



Indexlivingmall

Index Living Mall Public Company Limited (ILM)

Q1/2021

Opportunity Day

31 May 2021



Disclaimers

The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, economic and non-controllable factors. Such information has been obtained from sources believed to be most reliable and the means in analyzing and preparation of such information for disclosure are based on approve practices and principles in the investment industry. The views are based on assumption subject to various risks and uncertainties and no assurance is made as to whether such future events will occur. No assurance is made as to the accuracy or completeness of information presented in this document.

Q1/2021 Highlights



Net Profit Impressively Grew YoY and QoQ

The Company recorded net profit in Q1/2021 of 145.4 MB, an increase of 23.0% YoY and 1.7% QoQ, mainly supported by the Company's capability to decrease operating costs in every aspect.



Younique Customized Furniture Reached Quarterly Sales Record

Sales of Younique Customized Furniture climbed to 104.8 MB in Q1/2021, increased by 20.4% YoY and 10.5% QoQ, reaching the highest quarterly sales since business launch in late 2017.



Inventory Reduction

The Company continued to decrease inventories by 106.5 MB or 6.1% from 1,757.0 MB at the end of 2020 to 1,650.5 MB at the end of Q1/2021 and brought available space at the warehouse to rent out to a business partner since February 2021.



Well Managed Liquidity

Total borrowings at the end of Q1/2021 stood at 2,649.2 MB, reduced by 484.2 MB or 15.5% from 3,133.4 MB at the end of 2020, with the long-term loan prepayment of 284.7 MB.



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Financial Updates



Situation Updates & Outlook



Appendix

Q1/2021 Key Financial Highlights



-3.5% YoY

Operating Revenue

(Q1/2021) **2,133.5** MB

2,211.1 MB (Q1/2020)



-12.7% YoY

SG&A

(Q1/2021) **705.1** MB

807.7 MB (Q1/2020)



+23.0% YoY

Net Profit

(Q1/2021) **145.4** MB

118.2 MB (Q1/2020)



-2.5% YoY

%GPM from Sale

(Q1/2021) **43.4%**

45.9% (Q1/2020)



+3.8% YoY

EBITDA

(Q1/2021) **457.3** MB

440.6 MB (Q1/2020)



+97.0% YoY

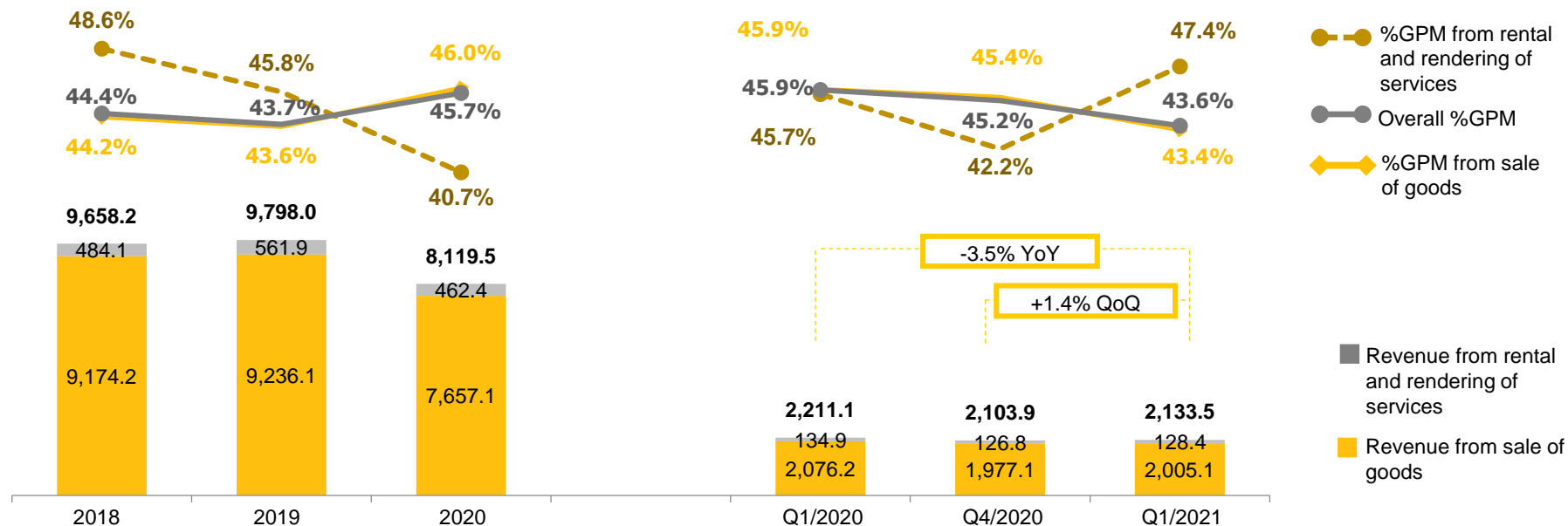
Online Sales

(Q1/2021) **155.1** MB

78.7 MB (Q1/2020)

Operating Revenue

(THB million, %)

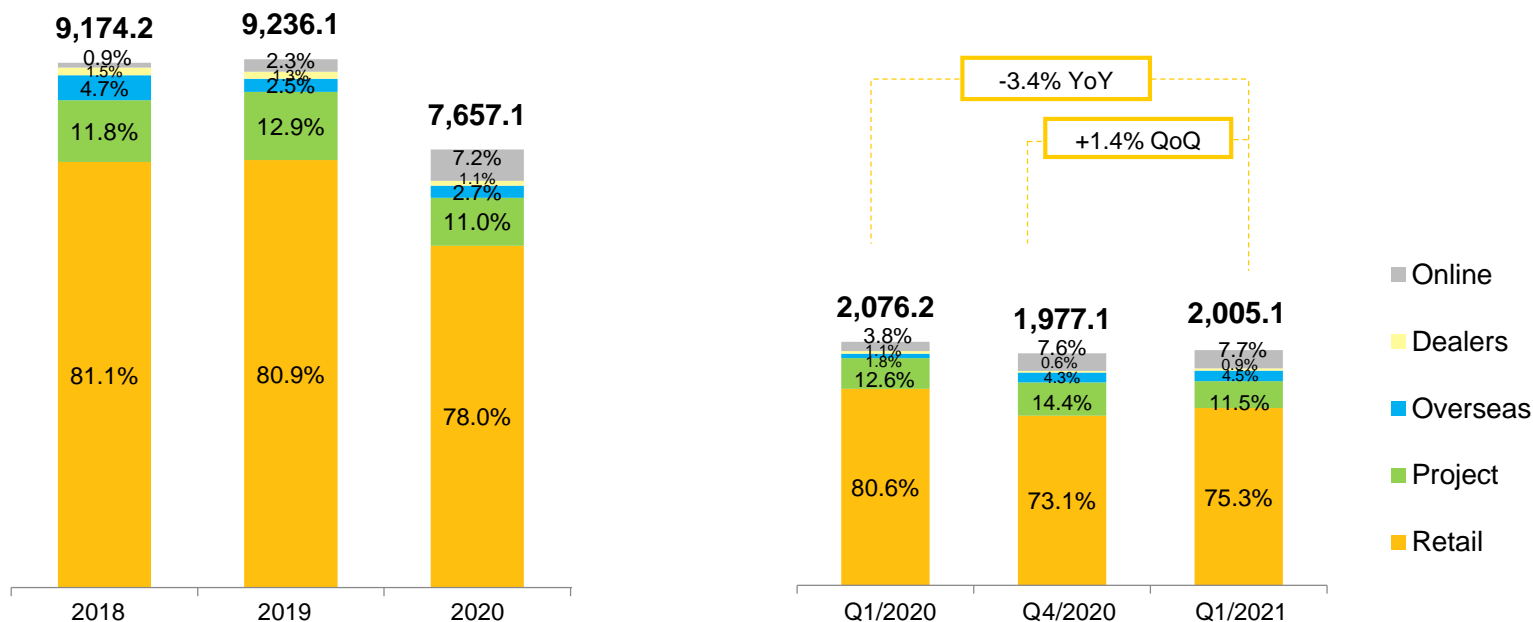


Q1/2021

- Operating revenue decreased YoY, mainly due to the second outbreak of COVID-19 since December 2020, which continued to tamper consumers' spending, but managed to recover 1.4% QoQ, with key growth drivers as follows:
 - Online sales increased by 97.0% YoY and 3.5% QoQ;
 - OEM sales increased by 332.4% YoY but decreased by 3.1% QoQ;
 - Younique Customized Furniture sales increased by 20.4% YoY and 10.5% QoQ;
 - International project sales grew by 81.7% YoY and 73.2% QoQ; and
 - Franchise sales grew by 18.3% YoY and 24.2% QoQ
- Gross profit margin from sale stood at 43.4%, a decrease of 2.5% YoY and 2.1% QoQ mainly resulted from a higher cost of particle board, which is a major raw material for furniture production, a higher sales portion of lower-margin products, and sales clearance of slow-moving goods.

Sales by Channel

(THB million, %)

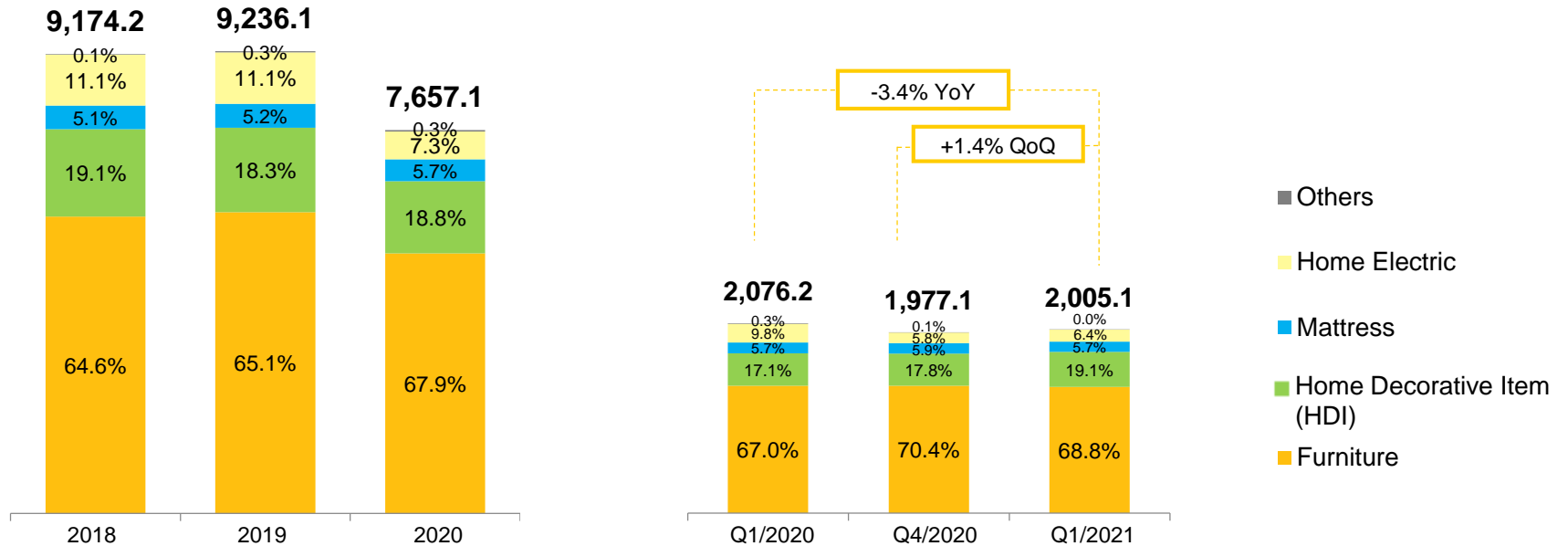


Q1/2021

- Sales of almost all channels dropped YoY but improved QoQ; except online sales, which grew exceptionally by 97.0% YoY and 3.5% QoQ; and overseas sales, which rose remarkably by 139.0% YoY and 7.5% QoQ.
- Overseas sales included OEM, which grew by 332.4% YoY but decreased by 3.1% QoQ; franchise sales, which rose by 18.3% YoY and 24.2% QoQ; and international project sales grew by 81.7% YoY and 73.2% QoQ.
- Retail sales also managed to recover 4.4% QoQ, driven by Younique Customized Furniture, which grew by 97.0% YoY and 3.5% QoQ.

Sales by Product

(THB million, %)

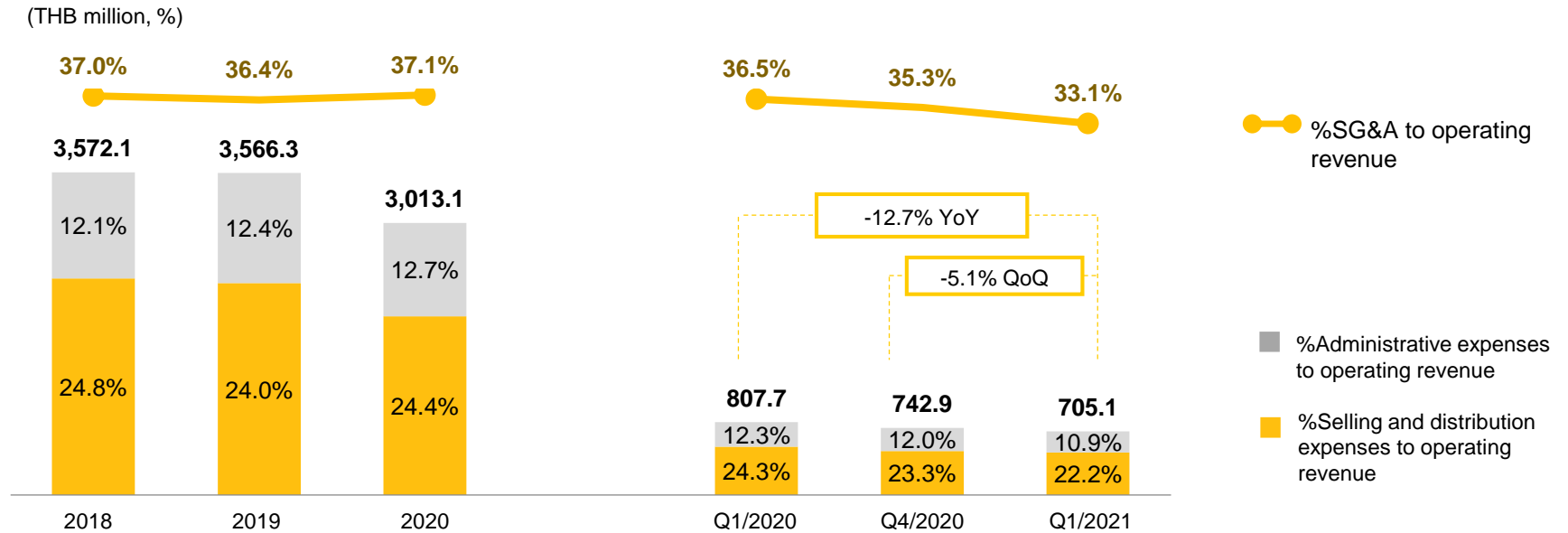


Q1/2021

- Sales of almost all product groups dropped YoY but improved QoQ, except HDI, which managed to grow by 7.5% YoY and 8.9% QoQ. Younique Customized Furniture, which is part of furniture sales, also increased by 20.4% YoY and 10.5% QoQ.

Selling & Administrative Expenses

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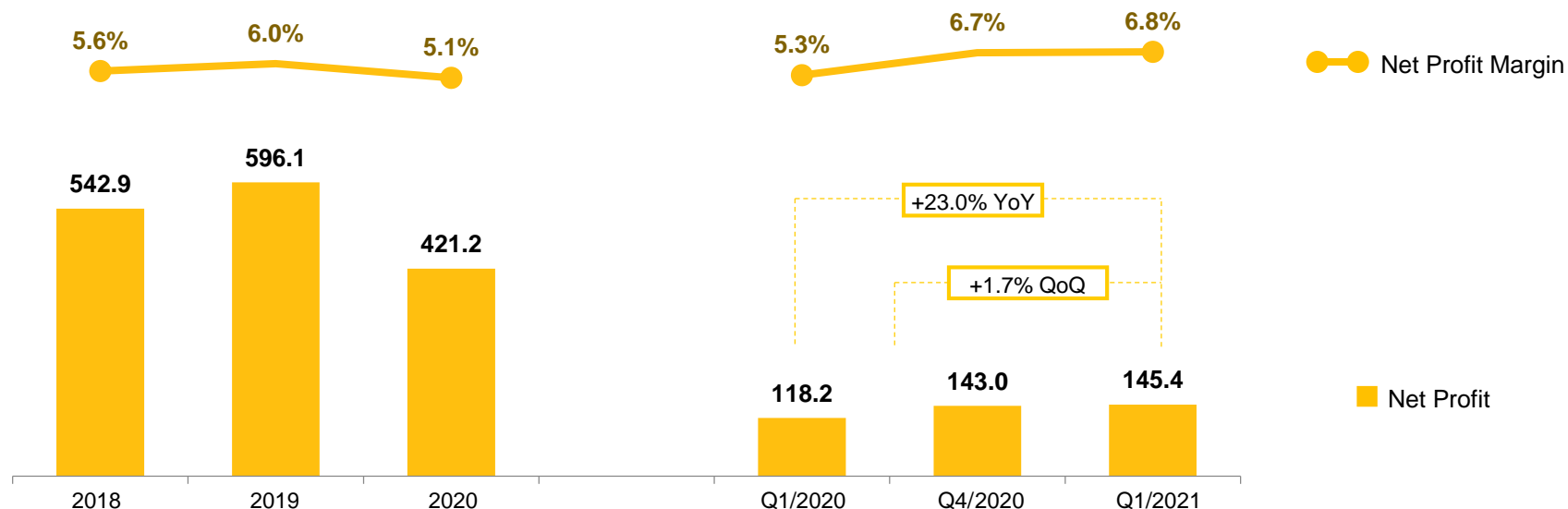
- Selling and distribution expenses include the Company's retail stores and rental spaces expenses, e.g., employee expenses, depreciation, utilities expenses, rental costs, etc.
- Administrative expenses are related to back office expenses, e.g., employee expenses, delivery costs, depreciation, etc.

Q1/2021

- After successfully reducing operating costs significantly in 2020, the Company sustained those cost-saving programs continuously this year and initiated new measures in various aspects. Therefore, SG&A in Q1/2021 continued to decrease YoY and QoQ, mainly supported by improved cost management, including employee expenses (YoY), utilities expenses (YoY and QoQ), promotional expenses (YoY and QoQ), and delivery expenses (YoY and QoQ).
- The percentage of SG&A to operating revenue decreased both YoY and QoQ mainly due to improved cost management.

Net Profit & Net Profit Margin

(THB million, %)

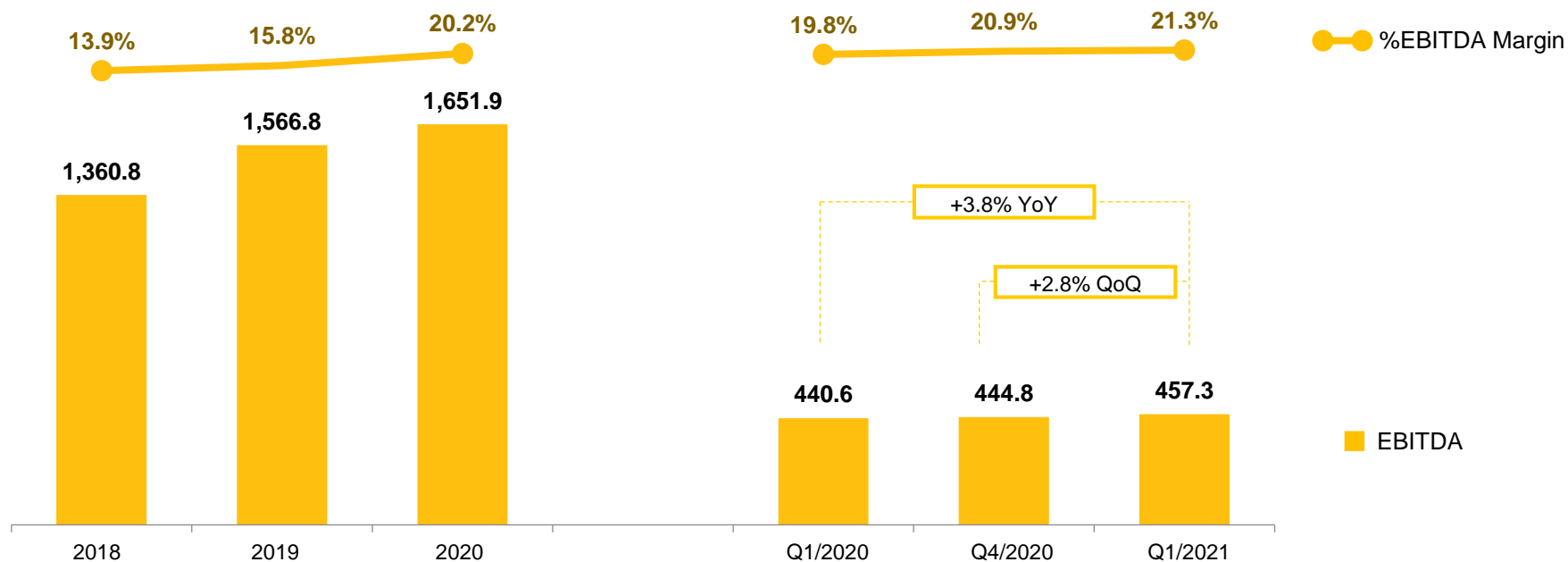


Q1/2021

- Net profit increased both YoY and QoQ, mainly supported by the Company's capability to decrease operating costs in every aspect, despite a decrease in operating revenue YoY due to the second outbreak of COVID-19 since December 2020, which continued to tamper consumers' spending.
- The Company has utilized tax incentives from the Office of the Board of Investment (BOI) of 6.2 MB out of total tax incentives received from investment in new machinery of 64.3 MB.

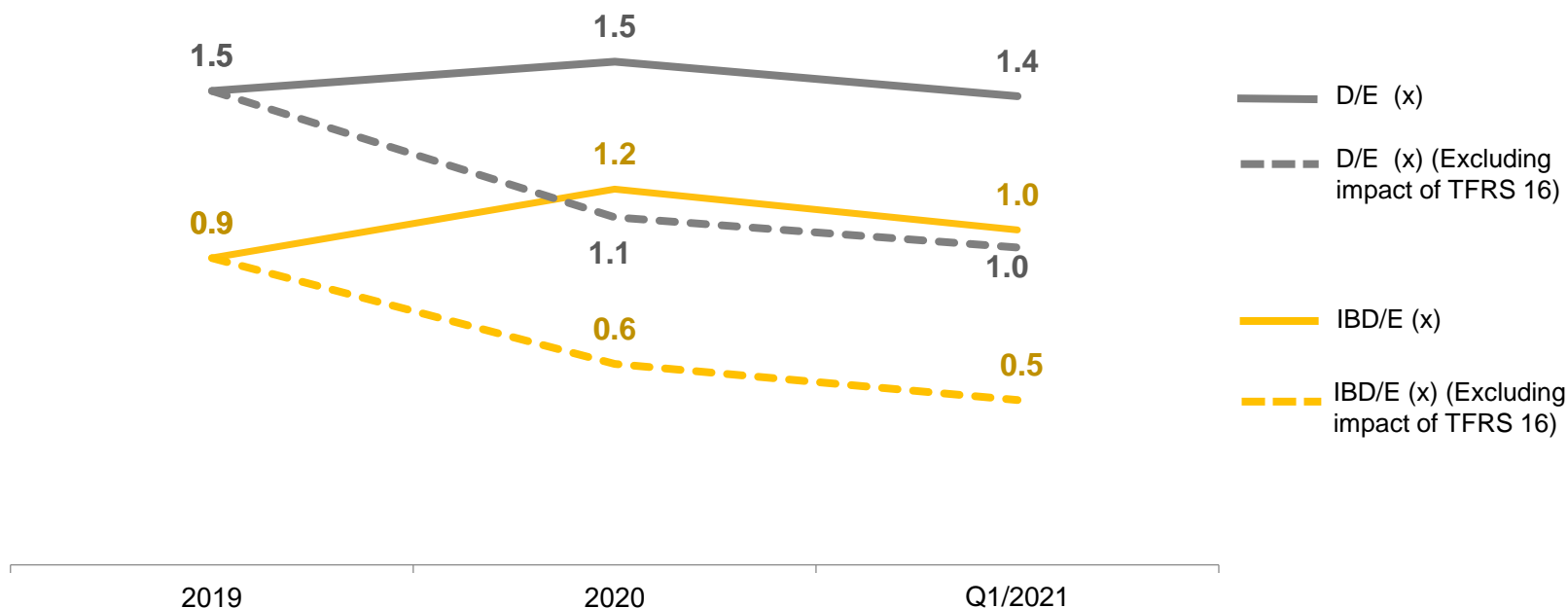
EBITDA & EBITDA Margin

(THB million, %)



Q1/2021

- Improved EBITDA both YoY and QoQ was mainly supported by improved operating profit.



Q1/2021

- Decreased Debt to Equity (D/E) and Interest-bearing Debt to Equity (IBD/E) at the end of Q1/2021 were mainly supported by reduced borrowings from financial institutions.
- Increased leverage ratios at the end of 2020 were mainly due to the adoption of the TFRS 16 since 1 January 2020, which resulted in higher liabilities by 2,436.4 MB.
- Total borrowings at the end of Q1/2021 were 2,649.2 MB, reduced by 484.2 MB or 15.5% from 3,133.4 MB at the end of 2020, with the long-term loan prepayment of 284.7 MB.

2021 Goals & Q1/2020 Results

2021 Goals

Q1/2021 Results

SSSG

Single Digit Growth



-7.9% YoY

**%GPM
from Sale**

+0.25 to +0.50%



-2.5% YoY

2020: 46.0%, Q1/2020: 45.9%
Q1/2021: 43.4%

**%SG&A
to Operating
Revenue**

-0.5 to -1.0%
to Operating
revenue



-3.5% to Operating
Revenue YoY

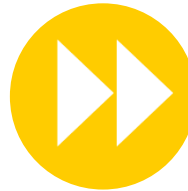
2020: 37.1%, Q1/2020: 36.5%
Q1/2021: 33.1%



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Financial Updates



Situation Updates & Outlook



Appendix

Sales Strategies



Building the whole bedding category as well as increasing an opportunity in cross-category selling



Reconnecting and expanding to the local agents in order to increase penetration



Hunting new customer base



Adding new brands for more variety of products thus more choices for customers

Cost Savings & Income Initiatives



Supply chain revamps for delivery cost reduction



Manage cost efficiency at store level



Another source of income from renting out additional vacant space at the warehouse within the second half of this year.



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Financial Updates



Situation Updates & Outlook



Appendix

Outlook of the Thai Economy

(%YoY)	Actual Data		Actual 2021	Projection for 2021	
	2019	2020	Q1	As of 15 Feb 21	As of 17 May 21
GDP Growth	2.3	-6.1	-2.6	2.5 - 3.5	1.5 - 2.5
- Private Consumption	4.0	-1.0	-0.5	2.0	1.6
- Private Investment	2.7	-8.4	3.0	3.8	4.3
- Export volume of goods & services	-3.0	-19.4	-10.5	-0.2	1.8
- Import volume of goods & services	-5.2	-13.3	1.7	-0.5	4.7

Source: Office of the National Economic and Social Development Council, 17 May 2021

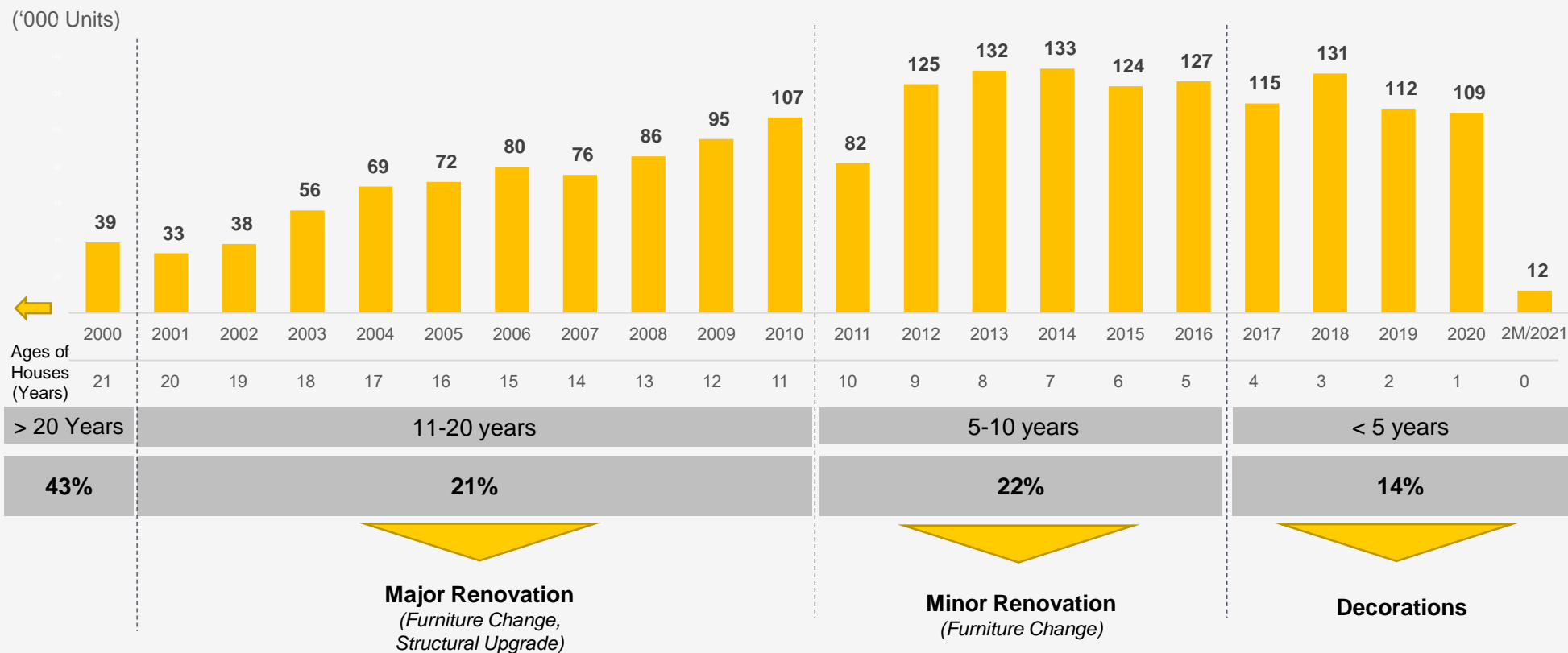
Notes: 2020 GDP Growth by Quarter: Q1/2020 -2.1%, Q2/2020 -12.1%, Q3/2020 -6.4%, Q4/2020 -4.2%

Ageing Houses Drive Demand for Home Improvement and Renovation

Renovated Properties: Home Improvement and Renovation

Number of New Houses Registered in Bangkok Metropolitan Region *

(Total Registered Houses During 1988-2M/2021: 3,333,682 units)



* New registered houses include housing projects, apartment, condominium, and self-built housing

Source: Bank of Thailand

Strength in Numbers

1st

Largest market share in Thailand home furnishing retailer Industry

ILM sells not only furniture but also a full range of home decorative products, marking ILM a leading furniture and home furnishing retailer in Thailand

27

Years of furniture and home furnishing experience in Thailand

Experienced management team with continuous innovation

65

Branches to capture all diverse customer groups in Asia

31 Standalone Index Living Mall stores
12 Index Furniture Center and high-end brand stores
1 WINNER Store
21 franchise stores in 8 countries across Asia

Business Overview

Q1/2021

Revenue from sale of goods

94% **SALES**

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Revenue from rental and rendering of services

6% **RENTAL**

Domestic



96%

Of revenue from sale of goods

1. Retail Stores

- 5 brands of retail stores covering all groups of customers

75%

3. Dealers

- Products sold through 25 dealer stores nationwide

1%

2. Projects

- Focus on property developers, offices, shops, hospitals, schools, hotels, etc.

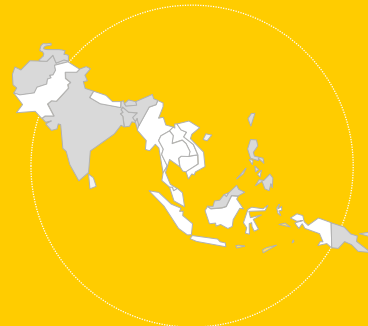
12%

4. Online

- Products sold through online channels

8%

Overseas



4% Of revenue from sale of goods

1. Retail stores: 21 stores in 8 countries
2. Oversea Projects
3. OEM & Trading

- 3 Mid-sized Community Malls

THE WALK

LITTLE WALK

- 2 Small-sized Community Malls

- Rental spaces in 4 standalone Index Living Mall stores

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+

- Other rental areas in 11 Index Living Mall stores

Business Overview

5 Brands of Retail Stores in Thailand

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TRENDDESIGN®

BoConcept®

MOMENTOUS



TRENDDESIGN®

BoConcept®



One-stop shopping solution for modern, functional, simple, customized, and reasonably priced products

Simple and good quality furniture at reasonable prices

Imported high-quality furniture with unique modern design

Imported high-quality furniture and home décor products in Danish-style

Imported American luxury high-quality furniture and home décor products



Mass to Premium
Mass

Mass

Premium Mass to
Premium

Premium

Ultra Luxury



- 31 stores of Index Living Mall
- 4 stores of Index Furniture Center

- 1 WINNER store in Ratchaburi

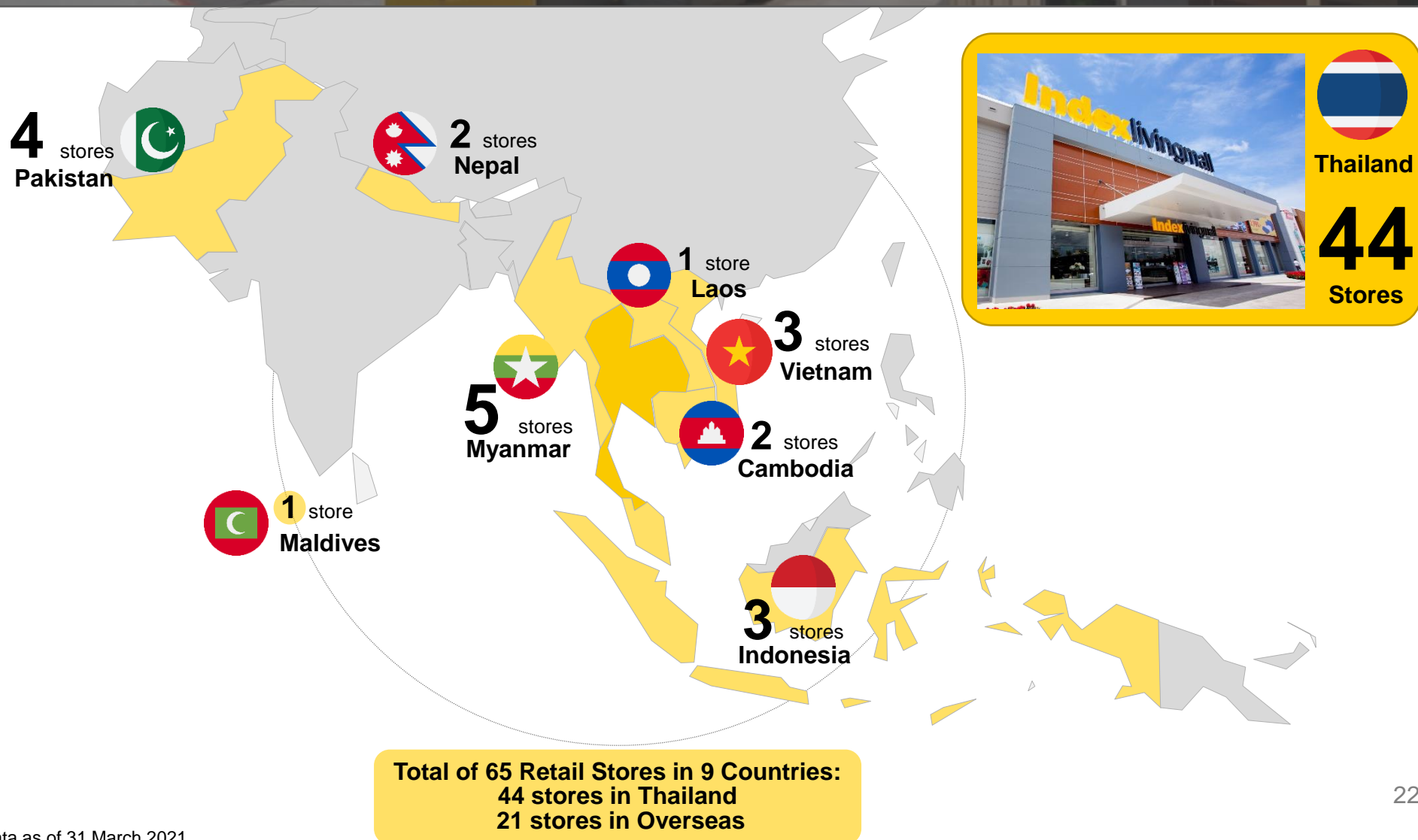
- 6 stores at Index Living Mall

- 1 Store at Siam Paragon

- 1 Store at Siam Paragon
- 2 Shops at Index Living Mall

Business Overview

ILM's Retail Stores Across Asia



Space Rental and Rendering of Services

1

THE WALK



Mid-sized Community Mall

Rental space in multi-storey building with various shops that fulfill and meet lifestyle of the target group

The Walk Ratchaphruek

Year of opening	February 2012
Area (m ²)	16,515.7
Occupancy Rate	92.8%

Tenants



The Walk Kaset-Navamin

Year of opening	August 2013
Area (m ²)	15,310.9
Occupancy Rate	80.0%

Tenants



The Walk Nakhonsawan

Year of opening	January 2014
Area (m ²)	16,932.0
Occupancy Rate	100.0%

Tenants Sub-leased by Tesco Lotus

2

LITTLE WALK



Small Community Mall

Rental space in one-storey building whose advantage is convenience to access stores in the mall

Little Walk Bangna

Year of opening	January 2017
Area (m ²)	3,484.8
Occupancy Rate	94.0%

Tenants



Little Walk Pattaya

Year of opening	November 2018
Area (m ²)	5,322.2
Occupancy Rate	79.7%

Tenants



3

Index Mall



Rental spaces in large-sized standalone Index Living Mall which enhance opportunities and attract customers to visit the mall

Index Mall Rama II

Year of opening	April 2017
Area (m ²)	3,450.9
Occupancy Rate	76.8%

Index Mall Chaiyapruet

Year of opening	March 2019
Area (m ²)	3,623.6
Occupancy Rate	97.0%

Index Mall Bang Yai

Year of opening	March 2017
Area (m ²)	5,907.0
Occupancy Rate	87.6%

Index Mall Bangna

Year of opening	September 2018
Area (m ²)	3,171.6
Occupancy Rate	75.9%

Tenants



4

Other rental areas in Index Living Mall

Rental space in 11 Stores of Index Living Mall

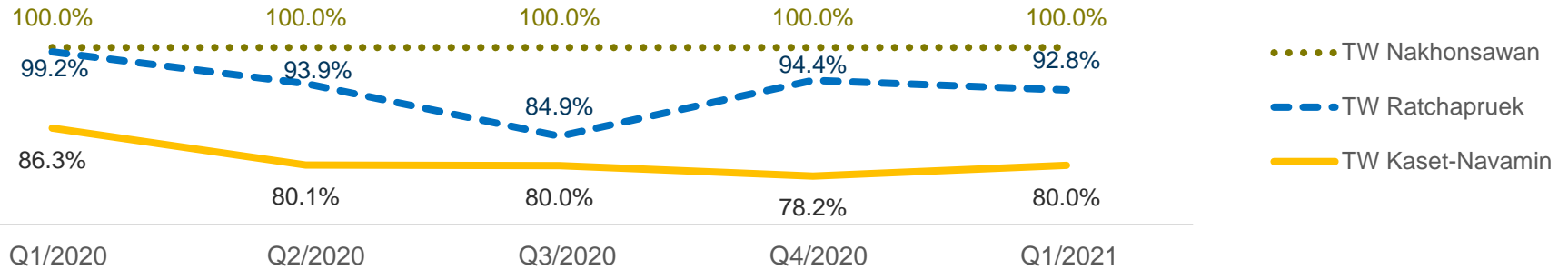
Total rental area (m ²)	2,945.5
Occupancy Rate	45.0%

Tenants

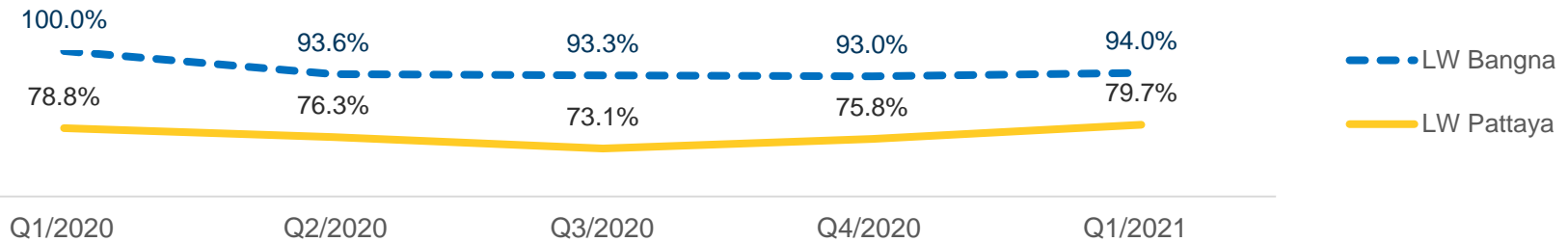
au bon pain. and other tenants

Q1/2021 Rental Occupancy Rate

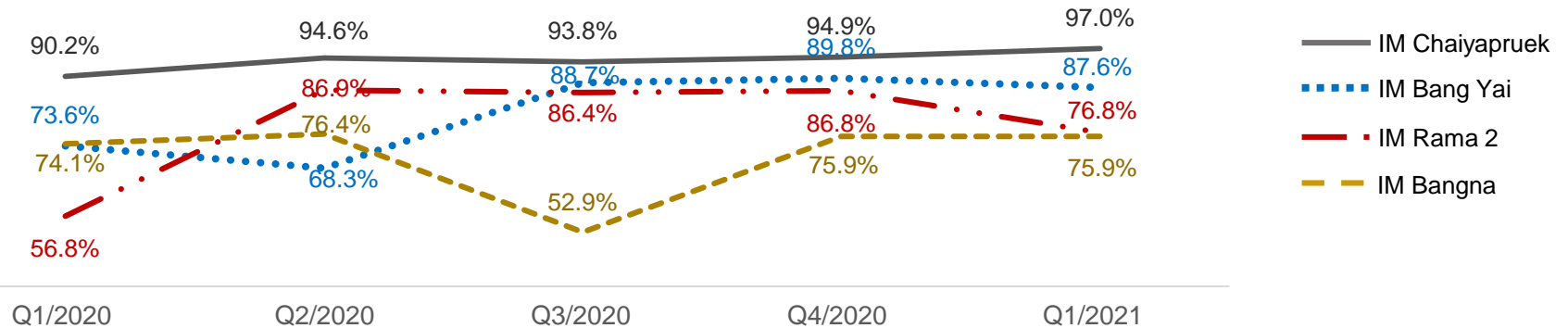
The Walk



Little Walk



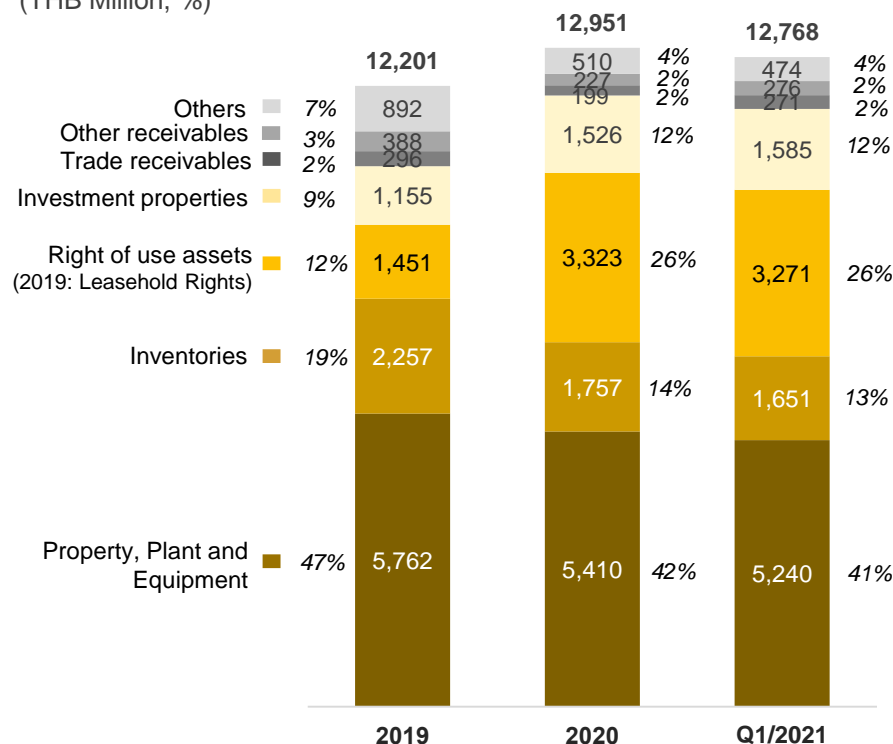
Index Mall



Statement of Financial Position

Total Assets

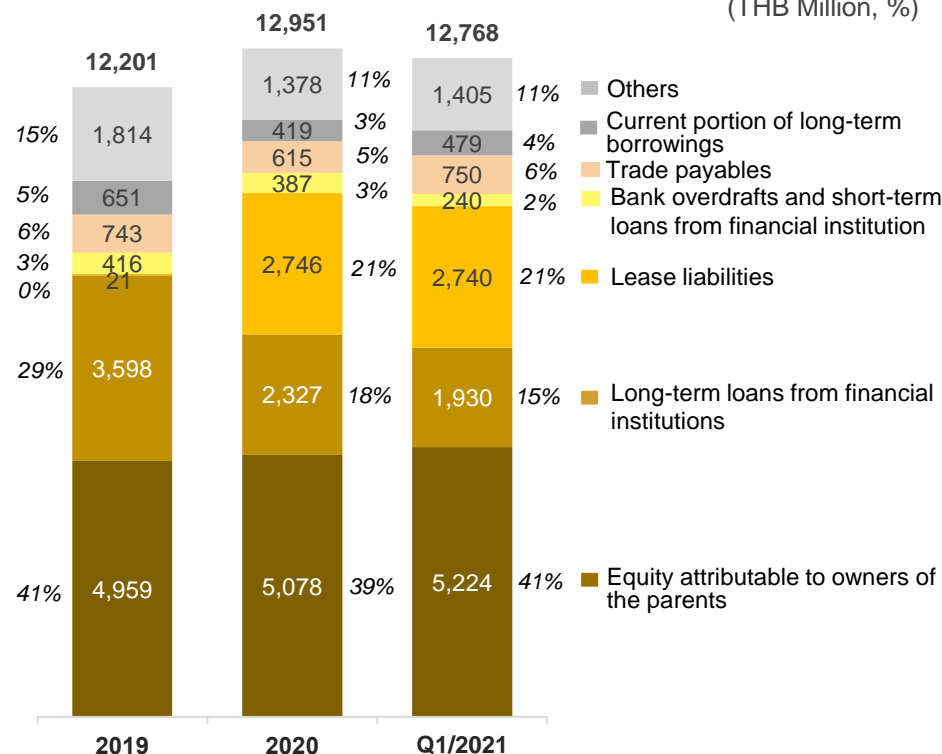
(THB Million, %)



- The decrease of total assets at the end of Q1/2021 by 183.3 MB or 1.4% from the end of 2020 was mainly due to lower property, plant and equipment by 170.3 MB as a result of depreciation. Inventories also decreased by 106.5 MB or 6.1% from the end of 2020, supported by improved supply chain management.

Total Liabilities and Equity

(THB Million, %)

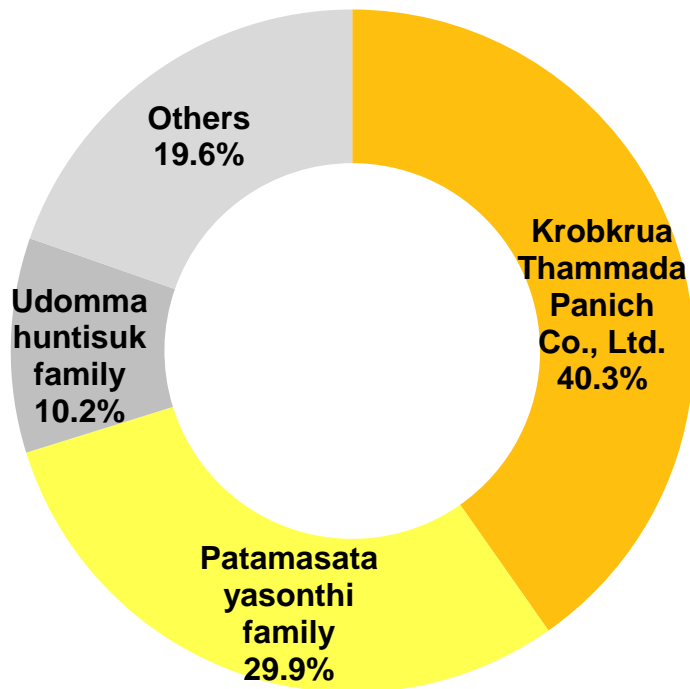


- The decrease of liabilities at the end of Q1/2021 by 328.7 MB, or 4.2% from the end of 2020 was mainly due to lower borrowings from financial institutions by 484.2 MB or 15.5% from 3,133.4 MB at the end of 2020 to 2,649.2 MB at the end of Q1/2021.
- Increased equity attributable to owners of the parent at the end of Q1/2021 by 145.4 MB resulted from the operating profit of the Company's operating profit in Q1/2021 of 145.4 MB.

Shareholding Structure and Share Information

Shareholding Structure

(As of 7 May 2021)

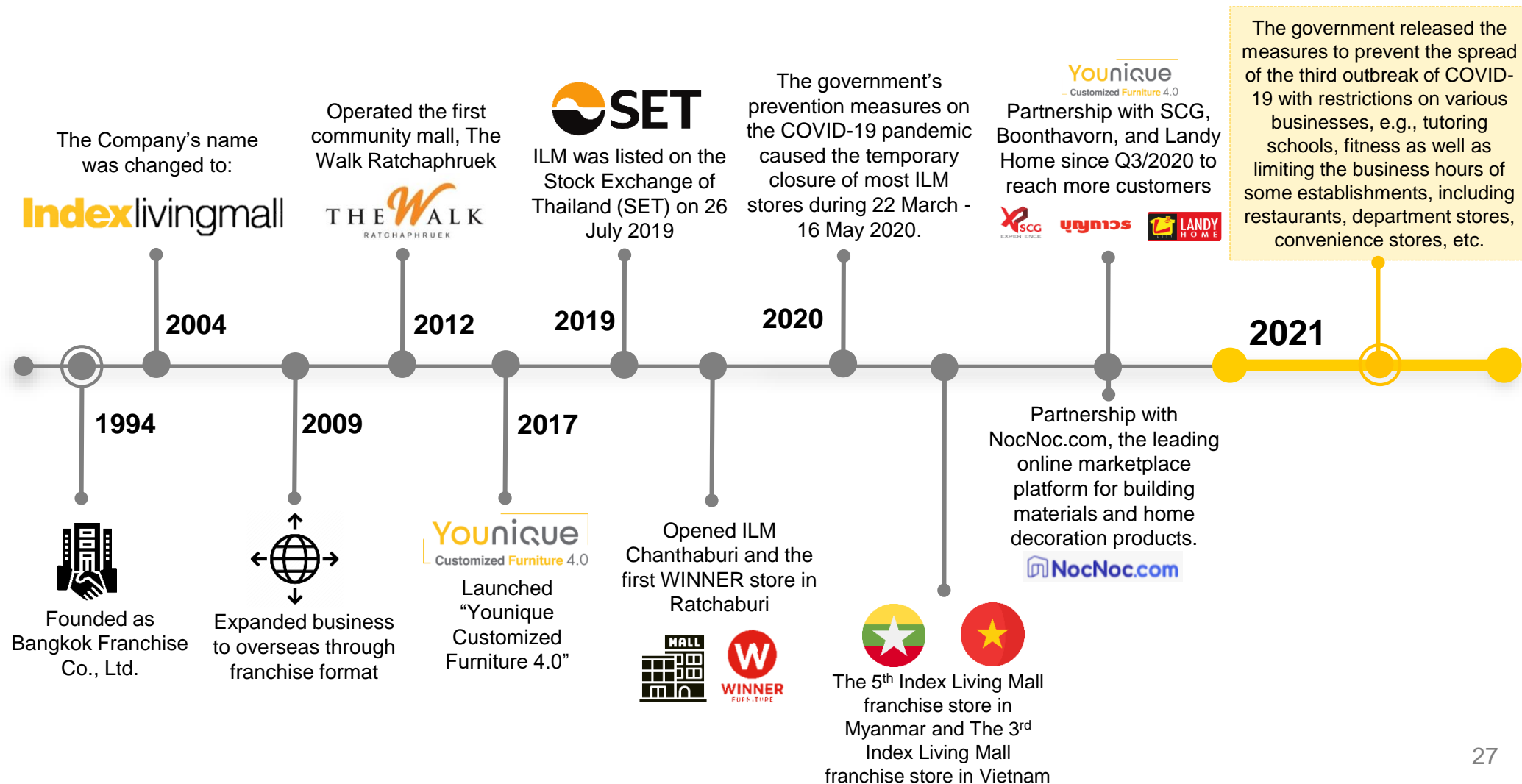


Share Information

(As of 27 May 2021)

Stock Symbol:	ILM
Industry and Sector:	Commerce
No. of Listed Shares:	505,000,000 Shares
Registered Capital:	THB 2,525,000,000
Paid-up Capital:	THB 2,525,000,000
Par Value:	THB 5.0 per Share
Listing Date:	26 July 2019
Foreign Limit:	49% (available 48.55%)
Dividend Policy:	Not less than 50% of net profit from normal operation according to consolidated financial statements after deduction of tax revenue and legal reserve. However, actual payments will depend on cash flows and investment plans of the Company's and its affiliates as well as other necessities as the Board of Directors deems appropriate.
Market Capitalization:	8,686 MB or 277 MUSD
Free Float:	24.87%

Milestones



Group Company Structure





THANK YOU

For more information, please contact
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