

**Pranda Jewelry Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 March 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<u>Note</u>	<u>31 March 2016</u> (Unaudited but reviewed)	<u>31 December 2015</u> (Audited)	<u>31 March 2016</u> (Unaudited but reviewed)	<u>31 December 2015</u> (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		291,680	358,219	157,841	194,521
Current investments - deposits with financial institutions		1,850	5,067	-	-
Trade and other receivables	4	379,623	513,502	996,186	1,002,628
Short-term loans to related parties	3	26,000	21,000	28,860	6,625
Current portion of long-term loans to related parties	3	-	-	44,580	34,806
Inventories	5	1,841,528	1,853,098	735,834	745,974
Other current assets		63,850	69,772	22,681	25,788
<b>Total current assets</b>		<u>2,604,531</u>	<u>2,820,658</u>	<u>1,985,982</u>	<u>2,010,342</u>
<b>Non-current assets</b>					
Restricted bank deposits		8,824	9,014	-	-
Investments in subsidiaries	6	-	-	861,854	878,083
Investment in associated company	7	10,470	9,500	-	-
Other long-term investments	9	92,035	113,990	90,895	112,850
Other receivables	8	31,249	32,012	31,249	32,012
Amounts due from related party	3	-	-	35,177	39,381
Long-term loans to related parties	3	-	-	174,240	194,877
Investment properties	10	681,541	687,337	668,030	676,365
Property, plant and equipment	11	769,197	780,945	642,720	644,193
Leasehold rights	12	40,931	23,137	-	-
Other intangible assets		33,971	33,158	23,953	22,447
Deferred tax assets		85,856	82,596	76,544	73,870
Other non-current assets		21,436	20,503	1,653	927
<b>Total non-current assets</b>		<u>1,775,510</u>	<u>1,792,192</u>	<u>2,606,315</u>	<u>2,675,005</u>
<b>Total assets</b>		<u>4,380,041</u>	<u>4,612,850</u>	<u>4,592,297</u>	<u>4,685,347</u>

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

**Pranda Jewelry Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2016**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<u>Note</u>	<u>31 March 2016</u>	<u>31 December 2015</u>	<u>31 March 2016</u>	<u>31 December 2015</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	14	587,501	603,929	415,000	361,795
Trade and other payables	15	529,014	545,088	304,450	333,442
Short-term loan from related party	3	676	689	-	-
Current portion of long-term loans	16	656,946	678,442	653,929	673,979
Income tax payable		6,626	6,129	-	-
Other current liabilities		44,450	44,997	14,166	9,811
<b>Total current liabilities</b>		<b>1,825,213</b>	<b>1,879,274</b>	<b>1,387,545</b>	<b>1,379,027</b>
<b>Non-current liabilities</b>					
Long-term loans, net of current portion	16	14,792	15,422	-	-
Provision for long-term employee benefits	17	185,637	183,901	166,626	153,255
Other non-current liabilities		1,066	1,092	-	-
<b>Total non-current liabilities</b>		<b>201,495</b>	<b>200,415</b>	<b>166,626</b>	<b>153,255</b>
<b>Total liabilities</b>		<b>2,026,708</b>	<b>2,079,689</b>	<b>1,554,171</b>	<b>1,532,282</b>

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

**Pranda Jewelry Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 March 2016**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2016 (Unaudited but reviewed)	31 December 2015 (Audited)	31 March 2016 (Unaudited but reviewed)	31 December 2015 (Audited)
<b>Shareholders' equity</b>					
Share capital					
Registered					
409,529,000 ordinary shares of Baht 1 each		409,529	409,529	409,529	409,529
Issued and fully paid up					
409,529,000 ordinary shares of Baht 1 each		409,529	409,529	409,529	409,529
Share premium		786,855	786,855	786,855	786,855
Retained earnings					
Appropriated - statutory reserve		41,000	41,000	41,000	41,000
Appropriated - treasury shares reserve	18	46,961	20,131	46,961	20,131
Unappropriated		1,336,624	1,507,158	1,831,102	1,924,086
Treasury shares	18	(46,961)	(20,131)	(46,961)	(20,131)
Other components of shareholders' equity		(74,042)	(70,477)	(30,360)	(8,405)
Equity attributable to owners of the Company		2,499,966	2,674,065	3,038,126	3,153,065
Non-controlling interests of the subsidiaries		(146,633)	(140,904)	-	-
<b>Total shareholders' equity</b>		<b>2,353,333</b>	<b>2,533,161</b>	<b>3,038,126</b>	<b>3,153,065</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,380,041</b>	<b>4,612,850</b>	<b>4,592,297</b>	<b>4,685,347</b>
		-	-	-	-

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

Directors

(Unaudited but reviewed)

**Pranda Jewelry Public Company Limited and its subsidiaries****Income statement****For the three-month period ended 31 March 2016**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
<b>Revenues</b>					
Sales		603,931	684,370	446,360	512,668
Other income					
Interest income		827	1,243	4,710	5,335
Others		7,865	7,990	17,700	15,251
<b>Total revenues</b>		<b>612,623</b>	<b>693,603</b>	<b>468,770</b>	<b>533,254</b>
<b>Expenses</b>					
Cost of sales		461,569	483,100	393,468	442,431
Selling expenses		120,618	107,089	23,284	13,457
Administrative expenses		140,496	132,712	83,188	58,567
Other expenses					
Loss on exchange		25,881	65,958	24,875	68,392
<b>Total expenses</b>		<b>748,564</b>	<b>788,859</b>	<b>524,815</b>	<b>582,847</b>
<b>Loss before share of profit from investment in associated company, finance cost and income tax expenses</b>					
Share of profit from investment in associated company		969	1,407	-	-
<b>Loss before finance cost and income tax expenses</b>					
<b>tax expenses</b>		<b>(134,972)</b>	<b>(93,849)</b>	<b>(56,045)</b>	<b>(49,593)</b>
Finance cost		(16,683)	(15,705)	(12,783)	(11,697)
<b>Loss before income tax expenses</b>					
Tax income (expenses)	13	2,092	(2,610)	2,674	619
<b>Loss for the period</b>		<b>(149,563)</b>	<b>(112,164)</b>	<b>(66,154)</b>	<b>(60,671)</b>
<b>Loss attributable to:</b>					
Equity holders of the Company		(143,701)	(105,272)	(66,154)	(60,671)
Non-controlling interests of the subsidiaries		(5,862)	(6,892)		
		<u>(149,563)</u>	<u>(112,164)</u>		
<b>Earnings per share</b>					
Basic earnings per share	19				
Loss attributable to equity holders of the Company		<u>(0.36)</u>	<u>(0.26)</u>	<u>(0.16)</u>	<u>(0.15)</u>

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

(Unaudited but reviewed)

**Pranda Jewelry Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the three-month period ended 31 March 2016**

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Loss for the period</b>		<u><b>(149,563)</b></u>	<u><b>(112,164)</b></u>	<u><b>(66,154)</b></u>	<u><b>(60,671)</b></u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Exchange differences on translation of					
financial statements in foreign currency		18,449	31,326	-	-
Loss on change in value of available-for-sale investments		<u>(21,955)</u>	<u>-</u>	<u>(21,955)</u>	<u>-</u>
Other comprehensive income to be reclassified to profit					
or loss in subsequent periods		<u>(3,506)</u>	<u>31,326</u>	<u>(21,955)</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial loss		(7)	(25)	-	-
Less: Income tax effect	13	<u>2</u>	<u>6</u>	<u>-</u>	<u>-</u>
Other comprehensive income not to be					
reclassified to profit or loss in subsequent periods					
- net of income tax		<u>(5)</u>	<u>(19)</u>	<u>-</u>	<u>-</u>
<b>Other comprehensive income for the period</b>		<u><b>(3,511)</b></u>	<u><b>31,307</b></u>	<u><b>(21,955)</b></u>	<u><b>-</b></u>
<b>Total comprehensive income for the period</b>		<u><b>(153,074)</b></u>	<u><b>(80,857)</b></u>	<u><b>(88,109)</b></u>	<u><b>(60,671)</b></u>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company (loss)		(147,269)	(75,945)	(88,109)	(60,671)
Non-controlling interests of the subsidiaries (loss)		<u>(5,805)</u>	<u>(4,912)</u>	<u>-</u>	<u>-</u>
		<u><b>(153,074)</b></u>	<u><b>(80,857)</b></u>	<u><b>(88,109)</b></u>	<u><b>(60,671)</b></u>

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

(Unaudited but reviewed)

**Pranda Jewelry Public Company Limited and its subsidiaries**

**Cash flow statement**

**For the three-month period ended 31 March 2016**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Cash flows from operating activities</b>				
Loss before tax	(151,655)	(109,554)	(68,828)	(61,290)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	22,906	21,832	14,999	13,784
Amortisation of leasehold rights	627	621	-	-
Write-off machinery and equipment	14	166	10	139
Doubtful accounts (reversal)	15,269	5,664	4,984	(4,194)
Write-off bad debts	652	911	652	911
Reduce cost to net realisable value of inventories (reversal)	4,638	(14,208)	5,550	3,845
Share of profit from investment in associated company	(969)	(1,407)	-	-
Gain on sales of machinery and equipment	-	17	-	-
Long-term employee benefits expenses	4,063	3,244	15,689	3,097
Unrealised loss on exchange	16,964	3,291	33,173	66,540
Interest income	(827)	(1,243)	(4,710)	(5,335)
Interest expenses	15,512	13,906	11,641	10,905
Profit (loss) from operating activities before changes in operating assets and liabilities	(72,806)	(76,760)	13,160	28,402
Operating assets (increase) decrease				
Trade and other receivables	100,774	85,231	(24,066)	16,461
Inventories	6,932	(43,615)	4,590	(61,069)
Other current assets	7,675	(885)	4,995	5,347
Other non-current assets	(933)	(46)	(726)	17
Operating liabilities increase (decrease)				
Trade and other payables	(5,728)	17,045	(1,652)	117,664
Other current liabilities	(656)	8,263	4,246	16,519
Provision for long-term employee benefits	(2,334)	(40)	(2,318)	-
Other non-current liabilities	(26)	(18)	-	-
Cash flows from (used in) operating activities	32,898	(10,825)	(1,771)	123,341
Cash paid for interest expenses	(19,361)	(15,970)	(16,709)	(12,713)
Cash paid for corporate income tax	(981)	(1,245)	(447)	(544)
<b>Net cash flows from (used in) operating activities</b>	<b>12,556</b>	<b>(28,040)</b>	<b>(18,927)</b>	<b>110,084</b>

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

(Unaudited but reviewed)

**Pranda Jewelry Public Company Limited and its subsidiaries****Cash flow statement (continued)**

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
<b>Cash flows from investing activities</b>				
Decrease in current investments - deposits				
at financial institutions	3,217	461	-	-
Decrease (increase) in restricted bank deposits	190	(3)	-	-
Decrease (increase) in short-term loans to related parties	(5,000)	3,700	(22,004)	(1,855)
Cash receipt from capital repayment by the subsidiary	-	-	1	-
Acquisition for property, plant and equipment	(11,377)	(22,746)	(10,641)	(19,942)
Acquisition for leasehold rights	(18,421)	-	-	-
Acquisition of other intangible assets	(2,348)	(524)	(1,933)	(524)
Proceeds from sales of machinery and equipment	-	4	-	-
Cash receipt from interest income	694	1,795	10,499	1,730
<b>Net cash flows used in investing activities</b>	<b>(33,045)</b>	<b>(17,313)</b>	<b>(24,078)</b>	<b>(20,591)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in bank overdrafts and				
short-term loans from financial institutions	(17,570)	21,833	53,205	(15,396)
Decrease in short-term loan from related party	-	(627)	-	-
Repayment of long-term loans	(21,843)	(21,831)	(20,050)	(20,050)
Proceeds from increase in investment in subsidiary by				
non-controlling interests of the subsidiary	-	11,250	-	-
Acquisition of treasury shares	(26,830)	-	(26,830)	-
Receipt from non-controlling interest of the subsidiary	76	31	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>(66,167)</b>	<b>10,656</b>	<b>6,325</b>	<b>(35,446)</b>
<b>Increase in translation adjustment</b>	<b>20,117</b>	<b>31,994</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(66,539)</b>	<b>(2,703)</b>	<b>(36,680)</b>	<b>54,047</b>
Cash and cash equivalents at beginning of period	358,219	342,389	194,521	141,438
<b>Cash and cash equivalents at end of period</b>	<b>291,680</b>	<b>339,686</b>	<b>157,841</b>	<b>195,485</b>
	-	-	-	-
<b>Supplemental cash flow information</b>				
Non-cash transactions				
Increase in construction payables	-	5,219	-	5,219
Conversion of related party trade payable of subsidiary to				
called-up capital by non-controlling interests				
of the subsidiary	-	11,250	-	-
Capital repayment by the subsidiary by offsetting with				
other payables due to the subsidiary	-	-	16,229	-

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

## Statement of changes in shareholders' equity

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
						Other components of shareholders' equity								
						Other comprehensive income								
Retained earnings						Exchange differences	Deficit on change		Total other	Total equity	Equity attributable		Total	
Issued and		Appropriated				on translation of	in value of	Deficit from change		components of	attributable to	to non-controlling	shareholders'	
paid-up	Share	Statutory	Treasury shares		Unappropriated	Treasury shares	financial statements	available-for-sale	in shareholding	shareholders'	owners of	interests of the	shareholders'	
share capital	premium	reserve	reserve	Unappropriated	Treasury shares	in foreign currency	investments	of subsidiary	equity	the Company	subsidiaries	equity		
<b>Balance as at 1 January 2015</b>	409,529	786,855	41,000	-	1,663,393	-	10,924	-	(58,428)	(47,504)	2,853,273	(132,141)	2,721,132	
Loss for the period	-	-	-	-	(105,272)	-	-	-	-	-	(105,272)	(6,892)	(112,164)	
Other comprehensive income for the period	-	-	-	-	(11)	-	29,338	-	-	29,338	29,327	1,980	31,307	
Total comprehensive income for the period	-	-	-	-	(105,283)	-	29,338	-	-	29,338	(75,945)	(4,912)	(80,857)	
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	22,531	22,531	
<b>Balance as at 31 March 2015</b>	<u>409,529</u>	<u>786,855</u>	<u>41,000</u>	<u>-</u>	<u>1,558,110</u>	<u>-</u>	<u>40,262</u>	<u>-</u>	<u>(58,428)</u>	<u>(18,166)</u>	<u>2,777,328</u>	<u>(114,522)</u>	<u>2,662,806</u>	
<b>Balance as at 1 January 2016</b>	409,529	786,855	41,000	20,131	1,507,158	(20,131)	(3,644)	(8,405)	(58,428)	(70,477)	2,674,065	(140,904)	2,533,161	
Loss for the period	-	-	-	-	(143,701)	-	-	-	-	-	(143,701)	(5,862)	(149,563)	
Other comprehensive income for the period	-	-	-	-	(3)	-	18,390	(21,955)	-	(3,565)	(3,568)	57	(3,511)	
Total comprehensive income for the period	-	-	-	-	(143,704)	-	18,390	(21,955)	-	(3,565)	(147,269)	(5,805)	(153,074)	
Treasury shares (Note 18)	-	-	-	-	-	(26,830)	-	-	-	-	(26,830)	-	(26,830)	
Transferred to treasury shares reserve (Note 18)	-	-	-	26,830	(26,830)	-	-	-	-	-	-	-	-	
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	76	76	
<b>Balance as at 31 March 2016</b>	<u>409,529</u>	<u>786,855</u>	<u>41,000</u>	<u>46,961</u>	<u>1,336,624</u>	<u>(46,961)</u>	<u>14,746</u>	<u>(30,360)</u>	<u>(58,428)</u>	<u>(74,042)</u>	<u>2,499,966</u>	<u>(146,633)</u>	<u>2,353,333</u>	

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



## Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2016

(Unit: Thousand Baht)

	Separate financial statements								
	Retained earnings					Other components of equity			
	Appropriated					Other comprehensive income		Deficit on change	
	Issued and paid-up share capital	Share premium	Statutory reserve	Treasury shares reserve	Unappropriated	Treasury shares	in value of available-for-sale investments	Total other components of shareholders' equity	Total shareholders' equity
<b>Balance as at 1 January 2015</b>	409,529	786,855	41,000	-	1,954,015	-	-	-	3,191,399
Loss for the period	-	-	-	-	(60,671)	-	-	-	(60,671)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(60,671)	-	-	-	(60,671)
<b>Balance as at 31 March 2015</b>	<u>409,529</u>	<u>786,855</u>	<u>41,000</u>	<u>-</u>	<u>1,893,344</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,130,728</u>
<b>Balance as at 1 January 2016</b>	409,529	786,855	41,000	20,131	1,924,086	(20,131)	(8,405)	(8,405)	3,153,065
Loss for the period	-	-	-	-	(66,154)	-	-	-	(66,154)
Other comprehensive income for the period	-	-	-	-	-	-	(21,955)	(21,955)	(21,955)
Total comprehensive income for the period	-	-	-	-	(66,154)	-	(21,955)	(21,955)	(88,109)
Treasury shares (Note 18)	-	-	-	-	-	(26,830)	-	-	(26,830)
Transferred to treasury shares reserve (Note 18)	-	-	-	26,830	(26,830)	-	-	-	-
<b>Balance as at 31 March 2016</b>	<u>409,529</u>	<u>786,855</u>	<u>41,000</u>	<u>46,961</u>	<u>1,831,102</u>	<u>(46,961)</u>	<u>(30,360)</u>	<u>(30,360)</u>	<u>3,038,126</u>

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