

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021	31 December 2020	30 September 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	2,263,430	3,282,691	1,951,301	3,065,411
Trade and other receivables	2, 3	1,192,190	1,769,383	1,234,251	1,728,527
Short-term loans to related party	2	-	-	1,516,000	1,770,000
Inventories	4	11,779,663	10,344,560	9,416,434	8,363,807
Value added tax receivable		261,010	322,411	-	43,322
Other current assets	5	110,517	109,273	79,450	77,889
Total current assets		15,606,810	15,828,318	14,197,436	15,048,956
Non-current assets					
Investments in subsidiaries	6	-	-	1,977,986	1,945,646
Investment properties	7	3,737,496	3,880,053	4,802,756	4,952,678
Property, building and equipment	8	27,768,430	28,741,157	23,517,588	24,343,279
Right-of-use assets	9	6,476,470	6,111,986	5,453,006	5,129,171
Computer software	10	513,189	488,870	501,444	474,812
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	2	73,852	62,662	62,862	52,955
Deferred tax assets		605,667	605,491	561,463	554,703
Other non-current assets		306,769	369,006	170,656	231,719
Total non-current assets		39,485,103	40,262,455	37,050,991	37,688,193
Total assets		55,091,913	56,090,773	51,248,427	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 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2021	31 December 2020	30 September 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	2,234,279	1,248,714	2,000,000	1,000,000
Trade and other payables	2, 12	11,713,614	13,050,309	10,097,052	11,515,198
Current portion of lease liabilities	13	259,094	249,328	213,186	240,863
Current portion of long-term loan	14	64,090	75,167	-	-
Current portion of debentures	15	2,000,000	4,000,000	2,000,000	4,000,000
Income tax payable		164,769	605,620	145,948	572,788
Value added tax payable		22,894	84	22,805	-
Advances received from customers		789,753	1,001,975	734,625	936,280
Other current liabilities		425,399	378,808	365,305	320,827
Total current liabilities		17,673,892	20,610,005	15,578,921	18,585,956
Non-current liabilities					
Lease liabilities - net of current portion	13	4,844,366	4,373,296	4,420,177	3,979,961
Debentures - net of current portion	15	10,083,401	8,055,587	10,083,401	8,055,587
Provision for long-term employee benefits		619,009	574,052	561,640	521,757
Rental received in advance - net of current portion		249,455	276,969	249,455	276,969
Other non-current liabilities		572,395	635,621	527,156	595,490
Total non-current liabilities		16,368,626	13,915,525	15,841,829	13,429,764
Total liabilities		34,042,518	34,525,530	31,420,750	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 September 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 September 2021 (Unaudited but reviewed)	31 December 2020 (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	5,965,546	6,508,107	4,715,036	5,608,788
Other components of shareholders' equity	(29,795)	(56,508)	-	-
Equity attributable to owners of the Company	21,049,392	21,565,240	19,827,677	20,721,429
Non-controlling interests of the subsidiaries	3	3	-	-
Total shareholders' equity	21,049,395	21,565,243	19,827,677	20,721,429
Total liabilities and shareholders' equity	55,091,913	56,090,773	51,248,427	52,737,149
	-	-	-	-

The accompanying notes to interim consolidated financial statements 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 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Revenue from contracts with customers	16	13,170,176	15,064,306	11,542,981	13,140,640
Rental income		217,050	487,207	222,471	489,087
Other income		389,610	466,150	380,100	460,265
Total revenues		13,776,836	16,017,663	12,145,552	14,089,992
Expenses					
Cost of sales and service		9,851,649	11,179,174	8,573,040	9,702,565
Cost of rental		144,263	135,800	143,483	132,903
Selling, distribution and service expenses		2,093,949	2,426,622	1,874,598	2,203,910
Administrative expenses		465,795	464,242	425,848	405,524
Other expenses		32,235	2,006	29,919	1,940
Total expenses		12,587,891	14,207,844	11,046,888	12,446,842
Operating profit		1,188,945	1,809,819	1,098,664	1,643,150
Finance income		1,169	1,822	12,655	16,579
Finance cost		(107,653)	(110,014)	(101,494)	(103,771)
Profit before income tax expenses		1,082,461	1,701,627	1,009,825	1,555,958
Income tax expenses	17	(212,047)	(301,109)	(192,671)	(282,631)
Profit for the period		870,414	1,400,518	817,154	1,273,327
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		3,153	147	-	-
Other comprehensive income for the period		3,153	147	-	-
Total comprehensive income for the period		873,567	1,400,665	817,154	1,273,327
Profit attributable to:					
Equity holders of the Company		870,414	1,400,518	817,154	1,273,327
Non-controlling interests of the subsidiaries		-	-	-	-
		870,414	1,400,518		
Total comprehensive income attributable to:					
Equity holders of the Company		873,567	1,400,665	817,154	1,273,327
Non-controlling interests of the subsidiaries		-	-	-	-
		873,567	1,400,665		
(Unit: Baht)					
Earnings per share					
18					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.07	0.11	0.06	0.10

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 nine-month period ended 30 September 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Revenue from contracts with customers	16	44,376,889	43,434,057	38,618,233	37,733,060
Rental income		844,025	1,081,932	859,670	1,089,510
Dividend income	2, 6	-	-	-	14,999
Other income		1,342,778	1,208,450	1,330,120	1,199,666
Total revenues		46,563,692	45,724,439	40,808,023	40,037,235
Expenses					
Cost of sales and service		33,119,515	32,522,130	28,661,269	28,106,543
Cost of rental		463,238	405,093	458,066	397,423
Selling, distribution and service expenses		6,640,569	6,646,739	5,970,256	5,981,907
Administrative expenses		1,464,785	1,404,212	1,345,818	1,240,322
Other expenses		46,029	10,856	40,506	10,729
Total expenses		41,734,136	40,989,030	36,475,915	35,736,924
Operating profit		4,829,556	4,735,409	4,332,108	4,300,311
Finance income		5,791	15,647	40,250	64,371
Finance cost		(316,237)	(351,070)	(297,637)	(330,665)
Profit before income tax expenses		4,519,110	4,399,986	4,074,721	4,034,017
Income tax expenses	17	(853,638)	(790,269)	(760,440)	(740,880)
Profit for the period		3,665,472	3,609,717	3,314,281	3,293,137
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		26,713	1,691	-	-
Other comprehensive income for the period		26,713	1,691	-	-
Total comprehensive income for the period		3,692,185	3,611,408	3,314,281	3,293,137
Profit attributable to:					
Equity holders of the Company		3,665,472	3,609,717	3,314,281	3,293,137
Non-controlling interests of the subsidiaries		-	-	-	-
		3,665,472	3,609,717		
Total comprehensive income attributable to:					
Equity holders of the Company		3,692,185	3,611,408	3,314,281	3,293,137
Non-controlling interests of the subsidiaries		-	-	-	-
		3,692,185	3,611,408		
					(Unit: Baht)
Earnings per share					
18					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.28	0.27	0.25	0.25

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 nine-month period ended 30 September 2021

(Unit: Thousand 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	Exchange differences on translation of financial statements in foreign currency
				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		-	-	-	-	3,609,717	-	3,609,717	-	3,609,717		
Other comprehensive income for the period		-	-	-	-	-	1,691	1,691	-	1,691		
Total comprehensive income for the period		-	-	-	-	3,609,717	1,691	3,611,408	-	3,611,408		
Dividend paid	19	-	-	-	-	(4,075,903)	-	(4,075,903)	-	(4,075,903)		
Subsidiary paid dividend to non-controlling interest of subsidiary		-	-	-	-	-	-	-	(1)	(1)		
Balance as at 30 September 2020		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>1,000</u>	<u>4,963,123</u>	<u>(59,731)</u>	<u>20,017,033</u>	<u>3</u>	<u>20,017,036</u>		
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		-	-	-	-	3,665,472	-	3,665,472	-	3,665,472		
Other comprehensive income for the period		-	-	-	-	-	26,713	26,713	-	26,713		
Total comprehensive income for the period		-	-	-	-	3,665,472	26,713	3,692,185	-	3,692,185		
Dividend paid	19	-	-	-	-	(4,208,033)	-	(4,208,033)	-	(4,208,033)		
Balance as at 30 September 2021		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>1,000</u>	<u>5,965,546</u>	<u>(29,795)</u>	<u>21,049,392</u>	<u>3</u>	<u>21,049,395</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

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2021

(Unit: Thousand Baht)

Separate financial statements					
	Issued and paid-up	Premium on ordinary shares	Retained earnings		Total
Note	share capital	- statutory reserve	Appropriated	Unappropriated	shareholders' equity
Balance as at 1 January 2020	13,151,198	646,323	1,315,120	4,896,411	20,009,052
Profit for the period	-	-	-	3,293,137	3,293,137
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,293,137	3,293,137
Dividend paid	-	-	-	(4,075,903)	(4,075,903)
Balance as at 30 September 2020	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>4,113,645</u>	<u>19,226,286</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	-	-	-	3,314,281	3,314,281
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,314,281	3,314,281
Dividend paid	-	-	-	(4,208,033)	(4,208,033)
Balance as at 30 September 2021	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>4,715,036</u>	<u>19,827,677</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 nine-month period ended 30 September 2021**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	4,519,110	4,399,986	4,074,721	4,034,017
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	2,405,855	2,393,074	2,080,887	2,039,275
Rental reduction	(25,053)	(5,591)	(21,344)	(5,591)
Gain from reduction of rental period	(18,338)	-	(18,338)	-
Decrease of inventories to net realisable value	78,074	77,041	61,595	60,363
Loss (gain) from sales and written-off of assets	8,354	(865)	3,259	(836)
Reversal of allowance for expected credit losses	(7)	-	(7)	-
Allowance for impairment of assets (reversal)	(1,060)	7,891	(1,060)	-
Provision for long-term employee benefits	47,242	43,048	41,582	37,872
Transfer deferred interest to financial cost	112,532	71,662	112,532	71,662
Unrealised exchange loss (gain)	(5,118)	408	1,503	1,430
Gain on fair value of derivative instrument	(894)	-	(894)	-
Dividend income from subsidiary	-	-	-	(14,999)
Interest income	(5,791)	(15,647)	(40,250)	(64,371)
Interest expenses	192,972	347,445	175,183	327,383
Profit from operating activities before changes in operating assets and liabilities	7,307,878	7,318,452	6,469,369	6,486,205
Decrease (increase) in operating assets				
Trade and other receivables	577,108	583,141	494,191	524,898
Inventories	(1,513,177)	467,047	(1,114,222)	717,678
Value added tax receivable	61,401	(9,866)	43,322	(31,969)
Other current assets	(1,244)	(2,982)	(1,561)	(60)
Rental guarantee deposits	(11,190)	(354)	(9,907)	-
Other non-current assets	62,237	(5,378)	61,063	(5,195)
Increase (decrease) in operating liabilities				
Trade and other payables	(1,380,065)	(572,586)	(1,443,665)	(889,168)
Value added tax payable	22,810	(28,534)	22,805	(28,538)
Advances received from customers	(212,222)	(204,760)	(201,655)	(182,820)
Other current liabilities	27,408	113,205	25,295	116,164
Rental received in advance	(27,514)	(32,993)	(27,514)	(32,993)
Other non-current liabilities	14,926	9,826	12,556	9,120
Cash flows from operating activities	4,928,356	7,634,218	4,330,077	6,683,322
Cash paid for employee benefits	(2,285)	(257)	(1,699)	-
Cash paid for corporate income tax	(1,294,665)	(1,106,695)	(1,194,040)	(1,061,397)
Net cash flows from operating activities	3,631,406	6,527,266	3,134,338	5,621,925

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 nine-month period ended 30 September 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	-	-	(3,520,000)	(2,110,000)
Cash received from short-term loans to related party	-	-	3,774,000	2,870,000
Payment of investments in subsidiary	-	-	(32,340)	-
Dividend income from subsidiary	-	-	-	14,999
Acquisitions of investment properties	(55,873)	(757,059)	(55,873)	(757,059)
Acquisitions of property, building and equipment	(786,808)	(1,289,513)	(703,223)	(1,262,534)
Payment of right-of-use assets	(6,446)	(264)	(6,446)	(264)
Acquisitions of computer software	(92,618)	(51,442)	(91,209)	(51,442)
Increase (decrease) in construction retention	(78,152)	34,501	(80,890)	34,484
Proceeds from sales of investment properties' equipment	3	10	3	10
Proceeds from sales of equipment	5,270	9,727	4,787	9,650
Cash received from interest income	5,883	16,130	40,342	64,855
Net cash flows used in investing activities	(1,008,741)	(2,037,910)	(670,849)	(1,187,301)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	9,000,000	9,186,247	9,000,000	8,750,000
Repayments of short-term loans from financial institutions	(8,030,703)	(7,721,131)	(8,000,000)	(7,250,000)
Payments of lease liabilities	(275,766)	(275,963)	(238,962)	(233,670)
Repayments of long-term loan	(15,680)	(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	(73,174)	(253,026)	(65,963)	(242,309)
Dividend paid	(4,187,956)	(4,074,485)	(4,187,956)	(4,074,484)
Net cash flows used in financing activities	(3,667,997)	(4,146,055)	(3,577,599)	(4,051,381)
Translation adjustments	26,071	2,628	-	-
Net increase (decrease) in cash and cash equivalents	(1,019,261)	345,929	(1,114,110)	383,243
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	2,263,430	3,205,908	1,951,301	2,989,611
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment that have not yet been paid	(44,036)	120,225	(19,467)	106,625
Transfer equipment to right-of-use assets	-	15,028	-	15,028
Transfer right-of-use assets to investment properties	-	375,114	-	375,114
Transfer right-of-use assets to equipment	3,171	241	3,171	241
Dividend payables	(20,077)	(1,418)	(20,077)	(1,418)

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