

## **Home Product Center Public Company Limited and its subsidiaries**

### **Notes to interim consolidated financial statements**

#### **For the three-month and nine-month periods ended 30 September 2023**

## **1. General information**

### **1.1 The Company's general information**

Home Product Center Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are Land and Houses Public Company Limited and Quality Houses Public Company Limited, which were incorporated in Thailand. The Company is principally engaged in the trading of a complete range of goods and materials for construction, addition, refurbishment, renovation, and improvement of buildings, houses, and residences place, and provision for related services to retail business, together with space rental and provide utilities service. Its registered address is at 31 Prachachuennonthaburi Rd., Bangkhen, Amphoe Muang, Nonthaburi.

As at 30 September 2023, the Group has a total of 124 branches (31 December 2022: 116 branches) (The Company only: 117 branches, 31 December 2022: 109 branches).

### **1.2 Basis of preparation of interim financial information**

This interim financial information is prepared in accordance with Thai Accounting Standard No.34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language has been translated from the Thai language financial information.

### **1.3 Basis of consolidation**

This interim financial information includes the financial statements of Home Product Center Public Company Limited ("the Company") and its subsidiaries ("the subsidiaries") (collectively as "the Group") and has been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2022, with no change in shareholding structure of subsidiaries during the current period.

The subsidiary changed its name from Market Village Company Limited to Home Solar Company Limited and registered the name change with the Ministry of Commerce on 10 March 2023. However, on 15 June 2023, the subsidiary reversed its decision to maintain the use of the previous name as Market Village Company Limited and already registered its name change.

### **1.4 Significant accounting policies**

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Group's financial statements.

### **1.5 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## **2. Related party transactions**

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month		For the three-month		
	periods ended		periods ended		
	30 September		30 September		
	2023	2022	2023	2022	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales income	-	-	16,582	32,239	Cost plus margin
Rental and service income	-	-	12,130	11,476	Baht 4.0 million per month (2022: Baht 3.8 million per month)
Service income	-	-	-	413	Actual cost and contract price
Dividend income	-	-	-	7,999	As declared
Interest income	-	-	-	2,240	3.00% per annum
Rental and service expense	-	-	156,202	151,773	Actual cost and contract price
Management service expense	-	-	177,563	177,632	Actual cost and contract price
Purchases of assets	-	-	-	2,183,517	Net book value plus margin
<b><u>Transactions with related companies</u></b>					
Sales income	23,219	15,413	23,219	15,414	Market price
Rental and service income	2,535	1,774	2,535	1,774	Contract price
Other income	9,894	12,548	9,894	12,531	Contract price
Interest income	1	943	1	943	0.15% - 0.40% per annum (2022: 0.15% - 0.40% per annum)
Rental and service expenses	9,600	7,906	9,600	7,673	Percentage of revenue but not less than a minimum rate
Purchases of goods and assets	74,700	78,658	74,700	78,956	As mutually agreed upon comparing market price

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September		
	2023	2022	2023	2022	
<b><u>Transactions with subsidiary companies</u></b>					
(eliminated from the consolidated financial statements)					
Sales income	-	-	76,121	213,331	Cost plus margin
Rental and service income	-	-	36,214	34,429	Baht 4.0 million per month (2022: Baht 3.8 million per month)
Management service income	-	-	-	19,769	Actual cost and contract price
Service income	-	-	45	74,687	Actual cost and contract price
Dividend income	-	-	225,000	107,999	As declared
Interest income	-	-	-	18,079	3.00% per annum
Rental and service expense	-	-	467,759	151,773	Actual cost and contract price
Management service expense	-	-	558,886	368,518	Actual cost and contract price
Other expenses	-	-	-	3,495	Cost plus margin
Purchases of assets	-	-	-	2,183,517	Net book value plus margin
<b><u>Transactions with related companies</u></b>					
Sales income	58,695	41,630	58,695	40,937	Market price
Rental and service income	7,441	6,491	7,441	6,639	Contract price
Other income	29,225	35,878	29,225	34,769	Contract price
Interest income	78	3,315	69	3,274	0.15% - 0.65% per annum (2022: 0.15% - 0.40% per annum)
Rental and service expenses	33,172	29,274	29,774	26,126	Percentage of revenue but not less than a minimum rate
Purchases of goods and assets	365,562	246,182	365,562	229,367	As mutually agreed upon comparing market price

(Unaudited but reviewed)

The balances of the accounts between the Group and those related companies are as follow:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
<b><u>Deposits with financial institution</u></b>				
(included in cash and cash equivalents)				
Related company <sup>(2)</sup>	25,163	572,280	17,929	550,910
<b><u>Trade and other receivables</u></b>				
Subsidiaries	-	-	170,502	130,202
Related companies <sup>(1)</sup>	6,303	2,615	6,303	2,615
Related companies <sup>(2)</sup>	6,336	3,230	6,336	3,230
Related companies <sup>(3)</sup>	3,022	435	3,022	435
Related companies <sup>(4)</sup>	9,258	8,134	9,258	8,134
Total	24,919	14,414	195,421	144,616
<b><u>Rental guarantee deposits</u></b>				
Related company <sup>(2)</sup>	5,921	5,921	5,921	5,921
Related company <sup>(3)</sup>	1,515	1,515	1,515	1,515
Total	7,436	7,436	7,436	7,436
<b><u>Trade and other payables</u></b>				
Subsidiaries	-	-	342,322	28,662
Related company <sup>(2)</sup>	1,843	2,152	1,843	2,152
Related company <sup>(3)</sup>	2,924	-	2,924	-
Related companies <sup>(4)</sup>	75,371	48,884	75,371	48,884
Total	80,138	51,036	422,460	79,698
Relationship with the related companies				
(1) the major shareholders				
(2) has common major shareholders				
(3) has common shareholders				
(4) has shareholders who related to director				

(Unaudited but reviewed)

Directors and management's benefits

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2023	2022	2023	2022
Short-term benefits	34,067	35,642	30,336	31,684
Post-employment benefits	1,048	1,378	963	1,222
Total	<u>35,115</u>	<u>37,020</u>	<u>31,299</u>	<u>32,906</u>

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2023	2022	2023	2022
Short-term benefits	167,855	179,688	152,199	162,830
Post-employment benefits	3,144	4,134	2,890	3,665
Total	<u>170,999</u>	<u>183,822</u>	<u>155,089</u>	<u>166,495</u>

**3. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Trade accounts receivable	330,001	374,493	489,845	489,401
Other receivables	1,311,156	1,685,748	1,289,661	1,659,514
Income receivables	6,915	8,653	6,678	8,399
Total trade and other receivables	<u>1,648,072</u>	<u>2,068,894</u>	<u>1,786,184</u>	<u>2,157,314</u>

(Unaudited but reviewed)

## Trade accounts receivable

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Trade accounts receivable	219,385	288,111	383,502	411,550
Credit card and coupon receivable	114,206	86,382	106,343	77,851
Total	333,591	374,493	489,845	489,401
Less: Allowance for expected credit losses	(3,590)	-	-	-
Total trade accounts receivable - net	330,001	374,493	489,845	489,401

The outstanding balances of trade accounts receivable as at 30 September 2023 and 31 December 2022 are aged as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
<u>Aged on the basis of due dates</u>				
Not yet due	274,588	275,643	270,454	272,492
Past due				
Up to 3 months	47,845	82,922	66,817	118,654
3 - 6 months	2,916	14,653	32,786	49,158
6 - 12 months	1,361	554	70,392	47,338
Over 12 months	6,881	721	49,396	1,759
Total	333,591	374,493	489,845	489,401
Less: Allowance for expected credit losses	(3,590)	-	-	-
Total trade accounts receivable - net	330,001	374,493	489,845	489,401

(Unaudited but reviewed)

## Other receivables

Other receivables mainly consist of receivables from sale support operation and area rental and related service receivables.

The outstanding balances of other receivables as at 30 September 2023 and 31 December 2022 are aged as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
<u>Aged on the basis of due dates</u>				
Not yet due	604,055	930,400	594,855	919,042
Past due				
Up to 3 months	688,566	723,736	677,727	711,352
3 - 6 months	5,481	13,295	5,250	12,930
6 - 12 months	3,308	20,308	3,141	19,667
Over 12 months	20,463	8,856	19,297	7,262
Total	1,321,873	1,696,595	1,300,270	1,670,253
Less: Allowance for expected credit losses	(10,717)	(10,847)	(10,609)	(10,739)
Total other receivables - net	1,311,156	1,685,748	1,289,661	1,659,514

## 4. Inventories

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2023	2022	2023	2022
Inventories	16,314,903	16,249,354	15,832,931	15,759,775
Less: Reduce cost to net realisable value	(590,137)	(594,390)	(570,444)	(576,906)
Net	15,724,766	15,654,964	15,262,487	15,182,869
Less: Inventories - repaid its cost when sold	(1,574,893)	(1,418,703)	(1,574,893)	(1,418,641)
Purchase discount	(653,182)	(606,182)	(653,182)	(606,182)
Total inventories - net	13,496,691	13,630,079	13,034,412	13,158,046



## 5. Investments in subsidiaries

Detail of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)							
	Paid-up capital		Shareholding percentage		Cost		Dividend received during the period	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September	30 September
	2023	2022	2023	2022	2023	2022	2023	2022
			(%)	(%)				
Market Village Company Limited	5,000	5,000	100.00	100.00	5,000	5,000	-	8,000
Home Product Center (Malaysia) Sdn. Bhd.	538,448	538,448	100.00	100.00	538,448	538,448	-	-
Mega Home Center Company Limited	1,500,000	1,500,000	99.99	99.99	1,500,000	1,500,000	225,000	-
DC Service Center Company Limited	2,500	2,500	99.99	99.99	2,500	2,500	-	99,999
Home Product Center Viet Nam Company Limited	32,340	32,340	100.00	100.00	32,340	32,340	-	-
<b>Total</b>					<b>2,078,288</b>	<b>2,078,288</b>	<b>225,000</b>	<b>107,999</b>
Less: Allowance for impairment of investment					(80,199)	(50,199)		
Investments in subsidiaries - net					<b>1,998,089</b>	<b>2,028,089</b>		

On 3 April 2023, the Board of Directors' Meeting of Mega Home Center Company Limited passed a resolution to approved an interim dividend amounting to Baht 225 million. The Subsidiary has fully set aside a statutory reserve.

## 6. Investment in associate

Company's name	Nature of business	(Unit: Thousand Baht)							
		Consolidated financial statements				Separate financial statements			
		Shareholding percentage		Cost		Carrying amounts based on equity method		Carrying amounts based on cost method - net	
		30 September	31 December	30 September	31 December	30 September	31 December	30 September	31 December
		(%)	(%)						
OneStockHome Company Limited	Online sale and service	30.00	30.00	68,706	68,706	64,792	66,756	68,706	68,706

**7. Investment properties**

Movements of the investment properties for the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2023	4,262,560	5,315,490
Acquisitions - at cost	7,919	7,919
Transfer to property, building and equipment - net book value	(300)	(300)
Transfer from right-of-use assets - net book value	309,170	309,170
Disposals and written-off - net book value	(355)	(355)
Depreciation	(180,173)	(187,539)
Net book value as at 30 September 2023	<u>4,398,821</u>	<u>5,444,385</u>

**8. Property, building and equipment**

Movements of the property, building and equipment for the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2023	29,468,564	25,646,298
Acquisitions - at cost	3,359,662	3,355,647
Transfer from investment properties - net book value	300	300
Transfer from right-of-use assets - net book value	2,766	2,766
Disposals and written-off - net book value	(7,653)	(6,714)
Depreciation	(1,941,469)	(1,752,670)
Reversal allowance for impairment of assets	4,640	4,640
Translation adjustment	(950)	-
Net book value as at 30 September 2023	<u>30,885,860</u>	<u>27,250,267</u>

**9. Right-of-use assets**

Movements of the right-of-use assets for the nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Net book value as at 1 January 2023	8,447,269	8,540,679
Additions - at cost	1,714,147	1,714,147
Transfer to investment properties - net book value	(309,170)	(309,170)
Transfer to property, building and equipment - net book value	(2,766)	(2,766)
Depreciation	(373,710)	(706,038)
Translation adjustment	(465)	-
Net book value as at 30 September 2023	<u>9,475,305</u>	<u>9,236,852</u>

**10. Short-term loans from financial institutions**

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(% per annum)		financial statements		financial statements	
	30 September	31 December	30 September	31 December	30 September	31 December
	2023	2022	2023	2022	2023	2022
Bills of exchange - Baht	-	0.76	-	1,000,000	-	1,000,000
Bills of exchange - Foreign currency	4.59	4.12	68,446	74,200	-	-
Total short-term loans from financial institutions			<u>68,446</u>	<u>1,074,200</u>	<u>-</u>	<u>1,000,000</u>

As at 30 September 2023, the Group had overdraft lines from banks totaling Baht 370 million and MYR 2.5 million (31 December 2022: Baht 370 million and MYR 2.5 million) (The Company only: Baht 340 million, 31 December 2022: Baht 340 million) and other credit facilities totaling Baht 11,242 million, USD 36 million and MYR 106 million (31 December 2022: Baht 11,201 million, USD 44 million and MYR 91 million) (The Company only: Baht 10,993 million and USD 36 million, 31 December 2022: Baht 10,964 million and USD 44 million).

(Unaudited but reviewed)

## 11. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
Trade accounts payable	11,667,478	13,189,785	11,507,615	12,986,144
Other payables	464,954	558,268	714,940	534,372
Other payables for purchase of assets	892,363	896,110	892,340	895,985
Accrued expenses	1,132,985	1,167,715	1,106,864	1,160,779
Total trade and other payables	<u>14,157,780</u>	<u>15,811,878</u>	<u>14,221,759</u>	<u>15,577,280</u>

## 12. Lease liabilities

Movements of lease liabilities for nine-month period ended 30 September 2023 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
As at 1 January 2023	6,029,972	6,642,786
Additions	1,714,147	1,714,147
Increase from amortisation of deferred interest in the period	179,659	186,243
Payments	(1,085,083)	(1,449,791)
Translation adjustment	(495)	-
As at 30 September 2023	<u>6,838,200</u>	<u>7,093,385</u>
Less: Current portion	<u>(171,029)</u>	<u>(676,620)</u>
Lease liabilities - net of current portion	<u>6,667,171</u>	<u>6,416,765</u>

(Unaudited but reviewed)

### 13. Long-term loans

			(Unit: Thousand Baht)	
			Consolidated financial statements	
Loan	Interest rate (% per annum)	Repayment schedule	30 September 2023	31 December 2022
1	COF* + 1.10	Monthly repayment since April 2019 to February 2025	28,208	46,030
2	COF* + 0.80	Monthly repayment since April 2024 to March 2029	122,115	122,625
Total long-term loans			150,323	168,655
Less: Current portion			(40,420)	(46,030)
Long-term loans - net of current portion			109,903	122,625

\* The Bank's cost of fund ("COF")

Movement of the long-term loans for the nine-month period ended 30 September 2023 are summarised below:

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 1 January 2023	168,655
Repayments	(15,838)
Translation adjustment	(2,494)
Balance as at 30 September 2023	150,323

Long-term loans denominated in MYR were loan facilities granted by two overseas financial institutions for Home Product Center (Malaysia) Sdn. Bhd., the Company's 100% owned subsidiary. The loans were secured by a 100% corporate guarantee provided by the Company. The loan agreements contained covenants as specified in the agreements that, among other things, require the subsidiary to maintain a certain debt to equity ratio and the Company to maintain its shareholding, directly or indirectly, in the subsidiary of no less than 51% for the loan no. 1 and require the consolidated financial statement of the Company to maintain a certain debt to equity ratio for the loan no. 2.

(Unaudited but reviewed)

As at 30 September 2023, the loan no. 1 amounted to Baht 28 million (31 December 2022: Baht 46 million), of which on 22 April 2020, the subsidiary received a letter of consent allowing for a moratorium on principal repayment commencing from May 2020 to October 2020 and an extension of principal repayment for another 6 months. Subsequently, on 14 October 2021, the subsidiary received a letter of consent allowing for a moratorium on principal repayment commencing from November 2021 to April 2022 and an extension of principal repayment for another 6 months. The debt to equity ratio of the subsidiary was not in compliance with the conditions prescribed in the agreement. Therefore, the Group presented the balance of long-term loan as current liabilities in the consolidated financial statements. However, the Group is currently in negotiation with the bank on modification and amendment of the contractual conditions.

#### 14. Debentures

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	30 September 2023	31 December 2022
Debentures	14,700,000	14,150,000
Less: Deferred interest	(93,805)	(89,202)
Debentures - net	14,606,195	14,060,798
Less: Current portion	(3,990,445)	(5,127,658)
Debentures - net of current portion	<u>10,615,750</u>	<u>8,933,140</u>

Movements in debentures account for the nine-month period ended 30 September 2023 are summaries below:

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Balance as at 1 January 2023	14,150,000
Add: Issuance of debentures during the period	3,700,000
Less: Redemption of debentures	(3,150,000)
Balance as at 30 September 2023	<u>14,700,000</u>

On 30 January 2023, the Company issued unsubordinated and unsecured debenture with a maturity period of 3 years from the date of issuance. The number of units offered was 2 million units with a per value of Baht 1,000 each of a total of Baht 2,000 million with interest rate of 2.39 percent per annum, and interest payments were made every 6 months. The debenture was issued to institutional investors for purposes of repaying debts from the issuance of debt instruments and/or investing in the business and/or serving as working capital of the Company. The debenture will mature on 30 January 2026.

On 25 September 2023, the Company issued unsubordinated and unsecured debentures with a maturity period of 3 years from the date of issuance. The number of units offered was 1.7 million units with a par value of Baht 1,000 each, totaling Baht 1,700 million, which were divided into two separate debentures. The 1st debenture was valued at Baht 1,000 million, with interest rate of 3.20 percent per annum, and interest payments were made every 6 months. The 2nd debenture was valued at Baht 700 million, with discounted interest rate of 3.20 percent per annum, and no interest payments were due over the maturity period. Both debentures were issued to institutional investors for purposes of repaying debts from the issuance of debt instruments and/or investing in the business and/or serving as working capital of the Company. The debentures will mature on 25 September 2026.

Such debentures contain certain covenants and restrictions regarding the maintenance of debt to equity ratio, restriction on dividend payment and disposal and transfer of assets.

#### 15. The Employee Joint Investment Program (EJIP)

On 25 April 2023, the Board of Directors' Meeting of the Company passed a resolution to approved the Employee Joint Investment Program (EJIP). The significant details are as follow:

The Company eligible under EJIP	Home Product Center Public Company Limited, DC Service Center Company Limited and Mega Home Center Company Limited
The Period of EJIP	1 July 2023 to 30 June 2028, with a total duration of 5 years
Eligible employees under EJIP	Employees at Division Manager or equivalent and above are eligible to participate in this program on a voluntary basis. Directors and advisors of the Company are exclude from this program
EJIP arrangement	The Company will make deduction from the payroll of eligible employees who voluntarily join the EJIP, at the rate not over 5% of the salary of each month The Company will contribute 5% to 10% of the salary of each month
EJIP buying schedule	Monthly basis.
Conditions for holding the securities	During the 1 <sup>st</sup> year - 3 <sup>rd</sup> year, employee cannot sell any shares After the 3 <sup>rd</sup> year, employee can sell 25% of shares accumulated After the 4 <sup>th</sup> year, employee can sell 50% of shares accumulated After the 5 <sup>th</sup> year, employee can sell all shares
EJIP program manager	Phillip Securities (Thailand) Public Company Limited

**16. Revenue from contracts with customers****Disaggregated revenue information**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2023	2022	2023	2022
<b>Type of goods or service:</b>				
Sale of goods related to houses and residences	16,199,735	15,719,202	15,922,570	15,419,063
Renovation and improvement services	66,165	77,765	66,165	76,851
Installation, maintenance and other services	124,328	99,606	120,373	96,870
Total revenue from contracts with customers	<u>16,390,228</u>	<u>15,896,573</u>	<u>16,109,108</u>	<u>15,592,784</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	16,324,063	15,818,808	16,042,943	15,515,933
Revenue recognised over time	66,165	77,765	66,165	76,851
Total revenue from contracts with customers	<u>16,390,228</u>	<u>15,896,573</u>	<u>16,109,108</u>	<u>15,592,784</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2023	2022	2023	2022
<b>Type of goods or service:</b>				
Sale of goods related to houses and residences	50,804,148	47,437,553	49,910,284	42,711,765
Renovation and improvement services	194,868	235,112	194,868	234,198
Installation, maintenance and other services	403,515	303,447	393,067	288,044
Total revenue from contracts with customers	<u>51,402,531</u>	<u>47,976,112</u>	<u>50,498,219</u>	<u>43,234,007</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	51,207,663	47,741,000	50,303,351	42,999,809
Revenue recognised over time	194,868	235,112	194,868	234,198
Total revenue from contracts with customers	<u>51,402,531</u>	<u>47,976,112</u>	<u>50,498,219</u>	<u>43,234,007</u>



(Unaudited but reviewed)

Set out below, is a reconciliation of the revenue from contracts with customers with financial information classified by source of revenue.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month		For the three-month	
	periods ended		periods ended	
	30 September		30 September	
	2023	2022	2023	2022
Revenue from external customers	16,367,010	15,881,300	16,085,889	15,577,511
Revenue from related parties	39,882	2,150,921	23,219	15,273
	16,406,892	18,032,221	16,109,108	15,592,784
Eliminations	(16,664)	(2,135,648)	-	-
Total revenue from contracts with customers	<u>16,390,228</u>	<u>15,896,573</u>	<u>16,109,108</u>	<u>15,592,784</u>

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month		For the nine-month	
	periods ended		periods ended	
	30 September		30 September	
	2023	2022	2023	2022
Revenue from external customers	51,343,837	47,934,623	50,439,524	43,012,119
Revenue from related parties	134,815	2,361,725	58,695	221,888
	51,478,652	50,296,348	50,498,219	43,234,007
Eliminations	(76,121)	(2,320,236)	-	-
Total revenue from contracts with customers	<u>51,402,531</u>	<u>47,976,112</u>	<u>50,498,219</u>	<u>43,234,007</u>

(Unaudited but reviewed)

## 17. Dividend paid

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividend from operating results from July 2021 to December 2021	The Annual General Meeting of the shareholders on 8 April 2022	2,630	0.20
Interim dividends from operating results from January 2022 to June 2022	Board of Directors' Meeting of the Company on 30 August 2022	2,236	0.17
Total		4,866	
Dividend from operating results from July 2022 to December 2022	The Annual General Meeting of the shareholders on 7 April 2023	2,762	0.21
Interim dividends from operating results from January 2023 to June 2023	Board of Directors' Meeting of the Company on 29 August 2023	2,367	0.18
Total		5,129	

## 18. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

The Group are principally engaged in the trading of a complete range of goods and materials for construction, addition, refurbishment, renovation, and improvement of buildings, houses, and residences place, and provision for related services to retail and wholesale business, together with space rental and provide utilities service (as having revenue and/or operating profit and/or assets less than 10% of total revenue and/or total operating profit and/or total assets of all segments, which do not meet the quantitative thresholds as set out in the financial reporting standard).

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment.

## **19. Commitments and contingent liabilities**

### **19.1 Capital commitment**

As at 30 September 2023 and 31 December 2022, the Company had capital commitments with several companies relating to the construction of retail stores. The obligations of construction are subject to the retail stores expansion and construction plan of each period determined by the management.

### **19.2 Rental lease commitment - as a lessee**

As at 30 September 2023, the Company had future lease payments required under non-cancellable lease contracts that have not yet commenced amounting to Baht 177 million (31 December 2022: Baht 395 million).

### **19.3 Service commitments and land and building rental commitments**

- a) The Company has entered into the inventory management services agreement with a subsidiary. Under the conditions of the agreement, the Company is to pay the monthly service fee at a percentage of the subsidiary's actual cost, as stipulated in the agreement.
- b) The Company has entered into land lease agreements with a subsidiary. The terms of the agreements are 3 years. Under the conditions of the agreements, the Company receives monthly rental fees at rates stipulated in the agreements. The agreements are non-cancelable, except with the consent of the counterparties.
- c) The Company has entered into building rental agreements and personnel management services agreement with a subsidiary. The terms of the agreements are 2 years 6 months. Under the conditions of the agreements, the Company is to pay the monthly rental fees and service fee as stipulated in the agreement. The agreements are non-cancelable, except with the consent of the counterparties.

### **19.4 Long-term lease agreements - as a lessor**

As at 30 September 2023, the Company has entered into 5 agreements (31 December 2022: 5 agreements) with 4 companies (31 December 2022: 4 companies). To lease and/or sub-lease parts of its premises in 5 branches (31 December 2022: 5 branches). The periods between 18 to 30 years, with a total of rental received in advance amounting Baht 543 million (31 December 2022: Baht 572 million). The terms of the agreements are ended in the year 2033 to the year 2052. The Company recognised this income systematically on a straight-line basis over the lease periods which are the useful lives of the leaseholds.

As at 30 September 2023, the outstanding balance of rental received in advance, net of recognised rental income was Baht 220 million (31 December 2022: Baht 233 million).

## 19.5 Guarantees

- a) As at 30 September 2023, the Group has outstanding bank guarantees of Baht 181 million and MYR 2 million (31 December 2022: Baht 190 million and MYR 1 million) (The Company only: Baht 168 million, 31 December 2022: Baht 165 million) issued by banks on behalf of the Group in respect of guarantees provided for leasing, purchases of goods or hire of work, and as bonds with State Enterprise. The bank guarantee of Baht 13 million and MYR 2 million (31 December 2022: Baht 25 million and MYR 1 million) issued in the name of subsidiary was guaranteed by the Company.
- b) As at 30 September 2023, the Company had commitments under letters of credit opened with commercial bank, amounting to USD 0.2 million and CNY 4.0 million (31 December 2022: USD 0.3 million and CNY 9.6 million).
- c) As at 30 September 2023, the Company secured credit facilities of its subsidiaries of Baht 280 million and MYR 148 million (31 December 2022: Baht 280 million and MYR 133 million) to financial institutions.

## 19.6 Litigation

- a) As at 30 September 2023, the Group has legal cases for a total claimed amount of Baht 8.4 million (31 December 2022: Baht 7.3 million) (The Company only: Baht 8.4 million 31 December 2022: Baht 7.1 million) which are currently being considered by the Court. The legal department of the Company believes that the outcome of these cases will not have significant effect to the Company. As such, the Company has not set aside any amount of provision in the financial statements.
- b) In July 2022, a financial institution, which accepted the transfer of claims under factoring contracts being entered with a supplier, filed a lawsuit demanding the Company to make payments under the contacts. The case is currently being considered by the Court. However, the Company had already completed the payments of outstanding debt to the supplier during November 2018 to March 2021. The Company's management took into account related transactions and noted that they were made correctly. As a result, the Company has not set aside any amount of provision for contingent liabilities from this case in the financial statements.

**19.7 Forward contracts**

As at 30 September 2023 and 31 December 2022, forward contracts outstanding are summarised below.

Consolidated and separate financial statements					
As at 30 September 2023					
Foreign currency	Bought	Sold	Contractual exchange rate		Contractual maturity date
	amount	Amount	Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
USD	9	-	33.47 - 34.76	-	Within January 2024
CNY	81	-	4.84 - 4.93	-	Within February 2024

  

Consolidated and separate financial statements					
As at 31 December 2022					
Foreign currency	Bought	Sold	Contractual exchange rate		Contractual maturity date
	amount	Amount	Bought	Sold	
	(Million)	(Million)	(Baht per 1 foreign currency unit)		
USD	7	-	34.11 - 37.15	-	Within June 2023
CNY	42	-	5.13 - 5.21	-	Within May 2023

**20. Financial Instrument****20.1 Fair value of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value except debentures are not expected to be materially different from the amounts presented in the statements of financial position. The estimated fair value of debentures, in comparison with the related amount carried in the statement of financial position, is as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements			
	30 September 2023		31 December 2022	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial liability</b>				
Debentures	14,606	14,504	14,061	14,057

**20.2 Fair value hierarchy**

As at 30 September 2023 and 31 December 2022, the Group had the financial liability that was measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements			
	As at 30 September 2023			
	Level 1	Level 2	Level 3	Total
<b>Liability measured at fair value</b>				
Derivative				
Foreign currency forward contracts	-	26	-	26

(Unit: Million Baht)

	Consolidated and separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Liability measured at fair value</b>				
Derivative				
Foreign currency forward contracts	-	20	-	20

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

**21. Event after the reporting period**

On 4 October 2023, the Company issued bill of exchange with a financial institution amounting to Baht 2,000 million, with maturity period of 92 days at discounted interest rate of 2.65% per annum, for the purposes of working capital of the Company.

**22. Approval of interim financial information**

This interim financial information was authorised for issue by the Company's authorised directors on 30 October 2023.