

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)	31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
Assets					
Current assets					
Cash and cash equivalents		261,258	455,365	129,220	306,195
Current investments - deposits with financial institutions		1,416	1,546	-	-
Trade and other receivables	4	432,760	463,679	995,827	940,247
Short-term loans to related parties	3	26,000	26,000	45,763	46,911
Current portion of long-term loans to related parties	3	-	-	76,066	68,914
Inventories	5	1,860,285	1,974,812	881,746	960,086
Other current assets		47,389	50,317	15,140	17,753
Total current assets		2,629,108	2,971,719	2,143,762	2,340,106
Non-current assets					
Restricted bank deposits	6	31,294	33,723	25,000	25,000
Investments in subsidiaries	7	-	-	842,083	842,083
Investment in associated company	8	8,665	7,504	-	-
Other long-term investments	9	55,237	76,616	54,097	75,476
Other receivables	10	30,560	31,776	30,560	31,776
Amounts due from related party	3	8,656	10,779	8,656	22,358
Long-term loans to related parties	3	-	-	279,715	295,272
Investment properties	11	680,642	680,851	667,981	667,981
Property, plant and equipment	12	737,280	747,323	605,998	611,921
Leasehold rights		37,020	38,089	-	-
Other intangible assets		33,453	33,554	25,678	25,355
Deferred tax assets		86,625	84,480	75,214	73,874
Other non-current assets		22,799	24,385	943	1,927
Total non-current assets		1,732,231	1,769,080	2,615,925	2,673,023
Total assets		4,361,339	4,740,799	4,759,687	5,013,129

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 2017

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)	31 March 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	14	231,351	439,317	203,015	340,000
Bills of exchange	15	331,353	356,442	281,691	307,286
Trade and other payables	16	672,074	708,230	485,656	518,768
Short-term loan from related party	3	-	640	-	-
Current portion of long-term loans	17	589,912	614,342	556,243	580,693
Income tax payable		2,694	3,635	-	-
Other current liabilities		57,304	59,392	32,172	22,139
Total current liabilities		1,884,688	2,181,998	1,558,777	1,768,886
Non-current liabilities					
Long-term loans, net of current portion	17	153,843	162,267	-	-
Provision for long-term employee benefits	18	194,617	190,848	181,196	173,138
Other non-current liabilities		1,224	1,302	-	-
Total non-current liabilities		349,684	354,417	181,196	173,138
Total liabilities		2,234,372	2,536,415	1,739,973	1,942,024

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 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>31 March 2017</u> (Unaudited but reviewed)	<u>31 December 2016</u> (Audited)	<u>31 March 2017</u> (Unaudited but reviewed)	<u>31 December 2016</u> (Audited)
Shareholders' equity				
Share capital				
Registered				
409,529,000 ordinary shares of Baht 1 each	<u>409,529</u>	<u>409,529</u>	<u>409,529</u>	<u>409,529</u>
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	52,000	52,000	41,000	41,000
Appropriated - treasury shares reserve	49,415	49,415	49,415	49,415
Unappropriated	1,093,131	1,168,911	1,849,525	1,879,537
Treasury shares	(49,415)	(49,415)	(49,415)	(49,415)
Other components of shareholders' equity	<u>(48,647)</u>	<u>(47,062)</u>	<u>(67,195)</u>	<u>(45,816)</u>
Equity attributable to owners of the Company	2,292,868	2,370,233	3,019,714	3,071,105
Non-controlling interests of the subsidiaries	<u>(165,901)</u>	<u>(165,849)</u>	-	-
Total shareholders' equity	<u>2,126,967</u>	<u>2,204,384</u>	<u>3,019,714</u>	<u>3,071,105</u>
Total liabilities and shareholders' equity	<u>4,361,339</u>	<u>4,740,799</u>	<u>4,759,687</u>	<u>5,013,129</u>
	-	-	-	-

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 2017**

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

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues					
Sales		945,385	603,931	748,770	446,360
Other income					
Interest income		814	827	1,113	4,710
Others		6,038	7,865	18,340	17,700
Total revenues		<u>952,237</u>	<u>612,623</u>	<u>768,223</u>	<u>468,770</u>
Expenses					
Cost of sales		734,041	461,569	667,256	393,468
Selling expenses		106,841	120,618	20,130	23,284
Administrative expenses		127,892	140,496	53,645	83,188
Other expenses					
Loss on exchange		29,368	25,881	40,763	24,875
Total expenses		<u>998,142</u>	<u>748,564</u>	<u>781,794</u>	<u>524,815</u>
Loss before share of profit from investment in associated company, finance cost and income tax expenses		(45,905)	(135,941)	(13,571)	(56,045)
Share of profit from investment in associated company		1,161	969	-	-
Loss before finance cost and income tax expenses		(44,744)	(134,972)	(13,571)	(56,045)
Finance cost		(33,812)	(16,683)	(17,781)	(12,783)
Loss before income tax expenses		(78,556)	(151,655)	(31,352)	(68,828)
Tax income	13	1,390	2,092	1,340	2,674
Loss for the period		<u>(77,166)</u>	<u>(149,563)</u>	<u>(30,012)</u>	<u>(66,154)</u>
Loss attributable to:					
Equity holders of the Company		(75,780)	(143,701)	<u>(30,012)</u>	<u>(66,154)</u>
Non-controlling interests of the subsidiaries		(1,386)	(5,862)		
		<u>(77,166)</u>	<u>(149,563)</u>		
Earnings per share					
Basic earnings per share	19				
Loss attributable to equity holders of the Company		<u>(0.19)</u>	<u>(0.36)</u>	<u>(0.08)</u>	<u>(0.16)</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 2017

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Loss for the period		<u>(77,166)</u>	<u>(149,563)</u>	<u>(30,012)</u>	<u>(66,154)</u>
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		21,272	18,449	-	-
Loss on change in value of available-for-sale investments		<u>(21,379)</u>	<u>(21,955)</u>	<u>(21,379)</u>	<u>(21,955)</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods		<u>(107)</u>	<u>(3,506)</u>	<u>(21,379)</u>	<u>(21,955)</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial loss		-	(7)	-	-
Less: Income tax effect	13	<u>-</u>	<u>2</u>	<u>-</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>-</u>	<u>(5)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period		<u>(107)</u>	<u>(3,511)</u>	<u>(21,379)</u>	<u>(21,955)</u>
Total comprehensive income for the period		<u>(77,273)</u>	<u>(153,074)</u>	<u>(51,391)</u>	<u>(88,109)</u>
Total comprehensive income attributable to:					
Equity holders of the Company (loss)		(77,365)	(147,269)	(51,391)	(88,109)
Non-controlling interests of the subsidiaries (loss)		<u>92</u>	<u>(5,805)</u>	<u>-</u>	<u>-</u>
		<u>(77,273)</u>	<u>(153,074)</u>	<u>(51,391)</u>	<u>(88,109)</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 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Loss before tax	(78,556)	(151,655)	(31,352)	(68,828)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	21,165	22,906	13,415	14,999
Amortisation of leasehold rights	621	627	-	-
Write-off equipment	2,065	14	2,031	10
Doubtful accounts (reversal)	(1,491)	15,269	(16,543)	4,984
Write-off bad debts	-	652	-	652
Reduce cost to net realisable value of inventories	3,684	4,638	2,831	5,550
Gain on sales of machinery and equipment	(9)	-	(6)	-
Share of profit from investment in associated company	(1,161)	(969)	-	-
Long-term employee benefits expenses	3,780	4,063	3,710	15,689
Unrealised (gain) loss on exchange	(2,732)	16,964	45,955	33,173
Amortisation of deferred financial service fee of long-term loans	74	-	-	-
Interest income	(814)	(827)	(1,113)	(4,710)
Interest expenses	21,243	15,512	16,941	11,641
Profit (loss) from operating activities before changes in operating assets and liabilities	(32,131)	(72,806)	35,869	13,160
Operating assets (increase) decrease				
Trade and other receivables	26,999	100,774	(80,559)	(24,066)
Inventories	110,843	6,932	75,509	4,590
Other current assets	3,647	7,675	3,408	4,995
Other non-current assets	1,586	(933)	984	(726)
Operating liabilities increase (decrease)				
Trade and other payables	(19,703)	(5,728)	(6,357)	(1,652)
Other current liabilities	(3,766)	(656)	11,390	4,246
Provision for long-term employee benefits	(11)	(2,334)	-	(2,318)
Other non-current liabilities	(78)	(26)	-	-
Cash flows from (used in) operating activities	87,386	32,898	40,244	(1,771)
Cash paid for interest expenses	(19,553)	(19,361)	(15,633)	(16,709)
Cash paid for corporate income tax	(2,094)	(981)	(358)	(447)
Net cash flows from (used in) operating activities	65,739	12,556	24,253	(18,927)

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 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Decrease in current investments - deposits				
at financial institutions	130	3,217	-	-
Decrease in restricted bank deposits	2,429	190	-	-
Increase in short-term loans to related parties	-	(5,000)	(39)	(22,004)
Cash receipt from liquidation of subsidiary company	-	-	-	1
Acquisition for property, plant and equipment	(13,108)	(11,377)	(9,198)	(10,641)
Acquisition for leasehold rights	-	(18,421)	-	-
Acquisition of other intangible assets	(1,032)	(2,348)	(648)	(1,933)
Proceeds from sales of machinery and equipment	9	-	6	-
Cash receipt from interest income	421	694	86	10,499
Net cash flows used in investing activities	(11,151)	(33,045)	(9,793)	(24,078)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and				
short-term loans from financial institutions	(207,966)	(17,570)	(136,985)	53,205
Decrease in bills of exchange	(30,000)	-	(30,000)	-
Decrease in short-term loan from related party	(640)	-	-	-
Repayment of long-term loans	(32,928)	(21,843)	(24,450)	(20,050)
Acquisition of treasury shares	-	(26,830)	-	(26,830)
Receipt from (payment to) non-controlling interest of the subsidiary	(144)	76	-	-
Net cash flows from (used in) financing activities	(271,678)	(66,167)	(191,435)	6,325
Increase in translation adjustment	22,983	20,117	-	-
Net decrease in cash and cash equivalents	(194,107)	(66,539)	(176,975)	(36,680)
Cash and cash equivalents at beginning of period	455,365	358,219	306,195	194,521
Cash and cash equivalents at end of period	261,258	291,680	129,220	157,841
	-		-	
Supplemental cash flow information				
Non-cash transactions				
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 2017

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company						Other components of shareholders' equity							
Issued and paid-up share capital	Share premium	Retained earnings				Treasury shares	Other comprehensive income			Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
		Statutory reserve	Treasury shares reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency		Deficit on change in value of available-for-sale investments	Deficit from change in shareholding of subsidiary					
Balance as at 1 January 2016	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	-	-	-	-	-	(26,830)	-	-	-	-	(26,830)	-	(26,830)
Transferred to treasury shares reserve	-	-	-	26,830	(26,830)	-	-	-	-	-	-	-	-
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	76	76
Balance as at 31 March 2016	<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>
Balance as at 1 January 2017	409,529	786,855	52,000	49,415	1,168,911	(49,415)	57,182	(45,816)	(58,428)	(47,062)	2,370,233	(165,849)	2,204,384
Loss for the period	-	-	-	-	(75,780)	-	-	-	-	-	(75,780)	(1,386)	(77,166)
Other comprehensive income for the period	-	-	-	-	-	-	19,794	(21,379)	-	(1,585)	(1,585)	1,478	(107)
Total comprehensive income for the period	-	-	-	-	(75,780)	-	19,794	(21,379)	-	(1,585)	(77,365)	92	(77,273)
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(144)	(144)
Balance as at 31 March 2017	<u>409,529</u>	<u>786,855</u>	<u>52,000</u>	<u>49,415</u>	<u>1,093,131</u>	<u>(49,415)</u>	<u>76,976</u>	<u>(67,195)</u>	<u>(58,428)</u>	<u>(48,647)</u>	<u>2,292,868</u>	<u>(165,901)</u>	<u>2,126,967</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 2017

(Unit: Thousand Baht)

	Separate financial statements								
	Retained earnings					Other components of equity			Total shareholders' equity
	Issued and paid-up share capital	Share premium	Appropriated		Unappropriated	Treasury shares	Other comprehensive income		
			Statutory reserve	Treasury shares reserve			Deficit on change in value of available-for-sale investments		
Total other components of shareholders' equity									
Balance as at 1 January 2016	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	-	-	-	-	-	(26,830)	-	-	(26,830)
Transferred to treasury shares reserve	-	-	-	26,830	(26,830)	-	-	-	-
Balance as at 31 March 2016	<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>
Balance as at 1 January 2017	409,529	786,855	41,000	49,415	1,879,537	(49,415)	(45,816)	(45,816)	3,071,105
Loss for the period	-	-	-	-	(30,012)	-	-	-	(30,012)
Other comprehensive income for the period	-	-	-	-	-	-	(21,379)	(21,379)	(21,379)
Total comprehensive income for the period	-	-	-	-	(30,012)	-	(21,379)	(21,379)	(51,391)
Balance as at 31 March 2017	<u>409,529</u>	<u>786,855</u>	<u>41,000</u>	<u>49,415</u>	<u>1,849,525</u>	<u>(49,415)</u>	<u>(67,195)</u>	<u>(67,195)</u>	<u>3,019,714</u>

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