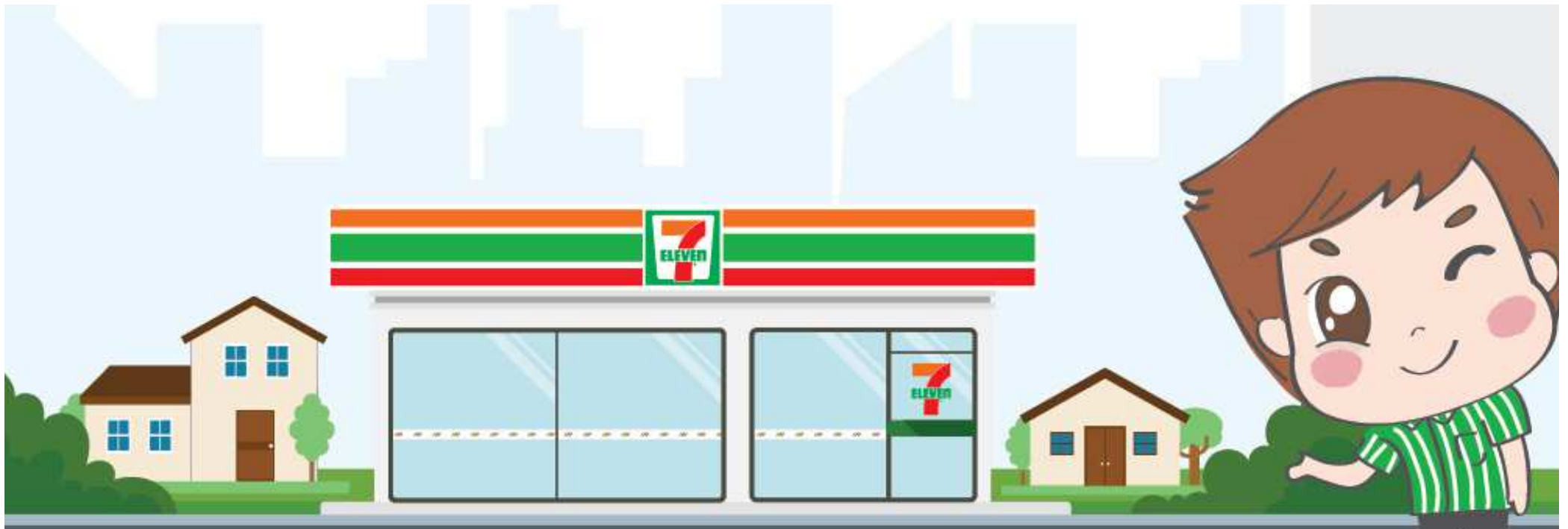


# CP ALL Public Company Limited

## 2Q19 Performance Highlights

August 2019



# Financial Highlights

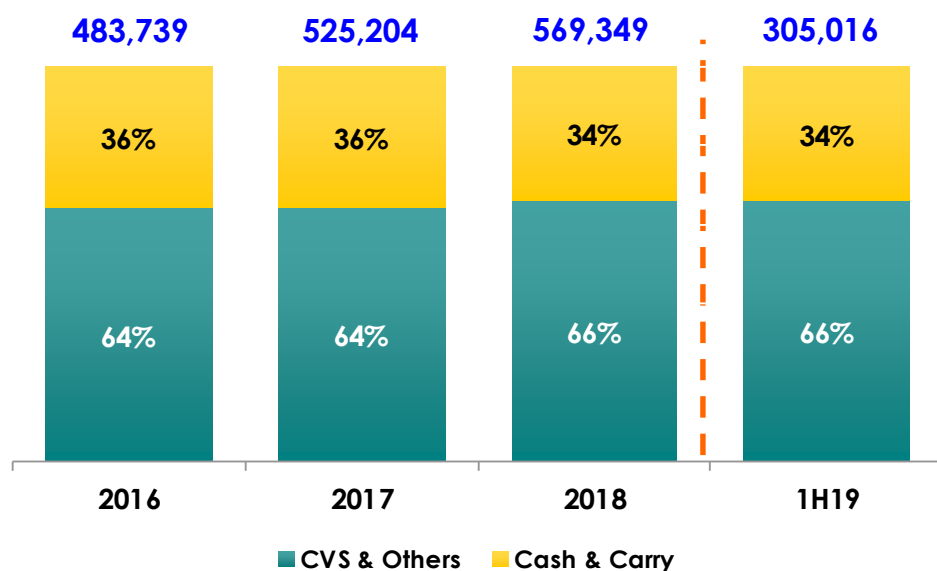
Unit : Million Baht	2Q18	2Q19	%Chg	1H18	1H19	%Chg
<b>Company Only</b>						
Total Revenue	86,121	94,013	+9.2%	165,005	179,671	+8.9%
Net Profit	7,473	7,310	-2.2%	11,454	11,337	-1.0%
Unit : Million Baht	2Q18	2Q19	%Chg	1H18	1H19	%Chg
<b>Consolidated</b>						
Total Revenue	129,548	143,326	+10.6%	257,409	282,134	+9.6%
Net Profit	4,779	4,795	+0.3%	10,196	10,564	+3.6%

# Business Segment Performance

## CVS & Others and Cash & Carry

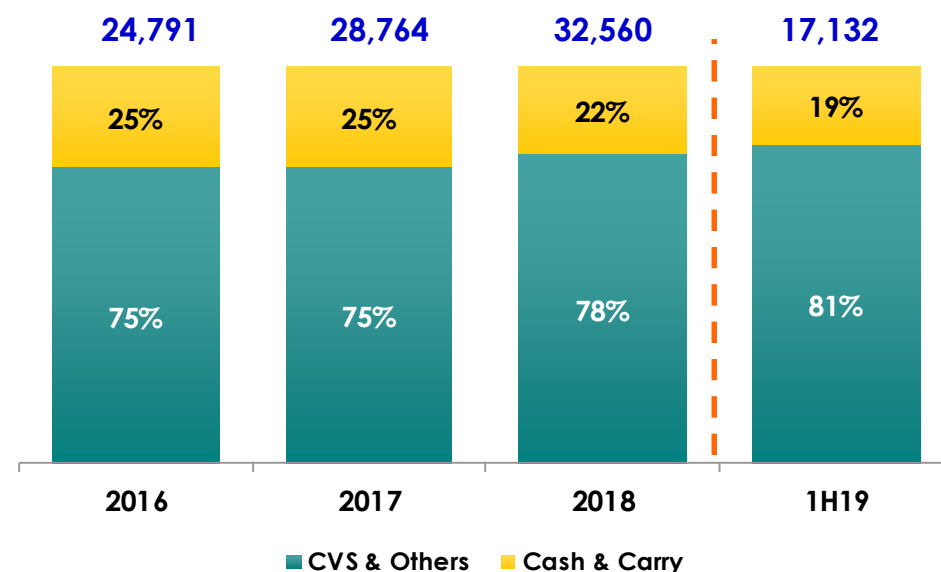
### Revenue Contribution Before Elimination

(Unit: Million Baht)



### Earnings Before Tax Contribution Before Elimination

(Unit: Million Baht)



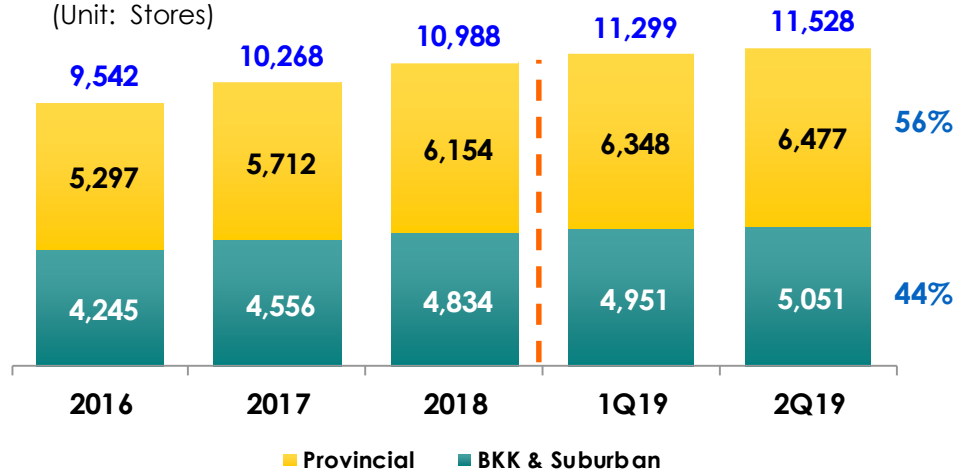
Note: In 1Q18, the Company booked gain on sale of investment in Siam Makro amount Baht 907 million.

# Store Types Breakdown

Store expansion on track

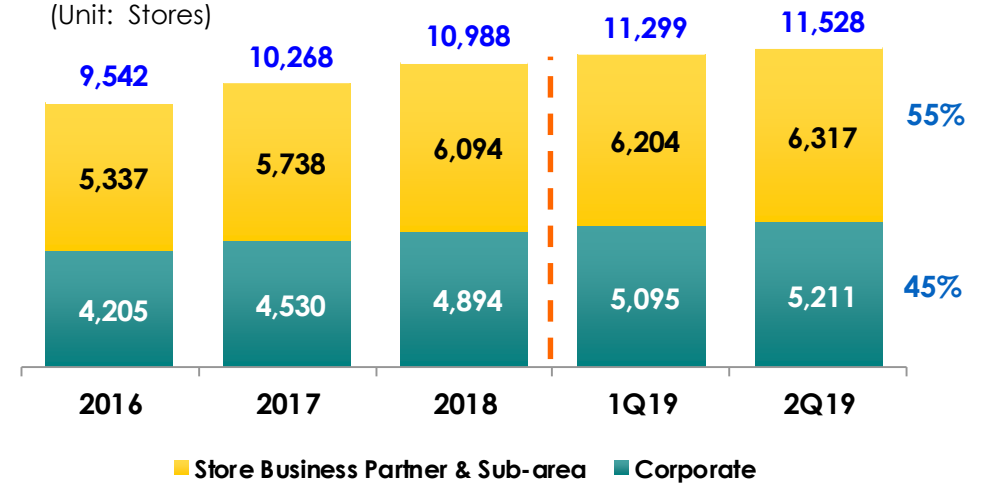
## BKK & Suburban / Provincial

(Unit: Stores)



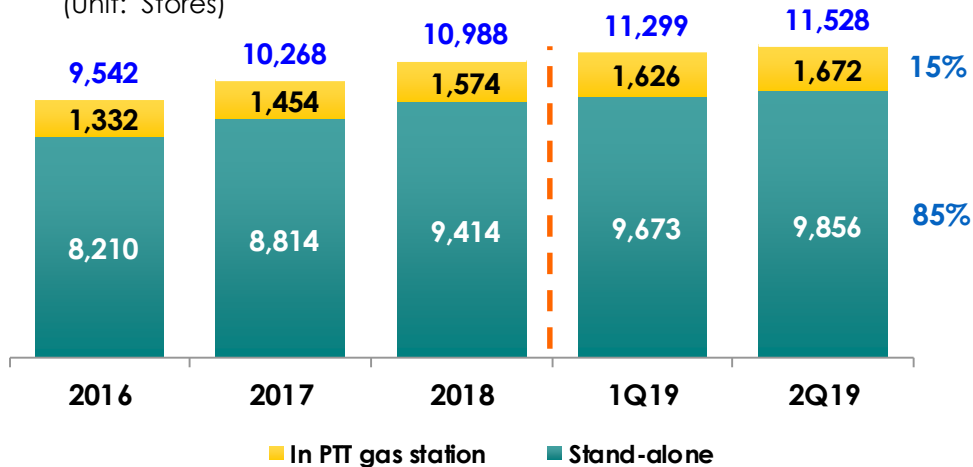
## Corporate / Store Business Partner & Sub-area

(Unit: Stores)



## Stand-alone / In PTT gas station

(Unit: Stores)



Store / Year	2016	2017	2018	1H19
Expansion	+710	+726	+720	+540

# Same Store Sales Growth

Sustained positive SSSG

2Q19

Average daily sales / store **83,725** Baht

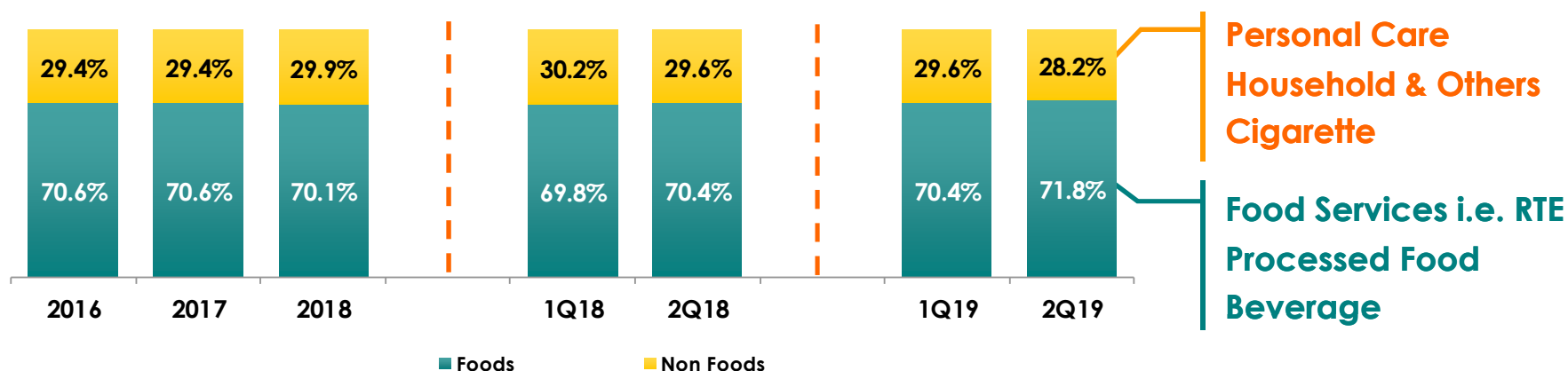
	2016	2017	2018	1Q19	2Q19
SSS Growth	+2.4%	+1.6%	+3.2%	+3.1%	+3.7%

	2016	2017	2018	1Q19	2Q19
Spending per ticket (Baht)	65	67	69	69	69
No. of customer per store per day (Customers)	1,216	1,184	1,185	1,199	1,223

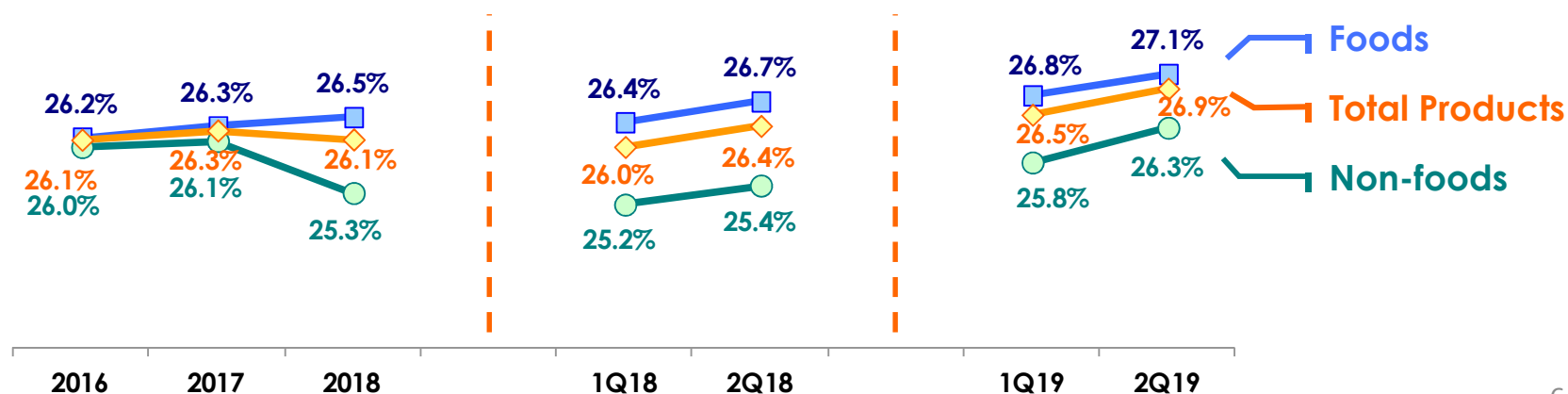
# Product Sales Mix and Gross Margin

Product margin improved YoY

## Product Sales Mix (excl. T&E)



## Gross Margin (excl. T&E)



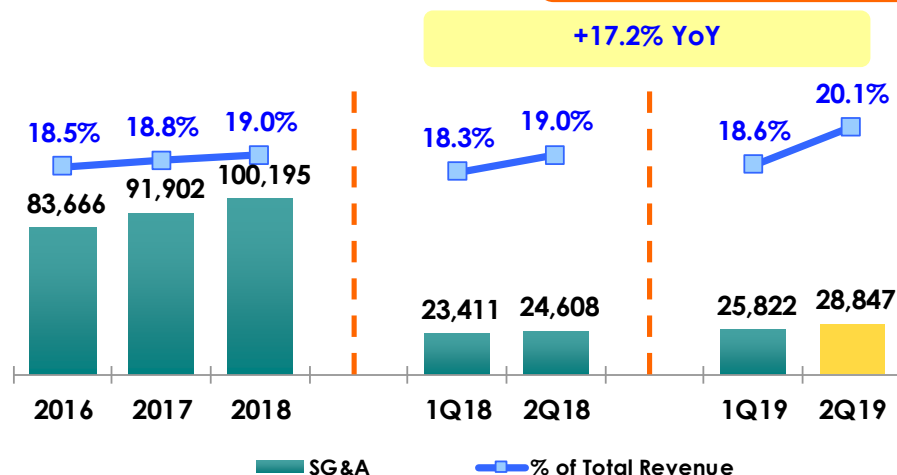
# SG&A Expenses

Surging of SG&A expenses mainly due to the provision of retirement benefit

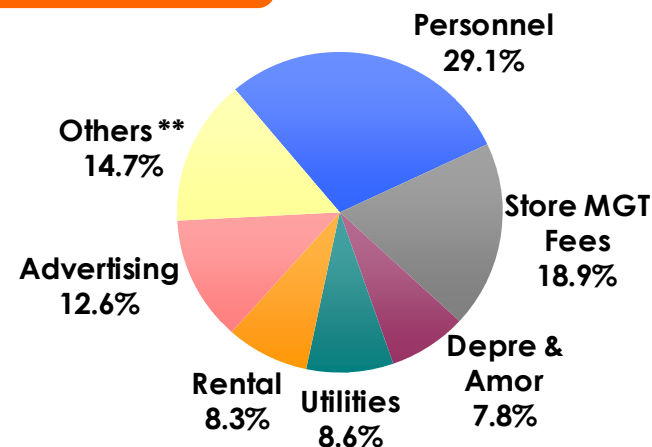
## 2Q19 SG&A Expenses-to-Total Revenue

(Unit: Million Baht)

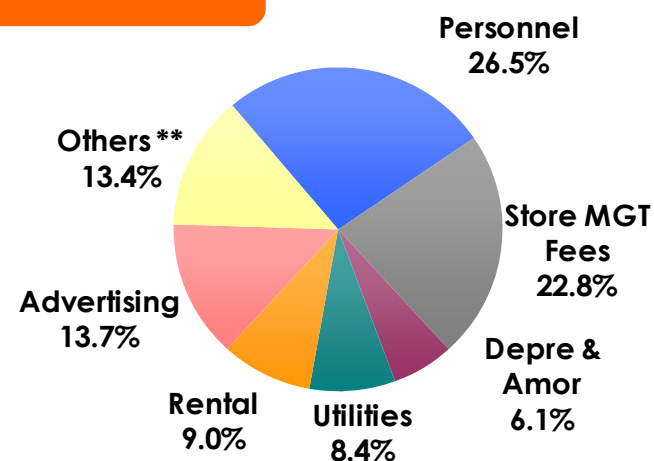
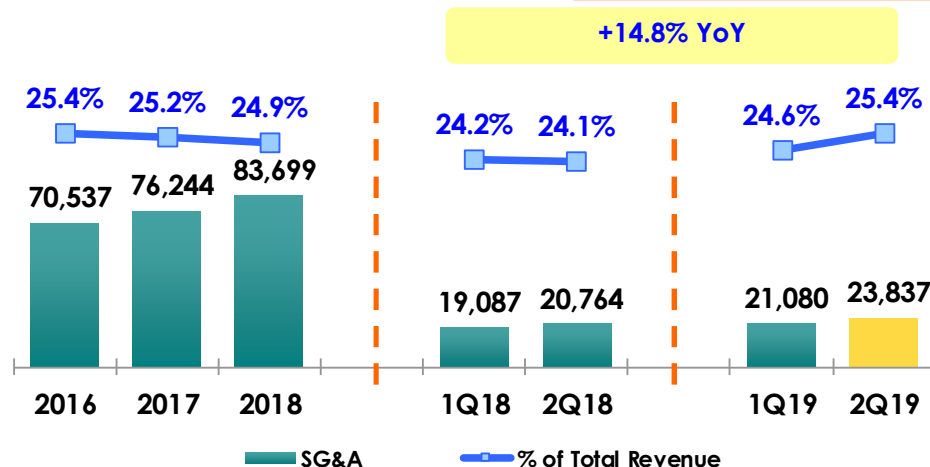
### Consolidated



## 2Q19 SG&A Expenses Breakdown



### Company Only



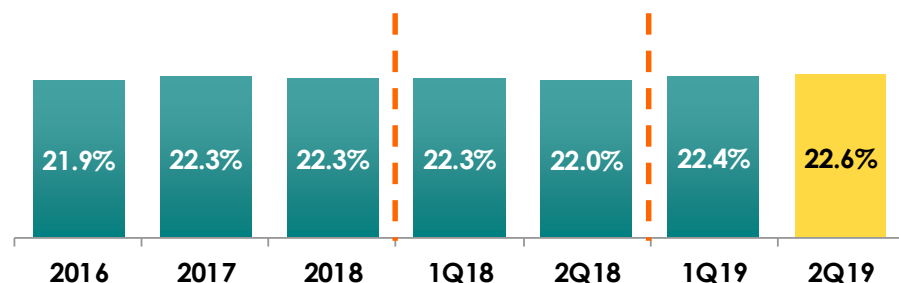
Note: As of 30 June 2019, the company recorded an increase of the provision of retirement benefit in the consolidated and separated financial statements of Baht 809 million and Baht 489 million, respectively.

\*\* Others are comprised of royalty fee, professional fee, R&D and acquisition cost of Makro

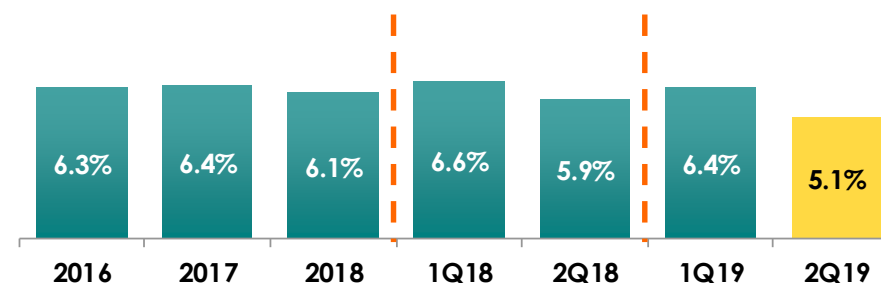
# Profitability Ratios – Consolidated

## Gross margin posted enhancement YoY

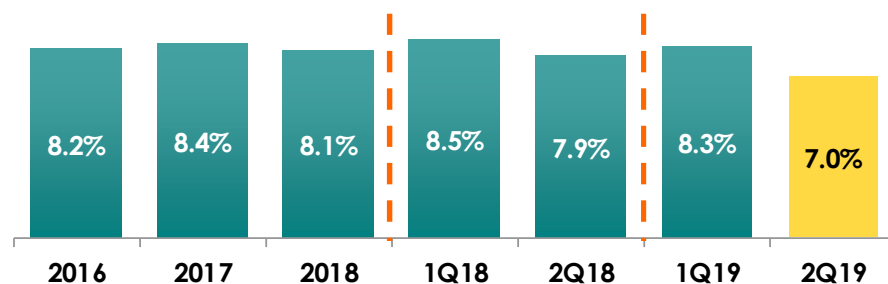
### Gross Margin (Sales & Services)



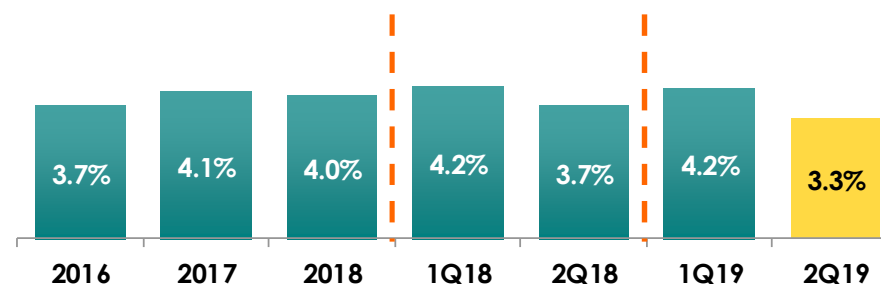
### EBIT Margin



### EBITDA Margin



### Net Margin



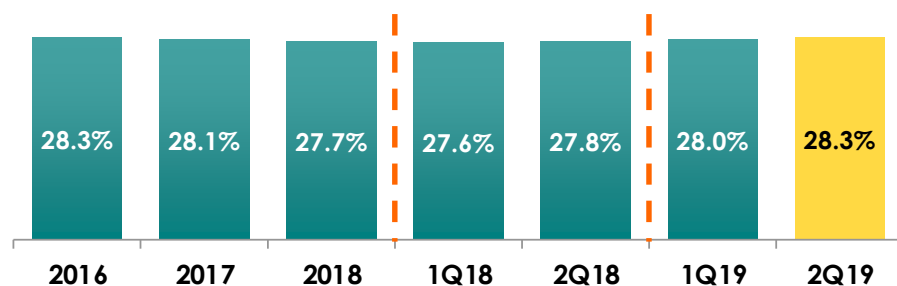
Note: As of 30 June 2019, the company recorded an increase of the provision of retirement benefit in the consolidated and separated financial statements of Baht 809 million and Baht 489 million, respectively.



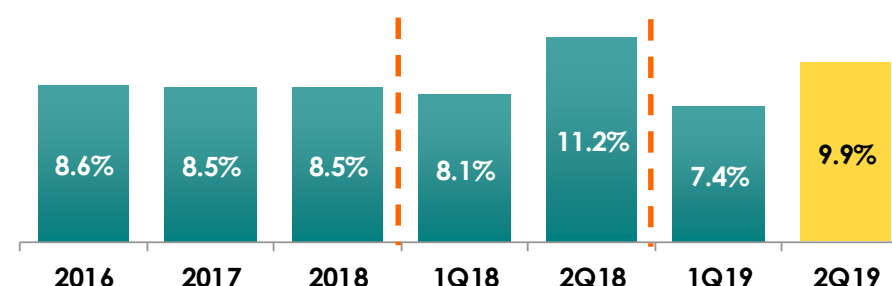
# Profitability Ratios – Company Only

Gross margin posted enhancement YoY

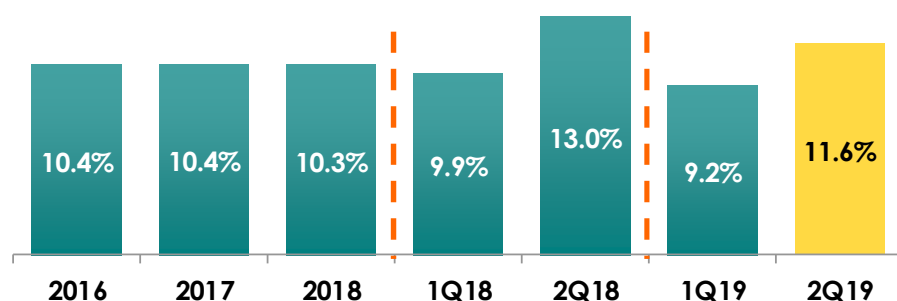
## Gross Margin (Sales & Services)



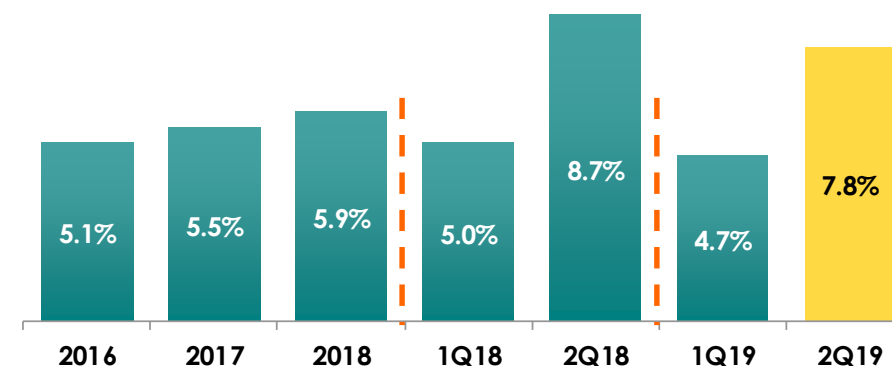
## EBIT Margin



## EBITDA Margin



## Net Margin



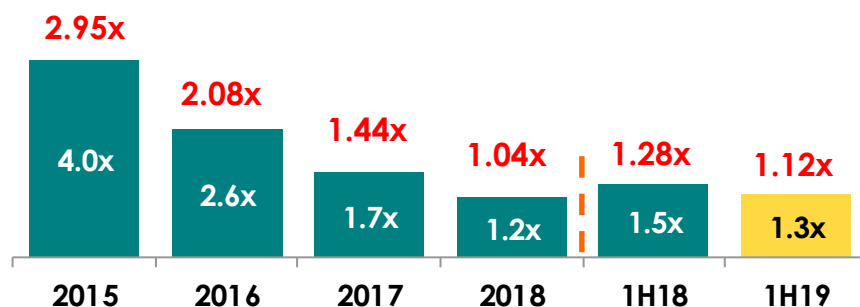
Note: (1) In 1Q18, the Company booked gain on sale of investment in Siam Makro amount Baht 907 million.

(2) As of 30 June 2019, the company recorded an increase of the provision of retirement benefit in the consolidated and separated financial statements of Baht 809 million and Baht 489 million, respectively.

# Leverage Ratios – Consolidated

TRIS upgraded CPALL's rating to "AA-"

## Net Debt to Equity



Remark: Equity as per bond covenants shall be adjusted with deferred taxes. Adjusted net debt to equity are marked in red above.

## Bond Covenants

Year	Net Debt to Equity
2015	5.0x
2016	3.5x
2017	2.5x
2018 onwards	2.0x

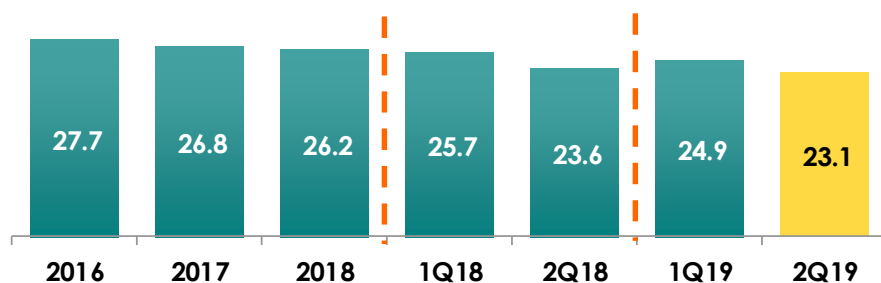
- As of 30 June 2019, the company had a total outstanding debentures (including perpetual debenture of Baht 20,000 million) of Baht 164,812 million.
- The remaining amount of debentures maturing in 3Q19 is Baht 11,928 million.
- As of 30 June 2019, net debt to adjusted equity was at **1.12x** vs. bond covenant at 2.0x.
- As of 10 July 2019, TRIS Rating upgraded CPALL's rating to "AA-" from "A+", with a "stable" outlook, as well as upgraded the ratings on senior unsecured debentures to "AA-" from "A".

# Working Capital – Consolidated

## Negative cash cycle days

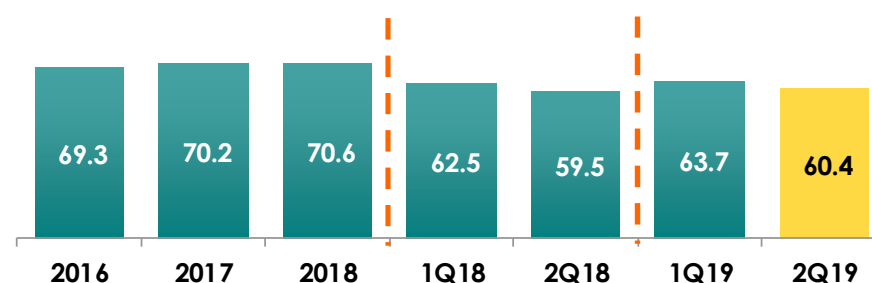
### Inventory Days

(Unit: Days)



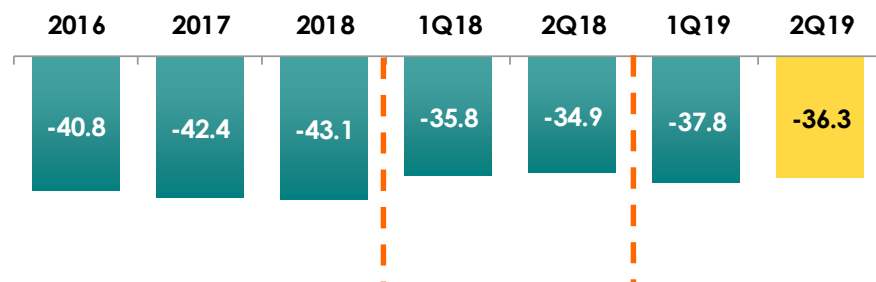
### Account Payable Days

(Unit: Days)



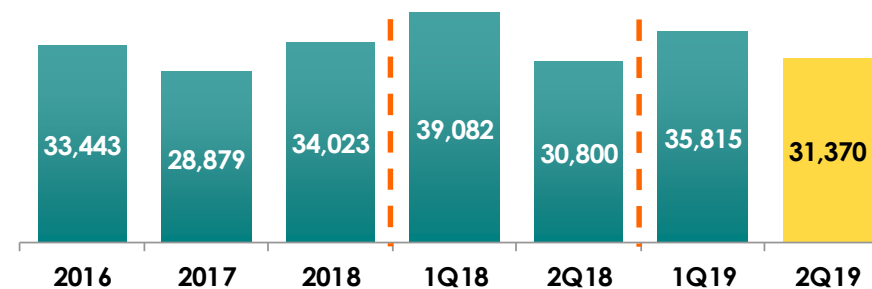
### Cash Cycle Days

(Unit: Days)



### Cash

(Unit: Million Baht)



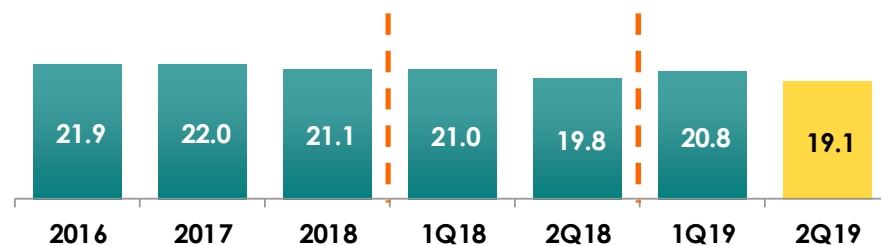
Note: AR turnover day was at 0.9 day in 2Q19.

# Working Capital – Company Only

## Negative cash cycle days

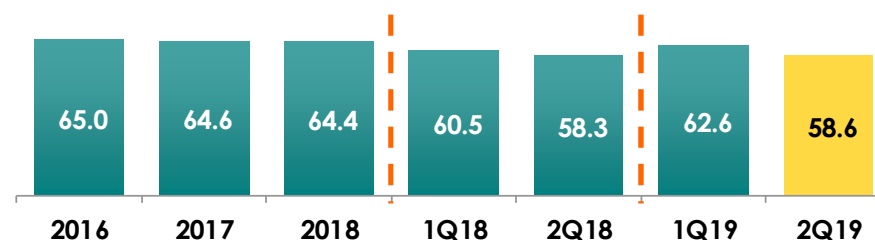
### Inventory Days

(Unit: Days)



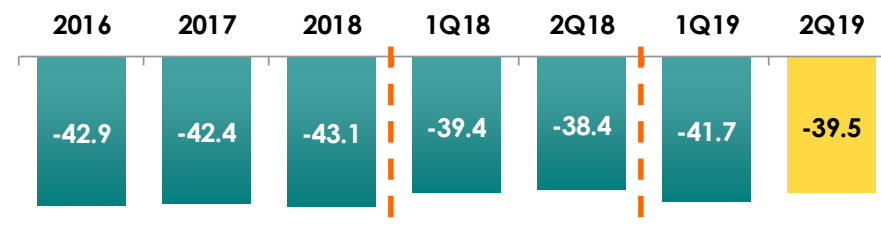
### Account Payable Days

(Unit: Days)



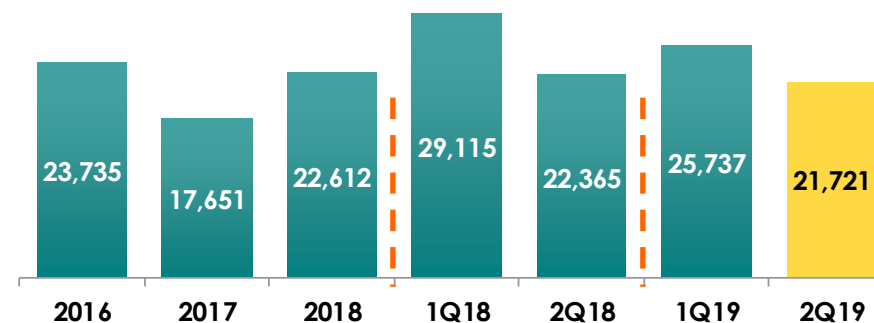
### Cash Cycle Days

(Unit: Days)



### Cash

(Unit: Million Baht)

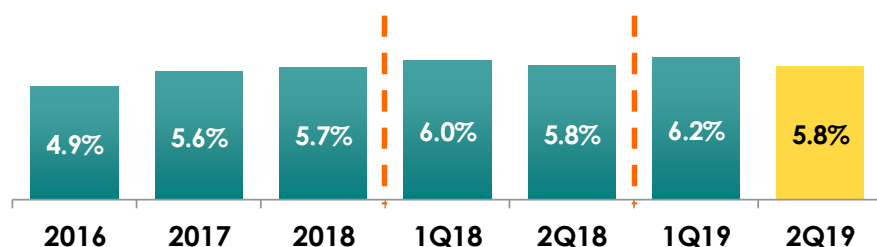


# Key Performance Ratios

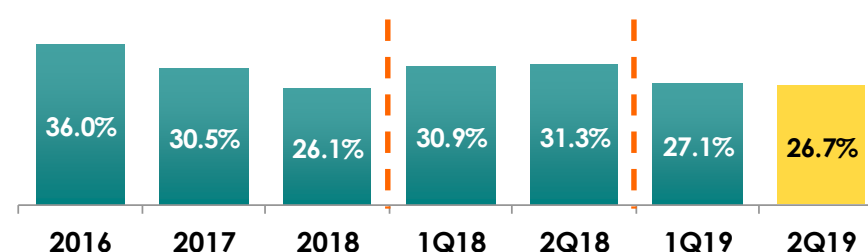
## Maintained solid ROAA & ROAE

### Consolidated Statement

#### ROAA

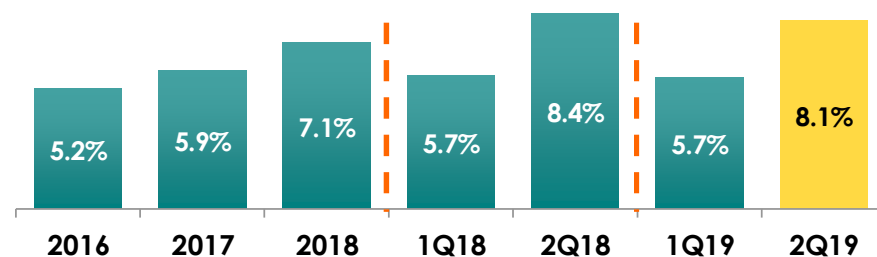


#### ROAE

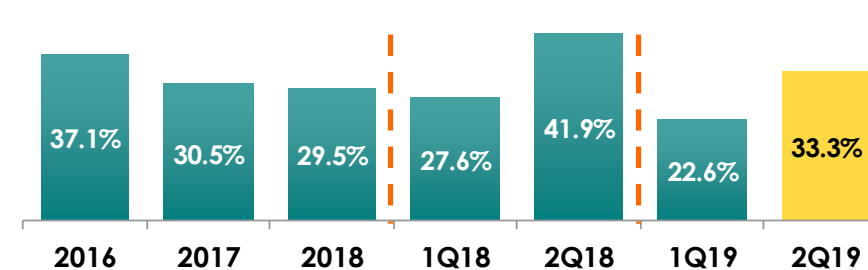


### Company Only Statement

#### ROAA



#### ROAE



Note: ROAA and ROAE are annualized figures.  
 ROAE = Net Income / Equity Holders of the Company

## 7 – Eleven Future and CAPEX plan

### Continue store expansion and supporting infrastructure

#### 7-Eleven Stores Expansion

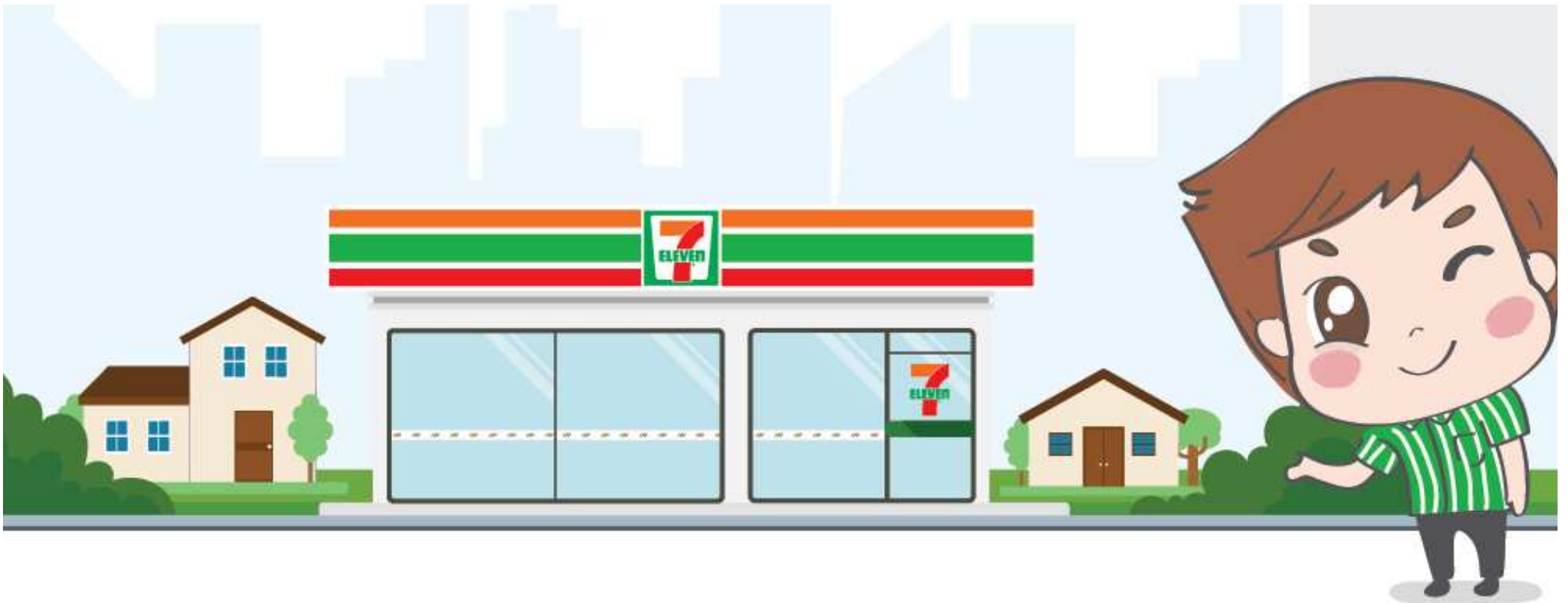
- Continue to expand around 700 stores in 2019
- Milestone: 13,000 stores by 2021

#### 2019 Projected CAPEX

MB

▪ Stores expansion	3,800 – 4,000
▪ Stores renovation	2,400 – 2,500
▪ Investment in new projects, subsidiaries & DC	4,000 – 4,100
▪ Fixed assets & IT system	1,300 – 1,400
Total	<u>11,500 – 12,000</u>

# Appendix



# Share Capital Information

**Price (August 7, 2019)** : Bt 86.00  
**Hi/Low (12-month)** : Bt 88.12 / 61.50 per share  
**Avg. daily turnover** : 2,056 MB  
**No. of shares** : 8,983,101,348 (Par Bt 1)  
**Market capitalization** : 772,547 MB

## Major Shareholders (as of Dec 31, 2018)

- CPF (subsidiaries)	34.2%
- Charoen Pokphand Group	1.8%
- Thai NVDR	8.1%
- South East Asia UK	7.4%
- State Street Europe Limited	3.3%
- SE Asia (Type B)	1.6%

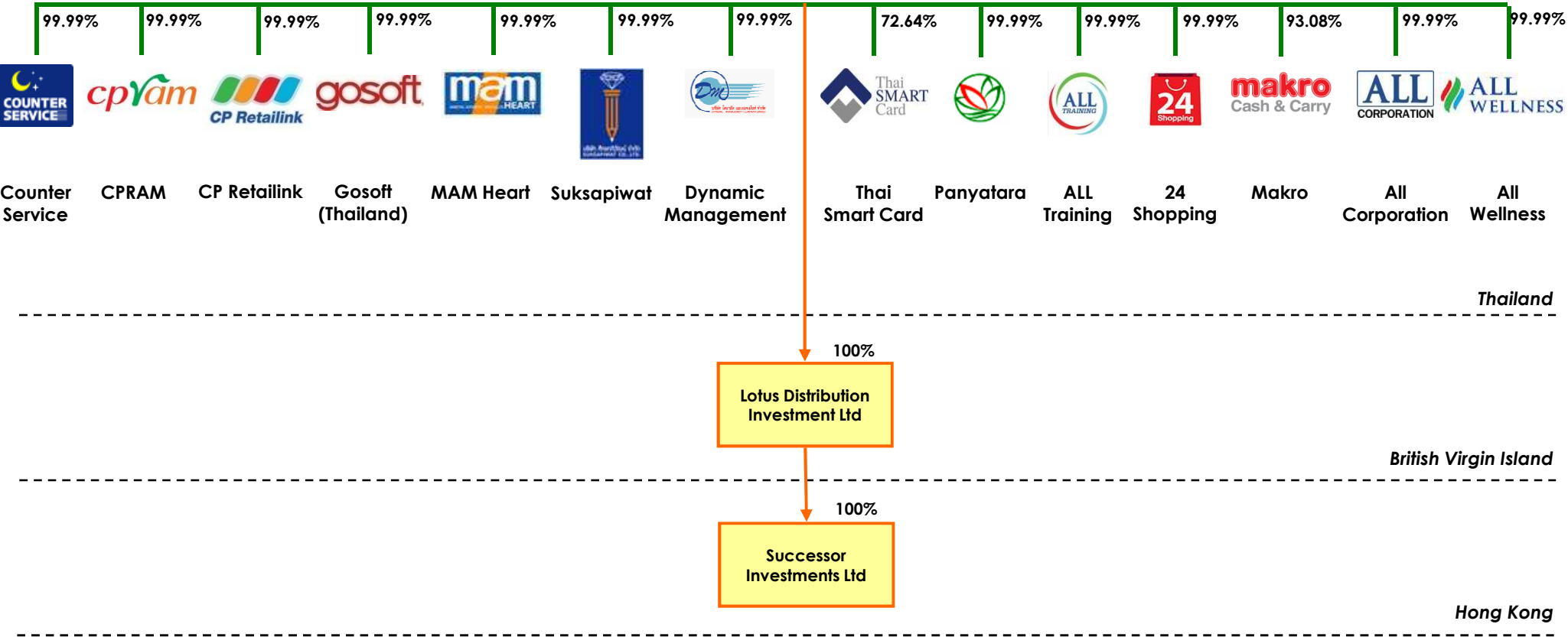
First trade date Oct 14, 2003

Dividend Payment	2012	2013	2014	2015	2016	2017	2018
Dividend payment (Bt/share)	Bt 0.90	Bt 0.90	Bt 0.80	Bt 0.90	Bt 1.00	Bt 1.10	Bt 1.20
Payout ratio (%)	81%	79%	83%	71%	64%	59%	54%
Based on financial statement	Company Only	Company Only	Company Only	Company Only	Company Only	Company Only	Company Only



# Group Structure of CPALL

As of 31 December 2018



## Balance Sheet – Consolidated

Balance Sheet Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19
Cash	21,518	33,443	28,879	34,023	30,800	31,370
Inventory	25,072	26,705	27,376	29,570	26,015	27,957
Fixed assets	89,781	99,460	106,761	111,655	108,529	113,893
Other assets	192,712	192,660	197,282	198,493	196,507	196,446
<b>Total assets</b>	<b>329,083</b>	<b>352,268</b>	<b>360,299</b>	<b>373,742</b>	<b>361,852</b>	<b>369,666</b>
Account payable	62,624	66,959	74,742	78,790	67,455	73,411
Bank loan	15,881	8,101	10,607	12,687	12,756	12,666
Bond	173,000	180,159	155,625	140,878	153,125	144,812
Other liabilities	35,902	37,446	39,095	41,568	38,467	40,955
<b>Total liabilities</b>	<b>287,407</b>	<b>292,665</b>	<b>280,070</b>	<b>273,923</b>	<b>271,803</b>	<b>271,843</b>
Total equity of major S/H	37,349	55,196	75,333	84,831	75,203	83,261
Minority interest	4,326	4,407	4,896	14,988	14,845	14,563
<b>Total equity</b>	<b>41,676</b>	<b>59,603</b>	<b>80,229</b>	<b>99,819</b>	<b>90,049</b>	<b>97,824</b>

## Balance Sheet – Company Only

Balance Sheet Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19
Cash	15,330	23,735	17,651	22,612	22,365	21,721
Inventory	10,622	11,769	12,724	13,459	12,015	13,240
Fixed assets	22,441	25,639	28,294	30,984	9,600	10,657
Other assets	216,228	219,730	221,041	213,314	231,463	237,246
<b>Total assets</b>	<b>264,620</b>	<b>280,872</b>	<b>279,710</b>	<b>280,368</b>	<b>275,444</b>	<b>282,864</b>
Account payable	32,807	33,621	38,336	41,443	37,424	40,170
Bank loan	9,000	-	-	-	-	-
Bond	173,000	180,159	155,625	140,878	153,125	144,812
Other liabilities	19,776	21,180	22,760	26,027	20,834	25,805
<b>Total liabilities</b>	<b>234,583</b>	<b>234,959</b>	<b>216,722</b>	<b>208,348</b>	<b>211,383</b>	<b>210,787</b>
Total equity of major S/H	30,037	45,913	62,988	72,020	64,061	72,077
Minority interest	-	-	-	-	-	-
<b>Total equity</b>	<b>30,037</b>	<b>45,913</b>	<b>62,988</b>	<b>72,020</b>	<b>64,061</b>	<b>72,077</b>

# Income Statement and Cash flow Statement – Consolidated

Income Statement Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19	% YOY Growth	1H18	1H19	% YOY Growth
Revenue from Sales & Services	391,817	434,712	471,069	508,552	124,839	138,396	10.9%	248,408	272,627	9.8%
Other Income	14,076	17,227	18,334	19,307	4,709	4,930	4.7%	9,001	9,508	5.6%
<b>Total revenue</b>	<b>405,893</b>	<b>451,939</b>	<b>489,403</b>	<b>527,860</b>	<b>129,548</b>	<b>143,326</b>	<b>10.6%</b>	<b>257,409</b>	<b>282,136</b>	<b>9.6%</b>
Cost of Sales & Services	306,519	339,688	366,002	395,317	97,351	107,181	10.1%	193,379	211,339	9.3%
Total SG&A	73,905	83,666	91,902	100,195	24,608	28,849	17.2%	48,019	54,671	13.9%
EBIT	25,469	28,585	31,499	32,347	7,589	7,296	(3.9%)	16,010	16,126	0.7%
<b>Net profit</b>	<b>13,682</b>	<b>16,677</b>	<b>19,908</b>	<b>20,930</b>	<b>4,779</b>	<b>4,795</b>	<b>0.3%</b>	<b>10,196</b>	<b>10,564</b>	<b>3.6%</b>
EBITDA	32,827	36,899	41,057	42,792	10,201	10,026	(1.7%)	21,112	21,527	2.0%

Cashflow Statement	2015	2016	2017	2018	2Q18	2Q19	1H18	1H19
CFO	31,419	37,939	46,156	41,357	12,600	16,765	12,600	16,765
CFI	(17,409)	(18,794)	(20,380)	(15,354)	(6,339)	(7,788)	(6,339)	(7,788)
CFF	(24,780)	(7,233)	(30,120)	(20,845)	(4,349)	(11,544)	(4,349)	(11,544)

# Income Statement and Cash flow Statement – Company Only

Income Statement Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19	% YOY Growth	1H18	1H19	% YOY Growth
Revenue from Sales & Services	231,149	256,401	278,751	308,843	77,073	84,901	10.2%	150,859	165,786	9.9%
Other Income	18,609	21,845	23,833	26,690	9,048	9,112	0.7%	14,146	14,146	0.0%
<b>Total revenue</b>	<b>249,758</b>	<b>278,246</b>	<b>302,584</b>	<b>335,533</b>	<b>86,121</b>	<b>94,013</b>	<b>9.2%</b>	<b>165,005</b>	<b>179,933</b>	<b>9.0%</b>
Cost of Sales & Services	166,485	183,850	200,516	223,146	55,677	60,878	9.3%	109,104	119,095	9.2%
Total SG&A	62,260	70,537	76,244	83,699	20,764	23,837	14.8%	39,851	44,917	12.7%
EBIT	21,013	23,858	25,825	28,688	9,680	9,298	(3.9%)	16,050	15,920	(0.8%)
<b>Net profit</b>	<b>11,376</b>	<b>14,099</b>	<b>16,618</b>	<b>19,944</b>	<b>7,473</b>	<b>7,310</b>	<b>(2.2%)</b>	<b>11,454</b>	<b>11,337</b>	<b>(1.0%)</b>
EBITDA	25,429	28,838	31,467	34,727	11,167	10,860	(2.7%)	18,991	18,749	(1.3%)

Cashflow Statement	2015	2016	2017	2018	2Q18	2Q19	1H18	1H19
CFO	21,422	25,162	29,812	30,029	10,212	11,601	17,254	20,968
CFI	(5,419)	(8,762)	(3,775)	(2,710)	687	(1,943)	(5,548)	279
CFF	(25,537)	(7,995)	(32,121)	(22,359)	(6,185)	(10,549)	(4,426)	(24,348)

## Key Performance Ratios – Consolidated

Financial Ratios		2015	2016	2017	2018	2Q18	2Q19	1H18	1H19
Gross margin (sales & service)	(%)	21.8%	21.9%	22.3%	22.3%	22.0%	22.6%	22.2%	22.5%
Operating margin	(%)	6.3%	6.3%	6.4%	6.1%	5.9%	5.1%	6.2%	5.7%
EBITDA margin	(%)	8.1%	8.2%	8.4%	8.1%	7.9%	7.0%	8.2%	7.6%
Net margin	(%)	3.4%	3.7%	4.1%	4.0%	3.7%	3.3%	4.0%	3.7%
ROAA	(%)	4.2%	4.9%	5.6%	5.7%	5.8%	5.8%	5.8%	5.8%
ROAE (exc. MI)	(%)	40.2%	36.0%	30.5%	26.1%	31.3%	26.7%	31.3%	26.7%
Inventory days		28.0	27.7	26.8	26.2	23.6	23.1	23.6	23.1
Account payable days		72.2	69.3	70.2	70.6	59.5	60.4	59.5	60.4
Cash cycle days		(43.4)	(40.8)	(42.4)	(43.1)	(34.9)	(36.3)	(34.9)	(36.3)
Earnings per share	(Bt.)	1.5	1.9	2.1	2.2	0.50	0.51	1.08	1.12
Book value per share	(Bt.)	4.2	6.1	8.4	9.4	8.37	9.27	8.37	9.27

## Key Performance Ratios – Company Only

Financial Ratios		2015	2016	2017	2018	2Q18	2Q19	1H18	1H19
Gross margin (sales & service)	(%)	28.0%	28.3%	28.1%	27.7%	27.8%	28.3%	27.3%	27.9%
Operating margin	(%)	8.4%	8.6%	8.5%	8.5%	11.2%	9.9%	9.7%	8.7%
EBITDA margin	(%)	10.2%	10.4%	10.4%	10.3%	13.0%	11.6%	11.5%	10.4%
Net margin	(%)	4.6%	5.1%	5.5%	5.9%	8.7%	7.8%	6.9%	6.3%
ROAA	(%)	4.3%	5.2%	5.9%	7.1%	8.4%	8.1%	8.4%	8.1%
ROAE (exc. MI)	(%)	40.6%	37.1%	30.5%	29.5%	41.9%	33.3%	10.6%	10.4%
Inventory days		22.6	21.9	22.0	21.1	19.8	19.1	19.8	19.1
Account payable days		69.2	65.0	64.6	64.4	58.3	58.6	58.3	58.6
Cash cycle days		(46.5)	(42.9)	(42.4)	(43.1)	(38.4)	(39.5)	38.4	39.5
Earnings per share	(Bt.)	1.3	1.6	1.8	2.1	0.80	0.79	1.22	1.21
Book value per share	(Bt.)	3.3	5.1	7.0	8.0	7.13	8.02	7.13	8.02

## Balance Sheet – Makro

Balance Sheet Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19
Cash	2,230	2,550	4,364	5,096	2,521	3,526
Inventory	12,954	13,485	13,043	14,361	12,451	12,943
Fixed assets	27,039	30,319	31,305	31,553	30,935	31,201
Other assets	5,688	6,505	10,265	11,056	9,921	10,773
<b>Total assets</b>	<b>47,910</b>	<b>52,859</b>	<b>58,976</b>	<b>62,065</b>	<b>55,827</b>	<b>58,444</b>
Account payable	22,164	24,458	26,120	25,178	21,182	21,913
Bank loan	6,614	7,423	8,351	10,585	10,506	10,697
Bond	-	-	-	-	-	-
Other liabilities	4,925	5,237	6,494	7,046	6,124	6,568
<b>Total liabilities</b>	<b>33,703</b>	<b>37,118</b>	<b>40,965</b>	<b>42,809</b>	<b>37,812</b>	<b>39,179</b>
Total equity of major S/H	14,207	15,721	17,553	18,729	17,565	18,747
Minority interest	-	20	458	528	451	518
<b>Total equity</b>	<b>14,207</b>	<b>15,742</b>	<b>18,011</b>	<b>19,257</b>	<b>18,016</b>	<b>19,265</b>



# Income Statement and Cash flow Statement – Makro

Income Statement Unit : Million Baht	2015	2016	2017	2018	2Q18	2Q19	% YOY Growth	1H18	1H19	% YOY Growth
Revenue from Sales & Services	155,217	172,092	185,804	191,997	46,131	51,806	12.3%	94,161	103,411	9.8%
Other Income	700	698	950	933	274	203	(25.8%)	553	397	(28.2%)
<b>Total revenue</b>	<b>155,917</b>	<b>172,790</b>	<b>186,754</b>	<b>192,930</b>	<b>46,405</b>	<b>52,009</b>	<b>12.1%</b>	<b>94,714</b>	<b>103,808</b>	<b>9.6%</b>
Cost of Sales & Services	137,937	153,722	164,352	169,639	41,059	46,180	12.5%	83,499	91,851	10.0%
Total SG&A	10,930	12,044	14,395	15,481	3,839	4,291	11.8%	7,605	8,430	10.8%
EBIT	7,050	7,024	8,007	7,810	1,506	1,538	2.1%	3,610	3,527	(2.3%)
<b>Net profit</b>	<b>5,378</b>	<b>5,412</b>	<b>6,178</b>	<b>5,942</b>	<b>1,113</b>	<b>1,184</b>	<b>6.4%</b>	<b>2,741</b>	<b>2,703</b>	<b>(1.4%)</b>
EBITDA	8,920	9,125	10,407	10,361	2,140	2,206	3.1%	4,866	4,853	(0.3%)

Cashflow Statement	2015	2016	2017	2018		1H18	1H19
CFO	6,701	9,071	11,999	6,012		(381)	2,399
CFI	(6,371)	(5,544)	(6,468)	(2,866)		(855)	1,411
CFF	(2,665)	(3,207)	(3,649)	(2,411)		(605)	2,600

## Key Performance Ratios – Makro

Financial Ratios		2015	2016	2017	2018	2Q18	2Q19	1H18	1H19
Gross margin (Sales)	(%)	9.6%	9.6%	10.1%	10.0%	9.5%	9.5%	9.8%	9.7%
Gross margin (Total revenue)	(%)	11.5%	11.5%	12.0%	12.1%	11.5%	11.2%	11.8%	11.5%
Operating margin	(%)	4.5%	4.5%	4.3%	4.0%	3.2%	3.0%	3.8%	3.4%
EBITDA margin	(%)	5.7%	5.7%	5.6%	5.4%	4.6%	4.2%	5.1%	4.7%
Net profit margin	(%)	3.4%	3.4%	3.3%	3.1%	2.4%	2.3%	2.9%	2.6%
ROA	(%)	11.7%	11.7%	11.0%	9.8%	11.2%	10.3%	11.2%	10.3%
ROE (exc. MI)	(%)	39.8%	39.8%	37.1%	32.8%	35.9%	32.5%	35.9%	32.5%
Inventory days		29.9	29.9	28.5	27.7	27.4	25.7	26.2	27.1
Account payable days		55.8	55.8	55.4	54.4	49.3	45.7	48.5	49.2
Cash cycle days		(25.1)	(23.8)	(25.6)	(24.9)	(20.3)	(18.5)	(20.6)	(20.4)
Earnings per share	(Bt.)	1.1	1.1	1.3	1.2	0.2	0.2	0.6	0.6
Book value per share	(Bt.)	3.0	3.0	3.7	3.9	3.7	3.9	3.7	3.9

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