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*This document is in draft form. It is subject to review and change and therefore its contents cannot be relied upon as being accurate.*

Pranda Jewelry Public Company Limited  
and its subsidiaries  
Review report and interim financial information  
For the three-month and six-month periods ended  
30 June 2021

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## **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 30 June 2021, the related consolidated statements of income, comprehensive income for the three-month and six-month periods then ended, and the related consolidated statement of changes in shareholders' equity and cash flows for the six-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*.

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### **Emphasis of Matter**

I draw attention to Note 1.5 to the interim consolidated financial statements. Due to the impact of the COVID-19 outbreak, in preparing the interim financial information for the three-month and six-month period ended 30 June 2021, the Group has elected to continue to apply the temporary relief measures on accounting alternatives relating to not to account for any reduction in lease payments by lessors resulting from the Coronavirus disease 2019 pandemic situation as a lease modification.

My conclusion is not modified in respect of this matter.

Siraporn Ouaanunkun  
Certified Public Accountant (Thailand) No. 3844

EY Office Limited  
Bangkok: 13 August 2021

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position

As at 30 June 2021

**DRAFT**

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(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		412,270	443,484	216,433	185,953
Trade and other receivables	2, 3	288,792	391,065	353,177	400,488
Short-term loan to related party	2	15,946	14,810	-	-
Inventories	4	1,800,045	1,532,008	1,106,308	775,651
Other current financial assets		9,787	9,171	5,456	-
Other current assets		52,194	39,703	25,446	13,187
<b>Total current assets</b>		<b>2,579,034</b>	<b>2,430,241</b>	<b>1,706,820</b>	<b>1,375,279</b>
<b>Non-current assets</b>					
Restricted bank deposits	5	32,121	32,121	26,752	26,752
Other non-current financial assets	6	40,353	21,266	31,682	12,009
Investments in subsidiaries	7	-	-	538,509	551,884
Investment in associated company	8	10,641	11,761	-	-
Investment properties	10	586,797	586,966	577,552	577,552
Property, plant and equipment	11	698,506	721,993	459,868	469,358
Other intangible assets		62,319	63,132	58,591	59,467
Deferred tax assets		142,378	160,803	125,416	144,125
Other non-current assets		7,396	12,649	363	368
<b>Total non-current assets</b>		<b>1,580,511</b>	<b>1,610,691</b>	<b>1,818,733</b>	<b>1,841,515</b>
<b>Total assets</b>		<b>4,159,545</b>	<b>4,040,932</b>	<b>3,525,553</b>	<b>3,216,794</b>

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

.....  
Directors

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 30 June 2021



(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term loans					
from financial institutions	12	397,393	319,000	390,000	319,000
Bills of exchange	13	-	49,606	-	-
Trade and other payables	2, 14	1,041,319	813,565	835,674	495,653
Short-term loan from related party		656	592	-	-
Current portion of long-term liabilities					
- Restructured long-term loan	15	23,349	1,260	-	-
- Long-term loans	16	85,658	142,787	52,500	67,500
- Convertible debentures	17	-	34,465	-	34,465
- Options	17	-	3,889	-	3,889
- Lease liabilities	18	32,183	31,520	-	-
Other current financial liabilities		-	5,729	-	5,729
Income tax payable		67	98	-	-
Other current liabilities		79,295	61,263	24,402	11,043
<b>Total current liabilities</b>		<b>1,659,920</b>	<b>1,463,774</b>	<b>1,302,576</b>	<b>937,279</b>
<b>Non-current liabilities</b>					
Long-term liabilities, net current portion					
- Restructured long-term loan	15	-	21,028	-	-
- Long-term loans	16	33,024	8,171	-	-
- Lease liabilities	18	113,673	129,407	-	-
Provision for long-term employee benefits	19	298,710	289,691	280,707	272,692
Other non-current liabilities		3,621	4,683	-	-
<b>Total non-current liabilities</b>		<b>449,028</b>	<b>452,980</b>	<b>280,707</b>	<b>272,692</b>
<b>Total liabilities</b>		<b>2,108,948</b>	<b>1,916,754</b>	<b>1,583,283</b>	<b>1,209,971</b>

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Directors

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 30 June 2021



(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	30 June 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
<b>Shareholders' equity</b>					
Share capital	21				
Registered					
634,769,950 ordinary shares of Baht 1 each		634,770	634,770	634,770	634,770
Issued and fully paid up					
539,026,606 ordinary shares of Baht 1 each					
(31 December 2020: 491,155,940 ordinary shares of Baht 1 each)		539,027	491,156	539,027	491,156
Share premium		817,979	817,979	817,979	817,979
Capital reserve for share-based payment transactions		3,561	3,127	3,561	3,127
Retained earnings					
Appropriated - statutory reserve		54,418	54,418	43,418	43,418
Unappropriated		727,966	787,845	604,582	737,113
Other components of shareholders' equity		(21,365)	25,037	(66,297)	(85,970)
Equity attributable to owners of the Company		2,121,586	2,179,562	1,942,270	2,006,823
Non-controlling interests of the subsidiaries		(70,989)	(55,384)	-	-
<b>Total shareholders' equity</b>		<b>2,050,597</b>	<b>2,124,178</b>	<b>1,942,270</b>	<b>2,006,823</b>
<b>Total liabilities and shareholders' equity</b>		<b>4,159,545</b>	<b>4,040,932</b>	<b>3,525,553</b>	<b>3,216,794</b>
		-	-	-	-

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

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

Directors

Directors

Pranda Jewelry Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 30 June 2021

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(Unaudited but reviewed)

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

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Revenues</b>					
Sales	22	542,559	486,318	458,086	361,189
Other income					
Gain on exchange		27,844	-	-	-
Others		5,321	2,790	6,951	4,181
<b>Total revenues</b>		<b>575,724</b>	<b>489,108</b>	<b>465,037</b>	<b>365,370</b>
<b>Expenses</b>					
Cost of sales		462,459	438,963	430,233	336,805
Selling and distribution expenses		57,499	50,423	10,848	10,255
Administrative expenses		82,464	74,470	54,509	46,760
Impairment loss on financial assets		4,681	5,217	10,044	24,000
Other expenses					
Loss on exchange		-	53,828	2,889	9,204
<b>Total expenses</b>		<b>607,103</b>	<b>622,901</b>	<b>508,523</b>	<b>427,024</b>
<b>Operating loss</b>		<b>(31,379)</b>	<b>(133,793)</b>	<b>(43,486)</b>	<b>(61,654)</b>
Share of profit from investment in associated company		-	2,061	-	-
Finance income		-	2,223	85	702
Finance cost		(20,047)	(12,727)	(3,947)	(5,416)
<b>Loss before income tax expenses</b>		<b>(51,426)</b>	<b>(142,236)</b>	<b>(47,348)</b>	<b>(66,368)</b>
Tax income (expenses)	23	(8,564)	16,145	(13,817)	15,934
<b>Loss for the period</b>		<b>(59,990)</b>	<b>(126,091)</b>	<b>(61,165)</b>	<b>(50,434)</b>
<b>Loss attributable to:</b>					
Equity holders of the Company		(56,850)	(123,774)	(61,165)	(50,434)
Non-controlling interests of the subsidiaries		(3,140)	(2,317)		
		<b>(59,990)</b>	<b>(126,091)</b>		
<b>Earnings per share</b>					
	24				
Basic earnings per share					
Loss attributable to equity holders of the Company		(0.1029)	(0.2444)	(0.1108)	(0.0996)

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

Pranda Jewelry Public Company Limited and its subsidiaries

**DRAFT**

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Statement of comprehensive income

For the three-month period ended 30 June 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Loss for the period</b>	<b>(59,990)</b>	<b>(126,091)</b>	<b>(61,165)</b>	<b>(50,434)</b>
<b>Other comprehensive income:</b>				
<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	(35,658)	58,924	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(35,658)	58,924	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Gain on investments in equity designated at fair value through other comprehensive income	11,065	2,502	11,065	2,502
Actuarial loss	-	(236)	-	-
Less: Income tax effect	-	59	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	11,065	2,325	11,065	2,502
<b>Other comprehensive income for the period</b>	<b>(24,593)</b>	<b>61,249</b>	<b>11,065</b>	<b>2,502</b>
<b>Total comprehensive income for the period</b>	<b>(84,583)</b>	<b>(64,842)</b>	<b>(50,100)</b>	<b>(47,932)</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company (loss)	(79,707)	(63,583)	<b>(50,100)</b>	<b>(47,932)</b>
Non-controlling interests of the subsidiaries (loss)	(4,876)	(1,259)		
	<b>(84,583)</b>	<b>(64,842)</b>		

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Directors

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(Unaudited but reviewed)

**Pranda Jewelry Public Company Limited and its subsidiaries****Income statement (continued)****For the six-month period ended 30 June 2021**

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

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Revenues</b>					
Sales	22	1,048,428	1,085,645	849,633	877,847
Other income					
Gain on exchange		69,773	-	9,438	-
Others		16,271	11,189	18,405	12,275
<b>Total revenues</b>		<u>1,134,472</u>	<u>1,096,834</u>	<u>877,476</u>	<u>890,122</u>
<b>Expenses</b>					
Cost of sales		830,694	896,570	758,158	765,113
Selling and distribution expenses		125,581	140,599	22,281	27,630
Administrative expenses		168,959	173,992	106,278	111,305
Impairment loss on financial assets		4,681	14,422	41,584	25,635
Other expenses					
Loss on exchange		-	8,217	-	7,266
<b>Total expenses</b>		<u>1,129,915</u>	<u>1,233,800</u>	<u>928,301</u>	<u>936,949</u>
<b>Operating profit (loss)</b>		4,557	(136,966)	(50,825)	(46,827)
Share of profit (loss) from investment in associated company		(1,120)	512	-	-
Finance income		23,220	3,126	85	716
Finance cost		(19,475)	(31,119)	(9,180)	(16,594)
<b>Profit (loss) before income tax expenses</b>		7,182	(164,447)	(59,920)	(62,705)
Tax expenses	23	(19,062)	(1,635)	(18,709)	(1,655)
<b>Loss for the period</b>		<u>(11,880)</u>	<u>(166,082)</u>	<u>(78,629)</u>	<u>(64,360)</u>
<b>Loss attributable to:</b>					
Equity holders of the Company		(5,977)	(153,991)	(78,629)	(64,360)
Non-controlling interests of the subsidiaries		(5,903)	(12,091)		
		<u>(11,880)</u>	<u>(166,082)</u>		
<b>Earnings per share</b>					
Basic earnings per share	24				
Loss attributable to equity holders of the Company		(0.0110)	(0.3074)	(0.1448)	(0.1285)

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

.....  
Directors

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

**Pranda Jewelry Public Company Limited and its subsidiaries**  
**Statement of comprehensive income (continued)**  
**For the six-month period ended 30 June 2021**

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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Loss for the period</b>	<b>(11,880)</b>	<b>(166,082)</b>	<b>(78,629)</b>	<b>(64,360)</b>
<b>Other comprehensive income:</b>				
<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	(69,827)	12,450	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods	(69,827)	12,450	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on investments in equity designated at fair value through other comprehensive income	19,673	(5,848)	19,673	(5,848)
Actuarial loss	-	(236)	-	-
Less: Income tax effect	-	59	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods	19,673	(6,025)	19,673	(5,848)
<b>Other comprehensive income for the period</b>	<b>(50,154)</b>	<b>6,425</b>	<b>19,673</b>	<b>(5,848)</b>
<b>Total comprehensive income for the period</b>	<b>(62,034)</b>	<b>(159,657)</b>	<b>(58,956)</b>	<b>(70,208)</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company (loss)	(52,379)	(146,019)	<b>(58,956)</b>	<b>(70,208)</b>
Non-controlling interests of the subsidiaries (loss)	(9,655)	(13,638)		
	<b>(62,034)</b>	<b>(159,657)</b>		
..... Directors				

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

## Statement of changes in shareholders' equity

For the six-month period ended 30 June 2021



(Unit: Thousand Baht)

## Consolidated financial statements

	Equity attributable to owners of the Company												
	Equity attributable to owners of the Company						Other components of shareholders' equity						
	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	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
					Appropriated - Statutory reserve	Unappropriated		Deficit on change in investments in equity designated at fair value	Total other components of shareholders' equity				
<b>Balance as at 1 January 2020</b>	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	-	-	-	-	-	(153,991)	-	-	-	(153,991)	(12,091)	(166,082)	
Other comprehensive income for the period	-	-	-	-	-	(97)	13,917	(5,848)	8,069	7,972	(1,547)	6,425	
Total comprehensive income for the period	-	-	-	-	-	(154,088)	13,917	(5,848)	8,069	(146,019)	(13,638)	(159,657)	
Ordinary shares issuance from exercised warrants													
to purchase new ordinary shares (Note 21)	24,314	-	-	-	-	-	-	-	-	24,314	-	24,314	
Transferred convertible debentures to ordinary shares and share premium (Note 21)	4,446	(159)	-	-	-	-	-	-	-	4,287	-	4,287	
Share-based payment transactions	-	-	631	-	-	-	-	-	-	631	-	631	
<b>Balance as at 30 June 2020</b>	<b>491,156</b>	<b>817,979</b>	<b>2,637</b>	<b>(58,428)</b>	<b>54,418</b>	<b>787,464</b>	<b>194,799</b>	<b>(88,884)</b>	<b>105,915</b>	<b>2,201,141</b>	<b>(200,105)</b>	<b>2,001,036</b>	
<b>Balance as at 1 January 2021</b>	<b>491,156</b>	<b>817,979</b>	<b>3,127</b>	<b>-</b>	<b>54,418</b>	<b>787,845</b>	<b>111,007</b>	<b>(85,970)</b>	<b>25,037</b>	<b>2,179,562</b>	<b>(55,384)</b>	<b>2,124,178</b>	
Loss for the period	-	-	-	-	-	(5,977)	-	-	-	(5,977)	(5,903)	(11,880)	
Other comprehensive income for the period	-	-	-	-	-	-	(66,075)	19,673	(46,402)	(46,402)	(3,752)	(50,154)	
Total comprehensive income for the period	-	-	-	-	-	(5,977)	(66,075)	19,673	(46,402)	(52,379)	(9,655)	(62,034)	
Ordinary shares issuance from exercised warrants													
to purchase new ordinary shares (Note 21)	47,871	-	-	-	-	-	-	-	-	47,871	-	47,871	
Share-based payment transactions	-	-	434	-	-	-	-	-	-	434	-	434	
Decrease from capital decrease in subsidiary (Note 7)	-	-	-	-	-	-	-	-	-	-	(5,950)	(5,950)	
Dividend payment (Note 26)	-	-	-	-	-	(53,902)	-	-	-	(53,902)	-	(53,902)	
<b>Balance as at 30 June 2021</b>	<b>539,027</b>	<b>817,979</b>	<b>3,561</b>	<b>-</b>	<b>54,418</b>	<b>727,966</b>	<b>44,932</b>	<b>(66,297)</b>	<b>(21,365)</b>	<b>2,121,586</b>	<b>(70,989)</b>	<b>2,050,597</b>	

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

.....  
Directors

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 (continued)

For the six-month period ended 30 June 2021

(Unaudited but reviewed)

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(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 changes in investments in equity designated at fair value	
<b>Balance as at 1 January 2020</b>	462,396	818,138	2,006	43,418	1,011,024	(83,036)	2,253,946
Loss for the period	-	-	-	-	(64,360)	-	(64,360)
Other comprehensive income for the period	-	-	-	-	-	(5,848)	(5,848)
Total comprehensive income for the period	-	-	-	-	(64,360)	(5,848)	(70,208)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	24,314	-	-	-	-	-	24,314
Transferred convertible debentures to ordinary shares and share premium (Note 21)	4,446	(159)	-	-	-	-	4,287
Share-based payment transactions	-	-	631	-	-	-	631
<b>Balance as at 30 June 2020</b>	<b>491,156</b>	<b>817,979</b>	<b>2,637</b>	<b>43,418</b>	<b>946,664</b>	<b>(88,884)</b>	<b>2,212,970</b>
<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	-	-	-	-	(78,629)	-	(78,629)
Other comprehensive income for the period	-	-	-	-	-	19,673	19,673
Total comprehensive income for the period	-	-	-	-	(78,629)	19,673	(58,956)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 21)	47,871	-	-	-	-	-	47,871
Share-based payment transactions	-	-	434	-	-	-	434
Dividend payment (Note 26)	-	-	-	-	(53,902)	-	(53,902)
<b>Balance as at 30 June 2021</b>	<b>539,027</b>	<b>817,979</b>	<b>3,561</b>	<b>43,418</b>	<b>604,582</b>	<b>(66,297)</b>	<b>1,942,270</b>

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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 Directors

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 six-month period ended 30 June 2021****DRAFT***This document is in draft form. It is subject to review and change and therefore its contents cannot be relied upon as being accurate.*

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	7,182	(164,447)	(59,920)	(62,705)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	44,985	49,284	18,797	20,096
Write-off machinery and equipment	460	36	20	30
Write-off other intangible assets	199	-	199	-
Impairment loss on financial assets (reversal)	(5,644)	9,733	20,712	25,611
Reduce cost to net realisable value of inventories (reversal)	(7,570)	7,853	2,541	923
Share of loss (gain) from investment in associated company	1,120	(512)	-	-
Loss (gain) on revaluation of investment in equity	(224)	752	-	-
Gain from lease modification	(51)	(154)	-	-
Gain on sales of machinery	(80)	-	(80)	-
Long-term employee benefit expense	10,465	10,463	9,281	9,284
Gain on convertible debentures redemption	(3,354)	-	(3,354)	-
Unrealised loss on exchange	39,844	10,681	23,986	15,102
Unrealised loss (gain) on revaluation of derivative financial instrument	(11,185)	5,113	(11,185)	5,113
Amortisation of deferred financial service fee of long-term loans	94	147	-	-
Amortisation of transaction costs of convertible debentures	-	409	-	409
Share-based payment transactions	434	631	434	631
Finance income	(592)	(3,126)	-	(716)
Finance cost	14,279	28,004	7,576	16,148
Profit (loss) from operating activities before changes in operating assets and liabilities	90,362	(45,133)	9,007	29,926
Operating assets (increase) decrease				
Trade and other receivables	118,181	175,194	36,854	100,233
Inventories	(260,467)	(78,936)	(333,198)	(72,460)
Other current financial assets	5,064	(2,896)	-	-
Other current assets	(13,031)	(1,304)	(12,023)	(295)
Other non-current assets	5,838	501	5	-
Operating liabilities increase (decrease)				
Trade and other payables	176,366	115,121	306,946	(25,017)
Other current liabilities	18,155	(15,344)	13,359	(16,873)
Cash paid for long-term employee benefits	(1,446)	(2,278)	(1,266)	(2,188)
Other non-current liabilities	(3,437)	16	-	-
Cash flows used in operating activities	135,585	144,941	19,684	13,326
Cash paid for interest expenses	(10,774)	(22,548)	(8,742)	(15,630)
Cash paid for corporate income tax	(100)	(16,998)	(236)	(16,761)
<b>Net cash flows from (used in) operating activities</b>	<b>124,711</b>	<b>105,395</b>	<b>10,706</b>	<b>(19,065)</b>

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

Directors

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 six-month period ended 30 June 2021

**DRAFT***This document is in draft form. It is subject to review and change and therefore its contents cannot be relied upon as being accurate.*

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	-	(269)	-	(269)
Cash receipt from capital decrease in subsidiary	-	-	29,050	-
Cash paid for capital increase in subsidiary	-	-	(15,675)	-
Acquisition of machinery and equipment	(15,549)	(7,047)	(7,473)	(2,557)
Acquisition of other intangible assets	(1,770)	(1,527)	(1,177)	(1,140)
Proceeds from sales of machinery	80	-	80	-
Cash paid for investment in equity designated at fair value through profit or loss	-	(3,415)	-	-
Cash receipt from interest income	1,095	2,264	-	5,566
<b>Net cash flows from (used in) investing activities</b>	<u>(16,144)</u>	<u>(9,994)</u>	<u>4,805</u>	<u>1,600</u>
<b>Cash flows from financing activities</b>				
Increase in bank overdrafts and short-term loans from financial institutions	79,454	19,593	71,000	38,600
Cash receipt from bills of exchange	-	48,480	-	-
Repayment of bills of exchange	(50,000)	(50,000)	-	-
Cash paid for convertible debentures redemption	(35,000)	-	(35,000)	-
Cash receipt from long-term loan	-	4,253	-	-
Repayment of long-term loans	(32,596)	(16,804)	(15,000)	(7,500)
Proceeds from ordinary shares issuance from exercised warrants	47,871	24,314	47,871	24,314
Repayment of liabilities under lease agreements	(17,866)	(19,139)	-	(206)
Cash paid for dividend	(53,902)	-	(53,902)	-
<b>Net cash flows from (used in) financing activities</b>	<u>(62,039)</u>	<u>10,697</u>	<u>14,969</u>	<u>55,208</u>
<b>Increase (decrease) in translation adjustment</b>	<u>(77,742)</u>	<u>12,851</u>	<u>-</u>	<u>-</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>(31,214)</u>	<u>118,949</u>	<u>30,480</u>	<u>37,743</u>
Cash and cash equivalents at beginning of period	<u>443,484</u>	<u>547,748</u>	<u>185,953</u>	<u>388,392</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>412,270</u></u>	<u><u>666,697</u></u>	<u><u>216,433</u></u>	<u><u>426,135</u></u>
	-	-	-	-
<b>Supplemental cash flow information</b>				
Non-cash transactions				
Transferred convertible debentures to ordinary share premium				
	-	4,287	-	4,287

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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

**DRAFT**

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(Unaudited but reviewed)

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

**Notes to interim consolidated financial statements**

**For the three-month and six-month periods ended 30 June 2021**

**1. General information**

**1.1 Corporate information**

Pranda Jewelry Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of jewelry and its registered address is 28 Soi Bangna-Trad 28, Bangna Tai Subdistrict, Bangna District, Bangkok. The Company has factories located in Bangkok and Nakhonratchasima.

**1.2 Coronavirus disease 2019 Pandemic**

The Coronavirus disease 2019 pandemic situation is currently continued to significantly affects the Group’s business activities in terms of goods distribution, and this is significantly impacting the Group’s financial position, operating results, and cash flows at present, including compliance with debt covenants, and is expected to do so in the future. The Group’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.

**1.3 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.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

#### **1.4 Basis of consolidation**

These interim consolidated financial statements include the financial statements of the Group and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2020. There were no changes in the composition of the Group during the current period.

#### **1.5 New financial reporting standards**

##### **a) Financial reporting standards that became effective in the current period**

During the period, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

Furthermore, the Group elected to adopt the amendments to TFRS 16 Leases relating to COVID-19 related rent concessions. These amendments provide a practical expedient that permits a lessee to not assess whether rent concessions are lease modifications. The practical expedient applies only to rent concessions occurring as a direct consequence of the COVID-19 pandemic and only if all of the conditions are met, i.e., the change in lease payments results in a revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease preceding the change; any reduction in lease payments affects only payments originally due on or before 30 June 2022; and there is no substantive change to other terms and conditions of the lease.

The Group applies the practical expedient to all rent concessions that meet the above conditions and the effects of the application of this expedient, due to resulting changes in payments under leases are recognised in profit or loss for the three-month period and six-month period ended 30 June 2021, amounting to Baht 1.5 million and Baht 3.3 million, respectively (the Company only: none). There was no impact on the opening balance of retained earnings.

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors



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(Unaudited but reviewed)

**b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

**1.6 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 2020.

**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 bases agreed upon between the Company and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 June				Transfer pricing policy
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	55	71	Normal business price close to those charged to other customers
Purchases of goods and raw materials	-	-	14	18	With reference to market price
Guarantee fee income	-	-	1	1	1 percent per annum
Service income	-	-	2	1	Agreed between the parties
Service fee	-	-	-	1	Agreed between the parties
<u>Transactions with associated company</u>					
Purchases of raw materials	38	38	8	8	With reference to market price

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors

# DRAFT

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(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month periods ended 30 June

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with the Company's</u>					
<u>directors/related companies</u>					
Sales of goods	-	4	-	4	Normal business price close to those charged to other customers
Purchases of goods	4	-	-	-	With reference to market price
Loan interest income	-	1	-	-	Per loan agreement
Service income	1	1	-	1	Agreed between the parties

(Unit: Million Baht)

For the six-month periods ended 30 June

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	146	229	Normal business price close to those charged to other customers
Purchases of goods and raw materials	-	-	107	103	With reference to market price
Guarantee fee income	-	-	2	2	1 percent per annum
Service income	-	-	3	3	Agreed between the parties
Service expenses	-	-	-	1	Agreed between the parties
<u>Transactions with associated company</u>					
Purchases of raw materials	68	27	68	27	With reference to market price
<u>Transactions with the Company's</u>					
<u>directors/related companies</u>					
Sales of goods	2	17	2	17	Normal business price close to those charged to other customers
Purchases of goods	10	12	-	6	With reference to market price
Loan interest income	-	2	-	-	Per loan agreements
Service income	1	1	-	1	Agreed between the parties

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Directors

# DRAFT

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(Unaudited but reviewed)

As at 30 June 2021 and 31 December 2020, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<b><u>Trade accounts receivable - related parties (Note 3)</u></b>				
Subsidiaries	-	-	727	645
Related companies (related by common directors)	53	50	51	49
Total	53	50	778	694
Less: Allowance for expected credit losses	(50)	(50)	(646)	(583)
Total trade accounts receivable - related parties, net	3	-	132	111
<b><u>Other receivables - related parties (Note 3)</u></b>				
Subsidiaries	-	-	65	57
Related companies (related by common directors)	3	3	2	2
Subsidiary and related company's directors	13	12	13	12
Total	16	15	80	71
Less: Allowance for expected credit losses	(2)	(2)	(68)	(54)
Total other receivables - related parties, net	14	13	12	17
<b><u>Accrued interest income - related parties (Note 3)</u></b>				
Subsidiaries	-	-	11	10
Related company (related by common directors)	4	3	-	-
Total	4	3	11	10
Less: Allowance for expected credit losses	-	-	(11)	(10)
Total accrued interest income - related parties, net	4	3	-	-
<b><u>Trade and other payables - related parties (Note 14)</u></b>				
Subsidiaries	-	-	108	38
Related companies (related by common directors)	2	5	-	-
Total trade and other payables - related parties	2	5	108	38

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

# DRAFT

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(Unaudited but reviewed)

## Loans to related parties

As at 30 June 2021 and 31 December 2020, 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	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
<b><u>Short-term loans to related parties</u></b>				
Subsidiaries	-	-	44	42
Related companies (related by common directors)	16	15	-	-
Total	16	15	44	42
Less: Allowance for expected credit losses	-	-	(44)	(42)
Total short-term loans to related parties, net	16	15	-	-

(Unit: Million Baht)

	Separate financial statements	
	30 June 2021	31 December 2020
		(Audited)
<b><u>Long-term loans to related parties</u></b>		
<u>Subsidiaries</u>		
Long-term loans	532	496
Less: Allowance for expected credit losses	(532)	(496)
Total long-term loans to related parties, net	-	-

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

# DRAFT

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(Unaudited but reviewed)

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

(Unit: Million Baht)

		Consolidated financial statements				
Short-term loan	Related by	Balance as at 31 December 2020	Increase during the period	Decrease during the period	Unrealised gain on exchange	Balance as at 30 June 2021
PT Sumberkreasi Ciptalogam	The Director is the Subsidiary's director	15	-	-	1	16
Total short-term loan		15	-	-	1	16

An overseas subsidiary (PT Pranda Marketing Indonesia) granted a short-term loan to a related company, PT Sumberkreasi Ciptalogam. This loan is subject to interest at rate of 7.5 percent per annum and unsecured.

(Unit: Million Baht)

		Separate financial statements				
Short-term loans	Related by	Balance as at 31 December 2020	Increase during the period	Decrease during the period	Unrealised gain on exchange	Balance as at 30 June 2021
H.GRINGOIRE s.a.r.l.	Subsidiary	27	-	-	1	28
PT Pranda Marketing Indonesia	Subsidiary	15	-	-	1	16
Total short-term loans		42	-	-	2	44

The short-term loans to two subsidiaries were 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 loans and accrued interest income to subsidiaries because of the uncertainty in receiving repayments.

(Unit: Million Baht)

		Separate financial statements				
Long-term loans	Related by	Balance as at 31 December 2020	Increase during the period	Decrease during the period	Unrealised gain on exchange	Balance as at 30 June 2021
Pranda UK Ltd.	Subsidiary	311	-	-	30	341
H.GRINGOIRE s.a.r.l.	Subsidiary	185	-	-	6	191
Total long-term loans		496	-	-	36	532

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.

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors

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(Unaudited but reviewed)

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2021 and 2020, the Group had employee benefit expenses of their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	9.0	7.8	5.1	4.7
Post-employment benefits	0.3	-	0.2	-
Total	<u>9.3</u>	<u>7.8</u>	<u>5.3</u>	<u>4.7</u>

(Unit: Million Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Short-term employee benefits	19.6	18.5	12.0	11.9
Post-employment benefits	0.6	0.1	0.5	-
Total	<u>20.2</u>	<u>18.6</u>	<u>12.5</u>	<u>11.9</u>

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 27.2.1 to the financial statements.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

### 3. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
<u>Trade accounts receivable - related parties</u>		(Audited)		(Audited)
Aged on the basis of due dates				
Not yet due	2,084	3,054	17,789	32,258
Past due				
Up to 3 months	680	37	19,785	39,193
3 - 6 months	299	49	35,195	21,313
6 - 12 months	46	2,184	61,284	59,258
Over 12 months	49,993	44,725	644,533	542,288
Total	53,102	50,049	778,586	694,310
Less: Allowance for expected credit losses	(50,160)	(49,735)	(646,433)	(582,879)
Total trade accounts receivable - related parties, net (Note 2)	2,942	314	132,153	111,431
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	240,601	238,489	191,643	171,348
Past due				
Up to 3 months	32,005	137,743	21,079	109,691
3 - 6 months	1,135	5,200	271	690
6 - 12 months	12,134	10,106	10,474	2,568
Over 12 months	19,263	22,992	14,872	20,072
Total	305,138	414,530	238,339	304,369
Less: Allowance for expected credit losses	(40,379)	(41,400)	(30,797)	(32,931)
Total trade accounts receivable - unrelated parties, net	264,759	373,130	207,542	271,438
Total trade accounts receivable, net	267,701	373,444	339,695	382,869
<u>Other receivables</u>				
Other receivables - related parties (Note 2)	15,787	14,801	79,959	71,174
Other receivables - unrelated parties	3,778	3,058	380	316
Accrued interest income - related parties (Note 2)	3,974	3,167	11,061	10,416
Accrued interest income - unrelated parties	1,064	1,029	1,064	997
Accrued income	1,143	-	1,143	-
Total	25,746	22,055	93,607	82,903
Less: Allowance for expected credit losses	(4,655)	(4,434)	(80,125)	(65,284)
Total other receivables, net	21,091	17,621	13,482	17,619
Total trade and other receivables, net	288,792	391,065	353,177	400,488

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors

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(Unaudited but reviewed)

**4. Reduce cost to net realisable value of inventories**

Movements in the reduce cost to net realisable value of inventories account for the six-month period ended 30 June 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	218,229	177,068
Add: Reduce cost to net realisable value of inventories	3,994	3,088
Less: Reversal of reduce cost to net realisable value of inventories	(35,872)	(547)
Balance as at 30 June 2021	186,351	179,609

As at 30 June 2021, 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 has pledged inventories of Baht 219 million and an overseas subsidiary has pledged inventories of IDR 3,000 million or approximately Baht 6.6 million to secure credit facilities from an overseas commercial bank as described in Note 12, Note 15 and Note 16 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 subsidiaries' deposits with banks, pledged to secure the bank overdraft, and the letter of guarantee issued by bank on behalf of subsidiary for electricity use.

**6. Other non-current financial assets**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
		(Audited)		(Audited)
<u>Debt instruments at amortised cost</u>				
Deposit	8,671	9,257	-	-
Total debt instruments at amortised cost - net	8,671	9,257	-	-
<u>Debt instruments at FVOCI</u>				
Listed equity instruments	31,682	12,009	31,682	12,009
Total debt instruments at FVOCI	31,682	12,009	31,682	12,009
Total other non-current financial assets - net	40,353	21,266	31,682	12,009

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors



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(Unaudited but reviewed)

## 7. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	(Unit: Thousand Baht)	
	Cost	
	30 June 2021	31 December 2020
		(Audited)
Pranda North America, Inc.	120,283	120,283
H.GRINGOIRE s.a.r.l.	344,423	344,423
Pranda UK Ltd.	28,973	28,973
Pranda Vietnam Co., Ltd.	63,855	48,180
Primagold International Co., Ltd.	200,000	200,000
Crystalline Co., Ltd.	96,000	96,000
Pranda Lodging Co., Ltd.	12,075	41,125
Pranda Jewelry Private Limited	213,439	213,439
Total	1,079,048	1,092,423
Less: Allowance for impairment of investments	(540,539)	(540,539)
Investments in subsidiaries, net	538,509	551,884

### Subsidiary - Pranda Vietnam Company Limited

On 20 April 2021, the Company paid USD 0.5 million or approximately Baht 15.7 million for additional capital of the Pranda Vietnam Co., Ltd. a subsidiary in which the Company has 100% interest, in accordance with the resolution to increase its registered share capital of the Meeting of Board of Directors of subsidiary held on 19 November 2020.

### Subsidiary - Crystalline Company Limited

On 22 April 2021, the Extraordinary General Meeting of the shareholders of a local subsidiary, Crystalline Co.,Ltd. passed a resolution approving the reduction of Baht 70 million in its registered share capital, from Baht 100 million to Baht 30 million, by reducing the par value of the shares from Baht 100 to Baht 30 per share, in order to write off deficit. The subsidiary registered the reduction in registered share capital with the Department of Business Development, Ministry of Commerce, on 5 May 2021.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

### **Subsidiary - Pranda Lodging Company Limited**

On 25 May 2021, the Extraordinary General Meeting of the shareholders of a local subsidiary, Pranda Lodging Company Limited, passed a resolution approving the reduction of Baht 35 million in its registered share capital, from Baht 50 million (5 million ordinary shares with a par value of Baht 10 per share) to Baht 15 million (1.5 million ordinary shares with a par value of Baht 10 per share). The subsidiary registered the reduction in registered share capital with the Department of Business Development, Ministry of Commerce, on 29 June 2021.

### **Subsidiary - Pranda Jewelry Private Limited**

On 27 December 2018, an Indian subsidiary, Pranda Jewelry Private Limited, issued and offered to the Company 34,000,000 units of fully compulsorily convertible debentures, unsubordinated and unsecured, with a par value of Indian Rupee 10 each, or a total of Indian Rupee 340 million. All Debentures are to be converted into fully paid up equity shares of the subsidiary on the expiry of 5 years from the date of issue of debenture. The conversion ratio will be calculated in accordance with related regulations in India.

Under the debentures agreement, the subsidiary will pay interest on a quarterly basis at rates of 7.5 percent per annum. Moreover, the subsidiary has the right, under the agreement, to buy back the converted equity shares from the Company on or after the conversion date. In any case, if the subsidiary is unable to buy back such shares from the Company, the Company will offer some of the converted equity shares to the minority shareholder of the subsidiary in order to maintain the holding structure of the Company and the minority shareholder of the subsidiary.

However, the Company has considered to record this transaction for investments in subsidiaries because the debentures held by the investors shall automatically be converted into equity shares on the conversion date.

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Directors

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(Unaudited but reviewed)

## 8. Investment in associated company

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Investment value - equity method	
	30 June 2021	31 December 2020
		(Audited)
KZ-Pranda Co., Ltd.		
- Cost	3,600	3,600
- Accumulated share of profit	7,041	8,161
Total carrying amounts based on equity method	10,641	11,761

(Unit: Thousand Baht)

Company's name	Separate financial statements					
	Cost		Allowance for impairment of investment		Carrying amounts based on cost method - net	
	30 June	31 December	30 June	31 December	30 June	31 December
	2021	2020	2021	2020	2021	2020
		(Audited)		(Audited)		(Audited)
KZ-Pranda Co., Ltd.	3,600	3,600	(3,600)	(3,600)	-	-

The share of profit from investment in associated company included in the consolidated income statements have been calculated from the financial statement prepared by management of this company but is not reviewed by its auditor. However, the Company's management believes that there would be no material difference if this financial statement had been reviewed by its auditor.

## 9. Other receivables

The outstanding balances as at 30 June 2021 and 31 December 2020 are presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	30 June 2021	31 December 2020
		(Audited)
Promissory note	46,595	46,595
Less: Allowance for expected credit losses	(46,595)	(46,595)
Other receivable, net	-	-

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Directors

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(Unaudited but reviewed)

## 10. Investment properties

Movements of the investment properties account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	586,966	577,552
Depreciation for the period	(169)	-
Net book value as at 30 June 2021	586,797	577,552

The Company has mortgaged investment properties of the Company and a local subsidiary with a total net book value as at 30 June 2021 of approximately Baht 586 million (31 December 2020: Baht 587 million) as collateral against credit facilities which the Company received from commercial banks (The Company only: Baht 577 million (31 December 2020: Baht 577 million)).

## 11. Property, plant and equipment

Movements of the property, plant and equipment account during the six-month period ended 30 June 2021 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2021	721,993	469,358
Acquisitions during the period - at cost	17,872	7,473
Adjustments from the lease modification		
net book value - as at modification date	(1,499)	-
Write-off during the period - net book value		
as at write-off date	(460)	(20)
Depreciation for the period	(42,356)	(16,943)
Translation adjustment	2,956	-
Net book value as at 30 June 2021	698,506	459,868

The Group has mortgaged its property, plant and equipment with a total net book value as at 30 June 2021 amounting to approximately Baht 390 million (31 December 2020: Baht 398 million) as collateral against credit facilities received from commercial banks (The Company only: Baht 342 million (31 December 2020: Baht 350 million)).

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Directors

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(Unaudited but reviewed)

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

(Unit: Thousand Baht)

	Interest rate		Consolidated		Separate	
	(percent per annum)		financial statements		financial statements	
	30 June	31 December	30 June	31 December	30 June	31 December
	2021	2020	2021	2020	2021	2020
		(Audited)		(Audited)		(Audited)
Bank overdrafts	9.10	-	7,393	-	-	-
Short-term loans from						
financial institutions	2.50 - 2.75	2.50 - 2.75	390,000	319,000	390,000	319,000
Total			397,393	319,000	390,000	319,000

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.

Short-term loans from financial institutions of a local subsidiary company are guaranteed by the Company and some assets of a local subsidiary company.

Bank overdrafts of a local subsidiary company are secured by fixed deposits pledged with the bank.

During the current period, an overseas subsidiary, Pranda Jewelry Private Limited, entered into a bank overdraft agreement with a financial institution for a credit facility of INR 21 million, or approximately Baht 8.82 million. Such bank overdrafts are secured by the mortgage of a building of this subsidiary, as described in Note 11 to the financial statements.

## 13. Bills of exchange

(Unit: Thousand Baht)

	Consolidated
	financial statements
Balance as at 1 January 2021	49,606
Add: Amortisation of prepaid interest expenses	394
Less: Repayment	(50,000)
Balance as at 30 June 2021	-

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Directors

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**14. Trade and other payables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Trade and other payables - related parties (Note 2)	1,996	5,300	108,055	37,881
Trade payables - unrelated parties	970,872	740,031	699,895	430,474
Other payables - unrelated parties	8,019	7,252	2,194	2,166
Accrued expenses	60,432	60,982	25,530	25,132
Total trade and other payables	<u>1,041,319</u>	<u>813,565</u>	<u>835,674</u>	<u>495,653</u>

**15. Restructured long-term loan**

An overseas subsidiary company, PT Pranda Marketing Indonesia, entered into debt restructuring agreements with the financial institution creditors. The debt repayment schedule and related interest rates are as follows:

1. Interest rates 10.25 percent per annum
2. Repayment schedules
  - Principal Monthly, from August 2021 to June 2022
  - Accrued interest Within June 2022
  - Interest Monthly

Details of long-term loan as 30 June 2021 are as follows:

(Unit: Thousand)

	Consolidated financial statements	
	30 June 2021	31 December 2020
		(Audited)
Long-term loan	23,349	22,288
Less: Current portion of long-term loan	(23,349)	(1,260)
Long-term loan, net of current portion	<u>-</u>	<u>21,028</u>

Long-term loan is secured by pledges of some inventories of the subsidiary company, some assets of the director of the subsidiary company, and a building of non-controlling interest of the subsidiary company.

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors

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## 16. Long-term loans

The outstanding balances of long-term loans as at 30 June 2021 and 31 December 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2021	2020	2021	2020
		(Audited)		(Audited)
Long-term loans	119,060	151,431	52,500	67,500
Less: Deferred financial service fee	(378)	(473)	-	-
Long-term loans - net of deferred financial service fee	118,682	150,958	52,500	67,500
Less: Current portion, net	(85,658)	(142,787)	(52,500)	(67,500)
Long-term loans - net of current portion, net	33,024	8,171	-	-

Movements in the long-term loans account during the six-month period ended 30 June 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2021	150,958	67,500
Add: Amortisation of deferred financial service fee	94	-
Less: Repayment	(32,596)	(15,000)
Translation adjustment	226	-
Balance as at 30 June 2021	118,682	52,500

### Loans of the company

In 2020, 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.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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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.

However, since 31 December 2020, the Company was unable to maintain a debt service coverage ratio (DSCR) in accordance with the agreements. As a result, the lender has the right to call the loans on demand and the Company has classified the full balance as current portion of long-term loans in the statement of financial position as at 31 December 2020. Subsequently in January 2021, the Company obtained a letter granting a waiver for some conditions from the lender. The Company has therefore classified the loan in accordance with term specified in the agreement.

#### 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.

However, since 31 December 2020, 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 2020. Subsequently in March 2021, the subsidiary obtained a letter granting a waiver for some conditions from the lender and classified the loan in accordance with terms specified in the agreement.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors



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**17. Convertible debentures/Options**

In 2018, the Company issued and offered the Convertible Debentures to Advance Opportunities Fund I and Advance Credit Fund SPC - Golden Fund SP in the amount of Baht 50 million and Baht 50 million, respectively. These funds exercised the conversion rights under the Convertible in the amount of Baht 61 million. The number of shares to be issued for the exercise of conversion rights is 28,280,336 shares at the par value of Baht 1 each, so the total paid up capital to be increased for exercises of conversion rights is Baht 28,280,336 and the Company has registered the increase of the paid-up capital with the Ministry of Commerce.

In 2020, Advance Opportunities Fund I exercised the conversion rights under the Convertible in the amount of Baht 4 million. The number of shares to be issued for the exercise of conversion rights is 4,446,322 shares at the par value of Baht 1 each, so the total paid up capital to be increased for exercises of conversion rights is Baht 4,446,322 and the Company has registered the increase of the paid-up capital with the Ministry of Commerce.

Movements of the convertible debentures and options for consolidated and separate financial statements are summarised below.

(Unit: Thousand Baht)

Nominal value of issue of convertible debentures

as at 1 January 2021	34,465
Less: Redemption of convertible debenture	(35,000)
Add: Amortised - transaction cost	535
Balance as at 30 June 2021	-

(Unit: Thousand Baht)

Nominal value of options as at 1 January 2021	3,889
Less: Redemption of convertible debenture	(3,889)
Balance as at 30 June 2021	-

On 10 February 2021, Advance Credit Fund SPC - Golden Fund SP proposed to the Company to early redeem the outstanding Convertible Debentures Tranche 1 No.2 in the amount of Baht 37,379,521. Therefore, the Company made repayment on 17 February 2021.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

## 18. Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements	
	30 June 2021	31 December 2020
		(Audited)
Lease liabilities	165,288	183,396
Less: Deferred interest expenses	(19,432)	(22,469)
Total	145,856	160,927
Less: Portion due within one year	(32,183)	(31,520)
Lease liabilities - net of current portion	113,673	129,407

## 19. Provision for long-term employee benefits

Movement in the provision for long-term employee benefit account during the six-month period ended 30 June 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		
	Post-employment benefits from employee's retirement	Other long-term employee benefits plan	Total
Balances as at 1 January 2021	279,509	10,182	289,691
Current service cost	7,901	467	8,368
Interest cost	2,027	70	2,097
Benefits paid during the period	(1,326)	(120)	(1,446)
Balances as at 30 June 2021	288,111	10,599	298,710

(Unit: Thousand Baht)

	Separate financial statements		
	Post-employment benefits from employee's retirement	Other long-term employee benefits plan	Total
Balances as at 1 January 2021	263,430	9,262	272,692
Current service cost	6,918	378	7,296
Interest cost	1,920	65	1,985
Benefits paid during the period	(1,266)	-	(1,266)
Balances as at 30 June 2021	271,002	9,705	280,707

*We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.*

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Directors

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(Unaudited but reviewed)

## **20. Warrants to purchase new ordinary shares of the Company**

### **20.1 Warrants to purchase new ordinary shares to existing shareholders**

On 8 February 2018, the Company issued the warrants to purchase ordinary shares of the Company No.4 (PDJ-W4) to the existing shareholders at the total number of 51,190,390 at the ratio of 8 existing ordinary shares to 1 unit of warrant at no cost and with the exercise price of Baht 1 per share. The warrants have an exercise period of 3 years from the date of issue, and are exercisable for one time on the date of the third anniversary of the issuance of the warrants. The first and the last exercise dates are on 7 February 2021.

On 5 February 2021, PDJ-W4 warrant holders exercised 47,870,666 warrants to purchase 47,870,666 newly issued ordinary shares with a par value of Baht 1 each, at an exercise price of Baht 1 per share. The Company received the cash of Baht 47,870,666 from the exercise of the warrants and registered the corresponding increase in its paid-up capital with the Ministry of Commerce on 11 February 2021.

Presented below is a summary of movement in the number of warrants as at 30 June 2021.

	Unit
Outstanding as at 1 January 2021	51,190,390
Exercised during the period	(47,870,666)
Expired during the period	(3,319,724)
Outstanding as at 30 June 2021	-

### **20.2 Warrants to purchase new ordinary shares of the Company issued to the directors and employees of the Company (ESOP)**

On 29 January 2018, the Extraordinary Shareholder's Meeting of the Company passed a resolution to approve issuance and offering of the warrants to purchase ordinary shares of the Company to its directors and employees of the Company No.2 at the total number of 20,476,450 units at no cost and with the exercise price of Baht 4 per share and with the term not exceeding 3 years from issuance date of the warrants.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

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On 14 August 2018, the Board of Director Meeting of the Company passed a resolution to approve the allocation and determine any other detail regarding the issuance of the warrants to purchase ordinary shares of the Company to its directors and employees of the Company (PDJ ESOP-2). Details of the warrants are summarised below.

Warrants issuing date	14 August 2018
Term of warrants	3 years from the issuance date
Warrants expiring date	14 August 2021
Amount of warrants (Units)	20,476,450
Exercise ratio	One unit of the Warrants for one ordinary share
Exercise price	Baht 4 per share unless the exercise ratio is otherwise adjusted pursuant to the conditions concerning the right adjustment.
Exercise period	Once a year on the date of each anniversary of the issuance of the Warrants.
First Exercise date	14 August 2020
Last Exercise date	14 August 2021
Proportion for Exercise	The First Exercise: To exercise the accrued right not exceeding 25 percent of the Warrants which allocated to each holder by the Company. The Second Exercise: To exercise the accrued right not exceeding 50 percent of the Warrants which allocated to each holder by the Company (inclusive of first and second exercises). The Third Exercise: To exercise the accrued right not exceeding 100 percent of the Warrants which allocated to each holder by the Company. (inclusive of first to third exercises)

The average estimated fair value of each warrant granted is Baht 0.153. This was calculated by applying the Black-Scholes-Merton formula. The model inputs were the share price at price determination date of Baht 2.803, exercise price of Baht 4, expected volatility of 28.065 percent, contractual life of three years, and a risk-free interest rate of 1.578 - 1.961 percent.

As at 30 June 2021, the Company has the unissued warrants of ESOP totaling 1,890,000 units.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

## 21. Share capital/Share premium

The movements of number of ordinary shares, paid-up capital and premium on ordinary shares of the Company for the six-month periods ended 30 June 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Issued and paid-up share capital		Share premium	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
Balance as at 1 January	491,156	462,396	817,979	818,138
Increase in capital from exercising of the warrants to purchase ordinary shares to existing shareholders	47,871	24,314	-	-
Increase in capital from exercising of the rights of the convertible debenture	-	4,446	-	(159)
Total	47,871	28,760	-	(159)
Balance as at 30 June	<u>539,027</u>	<u>491,156</u>	<u>817,979</u>	<u>817,979</u>

## 22. Sales

### Disaggregated revenue information

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Type of goods:</b>				
Sale of finished goods	542,559	350,799	458,086	225,670
Sale of raw materials	-	135,519	-	135,519
Total sales	<u>542,559</u>	<u>486,318</u>	<u>458,086</u>	<u>361,189</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	542,559	486,318	458,086	361,189
Total sales	<u>542,559</u>	<u>486,318</u>	<u>458,086</u>	<u>361,189</u>

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month periods ended 30 June

	Consolidated financial statements		Separate financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Type of goods:</b>				
Sale of finished goods	1,048,428	825,511	849,633	617,713
Sale of raw materials	-	260,134	-	260,134
Total sales	<u>1,048,428</u>	<u>1,085,645</u>	<u>849,633</u>	<u>877,847</u>
<b>Timing of revenue recognition:</b>				
Revenue recognised at a point in time	<u>1,048,428</u>	<u>1,085,645</u>	<u>849,633</u>	<u>877,847</u>
Total sales	<u>1,048,428</u>	<u>1,085,645</u>	<u>849,633</u>	<u>877,847</u>

### 23. Income tax

Part of the Company's operations has been granted promotional privileges from the Board of Investment, including exemption from corporate income tax on profits for a period of eight years, commencing as from the date of first earnings operating income. The Company has started to receive privileges of certificate No. 1616 (2)/2553 on 4 January 2011 and a 50 percent reduction of corporate income tax on income derived from the promoted operation for a period of 5 years after the tax-exemption period ends.

Interim corporate income tax of the Company was calculated on loss before income tax from operations without BOI promotional privileges for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

Interim corporate income tax of the local subsidiaries were calculated on profit (loss) before income tax for the periods, after adding back expenses and deducting income which are disallowable for tax computation purposes, using the estimated effective tax rate for the year.

Interim corporate income tax of the overseas subsidiaries were calculated in accordance with the accounting standards and/or tax law of that company's country of domicile.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors

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(Unaudited but reviewed)

Tax expenses (income) for the three-month and six-month periods ended 30 June 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	(5,176)	(13,721)	-	(13,872)
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	13,740	(2,424)	13,817	(2,062)
<b>Tax expenses (income) reported in the profit or loss</b>	<u>8,564</u>	<u>(16,145)</u>	<u>13,817</u>	<u>(15,934)</u>

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Current income tax:</b>				
Interim corporate income tax charge	637	4,546	-	4,178
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	18,425	(2,911)	18,709	(2,523)
<b>Tax expenses reported in the profit or loss</b>	<u>19,062</u>	<u>1,635</u>	<u>18,709</u>	<u>1,655</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the three-month and six-month periods ended 30 June	
	Consolidated financial statements	
	<u>2021</u>	<u>2020</u>
Deferred tax relating to actuarial loss	-	(59)

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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## 24. Earnings per share

Basic earnings per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

For comparative purposes, basic earnings per share and diluted earnings per share for the three-month and six-month periods ended 30 June 2020 have been recalculated as follow;

Diluted earnings per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

The following tables set forth the computation of basic earnings per share:

	For the three-month period ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Basic earnings per share</b>				
Loss attributable to equity holders of the Company (Thousand Baht)	(56,850)	(123,774)	(61,165)	(50,434)
Weighted average number of ordinary shares (Thousand shares)	552,276	506,531	552,276	506,531
Loss per share (Baht per share)	(0.1029)	(0.2444)	(0.1108)	(0.0996)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
<b>Basic earnings per share</b>				
Loss attributable to equity holders of the Company (Thousand Baht)	(5,977)	(153,991)	(78,629)	(64,360)
Weighted average number of ordinary shares (Thousand shares)	543,019	500,878	543,019	500,878
Loss per share (Baht per share)	(0.0110)	(0.3074)	(0.1448)	(0.1285)

An exercise price of the warrants to purchase ordinary shares of the Company to its directors and employees of the Company (PDJ ESOP-2) were higher than the average market price of the Company's shares for three-month and six-month periods ended 30 June 2021. Therefore, the Company has not included the conversion of these warrants in the calculation of diluted earnings per share.

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## 25. Segment information

The Group's is organised into business units based on its business activities. During the current period, the Group's 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 and six-month periods ended 30 June 2021 and 2020.

(Unit: Million Baht)

### For the three-month periods ended 30 June

	Production		Distribution		Retail		Others		Total Segments		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Revenues</b>														
Revenues from external customers	404	293	24	30	114	163	-	-	542	486	-	-	542	486
Revenues from intersegment	55	71	3	-	11	17	-	-	69	88	(69)	(88)	-	-
<b>Total revenues</b>	<b>459</b>	<b>364</b>	<b>27</b>	<b>30</b>	<b>125</b>	<b>180</b>	<b>-</b>	<b>-</b>	<b>611</b>	<b>574</b>	<b>(69)</b>	<b>(88)</b>	<b>542</b>	<b>486</b>
<b>Results</b>														
Segment loss	(33)	(38)	(6)	(13)	(20)	(38)	(2)	(2)	(61)	(91)	3	13	(58)	(78)
<b>Unallocated revenues and expenses</b>														
Gain (loss) on exchange													28	(54)
Other income													5	3
Impairment loss on financial assets													(5)	(5)
Share of profit from investment in associated company													-	2
Finance income													-	2
Finance cost													(21)	(12)
Loss before income tax expenses													(51)	(142)
Tax income (expenses)													(9)	16
<b>Loss for the period</b>													<b>(60)</b>	<b>(126)</b>

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(Unit: Million Baht)

For the six-month periods ended 30 June

	Production		Distribution		Retail		Others		Total Segments		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<b>Revenues</b>														
Revenues from external customers	705	655	48	71	295	359	-	-	1,048	1,085	-	-	1,048	1,085
Revenues from intersegment	146	228	57	-	50	101	-	-	253	329	(253)	(329)	-	-
<b>Total revenues</b>	<b>851</b>	<b>883</b>	<b>105</b>	<b>71</b>	<b>345</b>	<b>460</b>	<b>-</b>	<b>-</b>	<b>1,301</b>	<b>1,414</b>	<b>(253)</b>	<b>(329)</b>	<b>1,048</b>	<b>1,085</b>
<b>Results</b>														
Segment loss	(40)	(36)	(11)	(25)	(23)	(58)	(4)	(3)	(78)	(122)	1	(4)	(77)	(126)
<b>Unallocated revenues and expenses</b>														
Gain (loss) on exchange													70	(8)
Other income													16	11
Impairment loss on financial assets													(5)	(14)
Share of profit (loss) from investment in associated company													(1)	1
Finance income													23	3
Finance cost													(19)	(31)
Profit (loss) before income tax expenses													7	(164)
Tax expenses													(19)	(2)
<b>Loss for the period</b>													<b>(12)</b>	<b>(166)</b>

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## **26. Dividend**

On 21 April 2021, the Annual General Meeting of the Company's shareholders passed a resolution to pay a dividend from retained earnings in respect of 2012 earnings derived from net profit from corporate income tax exemption under promotional privileges received from the Board of Investment at the rate of Baht 0.10 per share, or a total of Baht 53.9 million to its shareholders. Such dividend was paid on 19 May 2021.

## **27. Commitments and contingent liabilities**

### **27.1 Capital commitments**

As at 30 June 2021, the Group had capital commitments of Baht 6.9 million, relating to acquisition of computer software and building improvements (The Company only: Baht 1 million).

### **27.2 Guarantees**

27.2.1 The Company has issued guarantees to secure bank overdrafts and credit facilities of its subsidiary. As at 30 June 2021, there were outstanding guarantees of Baht 250 million and USD 14.5 million (31 December 2020: Baht 250 million, USD 14.5 million), totaling of Baht 714 million (31 December 2020: Baht 685 million).

27.2.2 As at 30 June 2021, there were outstanding bank guarantees of Baht 6.6 million (31 December 2020: Baht 6.8 million) issued by banks on behalf of the Group to guarantee purchase of goods, electricity use, among others. (The Company only: Baht 6.4 million (31 December 2020: Baht 6.6 million)).

27.2.3 As at 30 June 2021, the Group has outstanding standby-letters of credit of USD 30.3 million, or approximately Baht 970 million (31 December 2020: USD 30.3 million or totaling Baht 909 million) (The Company only: USD 17 million, totaling of Baht 544 million (31 December 2020: USD 17 million, or approximately Baht 510 million)).

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## **27.3 Litigation**

### **27.3.1 Litigation of an overseas subsidiary**

In December 2015, an overseas subsidiary company in France was jointly sued for infringement of models and unfair competition by two companies incorporated in Switzerland, claiming compensation of EUR 1.02 million, or approximately Baht 40 million.

In March 2018, the Court in France issued a judgement that the subsidiary was guilty of unfair competition and dismissing the lawsuit relating to infringement of models, ordering the subsidiary to pay Euro 50,000 or approximately Baht 2 million in compensatory damages to the two companies incorporated in Switzerland. The subsidiary paid for these damages in September 2018. Two companies incorporated in Switzerland have submitted an appeal to the French court, to order prohibited the subsidiary to cease commercial activities and destroy all jewelry, production equipment and drawings which relate to disputed models and ordered the insertion of the judgement to come in publication.

During the current period, this case is under the consideration of the Court in France. The management of the subsidiary believes that no material damages will affect the subsidiary. The subsidiary has therefore not recorded any provision for damages in its accounts.

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

In 2017, the Indian tax authorities assessed sale tax of approximately INR 31 million or approximately Baht 14 million (including interest), covering the years 2010 - 2011, against the subsidiary company in India. The subsidiary appealed this assessment.

On 30 October 2017, Deputy Commissioner rejected the subsidiary's appeal against the official's assessment, and ordered the subsidiary to pay the tax and interest to the Indian tax authorities. Later, on 7 December 2017, the subsidiary therefore filed an appeal with the Tribunal petitioning to revoke this assessment, on the basis of a legal advisory's opinion to explain the tax assessments. However, the subsidiary placed a bond of 10 percent of the assessed sale tax amounting to INR 1.5 million or approximately Baht 0.8 million. The appeal is currently under the consideration of the Tribunal.

In 2018, the Indian tax authorities assessed sales tax of approximately INR 1 million or approximately Baht 0.4 million (including penalty and interest), covering the years 2014 - 2016 against the subsidiary in India. The management of the subsidiary appealed this assessment and the appeal is currently under the consideration of the Tribunal.

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In 2019, the Indian tax authorities assessed sales tax of approximately INR 43.8 million or approximately Baht 19 million (including penalty and interest), covering the years 2012 - 2013 against the subsidiary in India. The management of the subsidiary appealed this assessment. However, the subsidiary placed a bond of 10 percent of the assessed sale tax amounting to INR 2 million or approximately Baht 0.8 million. The appeal is currently under the consideration of the Tribunal.

In 2020, the Indian tax authorities assessed sale tax of approximately INR 88.4 million or approximately Baht 35.4 million (including interest), covering the years 2011 - 2012 against the subsidiary in India. The management of the subsidiary appealed this assessment and the appeal is currently under the consideration of the Tribunal.

During the current period, the Indian tax authorities assessed sale tax of approximately INR 38.3 million or approximately Baht 16.1 million, covering the years 2016 - 2017 against the subsidiary in India. The management of the subsidiary appealed this assessment.

The management of the subsidiary believes that it will be able to file appeals requesting cancellation of assessments and there will be no material impacts on the subsidiary. The subsidiary has therefore not recorded any provision for these tax assessments.

## 28. Financial Instrument

### 28.1 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.

### 28.2 Fair value hierarchy

As at 30 June 2021 and 31 December 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated Financial Statements		
	As at 30 June 2021		
	Level 1	Level 2	Total
<b>Assets measured at fair value</b>			
Investments in equity designed at fair value through profit or loss	3	-	3
Investments in equity designed at fair value through other comprehensive income	32	-	32
Derivative financial instruments	-	5	5

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(Unit: Million Baht)

## Consolidated Financial Statements

As at 31 December 2020

	Level 1	Level 2	Total
<b>Assets measured at fair value</b>			
Investments in equity designed at fair value through profit or loss	2	-	2
Investments in equity designed at fair value through other comprehensive income	12	-	12
<b>Liabilities measured at fair value</b>			
Options	4	-	4
Derivative financial instruments	-	6	6

(Unit: Million Baht)

## Separate Financial Statements

As at 30 June 2021

	Level 1	Level 2	Total
<b>Assets measured at fair value</b>			
Investments in equity designed at fair value through other comprehensive income	32	-	32
Derivative financial instruments	-	5	5

(Unit: Million Baht)

## Separate Financial Statements

As at 31 December 2020

	Level 1	Level 2	Total
<b>Assets measured at fair value</b>			
Investments in equity designed at fair value through other comprehensive income	12	-	12
<b>Liabilities measured at fair value</b>			
Options	4	-	4
Derivative financial instruments	-	6	6

During the current period, there was no transfer within the fair value hierarchy.

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### 28.3 Foreign currency risk

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

(Unit: Million)

Foreign currencies	Consolidated financial statements				Separate financial statements			
	Financial assets		Financial liabilities		Financial assets		Financial liabilities	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020	30 June 2021	31 December 2020
US Dollar	11	12	28	23	32	33	22	13
Euro	-	-	-	-	11	9	-	-
Pound Sterling	-	-	-	-	8	10	-	-

Foreign currencies	Average exchange rate as at	
	30 June 2021	31 December 2020
	(Baht per 1 foreign currency unit)	
US Dollar	32.00	29.99
Euro	44.32	40.56
Pound Sterling	38.09	36.82
Indonesian Rupiah	0.0022	0.0021

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.

### 29. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 13 August 2021.

We, being responsible for the preparation of these financial statements and notes thereto, hereby approve their issue in final form.

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Directors