

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		4,768,577	3,720,584	4,570,989	3,411,625
Trade and other receivables	3	1,476,973	1,895,480	1,503,007	1,837,788
Short-term loans to related parties	2	-	-	3,199,000	4,014,082
Inventories	4	10,352,090	9,671,545	8,392,877	7,846,962
Value added tax receivable		399,495	422,365	10,323	28,359
Other current assets	5	280,807	190,205	226,478	151,503
<b>Total current assets</b>		<b>17,277,942</b>	<b>15,900,179</b>	<b>17,902,674</b>	<b>17,290,319</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	1,944,677	1,258,679
Investment properties	7	2,908,569	3,046,951	3,751,548	3,889,930
Property, plant and equipment	8	28,917,100	29,539,712	23,597,334	24,201,255
Computer software	9	420,974	426,036	389,251	391,851
Leasehold rights	10	2,509,966	2,517,422	2,180,432	2,222,110
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits		53,982	52,576	53,277	51,703
Deferred tax assets		182,913	179,063	152,434	154,098
Other non-current assets		101,215	81,062	6,328	4,844
<b>Total non-current assets</b>		<b>35,097,949</b>	<b>35,846,052</b>	<b>32,078,511</b>	<b>32,177,700</b>
<b>Total assets</b>		<b>52,375,891</b>	<b>51,746,231</b>	<b>49,981,185</b>	<b>49,468,019</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 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	As at	As at	As at	As at	
	Note	30 June 2017	31 December 2016	30 June 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	11	353,857	1,507,405	-	1,500,000
Trade and other payables	12	13,268,455	14,031,577	11,400,348	11,866,668
Current portion of liabilities under finance lease agreements		6,387	7,193	1,746	1,908
Short-term loan from related party	2	-	-	100,000	100,000
Current portion of long-term loans	13	550,000	700,000	550,000	700,000
Current portion of debentures	14	4,050,000	4,050,000	4,050,000	4,050,000
Income tax payable		392,357	405,993	392,357	404,642
Value added tax payable		437	789	-	-
Advances received from customers		824,322	1,127,819	784,654	1,063,298
Other current liabilities		718,350	660,637	673,855	621,340
<b>Total current liabilities</b>		<b>20,164,165</b>	<b>22,491,413</b>	<b>17,952,960</b>	<b>20,307,856</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreements					
- net of current portion		7,536	10,489	6,981	7,819
Long-term loans - net of current portion	13	309,102	400,000	200,000	400,000
Debentures - net of current portion	14	13,200,000	10,200,000	13,200,000	10,200,000
Provision for long-term employee benefits		195,556	185,754	173,115	165,307
Rental received in advance - net of current portion		372,154	383,164	372,154	383,164
Other non-current liabilities		433,875	585,042	191,606	314,773
<b>Total non-current liabilities</b>		<b>14,518,223</b>	<b>11,764,449</b>	<b>14,143,856</b>	<b>11,471,063</b>
<b>Total liabilities</b>		<b>34,682,388</b>	<b>34,255,862</b>	<b>32,096,816</b>	<b>31,778,919</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 30 June 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at 30 June 2017 (Unaudited but reviewed)	As at 31 December 2016 (Audited)	As at 30 June 2017 (Unaudited but reviewed)	As at 31 December 2016 (Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered share capital				
13,151,198,025 ordinary shares of Baht 1 each	13,151,198	13,151,198	13,151,198	13,151,198
Issued and fully paid-up				
13,151,198,025 ordinary shares of Baht 1 each	13,151,198	13,151,198	13,151,198	13,151,198
Share premium	646,323	646,323	646,323	646,323
Retained earnings				
Appropriated				
Statutory reserve - The Company	1,315,120	1,260,280	1,315,120	1,260,280
Statutory reserve - Subsidiaries	1,000	1,000	-	-
Unappropriated	2,637,219	2,487,311	2,771,728	2,631,299
Other components of shareholders' equity	(57,361)	(55,747)	-	-
Equity attributable to owners of the Company	17,693,499	17,490,365	17,884,369	17,689,100
Non-controlling interests of the subsidiaries	4	4	-	-
<b>Total shareholders' equity</b>	<b>17,693,503</b>	<b>17,490,369</b>	<b>17,884,369</b>	<b>17,689,100</b>
<b>Total liabilities and shareholders' equity</b>	<b>52,375,891</b>	<b>51,746,231</b>	<b>49,981,185</b>	<b>49,468,019</b>

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

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Directors  
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(Unaudited but reviewed)

## Home Product Center Public Company Limited and its subsidiaries

## Statement of comprehensive income

For the three-month period ended 30 June 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		14,802,269	14,626,340	12,947,723	13,024,470
Rental and service income		417,119	411,843	367,124	343,244
Other income		554,085	597,037	565,735	608,674
<b>Total revenues</b>		<b>15,773,473</b>	<b>15,635,220</b>	<b>13,880,582</b>	<b>13,976,388</b>
<b>Expenses</b>					
Cost of sales		10,954,580	10,911,087	9,494,596	9,636,954
Selling expenses		2,867,623	2,792,999	2,491,486	2,493,261
Administrative expenses		445,339	551,735	395,654	501,925
Other expenses		597	29	1,060	29
<b>Total expenses</b>		<b>14,268,139</b>	<b>14,255,850</b>	<b>12,382,796</b>	<b>12,632,169</b>
<b>Profit before finance cost and income tax expenses</b>		<b>1,505,334</b>	<b>1,379,370</b>	<b>1,497,786</b>	<b>1,344,219</b>
Finance cost		(124,476)	(130,064)	(121,696)	(129,867)
<b>Profit before income tax expenses</b>		<b>1,380,858</b>	<b>1,249,306</b>	<b>1,376,090</b>	<b>1,214,352</b>
Income tax expenses	15	(249,659)	(258,636)	(253,111)	(248,714)
<b>Profit for the period</b>		<b>1,131,199</b>	<b>990,670</b>	<b>1,122,979</b>	<b>965,638</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		(1,274)	(13,690)	-	-
<b>Other comprehensive income for the period</b>		<b>(1,274)</b>	<b>(13,690)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>1,129,925</b>	<b>976,980</b>	<b>1,122,979</b>	<b>965,638</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		1,131,199	990,670	1,122,979	965,638
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		1,129,925	976,980	1,122,979	965,638
(Unit: Baht)					
<b>Earnings per share (Baht)</b>					
Basic earnings per share	16				
Profit attributable to equity holders of the Company		0.09	0.08	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 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales income		29,072,956	28,257,860	25,282,411	25,157,035
Rental and service income		898,179	886,468	789,814	747,927
Other income		1,074,904	1,102,701	1,112,888	1,127,841
<b>Total revenues</b>		<b>31,046,039</b>	<b>30,247,029</b>	<b>27,185,113</b>	<b>27,032,803</b>
<b>Expenses</b>					
Cost of sales		21,513,871	21,130,079	18,518,063	18,653,845
Selling expenses		5,760,560	5,516,298	5,009,374	4,936,192
Administrative expenses		853,395	1,010,129	755,396	917,077
Other expenses		7,453	139	1,395	139
<b>Total expenses</b>		<b>28,135,279</b>	<b>27,656,645</b>	<b>24,284,228</b>	<b>24,507,253</b>
<b>Profit before finance cost and income tax expenses</b>		<b>2,910,760</b>	<b>2,590,384</b>	<b>2,900,885</b>	<b>2,525,550</b>
Finance cost		(234,538)	(248,510)	(230,902)	(248,039)
<b>Profit before income tax expenses</b>		<b>2,676,222</b>	<b>2,341,874</b>	<b>2,669,983</b>	<b>2,277,511</b>
Income tax expenses	15	(498,796)	(485,023)	(502,036)	(466,839)
<b>Profit for the period</b>		<b>2,177,426</b>	<b>1,856,851</b>	<b>2,167,947</b>	<b>1,810,672</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		(1,614)	18,356	-	-
<b>Other comprehensive income for the period</b>		<b>(1,614)</b>	<b>18,356</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>2,175,812</b>	<b>1,875,207</b>	<b>2,167,947</b>	<b>1,810,672</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		2,177,426	1,856,851	2,167,947	1,810,672
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		2,175,812	1,875,207	2,167,947	1,810,672
(Unit: Baht)					
<b>Earnings per share (Baht)</b>					
Basic earnings per share	16				
Profit attributable to equity holders of the Company		0.17	0.14	0.16	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 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2017	2016	2017	2016
<b>Cash flows from operating activities</b>				
Profit before tax	2,676,222	2,341,874	2,669,983	2,277,511
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	1,530,830	1,429,781	1,292,704	1,248,401
Decrease of inventories to net realisable value	76,430	74,071	65,951	65,635
Loss from sales and written-off of assets	1,411	189	1,435	226
Allowance for doubtful debts	-	7,000	-	7,000
Allowance for impairment of assets (reverse)	(4,320)	36,601	(4,320)	36,601
Provision for long-term employee benefits	11,648	11,529	9,653	9,627
Unrealised exchange (gain) loss	(22,981)	(5,646)	330	(379)
Interest income	(15,915)	(6,990)	(92,785)	(72,470)
Interest expenses	228,652	247,010	225,454	246,718
Profit from operating activities before changes in operating assets and liabilities	4,481,977	4,135,419	4,168,405	3,818,870
<b>Decrease (increase) in operating assets</b>				
Trade and other receivables	418,508	380,853	326,342	335,126
Inventories	(756,975)	(933,503)	(611,866)	(698,322)
Value added tax receivable	22,870	(15,845)	18,037	20,096
Other current assets	(90,602)	35,542	(74,975)	22,255
Other non-current assets	(21,558)	(26,522)	(3,057)	7,738
<b>Increase (decrease) in operating liabilities</b>				
Trade and other payables	(767,440)	951,080	(480,608)	664,396
Advances received from customers	(303,497)	(309,247)	(278,644)	(307,280)
Value added tax payable	(353)	(605)	-	-
Other current liabilities	58,310	88,115	53,112	84,267
Rental received in advance	(11,010)	(1,621)	(11,010)	(1,621)
Cash paid for provision for long-term employee benefits	(1,846)	-	(1,846)	-
Other non-current liabilities	7,679	6,846	-	-
Cash flows from operating activities	3,036,063	4,310,512	3,103,890	3,945,525
Cash paid for interest expenses	(232,484)	(248,148)	(220,413)	(247,855)
Cash paid for corporate income tax	(516,282)	(492,713)	(512,657)	(480,567)
<b>Net cash flows from operating activities</b>	<b>2,287,297</b>	<b>3,569,651</b>	<b>2,370,820</b>	<b>3,217,103</b>

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 2017

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2017	2016	2017	2016
<b>Cash flows from investing activities</b>				
Increase in investments in subsidiaries	-	-	(500,000)	(1)
Short-term loans to related parties	-	-	(570,000)	(715,000)
Cash received from short-term loans to related parties	-	-	1,208,000	393,480
Acquisitions of computer software	(16,445)	(39,271)	(16,288)	(39,128)
Acquisitions of leasehold rights	(38,000)	(348,029)	-	(272,275)
Acquisitions of property, plant and equipment	(662,898)	(1,503,588)	(469,113)	(950,766)
Decrease in construction retention	(158,847)	(28,148)	(123,166)	(42,527)
Acquisitions of investment properties	(19,635)	(68,235)	(19,635)	(68,235)
Proceeds from sales of equipment	2,268	6,035	1,757	5,942
Proceeds from sales of investment properties' equipment	41	58	41	58
Cash received from interest income	15,915	6,990	101,223	70,830
<b>Net cash flows used in investing activities</b>	<b>(877,601)</b>	<b>(1,974,188)</b>	<b>(387,181)</b>	<b>(1,617,622)</b>
<b>Cash flows from financing activities</b>				
Short-term loans from financial institutions	4,380,293	1,430,000	2,180,000	1,430,000
Repayment of short-term loans from financial institutions	(5,533,841)	(1,430,000)	(3,680,000)	(1,430,000)
Decrease in liabilities under finance lease agreements	(3,759)	(10,741)	(1,000)	(4,814)
Long-term loans	109,102	-	-	-
Repayment of long-term loans	(350,000)	(350,000)	(350,000)	(350,000)
Increase in debentures	4,000,000	-	4,000,000	-
Repayment of debentures	(1,000,000)	-	(1,000,000)	-
Dividend paid	(1,973,275)	(1,972,516)	(1,973,275)	(1,972,516)
Decrease in equity attributable to non-controlling interest of the subsidiaries due to changing of shareholding percentage	-	(1)	-	-
<b>Net cash flows used in financing activities</b>	<b>(371,480)</b>	<b>(2,333,258)</b>	<b>(824,275)</b>	<b>(2,327,330)</b>
<b>Translation adjustments</b>	<b>9,777</b>	<b>12,458</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,047,993</b>	<b>(725,337)</b>	<b>1,159,364</b>	<b>(727,849)</b>
Cash and cash equivalents at beginning of period	3,720,584	2,698,063	3,411,625	2,391,213
<b>Cash and cash equivalents at end of period</b>	<b>4,768,577</b>	<b>1,972,726</b>	<b>4,570,989</b>	<b>1,663,364</b>

**Supplemental cash flows information:**

Non-cash items consist of

Purchases of equipment for which no cash has been paid	22,245	35,596	-	-
Dividend payable	597	154	597	154
Increase in investments in subsidiaries resulted from debt restructuring program	-	-	185,998	-

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 2017**

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>										
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			Other comprehensive income			
				The Company	Subsidiaries	Unappropriated	Exchange differences on translation of financial statements in foreign currency			
<b>Balance as at 1 January 2016</b>		13,151,198	646,323	1,052,880	1,000	2,120,204	(68,984)	16,902,621	8	16,902,629
<u>Change during the period</u>										
Profit for the period		-	-	-	-	1,856,851	-	1,856,851	-	1,856,851
Other comprehensive income for the period		-	-	-	-	-	18,356	18,356	-	18,356
Total comprehensive income for the period		-	-	-	-	1,856,851	18,356	1,875,207	-	1,875,207
Dividend paid	17	-	-	-	-	(1,972,670)	-	(1,972,670)	-	(1,972,670)
Unappropriated retained earnings transferred to statutory reserve		-	-	90,600	-	(90,600)	-	-	-	-
Decrease in equity attributable to non-controlling interest of the subsidiaries due to changing of shareholding percentage		-	-	-	-	-	-	-	(1)	(1)
<b>Balance as at 30 June 2016</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,143,480</u>	<u>1,000</u>	<u>1,913,785</u>	<u>(50,628)</u>	<u>16,805,158</u>	<u>7</u>	<u>16,805,165</u>
<b>Balance as at 1 January 2017</b>		13,151,198	646,323	1,260,280	1,000	2,487,311	(55,747)	17,490,365	4	17,490,369
<u>Change during the period</u>										
Profit for the period		-	-	-	-	2,177,426	-	2,177,426	-	2,177,426
Other comprehensive income for the period		-	-	-	-	-	(1,614)	(1,614)	-	(1,614)
Total comprehensive income for the period		-	-	-	-	2,177,426	(1,614)	2,175,812	-	2,175,812
Dividend paid	17	-	-	-	-	(1,972,678)	-	(1,972,678)	-	(1,972,678)
Unappropriated retained earnings transferred to statutory reserve		-	-	54,840	-	(54,840)	-	-	-	-
<b>Balance as at 30 June 2017</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>1,000</u>	<u>2,637,219</u>	<u>(57,361)</u>	<u>17,693,499</u>	<u>4</u>	<u>17,693,503</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 2017**

(Unit: Thousand Baht)

<b>Separate financial statements</b>						
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings Appropriated - statutory reserve	Unappropriated	Total shareholders' equity
<b>Balance as at 1 January 2016</b>		13,151,198	646,323	1,052,880	2,243,342	17,093,743
<u>Change during the period</u>						
Profit for the period		-	-	-	1,810,672	1,810,672
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	1,810,672	1,810,672
Dividend paid	17	-	-	-	(1,972,670)	(1,972,670)
Unappropriated retained earnings transferred to statutory reserve		-	-	90,600	(90,600)	-
<b>Balance as at 30 June 2016</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,143,480</u>	<u>1,990,744</u>	<u>16,931,745</u>
<b>Balance as at 1 January 2017</b>		13,151,198	646,323	1,260,280	2,631,299	17,689,100
<u>Change during the period</u>						
Profit for the period		-	-	-	2,167,947	2,167,947
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	2,167,947	2,167,947
Dividend paid	17	-	-	-	(1,972,678)	(1,972,678)
Unappropriated retained earnings transferred to statutory reserve		-	-	54,840	(54,840)	-
<b>Balance as at 30 June 2017</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>2,771,728</u>	<u>17,884,369</u>

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