

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
		(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)
Assets							
Current assets							
Cash and cash equivalents		491,697	1,290,619	1,977,324	345,381	1,227,887	1,933,407
Trade and other receivables	5	1,128,015	1,251,621	986,436	1,118,688	1,243,809	994,644
Inventories	6	5,391,626	5,352,538	4,382,496	5,391,626	5,352,538	4,382,496
Value added tax receivable		80,728	64,832	-	74,299	64,832	-
Other current assets		218,978	172,483	108,269	208,575	170,125	105,570
Total current assets		7,311,044	8,132,093	7,454,525	7,138,569	8,059,191	7,416,117
Non-current assets							
Investments in subsidiaries	7	-	-	-	314,839	14,839	14,839
Investment properties	8	1,435,784	1,376,270	1,095,983	1,435,784	1,376,270	1,095,983
Property, plant and equipments	9	18,320,988	14,846,558	10,812,386	18,045,959	14,843,364	10,809,358
Computer software	10	203,587	189,829	189,548	203,332	189,567	189,250
Leasehold rights	11	1,337,277	1,180,659	1,059,396	1,337,277	1,180,659	1,059,396
Property foreclosed		3,230	3,230	3,230	3,230	3,230	3,230
Rental guarantee deposits		54,972	59,687	51,937	54,972	59,671	51,921
Deferred tax assets	3	76,497	67,376	80,805	76,431	67,376	80,805
Other non-current assets		12,862	12,672	10,999	2,028	2,541	2,834
Total non-current assets		21,445,197	17,736,281	13,304,284	21,473,852	17,737,517	13,307,616
Total assets		28,756,241	25,868,374	20,758,809	28,612,421	25,796,708	20,723,733

The accompanying notes are an integral part of the financial statements.

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
		(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from financial institutions	12	1,300,000	-	-	1,300,000	-	-
Trade and other payables	13	9,253,130	8,091,332	7,291,779	9,145,704	8,054,842	7,261,163
Current portion of liabilities under finance lease agreements	14	5,251	5,967	3,720	5,251	5,967	3,720
Short-term loans from related party	4	-	-	-	90,000	90,000	90,000
Current portion of long-term loans	15	500,000	300,000	-	500,000	300,000	-
Current portion of debentures	16	-	1,700,000	300,000	-	1,700,000	300,000
Income tax payable		308,583	362,382	438,008	308,583	362,382	438,008
Value added tax payable		563	567	41,642	-	-	41,123
Advances received from customers		684,684	721,318	768,901	684,684	721,318	768,901
Other current liabilities		445,462	406,287	271,849	440,819	403,827	269,789
Total current liabilities		12,497,673	11,587,853	9,115,899	12,475,041	11,638,336	9,172,704
Non-current liabilities							
Liabilities under finance lease agreements							
- net of current portion	14	14,155	16,824	8,420	14,155	16,824	8,420
Long-term loans - net of current portion	15	1,850,000	1,200,000	-	1,850,000	1,200,000	-
Debentures - net of current portion	16	2,300,000	2,300,000	2,700,000	2,300,000	2,300,000	2,700,000
Provision for long-term employee benefits		86,939	80,958	91,352	86,605	80,958	91,352
Rental received in advance - net of current portion		445,379	456,203	477,850	445,379	456,203	477,850
Other non-current liabilities		339,334	299,260	163,187	243,859	212,072	87,084
Total non-current liabilities		5,035,807	4,353,245	3,440,809	4,939,998	4,266,057	3,364,706
Total liabilities		17,533,480	15,941,098	12,556,708	17,415,039	15,904,393	12,537,410

The accompanying notes are an integral part of the financial statements.

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		30 June 2013	31 December 2012	1 January 2012	30 June 2013	31 December 2012	1 January 2012
		(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)	(Unaudited but reviewed)	(Audited) (Restated)	(Audited) (Restated)
Shareholders' equity							
Share capital							
Registered share capital	17						
8,228,193,829 ordinary shares of Baht 1 each							
(31 December 2012: 7,054,971,235 ordinary shares of Baht 1 each)							
(1 January 2012: 5,881,394,685 ordinary shares of Baht 1 each)							
		8,228,194	7,054,971	5,881,395	8,228,194	7,054,971	5,881,395
Issued and fully paid-up							
8,219,637,893 ordinary shares of Baht 1 each							
(31 December 2012: 7,041,430,018 ordinary shares of Baht 1 each)							
(1 January 2012: 5,836,721,415 ordinary shares of Baht 1 each)							
		8,219,638	7,041,430	5,836,721	8,219,638	7,041,430	5,836,721
Share premium	17	646,323	646,066	636,330	646,323	646,066	636,330
Retained earnings							
Appropriated							
Statutory reserve - The Company		622,360	550,800	417,700	622,360	550,800	417,700
Statutory reserve - Subsidiary		500	500	500	-	-	-
Unappropriated		1,734,194	1,688,635	1,310,945	1,709,061	1,654,019	1,295,572
Other components of shareholders' equity		(259)	(161)	(98)	-	-	-
Equity attributable to owners of the Company		11,222,756	9,927,270	8,202,098	11,197,382	9,892,315	8,186,323
Non-controlling interests of the subsidiary		5	6	3	-	-	-
Total shareholders' equity		11,222,761	9,927,276	8,202,101	11,197,382	9,892,315	8,186,323
Total liabilities and shareholders' equity		28,756,241	25,868,374	20,758,809	28,612,421	25,796,708	20,723,733
		-	-	-	-	-	-

The accompanying notes are an integral part of the financial statements.

Directors

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Profit or loss:					
Revenues					
Sales income		9,776,638	7,959,664	9,776,408	7,960,026
Rental and service income		214,398	186,652	169,385	149,378
Other income		374,889	316,784	380,019	320,836
Total revenues		10,365,925	8,463,100	10,325,812	8,430,240
Expenses					
Cost of sales		7,118,781	5,848,961	7,118,473	5,848,961
Selling expenses		1,945,436	1,607,898	1,913,823	1,581,054
Administrative expenses		317,088	210,916	303,593	209,904
Other expenses		9,628	3,121	9,628	3,121
Total expenses		9,390,933	7,670,896	9,345,517	7,643,040
Profit before finance cost and income tax					
expenses		974,992	792,204	980,295	787,200
Finance cost		(52,487)	(29,893)	(53,075)	(30,593)
Profit before income tax expenses		922,505	762,311	927,220	756,607
Income tax expenses	20	(192,283)	(173,624)	(190,740)	(172,291)
Profit for the period		730,222	588,687	736,480	584,316
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		388	80	-	-
Other comprehensive income for the period		388	80	-	-
Total comprehensive income for the period		730,610	588,767	736,480	584,316
Profit attributable to:					
Equity holders of the Company		730,224	588,686	736,480	584,316
Non-controlling interests of the subsidiary		(2)	1		
		730,222	588,687		
Total comprehensive income attributable to:					
Equity holders of the Company		730,612	588,766	736,480	584,316
Non-controlling interests of the subsidiary		(2)	1		
		730,610	588,767		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 June 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Earnings per share (Baht)	21				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.09	0.07	0.09	0.07
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.09	0.07	0.09	0.07

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Profit or loss:					
Revenues					
Sales income		19,174,253	16,373,721	19,174,008	16,374,358
Rental and service income		481,602	430,162	391,634	355,081
Other income		735,988	647,306	746,109	655,897
Total revenues		20,391,843	17,451,189	20,311,751	17,385,336
Expenses					
Cost of sales		14,072,187	12,173,242	14,071,726	12,173,242
Selling expenses		3,808,144	3,179,080	3,747,115	3,127,119
Administrative expenses		600,727	471,436	575,007	469,355
Other expenses		10,126	3,121	10,126	3,121
Total expenses		18,491,184	15,826,879	18,403,974	15,772,837
Profit before finance cost and income tax					
expenses		1,900,659	1,624,310	1,907,777	1,612,499
Finance cost		(102,179)	(59,082)	(103,346)	(60,487)
Profit before income tax expenses		1,798,480	1,565,228	1,804,431	1,552,012
Income tax expenses	20	(376,770)	(364,009)	(373,237)	(360,943)
Profit for the period		1,421,710	1,201,219	1,431,194	1,191,069
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		(98)	58	-	-
Other comprehensive income for the period		(98)	58	-	-
Total comprehensive income for the period		1,421,612	1,201,277	1,431,194	1,191,069
Profit attributable to:					
Equity holders of the Company		1,421,711	1,201,217	1,431,194	1,191,069
Non-controlling interests of the subsidiary		(1)	2	-	-
		1,421,710	1,201,219		
Total comprehensive income attributable to:					
Equity holders of the Company		1,421,613	1,201,275	1,431,194	1,191,069
Non-controlling interests of the subsidiary		(1)	2	-	-
		1,421,612	1,201,277		

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2013	2012 (Restated)	2013	2012 (Restated)
Earnings per share (Baht)	21				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.17	0.15	0.17	0.15
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.17	0.15	0.17	0.14

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Cash flow statement

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from operating activities				
Profit before tax	1,798,480	1,565,228	1,804,431	1,552,012
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities				
Depreciation and amortisation	742,419	573,534	741,848	572,768
Decrease of inventories to net realisable value	50,305	43,022	50,305	43,022
Loss from sales of assets and written-off	3,373	573	3,379	575
Allowance for impairment of assets (reversal)	32,340	(9,070)	32,340	(9,070)
Provision for long-term employee benefits	6,738	8,691	6,404	8,691
Unrealised exchange loss	2,094	248	2,094	248
Interest expenses	101,030	57,840	102,350	59,392
Profit from operating activities before changes in operating assets and liabilities	2,736,779	2,240,066	2,743,151	2,227,638
Decrease (increase) in operating assets				
Trade and other receivables	123,606	124,788	125,121	139,431
Inventories	(89,393)	(1,213,329)	(89,393)	(1,213,329)
Value added tax receivable	(15,896)	(63,774)	(9,467)	(63,774)
Other current assets	(41,779)	(136,844)	(38,450)	(138,287)
Other non-current assets	(190)	(1,961)	5,212	80
Increase (decrease) in operating liabilities				
Trade and other payables	644,481	1,001,882	638,963	997,624
Advances received from customers	(36,634)	(106,179)	(36,634)	(106,179)
Value added tax payable	(3)	(41,642)	-	(41,123)
Other current liabilities	39,176	68,903	36,994	66,214
Rental received in advance	(10,824)	(10,823)	(10,824)	(10,823)
Other non-current liabilities	39,319	56,372	31,029	48,705
Cash from operating activities	3,388,642	1,917,459	3,395,702	1,906,177
Cash paid for interest expenses	(106,327)	(61,692)	(107,647)	(63,244)
Cash paid for corporate income tax	(439,695)	(496,793)	(436,093)	(493,727)
Net cash flows from operating activities	2,842,620	1,358,974	2,851,962	1,349,206

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2013	2012	2013	2012
Cash flows from investing activities				
Increase in investments in subsidiaries	-	-	(300,000)	-
Acquisition of computer software	(19,497)	(14,853)	(19,487)	(14,853)
Acquisition of leasehold rights	(179,999)	(24,500)	(179,999)	(24,500)
Acquisition of property, plant and equipment	(3,664,826)	(1,950,015)	(3,457,851)	(1,949,760)
Acquisition of investment properties	(100,740)	(109,740)	(100,740)	(109,740)
Proceeds from sales of equipment	3,107	1,672	3,098	1,670
Proceeds from sales of investment properties' equipment	23	-	23	-
Net cash flows used in investing activities	(3,961,932)	(2,097,436)	(4,054,956)	(2,097,183)
Cash flows from financing activities				
Increase in short-term loans from financial institutions	1,300,000	-	1,300,000	-
Increase (decrease) in liabilities under finance				
lease agreements	(3,385)	8,661	(3,385)	8,661
Increase in long-term loans	1,000,000	-	1,000,000	-
Repayment of long-term loans	(150,000)	-	(150,000)	-
Repayment of debentures	(1,700,000)	-	(1,700,000)	-
Converted warrants to share capital	4,855	38,099	4,855	38,099
Dividend paid	(130,982)	(875,673)	(130,982)	(875,673)
Net cash flows from (used in) financing activities	320,488	(828,913)	320,488	(828,913)
Translation adjustments	(98)	58	-	-
Net decrease in cash and cash equivalents	(798,922)	(1,567,317)	(882,506)	(1,576,890)
Cash and cash equivalents at beginning of period	1,290,619	1,977,324	1,227,887	1,933,407
Cash and cash equivalents at end of period	491,697	410,007	345,381	356,517
	-	-	-	-

Supplemental cash flows information:

Non-cash items consist of

Purchases of equipment for which no cash

has been paid

Stock dividend

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings			Other components of equity Other comprehensive income Exchange differences on translation of financial statements in foreign currency	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
				Appropriated - statutory reserve		Unappropriated				
				The Company	Subsidiary					
Balance as at 31 December 2011 - as previously reported		5,836,721	636,330	417,700	500	1,230,140	(98)	8,121,293	3	8,121,296
Cumulative effect of change in accounting policy for deferred tax	3	-	-	-	-	80,805	-	80,805	-	80,805
Balance as at 1 January 2012 - as restated		5,836,721	636,330	417,700	500	1,310,945	(98)	8,202,098	3	8,202,101
Converted warrants to share capital		28,995	9,104	-	-	-	-	38,099	-	38,099
Dividend paid	22	-	-	-	-	(875,673)	-	(875,673)	-	(875,673)
Total comprehensive income for the period - as restated		-	-	-	-	1,201,217	58	1,201,275	2	1,201,277
Unappropriated retained earnings transferred to statutory reserve		-	-	59,700	-	(59,700)	-	-	-	-
Balance as at 30 June 2012		<u>5,865,716</u>	<u>645,434</u>	<u>477,400</u>	<u>500</u>	<u>1,576,789</u>	<u>(40)</u>	<u>8,565,799</u>	<u>5</u>	<u>8,565,804</u>
Balance as at 31 December 2012 - as previously reported		7,041,430	646,066	550,800	500	1,621,259	(161)	9,859,894	6	9,859,900
Cumulative effect of change in accounting policy for deferred tax	3	-	-	-	-	67,376	-	67,376	-	67,376
Balance as at 1 January 2013 - as restated		7,041,430	646,066	550,800	500	1,688,635	(161)	9,927,270	6	9,927,276
Converted warrants to share capital	17	4,598	257	-	-	-	-	4,855	-	4,855
Stock dividend	17, 22	1,173,610	-	-	-	(1,173,610)	-	-	-	-
Dividend paid	22	-	-	-	-	(130,982)	-	(130,982)	-	(130,982)
Total comprehensive income for the period		-	-	-	-	1,421,711	(98)	1,421,613	(1)	1,421,612
Unappropriated retained earnings transferred to statutory reserve		-	-	71,560	-	(71,560)	-	-	-	-
Balance as at 30 June 2013		<u>8,219,638</u>	<u>646,323</u>	<u>622,360</u>	<u>500</u>	<u>1,734,194</u>	<u>(259)</u>	<u>11,222,756</u>	<u>5</u>	<u>11,222,761</u>

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2013

(Unit: Thousand Baht)

Separate financial statements

	Note	Issued and		Retained earnings		Total shareholders' equity
		paid-up share capital	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2011 - as previously reported		5,836,721	636,330	417,700	1,214,767	8,105,518
Cumulative effect of change in accounting policy for deferred tax	3	-	-	-	80,805	80,805
Balance as at 1 January 2012 - as restated		5,836,721	636,330	417,700	1,295,572	8,186,323
Converted warrants to share capital		28,995	9,104	-	-	38,099
Dividend paid	22	-	-	-	(875,673)	(875,673)
Total comprehensive income for the period - as restated		-	-	-	1,191,069	1,191,069
Unappropriated retained earnings transferred to statutory reserve		-	-	59,700	(59,700)	-
Balance as at 30 June 2012		<u>5,865,716</u>	<u>645,434</u>	<u>477,400</u>	<u>1,551,268</u>	<u>8,539,818</u>
Balance as at 31 December 2012 - as previously reported		7,041,430	646,066	550,800	1,586,643	9,824,939
Cumulative effect of change in accounting policy for deferred tax	3	-	-	-	67,376	67,376
Balance as at 1 January 2013 - as restated		7,041,430	646,066	550,800	1,654,019	9,892,315
Converted warrants to share capital	17	4,598	257	-	-	4,855
Stock dividend	17, 22	1,173,610	-	-	(1,173,610)	-
Dividend paid	22	-	-	-	(130,982)	(130,982)
Total comprehensive income for the period		-	-	-	1,431,194	1,431,194
Unappropriated retained earnings transferred to statutory reserve		-	-	71,560	(71,560)	-
Balance as at 30 June 2013		<u>8,219,638</u>	<u>646,323</u>	<u>622,360</u>	<u>1,709,061</u>	<u>11,197,382</u>

The accompanying notes are an integral part of the financial statements.