

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements		
	30 September 2017	31 December 2016	30 September 2017	31 December 2016	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	2	1,588,363	3,720,584	1,284,216	3,411,625
Trade and other receivables	2, 3	1,646,027	1,895,480	1,685,133	1,837,788
Short-term loans to related parties	2	-	-	3,264,000	4,014,082
Inventories	4	10,453,758	9,671,545	8,365,308	7,846,962
Value added tax receivable		395,743	422,365	-	28,359
Other current assets	5	242,198	190,205	198,292	151,503
<b>Total current assets</b>		<b>14,326,089</b>	<b>15,900,179</b>	<b>14,796,949</b>	<b>17,290,319</b>
<b>Non-current assets</b>					
Investments in subsidiaries	6	-	-	1,944,677	1,258,679
Investment properties	7	2,854,316	3,046,951	3,697,295	3,889,930
Property, plant and equipment	8	28,645,876	29,539,712	23,214,488	24,201,255
Computer software	9	445,969	426,036	415,560	391,851
Leasehold rights	10	2,497,983	2,517,422	2,158,129	2,222,110
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	2	55,212	52,576	54,387	51,703
Deferred tax assets		203,593	179,063	171,330	154,098
Other non-current assets		101,402	81,062	7,062	4,844
<b>Total non-current assets</b>		<b>34,807,581</b>	<b>35,846,052</b>	<b>31,666,158</b>	<b>32,177,700</b>
<b>Total assets</b>		<b>49,133,670</b>	<b>51,746,231</b>	<b>46,463,107</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 September 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2017	31 December 2016	30 September 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	391,881	1,507,405	-	1,500,000
Trade and other payables	2, 12	13,499,519	14,031,577	11,405,573	11,866,668
Current portion of liabilities under finance lease agreements		5,468	7,193	1,677	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	3,500,000	4,050,000	3,500,000	4,050,000
Income tax payable		220,227	405,993	220,227	404,642
Value added tax payable		34,566	789	34,087	-
Advances received from customers		931,394	1,127,819	884,330	1,063,298
Other current liabilities		795,710	660,637	754,497	621,340
<b>Total current liabilities</b>		<b>19,928,765</b>	<b>22,491,413</b>	<b>17,450,391</b>	<b>20,307,856</b>
<b>Non-current liabilities</b>					
Liabilities under finance lease agreements					
- net of current portion		6,692	10,489	6,552	7,819
Long-term loans - net of current portion	13	308,875	400,000	200,000	400,000
Debentures - net of current portion	14	10,700,000	10,200,000	10,700,000	10,200,000
Provision for long-term employee benefits		271,035	185,754	244,588	165,307
Rental received in advance - net of current portion		366,649	383,164	366,649	383,164
Other non-current liabilities		438,713	585,042	191,308	314,773
<b>Total non-current liabilities</b>		<b>12,091,964</b>	<b>11,764,449</b>	<b>11,709,097</b>	<b>11,471,063</b>
<b>Total liabilities</b>		<b>32,020,729</b>	<b>34,255,862</b>	<b>29,159,488</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 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(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	2,062,791	2,487,311	2,190,978	2,631,299
Other components of shareholders' equity	(63,495)	(55,747)	-	-
Equity attributable to owners of the Company	17,112,937	17,490,365	17,303,619	17,689,100
Non-controlling interests of the subsidiaries	4	4	-	-
<b>Total shareholders' equity</b>	<b>17,112,941</b>	<b>17,490,369</b>	<b>17,303,619</b>	<b>17,689,100</b>
<b>Total liabilities and shareholders' equity</b>	<b>49,133,670</b>	<b>51,746,231</b>	<b>46,463,107</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 September 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		15,097,659	13,816,276	13,186,559	12,215,703
Rental and service income		480,809	454,172	429,835	388,160
Other income		577,927	538,080	600,052	563,851
<b>Total revenues</b>		<b>16,156,395</b>	<b>14,808,528</b>	<b>14,216,446</b>	<b>13,167,714</b>
<b>Expenses</b>					
Cost of sales		11,132,991	10,307,094	9,649,127	9,041,057
Selling expenses		2,976,318	2,779,291	2,584,267	2,468,852
Administrative expenses		472,043	387,255	419,420	337,277
Other expenses		-	2,093	-	-
<b>Total expenses</b>		<b>14,581,352</b>	<b>13,475,733</b>	<b>12,652,814</b>	<b>11,847,186</b>
<b>Profit before finance cost and income tax expenses</b>		<b>1,575,043</b>	<b>1,332,795</b>	<b>1,563,632</b>	<b>1,320,528</b>
Finance cost		(114,946)	(131,697)	(110,456)	(131,742)
<b>Profit before income tax expenses</b>		<b>1,460,097</b>	<b>1,201,098</b>	<b>1,453,176</b>	<b>1,188,786</b>
Income tax expenses	15	(277,094)	(252,677)	(277,820)	(244,720)
<b>Profit for the period</b>		<b>1,183,003</b>	<b>948,421</b>	<b>1,175,356</b>	<b>944,066</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		(6,134)	(4,294)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period:</i>					
Actuarial loss - net of income tax		(47,776)	-	(46,451)	-
<b>Other comprehensive income for the period</b>		<b>(53,910)</b>	<b>(4,294)</b>	<b>(46,451)</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>1,129,093</b>	<b>944,127</b>	<b>1,128,905</b>	<b>944,066</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		1,183,003	948,421	1,175,356	944,066
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		1,129,093	944,127	1,128,905	944,066
(Unit: Baht)					
<b>Earnings per share</b>					
Basic earnings per share	16				
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 nine-month period ended 30 September 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		44,170,615	42,074,136	38,468,970	37,372,738
Rental and service income		1,378,988	1,340,640	1,219,649	1,136,087
Other income		1,651,669	1,640,781	1,711,545	1,691,692
<b>Total revenues</b>		<b>47,201,272</b>	<b>45,055,557</b>	<b>41,400,164</b>	<b>40,200,517</b>
<b>Expenses</b>					
Cost of sales		32,646,862	31,437,173	28,167,190	27,694,902
Selling expenses		8,736,878	8,295,589	7,593,641	7,405,044
Administrative expenses		1,325,438	1,397,384	1,174,816	1,254,354
Other expenses		6,291	2,232	-	139
<b>Total expenses</b>		<b>42,715,469</b>	<b>41,132,378</b>	<b>36,935,647</b>	<b>36,354,439</b>
<b>Profit before finance cost and income tax expenses</b>		<b>4,485,803</b>	<b>3,923,179</b>	<b>4,464,517</b>	<b>3,846,078</b>
Finance cost		(349,484)	(380,207)	(341,358)	(379,781)
<b>Profit before income tax expenses</b>		<b>4,136,319</b>	<b>3,542,972</b>	<b>4,123,159</b>	<b>3,466,297</b>
Income tax expenses	15	(775,890)	(737,700)	(779,856)	(711,559)
<b>Profit for the period</b>		<b>3,360,429</b>	<b>2,805,272</b>	<b>3,343,303</b>	<b>2,754,738</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		(7,748)	14,062	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period:</i>					
Actuarial loss - net of income tax		(47,776)	-	(46,451)	-
<b>Other comprehensive income for the period</b>		<b>(55,524)</b>	<b>14,062</b>	<b>(46,451)</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>3,304,905</b>	<b>2,819,334</b>	<b>3,296,852</b>	<b>2,754,738</b>
<b>Profit attributable to:</b>					
Equity holders of the Company		3,360,429	2,805,272	3,343,303	2,754,738
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		3,304,905	2,819,334	3,296,852	2,754,738
(Unit: Baht)					
<b>Earnings per share</b>					
Basic earnings per share	16				
Profit attributable to equity holders of the Company		0.26	0.21	0.25	0.21

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 nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
<b>Cash flows from operating activities</b>				
Profit before tax	4,136,319	3,542,972	4,123,159	3,466,297
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	2,302,073	2,158,561	1,935,742	1,879,189
Written-off of inventories and decrease of inventories to net realisable value	116,202	110,270	100,278	97,479
Loss (gain) from sales and written-off of assets	(8)	1	31	21
Allowance for doubtful debts	-	7,120	-	7,120
Allowance for impairment of assets (reversal)	(4,320)	26,601	(4,320)	26,601
Provision for long-term employee benefits	27,407	17,313	23,063	14,441
Unrealised exchange loss (gain)	(23,191)	(2,107)	436	(117)
Interest income	(23,843)	-	(137,155)	-
Interest expenses	342,454	375,090	335,009	374,965
Profit from operating activities before changes in operating assets and liabilities	6,873,093	6,235,821	6,376,243	5,865,996
<b>Decrease (increase) in operating assets</b>				
Trade and other receivables	249,453	342,727	144,216	282,451
Inventories	(898,415)	(1,074,979)	(618,624)	(621,772)
Value added tax receivable	26,622	9,744	28,359	68,894
Other current assets	(51,993)	26,275	(46,789)	20,407
Other non-current assets	(22,977)	(28,583)	(4,902)	7,574
<b>Increase (decrease) in operating liabilities</b>				
Trade and other payables	(490,813)	226,401	(443,052)	(122,241)
Value added tax payable	33,777	9,015	34,087	9,916
Advances received from customers	(196,425)	(158,344)	(178,968)	(165,901)
Other current liabilities	133,990	88,009	132,074	80,432
Rental received in advance	(16,515)	(7,209)	(16,515)	(7,209)
Cash paid for provision for long-term employee benefits	(1,846)	-	(1,846)	-
Other non-current liabilities	11,633	10,289	-	-
Cash flows from operating activities	5,649,584	5,679,166	5,404,283	5,418,547
Cash paid for interest expenses	(360,508)	(463,063)	(353,488)	(462,937)
Cash paid for corporate income tax	(974,242)	(935,925)	(969,890)	(916,898)
<b>Net cash flows from operating activities</b>	<b>4,314,834</b>	<b>4,280,178</b>	<b>4,080,905</b>	<b>4,038,712</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 nine-month period ended 30 September 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	-	-	(655,000)	(1,309,000)
Cash received from short-term loans to related parties	-	-	1,228,000	662,480
Acquisitions of computer software	(52,365)	(44,022)	(52,191)	(43,880)
Acquisitions of leasehold rights	(50,240)	(358,030)	-	(282,275)
Acquisitions of property, plant and equipment	(1,090,139)	(2,321,541)	(635,438)	(1,466,515)
Decrease in construction retention	(157,962)	(47,407)	(123,465)	(57,289)
Acquisitions of investment properties	(28,345)	(77,603)	(28,345)	(77,603)
Proceeds from sales of equipment	4,724	6,922	4,154	6,822
Proceeds from sales of investment properties' equipment	41	58	41	58
Cash received from interest income	23,843	-	136,678	-
<b>Net cash flows used in investing activities</b>	<b>(1,350,443)</b>	<b>(2,841,623)</b>	<b>(625,566)</b>	<b>(2,567,203)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loans from financial institutions	5,730,542	5,220,651	2,180,000	5,200,000
Repayment of short-term loans from financial institutions	(6,846,066)	(2,711,534)	(3,680,000)	(2,700,000)
Cash received from short-term loans from related parties	-	-	-	100,000
Increase (decrease) in liabilities under finance lease agreements	(5,522)	(5,992)	(1,498)	2,561
Cash received from long-term loans	108,875	-	-	-
Repayment of long-term loans	(350,000)	(350,000)	(350,000)	(350,000)
Proceeds from the issuance of debentures	4,000,000	2,700,000	4,000,000	2,700,000
Repayment of debentures	(4,050,000)	(4,000,000)	(4,050,000)	(4,000,000)
Dividend paid	(3,681,250)	(3,543,437)	(3,681,250)	(3,543,437)
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>(5,093,421)</b>	<b>(2,690,313)</b>	<b>(5,582,748)</b>	<b>(2,590,876)</b>
<b>Translation adjustments</b>	<b>(3,191)</b>	<b>18,429</b>	<b>-</b>	<b>-</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(2,132,221)</b>	<b>(1,233,329)</b>	<b>(2,127,409)</b>	<b>(1,119,367)</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>1,588,363</b>	<b>1,464,734</b>	<b>1,284,216</b>	<b>1,271,846</b>

**Supplemental cash flows information:**

Non-cash items consist of

Purchases of equipment for which no cash has been paid	-	287,475	-	151,869
Dividend payable	1,083	7,251	1,083	7,251
Increase in investments in subsidiaries resulted from debt restructuring program	-	-	185,998	-
Transferred property, plant and equipment to investment properties	-	-	-	37,054
Actuarial loss	59,720	-	58,064	-

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 nine-month period ended 30 September 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		Unappropriated	Exchange differences on translation of financial statements in foreign currency			
				The Company	Subsidiaries					
<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		-	-	-	-	2,805,272	-	2,805,272	-	2,805,272
Other comprehensive income for the period		-	-	-	-	-	14,062	14,062	-	14,062
Total comprehensive income for the period		-	-	-	-	2,805,272	14,062	2,819,334	-	2,819,334
Dividend paid	17	-	-	-	-	(3,550,688)	-	(3,550,688)	-	(3,550,688)
Unappropriated retained earnings transferred to statutory reserve		-	-	137,800	-	(137,800)	-	-	-	-
Decrease in equity attributable to non-controlling interest of the subsidiary due to changing of shareholding percentage		-	-	-	-	-	-	-	(1)	(1)
<b>Balance as at 30 September 2016</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,190,680</u>	<u>1,000</u>	<u>1,236,988</u>	<u>(54,922)</u>	<u>16,171,267</u>	<u>7</u>	<u>16,171,274</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		-	-	-	-	3,360,429	-	3,360,429	-	3,360,429
Other comprehensive income for the period		-	-	-	-	(47,776)	(7,748)	(55,524)	-	(55,524)
Total comprehensive income for the period		-	-	-	-	3,312,653	(7,748)	3,304,905	-	3,304,905
Dividend paid	17	-	-	-	-	(3,682,333)	-	(3,682,333)	-	(3,682,333)
Unappropriated retained earnings transferred to statutory reserve		-	-	54,840	-	(54,840)	-	-	-	-
<b>Balance as at 30 September 2017</b>		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>1,000</u>	<u>2,062,791</u>	<u>(63,495)</u>	<u>17,112,937</u>	<u>4</u>	<u>17,112,941</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 nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

<b>Separate financial statements</b>					
	Issued and		Retained earnings		Total
	paid-up	Premium on	Appropriated		shareholders'
Note	share capital	ordinary shares	- statutory reserve	Unappropriated	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	-	-	-	2,754,738	2,754,738
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,754,738	2,754,738
Dividend paid	-	-	-	(3,550,688)	(3,550,688)
Unappropriated retained earnings transferred to statutory reserve	-	-	137,800	(137,800)	-
<b>Balance as at 30 September 2016</b>	<u>13,151,198</u>	<u>646,323</u>	<u>1,190,680</u>	<u>1,309,592</u>	<u>16,297,793</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	-	-	-	3,343,303	3,343,303
Other comprehensive income for the period	-	-	-	(46,451)	(46,451)
Total comprehensive income for the period	-	-	-	3,296,852	3,296,852
Dividend paid	-	-	-	(3,682,333)	(3,682,333)
Unappropriated retained earnings transferred to statutory reserve	-	-	54,840	(54,840)	-
<b>Balance as at 30 September 2017</b>	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>2,190,978</u>	<u>17,303,619</u>

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