

VIETNAM NATIONAL UNIVERSITY – HO CHI MINH CITY  
INTERNATIONAL UNIVERSITY  
DEPARTMENT OF MATHEMATICS



**PROJECT**

# **Phu Nhuan Jewelry Joint Stock Company**

**INTRODUCTION TO CORPORATE FINANCE**

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# CONTRIBUTION OF MEMBERS

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## BUSINESS DESCRIPTION

Revenue Structure by Segment in 2021

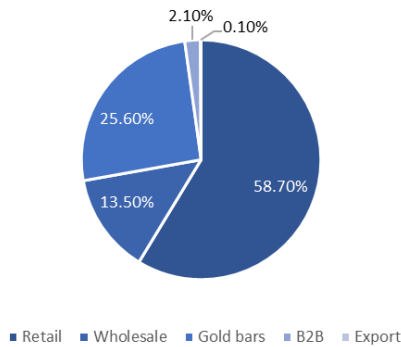


Exhibit 1: PNJ sources, 2021

PNJ Stores Count

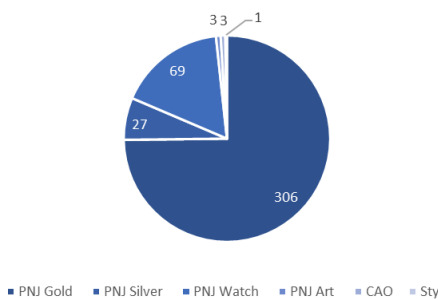


Exhibit 2: PNJ sources, 2022

Revenue structure by product

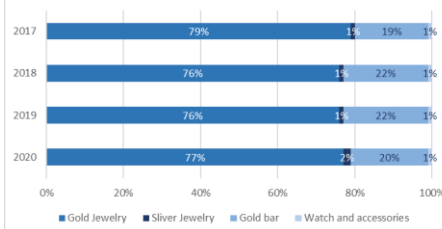


Exhibit 3: PNJ, PFHM complies

Phu Nhuan Jewelry (PNJ) was founded in 1988, is Vietnam's largest jewelry manufacturer and retailer. Jewelry is manufactured, wholesaled, sold, and exported by the corporation and its subsidiaries. PNJ also sells gold bars, distributes watches, and offers jewelry inspections. PNJ concentrates on jewelry sales expertise, particularly jewelry retail, which contributed 58,7% of revenue in 2021 (**exhibit 1**) The company has a comprehensive jewelry product range of various materials, available at various price levels, and appropriate for all generations which 6 chains with total 340 stores up to 4/2022 (**exhibit 2**):

- PNJ Gold: The first, oldest and main chain of PNJ, sells crafted and gold jewelry, focused on females aged 25-45.
- PNJSilver: Targeting a group of aged 15-25 with relative cheap products.
- PNJ Watch: for young and old gentlemen with many famous watch brands.
- PNJ Next: First flagship jewelry store in Vietnam, focus on increasing employee-customer interaction to make them more comfortable when shopping.
- CAO Fine Jewelry: a high-end jewelry brand of PNJ for high-income customers.
- STYLE BY PNJ: sell jewelry, also accessories in terms of style and fashion trends.

### Gold Jewelry is core segment

PNJ has placed heavy emphasis on gold jewelry thanks to its relatively high margin and bright prospect, contributing to the development potential of PNJ expansion. Gold Jewelry segment (with the successful brand "PNJ Gold"), contributed 76-79% of revenue in 2017-2020 (**exhibit 3**), has diverse offerings at medium and high price level, catering mainly for event-driven demand - the major demand in Vietnam.

### Reach the GenZ and Millennials demand

Gen Z and Millennials will be the next generation of mainstream customers with specific consumer needs and behaviors, requiring retailers to quickly transform themselves to adapt. Therefore, the Style By PNJ brand is part of PNJ's long-term strategy. In the past, product development for young people was mainly through PNJSilver, but with Style by PNJ, the company will focus on personality and style which attracts the teenagers. Style by PNJ brings new shopping experiences with independent store models combined with Shop-In-Shop (SiS) to take advantage of the power of the system. PNJ can both focus on the middle, high-end customer segments and still reach out to young people.

### The large amount of inventories

During the covid pandemic, PNJ has coped with market fluctuations by increasing the amount of inventory. As of December 31, 2021, the inventory value of this enterprise amounted to VND 8,686.6 billion, an increase of VND 2,140.7 billion compared to the beginning of 2021. Of these, the value of finished products in stock is VND 5,187.3 billion, nearly 14 times higher than as of December 31, 2020. Moreover, PNJ has used nearly 40% of its inventory as collateral for bank loans to increase asset liquidity.

### Reuse/renew materials to protect environment

In the past year, PNJ has established a subcommittee of the ESG subcommittee (environment, community, governance) with the permanent members of the Board of Directors with the task of finding projects to develop green areas such as afforestation, clean water projects, creating a premise for sustainable development and contributing to environmental protection. PNJ has sought to minimize energy consumption such as programs to buy back used products,

	Unit	2017	2018	2019	2020	2021
Reduction of Energy Consumption						
Electricity	Million VND	4,061	4,697	4,486	2,916	762
Gas	Million VND	694	688	581	180	7.2
Oil	Million VND	750	98.8	766	566	54
Investment Cost in saving initiatives						
	Million VND	200	500	979	2,000	1,580
Saved costs	Million VND	550	1,500	6,812	5,648	803

Exhibit 4: PNJ sources, 2022

install automatic shut-off air-conditioners, etc. As a result, the company both saves costs and protects the environment. **(exhibit 4)**

## Various sales methods

The 4-hour delivery service (PNJ4H): Minimizing the distance between online and offline shopping, creates a fast, free nationwide shipping method to enhance the customer experience. Another method is “Click and Collect”, where customers can sit at home and choose products, then go to the store and decide to buy or not. Both of the above methods help customers feel comfortable in choosing a shopping method.

## CORPORATE GOVERNANCE

PNJ chooses to use the corporate governance model including General Meeting of Shareholders (GMS), Board of Directors (BOD) and Chief Executive Officer (CEO). PNJ focused on implementing and standardizing the corporate governance activities in accordance with corporate governance code of best practices in line with PNJ's general development strategy **(exhibit 5)**.

- GMS is the organ which holds the supreme decision-making of PNJ, consisting of shareholders with voting rights.
- BOD has 9 members, of which there are 03 independent members, 03 non-executive members. BOD members have skills, knowledge and experience in the industry, corporate governance, finance, law, cultural development, digitalization and talent management.
- CEO is a legal representative of PNJ.

## CORPORATE MANAGEMENT

In order to continue to maintain its leading position in Vietnam's retail industry, PNJ implemented the project to increase operational efficiency on technology platforms. Also, The Board of Directors and the Board of Management have restructured the organizational structure and operating model of the headquarters and a new model of retail operations. Simultaneously, human resources for new growth motivation have also been prepared in terms of both human and enforcement capacity.

## SHAREHOLDERS STRUCTURE

Domestic shareholders have a high proportion, up to 47.1% and the foreign shareholders take 42.9% of the PNJ's total capital. In addition, treasury and insider shareholders accounts for nearly 10% of the firm's structure in 2021. **(exhibit 6)**.

# INDUSTRY OVERVIEW

## MACROECONOMIC DYNAMICS

### Vietnam's demographics facilitates discretionary spending

Vietnam has long been considered as a country with fast growing consumption. The consuming class is expected to increase 8 in rank in the next decade, with 23.2 million people added **(exhibit 7)**. The middle-income class in Vietnam is projected to earn a CAGR of 9.2% from 2018 to 2023. These groups are potential customers of jewelry retail, in addition to a population of 98.51 million people with 50.2% females.

### High and volatile gold price

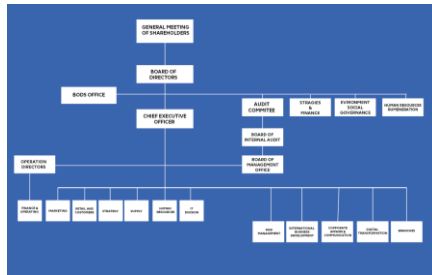


Exhibit 5: PNJ sources, 2021

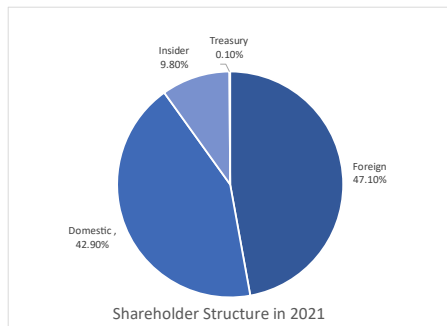


Exhibit 6: PNJ sources, 2022

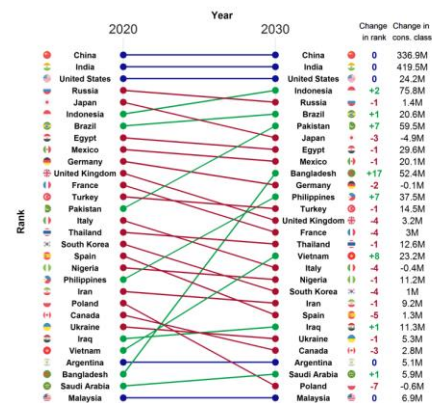


Exhibit 7: World Data Lab



Exhibit 8: World Gold price, May, 2017 to May, 2022, goldprice.org

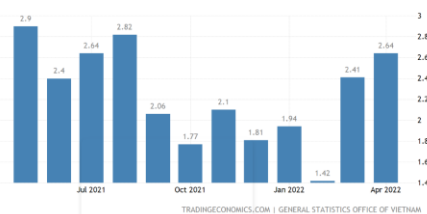


Exhibit 9: Vietnam's Inflation rate from April, 2021 to April 2022, GSO

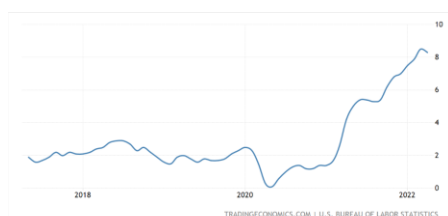


Exhibit 10: The USA's Inflation rate from April, 2017 to April 2022, BLS

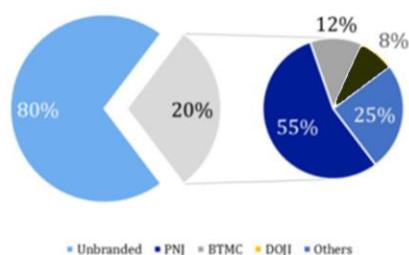


Exhibit 11: Discretionary retail industry structure, CFA

RENEWABLE MATERIALS	2019	Ty le % 2020	2021
Gold materials	92%	94%	97%
Silver materials	98%	98%	94%
Brass and other alloy materials	95%	94%	90%
Stone materials	88%	89%	98%
Wax materials	25%	29%	0%

Exhibit 12: Material renewable ratio, PNJ

The world gold price has started climbing for the outbreak of Covid-19 pandemic (**exhibit 8**). Since then, the inflation rate of many countries has continuously reached their peak (**exhibit 9, 10**). Vietnam's annual inflation rate also increased to an eight-month high of 2.64 percent in April of 2022 from 2.41 percent in the previous month. Such intensity has boosted up the gold demand and then the gold price. The market value of gold is changing rapidly for risks from highly volatile crypto-currencies and the Russia-Ukraine war, which limits the gold supply and thus increase the price.

## INDUSTRY DYNAMICS

### Still high demand for jewelry

The jewelry retail expects to maintain the high level of demand post-pandemic. The World Gold Council (WGC) reported a 6% increase YoY in gold demand in Vietnam in Q1/2021. For high systematic risks – that is, high inflation rate, continuing war of Russia-Ukraine, and risky investment channels, all leading to higher gold price, many individuals have increased their gold storage and some other types of jewelry. This high demand is also highly leveraged by the potential class of customers, the middle-income or above, who resist only limited financial impacts from the pandemic.

### The rise of jewelry branded chains

This retail segment is considered as a fragmented industry: about 6,000 trusted countrywide unbranded jewelry stores have made up 80% market share (**exhibit 11**). These players mostly produce inferior-quality products due to their limitations in craftsmanship, scale, and inspection. The Covid-19 outbreak, thus, squeezed their market share as many small vendors had to quit the market. This, therefore, leaves a large room for brands, especially well-known ones, to maneuver: such big firms can take full advantage of their high-quality products and marketing campaigns for their expansion plans.

## COMPETITIVE POSITIONING

### Higher capacity to meet the high demand

PNJ has increased the inventory amount in 2021 by more than VND 2.2 trillion, equivalent to 34% increase YoY. This firm is now considered as an environmentally friendly business with high and increasing material renewable energy over years (**exhibit 12**), thereby saving the costs of material input and boosting up their capabilities to meet the needs of the market.

### Huge manufacturing capabilities

PNJ owns two main manufacturing plants – that is, Go Vap factory and Long Hau factory, producing about 4 million items per year. Go Vap factory is now operating at full designed capacities, and Long Hau factory has been in use since 2021, planned to add two new production lines in 2022. The firm has long employed the biggest jewelry artisan team in Vietnam, and nearly doubled its inventories of materials from 2020 to 2021. Therefore, PNJ can be considered as a well-prepared and outstanding jewelry manufacturing firm in the domestic market.

### Vertically Integrated Value Chain

PNJ's vertically integrated value chain - that is, Procurement - Manufacturing - Designing - Retail - Wholesale - Inspection, serves as an incumbency compared with the small vendors who lack control over supply. Reliable and abundant material input, huge manufacturing abilities with capacity of 4 million products



Dimension	PNJ	DOJI	Unbrand players
Store count	342	81	6000+
Core segment	Gold jewelry retail	Gold jewelry retail	Gold jewelry retail
Price	Mass luxury	Mass luxury	Mass luxury
Brand awareness	High	Medium	Low
Control of supply	High	High	Low

Exhibit 13: Peer comparison, team estimates

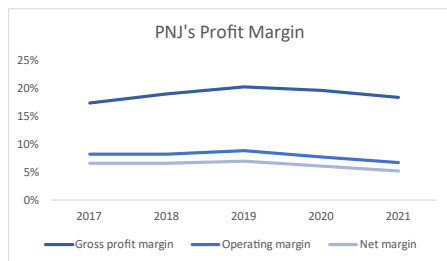


Exhibit 14: Team estimates

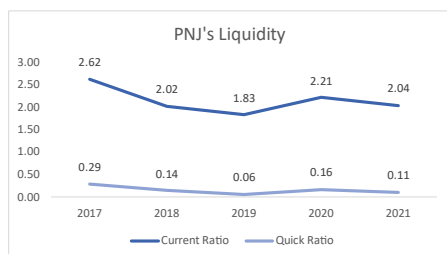


Exhibit 15: Team estimates

annually, talented designers and craftsmen together with extensive network implies their potential to raise brand awareness and thus expand the business.

## The Leading Jewelry Retail Chain in Vietnam

PNJ owns the largest retail network with 343 stores nationwide (**exhibit 2**). Compared to other branded rivals, the firm owns the widest and the most accessible network, which has shown huge potential to seize the market share from unbranded players (**exhibit 13**). Moreover, an extensive retail chain creates an impression of a large-scale and robust enterprise which can solidify trust- the chief attribute of customer purchasing decisions.

## FINANCIAL ANALYSIS

### PROFITABILITY (Exhibit 14)

Gross profit margin compares gross profit to sales revenue. PNJ's gross profit margin ranged from 17.5% to 20.5% between 2017 and 2021. It reached a peak of 20.36% in 2019 and slightly declined to 18.41% in 2021 due to the higher sales contribution from gold bar trading, which had a very thin margin, while the margins of single businesses remain unchanged.

However, this metric of PNJ is relatively lower than the industry average in the United States, which is around 43-47%. Since gross profit margin shows how much a business is earning, taking into account necessary costs to produce goods and services, PNJ's gross profit margin indicates a high cost of goods sold, which can affect business profit.

PNJ's operating profit margin and net profit margin shared the same pattern over the last 5 years as they remained relatively stable from 2017 to 2019 and then slightly decreased until 2021. For operating profit margin, it indicates that the company is earning enough money from business operations to pay for all of the associated costs involved in maintaining that business. PNJ's average operating margin stood between 6% to 8%, representing that PNJ's cost of goods sold and SG & A ate up the huge amount of the net revenue, implying that its operating management was not quite effective. PNJ needs to improve cost management since good cost management can help increase the company's profitability by managing its operating costs better.

Net profit margin provides the final picture of how profitable a company is after all expenses, including interest and taxes, have been taken into account. PNJ's net profit margin oscillated between 5% and 7% during the 5-year period. This metric is considered relatively low, meaning that the company may use an ineffective cost structure which may result from inefficient management of costs of goods sold.

### LIQUIDITY (Exhibit 15)

PNJ's current ratio was above 1, fluctuating between 1.8 to 2.5, indicating strong financial performance. It shows PNJ's good capacity (enough liquid assets) to pay its short-term liabilities. Despite the negative effect of Covid-19 pandemic, PNJ still kept the current ratio above 2, meaning that its current assets are twice as large as current liabilities. PNJ's quick ratio ranged from 0.1 to 0.3, which was relatively lower than the current ratio. For most businesses, such a low ratio may signal the poor ability to meet its short-term obligations with its most liquid assets. However, it is not the case for PNJ since its inventory accounted for over 74% of the total assets and over 87% of the current assets. Inventory of PNJ are mostly

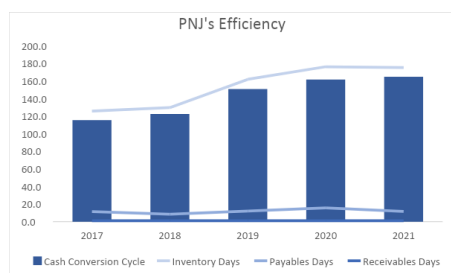


Exhibit 16: Team estimates

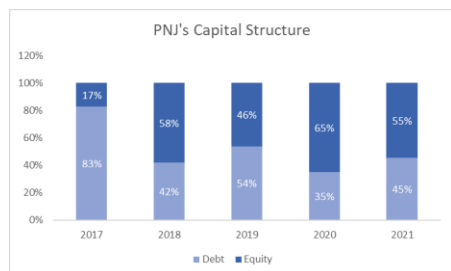


Exhibit 17: Team estimates

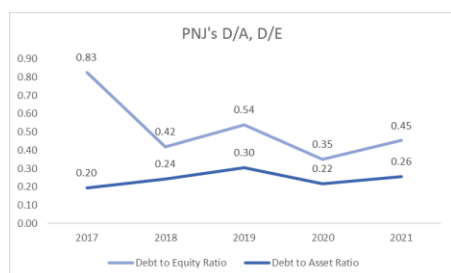


Exhibit 18: Team estimates

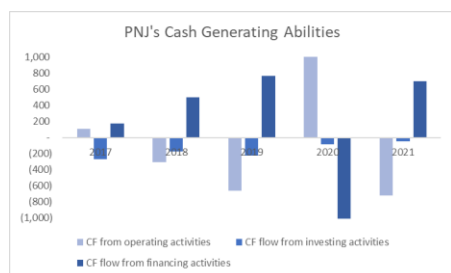


Exhibit 19: Team estimates

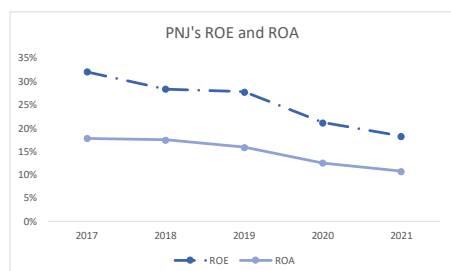


Exhibit 20: Team estimates

gold and silver products, which are highly liquid and bear few risks of the quality loss. Hence, we think it may not be a warning sign for PNJ's financial health.

## EFFICIENCY

PNJ's cash conversion cycle was 165 days in 2021, higher than in previous years mainly due to the significant increase in inventories. Inventory makes up the largest element of PNJ's asset structure, accounting for more than 80% of total assets (**Appendix: Common Size Balance Sheet**). Regarding the inventory turnover, this figure dropped year over year, from 2.91 in 2017 to 2.08 in 2021. PNJ has accelerated the opening of new stores and these stores are located far from the factory, hence, the company must maintain a huge inventory to suit the needs of each store. Besides, instead of gold bars, the firm has shifted its product structure to focus on jewelry gold, which is speculative and expected to sell at a lower volume. As a result, PNJ's inventory turnover has consistently been low. Furthermore, PNJ may be actively increasing inventories to have ready stock for the peak business season such as the Tet holiday.

Due to the nature of a retail business and the continuous price variations of gold and silver materials in relation to world prices, receivables and payables days remain low, 1.2 days and 11.7 days in 2021 respectively (**exhibit 16**).

## LONG-TERM SOLVENCY

PNJ's working capital and capital investments were financed using mixed of short-term debts and equity. The company has paid off long-term debts and maintains a zero balance in 2020 and 2021 (**exhibit 17**). Debt to equity ratio was reduced significantly from 2017 to 2018 – it reduced from 0.83 to 0.42. In 2019–2021, this figure remained consistent at around 0.4–0.5, indicating that PNJ's business operations are safe because it can use its capital to support its operations without relying much on debt. During the period 2016–2020, the debt-to-asset ratio remained constant, hovering around 0.2–0.3. This is because PNJ financed more debts primarily to facilitate more assets, and hence, the increase in assets was relatively proportionate to that of total debt from 2017 to 2021. (**Exhibit 18 and Appendix Financial Ratios**)

## CASH FLOW STATEMENT ANALYSIS

PNJ's cash flow from operating activities (CFO) growth was inconsistent from 2017 to 2021, with three of the five years displaying negative figures. This was mainly due to an increase in inventory, which had an average growth rate of 30% per year (**Appendix: Horizontal Analysis Balance Sheet**). We think negative operating cash flow is completely reasonable because of strong expansion plans in stores and development strategy.

Cash flow from investing activities of the company was negative over the last five years, illustrating that PNJ has invested for its future growth by primarily purchasing fixed assets and other long-term assets. The firm also showed fluctuating cash flow from financing activities from 2017 to 2021. In 2021, CFO recorded VND 703.8 billion, as a consequence of an increase in debt to offset operating cash flow and cash flow from investing and finance working capital and highly liquid inventory. (**Exhibit 19**)

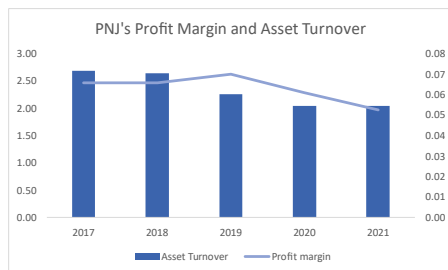


Exhibit 21: Team estimates

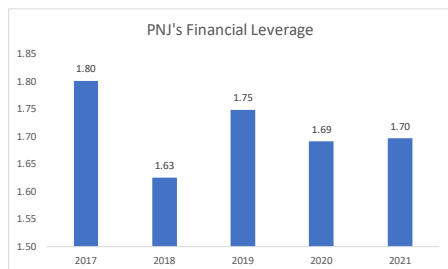


Exhibit 22: Team estimates

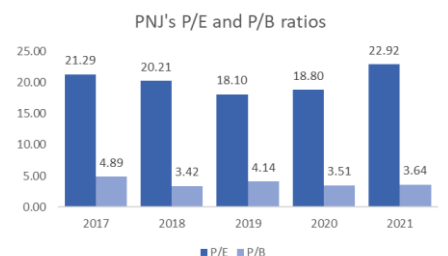


Exhibit 23: Team estimates

## DUPONT ANALYSIS

The company's ROE was quite good from 2017 to 2019 despite a little downward trend with over 27%. But then, this ratio declines to 21.18% and 18.29% in 2020 and 2021 (**Exhibit 20**). The reason is caused by the dropping in profit margin and asset turnover. About the profit margin, it stayed stable with 6%-7% before falling to 5.26% in 2021 as the company managed the cost structure inefficiently in the Covid-19 period. Another reason is the dropping in asset turnover from 2.65 in 2018 to 2.05 in 2021 as PNJ kept the larger inventories for their new stores, which takes around 70% - 80% of assets (**Exhibit 21**). This factor also caused the falling trend of ROA (**Exhibit 20**). The special is that while having huge inventories, the asset turnover was over 2 times shows that it had a good revenue despite the Covid-19 period and was contributed by the leader market position.

The last factor that contributes to ROE is the financial leverage, which was stable in 2018-2021, around 1.6 – 1.7 times while in 2017, this ratio was 1.8 times (**Exhibit 22**). The reason is that PNJ proactively reduced debt, increased the amount of cash and profit in assets. The fact that the corporation maintains a constant leverage ratio and is proactive in utilizing existing financial resources is a plus.

## P/E AND P/B

The P/E ratio of the firm fell from 21.29 to 18.10 in 2019, but then rebounded substantially in the following years, hitting 22.92 in 2021. Furthermore, the P/B of PNJ has declined, indicating that the stock's price is progressively returning to its genuine worth (**exhibit 23**). Overall, these two indices show the company's stock price was pretty good for investors to consider for short-term investment on the stock market in spite of the fact that the profitability of PNJ did not perform well as the EPS decreased in this period.



# APPENDIX

## Appendix 1: BALANCE SHEET

UNIT: VND	2017	2018	2019	2020	2021
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
	3,896,141,901,410	5,405,256,600,641	7,333,364,485,251	7,143,929,036,497	9,292,192,238,421
<b>CASH AND CASH EQUIVALENTS</b>					
	175,208,552,187	206,721,179,629	95,224,439,008	422,234,781,061	355,454,838,957
<b>CASH</b>					
	111,158,552,187	206,721,179,629	95,224,439,008	422,234,781,061	355,454,838,957
<b>CASH EQUIVALENTS</b>					
	64,050,000,000	-	-	-	-
<b>SHORT-TERM FINANCIAL INVESTMENTS</b>					
	160,065,000,000	-	-	-	-
<b>HELD-TO-MATURITY INVESTMENTS</b>					
	160,065,000,000	-	-	-	-
<b>SHORT-TERM RECEIVABLES</b>					
	84,622,464,067	155,196,257,825	129,688,313,476	98,997,286,429	111,969,758,488
<b>SHORT-TERM TRADE ACCOUNT RECEIVABLES</b>					
	39,946,216,659	57,664,060,443	48,292,876,716	67,591,685,619	59,930,655,833
<b>SHORT-TERM PREPAYMENTS TO SUPPLIERS</b>					
	33,682,107,963	57,981,679,202	74,867,455,343	20,218,946,599	30,659,175,548
<b>OTHER SHORT-TERM RECEIVABLES</b>					
	10,858,761,425	39,159,008,338	5,287,941,028	12,261,206,010	22,831,538,994
<b>PROVISION FOR DOUBTFUL DEBTS - SHORT TERM</b>					
	-	-	-	(1,202,878,846)	(2,004,798,077)
<b>SHORTAGE OF ASSETS AWAITING RESOLUTION</b>					
	135,378,020	391,509,842	1,240,040,389	128,327,047	553,186,190
<b>INVENTORIES</b>					
	3,401,959,226,624	4,968,145,942,990	7,030,420,371,216	6,545,905,987,056	8,754,741,712,359
<b>OTHER SHORT-TERM ASSETS</b>					
	74,286,658,532	75,193,220,197	78,031,361,551	76,790,981,951	70,025,928,617
<b>SHORT-TERM PREPAID EXPENSES</b>					
	69,117,536,788	68,191,416,708	71,633,378,895	66,112,866,470	56,716,921,380
<b>VALUE ADDED TAX TO BE RECLAIMED</b>					
	28,174,789	625,511,019	6,306,692,920	10,670,276,957	8,705,831,517
<b>TAXES AND OTHER RECEIVABLES FROM THE STATE</b>					
	5,140,946,955	6,376,292,470	91,289,736	7,838,524	4,603,175,720
<b>NON-CURRENT ASSETS</b>					
	675,158,254,081	1,032,638,955,963	1,269,599,936,565	1,339,217,061,954	1,326,824,308,701
<b>LONG-TERM RECEIVABLES</b>					
	42,787,737,738	57,498,444,869	70,721,623,109	77,310,617,360	84,131,506,164
<b>OTHER LONG-TERM RECEIVABLES</b>					
	42,787,737,738	57,498,444,869	70,721,623,109	77,310,617,360	84,131,506,164
<b>FIXED ASSETS</b>					
	487,243,774,697	719,287,274,744	923,870,354,474	931,617,117,533	909,985,491,983
<b>TANGIBLE FIXED ASSETS</b>					
	205,748,326,607	225,960,569,846	263,827,234,353	281,244,232,172	259,137,188,160
<b>HISTORICAL COST</b>					
	396,615,581,684	454,178,423,940	534,818,699,342	600,464,186,725	633,614,629,426
<b>ACCUMULATED DEPRECIATION</b>					
	(190,867,255,077)	(228,217,854,094)	(270,991,464,989)	(319,219,954,553)	(374,477,441,266)
<b>INTANGIBLE ASSETS</b>					
	281,495,448,090	493,326,704,898	660,043,120,121	650,372,885,361	650,848,303,823
<b>HISTORICAL COST</b>					
	286,740,907,873	499,937,407,873	679,619,883,005	683,791,142,309	697,774,918,988
<b>ACCUMULATED DEPRECIATION</b>					
	(5,245,459,783)	(6,610,702,975)	(19,576,762,884)	(33,418,256,948)	(46,926,615,165)
<b>LONG-TERM ASSETS IN PROGRESS</b>					
	9,665,078,966	70,822,681,154	28,457,398,434	33,003,867,003	30,795,369,850
<b>CONSTRUCTION IN PROGRESS</b>					
	9,665,078,966	70,822,681,154	28,457,398,434	33,003,867,003	30,795,369,850
<b>LONG-TERM FINANCIAL INVESTMENTS</b>					
	-	-	-	-	-
<b>INVESTMENTS IN OTHER ENTITIES</b>					
	395,271,613,400	395,271,613,400	395,271,613,400	395,271,613,400	395,271,613,400
<b>PROVISION FOR LONG-TERM INVESTMENTS</b>					
	(395,271,613,400)	(395,271,613,400)	(395,271,613,400)	(395,271,613,400)	(395,271,613,400)
<b>OTHER LONG-TERM ASSETS</b>					
	135,461,662,680	185,030,555,196	246,550,560,548	297,285,460,058	301,911,940,704

<b>LONG-TERM PREPAID EXPENSES</b>	53,968,320,576	99,678,730,358	158,318,980,481	206,301,766,031	201,443,147,089
<b>DEFERRED INCOME TAX ASSETS</b>	81,493,342,104	85,351,824,838	88,231,580,067	90,983,694,027	100,468,793,615
<b>TOTAL ASSETS</b>	<b>4,571,300,155,491</b>	<b>6,437,895,556,604</b>	<b>8,602,964,421,816</b>	<b>8,483,146,098,451</b>	<b>10,619,016,547,122</b>
<b>RESOURCES</b>					
<b>LIABILITIES</b>					
<b>SHORT-TERM LIABILITIES</b>	<b>1,542,697,241,029</b>	<b>2,692,822,128,700</b>	<b>4,025,698,610,469</b>	<b>3,241,284,233,443</b>	<b>4,606,382,566,869</b>
<b>SHORT-TERM TRADE ACCOUNTS PAYABLES</b>	278,898,463,294	342,676,925,196	690,808,185,195	481,588,464,720	680,447,298,103
<b>SHORT-TERM ADVANCES FROM CUSTOMERS</b>	37,773,098,354	82,798,544,221	95,353,052,369	157,182,968,364	156,729,112,135
<b>TAXES AND AMOUNTS PAYABLES TO THE THE STATE</b>	117,206,887,902	153,579,308,096	192,682,671,178	214,710,310,923	309,500,571,902
<b>PAYABLES TO EMPLOYEES</b>	99,466,563,099	228,337,052,181	222,296,091,737	290,765,645,610	385,144,216,152
<b>SHORT-TERM ACCRUED EXPENSES</b>	4,629,017,766	10,833,940,595	45,877,630,688	55,520,256,916	69,534,599,697
<b>OTHER CURRENT PAYABLES</b>	52,071,661,615	237,629,562,960	69,257,739,996	76,978,636,900	83,404,423,727
<b>SHORT-TERM BORROWINGS</b>	846,278,850,200	1,558,482,498,026	2,610,902,622,222	1,839,275,064,065	2,721,930,701,144
<b>PROVISION FOR SHORT-TERM LIABILITIES</b>	-	-	-	-	30,129,306,488
<b>BONUS AND WELFARE FUNDS</b>	52,433,491,799	62,979,954,425	90,682,831,084	115,886,008,945	126,182,180,160
<b>LONG-TERM LIABILITIES</b>	<b>53,939,207,000</b>	<b>15,504,343,000</b>	<b>7,837,786,000</b>	<b>9,376,877,000</b>	<b>43,380,157,361</b>
<b>OTHER LONG-TERM PAYABLES</b>	628,026,000	628,026,000	476,006,000	526,168,000	518,668,000
<b>LONG-TERM LOANS</b>	46,234,864,000	7,800,000,000	3,700,000,000	-	-
<b>PROVISION FOR LONG-TERM LIABILITY</b>	7,076,317,000	7,076,317,000	3,661,780,000	8,850,709,000	42,861,489,361
<b>OWNERS' EQUITY</b>	<b>3,028,602,914,462</b>	<b>3,745,073,427,904</b>	<b>4,853,688,461,347</b>	<b>5,241,861,865,008</b>	<b>6,012,633,980,253</b>
<b>CAPITAL AND RESERVES</b>	<b>3,028,602,914,462</b>	<b>3,745,073,427,904</b>	<b>4,853,688,461,347</b>	<b>5,241,861,865,008</b>	<b>6,012,633,980,253</b>
<b>OWNERS' CAPITAL</b>	1,081,020,340,000	1,670,029,820,000	2,529,358,500,000	2,276,123,620,000	2,276,123,620,000
<b>ORDINARY SHARES WITH VOTING RIGHTS</b>	1,081,020,340,000	1,670,029,820,000	2,529,358,500,000	2,276,123,620,000	2,276,123,620,000
<b>SHARE PREMIUM</b>	876,761,282,458	925,397,862,458	968,074,112,458	991,261,882,458	991,261,882,458
<b>TREASURY SHARES</b>	(7,090,000)	(7,090,000)	(2,101,090,000)	(3,384,090,000)	(4,908,890,000)
<b>INVESTMENT AND DEVELOPMENT FUND</b>	220,087,556,918	265,087,556,918	313,083,556,918	372,779,556,918	800,503,556,918
<b>UNDISTRIBUTED EARNINGS</b>	850,740,825,086	884,565,278,528	1,045,273,381,971	1,605,080,895,632	1,949,653,810,877
<b>UNDISTRIBUTED POST-TAX PROFITS OF PREVIOUS YEARS</b>	233,985,702,026	98,780,546,381	29,482,225,528	670,845,205,971	920,611,645,232
<b>POST-TAX PROFITS OF CURRENT YEAR</b>	616,755,123,060	785,784,732,147	1,015,791,156,443	934,235,689,661	1,029,042,165,645
<b>TOTAL RESOURCES</b>	<b>4,571,300,155,491</b>	<b>6,437,895,556,604</b>	<b>8,879,387,071,816</b>	<b>8,483,146,098,451</b>	<b>10,619,016,547,122</b>
<b>BOOK VALUE</b>	3,028,602,914,462	3,745,073,427,904	4,577,265,811,347	5,241,861,865,008	6,012,633,980,253
<b>STOCK PRICE AT THE END OF EACH YEAR</b>	137,000	93,200	88,600	81,000	96,200
<b>BOOK VALUE PER SHARE</b>	28,016.33	27,289.37	20,179.26	23,046.95	26,444.67

## Appendix 2: BALANCE SHEET COMMON SIZE

UNIT: VND	2017	2018	2019	2020	2021
ASSETS					

CURRENT ASSETS	85.23%	83.96%	85.24%	84.21%	87.51%
CASH AND CASH EQUIVALENTS	3.83%	3.21%	1.11%	4.98%	3.35%
CASH	2.43%	3.21%	1.11%	4.98%	3.35%
CASH EQUIVALENTS	1.40%	0.00%	0.00%	0.00%	0.00%
SHORT-TERM FINANCIAL INVESTMENTS	3.50%	0.00%	0.00%	0.00%	0.00%
HELD-TO-MATURITY INVESTMENTS	3.50%	0.00%	0.00%	0.00%	0.00%
SHORT-TERM RECEIVABLES	1.85%	2.41%	1.51%	1.17%	1.05%
SHORT-TERM TRADE ACCOUNT RECEIVABLES	0.87%	0.90%	0.56%	0.80%	0.56%
SHORT-TERM PREPAYMENTS TO SUPPLIERS	0.74%	0.90%	0.87%	0.24%	0.29%
OTHER SHORT-TERM RECEIVABLES	0.24%	0.61%	0.06%	0.14%	0.22%
PROVISION FOR DOUBTFUL DEBTS - SHORT TERM	0.00%	0.00%	0.00%	-0.01%	-0.02%
SHORTAGE OF ASSETS AWAITING RESOLUTION	0.00%	0.01%	0.01%	0.00%	0.01%
INVENTORIES	74.42%	77.17%	81.72%	77.16%	82.44%
INVENTORIES	74.42%	77.17%	81.72%	77.16%	82.44%
OTHER SHORT-TERM ASSETS	1.63%	1.17%	0.91%	0.91%	0.66%
SHORT-TERM PREPAID EXPENSES	1.51%	1.06%	0.83%	0.78%	0.53%
VALUE ADDED TAX TO BE RECLAIMED	0.00%	0.01%	0.07%	0.13%	0.08%
TAXES AND OTHER RECEIVABLES FROM THE STATE	0.11%	0.10%	0.00%	0.00%	0.04%
NON-CURRENT ASSETS	14.77%	16.04%	14.76%	15.79%	12.49%
LONG-TERM RECEIVABLES	0.94%	0.89%	0.82%	0.91%	0.79%
OTHER LONG-TERM RECEIVABLES	0.94%	0.89%	0.82%	0.91%	0.79%
FIXED ASSETS	10.66%	11.17%	10.74%	10.98%	8.57%
TANGIBLE FIXED ASSETS	4.50%	3.51%	3.07%	3.32%	2.44%
<i>HISTORICAL COST</i>	8.68%	7.05%	6.22%	7.08%	5.97%
<i>ACCUMULATED DEPRECIATION</i>	-4.18%	-3.54%	-3.15%	-3.76%	-3.53%
INTANGIBLE ASSETS	6.16%	7.66%	7.67%	7.67%	6.13%
<i>HISTORICAL COST</i>	6.27%	7.77%	7.90%	8.06%	6.57%
<i>ACCUMULATED DEPRECIATION</i>	-0.11%	-0.10%	-0.23%	-0.39%	-0.44%
LONG-TERM ASSETS IN PROGRESS	0.21%	1.10%	0.33%	0.39%	0.29%
CONSTRUCTION IN PROGRESS	0.21%	1.10%	0.33%	0.39%	0.29%
LONG-TERM FINANCIAL INVESTMENTS	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENTS IN OTHER ENTITIES	8.65%	6.14%	4.59%	4.66%	3.72%
PROVISION FOR LONG-TERM INVESTMENTS	-8.65%	-6.14%	-4.59%	-4.66%	-3.72%
OTHER LONG-TERM ASSETS	2.96%	2.87%	2.87%	3.50%	2.84%
LONG-TERM PREPAID EXPENSES	1.18%	1.55%	1.84%	2.43%	1.90%
DEFERRED INCOME TAX ASSETS	1.78%	1.33%	1.03%	1.07%	0.95%
TOTAL ASSETS	100.00%	100.00%	100.00%	100.00%	100.00%

### Appendix 3: BALANCE SHEET - HORIZONTAL

UNIT: VND	2018	2019	2020	2021
ASSETS				
CURRENT ASSETS	38.73%	35.67%	-2.58%	30.07%
CASH AND CASH EQUIVALENTS	17.99%	-53.94%	343.41%	-15.82%
CASH	85.97%	-53.94%	343.41%	-15.82%
CASH EQUIVALENTS	-100.00%			
SHORT-TERM FINANCIAL INVESTMENTS	-100.00%			
HELD-TO-MATURITY INVESTMENTS	-100.00%			
SHORT-TERM RECEIVABLES	83.40%	-16.44%	-23.67%	13.10%

SHORT-TERM TRADE ACCOUNT RECEIVABLES	44.35%	-16.25%	39.96%	-11.33%
SHORT-TERM PREPAYMENTS TO SUPPLIERS	72.14%	29.12%	-72.99%	51.64%
OTHER SHORT-TERM RECEIVABLES	260.62%	-86.50%	131.87%	86.21%
PROVISION FOR DOUBTFUL DEBTS - SHORT TERM				66.67%
SHORTAGE OF ASSETS AWAITING RESOLUTION	189.20%	216.73%	-89.65%	331.08%
INVENTORIES	<b>46.04%</b>	<b>41.51%</b>	<b>-6.89%</b>	<b>33.74%</b>
INVENTORIES	46.04%	41.51%	-6.89%	33.74%
OTHER SHORT-TERM ASSETS	<b>1.22%</b>	<b>3.77%</b>	<b>-1.59%</b>	<b>-8.81%</b>
SHORT-TERM PREPAID EXPENSES	-1.34%	5.05%	-7.71%	-14.21%
VALUE ADDED TAX TO BE RECLAIMED	2120.11%	908.25%	69.19%	-18.41%
TAXES AND OTHER RECEIVABLES FROM THE STATE	24.03%	-98.57%	-91.41%	58625.03%
NON-CURRENT ASSETS	<b>52.95%</b>	<b>22.95%</b>	<b>5.48%</b>	<b>-0.93%</b>
LONG-TERM RECEIVABLES	<b>34.38%</b>	<b>23.00%</b>	<b>9.32%</b>	<b>8.82%</b>
OTHER LONG-TERM RECEIVABLES	34.38%	23.00%	9.32%	8.82%
FIXED ASSETS	<b>47.62%</b>	<b>28.44%</b>	<b>0.84%</b>	<b>-2.32%</b>
TANGIBLE FIXED ASSETS	9.82%	16.76%	6.60%	-7.86%
HISTORICAL COST	14.51%	17.76%	12.27%	5.52%
ACCUMULATED DEPRECIATION	19.57%	18.74%	17.80%	17.31%
INTANGIBLE ASSETS	75.25%	33.79%	-1.47%	0.07%
HISTORICAL COST	74.35%	35.94%	0.61%	2.05%
ACCUMULATED DEPRECIATION	26.03%	196.14%	70.70%	40.42%
LONG-TERM ASSETS IN PROGRESS	<b>632.77%</b>	<b>-59.82%</b>	<b>15.98%</b>	<b>-6.69%</b>
CONSTRUCTION IN PROGRESS	632.77%	-59.82%	15.98%	-6.69%
LONG-TERM FINANCIAL INVESTMENTS				
INVESTMENTS IN OTHER ENTITIES	0.00%	0.00%	0.00%	0.00%
PROVISION FOR LONG-TERM INVESTMENTS	0.00%	0.00%	0.00%	0.00%
OTHER LONG-TERM ASSETS	<b>36.59%</b>	<b>33.25%</b>	<b>20.58%</b>	<b>1.56%</b>
LONG-TERM PREPAID EXPENSES	84.70%	58.83%	30.31%	-2.36%
DEFERRED INCOME TAX ASSETS	4.73%	3.37%	3.12%	10.43%
TOTAL ASSETS	<b>40.83%</b>	<b>33.63%</b>	<b>-1.39%</b>	<b>25.18%</b>
RESOURCES				
LIABILITIES	<b>74.55%</b>	<b>49.50%</b>	<b>-19.49%</b>	<b>42.12%</b>
SHORT-TERM LIABILITIES	<b>79.84%</b>	<b>50.07%</b>	<b>-19.56%</b>	<b>41.19%</b>
SHORT-TERM TRADE ACCOUNTS PAYABLES	22.87%	101.59%	-30.29%	41.29%
SHORT-TERM ADVANCES FROM CUSTOMERS	119.20%	15.16%	64.84%	-0.29%
TAXES AND AMOUNTS PAYABLES TO THE THE STATE	31.03%	25.46%	11.43%	44.15%
PAYABLES TO EMPLOYEES	129.56%	-2.65%	30.80%	32.46%
SHORT-TERM ACCRUED EXPENSES	134.04%	323.46%	21.02%	25.24%
OTHER CURRENT PAYABLES	356.35%	-70.85%	11.15%	8.35%
SHORT-TERM BORROWINGS	84.16%	67.53%	-29.55%	47.99%
PROVISION FOR SHORT-TERM LIABILITIES				
BONUS AND WELFARE FUNDS	20.11%	43.99%	27.79%	8.88%
LONG-TERM LIABILITIES	<b>-71.26%</b>	<b>-49.45%</b>	<b>19.64%</b>	<b>362.63%</b>
OTHER LONG-TERM PAYABLES	0.00%	-24.21%	10.54%	-1.43%
LONG-TERM LOANS	-83.13%	-52.56%	-100.00%	
PROVISION FOR LONG-TERM LIABILITY	0.00%	-48.25%	141.71%	384.27%

OWNERS' EQUITY	23.66%	29.60%	8.00%	14.70%
CAPITAL AND RESERVES	23.66%	29.60%	8.00%	14.70%
OWNERS' CAPITAL	54.49%	51.46%	-10.01%	0.00%
ORDINARY SHARES WITH VOTING RIGHTS	54.49%	51.46%	-10.01%	0.00%
SHARE PREMIUM	5.55%	4.61%	2.40%	0.00%
TREASURY SHARES	0.00%	29534.56%	61.06%	45.06%
INVESTMENT AND DEVELOPMENT FUND	20.45%	18.11%	19.07%	114.74%
UNDISTRIBUTED EARNINGS	3.98%	18.17%	53.56%	21.47%
UNDISTRIBUTED POST-TAX PROFITS OF PREVIOUS YEARS	-57.78%	-70.15%	2175.42%	37.23%
POST-TAX PROFITS OF CURRENT YEAR	27.41%	29.27%	-8.03%	10.15%
TOTAL RESOURCES	40.83%	37.92%	-4.46%	25.18%

## Appendix 4: INCOME STATEMENT

UNIT: VND	2017	2018	2019	2020	2021
REVENUE	11,049,024,104,831	14,678,799,605,798	17,144,251,446,632	17,681,913,026,177	19,735,646,137,250
REVENUE DEDUCTIONS	(72,187,214,867)	(107,663,860,948)	(143,570,366,109)	(171,124,375,178)	(188,587,772,416)
NET REVENUE	10,976,836,889,964	14,571,135,744,850	17,000,681,080,523	17,510,788,650,999	19,547,058,364,834
COGS	(9,064,872,939,048)	(11,792,052,183,391)	(13,539,967,588,262)	(14,076,055,770,112)	(15,948,760,134,458)
GROSS PROFIT	1,911,963,950,916	2,779,083,561,459	3,460,713,492,261	3,434,732,880,887	3,598,298,230,376
FINANCIAL INCOME	8,794,872,100	6,846,027,091	16,820,020,734	2,368,958,316	16,326,114,795
FINANCIAL EXPENSES	(56,475,629,564)	(66,345,864,211)	(133,678,118,497)	(161,541,087,492)	(118,252,734,395)
IN WHICH: INTEREST EXPENSE	(54,981,032,499)	(61,109,042,390)	(115,367,610,418)	(154,416,694,276)	(104,380,274,160)
SELLING EXPENSES	(774,978,169,326)	(1,170,069,069,426)	(1,361,807,553,507)	(1,423,499,070,565)	(1,687,654,952,494)
GENERAL AND ADMINISTRATION EXPENSES	(187,936,351,549)	(345,868,153,940)	(475,831,697,930)	(502,929,377,487)	(501,819,303,928)
NET OPERATING PROFIT	901,368,672,577	1,203,646,500,973	1,506,216,143,061	1,349,132,303,659	1,306,897,354,354
OTHER INCOME	7,394,867,935	4,637,809,502	4,760,923,089	5,485,848,150	8,861,354,013
OTHER EXPENSES	(1,384,144,655)	(2,734,037,354)	(4,264,680,599)	(8,637,683,094)	(36,528,186,336)
NET OTHER EXPENSES	6,010,723,280	1,903,772,148	496,242,490	(3,151,834,944)	(27,666,832,323)
NET ACCOUNTING PROFIT BEFORE TAX	907,379,395,857	1,205,550,273,121	1,506,712,385,551	1,345,980,468,715	1,279,230,522,031
BUSINESS INCOME TAX - CURRENT	(182,038,883,247)	(249,485,408,708)	(315,667,183,537)	(279,422,477,414)	(259,673,455,974)
BUSINESS INCOME TAX - DEFERRED	(484,064,550)	3,858,482,734	2,879,755,229	2,752,113,960	9,485,099,588
NET PROFIT AFTER TAX	724,856,448,060	959,923,347,147	1,193,924,957,243	1,069,310,105,261	1,029,042,165,645
ATTRIBUTABLE TO:					
OWNERS OF THE PARENT COMPANY	724,856,448,060	959,923,347,147	1,193,924,957,243	1,069,310,105,261	1,029,042,165,645
BASICS EARNING PER SHARE	6,434	4,611	4,896	4,308	4,197
DILUTED EARNINGS PER SHARE	6,434	4,611	4,896	4,308	4,197
EBIT	962,360,428,356	1,266,659,315,511	1,622,079,995,969	1,500,397,162,991	1,383,610,796,191
D&A	39,339,871,537	42,101,648,087	61,066,130,585	72,154,867,041	75,118,429,219
EBITDA	1,001,700,299,893	1,308,760,963,598	1,683,146,126,554	1,572,552,030,032	1,458,729,225,410
NUMBER OF OUTSTANDING SHARES	108,101,325	137,235,593	226,830,176	227,442,803	227,366,563

## Appendix 5: INCOME STATEMENT COMMON SIZE

UNIT: VND	2017	2018	2019	2020	2021
REVENUE	100.66%	100.74%	100.84%	100.98%	100.96%
REVENUE DEDUCTIONS	-0.66%	-0.74%	-0.84%	-0.98%	-0.96%
NET REVENUE	100.00%	100.00%	100.00%	100.00%	100.00%
COGS	-82.58%	-80.93%	-79.64%	-80.39%	-81.59%
GROSS PROFIT	17.42%	19.07%	20.36%	19.61%	18.41%
FINANCIAL INCOME	0.08%	0.05%	0.10%	0.01%	0.08%
FINANCIAL EXPENSES	-0.51%	-0.46%	-0.79%	-0.92%	-0.60%
<i>IN WHICH: INTEREST EXPENSE</i>	-0.50%	-0.42%	-0.68%	-0.88%	-0.53%
SELLING EXPENSES	-7.06%	-8.03%	-8.01%	-8.13%	-8.63%
GENERAL AND ADMINISTRATION EXPENSES	-1.71%	-2.37%	-2.80%	-2.87%	-2.57%
NET OPERATING PROFIT	8.21%	8.26%	8.86%	7.70%	6.69%
OTHER INCOME	0.07%	0.03%	0.03%	0.03%	0.05%
OTHER EXPENSES	-0.01%	-0.02%	-0.03%	-0.05%	-0.19%
NET OTHER EXPENSES	0.05%	0.01%	0.00%	-0.02%	-0.14%
NET ACCOUNTING PROFIT BEFORE TAX	8.27%	8.27%	8.86%	7.69%	6.54%
BUSINESS INCOME TAX - CURRENT	-1.66%	-1.71%	-1.86%	-1.60%	-1.33%
BUSINESS INCOME TAX - DEFERRED	0.00%	0.03%	0.02%	0.02%	0.05%
NET PROFIT AFTER TAX	6.60%	6.59%	7.02%	6.11%	5.26%
ATTRIBUTABLE TO:					
OWNERS OF THE PARENT COMPANY	6.60%	6.59%	7.02%	6.11%	5.26%
BASICS EARNING PER SHARE	6,434	4,611	4,896	4,308	4,197
DILUTED EARNINGS PER SHARE	6,434	4,611	4,896	4,308	4,197

## Appendix 6: INCOME STATEMENT HORIZONTAL

UNIT: VND	2018	2019	2020	2021
REVENUE	32.85%	16.80%	3.14%	11.61%
REVENUE DEDUCTIONS	49.15%	33.35%	19.19%	10.21%
NET REVENUE	32.74%	16.67%	3.00%	11.63%
COGS	30.09%	14.82%	3.96%	13.30%
GROSS PROFIT	45.35%	24.53%	-0.75%	4.76%
FINANCIAL INCOME	-22.16%	145.69%	-85.92%	589.17%
FINANCIAL EXPENSES	17.48%	101.49%	20.84%	-26.80%
<i>IN WHICH: INTEREST EXPENSE</i>	11.15%	88.79%	33.85%	-32.40%
SELLING EXPENSES	50.98%	16.39%	4.53%	18.56%
GENERAL AND ADMINISTRATION EXPENSES	84.03%	37.58%	5.69%	-0.22%
NET OPERATING PROFIT	33.54%	25.14%	-10.43%	-3.13%
OTHER INCOME	-37.28%	2.65%	15.23%	61.53%
OTHER EXPENSES	97.53%	55.98%	102.54%	322.89%
NET OTHER EXPENSES	-68.33%	-73.93%	-735.14%	777.80%
NET ACCOUNTING PROFIT BEFORE TAX	32.86%	24.98%	-10.67%	-4.96%
BUSINESS INCOME TAX - CURRENT	37.05%	26.53%	-11.48%	-7.07%
BUSINESS INCOME TAX - DEFERRED	-897.10%	-25.37%	-4.43%	244.65%



NET PROFIT AFTER TAX	32.43%	24.38%	-10.44%	-3.77%
ATTRIBUTABLE TO:				
OWNERS OF THE PARENT COMPANY	32.43%	24.38%	-10.44%	-3.77%
BASICS EARNING PER SHARE	4,611	4,896	4,308	4,197
DILUTED EARNINGS PER SHARE	4,611	4,896	4,308	4,197

## Appendix 7: CASHFLOW STATEMENT

UNIT: VND

CASH FLOW FROM OPERATING ACTIVITIES					
NET ACCOUNTING PROFIT BEFORE TAX	907,379,395,857	1,205,550,273,121	1,506,712,385,551	1,345,980,468,715	1,279,230,522,031
ADJUSTMENTS FOR:					
DEPRECIATION AND AMORTIZATION	39,339,871,537	42,101,648,087	61,066,130,585	72,154,867,041	75,118,429,219
PROVISIONS	663,814,156	-	(3,414,537,000)	6,391,807,846	64,942,006,080
UNREALISED FOREIGN EXCHANGE LOSSES (PROFIT)/LOSSES FROM INVESTING ACTIVITIES	(603,950,650)	(169,041,343)	(1,242,529,054)	177,425,063	2,504,365,377
INTEREST EXPENSE	(15,184,214,057)	(7,406,944,577)	(1,456,968,019)	1,237,319,162	(3,225,478,644)
	54,981,032,499	61,109,042,390	115,367,610,418	154,416,694,276	104,380,274,160
OPERATING PROFIT BEFORE CHANGES IN WORKING CAPITAL	986,575,949,342	1,301,184,977,678	1,677,032,092,481	1,580,358,582,103	1,522,950,118,223
(INCREASE)/DECREASE IN RECEIVABLES	(41,626,904,137)	(86,037,746,014)	12,888,586,942	17,322,807,863	(23,111,709,097)
(INCREASE)/DECREASE IN INVENTORIES	(563,269,616,044)	(1,566,186,716,366)	(2,062,274,428,226)	484,514,384,160	(2,208,835,725,303)
INCREASE/(DECREASE) IN PAYABLES	16,952,354,627	412,203,203,546	199,226,464,534	(99,651,505,808)	354,804,359,041
DECREASE/(INCREASE) IN PREPAID EXPENSES	(45,325,798,075)	(44,784,289,702)	(62,082,212,310)	(42,462,273,125)	14,254,564,032
INTEREST PAID	(55,960,918,599)	(60,443,657,529)	(114,016,876,155)	(155,543,069,575)	(105,200,568,547)
BUISNESS INCOME TAX PAID	(153,619,666,783)	(231,958,086,112)	(291,572,199,831)	(253,134,374,354)	(234,058,441,077)
OTHER PAYMENTS ON OPERATING ACTIVITIES	(34,241,546,190)	(26,117,591,079)	(20,293,123,341)	(34,492,822,139)	(43,169,828,785)
NET CASH (OUTFLOWS)/INFLOWS FROM OPERATING ACTIVITIES	109,483,854,141	(302,139,905,578)	(661,091,695,906)	1,496,911,729,125	(722,367,231,513)
CASH FLOW FROM INVESTING ACTIVITIES					
PURCHASES OF FIXED ASSETS AND OTHER LONG-TERM ASSETS	(115,444,131,166)	(336,378,415,370)	(223,765,922,597)	(85,433,646,180)	(61,304,197,645)
PROCEEDS FROM DISPOSALS OF FIXED ASSETS	8,425,973,637	1,075,665,048	1,774,979,478	792,669,960	12,869,426,085
SHORT-TERM INVESTMENTS HELD-TO-MATURITY	(160,000,000,000)	-	-	-	-
PROCEEDS FROM SHORT-TERM INVESTMENTS HELD TO MATURITY	-	160,065,000,000	-	-	-
INTEREST RECEIVED	2,932,220,359	6,331,279,529	163,983,543	251,771,651	267,480,935
NET CASH OUTFLOWS FROM INVESTING ACTIVITIES	(264,085,937,170)	(168,906,470,793)	(221,826,959,576)	(84,389,204,569)	(48,167,290,625)
CASH FLOW FROM FINANCING ACTIVITIES					
PROCEEDS FROM ISSUANCE OF SHARES	975,035,852,458	97,273,160,000	68,932,500,000	46,375,540,000	-

PAYMENTS OF SHARES REPURCHASES	-	(2,094,000,000)	(1,283,000,000)	(1,524,800,000)
PROCEEDS FROM BORROWINGS	3,091,939,199,843	4,320,772,043,080	5,435,682,129,077	7,432,783,338,336
REPAYMENTS OF BORROWINGS	(3,707,380,368,318)	(3,647,003,259,254)	(4,387,362,004,881)	(8,208,110,896,493)
DIVIDEND PAID	(185,194,405,300)	(268,371,812,300)	(343,875,424,770)	(355,099,739,283)
NET CASH (OUTFLOWS)/INFLOWS FROM FINANCING ACTIVITIES	174,400,278,683	502,670,131,526	771,283,199,426	(1,085,334,757,440)
NET INCREASE IN CASH	19,798,195,654	31,623,755,155	(111,635,456,056)	327,187,767,116
CASH AT BEGINNING OF THE YEAR	155,348,026,509	175,208,552,187	206,721,179,629	95,224,439,008
EFFECT OF FOREIGN EXCHANGE DIFFERENCES	62,330,024	(111,127,713)	138,715,435	(177,425,063)
CASH AT END OF YEAR	175,208,552,187	206,721,179,629	95,224,439,008	422,234,781,061

## Appendix 8: FINANCIAL RATIO

	2017	2018	2019	2020	2021
PROFITABILITY					
GROSS PROFIT MARGIN	17.42%	19.07%	20.36%	19.61%	18.41%
OPERATING MARGIN	8.21%	8.26%	8.86%	7.70%	6.69%
NET MARGIN	6.60%	6.59%	7.02%	6.11%	5.26%
EBITDA MARGIN	9.13%	8.98%	9.90%	8.98%	7.46%
EBIT MARGIN	8.77%	8.69%	9.54%	8.57%	7.08%
ROA	17.77%	17.44%	15.88%	12.52%	10.77%
DUPONT ANALYSIS - 3 STEPS					
NET PROFIT MARGIN (1)	6.60%	6.59%	7.02%	6.11%	5.26%
ASSET TURNOVER (2)	2.69	2.65	2.26	2.05	2.05
FINANCIAL LEVERAGE (3)	1.80	1.63	1.75	1.69	1.70
RETURN ON EQUITY (%) = (1) X (2) X (3)	32.0%	28.3%	27.8%	21.2%	18.3%
MARKET VALUE					
PRICE TO EARNING RATIO (P/E)	21.29	20.21	18.10	18.80	22.92
PRICE TO BOOK VALUE RATIO (P/B)	4.89	3.42	4.39	3.51	3.64
DEBT TO EQUITY	0.29	0.42	0.54	0.35	0.45
DEBT TO ASSET	0.20	0.24	0.30	0.22	0.26
LIQUIDITY					
CURRENT RATIO	2.62	2.02	1.83	2.21	2.04
QUICK RATIO	0.29	0.14	0.06	0.16	0.11
CASH RATIO	0.12	0.08	0.02	0.13	0.08
INTEREST COVERAGE RATIO	17.50	20.73	14.06	9.72	13.26
EFFICIENCY					
RECEIVABLES TURNOVER	296.5	298.6	320.9	302.2	306.6
DAY OF SALES OUTSTANDING	1.2	1.2	1.1	1.2	1.2
INVENTORY TURNOVER	2.9	2.8	2.3	2.1	2.1
DAYS OF INVENTORY ON HAND	125.6	129.5	161.7	176.0	175.1
PAYABLES TURNOVER	31.8	43.0	30.2	23.2	31.3
DAY PAYABLES OUTSTANDING	11.5	8.5	12.1	15.7	11.7
CASH CONVERSION CYCLE	115.4	122.3	150.8	161.5	164.6

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