Pranda Jewelry Public Company Limited
and its subsidiaries
Review report and interim financial information
For the three-month period ended 31 March 2021

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 2021, and the related consolidated statements of income, comprehensive income, the related consolidated statement of 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*.

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 period ended 31 March 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: 14 May 2021

Pranda Jewelry Public Company Limited and its subsidiaries

Statement of financial position

As at 31 March 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		404,729	443,484	205,023	185,953
Trade and other receivables	*2, 3*	283,216	391,065	322,128	400,488
Short-term loan to related party	*2*	15,301	14,810	-	-
Inventories	*4*	1,660,589	1,532,008	961,523	775,651
Other current financial assets		49,038	9,171	4,038	-
Other current assets		45,979	39,703	17,309	13,187
Total current assets		2,458,852	2,430,241	1,510,021	1,375,279
Non-current assets					
Restricted bank deposits	*5*	32,121	32,121	26,752	26,752
Other non-current financial assets	*6*	29,589	21,266	20,618	12,009
Investments in subsidiaries	*7*	-	-	551,884	551,884
Investment in associated company	*8*	10,641	11,761	-	-
Investment properties	*10*	586,882	586,966	577,552	577,552
Property, plant and equipment	*11*	713,219	721,993	464,482	469,358
Other intangible assets		61,792	63,132	58,391	59,467
Deferred tax assets		155,773	160,803	139,233	144,125
Other non-current assets		6,435	12,649	363	368
Total non-current assets		1,596,452	1,610,691	1,839,275	1,841,515
Total assets		4,055,304	4,040,932	3,349,296	3,216,794

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 2021

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	*12*	300,620	319,000	292,000	319,000
Bills of exchange	*13*	-	49,606	-	-
Trade and other payables	*2, 14*	887,407	813,565	666,949	495,653
Short-term loan from related party		626	592	-	-
Current portion of long-term liabilities					
- Restructured long-term loan	*15*	840	1,260	-	-
- Long-term loans	*16*	63,158	142,787	30,000	67,500
- Convertible debentures	*17*	-	34,465	-	34,465
- Options	*17*	-	3,889	-	3,889
- Lease liabilities	*18*	31,452	31,520	-	-
Other current financial liabilities		-	5,729	-	5,729
Income tax payable		5,402	98	-	-
Other current liabilities		59,791	61,263	8,080	11,043
Total current liabilities		1,349,296	1,463,774	997,029	937,279
Non-current liabilities					
Long-term liabilities, net current portion					
- Restructured long-term loan	*15*	21,448	21,028	-	-
- Long-term loans	*16*	71,317	8,171	30,000	-
- Lease liabilities	*18*	121,248	129,407	-	-
Provision for long-term employee benefits	*19*	293,622	289,691	276,213	272,692
Other non-current liabilities		3,559	4,683	-	-
Total non-current liabilities		511,194	452,980	306,213	272,692
Total liabilities		1,860,490	1,916,754	1,303,242	1,209,971

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 2021

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Shareholders' equity					
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		3,343	3,127	3,343	3,127
Retained earnings					
Appropriated - statutory reserve		54,418	54,418	43,418	43,418
Unappropriated		838,718	787,845	719,649	737,113
Other components of shareholders' equity		1,492	25,037	(77,362)	(85,970)
Equity attributable to owners of the Company		2,254,977	2,179,562	2,046,054	2,006,823
Non-controlling interests of the subsidiaries		(60,163)	(55,384)	-	-
Total shareholders' equity		2,194,814	2,124,178	2,046,054	2,006,823
Total liabilities and shareholders' equity		4,055,304	4,040,932	3,349,296	3,216,794

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

Directors

(Unaudited but reviewed)

Pranda Jewelry Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 31 March 2021

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

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Revenues					
Sales		505,869	599,327	391,547	516,658
Other income					
Gain on exchange		41,929	45,611	12,327	1,938
Others		10,950	8,399	11,454	8,094
Total revenues		558,748	653,337	415,328	526,690
Expenses					
Cost of sales		368,235	457,607	327,925	428,308
Selling and distribution expenses		68,082	90,176	11,433	17,375
Administrative expenses		86,495	108,727	51,769	66,180
Impairment loss on financial assets		-	-	31,540	-
Total expenses		522,812	656,510	422,667	511,863
Operating profit (loss)		35,936	(3,173)	(7,339)	14,827
Share of loss from investment in associated company		(1,120)	(1,549)	-	-
Finance income		34,571	903	-	14
Finance cost		(10,779)	(18,392)	(5,233)	(11,178)
Profit (loss) before income tax expenses		58,608	(22,211)	(12,572)	3,663
Tax expenses	*22*	(10,498)	(17,780)	(4,892)	(17,589)
Profit (loss) for the period		48,110	(39,991)	(17,464)	(13,926)
Profit (loss) attributable to:					
Equity holders of the Company (loss)		50,873	(30,217)	(17,464)	(13,926)
Non-controlling interests of the subsidiaries (loss)		(2,763)	(9,774)		
		48,110	(39,991)		
Earnings per share	*23*				
Basic earnings per share					
Profit (loss) attributable to equity holders of the Company		0.0953	(0.0618)	(0.0327)	(0.0285)

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 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Profit (loss) for the period	**48,110**	**(39,991)**	**(17,464)**	**(13,926)**
Other comprehensive income:				
Other comprehensive income to be reclassified				
to profit or loss in subsequent periods:				
Exchange differences on translation of				
financial statements in foreign currency	(34,169)	(46,474)	-	-
Other comprehensive income to be reclassified to profit				
or loss in subsequent periods	(34,169)	(46,474)	-	-
Other comprehensive income not to be reclassified				
to profit or loss in subsequent periods:				
Profit (loss) on investments in equity designated at fair value				
through other comprehensive income	8,608	(8,350)	8,608	(8,350)
Other comprehensive income not to be reclassified				
to profit or loss in subsequent periods	8,608	(8,350)	8,608	(8,350)
Other comprehensive income for the period	**(25,561)**	**(54,824)**	**8,608**	**(8,350)**
Total comprehensive income for the period	**22,549**	**(94,815)**	**(8,856)**	**(22,276)**
Total comprehensive income attributable to:				
Equity holders of the Company (loss)	27,328	(82,436)	**(8,856)**	**(22,276)**
Non-controlling interests of the subsidiaries (loss)	(4,779)	(12,379)		
	22,549	**(94,815)**		

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 2021

(Unit: Thousand Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company											
							Other components of shareholders' equity					
							Other comprehensive income					
				Deficit from	Retained earnings							
	Issued and paid-up share capital	Share premium	Capital reserve for share - based payment transactions	the change in the ownership interests of subsidiary	Appropriated - Statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in investments in equity designeted at fair value	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
Balance as at 1 January 2020	462,396	818,138	2,006	(58,428)	54,418	941,552	180,882	(83,036)	97,846	2,317,928	(186,467)	2,131,461
Loss for the period	-	-	-	-	-	(30,217)	-	-	-	(30,217)	(9,774)	(39,991)
Other comprehensive income for the period	-	-	-	-	-	-	(43,869)	(8,350)	(52,219)	(52,219)	(2,605)	(54,824)
Total comprehensive income for the period	-	-	-	-	-	(30,217)	(43,869)	(8,350)	(52,219)	(82,436)	(12,379)	(94,815)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 20)	24,314	-	-	-	-	-	-	-	-	24,314	-	24,314
Share-based payment transactions	-	-	315	-	-	-	-	-	-	315	-	315
Balance as at 31 March 2020	486,710	818,138	2,321	(58,428)	54,418	911,335	137,013	(91,386)	45,627	2,260,121	(198,846)	2,061,275
Balance as at 1 January 2021	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 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 (Note 20)	47,871	-	-	-	-	-	-	-	-	47,871	-	47,871
Share-based payment transactions	-	-	216	-	-	-	-	-	-	216	-	216
Balance as at 31 March 2021	539,027	817,979	3,343	-	54,418	838,718	78,854	(77,362)	1,492	2,254,977	(60,163)	2,194,814

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 2021

(Unit: Thousand Baht)

	Separate financial statements						
						Other components of equity	
						Other comprehensive income	
						Deficit on changes	
			Capital reserve	Retained earnings		in investments	
	Issued and paid-up		for share - based	Appropriated -		in equity designated	Total shareholders'
	share capital	Share premium	payment transactions	Statutory reserve	Unappropriated	at fair value	equity
Balance as at 1 January 2020	462,396	818,138	2,006	43,418	1,011,024	(83,036)	2,253,946
Loss for the period	-	-	-	-	(13,926)	-	(13,926)
Other comprehensive income for the period	-	-	-	-	-	(8,350)	(8,350)
Total comprehensive income for the period	-	-	-	-	(13,926)	(8,350)	(22,276)
Ordinary shares issuance from exercised warrants							
to purchase new ordinary shares (Note 20)	24,314	-	-	-	-	-	24,314
Share-based payment transactions	-	-	315	-	-	-	315
Balance as at 31 March 2020	486,710	818,138	2,321	43,418	997,098	(91,386)	2,256,299
Balance as at 1 January 2021	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 (Note 20)	47,871	-	-	-	-	-	47,871
Share-based payment transactions	-	-	216	-	-	-	216
Balance as at 31 March 2021	539,027	817,979	3,343	43,418	719,649	(77,362)	2,046,054

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 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Gain (loss) before tax	58,608	(22,211)	(12,572)	3,663
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	21,490	24,851	9,352	10,157
Write-off machinery and equipment	12	30	211	30
Impairment loss on financial assets (reversal)	(891)	12,943	27,320	(17)
Reduce cost to net realisable value of inventories (reversal)	(32,711)	6,362	727	1,511
Share of loss from investment in associated company	1,120	1,549	-	-
Loss (gain) on revalue of investment in equity	(528)	1,138	-	-
Gain from lease modification	(51)	-	-	-
Gain on sales of machinery	(80)	-	(80)	-
Long-term employee benefits expenses	5,229	5,459	4,684	4,964
Gain on convertible debentures redemption	(3,354)	-	(3,354)	-
Unrealised loss (gain) on exchange	(37,533)	14,695	15,734	(2,456)
Unrealised gain on revaluation of derivative financial instruments	(9,767)	(965)	(9,767)	(965)
Amortisation of deferred financial service fee of long-term loans	47	74	-	-
Amortisation of transaction costs of convertible debentures	-	176	-	176
Share-based payment transactions	216	315	216	315
Finance income	(34,571)	(903)	-	(14)
Finance cost	5,731	20,749	3,628	11,013
Profit (loss) from operating activities before changes in operating assets and liabilities	(27,033)	64,262	36,099	28,377
Operating assets (increase) decrease				
Trade and other receivables	111,380	182,285	59,800	112,500
Inventories	(95,870)	(176,967)	(186,599)	(122,482)
Other current financial assets	(35,000)	-	-	-
Other current assets	(6,077)	(8,058)	(3,985)	2,046
Other non-current assets	6,500	(642)	5	-
Operating liabilities increase (decrease)				
Trade and other payables	143,751	(85,304)	147,862	(176,450)
Other current liabilities	(1,349)	(7,294)	(2,965)	(15,005)
Cash paid for long-term employee benefits	(1,298)	(1,896)	(1,163)	(1,869)
Other non-current liabilities	(3,473)	86	-	-
Cash flows from (used in) operating activities	91,531	(33,528)	49,054	(172,883)
Cash paid for interest expenses	(4,772)	(18,100)	(4,801)	(10,628)
Cash paid for corporate income tax	(707)	(440)	(136)	(228)
Net cash flows from (used in) operating activities	86,052	(52,068)	44,117	(183,739)

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 2021

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from investing activities				
Acquisition for machinery and equipment	(7,827)	(5,194)	(3,574)	(2,184)
Acquisition of other intangible assets	(54)	(1,421)	(37)	(986)
Proceeds from sales of machinery	80	-	80	-
Cash paid for investment in equity designed at fair value through profit or loss	-	(3,414)	-	-
Cash receipt from interest income	279	736	113	14
Net cash flows used in investing activities	(7,522)	(9,293)	(3,418)	(3,156)
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(18,380)	27,593	(27,000)	18,600
Repayment of bills of exchange	(50,000)	-	-	-
Repayment of long-term loans	(16,756)	(16,566)	(7,500)	(7,500)
Cash paid for convertible debentures redemption	(35,000)	-	(35,000)	-
Proceeds from ordinary shares issuance from exercised warrants	47,871	24,314	47,871	24,314
Repayment of liabilities under lease agreements	(8,968)	(9,542)	-	(103)
Net cash flows from (used in) financing activities	(81,233)	25,799	(21,629)	35,311
Decrease in translation adjustment	(36,052)	(48,094)	-	-
Net increase (decrease) in cash and cash equivalents	(38,755)	(83,656)	19,070	(151,584)
Cash and cash equivalents at beginning of period	443,484	547,748	185,953	388,392
Cash and cash equivalents at end of period	404,729	464,092	205,023	236,808

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 2021

(Unit: Thousand Baht)

	Consolidated financial statements											
	Equity attributable to owners of the Company											
							Other components of shareholders' equity					
							Other comprehensive income					
				Deficit from	Retained earnings							
	Issued and paid-up share capital	Share premium	Capital reserve for share - based payment transactions	the change in the ownership interests of subsidiary	Appropriated - Statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Deficit on changes in investments in equity designeted at fair value	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
Balance as at 1 January 2020	462,396	818,138	2,006	(58,428)	54,418	941,552	180,882	(83,036)	97,846	2,317,928	(186,467)	2,131,461
Loss for the period	-	-	-	-	-	(30,217)	-	-	-	(30,217)	(9,774)	(39,991)
Other comprehensive income for the period	-	-	-	-	-	-	(43,869)	(8,350)	(52,219)	(52,219)	(2,605)	(54,824)
Total comprehensive income for the period	-	-	-	-	-	(30,217)	(43,869)	(8,350)	(52,219)	(82,436)	(12,379)	(94,815)
Ordinary shares issuance from exercised warrants to purchase new ordinary shares (Note 20)	24,314	-	-	-	-	-	-	-	-	24,314	-	24,314
Share-based payment transactions	-	-	315	-	-	-	-	-	-	315	-	315
Balance as at 31 March 2020	486,710	818,138	2,321	(58,428)	54,418	911,335	137,013	(91,386)	45,627	2,260,121	(198,846)	2,061,275
Balance as at 1 January 2021	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 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 (Note 20)	47,871	-	-	-	-	-	-	-	-	47,871	-	47,871
Share-based payment transactions	-	-	216	-	-	-	-	-	-	216	-	216
Balance as at 31 March 2021	539,027	817,979	3,343	-	54,418	838,718	78,854	(77,362)	1,492	2,254,977	(60,163)	2,194,814

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 2021

(Unit: Thousand Baht)

	Separate financial statements						
						Other components of equity	
						Other comprehensive income	
						Deficit on changes	
			Capital reserve	Retained earnings		in investments	
	Issued and paid-up		for share - based	Appropriated -		in equity designated	Total shareholders'
	share capital	Share premium	payment transactions	Statutory reserve	Unappropriated	at fair value	equity
Balance as at 1 January 2020	462,396	818,138	2,006	43,418	1,011,024	(83,036)	2,253,946
Loss for the period	-	-	-	-	(13,926)	-	(13,926)
Other comprehensive income for the period	-	-	-	-	-	(8,350)	(8,350)
Total comprehensive income for the period	-	-	-	-	(13,926)	(8,350)	(22,276)
Ordinary shares issuance from exercised warrants							
to purchase new ordinary shares (Note 20)	24,314	-	-	-	-	-	24,314
Share-based payment transactions	-	-	315	-	-	-	315
Balance as at 31 March 2020	486,710	818,138	2,321	43,418	997,098	(91,386)	2,256,299
Balance as at 1 January 2021	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 (Note 20)	47,871	-	-	-	-	-	47,871
Share-based payment transactions	-	-	216	-	-	-	216
Balance as at 31 March 2021	539,027	817,979	3,343	43,418	719,649	(77,362)	2,046,054

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 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.

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 apply the practical expedient all to rent concessions that meet the above conditions and the impact of this application, amounting to Baht 1.8 million (The Company only: None), due to changes in lease payments resulting from rent concessions, was recognised in profit or loss for the three-month period ended 31 March 2021. There was no impact on the opening balance of retained earnings.

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

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

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 31 March				
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
Transactions with subsidiaries (eliminated from the consolidated financial statements)					
Sales of goods	-	-	91	158	Normal business price close to those charged to other customers
Purchases of goods and raw materials	-	-	93	85	With reference to market price
Guarantee fee income	-	-	1	1	1 percent per annum
Service income	-	-	1	2	Agreed between the parties
Transactions with associated company					
Purchases of raw materials	30	19	30	19	With reference to market price

Transactions with the Company's

(Unit: Million Baht)

	For the three-month periods ended 31 March				
	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2021	2020	2021	2020	
directors/related companies					
Sales of goods	2	13	2	13	Normal business price close to those charged to other customers
Purchases of goods	6	12	-	6	With reference to market price
Loan interest income	-	1	-	-	Per loan agreements

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Trade accounts receivable - related parties (Note 3)				
Subsidiaries	-	-	695	645
Related companies (related by common directors)	51	50	50	49
Total	51	50	745	694
Less: Allowance for expected credit losses	(47)	(50)	(618)	(583)
Total trade accounts receivable - related parties, net	4	-	127	111
Other receivables - related parties (Note 3)				
Subsidiaries	-	-	64	57
Related companies (related by common directors)	3	3	2	2
Subsidiary and related company's directors	12	12	12	12
Total	15	15	78	71
Less: Allowance for expected credit losses	(2)	(2)	(64)	(54)
Total other receivables - related parties, net	13	13	14	17

Accrued interest income - related parties (Note 3)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (Audited)
Subsidiaries	-	-	10	10
Related company (related by common directors)	4	3	-	-
Total	4	3	10	10
Less: Allowance for expected credit losses	-	-	(10)	(10)
Total accrued interest income - related parties, net	4	3	-	-
Trade and other payables - related parties (Note 14)				
Subsidiaries	-	-	95	38
Associated company	3	-	3	-
Related companies (related by common directors)	3	5	-	-
Total trade and other payables - related parties	6	5	98	38

Loans to related parties

As at 31 March 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 financial statements		Separate financial statements	
	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (Audited)
Short-term loans to related parties				
Subsidiaries	-	-	42	42
Related companies (related by common directors)	15	15	-	-
Total	15	15	42	42
Less: Allowance for expected credit losses	-	-	(42)	(42)
Total short-term loans to related parties, net	15	15	-	-

(Unit: Million Baht)

	Separate financial statements	
	31 March 2021	31 December 2020
		(Audited)
Long-term loans to related parties		
Subsidiaries		
Long-term loans	514	496
Less: Allowance for expected credit losses	(514)	(496)
Total long-term loans to related parties, net	-	-

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 31 March 2021
PT sumberkreasi Ciptalogam	The Director is the Subsidiary's director	15	-	-	-	15
Total short-term loan		15	-	-	-	15

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 31 March 2021
H.GRINGOIRE s.a.r.l.	Subsidiary	27	-	-	-	27
PT Pranda Marketing Indonesia	Subsidiary	15	-	-	-	15
Total short-term loans		42	-	-	-	42

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)

Long-term loans	Related by	Separate financial statements: Balance as at 31 December 2020	Increase during the period	Decrease during the period	Unrealised gain on exchange	Balance as at 31 March 2021
Pranda UK Ltd.	Subsidiary	311	-	-	19	330
H.GRINGOIRE s.a.r.l.	Subsidiary	185	-	-	(1)	184
Total long-term loans		496	-	-	18	514

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

During the three-month periods ended 31 March 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 31 March			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term employee benefits	10.6	10.7	6.9	7.2
Post-employment benefits	0.3	0.1	0.3	-
Total	10.9	10.8	7.2	7.2

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 25.2.1 to the financial statements.

3. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
Trade accounts receivable - related parties		(Audited)		(Audited)
Aged on the basis of due dates				
Not yet due	1,675	3,054	20,234	32,258
Past due				
Up to 3 months	350	37	34,763	39,193
3 - 6 months	73	49	37,892	21,313
6 - 12 months	1,589	2,184	61,200	59,258
Over 12 months	47,353	44,725	590,623	542,288
Total	51,040	50,049	744,712	694,310
Less: Allowance for expected credit losses	(47,515)	(49,735)	(617,824)	(582,879)
Total trade accounts receivable - related parties, net (Note 2)	3,525	314	126,888	111,431
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	233,915	238,489	176,214	171,348
Past due				
Up to 3 months	29,421	137,743	13,719	109,691
3 - 6 months	13,816	5,200	10,191	690
6 - 12 months	3,101	10,106	422	2,568
Over 12 months	22,805	22,992	19,712	20,072
Total	303,058	414,530	220,258	304,369
Less: Allowance for expected credit losses	(42,585)	(41,400)	(37,715)	(32,931)
Total trade accounts receivable - unrelated parties, net	260,473	373,130	182,543	271,438
Total trade accounts receivable, net	263,998	373,444	309,431	382,869
Other receivables				
Other receivables - related parties (Note 2)	15,437	14,801	77,757	71,174
Other receivables - unrelated parties	3,024	3,058	313	316
Accrued interest income - related parties (Note 2)	3,542	3,167	10,413	10,416
Accrued interest income - unrelated parties	1,088	1,029	1,041	997
Accrued income	705	-	705	-
Total	23,796	22,055	90,229	82,903
Less: Allowance for expected credit losses	(4,578)	(4,434)	(77,532)	(65,284)
Total other receivables, net	19,218	17,621	12,697	17,619
Total trade and other receivables, net	283,216	391,065	322,128	400,488

4. Reduce cost to net realisable value of inventories

Movements in the reduce cost to net realisable value of inventories account for the three-month period ended 31 March 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	1,626	1,392
Less: Reversal of reduce cost to net realisable value of inventories	(34,337)	(665)
Balance as at 31 March 2021	185,518	177,795

As at 31 March 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 6.3 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 financial statements		Separate financial statements	
	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (Audited)
Debt instruments at amortised cost				
Deposit	8,971	9,257	-	-
Total debt instruments at amortised cost - net	8,971	9,257	-	-
Debt instruments at FVOCI				
Listed equity instruments	20,618	12,009	20,618	12,009
Total debt instruments at FVOCI	20,618	12,009	20,618	12,009
Total other non-current financial assets - net	29,589	21,266	20,618	12,009

7. Investments in subsidiaries

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

(Unit: Thousand Baht)

Company's name	Cost	
	31 March 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.	48,180	48,180
Primagold International Co., Ltd.	200,000	200,000
Crystaline Co., Ltd.	96,000	96,000
Pranda Lodging Co., Ltd.	41,125	41,125
Pranda Jewelry Private Limited	213,439	213,439
Total	1,092,423	1,092,423
Less: Allowance for impairment of investments	(540,539)	(540,539)
Investments in subsidiaries, net	551,884	551,884

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.

8. Investment in associated company

(Unit: Thousand Baht)

Company's name	Consolidated financial statements	
	Investment value - equity method	
	31 March 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	
	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (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 31 March 2021 and 31 December 2020 are presented below.

(Unit: Thousand Baht)

	Consolidated / Separate financial statements	
	31 March 2021	31 December 2020 (Audited)
Promissory note	46,595	46,595
Less: Allowance for expected credit losses	(46,595)	(46,595)

Other receivable, net	-	-

10. Investment properties

Movements of the investment properties account during the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	586,966	577,552
Depreciation for the period	(84)	-
Net book value as at 31 March 2021	586,882	577,552

The Company has mortgaged investment properties of the Company and a local subsidiary with a total net book value as at 31 March 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 three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2021	721,993	469,358
Acquisitions during the period - at cost	10,349	3,574
Write-off during the period - net book value as at write-off date	(12)	(12)
Depreciation for the period	(21,690)	(8,438)
Translation adjustment	2,579	-
Net book value as at 31 March 2021	713,219	464,882

The Group has mortgaged its property, plant and equipment with a total net book value as at 31 March 2021 amounting to approximately Baht 395 million (31 December 2020: Baht 398 million) as collateral against credit facilities received from commercial banks (The Company only: Baht 346 million (31 December 2020: Baht 350 million)).

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

(Unit: Thousand Baht)

	Interest rate (percent per annum)		Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)		(Audited)
Bank overdrafts	9.10	-	8,620	-	-	-
Short-term loans from financial institutions	2.50 - 2.75	2.50 - 2.75	292,000	319,000	292,000	319,000
Total			300,620	319,000	292,000	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 31 March 2021	-

14. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020 (Audited)	31 March 2021	31 December 2020 (Audited)
Trade and other payables - related parties (Note 2)	5,705	5,300	97,623	37,881
Trade payables - unrelated parties	824,600	740,031	548,867	430,474
Other payables - unrelated parties	6,494	7,252	1,954	2,166
Accrued expenses	50,608	60,982	18,505	25,132
Total trade and other payables	887,407	813,565	666,949	495,653

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 schedules 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 31 March 2021 are as follows:

(Unit: Thousand)

	Consolidated financial statements	
	31 March 2021	31 December 2020 (Audited)
Long-term loan	22,288	22,288
Less: Current portion of long-term loan	(840)	(1,260)
Long-term loan, net of current portion	21,448	21,028

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.

16. Long-term loans

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
		(Audited)		(Audited)
Long-term loans	134,900	151,431	60,000	67,500
Less: Deferred financial service fee	(425)	(473)	-	-
Long-term loans - net of deferred financial service fee	134,475	150,958	60,000	67,500
Less: Current portion, net	(63,158)	(142,787)	(30,000)	(67,500)
Long-term loans - net of current portion, net	71,317	8,171	30,000	-

Movements in the long-term loans account during the three-month period ended 31 March 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2021	150,958	67,500
Add: Amortisation of deferred financial service fee	47	-
Less: Repayment	(16,756)	(7,500)
Translation adjustment	226	-
Balance as at 31 March 2021	134,475	60,000

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.

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 subsidiay

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.

17. Convertible debentures/Options

On 29 January 2018, the Extraordinary Shareholder's Meeting of the Company passed a resolution to approve on issuance and offering of the convertible debentures on a private placement basis in the amount of not exceeding Baht 500 million to Advance Opportunities Fund I. Details of the Company's convertible debentures are as follows:

Issuer of convertible debentures	Pranda Jewelry Public Company Limited
Total Principal amount of convertible debentures	Not exceeding Baht 500 million divided into 3 tranches as follows: 1) Tranche 1 Convertible debentures in the amount of not exceeding Baht 100 million divided into 20 equal sub-tranches, each of which is Baht 5 million. 2) Tranche 2 Convertible debentures in the amount of not exceeding Baht 200 million divided into 40 equal sub-tranches, each of which is Baht 5 million. 3) Tranche 3 Convertible debentures in the amount of not exceeding Baht 200 million divided into 20 equal sub-tranches, each of which is Baht 10 million.
Issuance of convertible debentures	The period to issue the convertible debentures pursuant to the relevant rules is one year from the date the shareholders' meeting approves to issue the convertible debentures. The Company will issue the convertible debentures when the Company has sold the redeemed shares not having been sold under the share redemption project disseminated by the Company on 14 October 2015 or upon expiration of the period of sale of the said redeemed shares.
Interest rate	1 percent per annum.
Maturity	Each tranche of the convertible debentures will have the period of 3 years upon the issuing date of the convertible debentures or any other period as determined by the Chairman of the Executive Committee or the person assigned by the Chairman of the Executive Committee depending on the market conditions at the time of issuing and offering of the convertible debentures each time.
Principal Repayment	Repayment in installments or in one installment upon maturity in accordance with the terms and conditions of the convertible debentures.

Conversion Price	90 percent of weighted average price per share of the Company shares for not less than 7 consecutive business days but not exceeding 15 consecutive business days immediately preceding the relevant exercise date.

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 31 March 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 31 March 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.

18. Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements	
	31 March 2021	31 December 2020
		(Audited)
Lease liabilities	173,652	183,396
Less: Deferred interest expenses	(20,952)	(22,469)
Total	152,700	160,927
Less: Portion due within one year	(31,452)	(31,520)
Lease liabilities - net of current portion	121,248	129,407

19. Provision for long-term employee benefits

Movement in the provision for long-term employee benefit account during the three-month period ended 31 March 2021 are summrised 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	3,910	277	4,187
Interest cost	1,014	28	1,042
Benefits paid during the period	(1,223)	(75)	(1,298)
Balances as at 31 March 2021	283,210	10,412	293,622

(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	3,459	233	3,692
Interest cost	960	32	992
Benefits paid during the period	(1,163)	-	(1,163)
Balances as at 31 March 2021	266,686	9,527	276,213

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 31 March 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 31 March 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.

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 31 March 2021, the Company has the unissued warrants of ESOP totaling 1,860,000 units.

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 three-month periods ended 31 March 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Issued and paid-up share capital		Share premium	
	2021	2020	2021	2020
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	-	-
Total	47,871	24,314	-	-
Balance as at 31 March	539,027	486,710	817,979	818,138

22. 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.

Tax expenses for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Current income tax:				
Interim corporate income tax charge	5,813	18,267	-	18,050
Deferred tax:				
Relating to origination and reversal of temporary differences	4,685	(487)	4,892	(461)
Tax expenses reported in the profit or loss	10,498	17,780	4,892	17,589

23. Earnings per share

Basic earnings per share is calculated by dividing profit (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 period ended 31 March 2020 have been recalculated as follow;

Diluted earnings per share is calculated by dividing profit (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 periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Basic earnings per share				
Profit (loss) attributable to equity holders of the Company (Thousand Baht)	50,873	(30,217)	(17,464)	(13,926)
Weighted average number of ordinary shares (Thousand shares)	533,660	489,297	533,660	489,297
Profit (loss) per share (Baht per share)	0.0953	(0.0618)	(0.0327)	(0.0285)

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 period ended 31 March 2021.

Therefore, the Company has not included the conversion of these warrants in the calculation of diluted earnings per share.

24. 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 periods ended 31 March 2021 and 2020.

(Unit: Million Baht)

For the three-month periods ended 31 March

	Production		Distribution		Retail		Others		Total Segments		Eliminations		Consolidated	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues														
Revenues from external customers	301	362	24	41	181	196	-	-	506	599	-	-	506	599
Revenues from intersegment	91	157	54	-	39	84	-	-	184	241	(184)	(241)	-	-
Total revenues	392	519	78	41	220	280	-	-	690	840	(184)	(241)	506	599
Results														
Segment loss	(7)	(6)	(5)	(13)	(3)	(20)	(2)	(1)	(17)	(40)	(2)	(17)	(19)	(57)
Unallocated revenues and expenses														
Gain on exchange rate													42	46
Other income													11	8
Share of loss from investment in associated company													(1)	(2)
Finance income													35	1
Finance cost													(9)	(18)
Profit (loss) before income tax expenses													59	(22)
Tax expenses													(11)	(18)
Profit (loss) for the period													48	(40)

25. Commitments and contingent liabilities

25.1 Capital commitments

As at 31 March 2021, the Group had capital commitments of Baht 1 million and INR 12 million, totaling of Baht 6 million, relating to acquisition of computer software and building improvements (The Company only: Baht 1 million).

25.2 Guarantees

25.2.1 The Company has issued guarantees to secure bank overdrafts and credit facilities of its subsidiary. As at 31 March 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 704 million (31 December 2020: Baht 685 million).

25.2.2 As at 31 March 2021, there were outstanding bank guarantees of Baht 6.8 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 6.6 million (31 December 2020: Baht 6.6 million)).

25.2.3 As at 31 March 2021, the Group has outstanding standby-letters of credit of USD 30.3 million, or approximately Baht 948 million (31 December 2020: USD 30.3 million or totaling Baht 909 million) (The Company only: USD 17 million, totaling of Baht 532 million (31 December 2020: USD 17 million, or approximately Baht 510 million)).

25.3 Litigation

25.3.1 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 record any provision for damages in its accounts.

25.3.2 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.

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.

26. Financial Instrument

26.1 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.

26.2 Fair value hierarchy

As at 31 March 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 31 March 2021		
	Level 1	Level 2	**Total**
Financial assets measured at fair value			
Investments in equity designed at fair value through profit or loss	3	-	**3**
Investments in equity designed at fair value through other comprehensive income	21	-	**21**
Derivative financial instruments	-	4	**4**

(Unit: Million Baht)

	Consolidated Financial Statements		
	As at 31 December 2020		
	Level 1	Level 2	**Total**
Assets measured at fair value			
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**
Liabilities measured at fair value			
Options	4	-	**4**
Derivative financial instruments	-	6	**6**

(Unit: Million Baht)

	Separate Financial Statements		
	As at 31 March 2021		
	Level 1	Level 2	**Total**
Assets measured at fair value			
Investments in equity designed at fair value through other comprehensive income	21	-	**21**
Derivative financial instruments	-	4	**4**

(Unit: Million Baht)

	Separate Financial Statements		
	As at 31 December 2020		
	Level 1	Level 2	**Total**
Assets measured at fair value			
Investments in equity designed at fair value through other comprehensive income	12	-	**12**
Liabilities measured at fair value			
Options	4	-	**4**
Derivative financial instruments	-	6	**6**

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

26.3 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	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020	31 March 2021	31 December 2020
US Dollar	10	12	24	23	30	33	17	13
Euro	-	-	-	-	11	9	-	-
Pound Sterling	-	-	-	-	8	10	-	-

Foreign currencies	Average exchange rate as at	
	31 March 2021	31 December 2020
	(Baht per 1 foreign currency unit)	
US Dollar	31.29	29.99
Euro	42.98	40.56
Pound Sterling	36.65	36.82
Indonesian Rupiah	0.0021	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.

27. Events after the reporting period

- 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 100.00% interest, in accordance with the resolution to increase its registered of the Meeting of Board of Directors of subsidiary held on 19 November 2020.
- 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. The Company will pay and record such dividend in the second quarter of the current year.
- On 22 April 2021, the Extraordinary General Meeting of the shareholders of a local subsidiary, Crystaline Co.,Ltd., passed a resolution approving the reduction of its registered share capital by Baht 70 million, from Baht 100 million to Baht 30 million by reducing the par value of the shares from Baht 100 to Baht 30 per share, and the amendment to Clause 5 of the Memorandum of Association (Registered Capital) to be in line with the capital decrease.
- On 7 May 2021, the Board of Directors of a local subsidiary, Pranda Lodging Company Limited, passed a resolution to propose the reduction of its registered share capital by Baht 35 million, from Baht 50 million to Baht 15 million. The subsidiary will register the reduction of registered share capital after being approved by the Extraordinary General Meeting of shareholders.

28. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 May 2021.