



Company Presentation for Opportunities Day FS 2017

Meeting date 26 Feb 2018

Investment Highlights



CONVERSE



Exclusive distributor of “Converse” in Thailand

- RSP has been awarded exclusive rights to manufacture and distribute “Converse” products in Thailand from Converse Inc. since 2003
- Converse is the world-renowned US footwear brand established since 1908 and has become a subsidiary of Nike Inc. since 2003

Strengthening brand portfolio

- RSP has received exclusive rights to manufacture and distribute “PONY” products in Thailand, Cambodia and Laos from Pony International Limited (HK) in 2016
- PONY, Product Of New York, was founded since 1972 in New York. The brand was originally an athletic brand and now expanding into street fashion

Strong distribution networks

- RSP has distributed its products through both retail (Company-owned stores and Shop-in-Shop) and wholesale channels across the country
- Actively seeking for an opportunity to expand its retail network coverage and constantly update visual merchandising display to emphasize brand identity and attract customers into the stores

Expansion to ASEAN

- Expansion plan to ASEAN countries set off in 2018 starting from Cambodia. The company plans to open 2 “Converse” Shop-in-Shops and 2 “PONY” Shop-in-Shops in 2018

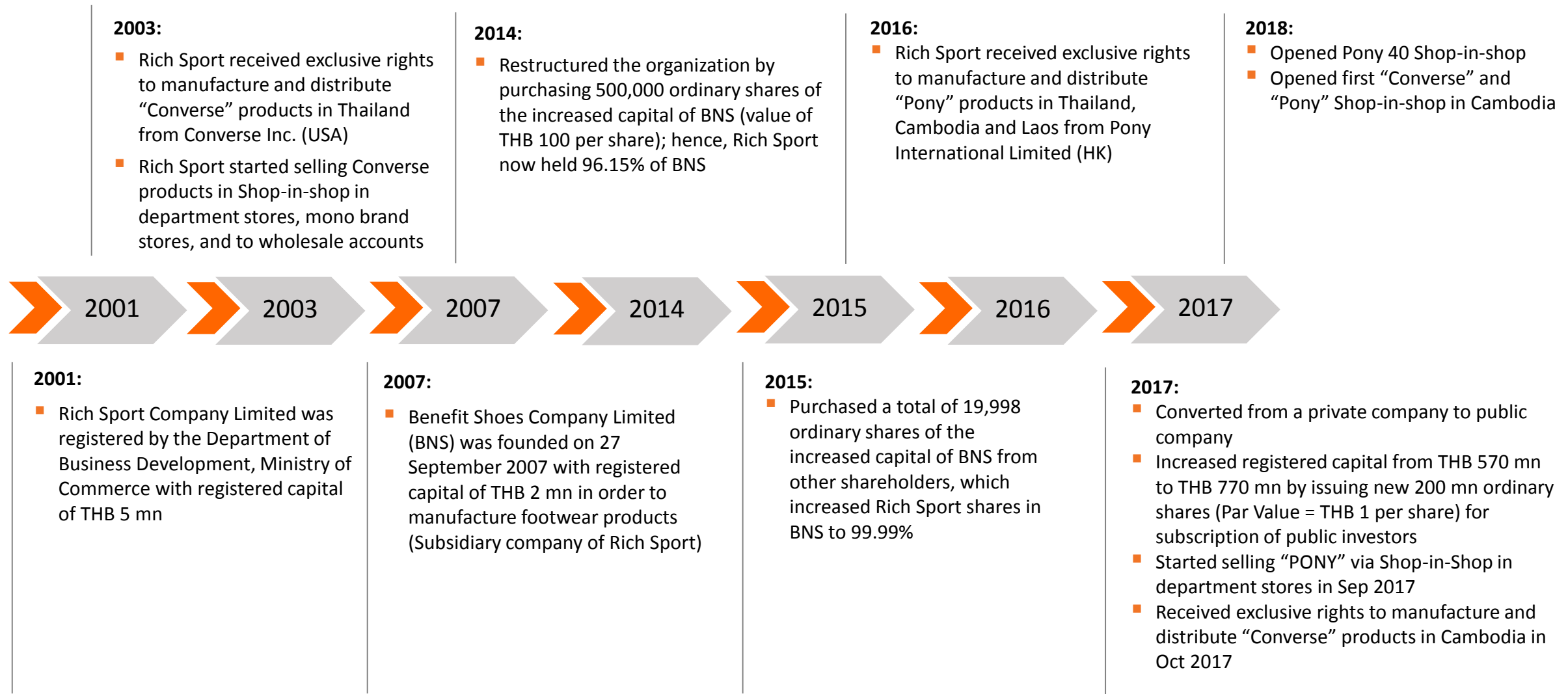
Agenda



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Company Overview

Key Milestone



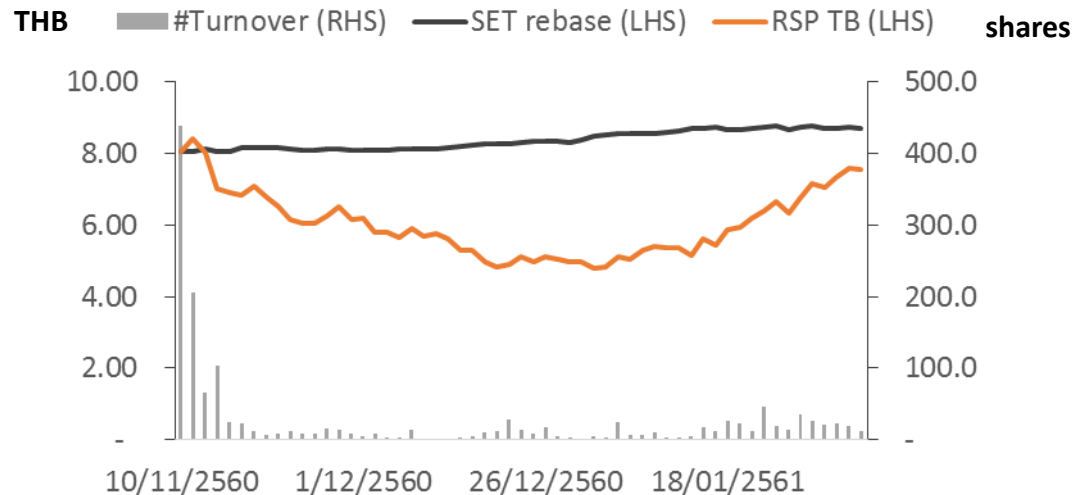
Company Overview

Company at a Glance



As of 29 Jan 2018

Stock code	RSP
Market	SET
Industry	Services
Sector	Commerce
First Trade Date	10 Nov 2017
Outstanding shares (mn shares)	770.0
Market Cap. (THB mn)	5,505.5
Dividend Policy	Not less than 40%

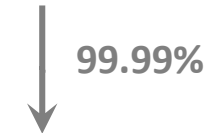


Company Structure



Rich Sport Public Company Limited (RSP)

- Registered Capital of THB 770 mn
- Distribute footwear, apparel and accessories from international brands i.e. Converse and Pony in Thailand



Benefit Shoes Company Limited (BNS)

- Registered Capital of THB 52 mn
- Manufacture footwear with maximum capacity of 600,000 pairs per year
- BNS currently manufactures "PONY" footwear for sale to RSP and OEM for other local brands

Company Overview

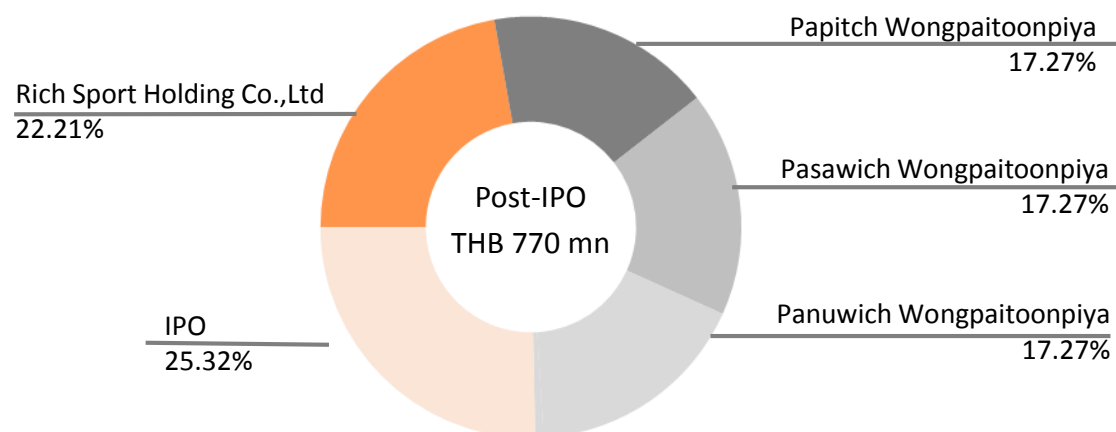
Shareholding Structure



Paid registered capital **before IPO** THB 570 mn : Par Value of THB 1 per share

		% total
1	Rich Sport Holding CO.,LTD.	30.00
2	Ms. Papitch Wongpaitoonpiya	23.33
3	Mr. Pasawich Wongpaitoonpiya	23.33
4	Mr. Panuwich Wongpaitoonpiya	23.33
	TOTAL	100
	TOTAL ISSUES SHARES (mn shares)	570.0

Paid-up registered capital **after IPO** THB 770 mn : Par Value of THB 1 per share



	As of 8 Nov 2017	% total
1	Rich Sport Holding CO.,LTD.	22.21
2	Ms. Papitch Wongpaitoonpiya	17.27
3	Mr. Pasawich Wongpaitoonpiya	17.27
4	Mr. Panuwich Wongpaitoonpiya	17.27
5	Thai Life Insurance Plc	0.55
6	Ms. Ornuma Supatsirikul	0.26
7	Mr. Atikhun Kamutwong	0.26
8	Mrs. Sujamon Olarntussanakarn	0.26
9	Mrs. Suratsawadee Roiput	0.26
10	Alliance Ayutthaya Plc	0.26
	TOTAL TOP 10 SHAREHOLDERS	75.88
	TOTAL ISSUES SHARES (mn shares)	770.0

Rich Sport Holding Company
Limited Shareholding structure

Papitch Wongpaitoonpiya	33.334%
Pasawich Wongpaitoonpiya	33.333%
Panuwich Wongpaitoonpiya	33.333%

Company Overview

Business by Brands



CONVERSE



Investment per store THB 2.0 mn
Currently has 41 Mono Brand Stores (as of Dec 2017)
Average sales per MBS is THB 6.0 mn



Thailand



Cambodia

Investment per store THB 0.5 mn
Currently has 118 Shop-in-Shop (as of Dec 2017)
Average sales per SIS is THB 5.0mn (Payback period in 10 months)

PONY, Product of New York, is an American Street Fashion Brand
RSP has opened its first PONY SIS in Sep 2017



Thailand



Cambodia

Investment per store THB 0.2 mn
Currently has 40 Shop-in-Shop (as of Dec 2017)
Expected sales per SIS is THB 1.8mn in first year (Payback period in 10 months)



Laos PDR

Revenue Breakdown	2014		2015		2016		2017	
	mn	%	mn	%	mn	%	mn	%
1. Revenue from Footwear	657.89	81.09	907.23	81.16	1,086.63	79.97	891.60	75.90
2. Revenue from Non-footwear	153.42	18.91	210.63	18.84	272.21	20.03	283.05	24.10
Total Revenue	811.31	100.00	1,117.86	100.00	1,358.84	100.00	1,174.66	100.00

Converse – By product type

1

Footwear

- Classic models available all year round



CTAS Hi



CTAS Ox



Jack Purcell



CONS Star Player

- Seasonal models available in Fall/Winter and Spring/Summer



CTAS Shoreline



CTAS Slip On



CTAS Dainty



Converse x Dr Woo



Converse x Golf Le Fleur

2

Bag



3

Apparel

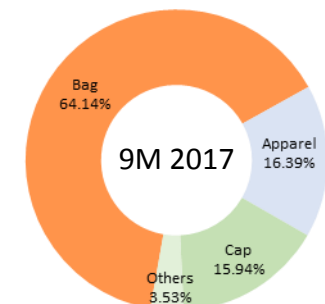
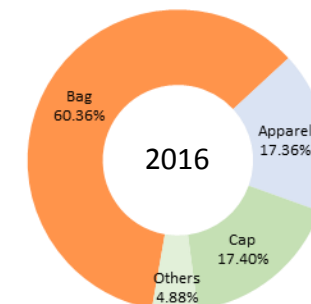


4

Accessories



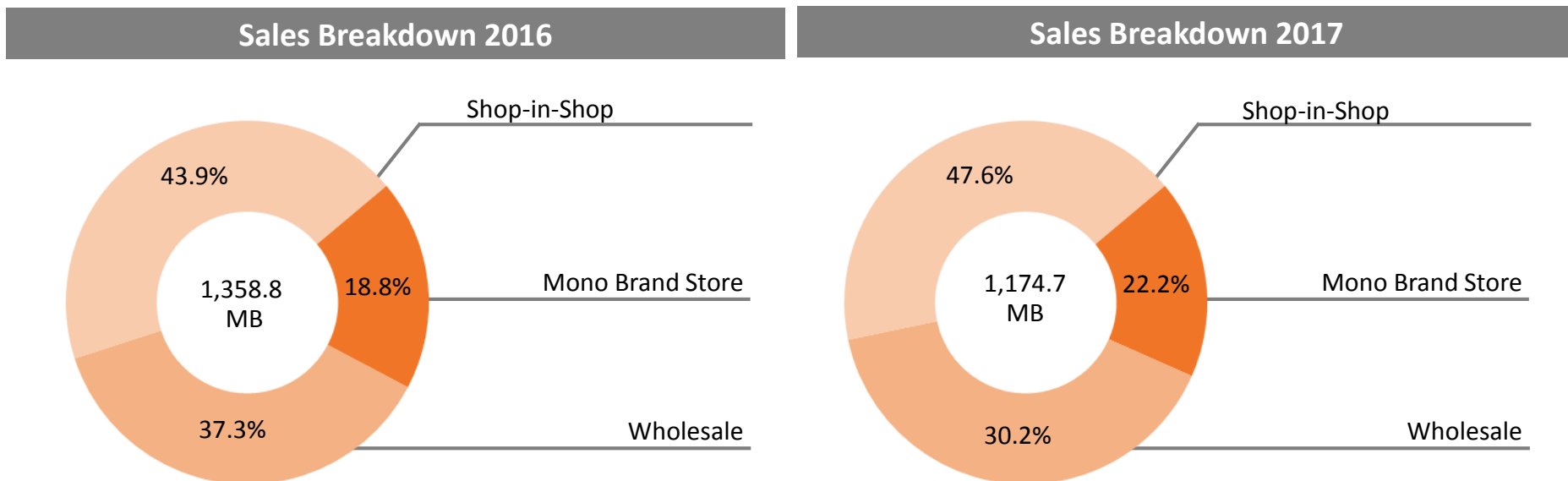
Non-Footwear Sales Breakdown for 2016 and 9M 2017





Converse – By distribution channel

	Shop-in-Shop	Mono Brand Store
Retail <u>Branches</u> BKK : Upcountry 40 : 60	<ul style="list-style-type: none">Consignment sales via Shop-in-Shop in Thailand's leading department stores including Central, Robinson, The Mall and SupersportsRSP has 118 Converse Shop-in-Shop nationwide as of 31 December 2017	<ul style="list-style-type: none">Company-owned stores that only sell Converse productsRSP has 41 Mono Brand stores nationwide as of 31 December 2017
Wholesale	<ul style="list-style-type: none">Sell products to wholesale accounts including sports specialty stores (i.e. Active Nation, Sports Dome and Outlet Mall), multi-brand stores (i.e. Carnival, Siwilai), and online retailers (i.e. Lazada, Looksi, Bemynt)	





Exclusive Right

- To manufacture, market, distribute, and sell products under PONY trademarks in three countries



Thailand



Cambodia



Laos PDR

1

Footwear – Basic models

- Consisted of 4 main models that are available for sale throughout year



Shooter Ox



Shooter Hi



Hawaii



Light

2

Footwear – Fashion models

- Can be divided into 3 categories
 - Fashion models that are designed by in-house designers
 - Fashion models that are designed by designers from PONY
 - Collaboration models



Slamdunk



Slamdunk Hi



PONY x
Atmos

3

Non-Footwear

- Apparel, bag, and cap products that are designed by in-house designers





PONY – By distributional channel

Retail

Branches
BKK : Upcountry
42 : 58

Shop-in-Shop

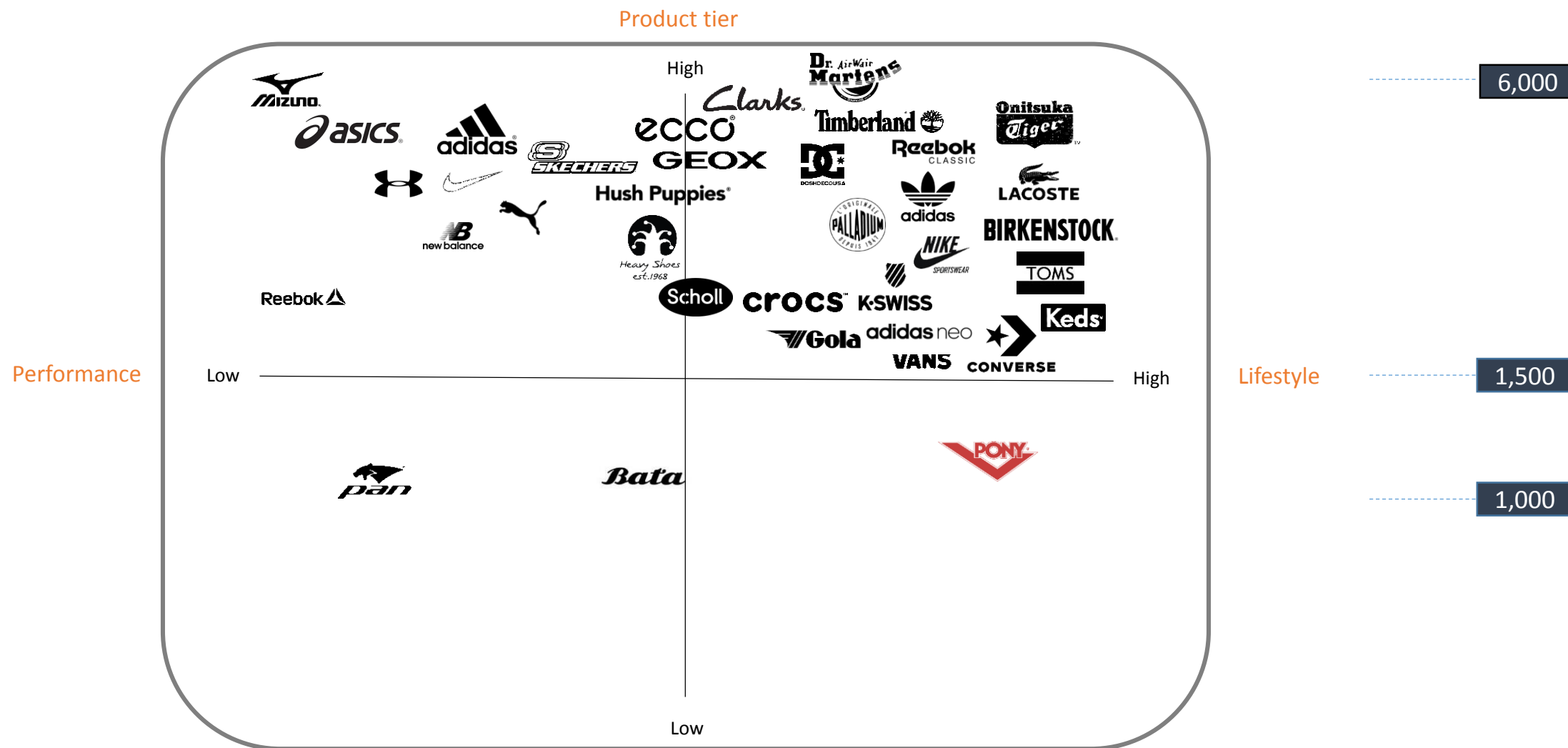
- Consignment sales via Shop-in-Shop in Thailand's leading department stores including Central, Robinson, The Mall and Supersports
- Currently has 40 PONY Shop-in-Shop nationwide as of 31 December 2017



NEXT STEP
Wholesale and Online
Channels



PONY – Brand Positioning



Agenda



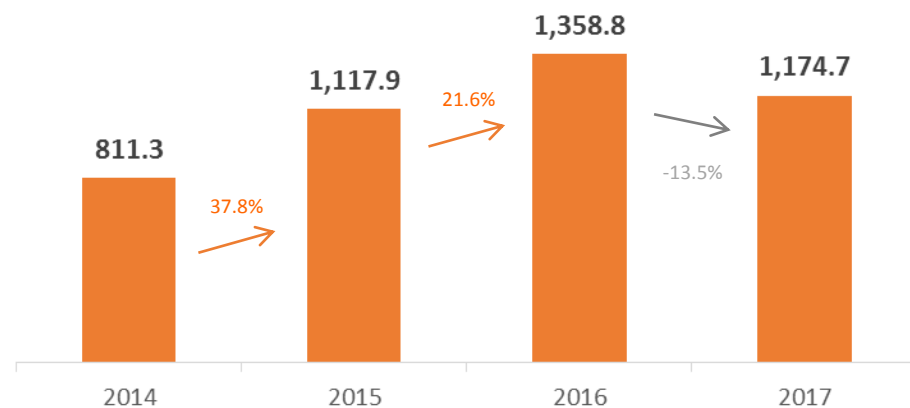
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Financial Performance

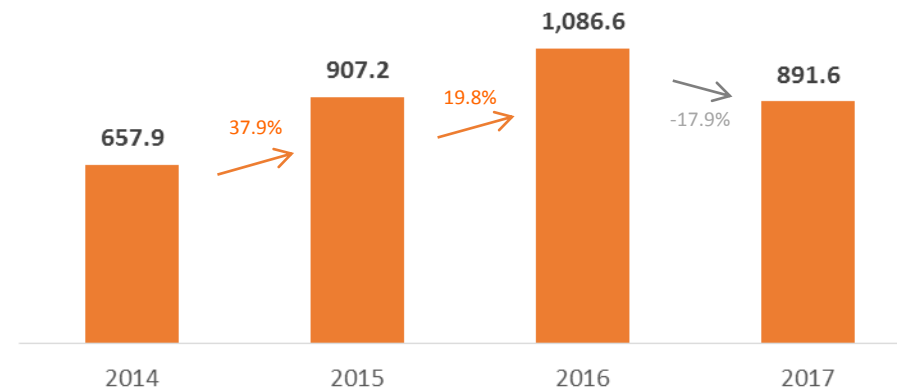
Revenue by product type



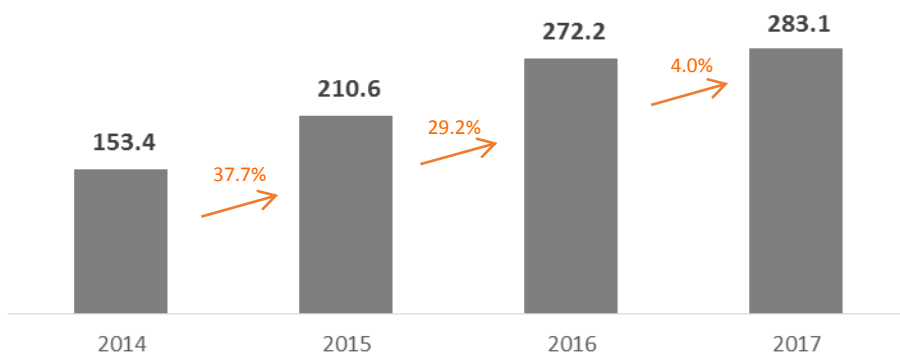
Sales



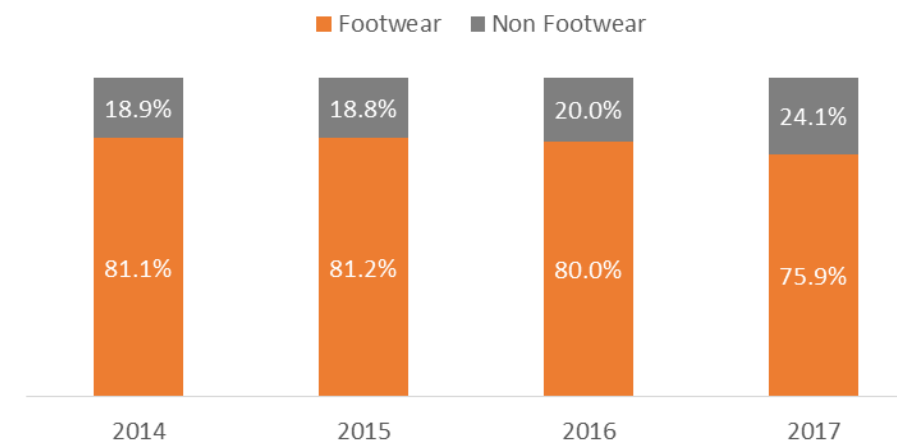
Sales from Footwear Product



Sales from Non-footwear Product



Sales Proportion by Product Type

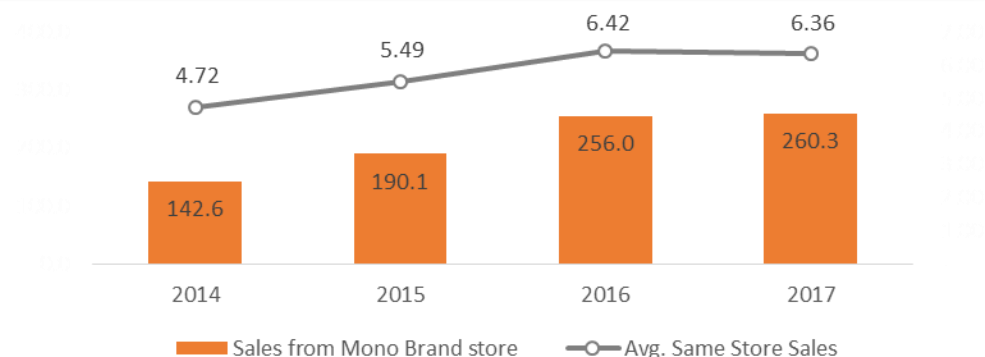


Financial Performance

Revenue by distribution channel

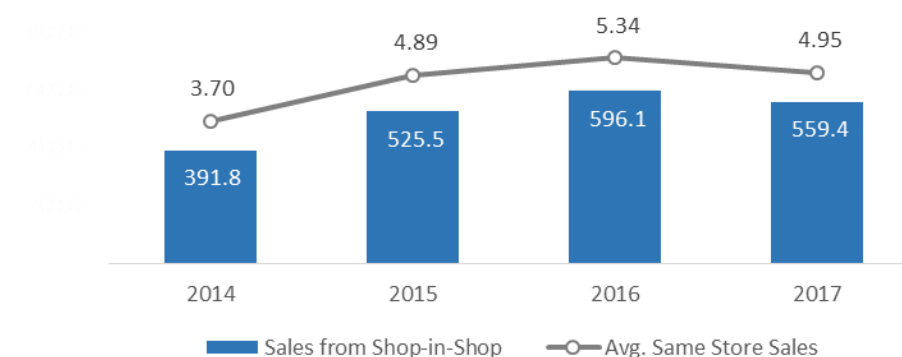


Sales from Mono Brand Store



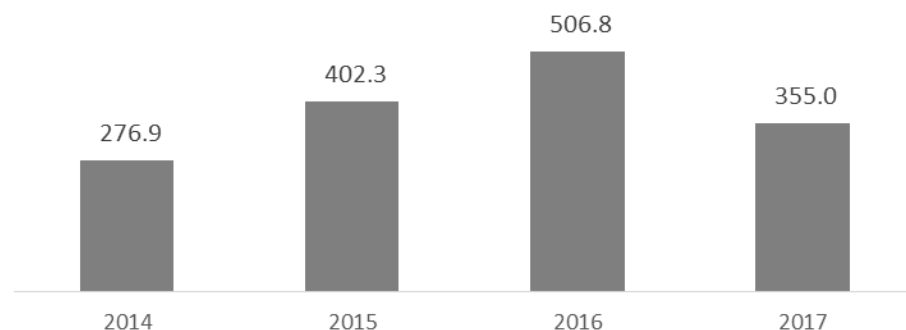
Number of Store	2014	2015	2016	2017
	30	35	39	41

Sales from Shop-in-Shop

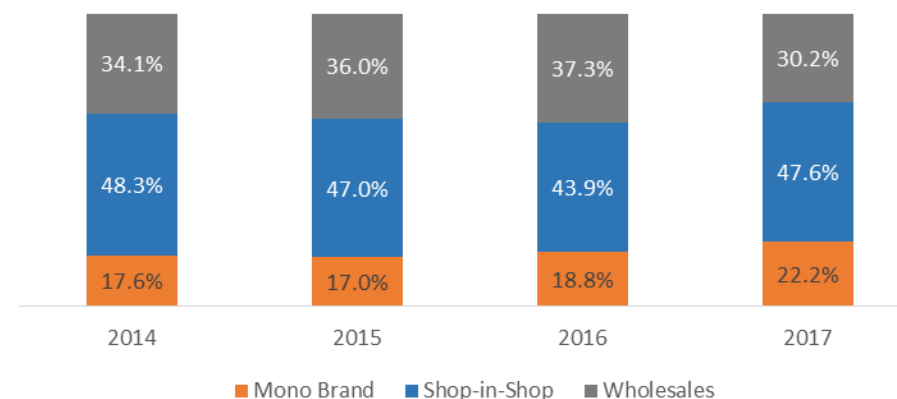


Number of Store	2014	2015	2016	2017
	111	113	116	118

Sales from Wholesale



Sales Proportion by Distribution Channel

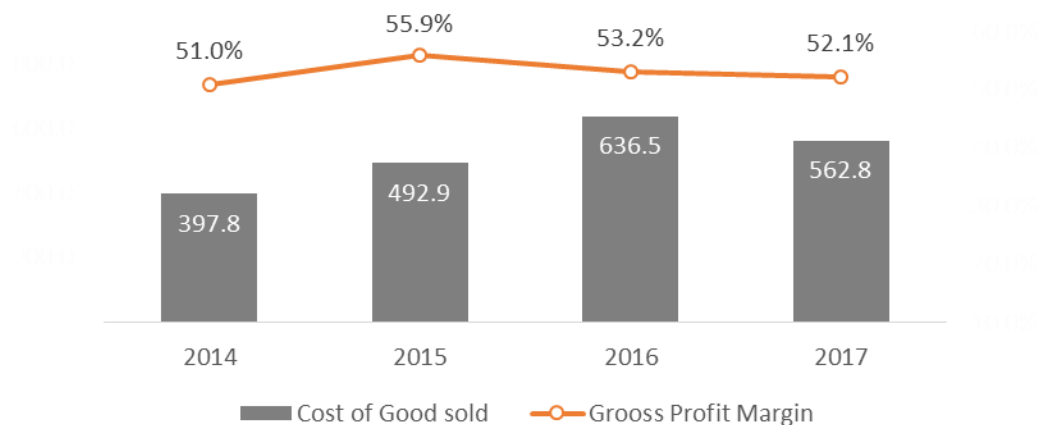


Financial Performance

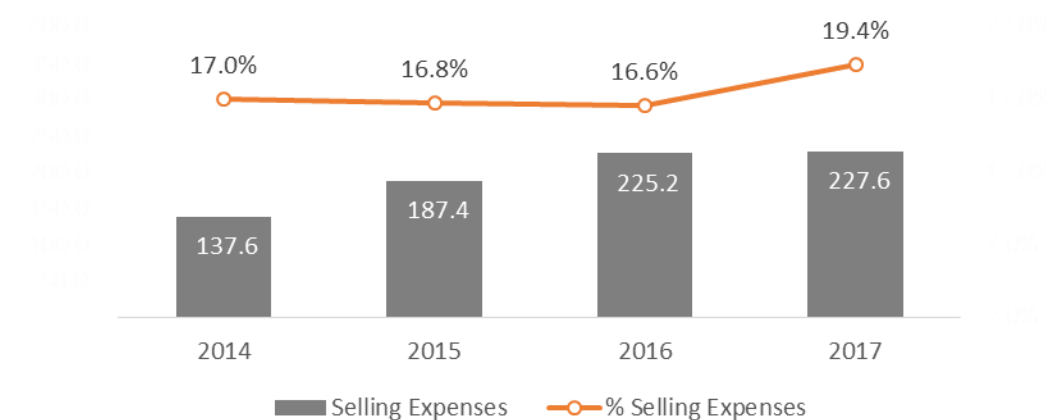
Operating margins



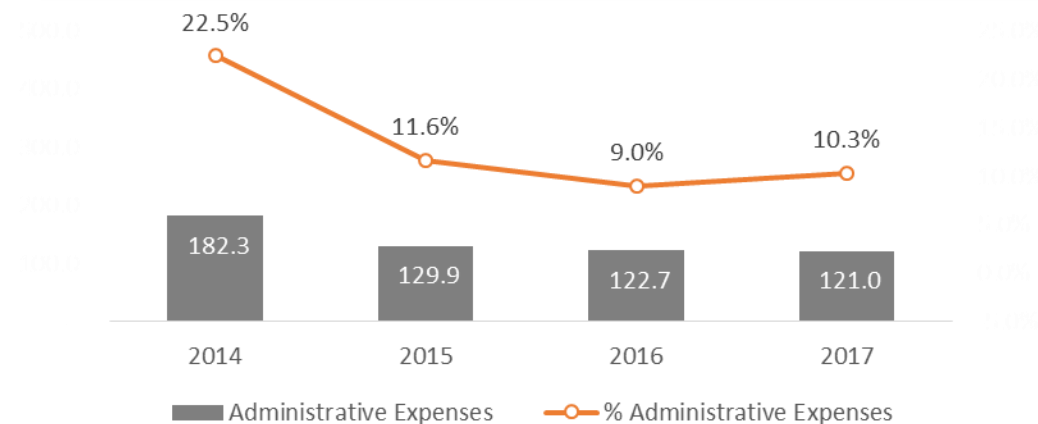
Cost of Goods Sold and Gross Profit Margin



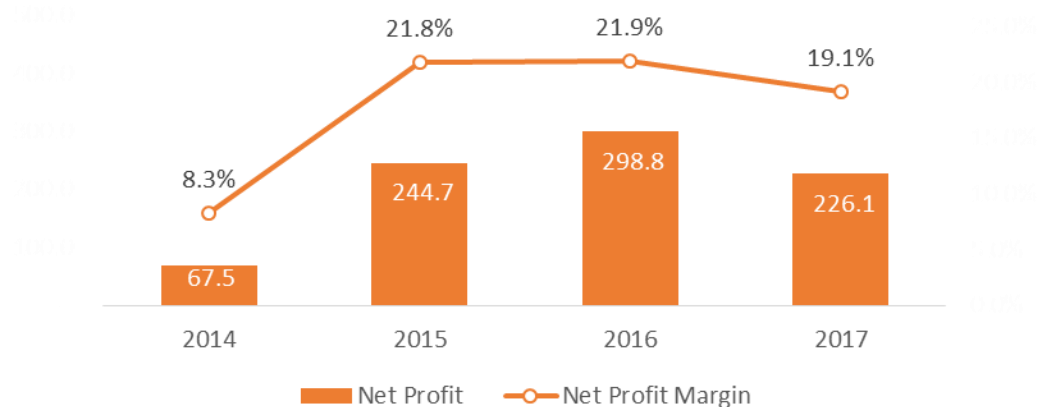
Selling Expenses / Revenue from Sales



Administrative Expenses / Revenue from Sales

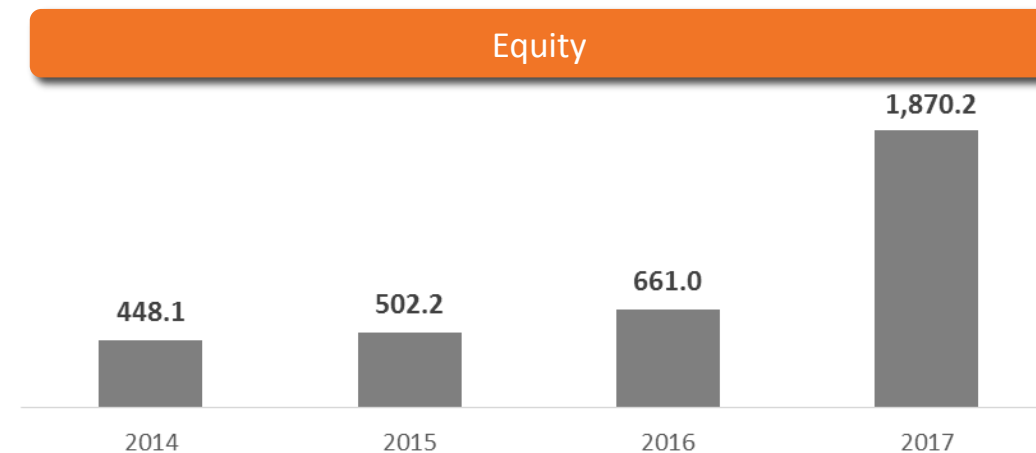
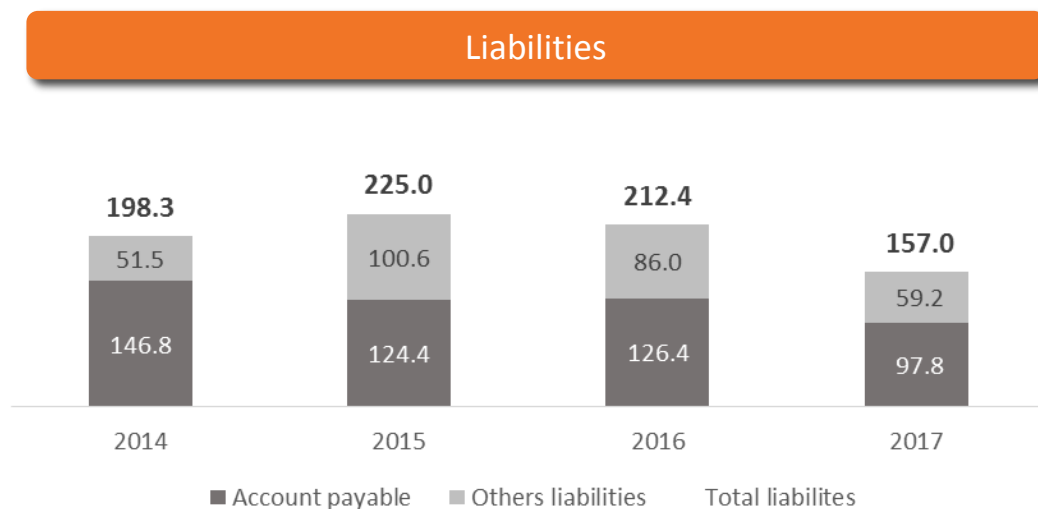
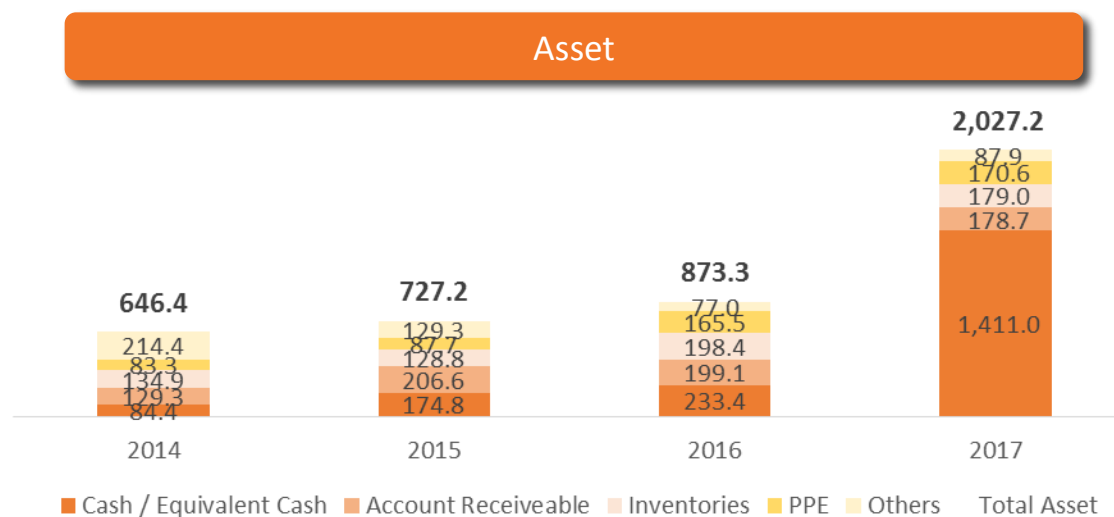


Net Profit and Net Profit Margin



Financial Performance

Balance Sheet

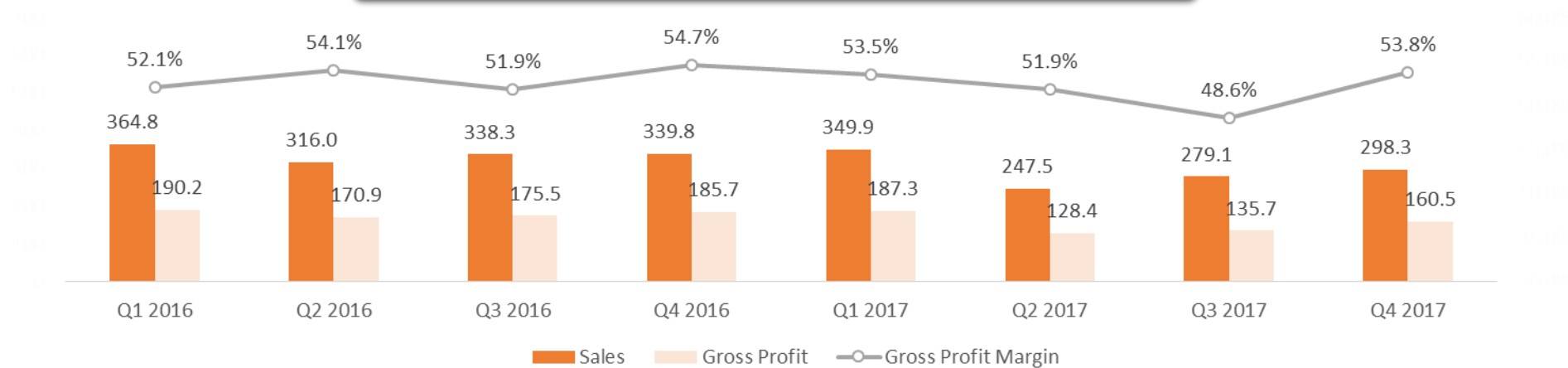


Financial Performance

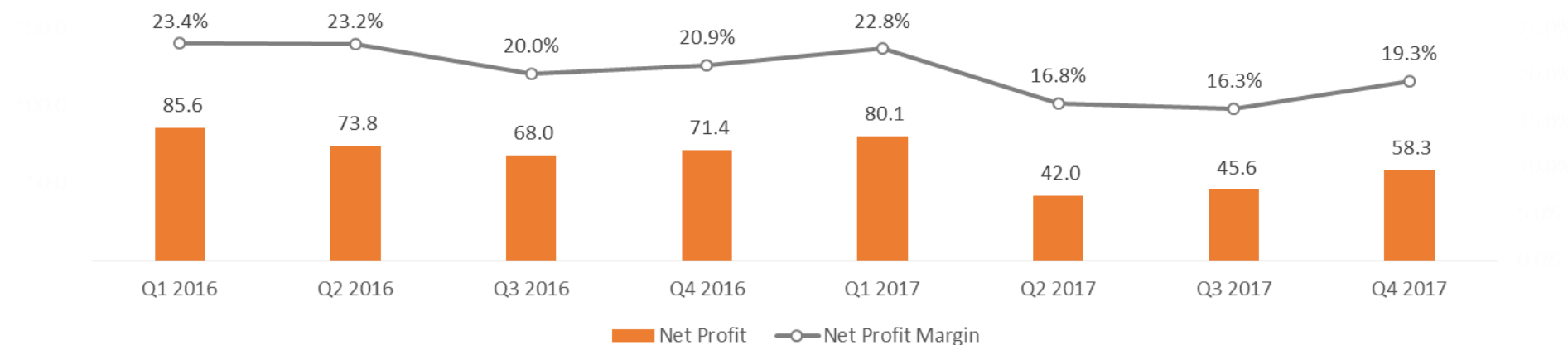
Quarterly



Sales / Gross Profit / Gross Profit Margin Quarterly



Net Profit / Net Profit Margin Quarterly



Agenda



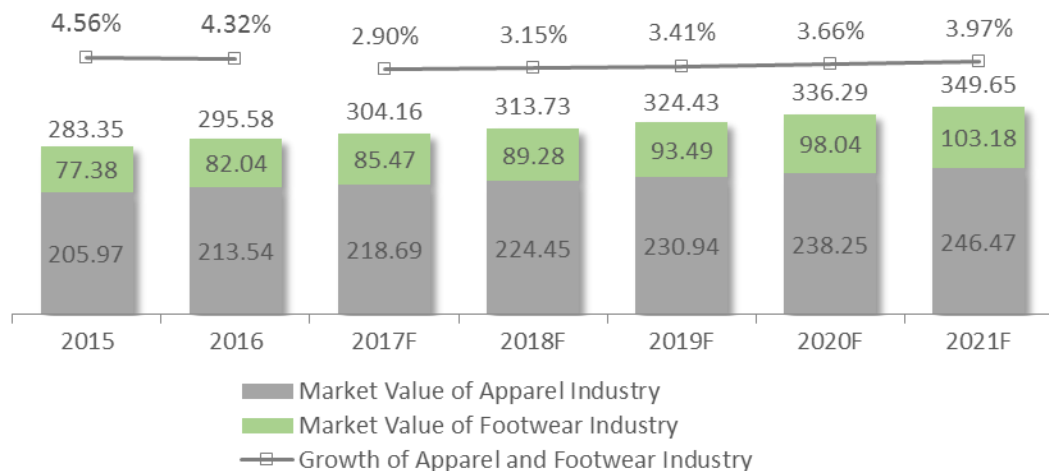
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Business Outlook

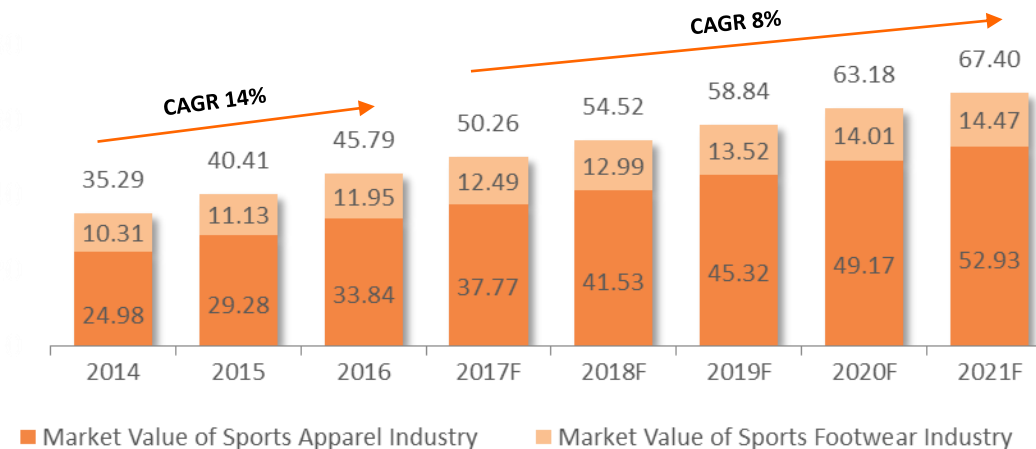
Sports fashion has become a global trend



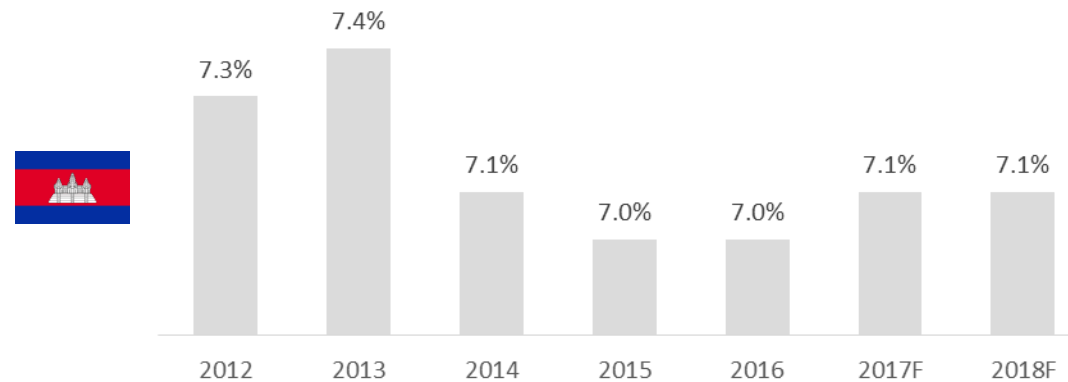
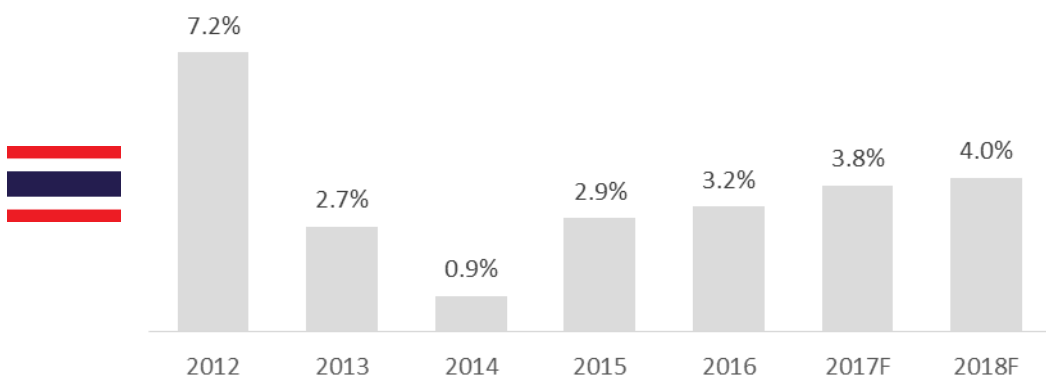
Apparel and Footwear Industry by Euromonitor



Sportswear Industry by Euromonitor

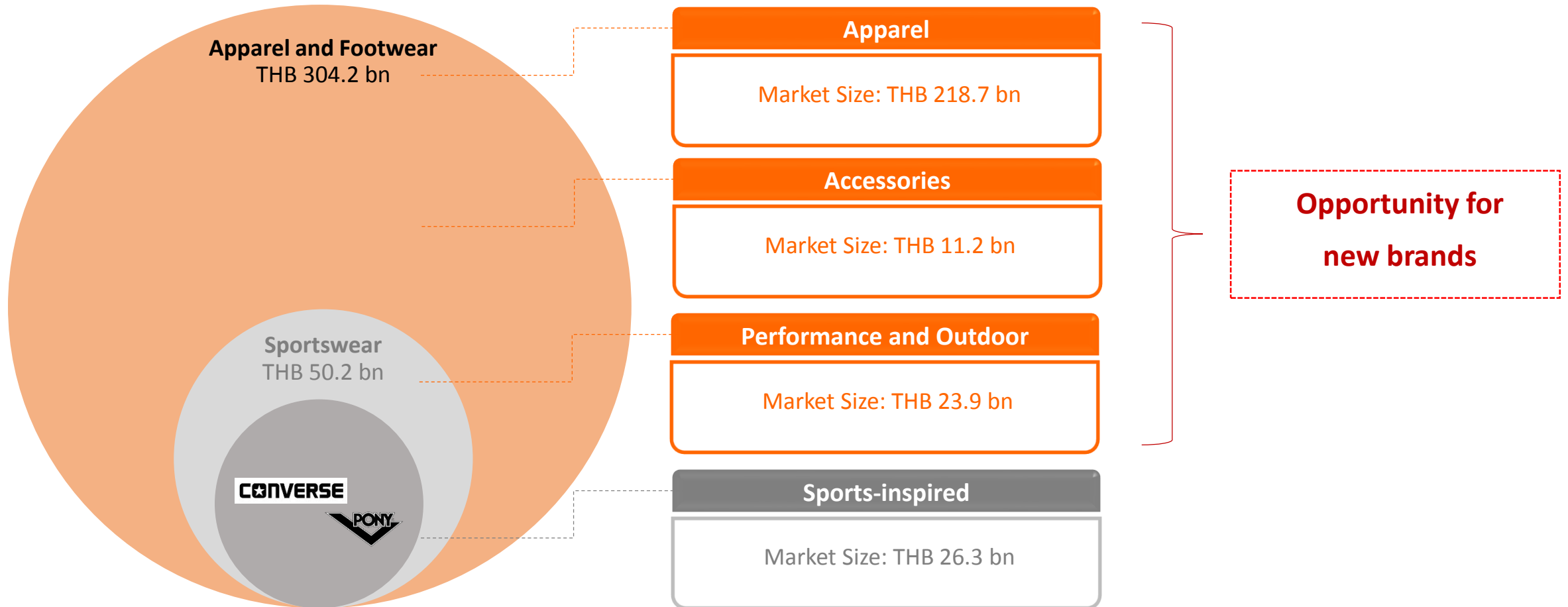


GDP Growth



Business Outlook

Ample room for future opportunities



Source: Euromonitor International

Business Outlook

Expanding into ASEAN countries



No. of population (2016)

