

PHU NHUAN JEWELRY JOINT STOCK COMPANY

(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM SEPARATE FINANCIAL
STATEMENTS**

For the 6-month period ended 30 June 2017

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Phu Nhuan Jewelry Joint Stock Company (the "Company") presents this report together with the Company's interim separate financial statements for the 6-month period ended 30 June 2017.

THE BOARDS OF MANAGEMENT, DIRECTORS AND SUPERVISORS

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

Board of Management

Ms. Cao Thi Ngoc Dung	Chairwoman
Mr. Le Tri Thong	Vice Chairman (appointed on 3 May 2017)
Mr. Nguyen Vu Phan	Member (appointed on 3 May 2017)
Ms. Nguyen Thi Cuc	Member
Mr. Nguyen Tuan Quynh	Member (resigned on 27 April 2017)
Ms. Nguyen Thi Bich Ha	Member (resigned on 27 April 2017)
Ms. Pham Vu Thanh Giang	Member
Ms. Pham Thi My Hanh	Member
Mr. Le Huu Hanh	Member
Mr. Le Quang Phuc	Member

Board of Directors

Ms. Cao Thi Ngoc Dung	General Director
Mr. Le Huu Hanh	Deputy General Director
Ms. Nguyen Thi Cuc	Deputy General Director (resigned on 1 June 2017)
Ms. Pham Thi My Hanh	Deputy General Director (resigned on 1 June 2017)

Board of Supervisors

Mr. Nguyen Thanh Du	Head of Board of Supervisors
Ms. Nguyen Ngoc Hue	Member
Mr. Le Anh Duc	Member (appointed on 27 April 2017)
Mr. Tran Van Dan	Member (resigned on 27 April 2017)

BOARD OF DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of Directors of the Company is responsible for preparing the interim separate financial statements, which give a true and fair view of the separate financial position of the Company as at 30 June 2017, and its separate financial performance and its separate cash flows for the 6-month period then ended in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Board of Directors is required to:


- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim separate financial statements;
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim separate financial statements so as to minimize errors and frauds.

The Board of Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the interim separate financial statements comply with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

PHU NHUAN JEWELRY JOINT STOCK COMPANY
170E Phan Dang Luu Street, Ward 3, Phu Nhuan District
Ho Chi Minh City, Vietnam

STATEMENT OF THE BOARD OF DIRECTORS (Continued)

The Board of Directors confirms that the Company has complied with the above requirements in preparing these interim separate financial statements.

For and on behalf of the Board of Directors, 



Cao Thị Ngọc Dung
General Director
7 August 2017

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REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

**To: The shareholders, Boards of Management and Directors of
Phu Nhuan Jewelry Joint Stock Company**

We have reviewed the accompanying interim separate financial statements of Phu Nhuan Jewelry Joint Stock Company (the "Company"), prepared on 7 August 2017 as set out from page 4 to page 27, which comprise the interim separate balance sheet as at 30 June 2017, the interim separate statement of income and interim separate statement of cash flows for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' Responsibility for the Interim Separate Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of these interim separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting and for such internal control as the Board of Directors determines is necessary to enable the preparation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim separate financial statements 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, the separate financial position of the Company as at 30 June 2017, and of its separate financial performance and its separate cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.



Võ Thái Hoa
Audit Partner
Audit Practising Registration Certificate
No. 0138-2013-001-1
Branch of Deloitte Vietnam Company Limited
7 August 2017
Ho Chi Minh City, S.R. Vietnam



INTERIM SEPARATE BALANCE SHEET

As at 30 June 2017

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		3,046,371,454,146	3,093,009,616,407
I. Cash and cash equivalents	110	4	35,408,948,466	150,275,926,525
1. Cash	111		35,408,948,466	65,775,926,525
2. Cash equivalents	112		-	84,500,000,000
II. Short-term financial investments	120	5	65,000,000	65,000,000
1. Held-to-maturity investments	123		65,000,000	65,000,000
III. Short-term receivables	130		93,155,809,313	82,241,929,516
1. Short-term trade receivables	131	6	40,461,168,250	34,523,228,986
2. Short-term advances to suppliers	132		27,191,824,778	18,557,867,930
3. Other short-term receivables	136	7	23,933,331,712	28,092,938,520
4. Deficits in assets awaiting solution	139	8	1,569,484,573	1,067,894,080
IV. Inventories	140	9	2,862,788,516,625	2,816,746,572,329
1. Inventories	141		2,862,788,516,625	2,816,746,572,329
V. Other short-term assets	150		54,953,179,742	43,680,188,037
1. Short-term prepayments	151	10	54,806,865,568	43,042,333,528
2. Value added tax deductibles	152		82,849,699	679,179
3. Taxes and other receivables from the State budget	153	13	63,464,475	637,175,330
B. NON-CURRENT ASSETS	200		518,044,786,046	498,045,418,497
I. Long-term receivables	210		33,291,312,324	25,327,846,311
1. Other long-term receivables	216	7	33,291,312,324	25,327,846,311
II. Fixed assets	220		404,681,788,105	413,908,550,228
1. Tangible fixed assets	221	11	199,263,064,419	205,305,008,346
- Cost	222		378,795,078,680	366,644,007,032
- Accumulated depreciation	223		(179,532,014,261)	(161,338,998,686)
2. Intangible assets	227	12	205,418,723,686	208,603,541,882
- Cost	228		210,841,998,873	213,344,195,473
- Accumulated amortization	229		(5,423,275,187)	(4,740,653,591)
III. Long-term assets in progress	240		24,563,078,966	7,532,817,898
1. Long-term construction in progress	242	14	24,563,078,966	7,532,817,898
IV. Long-term financial investments	250	5	20,000,000,000	20,000,000,000
1. Investments in subsidiaries	251		20,000,000,000	20,000,000,000
2. Equity investments in other entities	253		395,271,613,400	395,271,613,400
3. Provision for impairment of long-term financial investments	254		(395,271,613,400)	(395,271,613,400)
V. Other long-term assets	260		35,508,606,651	31,276,204,060
1. Long-term prepayments	261	10	32,585,522,677	28,353,120,086
2. Deferred tax assets	262	15	2,923,083,974	2,923,083,974
TOTAL ASSETS (270=100+200)	270		3,564,416,240,192	3,591,055,034,904



INTERIM SEPARATE BALANCE SHEET (Continued)

As at 30 June 2017

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		1,830,664,303,623	2,092,223,670,982
I. Current liabilities	310		1,778,762,102,379	2,026,224,469,738
1. Short-term trade payables	311	16	190,478,911,664	325,581,536,057
2. Short-term advances from customers	312		22,021,438,307	55,810,213,794
3. Taxes and amounts payable to the State budget	313	13	85,636,064,439	86,322,377,598
4. Payables to employees	314		44,948,859,296	26,829,393,326
5. Short-term accrued expenses	315	17	56,283,017,950	6,354,714,739
6. Other current payables	319	18	42,411,152,962	27,167,081,033
7. Short-term loans	320	19	1,281,387,148,867	1,457,954,945,047
8. Bonus and welfare funds	322		55,595,508,894	40,204,208,144
II. Long-term liabilities	330		51,902,201,244	65,999,201,244
1. Other long-term payables	337	18	628,026,000	628,026,000
2. Long-term loans	338	20	44,897,000,000	58,994,000,000
3. Long-term provisions	342	21	6,377,175,244	6,377,175,244
D. EQUITY	400		1,733,751,936,569	1,498,831,363,922
I. Owners' equity	410	22	1,733,751,936,569	1,498,831,363,922
1. Owners' contributed capital	411		982,745,770,000	982,745,770,000
- Ordinary shares carrying voting rights	411a		982,745,770,000	982,745,770,000
2. Treasury shares	415		(7,090,000)	(7,090,000)
3. Investment and development fund	418		220,087,556,918	144,087,556,918
4. Retained earnings	421		530,925,699,651	372,005,127,004
- Retained earnings accumulated to the prior year end	421a		153,436,032,604	-
- Retained earnings of the current period/year	421b		377,489,667,047	372,005,127,004
TOTAL RESOURCES (440=300+400)	440		3,564,416,240,192	3,591,055,034,904


Nguyen Thanh Dat
Preparer


Duong Quang Hai
Chief Accountant


Cao Thi Ngoc Dung
General Director
7 August 2017



INTERIM SEPARATE INCOME STATEMENT

For the 6-month period ended 30 June 2017

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01		5,480,127,401,842	3,941,729,880,588
2. Deductions	02		30,912,892,531	22,388,800,218
3. Net revenue from goods sold and services rendered (10=01-02)	10	24	5,449,214,509,311	3,919,341,080,370
4. Cost of sales	11	25	4,515,835,494,662	3,219,650,565,392
5. Gross profit from goods sold and services rendered (20=10-11)	20		933,379,014,649	699,690,514,978
6. Financial income	21	27	6,769,400,402	5,915,895,064
7. Financial expenses	22	28	36,443,031,047	124,250,886,900
- In which: Interest expense	23		35,160,099,426	38,237,408,560
8. Selling expenses	25	29	358,749,407,806	257,889,006,449
9. General and administration expenses	26	30	78,826,547,825	60,695,913,647
10. Operating profit (30=20+(21-22)-(25+26))	30		466,129,428,373	262,770,603,046
11. Other income	31	31	5,763,559,141	44,486,489,108
12. Other expenses	32	32	501,322,541	1,608,389,609
13. Profit from other activities (40=31-32)	40		5,262,236,600	42,878,099,499
14. Accounting profit before tax (50=30+40)	50		471,391,664,973	305,648,702,545
15. Current corporate income tax expense	51	33	93,901,997,926	60,377,645,380
16. Net profit after corporate income tax (60=50-51)	60		<u>377,489,667,047</u>	<u>245,271,057,165</u>



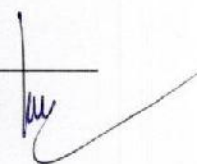
Nguyen Thanh Dat
Preparer



Duong Quang Hai
Chief Accountant



Cao Thi Ngoc Dung
General Director
7 August 2017



INTERIM SEPARATE CASH FLOW STATEMENT
For the 6-month period ended 30 June 2017

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	471,391,664,973	305,648,702,545
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	18,939,335,289	16,344,382,622
Provisions	03	-	84,691,750,000
Loss/(Gain) arising from translating foreign currency items	04	246,237,678	(208,462,157)
Gain from investing activities	05	(9,106,491,065)	(47,112,714,979)
Interest expense	06	35,160,099,426	38,237,408,560
3. Operating profit before movements in working capital	08	516,630,846,301	397,601,066,591
Increase in receivables	09	(17,532,438,860)	(16,681,832,444)
Increase in inventories	10	(46,041,944,296)	(186,116,893,055)
(Decrease)/Increase in payables	11	(107,277,036,700)	33,413,552,131
(Increase)/Decrease in prepaid expenses	12	(15,996,934,631)	5,473,138,729
Interest paid	14	(35,857,587,904)	(35,210,944,904)
Corporate income tax paid	15	(89,992,174,388)	(37,754,344,108)
Other cash inflows	16	-	8,466,793,383
Other cash outflows	17	(29,608,699,250)	-
Net cash generated by operating activities	20	174,324,030,272	169,190,536,323
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets	21	(29,249,584,716)	(20,715,630,036)
2. Proceeds from sale, disposal of fixed assets	22	7,804,000,000	150,004,500,000
3. Cash recovered from time deposits, selling debt instrument of other entities	24	-	(190,000,000,000)
4. Cash recovered from investments in other entities	26	-	140,000,000,000
5. Interest earned, dividends and profits received	27	809,241,547	450,440,492
Net cash (used in)/generated by investing activities	30	(20,636,343,169)	79,739,310,456
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	1,692,143,428,384	1,374,047,879,893
2. Repayment of borrowings	34	(1,882,677,809,107)	(1,497,270,547,636)
3. Dividends paid	36	(78,054,099,950)	(49,136,934,000)
Net cash used in financing activities	40	(268,588,480,673)	(172,359,601,743)
Net (decrease)/increase in cash (50=20+30+40)	50	(114,900,793,570)	76,570,245,036
Cash and cash equivalents at the beginning of the period	60	150,275,926,525	34,348,296,246
Effects of changes in foreign exchange rates	61	33,815,511	25,169,437
Cash at the end of the period (70=50+60+61)	70	35,408,948,466	110,943,710,719


Nguyen Thanh Dat
Preparer


Duong Quang Hai
Chief Accountant


Cao Thi Ngoc Dung
General Director
7 August 2017



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The accompanying interim separate financial statements are presented to reflect the separate financial position as at 30 June 2017, the separate financial performance and separate cash flows for the 6-month period ended 30 June 2017. Therefore, the Company does not consolidate the investments in subsidiaries in the interim separate financial statements. The Company's investments are recognized under the accounting policies presented in Note 3 below.

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

Financial year

The Company's financial year begins on 01 January and ends on 31 December. The interim separate financial statements are prepared for the period from 01 January to 30 June annually.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

Estimates

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

Cash and cash equivalents

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

Financial investments

Held-to-maturity investments

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

Investments in subsidiaries

Investment in subsidiaries

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

Interests in subsidiaries are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

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

Equity investments in other entities

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

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



Provision for impairment of investments

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

Receivables

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

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

Inventories

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

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

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

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

	Years
Buildings and structures	03 - 25
Machinery and equipment	03 - 15
Motor vehicles	04 - 10
Office equipment	03 - 08

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

Leasing

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

Intangible assets and amortization

Intangible assets represent computer software that is stated at cost less accumulated amortization and is amortized on the straight-line basis over their estimated useful lives of 3 years.

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

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Construction in progress

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

Prepayments

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

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

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

Borrowing costs

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

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied: (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;

(b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;

(c) the amount of revenue can be measured reliably;

(d) it is probable that the economic benefits associated with the transaction will flow to the Company; and

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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

(a) the amount of revenue can be measured reliably;

(b) it is probable that the economic benefits associated with the transaction will flow to the Company;

(c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and

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

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

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

Severance allowance payable

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



Foreign currencies

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

Payable provisions

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

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the interim separate income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	25,324,391,483	43,880,544,353
Cash in bank	7,570,521,263	17,438,949,836
Cash in transit	2,514,035,720	4,456,432,336
Cash equivalents	-	84,500,000,000
	<u>35,408,948,466</u>	<u>150,275,926,525</u>



5. FINANCIAL INVESTMENTS

	Closing balance			Opening balance		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
a. Held-to-maturity investments						
- Term deposit	65,000,000	-	65,000,000	65,000,000	-	65,000,000
b. Investments in other entities						
- Investments in subsidiaries	20,000,000,000	-	20,000,000,000	20,000,000,000	-	20,000,000,000
CAO Fashion Company Limited	10,000,000,000	-	10,000,000,000	10,000,000,000	-	10,000,000,000
PNJ Laboratory Company Limited	10,000,000,000	-	10,000,000,000	10,000,000,000	-	10,000,000,000
- Investments in others entities	395,271,613,400	(395,271,613,400)	-	395,271,613,400	(395,271,613,400)	-
Dong A Joint Stock Commercial Bank (*)	395,271,613,400	(395,271,613,400)	-	395,271,613,400	(395,271,613,400)	-
	415,336,613,400	(395,271,613,400)	20,065,000,000	415,336,613,400	(395,271,613,400)	20,065,000,000

(*) As at 30 June 2017, Dong A Joint Stock Commercial Bank was still under special control by the State Bank of Vietnam. However the Board of Directors believes that the Company made provision for impairment of the investment in this bank fully and in accordance with current accounting regulations as at the interim separate balance sheet date.

5.b.1. Investments in subsidiaries

Details of the Company's subsidiaries as at 30 June 2017 were as follows:

Name	Place of incorporation and operation	Rate of interest %	Rate of voting %	Investments value VND	Principal activities
CAO Fashion Company Limited	Ho Chi Minh City	100	100	10,000,000,000	Produce and trade fashion products
PNJ Laboratory Company Limited	Ho Chi Minh City	100	100	<u>10,000,000,000</u> 20,000,000,000	Provide jewellery inspection and consultancy services

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

PNJ Laboratory Company Limited ("PLC"), a one-member limited liability company, was established under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 0310521330 issued by the Department of Planning and Investment of Ho Chi Minh City on 16 December 2010. PLC's registered head office is located at 205 Phan Dang Luu Street, Phu Nhuan District, Ho Chi Minh City, Vietnam. PLC's principal activities are to provide jewelry inspection and consultancy services.

5.b.2. Investments in others entities

	Closing balance VND	Opening balance VND
Dong A Joint Stock Commercial Bank ("DAB")	395,271,613,400	395,271,613,400
	395,271,613,400	395,271,613,400

Details of the above company as at 30 June 2017 were as follows:

Name	Place of incorporation and operation	Rate of interest %	Rate of voting %	Investments value VND	Principal activities
Dong A Joint Stock Commercial Bank ("DAB")	Ho Chi Minh City	7.69%	7.69%	395,271,613,400	Business operation related to banking and finance



6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
CoCa-Cola Beverage Viet Nam Limited Company	7,610,529,890	-
FH Trautz GmBh	5,156,382,295	8,044,011,168
DC&D Company	5,522,812,004	3,448,548,729
CAO Fashion Company Limited (Note 36)	1,100,571,027	822,683,491
Others	21,070,873,034	22,207,985,598
	40,461,168,250	34,523,228,986

7. OTHER RECEIVABLES

	Closing balance	Opening balance
	VND	VND
a. Current		
- Advances to employees	2,530,798,376	705,372,244
- Others	21,402,533,336	27,387,566,276
<i>In which:</i>		
<i>Related parties (Note 36)</i>	16,063,318,743	20,242,298,200
<i>Others</i>	5,339,214,593	7,145,268,076
	23,933,331,712	28,092,938,520
b. Non-current		
- Long-term deposits for renting stores	33,291,312,324	25,327,846,311

8. DEFICITS IN ASSETS AWAITING SOLUTION

	Closing balance		Opening balance	
	Quantity	Amount VND	Quantity	Amount VND
Gold (3,75 gram)	425	1,423,938,217	230	770,583,999
Others	-	145,546,356	-	297,310,081
	425	1,569,484,573	230	1,067,894,080

9. INVENTORIES

	Closing balance	Opening balance
	VND	VND
Goods in transit	30,526,741,453	86,017,812,275
Raw materials	129,644,639,622	147,661,925,780
Tools and supplies	33,302,820,283	25,257,327,045
Work in progress	157,257,513,676	284,243,247,575
Finished goods	214,559,106,706	233,956,735,746
Merchandise	2,246,942,236,113	1,976,744,705,226
Goods on consignment	50,555,458,772	62,864,818,682
	2,862,788,516,625	2,816,746,572,329

As at 30 June 2017, inventories of VND 1,165,916,000,000 (as at 31 December 2016: VND 1,690,467,990,000) were used as collaterals for short-term loans obtained from commercial banks (Note 19).

12. INCREASES, DECREASES INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
COST			
Opening balance	205,405,507,890	7,938,687,583	213,344,195,473
Disposal	(2,502,196,600)	-	(2,502,196,600)
Closing balance	<u>202,903,311,290</u>	<u>7,938,687,583</u>	<u>210,841,998,873</u>
ACCUMULATED AMORTIZATION			
Opening balance	-	4,740,653,591	4,740,653,591
Charge for the period	-	682,621,596	682,621,596
Closing balance	-	<u>5,423,275,187</u>	<u>5,423,275,187</u>
NET BOOK VALUE			
Closing balance	<u>202,903,311,290</u>	<u>2,515,412,396</u>	<u>205,418,723,686</u>
Opening balance	<u>205,405,507,890</u>	<u>3,198,033,992</u>	<u>208,603,541,882</u>

As presented in Note 19 and 20, the value of land use rights used as collateral for the loans in commercial banks as at 30 June 2017 is VND 197,828,664,410 (as at 31 December 2016: VND 197,828,664,410).

The cost of intangible fixed assets as at 30 June 2017 comprises fully amortized fixed assets which are still in use with the total amount of VND 1,112,471,613 (as at 31 December 2016: 1,112,471,613).

13. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	Opening balance	Receivable/Payable during the period	Received/Paid during the period	Closing balance
	VND	VND	VND	VND
a. Receivables				
Value added tax	627,332,217	(30,631,969,780)	30,062,228,635	57,591,072
Import-export tax	9,843,113	(834,223,892)	829,254,182	4,873,403
Others	-	(137,300,000)	138,300,000	1,000,000
	<u>637,175,330</u>	<u>(31,603,493,672)</u>	<u>31,029,782,817</u>	<u>63,464,475</u>
b. Payables				
Value added tax	17,778,575,801	104,564,880,937	(104,490,044,183)	17,853,412,555
Corporate income tax	57,842,622,620	93,901,997,926	(89,992,174,388)	61,752,446,158
Personal income tax	2,894,061,159	6,299,467,652	(7,759,750,356)	1,433,778,455
Others	7,807,118,018	251,273,325	(3,461,964,072)	4,596,427,271
	<u>86,322,377,598</u>	<u>205,017,619,840</u>	<u>(205,703,932,999)</u>	<u>85,636,064,439</u>

14. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Store at Vincom Quang Ngai	14,900,000,000	-
Store at Vincom Thanh Hoa	9,468,078,966	7,337,817,898
Construction expense for stores	195,000,000	195,000,000
	<u>24,563,078,966</u>	<u>7,532,817,898</u>



15. DEFERRED TAX ASSETS

The followings are the major deferred tax assets recognised by the Company, and the movements thereon, during the current period and prior year.

	<u>Accruals and other provisions</u> VND
Prior year's opening balance	3,098,940,957
Credit to the separate income statement	(175,856,983)
Current period's opening balance	<u>2,923,083,974</u>
Charge to the interim separate income statement	-
Current period's closing balance	<u>2,923,083,974</u>

16. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u>		<u>Opening balance</u>	
	Cost VND	Amount able to be paid off VND	Cost VND	Amount able to be paid off VND
Forte Jewellery (HK) Ltd Co.	49,842,217,873	49,842,217,873	91,846,814,195	91,846,814,195
Shrenuj Fareast Limited Company	46,010,970,581	46,010,970,581	54,758,478,557	54,758,478,557
Other suppliers	94,625,723,210	94,625,723,210	178,976,243,305	178,976,243,305
	<u>190,478,911,664</u>	<u>190,478,911,664</u>	<u>325,581,536,057</u>	<u>325,581,536,057</u>

17. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Advertising expenses	34,408,019,068	-
Liquidation expenses for buy back goods and defective goods inactive stock	18,613,554,046	-
Interest expenses	2,559,111,936	3,522,244,251
Stores rental expenses	702,332,900	1,621,370,756
Others	-	1,211,099,732
	<u>56,283,017,950</u>	<u>6,354,714,739</u>

18. OTHER PAYABLES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
a. Current payables		
- Surplus in assets awaiting solution	2,486,102,260	533,501,183
- Trade union fee	949,432,019	793,049,183
- Social insurance	3,426,805,525	-
- Health insurance	368,480,642	-
- Unemployment insurance	246,064,180	-
- Payables to the Board of Management and the Board of Directors bonus	12,200,000,000	-
- Payables to the Board of Management fund	3,208,939,568	494,729,568
- Payables to the Board of Directors fund	1,419,901,517	3,571,168,667
- Payables to Trade union fund	5,984,504,755	5,902,835,563
- PIT payable on behalf of the shareholders	4,531,133,392	4,555,873,392
- Dividends payable	1,915,044,995	1,350,050,545
- Others	5,674,744,109	9,965,872,932
	<u>42,411,152,962</u>	<u>27,167,081,033</u>
b. Long-term payables		
- Others	628,026,000	628,026,000
	<u>43,039,178,962</u>	<u>27,795,107,033</u>



**JI NHUAN JEWELRY JOINT STOCK COMPANY
FINANCIAL STATEMENTS TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)**

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OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Treasury shares	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
For the 6-month period ended 30 June 2016					
Opening balance	982,745,770,000	(7,090,000)	219,647,610,783	170,676,962,249	1,373,063,253,032
Profit for the period	-	-	-	245,271,057,165	245,271,057,165
Dividends declared	-	-	-	(147,410,802,000)	(147,410,802,000)
Transfer to bonus and welfare fund	-	-	-	(15,230,000,000)	(15,230,000,000)
Other funds	-	-	-	(4,500,000,000)	(4,500,000,000)
Closing balance	982,745,770,000	(7,090,000)	219,647,610,783	248,807,217,414	1,451,193,508,197
For the 6-month period ended 30 June 2017					
Opening balance	982,745,770,000	(7,090,000)	144,087,556,918	372,005,127,004	1,498,831,363,922
Profit for the period	-	-	-	377,489,667,047	377,489,667,047
Dividend declared	-	-	-	(78,619,094,400)	(78,619,094,400)
Investment and development fund appropriation	-	-	76,000,000,000	(76,000,000,000)	-
Transfer to bonus and welfare funds	-	-	-	(45,000,000,000)	(45,000,000,000)
Board of Management, Board of Directors and Board of Supervisors funds	-	-	-	(6,750,000,000)	(6,750,000,000)
Board of Management and Board of Directors bonus	-	-	-	(12,200,000,000)	(12,200,000,000)
Closing balance	982,745,770,000	(7,090,000)	220,087,556,918	530,925,699,651	1,733,751,936,569

According to the Resolution of annual general shareholders' meeting No. 604/2017/NQ-DHDCB-CTY on 27 April 2017, the shareholders approved the plan for profit distribution in 2016 as follows:

- The second time of dividend distribution in 2016 with the amount of VND 78,619,094,000. During the period, the Company paid dividends with the amount of VND 78,054,099,950.
- Appropriation to Board of Management, Board of Directors and Board of Supervisors funds; Bonus and welfare funds; investment and development fund and Boards of Management and Directors funds with the amounts of VND 6,750,000,000; VND 45,000,000,000; VND 76,000,000,000; and VND 12,200,000,000 respectively.



Share – Ordinary shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Number of shares	Number of shares
Shares issued and fully paid	98,274,577	98,274,577
<i>Ordinary shares</i>	98,274,577	98,274,577
Treasury shares	(709)	(709)
<i>Ordinary shares</i>	(709)	(709)
Shares in circulation	98,273,868	98,273,868
<i>Ordinary shares</i>	<u>98,273,868</u>	<u>98,273,868</u>

An ordinary share has par value of VND 10,000.

Owners' contributed capital

As at 30 June 2017, the owners' contributed capital was fully contributed by the shareholders as follows:

	<u>Closing balance</u>		<u>Opening balance</u>	
	VND	%	VND	%
Cao Thi Ngoc Dung	99,667,140,000	10.14%	99,667,140,000	10.14%
Aims Asset Management Sdn Bhn (i)	15,000,000,000	1.53%	55,320,900,000	5.63%
Route One Funds	52,260,100,000	5.32%	52,260,100,000	5.32%
Other shareholders	815,818,530,000	83.01%	775,497,630,000	78.91%
	<u>982,745,770,000</u>	<u>100%</u>	<u>982,745,770,000</u>	<u>100%</u>

(i) Aims Asset Management Sdn Bhn has divested its owning proportion from 5,532,090 shares equivalent to 5.63% of total shares to 1,500,000 shares equivalent to 1.53% of total shares in circulation, hence, it has not been a major shareholder of Company since 04 May 2017. Shares were transferred to other foreign investors.

23. OFF INTERIM SEPARATE BALANCE SHEET ITEMS

Foreign currencies

	Unit	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar	USD	84,612	137,582
Euro	EUR	513	-
Australia Dollar	AUD	486	495
Singapore Dollar	SGD	<u>174</u>	<u>518</u>

Pledged, mortgaged goods

Phu Nhuan Jewelry Joint Stock Company is receiving the pledged, mortgaged gold jewelry and precious stones at 30 June 2017 with the value of VND 2,889,500,000 (as at 31 December 2016: VND 3,301,900,000).

24. REVENUE FROM GOOD SOLD AND SERVICES RENDERED

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Sales from goods, silver and jewelry sold	5,572,269,483,721	4,002,470,819,636
Sales from accessories sold	11,712,086,838	9,668,539,198
Rendering services	4,315,269,972	5,690,770,409
Value added tax applying direct method	(108,169,438,689)	(76,100,248,655)
	<u>5,480,127,401,842</u>	<u>3,941,729,880,588</u>
Goods returned	(30,912,892,531)	(22,388,800,218)
	<u>5,449,214,509,311</u>	<u>3,919,341,080,370</u>

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

25. COST OF SALES

	<u>Current period</u> VND	<u>Prior period</u> VND
Cost of goods, silver and jewelry sold and services rendered	4,508,192,238,607	3,212,967,738,376
Cost of accessories sold	7,643,256,055	6,682,827,016
	<u>4,515,835,494,662</u>	<u>3,219,650,565,392</u>

26. PRODUCTION COST BY NATURE

	<u>Current period</u> VND	<u>Prior period</u> VND
Raw materials	4,510,453,458,079	3,375,998,082,624
Labour	288,672,747,801	211,160,486,960
Tools and supplies	30,590,691,724	29,463,737,798
Depreciation and amortization	18,939,335,289	16,344,382,622
Out-sourced services	75,353,119,963	60,228,762,219
Other monetary expenses	127,181,759,508	81,051,677,934
	<u>5,051,191,112,364</u>	<u>3,774,247,130,157</u>

27. FINANCIAL INCOME

	<u>Current period</u> VND	<u>Prior period</u> VND
Dividends received	3,000,000,000	5,000,000,000
Foreign exchange gain	1,650,945,699	461,684,716
Interest income	809,241,547	450,440,492
Others	1,309,213,156	3,769,856
	<u>6,769,400,402</u>	<u>5,915,895,064</u>

28. FINANCIAL EXPENSES

	<u>Current period</u> VND	<u>Prior period</u> VND
Interest expense	35,160,099,426	38,237,408,560
Provision for impairment of financial investments	-	84,691,750,000
Foreign exchange loss	563,248,892	194,417,882
Others	719,682,729	1,127,310,458
	<u>36,443,031,047</u>	<u>124,250,886,900</u>

29. SELLING EXPENSES

	<u>Current period</u> VND	<u>Prior period</u> VND
Management materials	8,367,134,647	8,352,571,832
Management staff	153,320,019,070	111,643,529,376
Office equipment	18,516,544,588	17,052,872,555
Depreciation and amortization	2,814,949,217	2,513,696,533
Out-sourced services	68,567,545,330	55,608,237,031
Other monetary expenses	107,163,214,954	62,718,099,122
	<u>358,749,407,806</u>	<u>257,889,006,449</u>

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30. GENERAL AND ADMINISTRATION EXPENSES

	Current period VND	Prior period VND
Management materials	90,817,342	20,137,500
Management staff	51,992,131,325	36,024,202,438
Office supplies	2,831,972,575	2,476,855,251
Depreciation and amortization	4,968,580,040	4,715,381,186
Taxes, fees and charges	229,015,160	115,500,000
Out-sourced services	3,595,168,246	2,349,798,960
Other monetary expenses	15,118,863,137	14,994,038,312
	<u>78,826,547,825</u>	<u>60,695,913,647</u>

31. OTHER INCOME

	Current period VND	Prior period VND
Proceeds from disposals of fixed assets	5,302,133,400	43,641,947,529
Others	461,425,741	844,541,579
	<u>5,763,559,141</u>	<u>44,486,489,108</u>

32. OTHER EXPENSES

	Current period VND	Prior period VND
Loss, disposal of tools and supplies	57,544,214	1,435,582,842
Penalties	68,458,297	3,918,703
Others	375,320,030	168,888,064
	<u>501,322,541</u>	<u>1,608,389,609</u>

33. CURRENT CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax based on taxable income in the current period	93,901,997,926	60,377,645,380
	<u>93,901,997,926</u>	<u>60,377,645,380</u>

34. OPERATING LEASE COMMITMENTS

	Current period VND	Prior period VND
Minimum lease payments under operating leases recognised in the interim separate income statement for the period	61,410,869,293	48,455,994,851

At the balance sheet date, the Company had outstanding commitments under non-cancelable operating leases, which fall due as follows:

	Closing balance VND	Opening balance VND
Within one year	82,988,354,832	66,867,915,235
In the second to fifth year inclusive	191,563,868,433	162,963,895,494
After five years	108,165,220,098	96,004,469,000
	<u>382,717,443,364</u>	<u>325,836,279,728</u>

Operating lease mainly includes the rental related to the stores which are currently operating in Vietnam.



35. BUSINESS AND GEOGRAPHICAL SEGMENTS

The principal activity of the Company is to trade gold, silver, jewelry and gemstones. Additionally, other activities mainly are trading accessories, jewellery inspection services. Revenue from other operating activities merely accounts for an immaterial rate in the total revenue. In current period, it is lower than 1% (prior period: lower than 1%). Revenue and cost of sales from operating activities are presented in Note 24 and Note 25 of the Notes to the interim separate financial statements. In respect of geographical segments, the Company merely operates within Vietnam (export activities take up 0.9% of total revenue). Accordingly, the Board of Directors assessed and believed that no segment reporting prepared in the interim separate financial statements for the 6-month period ended 30 June 2017 was in accordance with Vietnamese Accounting Standard No. 28 - "Segment Reporting" and the Company's current operating situation.

36. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

<u>Related parties</u>	<u>Relationship</u>
CAO Fashion Company Limited	Subsidiary
PNJ Laboratory Company Limited	Subsidiary
Dong A Joint Stock Commercial Bank	Related party

During the period, the Company entered into the following significant transactions with its related parties:

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Sale of goods and service rendered		
CAO Fashion Company Limited	11,097,878,449	7,384,303,570
PNJ Laboratory Company Limited	-	360,000,000
	<u>11,097,878,449</u>	<u>7,744,303,570</u>
Purchase of goods and services		
PNJ Laboratory Company Limited	883,291,900	456,115,000
CAO Fashion Company Limited	6,613,320,913	5,300,881,905
	<u>7,496,612,813</u>	<u>5,756,996,905</u>
Interest expense		
Dong A Joint Stock Commercial Bank	217,141,667	1,168,226,666
PNJ Laboratory Company Limited	265,643,837	184,684,932
	<u>482,785,504</u>	<u>1,352,911,598</u>
Dividend income		
PNJ Laboratory Company Limited	3,000,000,000	4,000,000,000
CAO Fashion Company Limited	-	1,000,000,000
	<u>3,000,000,000</u>	<u>5,000,000,000</u>

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued) FORM B 09a-DN

Significant related party balances as at the balance sheet date were as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Trade receivables		
CAO Fashion Company Limited	<u>1,100,571,027</u>	<u>822,683,491</u>
Other receivables		
CAO Fashion Company Limited	15,018,298,200	20,242,298,200
PNJ Laboratory Company Limited (dividend receivables)	1,045,020,543	-
	<u>16,063,318,743</u>	<u>20,242,298,200</u>
Trade payables		
PNJ Laboratory Company Limited	<u>-</u>	<u>639,410,000</u>
Other payables		
PNJ Laboratory Company Limited	<u>-</u>	<u>271,835,620</u>
Loans		
Dong A Joint Stock Commercial Bank	16,640,000,000	26,370,000,000
PNJ Laboratory Company Limited	<u>11,000,000,000</u>	<u>9,000,000,000</u>

Remuneration paid to the Company's Boards of Directors and Management during the period were as follows:

	<u>Current period</u>	<u>Prior period</u>
	<u>VND</u>	<u>VND</u>
Salaries and bonus	<u>16,199,948,554</u>	<u>3,032,738,037</u>

37. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Interest paid during the period included an amount of VND 3,522,244,251 (prior period: VND 4,247,179,715), representing the interest expense incurred in the beginning of the period and excluded VND 2,559,111,936 (prior period: VND 6,671,560,038), representing the interest expense incurred during the period that has not yet been paid. Consequently, changes in payables have been adjusted by the same amount.

Dividend income during the period from subsidiaries was VND 3,000,000,000 (prior period: VND 5,000,000,000), were partially offset with payable to subsidiaries with an amount of VND 1,954,979,457. Consequently, changes in payables have been adjusted by the same amount.

Dividend received during the period excluded an amount of VND 1,045,020,543 (prior period: nil), representing dividend income declared during the period that has not yet been received. Consequently, changes in receivables have been adjusted by the same amount.

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38. SUBSEQUENT EVENTS AFTER THE INTERIM SEPARATE BALANCE SHEET DATE

According to Resolution No. 183/2017/NQ-DHDCD-CTY dated 23 February 2017 of the Annual General Meeting of Shareholders of Phu Nhuan Jewelry Joint Stock Company, the Company's shareholders approved the offering of 9,827,457 additional shares and the Company was approved by the State Securities Commission in Official Letter No. 3915/UBCK-QLCB on 13 June 2017.


On 19 July 2017, the Company completed issuance of 9,827,457 shares under par value of VND 10,000 per share to investors at a average price of VND 100,880 per share. Accordingly, the total amount that the Company has been collected is VND 975,035,852,458 and the Company recorded in the charter capital and share premium with the amount of VND 98,274,570,000 and VND 876,761,282,458, respectively. Currently, the Company is completing procedures to list the additional shares.

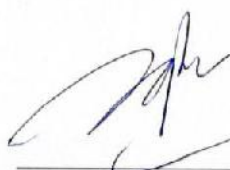
Some indicators in the financial statements may change when the Company completes the increase of capital:

Interim separate balance sheet				
Codes	Before		After	
	increasing capital	increasing capital	increasing capital	Changes
	VND	VND	VND	VND
Cash	111	35,408,948,466	1,010,444,800,924	(975,035,852,458)
Owners' contributed capital	411	982,745,770,000	1,081,020,340,000	(98,274,570,000)
Share premium	412	-	876,761,282,458	(876,761,282,458)

The owners' contributed capital was fully contributed by the shareholders at 19 July 2017 and 1 January 2017 as follows:

	As at 19/7/2017		As at 01/01/2017	
	VND	%	VND	%
Cao Thi Ngoc Dung	99,667,140,000	9.22%	99,667,140,000	10.14%
Route One Funds	52,260,100,000	4.83%	52,260,100,000	5.32%
Aims Asset Management Sdn Bhn	15,000,000,000	1.39%	55,320,900,000	5.63%
Other shareholders	914,093,100,000	84.56%	775,497,630,000	78.91%
	1,081,020,340,000	100%	982,745,770,000	100%


Nguyen Thanh Dat
 Preparer


Duong Quang Hai
 Chief Accountant



Cao Thi Ngoc Dung
 General Director
 7 August 2017


 HANOI SECURITIES EXCHANGE
 HI MINH