

Home Product Center Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023	31 December 2022	30 June 2023	31 December 2022
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	2	2,004,688	5,420,298	1,695,018	5,104,398
Trade and other receivables	2, 3	1,616,761	2,068,894	1,743,666	2,157,314
Inventories	4	14,070,642	13,630,079	13,580,471	13,158,046
Value added tax receivable		124,142	135,210	103,908	134,179
Other current assets		182,962	175,489	153,629	153,298
Total current assets		17,999,195	21,429,970	17,276,692	20,707,235
Non-current assets					
Investments in subsidiaries	5	-	-	1,998,089	2,028,089
Investment in associate	6	65,926	66,756	68,706	68,706
Investment properties	7	4,148,565	4,262,560	5,196,612	5,315,490
Property, building and equipment	8	30,362,747	29,468,564	26,668,237	25,646,298
Right-of-use assets	9	9,121,145	8,447,269	8,996,468	8,540,679
Computer software		461,231	470,916	459,568	469,157
Property foreclosed		3,230	3,230	3,230	3,230
Rental guarantee deposits	2	63,409	70,692	54,258	61,212
Value added tax receivable expect to be refunded					
more than one year		-	39,748	-	-
Deferred tax assets		661,562	662,642	639,597	636,282
Other non-current assets		263,440	262,397	140,279	140,584
Total non-current assets		45,151,255	43,754,774	44,225,044	42,909,727
Total assets		63,150,450	65,184,744	61,501,736	63,616,962

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 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	30 June 2023 (Unaudited but reviewed)	31 December 2022 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	10	60,762	1,074,200	-	1,000,000
Trade and other payables	2, 11	15,517,782	15,811,878	15,316,041	15,577,280
Current portion of lease liabilities	12	159,279	189,014	655,830	665,947
Current portion of long-term loan	13	38,672	46,030	-	-
Current portion of debentures	14	3,978,813	5,127,658	3,978,813	5,127,658
Income tax payable		559,120	612,129	559,120	580,572
Advances received from customers		976,000	1,205,041	961,365	1,186,938
Other current liabilities		500,011	419,081	474,676	403,513
Total current liabilities		21,790,439	24,485,031	21,945,845	24,541,908
Non-current liabilities					
Lease liabilities - net of current portion	12	5,976,046	5,840,958	5,855,094	5,976,839
Long-term loans - net of current portion	13	113,284	122,625	-	-
Debentures - net of current portion	14	8,973,679	8,933,140	8,973,679	8,933,140
Provision for long-term employee benefits		616,499	589,458	557,068	533,451
Rental received in advance - net of current portion		205,656	213,917	205,656	213,917
Other non-current liabilities		761,143	753,734	714,842	704,327
Total non-current liabilities		16,646,307	16,453,832	16,306,339	16,361,674
Total liabilities		38,436,746	40,938,863	38,252,184	40,903,582

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 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2023 (Unaudited but reviewed)	31 December 2022 (Audited)	30 June 2023 (Unaudited but reviewed)	31 December 2022 (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	1,315,120	1,315,120	1,315,120	1,315,120
Unappropriated	9,627,375	9,158,042	8,136,911	7,600,739
Other components of shareholders' equity	(26,314)	(24,804)	-	-
Equity attributable to owners of the Company	24,713,702	24,245,879	23,249,552	22,713,380
Non-controlling interests of the subsidiaries	2	2	-	-
Total shareholders' equity	24,713,704	24,245,881	23,249,552	22,713,380
Total liabilities and shareholders' equity	63,150,450	65,184,744	61,501,736	63,616,962
	-	-	-	-

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 June 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Revenue from contracts with customers	15	17,788,833	16,318,602	17,469,341	14,053,506
Rental income		463,594	404,717	471,562	409,657
Dividend income	2	-	-	225,000	100,000
Other income		650,244	584,237	626,374	579,144
Total revenues		18,902,671	17,307,556	18,792,277	15,142,307
Expenses					
Cost of sales and service		13,108,959	12,123,157	12,880,399	10,434,485
Cost of rental		200,571	175,904	198,272	170,485
Selling, distribution and service expenses		2,797,703	2,475,322	2,791,960	2,193,129
Administrative expenses		667,999	550,660	667,127	497,257
Other expenses		568	3,610	-	-
Total expenses		16,775,800	15,328,653	16,537,758	13,295,356
Operating profit		2,126,871	1,978,903	2,254,519	1,846,951
Share of loss from investments in associate		(149)	-	-	-
Finance income		11,450	1,736	9,831	8,272
Finance cost		(129,852)	(98,534)	(129,640)	(92,768)
Profit before income tax expenses		2,008,320	1,882,105	2,134,710	1,762,455
Income tax expenses		(388,452)	(362,035)	(380,270)	(321,374)
Profit for the period		1,619,868	1,520,070	1,754,440	1,441,081
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		(335)	2,116	-	-
Other comprehensive income for the period		(335)	2,116	-	-
Total comprehensive income for the period		1,619,533	1,522,186	1,754,440	1,441,081
Profit attributable to:					
Equity holders of the Company		1,619,868	1,520,070	1,754,440	1,441,081
Non-controlling interests of the subsidiaries		-	-	-	-
		1,619,868	1,520,070		
Total comprehensive income attributable to:					
Equity holders of the Company		1,619,533	1,522,186	1,754,440	1,441,081
Non-controlling interests of the subsidiaries		-	-	-	-
		1,619,533	1,522,186		
(Unit: Baht)					
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.12	0.12	0.13	0.11

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 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Revenue from contracts with customers	15	35,012,303	32,079,539	34,389,111	27,641,223
Rental income		940,582	815,622	953,950	825,496
Dividend income	2	-	-	225,000	100,000
Other income		1,201,657	1,084,912	1,157,079	1,077,875
Total revenues		37,154,542	33,980,073	36,725,140	29,644,594
Expenses					
Cost of sales and service		25,839,965	23,787,439	25,398,979	20,493,553
Cost of rental		393,827	331,165	389,826	325,747
Selling, distribution and service expenses		5,364,268	4,779,586	5,365,545	4,233,893
Administrative expenses		1,293,819	1,116,227	1,261,245	1,002,557
Other expenses		568	3,610	-	-
Total expenses		32,892,447	30,018,027	32,415,595	26,055,750
Operating profit		4,262,095	3,962,046	4,309,545	3,588,844
Share of loss from investments in associate		(830)	-	-	-
Finance income		14,063	3,675	12,057	18,661
Finance cost		(263,249)	(192,186)	(263,371)	(180,685)
Profit before income tax expenses		4,012,079	3,773,535	4,058,231	3,426,820
Income tax expenses		(781,091)	(742,520)	(760,404)	(659,901)
Profit for the period		3,230,988	3,031,015	3,297,827	2,766,919
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		(1,510)	5,191	-	-
Other comprehensive income for the period		(1,510)	5,191	-	-
Total comprehensive income for the period		3,229,478	3,036,206	3,297,827	2,766,919
Profit attributable to:					
Equity holders of the Company		3,230,988	3,031,015	3,297,827	2,766,919
Non-controlling interests of the subsidiaries		-	-	-	-
		3,230,988	3,031,015		
Total comprehensive income attributable to:					
Equity holders of the Company		3,229,478	3,036,206	3,297,827	2,766,919
Non-controlling interests of the subsidiaries		-	-	-	-
		3,229,478	3,036,206		
					(Unit: Baht)
Earnings per share					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.25	0.23	0.25	0.21

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 2023

(Unit: Thousand Baht)

		Consolidated financial statements							
		Equity attributable to owners of the Company							
		Retained earnings				Other components of equity	Total equity	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Issued and paid-up share capital	Premium on ordinary shares	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	attributable to owners of the Company	to non-controlling interests of the subsidiaries	shareholders' equity
Note									
	Balance as at 1 January 2022	13,151,198	646,323	1,315,120	7,806,892	(29,103)	22,890,430	3	22,890,433
	Profit for the period	-	-	-	3,031,015	-	3,031,015	-	3,031,015
	Other comprehensive income for the period	-	-	-	-	5,191	5,191	-	5,191
	Total comprehensive income for the period	-	-	-	3,031,015	5,191	3,036,206	-	3,036,206
	Dividend paid	16	-	-	(2,630,239)	-	(2,630,239)	-	(2,630,239)
	Balance as at 30 June 2022	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>8,207,668</u>	<u>(23,912)</u>	<u>23,296,397</u>	<u>3</u>	<u>23,296,400</u>
	Balance as at 1 January 2023	13,151,198	646,323	1,315,120	9,158,042	(24,804)	24,245,879	2	24,245,881
	Profit for the period	-	-	-	3,230,988	-	3,230,988	-	3,230,988
	Other comprehensive income for the period	-	-	-	-	(1,510)	(1,510)	-	(1,510)
	Total comprehensive income for the period	-	-	-	3,230,988	(1,510)	3,229,478	-	3,229,478
	Dividend paid	16	-	-	(2,761,655)	-	(2,761,655)	-	(2,761,655)
	Balance as at 30 June 2023	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>9,627,375</u>	<u>(26,314)</u>	<u>24,713,702</u>	<u>2</u>	<u>24,713,704</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 six-month period ended 30 June 2023

(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 2022	13,151,198	646,323	1,315,120	6,445,014	21,557,655
Profit for the period	-	-	-	2,766,919	2,766,919
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	2,766,919	2,766,919
Dividend paid	-	-	-	(2,630,239)	(2,630,239)
Balance as at 30 June 2022	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>6,581,694</u>	<u>21,694,335</u>
Balance as at 1 January 2023	13,151,198	646,323	1,315,120	7,600,739	22,713,380
Profit for the period	-	-	-	3,297,827	3,297,827
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	3,297,827	3,297,827
Dividend paid	-	-	-	(2,761,655)	(2,761,655)
Balance as at 30 June 2023	<u>13,151,198</u>	<u>646,323</u>	<u>1,315,120</u>	<u>8,136,911</u>	<u>23,249,552</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 2023**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit before tax	4,012,079	3,773,535	4,058,231	3,426,820
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	1,686,398	1,552,448	1,784,458	1,356,358
Gain from reduction of rental period	-	(20)	-	(20)
Decrease of inventories to net realisable value	56,743	56,614	53,379	43,690
Reveral of allowance for expected credit loss	(10)	(460)	(10)	(443)
Loss (gain) from sales and written-off of assets	(1,502)	3,274	(2,069)	(286)
Reversal of allowance for impairment of assets	(4,640)	-	(4,640)	-
Allowance for impairment of investment	-	-	30,000	-
Share of loss from investments in associate	830	-	-	-
Provision for long-term employee benefits	28,159	24,780	24,735	21,793
Transfer deferred interest to financial cost	41,694	86,269	41,694	86,269
Unrealised exchange loss (gain)	5,348	(464)	2,500	(1,127)
Gain on fair value of derivative instrument	(20,258)	(26,717)	(20,258)	(26,717)
Dividend income from subsidiaries	-	-	(225,000)	(100,000)
Interest income	(14,063)	(3,675)	(12,057)	(18,661)
Interest expenses	217,830	102,992	218,167	91,758
Profit from operating activities before changes in operating assets and liabilities	6,008,608	5,568,576	5,949,130	4,879,434
Decrease (increase) in operating assets				
Trade and other receivables	452,076	225,802	413,591	334,386
Inventories	(497,306)	(9,910)	(475,804)	34,700
Value added tax receivable	50,816	20,828	30,271	-
Other current assets	(7,473)	(47,469)	(331)	(41,542)
Rental guarantee deposits	7,283	1,897	6,954	1,853
Other non-current assets	(1,043)	1,401	305	(2,896)
Increase (decrease) in operating liabilities				
Trade and other payables	(201,212)	(794,286)	(165,642)	(950,450)
Value added tax payable	-	(9,540)	-	(9,540)
Advances received from customers	(229,041)	(59,456)	(225,573)	(57,758)
Other current liabilities	100,975	(11,087)	91,208	(7,785)
Rental received in advance	(8,261)	(9,874)	(8,261)	(9,874)
Other non-current liabilities	4,604	13,897	6,595	14,320
Cash flows from operating activities	5,680,026	4,890,779	5,622,443	4,184,848
Cash paid for employee benefits	(1,118)	-	(1,118)	-
Cash paid for corporate income tax	(833,020)	(622,009)	(785,171)	(565,162)
Net cash flows from operating activities	4,845,888	4,268,770	4,836,154	3,619,686

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 2023

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Short-term loans to related party	-	-	-	(2,190,000)
Cash received from short-term loans to related party	-	-	-	2,748,000
Dividend income from subsidiaries	-	-	225,000	100,000
Investment in associate	-	(68,705)	-	(68,705)
Acquisitions of investment properties	(6,493)	(4,779)	(6,493)	(4,779)
Acquisitions of property, buildings and equipment	(2,275,111)	(1,118,466)	(2,271,981)	(1,088,539)
Payment of right-of-use assets	(553,661)	(527,128)	(553,661)	(527,128)
Acquisitions of computer software	(31,808)	(25,577)	(31,808)	(25,577)
Increase (decrease) in construction retention	2,805	(10,255)	3,920	(10,840)
Proceeds from sales of investment properties' equipment	29	-	29	-
Proceeds from sales of equipment	7,362	1,884	7,035	748
Cash received from interest income	14,130	3,651	12,124	18,637
Net cash flows used in investing activities	(2,842,747)	(1,749,375)	(2,615,835)	(1,048,183)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	2,500,000	1,700,000	2,500,000	1,700,000
Repayments of short-term loans from financial institutions	(3,511,492)	(1,869,880)	(3,500,000)	(1,700,000)
Payments of lease liabilities	(377,430)	(206,289)	(620,395)	(178,688)
Cash received from long-term loan	-	122,273	-	-
Repayments of long-term loan	(12,423)	(3,520)	-	-
Proceeds from issuance of debentures	2,000,000	-	2,000,000	-
Cash paid for redemption of debentures	(3,150,000)	-	(3,150,000)	-
Cash paid for interest expenses	(102,680)	(15,066)	(97,861)	(10,595)
Dividend paid	(2,761,443)	(2,629,412)	(2,761,443)	(2,629,412)
Net cash flows used in financing activities	(5,415,468)	(2,901,894)	(5,629,699)	(2,818,695)
Translation adjustments	(3,283)	2,329	-	-
Net decrease in cash and cash equivalents	(3,415,610)	(380,170)	(3,409,380)	(247,192)
Cash and cash equivalents at beginning of period	5,420,298	4,545,966	5,104,398	4,216,397
Cash and cash equivalents at end of period	2,004,688	4,165,796	1,695,018	3,969,205
	-	-	-	-
Supplemental cash flows information:				
Non-cash items consist of				
Purchases of equipment that have not yet been paid	797,928	533,685	797,888	514,145
Transfer investment properties to equipment	300	-	300	-
Transfer right-of-use assets to equipment	701	360	701	360
Dividend payables	2,452	2,927	2,452	2,927

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