

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	2,698,062,771	2,434,763,379	2,391,213,347	2,181,356,782
Trade and other receivables	8	1,704,101,361	1,620,156,733	1,583,790,301	1,567,497,711
Short-term loans to related parties	6	-	-	2,793,561,500	1,869,374,000
Inventories	9	8,364,757,754	8,030,815,876	7,082,564,354	7,025,531,806
Value added tax receivable		341,103,718	392,375,137	68,894,127	183,190,566
Other current assets	10	259,188,165	312,599,745	199,580,463	265,329,897
<b>Total current assets</b>		<b>13,367,213,769</b>	<b>12,790,710,870</b>	<b>14,119,604,092</b>	<b>13,092,280,762</b>
<b>Non-current assets</b>					
Investments in subsidiaries	11	-	-	1,258,678,088	1,258,678,088
Investment properties	12	3,218,237,904	2,764,571,869	4,024,163,329	3,340,263,794
Property, plant and equipment	13	27,655,131,878	26,351,908,598	23,549,180,597	23,428,936,773
Computer software	14	352,132,621	246,256,330	312,952,054	202,246,048
Leasehold rights	15	2,157,905,312	1,967,320,615	1,933,313,328	1,823,405,690
Property foreclosed		3,229,639	3,229,639	3,229,639	3,229,639
Rental guarantee deposits		53,258,350	53,279,810	52,553,350	52,574,810
Deferred tax assets	26	135,386,433	118,289,801	118,893,734	93,455,315
Other non-current assets		48,539,222	17,251,243	11,370,536	4,295,382
<b>Total non-current assets</b>		<b>33,623,821,359</b>	<b>31,522,107,905</b>	<b>31,264,334,655</b>	<b>30,207,085,539</b>
<b>Total assets</b>		<b>46,991,035,128</b>	<b>44,312,818,775</b>	<b>45,383,938,747</b>	<b>43,299,366,301</b>

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)

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
		31 December 2015	31 December 2014	31 December 2015	31 December 2014
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	17	12,773,312,636	12,075,365,147	11,176,958,259	11,092,889,038
Current portion of liabilities under finance lease agreements	18	17,744,698	10,448,636	7,150,951	4,103,001
Short-term loan from related party	6	-	-	90,000,000	90,000,000
Current portion of long-term loans	19	700,000,000	700,000,000	700,000,000	700,000,000
Current portion of debentures	21	4,000,000,000	2,300,000,000	4,000,000,000	2,300,000,000
Income tax payable		380,181,939	364,566,980	380,181,939	364,566,980
Value added tax payable		1,594,463	5,484,643	-	-
Advances received from customers		1,018,944,922	761,902,078	982,188,295	740,033,806
Other current liabilities		582,569,895	558,794,362	542,786,366	530,837,296
<b>Total current liabilities</b>		<b>19,474,348,553</b>	<b>16,776,561,846</b>	<b>17,879,265,810</b>	<b>15,822,430,121</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreements					
- net of current portion	18	9,364,050	15,730,561	1,409,239	7,292,294
Long-term loans - net of current portion	19	1,100,000,000	1,800,000,000	1,100,000,000	1,800,000,000
Debentures - net of current portion	21	8,550,000,000	9,050,000,000	8,550,000,000	9,050,000,000
Provision for long-term employee benefits	20	165,053,409	106,761,135	148,472,947	101,004,260
Rental received in advance - net of current portion		396,268,066	404,034,556	396,268,066	404,034,556
Other non-current liabilities		393,371,978	458,097,056	214,779,317	299,345,462
<b>Total non-current liabilities</b>		<b>10,614,057,503</b>	<b>11,834,623,308</b>	<b>10,410,929,569</b>	<b>11,661,676,572</b>
<b>Total liabilities</b>		<b>30,088,406,056</b>	<b>28,611,185,154</b>	<b>28,290,195,379</b>	<b>27,484,106,693</b>

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)

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		As at 31 December 2015	As at 31 December 2014	As at 31 December 2015	As at 31 December 2014
<b>Shareholders' equity</b>					
Share capital	22				
Registered share capital					
13,151,315,446 ordinary shares of Baht 1 each					
(2014: 12,329,396,991 ordinary shares of Baht 1 each)		13,151,315,446	12,329,396,991	13,151,315,446	12,329,396,991
Issued and fully paid-up					
13,151,198,025 ordinary shares of Baht 1 each					
(2014: 12,329,315,446 ordinary shares of Baht 1 each)		13,151,198,025	12,329,315,446	13,151,198,025	12,329,315,446
Share premium	22	646,323,076	646,323,076	646,323,076	646,323,076
Retained earnings					
Appropriated	24				
Statutory reserve - The Company		1,052,880,000	876,180,000	1,052,880,000	876,180,000
Statutory reserve - Subsidiaries		1,000,000	1,000,000	-	-
Unappropriated		2,120,204,357	1,872,691,349	2,243,342,267	1,963,441,086
Other components of shareholders' equity		(68,984,115)	(23,886,379)	-	-
Equity attributable to owners of the Company		16,902,621,343	15,701,623,492	17,093,743,368	15,815,259,608
Non-controlling interests of the subsidiaries		7,729	10,129	-	-
<b>Total shareholders' equity</b>		<b>16,902,629,072</b>	<b>15,701,633,621</b>	<b>17,093,743,368</b>	<b>15,815,259,608</b>
<b>Total liabilities and shareholders' equity</b>		<b>46,991,035,128</b>	<b>44,312,818,775</b>	<b>45,383,938,747</b>	<b>43,299,366,301</b>
		-	-	-	-

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

Directors

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		52,512,720,072	47,964,748,720	48,060,490,391	45,239,883,150
Rental and service income		1,477,234,811	1,190,817,576	1,241,855,276	983,544,545
Other income		2,253,219,052	2,053,022,932	2,305,246,010	2,067,633,658
<b>Total revenues</b>		<b>56,243,173,935</b>	<b>51,208,589,228</b>	<b>51,607,591,677</b>	<b>48,291,061,353</b>
<b>Expenses</b>					
Cost of sales		38,999,730,076	35,472,881,516	35,477,375,578	33,283,348,396
Selling and service expenses		10,647,805,210	9,625,363,716	9,728,899,821	8,982,735,405
Administrative expenses		1,612,107,108	1,432,959,324	1,419,994,534	1,278,296,256
Other expenses		23,046,943	60,388,124	19,145,167	55,891,165
<b>Total expenses</b>		<b>51,282,689,337</b>	<b>46,591,592,680</b>	<b>46,645,415,100</b>	<b>43,600,271,222</b>
<b>Profit before finance cost and income tax expenses</b>		<b>4,960,484,598</b>	<b>4,616,996,548</b>	<b>4,962,176,577</b>	<b>4,690,790,131</b>
Finance cost		(543,681,249)	(466,015,519)	(544,514,312)	(466,003,339)
<b>Profit before income tax expenses</b>		<b>4,416,803,349</b>	<b>4,150,981,029</b>	<b>4,417,662,265</b>	<b>4,224,786,792</b>
Income tax expenses	26	(917,995,235)	(837,646,944)	(892,327,624)	(838,045,623)
<b>Profit for the year</b>		<b>3,498,808,114</b>	<b>3,313,334,085</b>	<b>3,525,334,641</b>	<b>3,386,741,169</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent period:</i>					
Exchange differences on translation of financial statements in foreign currency					
		(45,097,736)	(23,376,580)	-	-
		(45,097,736)	(23,376,580)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period:</i>					
Actuarial loss	20	(42,008,886)	-	(34,678,829)	-
Less: Income tax effect	26	8,401,777	-	6,935,766	-
		(33,607,109)	-	(27,743,063)	-
<b>Other comprehensive income for the year</b>		<b>(78,704,845)</b>	<b>(23,376,580)</b>	<b>(27,743,063)</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>3,420,103,269</b>	<b>3,289,957,505</b>	<b>3,497,591,578</b>	<b>3,386,741,169</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		3,498,810,514	3,313,328,487	3,525,334,641	3,386,741,169
Non-controlling interests of the subsidiaries		(2,400)	5,598		
		<b>3,498,808,114</b>	<b>3,313,334,085</b>		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		3,420,105,669	3,289,951,907	3,497,591,578	3,386,741,169
Non-controlling interests of the subsidiaries		(2,400)	5,598		
		<b>3,420,103,269</b>	<b>3,289,957,505</b>		

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

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014 (Restated)	2015	2014 (Restated)
<b>Earnings per share</b>	27				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.27</u>	<u>0.25</u>	<u>0.27</u>	<u>0.26</u>

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 year ended 31 December 2015**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
<b>Cash flows from operating activities</b>				
Profit before tax	4,416,803,349	4,150,981,029	4,417,662,265	4,224,786,792
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities				
Depreciation and amortisation	2,720,703,271	2,264,495,995	2,440,400,944	2,063,494,247
Decrease of inventories to net realisable value	140,661,717	25,561,893	125,588,245	16,230,644
Loss from sales of assets and written-off	17,414,276	54,707,770	17,412,042	53,136,995
Allowance for doubtful accounts	5,338,864	-	5,338,864	-
Reversal of allowance for impairment of assets	(8,417,781)	(51,871,000)	(8,417,781)	(51,871,000)
Provision for long-term employee benefits	22,812,988	15,238,422	19,319,458	13,318,176
Unrealised exchange (gain) loss	(2,969,777)	1,097,501	(340,420)	(445,269)
Dividend income from subsidiary	-	-	(59,997,600)	(1,249,995)
Interest expenses	537,242,240	458,361,162	538,251,241	458,772,617
Profit from operating activities before changes in operating assets and liabilities	7,849,589,147	6,918,572,772	7,495,217,258	6,776,173,207
<b>Decrease (increase) in operating assets</b>				
Trade and other receivables	(89,283,492)	(209,373,245)	(21,631,454)	(158,376,143)
Inventories	(474,603,595)	(1,550,738,992)	(182,620,793)	(1,066,176,790)
Value added tax receivable	51,271,419	(214,324,196)	114,296,439	(72,140,886)
Other current assets	53,411,580	6,290,859	65,749,434	(7,694,543)
Other non-current assets	(31,266,519)	(649,767)	(7,053,694)	1,147,740
<b>Increase (decrease) in operating liabilities</b>				
Trade and other payables	692,797,806	966,361,875	76,290,180	957,037,188
Advances received from customers	257,042,844	52,483,213	242,154,489	37,980,692
Value added tax payable	(3,890,180)	4,879,123	-	-
Other current liabilities	23,342,158	188,920,604	11,515,695	177,989,047
Rental received in advance	(7,766,490)	(30,577,606)	(7,766,490)	(30,577,606)
Provision for long-term employee benefits	(6,529,600)	(352,100)	(6,529,600)	(352,100)
Other non-current liabilities	18,893,139	19,924,500	-	-
Cash flows from operating activities	8,333,008,217	6,151,417,040	7,779,621,464	6,615,009,806
Cash paid for interest expenses	(529,122,780)	(407,170,770)	(530,131,780)	(407,582,225)
Cash paid for corporate income tax	(911,075,130)	(831,443,843)	(895,215,318)	(817,164,311)
<b>Net cash flows from operating activities</b>	<b>6,892,810,307</b>	<b>4,912,802,427</b>	<b>6,354,274,366</b>	<b>5,390,263,270</b>

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 year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Cash flows from investing activities</b>				
Investments in subsidiaries	-	-	-	(722,629,065)
Dividend income from subsidiary	-	-	59,997,600	1,249,995
Short-term loan to related parties	-	-	(924,187,500)	(1,215,374,000)
Acquisitions of computer software	(146,075,183)	(38,855,252)	(145,715,890)	(33,232,765)
Acquisitions of leasehold rights	(262,710,382)	(496,295,734)	(179,589,704)	(420,820,990)
Acquisitions of property, plant and equipment	(3,794,493,592)	(5,501,924,168)	(2,549,895,399)	(4,268,146,174)
Decrease in construction retention	(83,618,217)	(10,330,852)	(84,566,145)	(2,377,397)
Acquisitions of investment properties	(603,733,047)	(1,020,536,333)	(603,733,047)	(1,020,536,333)
Proceeds from sales of equipment	4,646,025	6,992,197	4,638,817	5,946,593
Proceeds from sales of investment properties' equipment	143,015	41,268	143,015	41,268
<b>Net cash flows used in investing activities</b>	<b>(4,885,841,381)</b>	<b>(7,060,908,874)</b>	<b>(4,422,908,253)</b>	<b>(7,675,878,868)</b>
<b>Cash flows from financing activities</b>				
Decrease in short-term loans from financial institutions	-	(1,360,000,000)	-	(1,360,000,000)
Increase (decrease) in liabilities under finance				
lease agreements	929,551	(909,649)	(2,835,105)	(5,488,379)
Increase in long-term loans	-	1,000,000,000	-	1,000,000,000
Repayment of long-term loans	(700,000,000)	(600,000,000)	(700,000,000)	(600,000,000)
Increase in debentures	3,500,000,000	5,050,000,000	3,500,000,000	5,050,000,000
Repayment of debentures	(2,300,000,000)	-	(2,300,000,000)	-
Dividend paid	(2,218,674,443)	(304,716,770)	(2,218,674,443)	(304,716,770)
<b>Net cash flows from (used in) financing activities</b>	<b>(1,717,744,892)</b>	<b>3,784,373,581</b>	<b>(1,721,509,548)</b>	<b>3,779,794,851</b>
<b>Translation adjustments</b>	<b>(25,924,642)</b>	<b>(8,963,120)</b>	<b>-</b>	<b>-</b>
<b>Net increase in cash and cash equivalents</b>	<b>263,299,392</b>	<b>1,627,304,014</b>	<b>209,856,565</b>	<b>1,494,179,253</b>
Cash and cash equivalents at beginning of year	2,434,763,379	807,459,365	2,181,356,782	687,177,529
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>2,698,062,771</b>	<b>2,434,763,379</b>	<b>2,391,213,347</b>	<b>2,181,356,782</b>
	-	-	-	-
<b>Supplemental cash flows information:</b>				
Non-cash items consist of				
Purchases of equipment for which no cash has been paid	-	-	-	20,885,604
Dividend payable	433,375	-	433,375	-
Stock dividend	821,882,579	2,739,764,458	821,882,579	2,739,764,458
Actuarial loss	42,008,886	-	34,678,829	-

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

Home Product Center Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2015

(Unit: 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	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
				Appropriated - statutory reserve		Unappropriated	Other comprehensive income			
				The Company	Subsidiaries		Exchange differences on translation of financial statements in foreign currency			
<b>Balance as at 1 January 2014</b>		9,589,550,988	646,323,076	706,780,000	1,000,000	1,773,234,995	(509,799)	12,716,379,260	4,531	12,716,383,791
<u>Change during the year</u>										
Profit for the year		-	-	-	-	3,313,328,487	-	3,313,328,487	5,598	3,313,334,085
Other comprehensive income for the year		-	-	-	-	-	(23,376,580)	(23,376,580)	-	(23,376,580)
Total comprehensive income for the year		-	-	-	-	3,313,328,487	(23,376,580)	3,289,951,907	5,598	3,289,957,505
Converted warrants to share capital		-	-	-	-	-	-	-	-	-
Stock dividend	30	2,739,764,458	-	-	-	(2,739,764,458)	-	-	-	-
Dividend paid	30	-	-	-	-	(304,707,675)	-	(304,707,675)	-	(304,707,675)
Unappropriated retained earnings transferred to statutory reserve	24	-	-	169,400,000	-	(169,400,000)	-	-	-	-
<b>Balance as at 31 December 2014</b>		<u>12,329,315,446</u>	<u>646,323,076</u>	<u>876,180,000</u>	<u>1,000,000</u>	<u>1,872,691,349</u>	<u>(23,886,379)</u>	<u>15,701,623,492</u>	<u>10,129</u>	<u>15,701,633,621</u>
<b>Balance as at 1 January 2015</b>		12,329,315,446	646,323,076	876,180,000	1,000,000	1,872,691,349	(23,886,379)	15,701,623,492	10,129	15,701,633,621
<u>Change during the year</u>										
Profit for the year		-	-	-	-	3,498,810,514	-	3,498,810,514	(2,400)	3,498,808,114
Other comprehensive income for the year		-	-	-	-	(33,607,109)	(45,097,736)	(78,704,845)	-	(78,704,845)
Total comprehensive income for the year		-	-	-	-	3,465,203,405	(45,097,736)	3,420,105,669	(2,400)	3,420,103,269
Stock dividend	22, 30	821,882,579	-	-	-	(821,882,579)	-	-	-	-
Dividend paid	30	-	-	-	-	(2,219,107,818)	-	(2,219,107,818)	-	(2,219,107,818)
Unappropriated retained earnings transferred to statutory reserve	24	-	-	176,700,000	-	(176,700,000)	-	-	-	-
<b>Balance as at 31 December 2015</b>		<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,052,880,000</u>	<u>1,000,000</u>	<u>2,120,204,357</u>	<u>(68,984,115)</u>	<u>16,902,621,343</u>	<u>7,729</u>	<u>16,902,629,072</u>
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

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



**Home Product Center Public Company Limited and its subsidiaries**  
**Statement of changes in shareholders' equity**  
**For the year ended 31 December 2015**

(Unit: Baht)

	<b>Separate financial statements</b>					
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
		- statutory reserve	Appropriated	Unappropriated		
<b>Balance as at 1 January 2014</b>		9,589,550,988	646,323,076	706,780,000	1,790,572,050	12,733,226,114
<u>Change during the year</u>						
Profit for the year		-	-	-	3,386,741,169	3,386,741,169
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	3,386,741,169	3,386,741,169
Stock dividend	30	2,739,764,458	-	-	(2,739,764,458)	-
Dividend paid	30	-	-	-	(304,707,675)	(304,707,675)
Unappropriated retained earnings transferred to statutory reserve	24	-	-	169,400,000	(169,400,000)	-
<b>Balance as at 31 December 2014</b>		<u>12,329,315,446</u>	<u>646,323,076</u>	<u>876,180,000</u>	<u>1,963,441,086</u>	<u>15,815,259,608</u>
<b>Balance as at 1 January 2015</b>		12,329,315,446	646,323,076	876,180,000	1,963,441,086	15,815,259,608
<u>Change during the year</u>						
Profit for the year		-	-	-	3,525,334,641	3,525,334,641
Other comprehensive income for the year		-	-	-	(27,743,063)	(27,743,063)
Total comprehensive income for the year		-	-	-	3,497,591,578	3,497,591,578
Stock dividend	22, 30	821,882,579	-	-	(821,882,579)	-
Dividend paid	30	-	-	-	(2,219,107,818)	(2,219,107,818)
Unappropriated retained earnings transferred to statutory reserve	24	-	-	176,700,000	(176,700,000)	-
<b>Balance as at 31 December 2015</b>		<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,052,880,000</u>	<u>2,243,342,267</u>	<u>17,093,743,368</u>
		-	-	-	-	-
		-	-	-	-	-

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