

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2022	31 December 2021	30 September 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	5,759,867	4,545,966	5,525,803	4,216,397
Trade and other receivables	2, 3	1,515,984	1,674,873	1,589,628	1,676,318
Short-term loans to related party	2	-	-	-	1,234,000
Inventories	4	13,004,907	12,572,202	12,553,143	10,249,853
Other current assets		310,466	127,169	280,460	92,865
Total current assets		20,591,224	18,920,210	19,949,034	17,469,433
Non-current assets					
Investments in subsidiaries	5	-	-	2,028,089	2,028,089
Investment in associate	6	68,114	-	68,706	-
Investment properties	7	4,320,932	3,674,704	5,376,344	4,737,481
Property, building and equipment	8	27,841,355	27,584,172	23,948,198	23,402,331
Right-of-use assets	9	8,042,563	6,659,214	8,243,535	5,656,479
Computer software		472,385	505,159	470,423	494,714
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	2	71,411	75,836	61,497	65,075
Value added tax receivable expect to be refunded					
more than one year		49,696	245,866	-	-
Deferred tax assets		645,260	608,627	617,746	563,203
Other non-current assets		312,468	309,329	178,604	171,407
Total non-current assets		41,827,414	39,666,137	40,996,372	37,122,009
Total assets		62,418,638	58,586,347	60,945,406	54,591,442

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 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2022	31 December 2021	30 September 2022	31 December 2021
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	1,077,506	1,231,829	1,000,000	1,000,000
Trade and other payables	2, 11	14,446,533	13,972,619	14,430,564	12,310,345
Current portion of lease liabilities	12	197,174	247,268	663,232	201,780
Current portion of long-term loan	13	53,629	61,608	-	-
Current portion of debentures	14	6,292,097	3,120,897	6,292,097	3,120,897
Income tax payable		330,803	448,314	300,352	407,850
Value added tax payable		91	22,242	-	22,154
Advances received from customers		995,207	1,011,117	980,185	950,547
Other current liabilities		462,240	394,789	437,262	351,231
Total current liabilities		23,855,280	20,510,683	24,103,692	18,364,804
Non-current liabilities					
Lease liabilities - net of current portion	12	5,468,085	4,865,462	5,717,591	4,452,653
Long-term loans - net of current portion	13	128,088	-	-	-
Debentures - net of current portion	14	8,902,287	8,943,368	8,902,287	8,943,368
Provision for long-term employee benefits		583,085	545,894	527,929	495,219
Rental received in advance - net of current portion		224,607	239,418	224,607	239,418
Other non-current liabilities		660,760	591,089	607,644	538,325
Total non-current liabilities		15,966,912	15,185,231	15,980,058	14,668,983
Total liabilities		39,822,192	35,695,914	40,083,750	33,033,787

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 2022

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2022 (Unaudited but reviewed)	31 December 2021 (Audited)	30 September 2022 (Unaudited but reviewed)	31 December 2021 (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	7,504,298	7,805,892	5,749,015	6,445,014
Other components of shareholders' equity	(21,495)	(29,103)	-	-
Equity attributable to owners of the Company	22,596,444	22,890,430	20,861,656	21,557,655
Non-controlling interests of the subsidiaries	2	3	-	-
Total shareholders' equity	22,596,446	22,890,433	20,861,656	21,557,655
Total liabilities and shareholders' equity	62,418,638	58,586,347	60,945,406	54,591,442
	-	-	-	-

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 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Revenue from contracts with customers	15	15,896,573	13,170,176	15,592,784	11,542,981
Rental income		440,643	217,050	444,289	222,471
Dividend income	2, 5	-	-	7,999	-
Other income		604,281	389,610	585,769	380,100
Total revenues		16,941,497	13,776,836	16,630,841	12,145,552
Expenses					
Cost of sales and service		11,636,540	9,851,649	11,487,674	8,573,040
Cost of rental		186,072	144,263	184,082	143,483
Selling, distribution and service expenses		2,542,997	2,093,949	2,529,029	1,874,598
Administrative expenses		587,364	465,795	602,765	425,848
Other expenses		-	32,235	-	29,919
Total expenses		14,952,973	12,587,891	14,803,550	11,046,888
Operating profit		1,988,524	1,188,945	1,827,291	1,098,664
Share of loss from investment in associate		(592)	-	-	-
Finance income		4,819	1,169	6,775	12,655
Finance cost		(122,830)	(107,653)	(123,144)	(101,494)
Profit before income tax expenses		1,869,921	1,082,461	1,710,922	1,009,825
Income tax expenses		(336,591)	(212,047)	(307,901)	(192,671)
Profit for the period		1,533,330	870,414	1,403,021	817,154
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		2,417	3,153	-	-
Other comprehensive income for the period		2,417	3,153	-	-
Total comprehensive income for the period		1,535,747	873,567	1,403,021	817,154
Profit attributable to:					
Equity holders of the Company		1,533,330	870,414	1,403,021	817,154
Non-controlling interests of the subsidiaries		-	-	-	-
		1,533,330	870,414		
Total comprehensive income attributable to:					
Equity holders of the Company		1,535,747	873,567	1,403,021	817,154
Non-controlling interests of the subsidiaries		-	-	-	-
		1,535,747	873,567		
(Unit: Baht)					
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.12	0.07	0.11	0.06

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 2022

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit or loss:					
Revenues					
Revenue from contracts with customers	15	47,976,112	44,376,889	43,234,007	38,618,233
Rental income		1,256,265	844,025	1,269,785	859,670
Dividend income	2, 5	-	-	107,999	-
Other income		1,689,193	1,342,778	1,663,644	1,330,120
Total revenues		50,921,570	46,563,692	46,275,435	40,808,023
Expenses					
Cost of sales and service		35,423,979	33,119,515	31,981,227	28,661,269
Cost of rental		517,237	463,238	509,829	458,066
Selling, distribution and service expenses		7,322,583	6,640,569	6,762,922	5,970,256
Administrative expenses		1,703,591	1,464,785	1,605,322	1,345,818
Other expenses		3,610	46,029	-	40,506
Total expenses		44,971,000	41,734,136	40,859,300	36,475,915
Operating profit		5,950,570	4,829,556	5,416,135	4,332,108
Share of loss from investment in associate		(592)	-	-	-
Finance income		8,494	5,791	25,436	40,250
Finance cost		(315,016)	(316,237)	(303,829)	(297,637)
Profit before income tax expenses		5,643,456	4,519,110	5,137,742	4,074,721
Income tax expenses		(1,079,111)	(853,638)	(967,802)	(760,440)
Profit for the period		4,564,345	3,665,472	4,169,940	3,314,281
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		7,608	26,713	-	-
Other comprehensive income for the period		7,608	26,713	-	-
Total comprehensive income for the period		4,571,953	3,692,185	4,169,940	3,314,281
Profit attributable to:					
Equity holders of the Company		4,564,345	3,665,472	4,169,940	3,314,281
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>4,564,345</u>	<u>3,665,472</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		4,571,953	3,692,185	4,169,940	3,314,281
Non-controlling interests of the subsidiaries		-	-	-	-
		<u>4,571,953</u>	<u>3,692,185</u>		
(Unit: Baht)					
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.35</u>	<u>0.28</u>	<u>0.32</u>	<u>0.25</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 2022

(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			Exchange differences on translation of financial statements in foreign currency			
				The Company	Subsidiaries	Unappropriated				
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	16	-	-	-	-	(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>
Balance as at 1 January 2022		13,151,198	646,323	1,315,120	1,000	7,805,892	(29,103)	22,890,430	3	22,890,433
Profit for the period		-	-	-	-	4,564,345	-	4,564,345	-	4,564,345
Other comprehensive income for the period		-	-	-	-	-	7,608	7,608	-	7,608
Total comprehensive income for the period		-	-	-	-	4,564,345	7,608	4,571,953	-	4,571,953
Dividend paid	16	-	-	-	-	(4,865,939)	-	(4,865,939)	(1)	(4,865,940)
Balance as at 30 September 2022		<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>1,000</u>	<u>7,504,298</u>	<u>(21,495)</u>	<u>22,596,444</u>	<u>2</u>	<u>22,596,446</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 2022

(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 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>
Balance as at 1 January 2022	13,151,198	646,323	1,315,120	6,445,014	21,557,655
Profit for the period	-	-	-	4,169,940	4,169,940
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,169,940	4,169,940
Dividend paid	-	-	-	(4,865,939)	(4,865,939)
Balance as at 30 September 2022	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>5,749,015</u>	<u>20,861,656</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 2022**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before tax	5,643,456	4,519,110	5,137,742	4,074,721
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	2,332,874	2,405,855	2,183,074	2,080,887
Rental reduction	-	(25,053)	-	(21,344)
Gain from reduction of rental period	(20)	(18,338)	(20)	(18,338)
Decrease of inventories to net realisable value	82,451	78,074	111,694	61,595
Loss (gain) from sales and written-off of assets	3,142	8,354	(412)	3,259
Reversal of allowance for expected credit losses	(583)	(7)	(566)	(7)
Reversal of allowance for impairment of assets	-	(1,060)	-	(1,060)
Share of loss from investment in associate	592	-	-	-
Provision for long-term employee benefits	37,191	47,242	32,710	41,582
Transfer deferred interest to financial cost	130,119	112,532	130,119	112,532
Unrealised exchange loss (gain)	844	(5,118)	(1,650)	1,503
Gain on fair value of derivative instrument	(29,006)	(894)	(29,006)	(894)
Dividend income from subsidiaries	-	-	(107,999)	-
Interest income	(8,398)	(5,791)	(25,436)	(40,250)
Interest expenses	177,339	192,972	166,576	175,183
Profit from operating activities before changes in operating assets and liabilities	8,370,001	7,307,878	7,596,826	6,469,369
Decrease (increase) in operating assets				
Trade and other receivables	159,312	577,108	87,096	494,191
Inventories	(515,156)	(1,513,177)	(2,414,984)	(1,114,222)
Value added tax receivable	87,703	61,401	(107,713)	43,322
Other current assets	(45,827)	(1,244)	(50,876)	(1,561)
Rental guarantee deposits	4,425	(11,190)	3,578	(9,907)
Other non-current assets	(3,139)	62,237	(7,197)	61,063
Increase (decrease) in operating liabilities				
Trade and other payables	(158,363)	(1,380,065)	1,485,000	(1,443,665)
Value added tax payable	(22,151)	22,810	(22,154)	22,805
Advances received from customers	(15,910)	(212,222)	29,638	(201,655)
Other current liabilities	64,654	27,408	83,233	25,295
Rental received in advance	(14,811)	(27,514)	(14,811)	(27,514)
Other non-current liabilities	30,266	14,926	28,594	12,556
Cash flows from operating activities	7,941,004	4,928,356	6,696,230	4,330,077
Cash paid for employee benefits	-	(2,285)	-	(1,699)
Cash paid for corporate income tax	(1,233,255)	(1,294,665)	(1,129,843)	(1,194,040)
Net cash flows from operating activities	6,707,749	3,631,406	5,566,387	3,134,338

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 2022**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Short-term loans to related party	-	-	(2,190,000)	(3,520,000)
Cash received from short-term loans to related party	-	-	3,424,000	3,774,000
Increase in investment in subsidiary	-	-	-	(32,340)
Dividend income from subsidiaries	-	-	107,999	-
Investment in associate	(68,706)	-	(68,706)	-
Acquisitions of investment properties	(5,728)	(55,873)	(5,728)	(55,873)
Acquisitions of property, building and equipment	(2,195,070)	(786,808)	(2,252,223)	(703,223)
Payment of right-of-use assets	(1,009,607)	(6,446)	(1,009,607)	(6,446)
Acquisitions of computer software	(34,033)	(92,618)	(39,972)	(91,209)
Increase (decrease) in construction retention	39,405	(78,152)	40,725	(80,890)
Proceeds from sales of investment properties' equipment	11	3	11	3
Proceeds from sales of equipment	4,686	5,270	3,447	4,787
Cash received from interest income	8,558	5,883	25,596	40,342
Net cash flows used in investing activities	(3,260,484)	(1,008,741)	(1,964,458)	(670,849)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	1,720,562	9,000,000	1,700,000	9,000,000
Repayments of short-term loans from financial institutions	(1,869,880)	(8,030,703)	(1,700,000)	(8,000,000)
Payments of lease liabilities	(298,590)	(275,766)	(395,035)	(238,962)
Cash received from long-term loan	122,273	-	-	-
Repayments of long-term loan	(8,871)	(15,680)	-	-
Proceeds from issuance of debentures	3,000,000	1,915,282	3,000,000	1,915,282
Cash paid for redemption of debentures	-	(2,000,000)	-	(2,000,000)
Cash paid for interest expenses	(41,068)	(73,174)	(34,346)	(65,963)
Dividend paid	(4,863,142)	(4,187,956)	(4,863,142)	(4,187,956)
Net cash flows used in financing activities	(2,238,716)	(3,667,997)	(2,292,523)	(3,577,599)
Translation adjustments	5,352	26,071	-	-
Net increase (decrease) in cash and cash equivalents	1,213,901	(1,019,261)	1,309,406	(1,114,110)
Cash and cash equivalents at beginning of period	4,545,966	3,282,691	4,216,397	3,065,411
Cash and cash equivalents at end of period	5,759,867	2,263,430	5,525,803	1,951,301
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment that have not yet been paid	874,076	(44,036)	874,076	(19,467)
Transfer land and land improvement to investment properties	824,686	-	824,686	-
Transfer right-of-use assets to equipment	1,911	3,171	1,911	3,171
Dividend payables	4,897	(20,077)	4,897	(20,077)

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