

### Key summary of 2Q19

- **Net profit** - In 2Q19, net profit amounted to Baht **482** million, dropped by 30.5%, mainly from one-off/special items: 1) associate's loss on investment Baht (178.4) million, 2) provision for retirement benefits Baht (49.8) million (details in Note 9 of financial statement), and 3) tax expenses of indirect associate in Vietnam Baht (3.0) million (details in Note 6 of financial statement). Excluding these one-off/special items, net profit increased by 2.8% from 2Q18.
- **Total revenue** - In 2Q19, total revenue reported to Baht 7,452 million, increased by 2.5%, mainly from contribution of new stores as well as higher rental income from existing stores and rental income of new stores.

### Summary of income statement for the 3-month period ended 30 June 2019 and 30 June 2018 (Consolidated)

Unit: Million Baht

|  | 2Q19         | 2Q18         | Increase<br>(Decrease) | % Change       |
|--|--------------|--------------|------------------------|----------------|
| Revenue from sales of goods                      | 2,709        | 2,646        | 63                     | 2.4%           |
| <i>(Total sales)</i>                             | <i>6,201</i> | <i>6,142</i> | <i>59</i>              | <i>1.0%</i>    |
| Rental income                                    | 980          | 896          | 84                     | 9.3%           |
| Investment income                                | 7            | 7            | (0)                    | (3.4%)         |
| Other income                                     | 264          | 229          | 36                     | 15.5%          |
| <b>Net revenue</b>                               | <b>3,960</b> | <b>3,778</b> | <b>181</b>             | <b>4.8%</b>    |
| <i>(Total revenue)</i>                           | <i>7,452</i> | <i>7,274</i> | <i>178</i>             | <i>2.5%</i>    |
| Cost of sales of goods                           | 1,262        | 1,165        | 97                     | 8.4%           |
| Selling expenses                                 | 1,647        | 1,539        | 109                    | 7.1%           |
| Administrative expenses                          | 376          | 368          | 7                      | 2.0%           |
| Finance costs                                    | 4            | 12           | (8)                    | (64.3%)        |
| <b>Total expenses</b>                            | <b>3,290</b> | <b>3,084</b> | <b>205</b>             | <b>6.7%</b>    |
| Share of profit of associates                    | (49)         | 157          | (206)                  | (131.2%)       |
| <b>Profit before income tax expense</b>          | <b>621</b>   | <b>851</b>   | <b>(230)</b>           | <b>(27.0%)</b> |
| Income tax expense                               | 114          | 118          | (5)                    | (4.1%)         |
| <b>Net profit</b>                                | <b>482</b>   | <b>694</b>   | <b>(212)</b>           | <b>(30.5%)</b> |
| <b>Net profit (excl. one-off/special items*)</b> | <b>714</b>   | <b>694</b>   | <b>20</b>              | <b>2.8%</b>    |

Note: \*One-off/special items included 1) associate's loss on investment Baht (178.4) million, 2) provision for retirement benefits of Baht (49.8) million (details in Note 9 of financial statement), and 3) tax expenses of indirect associate in Vietnam Baht (3.0) million (details in Note 6 of financial statement)

### Financial performance in 2Q19

- **Total sales** increased by Baht 59 million or 1.0% from 2Q18 to Baht 6,201 million in 2Q19, mainly from contribution of new stores.
- **Rental income** was reported at Baht 980 million, increased by Baht 84 million or 9.3% from 2Q18. The solid growth was driven by the growth of existing and new lifestyle centers in last year. The average occupancy rate maintained at 99%.
- **Total revenue** was Baht 7,452 million, increased by Baht 178 million or 2.5% from 2Q18, mainly from sales, rental income and other income growth.

- **Gross profit** decreased by Baht 35 million or 2.3% from 2Q18 to Baht 1,446 million in 2Q19. The gross profit margin\* was at 23.3%, declined by 0.8% from 2Q18. Excluding non-recurring adjustment of rebate/inventory value, the gross profit margin was at 23.6%, declined by 0.5% from 2Q18, resulted from additional promotional activities to stimulate sales as well as higher sales mix of lower margin categories.  
 Note: \*Gross profit margin = (Revenue from sales of goods – Cost of sales of goods) / Total sales
- **Selling and administrative expenses** amounted to Baht 2,023 million, increased by Baht 116 million or 6.1% from 2Q18, mainly from expenses of new stores as well as one-off/special items, i.e. the provision for retirement benefits Baht (49.8) million (details in Note 9 of financial statement), and non-recurring utility charge of Baht (23.8) million.
- **Finance costs** decreased by Baht 8 million or 64.3% from 2Q18 to Baht 4 million in 2Q19, resulting from loans repayment.
- **Share of profit of associates** was Baht (49) million, decreased by Baht 206 million or 131.2% from 2Q18, mainly from one-off/special items, i.e. associate's loss on investment Baht (178.4) million and tax expense of indirect associate in Vietnam Baht (3.0) million.
- **Income tax expense** amounted to Baht 114 million, decreased by Baht 5 million or 4.1% from 2Q18.
- **Net profit** In 2Q19, net profit amounted to Baht 482 million, dropped by 30.5%, mainly from one-off/special items: 1) associate's loss on investment Baht (178.4) million, 2) provision for retirement benefits Baht (49.8) million (details in Note 9 of financial statement), and 3) tax expenses of indirect associate in Vietnam Baht (3.0) million (details in Note 6 of financial statement). Excluding these one-off/special items, net profit increased by 2.8% from 2Q18.

**Summary of income statement for the 6-month period ended 30 June 2019 and 30 June 2018 (Consolidated)**

Unit: Million Baht

|  | 1H19          | 1H18          | Increase<br>(Decrease) | % Change       |
|--|---------------|---------------|------------------------|----------------|
| Revenue from sales of goods                      | 5,691         | 5,469         | 221                    | 4.0%           |
| <i>(Total sales)</i>                             | <i>12,846</i> | <i>12,599</i> | <i>248</i>             | <i>2.0%</i>    |
| Rental income                                    | 1,970         | 1,785         | 185                    | 10.4%          |
| Investment income                                | 13            | 11            | 2                      | 22.1%          |
| Other income                                     | 520           | 444           | 76                     | 17.1%          |
| <b>Net revenue</b>                               | <b>8,194</b>  | <b>7,709</b>  | <b>485</b>             | <b>6.3%</b>    |
| <i>(Total revenue)</i>                           | <i>15,350</i> | <i>14,839</i> | <i>511</i>             | <i>3.4%</i>    |
| Cost of sales of goods                           | 2,648         | 2,375         | 273                    | 11.5%          |
| Selling expenses                                 | 3,245         | 3,064         | 181                    | 5.9%           |
| Administrative expenses                          | 766           | 719           | 47                     | 6.5%           |
| Finance costs                                    | 9             | 24            | (15)                   | (62.6%)        |
| <b>Total expenses</b>                            | <b>6,668</b>  | <b>6,182</b>  | <b>486</b>             | <b>7.9%</b>    |
| Share of profit of associates                    | 54            | 288           | (234)                  | (81.2%)        |
| <b>Profit before income tax expense</b>          | <b>1,580</b>  | <b>1,815</b>  | <b>(235)</b>           | <b>(12.9%)</b> |
| Income tax expense                               | 274           | 273           | 1                      | 0.3%           |
| <b>Net profit</b>                                | <b>1,242</b>  | <b>1,456</b>  | <b>(214)</b>           | <b>(14.7%)</b> |
| <b>Net profit (excl. one-off/special items*)</b> | <b>1,508</b>  | <b>1,456</b>  | <b>52</b>              | <b>3.6%</b>    |

Note: \*One-off/special items included 1) associate's loss on investment Baht (178.4) million, 2) provision for retirement benefits of Baht (49.8) million (details in Note 9 of financial statement), and 3) tax expenses of indirect associate in Vietnam Baht (37.1) million (details in Note 6 of financial statement).

## Financial performance in 1H19

In 1H19, the Company opened one new department store in Phayao. Currently, the Company operates 49 branches in Thailand (11 branches in Bangkok Metropolitan Region and 38 branches in up-country) and 1 branch\*\* in Vietnam.

- **Total sales** increased by Baht 248 million or 2.0% from 1H18 to Baht 12,846 million in 1H19, mainly from contribution of new stores.
- **Rental income** was reported at Baht 1,970 million, increased by Baht 185 million or 10.4% from 1H18. The solid growth was driven by the growth of existing and new lifestyle centers in last year. The average occupancy rate maintained at 99%.
- **Total revenue** was Baht 15,350 million, increased by Baht 511 million or 3.4% from 1H18, mainly from sales, rental income, investment income and other income growth.
- **Gross profit** decreased by Baht 52 million or 1.7% from 1H18 to Baht 3,042 million in 1H19. The gross profit margin\* was at 23.7%, declined by 0.9% from 1H18. Excluding non-recurring adjustment of rebate/inventory value, gross profit margin was at 23.8%, declined by 0.7% from 1H18, resulted from additional promotional activities to stimulate sales in 2Q19 as well as higher sales mix of lower margin categories.  
Note: \*Gross profit margin = (Revenue from sales of goods – Cost of sales of goods) / Total sales
- **Selling and administrative expenses** amounted to Baht 4,011 million, increased by Baht 228 million or 6.0% from 1H18, mainly from expenses of new stores as well as one-off/special items, i.e. provision for retirement benefits Baht (49.8) million (details in Note 9 of financial statement), and non-recurring utility charge of Baht (23.8) million.
- **Finance costs** decreased by Baht 15 million or 62.6% from 1H18 to Baht 9 million in 1H19, resulting from loans repayment.
- **Share of profit of associates** was Baht 54 million, decreased by Baht 234 million or 81.2% from 1H18, mainly from one-off/special items, i.e. associate's loss on investment Baht (178.4) million and tax expenses of indirect associate in Vietnam Baht (37.1) million.
- **Income tax expense** amounted to Baht 274 million, increased by Baht 1 million or 0.3% from 1H18.
- **Net profit** reported at Baht 1,242 million, decreased by Baht 214 million or 14.7% from 1H18, mainly from one-off/special items: 1) associate's loss on investment Baht (178.4) million, 2) provision for retirement benefits of Baht (49.8) million (details in Note 9 of financial statement), and 3) tax expenses of indirect associate in Vietnam Baht (37.1) million (details in Note 6 of financial statement). Excluding these one-off/special items, net profit increased by 3.6% from 1H18.

**Summary of statement of financial position as of 30 June 2019 and 31 December 2018  
(Consolidated)**

Unit: Million Baht

|  | 30-Jun-19     | 31-Dec-18 <sup>2</sup> | Increase<br>(Decrease) | % Change       |
|--|---------------|------------------------|------------------------|----------------|
| Cash and cash equivalents                                | 1,163         | 1,894                  | (731)                  | (38.6%)        |
| Trade accounts receivable                                | 427           | 497                    | (70)                   | (14.1%)        |
| Inventories  | 2,276         | 2,241                  | 36                     | 1.6%           |
| Other current assets                                     | 552           | 828                    | (276)                  | (33.4%)        |
| Fixed assets <sup>1</sup>                                | 17,603        | 17,913                 | (311)                  | (1.7%)         |
| Other non-current assets                                 | 4,917         | 4,933                  | (16)                   | (0.3%)         |
| <b>Total assets</b>                                      | <b>26,937</b> | <b>28,305</b>          | <b>(1,368)</b>         | <b>(4.8%)</b>  |
| Trade accounts payable                                   | 4,116         | 5,229                  | (1,113)                | (21.3%)        |
| Short-term loans & current<br>portion of long-term loans | 1,255         | 565                    | 690                    | 122.1%         |
| Other current liabilities                                | 1,697         | 2,239                  | (542)                  | (24.2%)        |
| Long-term loans  | 10            | 109                    | (100)                  | (91.3%)        |
| Other non-current liabilities                            | 1,394         | 1,340                  | 54                     | 4.0%           |
| <b>Total liabilities</b>                                 | <b>8,472</b>  | <b>9,483</b>           | <b>(1,011)</b>         | <b>(10.7%)</b> |
| <b>Total equity</b>                                      | <b>18,465</b> | <b>18,822</b>          | <b>(357)</b>           | <b>(1.9%)</b>  |
| <b>Total liabilities and equity</b>                      | <b>26,937</b> | <b>28,305</b>          | <b>(1,368)</b>         | <b>(4.8%)</b>  |

Note: <sup>1</sup>Fixed assets include investment properties, property, plant and equipment, and leasehold rights

<sup>2</sup>Reclassification of some accounts as disclosed in Note 17 of the Company's financial statement in 2Q19

As of 30 June 2019, total assets amounted to Baht 26,937 million, decreased by Baht 1,368 million or 4.8% from the end of 2018, mainly from decrease in cash, trade accounts receivable, other receivable, and fixed assets. Total liabilities amounted to Baht 8,472 million, decreased by Baht 1,011 million or 10.7% from the end of 2018, mainly from payment of trade and other payable. Total equity was Baht 18,465 million, decreased by Baht 357 million or 1.9%, resulted from dividend payment in 2Q19.

### Capital Structure

As of 30 June 2019, the Company's capital structure comprised of total liabilities of Baht 8,472 million, which included interest-bearing debt Baht 1,265 million, and total shareholders' equity totaled Baht 18,465 million. Total liabilities to equity ratio of 0.5 times, while interest-bearing debt to equity ratio was at 0.07 times.