

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Assets					
Current assets					
Cash and cash equivalents	6, 7	2,859,978,599	6,237,752,234	2,606,367,903	6,003,280,881
Trade and other receivables	6, 8	1,912,404,281	1,998,619,121	1,784,571,510	2,173,999,946
Short-term loans to related party	6	-	-	2,530,000,000	2,870,000,000
Inventories	9	10,421,263,066	10,245,449,173	8,584,524,199	8,306,995,892
Value added tax receivable		320,080,054	344,427,303	-	-
Other current assets	10	176,118,279	180,011,210	148,254,218	148,645,884
Total current assets		15,689,844,279	19,006,259,041	15,653,717,830	19,502,922,603
Non-current assets					
Investments in subsidiaries	11	-	-	1,908,824,084	2,021,968,707
Investment properties	12	2,425,150,754	2,612,072,763	3,268,130,529	3,455,052,538
Property, buildings and equipment	13	29,636,758,012	29,327,186,900	24,859,117,041	24,117,807,066
Computer software	14	476,029,546	483,031,081	456,854,580	458,861,368
Leasehold rights	15	3,169,422,057	2,973,257,194	2,745,596,726	2,592,478,167
Property foreclosed		3,229,639	3,229,639	3,229,639	3,229,639
Rental guarantee deposits	6	62,889,868	66,073,990	53,302,598	55,128,365
Deferred tax assets	26	218,982,780	186,035,820	193,603,959	162,680,286
Other non-current assets		366,649,998	154,208,499	227,155,415	8,169,019
Total non-current assets		36,359,112,654	35,805,095,886	33,715,814,571	32,875,375,155
Total assets		52,048,956,933	54,811,354,927	49,369,532,401	52,378,297,758

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 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	280,741,910	340,177,423	-	-
Trade and other payables	6, 17	14,069,080,793	14,370,530,221	12,473,795,786	12,585,394,714
Current portion of liabilities under finance lease agreements	18	3,473,787	4,267,480	3,473,787	4,267,480
Short-term loan from related party	6	-	-	-	139,134,320
Current portion of long-term loans	19	20,206,910	207,638,560	-	100,000,000
Current portion of debentures	20	6,000,000,000	6,700,000,000	6,000,000,000	6,700,000,000
Income tax payable		568,166,996	544,695,623	560,567,207	544,695,623
Value added tax payable		28,620,846	21,334,335	28,538,386	21,334,335
Advances received from customers		995,557,803	1,026,111,485	928,407,328	974,938,551
Other current liabilities		323,419,905	436,455,062	280,464,208	377,045,863
Total current liabilities		22,289,268,950	23,651,210,189	20,275,246,702	21,446,810,886
Non-current liabilities					
Liabilities under finance lease agreements					
- net of current portion	18	12,155,921	10,131,204	12,155,921	10,131,204
Long-term loans - net of current portion	19	63,988,399	-	-	-
Debentures - net of current portion	20	7,007,663,873	10,000,000,000	7,007,663,873	10,000,000,000
Provision for long-term employee benefits	21	528,169,640	340,112,509	480,429,780	308,085,540
Rental received in advance - net of current portion		315,249,969	336,706,270	315,249,968	336,706,270
Other non-current liabilities		694,379,065	559,098,994	635,283,534	374,663,329
Total non-current liabilities		8,621,606,867	11,246,048,977	8,450,783,076	11,029,586,343
Total liabilities		30,910,875,817	34,897,259,166	28,726,029,778	32,476,397,229

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 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Shareholders' equity					
Share capital					
Registered share capital					
13,151,198,025 ordinary shares of Baht 1 each		13,151,198,025	13,151,198,025	13,151,198,025	13,151,198,025
Issued and fully paid-up					
13,151,198,025 ordinary shares of Baht 1 each		13,151,198,025	13,151,198,025	13,151,198,025	13,151,198,025
Premium on ordinary shares		646,323,076	646,323,076	646,323,076	646,323,076
Retained earnings					
Appropriated					
Statutory reserve - The Company	23	1,315,120,000	1,315,120,000	1,315,120,000	1,315,120,000
Statutory reserve - Subsidiaries		1,000,000	1,000,000	-	-
Unappropriated		6,085,858,786	4,861,496,201	5,530,861,522	4,789,259,428
Other components of shareholders' equity		(61,422,400)	(61,045,170)	-	-
Equity attributable to owners of the Company		21,138,077,487	19,914,092,132	20,643,502,623	19,901,900,529
Non-controlling interests of the subsidiaries		3,629	3,629	-	-
Total shareholders' equity		21,138,081,116	19,914,095,761	20,643,502,623	19,901,900,529
Total liabilities and shareholders' equity		52,048,956,933	54,811,354,927	49,369,532,401	52,378,297,758
		-	-	-	-

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 year ended 31 December 2019

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit or loss:					
Revenues					
Revenue from contracts with customers	24	63,046,229,790	61,951,316,869	54,888,078,067	53,459,620,929
Rental income		2,207,081,939	1,975,059,928	2,197,217,217	1,746,636,195
Other income		2,170,564,122	2,123,531,337	2,214,367,111	2,126,575,294
Total revenues		67,423,875,851	66,049,908,134	59,299,662,395	57,332,832,418
Expenses					
Cost of sales and service		46,714,948,874	46,162,141,222	40,442,923,379	39,483,426,432
Cost of rental		584,200,082	595,177,518	554,520,107	466,521,105
Selling, distribution and service expenses		10,213,231,799	10,012,108,866	8,901,819,506	8,468,631,436
Administrative expenses		1,884,682,842	1,914,453,899	1,941,272,755	1,754,395,592
Other expenses		17,776,111	43,837,606	17,776,111	-
Total expenses		59,414,839,708	58,727,719,111	51,858,311,858	50,172,974,565
Profit before finance cost and income tax expenses		8,009,036,143	7,322,189,023	7,441,350,537	7,159,857,853
Finance cost		(405,464,884)	(400,050,708)	(387,370,615)	(380,845,023)
Profit before income tax expenses		7,603,571,259	6,922,138,315	7,053,979,922	6,779,012,830
Income tax expenses	26	(1,426,981,153)	(1,309,514,504)	(1,366,990,337)	(1,295,835,963)
Profit for the year		6,176,590,106	5,612,623,811	5,686,989,585	5,483,176,867
Other comprehensive income:					
<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		(377,230)	6,556,715	-	-
		(377,230)	6,556,715	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent period:</i>					
Actuarial loss	21	(108,559,132)	-	(100,009,094)	-
Less: Income tax effect	26	21,711,827	-	20,001,819	-
		(86,847,305)	-	(80,007,275)	-
Other comprehensive income for the year		(87,224,535)	6,556,715	(80,007,275)	-
Total comprehensive income for the year		6,089,365,571	5,619,180,526	5,606,982,310	5,483,176,867

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 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements		
	Note	2019	2018	2019	2018
Profit attributable to:					
Equity holders of the Company		6,176,590,106	5,612,623,811	5,686,989,585	5,483,176,867
Non-controlling interests of the subsidiaries		-	-		
		<u>6,176,590,106</u>	<u>5,612,623,811</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		6,089,365,571	5,619,180,526	5,606,982,310	5,483,176,867
Non-controlling interests of the subsidiaries		-	-		
		<u>6,089,365,571</u>	<u>5,619,180,526</u>		
Earnings per share					
	27				
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.47</u>	<u>0.43</u>	<u>0.43</u>	<u>0.42</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 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before tax	7,603,571,259	6,922,138,315	7,053,979,922	6,779,012,830
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities				
Depreciation and amortisation	2,942,012,498	3,064,491,784	2,485,781,091	2,515,182,601
Decrease of inventories to net realisable value	121,945,432	150,808,702	98,479,505	126,177,426
Loss (gain) from sales of assets and written-off	17,359,382	8,887,304	17,908,900	(6,634,472)
Reversal of allowance for doubtful accounts	(2,168,244)	(14,133,147)	(2,498,485)	(14,293,246)
Reversal of allowance for impairment of assets	(15,030,000)	(58,000,000)	(15,030,000)	(58,000,000)
Allowance for impairment of investment	-	-	115,518,960	-
Provision for long-term employee benefits	80,646,370	101,822,867	73,281,317	92,013,707
Transfer deferred interest expense to finance cost	7,435,242	-	7,435,242	-
Unrealised exchange loss (gain)	184,846	24,851,034	201,038	(394,565)
Interest income	(51,152,329)	(27,774,030)	(135,682,071)	(142,086,790)
Interest expenses	401,552,618	392,517,600	384,045,850	373,922,638
Profit from operating activities before changes in operating assets and liabilities	11,106,357,074	10,565,610,429	10,083,421,269	9,664,900,129
Decrease (increase) in operating assets				
Trade and other receivables	86,870,009	(186,219,967)	390,413,846	(333,509,809)
Inventories	(297,759,325)	(53,268,096)	(376,007,812)	(205,875,770)
Value added tax receivable	24,347,249	51,391,015	-	-
Other current assets	3,892,931	21,390,349	391,666	(483,772)
Other non-current assets	(209,257,377)	(53,399,284)	(217,160,629)	(1,685,016)
Increase (decrease) in operating liabilities				
Trade and other payables	(475,879,953)	1,473,740	(274,156,828)	372,554,680
Value added tax payable	7,286,511	18,359,891	7,204,051	18,920,869
Advances received from customers	(30,553,682)	64,917,713	(46,531,223)	64,455,752
Other current liabilities	(111,967,305)	(293,497,908)	(95,513,803)	(313,989,009)
Rental received in advance	(21,456,301)	(22,687,104)	(21,456,302)	(22,687,104)
Cash paid for provision for long-term employee benefits	(1,148,371)	(23,945,918)	(946,171)	(18,334,098)
Other non-current liabilities	149,596,712	232,174,152	267,628,998	263,324,620
Cash flows from operating activities	10,230,328,172	10,322,299,012	9,717,287,062	9,487,591,472
Cash paid for interest expenses	(440,201,545)	(382,131,538)	(422,411,220)	(364,374,911)
Cash paid for corporate income tax	(1,414,744,913)	(1,215,197,462)	(1,362,040,607)	(1,208,254,950)
Net cash flows from operating activities	8,375,381,714	8,724,970,012	7,932,835,235	7,914,961,611

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 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities				
Increase in investments in subsidiary	-	-	(2,374,337)	-
Short-term loans to related parties	-	-	(4,620,000,000)	(3,870,300,000)
Cash received from short-term loans to related parties	-	-	4,960,000,000	4,264,000,000
Acquisitions of computer software	(78,548,630)	(86,202,698)	(78,384,342)	(86,202,698)
Acquisitions of leasehold rights	(321,369,101)	(454,612,395)	(263,769,110)	(398,490,927)
Acquisitions of property, building and equipment	(2,670,854,027)	(2,241,900,252)	(2,659,545,535)	(2,019,638,009)
Increase in construction retention	(14,316,641)	(71,327,707)	(7,008,793)	(42,604,828)
Acquisitions of investment properties	(41,830,200)	(53,192,322)	(41,830,200)	(53,192,322)
Proceeds from sales of equipment	57,571,755	18,650,994	56,333,447	17,898,870
Proceeds from sales of investment properties' equipment	43,841	67,009	43,841	67,009
Cash received from interest income	52,665,404	26,065,284	137,195,146	137,860,483
Net cash flows used in investing activities	(3,016,637,599)	(2,862,452,087)	(2,519,339,883)	(2,050,602,422)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	296,611,016	3,440,739,225	-	2,100,000,000
Repayment of short-term loans from financial institutions	(337,095,521)	(3,430,947,424)	-	(2,100,000,000)
Cash received from short-term loan from related party	-	-	-	159,134,320
Repayment of short-term loan from related party	-	-	(139,134,320)	(120,000,000)
Payment of liabilities under finance lease agreements	(5,054,573)	(3,311,211)	(5,054,573)	(641,324)
Repayment of long-term loans	(117,272,909)	(300,000,000)	(100,000,000)	(300,000,000)
Proceeds from the issuance of debentures	3,170,000,000	6,000,000,000	3,170,000,000	6,000,000,000
Repayment of debentures	(6,700,000,000)	(3,500,000,000)	(6,700,000,000)	(3,500,000,000)
Payment of deferred interest expense	(169,771,369)	-	(169,771,369)	-
Dividend paid	(4,866,448,068)	(4,338,636,413)	(4,866,448,068)	(4,338,636,413)
Net cash flows used in financing activities	(8,729,031,424)	(2,132,155,823)	(8,810,408,330)	(2,100,143,417)
Translation adjustments	(7,486,326)	2,477,588	-	-
Net increase (decrease) in cash and cash equivalents	(3,377,773,635)	3,732,839,690	(3,396,912,978)	3,764,215,772
Cash and cash equivalents at beginning of year	6,237,752,234	2,504,912,544	6,003,280,881	2,239,065,109
Cash and cash equivalents at end of year (Note 7)	2,859,978,599	6,237,752,234	2,606,367,903	6,003,280,881
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment that have not yet been paid	(212,894,606)	(248,886,624)	(200,722,232)	(308,198,632)
Purchases assets under finance lease agreements	(6,285,597)	(7,221,003)	(6,285,597)	(7,221,003)
Dividend payable	1,067,852	1,240,371	1,067,852	1,240,371
Transfer investment properties to property, building and equipment	-	-	-	(333,882,000)
Increase in investment in subsidiary resulted from				
debt restructuring program	-	-	-	77,291,624
Actuarial loss	108,559,132	-	100,009,094	-

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 2019

(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			Other comprehensive income			
				The Company	Subsidiaries	Unappropriated	Exchange differences on translation of financial statements in foreign currency			
Balance as at 1 January 2018		13,151,198,025	646,323,076	1,315,120,000	1,000,000	3,588,749,174	(67,601,885)	18,634,788,390	3,629	18,634,792,019
Profit for the year		-	-	-	-	5,612,623,811	-	5,612,623,811	-	5,612,623,811
Other comprehensive income for the year		-	-	-	-	-	6,556,715	6,556,715	-	6,556,715
Total comprehensive income for the year		-	-	-	-	5,612,623,811	6,556,715	5,619,180,526	-	5,619,180,526
Dividend paid	30	-	-	-	-	(4,339,876,784)	-	(4,339,876,784)	-	(4,339,876,784)
Balance as at 31 December 2018		<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,315,120,000</u>	<u>1,000,000</u>	<u>4,861,496,201</u>	<u>(61,045,170)</u>	<u>19,914,092,132</u>	<u>3,629</u>	<u>19,914,095,761</u>
Balance as at 1 January 2019		13,151,198,025	646,323,076	1,315,120,000	1,000,000	4,861,496,201	(61,045,170)	19,914,092,132	3,629	19,914,095,761
Profit for the year		-	-	-	-	6,176,590,106	-	6,176,590,106	-	6,176,590,106
Other comprehensive income for the year		-	-	-	-	(86,847,305)	(377,230)	(87,224,535)	-	(87,224,535)
Total comprehensive income for the year		-	-	-	-	6,089,742,801	(377,230)	6,089,365,571	-	6,089,365,571
Dividend paid	30	-	-	-	-	(4,865,380,216)	-	(4,865,380,216)	-	(4,865,380,216)
Balance as at 31 December 2019		<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,315,120,000</u>	<u>1,000,000</u>	<u>6,085,858,786</u>	<u>(61,422,400)</u>	<u>21,138,077,487</u>	<u>3,629</u>	<u>21,138,081,116</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 2019

(Unit: Baht)

Separate financial statements					
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
Note			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2018	13,151,198,025	646,323,076	1,315,120,000	3,645,959,345	18,758,600,446
Profit for the year	-	-	-	5,483,176,867	5,483,176,867
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	5,483,176,867	5,483,176,867
Dividend paid	-	-	-	(4,339,876,784)	(4,339,876,784)
Balance as at 31 December 2018	<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,315,120,000</u>	<u>4,789,259,428</u>	<u>19,901,900,529</u>
Balance as at 1 January 2019	13,151,198,025	646,323,076	1,315,120,000	4,789,259,428	19,901,900,529
Profit for the year	-	-	-	5,686,989,585	5,686,989,585
Other comprehensive income for the year	-	-	-	(80,007,275)	(80,007,275)
Total comprehensive income for the year	-	-	-	5,606,982,310	5,606,982,310
Dividend paid	-	-	-	(4,865,380,216)	(4,865,380,216)
Balance as at 31 December 2019	<u>13,151,198,025</u>	<u>646,323,076</u>	<u>1,315,120,000</u>	<u>5,530,861,522</u>	<u>20,643,502,623</u>
	-	-	-	-	-
	-	-	-	-	-

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