



# Indexlivingmall

Index Living Mall Public Company Limited (ILM)

Q2/2022

## Analyst Meeting

18 August 2022



## Disclaimers

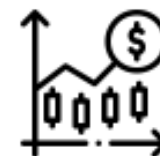
*The information contained herein is intended to represent the Company's operating and financial position at a given point in time and may also contain forward looking information which only reflects expectations based on the prevailing geo-political, economic and non-controllable factors. Such information 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.*

# Q2/2022 Highlights



## Net Profit Made an 11-Quarter High Since Q3/2019

After the government eased the latest lockdown measures on 1 September 2021, the Company's operating results have been recovering remarkably quarter by quarter. Net profit in Q2/2022 reached 162.3 MB, the highest in 11 quarters since Q3/2019 (the period before the COVID-19).



## Revenue from Rental and Rendering of Services Made a New High

Revenue from rental and rendering of services in Q2/2022 made a new high again at 153.8 MB, after the previous record high in Q1/2022, supported by increased and diversified tenants as well as effective cost management.



## Interim Dividend Announcement

As a result of well-managed liquidity, the Company announced an interim dividend for the operating results between 1 January - 30 June 2022 of 0.20 Baht per share, an increase from 0.15 Baht per share from the same period last year.



## Double-digit SSSG for Three Consecutive Quarters

Excluding home electric sales, Q2/2022 SSSG continued to expand impressively by 13.4% YoY, the double-digit SSSG for three consecutive quarters since Q4/2021.



# AGENDA



**Financial Updates**



**Situation Updates & Outlook**



**Appendix**



# Q2/2022 Key Financial Highlights



+5.4% YoY

Operating Revenue\*

(Q2/2022) **2,144.1** MB

2,033.8 MB (Q2/2021)



+6.3% YoY

SG&A

(Q2/2022) **772.6** MB

726.9 MB (Q2/2021)



+60.7% YoY

Net Profit

(Q2/2022) **162.3** MB

101.0 MB (Q2/2021)



+1.7% YoY

%GPM from Sale

(Q2/2022) **45.9%**

44.2% (Q2/2021)



+11.5% YoY

EBITDA

(Q2/2022) **451.8** MB

405.0 MB (Q2/2021)



-6.2% YoY

Online Sales\*

(Q2/2022) **223.1** MB

237.8 MB (Q2/2021)

\*If excluding home electric sales, operating revenue will increase by 13.6% YoY, and online sales will increase by 7.2%.

# 6M/2022 Key Financial Highlights



+2.4% YoY

Operating Revenue\*

(6M/2022) **4,265.6** MB

4,167.3 MB (6M/2021)



+7.3% YoY

SG&A

(6M/2022) **1,536.0** MB

1,432.1 MB (6M/2021)



+31.1% YoY

Net Profit

(6M/2022) **323.0** MB

246.4 MB (6M/2021)



+2.1% YoY

%GPM from Sale

(6M/2022) **45.9%**

43.8% (6M/2021)



+4.4% YoY

EBITDA

(6M/2022) **902.6** MB

864.6 MB (6M/2021)



+14.2% YoY

Online Sales\*

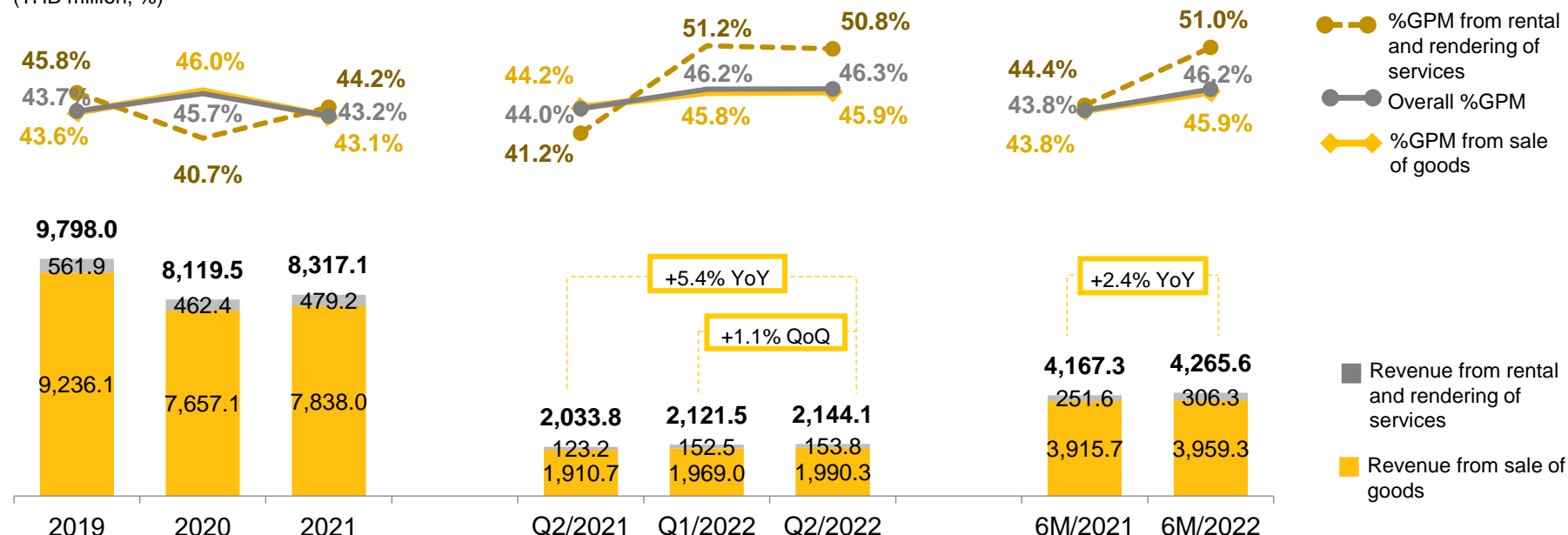
(6M/2022) **448.5** MB

392.8 MB (6M/2021)

\*If excluding home electric sales, operating revenue will increase by 9.5% YoY, and online sales will increase by 29.1%.

# Operating Revenue

(THB million, %)



## Q2/2022

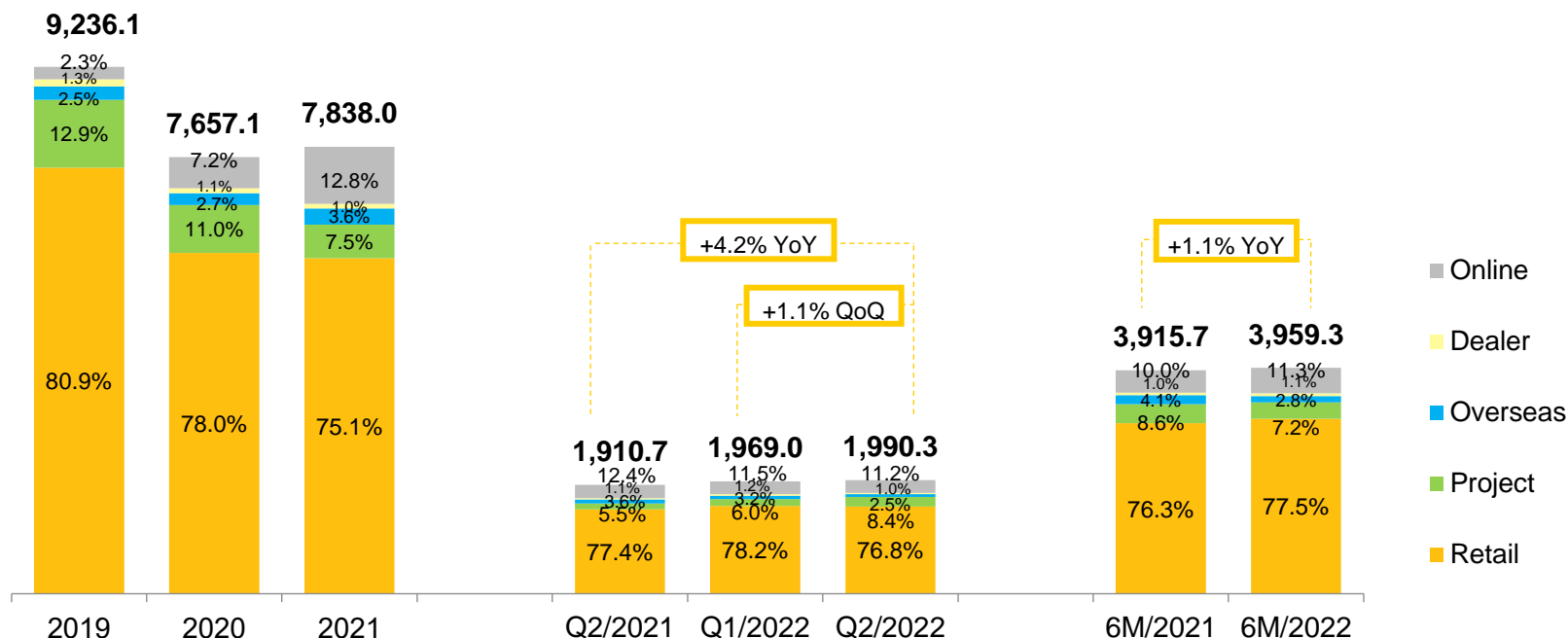
- Sales increased by 4.2% YoY and 1.1% QoQ, although the Company has terminated the home electric sale under the brand of Power One since the beginning of 2022 and had the sales area of Power One rented by Com7 Public Company Limited (COM7).
  - If excluding home electric sales, total sales will increase by 12.8% YoY.
  - Improved gross profit margin from sales YoY and QoQ was mainly supported by increased sales proportion of high gross profit margin products YoY and QoQ; increased selling prices at the end of May 2022 following the cost hike YoY and QoQ; and termination of the home electric sale YoY.
- Increased revenue and gross profit margin from rental and rendering YoY was mainly supported by the Company's increased and diversified tenants as well as effective cost management.
  - Decreased gross profit margin from rental and rendering QoQ was mainly due to higher utilities expenses from rising Ft (electricity cost factor)

## 6M/2022

- Sales increased by 1.1% YoY despite the Company's termination of the home electric sale.
  - If excluding home electric sales, total sales will increase by 8.6% YoY
  - Improved gross profit margin from sales was mainly supported by increased sales proportion of high gross profit margin products; increased selling prices at the end of May 2022; and termination of the home electric sale .
- Increased revenue and gross profit margin from rental and rendering YoY was mainly supported by the Company's increased and diversified tenants as well as effective cost management.

# Sales by Channel

(THB million, %)



## Q2/2022

- Sales increased YoY and QoQ, despite the Company's termination of home electric sale under the brand of Power One.
  - Growing sales channels YoY included retail sales (+3.4% YoY), domestic project sales (+60.4% YoY), and overseas franchise sales (+28.3% YoY).
    - If excluding home electric sales, total sales will increase by 12.8% YoY, retail sales will increase by 12.6% YoY, and online sales will increase by 7.2% YoY.
  - Growing sales channel QoQ was domestic project sales (+41.6% QoQ).

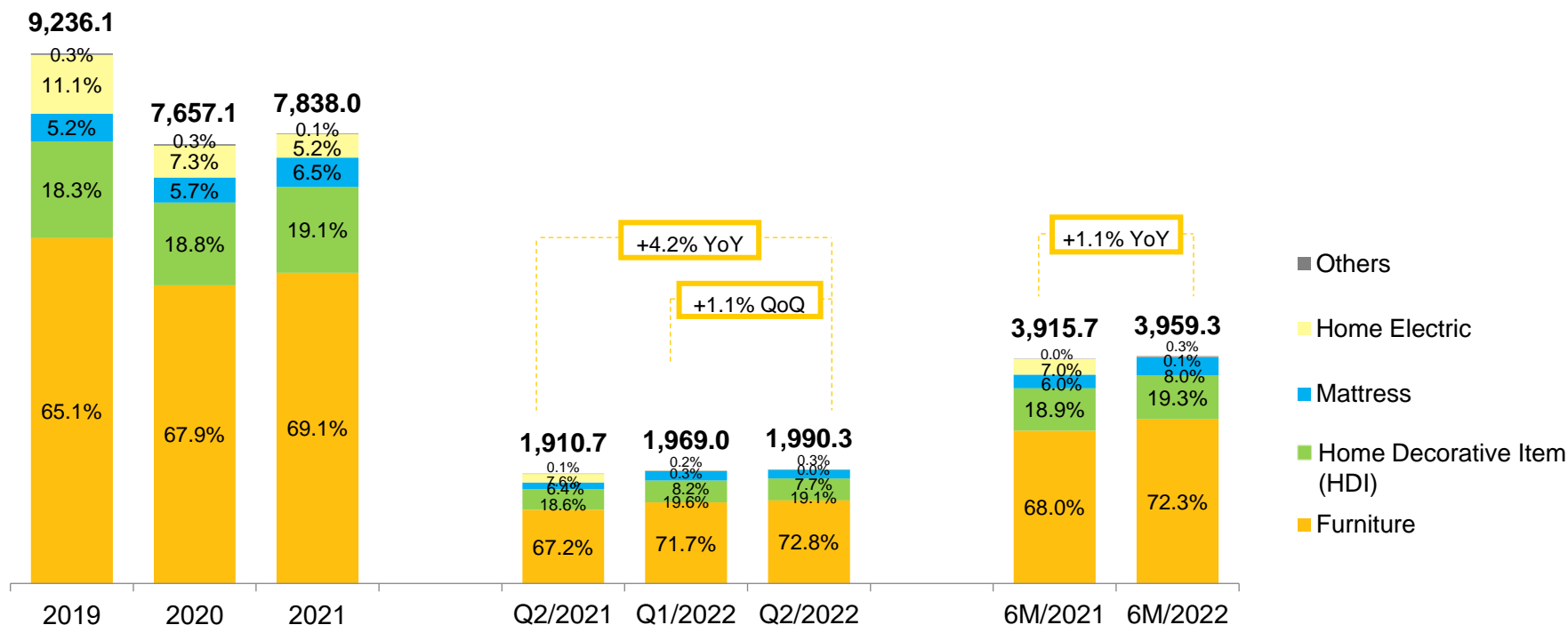
## 6M/2022

- Sales increased YoY, despite the Company's termination of home electric sale under the brand of Power One.
  - Growing sales channel YoY included retail sales (+2.7% YoY), online sales (+14.2% YoY), dealer sales (+11.3% YoY), and overseas franchise sales (+11.4% YoY)
    - If excluding home electric sales, total sales will increase by 8.6% YoY, retail sales will increase by 11.5% YoY, and online sales will increase by 29.1% YoY.



# Sales by Product

(THB million, %)



## Q2/2022

- 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 furniture also continued to increase QoQ.

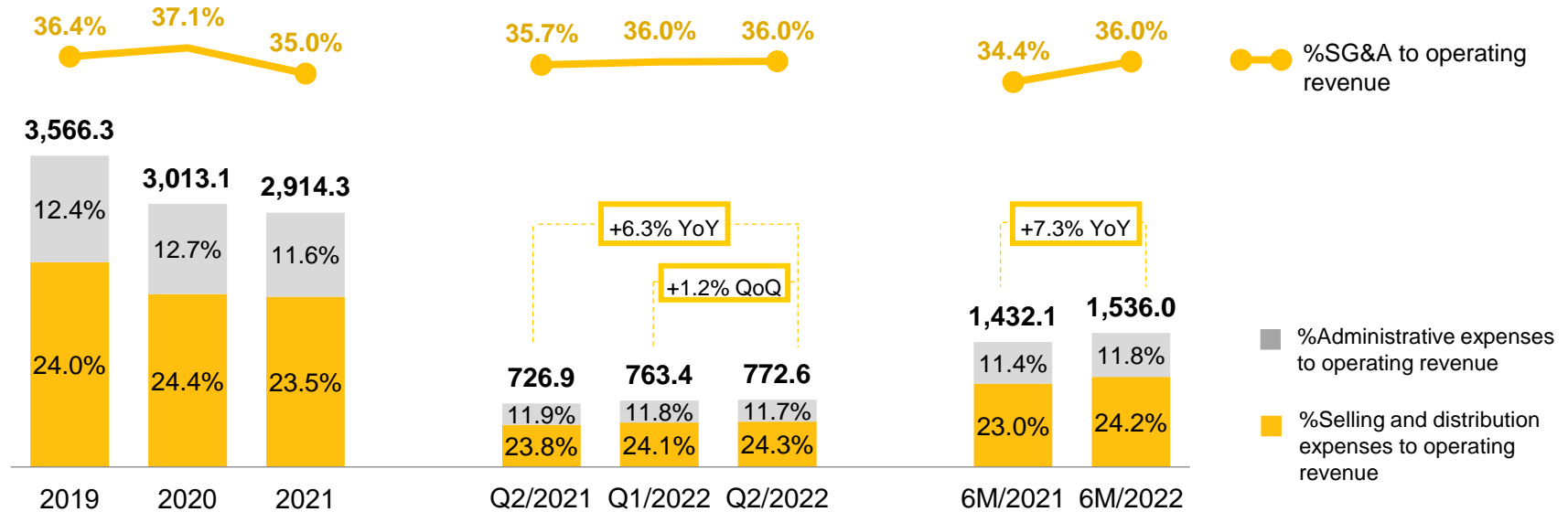
## 6M/2022

- Sales of all product groups increased YoY, except home electric.

# Selling & Administrative Expenses

**Index**livingmall

(THB million, %)



- 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.

## Q2/2022

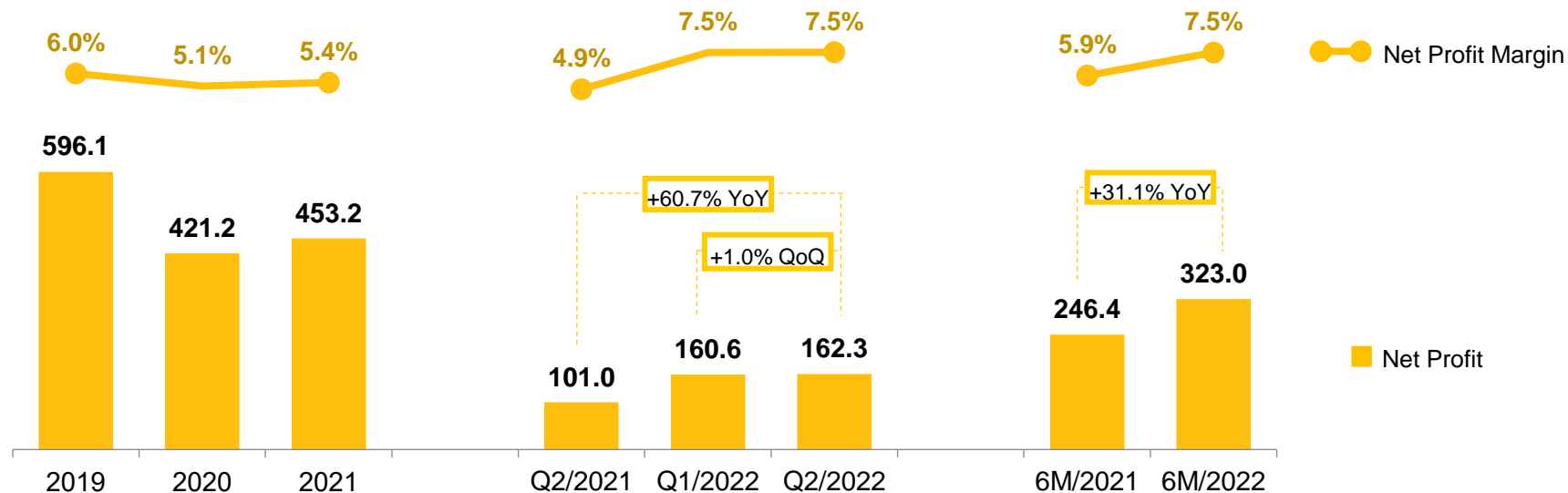
- Increased SG&A YoY and QoQ was mainly due to increased salary and employee benefits YoY, higher sales promotion expenses YoY and QoQ, elevated delivery costs resulting from increased sales and oil prices YoY and QoQ, and higher utilities expenses YoY and QoQ from rising Ft.

## 6M/2022

- Increased SG&A YoY was mainly due to increased salary and employee benefits, higher sales promotion expenses, elevated delivery costs resulting from increased sales and oil prices, and higher utilities expenses from rising Ft.

# Net Profit & Net Profit Margin

(THB million, %)



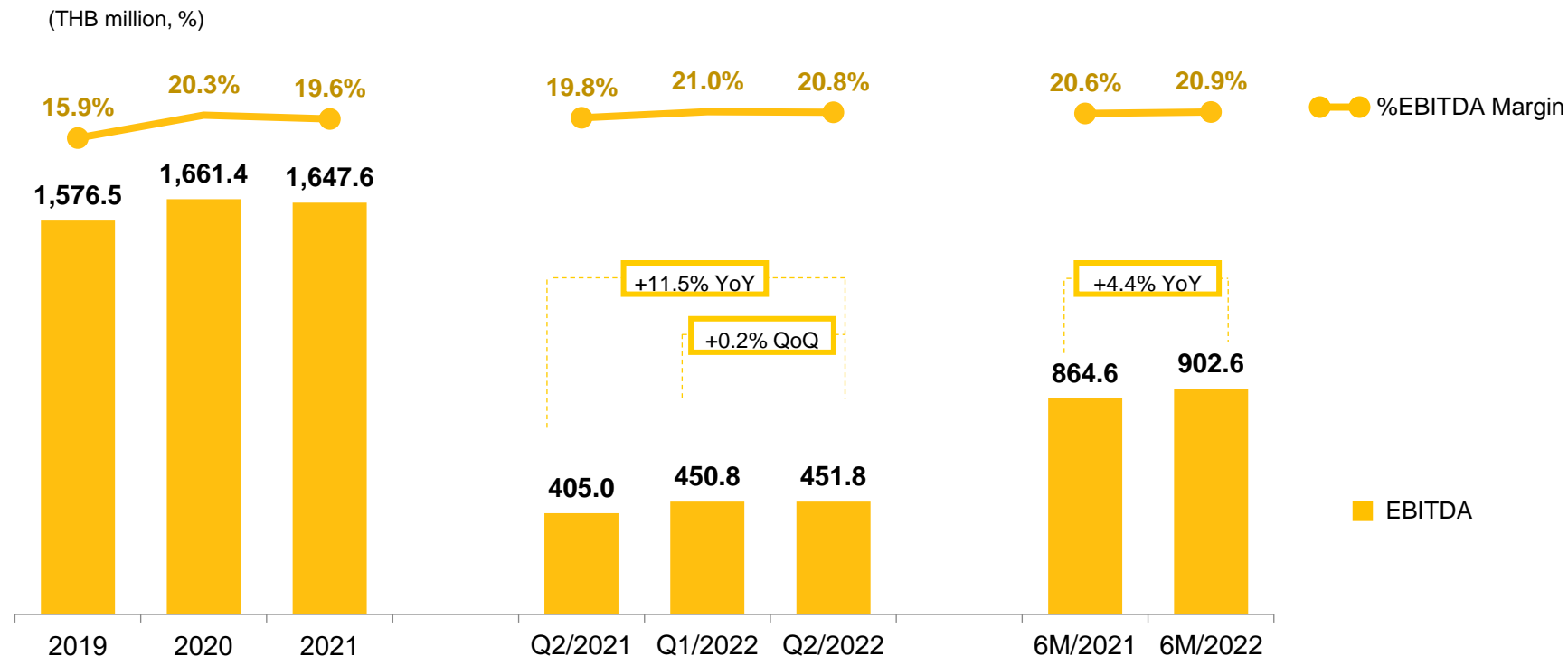
## Q2/2022

- Net profit recorded the 11-quarter high since Q3/2019, mainly supported by:
  - Higher revenue YoY and QoQ, both from sales and from rental and rendering of services, especially revenue from rental and rendering of services which made a new high
  - Improved gross profit margin from sales YoY and QoQ, supported by increased sales proportion of high gross profit margin products, increased selling prices following the cost hike, and termination of home electric sale with lower gross profit margin
  - Improved gross profit margin from rental and rendering of services YoY, supported by increased and diversified tenants as well as effective cost management
  - Decreased finance costs YoY and QoQ, supported by continuous long-term loan prepayment
  - BOI tax incentives of 5.7 MB

## 6M/2022

- Increased net profit was mainly attributable to:
  - Higher revenue both from sales and from rental and rendering of services
  - Improved gross profit margin from sales, supported by increased sales proportion of high gross profit margin products, increased selling prices following the cost hike, and termination of home electric sale with lower gross profit margin
  - Improved gross profit margin from rental and rendering of services, supported by increased and diversified tenants as well as effective cost management
  - Decreased finance costs, supported by continuous long-term loan prepayment
  - BOI tax incentives of 11.4 MB.
  - From the beginning of 2021 until the end of Q2/2022, the Company has utilized total tax incentives of 29.5 MB, out of total tax incentives of 64.3 MB received from investment in new machinery to utilize by the end of 2023.

# EBITDA & EBITDA Margin



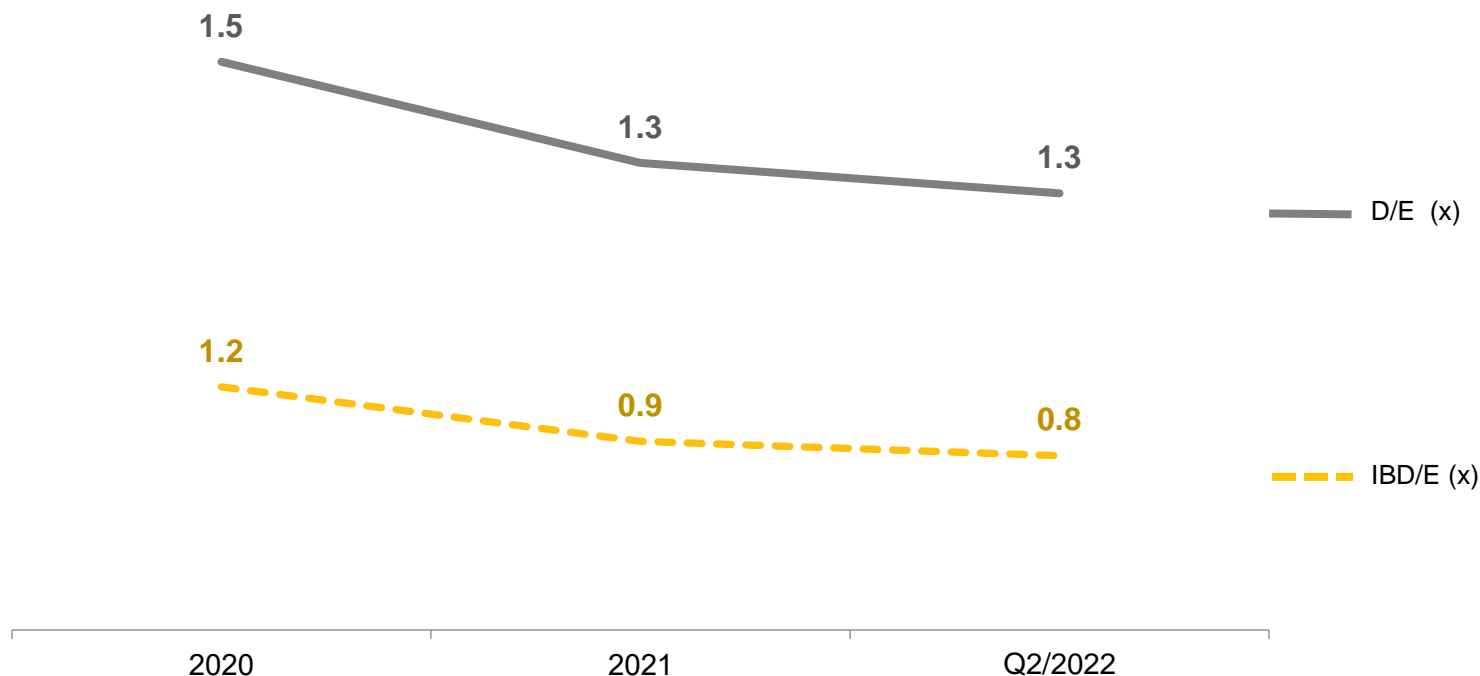
## Q2/2022

- Increased EBITDA YoY and QoQ was mainly supported higher operating profit

## 6M/2022

- Increased EBITDA YoY was mainly supported by higher operating profit.

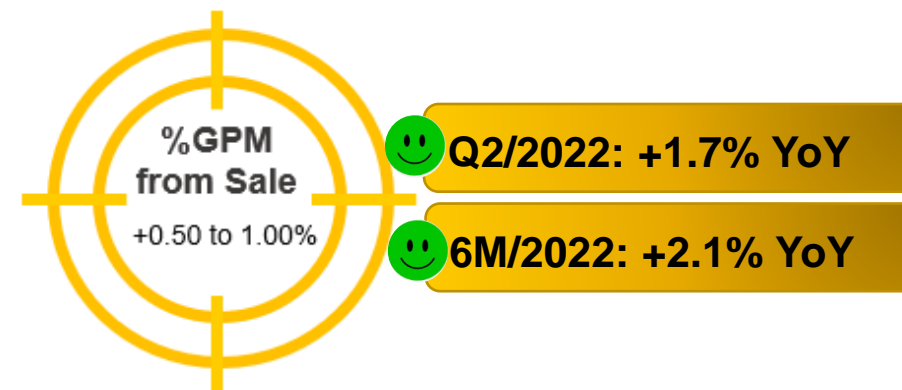
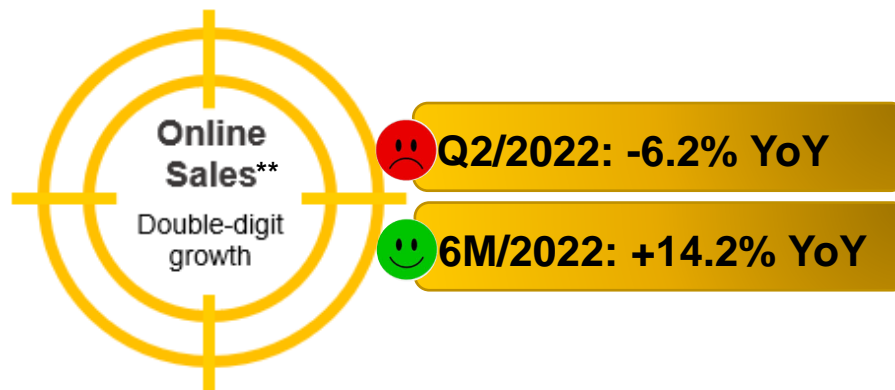
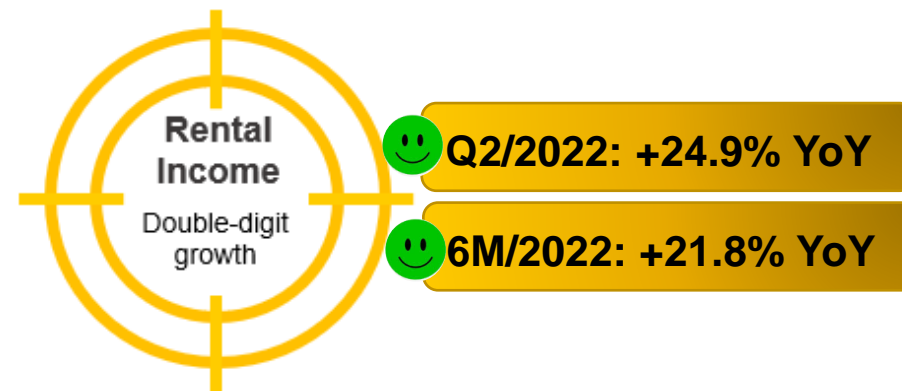
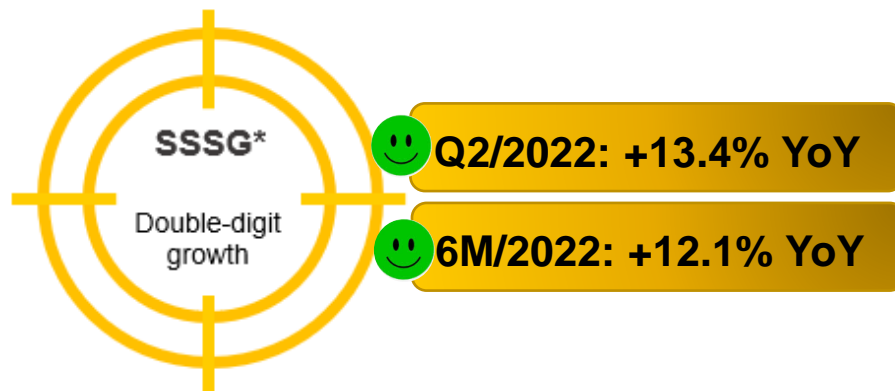




## Q2/2022

- Debt to Equity (D/E) and Interest-bearing Debt to Equity (IBD/E) at the end of Q2/2022 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 0.7x.
  - If excluding the impact from TFRS16, IDE/E will drop from 0.8x to 0.3x.
- Total borrowings at the end of Q2/2022 were 1,730.2 MB, reduced by 245.8 MB or 12.4% from 1,975.9 MB at the end of 2021, with the long-term loan prepayment of 373.0 MB.
  - Total borrowings at the end of Q2/2022 increased by 29.3 MB or 1.7% from 1,700.8 MB at the end of Q1/2022, due to higher short-term loans for the use of working capital.

# 2022 Goals & Q2/2022 Results

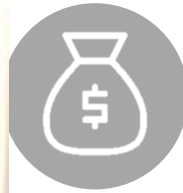


\*SSSG excludes home electric sales

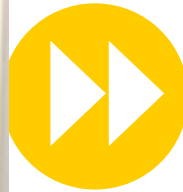
\*\*If excluding home electric sales, online sales will increase by 7.2% YoY in Q2/2022 and 29.1% in 6M/2022.



# AGENDA



Financial Updates



**Situation Updates & Outlook**



Appendix

# Looking Forward



Renovated BoConcept at Siam Paragon department store already opened at the end of May 2022. Another BoConcept store in Phuket and further expansion in the central business district area are on schedule as the destination for high-end furniture.



After the successful opening of Index Living Mall franchise stores in Vietnam and Indonesia, the Company has the potential to open a few more stores in the near future.



Partnership with The Mall Group (TMG) and have the products available at shopping centers and department stores of TMG, e.g., Siam Paragon, Emporium, and The Mall Department Stores.



Index Living Mall new store expansion plan by one or two stores every year, including ILM Lat Krabang at the end of 2022.

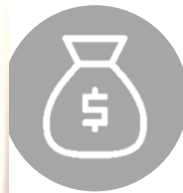


An increase of rental spaces by 5,000 - 8,000 sqm every year, including 3,000 sqm at ILM - Lat Krabang at the end of 2022 and 4,000 sqm at Little Walk - Krunghthep Kreetha in the middle of 2023.

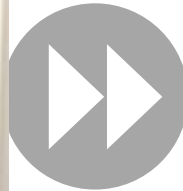




# AGENDA



Financial Updates



Situation Updates & Outlook



Appendix

# Outlook of the Thai Economy

(%YoY)	2019p	2020p	2021p1	2021p1				2022p1		Projection for 2022	
				Q1	Q2	Q3	Q4	Q1	Q2	As of 17 May 2022	As of 15 Aug 2022
GDP Growth	2.2	-6.2	1.5	2.5	7.7	-0.2	1.9	2.3	2.5	2.5 - 3.5	2.7 - 3.2
- Private Consumption	4.0	-1.0	0.3	-0.3	4.7	-3.2	0.4	3.5	6.9	3.9	4.4
- Private Investment	2.6	-8.2	3.3	3.1	9.2	2.6	-0.8	2.9	2.3	3.5	3.1
- Export volume of goods & services	-3.0	-19.7	10.4	-10.3	28.4	12.3	17.6	12.1	8.5	8.3	9.0
- Import volume of goods & services	-5.2	-14.1	17.9	1.0	28.7	29.5	16.4	6.2	9.1	5.1	5.6

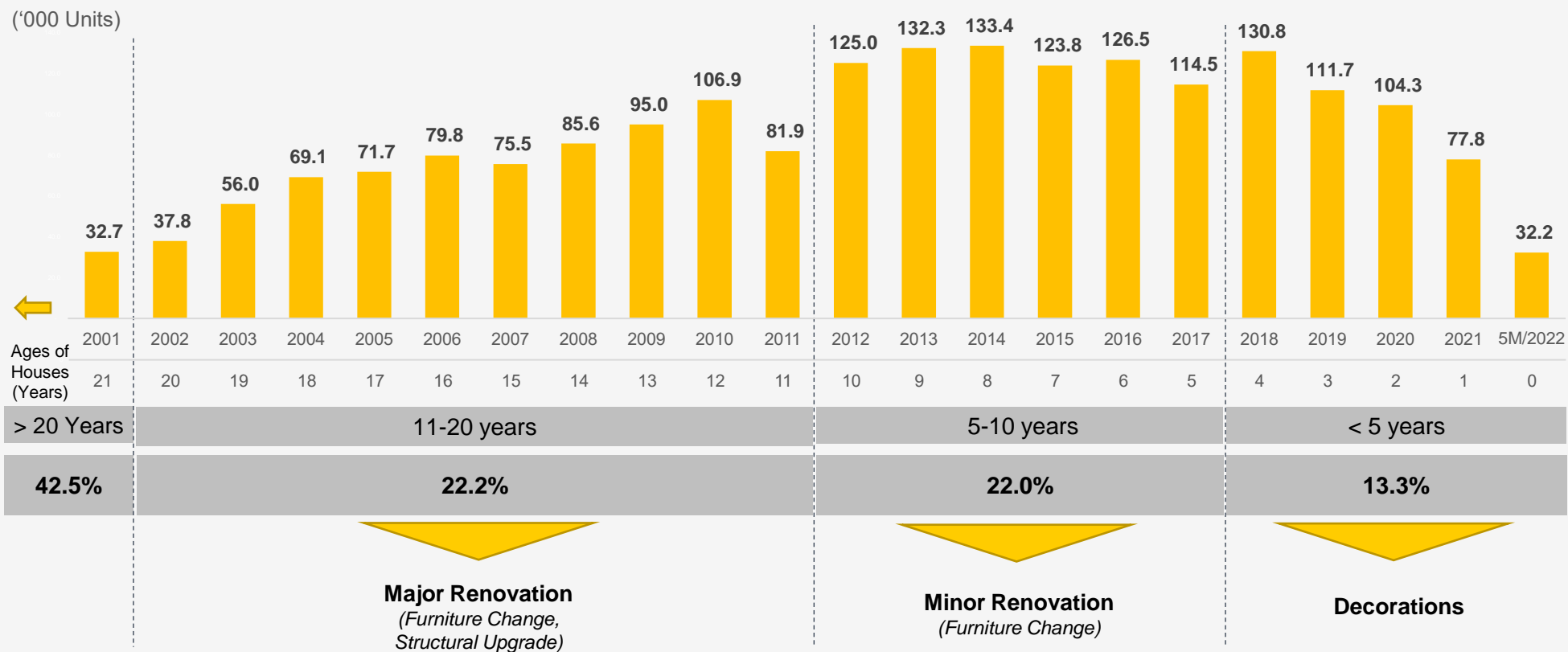
Source: Office of the National Economic and Social Development Council, 15 August 2022

# 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 1988-5M/2022: 3,426,397 units)



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

Source: Bank of Thailand

# Strength in Numbers

1<sup>st</sup>

**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

58

**Retail stores to capture all diverse customer groups in Asia**

31 Index Living Mall stores

3 Index Furniture Center stores

7 High-end brand stores

1 Winner Store

16 Index Living Mall franchise stores in 8 countries across Asia

*Remark: Data as of 30 June 2022*

*\* Excluding 6 shop-in-shops*



# Business Overview

6M/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



97.1%

of sale of goods

## 1. Retail Stores

77.5%

- 5 Brands of retail store covering all groups of customers

## 3. Dealers

1.1%

- Products sold through dealer stores nationwide

## 2. Projects

7.2%

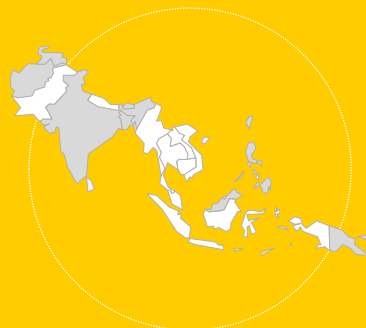
- Focus on property developers, offices, shops, hospitals, schools, hotels, etc.

## 4. Online

11.3%

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

Overseas



2.9%

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



- 2 Small-sized Community Malls

- Rental spaces at Index Living Mall stores



- Rental spaces at the warehouse



# Business Overview

## 4 Brands of Retail Stores in Thailand

**Index**livingmall



**TRENDDESIGN**

**BoConcept**



**Furniture Brands**



**TRENDDESIGN**

**BoConcept**



**Store Concept & Lifestyle**

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



**Customer Group**

Mass to Premium  
Mass

Mass

Premium Mass to  
Premium

Premium



**Number of Stores**

- 31 Stores of Index Living Mall
- 3 Stores of Index Furniture Center

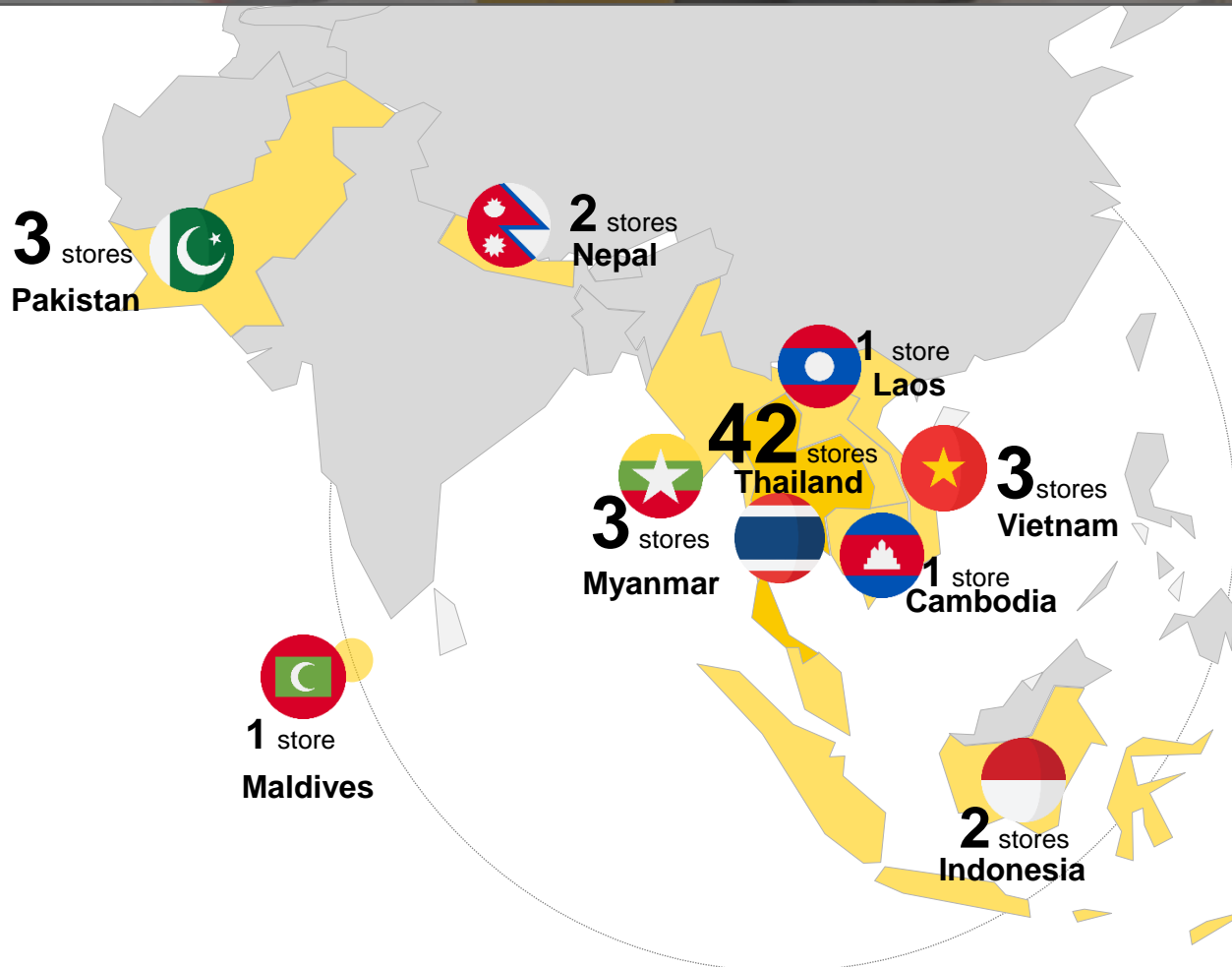
- 1 Winner store in Ratchaburi

- 6 Stores at Index Living Mall

- 1 Store at Siam Paragon

# Business Overview

ILM's Retail Stores Across Asia



Remark: Data as of 30 June 2022

\* Excluding 6 shop-in-shops

**Total of 58 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 (m<sup>2</sup>) 16,515.7

Occupancy Rate 82.6%

Tenants



#### The Walk Kaset-Navamin

Year of opening August 2013

Area (m<sup>2</sup>) 15,310.9

Occupancy Rate 75.6%

Tenants



#### The Walk Nakhonsawan

Year of opening January 2014

Area (m<sup>2</sup>) 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<sup>2</sup>) 3,484.8

Occupancy Rate 91.7%

Tenants



#### Little Walk Pattaya

Year of opening November 2018

Area (m<sup>2</sup>) 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 (m<sup>2</sup>) 3,450.9

Occupancy Rate 78.7%

#### Index Mall Chaiyapruet

Year of opening March 2019

Area (m<sup>2</sup>) 3,623.6

Occupancy Rate 90.8%

#### Index Mall Bang Yai

Year of opening March 2017

Area (m<sup>2</sup>) 5,907.0

Occupancy Rate 52.7%

#### Index Mall Bangna

Year of opening September 2018

Area (m<sup>2</sup>) 3,171.6

Occupancy Rate 66.4%

Tenants



4

## Other rental areas in Index Living Mall

### Rental spaces in 11 Stores of Index Living Mall

Total rental area (m<sup>2</sup>) 2,945.5

Occupancy Rate 45.0%

Tenants

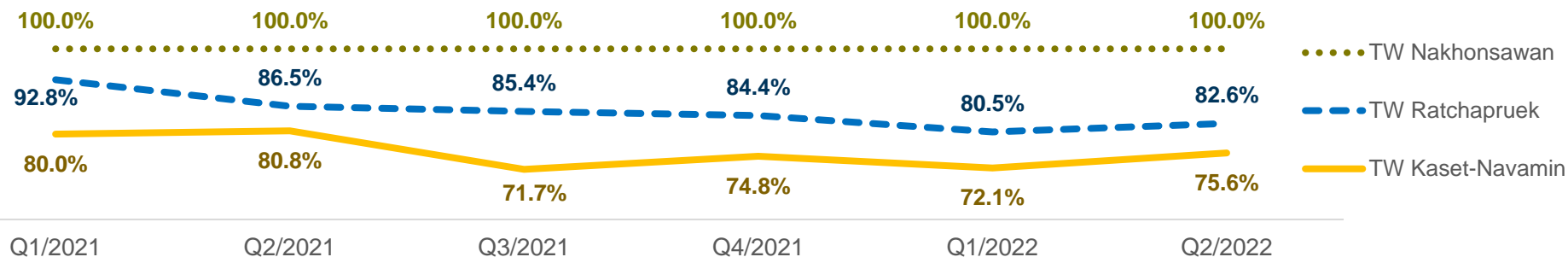
au bon pain. and other tenants

the bakery café

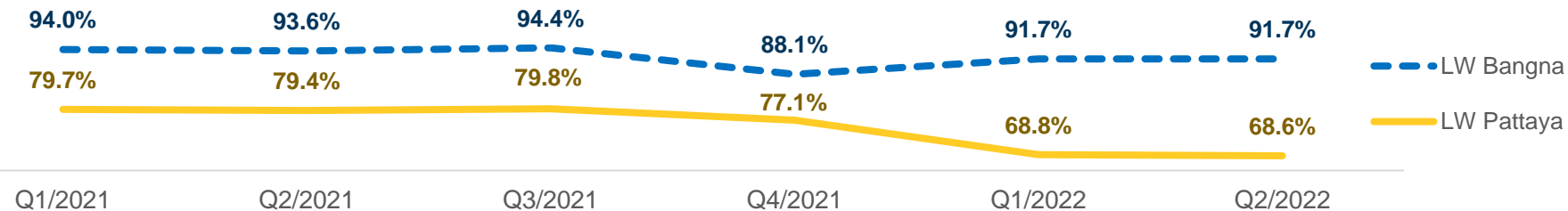


# Rental Occupancy Rate

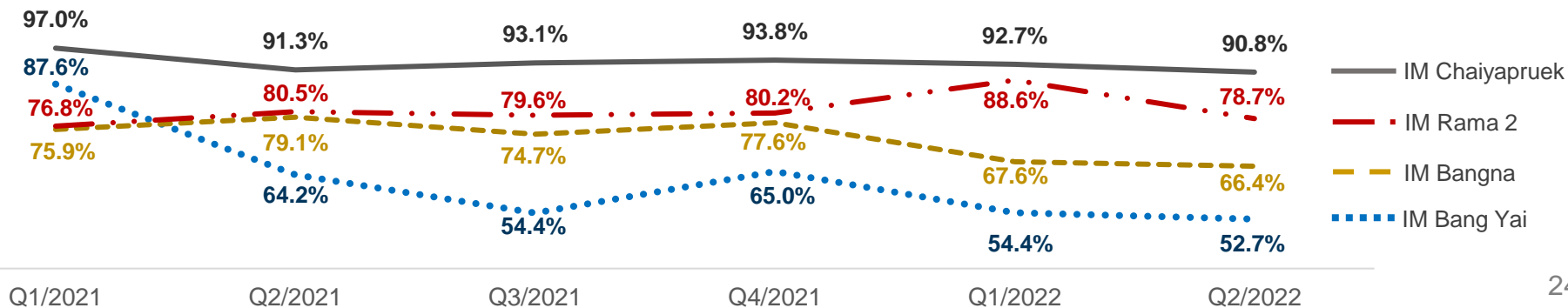
## The Walk



## Little Walk



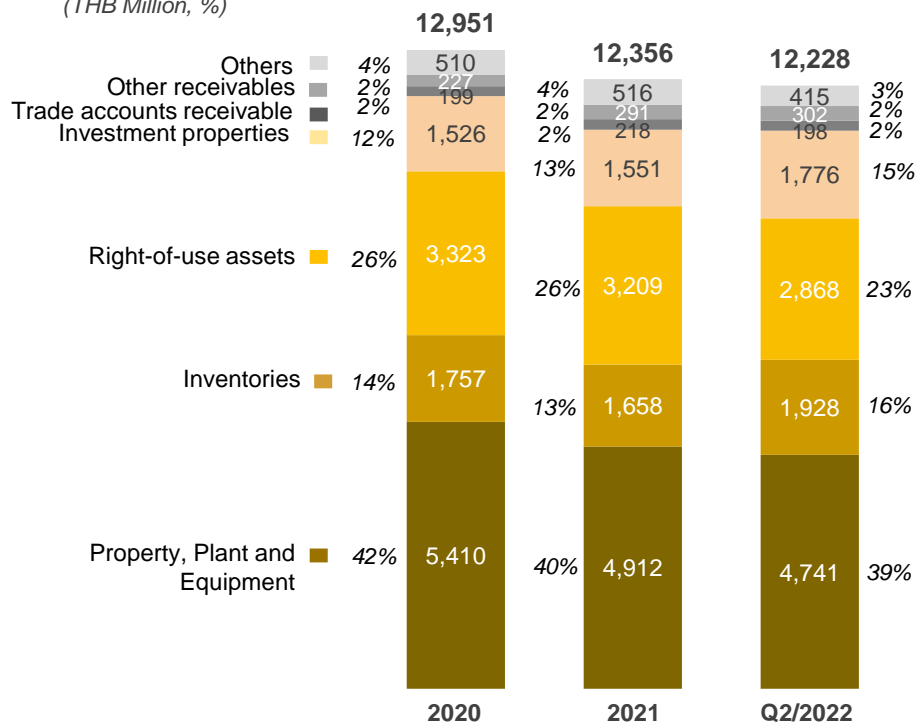
## Index Mall



# Statement of Financial Position

## Total Assets

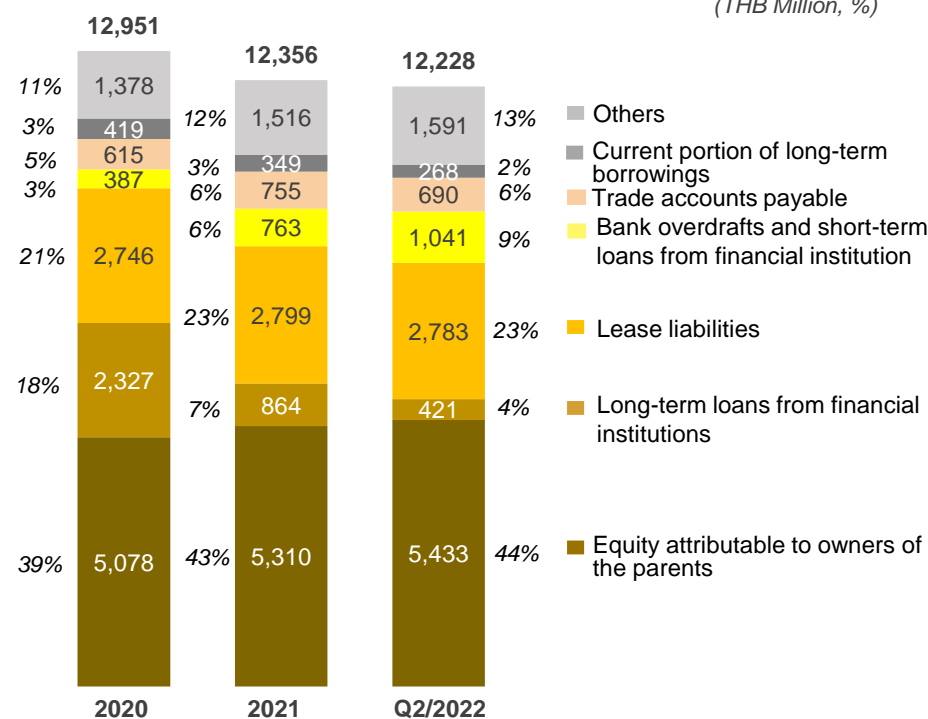
(THB Million, %)



- The decreased total assets at the end of Q2/2022 by 128.2 MB or 1.0% from at the end of 2021 resulted from 1) decreased right-of-use assets by 341.2 MB or 10.6% from at the end of 2021; and 2) decreased property, plant and equipment by 171.2 MB or 3.5% from at the end of 2021. On the other hand, inventories increased by 270.2 MB or 16.3% from at the end of 2021 as the Company purchased more goods and raw materials to optimally manage the rising costs. However, the current situation of the rising cost of goods and raw materials is likely to be stable. Investment properties also increased by 224.7 MB or 14.5% from at the end of 2021.

## Total Liabilities and Equity

(THB Million, %)

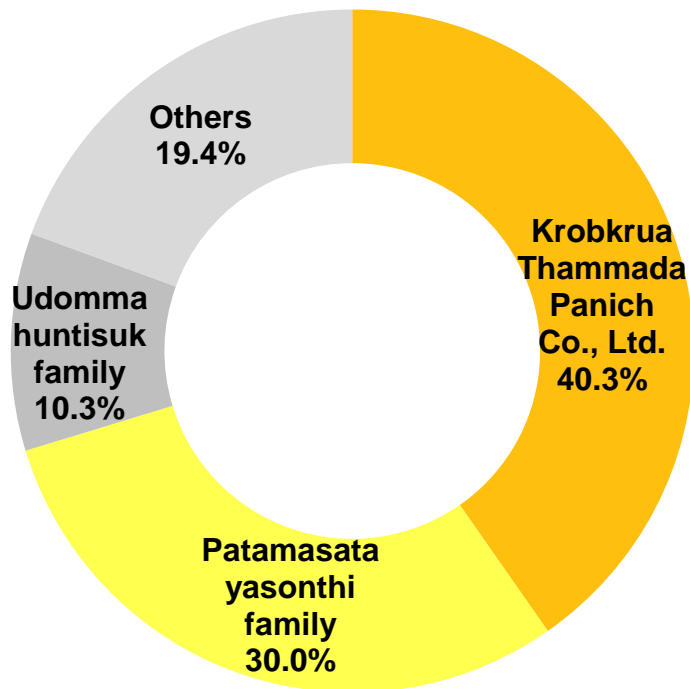


- The decreased liabilities at the end of Q2/2022 by 250.0 MB, or 3.5% to 6,794.9 MB from 7,044.9 MB at the end of 2021 was mainly due to lower borrowings from financial institutions by 245.8 MB or 12.4% from 1,975.9 MB at the end of 2021 to 1,730.2 MB at the end of Q2/2022, with long-term loan prepayment of 373.0 MB. Trade accounts payable also decreased by 64.7 MB or 8.6% from at the end of 2021.
- The increased equity attributable to owners of the parent at the end of Q2/2022 by 123.0 MB or 2.3% from at the end of 2021 resulted from the Company's operating profit during 6M/2022 of 323.0 MB deducted by a cash dividend of 202.0 MB for the 2021 operating results paid to shareholders, the amount of which the remaining after paying the interim dividend of 75.8 MB.

# Shareholding Structure and Share Information

## Shareholding Structure

(As of 6 May 2022)

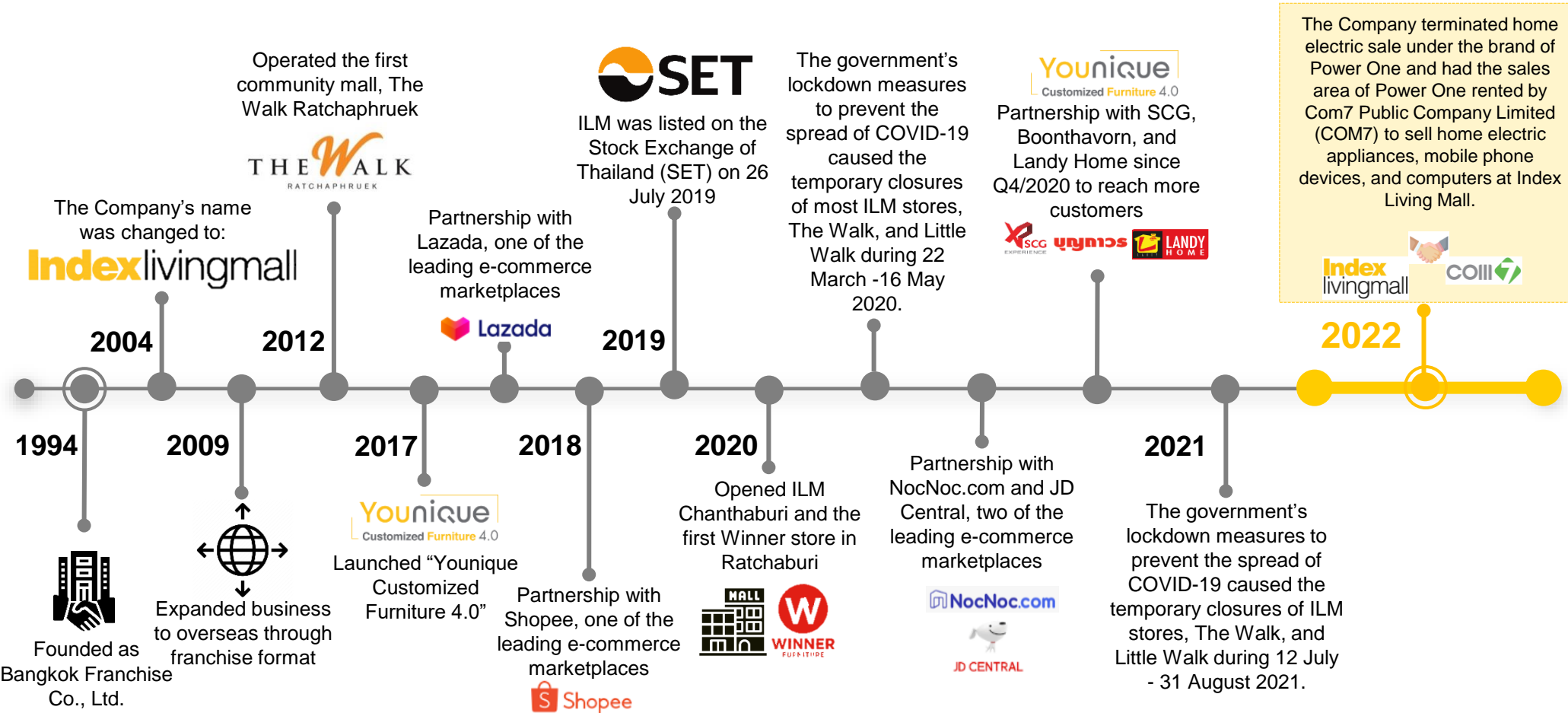


## Share Information

(As of 15 August 2022)

<b>Stock Symbol:</b>	ILM
<b>Industry and Sector:</b>	Commerce
<b>No. of Listed Shares:</b>	505,000,000 Shares
<b>Registered Capital:</b>	THB 2,525,000,000
<b>Paid-up Capital:</b>	THB 2,525,000,000
<b>Par Value:</b>	THB 5.0 per Share
<b>Listing Date:</b>	26 July 2019
<b>Foreign Limit:</b>	49% (available 48.12%)
<b>Dividend Policy:</b>	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.
<b>Market Capitalization:</b>	9,241 MB or 260 MUSD
<b>Free Float:</b>	24.68%

# Milestones





# Group Company Structure





# THANK YOU

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

**Index**livingmall