



Phu Nhuan Jewelry Joint Stock Company

Separate Interim Financial Statements
for the six-month period ended 30 June 2023



Phu Nhuan Jewelry Joint Stock Company
Corporate Information

**Enterprise Registration
Certificate No.**

0300521758

2 January 2004

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 6 February 2023. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Ms. Cao Thi Ngoc Dung	Chairwoman
Mr. Le Tri Thong	Vice Chairman
Ms. Tran Phuong Ngoc Thao	Vice Chairman (from 27 April 2023)
	Member (until 27 April 2023)
Mr. Dao Trung Kien	Member
Ms. Dang Thi Lai	Member
Mr. Dang Hai Anh	Member (from 27 April 2023)
Ms. Huynh Thi Xuan Lien	Member (until 27 April 2023)
Mr. Le Quang Phuc	Independent Member
Ms. Tieu Yen Trinh	Independent Member
Mr. Nguyen Tuan Hai	Independent Member

Audit Committee

Mr. Le Quang Phuc	Chairman
Mr. Nguyen Tuan Hai	Member
Ms. Huynh Thi Xuan Lien	Member (until 27 April 2023)
Mr. Nguyen Anh Tuan	Head of Internal Audit

Legal Representative

Ms. Cao Thi Ngoc Dung	Chairwoman of Members' Council
Mr. Le Tri Thong	Chief Executive Officer

Phu Nhuan Jewelry Joint Stock Company
Corporate Information (continued)

Board of Management	Mr. Le Tri Thong	Chief Executive Officer Cum managing and operating the Customer and Retail Division Cum managing and operating the Marketing Division (from 6 February 2023)
	Ms. Dang Thi Lai	Senior Director – Finance (from 6 February 2023)
	Mr. Nguyen Ngoc Van Quan	Senior Director – Supply Chain (from 16 February 2023) Acting Director of Supply Chain Division (until 16 February 2023)
	Mr. Dao Trung Kien	Senior Director – Operation (from 6 February 2023) Chief Strategy Officer (until 6 February 2023)
	Mr. Dang Hai Anh	Senior Director – Information Technology
	Mr. Nguyen Khoa Hong Thanh	Senior Director – Marketing (from 26 March 2023)
	Mr. Nguyen Anh Hung	Director of Human Resources (until 1 May 2023)
	Mr. Duong Quang Hai	Chief Accountant
Registered Office	170E Phan Dang Luu Street Ward 3, Phu Nhuan District Ho Chi Minh City Vietnam	
Auditor	KPMG Limited Vietnam	

Phu Nhuan Jewelry Joint Stock Company Statement of the Board of Management

The Board of Management of Phu Nhuan Jewelry Joint Stock Company (“the Company”) presents this statement and the accompanying separate interim financial statements of the Company for the six-month period ended 30 June 2023 .

The Company’s Board of Management is responsible for the preparation and fair presentation of the separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting. In the opinion of the Company’s Board of Management:

- (a) the separate interim financial statements set out on pages 6 to 43 give a true and fair view of the unconsolidated financial position of the Company as at 30 June 2023, and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying separate interim financial statements for issue.

On behalf of the Board of Management



Le Tri Thong
Chief Executive Officer

Ho Chi Minh City, 22 August 2023



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INTERIM FINANCIAL INFORMATION REVIEW REPORT

To the Shareholders Phu Nhuan Jewelry Joint Stock Company

We have reviewed the accompanying separate interim financial statements of Phu Nhuan Jewelry Joint Stock Company (“the Company”), which comprise the separate balance sheet as at 30 June 2023, the separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of Management on 22 August 2023, as set out on pages 6 to 43.

Management’s Responsibility

The Company’s Board of Management is responsible for the preparation and fair presentation of these separate interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of the separate interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.





Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial position of Phu Nhuan Jewelry Joint Stock Company as at 30 June 2023 and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

Other matters

The separate financial statements of the Company for the year and six-month period ended 31 December 2022 and 30 June 2022, respectively, were audited and reviewed by another firm of auditors whose reports dated 22 March 2023 and 15 August 2022 expressed an unqualified opinion and unqualified conclusion on those financial statements.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 23-01-00408-23-1



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2023-007-1
Deputy General Director

Pham Thi Hoang Anh
Practicing Auditor Registration
Certificate No. 3434-2022-007-1

Ho Chi Minh City, 22 August 2023

Phu Nhuan Jewelry Joint Stock Company
Separate balance sheet as at 30 June 2023

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND	1/1/2023 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		11,193,590,682,013	11,064,035,069,182
Cash	110	7	355,810,236,680	812,986,324,575
Cash	111		355,810,236,680	812,986,324,575
Short-term financial investments	120		1,000,000,000,000	200,000,000,000
Held-to-maturity investments	123	8(a)	1,000,000,000,000	200,000,000,000
Accounts receivable – short-term	130		522,042,843,645	710,766,133,884
Accounts receivable from customers	131	9	181,272,994,788	143,730,514,010
Prepayments to suppliers	132	10	84,946,786,204	396,330,171,806
Loans receivable	135	11	202,000,000,000	140,000,000,000
Other short-term receivables	136	12(a)	56,513,366,993	33,444,427,006
Allowance for doubtful debts	137		(2,806,717,308)	(2,806,717,308)
Shortage of assets awaiting resolution	139		116,412,968	67,738,370
Inventories	140	13	9,252,782,573,732	9,271,399,848,670
Inventories	141		9,252,782,573,732	9,271,399,848,670
Other current assets	150		62,955,027,956	68,882,762,053
Short-term prepaid expenses	151	14(a)	60,584,317,656	65,745,263,061
Deductible value added tax	152		2,370,710,300	3,137,498,992

The accompanying notes are an integral part of these separate interim financial statements

Phu Nhuan Jewelry Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2023 VND	1/1/2023 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		1,895,085,734,294	1,846,082,304,812
Accounts receivable – long-term	210		96,132,453,919	88,419,971,107
Other long-term receivables	216	12(b)	96,132,453,919	88,419,971,107
Fixed assets	220		793,877,688,600	805,633,551,936
Tangible fixed assets	221	15	159,841,647,873	162,935,282,608
Cost	222		381,476,398,079	368,585,849,492
Accumulated depreciation	223		(221,634,750,206)	(205,650,566,884)
Intangible fixed assets	227	16	634,036,040,727	642,698,269,328
Cost	228		705,939,742,348	705,939,742,348
Accumulated amortisation	229		(71,903,701,621)	(63,241,473,020)
Long-term work in progress	240		28,799,987,250	28,799,987,250
Construction in progress	242	17	28,799,987,250	28,799,987,250
Long-term financial investments	250	8(b)	602,280,086,108	586,669,065,179
Investment in subsidiaries	251		660,000,000,000	660,000,000,000
Equity investments in other entities	253		399,251,613,400	395,271,613,400
Allowance for diminution in the value of long-term financial investments	254		(456,971,527,292)	(468,602,548,221)
Other long-term assets	260		373,995,518,417	336,559,729,340
Long-term prepaid expenses	261	14(b)	257,265,383,854	219,829,594,777
Deferred tax assets	262	18	116,730,134,563	116,730,134,563
TOTAL ASSETS (270 = 100 + 200)	270		13,088,676,416,307	12,910,117,373,994

The accompanying notes are an integral part of these separate interim financial statements

Phu Nhuan Jewelry Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND	1/1/2023 VND (Reclassified)
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		4,021,745,711,735	4,569,887,335,324
Current liabilities	310		4,011,710,922,735	4,559,852,546,324
Accounts payable to suppliers	311	19	357,712,869,456	255,035,902,130
Advances from customers	312	20	133,762,227,448	170,105,715,685
Taxes payable to State Treasury	313	21	208,353,315,187	226,999,428,026
Payables to employees	314		143,828,514	534,184,449,418
Accrued expenses	315	22	642,345,932,752	379,608,433,216
Unearned revenue	318		3,806,506,849	-
Other short-term payables	319	23	305,756,940,740	196,542,039,364
Short-term borrowings	320	24	2,081,225,552,541	2,605,754,185,502
Provisions – short-term	321	25(a)	30,129,306,488	30,129,306,488
Bonus and welfare funds	322	26	248,474,442,760	161,493,086,495
Long-term liabilities	330		10,034,789,000	10,034,789,000
Other long-term payables	337		518,668,000	518,668,000
Provisions – long-term	342	25(b)	9,516,121,000	9,516,121,000
EQUITY (400 = 410)	400		9,066,930,704,572	8,340,230,038,670
Owners' equity	410	27	9,066,930,704,572	8,340,230,038,670
Share capital	411	28	3,281,691,880,000	2,461,716,200,000
Share premium	412		1,851,376,032,458	2,251,376,032,458
Treasury shares	415		(3,384,090,000)	(3,384,090,000)
Investment and development fund	418		1,936,397,556,918	1,212,120,556,918
Retained profits	421		2,000,849,325,196	2,418,401,339,294
- Retained profits brought forward	421a		937,925,881,894	791,386,349,487
- Retained profits for the current period/ prior year	421b		1,062,923,443,302	1,627,014,989,807
TOTAL RESOURCES (440 = 300 + 400)	440		13,088,676,416,307	12,910,117,373,994

22 August 2023

Prepared by:


 Nguyen Thanh Dat
 General Accountant

Approved by:


 Duong Quang Hai
 Chief Accountant


 Le Tri Thong
 Chief Executive Officer

The accompanying notes are an integral part of these separate interim financial statements


Phu Nhuan Jewelry Joint Stock Company
Separate statement of income for the six-month period ended 30 June 2023

Form B 02a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended	
			30/6/2023 VND	30/6/2022 VND
Revenue from sale of goods and provision of services	01	30	16,959,960,841,598	20,405,467,162,669
Revenue deductions	02	30	193,265,223,835	159,564,626,877
Net revenue (10 = 01 - 02)	10		16,766,695,617,763	20,245,902,535,792
Cost of sales and services provided	11	31	13,808,580,849,899	17,153,320,814,114
Gross profit (20 = 10 - 11)	20		2,958,114,767,864	3,092,581,721,678
Financial income	21	32	48,884,684,196	13,280,932,212
Financial expenses	22	33	59,259,603,059	51,934,824,897
<i>In which: Interest expense</i>	23		61,430,393,937	41,460,781,537
Selling expenses	25	34	1,324,151,847,318	1,350,571,919,867
General and administration expenses	26	35	296,242,054,197	290,614,377,545
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		1,327,345,947,486	1,412,741,531,581
Other income	31		2,762,995,752	2,743,879,065
Other expenses	32		752,188,222	2,922,992,560
Results of other activities (40 = 31 - 32)	40		2,010,807,530	(179,113,495)
Accounting profit before tax (50 = 30 + 40)	50		1,329,356,755,016	1,412,562,418,086
Income tax expense – current	51	37	266,433,311,714	283,488,967,339
Income tax expense – deferred	52	37	-	-
Net profit after tax (60 = 50 - 51 - 52)	60		1,062,923,443,302	1,129,073,450,747
Earnings per share				(Restated)
Basic earnings per share	70	38	3,040	3,347

22 August 2023

Prepared by:


 Nguyen Thanh Dat
 General Accountant


 Duong Quang Hai
 Chief Accountant

Approved by:


 Le Tri Thong
 Chief Executive Officer



The accompanying notes are an integral part of these separate interim financial statements

Phu Nhuan Jewelry Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	1,329,356,755,016	1,412,562,418,086
Adjustments for			
Depreciation and amortisation	02	25,668,693,939	23,821,825,864
Allowances and provisions	03	(11,631,020,929)	-
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	909,928,050	(2,351,000,719)
Profits from investing activities	05	(38,050,461,754)	(2,902,481,618)
Interest expense	06	61,430,393,937	41,460,781,537
Operating profit before changes in working capital	08	1,367,684,288,259	1,472,591,543,150
Change in receivables and other assets	09	275,748,314,092	(411,142,924,506)
Change in inventories	10	18,617,274,938	783,960,744,055
Change in payables and other liabilities	11	(198,699,142,862)	130,652,782,437
Change in prepaid expenses	12	(32,274,843,672)	(6,256,016,575)
		1,431,075,890,755	1,969,806,128,561
Interest paid	14	(63,793,592,091)	(43,015,212,925)
Corporate income tax paid	15	(275,783,471,081)	(262,184,949,854)
Other payments for operating activities	17	(11,266,126,547)	(13,902,330,790)
Net cash flows from operating activities	20	1,080,232,701,036	1,650,703,634,992
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(14,016,466,421)	(13,697,061,242)
Proceeds from disposals of fixed assets	22	329,611,727	64,830,149
Placements of term deposits to banks and granting loans	23	(1,340,000,000,000)	(230,000,000,000)
Receipts from term deposits and lending	24	478,000,000,000	-
Payments for investments in other entities	25	(3,980,000,000)	-
Receipts of interest from deposits	27	13,566,250,684	2,892,147,507
Net cash flows from investing activities	30	(866,100,604,010)	(240,740,083,586)

The accompanying notes are an integral part of these separate interim financial statements

Phu Nhuan Jewelry Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method – continued)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)


	Code	Six-month period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuing shares	31	-	1,410,946,550,000
Proceeds from borrowings	33	2,664,641,661,045	2,680,836,679,018
Payments to settle loan principals	34	(3,189,170,294,006)	(4,351,816,569,120)
Payments of dividends	36	(146,779,551,960)	(276,391,157,610)
Net cash flows from financing activities	40	(671,308,184,921)	(536,424,497,712)
Net cash flows during the period (50 = 20 + 30 + 40)	50	(457,176,087,895)	873,539,053,694
Cash at beginning of the period	60	812,986,324,575	305,277,938,978
Cash at end of the period (70 = 50 + 60)	70	355,810,236,680	1,178,816,992,672

22 August 2023

Prepared by:


 Nguyen Thanh Dat
 General Accountant

Approved by:


 Duong Quang Hai
 Chief Accountant



The accompanying notes are an integral part of these separate interim financial statements

Phu Nhuan Jewelry Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

These notes form an integral part of and should be read in conjunction with the accompanying separate interim financial statements.

1. Reporting entity

(a) Ownership structure

Phu Nhuan Jewelry Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

As at 30 June 2023, the Company had 57 branches (1/1/2023: 57 branches) located in various provinces and cities in Vietnam.

The Company’s shares are listed on the Ho Chi Minh City Stock Exchange with the stock code “PNJ”.

(b) Principal activities

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

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company’s headcounts

As at 30 June 2023, the Company has 5,483 employees (1/1/2023: 5,155 employees).

2. Basis of preparation

(a) Statement of compliance

These separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

(b) Basis of measurement

The separate interim financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

Phu Nhuan Jewelry Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Accounting period

The annual accounting period of the Company is from 1 January to 31 December. These separate interim financial statements are prepared for the six-month period ended 30 June 2023 .

(d) Accounting and presentation currency

The accounting currency of the Company and its subsidiaries is Vietnam Dong (“VND”), which is also the currency used for financial statements presentation purposes.

3. Significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these separate interim financial statements.

The accounting policies that have been adopted by the Company in the preparation of these separate interim financial statements are consistent with those adopted in the preparation of the latest separate annual financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the period have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets denominated in foreign currencies are revalued at the foreign currency buying rate of the commercial bank where the Company regularly conducts transactions. Cash in banks in foreign currencies are revalued at the foreign currency buying rate of the commercial bank where the Company opens a foreign currency account. Monetary liabilities denominated in foreign currencies are revalued at the foreign currency selling rate of the commercial bank where the Company regularly conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

(b) Cash

Cash comprises cash balances and call deposits.

Phu Nhuan Jewelry Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(c) Investments

(i) Held-to-maturity investments

Held-to-maturity investments are those that the Company's Board of Management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for doubtful debts.

(ii) Investments in subsidiaries, associates and jointly controlled entities

For the purpose of these separate financial statements, investments in subsidiaries, associates and jointly controlled entities are initially recognised at cost which includes purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Company to lose their invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(d) Accounts receivable

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Company applies the perpetual method of accounting for inventories.

Phu Nhuan Jewelry Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(f) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the period in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 25 years
▪ machinery and equipment	3 – 15 years
▪ motor vehicles	5 – 10 years
▪ office equipment	3 – 5 years

(g) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over the validity period of the land use right certificates. Land use rights with indefinite term are stated at cost and are not amortised.

(i) Software

Cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over the estimated useful lives from 3 years to 5 years.

(h) Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

Phu Nhuan Jewelry Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN

*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(i) Long-term prepaid expenses

(i) Office and stores renovation expenses

Office and store renovation expenses are stated at cost and amortised on a straight-line basis over 2 years to 3 years.

(ii) Tools and supplies

Tools and supplies include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Costs of those assets are amortised on a straight-line basis over a period ranging from 2 years to 3 years.

(iii) Operating lease payments

Operating lease payments are recognised at cost and amortised on a straight-line basis over the term of the lease from 2 years to 5 years.

(iv) Other prepaid expenses

Other prepaid expenses are stated at cost and amortised on a straight-line basis over their useful lives from 1 year to 3 years.

(j) Accounts payable

Accounts payable to suppliers and other payables are stated at their costs.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Warranties

The provision for warranties relates mainly to goods sold during the accounting period. The provision is based on estimates derived from historical warranty data associated with similar products.

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(ii) Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

(I) Shared capital

(i) Shared capital and premium shares

Ordinary shares are stated at par value. The difference between the proceeds from issuance of shares and the par value of shares issued is recorded as share premium. Any costs directly attributable to the issue of the shares, less tax effects, are recorded as a reduction in equity premium.

(ii) Repurchase and reissue of ordinary shares (treasury shares)

Before 1 January 2021

When shares recognised as equity are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognised as a reduction from equity. Repurchased shares are classified as treasury shares under equity. When treasury shares are sold for reissue subsequently, cost of the reissued shares is determined on a weighted average basis. Any difference between the amount received and the cost of the shares reissued is presented within share premium.

From 1 January 2021

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognised as equity are repurchased, their par value amount is recognised as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

This change in accounting policy has been applied prospectively from 1 January 2021 due to change in applicable laws and regulations on buying back shares.

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(m) Tax

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(n) Revenue

(i) *Sale of goods*

Revenue from sale of goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue from sale of goods is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue from sale of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(ii) *Services rendered*

Revenue from services rendered is recognised in the separate statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(o) Financial income and financial expenses

(i) *Financial income*

Financial income comprises interest income from deposits at banks and foreign exchange gains.

Interest income is recognised on a time proportion basic with reference to the principal outstanding and the applicable interest rate.

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(ii) Financial expenses

Financial expenses comprise interest expense on borrowings and foreign exchange losses.

Borrowing costs are recognised as an expense in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(p) Operating lease payments

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense, over the term of the lease.

(q) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or whether the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(r) Comparative information

Comparative information in these separate interim financial statements is presented as corresponding figures. Under this method, comparative information for the prior period is included as an integral part of the current period separate interim financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current period. Accordingly, the comparative information included in these separate interim financial statements is not intended to present the Company's separate financial position, separate results of operations or separate cash flows for the prior period.

Comparative information as at 1 January 2023 was derived from the balances and amounts reported in the Company's separate financial statements for the year ended 31 December 2022. The comparative information for the six-month period ended 30 June 2022 was derived from amounts reported in the Company's separate interim financial statements as at and for the six-month period ended 30 June 2022.

4. Seasonality of operations

The Company's total revenue usually increases in the 1st and 4th quarters of each year due to the high demand for shopping and asset accumulation during the Lunar New Year, God of Fortune Day and the wedding season. Accordingly, the Company often increases purchases to reserve inventory, and at the same time strengthens advertising and promotional activities in the 1st and 4th quarters of each year to promote sales.

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5. Changes in accounting estimates

In preparing these separate interim financial statements, the Board of Management of the Company has made several accounting estimates. Actual results may differ from these estimates. There were no significant changes in accounting estimates made compared to those made in the most recent annual separate financial statements or those made in the same interim period of the prior year.

6. Changes in the composition of the Company

There were no significant changes in the composition of the Company since the end of the last annual accounting period which affect the Company's separate interim financial statements for the six-month period ended 30 June 2023.

7. Cash

	30/6/2023	1/1/2023
	VND	VND
Cash on hand	150,076,090,061	400,728,142,501
Cash at banks	187,088,453,219	366,064,822,140
Cash on transit	18,645,693,400	46,193,359,934
	355,810,236,680	812,986,324,575

8. Investments

(a) Held-to-maturity investments

	30/6/2023	1/1/2023
	VND	VND
<i>Term deposits at:</i>		
Joint Stock Commercial Bank for Development – Ho Chi Minh City Branch	460,000,000,000	-
Southeast Asia Commercial Joint Stock Bank	250,000,000,000	-
Orient Commercial Joint Stock Bank	150,000,000,000	200,000,000,000
Viet Capital Commercial Joint Stock Bank – Saigon Branch	50,000,000,000	-
International Joint Stock Commercial Bank	50,000,000,000	-
Woori Bank Vietnam Limited	40,000,000,000	-
	1,000,000,000,000	200,000,000,000

Held-to-maturity investments represented term deposits at banks with original terms of more than 3 months from the transaction dates and the remaining terms to maturity not exceeding 12 months from the end of the accounting period. The term deposits at banks are denominated in VND and earned annual interest at rates ranging from 6.0% to 10.5% (1/1/2023: 6.5%).

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(b) Long-term financial investments

	30/6/2023			1/1/2023			
	Quantity	% equity owned and voting rights	Cost VND	Allowance VND	% equity owned and voting rights	Cost VND	Allowance VND
Investments in subsidiaries:							
▪ PNJ Jewelry Production and Trading Company Limited	100%	100%	500,000,000,000	-	100%	500,000,000,000	-
▪ CAO Fashion Company Limited	100%	100%	150,000,000,000	(61,699,913,892)	100%	150,000,000,000	(73,330,934,821)
▪ PNJ Laboratory Company Limited	100%	100%	10,000,000,000	-	100%	10,000,000,000	-
			660,000,000,000	(61,699,913,892)		660,000,000,000	(73,330,934,821)
Investments in other entities:							
▪ Golden Friend Joint Stock Company	398,000	19.90%	3,980,000,000	-	0.00%	-	-
▪ Dong A Commercial Joint Stock Bank (*)	38,496,250	7.69%	395,271,613,400	(395,271,613,400)	7.69%	395,271,613,400	(395,271,613,400)
			399,251,613,400	(395,271,613,400)		395,271,613,400	(395,271,613,400)

The Company has not determined the fair value of its investments in subsidiaries and other entities for disclosure in the separate interim financial statements because of Vietnamese Accounting Standards, Accounting System are currently have no guidelines for calculating fair value using valuation techniques. The value of equity investments in these subsidiaries and other entities may differ from the carrying amount.



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Movements during the period of investments in other entities are as follows:

	VND
Opening balance	395,271,613,400
Additions	3,980,000,000
	399,251,613,400
Closing balance	399,251,613,400

Movements during the period of provision for diminution in value of long-term financial investments were as follows:

	VND
Opening balance	468,602,548,221
Reversal during the period	(11,631,020,929)
	456,971,527,292
Closing balance	456,971,527,292

(*) As at 30 June 2023 and 1 January 2023, Dong A Commercial Joint Stock Bank was still under the special control of the State Bank and its shares were not allowed to be transferred concession. Therefore, the Board of Management of the Company has made provision for the entire value of the investment in Dong A Commercial Joint Stock Bank.

9. Accounts receivable from customers

(a) Accounts receivable from customers detailed by significant customers

	30/6/2023 VND	1/1/2023 VND
CAO Fashion Company Limited	147,492,815,307	93,335,781,909
AEON Vietnam Company Limited - Binh Tan Branch	4,663,700,568	7,549,704,598
AEON Vietnam Company Limited - Binh Duong Branch	3,662,041,982	8,249,435,172
AEON Vietnam Company Limited	-	7,799,727,008
Other customers	25,454,436,931	26,795,865,323
	181,272,994,788	143,730,514,010
	181,272,994,788	143,730,514,010

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(b) Accounts receivable from customers who are related parties

	30/6/2023	1/1/2023
	VND	VND
CAO Fashion Company Limited	147,492,815,307	93,335,781,909
Ho Chi Minh City Young Entrepreneurs Association	265,600,000	265,600,000
	147,758,415,307	93,601,381,909

The trade related amounts due from the related parties were unsecured, interest free and are receivable on demand.

10. Prepayment to suppliers

(a) Prepayment to suppliers detailed by significant suppliers

	30/6/2023	1/1/2023
	VND	VND
CAO Fashion Company Limited	36,692,170,508	48,612,198,547
Chrysos S.p.A	9,140,671,490	1,766,872
PNJ Jewelry Production and Trading Company Limited	-	295,871,028,549
Other suppliers	39,113,944,206	51,845,177,838
	84,946,786,204	396,330,171,806

(b) Prepayment to suppliers who are related parties

	30/6/2023	1/1/2023
	VND	VND
CAO Fashion Company Limited	36,692,170,508	48,612,198,547
Ho Chi Minh City Young Entrepreneurs Association	50,000,000	50,000,000
PNJ Jewelry Production and Trading Company Limited	-	295,871,028,549
Golden Space Company Limited	-	84,092,727
	36,692,170,508	494,575,927,823

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11. Loan receivables

	30/6/2023	1/1/2023
	VND	VND
Golden Friend Joint Stock Company, a related party	202,000,000,000	140,000,000,000

Loan receivables due from related parties are unsecured and earned annual interest rates as agreed in the contract. These loans are due in 12 months from the date of disbursement. Loan interest will be collected on the maturity date of these loans.

12. Other receivables

(a) Other short-term receivables

	30/6/2023	1/1/2023
	VND	VND
<i>Related parties</i>		
Paid on behalf of Ho Chi Minh City Young Entrepreneurs Association	5,000,000,000	-
Interest receivable from late payment from CAO Fashion Company Limited	1,084,622,772	1,084,622,772
Interest receivable from loans Golden Friend Joint Stock Company	953,479,452	-
<i>Third parties</i>		
Interest receivable from bank deposits	23,304,755,709	-
Company's Union	9,399,000,000	11,662,100,000
Advances to employees	4,089,120,366	1,995,780,879
Other receivables	12,682,388,694	18,701,923,355
	56,513,366,993	33,444,427,006

Other receivables from the related parties were unsecured, interest free and are receivable on demand. Interest receivable from loans are receivable on the maturity date of loans (Note 11).

(b) Other long-term receivables

	30/6/2023	1/1/2023
	VND	VND
Deposit for stores rental	96,132,453,919	88,419,971,107

Other long-term receivables represented deposit for stores rental which will be refunded by the end of the lease term.

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13. Inventories

	30/6/2023		1/1/2023	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Raw materials	452,207,986,365	-	519,001,420,333	-
Tools and supplies	39,762,160,747	-	44,445,537,687	-
Work in progress	-	-	793,638,605	-
Merchandise inventories	8,760,812,426,620	-	8,707,159,252,045	-
	<u>9,252,782,573,732</u>	-	<u>9,271,399,848,670</u>	-

As at 30 June 2023, the Company's inventories of VND3,997,000,000,000 (1/1/2023: VND 3,367,800,000,000) were pledged as collateral assets for borrowings from commercial banks (Note 24).

14. Prepaid expenses

(a) Short-term

	30/6/2023 VND	1/1/2023 VND
Operating leases	36,196,564,968	34,109,069,519
Tools and supplies	8,755,294,546	10,479,707,051
IT expense	6,537,334,419	13,747,510,963
Repairs and maintenances	2,896,914,850	3,145,281,159
Others	6,198,208,873	4,263,694,369
	<u>60,584,317,656</u>	<u>65,745,263,061</u>

(b) Long-term

	30/6/2023 VND	1/1/2023 VND
Office and store renovation	125,666,107,810	110,061,249,509
Tools and supplies	122,984,635,408	100,255,845,454
Operating leases	2,545,199,264	4,693,940,300
Others	6,069,441,372	4,818,559,514
	<u>257,265,383,854</u>	<u>219,829,594,777</u>

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15. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost					
Opening balance	155,749,390,623	74,666,919,388	41,054,060,788	97,115,478,693	368,585,849,492
Transfer from construction in progress	1,043,462,170	5,783,738,150	4,126,636,800	3,062,629,301	14,016,466,421
Disposals	-	(200,754,744)	(502,286,636)	(422,876,454)	(1,125,917,834)
Closing balance	156,792,852,793	80,249,902,794	44,678,410,952	99,755,231,540	381,476,398,079
Accumulated depreciation					
Opening balance	67,924,821,285	43,976,931,735	23,578,445,761	70,170,368,103	205,650,566,884
Charge for the period	4,204,171,806	5,468,851,148	2,270,272,784	5,063,169,600	17,006,465,338
Disposals	-	(200,754,744)	(502,286,636)	(319,240,636)	(1,022,282,016)
Closing balance	72,128,993,091	49,245,028,139	25,346,431,909	74,914,297,067	221,634,750,206
Net book value					
Opening balance	87,824,569,338	30,689,987,653	17,475,615,027	26,945,110,590	162,935,282,608
Closing balance	84,663,859,702	31,004,874,655	19,331,979,043	24,840,934,473	159,841,647,873

Included in tangible fixed assets were assets costing VND86,470,745,997 which were fully depreciated as of 30 June 2023 (1/1/2023: VND73,468,974,148), but which are still in active use.



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16. Intangible fixed assets

	Land use right (*) VND	Software VND	Total VND
Cost			
Opening and closing balance	557,784,111,372	148,155,630,976	705,939,742,348
Accumulated amortisation			
Opening balance	-	63,241,473,020	63,241,473,020
Charge for the period	-	8,662,228,601	8,662,228,601
Closing balance	-	71,903,701,621	71,903,701,621
Net book value			
Opening balance	557,784,111,372	84,914,157,956	642,698,269,328
Closing balance	557,784,111,372	76,251,929,355	634,036,040,727

(*) Land use rights at No. 52A-52B Nguyen Van Troi Street, Phu Nhuan District, Ho Chi Minh City; No. 195 Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City and No. 174 Le Thanh Ton Street, District 1, Ho Chi Minh City with a carrying value of VND63,592,666,838 being kept at the Dong A Commercial Joint Stock Bank as at the date of these separate financial statements.

Included in intangible fixed assets were assets costing VND6,982,250,583 which were fully amortised as of 30 June 2023 (1/1/2023: VND6,982,250,583), but which are still in active use.

17. Construction in progress

	VND
Opening and closing balance	28,799,987,250

Major constructions in progress at the end of the accounting period were as follows:

	30/6/2023 VND	1/1/2023 VND
Land use right in Di An - Binh Duong (*)	26,137,767,250	26,137,767,250
Others	2,662,220,000	2,662,220,000
	28,799,987,250	28,799,987,250

(*) The Company has paid for the land use right at Binh Minh 2 Town, Di An Ward, Di An City, Binh Duong Province according to the Contract for transfer of land use right dated 30 October 2018. As at 30 June 2023 and 1 January 2023, the procedures for transferring this land use right have not been completed, and therefore, the Company has not been granted land use right certificate.

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18. Deferred tax assets

	Tax rate	30/6/2023 VND	1/1/2023 VND
Deffered tax assets:			
Provision for long-term investments	20%	79,054,322,681	79,054,322,681
Provision for re-processing inventories	20%	16,110,617,292	16,110,617,292
Accruals	20%	13,636,109,092	13,636,109,092
Warranty provision	20%	6,025,861,298	6,025,861,298
Provision for severance allowance	20%	1,903,224,200	1,903,224,200
Total deffered tax assets		116,730,134,563	116,730,134,563

19. Accounts payables to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	30/6/2023 VND	1/1/2023 VND
Forte Jewellery (HK) Company Limited	134,241,151,962	55,143,909,736
Finesse Impex Limited	123,157,311,013	98,320,888,917
PNJ Jewelry Production and Trading Company Limited	39,614,373,126	-
Other suppliers	60,700,033,355	101,571,103,477
	357,712,869,456	255,035,902,130

(b) Accounts payable to suppliers who are related parties

	30/6/2023 VND	1/1/2023 VND
PNJ Jewelry Production and Trading Company Limited	39,614,373,126	-
PNJ Laboratory Company Limited	534,085,000	183,550,000
Golden Space Company Limited	79,473,906	-
CAO Fashion Company Limited	-	9,200,845,609
Saigon House Production Trading Service Joint Stock Company	-	25,492,500
	-	9,200,845,609

Trade payables due to the related parties are unsecured, interest free and are payable on demand.

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20. Advances from customers

Short-term advances from customers represented the amount received in advance from third parties, relating to unused gift vouchers as of 30 June 2023. Gift vouchers are valid for a maximum period of one year from the issue date.

21. Taxes payables to the State Treasury

	1/1/2023 VND	Incurred VND	Paid VND	30/6/2023 VND
Value added tax	22,256,518,892	342,976,849,161	(348,230,259,790)	17,003,108,263
Corporate income tax	193,339,354,900	266,433,311,714	(275,783,471,081)	183,989,195,533
Personal income tax	6,845,721,599	111,694,777,427	(115,738,320,270)	2,802,178,756
Other taxes	4,557,832,635	2,329,053,714	(2,328,053,714)	4,558,832,635
	226,999,428,026	723,433,992,016	(742,080,104,855)	208,353,315,187

22. Accrued expenses

	30/6/2023 VND	1/1/2023 VND (Reclassified)
Salary, bonus	587,584,124,923	302,041,121,605
Advertising and marketing expense	39,169,173,278	59,142,239,840
Interest expense	3,692,252,584	6,055,450,738
Others	11,900,381,967	12,369,621,033
	642,345,932,752	379,608,433,216

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23. Other short-term payables

	30/6/2023	1/1/2023
	VND	VND
Dividends payable	211,696,452,947	161,676,227,507
Bonus for the Board of Directors and the Board of Management	50,784,840,785	11,418,221,742
CAO Fashion Company Limited, a subsidiary	12,862,726,484	3,362,089,022
Personal income tax paid on behalf of shareholders	4,531,133,392	4,531,133,392
Insurance and union fees	1,995,414,610	2,390,882,094
Others	23,886,372,522	13,163,485,607
	305,756,940,740	196,542,039,364

Other payables due to the related parties are unsecured, interest free and are payable on demand.

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24. Short-term borrowings

	1/1/2023	Movements during the period		30/6/2023
	Carrying amount/ Amount within repayment capacity VND	Additions VND	Decreases VND	Carrying amount/ Amount within repayment capacity VND
Loans from related parties (i)	30,000,000,000	12,000,000,000	(12,000,000,000)	30,000,000,000
Loans from individuals (ii)	28,148,342,369	13,972,948,494	(10,789,611,787)	31,331,679,076
Short-term bank loans (iii)	2,547,605,843,133	2,638,668,712,551	(3,166,380,682,219)	2,019,893,873,465
	2,605,754,185,502	2,664,641,661,045	(3,189,170,294,006)	2,081,225,552,541

- (i) Related parties loans represented unsecured loans from PNJ Laboratory Company Limited with term of 12 months and bear an annual interest rate ranging from 6.0% to 6.5% (1/1/2023: 6.5 %).
- (ii) Loans from individuals represented unsecured loans from the Company's employees with term of 12 months and bear an annual interest rate ranging from 6.0% to 7.4% (1/1/2023: 6.0% - 7.4%).



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

	Currency	Annual interest rate	30/6/2023 VND	1/1/2023 VND
Unsecured bank loans				
Siam Commercial Bank - Ho Chi Minh City Branch	VND	6.4%	217,879,498,780	213,298,725,800
KEB Hana Bank – Ho Chi Minh Branch	VND	6.7%	100,000,000,000	-
Secured bank loans (*)				
Joint Stock Commercial Bank for Foreign Trade of Vietnam	VND	6.2%	624,561,579,836	699,801,329,820
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	6.7%	599,952,794,849	693,474,838,313
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hoc Mon Branch	VND	6.5%	394,500,000,000	358,000,000,000
HSBC Bank (Viet Nam) Ltd.	VND	6.3%	83,000,000,000	335,000,000,000
CTBC Bank Company Limited - Ho Chi Minh City Branch	VND	6.0%	-	50,000,000,000
China Construction Bank - Ho Chi Minh City Branch	VND	4.6%	-	108,000,000,000
Woori Bank Vietnam Limited	VND	5.2%	-	90,030,949,200
			2,019,893,873,465	2,547,605,843,133

(*) These bank loans are secured by inventories amounting to VND3,997,000,000,000 as at 30 June 2023 (1/1/2023: VND4,167,800,000,000) (Note 13).

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25. Provisions

(a) Provisions – short-term

Provisions – short-term represented provisions for product warranties that may be payable within one month to six months after the end of the accounting period.

(b) Provisions – long-term

Provisions – long-term represented provisions for severance allowance payable to employees is determined according to the method presented in Note 3(k(ii)).

26. Bonus and welfare fund

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	161,493,086,495	125,533,707,805
Appropriation during the period	90,535,000,000	51,452,000,000
Utilisation during the period	(3,553,643,735)	(13,902,330,790)
	<hr/>	<hr/>
Closing balance	248,474,442,760	163,083,377,015
	<hr/>	<hr/>

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27. Changes in owners' equity

	Share capital VND	Share premium VND	Treasury share VND	Investment and development fund VND	Retained profits VND	Total VND
Balance as at 1 January 2022	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
Increase during the period	150,000,000,000	1,260,946,550,000	-	-	-	1,410,946,550,000
Net profit for the period	-	-	-	-	1,129,073,450,747	1,129,073,450,747
Dividends	-	-	-	-	(418,259,813,400)	(418,259,813,400)
Appropriation to bonus and welfare funds	-	-	-	-	(51,452,000,000)	(51,452,000,000)
Appropriation to development and investment fund	-	-	-	411,617,000,000	(411,617,000,000)	-
Appropriation to bonus for the Board of Directors and Board of Management	-	-	-	-	(12,348,000,000)	(12,348,000,000)
Balance as at 30 June 2022	2,426,123,620,000	2,252,208,432,458	(4,908,890,000)	1,212,120,556,918	2,117,261,449,034	8,002,805,168,410
Balance as at 1 January 2023	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
Increase during the period (**)	819,975,680,000	(400,000,000,000)	-	-	(419,975,680,000)	-
Net profit for the period	-	-	-	-	1,062,923,443,302	1,062,923,443,302
Dividends (***)	-	-	-	-	(196,799,777,400)	(196,799,777,400)
Appropriation to bonus and welfare funds (*)	-	-	-	-	(90,535,000,000)	(90,535,000,000)
Appropriation to development and investment fund (*)	-	-	-	724,277,000,000	(724,277,000,000)	-
Appropriation to bonus for the Board of Directors and Board of Management (*)	-	-	-	-	(48,888,000,000)	(48,888,000,000)
Balance as at 30 June 2023	3,281,691,880,000	1,851,376,032,458	(3,384,090,000)	1,936,397,556,918	2,000,849,325,196	9,066,930,704,572

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- (*) The Resolution of the Company's General Meeting of Shareholders dated 27 April 2023 resolved the distribution of profits for the financial year ended 31 December 2022 as follows:
- Appropriation to development and investment fund: VND724,277,000,000
 - Appropriation to bonus and welfare funds: VND90,535,000,000
 - Appropriation to bonus for the Board of Directors and Board of Management: VND48,888,000,000
- (**) The Resolution of the General Meeting of Shareholders of the Company dated 16 April 2022 and the Resolution of the Board of Management of the Company dated 12 January 2023 approved to issue bonus shares to the Company's shareholders from share premium and retained profit with the exercise ratio of 3:1, equivalent to 82,000,687 shares. In which, the number of issued shares is 81,997,568 shares with a value of VND819,975,680,000, the remaining shares of 3,119 have been canceled according to the issuance plan (for the six-month period ending 30 June 2022: Nil).
- (***) The Resolution of the General Meeting of Shareholders of the Company dated 27 April 2023 and the Resolution of the Board of Management of the Company dated 30 May 2023 approved to cash dividends to the Company's shareholders from retained profit in 2022 amounting to VND196,799,777,400 (for the six-month period ended 30 June 2022: VND418,259,813,400).

28. Share capital

The Company's authorised and issued share capital are:

	30/6/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
Authorised share capital	328,169,188	3,281,691,880,000	246,171,620	2,461,716,200,000
Issued share capital				
Ordinary shares	328,169,188	3,281,691,880,000	246,171,620	2,461,716,200,000
Treasury shares				
Ordinary shares	169,559	3,384,090,000	169,559	3,384,090,000
Shares in circulation				
Ordinary shares	327,999,629	3,278,307,790,000	246,002,061	2,458,332,110,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

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Movements in share capital during the period were as follows:

	Six-month period ended			
	30/6/2023		30/6/2022	
	Number of shares	VND	Number of shares	VND
Opening balance	246,171,620	2,461,716,200,000	227,366,563	2,273,665,630,000
Increase share capital	81,997,568	819,975,680,000	-	-
Newly issued shares	-	-	15,000,000	150,000,000,000
Closing balance	328,169,188	3,281,691,880,000	242,366,563	2,423,665,630,000

29. Off balance sheet items

(a) Foreign currencies

	30/6/2023		1/1/2023	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	77,357	1,811,133,533	77,442	1,812,928,222
EUR	448	10,287,003	453	10,424,547
GBP	1,625	45,399,526	1,625	45,399,526
AUD	382	6,174,864	390	6,315,491
HKD	970	2,883,585	-	-
SGD	174	3,002,840	-	-

(b) Operating leases commitments

The minimum lease payments for operating leases are as follows:

	30/6/2023 VND	1/1/2023 VND
Within one year	286,062,234,897	252,253,162,287
Within two to five years	898,902,917,560	817,799,276,147
More than five years	424,156,477,410	381,430,438,377
	1,609,121,629,867	1,451,482,876,811

The Company's lease agreements relating to the lease of the store are irrevocable. Leases have an initial lease term of 1 month to 15 years, with the option to renew the lease after the end date.

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30. Revenue from sale of goods and provision of services

Total revenue represented the gross value of goods sold and services rendered exclusive of value added tax and special consumption tax.

Net revenue comprised of:

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Total revenue		
▪ Revenue from sales of gold, silver and jewelry	16,902,056,997,280	20,328,892,499,843
▪ Revenue from sales of accessories	39,051,683,776	62,405,882,555
▪ Revenue from rendering of services	18,852,160,542	14,168,780,271
	<hr/>	<hr/>
	16,959,960,841,598	20,405,467,162,669
Less revenue deductions		
▪ Sale returns	193,265,223,835	159,564,626,877
	<hr/>	<hr/>
Net revenue	16,766,695,617,763	20,245,902,535,792
	<hr/> <hr/>	<hr/> <hr/>

31. Cost of sales and services provided

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Cost of jewelry sold and services rendered	13,776,334,913,377	17,113,940,634,028
Cost of accessories sold	32,245,936,522	39,380,180,086
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	13,808,580,849,899	17,153,320,814,114
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32. Financial income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest income	37,824,485,845	2,868,036,891
Realised foreign exchange gain	11,060,198,351	8,061,894,602
Unrealised foreign exchange gain	-	2,351,000,719
	48,884,684,196	13,280,932,212

33. Financial expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest expense	61,430,393,937	41,460,781,537
Realised foreign exchange losses	1,577,982,279	5,984,100,014
Unrealised foreign exchange losses	909,928,050	-
Reversal of provision for diminution in value of investments in subsidiary and other entity	(11,631,020,929)	-
Others	6,972,319,722	4,489,943,346
	59,259,603,059	51,934,824,897

34. Selling expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Staff costs	730,014,987,551	809,435,112,278
Rental expenses	179,684,063,377	158,326,647,661
Advertising and marketing expenses	139,372,783,770	150,919,067,512
Outside services	92,092,504,818	76,976,170,253
Tools and supplies	84,719,434,265	70,075,121,370
Depreciation and amortisation	9,863,250,306	9,300,919,713
Others	88,404,823,231	75,538,881,080
	1,324,151,847,318	1,350,571,919,867

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35. General and administration expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Staff costs	199,488,108,452	209,512,361,277
Outside services	50,585,037,860	45,172,650,112
Depreciation	15,806,137,323	14,520,906,151
Tools and supplies	4,530,782,618	3,627,754,082
Taxes, charges and fees	564,659,322	816,219,380
Others	25,267,328,622	16,956,471,137
	<hr/>	<hr/>
	296,242,054,197	290,614,377,545
	<hr/>	<hr/>

36. Production and business costs by element

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Raw material costs included in production costs	13,794,269,477,642	17,134,152,950,888
Labour costs and staff costs	931,109,035,558	1,020,862,775,607
Rental expenses	184,283,250,710	161,179,911,923
Advertising and marketing expenses	139,372,783,770	150,919,067,512
Outside services	150,783,788,047	136,548,117,277
Tools and supplies	89,250,216,883	73,702,875,452
Depreciation and amortisation	25,668,693,939	23,821,825,864
Other expenses	114,237,504,865	93,319,587,003
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	15,428,974,751,414	18,794,507,111,526
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37. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Current income tax expense		
Current period	266,433,311,714	283,488,967,339

(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Accounting profit before tax	1,329,356,755,016	1,412,562,418,086
Tax at the Company's income tax rate	265,871,351,003	282,512,483,617
Non-deductible expenses	561,960,711	976,483,722
	266,433,311,714	283,488,967,339

(c) Applicable tax rates

The Company have an obligation to pay corporate income tax to the government at usual income tax rate of 20% of taxable profits.

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38. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare fund for the accounting period and a weighted average number of ordinary shares outstanding, calculated as follows:

(i) Net profit attributable to ordinary shareholders

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Net profit for the period	1,062,923,443,302	1,129,073,450,747
Appropriation to bonus and welfare funds (*)	(65,901,253,485)	(69,711,500,000)
	<hr/>	<hr/>
Net profit attributable to ordinary shareholders	997,022,189,817	1,059,361,950,747
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(*) Appropriation to bonus and welfare fund is estimated at 6.2% of the Company's profit after tax during the period. This rate is equal to the actual rate approved by the shareholders in the previous periods.

(ii) Weighted average number of ordinary shares

	Six-month period ended	
	30/6/2023	30/6/2022
	Shares	Shares
		(Restated)
Issued ordinary shares at the beginning of the period	328,169,188	227,612,362
Effect of treasury shares held	(169,559)	(245,799)
Effect of shares issued to the Company's shareholders	-	15,000,000
Effect of bonus shares issued after 30 June 2022	-	74,122,920
	<hr/>	<hr/>
Weighted average number of ordinary shares at the end of the period	327,999,629	316,489,483
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(iii) Basic earnings per share

	Six-month period ended		
	30/6/2023 VND	30/6/2022 VND (Restated) (**)	30/6/2022 VND (As previous reported)
Basic earnings per share	3,040	3,347	4,446

(**) The restatement reflects the effect of bonus shares issued after 30 June 2022.

39. Significant transactions with related parties

In addition to related party balances disclosed in other notes to these separate interim financial statements, the Company had the following transactions with its related parties during the period:

	Six-month period ended	
	30/6/2023 VND	30/6/2022 VND
Subsidiaries		
PNJ Jewelry Production and Trading Company Limited		
Sales of goods and providing of services	2,255,065,092,769	4,550,732,319,952
Purchase of goods and services	4,184,086,137,595	4,598,376,733,881
CAO Fashion Company Limited		
Sales of goods and providing of services	56,181,832,262	35,408,007,451
Purchase of goods and services	30,994,996,079	45,403,798,134
PNJ Laboratory Company Limited		
Sales of goods and providing of services	545,454,546	545,454,546
Purchases of services	3,423,209,052	5,554,208,900
Interest expenses	442,520,548	55,150,685
Other related parties		
Golden Friend Joint Stock Company (from 29 June 2023)		
Purchase shares	3,980,000,000	-
Golden Space Company Limited		
Purchases of fixed assets and tools and supplies	3,810,165,192	3,547,416,048
An Phu International Healthcare Company Limited		
Purchases of services	1,218,682,500	106,000,000
Talent Net Corporation		
Purchases of services	152,280,000	-

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40. Comparative information

The certain comparative information items have been reclassified to conform with the separate interim financial statements' presentation for the six-month period ended 30 June 2023. A comparison of the amounts previously reported and as reclassified is as follows:

Balance sheet

	31/12/2022 As previous reported VND	Adjustment VND	31/12/2022 Reclassified VND
Payables to employees	836,225,571,023	(302,041,121,605)	534,184,449,418
Accrued expenses	77,567,311,611	302,041,121,605	379,608,433,216

41. Post balance sheet events

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in these separate interim financial statements.

22 August 2023

Prepared by:


 Nguyen Thanh Dat
 General Accountant

Approved by:


 Duong Quang Hai
 Chief Accountant


 Lee Tri Thong
 Chief Executive Officer

