

**PHU NHUAN JEWELRY JOINT STOCK COMPANY**

**SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**



**PHU NHUAN JEWELRY JOINT STOCK COMPANY**

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FOR THE YEAR ENDED 31 DECEMBER 2022**

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## PHU NHUAN JEWELRY JOINT STOCK COMPANY

### CORPORATE INFORMATION

#### Enterprise registration certificate

No. 0300521758 dated 2 January 2004 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the latest (the 35<sup>th</sup>) amendment dated 6 February 2023.

#### Board of Directors

Mrs. Cao Thi Ngoc Dung	Chairwoman
Mr. Le Tri Thong	Vice Chairman
Mr. Le Huu Hanh	Member (Until 16 April 2022)
Mr. Dao Trung Kien	Member (From 16 April 2022)
Mrs. Huynh Thi Xuan Lien	Member
Mrs. Dang Thi Lai	Member
Mrs. Tran Phuong Ngoc Thao	Member
Mrs. Tieu Yen Trinh	Independent Member
Mr. Le Quang Phuc	Independent Member
Mr. Nguyen Tuan Hai	Independent Member

#### Audit Committee

Mr. Le Quang Phuc	Chairman
Mr. Nguyen Tuan Hai	Member
Mrs. Huynh Thi Xuan Lien	Member (From 27 July 2022)
Mr. Nguyen Anh Tuan	Head of Internal Audit

#### Board of Management

Mr. Le Tri Thong	General Director Cum managing and operating the Customer and Retail Division Cum managing and operating the Marketing Division (From 17 October 2022) Cum managing and operating the Strategy Division (From 6 February 2023)
Mrs. Dang Thi Lai	Chief Operation Officer Cum Chief of Finance – Operation Officer (Until 6 February 2023) Senior Director – Finance (From 6 February 2023)
Mr. Phan Nguyen Hoai Anh	Acting Director of Marketing Division (Until 17 October 2022)
Mr. Nguyen Ngoc Van Quan	Acting Director of Supply Chain Division (From 1 June 2022 until 16 February 2023) Senior Director – Supply Chain (From 16 February 2023)
Mr. Dao Trung Kien	Chief Strategy Officer (Until 6 February 2023) Senior Director – Operation (From 6 February 2023)
Mr. Dang Hai Anh	Chief Information Officer
Mr. Nguyen Anh Hung	Director of Human Resource
Mr. Duong Quang Hai	Chief Accountant

## **PHU NHUAN JEWELRY JOINT STOCK COMPANY**

### **CORPORATE INFORMATION (continued)**

<b>Legal representative</b>	Mrs. Cao Thi Ngoc Dung Mr. Le Tri Thong	Chairwoman General Director
<b>Registered office</b>	170E Phan Dang Luu Street, Ward 3, Phu Nhuan District, Ho Chi Minh City, Vietnam	
<b>Auditor</b>	PwC (Vietnam) Limited	



## **PHU NHUAN JEWELRY JOINT STOCK COMPANY**

### **STATEMENT OF THE BOARD OF MANAGEMENT**

#### **Responsibility of the Board of Management of the Company in respect of the separate financial statements**

The Board of Management of Phu Nhuan Jewelry Joint Stock Company ("the Company") is responsible for preparing the separate financial statements which give a true and fair view of the separate financial position of the Company as at 31 December 2022, and of the separate results of its operations and its separate cash flows for the year then ended. In preparing these separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and which enable separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

#### **Approval of the separate financial statements**

We hereby, approve the accompanying separate financial statements as set out on pages 6 to 46 which give a true and fair view of the separate financial position of the Company as at 31 December 2022, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and applicable regulations on preparation and presentation of separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (together, "the Group") for the year ended 31 December 2022 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group as a whole.

On behalf of the Board of Management



Le Tri Thong  
General Director

Ho Chi Minh City, SR Vietnam  
22 March 2023



## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PHU NHUAN JEWELRY JOINT STOCK COMPANY**

We have audited the accompanying separate financial statements of Phu Nhuan Jewelry Joint Stock Company ("the Company") which were prepared on 31 December 2022 and approved by the Board of Management on 22 March 2023. The separate financial statements comprise the separate balance sheet as at 31 December 2022, the separate income statement and the separate cash flow statement for year then ended, and explanatory notes to the separate financial statements including significant accounting policies, as set out on pages 6 to 46.

### **The Board of Management's Responsibility**

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these separate financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the financial statements of the Company are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the separate financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





### Auditor's opinion

In our opinion, the separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2022, its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of separate financial statements.

### Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

### For and on behalf of PwC (Vietnam) Limited



Luong Thi Anh Tuyet  
Audit Practising Licence No.  
3048-2019-006-1  
Authorised signatory

Vo Ngoc Huyen  
Audit Practising Licence No.  
2610-2023-006-1

Report reference number: HCM13136  
Ho Chi Minh City, 22 March 2023

PHU NHUAN JEWELRY JOINT STOCK COMPANY

Form B 01 – DN

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2022 VND	2021 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>11,064,035,069,182</b>	<b>8,602,996,182,573</b>
<b>110</b>	<b>Cash</b>		<b>812,986,324,575</b>	<b>305,277,938,978</b>
111	Cash	3	812,986,324,575	305,277,938,978
<b>120</b>	<b>Short-term investment</b>		<b>200,000,000,000</b>	-
123	Investments held to maturity	4(a)	200,000,000,000	-
<b>130</b>	<b>Short-term receivables</b>		<b>710,766,133,884</b>	<b>390,023,093,373</b>
131	Short-term trade accounts receivable	5	143,730,514,010	40,694,434,402
132	Short-term prepayments to suppliers	6	396,330,171,806	330,458,116,382
135	Short-term lending	7	140,000,000,000	-
136	Other short-term receivables	8(a)	33,444,427,006	20,525,567,151
137	Provision for doubtful debts – short-term	9	(2,806,717,308)	(2,004,798,077)
139	Shortage of assets awaiting resolution		67,738,370	349,773,515
<b>140</b>	<b>Inventory</b>		<b>9,271,399,848,670</b>	<b>7,845,352,587,725</b>
141	Inventories	10	9,271,399,848,670	7,845,352,587,725
<b>150</b>	<b>Other current assets</b>		<b>68,882,762,053</b>	<b>62,342,562,497</b>
151	Short-term prepaid expenses	11(a)	65,745,263,061	54,543,083,974
152	Value Added Tax ("VAT") to be reclaimed		3,137,498,992	7,799,478,523

The notes on pages 11 to 46 are an integral part of these separate financial statements.

PHU NHUAN JEWELRY JOINT STOCK COMPANY

Form B 01 – DN

SEPARATE BALANCE SHEET  
(continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2022 VND	2021 VND
<b>200</b>	<b>NON-CURRENT ASSETS</b>		<b>1,846,082,304,812</b>	<b>1,451,077,899,581</b>
<b>210</b>	<b>Long-term receivable</b>		<b>88,419,971,107</b>	<b>80,350,406,759</b>
216	Other long-term receivables	8(b)	88,419,971,107	80,350,406,759
<b>220</b>	<b>Fixed assets</b>		<b>805,633,551,936</b>	<b>820,594,930,272</b>
221	Tangible fixed assets	12(a)	162,935,282,608	169,746,626,449
222	Historical cost		368,585,849,492	344,892,108,002
223	Accumulated depreciation		(205,650,566,884)	(175,145,481,553)
227	Intangible fixed assets	12(b)	642,698,269,328	650,848,303,823
228	Historical cost		705,939,742,348	697,774,918,988
229	Accumulated amortisation		(63,241,473,020)	(46,926,615,165)
<b>240</b>	<b>Long-term asset in progress</b>		<b>28,799,987,250</b>	<b>30,183,906,350</b>
242	Construction in progress	13	28,799,987,250	30,183,906,350
<b>250</b>	<b>Long-term investments</b>	4(b)	<b>586,669,065,179</b>	<b>246,119,593,225</b>
251	Investments in subsidiaries		660,000,000,000	340,000,000,000
253	Investments in other entities		395,271,613,400	395,271,613,400
254	Provision for long-term investments		(468,602,548,221)	(489,152,020,175)
<b>260</b>	<b>Other long-term assets</b>		<b>336,559,729,340</b>	<b>273,829,062,975</b>
261	Long-term prepaid expenses	11(b)	219,829,594,777	175,791,229,191
262	Deferred income tax assets	23	116,730,134,563	98,037,833,784
<b>270</b>	<b>TOTAL ASSETS</b>		<b>12,910,117,373,994</b>	<b>10,054,074,082,154</b>

The notes on pages 11 to 46 are an integral part of these separate financial statements.



PHU NHUAN JEWELRY JOINT STOCK COMPANY

Form B 01 – DN

SEPARATE BALANCE SHEET  
(continued)

Code	RESOURCES	Note	As at 31 December	
			2022 VND	2021 VND
<b>300</b>	<b>LIABILITIES</b>		<b>4,569,887,335,324</b>	<b>4,109,229,101,091</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>4,559,852,546,324</b>	<b>4,100,098,701,091</b>
311	Short-term trade accounts payable	14	255,035,902,130	638,903,772,994
312	Short-term advances from customers	15	170,105,715,685	106,563,466,096
313	Tax and other payables to the State	16	226,999,428,026	261,052,351,661
314	Payable to employees	17	836,225,571,023	339,225,759,891
315	Short-term accrued expenses	18	77,567,311,611	56,176,517,030
319	Other short-term payables	19	196,542,039,364	47,206,698,660
320	Short-term borrowings	20	2,605,754,185,502	2,495,307,120,466
321	Provision for short-term liabilities	22(a)	30,129,306,488	30,129,306,488
322	Bonus and welfare fund	21	161,493,086,495	125,533,707,805
<b>330</b>	<b>Long-term liabilities</b>		<b>10,034,789,000</b>	<b>9,130,400,000</b>
337	Other long-term payables		518,668,000	518,668,000
342	Provision for long-term liabilities	22(b)	9,516,121,000	8,611,732,000
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>8,340,230,038,670</b>	<b>5,944,844,981,063</b>
<b>410</b>	<b>Capital and reserves</b>		<b>8,340,230,038,670</b>	<b>5,944,844,981,063</b>
411	Owners' capital	24, 25	2,461,716,200,000	2,276,123,620,000
411a	- Ordinary shares with voting rights		2,461,716,200,000	2,276,123,620,000
412	Share premium	25	2,251,376,032,458	991,261,882,458
415	Treasury shares	25	(3,384,090,000)	(4,908,890,000)
418	Investment and development fund	25	1,212,120,556,918	800,503,556,918
421	Undistributed earnings	25	2,418,401,339,294	1,881,864,811,687
421a	- Undistributed post-tax profits of previous years		791,386,349,487	826,488,391,906
421b	- Post-tax profits of current year		1,627,014,989,807	1,055,376,419,781
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>12,910,117,373,994</b>	<b>10,054,074,082,154</b>

  
\_\_\_\_\_  
Nguyen Thanh Dat  
Preparer

  
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Duong Quang Hai  
Chief Accountant



  
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Le Tri Thong  
General Director  
22 March 2023

The notes on pages 11 to 46 are an integral part of these separate financial statements.

PHU NHUAN JEWELRY JOINT STOCK COMPANY

Form B 02 – DN

SEPARATE INCOME STATEMENT

Code	Note	Year ended 31 December	
		2022 VND	2021 VND
01 Revenue from sales of goods and rendering of services		38,611,519,158,275	22,094,027,404,679
02 Less deduction		(331,070,850,934)	(191,704,724,733)
10 Net revenue from sales of goods and rendering of services	28	38,280,448,307,341	21,902,322,679,946
11 Cost of goods sold and services rendered	29	(32,663,736,855,708)	(18,472,287,310,471)
20 Gross profit from sales of goods and rendering of services		5,616,711,451,633	3,430,035,369,475
21 Financial income	30	50,968,596,630	38,970,709,497
22 Financial expenses	31	(113,279,558,480)	(171,225,204,655)
23 - Including: Interest expense	31	(90,663,771,989)	(96,963,843,334)
25 Selling expenses	32	(2,723,690,768,738)	(1,605,167,850,932)
26 General and administration expenses	33	(611,647,054,255)	(381,233,161,253)
30 Net operating profit		2,219,062,666,790	1,311,379,862,132
31 Other income		6,392,230,119	7,386,236,972
32 Other expenses		(4,893,422,991)	(14,769,208,569)
40 Net other income/(expenses)		1,498,807,128	(7,382,971,597)
50 Net accounting profit before tax		2,220,561,473,918	1,303,996,890,535
51 Corporate income tax ("CIT") - current	34	(464,637,548,290)	(257,943,507,515)
52 CIT - deferred	34	18,692,300,779	9,323,036,761
60 Net profit after tax		1,774,616,226,407	1,055,376,419,781

  
 \_\_\_\_\_  
 Nguyen Thanh Dat  
 Preparer

  
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 Duong Quang Hai  
 Chief Accountant

  
  
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 Le Tri Thong  
 General Director  
 22 March 2023

The notes on pages 11 to 46 are an integral part of these separate financial statements.



PHU NHUAN JEWELRY JOINT STOCK COMPANY

Form B 03 – DN

SEPARATE CASH FLOW STATEMENT  
(Indirect method)

		Year ended 31 December	
Code	Note	2022 VND	2021 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Net accounting profit before tax</b>	<b>2,220,561,473,918</b>	<b>1,303,996,890,535</b>
	Adjustments for:		
02	Depreciation and amortisation	48,683,173,676	45,804,632,581
03	(Reversal of provisions)/provisions	(18,843,163,723)	49,447,248,595
04	Unrealised foreign exchange (gains)/losses	(5,582,909,410)	2,351,000,719
05	Profits from investing activities	(24,116,271,113)	(28,807,519,438)
06	Interest expense	90,663,771,989	96,963,843,334
08	<b>Operating profit before changes in working capital</b>	<b>2,311,366,075,337</b>	<b>1,469,756,096,326</b>
09	(Increase)/decrease in receivables	(184,989,754,523)	269,571,290,692
10	Increase in inventories	(1,426,047,260,945)	(2,299,737,980,267)
11	Increase in payables	148,214,332,355	275,116,010,892
12	(Increase)/decrease in prepaid expenses	(55,240,544,673)	4,964,035,337
14	Interest paid	(87,034,727,076)	(97,682,133,656)
15	CIT paid	(455,890,155,101)	(222,338,449,315)
17	Other payments on operating activities	(15,492,621,310)	(43,169,828,785)
20	<b>Net cash inflows/(outflows) from operating activities</b>	<b>234,885,344,064</b>	<b>(643,520,958,776)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets	(32,375,086,204)	(45,884,630,197)
22	Proceeds from disposals of fixed assets	1,178,894,585	12,754,963,332
23	Loans granted and term deposits placed at banks	(540,000,000,000)	-
24	Collection of loans and term deposits placed at banks	200,000,000,000	-
25	Investments in other entities	(320,000,000,000)	-
27	Dividends and interest received	23,011,796,456	25,876,153,497
30	<b>Net cash outflows from investing activities</b>	<b>(668,184,395,163)</b>	<b>(7,253,513,368)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from issuance of shares	1,447,231,530,000	-
32	Payments for share repurchases	-	(1,524,800,000)
33	Proceeds from borrowings	5,949,749,914,749	7,137,837,855,943
34	Repayments of borrowings	(5,839,302,849,713)	(6,231,348,371,180)
36	Dividends paid	(616,671,158,340)	(177,376,257,045)
40	<b>Net cash inflows from financing activities</b>	<b>941,007,436,696</b>	<b>727,588,427,718</b>
50	<b>Net increase in cash</b>	<b>507,708,385,597</b>	<b>76,813,955,574</b>
60	<b>Cash at beginning of year</b>	<b>305,277,938,978</b>	<b>228,463,983,404</b>
61	Effect of foreign exchange differences	-	-
70	<b>Cash at end of year</b>	<b>812,986,324,575</b>	<b>305,277,938,978</b>

  
\_\_\_\_\_  
Nguyen Thanh Dat  
Preparer

  
\_\_\_\_\_  
Duong Quang Hai  
Chief Accountant



  
\_\_\_\_\_  
Le Tri Thong  
General Director  
22 March 2023

The notes on pages 11 to 46 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**1 GENERAL INFORMATION**

Phu Nhuan Jewelry Joint Stock Company (“the Company”) is a joint stock company established in SR Vietnam in accordance with the Enterprise Registration certificate No. 0300521758 which was initially issued by the Department of Planning and Investment of Ho Chi Minh City on 2 January 2004 and the latest (the 35<sup>th</sup>) amendment dated 6 February 2023.

On 23 March 2009, the Company’s shares were officially listed in the Ho Chi Minh City Stock Exchange (“HOSE”) with the stock trading code PNJ in accordance with the Decision No. 129/UBCK-ĐKNY issued by the General Director of HOSE on 26 December 2008.

The principal activities of the Company are trading gold, silver, jewelry and gemstones, importing and exporting jewelry in gold, silver and gemstones.

The normal business cycle of the Company is within 12 months.

As at 31 December 2022 and 31 December 2021, the Company had 3 subsidiaries as presented in Note 12 – Long-term investments. Details are as follows:

	Place of incorporation and operation	31.12.2022		31.12.2021		The principal activities
		% of ownership	% of voting rights	% of ownership	% of voting rights	
CAO Fashion Company Limited	Ho Chi Minh City	100	100	100	100	Trading of jewelry products
PNJ Laboratory Company Limited	Ho Chi Minh City	100	100	100	100	Jewelry inspection and consultancy services
PNJ Jewelry Production and Trading Company Limited	Ho Chi Minh City	100	100	100	100	Manufacturing and trading jewelry

In addition, as at 31 December 2022, the Company had 57 branches (as at 31 December 2021: 56 branches) located in various provinces and cities in Vietnam.

As at 31 December 2022, the Company had 5,155 employees (as at 31 December 2021: 4,646 employees).



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### **2.1 Basis of preparation of separate financial statements**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements. The separate financial statements have been prepared under the historical cost convention.

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

Separately, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together, "the Group"), in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2022 in order to obtain full information of the consolidated financial position and of consolidated results of operations and of consolidated cash flows of the Group.

### **2.2 Fiscal year**

The Company's fiscal year is from 1 January to 31 December.

### **2.3 Currency**

The separate financial statements are measured and presented in Vietnamese Dong ("VND"), which is the Company's accounting currency.

### **2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate income statement.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.4 Exchange rates (continued)**

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial bank with which the Company regularly trades. Foreign currencies deposited in bank at the separate balance sheet date are translated at the buying exchange rate of the commercial bank where the Company opens the foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the separate income statement.

**2.5 Cash**

Cash comprises cash on hand, cash in banks and cash in transit.

**2.6 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

**2.7 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Company applies the perpetual method for inventories.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year are recognised as an increase or decrease of cost of goods sold in the year.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Investments****(a) Investments in subsidiaries**

Subsidiaries are the entities whose financial and operating policies the Company has the power to govern in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

**(b) Investment in other entity**

Investment in other entity is investment in equity instruments of other entity without controlling rights or co-controlling rights, or without significant influence over investee. This investment is initially recorded at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

**(c) Provision for investments in subsidiaries and other entities**

Provision for investments in subsidiaries and other entities is made when there is a diminution in value of the investments at the year end .

Provision for investments in subsidiaries is calculated based on the loss of investees.

Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries.

Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

**2.9 Lendings**

Lendings are lendings granted for the earning interest under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the year end. Provision for doubtful lending is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Lendings (continued)**

Lending is classified into short-term and long-term lending on the separate balance sheet based on the remaining term of the lendings as at the separate balance sheet date to the maturity date.

**2.10 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the separate income statement when incurred in the year.

*Depreciation/amortisation*

Fixed assets are depreciated/amortised using the straight-line method so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the separate financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each fixed assets class are as below:

Buildings and structures	5 - 25 years
Machinery and equipment	3 - 15 years
Motor vehicles	5 - 10 years
Office equipment	3 - 10 years
Software	3 - 5 years

Indefinite land use rights are stated at costs and not amortised.

*Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of fixed assets and are recognised as income or expense in the separate income statement.

*Construction in progress*

Construction in progress represents the cost of assets in the course of installation or construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; construction consulting expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Company's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.



## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.11 Leased assets**

Leases of property, plant and equipment where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the separate income statement on a straight-line basis over the term of the lease.

### **2.12 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the separate balance sheet. Short-term prepaid expenses represent prepayments for services; or tools and supplies that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools and supplies that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated using the straight-line method over their estimated useful lives.

### **2.13 Payables**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchases of goods and services; and
- Other payables are non-trade payables and payables not relating to purchase of goods and services.

Payables are classified into short-term and long-term payables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

### **2.14 Borrowing**

Borrowings include borrowings from banks, individual and related party.

Borrowings are classified into short-term and long-term on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

Borrowing costs are recognised in the separate income statement when incurred.

### **2.15 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.16 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.

**2.17 Provision for severance allowances**

In accordance with Vietnamese labour laws, employees of the Company who have worked regularly for full 12 months or longer are entitled to a severance allowance. The working period used for the calculation of severance allowance is the year during which the employee actually works for the Company less the year during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting year on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's contract's average salary for the six-month period prior to the separate balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in accordance with current regulations.

**2.18 Capital and reserves**

Contributed capital of the shareholders is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares bought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Company and bought-back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.

Treasury shares bought after 1 January 2021 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Company's accumulated results after CIT at the reporting date.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### 2.19 Appropriation of net profit

The Company's dividend is recognised as a liability in the Company's the separate financial statements in the year in which the dividends are approved by the Company's General Meeting of Shareholders.

Net profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's funds are as below:

#### (a) Investment and development fund

Investment and development fund is appropriated from profit after CIT of the Company and approved by Shareholders at the General Meeting of Shareholders. The fund is set aside for the use in the Company's expansion of its operation or in-depth investments.

#### (b) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Company's profit after CIT and subject to Shareholders' approval at the General Meeting of Shareholders. This fund is presented as a liability on the separate balance sheet. The fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits.

### 2.20 Revenue recognition

#### (a) Revenue from sales of goods

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

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

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sales obligation. If the Company gives promotional goods to customers associated with their purchases, the Company allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of sales in the separate income statement.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.20 Revenue recognition (continued)****(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the separate income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the separate balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**(c) Interest income**

Interest income is recognised on an earned basis.

**(d) Dividend income**

Income from dividend is recognised when the Company has established the receiving right from investees.

**2.21 Sales deduction**

Sales deduction includes sales returns. Sales deduction incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as deduction of revenue of that year.

Sales deduction for sale of products, goods or rendering of services which are sold in the year but are incurred after the separate balance sheet date but before the issuance of the separate financial statements are recorded as deduction of revenue of the year.

**2.22 Cost of goods sold and services rendered**

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis.

**2.23 Financial expenses**

Finance expenses are expenses incurred in the year for financial activities including expenses or losses relating to financial investment activities, expenses of borrowing and losses from foreign exchange differences.

## **2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

### **2.24 Selling expenses**

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services, which mainly include publicity, display, promotions, advertising expenses, warranty charges of goods and products, maintenance charges, packaging and transportation.

### **2.25 General and administration expenses**

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staffs (salaries, wages, allowances, etc.); compulsory social insurance, medical insurance, labour union fees and unemployment insurance of administrative staff; expenses of office materials, tools and supplies, depreciation and amortisation of fixed assets used for administration, land rental, outside services and other expenses.

### **2.26 Current and deferred income tax**

Income taxes includes all income taxes which is based on taxable. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

### **2.27 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies and subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, mainly including members of the Board of Directors, members of the Board of Management of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering the related party relationship, the Company considers the substance of the relationship not merely the legal form.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.28 Critical accounting estimates**

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of 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 accounting year. Although these estimates are based on the Board of Management's best knowledge of current events and actions, actual results may differ from those estimates.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of Management to be reasonable under the circumstances.

**3 CASH**

	<b>2022</b> <b>VND</b>	<b>2021</b> <b>VND</b>
Cash on hand	400,728,142,501	103,572,773,991
Cash at bank	366,064,822,140	168,863,036,696
Cash in transit	46,193,359,934	32,842,128,291
	<u>812,986,324,575</u>	<u>305,277,938,978</u>

**4 INVESTMENTS****(a) Short-term**

	<b>2022</b>		<b>2021</b>	
	<b>Cost</b> <b>VND</b>	<b>Book value</b> <b>VND</b>	<b>Cost</b> <b>VND</b>	<b>Book value</b> <b>VND</b>
Term deposits (*)	<u>200,000,000,000</u>	<u>200,000,000,000</u>	<u>-</u>	<u>-</u>

(\*) Term deposits represent term deposits placed at commercial banks with an original maturity from more than three months to less than a year and earn interest at the rate of 6.5% per annum.

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**4 INVESTMENTS (continued)**

**(b) Long-term**

	2022		2021	
	Cost VND	Provision VND	Cost VND	Provision VND
<b>(i) Investment in subsidiaries</b>				
CAO Fashion Company Limited (*)	150,000,000,000	(73,330,934,821)	130,000,000,000	(93,880,406,775)
PNJ Laboratory Company Limited	10,000,000,000	-	10,000,000,000	-
PNJ Jewelry Production and Trading Company Limited (**)	500,000,000,000	-	200,000,000,000	-
	<u>660,000,000,000</u>	<u>(73,330,934,821)</u>	<u>340,000,000,000</u>	<u>(93,880,406,775)</u>
<b>(ii) Investment in other entity</b>				
Dong A Commercial Joint Stock Bank (***)	395,271,613,400	(395,271,613,400)	395,271,613,400	(395,271,613,400)
	<u>1,055,271,613,400</u>	<u>(468,602,548,221)</u>	<u>735,271,613,400</u>	<u>(489,152,020,175)</u>

(\*) In accordance with the Resolution of the Board of Directors No. 734/2022/NQ-HĐQT-CTY dated 21 December 2022, the Company has contributed the capital amounted to VND20,000,000,000 to increase the charter capital of CAO Fashion Company Limited from VND130,000,000,000 to VND150,000,000,000.

(\*\*) In accordance with the Resolution of the Board of Directors No. 733/2022/NQ-HĐQT-CTY dated 21 December 2022, the Company has contributed the capital amounted to VND 300,000,000,000 to increase the charter capital of PNJ Production and Trading Company Limited from VND200,000,000,000 to VND500,000,000,000.

(\*\*\*) As at 31 December 2022 and 31 December 2021, Dong A Joint Stock Commercial Bank was still under special control of the State Bank of Vietnam and its shares have not been eligible transferable. Therefore, the Board of Management decided to make full provision for diminution in value of this investment as at the separate balance sheet date.

As at 31 December 2022 and 31 December 2021, the Company has not determined the fair value of these investments for disclosure in the separate financial statements because they do not have listed prices.

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**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties		
Aeon Vietnam Co., Ltd. - Binh Duong Branch	8,249,435,172	7,417,481,647
Aeon Vietnam Co., Ltd.	7,799,727,008	6,055,942,557
Aeon Vietnam Co., Ltd. - Binh Tan Branch	7,549,704,598	7,047,219,391
Others	26,530,265,323	20,069,180,217
Related parties (Note 36(b))	93,601,381,909	104,610,590
	<u>143,730,514,010</u>	<u>40,694,434,402</u>

As at 31 December 2022 and 31 December 2021, there was no balance of short-term trade accounts receivable that was past due or not past due but doubtful.

**6 SHORT-TERM PREPAYMENTS TO SUPPLIERS**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties	51,712,851,983	25,192,757,300
Related parties (Note 36(b))	344,617,319,823	305,265,359,082
	<u>396,330,171,806</u>	<u>330,458,116,382</u>

**7 SHORT-TERM LENDING**

	<b>2022 VND</b>	<b>2021 VND</b>
Third party		
Golden Friend Joint Stock Company	140,000,000,000	-
	<u>140,000,000,000</u>	<u>-</u>

The balance represents unsecured lending with interest rates ranging from 9% to 12% per annum, the original maturity less than 12 months.

As at 31 December 2022, there was no balance of short-term lending that was past due or not past due but doubtful.



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**8 OTHER RECEIVABLES**

**(a) Short-term**

	2022 VND	2021 VND
Third parties		
Advances to employees	1,995,780,879	10,836,881,536
Lendings the Trade Union of the Company	11,662,100,000	-
Others	18,701,923,355	9,688,685,615
Related parties (Note 36(b))	1,084,622,772	-
	<u>33,444,427,006</u>	<u>20,525,567,151</u>

As at 31 December 2022 and 31 December 2021, the balance of short-term other receivables that was past due is VND4,009,596,154 as presented in Note 9.

**(b) Long-term**

	2022 VND	2021 VND
Rental deposits	<u>88,419,971,107</u>	<u>80,350,406,759</u>

**9 DOUBTFUL DEBTS**

	2022			Overdue period
	Cost VND	Recoverable amount VND	Provision VND	
i) Receivables that were past due	<u>4,009,596,154</u>	<u>1,202,878,846</u>	<u>(2,806,717,308)</u>	Over 2 years
	2021			Overdue period
	Cost VND	Recoverable amount VND	Provision VND	
i) Receivables that were past due	<u>4,009,596,154</u>	<u>2,004,798,077</u>	<u>(2,004,798,077)</u>	Over 1 year

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**10 INVENTORIES**

	<b>2022 VND</b>	<b>2021 VND</b>
Raw materials	519,001,420,333	338,161,002,157
Tools and supplies	44,445,537,687	28,160,441,406
Work in progress	793,638,605	186,865,821
Merchandise	8,707,159,252,045	7,478,844,278,341
	<u>9,271,399,848,670</u>	<u>7,845,352,587,725</u>

As at 31 December 2022, the total inventories of VND3,367,800,000,000 (as at 31 December 2021: VND2,503,916,000,000) were pledged as collateral assets for short-term borrowings from commercial banks (Note 20).

**11 PREPAID EXPENSES**

**(a) Short-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Operating lease	34,109,069,519	25,131,143,445
IT expenses	13,747,510,963	15,347,742,167
Tools and supplies	10,479,707,051	6,767,936,548
Repairs and maintenance	3,145,281,159	2,588,656,468
Others	4,263,694,369	4,707,605,346
	<u>65,745,263,061</u>	<u>54,543,083,974</u>

**(b) Long-term**

	<b>2022 VND</b>	<b>2021 VND</b>
Office and store renovation	110,061,249,509	80,879,194,596
Tools and supplies	100,255,845,454	84,155,492,063
Operating lease	4,693,940,300	8,930,291,938
Others	4,818,559,514	1,826,250,594
	<u>219,829,594,777</u>	<u>175,791,229,191</u>

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11 PREPAID EXPENSES (continued)

Movements in prepaid expenses during the year were as follows:

	2022 VND	2021 VND
Beginning of year	230,334,313,165	235,298,348,502
Increase	642,536,908,360	455,435,040,860
Allocation	(587,296,363,687)	(460,399,076,197)
End of year	<u>285,574,857,838</u>	<u>230,334,313,165</u>

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12 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Historical cost</b>					
As at 1 January 2022	155,412,647,890	54,332,739,154	40,084,095,152	95,062,625,806	344,892,108,002
New purchases	336,742,733	20,945,451,946	1,681,765,636	2,630,221,629	25,594,181,944
Disposals	-	(611,271,712)	(711,800,000)	(577,368,742)	(1,900,440,454)
As at 31 December 2022	155,749,390,623	74,666,919,388	41,054,060,788	97,115,478,693	368,585,849,492
<b>Accumulated depreciation</b>					
As at 1 January 2022	59,517,026,694	35,834,118,969	19,431,931,410	60,362,404,480	175,145,481,553
Charge for the year	8,407,794,591	8,740,661,181	4,858,314,351	10,361,545,698	32,368,315,821
Disposals	-	(597,848,415)	(711,800,000)	(553,582,075)	(1,863,230,490)
As at 31 December 2022	67,924,821,285	43,976,931,735	23,578,445,761	70,170,368,103	205,650,566,884
<b>Net book value</b>					
As at 1 January 2022	95,895,621,196	18,498,620,185	20,652,163,742	34,700,221,326	169,746,626,449
As at 31 December 2022	87,824,569,338	30,689,987,653	17,475,615,027	26,945,110,590	162,935,282,608

As at 31 December 2022, the historical cost of fixed assets that were fully depreciated but still in use was VND73,468,974,148 (as at 31 December 2021: VND57,948,060,905).



**12 FIXED ASSETS (continued)****(b) Intangible fixed assets**

	Land use rights VND	Software VND	Total VND
<b>Historical cost</b>			
As at 1 January 2022	557,784,111,372	139,990,807,616	<b>697,774,918,988</b>
New purchases	-	4,269,150,000	<b>4,269,150,000</b>
Transfers from construction in progress (Note 13)	-	3,895,673,360	<b>3,895,673,360</b>
As at 31 December 2022 (*)	<u>557,784,111,372</u>	<u>148,155,630,976</u>	<u><b>705,939,742,348</b></u>
<b>Accumulated amortisation</b>			
As at 1 January 2022	-	46,926,615,165	<b>46,926,615,165</b>
Charge for the year	-	16,314,857,855	<b>16,314,857,855</b>
As at 31 December 2022	<u>-</u>	<u>63,241,473,020</u>	<u><b>63,241,473,020</b></u>
<b>Net book value</b>			
As at 1 January 2022	<u>557,784,111,372</u>	<u>93,064,192,451</u>	<u><b>650,848,303,823</b></u>
As at 31 December 2022	<u>557,784,111,372</u>	<u>84,914,157,956</u>	<u><b>642,698,269,328</b></u>

(\*) Land use rights at No. 52A-52B Nguyen Van Troi Street, Phu Nhuan District, Ho Chi Minh City; No. 195A Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City; No. 577 Nguyen Kiem Street, Phu Nhuan District, Ho Chi Minh City and No. 174 Le Thanh Ton Street, District 1, Ho Chi Minh City with total carrying value of VND63,592,666,838 were held at Dong A Commercial Joint Stock Bank as at the separate balance sheet date.

As at 31 December 2022 and 31 December 2021, the historical cost of software that was fully amortised but still in use was VND6,982,250,583.

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**13 CONSTRUCTION IN PROGRESS**

	<b>2022 VND</b>	<b>2021 VND</b>
Land use right in Di An - Binh Duong	26,137,767,250	26,137,767,250
Human resource management software	-	1,990,919,100
Others	2,662,220,000	2,055,220,000
	<u>28,799,987,250</u>	<u>30,183,906,350</u>

Movements in the construction in progress during the year are as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Beginning of year	30,183,906,350	30,183,906,350
Addition	2,511,754,260	-
Transfers to intangible fixed assets (Note 12(b))	(3,895,673,360)	-
End of year	<u>28,799,987,250</u>	<u>30,183,906,350</u>

**14 SHORT-TERM TRADE ACCOUNTS PAYABLE**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties		
Finesse Impex Limited	98,320,888,917	407,209,800,903
Forte Jewellery (HK) Co., Ltd	55,143,909,736	156,961,646,131
Others	92,161,215,368	65,720,785,940
Related parties (Note 36(b))	9,409,888,109	9,011,540,020
	<u>255,035,902,130</u>	<u>638,903,772,994</u>

**15 SHORT-TERM PADVANCES FROM CUSTOMERS**

	<b>2022 VND</b>	<b>2021 VND</b>
Third parties	<u>170,105,715,685</u>	<u>106,563,466,096</u>

**16 TAXES AND OTHER PAYABLES TO THE STATE**

	<b>2022 VND</b>	<b>2021 VND</b>
CIT	193,339,354,900	184,591,961,711
VAT	22,256,518,892	59,430,680,133
Personal income tax ("PIT")	6,845,721,599	11,893,356,841
Others	4,557,832,635	5,136,352,976
	<u>226,999,428,026</u>	<u>261,052,351,661</u>

Movements in taxes and other payables to the State during the year are as follows:

	<b>As at 1.1.2022 VND</b>	<b>Payable during the year VND</b>	<b>Paid during the year VND</b>	<b>As at 31.12.2022 VND</b>
VAT	59,430,680,133	653,028,415,133	(690,202,576,374)	22,256,518,892
CIT	184,591,961,711	464,637,548,290	(455,890,155,101)	193,339,354,900
PIT	11,893,356,841	115,959,394,530	(121,007,029,772)	6,845,721,599
Others	5,136,352,976	1,529,362,969	(2,107,883,310)	4,557,832,635
	<u>261,052,351,661</u>	<u>1,235,154,720,922</u>	<u>(1,269,207,644,557)</u>	<u>226,999,428,026</u>

**17 PAYABLE TO EMPLOYEES**

The balances represent accruals for the 13th month salary and performance bonus payable to employees.

**18 SHORT-TERM ACCRUED EXPENSES**

	<b>2022 VND</b>	<b>2021 VND</b>
Advertising and marketing	59,142,239,840	46,175,908,456
Interest expense	6,055,450,738	2,426,405,825
Others	12,369,621,033	7,574,202,749
	<u>77,567,311,611</u>	<u>56,176,517,030</u>



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19 OTHER SHORT-TERM PAYABLES

	2022 VND	2021 VND
Bonus for the Board of Directors and the Board of Management (Note 36(b))	11,418,221,742	10,084,181,002
Dividends payable (Note 26)	161,676,227,507	15,684,687,047
Compulsory insurance and union trade	2,390,882,094	2,737,780,626
PIT paid on behalf of shareholders	4,531,133,392	4,531,133,392
Others	13,163,485,607	11,743,827,100
Related parties (Note 36(b))	3,362,089,022	2,425,089,493
	<u>196,542,039,364</u>	<u>47,206,698,660</u>

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20 SHORT-TERM BORROWINGS

	As at 1.1.2022 VND	Increase VND	Decrease VND	As at 31.12.2022 VND
Bank borrowings (*)				
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoc Mon Branch	398,800,000,000	792,555,474,443	(833,355,474,443)	358,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade	677,782,720,126	896,211,219,853	(880,519,101,666)	693,474,838,313
Southeast Asia Joint Stock Commercial Bank	269,959,271,800	268,000,000,000	(537,959,271,800)	-
Vietnam International Commercial Joint Stock Bank	-	131,073,789,740	(131,073,789,740)	-
HSBC Bank (Viet Nam) Ltd.	-	535,000,000,000	(200,000,000,000)	335,000,000,000
CTBC Bank Company Limited - Ho Chi Minh City Branch	86,686,381,740	99,430,270,491	(136,116,652,231)	50,000,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank	-	264,029,190,900	(264,029,190,900)	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam	599,746,224,400	1,501,494,087,220	(1,401,438,981,800)	699,801,329,820
Military Commercial Joint Stock Bank	-	8,650,759,812	(8,650,759,812)	-
China Construction Bank - Ho Chi Minh City Branch	91,800,000,000	108,000,000,000	(91,800,000,000)	108,000,000,000
Vietnam Technological and Commercial Joint Stock Bank	-	283,154,947,141	(283,154,947,141)	-
Petrolimex Group Commercial Joint Stock Bank	282,932,584,960	110,598,960,000	(393,531,544,960)	-
Woori Bank Vietnam Limited	-	316,518,424,500	(226,487,475,300)	90,030,949,200
KEB Hana Bank - Ho Chi Minh City Branch	2,216,065,600	80,000,000,000	(82,216,065,600)	-
Siam Commercial Bank - Ho Chi Minh City Branch	-	326,825,254,280	(113,526,528,480)	213,298,725,800
Individual borrowings (**)	77,383,871,840	198,207,536,369	(247,443,065,840)	28,148,342,369
Borrowings from related parties (Note 36(b))	8,000,000,000	30,000,000,000	(8,000,000,000)	30,000,000,000
	2,495,307,120,466	5,949,749,914,749	(5,839,302,849,713)	2,605,754,185,502

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**20 SHORT-TERM BORROWINGS (continued)**

(\*) Details of short-term bank loans are as follows:

Bank	As at 31.12.2022 VND	Maturity date	Interest (per annum)	Collateral
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoc Mon Branch	358,000,000,000	From 5 March 2023 to 14 May 2023	6.8%	Inventories
HSBC Bank (Viet Nam) Ltd.	335,000,000,000	From 12 February 2023 to 28 May 2023	7.2%	Inventories
Vietnam Joint Stock Commercial Bank for Industry and Trade	693,474,838,313	From 7 March 2023 to 19 June 2023	7.7%	Inventories
CTBC Bank Company Limited - Ho Chi Minh City Branch	50,000,000,000	To 29 January 2023	6.0%	Inventories
Joint Stock Commercial Bank for Foreign Trade of Vietnam	699,801,329,820	From 27 January 2023 to 12 June 2023	6.4%	Inventories
China Construction Bank - Ho Chi Minh City Branch	108,000,000,000	From 5 January 2023 to 19 January 2023	4.6%	Unsecured
Woori Bank Vietnam Limited	90,030,949,200	From 26 January 2023 to 12 March 2023	5.2%	Inventories
Siam Commercial Bank - Ho Chi Minh City Branch	213,298,725,800	From 5 February 2023 to 27 March 2023	6.3%	Unsecured
	<u>2,547,605,843,133</u>			

(\*\*) Individual loans represent unsecured loans from the Company's employees with original maturity of 12 months and bear interests at rates ranging from 3.8% to 7.4% per annum.



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21 BONUS AND WELFARE FUND

	2022 VND	2021 VND
Beginning of year	125,533,707,805	115,237,536,590
Appropriation during the year (Note 25)	51,452,000,000	53,466,000,000
Utilisation during the year	(15,492,621,310)	(43,169,828,785)
	<u>161,493,086,495</u>	<u>125,533,707,805</u>

22 PROVISION FOR OTHER LIABILITIES

(a) Short-term

The balance represents the provision for warranty of products, goods which may be payable within one to six months after the end of the reporting year.

(b) Long-term

The balance represents the provision for severance allowance was determined based on the method presented at Note 2.17.

23 DEFERRED INCOME TAX ASSETS

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The offset amounts were as follows:

	2022 VND	2021 VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	80,957,546,880	80,776,669,080
Deferred tax assets to be recovered within 12 months	35,772,587,683	17,261,164,704
	<u>116,730,134,563</u>	<u>98,037,833,784</u>

**23 DEFERRED INCOME TAX ASSETS (continued)**

The gross movements in deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, are as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Beginning of year	98,037,833,784	88,714,797,023
Separate income statement credit (Note 34)	18,692,300,779	9,323,036,761
End of year	<u>116,730,134,563</u>	<u>98,037,833,784</u>

Details of deferred tax assets:

	<b>2022 VND</b>	<b>2021 VND</b>
Accruals	13,636,109,092	11,235,303,406
Provision for warranty of products, goods	6,025,861,298	6,025,861,298
Provision for re-processing inventories	16,110,617,292	-
Severance allowances	1,903,224,200	1,722,346,400
Provision for long-term investments	79,054,322,681	79,054,322,680
	<u>116,730,134,563</u>	<u>98,037,833,784</u>

The Company applied tax rate of 20% for determining deferred tax assets.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

**24 OWNERS' CAPITAL**

**(a) Number of ordinary shares**

	<b>2022</b>	<b>2021</b>
Number of shares registered	<u>246,171,620</u>	<u>227,612,362</u>
Number of shares issued	246,171,620	227,612,362
Number of shares repurchased (*)	<u>(169,559)</u>	<u>(245,799)</u>
Number of existing shares in circulation	<u>246,002,061</u>	<u>227,366,563</u>

(\*) This represents the number of treasury shares purchased before the effective date of the Securities Law (ie. 1 January 2021).

**24 OWNERS' CAPITAL (continued)**

**(b) Details of owners' shareholding**

	2022		2021	
	Ordinary shares (VND)	%	Ordinary shares (VND)	%
Dragon Capital Vietfund Management Joint Stock Company (*)	242,399,280,000	9.85	156,908,280,000	6.90
Mrs. Truong Ngoc Phuong (**)	226,841,685,000	9.22	204,315,730,000	8.99
Other shareholders	1,992,475,235,000	81.00	1,914,899,610,000	84.22
Treasury shares	(1,695,590,000)	(0.07)	(2,457,990,000)	(0.11)
	<u>2,460,020,610,000</u>	<u>100</u>	<u>2,273,665,630,000</u>	<u>100</u>

(\*) As at 31 December 2022 and 31 December 2021, Dragon Capital Vietfund Management Joint Stock Company was the representative for a group of investors.

(\*\*) As at 31 December 2022 and 31 December 2021, Mrs. Truong Ngoc Phuong was the representative for a group of foreign investors.

**(c) Movement of share capital**

	Quantity		Ordinary shares	Treasury shares
	Ordinary shares	Treasury shares	VND	VND
As at 1 January 2021	227,442,803	(169,559)	2,276,123,620,000	(1,695,590,000)
Treasury share (*)	-	(76,240)	-	(762,400,000)
As at 31 December 2021	227,442,803	(245,799)	2,276,123,620,000	(2,457,990,000)
New shares issued	18,635,498	-	186,354,980,000	-
Cancellation of treasury shares	(76,240)	76,240	(762,400,000)	762,400,000
As at 31 December 2022	<u>246,078,301</u>	<u>(169,559)</u>	<u>2,462,478,600,000</u>	<u>(1,695,590,000)</u>

Par value per share: VND10,000 per shares.

The Company does not have preferred shares.

(\*) According to the Resolution No. 217/2021/NQ-ĐHĐCĐ-CTY dated 17 April 2021, the Company bought back 76,240 ESOP shares of retired employees. As at the approval date of the separate financial statements, the Company has completed legal procedures to reduce the Company's charter capital (Note 25).



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25 MOVEMENTS OF OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Treasury shares VND	Investment and development fund VND	Undistributed earnings VND	Total VND
As at 1 January 2021	2,276,123,620,000	991,261,882,458	(3,384,090,000)	372,779,556,918	1,510,957,642,306	5,147,738,611,682
Net profit for the year	-	-	-	-	1,055,376,419,781	1,055,376,419,781
Dividends appropriation	-	-	-	-	(181,893,250,400)	(181,893,250,400)
Repurchase of share	-	-	(1,524,800,000)	-	-	(1,524,800,000)
Appropriation of bonus and welfare fund (Note 21)	-	-	-	-	(53,466,000,000)	(53,466,000,000)
Appropriation to investment and development fund	-	-	-	427,724,000,000	(427,724,000,000)	-
Appropriation to bonus for the Board of Directors and the Board of Management	-	-	-	-	(21,386,000,000)	(21,386,000,000)
As at 31 December 2021	2,276,123,620,000	991,261,882,458	(4,908,890,000)	800,503,556,918	1,881,864,811,687	5,944,844,981,063
Capital decrease during the year (i)	(762,400,000)	(797,400,000)	1,524,800,000	-	-	(35,000,000)
Capital increase during the year from new issuance (ii)	150,000,000,000	1,260,946,550,000	-	-	-	1,410,946,550,000
Issuance of ordinary shares under Employee Stock Ownership Plan to employees (iii)	36,354,980,000	(35,000,000)	-	-	-	36,319,980,000
Net profit for the year	-	-	-	-	1,774,616,226,407	1,774,616,226,407
Dividends appropriation (Note 26) (iv)	-	-	-	-	(762,662,698,800)	(762,662,698,800)
Appropriation of bonus and welfare fund (Note 21) (v)	-	-	-	-	(51,452,000,000)	(51,452,000,000)
Appropriation to investment and development fund (v)	-	-	-	411,617,000,000	(411,617,000,000)	-
Appropriation to bonus for the Board of Directors and the Board of Management (v)	-	-	-	-	(12,348,000,000)	(12,348,000,000)
As at 31 December 2022	2,461,716,200,000	2,251,376,032,458	(3,384,090,000)	1,212,120,556,918	2,418,401,339,294	8,340,230,038,670

**25 MOVEMENTS IN OWNERS' EQUITY (continued)**

- (i) In accordance with the Resolution of the Annual General Meeting of Shareholders No. 217/2021/NQ-ĐHĐCĐ-CTY dated 17 April 2021 and the Resolution of the Board of Directors No. 702/2022/NQ-HĐQT-CTY dated 16 December 2022, the Company canceled 76,240 shares of ESOP repurchased in 2021 from resigned employees in accordance with the Securities Law. Accordingly, the Company's charter capital decreased to VND2,275,361,220,000 in accordance with the 32<sup>nd</sup> amended Enterprise Registration Certificate dated 12 December 2022.
- (ii) In accordance with the Resolution of the Annual General Meeting of Shareholders No. 217/2021/NQ-ĐHĐCĐ-CTY dated 17 April 2021, the Resolutions of the Board of Directors No. 127/2022/NQ-HĐQT-CTY dated 18 February 2022 and No. 224/2022/NQ-HĐQT-CTY dated 31 March 2022, the Company completed the private issuance of 15,000,000 shares and increased its charter capital to VND2,425,361,220,000 in accordance with the 33<sup>rd</sup> amended Enterprise Registration Certificate dated 3 January 2023.
- (iii) In accordance with the Resolution of the Annual General Meeting of Shareholders No. 217/2021/NQ-ĐHĐCĐ-CTY dated 17 April 2021 and the Resolutions of the Board of Directors No. 257/2022/NQ-HĐQT-CTY dated 13 April 2022 and No. 505/2022/NQ-HĐQT-CTY, the Company completed the issuance of an additional 3,635,498 shares to members of the Board of Directors, members of the Board of Management, key managements, mid-level officials and other key employees of the Company and its subsidiaries, who made great contributions in exceeding the business plan of the year 2020, with the issued price of VND10,000 per share. Accordingly, the Company's charter capital increased to VND2,461,716,200,000 in accordance with the 34<sup>th</sup> amended Enterprise Registration Certificate dated 12 January 2023.
- (iv) The Company has appropriated dividends from undistributed post-tax profits for years 2020 and 2021, amounted to VND615,061,462,200 in accordance with the Resolutions of the Board of Directors No. 425/2021/NQ-HĐQT-CTY dated 23 November 2021, No. 104/2022/NQ-HĐQT-CTY dated 16 February 2022, No. 338/2022/NQ-HĐQT-CTY dated 1 June 2022, and No. 596/2022/NQ-HĐQT-CTY dated 17 October 2022. In addition, the Company has advanced the dividend from undistributed post-tax profit for year 2022, amounted to VND 147,601,236,600 in accordance with the Resolutions of the Board of Directors No. 764/2022/NQ-HĐQT-CTY dated 27 December 2022.
- (v) In accordance with the Resolutions of the Shareholders General Meeting No. 264/2022/NQ-ĐHĐCĐ-CTY dated 16 April 2022, the Shareholders approved the appropriation of net profit for the year ended 31 December 2021 as follows:
- Investment and development fund: VND411,617,000,000;
  - Bonus and welfare fund: VND51,452,000,000; and
  - Allowance for the Board of Directors and Board of Management: VND12,348,000,000.



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26 DIVIDENDS

	2022 VND	2021 VND
Beginning of year	15,684,687,047	11,167,693,692
Dividend payable (Note 25)	762,662,698,800	181,893,250,400
Dividend paid in cash	(616,671,158,340)	(177,376,257,045)
End of year (Note 19)	<u>161,676,227,507</u>	<u>15,684,687,047</u>

27 OFF BALANCE SHEET ITEMS

	2022	2021
United States Dollar - USD	77,442	66,391
Euro - EUR	453	464
Pound sterling - GBP	1,625	1,625
Australia Dollar - AUD	390	408
Gold bar - mace	<u>7,903</u>	<u>9,980</u>

28 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2022 VND	2021 VND
<b>Revenue</b>		
Revenue from sales of jewelry	38,444,389,046,740	22,013,379,482,419
Revenue from sales of accessories	130,958,118,605	60,866,279,993
Revenue from rendering of services	36,171,992,930	19,781,642,267
	<u>38,611,519,158,275</u>	<u>22,094,027,404,679</u>
<b>Sales deduction</b>		
Sales returns	<u>(331,070,850,934)</u>	<u>(191,704,724,733)</u>
<b>Net revenue from sales of goods and rendering of services</b>	<u>38,280,448,307,341</u>	<u>21,902,322,679,946</u>

29 COST OF GOODS SOLD AND SERVICES RENDERED

	2022 VND	2021 VND
Cost of jewelry sold and services rendered	32,590,169,559,467	18,422,475,055,492
Cost of accessories sold	73,567,296,241	49,812,254,979
	<u>32,663,736,855,708</u>	<u>18,472,287,310,471</u>



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30 FINANCIAL INCOME

	2022 VND	2021 VND
Realised foreign exchange gains	22,373,890,764	13,094,556,000
Interest income	23,011,796,456	876,153,497
Net gain from foreign currency translation at year-end	5,582,909,410	-
Dividend income (Note 37(a))	-	25,000,000,000
	<u>50,968,596,630</u>	<u>38,970,709,497</u>

31 FINANCIAL EXPENSES

	2022 VND	2021 VND
Interest expense	90,663,771,989	96,963,843,334
Realised foreign exchange losses	32,674,294,961	3,066,889,540
Net loss from foreign currency translation at year-end	-	2,351,000,719
(Reversal of provision)/provision for diminution in value of investment	(20,549,471,954)	63,880,406,775
Others	10,490,963,484	4,963,064,287
	<u>113,279,558,480</u>	<u>171,225,204,655</u>

32 SELLING EXPENSES

	2022 VND	2021 VND
Staff costs	1,674,777,133,457	868,764,705,963
Rental	328,792,194,913	255,944,113,717
Advertising and marketing	224,508,259,474	119,912,520,976
Outside services	257,571,335,391	200,398,017,042
Tools and supplies	147,534,297,234	98,847,226,834
Commission fees	40,171,784,379	21,515,301,629
Depreciation	18,976,793,904	17,318,103,702
Others	31,358,969,986	22,467,861,069
	<u>2,723,690,768,738</u>	<u>1,605,167,850,932</u>

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33 GENERAL AND ADMINISTRATION EXPENSES

	2022 VND	2021 VND
Staff costs	439,159,271,650	299,961,373,508
Outside services	104,929,172,027	74,116,938,826
Depreciation	29,706,379,772	28,486,528,879
Tools and supplies	7,459,308,986	12,363,463,442
Fee charges	1,315,416,928	1,273,038,584
Provision/(reversal of provision) for doubtful debt	1,706,943,481	(44,554,271,668)
Others	27,370,561,411	9,586,089,682
	<u>611,647,054,255</u>	<u>381,233,161,253</u>

34 CIT

The CIT on the Company's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	2022 VND	2021 VND
Net accounting profit before tax	2,220,561,473,918	1,303,996,890,535
Tax calculated at a rate of 20%	444,112,294,784	260,799,378,107
Effect of:		
Income not subject to tax	-	(5,000,000,000)
Expenses not deductible for tax purposes	1,832,952,727	1,155,159,868
Under-provision in previous years	-	737,170,959
CIT charge (*)	<u>445,945,247,511</u>	<u>248,620,470,754</u>
Charged/(credited) to separate income statement:		
CIT – current	464,637,548,290	257,943,507,515
CIT – deferred (Note 22)	(18,692,300,779)	(9,323,036,761)
	<u>445,945,247,511</u>	<u>248,620,470,754</u>

(\*) The CIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

**35 COSTS OF OPERATION BY FACTOR**

Costs of operation by factor represent all costs incurred during the year from the Company's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	<b>2022 VND</b>	<b>2021 VND</b>
Staff costs	2,125,288,551,394	1,168,726,079,471
Outside services	965,327,809,871	665,544,608,876
Tools and supplies	154,993,606,220	111,210,690,276
Depreciation	48,683,173,676	45,804,632,581
Provision/(reversal of provision) for doubtful debt	1,706,943,481	(44,554,271,668)
Others	100,216,732,704	54,842,290,964
	<u>3,396,216,817,346</u>	<u>2,001,574,030,500</u>

**36 RELATED PARTY DISCLOSURES**

The Company has balances and/or transactions with the following related parties during the year:

<b>Name</b>	<b>Relationship</b>
PNJ Jewelry Production and Trading Company Limited	Subsidiary
CAO Fashion Company Limited	Subsidiary
PNJ Laboratory Company Limited	Subsidiary
Members of the Board of Directors and the Board of Management	Other related parties
Vietnam Institute of Directors Social Enterprise Joint Stock Company	Other related parties
Saigon House Production Trading Service Joint Stock Company	Other related parties
An Phu International Healthcare Company Limited	Other related parties
Golden Space Company Limited	Other related parties
Business Association of High Quality Vietnamese Products Ho Chi Minh City	Other related parties
Young Businesspeople Association of Ho Chi Minh City	Other related parties
Ho Chi Minh City Association for Women Executives & Entrepreneurs	Other related parties



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**36 RELATED PARTY DISCLOSURES (continued)**
**(a) Related party transactions**

During the year, the following major transactions were carried out with related parties:

	<b>2022</b>	<b>2021</b>
	<b>VND</b>	<b>VND</b>
<b>i) Sales of goods and rendering of services</b>		
PNJ Jewelry Production and Trading Company Limited	9,152,011,038,721	5,602,097,637,982
CAO Fashion Company Limited	92,032,083,381	11,574,360,210
PNJ Laboratory Company Limited	1,090,909,092	11,574,360,210
Young Businesspeople Association of Ho Chi Minh City	265,600,000	-
Saigon House Production Trading Service Joint Stock Company	25,880,800	144,000,000
	<u>9,245,425,511,994</u>	<u>5,625,390,358,402</u>
<b>ii) Purchases of goods and services</b>		
PNJ Jewelry Production and Trading Company Limited	9,720,514,355,014	6,163,334,268,912
CAO Fashion Company Limited	68,633,612,899	61,333,251,131
PNJ Laboratory Company Limited	9,963,148,813	7,738,587,655
Golden Space Production Trade Company Limited	6,576,578,942	2,479,743,231
Saigon House Production Trading Service Joint Stock Company	4,428,768,000	4,681,668,400
Ho Chi Minh City Association for Women Executives & Entrepreneurs	2,256,400,000	155,450,000
An Phu International Healthcare Company Limited	2,154,235,000	1,529,710,000
Young Businesspeople Association of Ho Chi Minh City	720,000,000	-
Vietnam Institute of Directors Social Enterprise Joint Stock Company	464,670,000	64,152,000
Business Association of High Quality Vietnamese Products Ho Chi Minh City	221,000,000	-
	<u>9,815,932,768,668</u>	<u>6,241,316,831,329</u>
<b>iii) Interest for late payment</b>		
CAO Fashion Company Limited	<u>3,084,622,772</u>	<u>-</u>
<b>iv) Interest expense</b>		
PNJ Laboratory Company Limited	<u>811,890,410</u>	<u>874,136,987</u>

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36 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

		2022 VND	2021 VND	
v)	<i>Average salary and remuneration per month for key management personnel of the Company</i>			
	<b>Name</b>	<b>Title</b>		
	<b>Members of the Board of Directors</b>			
	Mrs. Cao Thi Ngoc Dung	Chairwoman, Head of Strategy – Finance Subcommittee	630,000,000	568,304,058
	Mr. Le Tri Thong	Vice Chairman, General Director (*)	60,333,333	-
	Mr. Le Quang Phuc	Member, Chairman of Audit Committee	263,291,667	105,000,000
	Mrs. Dang Thi Lai	Member, Senior Director – Finance (*)	37,708,333	-
	Mr. Dao Trung Kien	Member, Senior Director – Strategy	30,166,667	-
	Mrs. Tran Phuong Ngoc Thao	Member, Head of ESG Subcommittee (*)	280,000,000	-
	Mrs. Huynh Thi Xuan Lien	Member	200,000,000	75,000,000
	Mrs. Tieu Yen Trinh	Member, Head of Human Resources – Salary Subcommittee	185,583,333	75,000,000
	Mr. Nguyen Tuan Hai	Member	200,666,667	75,000,000
			<u>1,887,750,000</u>	<u>898,304,058</u>
	<b>Members of the Board of Management</b>			
	Mr. Le Tri Thong	General Director	530,000,000	490,000,000
	Average of a member of Board of Management	Senior Directors	228,184,607	201,499,874
			<u>758,184,607</u>	<u>691,499,874</u>

(\*) In 2021, remuneration of members of the Board of Directors cum Executive title was not separately disclosed.

(b) Balances with related parties

		2022 VND	2021 VND
i)	<b>Short-term trade accounts receivable (Note 5)</b>		
	CAO Fashion Company Limited	93,335,781,909	104,610,590
	Young Businesspeople Association of Ho Chi Minh City	265,600,000	-
		<u>93,601,381,909</u>	<u>104,610,590</u>

PHU NHUAN JEWELRY JOINT STOCK COMPANY

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36 RELATED PARTY DISCLOSURES (continued)

(b) Balances with related parties (continued)

	2022 VND	2021 VND
<b>ii) Short-term prepayments to suppliers (Note 6)</b>		
PNJ Jewelry Production and Trading Company Limited	295,871,028,549	222,048,609,317
CAO Fashion Company Limited	48,612,198,547	82,530,006,626
Golden Space Production Trade Company Limited	84,092,727	686,743,139
Young Businesspeople Association of Ho Chi Minh City	50,000,000	-
	<u>344,617,319,823</u>	<u>305,265,359,082</u>
<b>iii) Short-term trade accounts payable (Note 14)</b>		
CAO Fashion Company Limited	9,200,845,609	-
PNJ Laboratory Company Limited	183,550,000	8,986,047,520
Saigon House Production Trading Service Joint Stock Company	25,492,500	25,492,500
	<u>9,409,888,109</u>	<u>9,011,540,020</u>
<b>iv) Other short-term receivables (Note 8(a))</b>		
CAO Fashion Company Limited	<u>1,084,622,772</u>	<u>-</u>
<b>v) Other short-term payables (Note 19)</b>		
CAO Fashion Company Limited	3,362,089,022	2,325,089,493
PNJ Laboratory Company Limited	-	100,000,000
Members of the Board of Directors and the Board of Management	11,418,221,742	10,084,181,002
	<u>14,780,310,764</u>	<u>12,509,270,495</u>
<b>vi) Short-term borrowings (Note 20)</b>		
PNJ Laboratory Company Limited	<u>30,000,000,000</u>	<u>8,000,000,000</u>



**37 COMMITMENTS UNDER OPERATING LEASES**

The future minimum stores lease payments under non-cancellable operating leases were as follows:

	2022 VND	2021 VND
Within one year	252,253,162,287	230,791,427,298
Between one and five years	817,799,276,147	728,948,742,961
Over five years	381,430,438,377	362,366,349,123
Total minimum payments	1,451,482,876,811	1,322,106,519,382

**38 EVENTS AFTER THE SEPARATE FINANCIAL STATEMENTS DATE**

In accordance with the Resolution of the Annual General Meeting of Shareholders No. 264/2022/NQ-ĐHĐCĐ-CTY dated 16 April 2022, Resolution of the Board of Directors No. 629/2022/NQ-HĐQT-CTY dated 7 November 2022, Resolution of the Board of Directors No. 665/2022/NQ-HĐQT-CTY dated 29 November 2022 and Decision No. 42/QĐ-SGDHCM dated 3 February 2023 from the Ho Chi Minh City Stock Exchange, the Company has completed the issuance of 81,997,568 shares from share premium and post-tax undistributed profits. Accordingly, the Company's charter capital increased to VND3,281,691,880,000 in accordance with the 35<sup>th</sup> amended Enterprise Registration Certificate dated 6 February 2023.

The separate financial statements were approved by the Board of Management on 22 March 2023.

  
\_\_\_\_\_  
Nguyen Thanh Dat  
Preparer

  
\_\_\_\_\_  
Duong Quang Hai  
Chief Accountant

  
\_\_\_\_\_  
Le Tri Thong  
General Director

