



Indexlivingmall

Index Living Mall Public Company Limited (ILM)

Q1/2022

Analyst Meeting

23 May 2022



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.

Q1/2022 Highlights



Net Profit Made the 10-Quarter High Since Q3/2019

After the government eased the latest lockdown measures on 1 September 2021, the Company's earnings have been recovering continuously. Net profit in Q1/2022 reached 160.6 MB, the highest in 10 quarters since Q3/2019 (the period before the COVID-19).



Revenue from Rental and Rendering of Services Marked a Record High

Revenue from rental and rendering of services in Q1/2022 made a record high at 152.5 MB. Also, gross profit margin from rental and rendering of services rose to 51.2%, a new high since Q4/2017, supported by increased and more diversified tenants as well as effective cost management.



New Health-conscious Product Launch: DREAMIA

The Company launched DREAMIA, a hybrid pillow with 7 innovations from the United States as the first health-conscious product using the collaboration marketing strategy to drive sales of mattress and bedding merchandises.



Double-digit SSSG

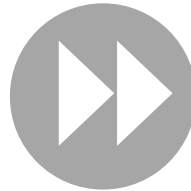
Excluding home electric sales, Q1/2022 SSSG impressively expanded by 11.0% YoY, the double-digit SSSG for two consecutive quarters.



AGENDA



Financial Updates



Situation Updates & Outlook



Appendix

Q1/2022 Key Financial Highlights



-0.6% YoY

Operating Revenue*

(Q1/2022) **2,121.5** MB

2,133.5 MB (Q1/2021)



+8.3% YoY

SG&A

(Q1/2022) **763.4** MB

705.1 MB (Q1/2021)



+10.5% YoY

Net Profit

(Q1/2022) **160.6** MB

145.4 MB (Q1/2021)



+2.5% YoY

%GPM from Sale

(Q1/2022) **45.8%**

43.4% (Q1/2021)



-1.9% YoY

EBITDA

(Q1/2022) **450.8** MB

459.6 MB (Q1/2021)



+45.4% YoY

Online Sales

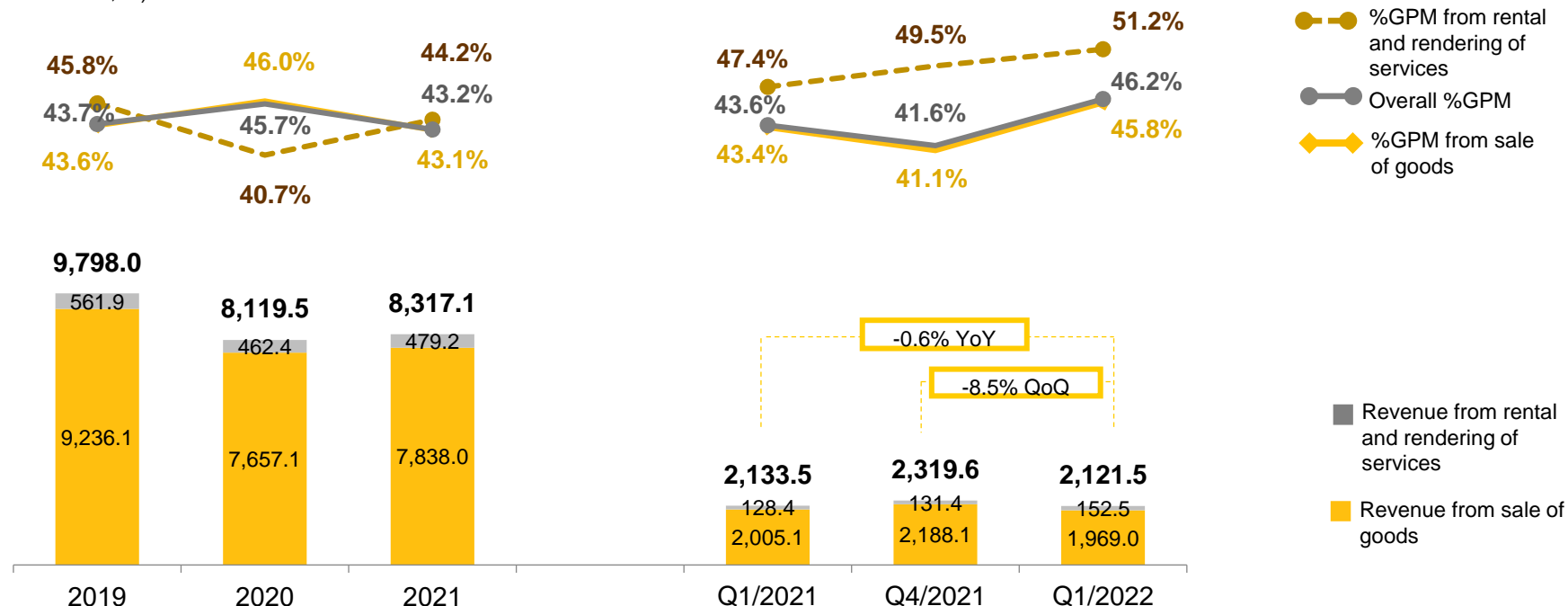
(Q1/2022) **225.5** MB

155.1 MB (Q1/2021)

*If excluding home electric sales, operating revenue will increase by 5.6% YoY

Operating Revenue

(THB million, %)

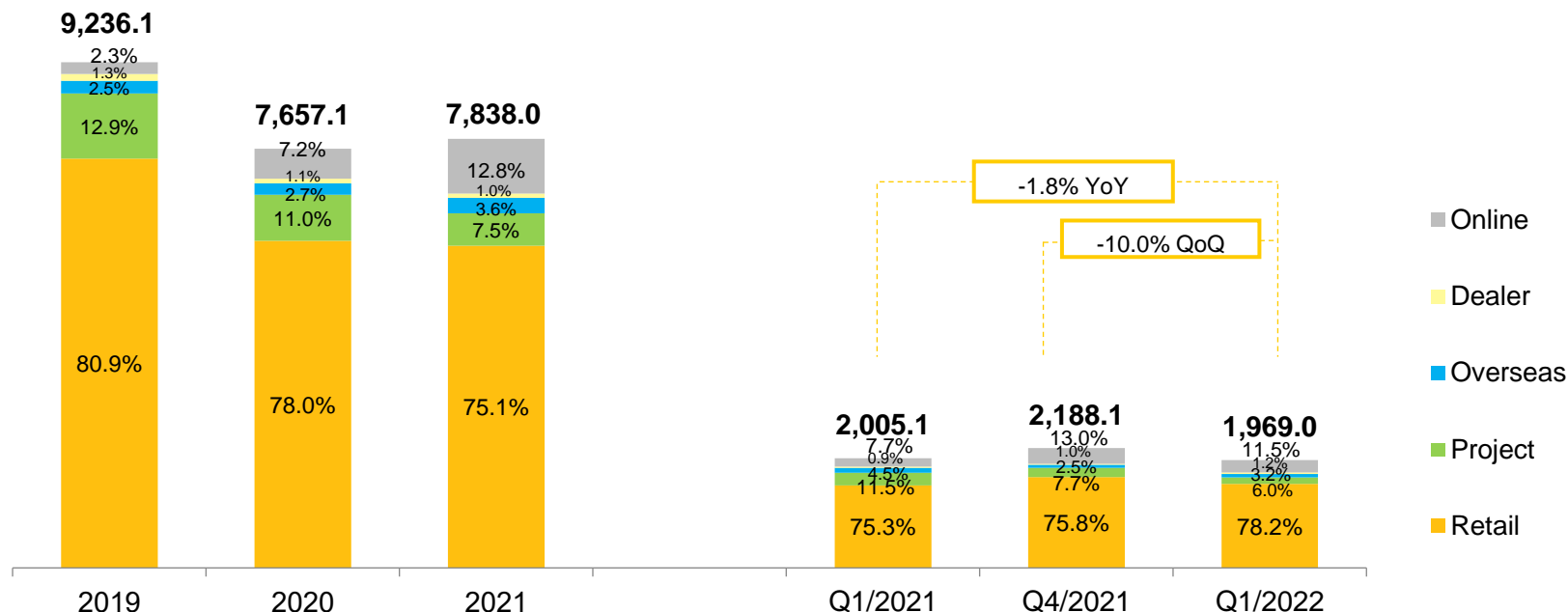


Q1/2022

- Sales decreased by 1.8% YoY mainly due to the Company's termination of home electric sale under the brand of Power One, changing the sales area of Power One to be the rental spaces to Com7 Public Company Limited (COM7).
 - If excluding home electric sales, total sales will increase by 4.7% YoY
 - Improved gross profit margin from sale YoY and QoQ was mainly supported by the Company's termination of home electric sale as well as increased sales proportion of high gross profit margin products
- Decreased sales QoQ was mainly due to the festive season in the fourth quarter as well as the Company's termination of home electric sale.
- Increased revenue and gross profit margin from rental and rendering YoY and QoQ was mainly supported by the Company's increased and more diversified tenants as well as effective cost management.

Sales by Channel

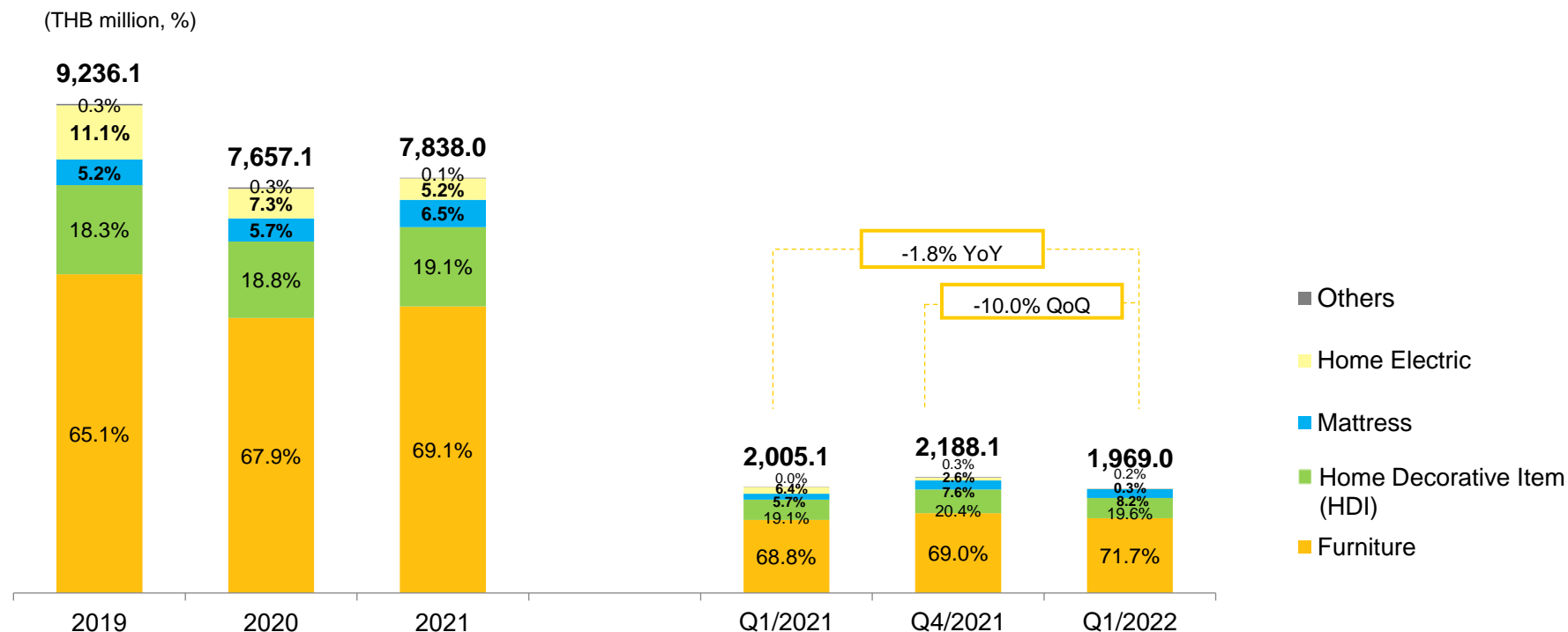
(THB million, %)



Q1/2022

- Decreased sales YoY was mainly due to the Company's termination of home electric sale under the brand of Power One.
 - However, sales channels that managed to grow YoY included retail sales (+1.9% YoY), online sales (+45.4% YoY), domestic dealer (+30.0% YoY), and overseas franchise sales (+3.5% YoY).
 - If excluding home electric sales, total sales will increase by 4.7% YoY, and retail sales will increase by 11.1% YoY.
 - Despite the drop YoY in domestic project sales and overseas OEM sales, both channels should be growing in the remaining of the year.
- Decreased sales QoQ was mainly due to the festive season in the fourth quarter as well as the termination of home electric sale.
 - Sales channels that managed to grow QoQ included domestic dealer (+14.8% QoQ), overseas franchise sales (+9.4% QoQ), and overseas OEM sales (+3.9% QoQ). Younique Customized Furniture sales also expanded (+3.8% QoQ).
 - If excluding home electric sales, total sales will decrease by 7.9% QoQ, and retail sales will decrease by 4.3% QoQ.

Sales by Product

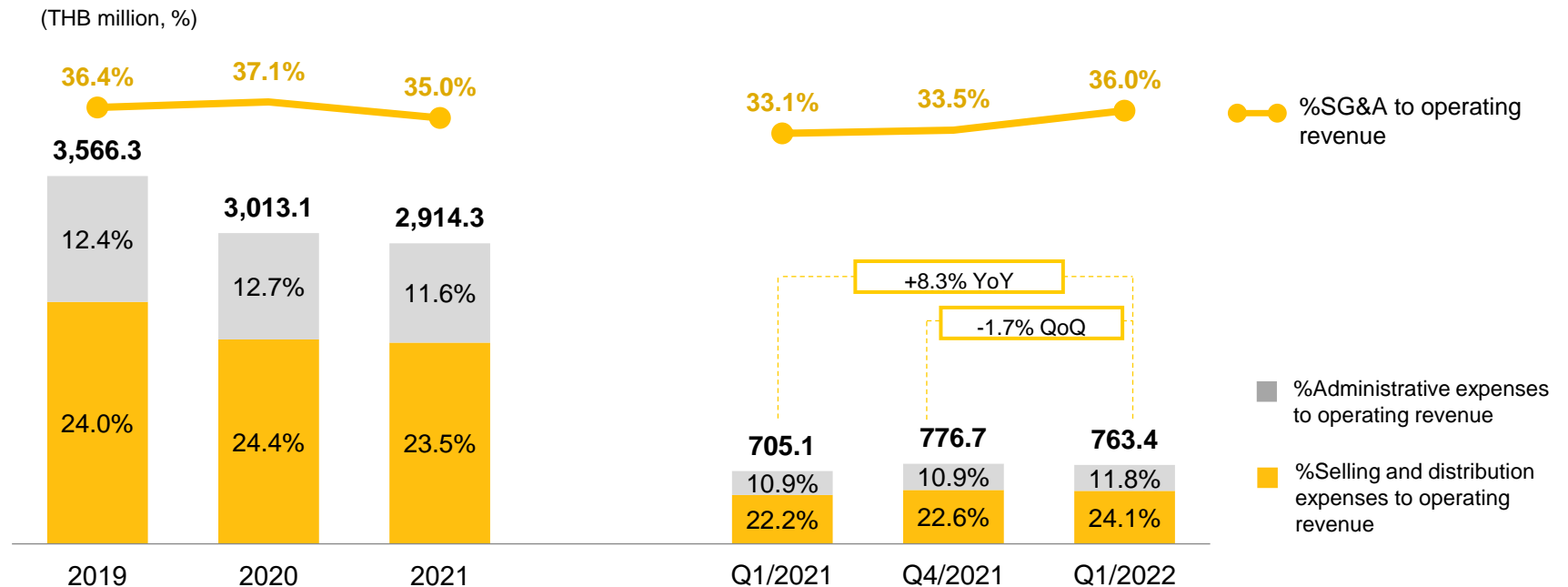


Q1/2022

- Sales of all product groups increased YoY, except home electric due to the Company's termination of home electric sale under the brand of Power One, changing the sales area of Power One to be the rental spaces to COM7.
- Sales of all product groups decreased QoQ mainly due to the festive season in the fourth quarter as well as the termination of home electric sale under the brand of Power One.

Selling & Administrative Expenses

Indexlivingmall

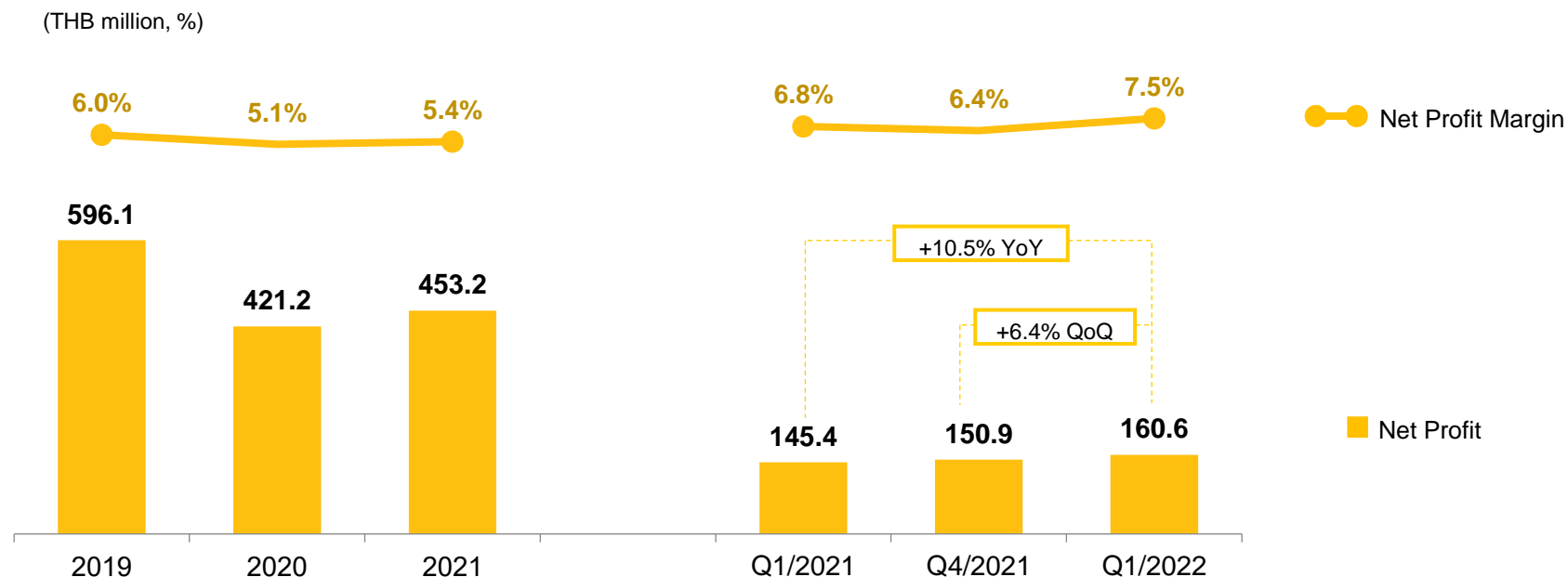


- Selling and distribution expenses include the Company's retail stores and rental spaces expenses, e.g., employee expenses, depreciation, promotion expenses, utilities expenses, rental costs, etc.
- Administrative expenses are related to back-office expenses, e.g., employee expenses, delivery costs,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

Q1/2022

- Increased SG&A YoY was mainly due to increased salary and employee benefits, higher sales promotion expenses from the online channel and new product launch, and higher delivery costs resulting from higher oil prices.
- On the other hand, SG&A reduced QoQ following the decreased operating revenue, despite the increased salary and employee benefits.

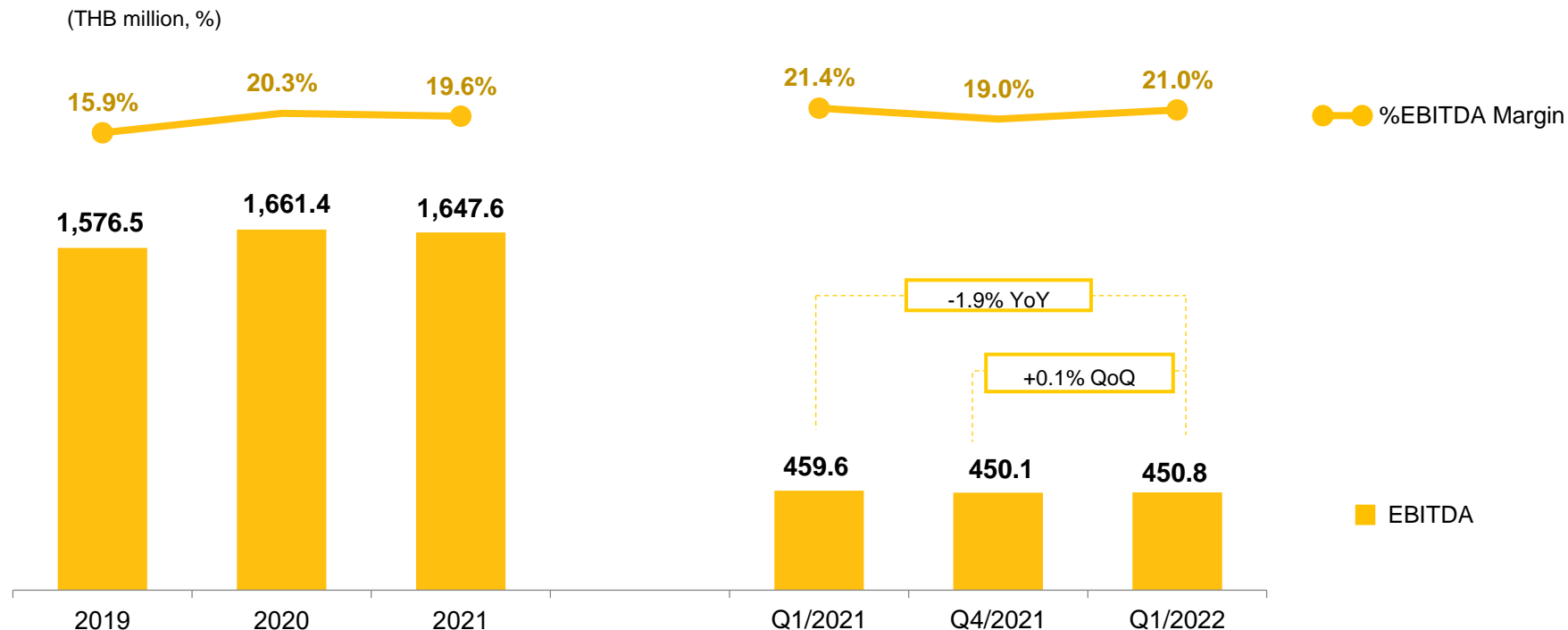
Net Profit & Net Profit Margin



Q1/2022

- Net profit recorded the 10-quarter high since Q3/2019, supported by:
 - Higher revenue from rental and rendering of services, breaking the record high
 - Improved gross profit margin from sale resulting from the termination of home electric sale as well as increased sales proportion of high gross profit margin products
 - Improved gross profit margin from rental and rendering of services, a new high since Q4/2017, supported by the Company's increased and more diversified tenants as well as effective cost management
 - Decreased finance costs from loans from financial institutions as a result of continuous long-term loan prepayment
 - BOI tax incentives of 5.7 MB.

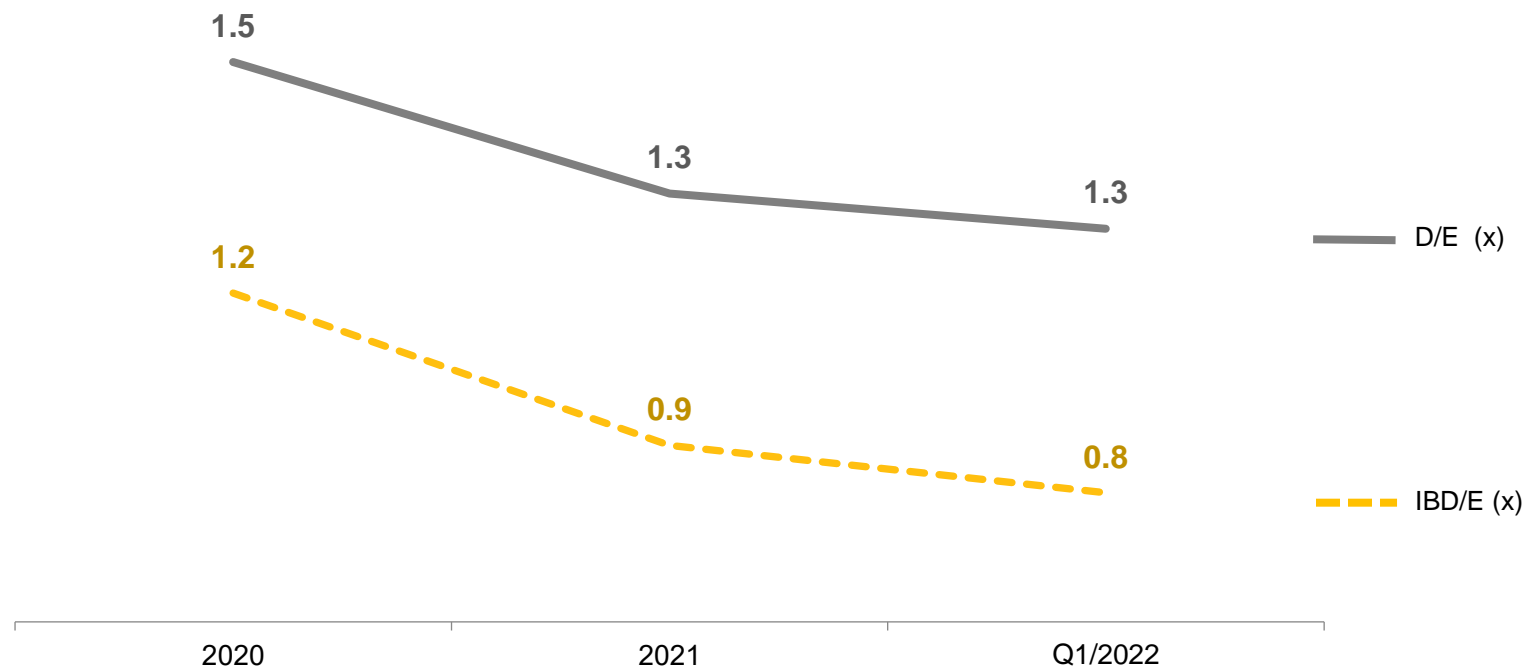
EBITDA & EBITDA Margin



Q1/2022

- Decreased EBITDA YoY, despite higher operating profit, was mainly due to lower depreciation & amortization
- Slightly increased EBITDA QoQ was mainly supported by higher operating profit.

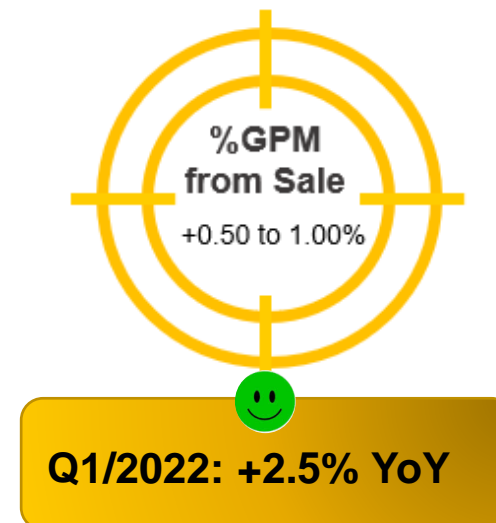
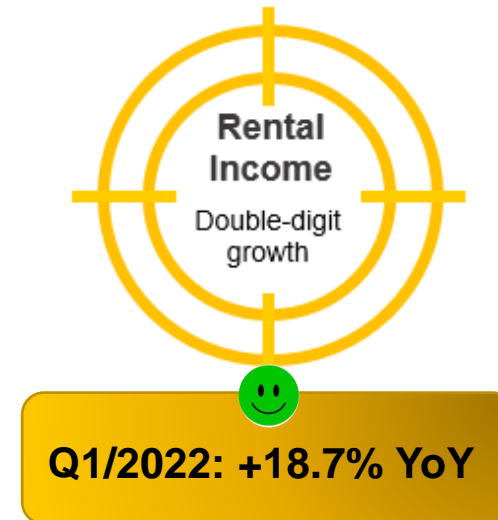
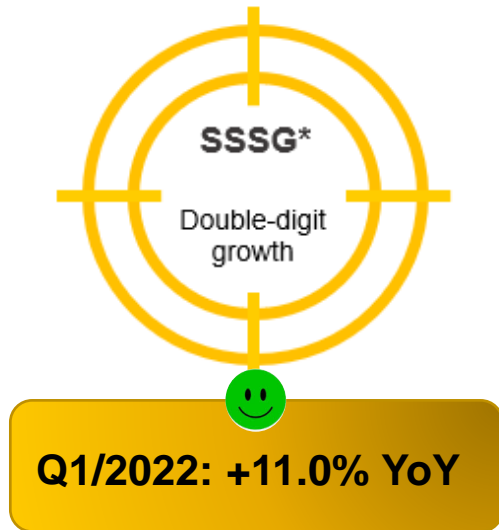
Leverage Ratios



Q1/2022

- Debt to Equity (D/E) and Interest-bearing Debt to Equity (IBD/E) at the end of Q1/2022 continued to decrease, mainly supported by reduced borrowings from financial institutions.
 - If excluding the impact from TFRS16, D/E will drop from 1.3x to 0.8x.
 - If excluding the impact from TFRS16, IDE/E will drop from 0.8x to 0.3x.
- Total borrowings at the end of Q1/2022 were 1,700.8 MB, reduced by 275.1 MB or 13.9% from 1,975.9 MB at the end of 2021, with the long-term loan prepayment of 300.0 MB.

2022 Goals & Q1/2022 Results

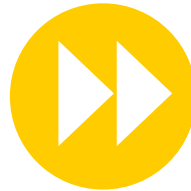




AGENDA



Financial Updates



Situation Updates & Outlook



Appendix

Looking Forward



Despite risks, no further lockdown is expected in Thailand. Together with the country's full opening on 1 May 2022, the Company anticipates sales growth from all major channels and improved gross profit margin from sale for the year.



Revenue and gross profit margin from rental and rendering of services will continue to improve this year, supported by the Company's gradually increased revenue recognition from new tenants and effective cost management.



The Company plans to switch from using the fleet card to the fuel bunker at the end of Q2/2022 to get a higher rebate and help offset the delivery costs, which tend to increase from the rising oil prices.



The Company started installing the solar rooftop at its plant in 2018 and has continued for Index Living Mall stores. In 2022, another 6 stores will be added, totaling 24 stores.



Little Walk Krungthep Kreetha with a leasable area of around 4,000 sqm will be opening in 2023 to further drive growth of the revenue from rental and rendering of service in the future.



AGENDA



Financial Updates



Situation Updates & Outlook



Appendix

Outlook of the Thai Economy

(%YoY)	2019p	2020p	2021p1	2021p1				2022p1	Projection for 2022	
				Q1	Q2	Q3	Q4		As of 21 Feb 2022	As of 17 May 2022
GDP Growth	2.2	-6.2	1.5	2.5	7.7	-0.2	1.9	2.2	3.5 - 4.5	2.5 - 3.5
- Private Consumption	4.0	-1.0	0.3	-0.3	4.7	-3.2	0.4	3.9	4.5	3.9
- Private Investment	2.6	-8.2	3.3	3.1	9.2	2.6	-0.8	2.9	3.8	3.5
- Export volume of goods & services	-3.0	-19.7	10.4	-10.3	28.4	12.3	17.6	12.0	8.9	8.3
- Import volume of goods & services	-5.2	-14.1	17.9	1.0	28.7	29.5	16.4	6.7	4.0	5.1

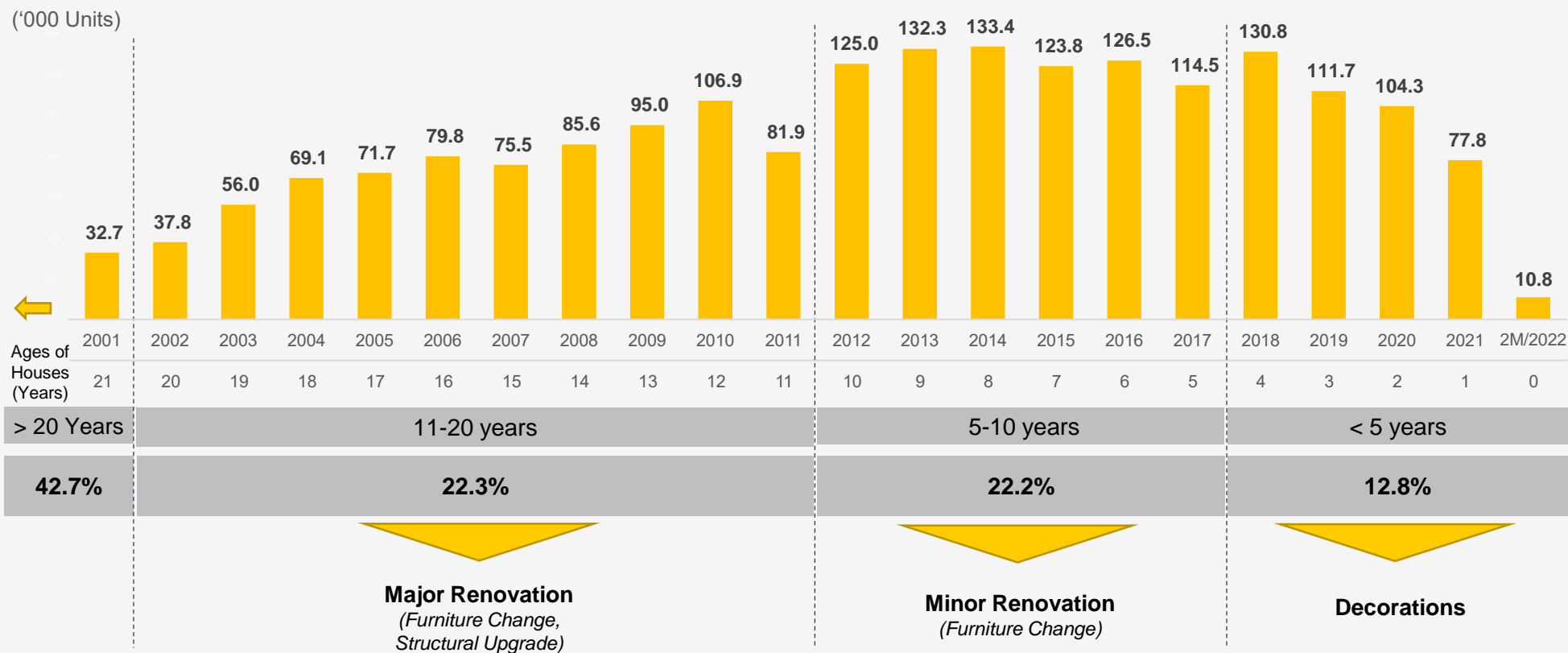
Source: Office of the National Economic and Social Development Council, 17 May 2022

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/2022: **3,404,980** 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

28

Years of furniture and home furnishing experience in Thailand

Experienced management team with continuous innovation

59

Retail stores to capture all diverse customer groups in Asia

31 Index Living Mall stores

3 Index Furniture Center stores

8 High-end brand stores

1 Winner Store

16 Index Living Mall franchise stores in 8 countries across Asia

Remark: Data as of 31 March 2022

** Excluding 6 shop-in-shops*

Business Overview

Q1/2022
Operating
Revenue

Revenue from sale of
goods
92.8%
of operating
revenue

SALES

Indexlivingmall

Revenue from rental and
rendering of services

7.2%
of operating
revenue
RENTAL

Domestic



96.8% of sale of goods

1. Retail Stores

78.2%

- 5 Brands of retail store covering all groups of customers

3. Dealers

1.2%

- Products sold through dealer stores nationwide

2. Projects

6.0%

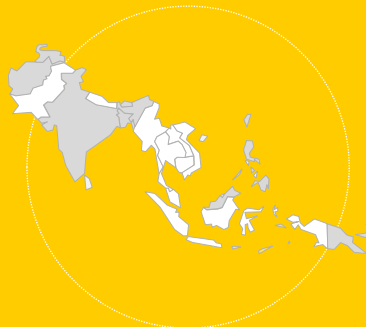
- Focus on property developers, offices, shops, hospitals, schools, hotels, etc.

4. Online

11.5%

- Selling through the Company's platforms and partners' marketplaces

Overseas



3.2% of sale of goods

1. Franchise Stores: 16* stores in 8 countries
2. International Projects
3. OEM & Trading

*Excluding 6 shop-in-shops

- 3 Mid-sized Community Malls

THE WALK

LITTLE WALK

- 2 Small-sized Community Malls

- Rental spaces at Index Living Mall stores

Index livingmall

- Rental spaces at the warehouse



Business Overview

5 Brands of Retail Stores in Thailand

Indexlivingmall



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
- 3 Stores of Index Furniture Center

- 1 Winner store in Ratchaburi

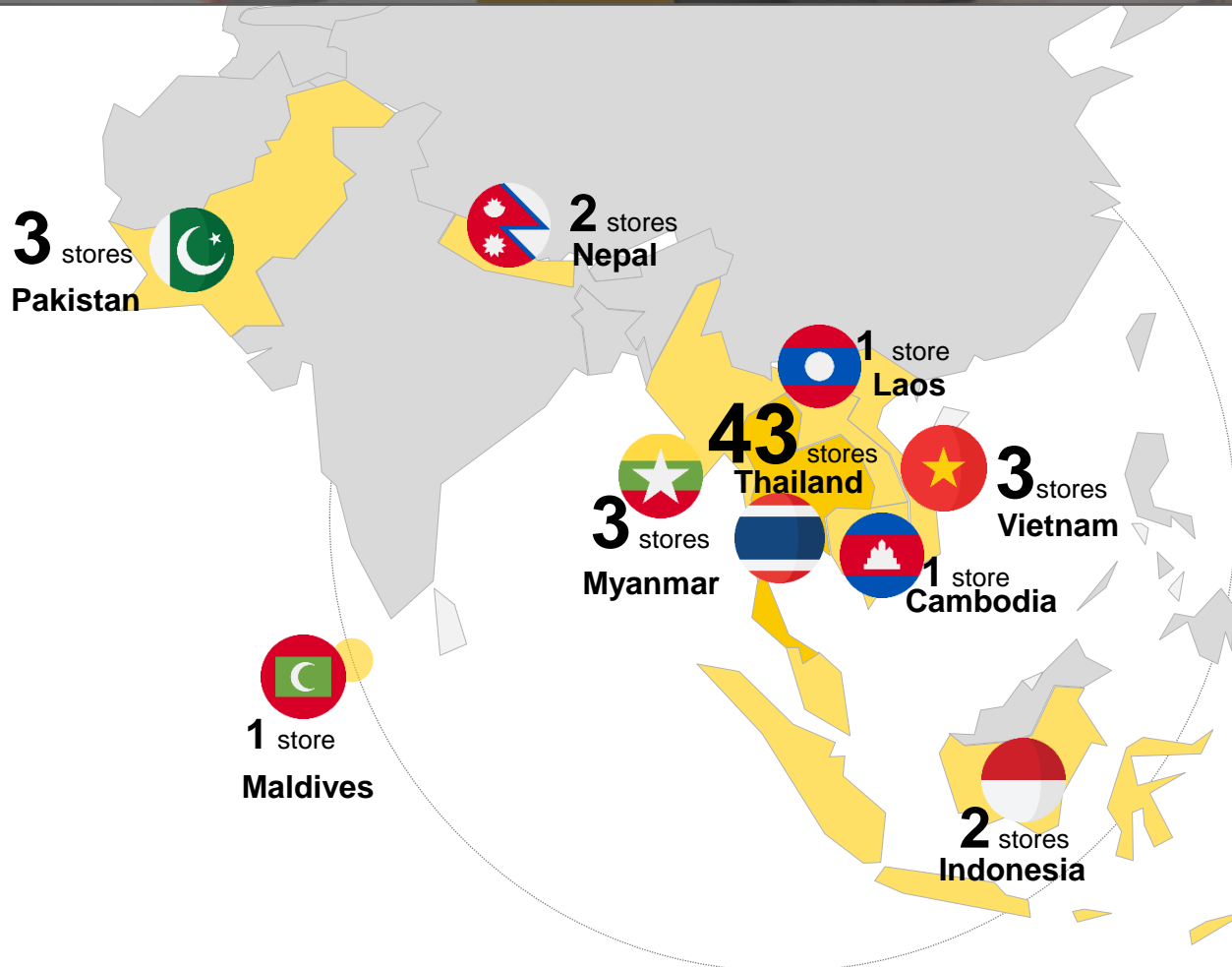
- 6 Stores at Index Living Mall

- 1 Store at Siam Paragon

- 1 Store at Siam Paragon
- 2 Shop-in-shops at Index Living Mall

Business Overview

ILM's Retail Stores Across Asia



Remark: Data as of 31 March 2022

* Excluding 6 shop-in-shops

**Total of 59 Index Living Mall and other retail stores
in 9 Countries**

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 (m²) 16,515.7

Occupancy Rate 80.5%

Tenants



The Walk Kaset-Navamin

Year of opening August 2013

Area (m²) 15,310.9

Occupancy Rate 72.1%

Tenants



The Walk Nakhonsawan

Year of opening January 2014

Area (m²) 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 (m²) 3,484.8

Occupancy Rate 91.7%

Tenants



Little Walk Pattaya

Year of opening November 2018

Area (m²) 5,322.2

Occupancy Rate 68.8%

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 (m²) 3,450.9

Occupancy Rate 88.6%

Index Mall Chaiyapruet

Year of opening March 2019

Area (m²) 3,623.6

Occupancy Rate 92.7%

Index Mall Bang Yai

Year of opening March 2017

Area (m²) 5,907.0

Occupancy Rate 54.4%

Index Mall Bangna

Year of opening September 2018

Area (m²) 3,171.6

Occupancy Rate 67.6%

Tenants



4

Other rental areas in Index Living Mall

Rental spaces in 11 Stores of Index Living Mall

Total rental area (m²) 2,945.5

Occupancy Rate 45.0%

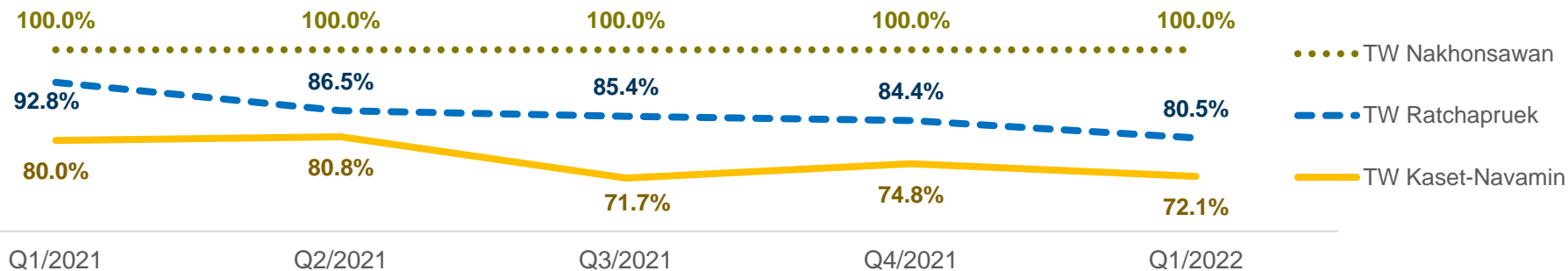
Tenants

au bon pain. and other tenants

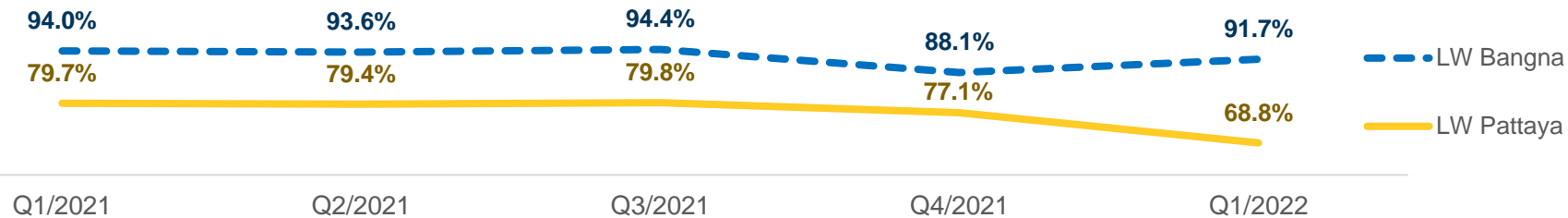
the bakery café

Rental Occupancy Rate

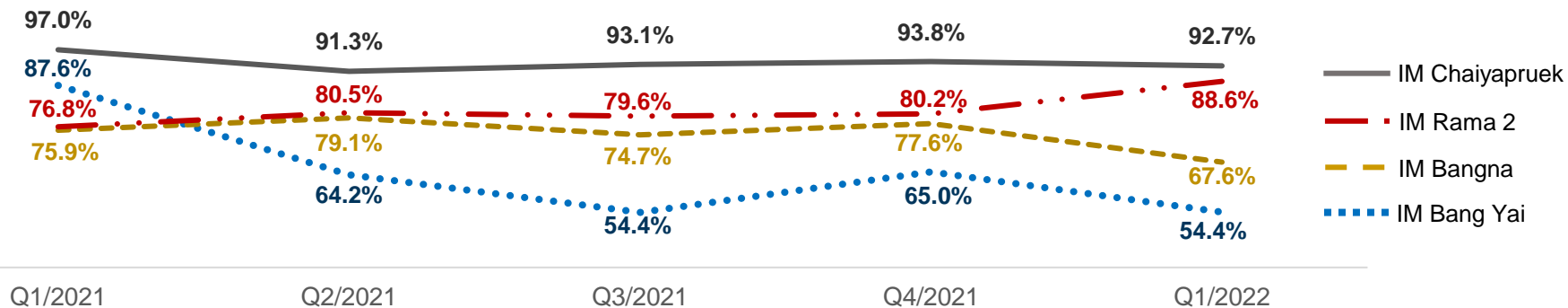
The Walk



Little Walk



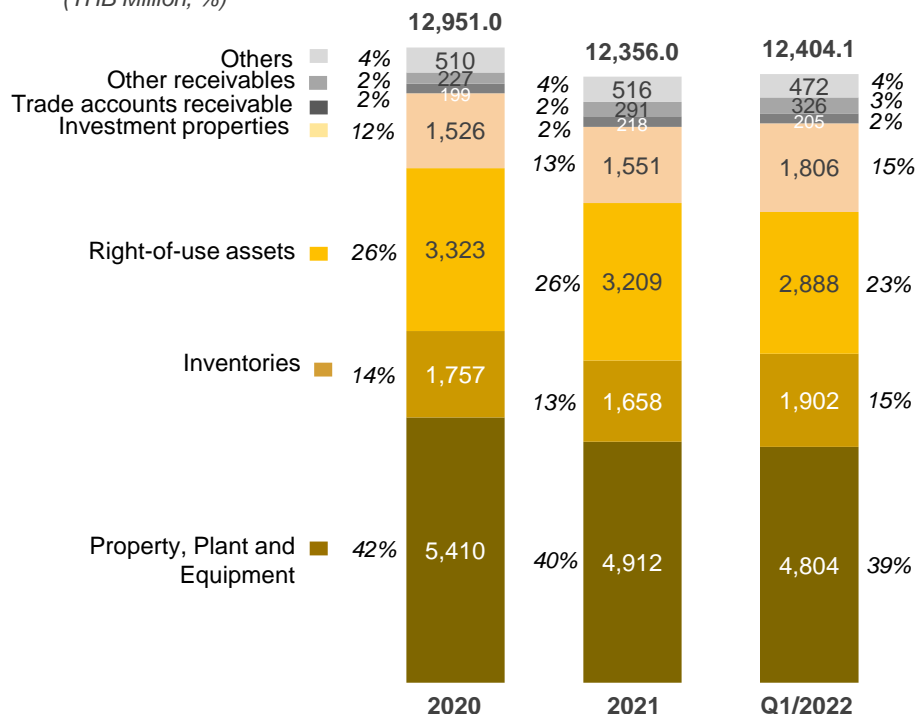
Index Mall



Statement of Financial Position

Total Assets

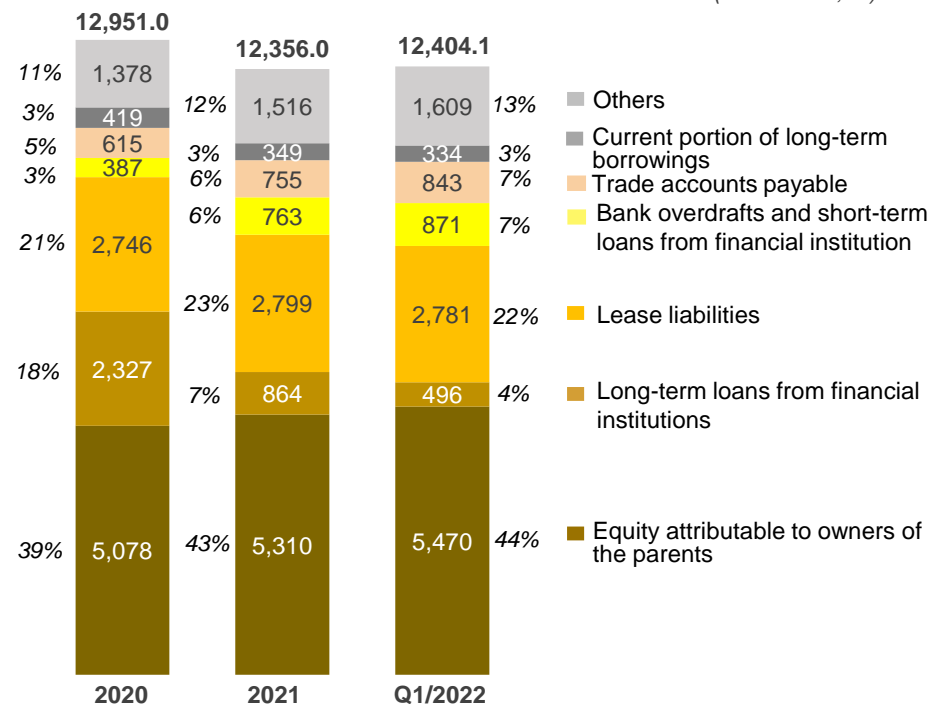
(THB Million, %)



- The increased total assets at the end of Q1/2022 by 48.1 MB or 0.4% from the end of 2021 resulted from 1) increased inventories by 244.6 MB as the Company has purchased more goods and raw materials to optimally manage the rapidly rising costs; 2) increased investment properties by 254.5 MB; 3) decreased property, plant and equipment by 108.0 MB; and 4) decreased right-of-use assets by 321.1 MB.

Total Liabilities and Equity

(THB Million, %)

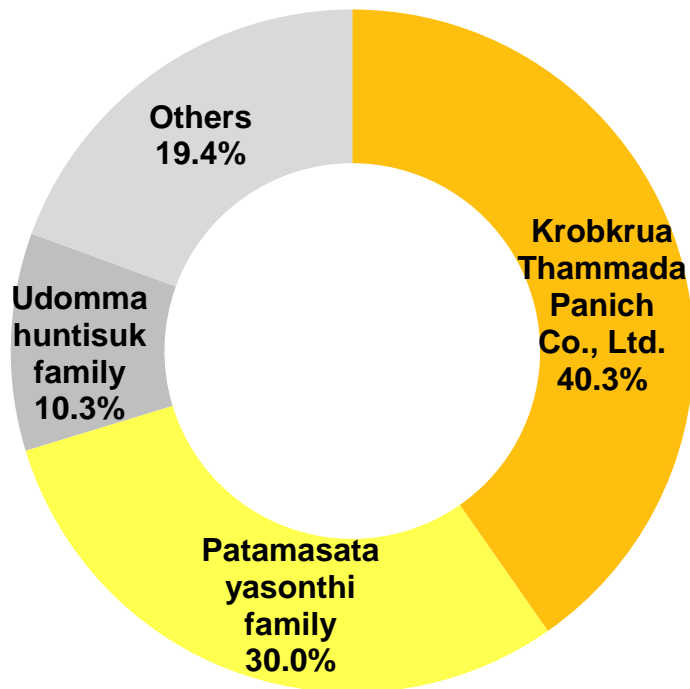


- The decreased liabilities at the end of Q1/2022 by 112.6 MB, or 1.6% from the end of 2021 was mainly due to lower borrowings from financial institutions by 275.1 MB or 13.9% from 1,975.9 MB at the end of 2021 to 1,700.8 MB at the end of Q1/2022, with long-term loan prepayment of 300.0 MB.
- The increased equity attributable to owners of the parent at the end of Q1/2022 by 160.6 MB or 3.0% from the end of 2021 resulted from the Company's operating profit during Q1/2022 of 160.6 MB.

Shareholding Structure and Share Information

Shareholding Structure

(As of 6 May 2022)

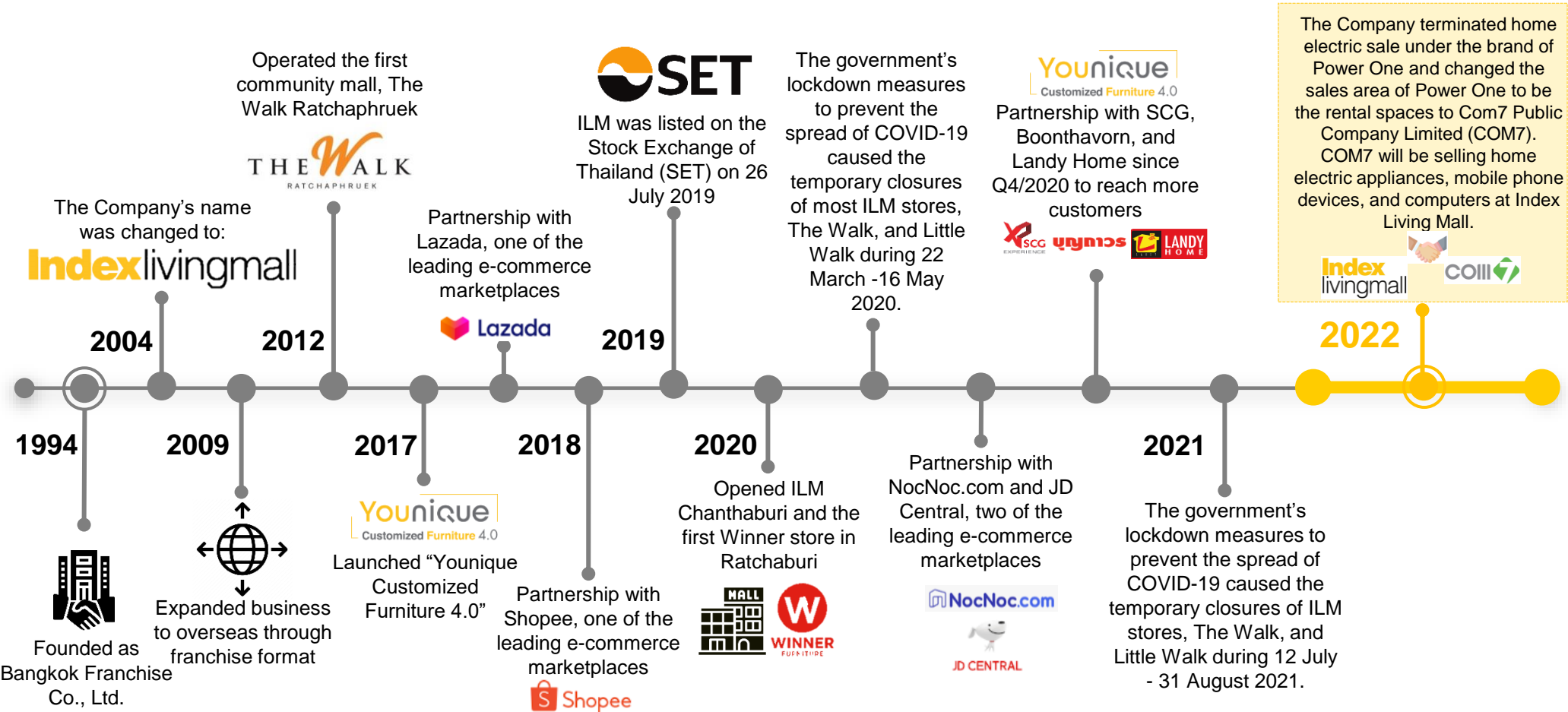


Share Information

(As of 18 May 2022)

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 46.97%)
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:	9,393 MB or 271 MUSD
Free Float:	24.87%

Milestones



Group Company Structure





THANK YOU

For more information, please contact
Tel: 02 898 6420-5 Ext 6129, or
ir@indexlivingmall.com

Indexlivingmall