

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>31 March 2020</u>	<u>31 December 2019</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		464,092	547,748	236,808	388,392
Current investments - deposits with financial institutions	2	-	575	-	-
Trade and other receivables	2, 4	255,914	440,850	420,302	544,834
Short-term loans to related parties	3	46,367	44,596	16,213	14,943
Inventories	5	1,748,050	1,577,445	891,416	770,445
Other current financial assets	2	3,815	-	965	-
Other current assets		48,258	39,988	7,457	9,504
Total current assets		2,566,496	2,651,202	1,573,161	1,728,118
Non-current assets					
Restricted bank deposits	6	31,845	31,845	26,476	26,476
Other non-current financial assets	2, 7	16,059	-	6,593	-
Investments in subsidiaries	8	-	-	573,108	573,108
Investment in associated company	9	8,541	10,090	-	-
Other long-term investments	2	-	16,083	-	14,943
Amounts due from related parties	3	-	1,586	-	1,586
Long-term loans to related parties	3	-	-	46,228	45,308
Investment properties	11	587,224	587,308	577,552	577,552
Property, plant and equipment	2, 12	795,352	596,032	493,730	500,933
Leasehold rights	2	-	13,200	-	-
Other intangible assets		26,402	26,195	22,205	22,019
Deferred tax assets		62,782	62,295	170,887	170,426
Other non-current assets	2	13,072	21,895	363	363
Total non-current assets		1,541,277	1,366,529	1,917,142	1,932,714
Total assets		4,107,773	4,017,731	3,490,303	3,660,832

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2020	31 December 2019	31 March 2020	31 December 2019
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	13	518,992	491,399	410,000	391,400
Bills of exchange	14	49,555	49,035	-	-
Trade and other payables	2, 15	700,727	749,803	401,067	579,722
Short-term loan from related party		578	584	-	-
Current portion of long-term liabilities					
- Long-term loans	16	102,446	110,553	67,500	75,000
- Convertible debentures	17	3,801	-	3,801	-
- Options	17	444	-	444	-
- Long-term lease liabilities	2, 18	31,331	-	134	-
Income tax payable		34,582	16,543	34,293	16,471
Other current liabilities		64,904	73,162	8,043	24,014
Total current liabilities		1,507,360	1,491,079	925,282	1,086,607
Non-current liabilities					
Long-term liabilities, net current portion					
- Long-term loans	16	50,519	58,705	-	-
- Convertible debentures	17	32,917	36,164	32,917	36,164
- Options	17	3,889	4,333	3,889	4,333
- Long-term lease liabilities	2, 18	161,929	-	-	-
Provision for long-term employee benefits	19	286,745	283,182	271,916	268,821
Other non-current liabilities	2	3,139	706	-	-
Total non-current liabilities		539,138	383,090	308,722	309,318
Total liabilities		2,046,498	1,874,169	1,234,004	1,395,925

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 March 2020

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>31 March 2020</u>	<u>31 December 2019</u>	<u>31 March 2020</u>	<u>31 December 2019</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity					
Share capital	21				
Registered					
634,769,950 ordinary shares of Baht 1 each		<u>634,770</u>	<u>634,770</u>	<u>634,770</u>	<u>634,770</u>
Issued and fully paid up					
486,709,618 ordinary shares of Baht 1 each					
(31 December 2019: 462,395,601 ordinary shares of Baht 1 each)		486,710	462,396	486,710	462,396
Share premium		818,138	818,138	818,138	818,138
Capital reserve for share-based payment transactions		2,321	2,006	2,321	2,006
Deficit from the change in the ownership interests in subsidiary		(58,428)	(58,428)	-	-
Retained earnings					
Appropriated - statutory reserve		54,418	54,418	43,418	43,418
Unappropriated		911,335	953,653	997,098	1,021,985
Other components of shareholders' equity		<u>45,627</u>	<u>97,846</u>	<u>(91,386)</u>	<u>(83,036)</u>
Equity attributable to owners of the Company		2,260,121	2,330,029	2,256,299	2,264,907
Non-controlling interests of the subsidiaries		<u>(198,846)</u>	<u>(186,467)</u>	-	-
Total shareholders' equity		<u>2,061,275</u>	<u>2,143,562</u>	<u>2,256,299</u>	<u>2,264,907</u>
Total liabilities and shareholders' equity		<u>4,107,773</u>	<u>4,017,731</u>	<u>3,490,303</u>	<u>3,660,832</u>
		-	-	-	-

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

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 Directors

(Unaudited but reviewed)

Pranda Jewelry Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 31 March 2020**

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

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Revenues					
Sales		599,327	569,326	516,658	390,744
Rental income					
Other income					
Interest income		-	971	-	776
Gain on exchange		45,611	-	1,938	-
Others		8,399	8,396	8,094	13,044
Total revenues		653,337	578,693	526,690	404,564
Expenses					
Cost of sales		457,607	420,568	428,308	338,320
Selling and distribution expenses		90,176	95,951	17,375	22,583
Administrative expenses		108,727	101,831	66,180	70,433
Other expenses					
Loss on exchange		-	16,872	-	15,256
Total expenses		656,510	635,222	511,863	446,592
Profit (loss) from operating activities		(3,173)	(56,529)	14,827	(42,028)
Share of profit (loss) from investment in associated company		(1,549)	4	-	-
Finance income		903	-	14	-
Finance cost		(18,392)	(14,537)	(11,178)	(9,871)
Gain (loss) before income tax expenses		(22,211)	(71,062)	3,663	(51,899)
Tax income (expenses)	22	(17,780)	(4,655)	(17,589)	301
Loss for the period		(39,991)	(75,717)	(13,926)	(51,598)
Loss attributable to:					
Equity holders of the Company		(30,217)	(71,379)	(13,926)	(51,598)
Non-controlling interests of the subsidiaries		(9,774)	(4,338)		
		(39,991)	(75,717)		
Earnings per share					
Basic earnings per share	23				
Loss attributable to equity holders of the Company		(0.0627)	(0.1585)	(0.0289)	(0.1146)

The accompanying notes are an integral part of the interim 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 2020

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Loss for the period	<u>(39,991)</u>	<u>(75,717)</u>	<u>(13,926)</u>	<u>(51,598)</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	(46,474)	12,122	-	-
Profit on change in value of available-for-sale investments	<u>-</u>	<u>5,757</u>	<u>-</u>	<u>5,757</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>(46,474)</u>	<u>17,879</u>	<u>-</u>	<u>5,757</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Loss on investments in equity designated at fair value through other comprehensive income	<u>(8,350)</u>	<u>-</u>	<u>(8,350)</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	<u>(8,350)</u>	<u>-</u>	<u>(8,350)</u>	<u>-</u>
Other comprehensive income (loss) for the period	<u>(54,824)</u>	<u>17,879</u>	<u>(8,350)</u>	<u>5,757</u>
Total comprehensive loss for the period	<u>(94,815)</u>	<u>(57,838)</u>	<u>(22,276)</u>	<u>(45,841)</u>
Total comprehensive loss attributable to:				
Equity holders of the Company	(82,436)	(56,372)	(22,276)	(45,841)
Non-controlling interests of the subsidiaries	<u>(12,379)</u>	<u>(1,466)</u>	<u>-</u>	<u>-</u>
	<u>(94,815)</u>	<u>(57,838)</u>	<u>(22,276)</u>	<u>(45,841)</u>

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

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company											
							Other components of shareholders' equity					
							Other comprehensive income					
Issued and paid-up share capital	Share premium	Capital reserve for share - based payment transactions	Deficit from the change in the ownership interests of subsidiary	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Deficit on change in value of available-for-sale investments	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	
				Appropriated - Statutory reserve	Unappropriated							
Balance as at 1 January 2019 - as previously reported	424,640	811,966	580	(58,428)	52,000	1,220,573	107,155	(85,853)	21,302	2,472,633	(192,759)	2,279,874
Cumulative effect of change in accounting policy for revenue from contracts with customers	-	-	-	-	-	(2,913)	-	-	-	(2,913)	-	(2,913)
Balance as at 1 January 2019 - as restated	424,640	811,966	580	(58,428)	52,000	1,217,660	107,155	(85,853)	21,302	2,469,720	(192,759)	2,276,961
Loss for the period	-	-	-	-	-	(71,379)	-	-	-	(71,379)	(4,338)	(75,717)
Other comprehensive income for the period	-	-	-	-	-	-	9,250	5,757	15,007	15,007	2,872	17,879
Total comprehensive income for the period	-	-	-	-	-	(71,379)	9,250	5,757	15,007	(56,372)	(1,466)	(57,838)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	24,586	-	-	-	-	-	-	-	-	24,586	-	24,586
Transferred convertible debentures to ordinary shares and share premium (Note 21)	4,166	4,122	-	-	-	-	-	-	-	8,288	-	8,288
Share-based payment transactions	-	-	376	-	-	-	-	-	-	376	-	376
Decrease in non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(45)	(45)
Balance as at 31 March 2019	<u>453,392</u>	<u>816,088</u>	<u>956</u>	<u>(58,428)</u>	<u>52,000</u>	<u>1,146,281</u>	<u>116,405</u>	<u>(80,096)</u>	<u>36,309</u>	<u>2,446,598</u>	<u>(194,270)</u>	<u>2,252,328</u>
Balance as at 1 January 2020 - as previously reported	462,396	818,138	2,006	(58,428)	54,418	953,653	180,882	(83,036)	97,846	2,330,029	(186,467)	2,143,562
Cumulative effect of change in accounting policy related to financial instruments (Note 2)	-	-	-	-	-	(12,101)	-	-	-	(12,101)	-	(12,101)
Balance as at 1 January 2020 - as restated	462,396	818,138	2,006	(58,428)	54,418	941,552	180,882	(83,036)	97,846	2,317,928	(186,467)	2,131,461
Loss for the period	-	-	-	-	-	(30,217)	-	-	-	(30,217)	(9,774)	(39,991)
Other comprehensive income for the period	-	-	-	-	-	-	(43,869)	(8,350)	(52,219)	(52,219)	(2,605)	(54,824)
Total comprehensive income for the period	-	-	-	-	-	(30,217)	(43,869)	(8,350)	(52,219)	(82,436)	(12,379)	(94,815)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	24,314	-	-	-	-	-	-	-	-	24,314	-	24,314
Share-based payment transactions	-	-	315	-	-	-	-	-	-	315	-	315
Balance as at 31 March 2020	<u>486,710</u>	<u>818,138</u>	<u>2,321</u>	<u>(58,428)</u>	<u>54,418</u>	<u>911,335</u>	<u>137,013</u>	<u>(91,386)</u>	<u>45,627</u>	<u>2,260,121</u>	<u>(198,846)</u>	<u>2,061,275</u>

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

(Unaudited but reviewed)

Pranda Jewelry Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the three-month period ended 31 March 2020

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up		Capital reserve for share - based payment transactions	Retained earnings		Other components of equity	Total shareholders' equity
	share capital	Share premium		Appropriated - Statutory reserve	Unappropriated	Other comprehensive income	
						Deficit on change in value of available-for-sale investments	
Balance as at 1 January 2019	424,640	811,966	580	41,000	1,553,745	(85,853)	2,746,078
Loss for the period	-	-	-	-	(51,598)	-	(51,598)
Other comprehensive income for the period	-	-	-	-	-	5,757	5,757
Total comprehensive income for the period	-	-	-	-	(51,598)	5,757	(45,841)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	24,586	-	-	-	-	-	24,586
Transferred convertible debentures to ordinary shares and share premium (Note 21)	4,166	4,122	-	-	-	-	8,288
Share-based payment transactions	-	-	376	-	-	-	376
Balance as at 31 March 2019	453,392	816,088	956	41,000	1,502,147	(80,096)	2,733,487
Balance as at 1 January 2020 - as previously report	462,396	818,138	2,006	43,418	1,021,985	(83,036)	2,264,907
Cumulative effect of change in accounting policy related to financial instruments (Note 2)	-	-	-	-	(10,961)	-	(10,961)
Balance as at 1 January 2020 - as restated	462,396	818,138	2,006	43,418	1,011,024	(83,036)	2,253,946
Loss for the period	-	-	-	-	(13,926)	-	(13,926)
Other comprehensive income for the period	-	-	-	-	-	(8,350)	(8,350)
Total comprehensive income for the period	-	-	-	-	(13,926)	(8,350)	(22,276)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	24,314	-	-	-	-	-	24,314
Share-based payment transactions	-	-	315	-	-	-	315
Balance as at 31 March 2020	486,710	818,138	2,321	43,418	997,098	(91,386)	2,256,299

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

(Unaudited but reviewed)

Pranda Jewelry Public Company Limited and its subsidiaries**Cash flow statement****For the three-month period ended 31 March 2020**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from operating activities				
Gain (loss) before tax	(22,211)	(71,062)	3,663	(51,899)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	24,851	16,859	10,157	11,634
Amortisation of leasehold rights	-	622	-	-
Write-off equipment	30	52	30	39
Doubtful accounts (reversal)	12,943	(3,460)	(17)	10,494
Write-off bad debts	-	127	-	-
Write-off other assets	-	2,862	-	2,862
Reduce cost to net realisable value of inventories (reversal)	6,362	(7,543)	1,511	3,247
Share of loss (profit) from investment in associated company	1,549	(4)	-	-
Loss on revalue of investment in equity	1,138	-	-	-
Long-term employee benefits expenses	5,459	4,107	4,964	3,739
Unrealised (gain) loss on exchange	14,695	4,069	(2,456)	25,401
Unrealised gain on revaluation of derivative financial instruments	(965)	-	(965)	-
Amortisation of deferred financial service fee of long-term loans	74	58	-	-
Amortisation of transaction costs of convertible debentures	176	524	176	524
Share-based payment transactions	315	376	315	376
Interest income	(903)	(971)	(14)	(776)
Interest expenses	20,749	11,775	11,013	8,672
Profit (loss) from operating activities before changes in operating assets and liabilities	64,262	(41,609)	28,377	14,313
Operating assets (increase) decrease				
Trade and other receivables	182,285	123,831	112,500	40,212
Inventories	(176,967)	8,850	(122,482)	(28,878)
Other current assets	(8,058)	12,852	2,046	19,073
Other non-current assets	(642)	218	-	30
Operating liabilities increase (decrease)				
Trade and other payables	(85,304)	(15,030)	(176,450)	(6,270)
Other current liabilities	(7,294)	(8,303)	(15,005)	(119)
Provision for long-term employee benefits	(1,896)	(10,329)	(1,869)	(10,284)
Other non-current liabilities	86	2,828	-	-
Cash flows from (used in) operating activities	(33,528)	73,308	(172,883)	28,077
Cash paid for interest expenses	(18,100)	(9,341)	(10,628)	(6,356)
Cash paid for corporate income tax	(440)	(269)	(228)	(242)
Net cash flows from (used in) operating activities	(52,068)	63,698	(183,739)	21,479

The accompanying notes are an integral part of the interim 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 2020

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>
Cash flows from investing activities				
Acquisition for property, plant and equipment	(5,194)	(3,654)	(2,184)	(1,398)
Acquisition of other intangible assets	(1,421)	(1,361)	(986)	(1,299)
Cash paid for investment in equity designed at fair value through profit or loss	(3,414)	-	-	-
Cash receipt from interest income	736	514	14	2,587
Net cash flows used in investing activities	<u>(9,293)</u>	<u>(4,501)</u>	<u>(3,156)</u>	<u>(110)</u>
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	27,593	1,755	18,600	21,741
Repayment of bills of exchange	-	(30,000)	-	(30,000)
Repayment of long-term loans	(16,566)	(49,402)	(7,500)	(40,150)
Proceeds from ordinary shares issuance from exercised warrants	24,314	24,586	24,314	24,586
Repayment of liabilities under lease agreements	(9,542)	-	(103)	-
Payment to non-controlling interest of the subsidiary	-	(45)	-	-
Net cash flows from (used in) financing activities	<u>25,799</u>	<u>(53,106)</u>	<u>35,311</u>	<u>(23,823)</u>
Increase (decrease) in translation adjustment	<u>(48,094)</u>	<u>14,200</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(83,656)</u>	<u>20,291</u>	<u>(151,584)</u>	<u>(2,454)</u>
Cash and cash equivalents at beginning of period	<u>547,748</u>	<u>236,808</u>	<u>388,392</u>	<u>-</u>
Cash and cash equivalents at end of period	<u>464,092</u>	<u>257,099</u>	<u>236,808</u>	<u>(2,454)</u>
	-	-	-	-
Supplemental cash flow information				
Non-cash transactions				
Transferred convertible debentures to ordinary shares and share premium	-	8,000	-	8,000

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