

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	3,200,372	3,282,691	2,996,086	3,065,411
Trade and other receivables	2, 3	1,409,439	1,769,383	1,413,802	1,728,527
Short-term loans to related party	2	-	-	1,166,000	1,770,000
Inventories	4	11,684,485	10,344,560	9,263,262	8,363,807
Value added tax receivable		269,980	322,411	-	43,322
Other current assets	5	157,273	109,273	123,469	77,889
Total current assets		16,721,549	15,828,318	14,962,619	15,048,956
Non-current assets					
Investments in subsidiaries	6	-	-	1,977,986	1,945,646
Investment properties	7	3,797,011	3,880,053	4,864,752	4,952,678
Property, buildings and equipment	8	28,009,659	28,741,157	23,715,945	24,343,279
Right-of-use assets	9	6,584,525	6,111,986	5,545,219	5,129,171
Computer software	10	507,005	488,870	494,058	474,812
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	2	71,118	62,662	60,650	52,955
Deferred tax assets		580,607	605,491	538,844	554,703
Other non-current assets		306,176	369,006	170,502	231,719
Total non-current assets		39,859,331	40,262,455	37,371,186	37,688,193
Total assets		56,580,880	56,090,773	52,333,805	52,737,149

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	11	723,312	1,248,714	500,000	1,000,000
Trade and other payables	2, 12	13,573,636	13,050,309	11,527,660	11,515,198
Current portion of lease liabilities	13	261,154	249,328	217,870	240,863
Current portion of long-term loan	14	66,326	75,167	-	-
Current portion of debentures	15	2,000,000	4,000,000	2,000,000	4,000,000
Income tax payable		463,454	605,620	410,742	572,788
Value added tax payable		2,077	84	1,991	-
Advances received from customers		912,728	1,001,975	851,939	936,280
Other current liabilities		430,230	378,808	372,738	320,827
Total current liabilities		18,432,917	20,610,005	15,882,940	18,585,956
Non-current liabilities					
Lease liabilities - net of current portion	13	4,897,790	4,373,296	4,464,394	3,979,961
Debentures - net of current portion	15	10,044,839	8,055,587	10,044,839	8,055,587
Provision for long-term employee benefits		605,552	574,052	549,483	521,757
Rental received in advance - net of current portion		254,499	276,969	254,499	276,969
Other non-current liabilities		591,312	635,621	548,984	595,490
Total non-current liabilities		16,393,992	13,915,525	15,862,199	13,429,764
Total liabilities		34,826,909	34,525,530	31,745,139	32,015,720

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
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
Premium on ordinary shares	646,323	646,323	646,323	646,323
Retained earnings				
Appropriated				
Statutory reserve - The Company	1,315,120	1,315,120	1,315,120	1,315,120
Statutory reserve - Subsidiaries	1,000	1,000	-	-
Unappropriated	6,673,275	6,508,107	5,476,025	5,608,788
Other components of shareholders' equity	(32,948)	(56,508)	-	-
Equity attributable to owners of the Company	21,753,968	21,565,240	20,588,666	20,721,429
Non-controlling interests of the subsidiaries	3	3	-	-
Total shareholders' equity	21,753,971	21,565,243	20,588,666	20,721,429
Total liabilities and shareholders' equity	56,580,880	56,090,773	52,333,805	52,737,149
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Home Product Center Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Profit or loss:					
Revenues					
Revenue from contracts with customers	16	16,154,307	13,824,166	14,057,904	11,963,422
Rental income		302,427	212,727	306,589	217,285
Dividend income	2, 6	-	-	-	14,999
Other income		497,561	344,981	492,165	342,973
Total revenues		16,954,295	14,381,874	14,856,658	12,538,679
Expenses					
Cost of sales and service		12,088,691	10,536,581	10,478,271	9,081,709
Cost of rental		156,296	119,296	154,168	117,220
Selling, distribution and service expenses		2,343,806	2,002,344	2,108,984	1,791,984
Administrative expenses		515,331	459,432	461,762	402,471
Other expenses		7,041	-	7,240	-
Total expenses		15,111,165	13,117,653	13,210,425	11,393,384
Operating profit		1,843,130	1,264,221	1,646,233	1,145,295
Finance income		1,797	8,009	12,193	23,999
Finance cost		(101,832)	(125,992)	(95,614)	(118,515)
Profit before income tax expenses		1,743,095	1,146,238	1,562,812	1,050,779
Income tax expenses	17	(310,507)	(203,561)	(274,983)	(188,810)
Profit for the period		1,432,588	942,677	1,287,829	861,969
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		1,962	(175)	-	-
Other comprehensive income for the period		1,962	(175)	-	-
Total comprehensive income for the period		1,434,550	942,502	1,287,829	861,969
Profit attributable to:					
Equity holders of the Company		1,432,588	942,677	1,287,829	861,969
Non-controlling interests of the subsidiaries		-	-	-	-
		1,432,588	942,677		
Total comprehensive income attributable to:					
Equity holders of the Company		1,434,550	942,502	1,287,829	861,969
Non-controlling interests of the subsidiaries		-	-	-	-
		1,434,550	942,502		
(Unit: Baht)					
Earnings per share					
18					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.11	0.07	0.10	0.07

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Profit or loss:					
Revenues					
Revenue from contracts with customers	16	31,206,713	28,369,751	27,075,252	24,592,420
Rental income		626,975	594,725	637,199	600,423
Dividend income	2, 6	-	-	-	14,999
Other income		953,168	742,300	950,020	739,401
Total revenues		32,786,856	29,706,776	28,662,471	25,947,243
Expenses					
Cost of sales and service		23,267,866	21,342,956	20,088,229	18,403,978
Cost of rental		318,975	269,293	314,583	264,520
Selling, distribution and service expenses		4,546,620	4,220,117	4,095,658	3,777,997
Administrative expenses		998,990	939,970	919,970	834,798
Other expenses		13,794	8,850	10,587	8,789
Total expenses		29,146,245	26,781,186	25,429,027	23,290,082
Operating profit		3,640,611	2,925,590	3,233,444	2,657,161
Finance income		4,622	13,825	27,595	47,792
Finance cost		(208,584)	(241,056)	(196,143)	(226,894)
Profit before income tax expenses		3,436,649	2,698,359	3,064,896	2,478,059
Income tax expenses	17	(641,591)	(489,160)	(567,769)	(458,249)
Profit for the period		2,795,058	2,209,199	2,497,127	2,019,810
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		23,560	1,544	-	-
Other comprehensive income for the period		23,560	1,544	-	-
Total comprehensive income for the period		2,818,618	2,210,743	2,497,127	2,019,810
Profit attributable to:					
Equity holders of the Company		2,795,058	2,209,199	2,497,127	2,019,810
Non-controllig interests of the subsidiaries		-	-	-	-
		2,795,058	2,209,199		
Total comprehensive income attributable to:					
Equity holders of the Company		2,818,618	2,210,743	2,497,127	2,019,810
Non-controllig interests of the subsidiaries		-	-	-	-
		2,818,618	2,210,743		
(Unit: Baht)					
Earnings per share					
18					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.21	0.17	0.19	0.15

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

Consolidated financial statements										
Equity attributable to owners of the Company										
						Other components of equity				
						Other comprehensive income				
		Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		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'	
	Note			Appropriated - statutory reserve	Unappropriated					
				The Company	Subsidiaries					
Balance as at 1 January 2020		13,151,198	646,323	1,315,120	1,000	5,429,309	(61,422)	20,481,528	4	20,481,532
Profit for the period		-	-	-	-	2,209,199	-	2,209,199	-	2,209,199
Other comprehensive income for the period		-	-	-	-	-	1,544	1,544	-	1,544
Total comprehensive income for the period		-	-	-	-	2,209,199	1,544	2,210,743	-	2,210,743
Dividend paid	19	-	-	-	-	(2,760,799)	-	(2,760,799)	-	(2,760,799)
Subsidiary paid dividend to non-controlling interest of subsidiary		-	-	-	-	-	-	-	(1)	(1)
Balance as at 30 June 2020		13,151,198	646,323	1,315,120	1,000	4,877,709	(59,878)	19,931,472	3	19,931,475
Balance as at 1 January 2021		13,151,198	646,323	1,315,120	1,000	6,508,107	(56,508)	21,565,240	3	21,565,243
Profit for the period		-	-	-	-	2,795,058	-	2,795,058	-	2,795,058
Other comprehensive income for the period		-	-	-	-	-	23,560	23,560	-	23,560
Total comprehensive income for the period		-	-	-	-	2,795,058	23,560	2,818,618	-	2,818,618
Dividend paid	19	-	-	-	-	(2,629,890)	-	(2,629,890)	-	(2,629,890)
Balance as at 30 June 2021		13,151,198	646,323	1,315,120	1,000	6,673,275	(32,948)	21,753,968	3	21,753,971
		-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

Separate financial statements					
Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total shareholders' equity
			Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2020	13,151,198	646,323	1,315,120	4,896,411	20,009,052
Profit for the period	-	-	-	2,019,810	2,019,810
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,019,810	2,019,810
Dividend paid	19	-	-	(2,760,799)	(2,760,799)
Balance as at 30 June 2020	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>4,155,422</u>	<u>19,268,063</u>
Balance as at 1 January 2021	13,151,198	646,323	1,315,120	5,608,788	20,721,429
Profit for the period	-	-	-	2,497,127	2,497,127
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,497,127	2,497,127
Dividend paid	19	-	-	(2,629,890)	(2,629,890)
Balance as at 30 June 2021	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>5,476,025</u>	<u>20,588,666</u>
	-	-	-	-	-
	-	-	-	-	-

The accompanying notes to interim consolidated financial statements 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 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	3,436,649	2,698,359	3,064,896	2,478,059
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	1,596,799	1,616,260	1,380,204	1,376,332
Gain from rental reduction	-	(5,591)	-	(5,591)
Gain from reduction of rental period	(18,338)	-	(18,338)	-
Decrease of inventories to net realisable value	54,933	50,428	43,025	39,480
Loss (gain) from sales and written-off of assets	4,742	(2,088)	1,674	(2,072)
Reversal of allowance for impairment of assets	(1,060)	-	(1,060)	-
Provision for long-term employee benefits	31,500	28,687	27,726	25,236
Transfer deferred interest to financial cost	73,970	44,731	73,970	44,731
Unrealised exchange loss (gain)	(1,257)	391	1,297	(987)
Loss (gain) on fair value of derivative instrument	(893)	1,339	(893)	1,339
Dividend income from subsidiary	-	-	-	(14,999)
Interest income	(4,622)	(13,825)	(27,595)	(47,792)
Interest expenses	126,477	239,594	114,633	225,583
Profit from operating activities before changes in operating assets and liabilities	5,298,900	4,658,285	4,659,539	4,119,319
Decrease (increase) in operating assets				
Trade and other receivables	359,962	497,264	314,743	429,334
Inventories	(1,394,858)	1,008,209	(942,480)	1,022,970
Value added tax receivable	52,431	25,835	43,322	-
Other current assets	(48,000)	(4,499)	(45,580)	(3,398)
Rental guarantee deposits	(8,456)	134	(7,695)	-
Other non-current assets	62,830	(5,494)	61,217	(3,878)
Increase (decrease) in operating liabilities				
Trade and other payables	484,941	(1,835,470)	(19,371)	(1,945,187)
Value added tax payable	1,993	12,040	1,991	12,040
Advances received from customers	(89,247)	(166,141)	(84,341)	(160,885)
Other current liabilities	52,111	137,664	52,600	142,294
Rental received in advance	(22,470)	(12,043)	(22,470)	(12,043)
Other non-current liabilities	6,900	1,776	6,252	2,487
Cash flows from operating activities	4,757,037	4,317,560	4,017,727	3,603,053
Cash paid for employee benefits	-	(257)	-	-
Cash paid for corporate income tax	(758,874)	(686,116)	(713,956)	(672,410)
Net cash flows from operating activities	3,998,163	3,631,187	3,303,771	2,930,643

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Short-term loans to related party	-	-	(2,150,000)	(1,100,000)
Cash received from short-term loans to related party	-	-	2,754,000	1,716,000
Payment of investments in subsidiary	-	-	(32,340)	-
Dividend income from subsidiary	-	-	-	14,999
Acquisitions of investment properties	(42,783)	(106,483)	(42,783)	(106,483)
Acquisitions of property, buildings and equipment	(421,541)	(1,011,469)	(361,585)	(986,917)
Payment of right-of-use assets	(6,446)	(177)	(6,446)	(177)
Acquisitions of computer software	(62,637)	(21,625)	(61,263)	(21,625)
Decrease in construction retention	(51,209)	(3,264)	(52,758)	(3,277)
Proceeds from sales of investment properties' equipment	3	11	3	11
Proceeds from sales of equipment	2,335	9,033	1,858	9,002
Cash received from interest income	4,604	14,395	27,577	48,362
Net cash flows from (used in) investing activities	(577,674)	(1,119,579)	76,263	(430,105)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	4,000,000	7,686,247	4,000,000	7,250,000
Repayments of short-term loans from financial institutions	(4,530,704)	(5,202,455)	(4,500,000)	(4,750,000)
Payments of lease liabilities	(197,370)	(177,187)	(171,020)	(146,087)
Repayments of long-term loan	(10,337)	(6,779)	-	-
Proceeds from issuance of debentures	1,915,282	2,999,082	1,915,282	2,999,082
Cash paid for redemption of debentures	(2,000,000)	(4,000,000)	(2,000,000)	(4,000,000)
Cash paid for interest expenses	(68,812)	(198,189)	(63,935)	(190,277)
Dividend paid	(2,629,686)	(2,760,526)	(2,629,686)	(2,760,525)
Net cash flows used in financing activities	(3,521,627)	(1,659,807)	(3,449,359)	(1,597,807)
Translation adjustments	18,819	(2,880)	-	-
Net increase (decrease) in cash and cash equivalents	(82,319)	848,921	(69,325)	902,731
Cash and cash equivalents at beginning of period	3,282,691	2,859,979	3,065,411	2,606,368
Cash and cash equivalents at end of period	3,200,372	3,708,900	2,996,086	3,509,099
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment that have not yet been paid	(54,991)	248,692	(45,772)	235,704
Transfer equipment to right-of-use assets	-	15,028	-	15,028
Transfer right-of-use assets to equipment	1,524	-	1,524	-
Dividend payables	(204)	(274)	(204)	(274)

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