

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		977,990	807,459	819,810	687,178
Trade and other receivables	3	1,115,102	1,410,783	1,107,381	1,409,122
Short-term loan to related party	2	-	-	1,385,000	654,000
Inventories	4	7,277,481	6,505,639	6,346,133	5,975,586
Value added tax receivable		218,225	178,051	93,371	111,050
Other current assets		348,848	318,891	273,786	257,635
Total current assets		9,937,646	9,220,823	10,025,481	9,094,571
Non-current assets					
Investments in subsidiaries	5	-	-	536,049	536,049
Investment properties	6	1,596,283	1,552,260	1,596,283	1,552,260
Property, plant and equipments	7	24,526,650	23,234,994	22,641,352	21,889,396
Computer software	8	237,661	241,572	190,955	197,922
Leasehold rights	9	1,615,796	1,532,400	1,545,796	1,462,400
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits		55,342	55,331	55,005	54,994
Deferred tax assets		96,590	86,523	76,654	76,367
Other non-current assets		14,992	14,550	3,462	3,023
Total non-current assets		28,146,544	26,720,860	26,648,786	25,775,641
Total assets		38,084,190	35,941,683	36,674,267	34,870,212

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	
		31 March 2014	31 December 2013	31 March 2014	31 December 2013
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	1,000,000	1,360,000	1,000,000	1,360,000
Trade and other payables	11	11,369,030	11,056,715	10,088,466	10,064,221
Current portion of liabilities under finance lease agreements		10,077	8,076	4,400	4,991
Short-term loans from related party	2	-	-	90,000	90,000
Current portion of long-term loans	12	500,000	500,000	500,000	500,000
Current portion of debentures	13	-	-	-	-
Income tax payable		481,143	326,597	479,050	326,597
Value added tax payable		1,023	606	-	-
Advances received from customers		900,332	709,419	884,581	702,053
Other current liabilities		427,966	369,883	405,807	352,857
Total current liabilities		14,689,571	14,331,296	13,452,304	13,400,719
Non-current liabilities					
Liabilities under finance lease agreements - net of current portion		22,696	19,013	10,405	11,893
Long-term loans - net of current portion	12	1,600,000	1,600,000	1,600,000	1,600,000
Debentures - net of current portion	13	7,300,000	6,300,000	7,300,000	6,300,000
Provision for long-term employee benefits		95,656	91,875	91,346	88,038
Rental received in advance - net of current portion		429,223	434,612	429,223	434,612
Other non-current liabilities		504,835	448,503	326,088	301,724
Total non-current liabilities		9,952,410	8,894,003	9,757,062	8,736,267
Total liabilities		24,641,981	23,225,299	23,209,366	22,136,986

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)

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered share capital				
9,589,847,893 ordinary shares of Baht 1 each	9,589,848	9,589,848	9,589,848	9,589,848
Issued and fully paid-up				
9,589,550,988 ordinary shares of Baht 1 each	9,589,551	9,589,551	9,589,551	9,589,551
Share premium	646,323	646,323	646,323	646,323
Retained earnings				
Appropriated				
Statutory reserve - The Company	743,380	706,780	743,380	706,780
Statutory reserve - Subsidiaries	1,000	1,000	-	-
Unappropriated	2,462,364	1,773,235	2,485,647	1,790,572
Other components of shareholders' equity	(419)	(510)	-	-
Equity attributable to owners of the Company	13,442,199	12,716,379	13,464,901	12,733,226
Non-controlling interests of the subsidiaries	10	5	-	-
Total shareholders' equity	13,442,209	12,716,384	13,464,901	12,733,226
Total liabilities and shareholders' equity	38,084,190	35,941,683	36,674,267	34,870,212
	-	-	-	-

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

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Directors
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Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
Profit or loss:					
Revenues					
Sales income		11,078,334	9,362,663	10,665,151	9,362,648
Rental and service income		312,277	267,204	254,407	222,249
Other income		435,554	361,099	435,484	366,090
Total revenues		11,826,165	9,990,966	11,355,042	9,950,987
Expenses					
Cost of sales		8,191,275	6,953,406	7,865,551	6,953,253
Selling expenses		2,272,009	1,827,756	2,149,227	1,798,340
Administrative expenses		324,027	283,639	291,370	271,414
Other expenses		24,825	498	24,732	498
Total expenses		10,812,136	9,065,299	10,330,880	9,023,505
Profit before finance cost and income tax expenses		1,014,029	925,667	1,024,162	927,482
Finance cost		(100,941)	(49,692)	(101,138)	(50,271)
Profit before corporate income tax expenses		913,088	875,975	923,024	877,211
Income tax expenses	14	(187,354)	(184,487)	(191,349)	(182,497)
Profit for the period		725,734	691,488	731,675	694,714
Other comprehensive income:					
Exchange differences on translation of financial statements in foreign currency		91	(486)	-	-
Other comprehensive income for the period		91	(486)	-	-
Total comprehensive income for the period		725,825	691,002	731,675	694,714
Profit attributable to:					
Equity holders of the Company		725,729	691,487	731,675	694,714
Non-controlling interests of the subsidiaries		5	1		
		725,734	691,488		
Total comprehensive income attributable to:					
Equity holders of the Company		725,820	691,001	731,675	694,714
Non-controlling interests of the subsidiaries		5	1		
		725,825	691,002		

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 31 March 2014

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2014	2013 (Restated)	2014	2013 (Restated)
Earnings per share (Baht)	15				
Basic earnings per share					
Profit attributable to equity holders of the Company		0.07	0.06	0.07	0.06
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.07	0.06	0.07	0.06

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

Home Product Center Public Company Limited and its subsidiaries

Cash flow statement

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before tax	913,088	875,975	923,024	877,211
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	511,063	349,750	478,506	349,461
Decrease of inventory to net realisable value	29,011	24,772	27,974	24,772
Loss from sales of assets and written-off	21,941	507	21,946	512
Allowance for impairment of assets (reverse)	(16,931)	18,300	(16,931)	18,300
Provision for long-term employee benefits	3,781	3,347	3,308	3,194
Unrealised exchange gain	(752)	(137)	(706)	(137)
Interest expenses	99,572	49,212	99,805	49,877
Profit from operating activities before changes in operating assets and liabilities	1,560,773	1,321,726	1,536,926	1,323,190
Decrease (increase) in operating assets				
Trade and other receivables	295,681	251,496	301,741	251,617
Inventories	(800,853)	(89,671)	(398,521)	(89,671)
Value added tax receivable	(40,174)	38,445	17,679	41,102
Other current assets	(29,957)	4,135	(16,151)	5,207
Other non-current assets	(454)	21	(450)	145
Increase (decrease) in operating liabilities				
Trade and other payables	366,511	360,930	148,564	359,102
Advances received from customers	190,913	243,884	182,528	243,884
Value added tax payable	418	388	-	-
Other current liabilities	58,078	20,702	52,950	20,179
Rental received in advance	(5,389)	(5,412)	(5,389)	(5,412)
Other non-current liabilities	14,137	1,256	-	-
Cash from operating activities	1,609,684	2,147,900	1,819,877	2,149,343
Cash paid for interest expenses	(144,364)	(58,570)	(144,597)	(59,234)
Cash paid for corporate income tax	(42,870)	(35,723)	(39,183)	(33,704)
Net cash flows from operating activities	1,422,450	2,053,607	1,636,097	2,056,405

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

Home Product Center Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the three-month period ended 31 March 2014

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from investing activities				
Increase in investments in subsidiaries	-	-	-	(53,750)
Short-term loan to related party	-	-	(731,000)	-
Acquisition of computer software	(4,622)	(1,494)	(199)	(1,484)
Acquisition of leasehold rights	(97,901)	(180,098)	(97,901)	(180,098)
Acquisition of property, plant and equipment	(1,781,372)	(1,694,317)	(1,280,551)	(1,655,755)
Increase in construction retention	42,194	8,212	24,364	6,370
Acquisition of investment properties	(56,857)	(35,070)	(56,857)	(35,070)
Proceeds from sales of equipment	842	1,094	736	1,086
Proceeds from sales of investment properties' equipment	22	5	22	5
Net cash flows used in investing activities	(1,897,694)	(1,901,668)	(2,141,386)	(1,918,696)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	(360,000)	-	(360,000)	-
Increase (decrease) in liabilities under finance lease agreements	5,684	(2,093)	(2,079)	(2,093)
Increase in debentures	1,000,000	-	1,000,000	-
Repayment of debentures	-	(700,000)	-	(700,000)
Converted warrants to share capital	-	2,960	-	2,960
Net cash flows from (used in) financing activities	645,684	(699,133)	637,921	(699,133)
Translation adjustments	91	(486)	-	-
Net increase (decrease) in cash and cash equivalents	170,531	(547,680)	132,632	(561,424)
Cash and cash equivalents at beginning of period	807,459	1,290,619	687,178	1,227,887
Cash and cash equivalents at end of period	977,990	742,939	819,810	666,463
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment for which no cash has been paid	-	548,016	-	548,016
Dividend payables	492	505	492	505

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 three-month period ended 31 March 2014

(Unit: Thousand Baht)

Consolidated financial statements									
Equity attributable to owners of the Company									
	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 subsidiaries	Total shareholders' equity
			Appropriated - statutory reserve		Unappropriated				
			The Company	Subsidiaries					
Balance as at 1 January 2013	7,041,430	646,066	550,800	500	1,688,635	(161)	9,927,270	6	9,927,276
Converted warrants to share capital	2,703	257	-	-	-	-	2,960	-	2,960
Total comprehensive income for the period	-	-	-	-	691,487	(486)	691,001	1	691,002
Unappropriated retained earnings transferred to statutory reserve	-	-	39,900	-	(39,900)	-	-	-	-
Balance as at 31 March 2013	<u>7,044,133</u>	<u>646,323</u>	<u>590,700</u>	<u>500</u>	<u>2,340,222</u>	<u>(647)</u>	<u>10,621,231</u>	<u>7</u>	<u>10,621,238</u>
Balance as at 1 January 2014	9,589,551	646,323	706,780	1,000	1,773,235	(510)	12,716,379	5	12,716,384
Total comprehensive income for the period	-	-	-	-	725,729	91	725,820	5	725,825
Unappropriated retained earnings transferred to statutory reserve	-	-	36,600	-	(36,600)	-	-	-	-
Balance as at 31 March 2014	<u>9,589,551</u>	<u>646,323</u>	<u>743,380</u>	<u>1,000</u>	<u>2,462,364</u>	<u>(419)</u>	<u>13,442,199</u>	<u>10</u>	<u>13,442,209</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 three-month period ended 31 March 2014

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2013	7,041,430	646,066	550,800	1,654,019	9,892,315
Converted warrants to share capital	2,703	257	-	-	2,960
Total comprehensive income for the period	-	-	-	694,714	694,714
Unappropriated retained earnings transferred to statutory reserve	-	-	39,900	(39,900)	-
Balance as at 31 March 2013	<u>7,044,133</u>	<u>646,323</u>	<u>590,700</u>	<u>2,308,833</u>	<u>10,589,989</u>
Balance as at 1 January 2014	9,589,551	646,323	706,780	1,790,572	12,733,226
Total comprehensive income for the period	-	-	-	731,675	731,675
Unappropriated retained earnings transferred to statutory reserve	-	-	36,600	(36,600)	-
Balance as at 31 March 2014	<u>9,589,551</u>	<u>646,323</u>	<u>743,380</u>	<u>2,485,647</u>	<u>13,464,901</u>
	-	-	-	-	-
	-	-	-	-	-

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