



A Member of Central Group

CPN

Central Pattana PCL

Property & Construction / Property Development

www.cpn.co.th



Core business: CPN develops shopping complexes and other types of relevant properties. It operates 34 shopping complexes, seven office buildings, two hotels, nine residential and condominium projects, and one single-detached house project. It also invests in CPN Retail Growth Leasehold REIT (CPNREIT) and CPN Commercial Growth Leasehold Property Fund (CPNCG).

Strategy and corporate culture for sustainability

CPN promotes good corporate governance to drive the organization toward sustainability, targeting to appropriately and comprehensively respond to stakeholder expectations. CPN has defined i-CARE as the core values that need to be transferred and instilled in all employees to ensure that its operational goals are aligned, contributing to good organizational culture.

i-CARE comprises **I-Innovation:** Creation of new products, welcome every opportunity and challenge to improve quality and produce more effective performance; **C-Customer:** Focus on customers, determined to provide excellent service with care and attention for internal and external customers; **A-Alliance:** Work as a team for the progress of the business group; **R-Relationship:** Common spirits with colleagues, business partners and society, for sustainable growth; **E-Ethics:** Respect of ethics in business operations and adhere to the Company's Code of Ethics.

Management approaches to challenges and rapid changes in business environment

CPN has been well-prepared to tackle challenges. Among key risk factors in 2019 are changing lifestyles of consumers, competition, rapid technological change and environmental, social, and governance awareness. To cope with the aforementioned factors, CPN has developed three key strategies on corporate sustainability including:

1 Business Transformation: Transform and develop each shopping complex into “Center of Life” – a living destination beyond a place to buy goods. It is meant to be a destination for various activities that create bonding with key stakeholders. For instance, it should strengthen growth of retailers, develop self-dependence of people in the community, promote corporate adaptability to cope with changes, and apply technology to edge up competitive advantage.





② Business Diversification: Invest to materialize the Center of Life concept and diversify business base both geographically and types of property development and management.

③ Sustainable Operation: Emphasize on social, community, and environmental impacts by maximizing efficiency, reducing resource consumption, and enhance application of environmental-friendly technology.

Contributions to the United Nations' Sustainable Development Goals (SDGs)

To create shared value (CSV) with an aim to create jobs, professions, communities and good quality of life with sustainability, collaborate all businesses under Central Group with external parties, the company has initiated “Jingjai Farmers’ Market” project to provide community farmers with space to sell and market community products. Started out as an annual event to sell agricultural products, the project has now developed into a new format of community retail market on permanent dedicated space of over 400 square meters at CentralPlaza Udonthani as the pilot venue. The project featured community agricultural products, including non-toxic and organic fruits, vegetables and ready-to-eat foods. Also, it allowed farmers to meet with end-users. In 2019, the company expanded the “Jingjai Farmers’ Market” to permanent spaces in nine other shopping malls under CPN management.

Currently, 9,463 farmers from 2,568 households in 278 subdistricts participated in the project, raising average monthly income per head from Bt13,500 to Bt42,850. This project contributes to achieve SDG Goal 10: “Reduced Inequalities”, target 10.1: achieve and sustain income growth of the bottom of the population.

“CPN operates business by creating ‘Center of Life’ for the community and society. It aims to improve Thais’ quality of life, create jobs, professions and business opportunities for suppliers to ensure all parties grow sustainably with us.”

Mr. Preecha Ekkunagul, President and Chief Executive Officer

Financial Data / Stock Price

Results (unit: millions of baht)

Fiscal Year ended: December 31

Items	2017	2018	2019*
Sales	28,785	33,887	25,587
Cost of sales	14,518	17,579	13,108
Gross profit (loss)	14,267	16,308	12,479
Net profit (loss)	13,568	11,216	8,068
Total assets	120,574	161,708	169,418
Total liabilities	56,694	87,532	92,676
Shareholders’ equity	61,801	65,726	68,461
EPS (Bt)	3.02	2.50	1.80
Gross Profit (loss) Margin (%)	49.56	48.12	48.77
Net Profit (loss) Margin (%)	38.27	29.78	28.38
ROE (%)	23.84	17.59	16.00
Dividend yield (%) **	0.97	1.87	1.77

Source: SETSMART

* 3Q19 Financial statements ended September 30, 2019

** As of November 29, 2019