

Separate Interim Financial Statements

For the three month period ended 31 March 2019

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1. GENERAL INFORMATION

The company

Phu Nhuan Jewelry Joint Stock Company (the "Company") was incorporated in Vietnam, under the Business Registration Certificate No. 0300521758 issued by the Department of Planning and Investment of Ho Chi Minh City on 2 January 2004, as amended.

The Company has been listed on the Ho Chi Minh City Stock Exchange ("HOSE") with PNJ code from 23 March 2009 pursuant to Decision No.129/DKNY issued by the General Director of HOSE on 26 December 2008.

The Company's principal activities are to trade gold, silver, jewelry and gemstones, and to import and export jewelry in gold, silver and gemstones.

The Parent Company's head office is located at 170E Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam.

THE BOARDS OF MANAGEMENT, SUPERVISORS AND DIRECTORS

The members of the Boards of Management and Directors and Supervisors of the Company who held office during the period and to the date of this report are as follows:

Board of Management

Ms. Cao Thi Ngoc Dung	Chairwoman
Mr. Le Tri Thong	Vice Chairman
Ms. Pham Thi My Hanh	Member
Ms. Pham Vu Thanh Giang	Member
Ms. Huynh Thi Xuan Lien	Member
Mr. Le Huu Hanh	Member
Mr. Le Quang Phuc	Member
Mr. Robert Alan Willett	Member

Board of Supervisors

Mr. Nguyen Thanh Du	Head of Board of Supervisors
Ms. Nguyen Ngoc Hue	Member
Mr. Le Anh Duc	Member

Board of Executives

Mr. Le Tri Thong	General Director
Ms. Dang Thi Lai	Chief Operating Officer cum Director of Finance-Operation
Ms. Tran Thi Thu Ha	Director of Retail
Ms. Nguyen Hoang Anh	Director of Marketing
Mr. Nguyen Hoang Chau	Director of Supply Chain
Mr. Dao Trung Kien	Director of Strategy
Mr. Nguyen Ngoc Tran	Director of Information Technology
Mr. Nguyen Anh Hung	Director of Human Resources
Mr. Duong Quang Hai	Chief Accountant

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr. Le Tri Thong.

BALANCE SHEET
As at 31 March 2019

Unit: VND

	ASSETS	Code	Notes	31/03/2019	31/12/2018
A	CURRENT ASSETS	100		4,752,921,254,869	5,172,072,214,871
I	Cash and cash equivalents	110	(1)	50,220,125,397	150,227,254,450
1	Cash	111		50,220,125,397	150,227,254,450
II	Current financial investment	120		-	-
III	Current accounts receivable	130		890,354,383,113	133,581,413,665
1	Trade receivables	131	(3)	799,349,213,766	51,684,182,829
2	Advances to suppliers	132		51,722,500,392	42,171,662,231
5	Short term lending	135		30,000,000,000	6,000,000,000
6	Other receivables	136	(4)	9,214,005,179	33,438,622,170
8	Shortage of assets pending resolution	139		68,663,776	286,946,435
IV	Inventories	140	(5)	3,762,765,046,052	4,819,866,729,341
1	Inventories	141		3,762,765,046,052	4,819,866,729,341
V	Other current assets	150		49,581,700,307	68,396,817,415
1	Short-term prepaid expenses	151	(6)	49,069,161,442	62,020,524,945
3	Tax and other receivables from the State	153	(7)	512,538,865	6,376,292,470
B	NON-CURRENT ASSETS	200		1,137,863,099,868	1,095,501,183,218
I	Non-current account receivables	210		57,275,418,211	55,045,824,370
6	Other non-current receivables	216	(4)	57,275,418,211	55,045,824,370
II	Fixed assets	220		632,434,047,988	635,701,823,366
1	Tangible fixed assets	221	(8)	142,031,063,331	142,375,118,468
	- Cost	222		249,231,872,864	245,706,665,538
	- Accumulated depreciation (*)	223		(107,200,809,533)	(103,331,547,070)
3	Intangible fixed assets	227	(9)	490,402,984,657	493,326,704,898
	- Cost	228		499,937,407,873	499,937,407,873
	- Accumulated amortization (*)	229		(9,534,423,216)	(6,610,702,975)
IV	Non-current assets in progress	240	(10)	112,614,422,236	67,983,789,990
2	Construction in progress	242		112,614,422,236	67,983,789,990
V	Long-term investments	250	(2)	160,000,000,000	160,000,000,000
1	Investments in subsidiaries	251		160,000,000,000	160,000,000,000
3	Other long-term investments	253		395,271,613,400	395,271,613,400
4	Provision for long-term investments	254		(395,271,613,400)	(395,271,613,400)
VI	Other long-term assets	260		175,539,211,433	176,769,745,492
1	Long-term prepaid expenses	261	(6)	90,187,386,595	91,417,920,654
2	Deferred tax assets	262		85,351,824,838	85,351,824,838
	TOTAL ASSETS (270=100+200)	270		5,890,784,354,737	6,267,573,398,089

PHU NHUAN JEWELRY JOINT STOCK COMPANY
BALANCE SHEET (Continued)

FORM B 01-DN

As at 31 March 2019

Unit: VND

	RESOURCES	Code	Notes	31/03/2019	31/12/2018
C	LIABILITIES	300		1,873,763,155,512	2,543,666,800,727
I	Current liabilities	310		1,862,334,133,512	2,531,807,778,727
1	Trade payables	311	(12)	200,370,064,139	465,422,796,887
2	Advances from customers	312		55,049,106,129	52,773,513,870
3	Statutory obligations	313	(7)	176,109,486,635	140,710,949,415
4	Payables to employees	314		130,699,832,432	188,482,808,253
5	Accrued expenses	315		83,592,833,504	10,106,931,424
9	Other payables	319	(13)	44,843,483,099	41,529,698,782
10	Short-term loans	320	(11)	1,115,495,374,698	1,570,482,498,026
12	Bonus and welfare fund	322		56,173,952,876	62,298,582,070
II	Non-current liabilities	330		11,429,022,000	11,859,022,000
7	Other long-term liabilities	337	(13)	598,026,000	628,026,000
8	Long-term loans	338	(11)	7,400,000,000	7,800,000,000
12	Long-term provisions	342		3,430,996,000	3,430,996,000
D	EQUITY	400		4,017,021,199,225	3,723,906,597,362
I	Owner's equity	410	(14)	4,017,021,199,225	3,723,906,597,362
1	Owner's contributed capital	411		1,670,029,820,000	1,670,029,820,000
2	Share premium	412		925,397,862,458	925,397,862,458
5	Treasury shares (*)	415		(7,090,000)	(7,090,000)
8	Investment and development fund	418		265,087,556,918	265,087,556,918
11	Retained earnings	421		1,156,513,049,849	863,398,447,986
	- Retained profits brought forward	421a		729,796,629,586	84,296,154,226
	- Retained profits for the current period	421b		426,716,420,263	779,102,293,760
	TOTAL RESOURCES (440=300+400)	440		5,890,784,354,737	6,267,573,398,089

OFF BALANCE SHEET ITEM

	31/03/2019	31/12/2018
Foreign currencies:		
- United States dollar (USD)	65,481	77,195
- Gold taels (mace)	13,721	8,900
- Australian Dollar (AUD)	465	460
- Euro Dollar (EUR)	1,724	1,726



Nguyen Thanh Dat
Preparer



Duong Quang Hai
Chief Accountant




Le Tri Thong
General Director
18 April 2019

INCOME STATEMENT

For the three-month period ended 31 March 2019

Unit: VND

No	ITEMS	Code	Notes	Three-month period ended		Accumulated year	
				31/03/2019	31/03/2018	Current year	Period year
1	Gross revenue from sale of goods and services rendered	01		4,421,600,209,002	4,152,187,401,452	4,421,600,209,002	4,152,187,401,452
2	Deductions	02		37,092,231,636	26,999,709,850	37,092,231,636	26,999,709,850
3	Net revenue from sale of goods and services rendered	10		4,384,507,977,366	4,125,187,691,602	4,384,507,977,366	4,125,187,691,602
4	Cost of goods sold and services rendered	11		3,390,589,791,657	3,364,545,666,630	3,390,589,791,657	3,364,545,666,630
5	Gross profit from sale of goods and services rendered	20		993,918,185,709	760,642,024,972	993,918,185,709	760,642,024,972
6	Finance income	21		990,277,748	5,990,816,429	990,277,748	5,990,816,429
7	Finance expenses	22		24,257,618,380	14,148,533,182	24,257,618,380	14,148,533,182
	- In which: Interest expense	23		23,985,183,436	13,718,171,796	23,985,183,436	13,718,171,796
8	Selling expenses	25		337,797,336,001	276,429,668,418	337,797,336,001	276,429,668,418
9	General and administrative expenses	26		98,330,071,626	58,782,765,348	98,330,071,626	58,782,765,348
10	Operating profit	30		534,523,437,450	417,271,874,453	534,523,437,450	417,271,874,453
11	Other income	31		2,679,392,480	1,057,572,840	2,679,392,480	1,057,572,840
12	Other expenses	32		2,898,070,584	130,418,904	2,898,070,584	130,418,904
13	Other profit	40		(218,678,104)	927,153,936	(218,678,104)	927,153,936
14	Accounting profit before tax	50		534,304,759,346	418,199,028,389	534,304,759,346	418,199,028,389
15	Current corporate income tax expense	51		107,588,339,083	83,807,685,032	107,588,339,083	83,807,685,032
17	Net profit after corporate income tax	60		426,716,420,263	334,391,343,357	426,716,420,263	334,391,343,357
18	Earning per share	70		2,555	3,093	2,555	3,093



Nguyen Thanh Dat
Preparer



Duong Quang Hai
Chief Accountant



Le Tri Thong
General Director
18 April 2019

CASH FLOW STATEMENT

For the three- month period ended 31 March 2019

Unit: VND

No.	ITEMS	Code	Three - month period ended	
			31/03/2019	31/03/2018
I	CASH FLOWS FROM OPERATING ACTIVITIES			
1	Profit before tax	01	534,304,759,346	418,199,028,389
2	Adjustment for			
	- Depreciation and amortization	02	6,792,982,704	9,720,871,023
	- (Gain)/loss from investing activities	05	(990,277,748)	(5,892,954,659)
	- Interest expense	06	23,985,183,436	13,718,171,796
3	Operating profit before changes in working capital	08	564,092,647,738	435,745,116,549
	- (Increase)/Decrease in receivables	09	(753,138,809,684)	(32,277,490,890)
	- Increase in inventories	10	1,057,101,683,289	(203,505,305,677)
	- Increase in payables	11	(219,952,050,750)	62,990,656,145
	- Increase in prepaid expenses	12	14,181,897,562	(4,384,121,975)
	- Interest paid	14	(24,278,144,058)	(13,621,293,461)
	- Corporate income tax paid	15	(83,370,175,078)	(86,982,268,924)
	- Other cash inflows from operating activities	16	1,841,002,028	
	- Other cash outflows from operating activities	17	-	(658,586,465)
	Net cash flows (used in) from operating activities	20	556,478,051,047	157,306,705,302
II	CASH FLOWS FROM INVESTING ACTIVITIES			
1	Acquisition and construction of fixed assets	21	(49,021,552,602)	(216,065,571,717)
2	Proceeds from sale, disposals of fixed assets	22	474,565,816	100,000,000
3	Payments for granting loans	23	(24,000,000,000)	-
4	Receipt from collection loans from other entities	24	-	160,000,000,000
7	Interest earned and dividends received	27	990,277,748	5,892,954,659
	Net cash flows from (used in) investing activities	30	(71,556,709,038)	(50,072,617,058)
III	CASH FLOWS FROM FINANCING ACTIVITIES			
3	Drawdown of borrowings	33	972,459,994,757	1,147,089,495,620
4	Repayment of borrowings	34	(1,427,789,666,459)	(1,261,451,068,707)
6	Dividends paid	36	(129,598,799,360)	(83,756,116,880)
	Net cash flows used in financing activities	40	(584,928,471,062)	(198,117,689,967)
	Net decrease in cash and cash equivalents	50	(100,007,129,053)	(90,883,601,723)
	Cash and cash equivalents at beginning of period	60	150,227,254,450	167,814,376,098
	Cash and cash equivalents at end of period	70	50,220,125,397	76,930,774,375


 Nguyen Thanh Dat
 Preparer


 Duong Quang Hai
 Chief Accountant


 Le Tri Thong
 General Director
 18 April 2019



I. CORPORATE INFORMATION

Phu Nhuan Jewelry Joint Stock Company (the "Company") was incorporated in Vietnam, under the Business Registration Certificate No. 0300521758 issued by the Department of Planning and Investment of Ho Chi Minh City on 2 January 2004, as amended.

Operating industry and principal activities

The Company's principal activities are to trade gold, silver, jewelry and gemstones, and to import and export jewelry in gold, silver and gemstones.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

The Company's head office is located at 170E Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam.

The number of employees as at 31 March 2019 was 4,497 (as at 31 December 2018: 4,458). The number of employees moved to PNJP company was 1,370.

As at 31 March 2019, the Company's subsidiaries were:

- CAO Fashion Company Limited (CAF) – Subsidiary
- PNJ Laboratory Company Limited (PNJL) – Subsidiary
- Customer Era Company Limited (CECL)– Subsidiary
- PNJ Jewelry Production and Trading Company Limited (PNJP)– Subsidiary

As at 31 March 2019, the Company has also fifty-two (52) branches and three hundred seventeen (317) retail shops located in various provinces and cities in Vietnam, in which, the big branches were:

- Branch of Phu Nhuan Jewelry Joint Stock Company- Ha Noi Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Da Nang Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Can Tho Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Tay Nguyen Branch
- Branch of Phu Nhuan Jewelry Joint Stock Company- Bien Hoa Branch

II. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying separate financial statements are presented to reflect the balance sheet as at 31 March 2019, the income statement and separate cash flow statements for the period then ended. Therefore, the Company does not consolidate the investments in subsidiaries in the separate financial statements. The Company's investments are recognized under the accounting policies presented on Note 5 below.

The accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

III. ADOPTION OF NEW ACCOUNTING GUIDANCE

On 21 March 2016, the Ministry of Finance issued Circular No. 53/2016/TT-BTC ("Circular 53") amending and supplementing certain articles of Circular No.200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises. Circular 53 is effective for the financial years beginning on or after 01 January 2016. The Board of Directors has adopted Circular 53 in the preparation and presentation of the Company's financial statements for the period ended 31 March 2019.

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits.

Held-to-maturity investments are recognised at acquisition date and initially stated at cost and any directly attributable costs. Interests in held-to-maturity investments after acquisition is recognised in the income statement based on accrual basis. Other interests received before acquisition date are deducted from the cost of the investments.

Held-to-maturity investments are carried at cost less provision for impairment.

Provisions for impairment of held-to-maturity investments are made in accordance with prevailing accounting regulations

Investments in subsidiaries, joint ventures, associates

Investment in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Interests in subsidiaries, joint ventures and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other

distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any).

Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

Provisions for impairment of investments

Provisions for impairment of investments in subsidiaries, joint ventures and associates are made in accordance with Circular No. 228/2009/TT-BTC dated 7 December 2009 issued by the Ministry of Finance on "Guiding the appropriation and use of provisions for devaluation of inventories, loss of financial investments, bad debts and warranty for products, goods and construction works at enterprises", Circular No. 89/2013/TT-BTC dated 28 June 2013 by the Ministry of Finance amending and supplementing Circular No. 228/2009/TT-BTC and prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Current year</u> (Years)
Buildings and structures	03 - 25
Machinery and equipment	03 - 15
Motor vehicles	04 - 10
Office equipment	03 - 08

Gain or loss resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the income statement.

Leasing

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease.

Intangible assets and amortization

Intangible assets represent computer software that is stated at cost less accumulated amortisation and is amortized on the straight-line basis in 3 years.

Land use rights are recorded as an intangible asset on the balance sheet when the Company received the certificate of land use rights. Historical cost of land use rights includes all costs directly related to transfer of assets into ready for use status and are not amortized because land use rights have long usage time.

Construction in progress

Properties in the course of construction for selling, are carried at cost. Cost includes land use rights and construction cost for trade centers and stores in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have reported as short-term or long-term prepayments in the balance sheet and are amortized over the period for which the amount are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long term prepayments:

- Prepaid rental includes land and shop rental prepaid for many years under operating lease contracts which are amortized over the lease term;
- Tools and consumables with large value issued in use which can be used for more than one year
- Others which are amortized to the income statement over 2 to 3 years.

Borrowing costs

Interest expense includes interest and other costs incurred related to the loans of the Company and is recorded to the expenses incurred during the year.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
 - (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
 - (c) the amount of revenue can be measured reliably;
 - (d) it is probable that the economic benefits associated with the transaction will flow to the Company;
- and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and

(d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Company for full 12 months and above. Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees. The allowance made for each year of service equals to a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents. The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the financial statements at the end of each reporting period. The increase or decrease in the accrued amount shall be recorded in the income statement.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the income statement.

Payable provisions

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Taxation

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for interim financial reporting purposes.

V. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. CASH AND CASH EQUIVALENTS

	31/03/2019	VND 31/12/2018
Cash on hand	28,430,875,011	87,332,446,810
Cash at banks	20,987,465,886	55,074,940,752
Cash in transit	801,784,500	7,819,866,888
TOTAL	50,220,125,397	150,227,254,450

2. FINANCIAL INVESTMENTS

	31/03/2019	VND 31/12/2018
b. Non - current		
The Company's subsidiaries	160,000,000,000	160,000,000,000
_CAO Fashion Company Limited	30,000,000,000	30,000,000,000
_PNJ Laboratory Company Limited	10,000,000,000	10,000,000,000
_Customer Era Company Limited	20,000,000,000	20,000,000,000
_PNJ Jewelry Production And Trading Co.,Ltd	100,000,000,000	100,000,000,000
Other long term investments	-	-
_Dong A Joint Stock (EAB)	395,271,613,400	395,271,613,400
_Provision for long-term investments (EAB) (*)	(395,271,613,400)	(395,271,613,400)
Total	160,000,000,000	160,000,000,000

CAO Fashion Company Limited ("CAF"), a one-member limited liability company, was established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0309279212 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 August 2009. CAF's registered head office is located at 170E Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City, Vietnam. CAF's principal activities are to produce and trade fashion products, silver and gold jewelry, and arts and crafts products, and to import and export art and craft products.

PNJ Laboratory Company Limited ("PNJL"), a one-member limited liability company, was established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No.0310521330 issued by the Department of Planning and Investment of Ho Chi Minh City on 16 December 2010. PLC's registered head office is located at 168A Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City, Vietnam. PNJL's principal activities are to provide jewelry inspection and consultancy services of diamond, gemstone, semi gemstone, etc.,

PNJ Jewelry Production And Trading Company Limited ("PNJP"), a one-member limited liability company, was established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0315018466 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 April 2018. PNJP's registered head office is located at 23 Street 14, Ward 5, Go Vap District, Ho Chi Minh City, Vietnam.

Customer Era Company Limited (CECL), a one-member limited liability company, was established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0315018547 issued by the Department of Planning and Investment of Ho Chi Minh City on 28 April 2018. CECL's registered head office is located at 170E Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City, Vietnam.

As at 31 March 2019, Dong A Joint Stock Commercial Bank was still under special control by State Bank of Vietnam and shares are not transferable.

3. SHORT-TERM TRADE RECEIVABLES

	31/03/2019	VND 31/12/2018
CAO Fashion Company Limited	56,545,396,517	5,652,125,793
PNJ Jewelry Production And Trading Co.,Ltd	621,297,678,993	-
_Customer Era Company Limited	5,018,629,352	-
AEON Tân Phú	214,808,558	2,974,350,770
AEON Binh Tan	3,706,392,218	2,616,293,246
AEON Binh Duong	3,163,533,796	2,235,409,000
Diamond Le Duan	2,812,347,392	2,646,242,511
Lotte Go Vap	1,568,437,004	1,594,711,004
Crescent Mall D7	3,906,491,130	3,856,285,842
PINACO Mien Nam	-	11,728,226,112
Others	101,115,498,806	18,380,538,551
TOTAL	799,349,213,766	51,684,182,829

4. OTHER RECEIVABLES

	31/03/2019	VND 31/12/2018
a. Current		
_Advances to employees	4,985,112,347	26,866,696,937
_Due from Customer Era Company Limited	-	140,000,000
_Others	4,228,892,832	6,431,925,233
Total	9,214,005,179	33,438,622,170
b. Non- Current		
— Long term deposit for renting stores	57,275,418,211	55,045,824,370
Total	57,275,418,211	55,045,824,370

5. INVENTORIES

	31/03/2019	VND 31/12/2018
Goods in transit	-	174,502,741,962
Raw materials	154,287,930,474	58,338,102,385
Tools and supplies	25,308,532,639	22,774,331,939
Work in process	-	999,333,993,178
Finished goods	388,962,947,087	395,779,862,102
Merchandise goods	3,194,205,635,852	3,081,836,982,267
Goods on consignment	-	87,300,715,508
TOTAL	3,762,765,046,052	4,819,866,729,341

As at 31 March 2019, inventories of VND 1,506,916,000,000 was used as collaterals for short-term loans obtained from commercial banks (Note 11).

To transform data legacy system to SAP system on 02 April 2019, SAP Project management Board agreed the following important decisions involve in inventory management at the end of March 2019

- Goods of PNJ consignment at CAO: to conduct inter-company sale
- Goods, raw material PNJ consignment at PNJP: to return and receive at PNJ
- Goods in transit: fully goods receipt on 31 March 2019

6. PREPAYMENTS

	31/03/2019	VND 31/12/2018
Non Current		
Tools and supplies	47,202,776,885	47,268,008,367
Stores rental	2,146,300,000	2,772,280,000
Office and store renovation expenses	38,410,788,560	37,942,664,684
Others	2,427,521,150	3,434,967,603
TOTAL	90,187,386,595	91,417,920,654

7. TAXES AND OTHER RECEIVABLES FROM PAYABLES TO THE STATE BUDGET

	Opening balance	Receivable/Payable during the year	Received/Paid during the year	Closing balance
VND				
a. Receivables				
Value added tax from import	6,192,638,101	17,860,764,128	23,898,230,033	155,172,196
Import- Export tax	183,654,369	728,362,813	554,650,513	357,366,669
Total	6,376,292,470	18,589,126,941	24,452,880,546	512,538,865
b. Payables				
Value added tax	35,907,344,209	105,391,444,704	92,917,543,976	48,381,244,937
Corporate income tax	96,993,072,715	107,588,339,083	83,370,175,078	121,211,236,720
Personal income tax	3,218,349,273	25,974,616,992	27,268,144,505	1,924,821,760
Others	4,592,183,218			4,592,183,218
Total	140,710,949,415	238,954,400,779	203,555,863,559	176,109,486,635

8. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total
					VND
Cost:					
31/12/2018	138,832,225,224	35,042,661,919	27,943,022,451	43,888,755,944	245,706,665,538
Additions	-	1,187,245,198	-	3,180,758,215	4,368,003,413
Disposal	-	582,626,252	-	260,169,835	842,796,087
31/03/2019	138,832,225,224	35,647,280,865	27,943,022,451	46,809,344,324	249,231,872,864
<i>In which:</i>					
Fully depreciated	523,216,400	14,017,000,048	1,852,235,826	9,542,462,802	25,934,915,076
Accumulated depreciation:					
31/12/2018	37,446,777,758	23,542,765,176	10,047,268,380	32,294,735,756	103,331,547,070
Depreciation for the year	1,507,089,642	1,055,583,793	849,473,110	1,131,326,727	4,543,473,272
Disposal	-	562,716,522	-	111,494,287	674,210,809
31/03/2019	38,953,867,400	24,035,632,447	10,896,741,490	33,314,568,196	107,200,809,533
Net carrying amount:					
31/12/2018	101,385,447,466	11,499,896,743	17,895,754,071	11,594,020,188	142,375,118,468
31/03/2019	99,878,357,824	11,611,648,418	17,046,280,961	13,494,776,128	142,031,063,331

Buildings and machineries pledged to obtain loans from commercial banks (Note 11).

9. INTANGIBLE FIXED ASSETS

	VND			
	<i>Indefinite land use rights</i>	<i>Brand</i>	<i>Computer software</i>	<i>Total</i>
Cost:				
31/12/2018	459,177,157,290	96,000,000	40,664,250,583	499,937,407,873
Additions	-	-	-	-
Disposal	-	-	-	-
31/03/2019	459,177,157,290	96,000,000	40,664,250,583	499,937,407,873
<i>In which:</i>				
<i>Fully depreciated</i>		96,000,000	156,034,613	252,034,613
Accumulated amortization:				
31/12/2018	-	96,000,000	6,514,702,975	6,610,702,975
Amortization for the year	-	-	2,923,720,241	2,923,720,241
Disposal	-	-	-	-
31/03/2019	-	96,000,000	9,438,423,216	9,534,423,216
Net carrying amount:				
31/12/2018	<u>459,177,157,290</u>	-	<u>34,149,547,608</u>	<u>493,326,704,898</u>
31/03/2019	<u>459,177,157,290</u>	-	<u>31,225,827,367</u>	<u>490,402,984,657</u>

10. CONSTRUCTION IN PROCESS

	VND	
	<i>31/03/2019</i>	<i>31/12/2018</i>
Store at Vincom Thanh Hoa	9,468,078,966	9,468,078,966
ERP Project	69,189,422,424	56,023,422,424
House and Land use rights at Hai Ba Trung - HCMC	5,807,153,596	480,288,600
Land use right in Binh Duong	26,137,767,250	-
Tower 577 Nguyen Kiem	2,012,000,000	2,012,000,000
TOTAL	<u>112,614,422,236</u>	<u>67,983,789,990</u>

11. SHORT-TERM LOANS

	VND	
	<i>31/03/2019</i>	<i>31/12/2018</i>
a. Short term		
Loans from commercial banks	976,028,062,414	1,435,473,895,742
Loans from individuals	135,767,312,284	131,308,602,284
Current portion of long term liabilities	3,700,000,000	3,700,000,000
Total	<u>1,115,495,374,698</u>	<u>1,570,482,498,026</u>

Details of short-term loans with floating rates obtained from commercial banks to finance its working capital requirements are as follows:

VND

BANK	31/03/2019	MATURITY DATE	INTEREST RATE	COLLATERAL
Short term loans in VND	976,028,062,414			
CTBC Bank Company Limited – HCM Branch	46,052,777,626	From 16 July to 19 September 2019	From 6-7%	Inventories
Vietnam Joint Stock Commercial Bank for Industry and Trade - Branch 1	289,300,623,772	From 22 April to 22 May 2019	From 5.9%-6%	Inventories
Shinhan Bank Vietnam Limited – HCM Branch	99,700,000,000	From 07 April to 19 Jun 2019	5.50%	Unsecured
Joint Stock Company Bank for Foreign trade of Vietnam	201,692,553,295	From 29 April to 21 Jun 2019	From 6%-6.6%	House at 46 Ngo Quyen, 359 Phan Chu Trinh, 461 Phan Chu Trinh - Tam Ky
Bank for Investment and Development of Vietnam Jsc- Hoc Mon Branch	156,107,250,897	From 08 April to 13 July 2019	6.50%	Inventories
Military Commercial Joint Stock Bank	99,180,206,824	From 17 April to 28 Jun 2019	From 6% to 6.3%	Unsecured
Southeast Asia Commercial Joint Stock Bank	66,329,835,000	From 07 April to 23 April 2019	6.50%	House at 123 Hung Vuong, Da nang and inventories
Petrolimex Group Commercial Joint Stock Bank	17,664,815,000	From 11 to April 2019	7%	Unsecured
Other individuals	135,767,312,284		7.60%	Unsecured
Current portion of long term liabilities	3,700,000,000			
Total short term loans	1,115,495,374,698			

Details of the long-term loans with floating rates obtained from commercial banks to finance its working capital requirements are as follows:

	VND	
	31/03/2019	31/12/2018
b. Long term		
Loans from commercial banks	7,400,000,000	7,400,000,000
Loans from individuals	-	400,000,000
Total	<u>7,400,000,000</u>	<u>7,800,000,000</u>

BANK	31/03/2019	MATURITY DATE	INTEREST RATE	COLLATERAL
Long term loans in VND	11,100,000,000			
Vietnam bank for Agriculture and Rural Development - Branch 4	11,100,000,000	22 January 2021	8.3%	02 Shop House No.PG1-05 and PG1-05A at No.209, 30/4 Street, Xuan Khanh Ward, Ninh Kieu District, Can Tho City
In which:	3,700,000,000			
Vietnam bank for Agriculture and Rural Development - Branch 4	3,700,000,000			
Long term loans	7,400,000,000			

12. SHORT-TERM TRADE PAYABLES

	VND	
	31/03/2019	31/12/2018
Forte Jewellery (HK) Ltd Co.	33,771,684,656	43,363,695,805
Hung Kim Loan Ltd Co.	2,165,257,500	2,900,591,500
Quang Vinh Nguyen Import - Export Ltd Co.	3,285,474,777	4,441,946,777
Shrenuj Fareast Ltd Co.	37,335,047,770	123,175,663,382
PT KINARA GILANG Ltd Co.	11,604,025,241	11,598,611,114
PNJ Jewelry Production And Trading Co.,Ltd	-	139,782,706,112
PNJL	134,312,324	-
Others	112,074,261,871	140,159,582,197
TOTAL	200,370,064,139	465,422,796,887

13. OTHER PAYABLES

	VND	
	31/03/2019	31/12/2018
a. Current		
_Deduction under salary	12,931,584,433	6,042,948,273
_Bonus of Board of Management and Board of Directors	9,792,723,602	9,792,723,602
_Payables to Board of Management fund	119,439,568	119,439,568
_Payables to Board of Director fund	1,088,901,517	1,105,901,517
_Payables to Trade Union fund	3,815,619,466	3,742,056,787
_Payables PIT on behalf to shareholder	4,531,133,392	4,531,133,392
_Dividends payable	5,751,305,625	4,744,192,345
_PNJL	545,841,096	-
_Others	6,266,934,400	11,451,303,298
TOTAL	44,843,483,099	41,529,698,782
b. Non current		
_ Long term deposit	598,026,000	628,026,000
TOTAL	598,026,000	628,026,000

14. OWNERS' EQUITY

VND

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
Prior period's opening balance	1,081,020,340,000	876,761,282,458	(7,090,000)	220,087,556,918	847,832,379,226	3,025,694,468,602
Capital increase	589,009,480,000	48,636,580,000	-	-	(540,372,900,000)	97,273,160,000
Profit for the year	-	-	-	-	941,240,908,760	941,240,908,760
Dividends declared	-	-	-	-	(270,239,940,000)	(270,239,940,000)
Profit appropriation	-	-	-	45,000,000,000	(115,062,000,000)	(70,062,000,000)
Investment and development fund appropriation	-	-	-	45,000,000,000	(45,000,000,000)	-
Transfer to bonus and welfare funds	-	-	-	-	(36,240,000,000)	(36,240,000,000)
Board of Management fund	-	-	-	-	(33,822,000,000)	(33,822,000,000)
Current period's opening balance	1,670,029,820,000	925,397,862,458	(7,090,000)	265,087,556,918	863,398,447,986	3,723,906,597,362
Capital increase (*)	-	-	-	-	-	-
Profit for the year	-	-	-	-	426,716,420,263	426,716,420,263
Dividends declared (**)	-	-	-	-	(133,601,818,400)	(133,601,818,400)
Current period's closing balance	1,670,029,820,000	925,397,862,458	(7,090,000)	265,087,556,918	1,156,513,049,849	4,017,021,199,225

(**) On 14 January 2019, PNJ implemented the second phase of interim cash dividend (8%/share)

15. REVENUE FROM GOOD SOLD AND SERVICES RENDERED

	VND	
	<i>Current period</i>	<i>Previous period</i>
Gross revenue, of which	4,421,600,209,002	4,152,187,401,452
_Sale of gold, silver and jewelry	4,409,470,692,884	4,141,843,041,883
_Others	8,421,763,873	7,269,210,718
_Rendering services	3,707,752,245	3,075,148,851
_Goods returned	37,092,231,636	26,999,709,850
Net revenue, of which	4,384,507,977,366	4,125,187,691,602
_Sale of gold, silver and jewelry	4,372,378,461,248	4,114,843,332,033
_Others	8,421,763,873	7,269,210,718
_Rendering services	3,707,752,245	3,075,148,851

16. FINANCIAL INCOME

	VND	
	<i>Current period</i>	<i>Previous period</i>
Interest income	33,964,782	5,892,954,660
Foreign exchange gain	956,312,966	97,861,769
TOTAL	990,277,748	5,990,816,429

17. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>Current period</i>	<i>Previous period</i>
Cost of gold, silver and jewelry and services rendered	3,379,704,077,438	3,359,378,740,910
Cost of accessories	10,885,714,219	5,166,925,720
TOTAL	3,390,589,791,657	3,364,545,666,630

18. FINANCIAL EXPENSES

	VND	
	<i>Current period</i>	<i>Previous period</i>
Interest expense	23,985,183,436	13,718,171,796
Others	272,434,944	8,799,209
Foreign exchange loose	-	421,562,177
Total	24,257,618,380	14,148,533,182

19. PRODUCTION COST BY NATURE

	VND	
	<i>Current period</i>	<i>Previous period</i>
Labor costs	222,115,868,085	161,693,692,818
Raw materials	9,761,305,661	8,070,436,602
Tools and supplies	23,859,160,301	18,948,587,448
Depreciation and amortization	7,447,541,086	3,727,125,144
Expenses for external services	62,553,846,732	50,980,651,480
Other expenses	110,389,685,762	91,791,940,274
TOTAL	436,127,407,627	335,212,433,766

20. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The tax returns filed by Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the separate interim financial statements could change at a later date upon final determination by the tax authorities.

Current CIT

The current tax payable is based on taxable profit for the period. The taxable profit of the Company for the period differs from the profit as reported in the separate interim income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at balance sheet date.

A reconciliation between the profit before tax and taxable profit is presented below:

	VND	
	<i>Current period</i>	<i>Previous period</i>
Profit before tax	534,304,759,346	418,199,028,389
<i>Adjustments:</i>		
<i>_Non - deductible expenses</i>	3,636,936,069	839,396,771
Estimated current taxable profit	537,941,695,415	419,038,425,160
Corporate income tax rate	20%	20%
Estimated current CIT	107,588,339,083	83,807,685,032

21. RELATED PARTY TRANSACTIONS AND BALANCES

Significant transactions with related parties during the period were as follows:

The outstanding balances due from and due to related parties as at 31 March 2019 as follows:

VND

<i>Related parties</i>	<i>Relationship</i>	<i>Nature of transaction</i>	<i>Receivable (Payable)</i>
1. RECEIVABLES			712,861,704,862
<i>Receivables</i>			682,861,704,862
PNJ Jewelry Production And Trading Co.,Ltd	Subsidiary	Sale	621,297,678,993
CAO Fashion Company Limited	Subsidiary	Sale	56,545,396,517
Customer Era Company Limited	Subsidiary	Sale	5,018,629,352
<i>Others receivable</i>			30,000,000,000
Customer Era Company Limited	Subsidiary	Lending	30,000,000,000
2. PAYABLES			(12,680,153,420)
<i>Trade payable</i>			(134,312,324)
PNJ Laboratory Company Limited	Subsidiary	Lab services	(134,312,324)
<i>Others payable</i>			(12,545,841,096)
PNJ Laboratory Company Limited	Subsidiary	Borrowing	(12,000,000,000)
		Interest	(545,841,096)

22. OPERATING LEASE COMMITMENTS

The Company leases outlets under operating lease arrangements. Future rental amounts due under such operating leases after 31 March 2019 were as follows:

	VND	
	31/03/2019	31/03/2018
Within 1 year	164,992,102,255	116,593,146,753
From 1 to 5 years	429,521,259,852	238,952,485,781
Over 5 years	393,477,950,540	97,976,912,908
TOTAL	987,991,312,647	453,522,545,442

23. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise loans, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company has trade and other receivables, cash, cash equivalents, short-term deposits that arise directly from its operations. The Company does not hold or issue any derivative financial instruments

The Company is exposed to market risk, credit risk and liquidity risk.

Management reviews and agrees policies for managing each of these risks which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise four types of risk: interest rate risk, currency risk, commodity price risk and other price risk, such as equity price

risk. Financial instruments affected by market risk include loans and available-for-sale investments.

The sensitivity analyses in the following sections relate to the position as at 31 March 2019 and 31 December 2018.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rate relates primarily to the Company's loans with floating interest rates.

The Company manages its interest rate risk by keeping close watch on relevant market situation, in order to contemplate and adapt its leverage level as well as financing strategies to the prevailing situation.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans.

With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities.

The Company does not employ any derivative financial instruments to hedge its foreign currency exposure.

Foreign currency sensitivity

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue and expense are applied with other accounting currency)

The Company does not employ any derivative financial instruments to hedge its foreign currency exposure for the first quarter of 2018 because changes in foreign exchange rates in the period is immaterial.

Equity price risk

The Company's listed and unlisted equity securities are susceptible to market price risk arising from uncertainty about future values of the investment securities. The Company manages equity price risk by placing a limit on equity investments. The Company's Board of Directors reviews and approves all equity investment decisions.

At 31 March 2019, PNJ recorded 100% provision for Dong A Bank's investment with amount of VND 395,271,613,400.

Commodity price risk

The Company exposes to commodity price risk in relation to purchase of certain commodities. The Company manages its commodity prices risk by keeping close watch on relevant information and situation of commodity market in order to properly manage timing of purchases, production plans and inventories level. The Company does not employ any derivative financial instruments to hedge its commodity price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks.

Trade receivables

Customer credit risk is managed by the Company based on its established policy, procedures and control. The Company's exposure to credit risk in relation with receivables is mainly influenced by the individual characteristics of each customer. The Company mostly has cash sale which are not exposed to the credit risk.

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. In view of the aforementioned and the fact that the Company's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the separate balance sheet at each reporting dates are the carrying amounts as illustrated in Note 1. The Company evaluates the concentration of credit risk in respect to bank deposit as low.

Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligation due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash, cash equivalents and bank loans deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Collateral

The Company has pledged its fixed assets, inventories in order to fulfil the collateral requirements for loans obtained from commercial banks (*Notes 10*).

The Company did not hold any collateral at 31 March 2019 and 31 December 2018.

25. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair values of the Company's financial instruments that are carried in the separate financial statements.

	Carrying amount			Fair value		
	31/03/2019	31/12/2018	31/03/2019	31/12/2018	31/12/2018	VND
	Cost	Provision	Cost	Provision		
Financial assets						
Other long-term investments	395,271,613,400	(395,271,613,400)	395,271,613,400	(395,271,613,400)	-	-
Trade receivables	116,487,508,904	-	46,032,057,036	-	116,487,508,904	46,032,057,036
Receivables from a related party	712,861,704,862	-	12,266,088,969	-	712,861,704,862	12,266,088,969
Other receivables	9,214,005,179	-	32,824,658,994	-	9,214,005,179	32,824,658,994
Cash and cash equivalents	40,254,595,057	-	150,227,254,450	-	40,254,595,057	150,227,254,450
TOTAL	1,274,089,427,402	(395,271,613,400)	636,621,672,849	(395,271,613,400)	878,817,814,002	241,350,059,449
	Carrying amount			Fair value		
	31/03/2019	31/12/2018	31/03/2019	31/12/2018	31/03/2018	31/12/2018
Financial liabilities						
Loans			1,079,295,374,698	1,566,282,498,026	1,079,295,374,698	1,566,282,498,026
Trade payables			200,235,751,815	263,148,906,951	200,235,751,815	263,148,906,951
Payables to related parties			12,680,153,420	161,924,201,860	12,680,153,420	161,924,201,860
Other payables and accrued expense			127,890,475,507	51,319,413,768	127,890,475,507	51,319,413,768
TOTAL	1,420,101,755,440	2,042,675,020,605	1,420,101,755,440	2,042,675,020,605	1,420,101,755,440	2,042,675,020,605

25. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The fair values of the financial assets and liabilities has not assessed and determined official at 31 March 2019 and 31 December 2018. However, the management assessed that the fair values of these financial assets and liabilities were not materially different from their carrying values as at balance sheet date.

26. FACTORS EFFECT TO FINANCIAL INCOME IN THE PERIOD

On 27 March 2019, PNJ cutoff legacy data and transformed SAP system.

Business performance in the first quarter 2019 as the following:

- Net revenue achieved VND 4,384 billion completed 34% target revenue and up 6% to the same period
- Profit before tax was VND 534 billion completed 38% target and increase 28% to the same period
- Revenue achieved VND 4,421 billion increase VND 269 billion to the same period, as reasons:
 - Gold revenue of VND 2,690 billion increased VND 480 billion compared to same period
 - Wholesale, export and B2B channel area separated and accounted for in of PNJP – subsidiary of PNJ. Watch revenue accounted for in CECL - subsidiary of PNJ

Gross profit margin significantly achieved of 22.6% compared with 1QFY2018 of 18.4% because core business concentrated on retail gold revenue.

In addition, operating expenses were VND 436 billion and increased by 30% compared to 1QFY2018 from expansion retail network.

Interest expense of VND 23.9 billion up to 74% to the same period equivalent to VND 10.2 billion.



Nguyen Thanh Dat
Preparer



Duong Quang Hai
Chief Accountant




Le Tri Thong
General Director
18 April 2019