



PHU NHUAN JEWELRY JOINT STOCK COMPANY

Consolidated interim Financial Statements

for the three-month period ended 31 September 2020

Phu Nhuan Jewelry Joint Stock Company

Consolidated Financial Statements Q3.2020

30 September 2020

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CONSOLIDATED BALANCE SHEET

30 September 2020

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, and amended Business Registration Certificates.

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

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

BOARD OF DIRECTORS

Members of the Board of Directors of the Company during the period and as of the date of this report are as follow:

Mrs. Cao Thi Ngoc Dung	Chairwoman
Mr. Le Tri Thong	Vice Chairman
Mr. Le Huu Hanh	Member
Mr. Le Quang Phuc	Member
Mr. Nguyen Tuan Hai	Member
Mrs. Dang Thi Lai	Member
Mrs. Huynh Thi Xuan Lien	Member
Mrs. Tieu Yen Trinh	Member
Mrs. Tran Phuong Ngoc Thao	Member

BOARD OF SUPERVISORS

Members of the Board of Supervisors of the Company during the period and as of the date of this report are as follow:

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

BOARD OF MANAGEMENT

Members of the Board of Management of the Company during the period and as of the date of this report are as follow:

Mr. Le Tri Thong	General Director	
Mrs. Dang Thi Lai	Chief of Finance – Operation Officer	
Ms. Tran Thi Thu Ha	Director of Retail Division	(Resigned since 10 August 2020)
Mr. Nguyen Hoang Chau	Director of Supply Division	(Resigned since 10 August 2020)
Mr. Phan Nguyen Hoai Anh	Acting Director of Marketing Division	
Mr. Dao Trung Kien	Chief Strategy Officer	
Mr. Nguyen Ngoc Tran	Chief Information Officer	(Resigned since 20 August 2020)
Mr. Dang Hai Anh	Chief Information Officer	(Appointed since 20 August 2020)
Mr. Nguyen Anh Hung	Director of Human Resources	
Mr. Duong Quang Hai	Chief Accountant	

* Since 10 August 2020, the Board of Directors assigned Mr. Le Tri Thong to manage and operate:

- Customer and Retail Division
- Supply Division

LEGAL REPRESENTATIVE

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

CONSOLIDATED BALANCE SHEET
30 September 2020

ITEM	Code	Note	TM	30/09/2020	31/12/2019
A	CURRENT ASSETS	100		6,786,221,907,161	7,333,364,485,251
I	Cash and cash equivalents	110		232,282,631,402	95,224,439,008
1	Cash	111		232,282,631,402	95,224,439,008
III	Current accounts receivable	130		152,348,983,567	129,688,313,476
1	Trade receivables	131		59,036,808,240	48,292,876,716
2	Advances to suppliers	132		66,233,386,070	74,867,455,343
6	Other receivables	136		26,585,347,055	5,287,941,028
8	Shortage of assets awaiting resolution	139		493,442,202	1,240,040,389
IV	Inventories	140		6,325,882,645,841	7,030,420,371,216
1	Inventories	141		6,325,882,645,841	7,030,420,371,216
V	Other current assets	150		75,707,646,351	78,031,361,551
1	Short-term prepaid expenses	151		67,350,477,475	71,633,378,895
2	Value added tax to be reclaimed	152		8,357,168,876	6,306,692,920
3	Tax and other receivables from the State Budget	153		-	91,289,736
B	NON-CURRENT ASSETS	200		1,304,820,087,941	1,269,599,936,565
I	Non-current receivables	210		76,108,442,474	70,721,623,109
6	Other non-current receivables	216		76,108,442,474	70,721,623,109
II	Fixed assets	220		930,591,478,766	923,870,354,474
1	Tangible fixed assets	221		279,706,040,356	263,827,234,353
	- Cost	222		586,873,157,527	534,818,699,342
	- Accumulated depreciation (*)	223		(307,167,117,171)	(270,991,464,989)
3	Intangible fixed assets	227		650,885,438,410	660,043,120,121
	- Cost	228		681,029,430,507	679,619,883,005
	- Accumulated depreciation (*)	229		(30,143,992,097)	(19,576,762,884)
IV	Non-current assets in progress	240		30,544,884,229	28,457,398,434
2	Construction in progress	242		30,544,884,229	28,457,398,434
V	Long-term investments	250		-	-
2	Investments in other entities	253		395,271,613,400	395,271,613,400
3	Provision for long-term investments	254		(395,271,613,400)	(395,271,613,400)
VI	Other long-term assets	260		267,575,282,472	246,550,560,548
1	Long-term prepaid expenses	261		178,338,251,629	158,318,980,481
2	Deferred income tax assets	262		89,237,030,843	88,231,580,067
	TOTAL ASSETS	270		8,091,041,995,102	8,602,964,421,816

CONSOLIDATED BALANCE SHEET

30 September 2020

	ITEMS	Code	Note	30/09/2020	31/12/2019
C	LIABILITIES	300		3,187,782,828,715	4,025,698,610,469
I	Current liabilities	310		3,179,894,880,715	4,017,860,824,469
1	Short-term trade account payables	311		144,407,807,649	690,808,185,195
2	Short-term advances from customers	312		119,197,760,835	95,353,052,369
3	Tax and other receivables from the State Budget	313		194,904,642,031	192,682,671,178
4	Payables to employees	314		186,462,492,422	222,296,091,737
5	Short-term accrued expenses	315		31,908,457,124	45,877,630,688
9	Other short-term payables	319		112,160,564,629	69,257,739,996
10	Short-term borrowings	320		2,256,805,035,825	2,610,902,622,222
12	Bonus and welfare fund	322		134,048,120,200	90,682,831,064
II	Non-current liabilities	330		7,887,948,000	7,837,786,000
7	Other long-term liabilities	337		526,168,000	476,006,000
8	Long-term borrowings	338		3,700,000,000	3,700,000,000
12	Provision for long-term payables	342		3,661,780,000	3,661,780,000
D	EQUITY	400		4,903,259,166,387	4,577,265,811,347
I	Owner's equity	410		4,903,259,166,387	4,577,265,811,347
1	Owner's contributed capital	411		2,252,935,850,000	2,252,935,850,000
2	Share premium	412		968,074,112,458	968,074,112,458
5	Treasury shares	415		(3,384,090,000)	(2,101,090,000)
8	Investment and development fund	418		372,779,556,918	313,083,556,918
11	Undistributed earnings	421		1,312,853,737,011	1,045,273,381,971
	Undistributed earnings of previous years	421a		670,845,205,971	29,482,225,528
	Undistributed earnings of the current year	421b		642,008,531,040	1,015,791,156,443
	TOTAL RESOURCES	440		8,091,041,995,102	8,602,964,421,816



Nguyen Thanh Dat
Preparer
20 October 2020



Duong Quang Hai
Chief Accountant



Le Tri Thong
General Director

Phu Nhuan Jewelry Joint Stock Company

CONSOLIDATED INCOME STATEMENT
For Quarter 3 period ended on 30 September 2020

Form B02-DN/HN

Unit: VND

ITEMS	Code	Note	Q3.2020	Q3.2019	YTD 2020	YTD 2019
Gross revenue from sale of goods and services rendered	01		3,962,201,288,187	3,966,255,895,350	11,779,099,455,513	11,770,204,645,693
Deductions	02		39,827,405,773	32,237,245,468	111,032,955,867	90,865,826,078
Net revenue from sale of goods and services rendered	10		3,922,373,882,414	3,934,018,649,882	11,668,066,499,646	11,679,338,819,615
Costs of goods sold and services rendered	11		3,188,043,827,778	3,180,963,642,552	9,410,682,660,854	9,241,196,434,872
Gross profit from sale of goods and services rendered	20		734,330,054,636	753,055,007,330	2,257,383,838,792	2,438,142,384,743
Financial incomes	21		746,730,937	241,691,350	1,532,629,656	1,304,457,002
Financial expenses	22		42,998,465,686	31,055,088,259	130,350,487,724	77,636,807,400
<i>- In which: interest expense</i>	23		40,680,147,467	28,990,878,493	125,310,826,059	74,365,419,266
Selling expenses	25		318,785,521,610	340,804,458,651	976,127,760,875	994,932,790,477
General and administrative expenses	26		113,040,437,997	113,728,530,457	337,459,382,434	345,505,106,009
Operating profit	30		260,252,360,280	267,708,621,313	814,978,837,415	1,021,372,137,859
Other income	31		1,865,755,937	704,916,122	2,912,920,927	3,289,998,900
Other expense	32		6,022,389,105	385,648,795	7,404,362,936	3,329,220,516
Net other profit	40		(4,156,633,168)	319,267,327	(4,491,442,009)	(39,221,616)
Accounting profit before tax	50		256,095,727,112	268,027,888,640	810,487,395,406	1,021,332,916,243
Business income tax-current	51		54,364,135,632	60,034,530,457	169,484,315,142	215,441,678,512
Business income tax-deferred	52		(354,284,619)	-	(1,005,450,776)	-
Net profit after corporate income tax	60		202,085,876,099	207,993,358,183	642,008,531,040	805,891,237,731
Earning per share	70		897	2,850	2,850	3,619

(Signature)

Nguyen Thanh Dat
Preparer
20 October 2020

(Signature)

Duong Quang Hai
Chief Accountant




Le Tri Thong
General Director


NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

No.	ITEMS	Code	CURRENT YEAR	PREVIOUS YEAR
I	Cash flows from operating activities			
1	Profit before tax	01	810,487,395,406	1,021,332,916,243
2	Adjustment for			-
	- Depreciation and amortization	02	52,963,621,959	39,176,626,978
	- Foreign exchange gain/loss	04	137,173,996	379,305,830
	- Profit (loss) from investing activities	05	(1,110,779,970)	(2,653,318,163)
	- Interest expense	06	125,310,826,059	74,365,419,266
3	Operating profit before changes in working capital	08	987,788,237,450	1,132,600,950,154
	- Increase/Decrease in receivables	09	(30,006,675,676)	(96,334,075,216)
	- Increase/Decrease in inventories	10	704,537,725,375	(924,377,566,015)
	- Increase/Decrease in payables (Exclude interest expenses paid, corporate income tax paid)	11	(585,288,322,630)	(88,623,129,690)
	- Increase/Decrease in prepaid expenses	12	(15,736,369,728)	(40,725,511,834)
	- Interest paid	14	(127,414,648,103)	(74,759,202,954)
	- Corporate income tax paid	15	(155,454,365,825)	(215,130,074,983)
	- Other payments from operating activities	17	(10,311,102,795)	(1,162,878,905)
	Net cash flows (used in) from operating activities	20	768,114,478,068	(308,511,489,443)
II	Cash flows from investing activities			
1	Acquisition and construction of fixed assets	21	(61,762,394,301)	(167,193,112,452)
2	Proceeds from sale, disposals of fixed assets	22	91,820,264	342,822,026
7	Interest earned and dividends received	27	1,110,779,970	349,599,200
	Net cash flows (used in) from investing activities	30	(60,559,794,067)	(166,500,691,226)
III	Cash flows from financing activities			
2	Prepayment to shareholders	32	(1,283,000,000)	-
3	Proceeds from borrowings	33	4,468,561,424,473	3,892,046,846,038
4	Repayments of borrowings	34	(4,822,659,010,870)	(3,184,465,285,212)
6	Dividend paid	36	(215,115,905,210)	(342,580,612,770)
	Net cash flows (used in) from financing activities	40	(570,496,491,607)	365,000,948,056
	Net decrease in cash and cash equivalents	50	137,058,192,394	(110,011,232,613)
	Cash and cash equivalents at beginning of period	60	95,224,439,008	206,721,179,629
	Cash and cash equivalents at ending of period	70	252,281,831,402	96,330,641,186


 Nguyen Thanh Dat
 Preparer
 20 October 2020


 Duong Quang Hai
 Chief Accountant


 Le Tri Thong
 General Director



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

I. CORPORATE INFORMATION**Business activities**

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

The Company has 341 stores in different provinces and cities in Vietnam.

The number of employees as of 30 September 2020 was 6,027 (as at 31 December 2019: 6,570).

Corporate structure: The Company has 4 subsidiaries, as follows:

1. CAO Fine Jewelry Company Limited (CAO) owned 100% by PNJ, the Business Registration Certificate No.0309279212 issued by the Department of Planning and Investment of Ho Chi Minh City on 14 August 2009. CAO's head office is located at 170E, Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam.

2. PNJ Laboratory Company Limited (PNJL) owned 100% by PNJ, the Business Registration Certificate No.0310521330 issued by the Department of Planning and Investment of Ho Chi Minh City on 16 December 2010. PNJL's head office is located at 168A, Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City, Vietnam.

3. PNJ Production and Trading Jewelry Company Limited (PNJP) owned 100% by PNJ, 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 head office is located at No.23 Street 14, Ward 5, Go Vap District, HCMC.

4. Customer Era Company Limited (CECL) owned 100% by PNJ, 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 head office is located at 170E, Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam.

II. BASIS OF PREPARATION**2.1 Applied accounting standards and system**

The consolidated financial statements of the Company and its subsidiaries ("the Group") are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards (VAS):

2.2 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system

2.3 Fiscal year

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December

2.4 Accounting currency

The consolidated financial statements are prepared in VND.

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the period of Q3.2020 ended 30 September 2020.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the Company and its subsidiaries used for consolidation are prepared for the same fiscal year and use consistent accounting policies.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

All intra-company balances, income and expenses and unrealized gains or losses resulting from intra-company transactions are fully eliminated.

Minority interests represent the portion of profit or loss and net assets of subsidiaries not held by the Group and are presented separately in the consolidated income statement and within the equity portion of the shareholders of the parent company on the consolidated balance sheet.

III. SIGNIFICANT ACCOUNTING POLICIES**3.1 Changes in accounting policies and notes.**

In addition to continue to apply Vietnam Accounting Standard No. 10 - Effects of changes in foreign exchange rates ("VAS 10") as in the previous year. The Group implemented Circular No. 179/2012 / TT-BTC regulations on recognition, assessment, treatment differences in the exchange rate set by the Ministry of Finance now issued October 24, 2012 ("Circular 179").

According to Circular 179, at the end of the year, the assets and liabilities denominated in foreign currencies are converted into VND at the bid rate of the commercial banks where the Group opened the account.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit, short-term, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are not subject to an insignificant risk of change in value.

3.3 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered at the end of fiscal year. Increases and decreases to the provision balance are recorded as general and administrative expense in reporting period.

3.4 Inventories

Inventories are stated at the lower of cost incurred and net reliable value to bring each product to its present location and condition.

Net reliable value represents the estimated selling price of inventories in the normal course of business less the estimated costs of completion and the selling expenses.

The perpetual method is used to record inventories, which are valued as follows:

Merchandises, consumables, and raw materials	- cost of purchase on a weighted average basis.
Finished goods and work-in process	- cost of direct materials and labor plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of merchandise goods, raw materials, finished goods, and other inventories owned by the Group, based on appropriate evidence of impairment available at the end of fiscal year.

3.5 Fixed assets

Tangible and intangible fixed assets are stated at cost less accumulated depreciation or amortization.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use.

When fixed assets are sold or retired, their cost and accumulated depreciation or amortization are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

Land use rights

Land use right is recorded as an intangible fixed asset on the consolidated balance sheet when the Company obtained the land use right certificates. The costs of land use right comprise all directly attributable costs of bringing the land lot to the condition available for intended use.

The Group does not amortize the value of land use rights.

3.6 Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible fixed assets are calculated on a straight-line method over the estimated useful life of each asset as follows:

Buildings and structures	3 - 25 years
Machinery and equipment	3 - 15 years
Motor vehicles	4 - 10 years
Office equipment	3 - 8 years
Computer software	3 years

The useful lives of the fixed assets and depreciation and amortization rates are reviewed periodically to ensure that the method and the period of the depreciation and amortisation are consistent with the expected pattern of economic benefits that will be derived from the use of fixed assets.

3.7 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowings of the Group and are recorded as expense during the period in which they are incurred.

3.8 Prepayment expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and are amortized over the period for which the amounts 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 prepaid expense and are amortized to the consolidated income statement.

- Prepaid rental includes land and shop rental prepaid for many years under operating lease contracts and are amortized over the lease term;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

- ▶ Tools and consumables with large value issued in use and can be used for more than one year, and
- ▶ Others are amortized to the consolidated income statement over 2 to 3 years.

3.9 Investments in associates

The Group's investment in its associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment and is amortized over a 10-year year. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognized in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates reduce the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

3.10 Investments in securities and other investments

Investments in securities and other investments are stated at their acquisition costs. Provision is made for any diminution in value of the investments at the balance sheet date in accordance with the guidance under the Circular No. 228/2009/TT-BTC issued by the Ministry of Finance on 7 December 2009.

3.11 Payables and accruals

Payables and accrued expenses are recognized for future amounts paid in respect of goods and services received regardless of whether the Group has received the supplier's invoice.

3.12 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event it is probable that an outflow resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation.

3.13 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, issue or cancellation of the Group's own equity instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

3.14 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit after tax as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

▶ Investment and development funds

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

▶ Bonus and welfare funds

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

3.15 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year.

3.16 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Services rendered

Revenue is recognized when the service has been rendered.

Interest

Revenue is recognized as the interest accrues (taking into account the profits that the asset brings) unless collectability is in doubt.

Dividends

Income is recognized when the Group's entitlement as an investor to receive the dividend is established.

3.17 Taxation

Other taxes are applied in accordance with applicable 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, based on the tax rates and tax laws 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

IV. EVENTS AND SIGNIFICANT TRANSACTIONS

1. CASH AND CASH EQUIVALENTS

	30/09/2020	31/12/2019
Cash on hand	108,560,985,909	54,073,143,734
Cash at banks	114,514,901,872	26,186,708,725
Cash in transit	9,206,743,621	14,964,586,549
TOTAL	<u>232,282,631,402</u>	<u>95,224,439,008</u>

2. FINANCIAL INVESTMENT

	30/09/2020	31/12/2019
Longterm investment		
Investment in other entities	-	-
_Dong A Bank JSC (EAB)	395,271,613,400	395,271,613,400
_Provision for long-term investments (EAB) (*)	(395,271,613,400)	(395,271,613,400)
TOTAL	<u>-</u>	<u>-</u>

(*) As at 30 September 2020, Dong A Joint Stock Commercial Bank was still under special control by State Bank of Vietnam and shares are not transferable.

The "Group" holds 38,496,250 EAB shares corresponding EAB ownership ratio (ratio of voting rights) is 7.69%.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

3. SHORT-TERM TRADE RECEIVABLES

	30/09/2020	31/12/2019
FH Trautz GmbH	4,329,171,581	6,700,060,929
DC&D Company	6,474,992,379	2,524,617,369
Unilever Vietnam	1,330,248,600	-
Nestle Vietnam Ltd.Co	1,412,913,409	-
Aia Insurance Ltd.Co	2,267,405,500	-
AEON Binh Duong	3,029,212,778	3,965,324,714
AEON Binh Tan	2,907,494,836	3,024,215,639
Aeon Long Bien	220,141,520	228,491,800
Aeon Mall Ha Dong	1,314,006,340	817,004,030
Aeon Tan Phu	2,407,396,558	3,365,675,996
Aeon Ha Noi	1,289,029,833	1,592,902,110
Center Nha Trang	98,174,137	658,184,212
Crescent Mall Q7	1,134,067,056	1,368,947,140
Diamond Le Duan	203,942,420	587,433,754
TTM Nowzone	631,563,271	1,351,641,724
Parkson Hung Vuong	1,798,896,773	1,596,853,465
Sense Ca Mau	879,650,970	690,186,622
Sense City Can Tho	724,013,260	1,507,484,910
Sense Ben Tre	700,617,915	769,540,851
Others	25,883,869,104	17,544,311,451
TOTAL	59,036,808,240	48,292,876,716

4. OTHER RECEIVABLES

	30/09/2020	31/12/2019
a. Current		
_Advance to employees	14,736,645,612	4,511,880,018
_Others	11,848,701,443	776,061,010
TOTAL	26,585,347,055	5,287,941,028
a. Non-current		
_Deposit for long-term renting stores	76,108,442,474	70,721,623,109
TOTAL	76,108,442,474	70,721,623,109

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

5. INVENTORIES

	30/09/2020	31/12/2019
Goods in transit	-	
Raw materials	457,141,651,095	392,983,496,033
Tools and supplies	31,211,867,173	36,238,354,990
Work in Process	114,142,829,217	345,059,347,568
Finished goods	3,997,529,351,810	4,324,394,069,610
Merchandise goods	1,725,856,846,546	1,931,745,103,015
TOTAL	6,325,882,645,841	7,030,420,371,216

Inventories valued at VND 1,834,493,044,530 were used as collateral for short-term loans at commercial banks (Note number 9).

6. REPAYMENTS

CURRENT

	30/09/2020	31/12/2019
Tools and supplies	10,588,188,732	17,136,444,212
Stores rental	29,586,252,109	29,563,820,897
Uniform expense	6,522,461,622	7,490,805,392
Office and store renovation expenses	4,969,505,060	4,446,850,548
Others	15,684,069,952	12,995,457,846
TOTAL	67,350,477,475	71,633,378,895

NON – CURRENT

	30/09/2020	31/12/2019
Tools and supplies	78,963,560,075	77,007,694,434
Stores rental	14,724,671,554	9,616,517,091
Office and store renovation expenses	79,937,806,069	67,703,893,402
Others	4,712,213,931	3,990,875,554
TOTAL	178,338,251,629	158,318,980,481



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For Quarter 3 ended on 30 September 2020

7. FIXED ASSETS:

7.1 TANGIBLE FIXED ASSETS

ITEMS	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total
Cost:					
31/12/2019	148,336,281,191	245,940,265,425	33,941,741,296	106,600,411,430	534,818,699,342
Addition	189,095,620	45,668,849,274	753,590,000	12,241,592,531	58,853,127,425
Disposal	-	(6,636,967,240)	-	(161,702,000)	(6,798,669,240)
30/09/2020	148,525,376,811	284,972,147,459	34,695,331,296	118,680,301,961	586,873,157,527
In which,					
Assets are fully depreciated	1,571,799,136	107,225,358,095	3,915,081,189	15,250,110,782	127,962,349,202
Accumulated depreciation:					
31/12/2019	(44,008,607,930)	(163,279,451,194)	(14,521,561,125)	(49,181,844,740)	(270,991,464,989)
Depreciation for the year	(5,226,344,430)	(22,451,236,928)	(3,171,474,974)	(11,849,455,600)	(42,698,511,932)
Disposal	-	6,409,835,527	-	113,024,223	6,522,859,750
30/09/2020	(49,234,952,360)	(179,320,852,595)	(17,693,036,099)	(60,918,276,117)	(307,167,117,171)
Net carrying value:					
31/12/2019	104,327,673,261	82,660,814,231	19,420,180,171	57,418,566,690	263,827,234,353
30/09/2020	99,290,424,451	105,651,294,864	17,002,295,197	57,762,025,844	279,706,040,356

Buildings and machineries are used as collaterals to obtain loans from commercial banks (Note number 9).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

7.2 INTANGIBLE FIXED ASSETS

ITEM	<i>Indefinite land and use rights</i>	<i>Computer software</i>	<i>Total</i>
Cost:			
31/12/2019	542,687,586,739	136,932,296,266	679,619,883,005
Additions	-	1,409,547,502	1,409,547,502
Disposal	-	-	-
30/09/2020	542,687,586,739	138,341,843,768	681,029,430,507
In which,			
Asset are fully depreciated		7,078,250,583	7,078,250,583
Accumulated depreciation:			
31/12/2019	-	(19,576,762,884)	(19,576,762,884)
Depreciation for the year	-	(10,567,229,213)	(10,567,229,213)
Disposal	-	-	-
30/09/2020	-	(30,143,992,097)	(30,143,992,097)
Net carrying value:			
31/12/2019	542,687,586,739	117,355,533,382	660,043,120,121
30/09/2020	542,687,586,739	108,197,851,671	650,885,438,410

8. CONSTRUCTION IN PROCESS

	30/09/2020	31/12/2019
Land use rights at Di An - Binh Duong	26,179,897,250	26,137,767,250
Others	4,364,986,979	2,319,631,184
TOTAL	30,544,884,229	28,457,398,434

9. LOANS AND FINANCIAL LEASING

	30/09/2020	31/12/2019
a. Current		
Loans from commercial bank	2,126,825,456,243	2,455,084,531,792
Loans from individuals	126,279,579,582	152,118,090,430
Current portion of long-term liabilities	3,700,000,000	3,700,000,000
TOTAL	2,256,805,035,825	2,610,902,622,222
b. Non-current		
Loans from commercial banks	3,700,000,000	3,700,000,000
TOTAL	3,700,000,000	3,700,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For Quarter 3 ended on 30 September 2020

Details of short-term loans:

BANKS	BEGINNING	INCREASE	DECREASE	ENDING
LOANS FROM COMMERCIAL BANKS	2,485,484,531,792	5,193,485,650,257	5,544,744,725,806	2,134,225,456,243
CTBC Bank Co., Ltd - HCMC Branch	92,799,546,320	166,626,372,642	196,996,753,015	62,429,165,947
VietNam Joint stock Commercial Bank for Industry and Trade	868,993,052,515	1,007,215,618,836	1,427,759,660,004	478,449,011,347
Shinhan Bank Vietnam	97,000,000,000	152,097,049,000	174,097,049,000	75,000,000,000
Joint Stock Commercial Bank for Foreign Trade	490,427,204,477	691,174,670,171	672,426,194,868	509,175,679,780
Bank for Investment and Development of Vietnam JSC - Hoc Mon Branch	300,000,000,000	613,000,000,000	613,000,000,000	300,000,000,000
Military Commercial Joint Stock Bank	99,971,329,000	111,569,565,614	191,990,694,614	19,550,000,000
SouthEast Asia Commercial Joint Stock Bank	200,000,000,000	825,576,039,245	800,676,039,245	224,900,000,000
Petrolimex Commercial Joint Stock Bank	298,893,399,480	1,059,763,043,147	1,150,185,142,380	208,471,300,247
HSBC	-	219,334,877,530	140,000,000,000	79,334,877,530
Orient Commercial Joint Stock Bank	-	62,312,992,680	62,312,992,680	-
Vietnam Bank for Agriculture and Rural Development - Branch No. 4	7,400,000,000	-	-	7,400,000,000
Chian Contruction Bank	-	194,800,000,000	115,300,000,000	79,500,000,000
Vietnam International and Commercial Joint Stock Bank	-	90,015,421,392	-	90,015,421,392
INDIVIDUAL LOANS	129,118,090,430	54,998,583,582	57,837,094,430	126,279,579,582
TOTAL	2,614,602,622,222	5,248,484,233,839	5,602,581,820,236	2,260,505,035,825

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

BANK	AMOUNT	MATURITY	INTEREST RATE	COLLATERAL
SHORT-TERM LOANS IN VND	2,126,825,456,243			
CTBC Bank Co., Ltd - HCMC Branch	62,429,166,947	From 20 January to 16 March 2021	5.7%	Inventories
Vietnam Joint Stock Commercial Bank for Industry and Trade	478,449,011,347	From 04 November 2020 to 22 March 2021	6.6%	Inventories
Shinhan Bank Vietnam Limited	75,000,000,000	From 08 December 2020 to 13 January 2021	6.0%	Unsecured
JSC Bank for Foreign Trade of Vietnam	509,175,679,780	From 09 October 2020 to 01 March 2021	6.3%	House: 46 Ngo Quyen street, 359 Phan Chu Trinh street, 461 Phan Chu Trinh-Tam Ky city
Bank for Investment and Development of Vietnam JSC - Hoc Mon Branch	300,000,000,000	From 07 January to 13 March 2021	6.4%	Inventories
Military Commercial Joint Stock Bank	19,560,000,000	29-Oct-20	6.0%	Unsecured
Southeast Asia Commercial Joint Stock Bank	224,900,000,000	From 04 November to 30 December 2020	6.5%	Unsecured
Petrolimex Commercial Joint Stock Bank	208,471,300,247	From 12 November to 29 December 2020	7.0%	Unsecured
HSBC	79,334,877,530	10-Oct-20	5.0%	House at: 123 Hung Vuong, Da Nang and inventories
Chian Construction Bank	79,500,000,000	From 08 December to 19 December 2020	5.5%	Unsecured
Vietnam International and Commercial Joint Stock Bank	90,015,421,392	From 05 January to 01 March 2021	6.3%	Unsecured
INDIVIDUAL LOANS	126,279,579,582		7.6%	Unsecured
Current portion of Long-term liabilities	3,700,000,000			
SHORT-TERM LOANS IN VND	2,256,805,035,825			
Vietnam Bank for Agriculture and Rural Development - Branch No. 4	7,400,000,000	22-Nov-2021	9.5%	House at PG1-05 Vincom Can Tho
<i>In which: Current portion of long-term liabilities</i>	<i>3,700,000,000</i>			
TOTAL LONG-TERM LOANS	3,700,000,000			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

10. SHORT – TERM TRADE PAYABLES

	30/09/2020	31/12/2019
Forte Jewellery (HK)	5,434,034,441	154,975,866,651
Champion Pearl Co.,Ltd	607,948,851	1,840,815,251
Lotus Diamonds Limited	1,803,836,409	-
Fineese Impex Ltd	27,265,107,024	264,376,245,789
KS Stone Co Ltd	3,618,206,989	-
Tianjin Minghang Beauty	1,272,501,737	-
Hung Kim Loan Company	1,027,183,500	5,443,890,500
Quang Vinh Nguyen Company	912,591,777	12,140,499,777
Thanh Thuy Company	638,880,500	6,096,921,500
Hoang Duc Minh Construction and Trading Company	3,413,995,114	-
Kien Vang Construction and QC Company	2,734,948,992	-
Khong Gian Vang JSC	1,298,956,389	70,861,943
Nguyen Thi Hoang Giang	1,200,500,000	-
Nhat Vy Ltd Company	2,337,651,000	-
Sai Gon Food JSC	373,563,167	-
Long Hau JSC	573,809,748	-
Khai Phat Ltd Company	696,542,660	-
Saigon International Precious Metal JSC	1,123,480,000	-
Silvana Sa	-	1,828,132,190
Jowissa Uhren Ag	-	2,564,646,605
Ong Furniture Ltd Company	304,387,951	-
Thanh Long Group Design Construction Investment Ltd Company	261,351,959	-
Watch distributor	8,128,664,777	-
Metalor Technologies	-	13,389,566,135
CMC Company	-	4,073,596,286
Kim Khai Hoan Vinh Long Company	-	4,380,957,000
Netis Geme JSC (Netis)	-	4,970,085,289
Watch Me Ltd.Co	-	2,023,139,926
Top Ten Ltd.Co	-	8,623,855,493
Lam Tran Import-Export Ltd.Co	-	6,744,540,000
TOTAL	144,407,807,649	690,808,185,195

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For Quarter 3 ended on 30 September 2020

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

	Opening period	Receivable/Payable in the period	Received/Paid in the period	Closing period
a.Receivables				
Valued added tax from import	-	10,651,367,189	10,651,367,189	-
Deductible value added tax	7,970,904,559	8,918,481,633	8,532,217,316	8,357,168,876
Import - Export tax	69,055,503	756,668,956	825,724,459	-
TOTAL	8,039,960,062	20,326,517,778	20,009,308,964	8,357,168,876
b.Payables				
Valued added tax	34,735,405,274	92,981,647,569	81,302,421,936	46,414,630,907
Corporate income tax	102,700,360,449	54,364,135,632	14,959,902,195	142,104,593,886
Personal income tax	5,922,220,212	9,420,655,916	13,528,745,338	1,814,130,790
Others	4,549,779,368	1,101,155,296	1,079,648,216	4,571,286,448
TOTAL	147,907,765,303	157,867,594,413	110,870,717,685	194,904,642,031

12. OTHER PAYABLES

	30/09/2020	31/12/2019
a. Current		
_Trade Union fees	18,610,675,950	7,618,096,621
_Bonus of the Board of Management and the Board of Directors	12,915,715,752	20,528,793,837
_Union fund	-	1,119,370,114
_Dividend payable	10,101,192,962	6,004,841,375
_Tuan Ngan Jewelry Private Company	10,156,494,509	7,691,453,469
_Saigon International JSC	14,818,630,254	5,270,036,804
_Dinh Thanh Trong	3,108,398,260	-
_Trac Bach Du	4,266,820,448	-
_Le Van Ha	2,181,142,612	-
_Others	36,001,493,882	21,025,147,776
TOTAL	112,160,564,629	69,257,739,996
b.Non-current		
_Deposit for store rental	526,168,000	476,006,000
TOTAL	526,168,000	476,006,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

13. EQUITY CAPITAL

	Share capital	Share premium	Treasury share	Investment and Development Fund	Undistributed earnings	Total
Opening balance of the previous period (01.01.2019)	1,670,029,820,000	925,397,862,458	(7,090,000)	265,087,556,918	884,565,278,528	3,745,073,427,904
Charter capital increase	582,906,030,000	42,676,250,000	-	-	(556,649,780,000)	68,932,500,000
Net profit for the year	-	-	-	-	1,193,924,957,243	1,193,924,957,243
Dividend declared	-	-	-	-	(345,136,073,800)	(345,136,073,800)
Treasury shares	-	-	(2,094,000,000)	-	-	(2,094,000,000)
Profit appropriation	-	-	-	47,996,000,000	(131,431,000,000)	(83,435,000,000)
Investment and development fund	-	-	-	47,996,000,000	(47,996,000,000)	-
Transfer to bonus and welfare fund	-	-	-	-	(47,996,000,000)	(47,996,000,000)
Board of Directors fund	-	-	-	-	(35,439,000,000)	(35,439,000,000)
Ending balance of the previous period (31.12.2019)	2,252,935,850,000	968,074,112,458	(2,101,090,000)	313,083,556,918	1,045,273,381,971	4,577,265,811,347
Net profit for the period	-	-	-	-	642,008,531,040	642,008,531,040
Dividend declared (*)	-	-	-	-	(225,188,176,000)	(225,188,176,000)
Treasury shares (**)	-	-	(1,283,000,000)	-	-	(1,283,000,000)
Profit appropriation	-	-	-	59,696,000,000	(149,240,000,000)	(89,544,000,000)
Investment and development fund	-	-	-	59,696,000,000	(59,696,000,000)	-
Transfer to bonus and welfare fund	-	-	-	-	(59,696,000,000)	(59,696,000,000)
Board of Directors and Board of Management fund	-	-	-	-	(29,848,000,000)	(29,848,000,000)
Closing balance of the current period (30.09.2020)	2,252,935,850,000	968,074,112,458	(3,384,090,000)	372,779,556,918	1,312,853,737,011	4,903,259,166,387

Notes:

(*) On 08 August 2019, PNJ paid 1st cash dividend for 2019 (8%/share).(**) On 16 April 2020, PNJ paid 2nd cash dividend 2019 (10%/share).

(***) PNJ bought back bonus shares of employees who left.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For Quarter 3 ended on 30 September 2020

14. REVENUE**14.1 Revenue from goods sold and services rendered**

	Q3.2020	Q3.2019
Gross revenue, in which	3,962,201,288,187	3,966,255,895,350
Sales of gold, silver and jewelry	3,943,901,869,101	3,954,532,622,580
Sales of other goods,	8,720,773,555	76,654,000
Rendering services	9,578,645,531	11,646,618,770
Goods returned	39,827,405,773	32,237,245,468
Net revenue, in which	3,922,373,882,414	3,934,018,649,882
Sale of gold, silver and jewelry	3,904,082,064,783	3,922,295,377,112
Sale of other goods	8,713,172,100	76,654,000
Rendering services	9,578,645,531	11,646,618,770

14.2 Financial income

	Q3.2020	Q3.2019
Interest income	145,213,206	40,121,651
Gain/loss from foreign exchange	601,517,731	201,569,699
Total	746,730,937	241,691,350

15 COST OF GOODS SOLD AND SERVICES RENDERED

	Q3.2020	Q3.2019
Cost of jewelry	3,178,470,551,488	3,178,435,930,281
Cost of watches, accessories	7,025,512,978	68,988,600
Cost of rendering services	2,547,763,312	2,458,723,671
Total	3,188,043,827,778	3,190,963,642,552

16. FINANCIAL EXPENSES

	Q3.2020	Q3.2019
Interest expense	40,680,147,467	28,991,037,852
Other financial expense	1,282,022,842	212,263,695
Foreign exchange loss	1,036,295,377	1,851,786,712
Total	42,998,465,686	31,055,088,259

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

17. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

	Q3.2020	Q3.2019
Staff cost	231,704,143,433	236,263,107,015
Materials, packaging	6,374,174,394	9,440,944,736
Tools and supplies	19,346,448,315	20,463,449,488
Depreciation	11,089,439,508	8,608,610,685
Outside services	91,732,182,547	81,510,457,915
Others	71,579,571,410	98,246,419,269
	<u>431,825,959,607</u>	<u>454,532,989,108</u>

18. CORPORATE INCOME TAX

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 consolidated interim financial statements could change at a later date upon final determination by the tax authorities.

	Q3.2020	Q3.2019
Profit before tax	256,095,727,112	268,027,888,640
Taxable profit	271,820,678,160	300,172,652,284
Corporate income tax rate	20%	20%
Current CIT	<u>54,364,135,632</u>	<u>60,034,530,457</u>

19. OFF – BALANCE SHEET ITEMS**a) Operating Lease Commitments**

As at 30 September 2020, lease payments paid under operating leases commitments are as follows:

	Q3.2020	Q3.2019
Within next year	219,857,276,679	210,256,494,480
From 2 to 5 years	717,599,272,406	602,748,230,121
Over 5 years	378,902,292,974	378,445,933,529
Total	<u>1,316,358,842,059</u>	<u>1,191,450,658,130</u>

b) Foreign Exchange:

	30/9/2020	31/12/2019
USD	91,995	92,878
GBP	1,625	1,625
AUD	1,002	27,330
EUR	3,705	5,901
Gold bar (One tenth of a tael)	10,470	7,580

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

20. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Management Board 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.

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 Group's exposure to market risk for changes in interest rate relates primarily to the Group's loans with floating interest rates.

The Group 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.

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 Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities. Risks due to changes in exchange rates of the Group is insignificant.

Commodity price risk

The Group exposes to commodity price risk in relation to purchase of certain commodities. The Group 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 Group 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 Group is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks, foreign exchange operations and other financial instruments.

Trade receivables

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

Outstanding customer receivables are regularly monitored. In terms of account receivables of oversea customers, the Group is guaranteed by a third bank. For large clients, the Group considers the decline in credit quality of each customer at reporting date.

Bank deposits

The Group's bank balances are mainly maintained with well-known banks in Vietnam. The Group evaluates the concentration of credit risk in respect to bank deposit as low.

Liquidity risk

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For Quarter 3 ended on 30 September 2020

The Group monitors its liquidity risk by maintaining a level of cash, cash equivalents and bank loans deemed adequate by management to finance the Group's operations.

Collateral

The Group has pledged its fixed assets, inventories in order to fulfil the collateral requirements for loans obtained from commercial banks.

The Group did not hold any collateral of other parties at 31 December 2019 and 30 September 2020.

21. FACTORS IMPACT ON BUSINESS PERFORMANCE IN Q3.2020

Net revenue Q3.2020 reached VND 3,922 bn, decreased by 0.3% compared to the same period last year.

- Retail sales (include jewelries and watches) increased by 9.5% yoy. In spite of store closures in Da Nang city due to the second wave of Covid 19 since August, PNJ has strongly bounced back in September after the pandemic has been successfully controlled with retail sales growth of 18.2% in September. Cummulatively, this figure was 4.2% yoy.
- Gold bar sales rose by 19.1% yoy in Q3 and 15.6% in the first 9 months of 2020.
- Wholesale revenue plummeted by 40% yoy in Q3 because the jewelry demand of mass segment has not recovered yet. Cummulatively, wholesale sales dropped by 27% yoy.

Profit before tax reached VND 256 bn, fell by 4.5% compared to Q3.2019.


- Gross profit reached VND 734 bn, down 2.5% yoy.
- Total operating expenses diminished by 5% yoy. The cost optimization efficiency has remained at good level which was demonstrated by the lower operating expenses/gross profit ratio compared to that of the budget.
- Financial expenses were VND 43 bn, up 38.5% yoy due to the demand of working capital for business activities.

After the first 9 months of 2020:

- Net sales was amounted to VND 11,668 bn, equivalent to the same period last year and fulfilled 80.6% of 2020 sales budget.
- Profit before tax reached VND 810 bn, declined by 20.6% yoy and fulfilled 77.4% of 2020 profit budget.


 Nguyen Thanh Dat
 Preparer
 20 October 2020


 Duong Quang Hai
 Chief Accountant


 Le Tri Thong
 General Director

