

Sor Lor 002/2025

February 27, 2025

Subject : Management's Discussion and Analysis for the Fourth Quarter and twelve-month period of 2024.

To : The President  
The Stock Exchange of Thailand (SET)

Pranda Jewelry Public Company Limited would like to notify the operating result stated in consolidated financial statements for the Fourth Quarter and twelve-month period ended on December 31, 2024 which compared to the same period of 2023.

For the operating result of Fourth Quarter ended on December 31, 2024 compared with the same period of 2023. There is a profit on equity holders of the company at the amount of Baht 69.35 million compared to the same period of previous year that the company had profit on equity holders at Baht 116.58 million or decreased by (40.51%). The Statement of Comprehensive Income in brief is presented as follows:

	Unit: Million Baht		
	October - December		
	2024	2023	Change (%)
Revenue from Sales	863.13	1,119.99	(22.93%)
Cost of sales	689.56	846.77	(18.57%)
Gross profit	173.57	273.22	(36.47%)
Gross profit margin	20.11%	24.39%	(17.55%)
Selling and administrative expenses	168.39	170.80	(1.41%)
Operating profit (Loss)	5.18	102.42	(94.94%)
Finance cost	10.59	9.28	14.12%
Gain (Loss) on exchange rate	9.17	(7.01)	230.81%
Other items (expenses)	17.50	4.77	266.88%
Gain (Loss) on market price of raw material	1.70	(31.28)	(105.43%)
Tax income (expenses)	49.48	63.05	21.52%
Non-controlling interests of the subsidiaries (loss)	3.09	6.09	(49.26%)
Profit (Loss) on equity holders of the Company	69.35	116.58	(40.51%)

Pranda Group has revenue of Baht 863.13 million compared to the same period of previous year Baht at 1,119.99 million or decreased by 22.93%.

The main factor come from sales from production business, which accounts for 68% of total revenue, decreased by 28% compared with same period of previous year. Due to customers delaying orders as gold prices volatility together with the uncertainty of economic policies and strategic direction of the U.S. presidential election.

Revenue from Omni-channel business, which accounts for 32% of total revenue, decreased by 11% compared with same period of previous year. This decrease is mainly due to gold price volatility, which resulted in Thai customers to postpone spending

For the fourth quarter of 2024, Pranda Group has gross profit at Baht 173.57 million while same period of previous year had 24.39% primary reason come from decreased sales from production business during quarter. As a result, Pranda Group has overall gross profit margin at 20.11%.

As aforementioned earlier, Pranda Group has operating profit in the fourth quarter of 2024 at Baht 5.18 million compared with previous year which had profit at Baht 102.42 million.

Pranda Group has finance cost at Baht 10.59 million compared to the same period of previous year which was at Baht 9.28 million or increased by 14.12% due to higher interest rates compared with same period of 2023. Also, as of the end of fourth quarter of 2024, Pranda Group's short-term loan from financial institutions for raw material procurement have increased compared to the same period of previous year.

In fourth quarter of 2024, Pranda Group has gain on exchange rate at the amount of Baht 9.17 million compared to the same period of previous year which had loss on exchange rate at Baht (7.01) million mostly gain on exchange rate from US Dollar currency with high fluctuation and depreciated during fourth quarter 2024 compared with Baht currency. The gain is divided into unrealized gain on exchange rate Baht 8.43 million and realized gain on exchange rate Baht 0.74 million.

Other items has at Baht 17.50 million compared to the same period of previous year which had other items at Baht 4.77 million or increased by 266.88% mainly came from reversal provision on financial assets (Doubtful debt) during fourth quarter 2024.

In fourth quarter of 2024, Pranda Group has gain on market price of raw material at Baht 1.70 million compared to same period of previous year which had loss Baht (31.28) million which divided into unrealized gain Baht 15.66 million and realized loss Baht (13.96) million mainly due to market price of raw material decreased (1%) during fourth quarter 2024. While, market price of raw material increased 11% during fourth quarter 2023.

Pranda Group has income tax revenue Baht 49.48 million mainly come from deferred tax income Baht 50.33 million, resulting from the company recognizing tax benefits expected to be utilized in future.

In summary, Pranda Group has made profit on equity holders of the company at Baht 69.35 million compared to the same period of previous year which had made profit Baht 116.58 million.

For the operating result of twelve-month ended December 31, 2024 compared with the same period of 2023. There is a loss on equity holders of the company at the amount of Baht (9.50) million compared to the same period of previous year that the company had profit on equity holders at Baht 63.53 million or decreased by 114.95%. The Statement of Comprehensive Income in brief is presented as follows:

	Unit: Million Baht		
	January - December		
	2024	2023	Change (%)
Revenue from Sales	3,886.68	3,411.49	13.93%
Cost of sales	3,087.38	2,650.95	16.46%
Gross profit	799.30	760.54	5.10%
Gross profit margin	20.57%	22.29%	(7.72%)
Selling and administrative expenses	672.98	651.41	3.31%
Operating profit (Loss)	126.32	109.13	15.75%
Finance cost	41.78	30.88	35.30%
Gain (Loss) on exchange rate	(22.32)	(14.50)	53.93%
Other items (expenses)	41.93	23.20	80.73%
Gain (Loss) on market price of raw material	(135.50)	(46.59)	190.83%
Tax income (expenses)	39.96	41.83	(4.47%)
Non-controlling interests of the subsidiaries (loss)	18.11	18.66	(2.95%)
Profit (Loss) on equity holders of the Company	(9.50)	63.53	(114.95%)

Pranda Group has revenue of Baht 3,886.68 million compared to the same period of previous year Baht at 3,411.49 million or increased by 13.93%.

The main factor come from sales from production business, which accounts for 74% of total revenue, increased by 17% compared with same period of previous year due to received project order from domestic organization during year and increase orders from key customers in Europe and America.

Revenue from production business includes sales of raw material - gold Baht 582.57 million. Excluding this revenue, overall sales in production business would have decreased by 4% compared to the previous year. The gross profit margin would as follows:

	Consolidated financial statements 2024	Separate financial statements 2024
	Unit : million Baht	
Sales of raw materials - gold	582.57	582.57
Net Sales	3,304.11	2,606.83
Gross profit margin	24.11%	15.19%

While revenue in Omni-channel business, which accounts for 26% of total revenue, increased by 6% compared with same period of previous year mainly attributed to distribution channel in India have continued to grow.

For the twelve-month period of 2024, the company has gross profit of Baht 799.30 million lower than same period of previous year which was at 22.29% mainly come from sales in production business has high gold jewelry order resulted in low gross profit margin than same period of previous year. Therefore, Pranda Group has overall gross profit margin at 20.57%. Excluding sales of gold raw material as aforementioned earlier, the company's gross profit margin would be 24.11%.

As aforementioned earlier, Pranda Group has operating profit in twelve-month period of 2024 at Baht 126.32 million compared with previous year which had profit at Baht 109.13 million.

Pranda Group has finance cost at Baht 41.78 million compared with same period of previous year which was at Baht 30.88 million or increased by 35.30% due to high interest rate compared with same period of 2023. Also, as of year-end of 2024, Pranda Group's short-term loan from financial institutions for raw material procurement have increased compared to the same period of previous year.

For the twelve-month period of 2024, Pranda Group has loss on exchange rate at the amount of Baht (22.32) million compared to the same period of previous year which had loss on exchange rate at Baht (14.50) million mostly loss on exchange rate in US Dollar currency with high fluctuation and depreciated during this quarter compared with Baht currency which divided into unrealized loss on exchange rate Baht (36.78) million and realized gain on exchange rate Baht 14.46 million.

Other items has at Baht 41.93 million compared to the same period of previous year which had other items at Baht 23.20 million or increased by 80.73% mainly came from reversal provision on financial assets (Doubtful debt).

For the twelve-month period of 2024, Pranda Group has loss on market price of raw material at Baht (135.50) million compared to same period of previous year which had loss Baht (46.59) million. The loss is divided into unrealized loss Baht (87.23) million and realized loss Baht (48.27) million mainly due to market price of raw material as of the end of the year 2024 increased more than same period of previous year.

Pranda Group has tax expense Baht 39.96 million for the twelve-month period of 2024 mainly come from deferred tax income Baht 40.81 million, resulting from the company recognizing tax benefits expected to be utilized in future.

In summary, Pranda Group has made loss on equity holders of the company at Baht (9.50) million compared with the same period of previous year which had made profit Baht 63.53 million.

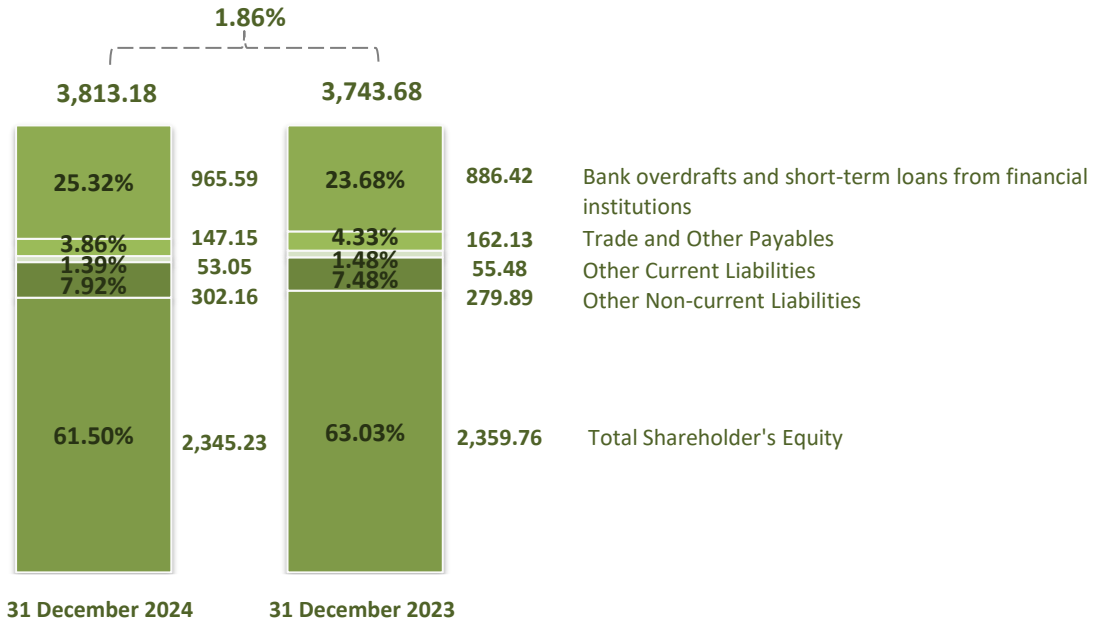
For statement of financial position as at December 31, 2024, changes as compared to December 31, 2023 as followed:

	Total Assets		Unit : Million Baht	
	1.86%			
	3,813.18	3,743.68		
Cash and cash equivalents	8.61%	328.34	11.67%	436.92
Trade and other receivables	9.48%	361.36	9.36%	350.47
Inventories	42.50%	1,620.74	40.06%	1,499.54
Other current asset	1.77%	67.53	1.38%	51.73
Investment Properties	15.48%	590.23	15.79%	591.11
Property, plant and equipment	15.47%	589.73	15.95%	597.21
Other non-current asset	6.69%	255.25	5.79%	216.70
	31 December 2024	31 December 2023		

The group's total assets as of December 31, 2024 are at Baht 3,813.18 million increased by Baht 69.50 million or 1.86% compared to December 31, 2023. This increase in total assets are primarily due to increasing on work in process inventory in production which is being produced to deliver to customers in the next quarter together with cash and cash equivalents decreased as a result of improved cash management policy.

**Total Liabilities and Shareholders' Equity**

Unit : Million Baht



The group's total liabilities and shareholders' equity as of December 31, 2024 are at Baht 3,813.18 million increased by Baht 69.50 million or 1.86% compared to December 31, 2023. This increase primarily resulted from increased short-term loans from material purchases for production lines to fulfill customer orders in the next quarter.

Cash flow statement for the period ended December 31, 2024, Pranda Group has cash and cash equivalents at Baht (108.59) million while same period of previous year had cash and cash equivalents at Baht 194.24 million as details follow:

	Unit: Million Baht	
	January – December	
	2024	2023
Cash Flow from Operating Activities	(6.92)	160.71
Cash Flow from Investing Activities	(28.78)	(47.98)
Cash Flow from Financing Activities	(119.11)	96.20
Increase in Translation Adjustment	46.22	(14.69)
Net Cash Flow	<u>(108.59)</u>	<u>194.24</u>

The Company's Cash Inflow used in Operating Activities period ended December 31, 2024 is at Baht (6.92) million mainly due to Pranda Group has profit from operation after adjustment to reconcile of non-cash transactions Baht 202.49 million, cash used in inventory increased Baht 105.46 million, other current assets Baht 15.38 million, paid trade and other payables Baht 28.39 million, paid for long-term employee benefits Baht 20.89 million and paid for interest expense Baht 40.28 million.

Net Cash Outflow used in Investing Activities period ended December 31, 2024 is at (28.78) million generally due to purchasing fixed assets for operating working capital in Pranda Group.

Net Cash Outflow used in Financing Activities period ended December 31, 2024 is at Baht (119.11) million mainly came from net repayment short-term loans Baht 32.06 million and dividend payment Baht 59.28 million.

Please be informed accordingly.

Yours Sincerely

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