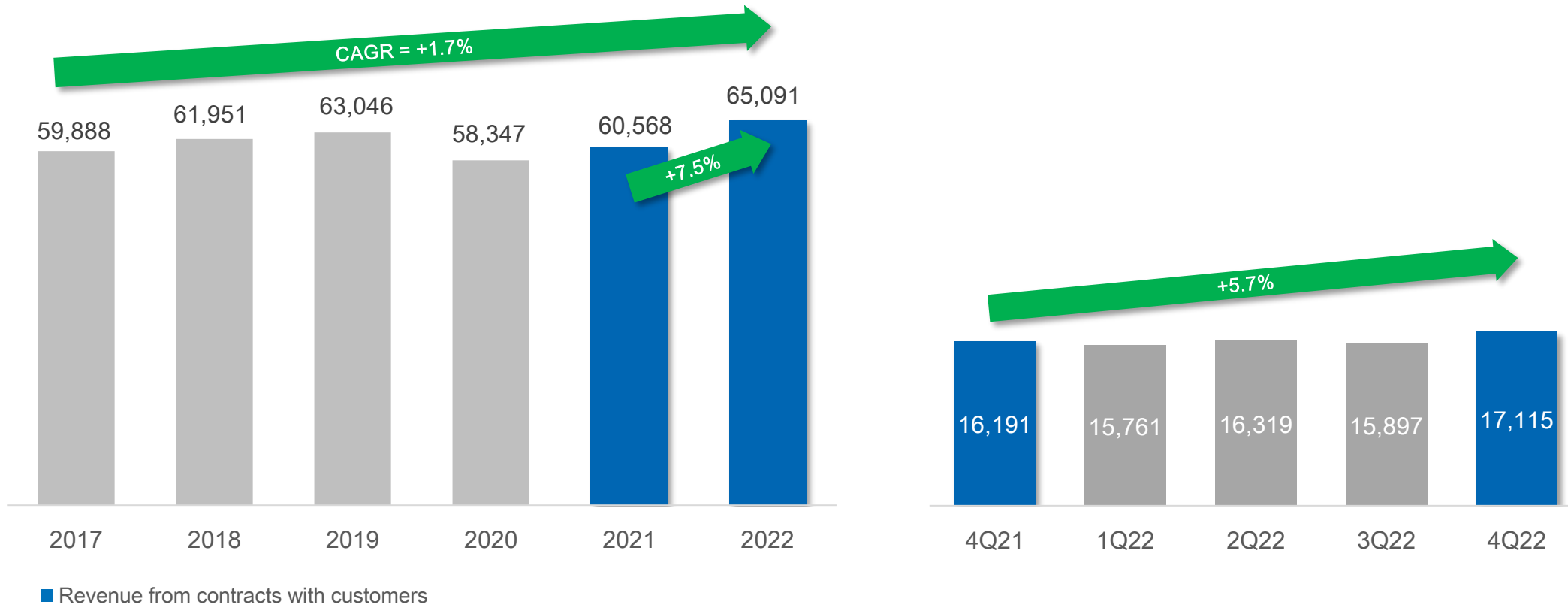


Income Statement Summary

Unit : million Baht	2022	% of sales	2021	% of sales	Var	% change
Revenue from contracts with customers	65,090.88	100.00%	60,567.91	100.00%	4,522.97	7.47%
Rental Income	1,720.58	2.64%	1,223.16	2.02%	497.43	40.67%
Other Income	2,577.96	3.96%	2,134.72	3.52%	443.24	20.76%
Total Revenue	69,389.43	106.60%	63,925.79	105.54%	5,463.64	8.55%
Cost of sales and service	48,077.70	73.86%	44,925.37	74.17%	3,152.32	7.02%
Gross profit	17,013.19	26.14%	15,642.54	25.83%	1,370.65	8.76%
Cost of Rental	704.95	1.08%	608.80	1.01%	96.15	15.79%
Selling and Administrative Expenses	12,519.17	19.23%	11,348.87	18.74%	1,170.30	10.31%
EBIT	8,087.61	12.43%	7,042.74	11.63%	1,044.87	14.84%
Share of profit (loss) from investment in associates	-1.95	0.00%	0.00	0.00%	-1.95	n.a.
Financial Income	16.95	0.03%	7.36	0.01%	9.60	130.42%
Financial Cost	444.58	0.68%	415.61	0.69%	28.97	6.97%
Tax	1,440.95	2.21%	1,193.97	1.97%	246.98	20.69%
Net Profit	6,217.09	9.55%	5,440.52	8.98%	776.57	14.27%
Depreciation	3,156.13	4.85%	3,207.91	5.30%	-51.78	-1.61%
EBITDA	11,243.75	17.27%	10,250.65	16.92%	993.09	9.69%

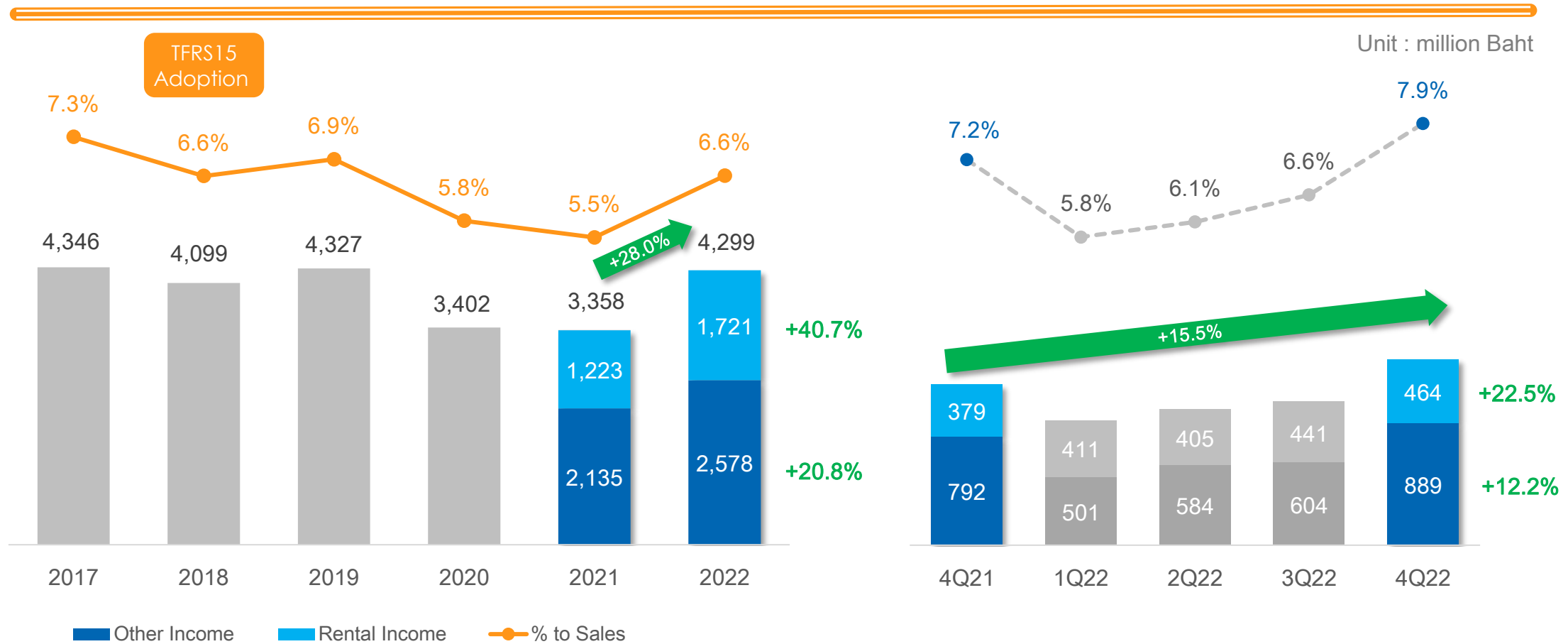
Sustainable Sales Growth

Unit : million Baht



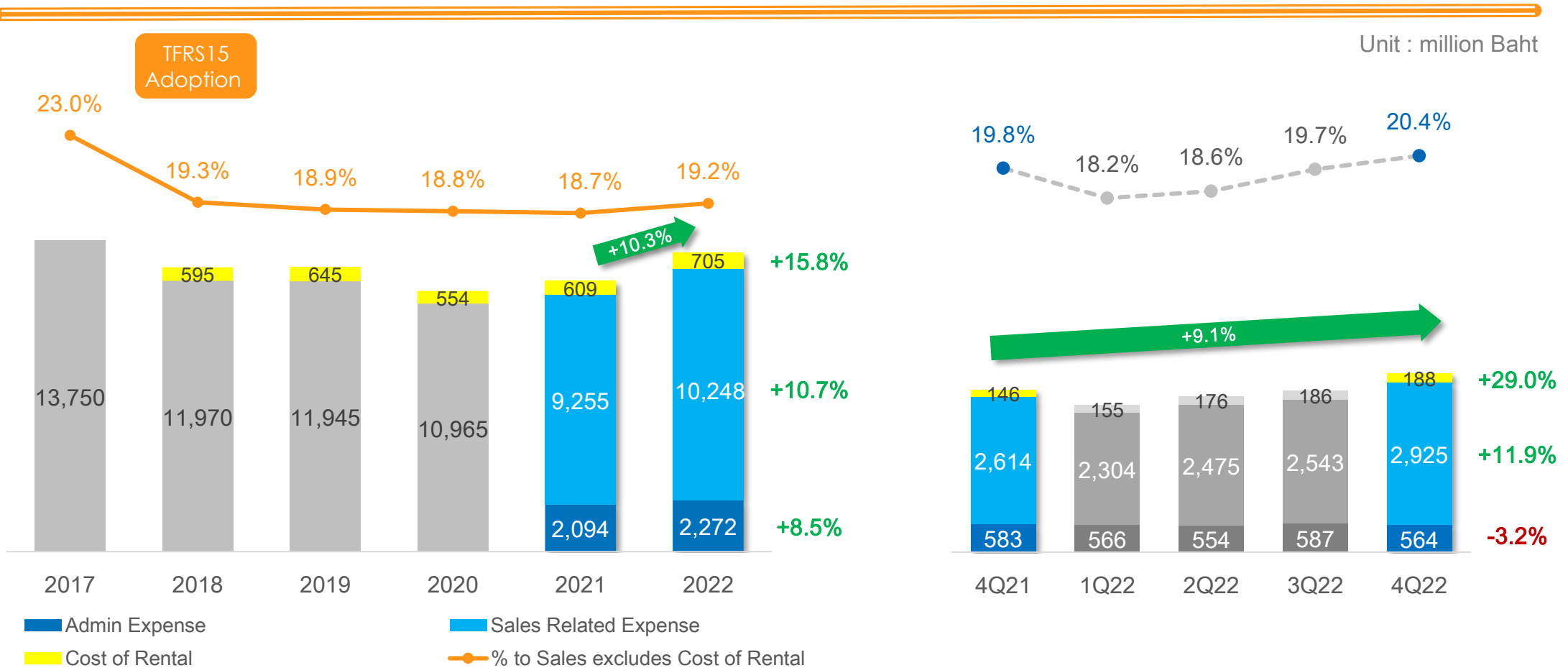
- In 2022, the revenue from contracts with customers which comprised of product sales revenue and service income of Home Service increased by 7.5%.

Other Income



- In 2022, rental and service income increased by the following reasons; more rental income from leasable space of HomePro stores and Market Village shopping mall particularly in tourism areas, compared to the same period last year that the Company has lowered or waived rental fees for tenants to mitigate impact from COVID-19 outbreak. Moreover, there was rental income realization of rental space in new store of HomePro at Bangna Km.1, which has been operated since the fourth quarter of 2021.
- Other income increased in relation to the increasing promotional activities with vendors in both at stores and online channels.

SG&A Expenses

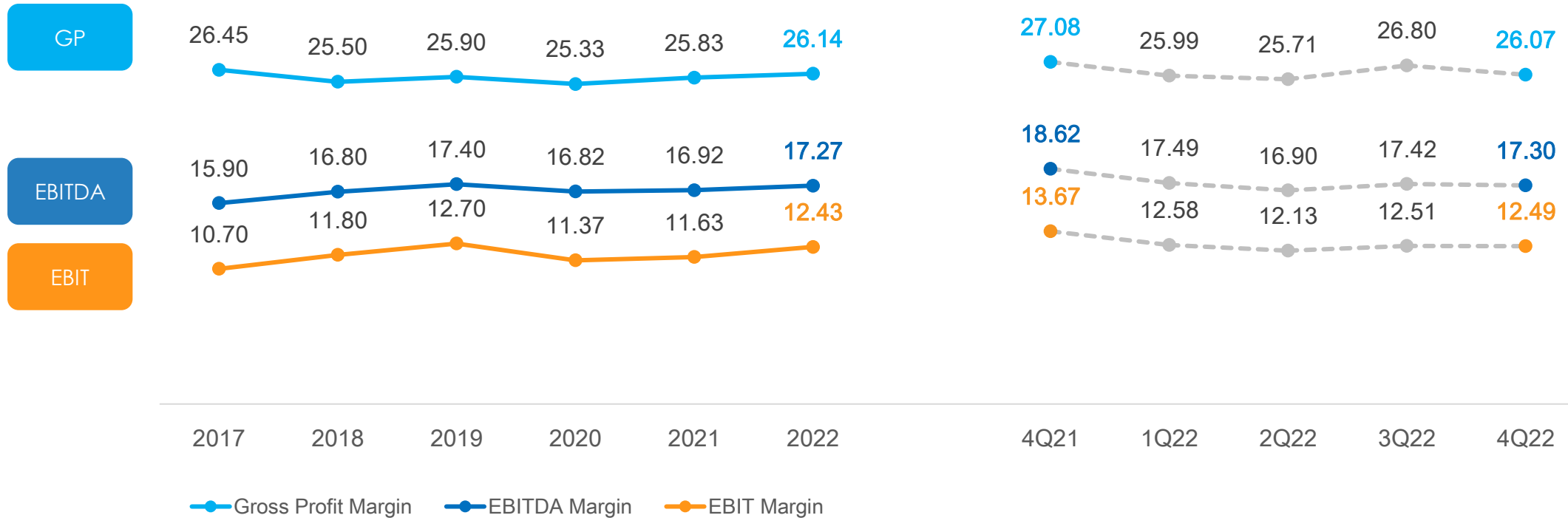


- In 2022, the amount increases in SG&A was attributable to the increase of expenses related to new stores opening of HomePro and Mega Home, utilities expense that was charged at higher fuel tariff adjustment rate, property tax back to normal rate, as well as more marketing and promotional activities.
- Cost of rental increased due to higher utilities cost from resumption to normal operation compared to temporary closure during the third quarter of 2021.

Profitability Ratio

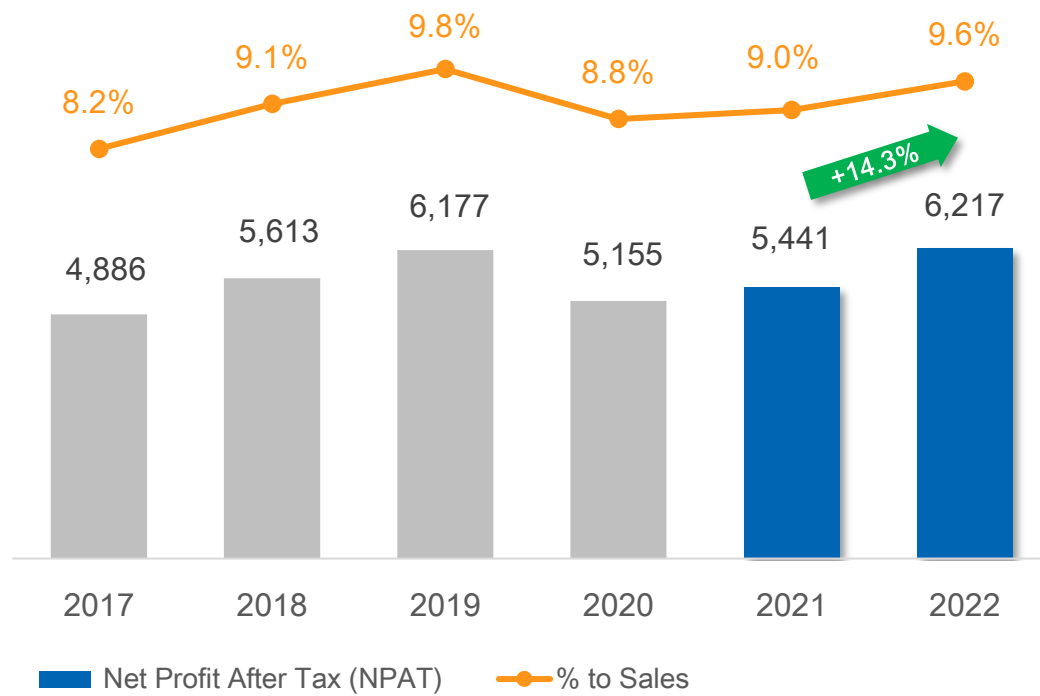
Unit : % to Sales

IFRS15
Adoption

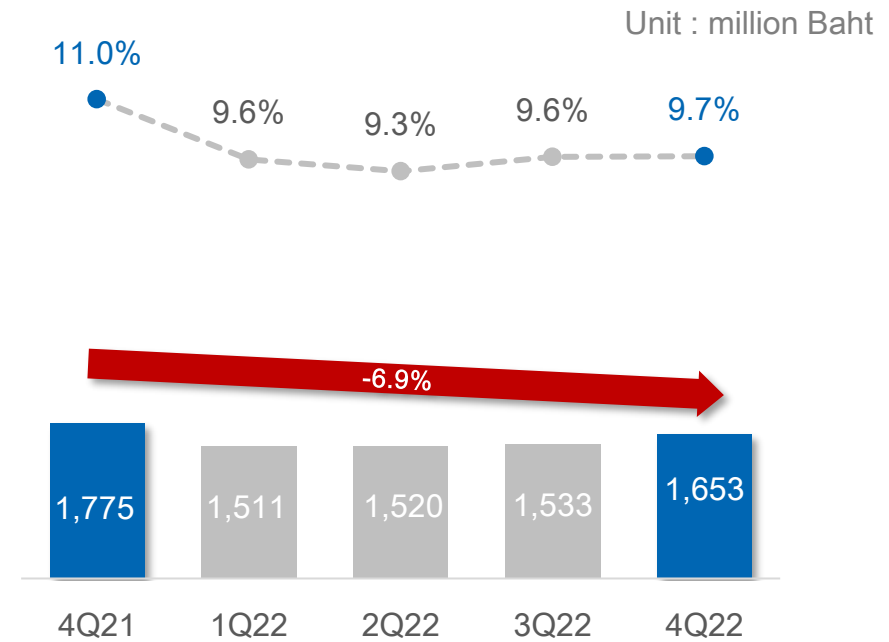


- In 2022, the gross profit as percentage of sales increased from 25.83% to 26.14%, which was attributed to the better of product mix toward high-margin products and increasing service income despite higher logistic cost for distribution to stores resulting from oil price inflation.
- 4Q22 profitability weakened compared to the same period last year due to the increase in discounts of various promotional activities, higher selling and administrative expenses (SG&A) resulted from rising energy costs such as electricity and fuel costs, including pre-operating expenses for new 3 stores expansion during the fourth quarter.

Net Profit & EPS



FY	2017	2018	2019	2020	2021	2022
EPS	0.37	0.43	0.47	0.39	0.41	0.47



Quarter	4Q21	1Q22	2Q22	3Q22	4Q22
EPS	0.13	0.11	0.12	0.12	0.13

- NPAT in 2022 increased by 14.3% YoY and NPAT as a percentage of sales increased from 9.0% in 2021 to 9.6% in 2022.
- Earnings per share (EPS) were 0.47 Baht in 2022.

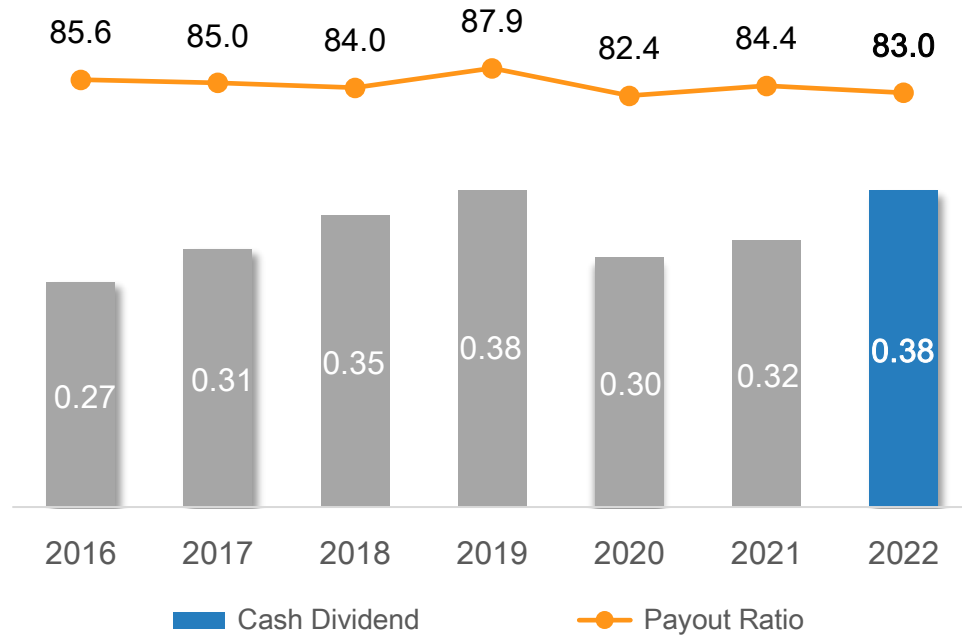
Balance Sheet at a Glance

Unit : million Baht	31 Dec 2022	31 Dec 2021	Var	% change
Cash & Deposit	5,420.30	4,545.97	874.33	19.23%
Inventory	13,630.08	12,572.20	1,057.88	8.41%
Land Building & Equipment	42,652.54	38,426.48	4,226.06	11.00%
Other Assets	3,481.83	3,041.70	440.13	14.47%
Total Assets	65,184.74	58,586.35	6,598.40	11.26%
Financial Debt*	21,333.62	18,470.43	2,863.19	15.50%
Account Payable	15,811.88	13,972.62	1,839.26	13.16%
Other Liabilities	3,793.36	3,252.86	540.50	16.62%
Total Liabilities	40,938.86	35,695.91	5,242.95	14.69%
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	10,448.36	9,092.91	1,355.45	14.91%
Total Equities	24,245.88	22,890.43	1,355.45	5.92%

* Included impact of TFRS16 on lease liabilities 6,029.97 of million Baht

Historical Dividend Payout

Unit : Baht per share



2022

- **Final Dividend at Baht 0.21 per share**
Payment date on 3 May 2023 (subject to shareholder approval)
- **Interim Dividend at Baht 0.17 per share**
Payment date on 27 Sep 2022

2021

- **Final Dividend at Baht 0.20 per share**
Payment date on 6 May 2022
- **Interim Dividend at Baht 0.12 per share**
Payment date on 28 Sep 2021

HomePro's Dividend Policy is to pay no less than 40% of NPAT.

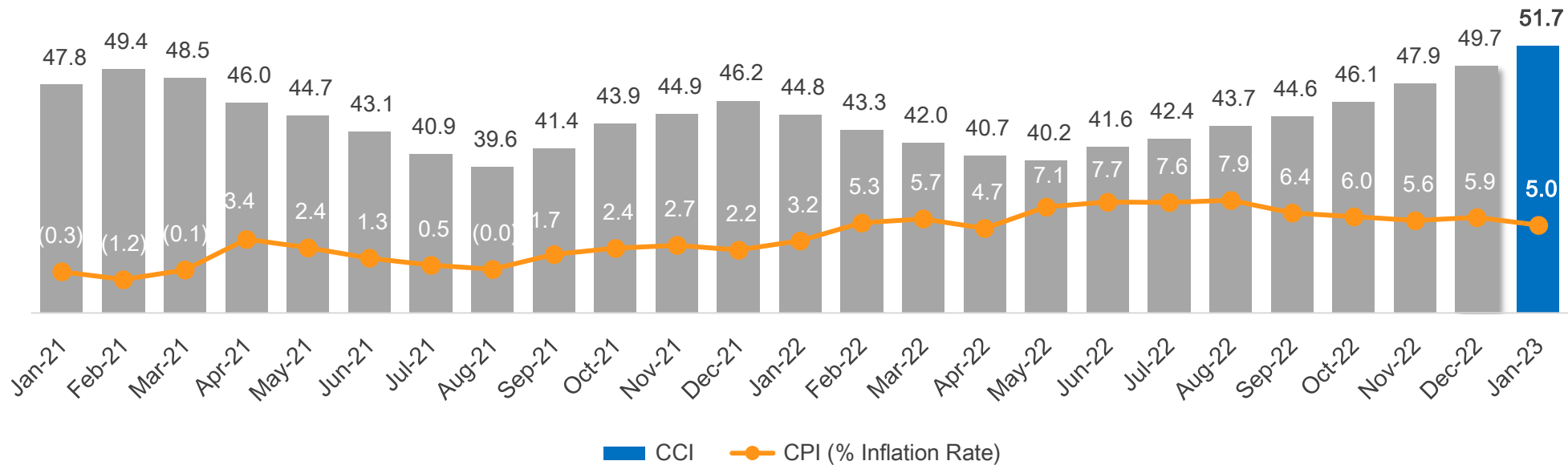


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CCI edges higher amid the moderation in inflation



Consumer Confidence Index (CCI) rose to 51.7 in January 2023 from 49.7 in the previous month. It was the highest reading since February 2020, amid the tax deduction scheme of the government and improved economic activity. Moreover, the number of foreign tourist arrivals increased, boosted by the relaxation of international travel measures in China. For 2022, Thailand's economy is expected to grow 3%, revised lower from the previous projection of 3.4%. However, it is projected to recover and expand between 3.3% to 4.3% in 2023, supported by the tourism sector and recovering domestic demand. Meanwhile, the annual inflation rate in Thailand eased to 5.02% in January 2023, from 5.89% in the previous month and below market forecasts of 5.12%.

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

MATAL

porrin+

asLE

MAZDOX

PLIM

flusjo

ZynTec

ACCO

SNO:

GRXNDI

dara

PACKIN

Over 36
Private Brands

Over 15,000
items

Quality and
worthiness
focused

Continuous
development

2023 Store Expansion Plan

HomePro^S

Malaysia

Ended 2022	87	5	18	7
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■ New stores in 2023

1Q 2023	-	-	3	-
2Q 2023	-	-	3	-
2H 2023	2	-	2	-

■ Our stores in ended 2023

Total (stores)	89	5	26	7
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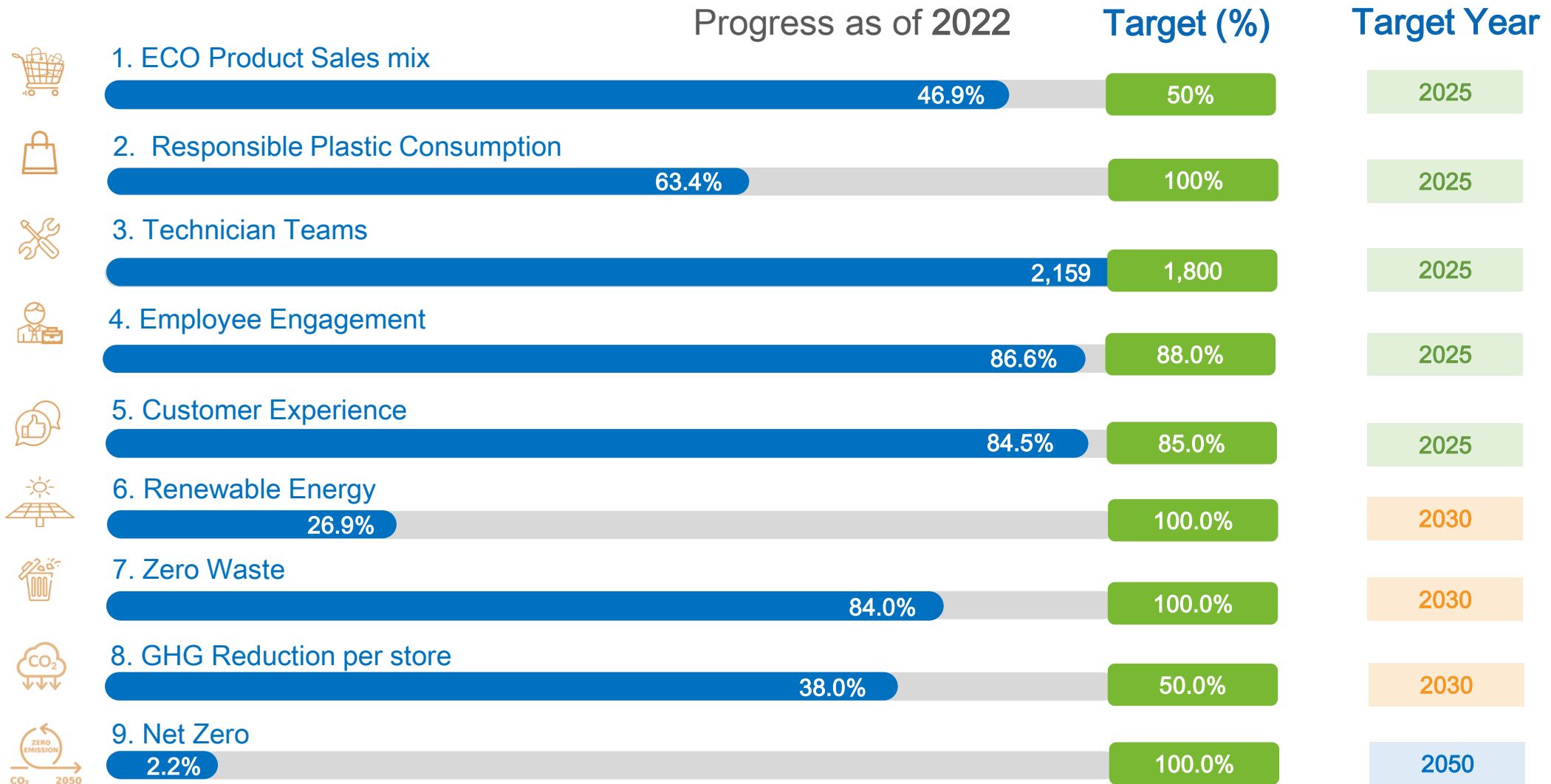


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2025-2050 SD Roadmap

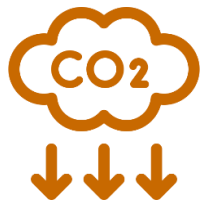


2022 SD Progress



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

MSCI
ESG RATINGS



Received AA rating from MSCI-ESG



Included in the Bloomberg Gender Equality Index (GEI)



Received Sustainably Low Risk Rating in ESG Risk ranking

Included in the DJSI Emerging Market since 2017

Included in the FTSE4Good since 2016

Domestic



AGM Investors' Choice



Being listed in Thailand Sustainability Investment by SET for the 8th 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

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