

Pranda Jewelry Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month period ended 31 March 2022

## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of Pranda Jewelry Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Pranda Jewelry Public Company Limited and its subsidiaries as at 31 March 2022, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate interim financial information of Pranda Jewelry Public Company Limited for the same period (collectively "interim financial information").

Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Chonlaros Suntiasvaraporn  
Certified Public Accountant (Thailand) No. 4523

EY Office Limited  
Bangkok: 13 May 2022

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

**Statement of financial position**

**As at 31 March 2022**

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 March 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)	<u>31 March 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		346,488	397,820	197,569	252,950
Trade and other receivables	2, 3	320,839	328,010	296,830	275,042
Inventories	4	1,575,765	1,563,296	1,070,662	1,066,890
Other current financial assets		6,337	5,751	-	-
Other current assets		25,983	35,525	6,464	10,640
<b>Total current assets</b>		<b>2,275,412</b>	<b>2,330,402</b>	<b>1,571,525</b>	<b>1,605,522</b>
<b>Non-current assets</b>					
Restricted bank deposits	5	32,117	32,317	26,948	26,948
Other non-current financial assets		23,848	19,301	16,411	12,046
Investments in subsidiaries		-	-	483,251	483,251
Investment in associated company		12,645	12,566	-	-
Investment properties	6	586,540	586,624	577,552	577,552
Property, plant and equipment	7	635,115	644,891	449,245	451,997
Other intangible assets		54,489	55,378	51,100	51,973
Deferred tax assets		103,186	101,345	83,899	82,740
Other non-current assets		5,645	5,976	1,703	1,697
<b>Total non-current assets</b>		<b>1,453,585</b>	<b>1,458,398</b>	<b>1,690,109</b>	<b>1,688,204</b>
<b>Total assets</b>		<b>3,728,997</b>	<b>3,788,800</b>	<b>3,261,634</b>	<b>3,293,726</b>

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 2022**

(Unit: Thousand Baht)

	Note	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>31 March 2022</u>	<u>31 December 2021</u>	<u>31 March 2022</u>	<u>31 December 2021</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	8	177,000	289,183	177,000	287,000
Trade and other payables	2	892,628	831,227	605,862	541,409
Current portion of long-term liabilities					
- Long-term loans	9	63,158	87,096	30,000	37,500
- Lease liabilities	10	26,167	25,476	-	-
Other current financial liabilities		1,764	-	1,764	-
Income tax payable		154	80	-	-
Other current liabilities		30,546	46,312	19,790	28,854
<b>Total current liabilities</b>		<b>1,191,417</b>	<b>1,279,374</b>	<b>834,416</b>	<b>894,763</b>
<b>Non-current liabilities</b>					
Long-term liabilities, net current portion					
- Long-term loans	9	10,751	-	-	-
- Lease liabilities	10	67,028	73,747	-	-
Provision for long-term employee benefits		300,439	295,334	282,758	278,160
Other non-current liabilities		2,829	3,641	-	-
<b>Total non-current liabilities</b>		<b>381,047</b>	<b>372,722</b>	<b>282,758</b>	<b>278,160</b>
<b>Total liabilities</b>		<b>1,572,464</b>	<b>1,652,096</b>	<b>1,117,174</b>	<b>1,172,923</b>

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 2022**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>		
	<u>Note</u>	<u>31 March 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)	<u>31 March 2022</u> (Unaudited but reviewed)	<u>31 December 2021</u> (Audited)
<b>Shareholders' equity</b>					
Share capital					
Registered					
		634,770	634,770	634,770	634,770
634,769,950 ordinary shares of Baht 1 each					
Issued and fully paid up					
		539,027	539,027	539,027	539,027
539,026,606 ordinary shares of Baht 1 each					
		817,979	817,979	817,979	817,979
Share premium					
		3,669	3,669	3,669	3,669
Capital reserve for share-based payment transactions					
Retained earnings					
		60,418	60,418	49,418	49,418
Appropriated - statutory reserve					
		824,108	828,936	815,933	796,643
Unappropriated					
		(40,858)	(64,134)	(81,566)	(85,933)
Other components of shareholders' equity					
		2,204,343	2,185,895	2,144,460	2,120,803
Equity attributable to owners of the Company					
		(47,810)	(49,191)	-	-
Non-controlling interests of the subsidiaries					
		2,156,533	2,136,704	2,144,460	2,120,803
<b>Total shareholders' equity</b>					
		3,728,997	3,788,800	3,261,634	3,293,726
<b>Total liabilities and shareholders' equity</b>					
		-	-	-	-

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 2022**

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

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Revenues</b>					
Sales		744,633	505,869	608,686	391,547
Other income					
Gain on exchange		-	41,929	-	12,327
Others		7,630	10,950	7,017	11,454
<b>Total revenues</b>		<b>752,263</b>	<b>558,748</b>	<b>615,703</b>	<b>415,328</b>
<b>Expenses</b>					
Cost of sales		557,668	368,235	511,058	327,925
Selling and distribution expenses		65,717	68,082	17,470	11,433
Administrative expenses		82,457	86,495	58,186	51,769
Impairment loss on financial assets		3,287	-	3,287	31,540
Loss on exchange		28,344	-	4,892	-
<b>Total expenses</b>		<b>737,473</b>	<b>522,812</b>	<b>594,893</b>	<b>422,667</b>
<b>Operating profit (loss)</b>		<b>14,790</b>	<b>35,936</b>	<b>20,810</b>	<b>(7,339)</b>
Share of profit (loss) from investment in associated company		78	(1,120)	-	-
Finance income		494	34,571	-	-
Finance cost		(21,633)	(10,779)	(2,679)	(5,233)
<b>Profit (loss) before income tax expenses</b>		<b>(6,271)</b>	<b>58,608</b>	<b>18,131</b>	<b>(12,572)</b>
Tax income (expenses)	11	1,768	(10,498)	1,159	(4,892)
<b>Profit (loss) for the period</b>		<b>(4,503)</b>	<b>48,110</b>	<b>19,290</b>	<b>(17,464)</b>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(4,828)	50,873	19,290	(17,464)
Non-controlling interests of the subsidiaries		325	(2,763)		
		<b>(4,503)</b>	<b>48,110</b>		
<b>Earnings per share</b>					
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		<b>(0.0089)</b>	<b>0.0953</b>	<b>0.0358</b>	<b>(0.0327)</b>

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 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Profit (loss) for the period</b>	<b><u>(4,503)</u></b>	<b><u>48,110</u></b>	<b><u>19,290</u></b>	<b><u>(17,464)</u></b>
<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	<u>19,965</u>	<u>(34,169)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit				
or loss in subsequent periods	<u>19,965</u>	<u>(34,169)</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified</i>				
<i>to profit or loss in subsequent periods:</i>				
Gain on investments in equity designated at fair value				
through other comprehensive income	<u>4,367</u>	<u>8,608</u>	<u>4,367</u>	<u>8,608</u>
Other comprehensive income not to be reclassified				
to profit or loss in subsequent periods	<u>4,367</u>	<u>8,608</u>	<u>4,367</u>	<u>8,608</u>
<b>Other comprehensive income for the period</b>	<b><u>24,332</u></b>	<b><u>(25,561)</u></b>	<b><u>4,367</u></b>	<b><u>8,608</u></b>
<b>Total comprehensive income for the period</b>	<b><u>19,829</u></b>	<b><u>22,549</u></b>	<b><u>23,657</u></b>	<b><u>(8,856)</u></b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	<u>18,448</u>	<u>27,328</u>	<u>23,657</u>	<u>(8,856)</u>
Non-controlling interests of the subsidiaries	<u>1,381</u>	<u>(4,779)</u>		
	<b><u>19,829</u></b>	<b><u>22,549</u></b>		

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

For the three-month period ended 31 March 2022

(Unit: Thousand Baht)

<b>Consolidated financial statements</b>											
Equity attributable to owners of the Company											
	Issued and paid-up share capital	Share premium	Capital reserve for share - based payment transactions	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
				Appropriated - Statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in investments in equity designated at fair value	Total other components of shareholders' equity			
<b>Balance as at 1 January 2021</b>	491,156	817,979	3,127	54,418	787,845	111,007	(85,970)	25,037	2,179,562	(55,384)	2,124,178
Profit (loss) for the period	-	-	-	-	50,873	-	-	-	50,873	(2,763)	48,110
Other comprehensive income for the period	-	-	-	-	-	(32,153)	8,608	(23,545)	(23,545)	(2,016)	(25,561)
Total comprehensive income for the period	-	-	-	-	50,873	(32,153)	8,608	(23,545)	27,328	(4,779)	22,549
Ordinary shares issuance from exercised warrants to purchase new ordinary shares	47,871	-	-	-	-	-	-	-	47,871	-	47,871
Share-based payment transactions	-	-	216	-	-	-	-	-	216	-	216
<b>Balance as at 31 March 2021</b>	<u>539,027</u>	<u>817,979</u>	<u>3,343</u>	<u>54,418</u>	<u>838,718</u>	<u>78,854</u>	<u>(77,362)</u>	<u>1,492</u>	<u>2,254,977</u>	<u>(60,163)</u>	<u>2,194,814</u>
<b>Balance as at 1 January 2022</b>	539,027	817,979	3,669	60,418	828,936	21,799	(85,933)	(64,134)	2,185,895	(49,191)	2,136,704
Profit (loss) for the period	-	-	-	-	(4,828)	-	-	-	(4,828)	325	(4,503)
Other comprehensive income for the period	-	-	-	-	-	18,909	4,367	23,276	23,276	1,056	24,332
<b>Balance as at 31 March 2022</b>	<u>539,027</u>	<u>817,979</u>	<u>3,669</u>	<u>60,418</u>	<u>824,108</u>	<u>40,708</u>	<u>(81,566)</u>	<u>(40,858)</u>	<u>2,204,343</u>	<u>(47,810)</u>	<u>2,156,533</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 2022

(Unit: Thousand Baht)

	<b>Separate financial statements</b>						Total shareholders' equity
	Issued and paid-up share capital	Share premium	Capital reserve for share - based payment transactions	Retained earnings		Other components of equity	
				Appropriated -		Other comprehensive income	
				Statutory reserve	Unappropriated	Deficit on changes in investments in equity designated at fair value	
<b>Balance as at 1 January 2021</b>	491,156	817,979	3,127	43,418	737,113	(85,970)	2,006,823
Loss for the period	-	-	-	-	(17,464)	-	(17,464)
Other comprehensive income for the period	-	-	-	-	-	8,608	8,608
Total comprehensive income for the period	-	-	-	-	(17,464)	8,608	(8,856)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares	47,871	-	-	-	-	-	47,871
Share-based payment transactions	-	-	216	-	-	-	216
<b>Balance as at 31 March 2021</b>	<b>539,027</b>	<b>817,979</b>	<b>3,343</b>	<b>43,418</b>	<b>719,649</b>	<b>(77,362)</b>	<b>2,046,054</b>
<b>Balance as at 1 January 2022</b>	539,027	817,979	3,669	49,418	796,643	(85,933)	2,120,803
Profit for the period	-	-	-	-	19,290	-	19,290
Other comprehensive income for the period	-	-	-	-	-	4,367	4,367
<b>Balance as at 31 March 2022</b>	<b>539,027</b>	<b>817,979</b>	<b>3,669</b>	<b>49,418</b>	<b>815,933</b>	<b>(81,566)</b>	<b>2,144,460</b>

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 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(6,271)	58,608	18,131	(12,572)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	17,522	21,490	8,229	9,352
Write-off machinery and equipment	5	12	4	211
Impairment loss on financial assets (reversal)	3,287	(891)	3,287	27,320
Reduce cost to net realisable value of inventories (reversal)	(4,359)	(32,711)	(3,879)	727
Share of loss (gain) from investment in associated company	(78)	1,120	-	-
Gain on revaluation of investment in equity	(630)	(528)	-	-
Gain from lease modification	-	(51)	-	-
Gain on sales of machinery	(271)	(80)	-	(80)
Provision for long-term employee benefits expenses	5,149	5,229	4,598	4,684
Gain on convertible debentures redemption	-	(3,354)	-	(3,354)
Unrealised loss (gain) on exchange	30,011	(37,533)	34,380	15,734
Unrealised loss (gain) on revaluation of derivative financial instruments	1,763	(9,767)	1,763	(9,767)
Amortisation of deferred financial service fee of long-term loans	47	47	-	-
Share-based payment transactions	-	216	-	216
Finance income	(494)	(34,571)	-	-
Finance cost	22,787	5,731	2,679	3,628
Profit (loss) from operating activities before changes in operating assets and liabilities	68,468	(27,033)	69,192	36,099
Operating assets (increase) decrease				
Trade and other receivables	(29,372)	111,380	(60,845)	59,800
Inventories	(8,109)	(95,870)	107	(186,599)
Other current financial assets	44	(35,000)	-	-
Other current assets	9,542	(6,077)	4,176	(3,985)
Other non-current assets	150	6,500	(6)	5
Operating liabilities increase (decrease)				
Trade and other payables	50,115	143,751	66,646	147,862
Other current liabilities	(15,766)	(1,349)	(9,063)	(2,965)
Cash paid for long-term employee benefits	(44)	(1,298)	-	(1,163)
Other non-current liabilities	(2,861)	(3,473)	-	-
Cash flows from operating activities	72,167	91,531	70,207	49,054
Cash paid for interest expenses	(7,154)	(4,772)	(3,190)	(4,801)
Cash paid for corporate income tax	-	(707)	-	(136)
<b>Net cash flows from operating activities</b>	<b>65,013</b>	<b>86,052</b>	<b>67,017</b>	<b>44,117</b>

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 2022**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Cash flows from investing activities</b>				
Decrease in restricted bank deposits	200	-	-	-
Acquisition for machinery and equipment	(4,864)	(7,827)	(4,356)	(3,574)
Acquisition of other intangible assets	(415)	(54)	(252)	(37)
Proceeds from sales of machinery	271	80	-	80
Cash received from interest income	495	279	(290)	113
<b>Net cash flows used in investing activities</b>	<b>(4,313)</b>	<b>(7,522)</b>	<b>(4,898)</b>	<b>(3,418)</b>
<b>Cash flows from financing activities</b>				
Decrease in bank overdrafts and short-term loans from financial institutions	(112,183)	(18,380)	(110,000)	(27,000)
Cash received from long-term loan	2,606	-	-	-
Repayment of bills of exchange	-	(50,000)	-	-
Repayment of long-term loans	(15,840)	(16,756)	(7,500)	(7,500)
Cash paid for convertible debentures redemption	-	(35,000)	-	(35,000)
Proceeds from ordinary shares issuance from exercised warrants	-	47,871	-	47,871
Repayment of liabilities under lease agreements	(7,102)	(8,968)	-	-
<b>Net cash flows used in financing activities</b>	<b>(132,519)</b>	<b>(81,233)</b>	<b>(117,500)</b>	<b>(21,629)</b>
<b>Increase (decrease) in translation adjustment</b>	<b>20,487</b>	<b>(36,052)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(51,332)</b>	<b>(38,755)</b>	<b>(55,381)</b>	<b>19,070</b>
Cash and cash equivalents at beginning of period	397,820	443,484	252,950	185,953
<b>Cash and cash equivalents at end of period</b>	<b>346,488</b>	<b>404,729</b>	<b>197,569</b>	<b>205,023</b>
	-	-	-	-
<b>Supplemental cash flow information:</b>				
Non-cash transaction				
Increase in right-of-use assets - Motor vehicle	660	-	-	-

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

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

**Notes to interim consolidated financial statements**

**For the three-month periods ended 31 March 2022**

**1. General information**

**1.1 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic is adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

**1.2 Basis of preparation of interim financial statements**

These interim financial statements have been prepared in accordance with Thai Accounting Standards 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, income statement, comprehensive income, changes in shareholders' equity and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are 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. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language interim financial statements.

**1.3 Basis of consolidation**

The interim consolidated financial statements include the financial statements of Pranda Jewelry Public Company Limited ("the Company") and its subsidiary companies ("the subsidiaries") (collectively as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2021, with no change in shareholding structure of subsidiaries during the current period.

## 1.4 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2021.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022, do 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 based agreed upon between the Group and those related parties. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

	(Unit: Million Baht)			
	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Transactions with subsidiaries</u>				
(eliminated from the consolidated financial statements)				
Sales of goods	-	-	96	91
Purchases of goods and raw materials	-	-	49	93
Guarantee fee income	-	-	1	1
Service income	-	-	2	1
<u>Transactions with associated company</u>				
Purchases of raw materials	27	30	27	30
<u>Transactions with related companies</u>				
Sales of goods	7	2	1	2
Purchases of goods	14	6	-	-

(Unaudited but reviewed)

As at 31 March 2022 and 31 December 2021, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<b><u>Trade accounts receivable - related parties (Note 3)</u></b>				
Subsidiaries	-	-	540	545
Related companies (related by common directors)	49	49	48	48
Total	49	49	588	593
Less: Allowance for expected credit losses	(49)	(49)	(576)	(576)
Total trade accounts receivable - related parties, net	-	-	12	17
<b><u>Other receivables - related parties (Note 3)</u></b>				
Subsidiaries	-	-	61	62
Less: Allowance for expected credit losses	-	-	(42)	(45)
Total other receivables - related parties, net	-	-	19	17
<b><u>Accrued interest income - related parties (Note 3)</u></b>				
Subsidiaries	-	-	7	7
Less: Allowance for expected credit losses	-	-	(7)	(7)
Total accrued interest income - related parties, net	-	-	-	-
<b><u>Trade and other payables - related parties</u></b>				
Subsidiaries	-	-	34	42
Associated company	-	-	4	-
Total trade and other payables - related parties	-	-	38	42

(Unaudited but reviewed)

### Loans to related parties

As at 31 March 2022 and 31 December 2021, the balances of loans between the Company and those related parties and the movement are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
<b><u>Short-term loan to related party</u></b>				
<u>Subsidiary</u>				
Short-term loan	-	-	27	28
Less: Allowance for expected credit losses	-	-	(27)	(28)
Total short-term loan to related party, net	-	-	-	-
<b><u>Long-term loans to related parties</u></b>				
<u>Subsidiaries</u>				
Long-term loans	-	-	522	536
Less: Allowance for expected credit losses	-	-	(522)	(536)
Total long-term loans to related parties, net	-	-	-	-

During this period, movements of loans to related parties were as follow:

(Unit: Million Baht)

	Related by	Separate financial statements			
		Balance as at	Increase	Unrealised	Balance as at
		31 December	(decrease)	loss on	31 March
		2021	during the year	exchange rate	2022
Short-term loan					
H. GRINGOIRE s.a.r.l.	Subsidiary	28	-	(1)	27
Total short-term loan		28	-	(1)	27

The short-term loan to an overseas subsidiary, H.GRINGOIRE s.a.r.l., was unsecured and subject to interest at rate of 7.5 percent per annum. However, the Company has considered to fully record allowance for expected credit losses for short-term loan and accrued interest income to subsidiary because of the uncertainty in receiving repayment.

(Unaudited but reviewed)

(Unit: Million Baht)

		Separate financial statements			
		Balance as at	Increase	Unrealised	Balance as at
		31 December	(decrease)	loss on	31 March
Long-term loans	Related by	2021	during the year	exchange rate	2022
Pranda UK Ltd.	Subsidiary	346	-	(11)	335
H. GRINGOIRE s.a.r.l.	Subsidiary	190	-	(3)	187
Total long-term loans		536	-	(14)	522

The long-term loans to two subsidiaries were unsecured and carries interest at 7.5 percent per annum. However, the Company has considered to fully record allowance for expected credit losses for long-term loans and accrued interest income to subsidiaries because of the uncertainty in receiving repayments.

#### Directors and management's benefits

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
Short-term employee benefits	6.2	10.6	4.6	6.9
Post-employment benefits	0.2	0.3	0.2	0.3
Total	6.4	10.9	4.8	7.2

#### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 13.2.1 to the financial statements.



(Unaudited but reviewed)

**3. Trade and other receivables**

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
		(Audited)		(Audited)
<u>Trade accounts receivable - related parties</u>				
Aged on the basis of due dates				
Not yet due	835	6	10,075	10,796
Past due				
Up to 3 months	-	209	13,379	20,792
3 - 6 months	23	-	15,743	23,857
6 - 12 months	-	177	44,670	58,573
Over 12 months	48,819	48,696	504,307	478,893
Total	49,677	49,088	588,174	592,911
Less: Allowance for expected credit losses	(49,082)	(49,082)	(576,398)	(576,398)
Total trade accounts receivable - related parties, net (Note 2)	595	6	11,776	16,513
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	231,423	274,596	177,884	186,948
Past due				
Up to 3 months	77,460	53,542	77,405	53,254
3 - 6 months	15,312	1,227	15,304	1,144
6 - 12 months	1,427	1,083	1,373	316
Over 12 months	28,492	28,031	25,960	25,984
Total	354,114	358,479	297,926	267,646
Less: Allowance for expected credit losses	(52,097)	(48,937)	(45,415)	(41,956)
Total trade accounts receivable - unrelated parties, net	302,017	309,542	252,511	225,690
Total trade accounts receivable, net	302,612	309,548	264,287	242,203
<u>Other receivables</u>				
Other receivables - related parties (Note 2)	296	296	60,985	61,920
Other receivables - unrelated parties	20,488	20,722	16,065	16,120
Accrued interest income - related parties (Note 2)	-	-	6,896	7,027
Accrued interest income - unrelated parties	6,221	5,923	6,182	5,896
Accrued income	270	292	270	292
Total	27,275	27,233	90,398	91,255
Less: Allowance for expected credit losses	(9,048)	(8,771)	(57,855)	(58,416)
Total other receivables, net	18,227	18,462	32,543	32,839
Total trade and other receivables, net	320,839	328,010	296,830	275,042

**4. Inventories**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
		(Audited)		(Audited)
Inventories - cost	1,745,730	1,737,620	1,236,188	1,236,295
Less: Reduce cost to net realisable value	(169,965)	(174,324)	(165,526)	(169,405)
Inventories - net	1,575,765	1,563,296	1,070,662	1,066,890

As at 31 March 2022, the Company has pledged most of the Company's inventories to secure credit facilities from commercial banks amounting to Baht 477 million. In addition, a local subsidiary, Primagold International Co., Ltd., has pledged inventories of Baht 219 million to secure credit facilities from commercial banks as described in Note 8 and Note 9 to the financial statements.

**5. Restricted bank deposits**

The outstanding balances represented the Company's deposits with bank pledged to secure the credit facilities, and the subsidiary, Pranda Lodging Co., Ltd.,'s deposits with banks, pledged to secure the bank overdraft.

**6. Investment properties**

The Company has mortgaged investment properties of the Company with a total net book value as at 31 March 2022 of approximately Baht 577 million (31 December 2021: Baht 577 million) as collateral against credit facilities which the Company received from commercial banks.

(Unaudited but reviewed)

## 7. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2022	644,891	451,997
Acquisitions during the period - at cost	6,890	4,356
Increase during the period - right of use	660	-
Write-off during the period - net book value as at write-off date	(5)	(4)
Depreciation for the period	(16,148)	(7,104)
Translation adjustment	(1,173)	-
Net book value as at 31 March 2022	<u>635,115</u>	<u>449,245</u>

The Group has mortgaged its property, plant and equipment with a total net book value as at 31 March 2022 amounting to approximately Baht 378 million (31 December 2021: Baht 383 million) as collateral against credit facilities received from commercial banks (The Company only: Baht 331 million (31 December 2021: Baht 335 million)).

## 8. Bank overdrafts and short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Bank overdrafts	-	9.10	-	2,183	-	-
Short-term loans from financial institutions	2.50 - 2.75	2.50 - 2.75	177,000	287,000	177,000	287,000
Total			<u>177,000</u>	<u>289,183</u>	<u>177,000</u>	<u>287,000</u>

Short-term loans from financial institutions of the Company are secured by pledges most of inventories of the Company, mortgage of the Company's land with structures thereon, and investment properties and guaranteed by the Company's directors.

(Unaudited but reviewed)

Short-term loans from financial institutions of a local subsidiary company, Primagold International Co., Ltd., are guaranteed by the Company and some inventories of that subsidiary company.

Bank overdrafts of a local subsidiary company, Pranda Lodging Co., Ltd., are secured by fixed deposits pledged with the bank.

## 9. Long-term loans

Movements in the long-term loans account during the three-month period ended 31 March 2022 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2022	87,096	37,500
Add: Addition of long-term loans	2,606	-
Amortisation of deferred financial service fee	47	-
Less: Repayment	<u>(15,840)</u>	<u>(7,500)</u>
Balance as at 31 March 2022	<u>73,909</u>	<u>30,000</u>

### Loans of the Company

In 2019, the Company entered into a long-term loan agreement with a local commercial bank for credit facility of Baht 90 million, with a term of 3 years. This loan is subjected to an interest at a rate of MLR - 0.5 percent per annum and the principal is repayable every 3 months and the interest is payable monthly. The Company is not allowed to use some of the Company's land and its subsidiary's investment properties that secure the bills of exchange after the redemption to incur obligations.

The long-term loans of the Company are secured by pledges most of inventories of the Company, mortgage of land with structures, and investment properties and by fixed deposits pledged with the bank and the guarantee of the Company's directors. The loan agreements contain covenants as specified in the agreements that, among other things, require the Company to maintain certain debt to equity ratio and debt service coverage ratio (DSCR) prescribed in the agreements.

### Loans of the subsidiary

Long-term loan of a local subsidiary company, Primagold International Co., Ltd., was granted by a local commercial bank. Such loan is secured by the mortgage of its office condominium units, and by the guarantees of the Company. The loan agreement contains covenants as specified in the agreement that, among other things, require the subsidiary to maintain certain debt to equity according to the agreement.

(Unaudited but reviewed)

As at 31 December 2021, the subsidiary was unable to maintain a debt to equity ratio in accordance with the agreements. As a result, the lender has the right to call the loans on demand and the subsidiary has classified the full balance as current portion of long-term loans in the statement of financial position as at 31 December 2021. Subsequently in February 2022, the subsidiary obtained a letter granting a waiver for some conditions from the lender. In the current period, the subsidiary therefore classified the loan in accordance with terms specified in the agreement.

In current period, an overseas subsidiary, Pranda Jewelry Private Limited, entered into a loan agreement with a financial institution for a credit facility of INR 6.1 million, or approximately Baht 2.6 million. Such loan is secured by the mortgage of a building of this subsidiary as described in Note 7 to the financial statement.

## 10. Lease liabilities

Movements of the lease liability account for the three-month period ended 31 March 2022 are summarised below:

	(Unit: Thousand Baht)
	Consolidated
	<u>financial statements</u>
<b>Net book value as at 1 January 2022</b>	99,223
Additions	602
Accretion of interest	1,131
Repayments	(7,102)
Unrealised (gain) loss on exchange	(659)
<b>Net book value as at 31 March 2022</b>	<u>93,195</u>

## 11. Income tax

Tax expenses (income) for the three-month periods ended 31 March 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	<u>For the three-month periods ended 31 March</u>			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	-	5,813	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(1,768)	4,685	(1,159)	4,892
<b>Tax expenses (income) reported in the profit or loss</b>	<u>(1,768)</u>	<u>10,498</u>	<u>(1,159)</u>	<u>4,892</u>

(Unaudited but reviewed)

## 12. Segment information

The Group is organised into business units based on its business activities. During the current period, the Group has not changed the organisation of their reportable segments.

The following table presents revenues and loss information regarding the Group's operating segments for the three-month periods ended 31 March 2022 and 2021.

(Unit: Million Baht)

### For the three-month periods ended 31 March

	Production		Distribution		Retail		Others		Total Segments		Eliminations		Consolidated	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<b>Revenues</b>														
Revenues from external customers	515	301	27	24	203	181	-	-	745	506	-	-	745	506
Revenues from intersegment	95	91	-	54	50	39	-	-	145	184	(145)	(184)	-	-
<b>Total revenues</b>	<u>610</u>	<u>392</u>	<u>27</u>	<u>78</u>	<u>253</u>	<u>220</u>	<u>-</u>	<u>-</u>	<u>890</u>	<u>690</u>	<u>(145)</u>	<u>(184)</u>	<u>745</u>	<u>506</u>
<b>Results</b>														
Segment profit (loss)	20	(7)	-	(5)	12	(3)	(2)	(2)	30	(17)	8	(2)	38	(19)
<b>Unallocated revenues and expenses</b>														
Gain (loss) on exchange rate													(29)	42
Other income													7	11
Share of loss from investment in associated company													-	(1)
Finance income													-	35
Finance cost													(22)	(9)
Profit (loss) before income tax expenses													(6)	59
Tax income (expenses)													2	(11)
<b>Profit (loss) for the period</b>													<u>(4)</u>	<u>48</u>

## **13. Commitments and contingent liabilities**

### **13.1 Capital commitments**

As at 31 March 2022, the Group had capital commitments of Baht 2.8 million, relating to acquisition of computer software and building improvements (The Company only: None).

### **13.2 Guarantees**

13.2.1 The Company has issued guarantees to secure bank overdrafts and credit facilities of its subsidiary. As at 31 March 2022, there were outstanding guarantees of Baht 250 million and USD 14.5 million totaling of Baht 732 million.

13.2.2 As at 31 March 2022, there were outstanding bank guarantees of Baht 5.8 million issued by banks on behalf of the Company to guarantee purchase of goods, electricity use, among others.

13.2.3 As at 31 March 2022, the Group has outstanding standby-letters of credit of USD 28.5 million, or approximately Baht 948 million (The Company only: USD 17 million, totaling of Baht 565 million).

### **13.3 Litigation**

#### **13.3.1 Litigation of an overseas subsidiary**

During the current period, there have been no significant changes with respect to the litigation as disclosed in Notes 38.3.1 to the consolidated financial statements for the year 2021.

#### **13.3.2 Tax assessments of an overseas subsidiary**

During the current period, there have been no significant changes with respect to the tax assessments as disclosed in Notes 38.3.2 to the consolidated financial statements for the year 2021.

## **14. Financial Instrument**

### **14.1 Fair value of financial instrument**

Most of the Group's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

**14.2 Foreign currency risk**

As at 31 March 2022, the Group had balance of financial assets and liabilities denominated in foreign currencies as below.

(Unit: Million)

Foreign currencies	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 March 2022
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	
					(Baht per 1 foreign currency unit)
US dollar	11	21	24	15	33.25
Euro	-	-	8	-	37.13
Pound Sterling	-	-	12	-	43.64

Foreign exchange contracts outstanding are summarised below.

Separate financial statements as at 31 March 2022			
Foreign currencies	Amount	Contractual exchange rate	Contractual maturity date
<u>Forward contracts to "Sell"</u>			
US dollar	3,352,467	31.99 - 33.60 Baht per US dollar	May - July 2022
<u>Forward contracts to "Buy"</u>			
US dollar	7,366,251	32.33 - 34.03 Baht per US dollar	April - September 2022

In addition, the Group is exposed to foreign exchange risk on its investments in overseas subsidiaries. These investments are currently not hedged by derivative financial instruments.

**15. Events after the reporting period**

On 20 April 2022, the Annual General Meeting of the Company's shareholders passed the following significant resolutions:

- A resolution was passed the reduction of the Company's registered share capital from Baht 634,769,950 to Baht 539,026,606 by cancellation of 95,743,344 unissued ordinary shares with a par value of Baht 1 each, and the amendment of the Memorandum of Association to be consistent with the capital decrease. The Company registered the decrease in its registered share capital with the Ministry of Commerce on 3 May 2022.
- A resolution was passed a dividend payment of Baht 0.10 per share, or a total of Baht 53.9 million, to the shareholders in respect of 2012 earnings derived from net profit from corporate income tax exemption under promotional privileges received from the Board of Investment. The Company will pay and record such dividend in the second quarter of the current year.

**16. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 May 2022.