

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Assets					
Current assets					
Cash and cash equivalents	7	358,218,385	342,388,503	194,520,660	141,438,151
Current investments - deposits with financial institutions		5,066,529	8,819,818	-	-
Trade and other receivables	8	513,502,173	563,646,375	1,002,627,494	971,879,643
Short-term loans to related parties	6	21,000,000	23,000,000	6,625,257	-
Current portion of long-term loans to related parties	6	-	-	34,806,437	9,029,369
Inventories	9	1,853,098,285	1,845,452,200	745,974,346	762,624,688
Other current assets		69,772,252	50,782,671	25,787,668	18,754,086
Total current assets		2,820,657,624	2,834,089,567	2,010,341,862	1,903,725,937
Non-current assets					
Restricted bank deposits	10	9,014,331	8,781,001	-	-
Investment in convertible debentures issued by subsidiary	11	-	-	-	31,512,300
Investments in subsidiaries	12	-	-	878,083,220	834,264,320
Investment in associated company	13	9,500,518	232,489	-	-
Other long-term investments	15	113,989,764	24,378,901	112,849,644	23,238,781
Advances for investment	6	-	-	-	5,308,824
Other receivables	14	32,011,506	111,047,431	32,011,506	111,047,431
Amounts due from related party	6	-	-	39,381,152	38,752,405
Long-term loans to related parties	6	-	-	194,876,585	208,478,588
Investment properties	16	687,337,158	689,261,812	676,365,343	676,992,176
Property, plant and equipment	17	780,945,256	760,146,962	644,192,740	618,316,934
Leasehold rights	18	23,137,276	25,621,675	-	-
Other intangible assets	19	33,158,136	31,780,854	22,447,021	19,623,490
Deferred tax assets	29	82,595,732	95,404,589	73,870,273	61,552,436
Other non-current assets		20,502,599	17,494,653	926,870	683,445
Total non-current assets		1,792,192,276	1,764,150,367	2,675,004,354	2,629,771,130
Total assets		4,612,849,900	4,598,239,934	4,685,346,216	4,533,497,067

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 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	20	603,928,567	689,031,332	361,794,983	513,440,415
Trade and other payables	21	545,087,772	553,143,516	333,441,844	305,033,186
Short-term loan from related party	6	689,000	627,500	-	-
Short-term loans from unrelated individuals	22	-	30,000,000	-	30,000,000
Current portion of long-term loans	23	678,441,977	88,701,403	673,978,572	80,200,000
Income tax payable		6,128,835	11,753,645	-	-
Other current liabilities		44,997,263	56,499,747	9,810,862	12,094,547
Total current liabilities		1,879,273,414	1,429,757,143	1,379,026,261	940,768,148
Non-current liabilities					
Long-term loans, net of current portion	23	15,421,508	293,967,046	-	274,750,000
Provision for long-term employee benefits	24	183,901,261	152,319,839	153,255,379	126,580,179
Other non-current liabilities		1,092,118	1,063,566	-	-
Total non-current liabilities		200,414,887	447,350,451	153,255,379	401,330,179
Total liabilities		2,079,688,301	1,877,107,594	1,532,281,640	1,342,098,327

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 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Shareholders' equity					
Share capital					
Registered					
409,529,000 ordinary shares of Baht 1 each					
(2014: 410,000,000 ordinary shares					
of Baht 1 each)					
	25	<u>409,529,000</u>	<u>410,000,000</u>	<u>409,529,000</u>	<u>410,000,000</u>
Issued and fully paid up					
409,529,000 ordinary shares of Baht 1 each					
		409,529,000	409,529,000	409,529,000	409,529,000
Share premium					
		786,855,043	786,855,043	786,855,043	786,855,043
Retained earnings					
Appropriated - statutory reserve					
	26	41,000,000	41,000,000	41,000,000	41,000,000
Appropriated - treasury shares reserve					
	27	20,130,875	-	20,130,875	-
Unappropriated					
		1,507,157,628	1,663,393,307	1,924,085,704	1,954,014,697
Treasury shares					
	27	(20,130,875)	-	(20,130,875)	-
Other components of shareholders' equity					
		<u>(70,476,350)</u>	<u>(47,503,582)</u>	<u>(8,405,171)</u>	<u>-</u>
Equity attributable to owners of the Company					
		2,674,065,321	2,853,273,768	3,153,064,576	3,191,398,740
Non-controlling interests of the subsidiaries					
		<u>(140,903,722)</u>	<u>(132,141,428)</u>	<u>-</u>	<u>-</u>
Total shareholders' equity					
		<u>2,533,161,599</u>	<u>2,721,132,340</u>	<u>3,153,064,576</u>	<u>3,191,398,740</u>
Total liabilities and shareholders' equity					
		<u>4,612,849,900</u>	<u>4,598,239,934</u>	<u>4,685,346,216</u>	<u>4,533,497,067</u>
		-	-	-	-

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

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 Directors

Pranda Jewelry Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Revenues					
Sales		2,820,763,257	3,295,125,903	1,861,463,030	2,322,698,937
Other income					
Interest income		3,876,374	8,492,537	22,824,712	22,712,387
Gain on exchange		53,479,922	-	63,512,531	-
Others		45,878,797	37,168,407	83,375,365	66,850,621
Total revenues		2,923,998,350	3,340,786,847	2,031,175,638	2,412,261,945
Expenses					
Cost of sales		1,974,251,057	2,293,665,993	1,575,395,584	1,858,431,283
Selling expenses		447,262,747	455,186,516	60,828,219	68,769,295
Administrative expenses		518,229,537	553,448,081	288,391,597	319,163,261
Other expenses					
Loss on exchange		-	73,789,260	-	48,165,771
Impairment loss on investments in subsidiaries	12	-	-	-	123,897,584
Reversal impairment loss on investment properties	16	-	(188,015,909)	-	(188,015,909)
Total expenses		2,939,743,341	3,188,073,941	1,924,615,400	2,230,411,285
Profit (loss) before share of profit from investment in associated company, finance cost and income tax expenses		(15,744,991)	152,712,906	106,560,238	181,850,660
Share of profit from investment in associated company	13.2	9,268,029	232,489	-	-
Profit (loss) before finance cost and income tax expenses		(6,476,962)	152,945,395	106,560,238	181,850,660
Finance cost		(64,147,670)	(63,556,265)	(47,972,547)	(43,060,875)
Profit (loss) before income tax expenses		(70,624,632)	89,389,130	58,587,691	138,789,785
Tax income (expenses)	29	(17,913,443)	(2,191,905)	8,462,902	7,828,900
Profit (loss) for the year		(88,538,075)	87,197,225	67,050,593	146,618,685
Profit (loss) attributable to:					
Equity holders of the Company (loss)		(55,783,822)	145,533,874	67,050,593	146,618,685
Non-controlling interests of the subsidiaries (loss)		(32,754,253)	(58,336,649)	-	-
		<u>(88,538,075)</u>	<u>87,197,225</u>		
		-	-		
Earnings per share					
31					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		(0.1363)	0.3554	0.1639	0.3581
Diluted earnings per share					
Profit (loss) attributable to equity holders of the Company		(0.1363)	0.3554	0.1639	0.3580

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
Profit (loss) for the year		(88,538,075)	87,197,225	67,050,593	146,618,685
Other comprehensive income:					
<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		(17,958,646)	29,658,348	-	-
Loss on change in value of available-for-sale investments		(8,405,171)	-	(8,405,171)	-
Other comprehensive income to be reclassified					
to profit or loss in subsequent periods		(26,363,817)	29,658,348	(8,405,171)	-
<i>Other comprehensive income not to be reclassified</i>					
<i>to profit or loss in subsequent periods:</i>					
Actuarial gains (loss)	24	(23,036,663)	47,992,434	(19,274,670)	38,097,991
Less: Income tax effect	29	4,035,163	(8,228,708)	3,854,934	(7,619,598)
Other comprehensive income not to be reclassified					
to profit or loss in subsequent periods - net of income tax		(19,001,500)	39,763,726	(15,419,736)	30,478,393
Other comprehensive income for the year		(45,365,317)	69,422,074	(23,824,907)	30,478,393
Total comprehensive income for the year		(133,903,392)	156,619,299	43,225,686	177,097,078
Total comprehensive income attributable to:					
Equity holders of the Company (loss)		(97,648,597)	213,475,335	43,225,686	177,097,078
Non-controlling interests of the subsidiaries (loss)		(36,254,795)	(56,856,036)	-	-
		(133,903,392)	156,619,299	43,225,686	177,097,078

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

Pranda Jewelry Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash flows from operating activities				
Profit (loss) before tax	(70,624,632)	89,389,130	58,587,691	138,789,785
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	91,603,563	80,974,140	59,805,404	45,404,880
Amortisation of leasehold rights	2,484,399	2,484,400	-	-
Amortisation of deferred financial service fee of long-term loans	28,571	-	28,571	-
Write-off equipment and intangible assets	1,642,512	4,656,296	167,440	702,110
Amortisation of discounted value of government bond	(36,934)	(36,934)	(36,934)	(36,934)
Doubtful accounts (reversal)	(7,867,968)	233,345	37,520,674	62,642,472
Write-off bad debts	9,591,266	1,765,230	911,169	1,765,230
Write-off withholding tax deducted at source	2,196,202	-	2,196,202	-
Reduce cost to net realisable value of inventories (reversal)	3,229,801	4,028,406	5,084,000	(8,615,000)
Gain on sales of property, plant and equipment	(8,326,575)	(5,244,594)	(7,286,584)	(194,686)
Share of profit from investment in associated company	(9,268,029)	(232,489)	-	-
Long-term employee benefits expenses	16,033,708	12,009,734	12,751,268	10,299,517
Impairment loss on investments in subsidiaries	-	-	-	123,897,584
Reversal impairment loss on investment properties	-	(188,015,909)	-	(188,015,909)
Unrealised loss (gain) on exchange	15,699,234	193,760	(41,963,579)	51,297,593
Interest income	(3,876,374)	(8,492,537)	(22,824,712)	(22,712,387)
Interest expenses	56,394,473	58,028,745	43,607,230	41,218,896
Profit from operating activities before changes in operating assets and liabilities	98,903,217	51,740,723	148,547,840	256,443,151
Operating assets (increase) decrease				
Trade and other receivables	27,421,052	72,268,040	(36,530,524)	(110,953,911)
Inventories	(10,875,886)	131,677,056	11,566,342	109,297,293
Other current assets	(7,406,745)	22,841,194	(5,364,152)	11,476,334
Other non-current assets	(3,007,946)	(1,970,934)	(243,425)	(14,999)
Operating liabilities increase (decrease)				
Trade and other payables	(11,491,237)	(164,789,488)	17,788,163	(187,274,929)
Other current liabilities	(11,502,484)	10,883,994	(2,283,685)	1,851,854
Provision for long-term employee benefits	(7,488,949)	(4,503,898)	(5,350,738)	(4,206,349)
Other non-current liabilities	28,552	5,202	-	-
Cash flows from operating activities	74,579,574	118,151,889	128,129,821	76,618,444
Cash paid for interest expenses	(54,883,180)	(58,356,875)	(43,428,233)	(41,395,634)
Cash paid for corporate income tax	(18,866,194)	(7,796,421)	(2,258,555)	(2,196,202)
Cash refund from corporate income tax	-	6,925,388	-	-
Net cash flows from operating activities	830,200	58,923,981	82,443,033	33,026,608

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

Pranda Jewelry Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Cash flows from investing activities				
Decrease (increase) in current investments -				
deposits at financial institutions	3,753,289	(612,195)	-	-
Increase in restricted bank deposits	(233,330)	(4,765,388)	-	-
Decrease (increase) in short-term loans to related parties	2,000,000	(7,000,000)	(6,590,800)	-
Increase in long-term loans to related parties	-	-	(3,491,728)	(20,197,500)
Decrease in advances for investment	-	-	5,308,824	-
Payments for investments in subsidiaries	-	-	(4,054,200)	(4,966,500)
Acquisition of property, plant and equipment	(104,739,672)	(166,578,650)	(86,404,295)	(143,666,548)
Acquisition of other intangible assets	(5,791,955)	(1,550,931)	(4,517,483)	(1,476,400)
Proceeds from sales of property, plant and equipment	9,973,330	6,050,125	9,939,382	303,737
Proceeds from sales of investment in associated company	-	7,665,258	-	7,665,258
Cash receipt from interest income	3,751,427	9,545,368	4,655,058	7,802,993
Net cash flows used in investing activities	(91,286,911)	(157,246,413)	(85,155,242)	(154,534,960)
Cash flows from financing activities				
Increase in bank overdrafts and				
short-term loans from financial institutions	123,169,850	229,975,129	58,354,568	272,053,855
Increase in short-term loans from related parties	61,500	627,500	-	-
Increase (decrease) in short-term loans from unrelated individuals	(30,000,000)	29,779,483	(30,000,000)	29,779,483
Cash receipt for long-term loans	190,000,000	54,526,900	190,000,000	54,526,900
Repayment of long-term loans	(88,033,005)	(113,529,288)	(80,200,000)	(105,310,000)
Cash paid for financial service fee of long-term loans	(800,000)	-	(800,000)	-
Proceeds from ordinary shares issuance from				
exercised warrants	-	1,152,600	-	1,152,600
Proceeds from increase in investments in subsidiary				
by non-controlling interests of the subsidiary	16,238,043	-	-	-
Acquisition of treasury shares	(20,130,875)	-	(20,130,875)	-
Dividend paid	(61,428,975)	(81,905,300)	(61,428,975)	(81,905,300)
Cash receipt from (payment to) non-controlling				
interests of the subsidiary	4,458	(131,927)	-	-
Net cash flows from financing activities	129,080,996	120,495,097	55,794,718	170,297,538
Increase (decrease) in translation adjustment	(22,794,403)	32,252,237	-	-
Net increase in cash and cash equivalents	15,829,882	54,424,902	53,082,509	48,789,186
Cash and cash equivalents at beginning of year	342,388,503	287,963,601	141,438,151	92,648,965
Cash and cash equivalents at end of year	358,218,385	342,388,503	194,520,660	141,438,151
	-	-	-	-
Supplemental cash flow information				
Non-cash transactions				
Conversion of investment in convertible debentures issued by				
subsidiary to investments in subsidiaries	-	-	39,764,700	-
Conversion of related party trade payable of subsidiary to				
called-up capital by non-controlling interests of the subsidiary	11,250,000	-	-	-
Conversion of other receivables to other long-term investments	97,979,100	-	97,979,100	-

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2015

(Unit: Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
	Retained earnings					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
	Issued and paid-up share capital	Share premium	Appropriated		Unappropriated	Treasury shares	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	Total other components of shareholders' equity			
			Statutory reserve	Treasury shares reserve									
Balance as at 1 January 2014	409,144,800	786,086,643	41,000,000	-	1,560,263,414	-	(17,516,217)	-	(58,427,507)	(75,943,724)	2,720,551,133	(75,153,465)	2,645,397,668
Profit for the year	-	-	-	-	145,533,874	-	-	-	-	-	145,533,874	(58,336,649)	87,197,225
Other comprehensive income for the year	-	-	-	-	39,501,319	-	28,440,142	-	-	28,440,142	67,941,461	1,480,613	69,422,074
Total comprehensive income for the year	-	-	-	-	185,035,193	-	28,440,142	-	-	28,440,142	213,475,335	(56,856,036)	156,619,299
Ordinary shares issuance from exercised warrants	384,200	768,400	-	-	-	-	-	-	-	-	1,152,600	-	1,152,600
Dividend paid (Note 34)	-	-	-	-	(81,905,300)	-	-	-	-	-	(81,905,300)	-	(81,905,300)
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(131,927)	(131,927)
Balance as at 31 December 2014	409,529,000	786,855,043	41,000,000	-	1,663,393,307	-	10,923,925	-	(58,427,507)	(47,503,582)	2,853,273,768	(132,141,428)	2,721,132,340
Balance as at 1 January 2015	409,529,000	786,855,043	41,000,000	-	1,663,393,307	-	10,923,925	-	(58,427,507)	(47,503,582)	2,853,273,768	(132,141,428)	2,721,132,340
Loss for the year	-	-	-	-	(55,783,822)	-	-	-	-	-	(55,783,822)	(32,754,253)	(88,538,075)
Other comprehensive income for the year	-	-	-	-	(18,892,007)	-	(14,567,597)	(8,405,171)	-	(22,972,768)	(41,864,775)	(3,500,542)	(45,365,317)
Total comprehensive income for the year	-	-	-	-	(74,675,829)	-	(14,567,597)	(8,405,171)	-	(22,972,768)	(97,648,597)	(36,254,795)	(133,903,392)
Treasury shares (Note 27)	-	-	-	-	-	(20,130,875)	-	-	-	-	(20,130,875)	-	(20,130,875)
Transferred to treasury shares reserve (Note 27)	-	-	-	20,130,875	(20,130,875)	-	-	-	-	-	-	-	-
Dividend paid (Note 34)	-	-	-	-	(61,428,975)	-	-	-	-	-	(61,428,975)	-	(61,428,975)
Increase in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	27,492,501	27,492,501
Balance as at 31 December 2015	409,529,000	786,855,043	41,000,000	20,130,875	1,507,157,628	(20,130,875)	(3,643,672)	(8,405,171)	(58,427,507)	(70,476,350)	2,674,065,321	(140,903,722)	2,533,161,599

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2015

(Unit: Baht)

	Separate financial statements								Total shareholders' equity
	Retained earnings					Other components of equity		Total other components of shareholders' equity	
	Issued and paid-up		Appropriated			Other comprehensive income	in value of available-for-sale investments		
	share capital	Share premium	Statutory reserve	Treasury shares reserve	Unappropriated	Treasury shares		Deficit on change	
Balance as at 1 January 2014	409,144,800	786,086,643	41,000,000	-	1,858,822,919	-	-	-	3,095,054,362
Profit for the year	-	-	-	-	146,618,685	-	-	-	146,618,685
Other comprehensive income for the year	-	-	-	-	30,478,393	-	-	-	30,478,393
Total comprehensive income for the year	-	-	-	-	177,097,078	-	-	-	177,097,078
Ordinary shares issuance from exercised warrants	384,200	768,400	-	-	-	-	-	-	1,152,600
Dividend paid (Note 34)	-	-	-	-	(81,905,300)	-	-	-	(81,905,300)
Balance as at 31 December 2014	409,529,000	786,855,043	41,000,000	-	1,954,014,697	-	-	-	3,191,398,740
Balance as at 1 January 2015	409,529,000	786,855,043	41,000,000	-	1,954,014,697	-	-	-	3,191,398,740
Profit for the year	-	-	-	-	67,050,593	-	-	-	67,050,593
Other comprehensive income for the year	-	-	-	-	(15,419,736)	-	(8,405,171)	(8,405,171)	(23,824,907)
Total comprehensive income for the year	-	-	-	-	51,630,857	-	(8,405,171)	(8,405,171)	43,225,686
Treasury shares (Note 27)	-	-	-	-	-	(20,130,875)	-	-	(20,130,875)
Transferred to treasury shares reserve (Note 27)	-	-	-	20,130,875	(20,130,875)	-	-	-	-
Dividend paid (Note 34)	-	-	-	-	(61,428,975)	-	-	-	(61,428,975)
Balance as at 31 December 2015	409,529,000	786,855,043	41,000,000	20,130,875	1,924,085,704	(20,130,875)	(8,405,171)	(8,405,171)	3,153,064,576

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