



AN CƯỜNG®
Wood - Working Materials

DEDICATION

BEYOND BORDERS



Beginning With The **HEART**

At **An Cuong**, the word "**Heart**" not only has a single meaning, it is conceptualized as actions and orientations throughout the journey of the Company.

The word "**Heart**" is also the starting point to connect **An Cuong** to our customers, and our work is to strengthen and expand those connections to create an inseparable network and value chain.

HEART

Ex

Building
Trust
Goals

Leading
Building
Empathy
Aspiration
Orientation
Listening

2022 HIGHLIGHTS

TOTAL ASSETS

VND **5,467** bn

▲ 10%
YTD

NET REVENUE

VND **4,475** bn

▲ 36%
YoY

OWNERS' EQUITY

VND **3,912** bn

▲ 4%
YTD

PROFIT AFTER TAX

VND **616** bn

▲ 36%
YoY

GROSS MARGIN

30%





>100

BUSINESS LOCATIONS

(As end of April 2023)

>100,000

PARTNERS & CUSTOMERS

2,797

NUMBER OF EMPLOYEES

~VND 652 bn

**TOTAL REMUNERATION
EXPENSES**

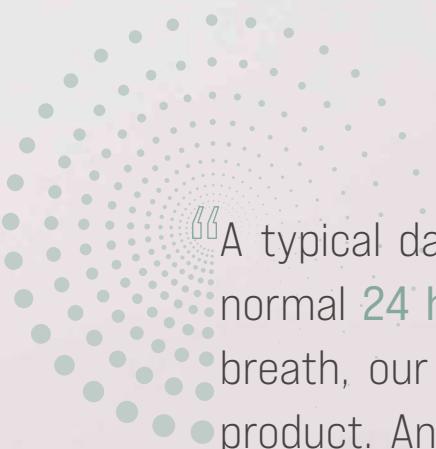
~VND 465 bn

CASH DIVIDEND

43.8 mil

**SHARES ISSUED
AS STOCK DIVIDEND**





“A typical day for people at **An Cuong** does not mean a normal **24 hours**, we bring the **An Cuong** spirit into our breath, our heartbeat, putting our love to every single product. And that love is radiated onto every work we deliver, to bring those projects the excellent solutions.”

ABBREVIATIONS

5S	Lean management process initiated by Toyota
AGM	Annual General Meeting of Shareholders
An Cuong/ the Company	An Cuong Wood Working JSC
ASEAN	Association of Southeast Asian Nations
BOD	Board of Directors
BOM	Board of Management
CAGR	COMPOUNDED AVERAGE GROWTH RATE
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
EGM	Extraordinary General Meeting of Shareholders
EPS	Earnings Per Share
FS	Financial Statements
GDP	Gross Domestic Product
GMS	General Meeting of Shareholders
GRI	Global Reporting Initiative
HOSE	Ho Chi Minh Stock Exchange
IFC	International Finance Corporation

IIP	Index of Industrial Production
IR	Investor Relations
KPI	Key Performance Indicator
MDF	Medium Density Fiberboard
MFC	Melamine Faced Chipboard
R&D	Research and Development
ROA	Return on Assets
ROE	Return on Equity
RPTs	Related Party Transactions
SA	Social Accountability
SB	Supervisory Board
SPE/SPV	Special Purpose Entity/ Special Purpose Vehicle
SSC	State Securities Commission
VCCI	Vietnam Chamber of Commerce and Industry
YoY	Year-on-Year

MESSAGE FROM CHAIRMAN OF THE BOARD OF DIRECTORS

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MESSAGE FROM CHAIRMAN OF THE BOARD OF DIRECTORS

The year 2022 took place with many uncertainties including geopolitical situations and the risk of global economic recession. With the right orientation showing the Determination and the Vision of the Board of Directors as well as the efforts of the Board of Management and all employees, An Cuong stood firm in the face of storms and accomplished great achievements in all business operations. Those achievements resulted from the perseverance and unity of the whole team on the journey serving the market, now An Cuong Wood - Working brand has crossed the boundaries of Vietnam and reached world stature.

2022 was the year where both net revenue and profit after tax of An Cuong reached the highest level in the 28-year of establishment. For the first time, the profit after tax of a listed enterprise supplying wood panels and solutions for the furniture industry exceeded VND 600 billion [equivalent to US\$ 25.5 mil] in the domestic market. This performance has created a solid launch pad for An Cuong to continue affirming our position as the No. 1 company in Vietnam, Southeast Asia and expanding to other markets around the globe.

Dear valued Shareholders,

On behalf of the Board of Directors and Board of Management of An Cuong Wood - Working Joint Stock Company, I would like to express my respectful greetings and wish you all health, happiness and success.

The global economy has been going through an unprecedented period, facing many difficulties and challenges at the same time, namely the consequences of the Covid-19 pandemic, global geopolitical uncertainties, the risk of economic recession, high inflation and interest rates, and declining consumer demand. In addition to these global headwinds, in Vietnam, the stagnation of real estate market due to legal issues, strong fluctuations on corporate bond market as well as low transaction volume is expected to pose challenges to the growth target of the Company in 2023.

Facing these challenges, An Cuong has prepared itself for any uncertainty in both production and business activities. An Cuong is proactive in expanding our distribution network, to "keep the flags waving" in all 63 provinces and cities across the country as well as other countries in the region; promoting the brand to real estate developers, designers and project contractors and end consumers; wisely building up high-quality customer base; restructuring and expanding product

portfolios; completing the digital transformation projects, implementing and enhancing the application of technology to optimize operations and prepare the foundation for the next phase of growth.

I would like to express my sincere recognition and gratitude to the members of the Board of Directors, the Board of Management as well as all levels of management and staff of An Cuong for all we have done and contributed in 2022. Over the past 28 years, the spirit of "Striving for perfection" has led An Cuong team to our recent success. We always put our "Heart" into each action, even the simple work to reach perfection in each product, each solution. I believe that with this attitude, coupled with the relentless efforts to conquer challenges and capture the opportunities in 2023, An Cuong will continue to expand and achieve a new Height.

⠇⠇ *In order to build growth strategy in the digital revolution, An Cuong constantly improves our activities through different projects, such as adopting strong reforms in business strategies, improving the quality of human resources, applying practical and appropriate technology solutions in order to create a foundation for long-term development. Once again, "Continuous Improvement" and the motto of "Do what we say and Do it right away" of An Cuong people will bring the business to a new height. ⚡⚡*

Also, I would like to take this opportunity to express my deepest thanks to valued shareholders, customers and partners for trusting, supporting and cooperating with An Cuong in recent times and in the future. Your companionship has been motivating An Cuong team to attain next milestones.

Once again, I wish you all health and success.

Regards,

CHAIRMAN OF BOARD OF DIRECTORS



Le Duc Nghia



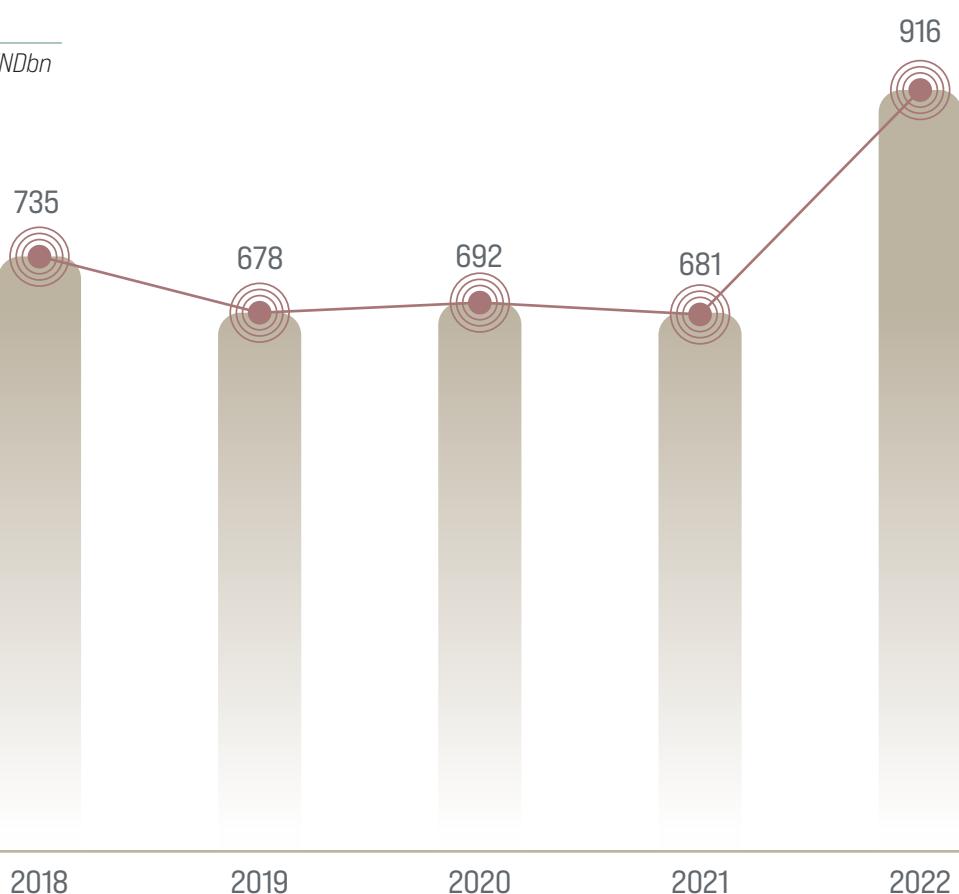
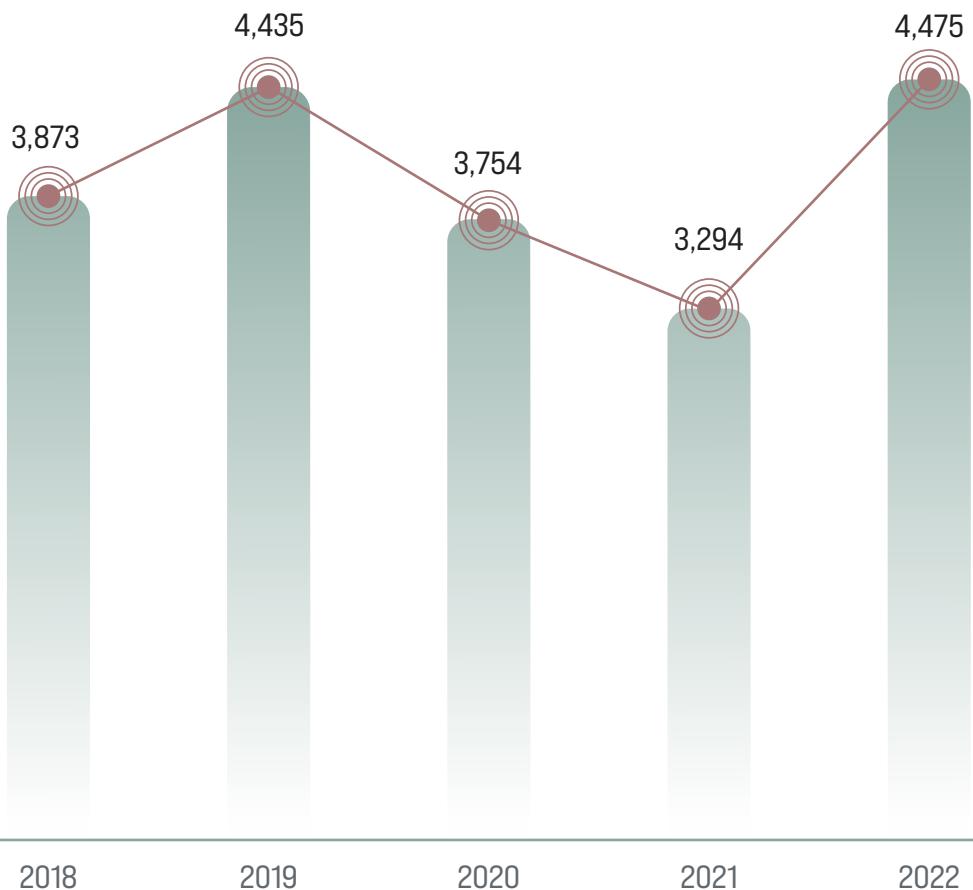
Five-Year Financial Summary 2018 - 2022

ITEMS	UNIT	2018	2019	2020	2021	2022
Net Revenue	VNDbn	3,873	4,435	3,754	3,294	4,475
Gross Profit	VNDbn	1,168	1,102	1,018	896	1,338
Profit after tax	VNDbn	505	486	492	451	616
EBITDA	VNDbn	735	678	692	681	916
Earnings Per Share	VND	6,049	5,673	5,144	2,998*	4,577*

*Adjusted as per 2022 FS

Total Assets	VNDbn	3,569	4,179	4,453	4,983	5,467
Total Equity	VNDbn	2,550	3,371	3,517	3,777	3,912
Total Share capital	VNDbn	803	859	877	877	1,358
Total Debts	VNDbn	329	221	308	56	814

Equity-to-Asset Ratio	times	0.7	0.8	0.8	0.8	0.7
Debt-to-Asset ratio	times	0.1	0.1	0.1	0.1	0.2
ROE	%	21.9%	16.4%	14.3%	12.4%	16.0%
ROA	%	15.9%	12.6%	11.4%	9.6%	11.8%

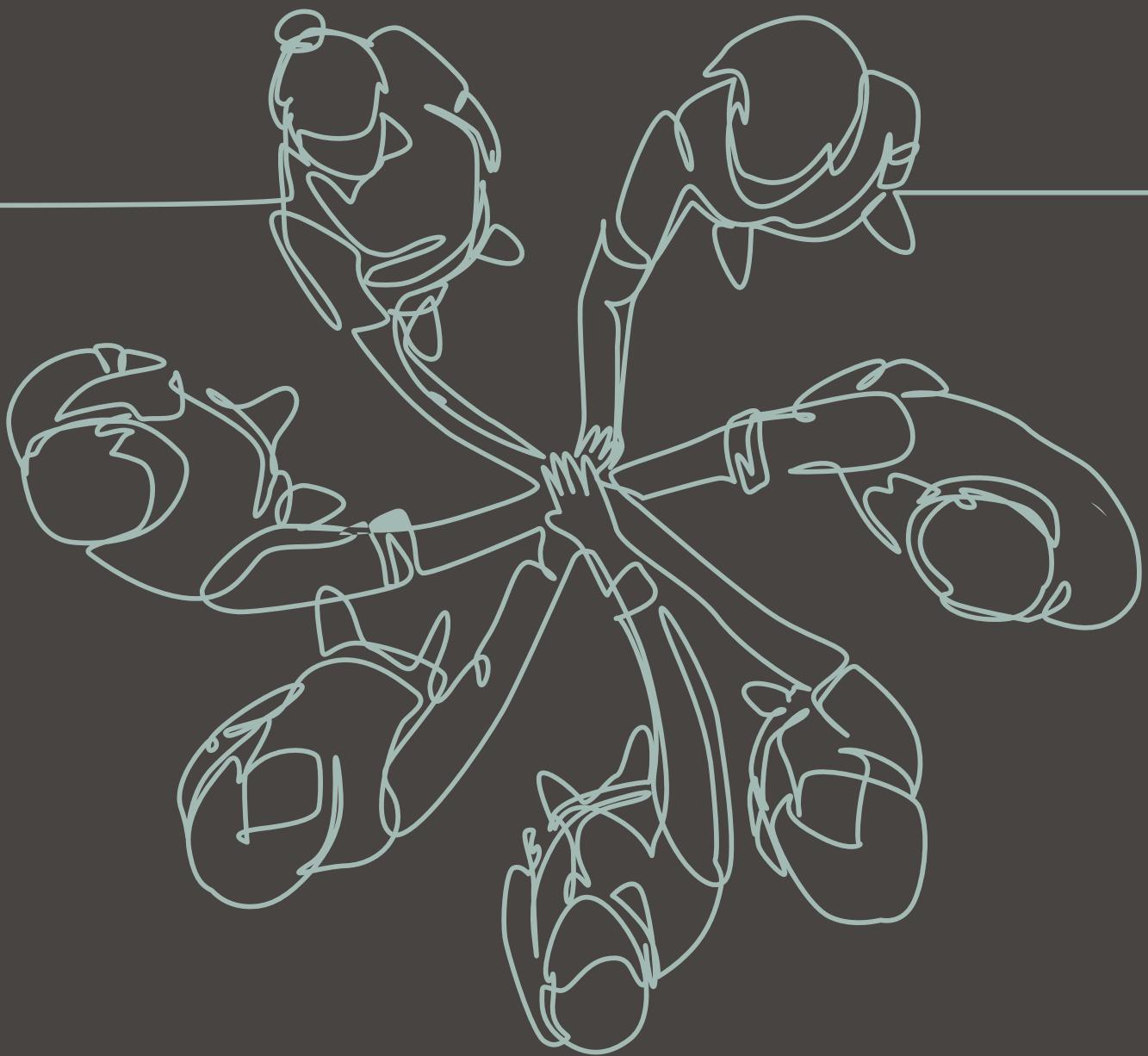


— THE POWER OF UNITY —

Core Value Of Teamwork

In an increasingly challenging business environment, any business that could build up a competent workforce, a strong cultural environment, could be more resilient when facing market uncertainties.

2022 brought many challenges to An Cuong but also new achievements when the Company made significant progresses compared to the targets. In order to achieve those breakthroughs, there were not only the hard work and dedication of An Cuong employees who have joined together for the overall achievement of the Company, but also strong supports from our distributors, agencies and partners – who served as extended arms to bring An Cuong products to customers in Vietnam and around the globe. Thanks to the unity of An Cuong employees and our valued partners, An Cuong overcame challenges and reaped the rewards when the market was back to normal.





I. GENERAL INFORMATION

1. Corporate Information
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8. 2022 Major Awards





1. Corporate Information

Company Name: **AN CUONG WOOD – WORKING JOINT STOCK COMPANY**

Abbreviation: **AN CUONG WOOD – WORKING JSC**

Logo:



Headquarters: **Land Lot no. 681, Map sheet no. 05, Street No. DT 747B, Phuoc Hai quarter, Thai Hoa ward, Tan Uyen city, Binh Duong province, Vietnam**



Telephone: **(0274) 362 6282 – (0274) 362 6283**

Website: **www.ancuong.com**

Ticker: **ACG**

Independent auditors: **PwC (Vietnam) Limited** 

Charter Capital: **VND 1,358,461,220,000 (as at 31/12/2022)**

Business Registration Number: **3700748131**

Core business lines: **To manufacture and trade industrial wood products, Industrial boards, interior decoration items and accessories, kitchen appliances and other products made of industrial wood; To provide installation services, etc.**

2. Vision - Mission - Core values



AN CƯỜNG[®]
Wood - Working Materials



VISION

To become the leading manufacturer and supplier of raw material, furnishings and solutions made of industrial wood in Southeast Asia and beyond.



CORE VALUES

People:

People are the foundation for all progresses in a business, determining the sustainable development of a corporation. And People are also our key assets. The Company always puts efforts to build up proper human resource policies in order to attract talents, create a positive and professional working environment.

Integrity:

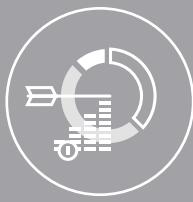
Integrity is one of the four moral principles that guide individual conduct within society. In business, Integrity is promoted to achieve transparency, and this is also the guideline for all activities at An Cuong.

Excellence:

All employees are employed, trained, and appointed applying the motto "Right people – Right jobs" in order to create a workplace that inspires passion in all employees to bring excellent products and solutions to customers. Ultimately, this would create sustainable value for the business.

Continuous Improvement:

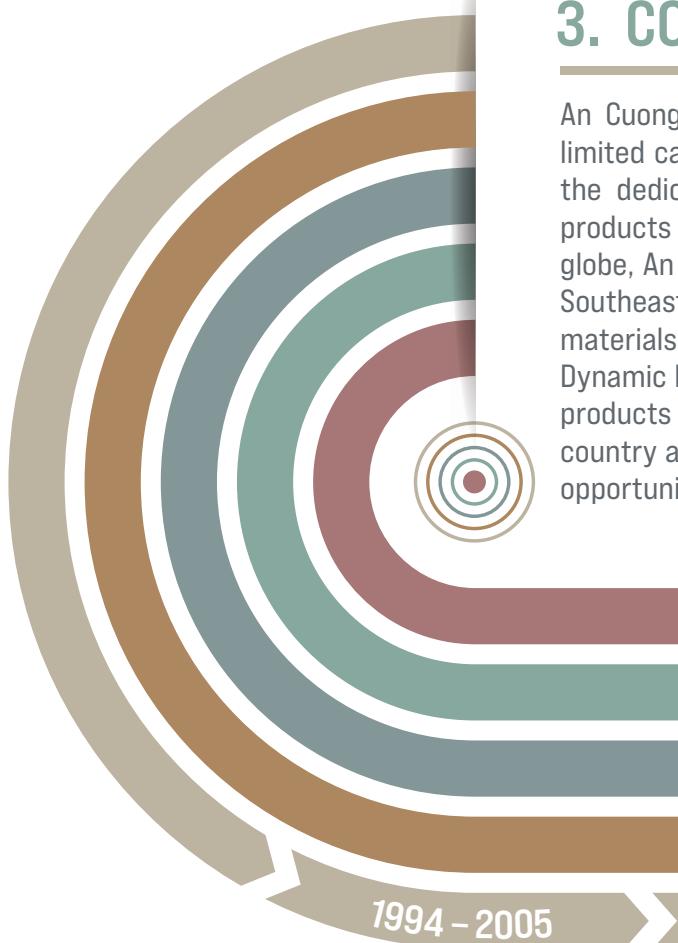
Continuous improvements are carried out in pursuit of perfection. This process also helps each individual within the organization to minimize "idleness" and emerges as a crucial aspect leading to An Cuong's breakthroughs as well as long-term development.



MISSION

We provide solutions for the furniture industry, and serve up all customers' decorating demands.

3. CORPORATE MILESTONES



An Cuong was established in 1994 as a trading business with limited capital at that time. After 28 years of development, with the dedication of a whole team to bring excellent furnishing products and solutions to consumers in Vietnam and around the globe, An Cuong has become a leading enterprise in Vietnam and Southeast Asia in the field of manufacturing and supplying materials, solutions and furniture made of industrial wood. Dynamic business strategy, strong financial position, high quality products along with an extensive distribution network across the country and the world, are the keys for An Cuong to unlock more opportunities and conquer next milestones.



ESTABLISHMENT

1994

- An Cuong Trading Co., Ltd was founded with initial charter capital of VND 220 million, specializing in providing materials for manufacturing industrial wood including MFC, edge bands and glue



TRANSFORMATION

2006

- An Cuong transformed the business model from trading to manufacturing when the first manufacturing factory was established in Binh Duong with MFC being the main product line. An Cuong's MFC met high standards for product quality. The factory also set the foundation for further developments in industrial wood production of An Cuong.

2008

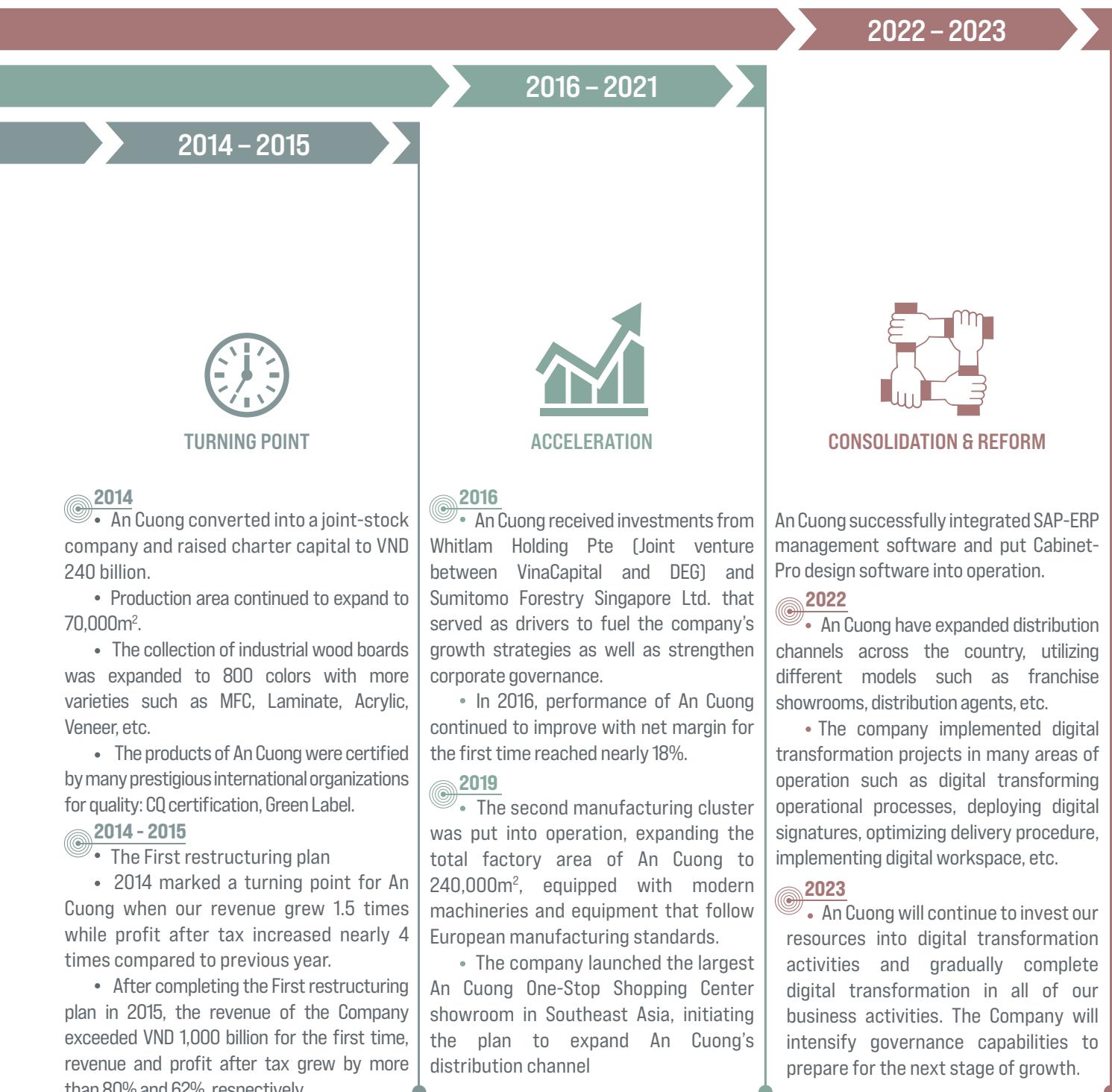
- Production area was expanded to 35,000m² with more machineries and equipment imported from Germany and Italy.

2009

- Charter capital was increased to VND 90 billion and An Cuong was chosen as the exclusive distributor of Formica[®] Laminate product line in Vietnam
 - More colors and different thicknesses were developed, adding more customer options to Melamine product collection.

2012

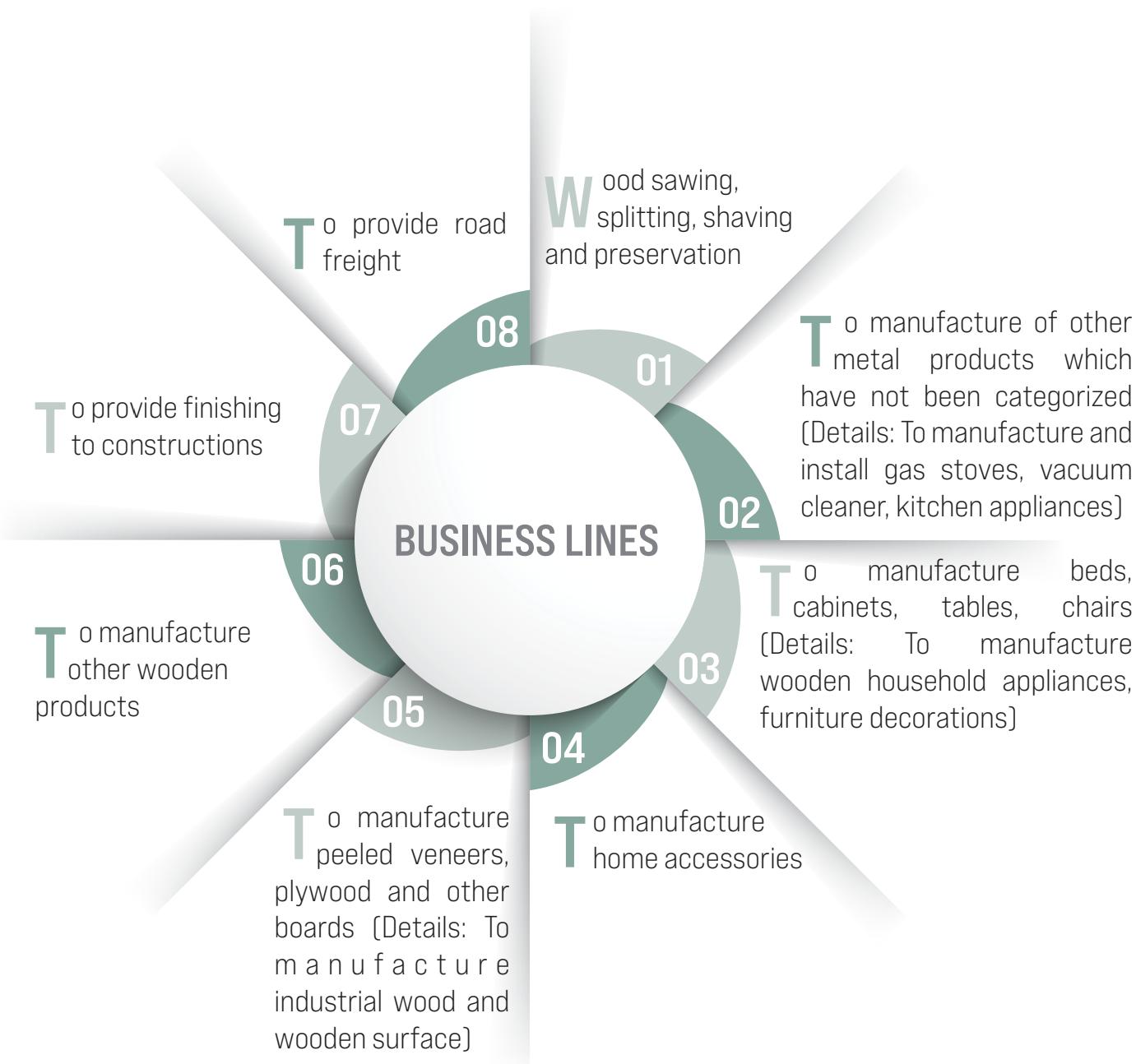
- Melamine and high-standard Laminate product lines were continued to expand.
 - An Cuong invested USD 3 million to install a production line of High gloss acrylic panel surfaces and modern edge banding machinery imported from Germany.
 - An Cuong's products were exported to Australia, Japan, Singapore and Malaysia.



4. Distribution Network & Products

BUSINESS LINES

To attain the leading market position, the Company has persistently focused on our core business: to manufacture and trade solutions, raw materials and furniture made of industrial wood and supporting services, including:



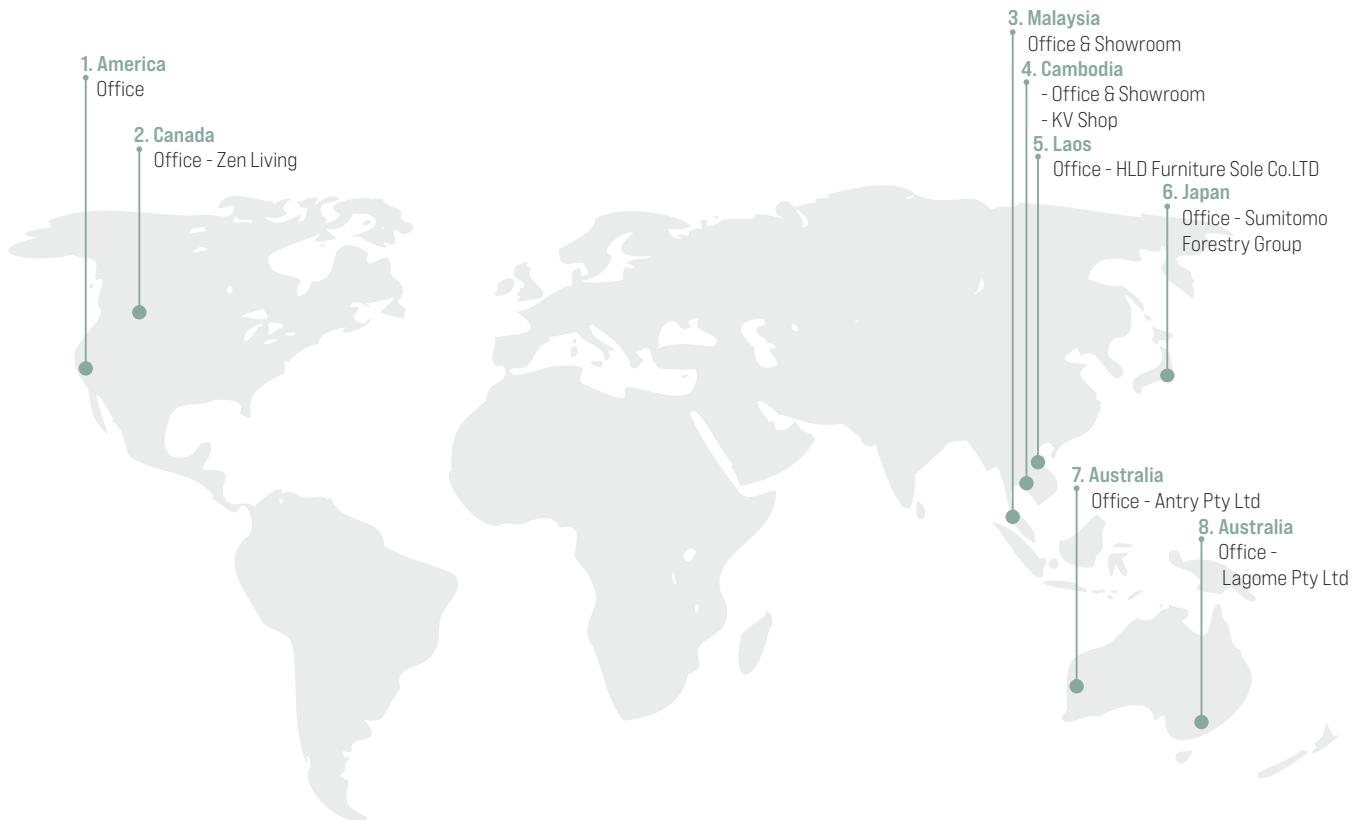
DISTRIBUTION NETWORK

International Markets

An Cuong has cooperated with leading distributors in Cambodia, Malaysia, Japan, Canada, United States, Australia and etc.

The Company has set up representative offices in some developing countries and will expand to other markets, especially in Southeast Asia. Our representative offices include:

- **US Representative Office:** 752 Breen Ct, Woodland, CA 95776
- **Canada Representative Office:** Bay 1- 4216 61 Avenue S.E, Calgary Alberta, T2C 1Z5
- **Australia Representative Office:** 45 Welshpool Road, Welshpool Western Australia 6106
- **Australia Representative Office:** 10/2 Fastline Road, Truganina VIC 3029
- **Japan Representative Office:** Keidanren Kaikan, 1-3-2 Otemachi, Chiyoda-Ku, Tokyo 100-8270
- **Malaysia Showroom and Representative Office:** No.5, Jln SL17/14, Goodview Bdr Sg Long, 43000 Kajang, Selangor
- **Cambodia Showroom and Representative Office:** # 98, Commercial Borey Chip Mong Land mark 271, Prek Ta Kong Village, Sangkat Chak Angre Leu, Khan Meanchey, Phnom Penh,
- **Cambodia Representative Office - KV Shop:** 345, St 27110 village, Sangkat Teuk Loark III, Khan Toul Konk, Phnom Penh
- **Laos Representative Office:** Kamphaengmueang Road, Thatluangkang Village, Saysettha District, Vientiane Capital



Domestic Market

An Cuong currently operates 26 business locations including showrooms, representative office, show depots and other stores across the country. In addition, the company is key supplier of materials and products made of industrial wood to residential projects/real estate developers such as VinGroup, Novaland, Hung Thinh, Nam Long, Capital Land, Gamuda Land, Keppel Land ...

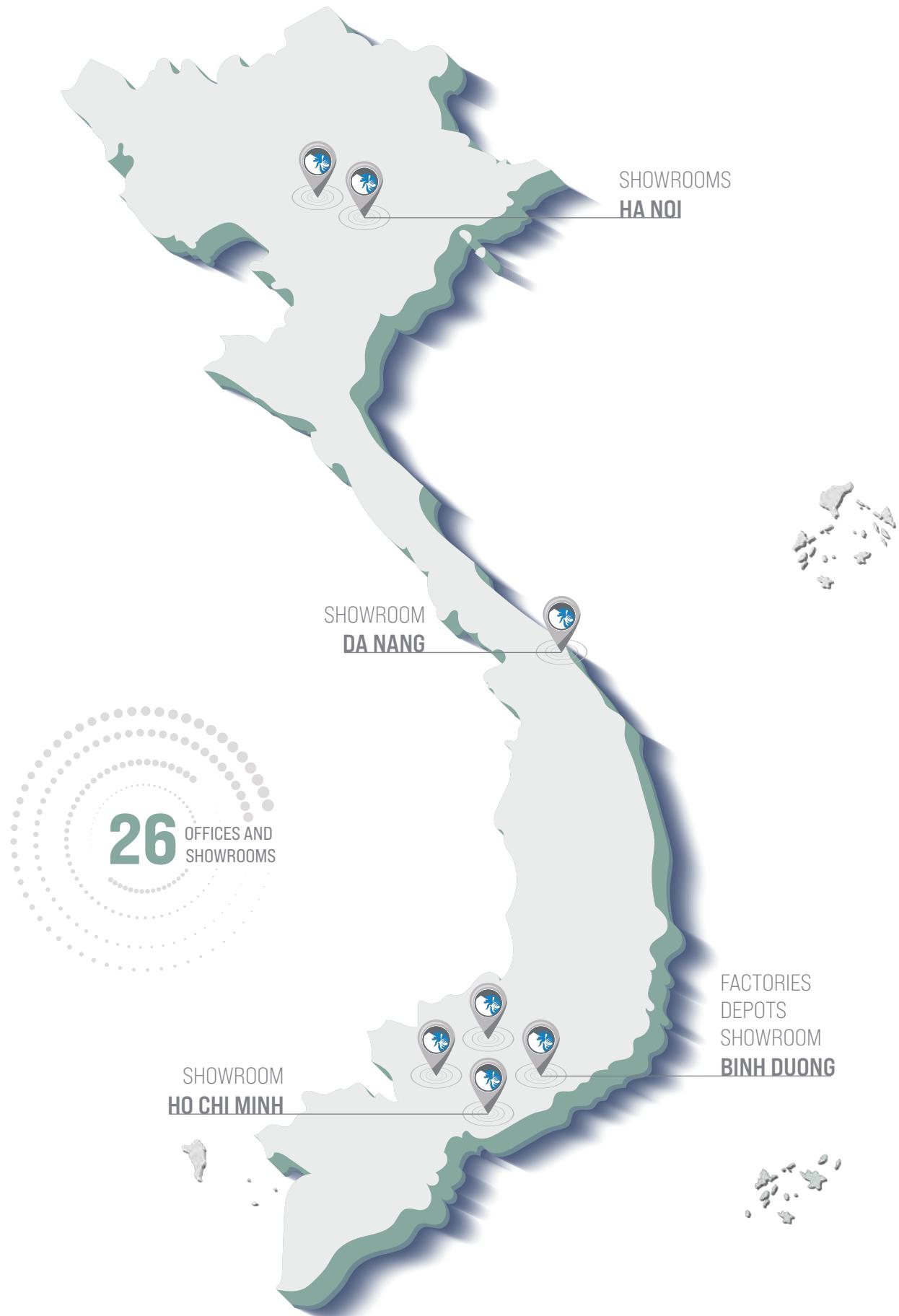
An Cuong's One-Stop shopping centers serve as places for B2B customers and home-owners to visit and shopping. According to the plan, the company will continue to expand our distribution network across the country in order to enhance customers' experience and accessibility to An Cuong's products and solutions.



HỒ CHÍ MINH ONE-STOP SHOPPING CENTER



AN CUONG BUILDS AND DEVELOPS THE NETWORK OF SHOWROOMS
TO BOOST BRAND AWARENESS AND SUPPORT OUR B2B CUSTOMERS
IN SALES ACTIVITIES.



26 OFFICES AND
SHOWROOMS

SHOWROOM
HO CHI MINH

FRANCHISED SHOWROOMS

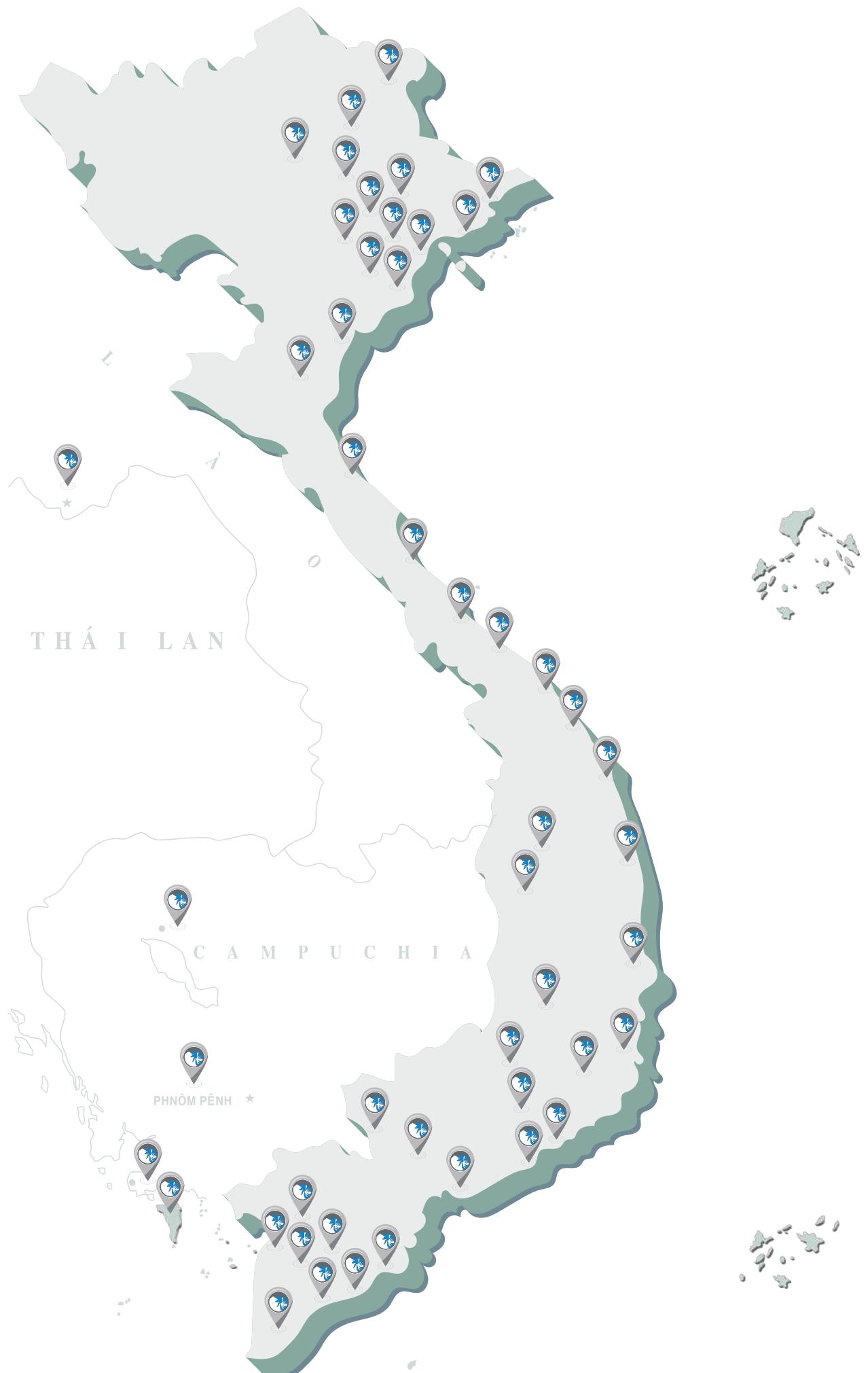
- An Cuong deploys franchise model to develop business and strengthen brand name.
- Franchised showrooms present products and offer services similar to those operated by An Cuong.
- An Cuong supports showroom operators/owners in arranging products, training on products - sales and marketing activities in order to deliver the same customer experience as in An Cuong's showrooms.



DISTRIBUTION NETWORK



(As end of April 2023)



AN CUONG NETWORK



AN CUONG

702/1k Su Van Hanh,
Ward 12, District 10, HCMC



HO CHI MINH ONE-STOP SHOPPING CENTER

279 Nguyen Van Troi,
Ward 10, Phu Nhuan District, HCMC



HO CHI MINH ONE-STOP SHOPPING CENTER

39 Nguyen Co Thach, An Loi Dong Ward,
District 2, HCMC

AN CUONG SHOW GALLERY AND DESIGN CENTER

702/3F Su Van Hanh,
Ward 12, District 10, HCMC



AN CUONG SHOW GALLERY AND DESIGN CENTER

Block A - Happy Valley, 816 Nguyen Van Linh,
Tan Phu Ward, District 7, HCMC

AN CUONG SHOW GALLERY AND DESIGN CENTER

Street No. Dt 747b, Phuoc Hai Quarter,
Thai Hoa Ward, Tan Uyen City, Binh Duong.





AN CUONG SHOW GALLERY AND DESIGN CENTER

Lot No. A17, KSB Industrial Park - Zone B,
Dat Cuoc Commune, Bac Tan Uyen Town, Binh Duong



AN CUONG SHOW DEPOT 1

162 Tan Huong,
Tan Quy Ward, Tan Phu District, HCMC



AN CUONG SHOW DEPOT 2

Section No. 2, Lot 5-1, M12 Street, Extended Tan Binh Industrial Pa
Binh Hung Hoa Ward, Tan Binh District, HCMC



AN CUONG SHOW GALLERY AND DESIGN CENTER

201 Binh Duong Boulevard,
Phu Tho Ward, Thu Dau Mot City, Binh Duong

HA NOI ONE-STOP SHOPPING CENTER

10 Chuong Duong Do,
Chuong Duong ward, Hoan Kiem district, Hanoi



HA NOI SHOW GALLERY AND DESIGN CENTER

Villa V4-n08-b, Dich Vong New Urban Area,
Cau Giay District, HaNoi



DA NANG ONE-STOP SHOPPING CENTER

451 Dien Bien Phu,
Hoa Khe ward, Thanh Khe district, Danang



AN CUONG SHOW GALLERY AND DESIGN CENTER

S503.01S04 Vinhomes Grand Park, Nguyen Xien,
Long Thanh My Ward, Thu Duc City, HCMC

FRANCHISED SHOWROOMS



AI LINH

BẮC NINH ONE-STOP SHOPPING CENTER

Lac Long Quan, Kinh Bac Ward, Bac Ninh City



MINH TRAN

ĐÀ NẴNG ONE-STOP SHOPPING CENTER

75 Hoang Dieu, Hai Chau Ward, Hai Chau District, Da Nang



PHU THU

PHU YEN ONE-STOP SHOPPING CENTER

353 Tran Hung Dao, Ward 4, Tuy Hoa City, Phu Yen



HONG DUC

THANH HOA ONE-STOP SHOPPING CENTER

01a89 Le Loi Boulevard, Dong Huong Ward, Thanh Hoa



MINH CONG

DALAT ONE-STOP SHOPPING CENTER

23 Hoang Dieu, Ward 5, Da Lat



NAM ANH

PHU QUOC ONE-STOP SHOPPING CENTER

Tuyen Tranh, Cua Duong Commune, Phu Quoc, Kien Giang

**THAI TUAN
HAI PHONG ONE-STOP SHOPPING CENTER**

Lot No. 1 & 2, Me Linh Urban Area, Pham Van Dong,
Anh Dung Ward, Duong Kinh District, Hai Phong



**TRI VIET
BAC GIANG ONE-STOP SHOPPING CENTER**

309 - 313 Hoang Van Thu, Xuong Giang Ward, Bac Giang



**BINH DIN
THAI NGUYEN ONE-STOP SHOPPING CENTER**

719 8a Quarter, Tan Lap Ward, Thai Nguyen



**MY NHAT
PHAN THIET ONE-STOP SHOPPING CENTER**

10 - 12 Truong Han Sieu, Phu Thuy Ward, Phan Thiet



**CCJ
QUANG NINH ONE-STOP SHOPPING CENTER**

A8, Lot No. 31 & 32, Mon Bay Urban Area,
Hai Long, Hong Hai Ward, Ha Long



**PHUC HUNG
BUON ME THUOT ONE-STOP SHOPPING CENTER**

154 Le Hong Phong, Buon Ma Thuot City, Dak Lak



**NAM KHANH
QUANG NGAI ONE-STOP SHOPPING CENTER**

134 Phan Dinh Phung, Nguyen Nghiem, Quang Ngai





ACRYLIC

LL-LAMINATE

SANG TRỌNG

XU

HIE



An Cuong provides a diverse range of products widely used in interior design: MFC, Melamine MDF, Laminates, Acrylic, Veneer, amongst others. Providing a convenient “one-stop-solution”, An Cuong is the first choice for offices, homes, condominiums, kitchens, schools, hospitals, retail spaces, and many other projects.

Our products come in a great variety of materials and colors. We have an extensive warehouse of all kinds of wood-based panels, with over 1300 colors for customers to choose from. From more neutral patterns such as Oak, Ash, and Walnut, to solid, more colorful patterns, An Cuong fully commits to satisfying every customer's demand.

Furthermore, we also provide customers with a series of service solutions in order to deliver the best value to our products. Services such as slim line, seamless edgebanding technology, and postforming kitchen and table top are all offered by An Cuong.

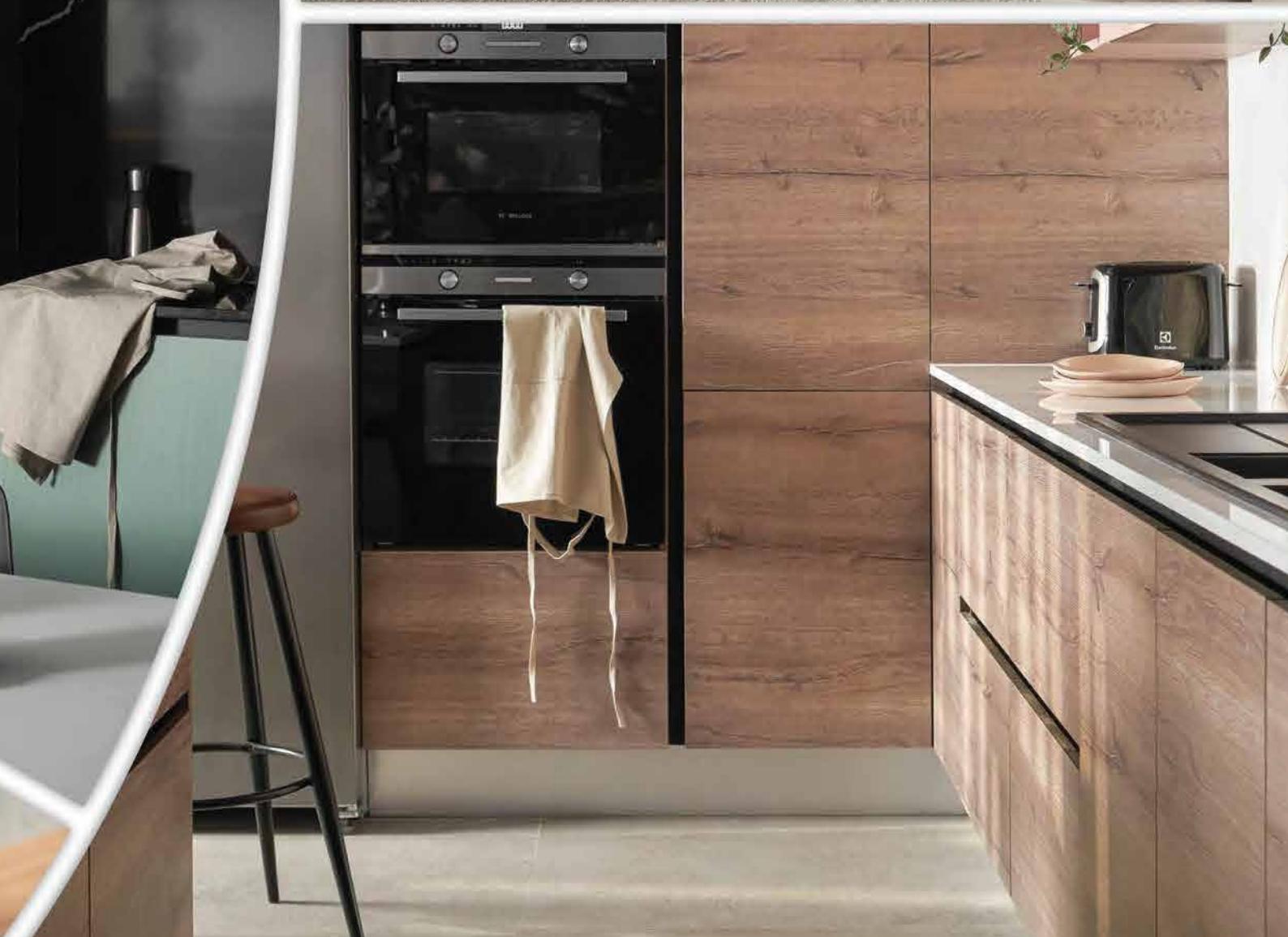
Our products are ensured to be compliant with international standards and requirements, in addition to being certified as environmentally friendly and green products.

MFC[®]

Melamine Faced Chipboard

Currently, 80% of furniture is made of MFC panels given its reasonable price, abundant and modern colors. All An Cuong's MFC panels meet international quality standards. Besides a collection of more than 300 colors in place, An Cuong can offer a variety of choices such as standard MFC, 2 color mixed MFC, oversized MFC, moisture-resistant MFC and Melamine plywood.









Laminate Kingdom®
High Pressure Laminate

Laminate Kingdom - the product line that An Cuong manufactures and gets trademark, offering a collection of more than 700 colors. Laminate Kingdom provides a wide range of fascinating ideas to be applied in home furnishings and furniture.



HIGH GLOSS[®] ACRYLIC PANEL

The characteristics of High gloss Acrylic panels are good-looking, luxurious, modern, green, clean, eco-friendly, easy constructed with reasonable price. Acrylic panels were coated with high gloss acrylic foil on 1 side or 2 sides, creating glossy surface. Acrylic is varied with more than 90 colors in many kinds, including solid colors, metallic and luxurious wood grain color.







LAMINATE FLOORING®
TOUCH | NATURAL | MODERN

Touch - Natural - Modern collection has more than 60 cement and wood grain colors, with 8mm and 12mm of thickness. The collection updates all of global interior furniture trends in 2018 - 2019 with wood grain and big knots, which are classical and modern. The Uni Clic glueless locking and V-Grooving lock technology is covered with moisture-proof wax on the entire floor, bringing high-fashion, luxurious and durable beauty to your home.

LAMBRI DECORATIVE PANELS®

Keep up with the latest trends in wall and ceiling decoration for bedrooms, offices, common areas, dining rooms, etc. An Cuong has launched a new product line: DECORATIVE PANELS with outstanding advantages in aesthetics, quality, time and cost-saving installation, and diverse designs and colors.







Eco-VENEER®

Eco-Veneer (Artificial Veneer) is a mixed product of wood cellulose fiber and resin. Surface layer is a cellulose fiber, finished by a PU layer with real surface effect and scratch resistance as PU Natural Veneer. Besides being able to glue onto MDF wood, wood chips like ordinary Veneer, An Cuong has Eco Veneer coated with backing glue, this is Germany special glue with extremely high adhesion and able to withstand temperature up to 80oC, ensure durability and convenience.





VENEER®

An Cuong is a pioneer in Vietnam, providing the most luxurious Veneer wood products 100% imported from Italy and Spain. With technology transferred from Italian experts, combined with a series of the most innovative machinery imported from Europe, An Cuong's Veneer products are committed to meet the best quality and standards from Europe.







An Cuong has developed interior doors, combined with Veneer, Melamine, Laminate, Acrylic materials. This product line has modern looks and various colors. With over 1,300 colors and patterns, An Cuong introduces various door solutions to diversify options: multicolored doors, oversized doors with height of 2.7m and color synchronized solution of floor - baseboard - floor.



Member of the Feddersen Group – Germany

Feddersen Group was established in Germany in 1949, specializing in chemicals, steel, technical products,... with many branches, representative offices and hired over 800 employees globally.







Hettich
Made in Germany

The Company signed a comprehensive cooperation agreement with Hettich Group. Accordingly, An Cuong distributes Hettich's products exclusively in Vietnam. This corporation between the Company and Hettich brings to customers best-in-class, products and solutions.





M **MALLOCA**
Smart Kitchen - Smart Life

INDUCTION



AConcept®

inspired by experience







Life Is On

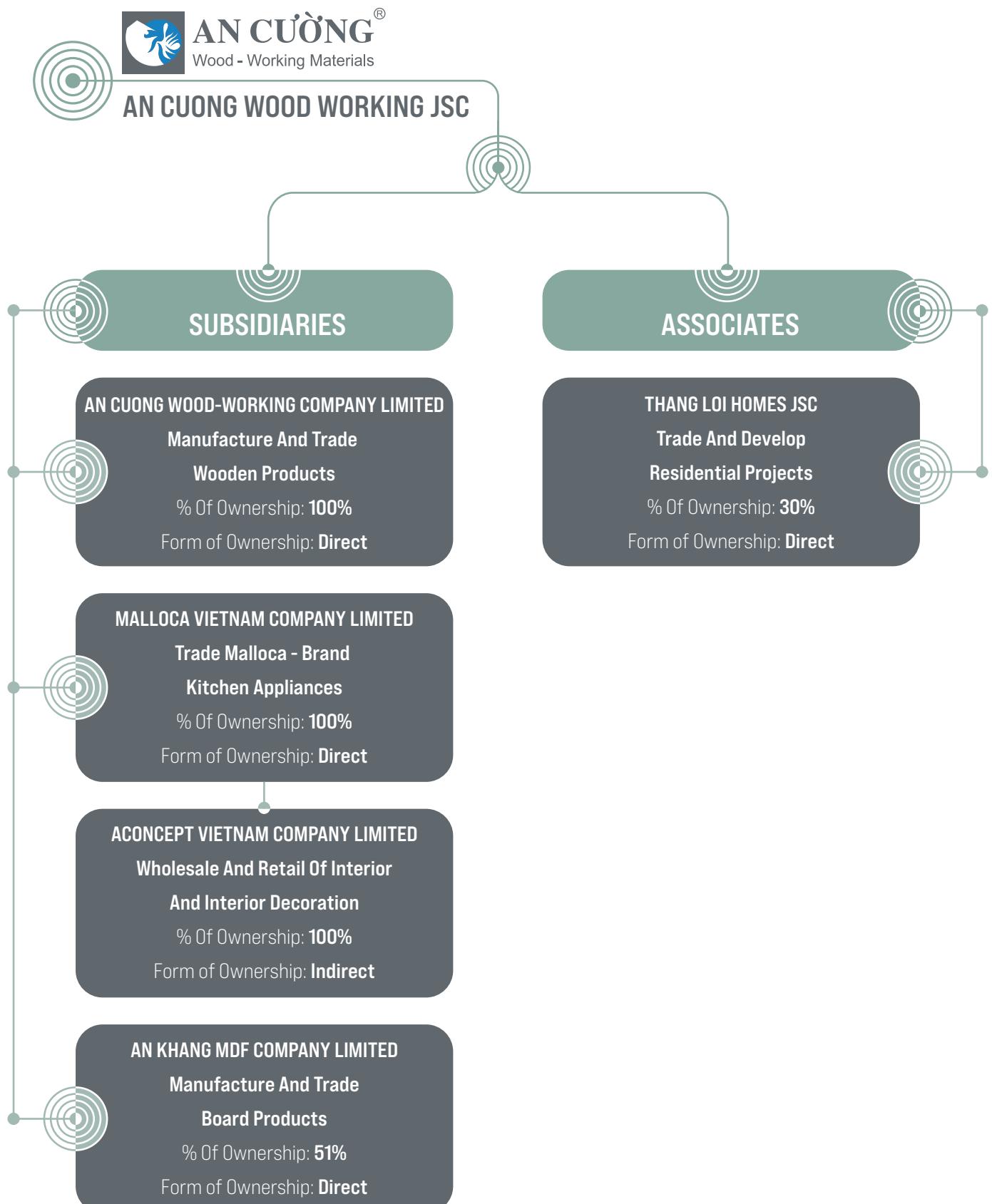
Schneider
Electric



WiZer™

Smart and Sustainable Homes

5. List of Subsidiaries and Associates





AN CƯỜNG WOOD WORKING Co. Ltd

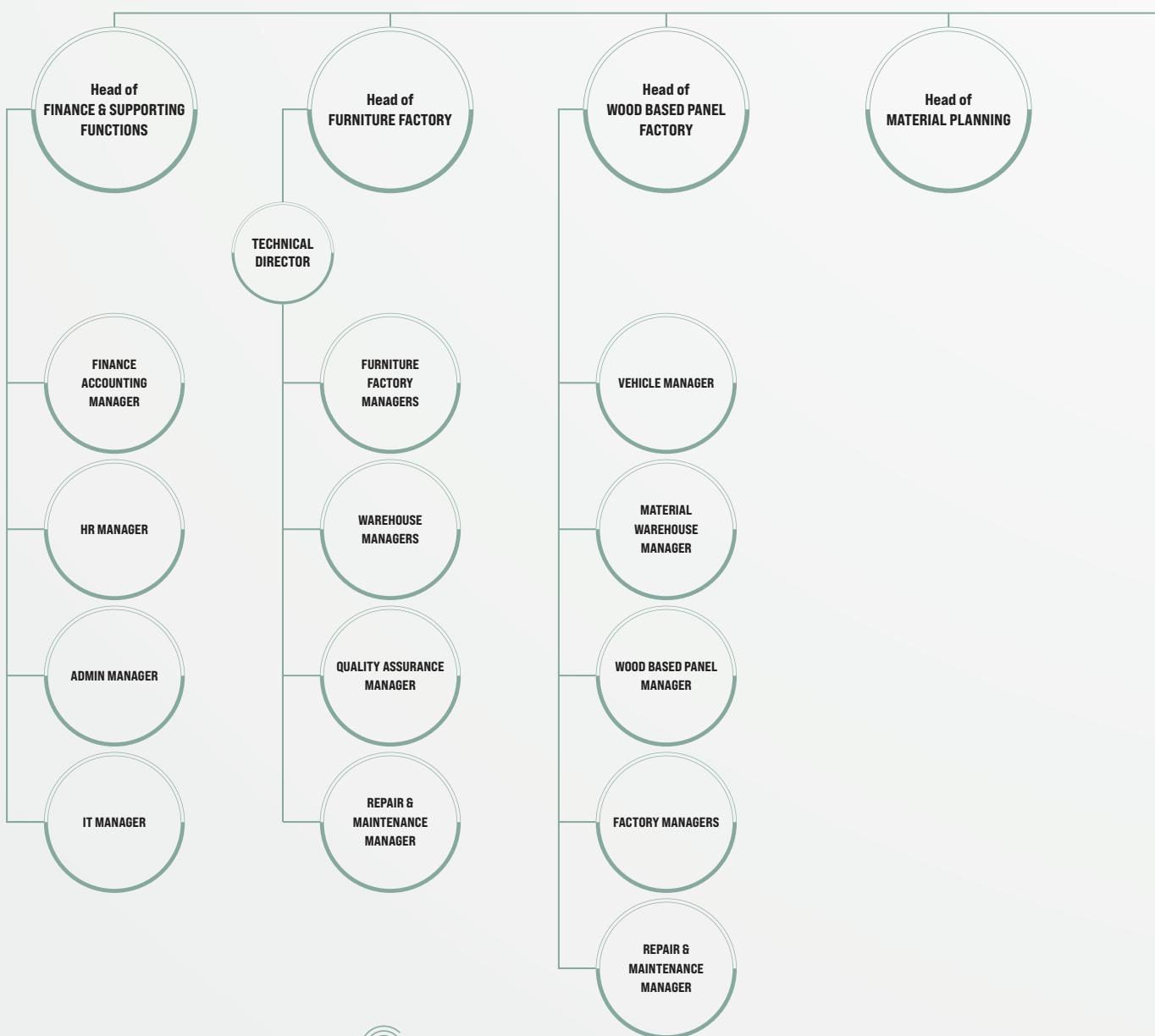
MALLOCA

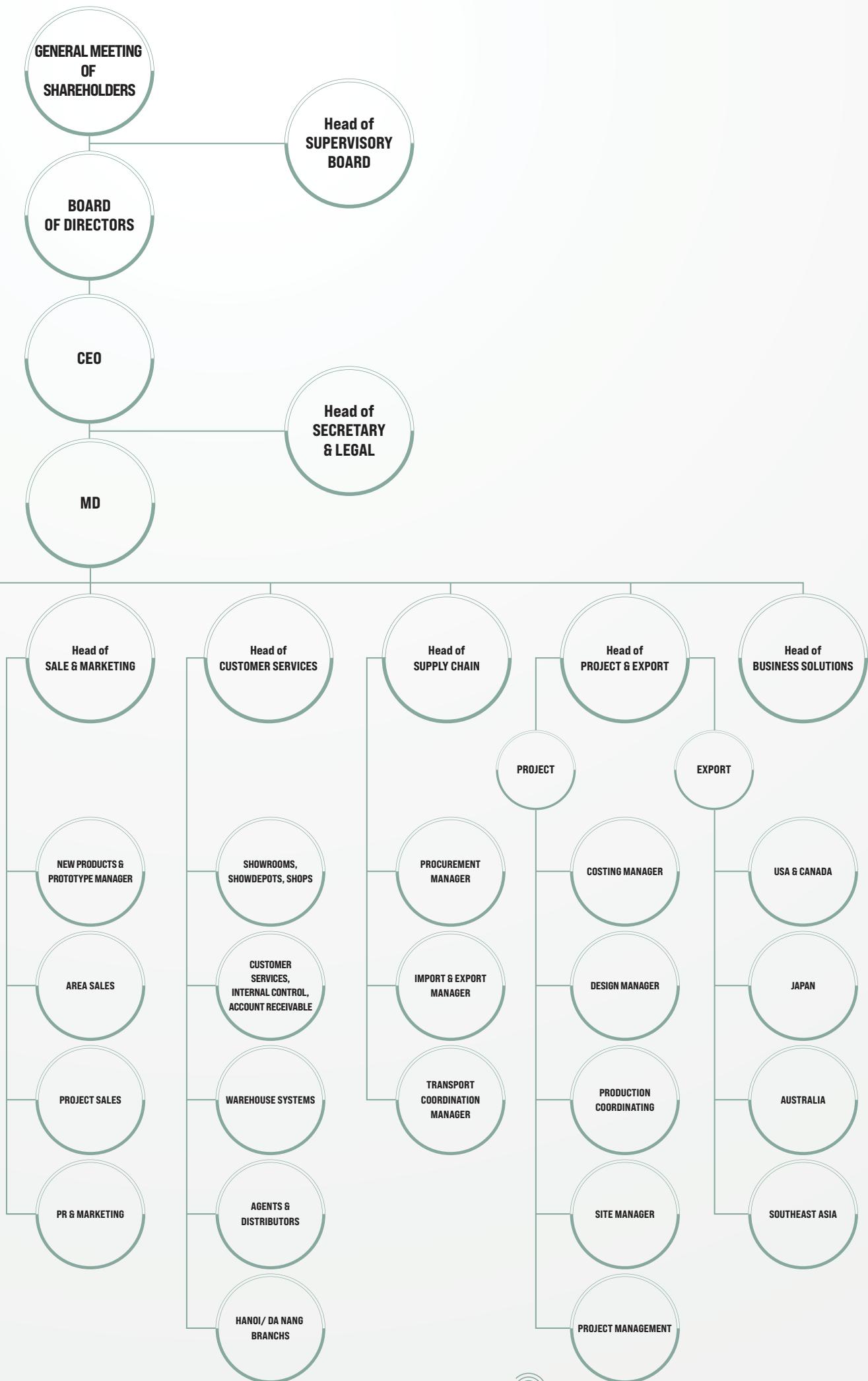
THANGLOHOMES

ACONCEPT



6. Organizational Apparatus





7. 2022 RECAP

Strategic cooperation with Sumitomo Forestry America, Inc.

Aiming to expand the export market, An Cuong entered into a strategic cooperation agreement with Sumitomo Forestry America, Inc. under which An Cuong would become a supplier of furniture products made from industrial wood for housing projects of Sumitomo Forestry in the US market. Orders from Sumitomo Forestry in the US were expected to bring An Cuong about US\$ 50million in revenue each year.



An Cuong Culture Day 2022

"An Cuong Culture Day" event was held again after 2 years of suspension due to the Covid-19 pandemic. This is an annual event, organized to create opportunities for thousands of An Cuong employees to meet and connect through team-building activities.



Listing of An Cuong shares on HOSE

In an effort to enhance corporate governance, improve transparency as well as fulfill commitments to shareholders, An Cuong has been approved by the authorities to list more than 138 million shares on HOSE, marking a milestone of development in terms of corporate governance in the capital market.



2022 National Brand - Vietnam Value

Last year, An Cuong brand continued to be honored at the "*National Brand*" award. This is the only trade promotion program implemented by the Government and is a prestigious award, recognized and honored by the Government, the business community, and consumers, based on the values of "Quality, Innovation and Pioneer". Being continuously awarded from 2018 has shown the perseverance and relentless efforts of An Cuong to bring high quality products to consumers.



Top 100 Sustainable Companies in Vietnam 2022

An Cuong strives to realize our commitment to building a business model that is socially and environmentally responsible. With this orientation, An Cuong was honored as CSI 100 Sustainable Enterprises organized by VCCI at the end of 2022.



8. 2022 Major Awards

An Cuong received prestigious awards from government agencies and recognized organizations for achievements made during the past years: Vietnam Value, Top 100 sustainable enterprises in Vietnam by VCCI, Top 50 CSA 2022, Top 10 Most Reputable Building Material Companies 2022, Top 50 Vietnam the Best by Vietnam Report, Best Companies to work for in Asia 2022 by HR Asia magazine.



VIETNAM VALUE 2018 - 2024



TOP 50 VIETNAM THE BEST



TOP 10 MOST REPUTABLE BUILDING MATERIAL COMPANIES 2016 - 2022



TOP 10 MOST REPUTABLE BUILDING MATERIAL COMPANIES 2016 - 2022



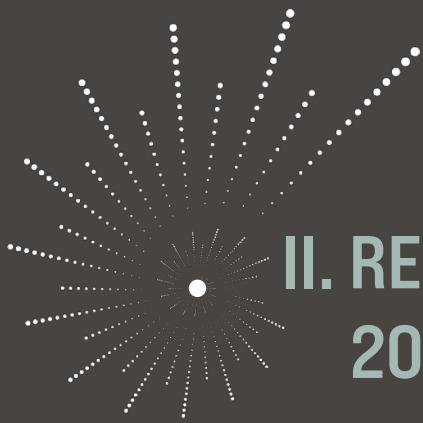
DEDICATION TO THE COMPANY'S SUCCESS

A Culture Of High Employee Engagement

Concentric circles represent the groups of successors that An Cuong is promoting and training, selected from highly experienced individuals or through the process of training outstanding staffs among younger batches. The certain thing is that each group of successors is influenced to some extent by their leader. When we drop a stone into a lake, the bigger the stone is, the larger the ripples would be created. The analogy is comparable to the imprint of the leaders on the inherited classes – the greater value that the leader brings, the influence on the successors is more obvious.

At An Cuong, the dedication of leaders to the vision of the Company helps to connect thousands of individuals as well as batches of employees together, who have striven for one common goal. The dedication of leaders is spread to young employees so that the Company could build up a competent succession team. An Cuong is proud to be one of the 30-year companies with a low turnover rate in Vietnam, in which there is significant number of employees who have worked for the Company for more than 20 years.





II. REPORT ON 2022 OPERATIONAL PERFORMANCE

1. BUSINESS LANDSCAPE IN 2022
2. REPORT ON OPERATION IN 2022
3. 2023 BUSINESS PLAN







BOARD OF MANAGEMENT



Ms VO THI NGOC ANH
General Director

More than 24 years of experience in the field of industrial wood.
Expert in materials in interior design, especially in particle board.



Mr LE THANH PHONG
Deputy General Director



Ms NGUYEN THI HAO
Deputy General Director

More than 15 years of experience in the field of industrial board.
Experienced in exporting furnishings made of industrial wood,
and working with big retailers in Japan, UK, Germany, US. etc



More than 17 years of experience in the field of industrial board and was trained in South Korea. Specialist in the production of surfaces of the boards



Mr NGO TAN TRI
Deputy General Director



More than 16 years of experiences, trained by Italian and German experts on manufacturing home furnishings made of industrial wood



Ms NGUYEN THI DUYEN
Deputy General Director



More than 20 years of experience in material sourcing for production of industrial wood. Experienced in working with suppliers of MDF, PB, raw materials used in production of industrial wood



Ms THIEU THI NGOC DIEM
Chief Accountant



More than 21 years of experiences in Financial Controlling - Accounting. Experienced in SAP-ERP implementation, financial controlling system, internal process management and corporate restructuring.



Ms NGUYEN THI KIM THOA
Deputy General Director

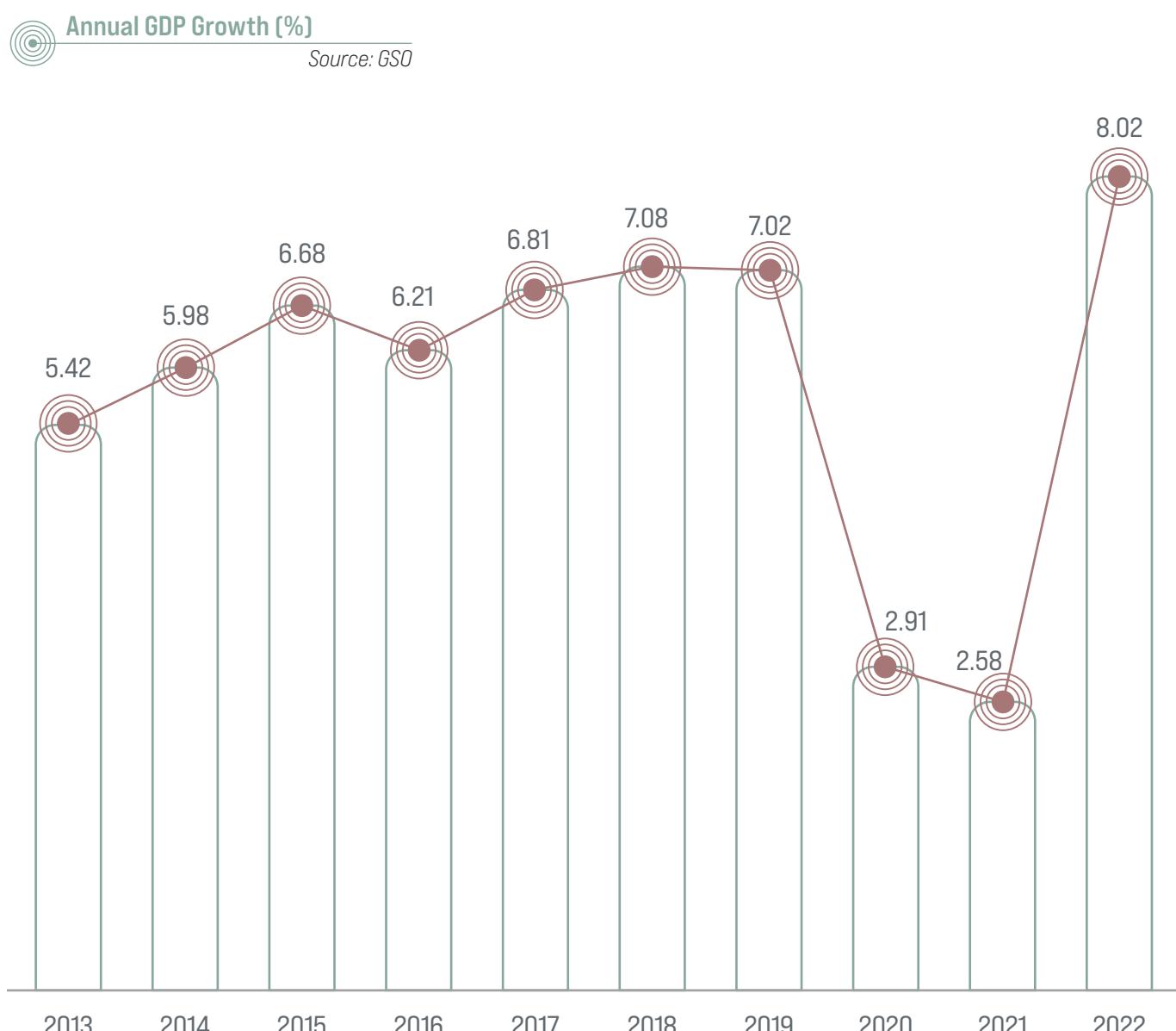


1. BUSINESS LANDSCAPE IN 2022

VIETNAM BUSINESS ENVIRONMENT IN 2022

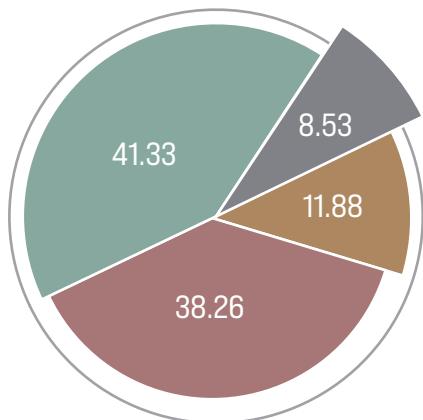
2022 was expected to be the year of recovery of the world economy in general and Vietnam in particular after a long period of fighting the pandemic, but the recovery rate has been seriously hampered by unpredictable uncertainties in many aspects, started with the Russia-Ukraine conflict triggering political and economic turmoils, to global race to hike rates in order to control inflation, and some lingering problems from the previous pandemic such as supply chain disruptions, China's Zero Covid policy. The series of uncertainties has caused the global economy to lose momentum from the second half of 2022.

As one of the most open economy in the world, Vietnam was vulnerable to those global headwinds. However, with a solid macro foundation, along with the flexible management policies of the Government, Vietnam economy continued to be a bright spot in the region. The GDP growth rate of Vietnam in 2022 still reached 8.02%, the highest level in the past 10 years.

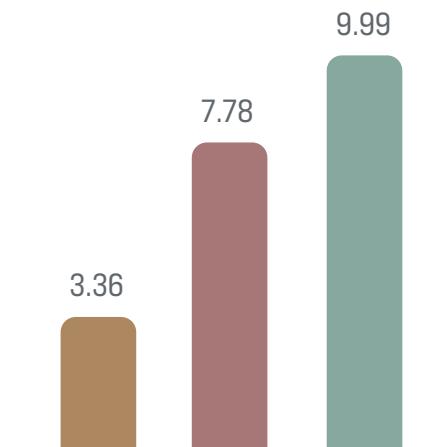


Trade and services grew strongly. Total retail sales of consumer goods and services in 2022 reached VND 5,679.9 trillion, up 19.8% over the previous year, a significant increase over the recent years. The processing and manufacturing industry continued to be the growth engines of the whole economy with a growth rate of 8.1%. The service sector recovered and grown strongly with an increase of 10.0% in 2022 - the highest in the period 2011-2022.

 **2022 GDP Structure (%)**



 **GDP annual growth rate [%] by sector**



 Agriculture, forestry, and fishery sector

 Service sector

 Industry & construction sector

 Product tax minus product subsidies

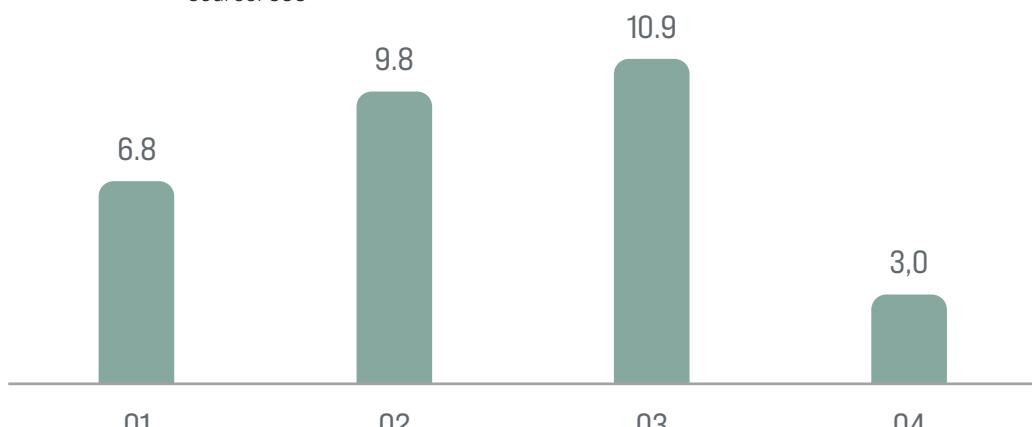
Source: GSO

The added value of the whole industrial production in 2022 was estimated to increase by 7.7% compared to the previous year. In which, the processing and manufacturing industry increased by 8.1%; Electricity, gas, steam, and air conditioning supply increased by 7.1%; Water supply, sewerage, waste management, and remediation activities increased by 7.5%; the mining industry increased by 5.2% (due to increase in coal mining output by 4.7% and natural gas increased by 8.3%).

The index of industrial production (IIP) in fourth quarter of 2022 only increased by 3% YoY, this was the lowest increase compared to other quarters in 2022 due to declining orders, high input costs, and shortage of raw material supply. For the whole year of 2022, IIP increased 7.8% YoY.

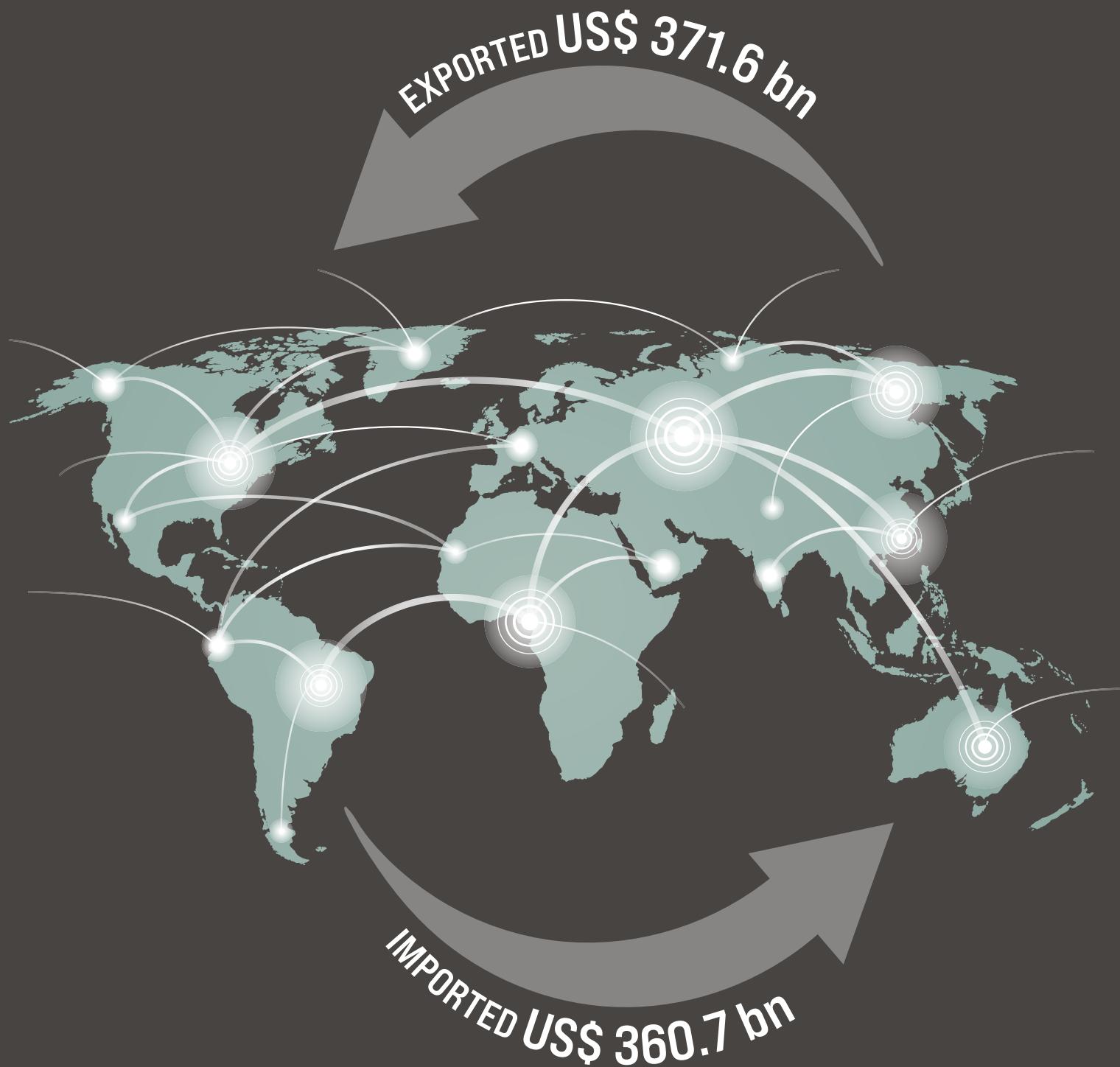
 **2022 IIP [%] by quarter**

Source: GSO



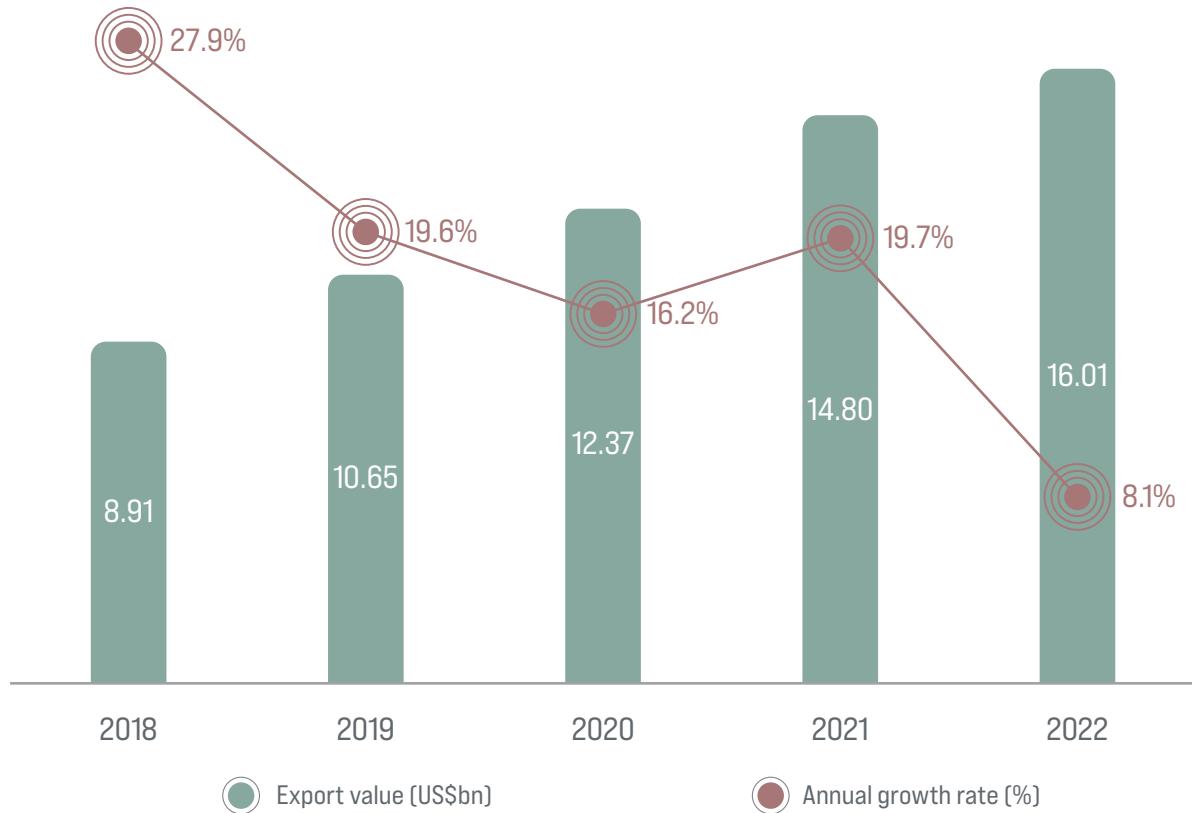
Imports and exports continued to be a bright spot of the economy. In 2022, the total imports and exports turnover of goods was estimated to be US\$ 732.5 billion, up 9.5% over the previous year, of which exports increased by 10.6%; imports increased by 8.4%; trade surplus was estimated to be US\$ 11.2 billion.

Total newly registered, adjusted and contributed capital of foreign investors as of 20/12/2022 reached nearly US\$ 27.7 billion, equivalent to 89.0% over the same period in 2021. The total disbursed capital for foreign invested projects was estimated at nearly US\$ 22.4 billion, up 13.5% over the same period in 2021.



OVERVIEW OF WOOD PRODUCTION AND PROCESSING INDUSTRY IN 2022

According to General Department of Vietnam Customs, in 2022 Vietnam exported US\$ 16.0 billion worth of wood and wooden products, up 8.1% YoY. This was the lowest growth rate in the past few years for the industry.



Experts figured that 2022 might have been the most difficult and challenging year ever for the wood industry. Record high inflation in many major export markets such as in the US and the EU has negatively affected the consumption of discretionary goods in these markets. On the other hand, increase of input materials cost coupled with high level of inventory worsened the situation for businesses in the industry.

Domestic MDF production also tended to slow down from Q2/2022. Information from major producer (supplying more than 50.0% of MDF volume of the country) showed that as from Q2/2022, macro uncertainties in both domestic and international markets have caused a lot of pressures on MDF factories. Input materials such as urea, methanol, melamine, acid, citric acid, glue, wood chip increased from 20% – 60% compared to 2021, has caused negative effects on sale volume and profitability.

The bright spot of the wood industry last year lied in the domestic market, especially industrial wood. The demand for furniture products after stagnation during the Covid-19 pandemic has recovered quite strongly. Per capita income continues to improve, a rapidly growing middle class and a golden population structure are key drivers of expenditure on furniture products in 2022 and beyond.

2. REPORT ON OPERATION IN 2022

In 2021, pandemic prevention was the top priority with strict observance of Covid-19 containment measures, and An Cuong people united together to overcome difficulties and moved forward. Entering 2022 - a year of dynamic progress, "An Cuong People" have dedicated ourselves to go hand in hand with our business partners and customers to conquer challenges

Right from the beginning of the year, the Board of Directors (BOD), Board of Management (BOM) and all management staffs of An Cuong had a "Warm-up" meeting to get ready and prepare to return to growth in 2022, focusing on serving customers and for the benefit of customers, namely exploration of new things to adapt to the new normal, new circumstances; close attention to customer feedbacks regardless of the matters; or continuous improvement to bring the seamless experiences to customers

With the thorough guidance of the BOD, the determination of the BOM and the strong commitment of all employees, An Cuong had a flourishing year and successfully completed the plan set forth by the General Meeting of Shareholders. 2022 marked the year that An Cuong achieved the highest revenue and profit in our 28-year history.

BUSINESS PERFORMANCE RESULTS IN 2022

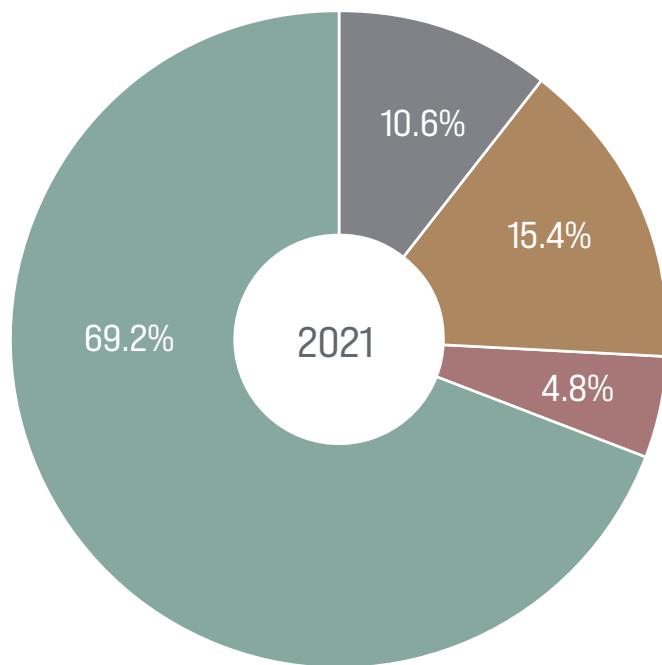
2022 Consolidated financial results of An Cuong Wood – Working Joint Stock Company

Unit: VND bn

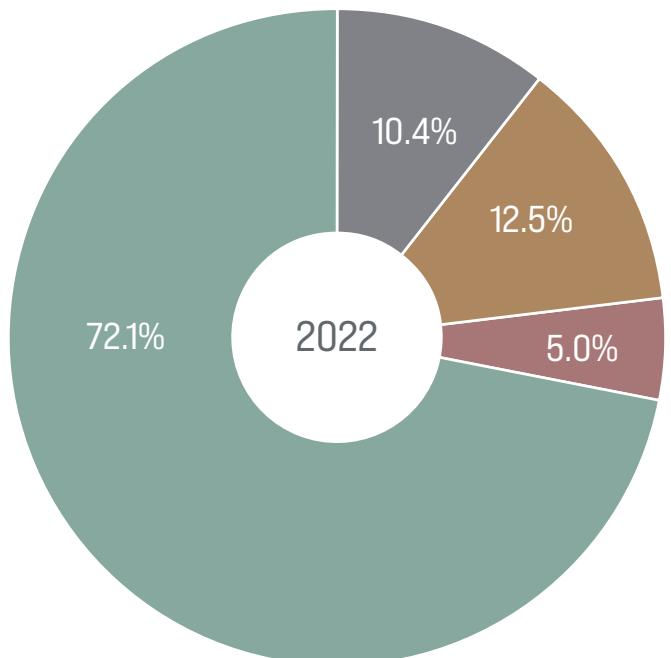
ITEMS	2021	2022	YoY GROWTH
Total Assets	4,982.9	5,467.2	9.7%
Equity	3,776.8	3,912.2	3.6%
Net Revenue	3,293.5	4,475.5	35.9%
Operating Profit	541.9	748.5	38.1%
Profit before tax	546.4	751.9	37.6%
Profit after tax	451.3	615.6	36.4%

In 2022, the BOM implemented the strategic plans guided by the BOD in a proactive, flexible and creative way. Accordingly, An Cuong kept focusing on its core business of manufacturing and trading wood-working materials, providing solutions and furniture made of wood-based panels with clear shift in increasing the proportion on revenue of materials and solutions (accounting for 72.1% of total revenue, vs. 69.2% in 2021) by promoting the expansion of the domestic distribution channel, targeting furnishing demand and increasing the brand awareness of "An Cuong Wood" of end consumers.

Overall, in 2022, Consolidated Net revenue of the Company reached VND 4,475.5 billion, increased 35.9% YoY and equivalent to 105.5% of 2022 full year target set for revenue. The Consolidated Profit after tax of the Company reached VND 615 billion, increased 36.4% YoY and equivalent to 111.9% of 2022 full year target set for Profit after tax.



 Revenue by groups of customers
Source: An Cuong

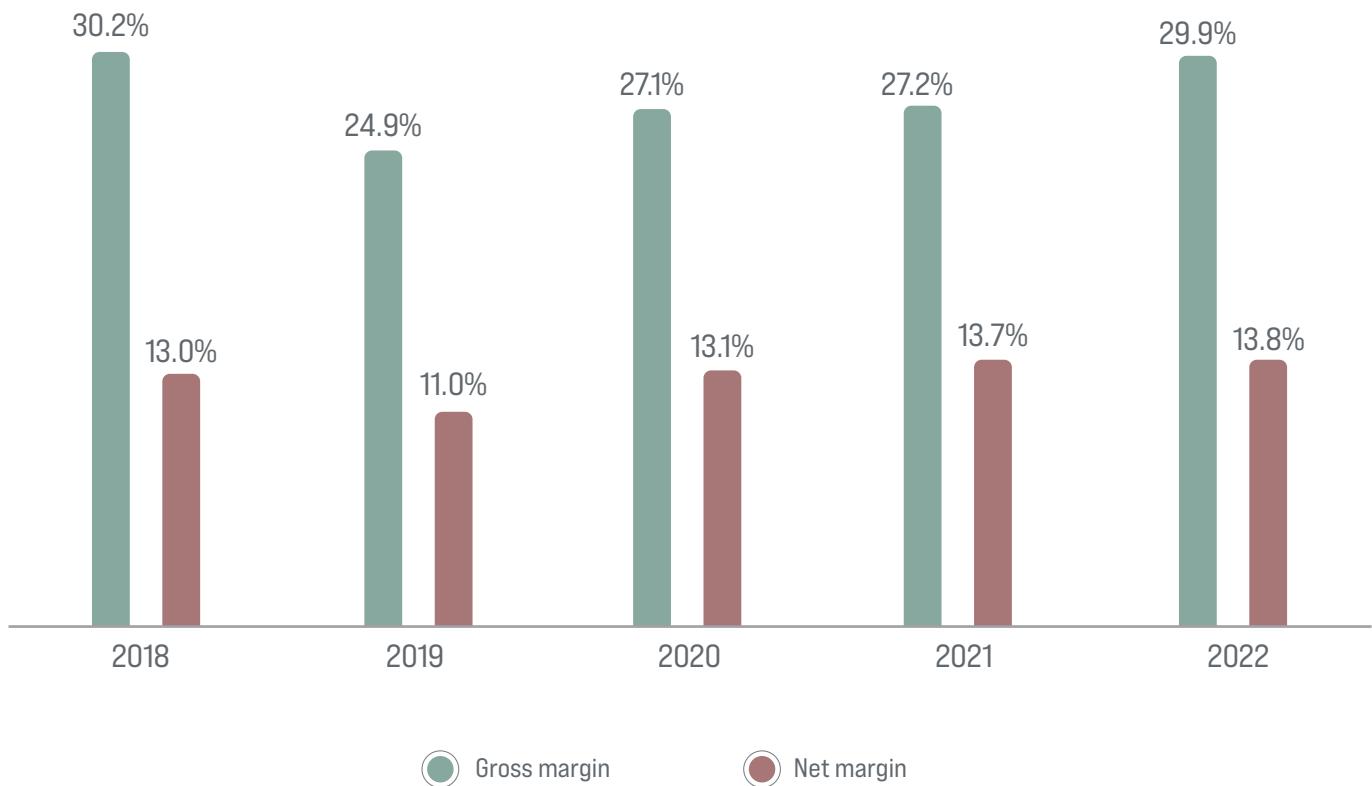


These performance results were considerably better in comparison with other companies in the same industry. Overall, with the right strategies, careful preparation and quick responses to event risks, the Company proactively minimized counterparty risks and financial risks for high-risk customers and focused more on cost management. Expenses items were well managed, both gross profit margin and net profit margin improved compared to the same period last year, reaching 29.9% (compared to 27.2% in 2021) and 13.8% (compared to 13.7% in 2021), respectively.



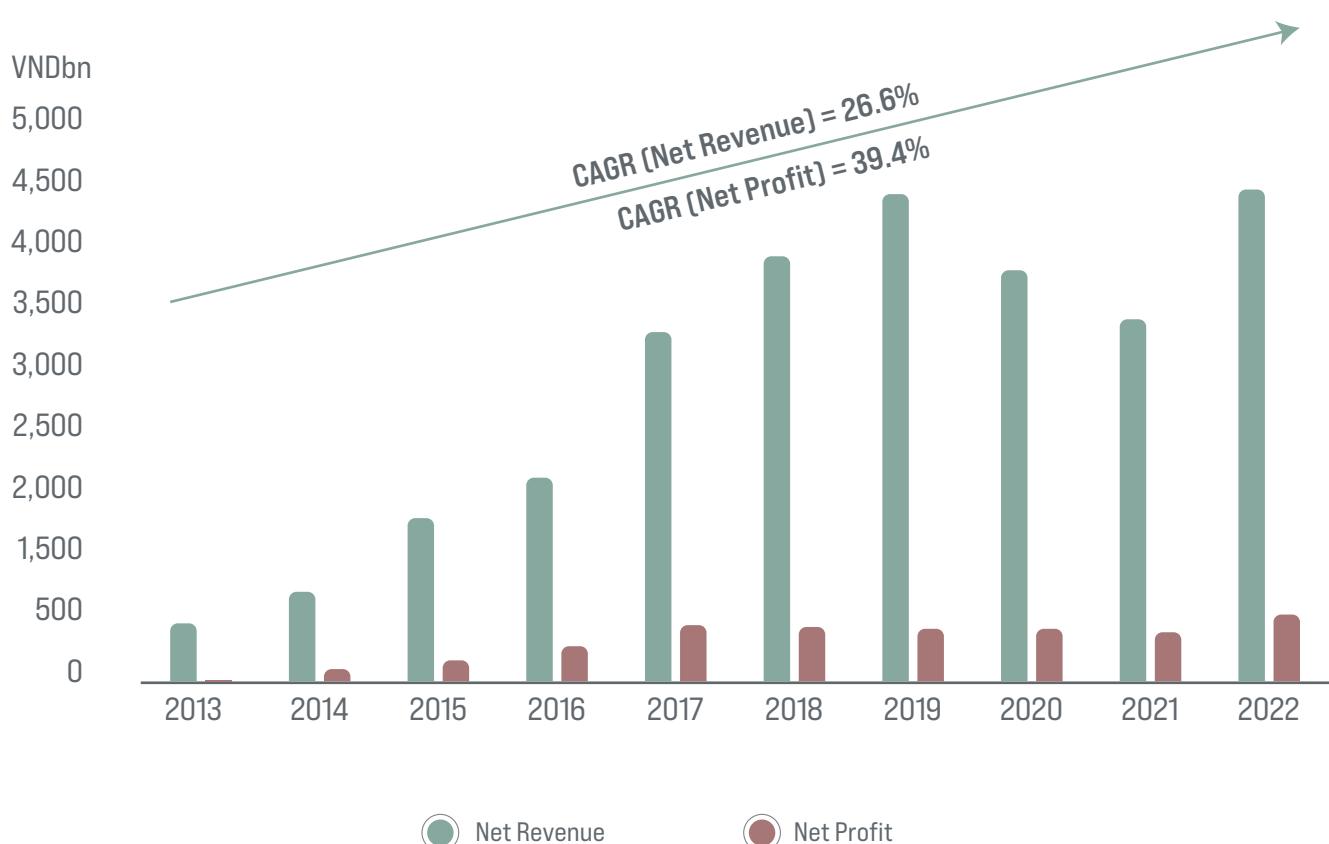
Profit margins for the period 2018 - 2022

Source: An Cuong



Business Results for the period 2013 - 2022

Source: An Cuong



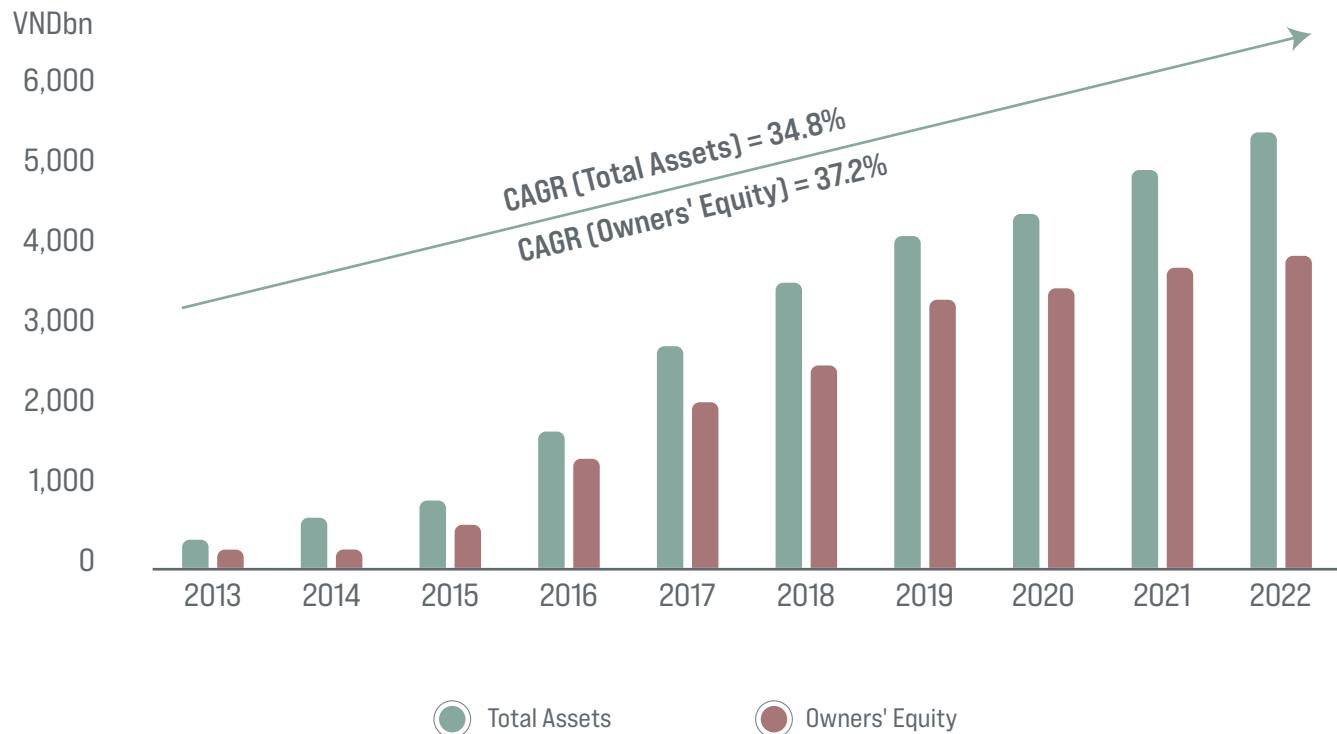
ASSETS AND OWNERS' EQUITY

Total assets of the Company exceeded VND 5,000 billion for the first time, reaching VND 5,467 billion, up 9.7% compared to 2021. In which, short-term assets accounted for 70.2% and long-term assets accounted for 29.8%. In 2022, investment in associates increased by VND 394 billion as the Company acquired 30% of Thang Loi Homes Joint Stock Company. In addition, the Company's financial structure remained prudent with a low debt-to-capital ratio (at 0.2 times) and only short-term loans were deployed to finance working capital. Liquidity ratios also remained positive. As at 31/12/2022, cash and cash equivalents along with short-term financial investments (mainly term deposits) exceeded VND 1,436.8 billion, accounting for 26.3% of total assets.



Total Assets and Owners' Equity for the period 2013 - 2022

Source: An Cuong



Key Financial Indicators

INDICATORS	UNIT	2021		2022	
		PARENT	CONSOLIDATED	PARENT	CONSOLIDATED
Liquidity Ratios					
Current ratio	Times	3.1	3.1	2.2	2.5
Quick ratio	Times	2.1	1.9	1.6	1.5
Capital Structure Ratios					
Debt/Total Assets ratio	Times	0.2	0.2	0.2	0.3
Debt/Owners' Equity ratio	Times	0.2	0.3	0.3	0.4
Operating ratios					
Total Assets turnover <i>Net Revenue/average Total Assets</i>	Times	0.5	0.7	0.7	0.9
Working Capital turnover <i>Net revenue/average Short-term assets</i>	Times	0.9	0.9	1.3	1.2
Inventory turnover	Times	2.6	1.9	3.2	2.2
Profitability Ratios					
Gross margin	%	21.5%	27.2%	24.6%	29.9%
Operating profit margin	%	25.0%	16.5%	22.9%	16.7%
Net margin	%	22.5%	13.7%	20.1%	13.8%
ROE	%	14.5%	12.4%	17.5%	16.0%
ROA	%	12.0%	9.6%	13.8%	11.8%
Earnings per share	VND		2,998		4,577

FINANCIAL INVESTMENTS

In 2022, the Company aimed to promote financial and investment activities to increase the efficiency of capital usage. This strategy had been adopted by AGM and implemented by regularly screening for investment opportunities that are profitable, safe and capable of creating synergy with the core business; conducting researches, analysis, evaluations, appraisals, negotiations and executing investment and M&A activities. Notable investment in 2022 includes:

- ⦿ Acquired 30% of shares, valued at VND 394 billion and became a strategic shareholder of Thang Loi Homes Joint Stock Company (formerly known as: Central Hill Real Estate Joint Stock Company), accordingly Thang Loi Homes became an associate of An Cuong.

In addition, in the context of strong fluctuations in interest rates and exchange rates during 2022, the Company continued to optimize capital efficiency through deploying interest rate gap – making long-term deposits with higher interest rates and getting short term loans with lower interest rates.

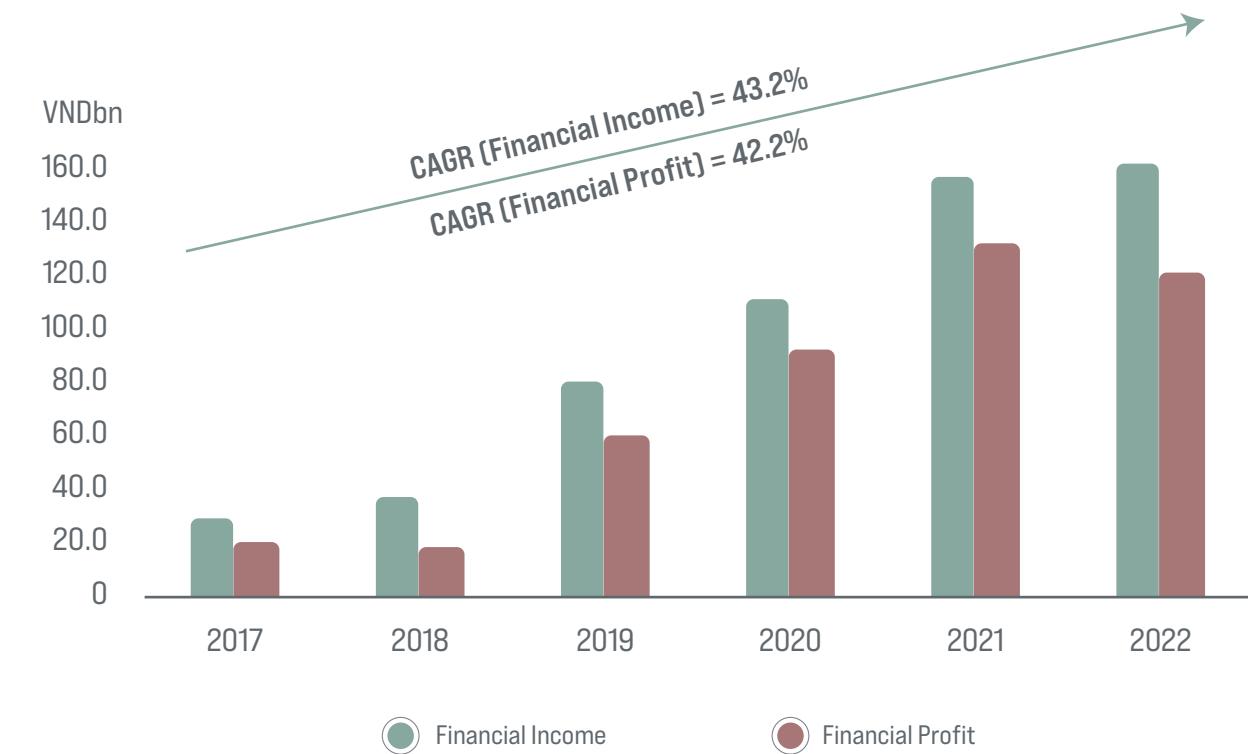
In general, financial activities in 2022 continued to bring positive results, as follows:

- ⦿ Financial income reached VND 175.3 billion, up 13.8% compared to 2021.
- ⦿ Financial profit reached VND 118.4 billion, down 8.8% compared to 2021.

Furthermore, financial income and financial profit registered CAGR of 43.2% and 42.2% respectively for the period 2017-2022.

Financial Income and Financial profit for the period 2017-2022

Source: An Cuong



HUMAN RESOURCE MANAGEMENT

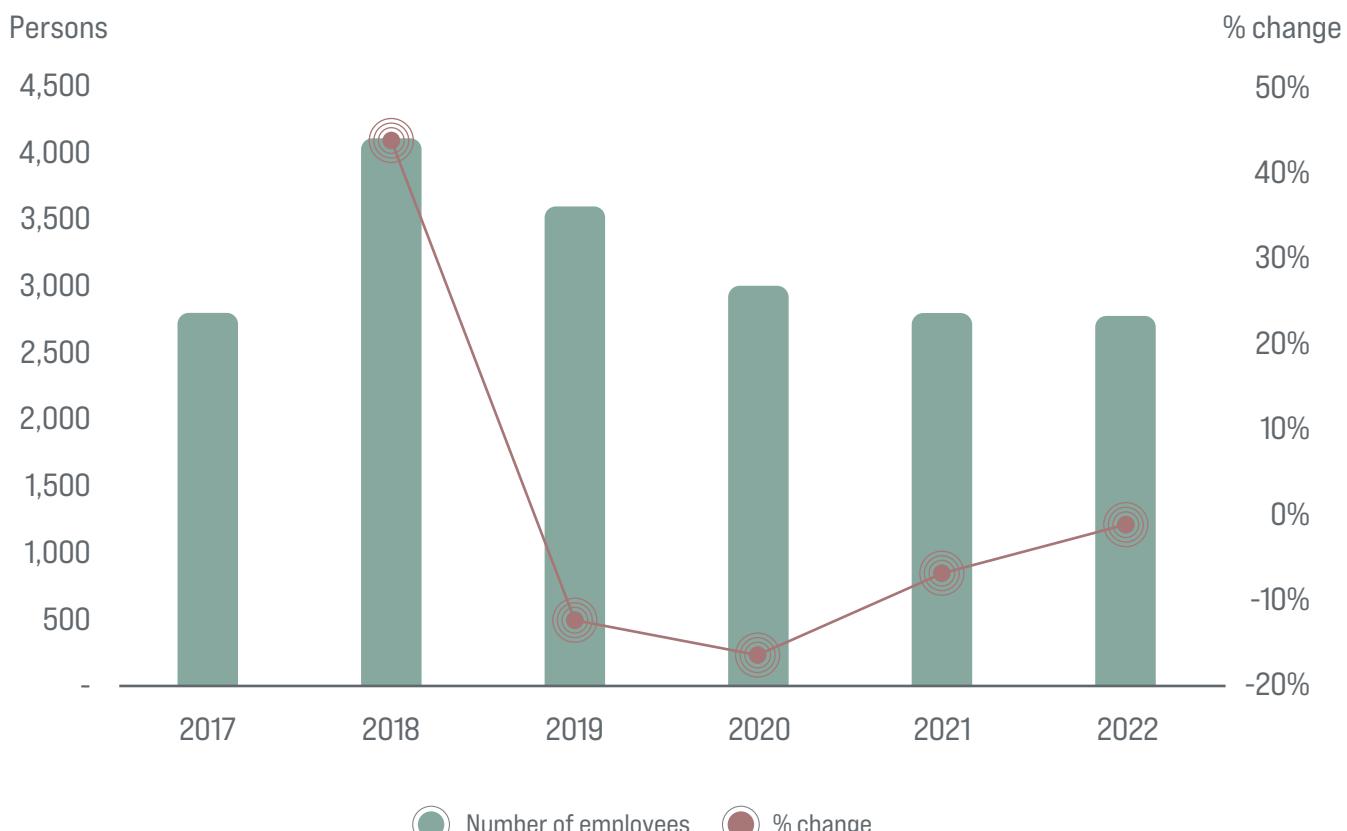
In terms of human resource structure, Manufacturing division was the most labor-intensive unit, accounting for more than 55% of the total number of employees of the Company. The number of staffs at the factories in 2022 decreased by 88 persons compared to 2021, mainly due to the continuous improvement in production, restructuring of product portfolio and other arrangement to optimize usage of labor, and to create favorable conditions to support employee career advancement. The Company also regularly organized training courses to help employees improve their expertise and skill sets.

	AS AT 12/31/2021	AS AT 12/31/2022	CHANGE	2022 PERSONNEL PLAN	COMPARED TO PERSONNEL PLAN
Total Employees (persons)	2,835	2,797	-38	3,163	-366

When both revenue and profit after tax results in 2022 reached the record in the history of the Company, the number of employees has remained stable and lower compared to plan, reflecting the great efforts of the BOM and all employees through regular revision of products portfolio focusing on products that satisfy customers' demand and provide favorable profit margins; production and processes optimization; inventory management; technology applications; cost optimization and reducing waste, etc.

Number of employees and % change

Source: An Cuong



Human Resource Structure

In terms of human resource structure, Manufacturing division was the most labor-intensive unit, accounting for more than 55% of the total number of employees of the Company. The number of staffs at the factories in 2022 decreased by 88 persons compared to 2021, mainly due to the continuous improvement in production, restructuring of product portfolio and other arrangement to optimize usage of labor, and to create favorable conditions to support employee career advancement. The Company also regularly organized training courses to help employees improve their expertise and skill sets.

In general, the workforce of An Cuong was considered as "young" when 84% of employees were under the age of 40. Employees in this age group tend to be "mature" in terms of knowledge, and experience as well as stay energetic, not hesitate about taking changes, learning new things, in order to contribute to the overall development of the Company.

Human resource policies

Over the past year, An Cuong has been continuing to improve labor policies, strictly complying with and regularly checking the implementation of labor policies to ensure the health, safety and welfare of workers. Policies/Practices were frequently checked including but not limited to:

- Training and inspection schedule on occupational hygiene and safety;
- Fire protection and fighting plans, and periodic training in fire prevention and fighting;
- Relevant qualifications applied for forklift/truck drivers and maintenance staffs;
- Periodic environmental monitoring;
- Compliance with regulations on legal working age;
- On time salary payment;
- 6 months of maternity leave according to the State's regulations;
- Child support (VND 100,000/child, applicable to both parents with children under 72 months old);
- Anti-corruption and Anti-bribery policies

In 2022, An Cuong was honoured as "**Best Companies to work for in Asia 2022**" by HR Asia Magazine. This award shown acknowledge for relentless efforts of An Cuong in building up positive working environment, outstanding human resource policies, attractive remuneration to increase employee engagement. The award also appreciated the resilience of the Company in facing obstacles and uncertainties amid the pandemic.

 *An Cuong believes that a positive working environment not only creates motivation to improve productivity but also brings many human values to employees and the business. Therefore, An Cuong keeps updating our HR policies to provide a positive, safe and effective workplace environment for all employees, at the same time the Company highly appreciates and promotes opinions on improvement contributing to sustainable development goals of the Company* 

In 2022, the Company put into operation a spacious and modern new office building and a new warehouse (General Warehouse 3 including warehouse, office and showroom). In addition, the renovation of the working area was implemented for the office areas and factories. The Company also regularly encouraged office decoration activities appropriately on holidays, creating an encouraging environment meeting and networking between employees after hours to create an open, green, clean and cohesive environment.

Training Activities

In 2022, training courses were held in both face-to-face and online formats with a variety of content directly related to the job of each employee. Training activities were organized in both the form of internal training and in coordination with external consultants.

Internal training

- During probation
 - The training period is 6 days/30 days/60 days depending on job requirements.
 - For some specific positions, the relevant department could provide on-job training to help the employees acquire relevant knowledge and skill set.
- General training would be provided before being promoted or taking on a new job.
- Special topics courses: Depending on the specific demands to update information and knowledge of employees, An Cuong regularly organized training sessions on special topics directly trained by the BOM or the head of the department in charge of related matters.
- In addition, An Cuong regularly organized periodic training courses such as: fire prevention training, occupational safety training, medical training, trainings required by SA, ISO, 5S and others as regulated.
- The company also regularly provided trainings to the staffs of distributors, agents, clients and architecture of universities and colleges across the country.

External training

The company also regularly coordinated with external consultants to organize training courses for senior management personnels to improve their competency. Total training costs in 2022 was more than VND 1.2 billion.

Typical training courses in 2022 included:

- Training in performance indicators, KPIs;
- Training in Occupational safety and health;
- Direct consulting and training in production skills related to industrial wood products;
- Training courses in management, sales, data analysis and other relevant soft skills;
- Car/Truck driving training
- Training in rules of origin of goods
- Training in customer services and complaint handling
- Professional training: human resources specialist/digital transformation/ warehouse management/interior design;
- Training in marketing communications;
- Training and consulting in internal processes;
- Training in the application of the Labor Code;



Remuneration And Compensation Policies

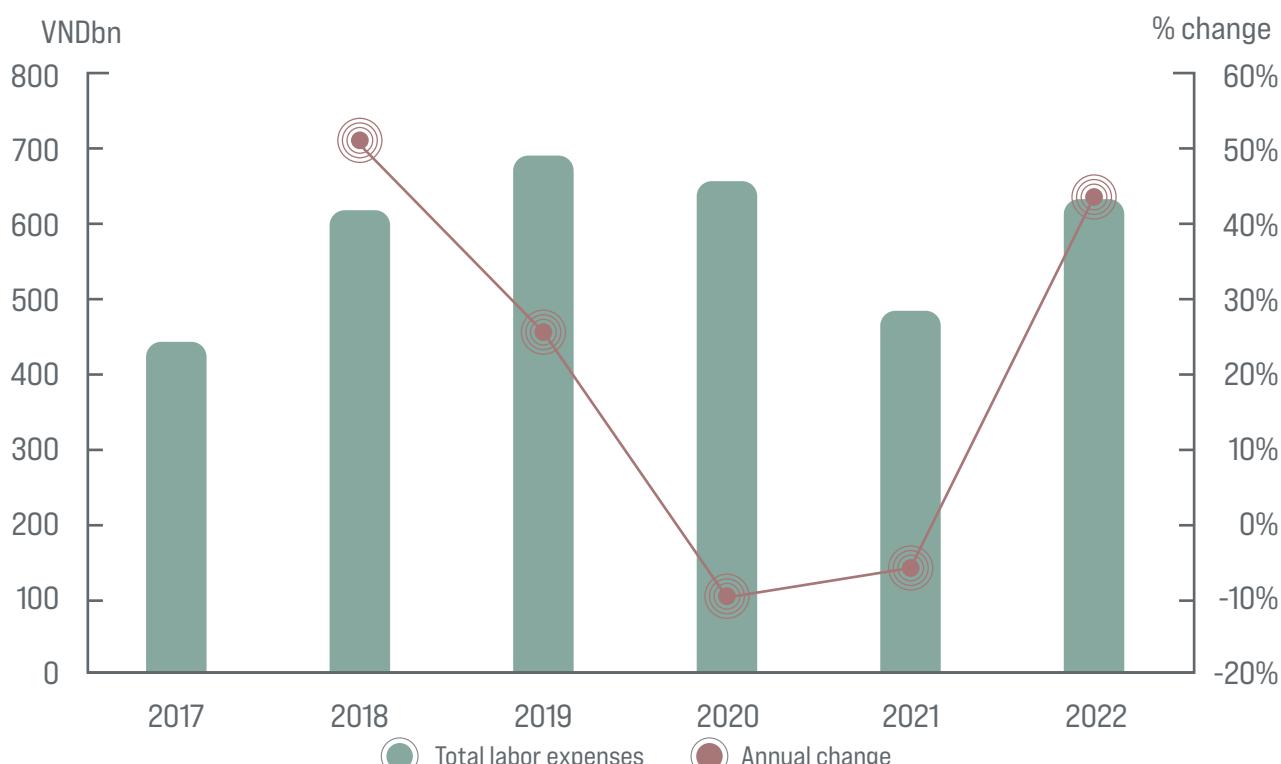
Over the past years, the BOD and the BOM strongly focused on investment in modern machineries and equipment, the application of information technology and digital transformation in management and operation aiming to improve labor productivity and reduce waste. At the same time, remuneration and compensation policies, promotion opportunities were improved and updated to retain and attract talents.

In 2022, the company's total labor expenses recorded nearly VND 632.7 billion, an increase of 31.8% compared to 2021. Of which, the total bonus fund reached VND 141.8 billion, up 64.4% compared to 2021 to motivate employees when the Company recorded outstanding business results. Accordingly, the average income of employees increased by more than 33.4% compared to 2021.

In the 5-year period from 2018 to 2022, the income of employees has been steadily improved, from VND 12.5 million/person/month in 2018 to VND 18.8 million/person/month by the end of 2022, posting a CAGR of 11.6%.

 **Total labor expenses and % annual change**

Source: An Cuong



CORPORATE CULTURE

Continuous learning, professionalism, creditability along with the motto of "*Do what we say and do it right away*" are the core values of An Cuong corporate culture that guided the Company to overcome difficulties and challenges. 28 years of founding and developing is not a long journey but it is sufficient period of time for An Cuong's values and culture identity to be challenged, nurtured and accumulated, so that those values have became intangible assets that can not be replicated. An Cuong's corporate culture are spread among our batches of employees, from the top leaders down to lowest ranks.

Embracing corporate culture, sharing common values are key things connecting nearly 2,800 An Cuong employees in order to create a unified team, and build up our sustainable competitive advantage.

Individual Development In Success Of The Team

At An Cuong, collective values are prioritized but we also pay attention to individual development. Staffs are always motivated to maximize their own strengths towards the common interests of the organization.

Business environment nowadays requires companies to steadily change to adapt and catch up with new trends in many aspects. And a company cannot change or grow without effort of each staff within that organization. Therefore, at An Cuong, employees are always encouraged to propose new ideas, new initiatives. This practice helps each member of An Cuong to confidently demonstrate their own values, and ultimately promotes the love, and loyalty of employees to the Company.





Engagement And Sharing

"Friendly" and "Treating each other like family" are the most common answers that most employees of An Cuong would mention if asked about special things of the Company.

After 28 years of founding and developing, the total number of employees of An Cuong has expanded many times, from more than 10 staffs at the time of establishment, now the Company has nearly 2,800 employees, but the values of engagement and sharing among An Cuong members are still preserved and promoted just like the first day of establishment, this culture is even raised to a higher level in difficult times such as the Covid-19 pandemic or other difficult situations.

These were calls during the late night to arrange hospital beds for relatives of An Cuong personnel in the midst of the lock-down, or financial assistance to help employee's spouse overcome the illness, or just encouraging words to help new personnel overcome the confusion over regional cultures and get involved in the team.

In addition, employees have chances to participate in team-building activities which are organized over the years: An Cuong Cultural Day – annual team-building event, Year end lunch – a "get together" held on the last days of the lunar year, or Year End Party – a party to celebrate the achievements over the year. More than that, at the main office of the Company, An Cuong set up "Bonding Area" – an area dedicated to connecting activities after stressful working hours.

An Cuong staffs always present professionalism in our work, and after those stressful moments, the love and spirit of a big family are spread among the members. These values are nurtured, transformed into the love between employees and the loyalty to the company. At the Year End Party 2022, hundreds of An Cuong employees with 10-year and 20-year seniority were honoured.

This is the value of **Engagement and Sharing** that An Cuong cherishes and preserves throughout our development journey.

The Ever-improving Journey For Success

"I am a very enthusiastic person and I make improvement day by day, hour by hour" – this is a quote of the Chairman of An Cuong – Mr. Le Duc Nghia said in an interview few years ago. This statement not only represents the personality of Mr. Nghia but also serves as the philosophy guiding An Cuong's development journey – "***Continuous improvement***".

During the last 28 years, there is clear evidence for this philosophy in daily operations of the Company. In 1994, An Cuong transformed from a trading enterprise into a manufacturing enterprise. After that, a series of changes, reforms and improvements were carried out: the First restructuring plan in 2014 and 2015, the implementation of ERP – SAP management system, the construction of the 2nd factory cluster equipped with a series of modern production machinery systems, etc.

Those plans and projects have been proven to be effective as An Cuong went from a trading company with limited amount of capital, to become the leading manufacturing company in Vietnam and Southeast Asia in the field of industrial wood. On the other hand, An Cuong's restructuring/transforming plans cannot be successful if they were only about the determination of the leaders, indeed the attitude of "***Continuous Improvement***" has been spread to all of our employees – those persons who were ready to change their minds, change their ways of doing things and not hesitate to learn new things to contribute towards the overall change of the Company.

An Cuong is moving to a new stage of development, a series of improvement and transformation projects are being implemented in many aspects of the business. Once again, An Cuong people with the attitude of "***Continuous Improvement***" will help to bring the business to a new stature.



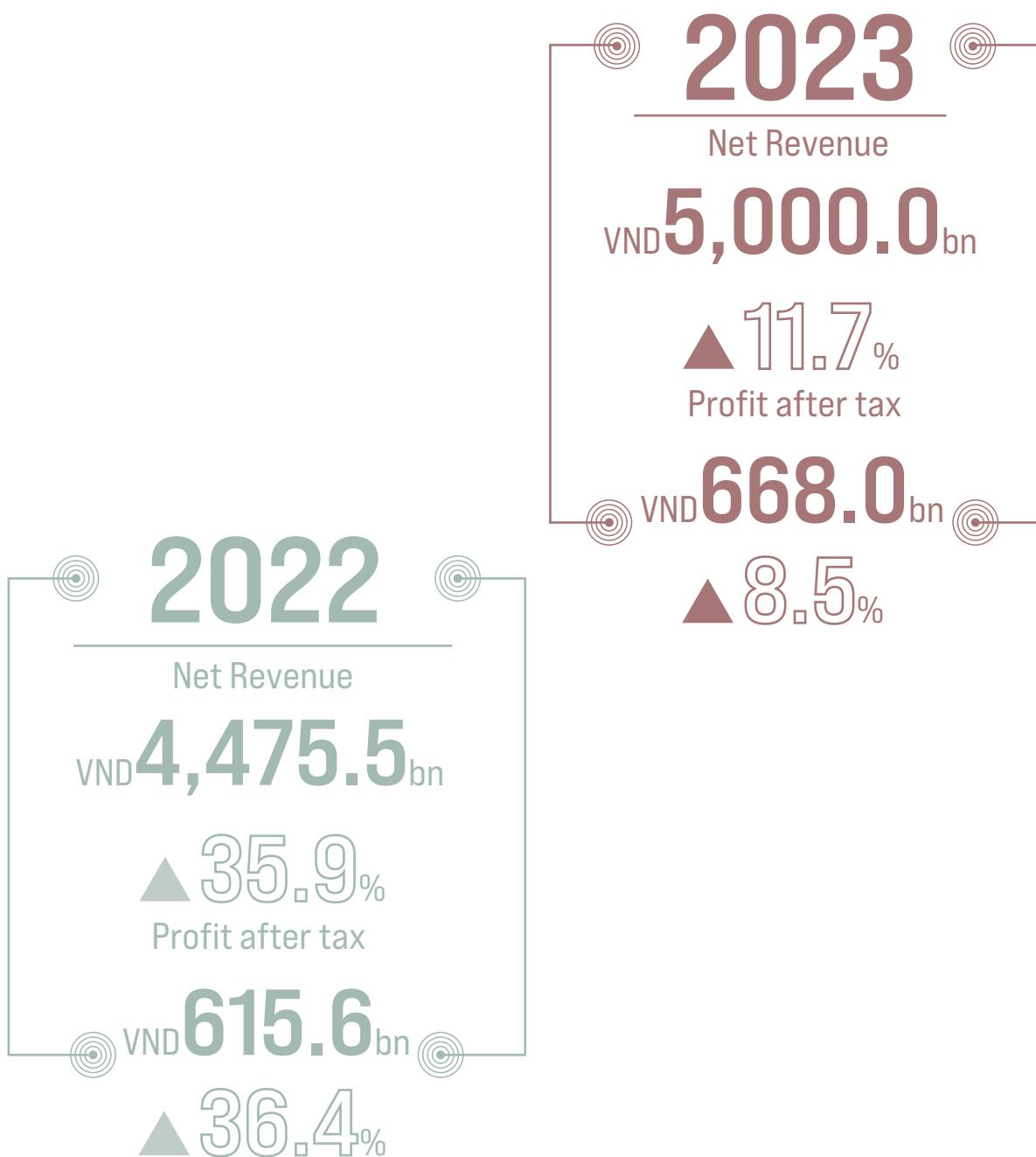


**KEEP UP THE ENTHUSIASM
& MAKE CHANGE EVERY DAY**

3. 2023 Business Plan

In 2023, the global economy continues to face challenges in terms of geopolitical tensions and the risk of economic recession. Their consequences include high inflation, declining disposable income of the majority of the population, conservative sentiment in spending negatively affecting purchasing power of customers. Vietnam business environment is also expected to couple with certain difficulties such as interest rates continuing to remain high in the context of limited capital raising channels. In addition, the domestic real estate market has not yet shown positive signs and current severe situation is anticipated to be prolonged. The progress of construction and/or sales of many large projects would continue to be suspended or postponed due to legal issues and cash flow bottlenecks. An Cuong will confront many challenges that require creativity and caution in both production and business activities to ensure the sustainable development of the Company.

Accordingly, the BOM of An Cuong would propose to the AGM for approval of the 2023 business plan as follows:



As guided and assigned by the GMS and the BOD, the BOM will implement the business plan in a thoughtful, creative and effective way, as follows:

PRODUCTION & BUSINESS DEVELOPMENT

- ⦿ To expand sales channels, to develop an extensive distribution network of distributors/agents/showrooms in appropriate locations across the country and in the region;
- ⦿ To promote cross-selling among companies within An Cuong ecosystem in order to enhance revenue and sales growth, while reduce the fixed investment costs. To quickly expand market share and increase brand awareness;
- ⦿ To cooperate with real estate developers to build show-houses in the project/business area;
- ⦿ To boost export sales, in the view of profitable market, customers and orders;
- ⦿ To develop and implement sound sales strategies and policies that encourage and recognize the contributions of sales channels, sales team and support teams.
- ⦿ To focus on the operation management in factories/warehouses, to enhance production capacity and efficiency;
- ⦿ To promote R&D activities, to launch new collections and new products.

CORPORATE GOVERNANCE

- ⦿ To proactively improve the capability of strategic management, financial management, operational management and risk control at the Parent Company and Subsidiaries in accordance with best practices and complying with international standards;
- ⦿ To optimize cash flow and capital usage on company-wide scale;
- ⦿ To improve operational efficiency through investments in automation; application of technology in operation, production, internal processes and to manage sales activities in accordance with industry standards and best practices:
 - To modernize machineries and equipment to improve production capacity, narrow the technology gap between the Company and global leading companies in the industry;
 - To complete the digital transformation projects in 2023; To integrate and upgrade technology platforms intensively; To improve technology capability and applications, implement new features, to complete Data Warehouse in order to optimize production and decision-making processes.
- ⦿ To timely implement initiatives to optimize and/or reduce costs, improve labor productivity, enhance employee engagement through reasonable compensations and welfare policies;
- ⦿ To increase the level of delegation at work and improve the responsibility of all level of management. To organize and encourage management team to participate in external as well as internal training courses on management, leadership, coaching, job delegation, and other supporting skills.

THE DEDICATION OF THE LEADERS

Inspiring The Team
With Enthusiasm



Healthy plants would not be grown without cultivation. An Cuong team, at the time of establishment, only had a few dozen employees. Over the course of nearly 30 years, all thanks to the dedication of the Board of Directors, the cultivation of the team of leaders, the empathy of all staffs, the number of An Cuong employees have grown to nearly 2,800 individuals. All of us have worked together toward a common goal, that is to make An Cuong become the leading company in providing materials and solutions made of industrial wood in Vietnam and Southeast Asia.

Behind An Cuong's development and success, there are leaders who are always at the forefront to inspire the staffs with enthusiasm. Under their leadership, thousands of An Cuong staffs with different personalities have united as one team. To effectively do that, An Cuong leaders normally have following traits in common:

- **LISTENING** to innovative proposals that help the Company, from a small enterprise in domestic market, become one of the largest manufacturers of industrial wood in the region.
- **EMPATHY** for those difficulties that An Cuong warriors have to deal with, in the face of tough and challenging market.
- **SHARING** with staffs' missteps in order to encourage them to overcome the situations and get lessons for future improvement
- **COACHING** clear guidance on vision and strategies, so that all staffs could align their own interests with the Company's goals - to bring Vietnamese products to world stature.

Leaders are those who plant the seeds, and every business is grown and developed based on seeds of values and experiences that the founding team has cultivated. At An Cuong, we would like to convey positive energy and enthusiasm to the succession with the hope that those values will continue to be nurtured and spread during the future development of An Cuong.



III. CORPORATE GOVERNANCE

1. Report Of The Board Of Directors
2. Report Of The Supervisory Board
3. Remuneration Of The BOD, BOM And Other Key Executives
4. Risk Management
5. Shareholder Information & Investor Relations Activities
6. Analysis And Evaluation Of Corporate Governance Based On ASEAN Corporate Governance Scorecard



BOARD OF DIRECTORS



Mr LE DUC NGHIA

Chairman of the Board of Directors



Mr Le Duc Nghia was trained in Germany and is a leading expert with 31 years of experience in the field of industrial wood in Vietnam and Southeast Asia. Mr Nghia currently holds senior positions in the Company and other organizations, including:

- ◎ Chairman of An Cuong Wood Working JSC
- ◎ Chairman of An Cuong Wood Working Company Limited
- ◎ Chairman of Malloca Vietnam Company Limited
- ◎ Chairman of AConcept Vietnam Company Limited
- ◎ Board member of Thang Loi Group Real Estate JSC
- ◎ Board Member of Thang Loi Homes JSC
- ◎ Former Chairman of 2030 Business Men Club, under Saigon Times Club
- ◎ Executive member of Ho Chi Minh City Young Business Association (YBA-HCM)



Mr. MASAO KAMIBAYASHIYA

Vice Chairman

Mr. Masao Kamibayashiyama is an expert with 23 years of experience in industrial wood market. Currently, he is Managing Director of Sumitomo Forestry Vietnam Company Limited and in charge of business development in export markets in An Cuong. Mr. Kamibayashiyama graduated from Seijo (Japan).



Mr. NGUYEN MINH TUAN
Board Member

Mr. Nguyen Minh Tuan is co-founder of An Cuong. He graduated in Belarus with a major in mechanical engineering in 1989.

Also, he received a bachelor degree in economics from Hanoi Law University. Before An Cuong, Mr. Tuan worked at Corporation Computer-Communication-Control-3C.Inc in Hanoi and HCMC.



Mr. LE THANH PHONG

Board Member



Mr. Le Thanh Phong has 21 years of experience in industrial wood market. He is one of leading experts in Vietnam, specialised in Laminate flooring, other boards, furniture fittings and accessories. Mr. Phong graduated in economics from University of Economics HCMC.



Ms Nguyen Dieu Phuong has worked for 17 years in VinaCapital, Private Equity investment.

Before joining VinaCapital, she worked as Senior Auditor at KPMG Vietnam, focused on banking industry.

Ms Phuong also serves as Board member of Khang Dien House (KDH) and other investee companies within VinaCapital's portfolio

Ms Phuong graduated from HCMC University of Banking, and earned UK FCCA certificate



Ms **NGUYEN DIEU PHUONG**
Board Member



Mr **PHAN QUỐC CÔNG**

Independent Board Member



Chairman of One Solution Technology Company

Board member of Saigon Foods (FISCO)

More than 20 years of experience in leadership positions in many corporations: International Consumer Product (ICP), Saigon Foods, One Solution Technology



Mr **NGUYEN THANH QUYEN**

Independent Board Member



Vice Chairman & CEO of Thang Loi Real Estate JSC

More than 15 years of experience in management positions: co-founder of JUNO fashion brand, Chairman of Thang Loi's subsidiaries.

1. Report Of The Board Of Directors

INFORMATION OF MEMBERS OF THE BOD

In 2022, the BOD of An Cuong has 07 members. On 23/12/2022, the Company held an extraordinary meeting of shareholders to elect a new BOD due to the end of the 5-year term.

Of the current 7 members, there are two independent members, Mr. Phan Quoc Cong and Mr. Nguyen Thanh Quyen. The current BOD's structure is assessed to be balanced and appropriate as it comprises experienced members with knowledge and understanding of governance, law, furniture industry, finance, securities, marketing and real estate as well as these members fully understand the responsibilities and duties as a member of the BOD (executive members, non-executive members and independent members). This structure also fulfills the requirements that at least one-third of the BOD's members are non-executive members and two out of seven the BOD's members are independent members to ensure independence and objectivity in activities of the BOD.

The detailed list of members of the BOD's members includes:

No.	Member of the BOD	Position <i>(Independent member of the BOD, non-executive member of the BOD)</i>	Date becoming/ceasing to be a member/independent member of the BOD	
			Appointment date	Resignation date
1	Mr Le Duc Nghia	Chairman	23/12/2022	-
2	Mr Masao Kamibayashiyama	Vice Chairman	23/12/2022	-
3	Ms Nguyen Thi Dieu Phuong	Non-executive Member	23/12/2022	-
4	Mr Nguyen Minh Tuan	Non-executive Member	23/12/2022	-
5	Mr Le Thanh Phong	Member	23/12/2022	-
6	Mr Phan Quoc Cong	Independent Member	23/12/2022	-
7	Mr Nguyen Thanh Quyen	Independent Member	23/12/2022	-
8	Mr Jess Rueloekke	Member	-	23/12/2022
9	Mr Tran Luong Thanh Tung	Member	-	23/12/2022

The percentage of voting ownership of the BOD's members was as follows:

No.	Member of the BOD	No. of shares owned as at 01/01/2022		No. of shares owned as at 31/12/2022	
		No. of shares	% [*]	No. of shares	% [*]
1	Mr Le Duc Nghia	142,041	0.16%	220,163	0.16%
2	Mr Masao Kamibayashiyama	0	0%	0	0%
3	Ms Nguyen Thi Dieu Phuong	0	0%	0	0%
4	Mr Nguyen Minh Tuan	1,737,017	1.98%	2,692,375	1.98%
5	Mr Le Thanh Phong	126,312	0.14%	195,783	0.14%
6	Mr Phan Quoc Cong	0	0%	0	0%
7	Mr Nguyen Thanh Quyen	0	0%	0	0%

*Calculated on the number of shares outstanding as at **01/01/2022: 87,640,744 shares**

Calculated on the number of shares outstanding as at **31/12/2022: 135,836,522 shares.

OPERATION OF THE BOD DURING 2022

The BOD defined the role of guiding, navigating, managing and supervising all operations of the Company on the basis of compliance with the law, resolutions of the AGM of the Company, the Charter of the Company and best corporate governance practices. As follows:

- ⦿ Assigned and clearly defined the role of each member of the BOD to ensure the legitimate interests of shareholders;
- ⦿ Ensured the number of meetings of the BOD, the legality and effectiveness of the meetings;
- ⦿ Adopted resolutions reflecting the strategic vision in accordance with each stage of the market, ensuring the sustainable interests of the Company, its shareholders and other stakeholders;
- ⦿ Supervised the implementation of the Resolutions of the AGM and the BOD, evaluated the performances of the implementation of the Resolutions of the Company;
- ⦿ Navigated and provided strategic guidance on production and business operation of the Company, ensuring a balance between growth and risk management factors;
- ⦿ Regularly reviewed and approved transactions with related-parties in accordance with the provisions of law and Article 40 of the Charter of the Company.

In 2022, the BOD fully complied with the regulations on corporate governance in accordance with the provisions of Vietnamese law. For those practices and/or international standards on corporate governance that the company has not fully complied as per the assessment results (gray or red criteria) presented in the Corporate Governance Assessment based on the ASEAN Corporate Governance Scorecard, the BOD of An Cuong will study, clarify and make adjustment in 2023.

Meetings Of The BOD

BOD meetings were convened and organized in a timely and effective manner. The number of BOD meetings and the number of members attending ensured compliance with the provisions of the laws. Accordingly, 100% of the BOD's members attended 18/18 meetings.

STT	Member Of The BOD	Number of meetings	Attendance	Reasons for absence
1	Mr Le Duc Nghia	18/18	100%	-
2	Mr Masao Kamibayashiyama	18/18	100%	-
3	Mr Nguyen Minh Tuan	18/18	100%	-
4	Mr Le Thanh Phong	18/18	100%	-
5	Ms Nguyen Thi Dieu Phuong	18/18	100%	-
6	Mr Jess Rueloekke (*)	17/17	100%	-
7	Mr Tran Luong Thanh Tung (*)	17/17	100%	-
8	Mr Phan Quoc Cong (**)	01/01	100%	-
9	Mr Nguyen Thanh Quyen (**)	01/01	100%	-

* Term expired as of 23/12/2022

** Elected for the term 2022-2027 as of 23/12/2022.

Resolutions/Decisions of the BOD in 2022

The BOD reviewed and approved strategic direction, risk management policies, annual business plans with 3 to 5-year vision; credit lines; dividend payments; large investment; the formation of subsidiaries, joint ventures and affiliates; transactions with related-parties...

During 2022, the BOD approved resolutions/decisions with specific contents and voting rate as follows:

No.	Resolution/Decision No.	Date	Description	Votes
1	01-2022/NQ-GAC	03/01/2022	To approve the credit line at Vietnam Maritime Commercial Joint Stock Bank	100%
2	02-2022/NQ-GAC	18/02/2022	To approve record date for advance payment of 2021 dividend in cash and to implement rights to buy new issued shares	100%
3	03-2022/NQ-GAC	17/03/2022	To approve on appointing the person in charge of corporate governance	100%
4	04-2022/NQ-GAC	21/03/2022	To approve the investment budget to acquiring shares of Central Hill Real Estate., JSC	100%

5	05-2022/NQ-GAC	28/3/2022	To approve the schedule for the 2022 Annual General Shareholder Meeting	100%
6	06-2022/NQ-GAC	01/04/2022	To approve the record date to pay 2021 dividends by shares	100%
7	07-2022/NQ-GAC	04/05/2022	To approve the increase of charter capital of An Cuong Wood-Working JSC	100%
8	08-2022/NQ-GAC	27/05/2022	To approve the establishment of the Company's Internal Audit Department and on the Internal Audit Regulations of An Cuong Wood – Working JSC	100%
9	10-2022/NQ-GAC	06/06/2022	To approve the 2021 cash dividend payment [2nd tranche] for existing shareholders	100%
10	11-2022/NQ-GAC	28/06/2022	To approve the credit line at VCB –Phu Nhuan Branch	100%
11	12-2022/NQ-GAC	12/07/2022	To approve the credit line at Vietinbank in 2022	100%
12	13-2022/NQ-GAC	19/08/2022	To approve the investment trust transaction with VCFM	100%
13	14-2022/NQ-GAC	24/08/2022	To approve the credit line at Shinhan Bank Vietnam Limited	100%
14	15-2022/NQ-GAC	03/10/2022	To approve the credit line at Shinhan Bank Vietnam Limited	100%
15	16-2022/NQ-GAC	24/10/2022	To approve the capital contribution to establish a subsidiary	100%
16	17-2022/NQ-GAC	27/10/2022	To approve the record date of the list of shareholders entitled to attend the 2022 Extraordinary General Shareholder' Meeting	100%
17	18-2022/NQ-GAC	24/11/2022	To approve the new Organization Chart of An Cuong Wood – Working JSC	100%
18	20-2022/NQ-GAC	23/12/2022	<ul style="list-style-type: none"> • To elect Mr. Le Duc Nghia to hold the position of Chairman of the BOD for a term of 05 years (2022-2027); • To approve the appointment of Ms. Vo Thi Ngoc Anh as Person in charge of corporate governance of the Company; • To approve the amendment of Internal Regulation on Corporate Governance corresponding to the contents of the Charter as amended and supplemented according to the Resolution of the Extraordinary General Shareholders' Meeting No. 19-2022/NQ-GAC on 23/12/2022 	100%

Activities Relating To Strategic Orientation And Business Operations

The BOD regularly reviewed the global and local macroeconomic situations, focusing on key issues, risks and opportunities that may directly and/or indirectly affect the business/markets/partners of the Company in both domestic and international markets.

In the period of 2017-2022, the BOD navigated business operations flexibly, creatively and aligning with the complicated developments of the geopolitical situations, the risk of global economic recession and macroeconomic headwinds in Vietnam. Before the real estate market became "frozen", the BOD actively navigated business operations to reduce the proportion of revenue from large projects/real estate developers and to promote direct exports. When the export sale showed signs of weakening due to the decline in demand in the US market, the Company actively bolstered up domestic sales by expanding distribution network across the country. For the domestic market, according to plan, the distribution network of the Company will cover 63 cities and provinces in Vietnam right in 2023.

Activities Relating To Supervising The Overall Activities Of The Group And Of The BOM

The roles, functions and authorities of the BOD were specified in the Law on Enterprises, the Law on Securities, the Charter of the Company, the Regulations on Operation of the BOD and the Internal Regulations on Corporate Governance.

Accordingly, the BOD regularly examined and supervised operations of the BOM in managing the company operations, implementing the resolutions of the GMS and the BOD in 2022 as follows:

- ⦿ Prepared a business plan for 2022 to submit to the AGM for approval;
- ⦿ Organized the implementation of business plan approved by the AGM and the BOD;
- ⦿ Selected auditing company to review the 2022 Semi-annual Financial Statements and to audit the 2022 Financial Statements.
- ⦿ Implemented corporate governance and risk management, proactively reviewed the system, proposed improvement projects and digital transformation;
- ⦿ Issued shares to increase charter capital; paid 2021 cash dividends and stock dividends to shareholders
- ⦿ Proposed and implemented financial investments in accordance with the orientation of the Company.

The BOD supervised the BOM in organizing and implementing the resolutions through meetings, regular examination and supervision on specific assigned tasks. At the meetings, the BOD reviewed the implementation of the resolutions; business operations during the month, quarter and year-to-date; discussed and released resolutions to provide guidances for the BOM. In addition, members of the BOD regularly discussed with the BOM through virtual meetings, email and phone related to interested issues under supervision.

Activities Of Independent Members Of The BOD

Independent members of the BOD of the Company were newly elected from 23 December 2022. After the EGM, the members of the BOD had a meeting to elect the Chairperson of the BOD for the term 2022-2027. Independent members of the BOD also had further discussions in regards to working approaches, areas of understanding and the ability to contribute to the development of the Company based on the strengths of each member.

During 2022, independent members of the BOD for the 2017-2022 term attended 17/17 meetings of the BOD [reaching the rate of 100% of the meetings]. Independent members of the BOD reviewed, commented and voted on issues under their authorities with a rate of 100% on the contents approved by the BOD.

Also, in 2022, the independent members of the BOD performed their functions and duties to supervise the activities of the BOD through meetings, discussions relating to approaches to adopt resolutions of the BOD, as well as to evaluate the BOM's performance in term of implementing BOD's resolutions and the decentralization mechanism

between the BOD and the BOM. Specific activities included but are not limited to the following:

- Supervised and reviewed the compliance with the law, the company's charter and the implementation of the resolutions of the GMS;
- Reported to shareholders at the AGM on activities of independent BOD members and monitoring results in 2022;
- Reviewed the Company's activities, financial statements to plan for examining and supervising activities during the year;
- Reviewed and verified separate and consolidated financial statements during the reporting period;
- Selected PwC Vietnam Co., Ltd. as an independent auditor to audit the financial statements of the parent Company and its subsidiaries. PwC Vietnam Co., Ltd. successfully completed its tasks, fulfilled its obligations under the audit contract signed with An Cuong, and met the expectations of the BOD;
- Independent members and other members of the BOD along with the BOM carried out an independent quality assessment process and PwC well met the main evaluation criteria such as: Ensuring reliability, integrity and the quality of the audit report on financial statements; Complying with the prescribed audit time limit; Complying with professional regulations, Ensuring independence and objectivity when providing audit opinions as well as fulfilling other criteria in terms of competence, industry knowledge and effective coordination between the parties during the work.

ASSESSMENT OF INDEPENDENT MEMBERS OF THE BOD ON THE ACTIVITIES OF THE BOD AND THE BOM:

- The structure of the BOD for the new term 2022-2027 includes 7 members, two of which are independent members, fulfilling the number of independent members required by current regulations. The members of the BOD attended all meetings to discuss and approve the contents under the authority of the BOD.
- In general, the BOD completed its roles and responsibilities in implementing the business plans, providing guidelines and strategic orientations set forth by the GMS. The BOD complied with the regulations on corporate governance, organized regular and extraordinary meetings to promptly handle arising issues, as well as adopted decisions appropriate to the actual situation in order to ensure interest of the Company.
- In 2022, the BOD properly performed its roles and responsibilities in guiding, supporting and supervising the BOM to implement the contents approved by the GMS and the BOD, ensuring compliance with the provisions of the law, at the same time harmonizing the interests of the Company and its shareholders.
- When performing the duties, independent members of the BOD coordinated properly with other members of the BOD, members of the BOM and management team in the Company. Independent BOD members highly appreciate the cooperation and support these parties in 2022.

EVALUATION OF THE BOD

Evaluation on the performance of the Company

Expected to be the year of recovery, however, 2022 took place with a lot of uncertainties in both international and local geopolitical and economic conditions, with a series of "black swan" events. Facing these challenges, the BOD and all employees of the Company have made the highest efforts to implement the strategies and business plans assigned by the GMS and the BOD.

The Company actively reduced its concentration on real estate developers, and promoted the expansion of domestic distribution channels, targeting the demands of end consumers, cut down operating costs and improved labor productivity.

By the end of 2022, consolidated net revenue of the Company reached VND 4,475.5 billion – an increase of 35.9% compared to 2021 and exceeded 2022 plan by 5.5%, Net Profit reached VND 615.6 billion – a growth of 36.4% compared to 2021 and nearly 11.9% more than 2022 plan. Both Net Revenue and Net Profit recorded the highest levels in the history of the Company. The revenue structure has shifted in a positive direction, with a significant increase in contribution from Designers and Project Contractors, Distributors & Agents - accounting for 72.1% of total revenue, up 2.9% compared to 2021.

These performance results were considerably better when compared to other companies in the same industry. Overall, with the sound strategies, careful preparation and quick responses to eventful risks, the Company proactively minimized counterparty risks and financial risks for high-risk clients and focused more on cost management. Expense items were well managed, both gross margin and net profit margin improved compared to the same period last year, respectively reaching 29.9% (compared to 27.2% in 2021) and 13.8% (compared to 13.7% in 2021).

Over the year, the domestic distribution network of the Company expanded remarkably, contributed positively to revenue growth while enhanced brand awareness of An Cuong, especially in new locations.

Once again, the BOD appreciates the determination of the BOM and the team at all levels of the Company contributing to the impressive results of An Cuong in the past year.

Evaluation On The Performance Of The BOM

In 2022, the BOM strictly implemented the strategies and tactics set forth by the BOD. The strategies and business plans were implemented smoothly, creatively and aligning with volatile market conditions, ensuring compliance with current legal regulations and internal regulations of the Company.

Also, in the context of global and local macroeconomic challenges and even the risk of a global economic recession, the BOM delivered a good job in managing production and business development, exceeded the business plan approved by the GMS, ensured employment, health and safety for all employees and maintained highly responsible business operations among all stakeholders.

Moreover, the BOD acknowledged the BOM's efforts in implementing digital transformation projects including digital workspace project, operational optimization project, especially the comprehensive digital transformation at Group level.

BUSINESS ORIENTATION IN 2023

- ⦿ **To remain concentrated on core business.** To focus on financial and human resources to develop the core business and ecosystem associated with the core business lines. To promote coverage of distribution networks and "keep the flag waving" at 63 cities and provinces across the country. To expand footprint to cities and towns in potential areas. To expand distribution channels to countries in the region and the world.
- ⦿ **To acquire more domestic market share** in the field of industrial wood materials targeting high-middle and high segments.
- ⦿ **To continuously improve the quality of products and services, to strengthen brand reputation and to enhance brand awareness.** To determine the "Dedication" of the Company in each product and service as well as ensure the "Matching" between production process, product quality, work progress and warranty policies, customer services.
- ⦿ **To promote R&D activities** in order to maintain market leader position and trend-setting manufacturer through the launch of new collections and products.
- ⦿ **To complete digital transformation in 2023.** Strengthen internal processes using technology; optimize the application of information technology systems to reduce costs, improve labor productivity and effectiveness of risk management.
- ⦿ **To implement creative financial strategies** in order to optimize the efficiency of capital usage.





SUPERVISORY BOARD



Ms TRAN THI NGOC TUE

Head of Supervisory Board

Ms Tran Ngoc Tue has more than 19 years of experience in finance, accounting and auditing.

Ms Tue graduated from University of Economics HCMC and Ho Chi Minh University of Banking with a major in auditing.



Ms MAI THI PHUONG THAO

Member of Supervisory Board

Ms Mai Thi Phuong Thao has more than 16 years of experience in finance and investment field. Currently, Ms Thao is Investment Manager - PE investment at VinaCapital. Before joined Vinacapital in 2014, Ms Thao had 6 years worked at PXP Vietnam Asset Management and another 3 years worked at BIDV.

Ms Thao holds MBA degree from University of Hawaii and graduated from Foreign Trade University Ho Chi Minh City.



Ms TRAN THI KIM ANH

Member of Supervisory Board

Ms Tran Thi Kim Anh has more than 18 years of experience in management accounting.

Ms Kim Anh graduated from Van Lang University with a major in economics.

2. Report Of The Supervisory Board

MEMBERS OF THE SUPERVISORY BOARD (SB)

No.	Member of the SB	Position	Date becoming/ceasing to be the member of the SB	Qualification
1	Ms Tran Thi Ngoc Tue	Head of SB	23/12/2022	Bachelor of Economics
2	Ms Tran Thi Kim Anh	Member	23/12/2022	Bachelor of Economics
3	Ms Mai Thi Phuong Thao	Member	23/12/2022	MBA and Bachelor of Foreign Trade

MEETINGS OF THE SB IN 2022

No.	Member of the SB	Number of meetings attended	Attendance rate	Voting rate	Reason for absence
1	Ms Tran Thi Ngoc Tue	2/2	100%	100%	
2	Ms Tran Thi Kim Anh	2/2	100%	100%	
3	Ms Mai Thi Phuong Thao	2/2	100%	100%	

ACTIVITIES OF THE SB IN 2022

Based on the responsibilities and authorities of the SB specified in the Charter of the Company, the Operating Regulations and Operating Plan of the SB, during 2022, the SB implemented the followings:



Supervised compliance with the law, compliance with the Charter of the Company and implement the Resolution of the Annual General Meeting of Shareholders

In 2022, SB supervised compliance with the law and with the Charter of the Company by the members of the BOD and BOM, ensuring that the Company complied with the provisions of law and the Charter of the Company in the process of implementing resolutions, business plans and investment plans approved by the AGM and the BOD.

SB also closely monitored the implementation of information disclosure obligations of listed companies, information disclosure obligations of major shareholders, internal shareholders and related persons. In 2022, there were no breaches at the Company regarding disclosure obligations.



Monitored operation of the BOD

SB participated in a number of regular meetings of the BOD, and provided comments on the issues discussed in the meeting.



Monitored the operation of the Company

SB supervised the operations of the Company through periodic inspections, directly at the Company's operating locations or indirectly through the reports of the BOM. Inspection and supervision focused on the following key areas:

- Inspected and supervised the compliance with the law, with the Resolution of the AGM 2022, the implementation of the business plan, the financial position and investment plan of the Company, the corporate governance of the Company.
- Reviewed compliance with the company's risk management regulations.
- Evaluated the implementation of the business plan and analyze the potential risks.



Monitored financial situation, investment plan and reviewed financial statements

SB performed the task of monitoring the financial situation and the implementation of financial control processes through discussion and working directly with independent auditor. SB also reviewed standalone and consolidated financial statements for the period, business data, accounting books and other documents to assess the truthfulness and reasonableness of financial data.



Settlement of shareholder petitions to the Company

In 2022, SB did not receive any request from shareholders or groups of shareholders holding 5% or more of voting shares to revise the company's operations, management of the BOD and the BOM.



Other operations of the SB

SB made periodic checkup plans, assigned specific tasks to each member and evaluated operational results.

EVALUATION OF THE SB

Based on the performance of the SB in 2022, the SB evaluated the operations of the Company and of the SB as follows:



The implementation of the provisions of law and accounting standards

The Company strictly implemented the provisions of current laws in business operations, complied with the current accounting standards in preparing financial statements and fulfilled the obligations of listed companies.



The operations of the BOD, BOM and other managers

The BOD strictly complied with the provisions of law and the Charter and Regulations on corporate governance in directing and supervising the operations of the BOM. The BOD conducted meetings, adopted appropriate and timely resolutions and decisions, positively affected the Company's business operations.

The BOM was proactive, creative and flexible in operating, implementing business strategies to capture business opportunities, ensuring compliance with risk management principles, resulting in beating the business plan approved by the AGM 2022.

The management team was dedicated, professional, put a lot of effort in management and completed the assigned work well.

In 2022, the Company completed the project of improving operational processes, implementing digital transformation projects. The project of process improvement focused on the efficiency, simplicity and thoroughness of the process, while enhancing the functions and tasks of each controlling unit, thereby increasing the effectiveness of the internal control systems within the Group.

SB did not notice any abnormal signs, not complying with the laws and regulations of the Company in the operations of the BOD, BOM and managers during the year.



Company's business performance

In 2022, the BOD, BOM and all employees of the Company made great efforts to exceed the business plan set by the GMS. In addition, the Company managed risks properly, ensured the quality of revenue, profit and cash flow, complied with the provisions of law in business operations, financial and accounting as well as information disclosure

The company's business performance in 2022

Item	2022 Plan (VND bn)	2022 Actual Performance (VND bn)	% completion of 2022 plan	YoY growth
Net Revenue	4,242.0	4,475.5	105.5%	35.9%
Profit after tax	550.0	615.6	112.0%	36.4%

OPERATION PLAN OF THE SB IN 2023

In 2023, SB will focus on the following:

- ⦿ To perform the functions and tasks specified in the Charter of the Company and the Operation Regulations of the SB.
- ⦿ To work closely with the independent auditor and the legal department to strengthen the inspection of compliance with applicable laws and internal regulations of the Company.
- ⦿ To review quarterly and full-year financial statements.
- ⦿ SB members, based on assigned task, will examine and evaluate relevant departments to strengthen risk management applied for business operations, financial controls and investment plans.

3. REMUNERATION OF THE BOD, BOM AND OTHER KEY EXECUTIVES

REMUNERATION OF THE BOD IN 2022

In 2022, the BOD did not allocate a remuneration budget and did not receive remuneration and bonuses.

REMUNERATION OF THE BOM AND OTHER KEY EXECUTIVES IN 2022

In 2022, the Company paid a total of VND 30,365,894,931 as total remuneration to the BOM and other key personnel, up 45.9% YoY.

Remuneration to each member of the BOM and other key personnel in details were as follows:

Full Name	Position	Total remuneration and benefits (VND)
Mr Le Duc Nghia	Chairman Of Subsidiaries	4,625,500,000
Ms Vo Thi Ngoc Anh	General Director	3,884,500,000
Mr Le Thanh Phong	Deputy General Director	2,698,034,999
Ms Nguyen Thi Hao	Deputy General Director	2,571,399,999
Ms Nguyen Thi Kim Thoa	Deputy General Director	2,711,399,999
Ms Nguyen Thi Duyen	Deputy General Director	3,070,175,000
Mr Ngo Tan Tri	Deputy General Director	2,602,797,500
Ms Thieu Thi Ngoc Diem	Chief Accountant	2,418,441,666
Ms Tran Thi Ngoc Tue	Head Of Internal Auditing Committee	1,599,240,768
Mr Tran Luong Thanh Tung	Person In Charge Of Information Disclosure	2,409,555,000
Mr Masao Kamibayashiyama	Business Development Director	1,774,850,000

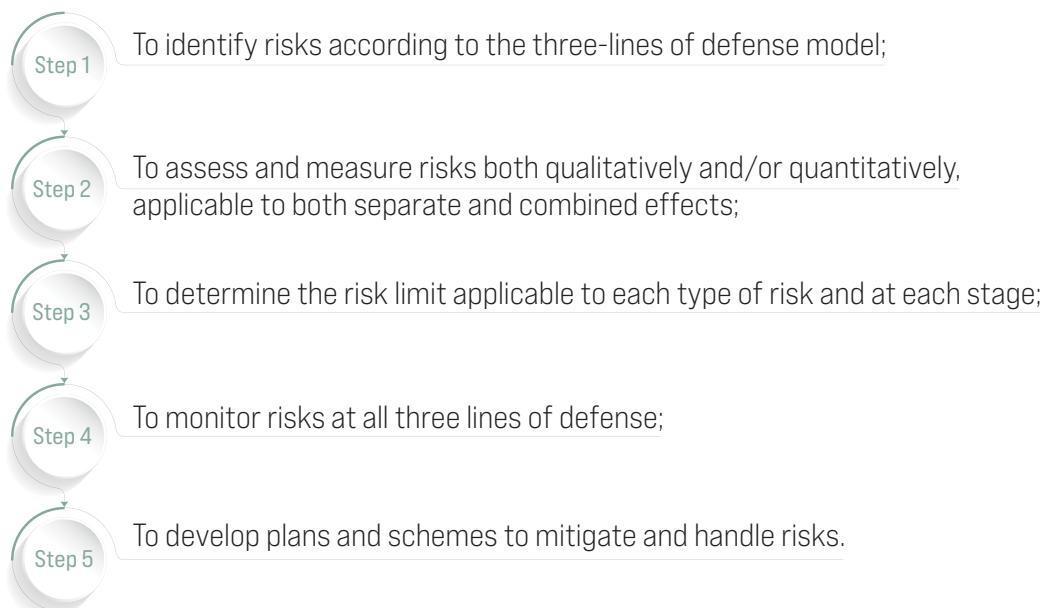
4. Risk Management

In 2022, the economy began to recover from the Covid-19 pandemic, however, the disturbance in the macro context in both domestic and international market has created unprecedented challenges for businesses. Accordingly, although operational risks relating to disease control measures had been mitigated, other risks including market risks related to the slowdown of domestic real estate sector – one of the key customer groups of An Cuong and liquidity risks relating to debt collection activities rose to higher levels. In this situation, the BOD had intensively guided the BOM to implement flexible business tactics to navigate market uncertainties, and adhered to risk management policy at the same time.

Last year, business activities of An Cuong in the domestic market marked new milestones through the expansion plan of the distribution system across the country. Net revenue and profit after tax in 2022 reached the highest level since the establishment. On the other hand, strict adherence to risk management policy helped to strengthen the balance sheet, improve profit margins and quality of cash flow in the context of weak economy.

OVERVIEW OF RISK MANAGEMENT SYSTEM

- ⦿ An Cuong has built and implemented the "**Three-lines of defense model**" mainly applied in risk management activities at Group level. In particular, the first line of defense is already at an advanced stage of completion. Accordingly, management level is responsible for reviewing, measuring risks and setting risk mitigation plan. Key tasks include, but not limited to:
 - To develop and promulgate regulations on corporate governance, financial control regulations, internal regulations to serve as basis for the implementation of business operations and at the same time, to review, revise and update to adapt to external (business environment) and internal (internal operation of the Company) changes. To perform periodic and extraordinary examinations and monitoring.
 - To promote technology application in order to improve labor efficiency, minimize errors and enhance control efficiency.
- ⦿ In addition, An Cuong has conducted research, received consultations and participated in training sessions on risk management in accordance with international standards and best practices, complied strictly with the provisions of Vietnamese law. Risk management policy is continuously implemented and monitored on Group level under the motto: "**Understanding internal structure – Adapting to external environment – Complying with the law – Applying best practices**". Risk management activities are carried out in a five-step process as follows:



Risk Identification

Risk control measures



Market risks

The Covid-19 pandemic has been controlled, but the consequences of the pandemic were still lingering in some areas. On the other hand, geopolitical tensions continued to escalate, affecting the global economy. Under that impact, the supply chain faced the risk of disruption or delay, putting pressure on the prices of input materials, directly affecting the production operations of the Company.

One of the key customer groups of An Cuong is real estate corporations. From 2020 and especially during the second half of 2022, the real estate market in Vietnam was heavily affected by many challenges. Business operations, financial health of this group of customers were smashed and showed warning signs. Industry wide disturbances coupled with weak financial health of each business had led to the decrease in purchasing power and affect the ability to pay financial obligations of this group of customers.

The tough business environment over last year brought cashflow problems to many businesses.



Financial risks

Due to the need of additional capital for business recovery activities after a prolonged pandemic period, banks' credit growth quota in the past year has been quickly dried up.

The large amount of corporate bonds coming due and/or being required to buy back before maturity put liquidity pressures on issuers, especially real estate corporations.

Forecasted and updated on fluctuations in the price of input materials to have an appropriate business plan. In 2022, An Cuong intensively stocked raw materials, well organized the warehouse and logistics operations to ensure sufficient sources of raw materials for production at peak periods.

Worked closely with raw material suppliers to stabilize supply and mitigate the fluctuations in input material prices.

Since 2020, when figured out potential risks of real estate market, An Cuong has actively reduced the proportion of revenue from real estate developers. The Company has conducted periodic revision of financial health of each customer and applied appropriate sales policies accordingly. The Company imposed the strict policy to not take credit risk in return for revenue.

Shifted focus to Designers and Project Contractors, Distributors & Agencies group of customers that could fulfill the requirements of high creditability and/or payment ability.

Expanded export markets, in the view of profitable market, customers and orders. An Cuong's products have been qualified as high quality to enter choosy markets and are increasingly penetrating into these markets.

Tended to be conservative in sales activities and tightened sales policies, especially for real estate developers to ensure the ability to collect receivables and secure cash flow.

Financial investment activities were conducted with caution.

KEY RISKS IN 2022 (continued)

	Risk Identification (continued)	Risk control measures (continued)
 Financial risks (continued)	<p>Both bank deposit rates and lending rates increased sharply from the second half of 2022. Exchange rates highly fluctuated. Vietnam Dong depreciated unexpectedly against USD.</p>	<p>According to the financial report, as at end of 2022, An Cuong had more than VND 1,436.8 billion in cash and deposits, along with more than VND 813.7 billion in short-term loans. The Company regularly reviewed the macroeconomic situation, interest rate policies of the FED, the State Bank of Vietnam and domestic commercial banks to implement continuous restructuring of deposits and loans, especially those foreign currency-based loans in order to optimize financial activities.</p>
 Health, safety and environmental risks	<p>The industrial wood processing industry has a certain connection with forestry industry.</p> <p>Daily operations of An Cuong including manufacturing activities at the factories, operations at the headquarter and other business locations can pose potential risks that could affect the environment such as industrial waste, domestic waste, etc.</p> <p>Also, during production, there are always risk factors that can lead to labor accidents, directly harm employees' health, as well as cause property damage, and indirectly create consequences on the reputation of the Company and An Cuong brand.</p>	<p>An Cuong's input materials are produced from roots, tree tops and are by-products from the process of exploiting rubber wood and melaleuca wood. These are salvaged wood and are the strength of Vietnam's forestry industry. Indeed, the raw materials for industrial wood production are from agricultural and forestry waste, which does not harm the green environment and could help foresters to gain more income, so it has a positive impact in promoting afforestation, forest protection and expanding forest area.</p> <p>Adopted and maintained ISO 14001 – a system to control and minimize environmental impacts, applicable to all departments, business locations and operation of the whole Company.</p> <p>Developed programs and organized regular trainings on occupational safety and fire prevention to enhance the awareness of employees.</p>
 Legal risks	<p>Policies and legal regulations are regularly updated, adjusted or changed, causing impacts on business operations.</p> <p>The Company is currently expanding our export markets, so we may face legal risks regarding rules of origin, anti-dumping, tax evasion, etc.</p>	<p>The company's legal department has actively updated regulations and legal documents to promptly adjust internal processes and documents.</p> <p>Actively coordinated with relevant authorities and professional law consulting firms when needed.</p>



Operational risks

Issues could arise when internal processes are not regularly updated, or not strictly adhered to, that can lead to legal, financial or reputational damage to the business.

Properly promulgated and implemented policies, guidelines, internal regulations. Regularly updated, organized training and monitored implementation to improve the compliance of employees.

In the light of current management and internal control system
at An Cuong, the BOD concludes that the Company has been maintaining a lean system, appropriate to the operating model of the Company and in accordance with international best practices. Checkpoints have been set up and improved accordingly to changes in the internal policies, regulations and professional guidelines met international standards as well as integrated with An Cuong's technology platform.

Applied technology to internal processes to minimize risks during operations. The company put the SAP ERP system into operation in 2017. In 2022, An Cuong has qualified and put into operation the project to improve and digital transform operational processes. Established and cultivated corporate culture towards transparency, anti-negativity/fraud, anti-waste.

Regularly updated and strictly adhered to the provisions of the law regarding corporate governance, other specialized legal regulations such as corporate law, securities law, accounting law, etc. as well as complied with international regulations/standards/best practices on quality control, environment protection, production and business organization.

Established and implemented reward policies to encourage compliance and creativity in operations. At the same time, imposed internal measures to facilitate prevention activities, to minimize errors and fraud in operations.



Brand risks

Counterfeit products, brand imitation and plagiarism threaten not only the Company's revenue and profit but also affect consumer confidence in An Cuong's products.

Established dedicated team to conduct product inspection and verification as per customers' requests.

Applied technology through the use of QR codes for product traceability, in order to quickly verify product authenticity and limit counterfeit products.

The risk of social media crisis could arise regarding fake news, and rumors that negatively impact the reputation of An Cuong brand and An Cuong stock code - ACG.

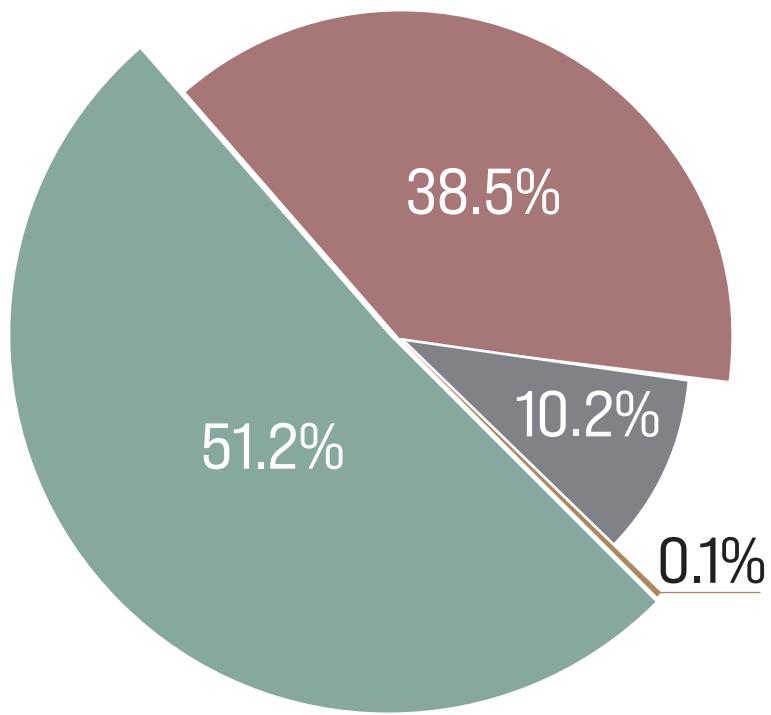
Marketing and Public Relations department has carried out media monitoring about An Cuong and ACG in order to promptly handle arising situations.

5. Shareholder Information & Investor Relations Activities

On 10 October 2022, An Cuong's 135.8 million shares - ticker ACG were officially listed on Ho Chi Minh Stock Exchange (HOSE).

Ticker	ACG
Exchange	Ho Chi Minh City Stock Exchange (HOSE)
Number of ordinary shares as at 31/12/2022	135,846,122 shares
Number of outstanding shares as at 31/12/2022	135,836,522 shares
Number of treasury shares as at 31/12/2022	9,600 shares
2021 dividend payment in cash (1st tranche)	5% (01 share received VND 500)
• Ex-Dividend Date	07/03/2022
• Record date	08/03/2022
• Payment date	21/03/2022
2021 dividend payment by stock	2:1 (02 shares received 01 new share)
• Ex-Dividend Date	13/04/2022
• Record date	14/04/2022
• Issuance date	14/04/2022
• Number of shares issued	43,820,348
Increased charter capital by offering additional shares to existing shareholders	VND 43,754,300,000
• Issuance date	15/04/2022
• Number of shares issued	4,375,430 shares
• Exercise ratio	100:5 (100 shares were entitled to buy 5 new shares)
• Par value	VND 10,000/ share
2021 dividend payment in cash (2nd tranche)	20% (01 share received VND 2,000)
• Ex-Dividend Date	16/06/2022
• Record date	17/06/2022
• Payment date	28/06/2022
2022 advanced dividend payment in cash (1st tranche)	11% (01 share received VND 1,100)
• Ex-Dividend Date	14/10/2022
• Record date	17/10/2022
• Payment date	04/11/2022

SHAREHOLDER STRUCTURE



● Local Retail investors

● Foreign Institutional investors

● Foreign Retail investors

● Foreign Institutional investors

As at 18/11/2022

MAJOR SHAREHOLDERS' OWNERSHIP

No.	Shareholder	Number of shares	% ownership
1	NC Viet Nam Investment Company Limited	67,984,860	50.05%
2	Sumitomo Forestry Ltd (Singapore)	26,641,279	19.61%
3	Whitlam Holding Pte Ltd	24,542,700	18.07%

INVESTOR RELATIONS ACTIVITIES IN 202

An Cuong engaged investor relations activities in a proactive approach in order to provide official and timely information to the investors, at the same time ensuring transparency and fairness between groups of shareholders. Last year, the Company continued to strengthen the relationship with existing shareholders while reaching out to potential domestic and foreign investors as well as maintaining our commitment to contribute to a transparent and healthy capital market.

IR activities during 2022

Disclosed information in a proactive and transparent manner

- ⦿ Disclosed information in accordance with the provisions of Circular 96/2020/TT-BTC on guidance on information disclosure on the stock market.
- ⦿ Remained updated and adhered to the most updated regulations on information disclosure by the Ministry of Finance and relevant authorities.
- ⦿ Updated and disclosed information in both English and Vietnamese.
- ⦿ In 2022, An Cuong successfully held an EGM in online format. With a proper data transmission system, along with simple attendance instructions, An Cuong ensured all shareholders, with equipment connected to the Internet, could attend the meeting effectively and conveniently. Also, the meeting was conveyed in both English – Vietnamese, ensuring the ability to capture information for all shareholders.
- ⦿ Information disclosure channels were maintained as follows:
 - The website of An Cuong www.ancuong.com is presented clearly and professionally so that shareholders and investors could easily access to official information provided by An Cuong.
 - Information disclosure systems: IDS of The State Securities Commission and ECM of HOSE.
 - The Company's IR department promptly handled requests/queries from shareholders via the email - ir@ancuong.com.
 - Other social media channels

Strengthen communication with the investors

- ⦿ Regularly organized visits to showrooms, offices and factories to introduce investors the core activities of An Cuong;
- ⦿ Analyst/Brokerage/Private meetings were conducted in cooperation with financial institutions to address investor concerns;
- ⦿ Released periodic updates on financial performance of An Cuong through website and IR materials.

IR PLAN IN 2023

- ⦿ To maintain communication via meetings with investors/analysts/brokers, direct meetings with financial institutions at investment events and seminars;
- ⦿ To update on An Cuong's performance at quarterly meeting;
- ⦿ To disclose IR materials including: financial statements, IR reports to update official information timely to investors.



6. Analysis And Evaluation Of Corporate Governance Based On ASEAN Corporate Governance Scorecard

Professional, effective and transparent corporate governance is always the foundation for sustainable development. As the leading company in industrial wood industry in terms of market share in Vietnam that listed on HOSE, corporate governance activities at An Cuong have fully met the criteria and requirements by Vietnamese law, best practices and step by step integration with international standards. Corporate governance activities increasingly affirm their role in strengthening business operations as well as in achieving sustainable development over the medium and long term.

The assessment based on the ASEAN Corporate Governance Scorecard has been implemented since 2011. This was one of the important projects of the representative agency of the Minister of Finance of

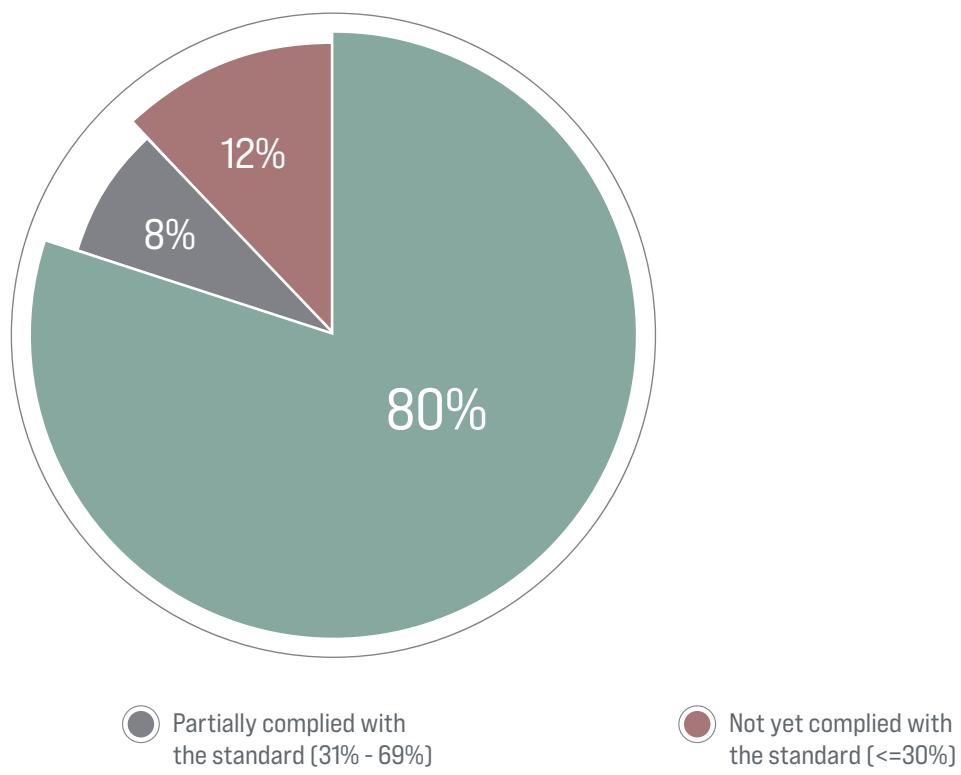
ASEAN countries and supported by the Asian Development Bank (ADB) through technical assistance in the region to promote ASEAN capital market integration. The objective of the ASEAN Corporate Governance Scorecard is to enhance the image of good ASEAN companies and make the opportunity more attractive to global investors, improving liquidity and corporate values.

In particular, 5 different principles of corporate governance have been comprehensively evaluated, including: (i) Rights of Shareholders, (ii) Equitable treatment among shareholders, (iii) The role of stakeholders, (iv) Information disclosure and transparency and (v) The role and responsibilities of the BOD. In detail, these 5 principles are divided into 2 levels as follows:

1. Level 1: 146 basic standards
2. Level 2: 13 bonus standards and 25 penalty standards.

General assessment on corporate governance practices of An Cuong in 2022

Out of 184 standards evaluated, in 2022 An Cuong has fully complied with 147 standards, partially complied with 15 standards and not yet complied with 22 standards, specifically as follows:



Source: An Cuong

- **Ensured the basic rights of shareholders.** An Cuong constantly strove to implement practices that shareholders can exercise their rights and obligations as prescribed by law in a fair, complete and timely manner. In 2022, An Cuong held an AGM and an EGM to get approvals for resolutions from the General Meeting of Shareholders (GMS). Meeting invitations and documents were sent to shareholders at the registered address on time as prescribed by law. The meeting documents were published on the company website and was presented in both Vietnamese and English.
- **Paid attention to interests of stakeholders.** An Cuong strove to accomplish our commitments to stakeholders. The Company proceeded payments on time including bank loans, payables to suppliers, liabilities to employees and payables to the State, social insurance agency, etc. In addition, An Cuong disclosed periodic information about business operations, quarterly/semi-annual/annual financial statements on the company website and in the other social media channels; conducted investor meetings, analyst meetings, etc.
- **Completed internal regulations and processes on corporate governance, improved the effectiveness of corporate governance activities.** Adding to the regulations related to corporate governance activities that have been fully promulgated in the period before 2022, during 2022, An Cuong has implemented the project to improve the entire operating process in both the parent company and our subsidiaries. The Company also implemented a project to facilitate digital transformation of operational processes in order to improve operational efficiency, reduce operational risks and enhance internal control processes. An Cuong continued to review and work with international consultants to adapt to advanced requirements under international standards.
- **Enhanced the BOD structure.** At the end of 2022, An Cuong convened an EGM to elect board members for a new 5-year term (2022–2027). The current BOD's structure is assessed to be balanced and appropriate as it comprises experienced members with knowledge and understanding of governance, law, furniture industry, finance, securities, marketing and real estate as well as these members fully understand the responsibilities and duties as a member of the BOD (executive members, non-executive members and independent members). This structure also fulfills the requirements that at least one-third of the BOD's members are non-executive members and two out of seven the BOD's members are independent members to ensure independence and objectivity in activities of the BOD.
- **Transparency, completeness and timeliness in information disclosure activities.** An Cuong improved information disclosure activities, ensuring transparency, completeness and timeliness as well as enhancing accessibility to information for both local and foreign shareholders. In 2022, An Cuong built up the Investor Relations department and released the Investor Relations reports on a monthly/quarterly/yearly basis. Information disclosures were issued in both Vietnamese and English.

ASSESSMENT OF CORPORATE GOVERNANCE PRACTICES OF AN CUONG IN 2022 BASED ON THE ASEAN CORPORATE GOVERNANCE SCORECARD

Note:

- Green: Properly complied with the standard (>=70%)
- Gray: Partially complied with the standard (31% - 69%)
- Red: Not yet complied with the standard (<=30%)

BASIC STANDARDS

No.	Criteria	Evaluation basis for 2022		Evaluation basis for 2022	Notes/Improvement plan
		2021	2022		
A	RIGHTS OF SHAREHOLDERS				
A.1	Basic Rights of Shareholders				
A.1.1	Does the company pay (interim and final/annual) dividends in an equitable and timely manner; that is, all shareholders are treated equally and paid within 30 days after being (1) declared for interim dividends and (2) approved by shareholders at general meetings for final dividends? In case the company has offered "Script dividend", did the company paid the dividend within 60 days?	●	●	Resolution of the General Meeting of Shareholders (GMS) No. 09-2022/NO-GAC dated 06/06/2022 approving the 2021 dividend plan, the 2022 dividend payment plan. The Board of Directors (BOD) shall operate based on the Plan approved by the GMS and implement the dividend plan in accordance with the Law and Charter of the Company to ensure timeliness and equality among shareholders. The company does not pay dividends by "script dividend" method.	
A.2	Right to participate in decisions concerning fundamental corporate changes				
A.2.1	Do shareholders have the right to participate in Amendments to the company's charter or equivalent documents?	●	●	Shareholders are entitled to participate in amending the Charter of the Company or equivalent management documents of the Company, specified in Clause 2 Article 12, Clause 2 Article 15 of the Charter of the Company.	
A.2.2	Do shareholders have the right to participate in authorization of additional shares?	●	●	Shareholders are entitled to participate in voting on the issuance of additional shares of the Company at the Annual General Meeting of Shareholders (AGM) or through the form of collecting written opinions of shareholders as prescribed in Article 15 of the Charter of the Company.	
A.2.3	Do shareholders have the right to participate in the transfer of all or substantially all assets, which in effect results in the sale of the company?	●	●	Shareholders are entitled to participate in voting for the transfer of assets of the Company with a value of 35% or more of the total assets recorded in the latest financial statements, specified at Point o, Clause 2, Article 15 of the Charter of the Company.	
A.3	Right to participate effectively in and vote in general shareholder meetings and should be informed of the rules, including voting procedures, that govern General Meeting of Shareholder.				
A.3.1	Do shareholders have the opportunity, evidenced by an agenda item, to approve remuneration or any increases in remuneration for the non-executive member of the BOD?	●	●	Shareholders are entitled to attend and vote at the AGM to approve the remuneration of the BOD. Documents on the remuneration of the BOD are available to shareholders before the meeting.	
A.3.2	Does the company provide non-controlling shareholders a right to nominate candidates for the BOD?	●	●	Shareholders are entitled to control the nomination of Member of the BOD by previewing the resume of each nominee published by the Company on the website. In addition, shareholders can also nominate candidates for the BOD according to Clause 2, Article 25 of the Charter of the Company and Article 155 of the Law on Enterprises.	
A.3.3	Does the company allow shareholders to elect member of the BOD individually?	●	●	Shareholders elect each Member of the BOD by voting at the GMS or submitting election ballots in written form via shareholder opinion collection. In submitting to the GMS on the election of members of the BOD, the BOD shall formulate the Election Regulations and submit these Regulations to the GMS for approval before conducting the election.	
A.3.4	Does the company disclose the voting procedures used before the start of a GMS?	●	●	Before conducting the GMS, the Organizing Committee submits the Regulation on Operation at the GMS for approval.	
A.3.5	Do the minutes of the most recent GMS record that the shareholders were given the opportunity to ask questions and the questions raised by shareholders and answers given recorded?	●	●	The minutes of the 2022 Extraordinary General Meeting of Shareholders (EGM) record the questions, recommendations of shareholders and the responses of the Presidium.	
A.3.6	Does the company disclose the voting results including approving, dissenting, and abstaining votes for all resolutions/each agenda item for the most recent GMS?	●	●	The minutes of the vote counting and the minutes of the meeting contain the number of votes for, against and abstain.	
A.3.7	Does the company disclose the list of members of the BOD who attended the most recent AGM?	●	●	At the AGM 2022, the Company announced all members of the BOD in attendance and acknowledged the Board Members attendance in the Meeting Minutes.	
A.3.8	Does the company disclose all members of the BOD and the Board of Management (BOM) attended the most recent AGM?	●	●	At the AGM 2022, the Company announced all members of the BOD and BOM who attended and acknowledged attendance at the Minutes of the AGM.	
A.3.9	Does the company allow voting in absentia?	●	●	Shareholders can vote through proxies or vote remotely in writing or through the electronic system applied by the Company in accordance with Clause 2 Article 13 of the Charter of the Company.	
A.3.10	Does the company vote by poll (as opposed to by show of hands) for all resolutions at the most recent GMS?	●	●	The Company votes by poll applied for all resolutions at the GMS or for written shareholders' opinions. Accordingly, one common share is equivalent to one vote.	
A.3.11	Does the company disclose that it has appointed an independent party to count and/or validate the votes at the AGM?	●	●	At the AGM, the Company nominated and was approved by the GMS on the personnel of the Vote Counting Committee. For the online AGM, the Company used vote-counting software provided by a 3rd party.	

A.3.12	Does the company make publicly available by the next working day the result of the votes taken during the most recent GMS for all resolutions?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company publicly announces the voting results for all resolutions approved by the GMS [Information disclosure obligations within 24 hours]	
A.3.13	Does the company provide at least 21 days notice for all AGMs and EGMs?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company strictly fulfills the obligations to provide notice for all the Annual/Extraordinary General Meeting of Shareholders	
A.3.14	Does the company provide the rationale and explanation for each agenda item which requires shareholders' approval in the notice of GMS/ Circulars and/or the accompanying statement?			The company discloses on the website all documents for each resolution to be submitted to the GMS.	
A.3.15	Does the company give the opportunity for shareholders to place item/s on the agenda of AGM?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Specified at Clause 4 Article 18 of the Charter of the Company, according to which Shareholders are entitled to propose issues to be included in the agenda of the AGM.	
A.4	Markets for corporate control should be allowed to function in an efficient and transparent manner.				
A.4.1	In cases of mergers, acquisitions and/or takeovers requiring shareholders' approval, does the BOD of the company appoint an independent party to evaluate the fairness of the transaction price?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has not yet experienced this case, if any arises, the company will consider appointing an independent party to assess the fairness of the transaction price.	
A.5	The exercise of ownership rights by all shareholders, including institutional investors, should be facilitated.				
A.5.1	Does the company disclose its practices to encourage shareholders to engage the company beyond GMS?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Shareholders may exercise the rights specified at Article 12 of the Charter of the Company. The Investor Relations Department of the Company has periodic activities for the purpose of communicating with shareholders and investors to encourage shareholder participation outside the GMS	
B	EQUITABLE TREATMENT OF SHAREHOLDERS				
B.1	Shares and Voting Rights				
B.1.1	Do the company's ordinary or common shares have one vote for one share?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	This is prescribed in the Charter of the Company and the Regulation on Operation of the GMS. In addition, the meeting minutes of the GMS show that each ordinary share of the Company is equivalent to one vote.	
B.1.2	Where the company has more than one class of shares, does the company publicize the voting rights attached to each class of shares?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not experience this case yet. If any, when a shareholder attends the GMS or in case of collecting written opinions from shareholders, each shareholder's voting card or written shareholder's opinion form will show the number of shareholders' votes corresponding to each class of shares owned.	
B.2	Notice of AGM				
B.2.1	Does each resolution in the most recent AGM deal with only one item, i.e., there is no bundling of several items into the same resolution?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Each resolution submitted for approval at the AGM is expressed in separate issues and is expressed in separate items when presented in the Resolution. The Company does not separate each issues to present in each separate Resolution.	
B.2.2	Are the company's notice of the most recent AGM fully translated into English and published on the same date as the local-language version?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Notices and meeting documents related to the GMS as well as the information disclosures are published in Vietnamese-English bilingual format.	
B.2.3	Are the profiles of members of the BOD/ in seeking election/re-election included?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company discloses and posts on the website the resumes of each member to be elected/re-elected to the BOD.	
B.2.4	Are the auditors seeking appointment/re-appointment clearly identified?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Independent auditors ready to be elected/re-elected are clearly listed	
B.2.5	Were the proxy documents made easily available?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The power of attorney to attend the AGM is posted on the Company's website and hard copy is also sent to each Shareholder at the address registered by the Shareholder.	
B.3	Insider trading and abusive self-dealing should be prohibited.				
B.3.1	Does the company have policies and/or rules prohibiting members of the BOD and employees to benefit from knowledge which is not generally available to the market?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in Article 40 of the Charter of the Company - Responsibility to be honest and avoid conflicts of interests of members of the BOD, BOM, Executives of the Company and persons related to these individuals.	
B.3.2	Are the members of the BOD required to report their dealings in company shares within 3 business days?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not have its own regulations on this matter. However, members of the BOD are obliged to disclose information as prescribed in Circular No. 96-2020/TT-BTC Providing guidelines on disclosure of information on securities market.	
B.4	Related party transactions by directors and key executives.				
B.4.1	Does the company have a policy requiring members of the BOD to disclose their interest in transactions and any other conflicts of interest?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in Article 40 of the Charter of the Company.	

B.4.2	Does the company have a policy requiring a committee of independent directors to review material Related party transactions (RPTs) to determine whether they are in the best interests of the company and shareholders?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company did not set up a committee for this matter. However, the BOD regularly reviews and comments/approves these transactions to serve the best interests of the Company and shareholders.	
B.4.3	Does the company have a policy requiring members of the BOD to abstain from participating in the board discussion on a particular agenda when they are conflicted?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Members of the BOD who have conflict-of-interest transactions with the Company will not participate in the voting according to the provisions of Clause 15 Article 30, Clause 5 Article 40 of the Charter of the Company.	
B.4.4	Does the company have policies on loans to members of the BOD either forbidding this practice or ensuring that they are being conducted at arm's length basis and at market rates?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Specified at Clause 4 Article 40 of the Charter of the Company, the Company is not allowed to grant or guarantees loans for members of the BOD	
B.5	Protecting minority shareholders from abusive actions				
B.5.1	Does the company disclose that RPTs are conducted in such a way to ensure that they are fair and at arms' length?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Specified at Article 40 of the Charter of the Company, according to which the Company is responsible for submitting the Draft Contract, transaction, explaining the items of the transaction for approval by the BOD/GMS. Once the transaction is approved, the Company shall make necessary information disclosure.	
B.5.2	In case of related party transactions requiring shareholders' approval, is the decision made by disinterested shareholders?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Specified at Article 40 of the Charter of the Company, only shareholders with related interests are not allowed to vote.	
C	THE RIGHTS OF STAKEHOLDERS				
C.1	The interests of related parties are regulated by law or by bilateral agreements must be respected				
C.1.1	The existence and scope of the company's efforts to address customers' welfare?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Regulation on Corporate Governance ensure the interests of related parties. The Company and its clients jointly sign agreements on information confidentiality and anti-corruption and bribery in business activities to protect the interests of the parties.	
C.1.2	Supplier/ contractor selection procedures?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Specified in the Sub-contractor Quotation Process and a number of other policies related to purchasing and sourcing activities issued by the Company.	
C.1.3	The company's efforts to ensure that its value chain environmentally friendly or is consistent with promoting sustainable development?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company remains attention to issues regarding welfare, environmental protection, common interests of the Community and social responsibility of the Company, reflected by achieving Green Label certification issued by Singapore - the most prestigious certificate in the region for green, clean and environmentally friendly; ISO 1400:2015 certification; ISO 9001:2015 certification.	
C.1.4	The company's efforts to interact with the communities in which they operate?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company always carries out the mission of social and community responsibility not only in the area where the Company operates but also expands to many other provinces and cities across the country. In 2022, the Company spent more than VND 5 billion sponsoring charity and social responsibility activities. In particular, the Company has spent VND 2.5 billion to accompany the Vietnam Children's Fund.	
C.1.5	The company's anti-corruption programs and procedures?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has issued anti-corruption and bribery policies to create a clean environment in business cooperation. In addition, the Company and its customers/partners also signed agreements on the commitment to enforce transparency and prevent corruption in business activities.	
C.1.6	How are creditors' rights safeguarded?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company always maintains commitments to creditors. The company always pays on time for bank loans, debts payable to suppliers, payables to employees and payables/payables to the state, social insurance agencies, etc. In addition, the Company always publishes periodic information in regards to business activities (monthly), announces financial statements (quarterly/yearly) on the Company's website and on the mass media.	
C.1.7	Does the company have a separate report/section that discusses its efforts on environment/economy and social issues?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company prepares the Sustainable Development Report section on the Annual Report and publish the information on website.	
C.2	Where stakeholder interests are protected by law, stakeholders should have the opportunity to obtain effective redress for violation of their rights.				
C.2.1	Does the company provide contact details via the company's website or Annual Report which stakeholders can use to voice their concerns and/or complaints for possible violation of their rights?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company provides extensive contact information on the website and in the Annual Report	
C.3	Mechanisms for employee participation should be permitted to develop.				

C.3.1	Does the company explicitly disclose the policies and practices on health, safety and welfare for its employees?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has health policies such as female labor policy, policy that prohibits the use of child labor, and safety and protection policies for employees such as policy that prohibits forced labor, gender equality policy, and child support policy.	
C.3.2	Does the company explicitly disclose the policies and practices on training and development programs for its employees?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Shown in the Human Resources Management Section of the Annual Report 2021 and 2022. Skills training and knowledge training programs are distributed to all employees by the Company through internal email system. In addition to internal training, the Company has provided external training costs such as HSSE, SA, ISO, 5S practice, labor code application training...	
C.3.3	Does the company have a reward/compensation policy that accounts for the performance of the company beyond short-term financial measures?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has issued and implemented reward and compensation policies both in the long and short term to encourage employee engagement, recognize employee contributions and increase productivity. Some reward programs that have been implemented include: issuing ESOPs for employees, seniority bonuses, annual bonuses, bonuses on the spot for achievements/improvement initiatives...	
C.4	Stakeholders including individual employee and their representative bodies, should be able to freely communicate their concerns about illegal or unethical practices				
C.4.1	Does the company have a whistle blowing policy which includes procedures for complaints by employees and other stakeholders concerning alleged illegal and unethical behavior and provide contact details via the company's website or annual report	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Shown in the Employee Handbook, Labor Regulations, Complaint/ Whistle blower Process, etc. This information is received through various channels. Specifically: via hotline/ email address on the Company's website, chat box on fanpage, phone number/ email of all management levels, directly reflected to leaders or at leadership meetings and briefings, etc.	
C.4.2	Does the company have a policy or procedures to protect an employee/person who reveals alleged illegal/unethical behavior from retaliation?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has implemented a "Comment Box" for employees to record their thoughts, aspirations and feedbacks to the BOD. There is also a Complaint Resolution Policy, Anti-Harassment and Abuse Policy to protect employees, nonconformity control and corrective (CAR) procedures.	
D	DISCLOSURE AND TRANSPARENCY				
D.1	Transparent Ownership Structure				
D.1.1	Does the information on shareholdings reveal the identity of beneficial owners, holding 5% shareholding or more?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual Report, the Company's corporate governance report in the first half/full year and disclosed on the Company's website.	
D.1.2	Does the company disclose the direct and indirect (deemed) shareholdings of major and/or substantial shareholders?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual Report, the Company's corporate governance report in the first half/full year and disclosed on the Company's website.	
D.1.3	Does the company disclose the direct and indirect (deemed) shareholdings of members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in the Company's corporate governance report for the first half /full year and disclosed on the Company's website.	
D.1.4	Does the company disclose the direct and indirect (deemed) shareholdings of BOM?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in the Company's corporate governance report for the first half /full year and disclosed on the Company's website.	
D.1.5	Does the company disclose details of the parent/holding company, subsidiaries, associates, joint ventures and special purpose enterprises/ vehicles (SPEs)/ (SPVs)?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Disclosed in Annual Report for 2021, 2022 and Financial Statements.	
D.2	Quality of Annual Report				
D.2.1	Corporate Objectives	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Report on Operation Section).	
D.2.2	Financial Performance indicators	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Report on Operation Section).	
D.2.3	Non-Financial Performance indicators	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Sustainable development Section).	
D.2.4	Dividend Policy	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Report on Operation Section).	
D.2.5	Biographical details of all members of the BOD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Introduction of BOD Section).	
D.2.6	Attendance details of each member of the BOD in all directors meetings held during the year	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in the Annual report 2022 (Report of the BOD section) and the Annual Corporate Governance Report.	
D.2.7	Total remuneration of each member of the BOD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in Annual report 2022 (Corporate Governance section).	
D.2.8	Does the Annual Report contain a statement confirming the company's full compliance with the code of corporate governance and where there is non-compliance, identify and explain reasons for each such issue?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	This content is presented in the Annual report 2022 (Report of the BOD and Report of the Supervisory sections)	
D.3	Disclosure of Related Party Transactions (RPTs)				
D.3.1	Does the company disclose its policy covering the review and approval of material RPTs?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Article 40 of the Charter of the Company regulates the authority to approve transactions with RPTs	

D.3.2	Does the company disclose the name, relationship, nature and value for each material RPTs?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Disclosure on the company's website, Investor Relations Section - Information Disclosure - Other information disclosure.	
D.4	BOD dealings in the shares of the company				
D.4.1	Does the company disclose trading in the company's shares by insiders?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Disclosure on the company's website, Investor Relations Section - Information Disclosure - Other information disclosure.	
D.5	External Auditor and Auditor Report				
D.5.1	Are the audit and non-audit fees disclosed?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	ACG's audit service fee in 2022: VND 1,080,000,004. ACG's non-audit service fee in 2022 (Mainly tax consultancy): VND 645,877,500	
D.5.2	Does the non-audit fee exceed the audit fees?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	ACG's non-audit services fee is lower than the audit services fee	
D.6	Medium of Communications				
D.6.1	Quarterly Reporting	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company publishes consolidated financial statements and standalone financial statements quarterly in bilingual format (Vietnamese and English). In addition, the Company also publishes monthly and quarterly IR reports.	
D.6.2	Company website	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company always updates and fully discloses the information required to be disclosed in accordance with the law as well as other information related to the Company's operations in bilingual format (Vietnamese and English).	
D.6.3	Analyst's briefing	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company takes the initiative and works with analysts quarterly. In addition, the Company also meets and updates additional information with analysts to better convey the Company's activities.	
D.6.4	Media briefings/ press conferences	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company actively meets and works with media agencies at analyst/brokerage meetings, or GMS. Regularly update the Company's operation activities and promote products/ activities on mass media.	
D.7	Timely filing/ release of annual/ financial reports				
D.7.1	Are the audited annual financial report / statement released within 120 days from the financial year end?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company always complies with the regulations on disclosure of financial statements.	
D.7.2	Is the annual report released within 120 days from the financial year end?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company always complies with the regulations on disclosure of annual report. However, 2021 annual report was late due to the impact of the pandemic.	
D.7.3	Is the true and fairness/ fair representation of the annual financial statement/reports affirmed by the BOD and/or the relevant officers of the company?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Annual financial statements are affirmed truthfully and reasonably by Members of the BOD and BOM.	
D.8	Company Website				
D.8.1	Financial statements/reports (latest quarterly)	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Information is published fully and periodically updated on the Company's website in the Investor Relations/Financial Statements and IR sections.	
D.8.2	Materials provided in briefings to analysts and media	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Information is published fully and periodically updated on the Company's website in bilingual format (English – Vietnamese). Including but not limited to documents such as: financial statements, annual reports, Corporate governance reports, IR reports, Introduction on the Company/ products/ activities etc.	
D.8.3	Downloadable Annual Report	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Information is provided fully and periodically updated on the Company's website in the Investor Relations/Financial Statements and IR sections. Investors/Shareholders can download the documents.	
D.8.4	Notice of AGM and/or EGM	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The information is distributed directly to the email or home address provided by the shareholder. In addition, notices, meeting invitations and meeting materials are published on the Company's website in the Investor Relations/ Information Disclosure/ General Meeting of Shareholders section.	
D.8.5	Minutes of AGM and/or EGM	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Information is published and posted on the Company's website fully and on time as prescribed by law. Shareholders and investors can access the Company's website in the Investor Relations/ Information Disclosure/ General Meeting of Shareholders section	
D.8.6	Company's constitution	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Information is provided, posted and updated fully and regularly on the Company's website in the Investor Relations/ Corporate Information section. The main information includes: Charter of the Company, Prospectus, Regulations on corporate governance, etc.	

D.9	Investor Relations				
D.9.1	Does the company disclose the contact details of the officer / office responsible for investor relations?	●	●	Information is fully provided and disclosed through many channels/documents such as: Company's website, annual reports, quarterly IR reports, other documents sent to investors/shareholders.	
E	BOD DUTIES				
E.1	BOD Responsibilities				
E.1.1	Does the company disclose its corporate governance policy / board charter?	●	●	Information is provided fully and up-to-date on the Company's website in the Investor Relations/ Corporate Information section.	
E.1.2	Are the types of decisions requiring BOD' approval disclosed?	●	●	Information is published in the Corporate Governance Reports in the first 6 months of the year/full year, annual reports. The provisions of Clause 17, Article 30 of the Charter of the Company lists out the types of decisions that must be approved by members of the BOD;	
E.1.3	Are the roles and responsibilities of the BOD clearly stated?	●	●	Stipulated at Article 27 of the Charter of the Company, Article 4 of the Internal Regulations on Corporate Governance, Chapter II of the Regulation on Operation of the BOD	
E.1.4	Does the company have an updated vision and mission statement?	●	●	Published in the Annual report 2022 (General Information Section).	
E.1.5	Does the BOD play a leading role in the process of developing and reviewing the company's strategy at least annually?	●	●	Stipulated at Article 27, Article 30 of the Charter of the Company and shown in the 2022 Annual report (Report of the BOD section).	
E.1.6	Does the BOD have a process to review, monitor and oversee the implementation of the corporate strategy?	●	●	Stipulated at Article 27, Article 30 of the Charter of the Company and shown in the 2022 Annual report (Report of the BOD section).	
E.2	Board Structure				
E.2.1	Are the details of the code of ethics or conduct disclosed?	●	●	The company does not have a fully documented Code of Ethics or Conduct yet. However, the Company has issued other policies related to codes of ethics and conduct and announced for all employees to implement.	
E.2.2	Are all members of the BOD, BOM and employees required to comply with the code/s?	●	●	The Company informs all members of the BOD, BOM and employees to comply with the Policies related to the code of ethics and conduct.	
E.2.3	Does the company have a process to implement and monitor compliance with the code/s of ethics or conduct?	●	●	The manner in which compliance is implemented and monitored is specified in the respective Policies and publicly disclosed.	
E.2.4	Do independent directors make up at least 50% of the BOD?	●	●	Independent members of the BOD account for 1/3 of the members of the BOD, complying with the provisions of Article 26 of the Charter of the Company and Clause 4 Article 276 of Decree 155/2020/NĐ-CP.	
E.2.5	Does the company have a term limit of nine years or less or 2 terms of five years each for its independent directors?	●	●	Stipulated at Article 26 of the Charter of the Company, the term limit of an independent member of the BOD is not more than 02 consecutive terms (each term does not exceed 05 years).	
E.2.6	Has the company set a limit of five board seats that an individual independent/non-executive director may hold simultaneously?	●	●	The company does not regulate, but the law does and the company complies with the provisions of the law. The Company also complies with the information disclosure regarding concurrent member of the BOD holding the title of BOD at other companies.	
E.2.7	Does the company have any executive member of BOD who serve on more than two boards of listed companies outside of the group?	●	●	None	
E.2.8	Does the company have a Nominating Committee?	●	●	The company does not establish a Nominating Committee yet.	Nominating committee shall be established.
E.2.9	Is the Nominating Committee comprised of a majority of independent directors?	●	●	The company does not establish a Nominating Committee yet.	
E.2.10	Is the Nominating Committee comprised of a majority of independent directors?	●	●	The company does not establish a Nominating Committee yet.	
E.2.11	Does the company disclose the terms of reference/governance structure?	●	●	The company does not establish a Nominating Committee yet.	
E.2.12	Is the meeting attendance of the Nominating Committee disclosed and if so, did the Nominating Committee meet at least twice during the year?	●	●	The company does not establish a Nominating Committee yet.	
E.2.13	Does the company have a Remuneration Committee?	●	●	The company does not establish a Remuneration Committee yet.	Remuneration Committee shall be established
E.2.14	Is the Remuneration Committee comprised of a majority of independent members of the BOD?	●	●	The company does not establish a Remuneration Committee yet.	

E.2.15	Is the Chairperson of the Remuneration Committee an independent member of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not establish a Remuneration Committee yet.	
E.2.16	Does the company disclose the terms of reference/governance structure/ charter of the Remuneration Committee?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not establish a Remuneration Committee yet.	
E.2.17	Is the meeting attendance of the Remuneration Committee disclosed and, if so, did the Remuneration Committee meet at least twice during the year?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not establish a Remuneration Committee yet.	
E.2.18	Does the company have an Audit Committee?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. The company establishes the Supervisory Board (SB) instead.	
E.2.19	Is the Audit Committee comprised entirely of non-executive members with a majority of independent members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. Members of the SB are independent of the BOD.	
E.2.20	Is the Chairperson of the Audit Committee an independent member of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. The Head of the SB is not concurrently a member of the BOD.	
E.2.21	Does the company disclose the terms of reference/governance structure/charter of the Audit Committee?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. The company has published the Regulation on Operation of the SB.	
E.2.22	Does at least one of the independent member of the BOD of the committee have accounting expertise (accounting qualification or experience)?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. At least one member of the SB has expertise in accounting.	
E.2.23	Is the meeting attendance of the Audit Committee disclosed and, if so, did the Audit Committee meet at least four times during the year?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. The SB meets at least 2 times a year and the meetings are disclosed.	
E.2.24	Does the Audit Committee have primary responsibility for recommendation on the appointment, and removal of the external auditor?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not operate under the corporate structure of an Audit Committee. The GMS authorizes the BOD to appoint independent auditors.	
E.3	Board Processes				
E.3.1	Are the BOD meeting scheduled before the start of the financial year?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The BOD meets quarterly. In addition, the BOD often holds extraordinary meetings to handle and approve relevant matters in a timely manner.	
E.3.2	Does the BOD meet at least six times during the year?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	In 2021 and 2022, the BOD held more than 6 meetings/year.	
E.3.3	Has each member of the BOD attended at least 75% of all the board meetings held during the year?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Each member of the BOD attends 100% of the BOD meetings during the year.	
E.3.4	Does the company require a minimum quorum of at least 2/3 for board decisions?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated at Articles 17 and 30 of the Charter of the Company, Article 16 of the Regulation on Operation of the BOD	
E.3.5	Did the non-executive members of the BOD of the company meet separately at least once during the year without any executives present?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Non-executive BOD members regularly discuss important issues without the presence of Executive members. These meetings have not yet been recorded as Meeting Minutes.	
E.3.6	Are documents for BOD meetings provided to the board at least five business days in advance of the board meeting?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated at Article 30 of the Charter of the Company	
E.3.7	Does the company secretary play a significant role in supporting the board in perform its responsibilities?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated at Article 32 of the Charter of the Company	
E.3.8	Is the company secretary trained in legal, accountancy or company secretarial practices and has kept abreast on relevant developments?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The person in charge of corporate governance has taken legal training.	
E.3.9	Does the company disclose the criteria used in selecting new members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company, Regulation on Corporate Governance, Regulation on Operation, Voting and Elections at the 2022 Extraordinary General Meeting of Shareholders and Notices on the Election of Board Members at the GMS.	
E.3.10	Does the company describe the process followed in appointing new members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company, Regulation on Corporate Governance, Regulations of Organization, Voting and Elections at the 2022 Extraordinary General Meeting of Shareholders (EGM)	
E.3.11	Are all members of the BOD subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The members of the BOD have just finished their 5-year terms and have been elected for new terms by the Extraordinary General Meeting of Shareholders (2022-2027)	

E.3.9	Does the company disclose the criteria used in selecting new members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company, Regulation on Corporate Governance, Regulation on Operation, Voting and Elections at the 2022 Extraordinary General Meeting of Shareholders and Notices on the Election of Board Members at the GMS.	
E.3.10	Does the company describe the process followed in appointing new members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company, Regulation on Corporate Governance, Regulations of Organization, Voting and Elections at the 2022 Extraordinary General Meeting of Shareholders (EGM)	
E.3.11	Are all members of the BOD subject to re-election every 3 years; or 5 years for listed companies in countries whose legislation prescribes a term of 5 years each?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The members of the BOD have just finished their 5-year terms and have been elected for new terms by the Extraordinary General Meeting of Shareholders (2022-2027)	
E.3.12	Does the company disclose its remuneration policy/practices for its executive members of the BOD and BOM?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company, Regulation on Corporate Governance and shown in documents in the AGM 2022.	
E.3.13	Is there disclosure of the fee structure for non-executive members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	As of now, the members of the BOD do not receive remuneration.	
E.3.14	Do the shareholders or the BOD approve the remuneration of the executive members of the BOD and/or BOM?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The remuneration of the BOD is approved by the company's GMS.	
E.3.15	Does the company have measurable standards to align the performance-based remuneration of the executive members of the BOD and BOM with long-term interests of the company, such as claw back provision and deferred bonuses?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated at Article 28 of the Charter of the Company, Article 19 of the Regulation on Operation of the BOD	
E.3.16	Does the company have a separate internal audit function?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has established an Internal Audit department	
E.3.17	Is the head of internal audit identified or, if outsourced, is the name of the external firm disclosed?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has published information on the establishment of the Internal Audit department and the Regulation on Internal Audit.	
E.3.18	Does the appointment and removal of the internal auditor require the approval of the Audit Committee?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not follow the Audit Committee model	
E.3.19	Does the company establish a sound internal control procedures/risk management framework and periodically review the effectiveness of that framework?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company has issued Regulation on Internal Control. The Company also implemented/ monitored/ improved many activities related to risk management, built multiple checkpoints and implemented a three-line defense model.	
E.3.20	Does the Annual Report/Annual CG Report disclose that the BOD has conducted a review of the company's material controls (including operational, financial and compliance controls) and risk management systems?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in 2022 Annual report (Risk management Section).	
E.3.21	Does the company disclose the key risks to which the company is materially exposed to (i.e. financial, operational including IT, environmental, social, economic)?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in 2022 Annual report (Risk management Section).	
E.3.22	Does the Annual Report/Annual CG Report contain a statement from the BOD or Audit Committee commenting on the adequacy of the company's internal controls/risk management systems?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in 2022 Annual report (the content of Risk Management under the Report on Operation of the BOD).	
E.4	People on the Board				
E.4.1	Do different persons take the roles of Chairperson and CEO?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Chairperson of the BOD does not concurrently serve as CEO.	
E.4.2	Is the Chairperson an independent member of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Chairperson is a non-executive Board Member.	
E.4.3	Is any of the member of the BOD a former CEO of the company in the past 2 years?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	No such cases within the last 2 years	
E.4.4	Are the roles and responsibilities of the Chairperson disclosed?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Stipulated in the Charter of the Company and Regulation on Operation of the BOD	
E.4.5	If the Chairperson is not independent, has the Board appointed a Lead/Senior Independent member of the BOD and has his/her role been defined?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company does not have this practice	
E.4.6	Does at least one non-executive member of the BOD have prior working experience in the major sector that the company is operating in?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	01 Non-executive member of the BOD has experience in the field of industrial wood.	
E.5	Board Performance				
E.5.1	Does the company have orientation programs for new members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company always welcomes new members of the BOD and creates favorable conditions so that they can contribute to the development of the Company. Current members of the BOD and former members of the BOD also regularly meet/ discuss, share vision, orientation and work with each other	

E.5.2	Does the company have a policy that encourages members of the BOD to attend on-going or continuous professional education programs?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company always encourages BOD members to participate in training programs.	
E.5.3	Does the company disclose the process on how the BOD plans for the succession of the CEO/ Managing Director/ President and key management?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Key personnel of the Company are at the age of "maturity" in terms of knowledge, skills and experience. Currently, the Company is also training succession teams for a number of positions. However, the process of selection has not been documented.	This matter shall be documented
E.5.4	Does the BOD conduct an annual performance assessment of the CEO/ Managing Director/ President?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company has regulations on conducting annual performance assessment for the Chairperson/ CEO in accordance with Article 6 of the Company's Regulation on Corporate Governance. In addition, the BOD also evaluates the annual performance of the BOM in the Report of the BOD sent to the GMS and presented on the annual reports.	
E.5.5	Does the company conduct an annual performance assessment of the BOD and disclose the criteria and process followed for the assessment?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company conducts semi-annual and annual management reports.	
E.5.6	Does the company conduct an annual performance assessment of the individual directors and disclose the criteria and process followed for the assessment?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Annual PMS review process	The practice shall be implemented from 2023
E.5.7	Does the company conduct an annual performance assessment of the board committees and disclose the criteria and process followed for the assessment?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Although stipulated in the Regulation on Corporate Governance, it is necessary to be more specific on this assessment process.	The practice shall be implemented from 2023

BONUS STANDARDS

No.	Criteria	Compliance status at An Cuong		Evaluation basis for 2022	Notes/Improvement plan
		2021	2022		
(B) A	RIGHTS OF SHAREHOLDERS				
(B) A.1	Basic rights of shareholders				
(B)A.1.1	Does the company practice secure electronic voting in absentia at the general meetings of shareholders?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Charter and Regulations of the Company stipulate the rules for absentee voting. The Company is reviewing the legality of electronic absentee voting and putting it into effect at the appropriate time.	
(B) B	EQUITABLE TREATMENT OF SHAREHOLDERS				
(B) B.1	Notice of AGM				
(B) B.1.1	Does the company release its notice of AGM, as announced to the Exchange, at least 28 days before the date of the meeting?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company notified 28 days in advance from the date of the AGM 2021 and 2022	
(B) C	ROLE OF STAKEHOLDERS				
(B) C.1	The interests of related parties are regulated by law or by bilateral agreements must be respected				
(B) C.1.1	Does the company adopt an internationally recognized reporting framework for sustainability?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	From 2022, the Company referred to GRI guidance when preparing the Sustainable Development Report.	
(B) D	DISCLOSURE AND TRANSPARENCY				
(B) D.1	Quality of the annual report				
(B) D.1.1	Are the audited annual financial report /statement released within 60 days from the financial year end?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company always announces audited financial statements within 90 days in accordance with Vietnamese law	
(B)D.1.2	Does the company disclose details of remuneration of the CEO?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Presented in the 2022 audited financial statements.	
(B) E	RESPONSIBILITIES OF THE BOARD				
(B) E.1	Board Competencies and Diversity				
(B) E.1.1	Does the company have at least one female independent members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Prior to 23/12/2022, the Company always had at least one female Board Member. From 23/12/2022, the Company re-elected the BOD for a new term and the Company does not have an independent female Board member.	
(B) E.1.2	Does the company have a policy and disclose measurable objectives for implementing its board diversity and report on progress in achieving its objectives?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company does not yet have a policy or publish measurement requirements. However, the Company does not have any restrictions and/or regulations or actions that discriminate against its leaders. Specifically, up to 4/6 members of the BOD of the Company are females.	

(B) E.2	Board Structure				
(B) E.2.1	Is the Nominating Committee comprise entirely of independent directors?	●	●	The company does not establish a human resource committee yet.	
(B) E.2.2	Does the Nominating Committee undertake the process of identifying the quality of directors aligned with the company's strategic directions?	●	●	The company does not establish a human resource committee yet.	
(B) E.3	Board Appointments and Re-Election				
(B) E.3.1	Does the company use professional search firms or other external sources of candidates when searching for candidates to the BOD?	●	●	The company uses external candidate data sources to find suitable personnel. In addition, the Company still complies with the regulations and respects the right to nominate/stand for election of shareholders and/or groups of shareholders.	
(B) E.4	Board structure				
(B) E.4.1	Do independent non-executive members of the BOD make up more than 50% of the BOD for a company with independent Chairperson?	●	●	The Company always meets the regulations on the ratio of non-executive and independent board members	
(B) E.5	Risk Oversight				
(B) E.5.1	Does the board describe its governance process around IT issues including disruption, cyber security, disaster recovery, to ensure that all key risks are identified, managed and reported to the board?	●	●	The BOD closely implements IT-related risk management expressed through many resolutions and decisions to guide the operation. However, governance has not been fully organized and documented into a risk management policy for IT operations.	This matter shall be fully documented
(B) E.6	Board Performance				
(B) E.6.1	Does the company have a separate board level Risk Committee?	●	●	The company does not have a risk management committee. The company implements a three-line defense model in risk management. The BOD is primarily responsible for risk management.	

PENALTY STANDARDS

No.	Criteria	Compliance status at An Cuong		Evaluation basis for 2022	Notes/Improvement plan
		2020	2021		
(P) A	RIGHTS OF SHAREHOLDERS				
(P) A.1	Basic Rights of Shareholders				
(P) A.1.1	Does the company fail or neglect to offer equal treatment for share repurchases to all shareholders?	●	●	This is not the case	
(P) A.2	Right to participate in decisions regarding fundamental changes of the Company				
(P) A.2.1	Is there evidence of barriers that prevent shareholders from communicating or consulting with other shareholders?	●	●	The Charter of the Company and Regulation on Corporate Governance do not restrict shareholders from exchanging information with each other.	
(P) A.3	Right to participate effectively in and vote in general shareholders meeting and should be informed of the rules, including voting procedures, that govern general shareholders meeting.				
(P) A.3.1	Does the company include any additional and unannounced agenda item in the notice of AGM/EGM?	●	●	Any information added to the agenda is communicated to shareholders in advance.	
(P) A.3.2	Did the Chairperson of the Board, Audit Committee Chairperson and CEO attend the most recent GMS?	●	●	These persons always attend all GMS.	
(P) A.4	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.				
(P) A.4.1	Does the Company have Shareholders Agreement?	●	●	The law does not prohibit shareholders from making deals with each other. The Company encourages shareholders to disclose information to make these arrangements to the extent permitted by law.	
(P) A.4.2	Does the Company have voting cap?	●	●	This cap does not exist.	
(P) A.4.3	Does the Company have multiple Voting Rights?	●	●	The Company does not have voting preference shares	

(P) A.5	Capital structures and arrangements that enable certain shareholders to obtain a degree of control disproportionate to their equity ownership should be disclosed.				
(P) A.5.1	Is a pyramid ownership structure and/ or cross holding structure apparent?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	Yes, there is pyramid ownership structure with the Chairperson of the Board and Persons related to the Chairperson of the Board	
(P) B	EQUITABLE TREATMENT OF SHAREHOLDERS				
(P) B.1	Insider trading and abusive self-dealing should be prohibited.				
(P) B.1.1	Has there been any conviction of insider trading involving members of the BOD, BOM and employees in the past three years?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) B.2	Protecting minority shareholders from abusive action				
(P) B.2.1	Has there been any cases of non compliance with the laws, rules and regulations pertaining to material related party transactions in the past three years?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) B.2.2	Were there any RPTs that can be classified as financial assistance to entities other than wholly-owned subsidiary companies?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) C	ROLE OF STAKEHOLDERS				
(P) C.1	The rights of stakeholders that are established by law or through mutual agreements are to be respected				
(P) C.1.1	Have there been any violations of any laws pertaining to labor/ employment/ consumer/ insolvency/ commercial/ competition or environmental issues?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) C.2	The rights of the Stakeholder are protected by the law, and the Stakeholders have the opportunity to express their opinions if their rights are violated	<input checked="" type="radio"/>	<input checked="" type="radio"/>		
(P) C.2.1	Has the company faced any sanctions by regulators for failure to make announcements within the requisite time period for material events?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company has been complying with information disclosure regulations and has not had any violations or sanctions by regulatory authorities	
(P) D	DISCLOSURE AND TRANSPARENCY				
(P) D.1	Sanctions from regulator on financial reports				
(P) D.1.1	Did the company receive a "qualified opinion" in its external audit report?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has received unqualified audit opinion	
(P) D.1.2	Did the company receive an "adverse opinion" in its external audit report?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has received unqualified audit opinion.	
(P) D.1.3	The company has received unqualified audit opinion.	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The company has received unqualified audit opinion.	
(P) D.1.4	Has the company in the past year revised its financial statements for reasons other than changes in accounting policies?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company has not made any revisions to financial statements	
E	RESPONSIBILITIES OF THE BOARD				
(P) E.1	Compliance with listing rules, regulations and applicable laws				
(P) E.1.1	Is there any evidence that the company has not complied with any listing rules and regulations over the past year apart from disclosure rules?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company always complies with the regulations applied for listed companies	
(P) E.1.2	Have there been any instances where non-executive directors have resigned and raised any issues of governance-related concerns?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) E.2	Board Structure				
(P) E.2.1	Does the Company have any independent members of the BOD who have served for more than nine years or two terms of five years each in the same responsibility?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) E.2.2	Did the company fail to identify who are the independent members of the BOD?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Company clearly identifies independent members in the structure of the BOD	
(P) E.2.3	Does the company have any independent /non-executive members of the BOD who serve on a total of more than five boards of publicly-listed companies?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	

(P) E.3	External Audit				
(P) E.3.1	Is any of the members of the BOD or senior management a former employee or partner of the current external auditor (in the past 2 years)?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	None	
(P) E.4	Board Structure and Composition				
(P) E.4.1	Has the Chairperson been the company CEO in the last three years?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	The Chairperson stepped down from the position of CEO from the beginning of 2021, complying with regulations on governance of public companies in accordance with Vietnamese law.	
(P) E.4.2	Do independent non-executive members of the BOD receive options, performance shares or bonuses?	<input checked="" type="radio"/>	<input checked="" type="radio"/>	This does not apply to Non-Executive Independent Members of the BOD	



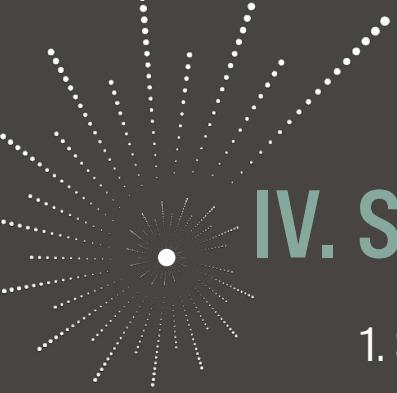


DEDICATION BEYOND BORDERS

Reaching World Stature

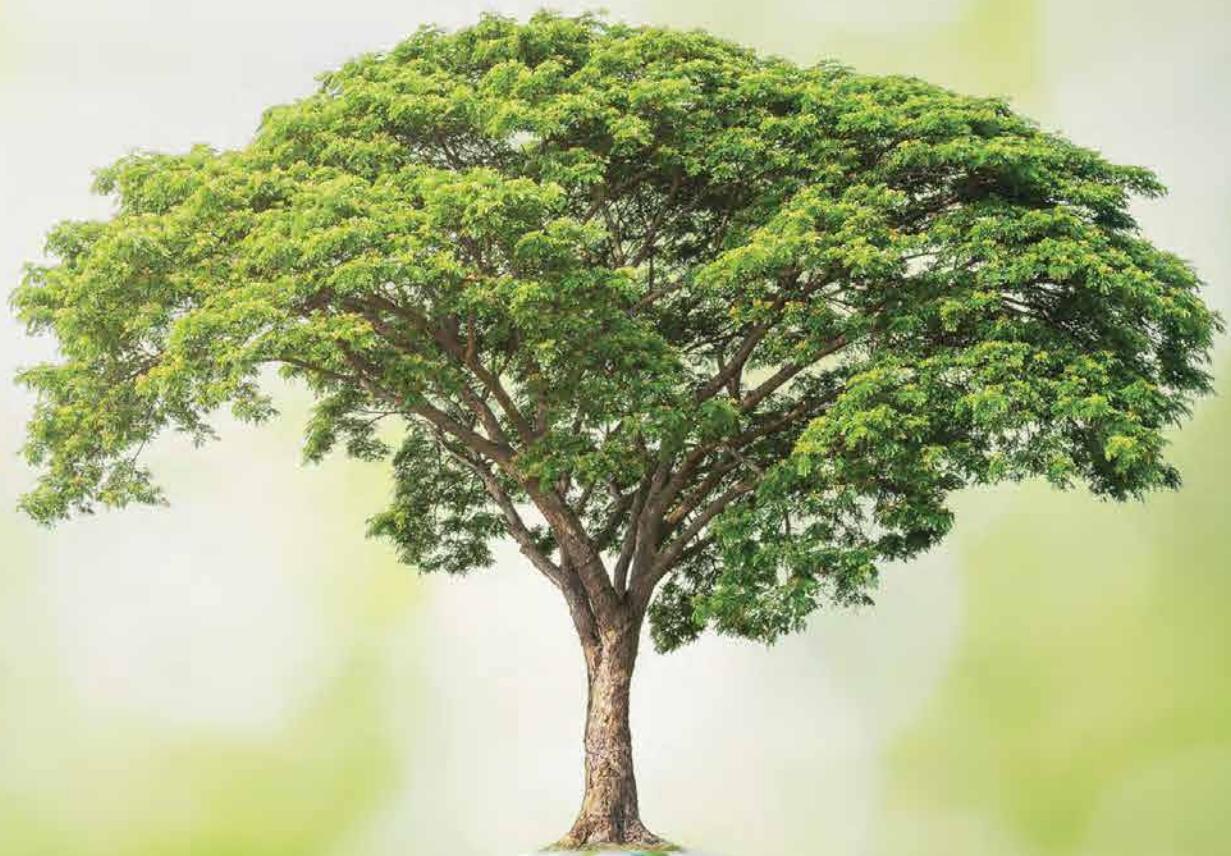
Back to the time when An Cuong set our first footprint in domestic home furnishings market, our largest capital at that moment was the dedication to furnishings and the hope to bring a Vietnamese furniture brand to global market.

After almost 30 years, from humble beginning, An Cuong has grown up and reached world stature by attaining strong position in furnishings industry in Vietnam and international markets.



IV. SUSTAINABLE DEVELOPMENT

1. Sustainable Development Strategy
2. An Cuong And 17 Sustainable Development Goals Of The United Nations
3. Sustainability Report
4. Sustainable Development Activities In 2022
5. Energy - Resources - Emissions Statistics In 2022



1. Sustainable Development Strategy

MESSAGE ON SUSTAINABILITY

"Win – Win" is the business principle that An Cuong has been adopting during the development journey of nearly 30 years. Each business strategy and decision is always put in place with the focus on stakeholders' interests including environment, community, customers, partners and the employees of An Cuong. This is also the definition of Sustainable Development that An Cuong always upholds and implements in every business unit, department and spread to each employee of the Company. In an increasingly challenging and competitive business landscape, we believe that Sustainable Development is becoming more important and will always be a factor that helps businesses survive and thrive. Therefore, we conclude that the development journey of An Cuong ultimately is the journey of creating sustainable values for society, community and future generations.

In light of that orientation, An Cuong defines the following sustainable development goals:

- ◎ *To provide high quality products, ensuring safety standards for consumers' health and environmental friendliness;*
- ◎ *To optimize production processes, applying modern technology to use energy efficiently, reducing waste, emissions and wastewater, minimizing material loss/wastage;*
- ◎ *To focus on training and development of human resources, on creating and maintaining a positive working environment;*
- ◎ *To share community values and to maintain volunteer activities helping and supporting children and the elderly with difficulties;*
- ◎ *To strictly comply with the law, promoting integrity and transparency.*

SUSTAINABILITY GOVERNANCE STRUCTURE



STAKEHOLDERS ENGAGEMENT FOR SUSTAINABLE DEVELOPMENT

An Cuong actively evaluates and reviews the relationship with stakeholders during the decision-making process. Consultations and conversations with stakeholders are also conducted regularly to quickly grasp parties' concerns regarding sustainable development. On this basis, the key issues towards sustainable development goals will be identified and prioritized through appropriate action plans.

Stakeholder identification process



Different stakeholder lists can be established for each stage of development.



Mechanism for communication and dealing with stakeholders

An Cuong maintains appropriate conversations and communication with stakeholders to continuously grasp the concerns of different parties, and at the same time to convey the messages, solutions and actions of the Company in an effort to address these concerns. In the current digital age, virtual communication methods are also applied by An Cuong to maximize the number of communication methods between related parties.

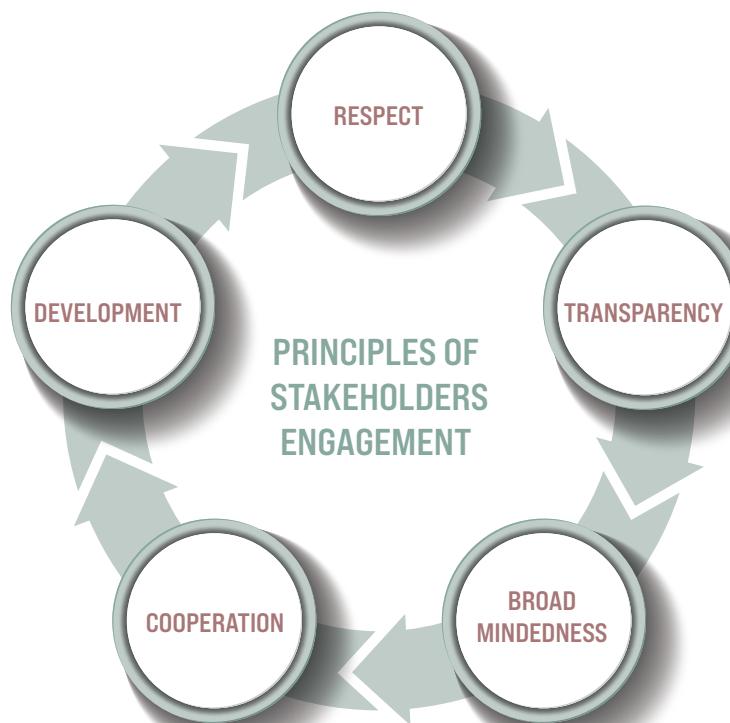
Stakeholders	Communication channel	Frequency of conversations
Employees	Internal communication	Continuously
	Recurring events	Quarterly/Annually
	Periodic surveys	Quarterly
	Others (feedback email, internal communication applications)	Continuously
Customers and Consumers	Showrooms, Distributors	Daily
	Customer service center	Daily
	Company website/Social media channels	Continuously
	Public media	Continuously
	Customer Surveys	Daily
Suppliers/Business Partners	Recurring meetings	Periodically
	Others (email/phone call)	Continuously
Shareholders and Investors	Annual/Extraordinary General Meeting of Shareholders	Annually/ Extraordinary
	Investors conference	Several times a year
	Meetings with representatives of the Company	Several times a year
	Others (Company website, newspaper, email, phone call)	Continuously
Government and Regulators/ Local Authorities	Annual Reports	Annually
	Periodic reports as required by law	Several times a year
	Others (email, other documents etc)	Continuously
Local community	Company website	Continuously
	Meetings	Several times a year
	Media channels	Continuously
Media agencies	Interviews	Continuously
	Others (Company website, email, phone call etc)	Continuously

Concerns of stakeholders relating to activities of An Cuong

Through communication and consultation, An Cuong identifies key concerns of stakeholders, develops and implements specific actions to address those concerns, aiming to build sustainable relationships with stakeholders.

Stakeholders	Matters of interest	Responses of An Cuong
Employees	Working environment, relationships with colleagues, seniors	<ul style="list-style-type: none"> For new employees, An Cuong organizes integration training sessions to introduce the Company, corporate culture, work guidelines, code of conduct, etc.
	Opportunities for career development	<ul style="list-style-type: none"> To organize training and career development sessions for employees.
	Welfare regimes, remuneration and bonus, health insurance policies for employees	<ul style="list-style-type: none"> Every year, An Cuong improves and revises remuneration and welfare policies.
	Training and development policy	<ul style="list-style-type: none"> Performance evaluation are carried out periodically To receive and record the assessments and opinions of employees on the leader and senior team based on the principle of 360-degree evaluation To regularly organize internal activities to improve the cohesion and team spirit of employees At the beginning of the year and at the end of the year, An Cuong organizes meetings to widely communicate to employees about the results and business plans of the Company
Customers and Consumers	Quality of products and services	<ul style="list-style-type: none"> To strictly comply with the provisions of the law in the domestic and export market.
	Product friendliness and safety for consumer health	<ul style="list-style-type: none"> The products of An Cuong meet international quality standards including EPA, E1, E2, EO and Super EO for industrial wood products.
	Product origin	<ul style="list-style-type: none"> Commitment to ensuring the highest quality and service provided. To support product inspection and product quality inspection at the construction site or residence of customers/consumers upon request.
Suppliers/ Business Partners	Collaboration effectiveness and commitment	<ul style="list-style-type: none"> An Cuong chooses suppliers and business partners based on capability, financial resources, commitment, market experience and integrity, etc.
	Balance/harmonize interests of parties	<ul style="list-style-type: none"> To regularly organize training for distributors and agents on how to advise sales, support sales systems and customer services.
	Quality of products and services	<ul style="list-style-type: none"> To build and manage long-term partnerships with suppliers and partners. Most suppliers and business partners have worked with An Cuong for at least 10 years.
	Product friendliness and safety for consumer health	<ul style="list-style-type: none"> Communication with parties are conducted in the way promoting cooperation, respect and balance of interests, towards the goal of long-term cooperation.
	Confidentiality of information	<ul style="list-style-type: none"> Confidentiality of cooperation information as committed.
	Sustainable relationships	

Shareholders and Investors	Business and operational efficiency	<ul style="list-style-type: none"> To update information on business activities of An Cuong through investor meetings, shareholder relations publications are issued quarterly and annually To receive and handle comments and questions of shareholders, the Investors through face-to-face meetings, emails To comply with applicable regulations on information disclosure.
	Business and operational efficiency	
	Risk management	
	Transparency in information disclosure	
Government and Regulators/ Local Authorities	Compliance with applicable regulations	<ul style="list-style-type: none"> To update and implement applicable regulations of the Government, regulators and local authorities. To fulfill tax obligations and payables to the State To actively participate in relevant initiatives of government/local authorities on sustainable development issues.
	Obligations and responsibilities of the Company to the business community, industry and local community	
Local community	Performance of the Company	<ul style="list-style-type: none"> To report on activities of An Cuong at the request of local authorities. Internal communication activities are regularly carried out to increase the awareness of employees on social security, especially in manufacturing clusters. To actively involve in community-based and charity programs initiated by local authorities
	Welfare situation in areas where the Company operates business activities	
	Level of involvement in community activities	
Media agencies	Business results	<ul style="list-style-type: none"> To build and maintain relationships with media agencies in the manner that promotes respect, partnership and transparency of information. To proactively work with media agencies when handling social media crisis
	Business Strategy	
	Authenticity of information	

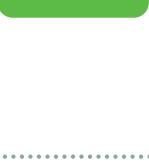


2. An Cuong And 17 Sustainable Development Goals Of The United Nations



Criteria	Criteria Description	An Cuong's Activities
 1 NO POVERTY	 2 ZERO HUNGER	<ul style="list-style-type: none"> • Poverty reduction, job creation, etc • To end hunger, achieve food safety, improve nutrition
 3 GOOD HEALTH AND WELL-BEING	<ul style="list-style-type: none"> • To ensure healthy lives and promote well-being for all ages 	<ul style="list-style-type: none"> • To promulgate and implement policies on occupational safety. • To implement health care packages for employees. • To launch and maintain physical training and sport activities, group activities within An Cuong as well as to regularly organize events with external teams.
 4 QUALITY EDUCATION	<ul style="list-style-type: none"> • To ensure quality education while promoting lifelong learning opportunities for all 	<ul style="list-style-type: none"> • To sponsor community-based activities such as book donation programs, school supplies, etc. to encourage poor children to go to school. • To provide training for students of the Faculty of Architecture of universities across the country, business partners (Designers and Project Contractors, Distributors and Agents) through factory/showrooms visits, training sessions on materials, applications and solutions related to industrial wood, sponsoring racks of boards for these parties, etc. • Training activities to improve knowledge and skills for employees are held annually. More than 20 training sessions were organized and provided by the An Cuong's in-house experts or by professional providers. Those sessions discussed on different topics throughout 2022, creating a good learning environment for participants.

5 GENDER EQUALITY 	<ul style="list-style-type: none"> To achieve gender equality and empower all women and girls 	<ul style="list-style-type: none"> The proportion of female employees accounted for 33% of the total number of employees at An Cuong. Particularly among members of the BOM, 4 out of 6 executives are women. Policies and benefits for female employees (including maternity regime, women nursing children under 12 months old, etc.) were established and maintained.
6 CLEAN WATER AND SANITATION 	<ul style="list-style-type: none"> Water supply and application of sustainable management in water use 	<ul style="list-style-type: none"> Domestic water adapting the standards of the Ministry of Health QCVN 01-1:2018/BYT To develop and implement Guidelines on saving practices for water use.
7 AFFORDABLE AND CLEAN ENERGY 	<ul style="list-style-type: none"> To ensure access to affordable, reliable, sustainable and modern energy for all 	<ul style="list-style-type: none"> To install solar energy systems at 2 factory complexes of An Cuong. To develop and implement Guidelines on saving practices for electricity and petroleum use.
8 DECENT WORK AND ECONOMIC GROWTH 	<ul style="list-style-type: none"> To move towards sustainable economic growth, full employment, productive and decent jobs for all 	<ul style="list-style-type: none"> Revenue and profit remain high growth. To fulfill obligations to the state budget through tax obligations and payables. To ensure regular employment, increase of remuneration and benefits for employees.
9 INDUSTRY INNOVATION AND INFRASTRUCTURE 	<ul style="list-style-type: none"> Modern production process, providing sustainable, environmentally friendly products 	<ul style="list-style-type: none"> To utilize modern production lines, to employ high level of automation. To provide high-quality, sustainable products with continuous improvements in designs and solutions. The products received certificates for environmental friendliness, safety for consumers' health (Green Label Singapore).
10 REDUCED INEQUALITIES 	<ul style="list-style-type: none"> To Reduce inequality 	<ul style="list-style-type: none"> To establish and maintain labor policies appropriate to jobs and positions. To create professional development and skills improvement training opportunities for individuals who have contributed positively to the development of An Cuong.
11 SUSTAINABLE CITIES AND COMMUNITIES 	<ul style="list-style-type: none"> To Build cities and neighborhoods that are inclusive, safe, resilient and sustainable. 	<ul style="list-style-type: none"> To participate in the design phase and to supply industrial wood interior products and solutions to many residential projects of various scales. To provide products with high safety, fire door, anti-scratch, water-proof products, etc.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	<ul style="list-style-type: none"> To Ensure sustainable production and consumption patterns 	<ul style="list-style-type: none"> Certified Environmental Management according to ISO 14001:2015 for all production activities of An Cuong. Industrial wood products using chipboard as input materials. Chipboard is produced from agro-forestry by-products (wood chips) that helps to increase the economic value of afforestation and encourage the expansion of plantation areas. Modern production lines help reduce waste and emissions in the production process.

 <p>13 CLIMATE ACTION</p>	<ul style="list-style-type: none"> • Action to combat climate change and related impacts 	<ul style="list-style-type: none"> • To utilize solar power for production activities in factories. • To communicate and train employees on environmental protection and impacts.
 <p>14 LIFE BELOW WATER</p>	<ul style="list-style-type: none"> • Conservation and sustainable use of oceans, seas and marine resources for sustainable development 	<ul style="list-style-type: none"> • Water use, waste and wastewater treatment activities comply with instructions and requirements in locations where factories and business points are located
 <p>15 LIFE ON LAND</p>	<ul style="list-style-type: none"> • To protect, restore and promote sustainable use of terrestrial ecosystems and sustainable forest management 	<ul style="list-style-type: none"> • To prioritize cooperating with suppliers with certificates of legal origin for chipboard. • As a business consuming agricultural and forestry by-products, the company contributes to optimize the economic value of planted forests, encourage expansion of forestry area or improvement on productivity of plantations.
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<ul style="list-style-type: none"> • To Promote peaceful and inclusive societies for sustainable development 	<ul style="list-style-type: none"> • To promote transparency in information disclosure activities, ensuring fair access to information for all shareholders of An Cuong. • Internal communication activities are organized regularly for An Cuong employees.
 <p>17 PARTNERSHIPS FOR THE GOALS</p>	<ul style="list-style-type: none"> • To strengthen and promote global cooperation for sustainable development 	<ul style="list-style-type: none"> • Shareholder structure of An Cuong is quite diverse including strategic shareholders operating in the same industry (Sumitomo Forestry), shareholder from Europe (VinaCapital, DEG) and partners/customers around the globe (US, Japan, Malaysia, Cambodia, Laos, etc.)

3. Sustainability Report

OVERVIEW OF SUSTAINABILITY REPORT

Reporting Standards

Growth of business requires An Cuong to be thoroughly and professionally aware of sustainable development issues. Accordingly, the BOD and the BOM have set the guidelines that disclosure, review and re-evaluation of sustainable development activities of the Company must regularly adapt to the international standards and best practices.

This is the first year that the Sustainability Report of An Cuong being prepared with reference to the standards of the Global Reporting Initiative (GRI) Standards for Sustainable Development Reporting - the latest version. Material topics presented in the report are identified after review and assessment of the impact and interest of stakeholders on all activities at An Cuong.

In addition, we refer to the Guidelines on Environmental and Social reporting of the State Securities Commission (SSC) of Vietnam, International Finance Corporation (IFC) and Circular 155/ 2015/TT-BTC to disclose complete, transparent and reliable information.



Reporting Scope

The 2022 Sustainability Report of An Cuong is integrated with the 2022 Annual Report of the Company. The data presented in the report is collected and summarized from actual activities of An Cuong during 2022, including the offices, subsidiaries, factories and showrooms owned by An Cuong.

List of Subsidiaries: please see page 70

List of An Cuong's Showrooms: please see page 36 - 39

Reporting period

The information in the report is updated for the fiscal year 2022, from 01 January 2022 to 31 December 2022.

Contact Information

The report is prepared by the Sustainability Reporting Team of An Cuong, consisting of members of the Marketing and Communications Department, Assistant to the BOD, Investor Relations Department and Shareholder Management Department.

For information, comments or feedbacks on the information in this Sustainability Report, please contact:

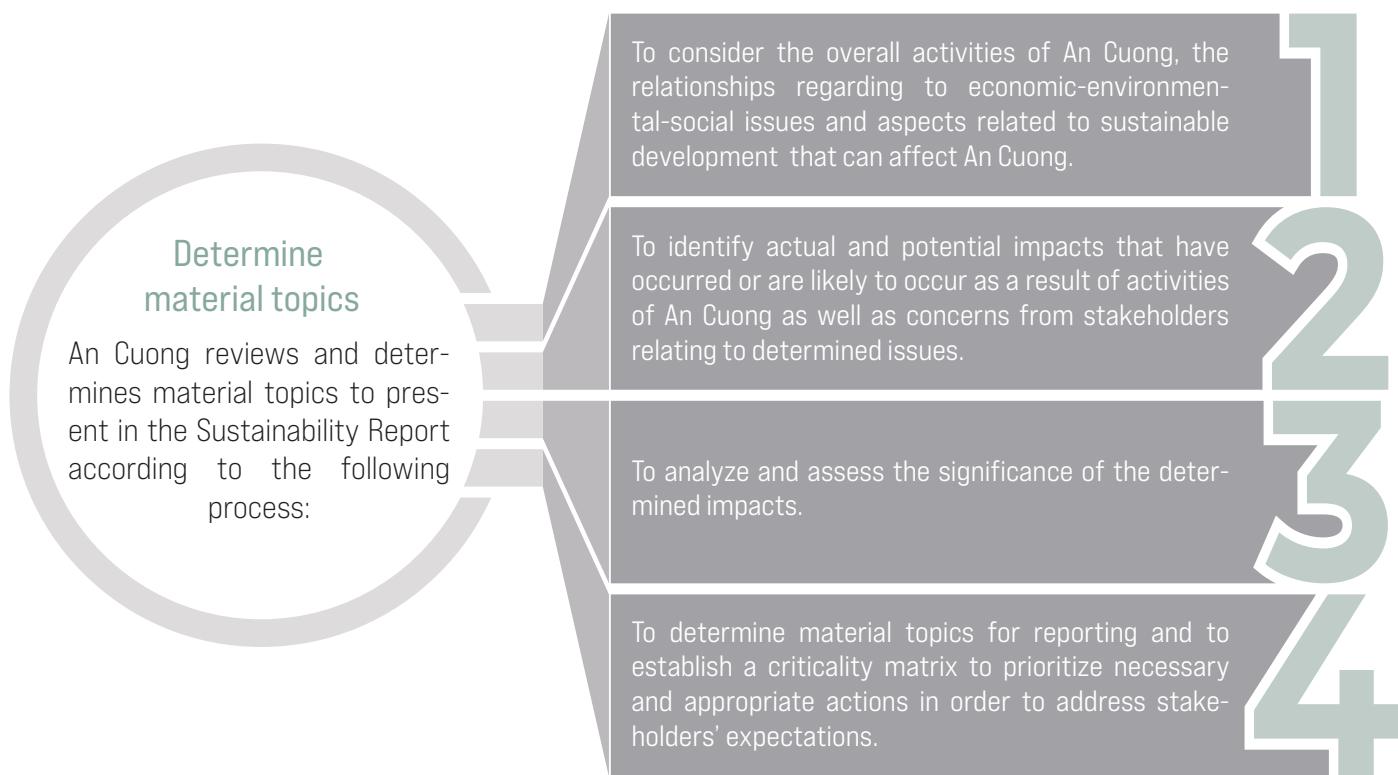
Investor Relations Department

Email: ir@ancuong.com

Address: 702/1K Su Van Hanh, Ward 12, District 10, Ho Chi Minh City

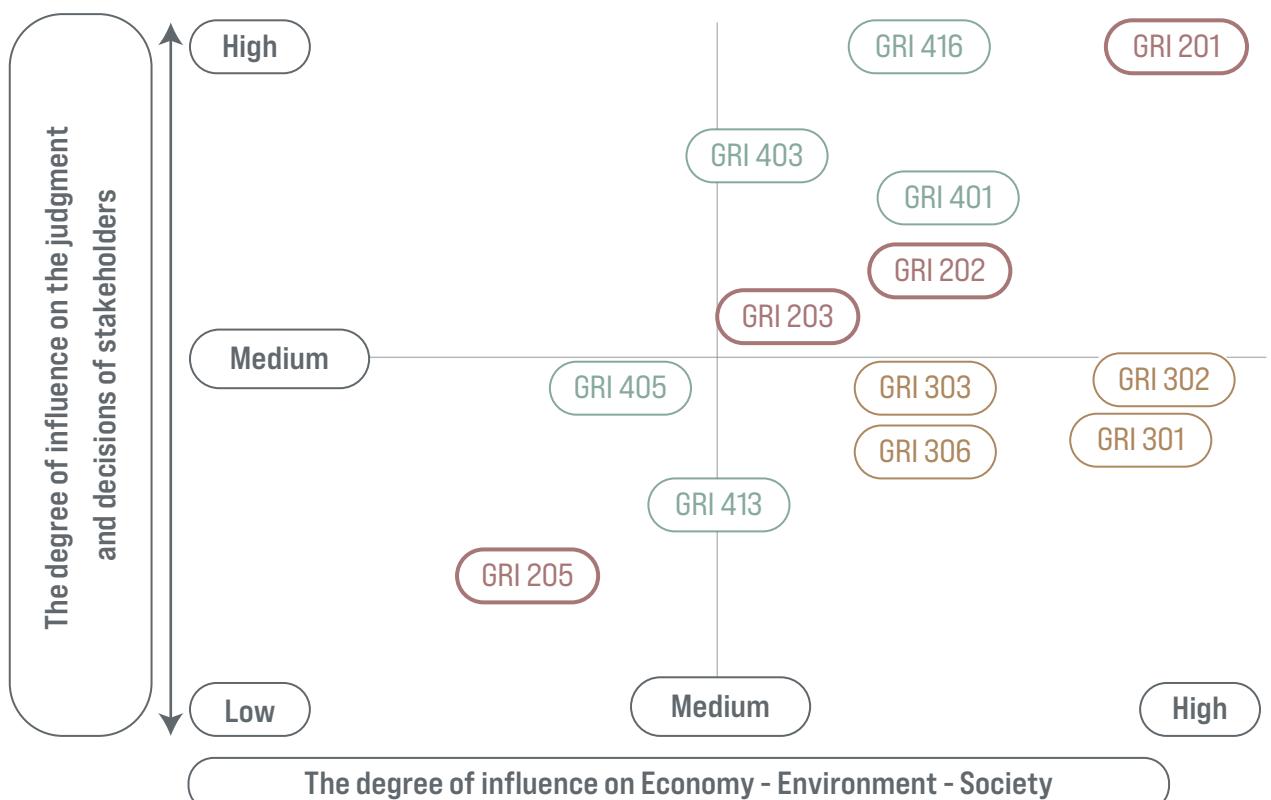
CONTENTS OF THE REPORT

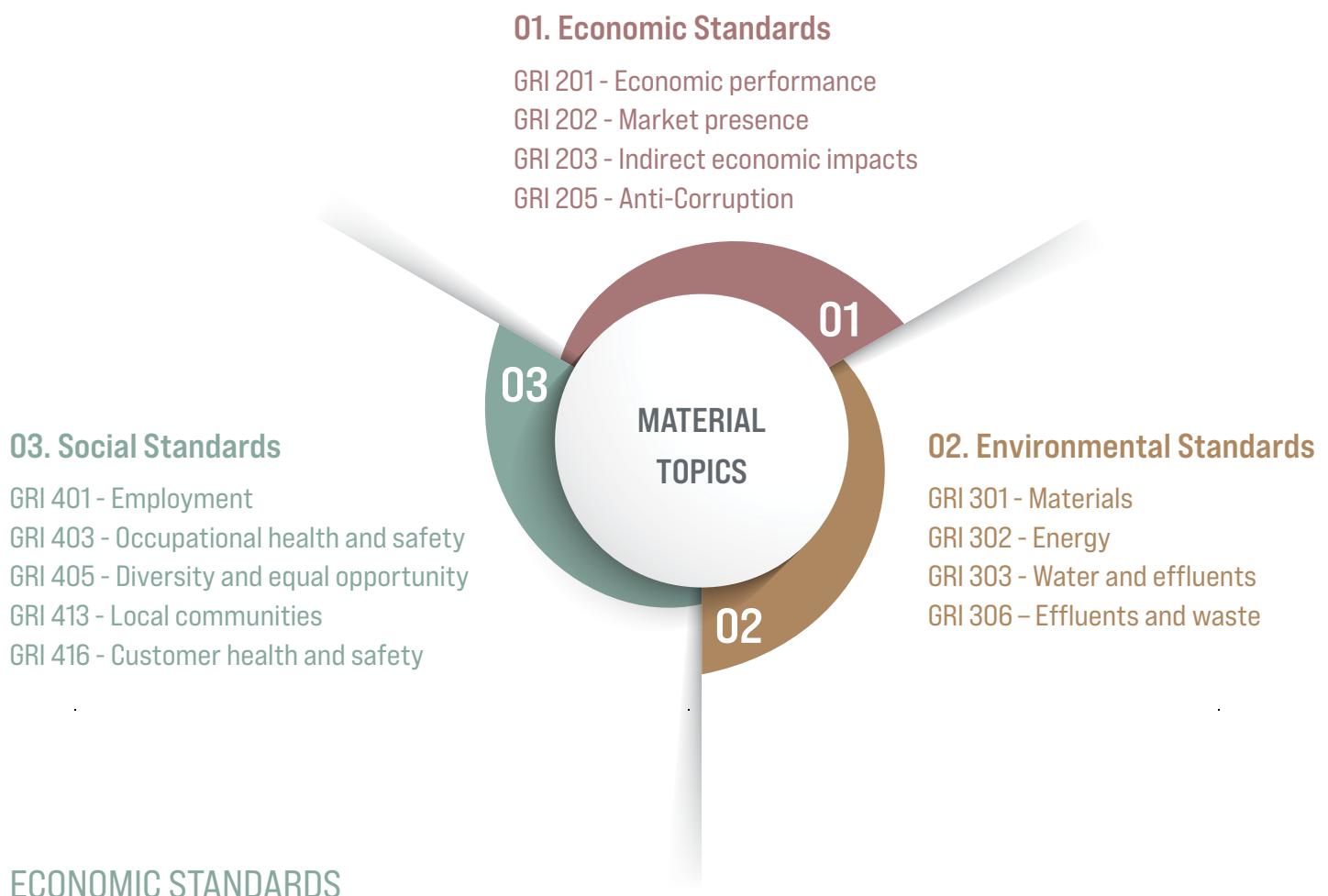
GRI 3 – MATERIAL TOPICS



Criticality matrix

After assessing the criticality of material topics, in relation to the level of interest of the parties along with the relevant impacts on the activities of the Company, An Cuong has developed a Criticality Matrix to prioritize action plans and allocate appropriate resources to implement action plans towards the Sustainable Development Goals.





ECONOMIC STANDARDS

GRI 201 - ECONOMIC PERFORMANCE

Management approach

As a business organization, the basic goal of An Cuong is to constantly create economic values, thereby building a solid financial position and maintaining growth in order to maximize the benefits of shareholders, employees and contribute positively to the State budget.

Over the years, An Cuong has always focused on core business to promote revenue growth and continuously improve operational efficiency through initiatives. The economic performance of An Cuong is recognized through indicators such as: Revenue, Profit after tax, Growth rate, etc. These indicators are annually approved and assessed the level of completion by the General Meeting of Shareholders. In addition, An Cuong always maintains a regular dividend policy for shareholders over the years, while fulfilling tax obligations with local government.

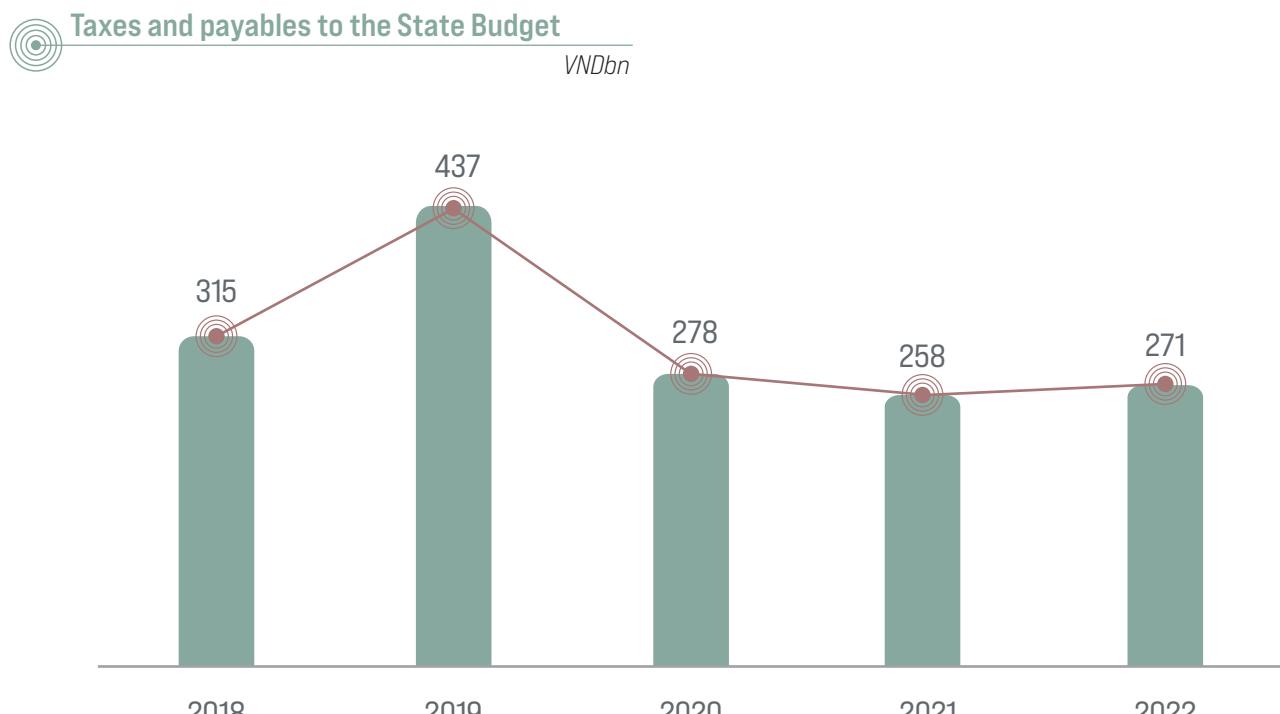
Sustainable growth of Revenue and Profit

In 2022, although the market faced many difficulties and challenges, with dynamic and flexible business strategies guided by the BOD, the capability of the BOM and the unity of all employees, An Cuong has successfully completed the business plan assigned by the AGM, maintaining the leading position in the domestic industrial wood market. With a solid foundation, the Company fulfilled commitments that are to create values to shareholders, secure employment and improve welfares to our employees, contribute positively to the economic development of the local community.



Contribution to the State budget

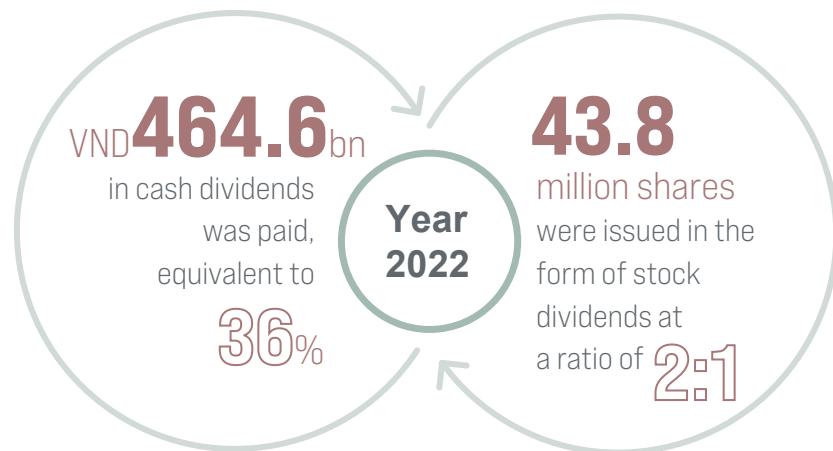
An Cuong remained fully and timely complying with tax obligations and payables to the State Budget in which our contribution tends to increase gradually over the years. In the years 2020, 2021 and 2022, An Cuong Wood - Working Manufacturing Company Limited enjoyed the CIT exemption and reduction policy. Specifically, the Company was exempt from CIT in 2020 and 2021 and obtained 50% CIT reduction in 2022.



Stable dividend policy over the years

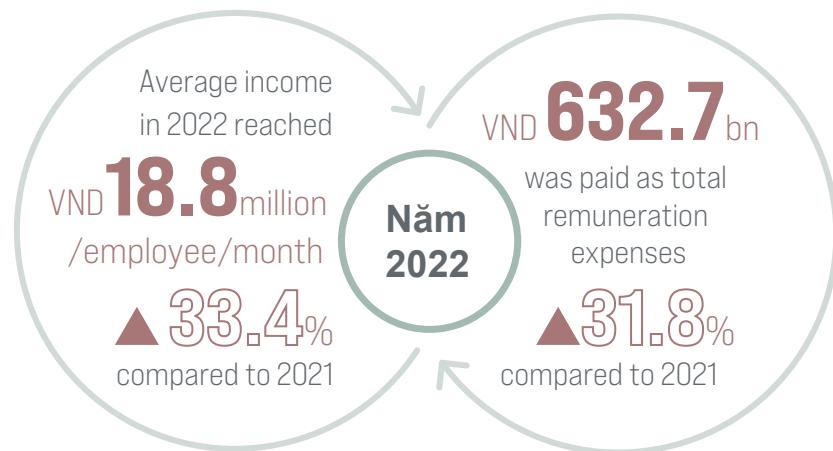
Business activities always achieve a high growth rate, coupled with a large amount of cash on hand are the important factors allowing An Cuong to maintain the stable dividend policy over the past years.

In 2022, An Cuong made cash dividend payments for 2021 and advanced the 1st tranche of dividends in 2022 with a total budget of VND 464.6 billion. Last year, the Company also made one tranche of stock dividend payment for 2021. Accordingly, on average, the annual dividend payment reaches at least 30%.



To improve employee's income and welfares

At An Cuong, human resources are the most valuable asset of the Company, which is also the foundation for all of our growth plans. Therefore, the Company has updated welfare policies to continuously improve the income of employees in order to retain and attract talents.



An Cuong recognizes the contributions of all individuals and working teams to the overall development of the Company. In addition to ensuring a higher salary and bonus than the regional minimum, even higher than other companies in the same industry as well as in the region. The Company implements spot bonus scheme applied for those employees have proposed initiatives, technical improvements, new working methods that improve labor productivity, save costs, etc.

GRI 202 - MARKET PRESENCE

Management approach

Over the years, An Cuong has paid attention to remuneration policies for employees as human resources are the basic foundation and the most important asset of the Company. Accordingly, the remuneration policies at An Cuong are set in the consideration of work load, positions, level of contribution of each individual, as well as the overall business performance of the Company. The remuneration at An Cuong is always much higher than the regional minimum wage, while ensuring a competitive level with other businesses in the market.

In 2022, the total labor expenses (excluding bonuses) of An Cuong reached VND 491 billion, equivalent to VND 14.6 million/person/month, up 26.3% compared to 2021.

Ho Chi Minh City and Binh Duong are the 2 areas where the majority of employees of An Cuong were working. Accordingly, the average entry-level salary of An Cuong's employees in these 2 areas recorded VND 5.6 million/month, 19% higher than the required minimum entry-level salary in Region 1 which is VND 4.7 million/month.

GRI 203 - INDIRECT ECONOMIC IMPACTS

Management approach

As a leading manufacturer in the field of industrial wood in Vietnam and Southeast Asia, An Cuong strives to operate activities in a way that would bring indirect economic effects to the wood processing industry in particular and the manufacturing industry in general.

Pioneer in applying advanced technologies in production activities

An Cuong's second factory complex utilized more than US\$ 50 million in investment, was the most advanced factory producing building materials and products made of industrial woods in Southeast Asia. The production lines of An Cuong were imported directly from European countries with the advanced technology, high level of automation, reducing amount of waste, wastewater and emissions during production.

The company has invested in a modern and closed vacuum collection system to ensure a green and clean environment within the factories. An Cuong's factories meet standards of the European Production Organization and is rated as "Dust-free factory".

Continuous improvement activities were implemented throughout 2022 to research and apply initiatives to improve production efficiency and reduce wastage of materials, moving towards a sustainable production model.



Research and development of new solutions from industrial wood

In recent years, in addition to improving designs for existing products, the Product Research and Development Department of An Cuong has also conducted researches to upgrade solutions from industrial wood products such as fire doors with Fire proofing period from 30 minutes, 60 minutes to 90 minutes. The smoke barrier used for fire doors are designed with smoke prevention capabilities, certified by Exova Warrington – an independent UK fire protection testing laboratory.

An Cuong also introduced new solutions made of the industrial wood. Typically, Laminate panels for the shipping industry with the characteristics of lightweight, fireproof, waterproof, satisfying the standards of the International Maritime Organization - IMO which is absolute safety for human health and friendly to the marine ecosystems.

GRI 205 - ANTI-CORRUPTION

Management approach

Corruption is a serious violation of the core values that An Cuong has built. Corruption not only creates negative effects on the reputation and image of the Company but can also affect the interests of customers and partners. To prevent corruption, An Cuong has developed an Anti-Corruption Policy and communicated widely to all employees, suppliers and customers of the Company.

Based on the review and evaluation, An Cuong recognizes risks related to corruption may arise in the following activities:

- ◎ Selection of suppliers of raw materials and services;
- ◎ Development and management of distribution networks.

Accordingly, An Cuong has developed the following anti-corruption process:



In recent years, An Cuong has communicated and updated the anti-corruption policy widely to the employees of the Company. For suppliers (raw materials and services) as well as partners, anti-corruption provisions are always stipulated specifically in the contract. Any violation of these terms may result in indemnification or termination of the contract.

In 2022, An Cuong recorded no complaints or denunciations related to Anti-Corruption activities.

ENVIRONMENTAL STANDARDS

GRI 301 - RAW MATERIALS

Management approach

As a large manufacturer in Vietnam in export markets, raw materials accounting for the largest proportion of our costs, are the basic and important factor of the production process, the key facilities that constitute products and determine product quality. Any changes in raw material prices, supply chain disruptions, and damage during logistics and manufacturing process would have a significant impact on cost, production and product quality. Therefore, in order to effectively use the raw material, An Cuong keeps improving production technology, maintains good relationship with suppliers, implements flexible purchasing policies and improves effectiveness of management system.

Currently, the main input material of An Cuong is chipboard. The chipboard can be viewed as a by-product from the logging operation in forestry. During the process, branches, roots and tops of trees are finely chopped, combined with glue and heated to form the boards. In Vietnam, the branches, tops and roots are mainly taken from rubber trees and melaleuca trees. These materials are mostly agricultural and forestry waste. Therefore, the utilization of these products helps to maximize the income of afforestation companies and households, encouraging them to expand cultivated areas and/or invest/research to improve plantation productivity.

An Cuong always focuses on stabilizing the supply of input materials to optimize production costs, stabilize product supply, avoid disruptions or disturbance to the consumer market. Currently, more than 80% of An Cuong woodchip are supplied by domestic manufacturers. Most of the main suppliers have worked with An Cuong for more than 10 years. The production processes of these suppliers comply with environmental factors and meet the criteria of origin.

GRI 302 - ENERGY

Management approach

An Cuong promotes (i) internal communication and training to raise employees' awareness of rational, economic and efficient use of energy; (ii) application of advanced, energy-efficient machinery (iii) using renewable and green energy. These measures not only help the Company save operating costs but also minimize indirect impacts on the environment.

In an effort to save energy, An Cuong has implemented initiatives to optimize production activities and energy saving at all sites. These include:

- ⦿ An Cuong cooperated with partner to install rooftop solar systems from June 2020 and officially operated from December 2020 in two factory complexes of the Company with a total area of nearly 85,000 m² and a capacity of 7.5 MW(p).

- The transition to solar renewable energy in 2022 helped the Company reduce by around 8% of electricity consumption from the national grid. In addition, the income from roof leasing helped the Company offset on average 10-15% of total annual electricity costs. The factory space was 1-3°C cooler after the installation of rooftop solar power system, indirectly reduced the energy consumption for cooling.
- The roofs of the factories were built with light roofing sheets to reduce power consumption for lighting;
- LED lighting was prioritized at all operating locations of the Company.

Electricity used at An Cuong's factories in 2021 and 2022:

	2021	2022*
Grid power [Kwh]	13,017,490	15,665,490
Solar power [Kwh]	1,445,391	1,356,163
Total energy consumption [Kwh]	14,462,881	17,021,653

Source: An Cuong

*Electricity consumption in 2022 increased by 17.7% compared to 2021 as in 2021, An Cuong was greatly affected by the Covid-19 pandemic, the Company had to halt production for almost 3 months in Q3 2021. In addition, the demand of electricity for production increased as revenue in 2022 increased by 35.9% compared to the revenue of 2021.

In addition, Malloca brand – a subsidiary of An Cuong – specializing in kitchen appliances, prioritizes the application of new technologies to reduce energy consumption during usage of the products. The certifications include Electro Magnetic Compatibility (EMC) and energy efficiency certificates applied for the Refrigerator and Electric wine cellar product lines.

GRI 303 - WATER AND WASTEWATER

Management approach

An Cuong extensively communicate to employees in regards to the impacts on the environment arising from daily activities of the Company, thereby raising awareness of water and wastewater of the employees.

Water consumption

Aiming to achieve sustainable water management, especially for water usage, An Cuong has now stopped exploiting groundwater, instead switched to using water supply provided by KSB Industrial Park, meeting QCVN 01-1:2018/BYT standards of the Ministry of Health as well as usage limits as prescribed by the State and the Management of the Industrial Parks.

As of now, the amount of water consumed at the Company included water consumed at 2 factory complexes and water supply for daily usage of employees at operating locations. In 2022, total water consumption at An Cuong reached 118,072 m³, of which:

- Total water consumption at the offices: 7,249m³.
- Total water consumption for daily usage and production at factory complexes: 110,823 m³.

Area	2021	2022
Office (m ³)	5,880	7,249
Factory complexes (m ³)	129,354	110,823
Total water assumption (m³)	135,234	118,072

Source: An Cuong

Wastewater

Wastewater is managed by the wastewater collection and treatment systems and within the limits according to QCVN 40:2011/BNM. Periodic wastewater quality monitoring is also carried out, ensuring compliance with the obligation to manage outputs of wastewater. Results of flow monitoring, wastewater and quality of water sources are in accordance with the permit. For wastewater treatment in factory and warehouse areas located outside the industrial park, An Cuong also strictly complies with local regulations.

In 2022, the total amount of domestic and industrial wastewater was recorded at 88,847m³, of which industrial wastewater was 7,286 m³, down 18.2% compared to 2021.

GRI 303 - WASTE AND EFFLUENTS

Management Approach

To train and guide employees on waste classification and to sign annual contracts with waste treatment service providers in accordance with the regulations of the State.

The waste of An Cuong is mainly generated from factory complexes located in Binh Duong. Accordingly, solid waste is collected, classified and treated according to current local regulations.

Classification	Total solid waste generated (kg)	
	2021	2022
Household waste	129,977	157,757
Industrial waste	1,692,035	2,028,944
Hazardous waste	349,508	301,966

Source: An Cuong

Due to the characteristics of industrial wood production, the loss or waste of raw materials is not significant, and also environmentally friendly, hence damaged products during the production can be reused as packaging, pads or as raw materials/combustion fuel, extending the life cycle of products according to the principle of circular of economy and become the foundation for sustainable development.

In addition, at the factory, the dust collected through the dust collection system is also sold to external parties to be used as input materials for wood pellet production.

SOCIAL STANDARDS

GRI 401 – EMPLOYMENT

Management approach

Moving towards the goal of sustainable development, An Cuong has built a professional, fair and friendly working environment in which employees are provided a positive environment to exploit their strengths. On the other hand, compensation and welfare policies are also regularly updated in accordance with current provisions of law as well as general market practices, ensuring favorable benefits for employees in order to retain and attract high-quality talents.

In 2022, An Cuong has recruited 1,065 new employees, of which, female employees were 306, accounted for 29%. In terms of age group, new recruits were classified as follows:

New recruits by age group

Number of employees (persons)



Turnover rate at An Cuong in the past year was 4%. Of which, the percentage of employees quit due to end of labor contract accounted for 99.3%, the rest was due to retirement and other reasons.

GRI 403 – OCCUPATIONAL HEALTH AND SAFETY

Management approach

An Cuong promulgated the Labor Regulations with working and rest time; order at work; prevention of sexual harassment in the workplace; protection of assets, trade secrets, intellectual property; violations of labor discipline, forms of labor discipline and material responsibility, etc.

Training courses on internal working regulations, occupational safety and regulations on fire protection are also regularly organized to enhance knowledge and skills on occupational health and safety for the employees of the Company.

In 2022, An Cuong did not record any labor accidents. In order to prevent and promptly support workers in occupational safety and health issues, An Cuong has implemented the following activities:

- ◎ To pay social insurance, health insurance and unemployment insurance, to create favorable conditions for employees to enjoy insurance regimes in accordance with the provisions of law.
- ◎ To purchase accident insurance for all employees and health insurance for management.
- ◎ To remain strict compliance with the provisions of the law on occupational safety and hygiene.

GRI 405 – DIVERSITY AND EQUAL OPPORTUNITY

Management approach

Diversity and equality in employee structure is one of the important factors that help strengthen the internal strength of the business. Accordingly, An Cuong implements the Gender Equality Policy, ensuring the right to equal wages, regardless of gender for employees doing the same job at the Company. Accordingly, both men and women at the same seniority and age, are treated equally at the workplace in terms of employment, wages, bonuses, social insurance, working conditions and other conditions, and are equal in standards and ages when promoted, appointed to hold senior positions in the Company.

In 2022, An Cuong maintained a stable structure of employees classified by gender. Female employees were encouraged and facilitated to hold management positions.

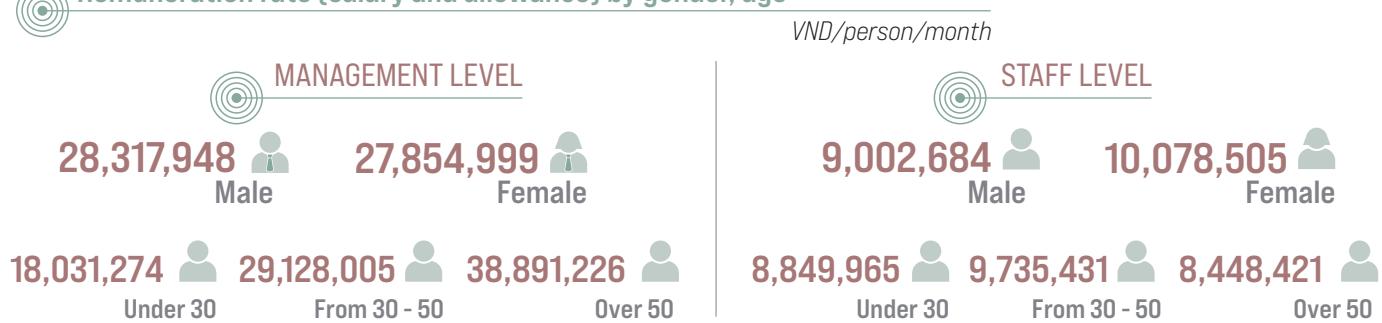
Employee structure by level

Number of employees (persons)



The competence, work performance and the level of contribution to the overall results of the department and the Company are prerequisite for An Cuong to consider remuneration regimes, benefits and career advancement opportunities for employees. This means that all employees have equal opportunities at An Cuong, regardless of gender, age or region.

Remuneration rate [salary and allowance] by gender, age



In order to create favorable conditions for female employees to maximize their capabilities at work and ensure their career development as well as the fairness between male and female employees at workplace, An Cuong promulgated the Female Labor Policy. Under this policy, the Company commits to ensure all rights of female employees in accordance with the Labor Law of Vietnam and according to SA8000 Social Responsibility standards such as maternity regimes, nursing children under 12 months old, ensuring occupational safety for women, especially female employees with disabilities, etc.

All employees at An Cuong must be at least 18 years old. An Cuong does not have child labor. This regulation was reflected in the Child Labor Prohibition Policy issued by the Company since 2015.

For male or female employees who have children under 72 months old, the employees are entitled to Child Support Policy regardless of whether it is a boy or a girl. The policy aims to support the employees to take care of their children, also to make them feel more secure to work and contribute to the overall development of the Company.

GRI 413 – LOCAL COMMUNITIES

Management approach

An Cuong believes that the development journey of a business is also a journey to create values for the community and society. Therefore, in addition to business activities, the Company always sets out charity plans and community-based activities every year to support children and the elderly in difficult circumstances.

An Cuong keeps initiating, sponsoring and contributing to community-based activities, bringing long-term impact, contributing to improvement of social quality. These programs are communicated to all employees as the Company believes that this will create more contributions and supports for those in difficult circumstances, aiming for a better society.

In 2022, more than VND 5 billion from the budget of An Cuong was allocated for charity and community activities through Hopeful Smile Fund – a charity fund founded by the Chairman of An Cuong.

GRI 416 – CUSTOMER HEALTH AND SAFETY

Management approach

With the motto "Striving for perfection", An Cuong constantly attempts to provide consumers with furnishing products and solutions that meet highest quality standards and aesthetics, environmentally friendly, ensuring customer health and contributing to environmental protection.

An Cuong's products adapt to international quality standards (E1, E2, EO, Green Label, Super EO, EPA, JIS, etc.) – these are the quality control and health safety standards of the European and Japanese markets on formaldehyde emission. In addition, An Cuong is the only company in the wood industry of Vietnam to achieve Green Label certificate. This is the most prestigious certificate in the region for green, clean, environmentally friendly products issued by Singapore.

4. Sustainable Development Activities In 2022

CONTRIBUTION TO IMPROVING THE LOCAL SOCIAL SECURITY

An Cuong currently operates 2 factory complexes in Binh Duong with a total area of 240,000m². This is the workplace of more than 1,400 labors from different regions of the country.

Over time, the Company has built and developed appropriate policies to improve income, living standards of employees, including flexible remuneration policies, periodic health examination, etc. Also, management at the factories regularly organize competitions and activities to improve the skills of workers, etc.



TO JOIN HANDS FOR THE COMMUNITY

Last year, An Cuong's Hopeful Smile charity fund contributed VND 5 billion to charity activities, organized dozens of visits to support disadvantaged children and elderly people in many regions across the country.

Efforts to contribute to the community and society have been spread to all members of An Cuong. Accordingly, community programs were organized in many forms and levels - individuals, teams and Company.

Major charity programs in 2022

Capital contribution to establish a social enterprise

In 2022, An Cuong and 20 other businesses in the Sao Do Business Club contributed capital to establish Nghi Luc Song Services Joint Stock Company.

Nghi Luc Song Services Joint Stock Company was established under the model of social enterprise with the goal of supporting disabled and disadvantaged people, giving these individuals the opportunity to learn a trade and have a job that contribute significantly to society. According to the plan, in the first 5-year period, Nghi Luc Song Services Joint Stock Company will manage and operate from 15-20 production and business centers to organize necessary training and create jobs for these disadvantaged individuals.

To accompany The National Fund for Vietnamese Children

Last year, An Cuong signed a commitment to donate VND 2.5 billion to The National Fund for Vietnamese Children for the period of 2022 – 2026 with the desire to help children with disadvantages have access to medical and education services.

To join hands helping poor children go to school

Prior to the start of the new school year 2022-2023, many children did not have books, notebooks, school supplies or the ability to afford tuition fees. An Cuong organized activities such as sponsoring for school supplies, books and scholarships, helping the children overcome difficulties to continue with their education at 3 locations: Thuan An City (Binh Duong), Vi Thanh City (Hau Giang) and Ngoc Hien District, Ca Mau Province.

The departments of the Company also organized volunteer trips to support poor students to go to school in locations such as Long An, Binh Duong, etc.

Charity programs helping children with disabilities and the elderly

In order to share difficulties in life and motivate poor and disadvantaged children, in the past year, the departments under the Company have organized a series of charity programs at orphanages and institutions for disadvantaged people in many locations, such as Hoang Mai School for Children with Disabilities (Go Vap, Ho Chi Minh City), Hoa Hong Shelter (District 12, HCMC), Linh Xuan Shelter (Thu Duc City, HCMC), May Ngan Shelter (Go Dau, Tay Ninh), etc.







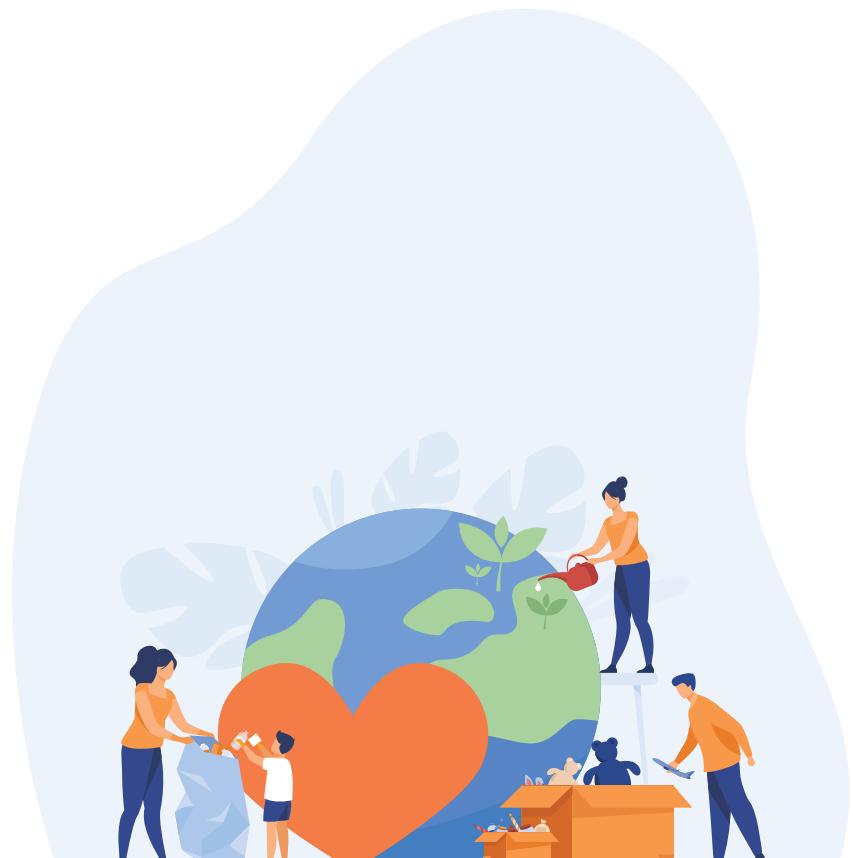
5. Energy – Resources – Emissions Statistics In 2022

		Unit	Usage in 2022
ENERGY	Diesel oil	liter	617,161
	Gasoline	liter	118,609
	Grid power	kwh	15,665,490
	Solar power	kwh	1,356,163
RESOURCES	Water	m ³	118,072
EMISSIONS	Industrial waste	kg	2,028,944
	Hazardous waste	kg	301,966
	Household waste	kg	2,488,667
	Total wastewater output	m ³	88,487
Total emissions (*)	CO2 equivalent	ton	14,173

Source: An Cuong

[*] Total emissions include:

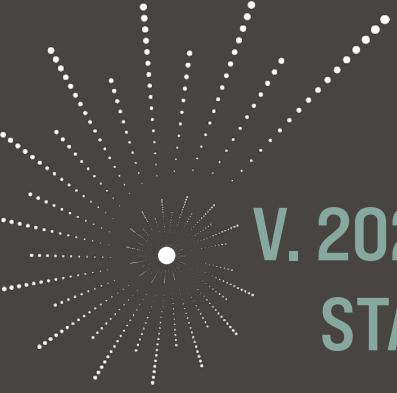
- ⦿ Scope 1: Direct emissions from equipment using Diesel oil, gasoline; wastewater.
- ⦿ Scope 2: Indirect emissions from equipment using electricity.



“ In the context of modern business environment, harmonizing stakeholders' interests and sustainability must be taken into consideration in every action plan and every strategy of a business. For An Cuong, we will continue to enforce our commitment to sustainable development, in order to share the social values and take responsibility of a business to our stakeholders.”

Mr Le Duc Nghia - Chairman of An Cuong





V. 2022 CONSOLIDATED FINANCIAL STATEMENTS

Financial plan of company development

Table № 16



Table № 17



Business activity of company and subunits

Table



Business activity of company and subunits

Table

CORPORATE INFORMATION

Enterprise Registration Certificate

No. 3700748131 dated 20 September 2006

The initial Business Registration Certificate No. 4602002303 dated 20 September 2006 and its subsequent amendments were issued by the Department of Planning and Investment of Binh Duong Province. The 30th latest Enterprise Registration Certificate No. 3700748131 dated 10 May 2022.

Board of Directors	Mr. Le Duc Nghia	Chairman
	Mr. Masao Kamibayashiyama	Deputy chairman
	Mr. Nguyen Minh Tuan	Member
	Mr. Le Thanh Phong	Member
	Mr. Tran Luong Thanh Tung	Member (until 22 December 2022)
	Ms. Nguyen Thi Dieu Phuong	Member (from 23 December 2022) Independent member (until 22 December 2022)
	Mr. Jess Rueloekke	Independent member (until 22 December 2022)
	Mr. Phan Quoc Cong	Independent member (from 23 December 2022)
	Mr. Nguyen Thanh Quyen	Independent member (from 23 December 2022)
Board of Management	Ms. Vo Thi Ngoc Anh	General Director
	Mr. Le Thanh Phong	Deputy General Director
	Ms. Nguyen Thi Hao	Deputy General Director
	Ms. Nguyen Thi Kim Thoa	Deputy General Director
	Ms. Nguyen Thi Duyen	Deputy General Director
	Mr. Ngo Tan Tri	Deputy General Director
	Ms. Thieu Thi Ngoc Diem	Chief Accountant
Board of Supervision	Ms. Tran Thi Ngoc Tue	Head
	Ms. Tran Thi Kim Anh	Member
	Ms. Mai Thi Phuong Thao	Member
Legal representative	Mr. Le Duc Nghia	Chairman
	Ms. Vo Thi Ngoc Anh	General Director
Registered office	Land lot No. 681, Map No. 5, DT 747B Street, Phuoc Hai Town, Thai Hoa Ward, Tan Uyen District, Binh Duong Province, Viet Nam	
Auditor	PwC (Vietnam) Limited	

STATEMENT OF THE BOARD OF MANAGEMENT

STATEMENT OF THE RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management of An Cuong Wood-Working Joint Stock Company ("the Company") is responsible for preparing the consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and the results of its consolidated operations and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent; and
- Prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby, approve the accompanying consolidated financial statements as set out on pages 5 to 53 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of Board of Management



Vo Thi Ngoc Anh
General Director

Binh Duong Province, SR Vietnam
28 March 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AN CUONG WOOD-WORKING JOINT STOCK COMPANY

We have audited the accompanying consolidated financial statements of An Cuong Wood-Working Joint Stock Company ("the Company") and its subsidiaries (together "the Group") which were prepared on 31 December 2022 and approved by the Board of Management on 28 March 2023. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2022, the consolidated income statement, the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 53.

The Board of Management's Responsibility

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

Auditor's Responsibility

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

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

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



PwC [Vietnam] Limited
8th Floor, Saigon Tower, 29 Le Duan Street, District 1, Ho Chi Minh City, Vietnam
T: +84 (28)38230796, www.pwc.com/vn

Auditor's Opinion

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

Other Matters

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

For and on behalf of PwC (Vietnam) Limited



Quach Thanh Chau
Audit Practising Licence No:
0875-2023-006-1
Authorised signatory

Report reference number: HCM13372
Ho Chi Minh City, 28 March 2023

Nguyen Xuan Cuong
Audit Practising Licence No.
4349-2019-006-1

As at 31 December

Code	ASSETS	Note	2022 VND	2021 VND
100	CURRENT ASSETS		3,839,450,781,144	3,650,800,848,248
110	Cash and cash equivalents	3	387,855,741,942	99,169,609,256
111	Cash		70,855,741,942	99,169,609,256
112	Cash equivalents		317,000,000,000	-
120	Short-term investments		1,049,000,000,000	1,527,845,044,955
123	Investments held to maturity	4(a)	1,049,000,000,000	1,527,845,044,955
130	Short-term receivables		888,079,373,885	618,583,366,551
131	Short-term trade accounts receivable	5	654,268,204,929	549,583,344,234
132	Short-term prepayments to suppliers	6	42,996,923,973	47,549,408,310
135	Short-term lending		2,050,000,000	-
136	Other short-term receivables	7(a)	219,865,694,487	40,012,513,678
137	Provision for doubtful debts – short-term	8	(31,764,224,435)	(18,765,339,662)
139	Shortage of assets awaiting resolution		662,774,931	203,439,991
140	Inventories	9	1,466,857,166,709	1,380,301,310,465
141	Inventories		1,491,571,074,416	1,409,876,670,599
149	Provision for decline in value of inventories		(24,713,907,707)	(29,575,360,134)
150	Other current assets		47,658,498,608	24,901,517,021
151	Short-term prepaid expenses	10(a)	44,987,623,366	22,007,833,088
152	Value added tax ("VAT") to be reclaimed	14(a)	1,333,331,682	2,322,179,488
153	Tax and other receivables from the State	14(a)	1,337,543,560	571,504,445

CONSOLIDATED BALANCE SHEET
(continued)

Form B 01 – DN/HN

As at 31 December

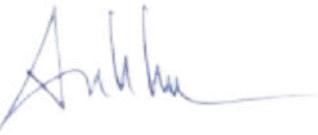
Code	ASSETS (continued)	Note	2022 VND	2021 VND
200	NON-CURRENT ASSETS		1,627,756,234,720	1,332,118,177,476
210	Long-term receivables		366,943,654,159	322,336,513,405
216	Other long-term receivables	7[b]	366,943,654,159	322,336,513,405
220	Fixed assets		439,123,243,902	534,761,034,183
221	Tangible fixed assets	11[a]	425,861,523,672	518,159,318,784
222	Historical cost		1,026,347,861,999	1,020,819,135,402
223	Accumulated depreciation		(600,486,338,327)	(502,659,816,618)
227	Intangible fixed assets	11[b]	13,261,720,230	16,601,715,399
228	Historical cost		32,568,567,346	32,148,567,346
229	Accumulated amortisation		(19,306,847,116)	(15,546,851,947)
240	Long-term asset in progress		4,590,174,133	1,425,546,949
242	Construction in progress		4,590,174,133	1,425,546,949
250	Long-term investments		615,831,200,000	275,217,700,000
252	Investments in associates	4[b]	401,631,200,000	-
253	Investments in other entity	4[b]	119,200,000,000	119,200,000,000
255	Investments held to maturity	4[a]	95,000,000,000	156,017,700,000
260	Other long-term assets		201,267,962,526	198,377,382,939
261	Long-term prepaid expenses	10[b]	191,951,361,477	190,080,570,500
262	Deferred income tax assets	20	9,316,601,049	8,296,812,439
270	TOTAL ASSETS		5,467,207,015,864	4,982,919,025,724

CONSOLIDATED BALANCE SHEET
(continued)

As at 31 December

Code	RESOURCES	Note	2022 VND	2021 VND
300	LIABILITIES		1,554,989,645,974	1,206,120,120.534
310	Current liabilities		1,542,319,419,092	1,196,572,464,437
311	Short-term trade accounts payable	12	347,514,345,447	289,187,086,507
312	Short-term advances from customers	13	160,976,991,093	206,024,768,522
313	Tax and other payables to the State	14(b)	122,055,076,239	36,046,362,980
314	Payable to employees	15	23,034,215,577	58,355,659,772
315	Short-term accrued expenses	16	30,570,918,651	24,826,970,905
318	Short-term unearned revenue		1,630,344,632	1,130,344,632
319	Other short-term payables		3,798,017,175	11,359,884,360
320	Short-term borrowings	17	813,722,672,711	566,975,088,269
322	Bonus and welfare funds	18	39,016,837,567	2,666,298,490
330	Non-current liabilities		12,670,226,882	9,547,656,097
336	Long-term unearned revenue		1,883,907,715	3,014,252,347
342	Provision for long-term liabilities	19	10,786,319,167	6,533,403,750
400	OWNERS' EQUITY		3,912,217,369,890	3,776,798,905,190
410	Capital and reserves		3,912,217,369,890	3,776,798,905,190
411	Owners' capital	21, 22	1,358,461,220,000	876,503,440,000
411a	- Ordinary shares with voting rights		1,358,461,220,000	876,503,440,000
412	Share premium	22	1,419,298,588,703	1,419,304,688,703
415	Treasury shares	22	(653,230,147)	[653,230,147]
418	Investment and development funds	22	5,387,266	25,138,524,261
421	Undistributed earnings	22	1,135,105,404,068	1,456,505,482,373
421a	- Undistributed post-tax profits of previous years		519,524,114,733	1,034,544,110,211
421b	- Post-tax profits of current year		615,581,289,335	421,961,372,162
440	TOTAL RESOURCES		5,467,207,015,864	4,982,919,025,724



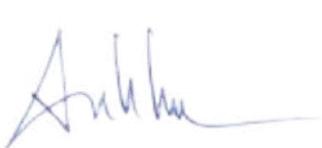

Tran Anh Tuan
Preparer

Thieu Thi Ngoc Diem
Chief Accountant

Vo Thi Ngoc Anh
General Director

As at 31 December

Code	Note	2022 VND	2021 VND
01 Revenue from sales of goods and rendering of services		4,509,669,871,101	3,312,950,679,602
02 Less deductions		(34,191,432,278)	(19,443,094,091)
10 Net revenue from sales of goods and rendering of services	26	4,475,478,438,823	3,293,507,585,511
11 Cost of goods sold and services rendered	27	(3,137,632,133,507)	(2,397,612,834,481)
20 Gross profit from sales of goods and rendering of services		1,337,846,305,316	895,894,751,030
21 Financial income	28	175,304,539,586	154,068,436,757
22 Financial expenses	29	(56,857,728,070)	(24,158,148,267)
23 - Including: Interest expense	29	(31,879,418,791)	(21,480,945,050)
24 Profit sharing from associate	4[b]	8,000,000,000	-
25 Selling expenses	30	(547,870,944,173)	(383,770,408,773)
26 General and administration expenses	31	(167,893,855,307)	(100,092,496,584)
30 Net operating profit		748,528,317,352	541,942,134,163
31 Other income		4,990,478,155	5,710,976,177
32 Other expenses		(1,582,162,367)	(1,236,519,895)
40 Net other income		3,408,315,788	4,474,456,282
50 Net accounting profit before tax		751,936,633,140	546,416,590,445
51 Corporate income tax ("CIT") - current	32	(137,375,132,415)	(94,471,564,132)
52 CIT - deferred	32	1,019,788,610	(665,803,479)
60 Net profit after tax		615,581,289,335	451,279,222,834
Attributable to:			
61 Profit after tax of the parent company		615,581,289.335	451,279,222,834
62 Non-controlling interests		-	-
70 Basic earnings per share	24[a]	4,577	2,998
71 Diluted earnings per share	24[b]	4,577	2,998



Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



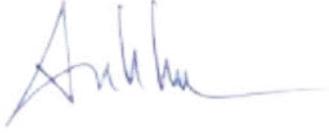
Vo Thi Ngoc Anh
General Director
28 March 2023

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

FORM B 03 – DN/HN

Year ended 31 December

Code	Note	2022 VND	2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	751,936,633,140	546,416,590,445
Adjustments for:			
02	Depreciation and amortisation	110,500,933,112	114,701,008,697
03	Provisions	12,390,347,763	22,772,569,958
04	Unrealised foreign exchange (gains)/losses	(2,733,153,901)	482,783,595
05	Profits from investing activities	(157,052,006,484)	(138,917,498,442)
06	Interest expense	31,879,418,791	21,480,945,050
08	Operating profit before changes in working capital	746,922,172,421	566,936,399,303
09	[Increase]/decrease in receivables	(122,377,394,294)	62,541,699,040
10	Increase in inventories	(81,694,403,817)	(257,922,677,185)
11	Decrease in payables	(16,478,839,529)	(7,604,347,788)
12	[Increase]/decrease in prepaid expenses	(24,850,581,255)	23,886,374,748
14	Interest paid	(31,879,418,791)	(21,480,945,050)
15	CIT paid	(60,749,588,221)	(99,254,345,077)
17	Other payments on operating activities	(20,511,895,358)	(96,937,799,090)
20	Net cash inflows from operating activities	388,380,051,156	170,164,358,901
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(18,400,278,483)	(13,088,736,894)
22	Proceeds from disposals of fixed assets	101,284,849	9,090,909
23	Lending and investments held to maturity	(1,383,200,000,000)	(1,873,825,530,311)
24	Collection of lending and investments held to maturity	1,497,995,044,955	1,569,500,000,000
25	Investments in associate	(126,631,200,000)	(119,200,000,000)
27	Interest received from lendings, bank deposits and profit distributed	102,740,084,864	129,042,126,065
30	Net cash inflows/[outflows] from investing activities	72,604,936,185	(307,563,050,231)
CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issue of shares	43,748,200,000	30,225,593,500
32	Payments for share returns and repurchases	-	(65,000,000)
33	Proceeds from borrowings	2,397,968,155,776	2,717,756,113,523
34	Repayments of borrowings	(2,149,455,806,058)	(2,459,665,101,043)
36	Dividends paid	(464,650,732,500)	(104,826,892,800)
40	Net cash [outflows]/inflows from financing activities	(172,390,182,782)	183,424,713,180
50	Net increase in cash in year	288,594,804,559	46,026,021,850
60	Cash and cash equivalents at beginning of year	3	99,169,609,256
61	Effect of foreign exchange differences	91,328,127	(95,630,427)
70	Cash and cash equivalents at end of year	3	387,855,741,942
			99,169,609,256



Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



Vo Thi Ngoc Anh
General Director
28 March 2023

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

1. GENERAL INFORMATION OF THE GROUP

An Cuong Wood-Working Joint Stock Company ("the Company") was established in SR Vietnam pursuant to the initial Business Registration Certificate No. 4602002303 dated 20 September 2006 and its subsequent amendments were issued by the Department of Planning and Investment of Binh Duong Province and the 30th latest Enterprise Registration Certificate No. 3700748131 dated 10 May 2022.

The owners of the Company include NC Vietnam Investment Company Limited, Whitlam Holding Pte. Ltd., Sumitomo Forestry (Singapore) Ltd. and other shareholders. Details of capital contributions are presented in Note 21.

The principal activity of the Company is to manufacture and trade wooden household, industrial wooden items, artificial boards, interior decoration, kitchen equipment, and other wooden related products; provide installation services.

The normal business cycle of the Company and its subsidiaries (together, "the Group") is within 12 months.

As at 31 December 2022, the Group had 3 direct subsidiaries, 1 indirect subsidiary and 1 associate as follows:

Name	Location	Principal activity	2022		2021	
			% of ownership (%)	% of voting rights (%)	% of ownership (%)	% of voting rights (%)
Subsidiaries						
An Cuong Wood-Working Company Limited	Binh Duong Province	Manufacture and trade wooden products	100	100	100	100
<hr/>						
Malloca Vietnam Company Limited	Ho Chi Minh City	Trade Malloca-brand kitchen appliances	100	100	100	100
<hr/>						
An Khang MDF Company Limited (*)	Tay Ninh Province	Manufacture and trade board products	51	51	-	-
<hr/>						
Indirect subsidiary						
AConcept Vietnam Company Limited (**)	Ho Chi Minh City	Wholesale and retail of interior and interior decoration	100	100	100	100
<hr/>						
Associate						
Central Hill Real Estate Joint Stock Company	Ho Chi Minh City	Trade real estate	30	30	-	-

1. GENERAL INFORMATION OF THE GROUP (continued)

[*] Pursuant to Resolution No. 16-2022/NQ-GAC dated 24 October 2022, the Board of Directors of the Company approved the plan to contribute capital to establish An Khang MDF Company Limited. According to the initial Business Registration Certificate No. 3901331450 dated 27 October 2022, the Company owned 51% of charter capital of this company. As at 31 December 2022, the capital contribution has not yet made. On 16 January 2023 the Company has fully contributed the capital commitment which is VND10,200,000,000.

[**] The indirect subsidiary is a subsidiary of Malloca Vietnam Company Limited .

As at 31 December 2022, the Group had 2,797 employees (as at 31 December 2021: 2,835 employees).

According to Resolution No. 637/QĐ-SGDHN dated 19 September 2022 issued by Hanoi Stock Exchange, the Company's shares were cancelled for registration of trading in UpCom.

According to Resolution No. 585/QĐ-SGDHCM dated 25 August 2022 and Notice No. 1761/TB-SGDHCM dated 28 September 2022 issued by Ho Chi Minh City Stock Exchange, the Company's shares were accepted to be listed and traded in HOSE Stock Exchange with the ticker ACG.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of consolidated financial statements

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention except for investments in associates and joint ventures, and business combination as presented in Note 2.5.

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

The consolidated financial statements in the Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

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

2.3 Currency

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

2.4 Exchange rates

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

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

2.5. Basis of consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The separate financial statements of the subsidiaries are prepared for the same accounting period of the Group for the consolidation purpose. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting year and that of the Group's. The length of the reporting year and differences in reporting date must be consistent between years.

Associate

Associates are investments that the Group has significant influence but not control over and the Group would generally have from 20% to less than 50% of the voting rights of the investee. Investments in joint ventures and associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in joint ventures and associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses of its associate is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a associate equals or exceeds its interest in associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of associate.

Accounting policies of associate have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associate are eliminated to the extent of the Group's interest in associate.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and other short-term investments with an original maturity of three months or less.

2.7. Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on the estimated loss that may arise. Bad debts are written off when identified as uncollectible.

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

2.8. Inventories

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

The Group applies the perpetual system for inventories.

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Investments

[a] Investments held to maturity

Investments held to maturity are investments which the Group has positive intention and ability to hold until maturity.

Investments held-to-maturity include term deposits and the bond trusted-investment which the bond issuer is required to buy back in the future. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine amount of the provision to recognise at the year end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

[b] Investments in associate

Investments in associate are accounted for using the equity method when preparing the consolidated financial statements (Note 2.5).

[c] Investments in other entity

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

Provision for investments associate and investments in other entity is made when there is a diminution in value of the investments at the year end. It is calculated based on market value if market value can be determined reliably. If market value can not be determined reliably, the provision for investments in other entities is calculated based on the loss of investees.

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

2.10 Lendings

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

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

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

2.11 Fixed assets

Tangible and intangible fixed assets

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

Depreciation and amortisation

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

Plant and buildings	3% - 25%
Machinery	8% - 50%
Motor vehicles	8% - 33%
Office equipment	13% - 33%
Others	6% - 50%
Land use rights	3%
Software	13% - 50%

Land use rights comprise of land use rights granted by the State for which land use fees are collected and prepaid land use rights obtained under land rental contracts which are effective before the effective date of land law 2003 (ie. 1 July 2004) and which land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consists of its purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

Disposals

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

Construction in progress

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.12 Leased assets

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

2.13 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet, which mainly include long-term land rentals, office rentals, tools and equipment in use. Short-term prepaid expenses reflect prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayments. Long-term prepaid expenses reflect prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayments. Prepaid expenses are recorded at historical cost and allocated using the straight-line basis over estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in 2.11 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

2.14 Payables

Classifications of payables are based on their nature as follows:

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

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

2.15 Borrowings

Short-term borrowings include borrowings from banks.

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

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the year of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.16 Accrued expenses

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

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 Provisions

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

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

2.18 Provision for severance allowances

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

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

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

2.19 Unearned revenue

Unearned revenue includes short-term and long-term unearned revenues on the consolidated balance sheet. These unearned revenues recognise the amounts paid in advance for renting the factory roof of a subsidiary to install and operate the solar panels, the support system and the solar rooftop projects with 20 years starting from September 2021. The Group records unearned revenue for the future obligations that the Group has to fulfil during the first five years of the rental contracts. Unearned revenue recognised as revenue in the consolidated income statement during the year to the extent that recognition criteria have been met.

2.20 Owners' capital

Owners' capital of the Shareholders is recorded according to the actual amount contributed and is recorded according to par value of the share.

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

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

Treasury shares brought after 1 January 2022 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Group's results profit after CIT at the reporting date.

2.21 Appropriation of profit

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

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

The Group's funds are as below:

[a] Bonus and welfare fund

The bonus and welfare fund is appropriated from profit after CIT and subject to Shareholders' approval at the General Meeting of Shareholders. This fund is presented as a liability on the consolidated balance sheet. This fund is used for pecuniary rewarding and encouragement, common benefits and improvement of employees' benefits.

[b] Investment and development fund

The investment and development fund is appropriated from profit after CIT and approved by Shareholders in the General Meeting of Shareholders. This fund is used for the use in expansion of its operation or in-depth investments.

2.22 Revenue recognition

[a] Revenue from sales of goods

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

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

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

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

[b] Revenue from rendering of services

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

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

[c] Interest income

Interest income is recognised on an earned basis and when it is probable that the economic benefits associated with the transaction will flow to the Group.

[d] Dividends income

Income from dividends is recognised when the Group has established receiving rights from investees.

2.23 Sales deductions

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

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

2.24 Cost of goods sold and services rendered

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

2.25 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including expenses of lending and borrowing; losses incurred when selling foreign currencies; losses from foreign exchange differences.

2.26 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, goods, and providing services.

2.27 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2.28 Current and deferred income tax

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

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

2.28 Current and deferred income tax (continued)

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

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

2.29 Related parties

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

In considering its relationships with each related party, the Group considers the substance of the relationships, not merely the legal form.

2.30 Segment reporting

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group's business segment or the Group's geographical segment.

2.31 Critical accounting estimates

The preparation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting system and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of consolidated financial statements and the reported amounts of revenues and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- Estimated useful life of fixed assets (Note 2.11 and 11);
- Estimation of provision for doubtful debts (Note 8) and provision of decline in value of inventories (Note 9);
- Recognition of deferred tax assets for difference between tax base and accounting base (Note 20).

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

3. CASH

	2022 VND	2021 VND
Cash on hand	790,512,114	599,832,678
Cash at banks	70,065,229,828	98,569,776,578
Cash equivalents	317,000,000,000	-
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>
	387,855,741,942	99,169,609,256
	<hr/> <hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/> <hr/>

Cash equivalents as at 31 December 2022 comprise of term deposits at commercial banks with an original maturity less than 3 months and earn at the rate of 4% - 6% per annum.

4. INVESTMENTS

[a] Investments held to maturity

	2022		2021	
	Cost VND	Book value VND	Cost VND	Book value VND
i. Short-term				
Term deposits (*)	1,049,000,000,000	1,049,000,000,000	1,527,845,044,955	1,527,845,044,955
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
ii. Long-term				
Term deposits (**)	95,000,000,000	95,000,000,000	-	-
Trusted-investment (Note 7[a])	-	-	156,017,700,000	156,017,700,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	95,000,000,000	95,000,000,000	156,017,700,000	156,017,700,000
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

[*] As at 31 December 2022, short-term investments held-to-maturity comprise of term deposits at commercial banks with the remaining period less than 1 year and earn interest at the rate of 5% - 12% per annum (as at 31 December 2021: 5% - 7.6% per annum). Besides, the Group has pledged VND325 billion of these investments as collateral assets for the Group's short-term borrowings (Note 17).

[**] As at 31 December 2022, long-term investments held-to-maturity comprise of term deposits at commercial banks with the remaining period more than 12 months and earn interest at the rate of 11.5% per annum.

4. INVESTMENTS (continued)

(b) Investments in other entity

	2022			2021		
	Book value VND	Fair value VND	Provision VND	Book value VND	Fair value VND	Provision VND
i. Investment in associate						
Thang Loi Homes Joint Stock Company (formerly known as Central Hill Real Estate Joint Stock Company, change name from 8 September 2022) [**], [****]	401,631,200,000					
ii. Investments in other entity						
Thang Loi Group Real Estate Joint Stock Company [***]	119,200,000,000			119,200,000,000		

[*] As at 31 December 2022, the Group had not determined the fair value of these investments for disclosure in the consolidated financial statements since their shares are not listed, and Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements do not provide detailed guidance on the methods to determine fair value. The fair value of such investments may be different from their book value.

[**] Pursuant to the Resolution No. 04-2022/NQ-GAC dated 21 Mar 2022, the Board of Directors of the Company approved the plan to buy shares of Central Hill Real Estate Joint Stock Company. Accordingly, as at 31 December 2022 the Company owned 30% of the charter capital of this company.

[***] Pursuant to the Resolution No. 05-2021/NQ-GAC dated 15 April 2021, the Board of Directors of the Company approved the plan to buy shares of Thang Loi Group Real Estate Joint Stock Company. Accordingly, as at 31 December 2022 the Group owned 12.97% of the charter capital of this company.

(b) Investments in other entity (continued)

[****] Movements of investment of associate during the year were as follow:

	2022 VND	2021 VND
Beginning of year	-	-
Increase investment in associate		
(Note 35(a))	393,631,200,000	-
Profit sharing of Group from income statement of associate	8,000,000,000	-
End of year	<u>401,631,200,000</u>	<u>-</u>

5. SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2022 VND	2021 VND
Third parties		
Ai Linh Trading Import - Export		
Joint Stock Company	138,768,651,350	110,715,804,421
Hung Thinh Furniture Joint		
Stock Company	74,441,744,824	11,848,349,234
Others	432,177,693,461	417,122,030,019
Related parties (Note 35(b))	8,880,115,294	9,897,160,560
	<u>654,268,204,929</u>	<u>549,583,344,234</u>

As at 31 December 2022 and 31 December 2021, the balances of short-term trade accounts receivable which were past due, amounted to VND53,015,479,411 and VND25,823,843,454, respectively as presented in Note 8.

As at 31 December 2022 and 31 December 2021, there were no other third-party customers who had a balance accounting for 10% or more of the total balance of short-term trade accounts receivable.

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2022 VND	2021 VND
Third parties	39,194,877,973	47,358,768,310
Related party (Note 35(b))	3,802,046,000	190,640,000
	<u>42,996,923,973</u>	<u>47,549,408,310</u>

As at 31 December 2022 and 31 December 2021, there was no third party supplier who had a balance accounting for 10% or more of the total balance of short-term prepayments to suppliers.

7. OTHER RECEIVABLES

Form B 09 – DN/HN

[a] Short-term

	2022 VND	2021 VND
Entrusted-investment (*)	156,017,700,000	-
Interest income from term deposits	23,266,215,447	26,054,971,697
Interest income from entrusted-investment (Note 34) (*)	18,720,311,067	5,319,221,533
Deposits	9,596,179,470	7,092,183,863
Deposit to purchasing house (Note 35(b))	9,318,000,000	-
Advances to employees	2,878,744,878	1,411,780,131
Others	68,543,625	134,356,454
	<u>219,865,694,487</u>	<u>40,012,513,678</u>

(*) The Company entrusted VinaCapital Fund Management Joint Stock Company ("VinaCapital") to invest in corporate bonds and earned an expected interest at the rate of 13.8% per annum according to the contract No. GB2021001 dated 5 February 2021 signed between the Group and VinaCapital. These bonds matured on 30 December 2022. At the date of these financial statements, VinaCapital is in the process of dealing with bond issuer to collect this investment. According to the Board of Management's and VinaCapital's assessment, this investment will be fully recovered and hence, there's no impairment indicator which requires a provision to be made.

[b] Long-term

	2022 VND	2021 VND
Deposits (*)	285,052,830,311	285,052,830,311
Interest receivables (Note 34) (*)	68,790,574,235	31,733,706,294
Other deposits	13,100,249,613	5,549,976,800
	<u>366,943,654,159</u>	<u>322,336,513,405</u>

(*) According to Resolution No. 01-2021/NQ-GAC dated 11 January 2021 of the Board of Directors, the Company signed the purchase option agreements with Novareal Joint Stock Company for real estates of the Novaworld Phan Thiet project. Accordingly, the Company deposited VND285,052,830,311 in 2021. In addition, pursuant to the above agreements, until 15 March 2023, the Company can decide whether to exercise or not the real estate purchase option. At the date of these financial statements, the Company has confirmed to not exercise the real estate purchase option. According to the signed agreements, the Company will receive the entire deposits, together with the interest income calculated at the interest rate of 13% per annum from the date of the Company placed the deposits until the liquidation date of 15 March 2025. Accordingly, the Group recognised the above interest income in the consolidated financial statements for the year ended 31 December 2021 and 31 December 2022.



8. DOUBTFUL DEBTS

	Cost VND	Recoverable amount VND
Receivables that were past due		
Lao Cai - No.1 Construction and Trading Investment Joint Stock Company	18,799,490,297	9,399,745,149
Long Giang Investment and Urban Development Joint Stock Company	5,235,807,801	-
An Gia Hung Investment Construction Joint Stock Company	4,094,674,296	-
Others	24,885,507,017	11,851,509,828
	<hr/> 53,015,479,411	<hr/> 21,251,254,977
	Cost VND	Recoverable amount VND
Receivables that were past due		
Long Giang Investment and Urban Development Joint Stock Company	5,735,808,302	241,525,539
An Gia Hung Investment Construction Joint Stock Company	5,162,064,567	1,575,821,482
Hung Long Phat Investment and Construction Joint Stock Company	1,702,657,460	-
Others	13,223,313,125	5,241,156,771
	<hr/> 25,823,843,454	<hr/> 7,058,503,792

2022

Provision	Overdue
VND	

9,399,745,149	Over 2 years, under 3 years
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5,235,807,801	Over 2 years, under 3 years
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4,094,674,296	Over 3 years
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13,033,997,189	Over 6 months
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31,764,224,435	
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2021

Provision	Overdue
VND	

5,494,282,763	Over 1 year, under 2 years
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3,586,243,085	Over 2 years, under 3 years
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1,702,657,460	Over 2 years, under 3 years
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7,982,156,354	Over 6 months
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18,765,339,662	
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	2022		2021	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods purchased in transit	66,569,788,797	-	67,937,512,526	-
Raw materials	698,496,904,016	(12,170,303,242)	645,187,320,053	(10,837,133,507)
Work in progress	254,058,190,275	(4,817,028,393)	219,733,748,906	(9,962,248,945)
Finished goods	257,228,857,354	(6,267,073,649)	262,604,133,943	(7,129,120,735)
Merchandise	208,346,077,960	(1,459,502,423)	214,413,955,171	(1,646,856,947)
Finished goods in transit	6,871,256,014	-	-	-
	<u>1,491,571,074,416</u>	<u>(24,713,907,707)</u>	<u>1,409,876,670,599</u>	<u>(29,575,360,134)</u>

Movements in the provision for decline in value of inventories during the year were as follows:

	2022 VND	2021 VND
Beginning of year	29,575,360,134	18,989,311,695
(Reversal of provi- sion)/provision [Note 27]	(4,861,452,427)	10,586,048,439
End of year	<u>24,713,907,707</u>	<u>29,575,360,134</u>

10. PREPAID EXPENSES

[a] Short-term

	2022 VND	2021 VND
Advertising	12,928,019,500	4,387,837,446
Showroom and samples	8,982,698,832	2,887,226,915
Tools and supplies	8,833,303,472	6,509,339,745
Insurance	1,700,396,340	3,654,896,210
Rental	1,132,844,304	657,731,830
Others	11,410,360,918	3,910,800,942
	<u>44,987,623,366</u>	<u>22,007,833,088</u>

(b) Long-term

	2022 VND	2021 VND
Land rental (*)	161,896,253,581	166,619,048,110
Office and factory renovation	12,349,834,490	10,187,849,775
Tools and supplies	9,610,550,560	8,459,188,700
Rental	2,001,933,729	2,048,043,527
Others	6,092,789,117	2,766,440,388
	191,951,361,477	190,080,570,500

[*] As at 31 December 2022, land use right of land lots No. 441, No. 218 and No. 820 located in Binh Duong Province with a carrying value of VND110,555,654,894 (as at 31 December 2021: VND100,805,105,728) were pledged with banks as security for short-term borrowings granted to the Group (Note 17).

Movement of long-term prepayment during the year is as follows:

	2022 VND	2021 VND
Beginning of year	190,080,570,500	212,227,664,545
Increase	28,512,799,532	17,689,106,871
Allocation during the year	(26,642,008,555)	(39,836,200,916)
End of year	191,951,361,477	190,080,570,500

11. FIXED ASSETS

(a) Tangible fixed assets

	Plant and buildings VND	Machinery VND
Historical cost		
As at 1 January 2022	340,539,701,857	520,308,630,806
New purchases	-	1,216,518,000
Written-off	(627,693,754)	(2,326,282,604)
Disposals	(683,577,650)	-
As at 31 December 2022	<u>339,228,430,453</u>	<u>519,198,866,202</u>
Accumulated depreciation		
As at 1 January 2022	143,954,430,459	257,738,639,894
Charge for the year	31,828,350,547	58,630,767,176
Written-off	(627,693,754)	(2,326,282,604)
Disposals	(462,565,936)	-
As at 31 December 2022	<u>174,692,521,316</u>	<u>314,043,124,466</u>
Net book value		
As at 1 January 2022	196,585,271,398	262,569,990,912
As at 31 December 2022	<u>164,535,909,137</u>	<u>205,155,741,736</u>

Historical cost of tangible fixed assets fully depreciated but still in use as at 31 December 2022 was VND89,896,494,233 (as at 31 December 2021: VND45,684,198,326).

Motor vehicles VND	Office equipment VND	Others VND	Total VND
121,087,920,617	13,799,376,814	25,083,505,308	1,020,819,135,402
13,312,693,299	286,440,000	-	14,815,651,299
(874,390,909)	(29,090,909)	(3,540,479,786)	(7,397,937,962)
(1,205,409,090)	-	-	(1,888,986,740)
<u>132,320,813,917</u>	<u>14,056,725,905</u>	<u>21,543,025,522</u>	<u>1,026,347,861,999</u>
67,684,150,481	11,582,668,893	21,699,926,891	502,659,816,618
13,634,062,524	1,553,534,535	1,094,223,161	106,740,937,943
(874,390,909)	(29,090,909)	(3,540,479,786)	(7,397,937,962)
(1,053,912,336)	-	-	(1,516,478,272)
<u>79,389,909,760</u>	<u>13,107,112,519</u>	<u>19,253,670,266</u>	<u>600,486,338,327</u>
53,403,770,136	2,216,707,921	3,383,578,417	518,159,318,784
<u>52,930,904,157</u>	<u>949,613,386</u>	<u>2,289,355,256</u>	<u>425,861,523,672</u>

[a] Tangible fixed assets (continued)

As at 31 December 2022, tangible fixed assets with a carrying value of VND116,847,874,120 (as at 31 December 2021: VND157,255,359,213) were pledged with banks as security for short-term borrowings granted to the Group [Note 17].

[b] Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Historical cost			
As at 1 January 2022	8,090,909,091	24,057,658,255	32,148,567,346
New purchases	-	420,000,000	420,000,000
As at 31 December 2022	8,090,909,091	24,477,658,255	32,568,567,346
Accumulated amortisation			
As at 1 January 2022	1,621,610,666	13,925,241,281	15,546,851,947
Charge for the year	221,804,517	3,538,190,652	3,759,995,169
As at 31 December 2022	1,843,415,183	17,463,431,933	19,306,847,116
Net book value			
As at 1 January 2022	6,469,298,425	10,132,416,974	16,601,715,399
As at 31 December 2022	6,247,493,908	7,014,226,322	13,261,720,230

Historical cost of intangible fixed assets fully amortised but still in use as at 31 December 2022 was VND3,398,852,090 (as at 31 December 2021: VND498,990,000).

As at 31 December 2022, intangible fixed assets with a carrying value of VND6,247,493,908 (as at 31 December 2021: VND6,469,298,425) were pledged with banks as security for short-term borrowings granted to the Group [Note 17].

12. SHORT-TERM TRADE ACCOUNTS PAYABLE

	2022		2021	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
VRG Kien Giang MDF Joint				
Stock Company	55,556,518,023	55,556,518,023	48,022,238,498	48,022,238,498
Vina Eco Board Limited	20,560,698,097	20,560,698,097	43,186,580,407	43,186,580,407
Others	270,577,217,913	270,577,217,913	197,978,267,602	197,978,267,602
Related parties				
[Note 35]	819,911,414	819,911,414	-	-
	347,514,345,447	347,514,345,447	289,187,086,507	289,187,086,507
	<hr/>	<hr/>	<hr/>	<hr/>

As at 31 December 2022 and 31 December 2021, there was no balance of short-term trade accounts payable that was past due.

As at 31 December 2022 and 31 December 2021, there were no other third-party suppliers who had a balance accounting for 10% or more of the total balance of short-term trade accounts payable.

13. SHORT-TERM ADVANCES FROM CUSTOMERS

	2022 VND	2021 VND
Third parties	160,976,991,093	206,024,768,522

As at 31 December 2022, there were no other third-party customers who had a balance accounting for 10% or more of the total balance of short-term advances from customers.

As at 31 December 2021, details for customers accounting for 10% or more of the total balance were as follows:

	2022 VND	2021 VND
Ricons Construction Investment Joint		
Stock Company	213,829,845	25,006,837,086

14. TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State during the year were as follows:

	As at 1.1.2022 VND	Receivable during the year VND
a) Receivables		
Value added tax ("VAT") input	2,322,179,488	258,407,552,787
Import tax to be reclaimed	518,077,900	2,911,958,743
Personal income tax	1,021,180	-
VAT on importation	-	44,158,296
Others	52,405,365	155,217,909
	<u>2,893,683,933</u>	<u>261,518,887,735</u>
	As at 1.1.2021 VND	Payable during the year VND
b) Payables		
VAT output	8,903,403,215	430,524,565,648
CIT	24,641,691,956	137,375,132,415
Personal income tax	2,487,269,557	25,602,205,111
Import tax	13,998,252	21,906,691,342
Others	-	1,407,199,052
	<u>36,046,362,980</u>	<u>616,815,793,568</u>

Received during year VND	Net-off during the year VND	As at 31.12.2022 VND
--------------------------------	-----------------------------------	----------------------------

-	[259,396,400,593]	1,333,331,682
[2,203,460,398]	-	1,226,576,245
(1,021,180)	-	-
-	-	44,158,296
(140,814,255)	-	66,809,019
<u>[2,345,295,833]</u>	<u>[259,396,400,593]</u>	<u>2,670,875,242</u>

Paid during the year VND	Net-off during the year VND	As at 31.12.2022 VND
--------------------------------	-----------------------------------	----------------------------

(168,800,001,735)	(259,396,400,593)	11,231,566,535
(60,749,588,221)	-	101,267,236,150
(18,624,628,711)	-	9,464,845,957
(21,906,768,035)	-	13,921,559
(1,329,693,014)	-	77,506,038
<u>(271,410,679,716)</u>	<u>(259,396,400,593)</u>	<u>122,055,076,239</u>

15. PAYABLES TO EMPLOYEES

Payables to employees represent salary of December and the accrued 13th-month salary payable to employees.

16. SHORT-TERM ACCRUED EXPENSES

	2022 VND	2021 VND
Bonus to employees	15,399,140,373	19,851,116,334
Based-investment-performance fees to VinaCapital	6,000,000,000	-
Advertising	90,108,000	368,536,028
Others	9,081,670,278	4,607,318,543
	<hr/> <u>30,570,918,651</u>	<hr/> <u>24,826,970,905</u>



17. SHORT-TERM BORROWINGS

	As at 1.1.2022 VND	Increase VND	Decrease VND
Bank loans (*)	566,975,088,269	2,397,968,155,776	(2,149,455,806,058)

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

	currency	As at 31.12.2022 VND	As at 31.12.2022 Original currency	Term Months
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	VND	385,833,030,212	385,833,030,212	6
	USD	50,584,022,667	2,130,248	6
Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	VND	124,539,442,673	124,539,442,673	3
	USD	108,483,217,289	4,568,029	2-3
Shinhan Bank Vietnam Limited ("Shinhan Bank")	VND	144,282,959,870	144,282,959,870	3-6
		813,722,672,711		

Foreign exchange revaluation	As at 31.12.2022
VND	VND
[1,764,765,276]	813,722,672,711

Expiry date	Interest %/annum	Collateral assets (Note 4(a), 10(b), 11(a), 11(b))
----------------	---------------------	---

30/1/2023 - 26/6/2023	5 - 7	Bank deposit contracts at this bank of VND222 billion, debt use rights, land use rights and assets, machineries belonged to land plot No. 218 located in Binh Duong province.
23/1/2023 - 15/5/2023	2,2 - 3,6	
5/1/2023 - 2/3/2023	6,7 - 8,3	Debt use rights, land use rights and assets, machineries belonged to land plot No. 441 and 820 located in Binh Duong province.
3/1/2023 - 29/3/2023	3,6 - 5,2	
9/1/2023 - 21/5/2023	6,6 - 8,3	Bank deposit contracts of VND103 billion.

18. BONUS AND WELFARE FUNDS

Movements of bonus and welfare fund during the year are as follows:

	2022 VND	2021 VND
Beginning of year	2,666,298,490	175,035,270
Increase (Note 22)	53,997,434,435	99,429,062,310
Decrease	(17,646,895,358)	(96,937,799,090)
End of year	<u>39,016,837,567</u>	<u>2,666,298,490</u>

19. PROVISION FOR LONG-TERM LIABILITIES

The balances represent provision for dismantling cost and provision for severance allowances which are determined based on the method disclosed in Note 2.17 and Note 2.18.

20. DEFERRED TAX ASSETS

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

	2022 VND	2021 VND
Deferred tax assets are calculated base on:		
Provision for decline in value of inventories	4,238,956,584	5,104,784,489
Accrual expenses	3,203,880,880	-
Provision for dismantling cost	1,200,000,000	580,043,881
Provision of severance allowances	557,263,833	506,680,750
Unrealised profit when consolidate	116,499,752	2,105,303,319
	<u>9,316,601,049</u>	<u>8,296,812,439</u>

The movement in the deferred income tax assets, taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows:

	2022 VND	2021 VND
Beginning of period	8,296,812,439	8,962,615,918
Income statement credit/[charge] (Note 32)	1,019,788,610	(665,803,479)
End of year	<u>9,316,601,049</u>	<u>8,296,812,439</u>

20. DEFERRED TAX ASSETS (continued)

Details of deferred tax assets:

	2022 VND	2021 VND
Deductible temporary differences	9,316,601,049	8,296,812,439

The Group uses tax rate of each company in the Group for determining deferred tax assets. Deferred tax assets mainly arise from deductible temporary differences relating to accrued expenses, and provisions.

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

21. OWNERS' CAPITAL

(a) Number of shares

	2022	2021
Number of shares registered	135,846,122	87,650,344
Number of shares issued	135,846,122	87,650,344
Number of shares repurchased	(9,600)	(9,600)
Number of existing shares in circulation	135,836,522	87,640,744

(b) Details of owners' shareholding

	31.12.2022	31.12.2021		
	Ordinary shares	%	Ordinary shares	%
NC Viet Nam Investment Ltd.	67,984,860	50,05	43,861,200	50,05
Sumitomo Forestry (Singapore) Ltd.	26,641,279	19,61	17,187,922	19,61
Whitlam Holding Pte. Ltd	24,542,700	18,07	15,834,000	18,07
Others	16,667,683	12,27	10,757,622	12,27
	135,836,522	100	87,640,744	100

21. OWNERS' CAPITAL (continued)

[c] Movement of share capital

	Number of shares	Ordinary shares VND	Treasury shares VND	Total VND
As at 1 January 2021	87,362,244	876,568,440,000	(20,046,000,000)	856,522,440,000
Repurchase of treasury shares	(6,500)	-	(65,000,000)	(65,000,000)
Cancel of treasury shares	-	(65,000,000)	65,000,000	-
Treasury shares sold	285,000	-	19,392,769,853	19,392,769,853
As at 31 December 2021	87,640,744	876,503,440,000	(653,230,147)	875,850,209,853
New shares issued (Note 22)	48,195,778	481,957,780,000	-	481,957,780,000
As at 31 December 2022	<u>135,836,522</u>	<u>1,358,461,220,000</u>	<u>(653,230,147)</u>	<u>1,357,807,989,853</u>

Par value per share: VND10,000.

The Group has no preferred shares.



22. MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND
As at 1 January 2021	876,568,440,000	1,408,471,865,056
Net profit for the year	-	-
Dividends paid in cash	-	-
Appropriation to the investment and development fund	-	-
Appropriation to the bonus and welfare fund	-	-
Transfer to bonus and welfare fund	-	-
Appropriation to the Charity Funds	-	-
Repurchase of treasury shares	-	-
Cancel of treasury shares	(65,000,000)	-
Treasury shares sold	-	10,832,823,647
Others	-	-
 As at 31 December 2021	 876,503,440,000	 1,419,304,688,703
Capital increased during the year [(i)]	43,754,300,000	(6,100,000)
Net profit for the year	-	-
Dividend paid in shares [(ii) and Note 23]	438,203,480,000	-
Dividend paid in cash [(i), (iii) and (iv)]	-	-
Appropriation to the bonus and welfare fund [(v), (vi) and (vii)]	-	-
Transfer to bonus and welfare fund [(v) and (vi)]	-	-
Appropriation to the charity funds (v)	-	-
 As at 31 December 2022	 <u>1,358,461,220,000</u>	 <u>1,419,298,588,703</u>

Treasury shares VND	Development and investment fund VND	Undistributed earnings VND	Others VND
(20,046,000,000)	36,590,318,871	1,215,106,884,397	3,516,691,508,324
-	-	451,279,222,834	451,279,222,834
-	-	(104,826,892,800)	(104,826,892,800)
-	40,214,669,748	(40,214,669,748)	-
-	-	(59,839,062,310)	(59,839,062,310)
-	(39,590,000,000)	-	(39,590,000,000)
-	-	(5,000,000,000)	(5,000,000,000)
(65,000,000)	-	-	(65,000,000)
65,000,000	-	-	-
19,392,769,853	-	-	30,225,593,500
-	(12,076,464,358)	-	(12,076,464,358)
<hr/>	<hr/>	<hr/>	<hr/>
(653,230,147)	25,138,524,261	1,456,505,482,373	3,776,798,905,190
-	-	-	43,748,200,000
-	-	615,581,289,335	615,581,289,335
-	-	(438,203,480,000)	-
-	-	(464,913,590,200)	(464,913,590,200)
-	-	(28,864,297,440)	(28,864,297,440)
-	(25,133,136,995)	-	(25,133,136,995)
-	-	(5,000,000,000)	(5,000,000,000)
<hr/>	<hr/>	<hr/>	<hr/>
(653,230,147)	5,387,266	1,135,105,404,068	3,912,217,369,890
<hr/>	<hr/>	<hr/>	<hr/>

22. MOVEMENTS IN OWNERS' EQUITY (continued)

[i] Pursuant to the Resolution No. 02/2022/NQ-GAC dated 18 February 2022, the Board of Directors approved advance of the 1st dividend payment of 2021 by cash for existing shareholders at the rate of 5% at par value of each share, equivalents to VND43,820,372,000. At the same time, the Board of Directors also approved offering shares to existing shareholders at the ratio of 100:5, equivalent to 5%. Total issued shares are 4,375,430 ones, which is equivalent to VND43,754,300,000.

[ii] Pursuant to the Resolution No. 06-2022/NQ-GAC dated 1 April 2022 and Decision No.30/2022/QĐ-GAC dated 20 April 2022, the Board of Directors approved issuance of new shares to pay dividend for existing shareholders at the ratio of 2:1. Accordingly, the Company issued 43,820,348 shares, which is equivalent to VND 438,203,480,000.

[iii] Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 09/2022/NQ-GAC dated 6 June 2022 and Resolution of the Board of Directors No. 10/2022/NQ-GAC dated 6 June 2022, the Board of Directors approved the 2nd dividend payment by cash at the rate of 20% at par value of each share, which is equivalent to VND271,673,044,000.

[iv] Pursuant to the Resolution No. 15-2022/NQ-GAC dated 3 October 2022, the Board of Directors approved advance of the 1st dividend payment of 2022 by cash for existing shareholders at the rate of 11% at par value of each shares, which is equivalent to VND149,420,174,200.

[v] Pursuant to the Resolution of the Annual General Meeting of Shareholders No.09/2022/NQ-GAC dated 6 June 2022, the General Meeting of Shareholders approved the appropriation of charity fund amounting to VND5,000,000,000, the appropriation of bonus and welfare fund at the rate of 5% on profit after tax in the audited consolidated financial statements of the Group as at 31 December 2021 after deducting profit after tax in the six-month period consolidated interim financial statements as at 30 June 2021, equivalents to VND10,690,183,868; and transfer the entire remaining balance of the Company's Investment and Development Fund to the Bonus and Welfare Fund, which is equivalent to VND21,397,458,939.

[vi] Pursuant to the Decision No. 81-2022/QĐ-SXGAC dated 15 June 2022, the Chairman of An Cuong Wood-Working Manufacturing Company Limited approved the appropriation of bonus and welfare fund at the rate of 10% on profit after tax in the audited financial statements of An Cuong Wood-Working Manufacturing Company Limited as at 31 December 2021, equivalent to VND22,203,516,617. After deducting the appropriation during the year 2021, which is VND 6,879,871,356, the additional appropriation in year 2022 is VND15,323,645,261. At the same time, Chairman of An Cuong Wood-Working Manufacturing Company Limited decided to transfer the entire remaining balance of the Company's Investment and Development Fund to the Bonus and Welfare Fund, which is equivalent to VND3,735,678,056.

[vii] Pursuant to the Decision No. 55-2022/QĐ-MLC dated 15 June 2022, the Chairman of Malloca Company Limited approved the appropriation of bonus and welfare fund at the rate of 10% on profit after tax in the audited financial statements of Malloca Company Limited as at 31 December 2021, equivalent to VND2,850,468,311.

23. DIVIDENDS

	2022 VND	2021 VND
Beginning of year	-	-
Increase [Note 24]	903,117,070,200	104,826,892,800
Dividend paid in cash	(464,650,732,500)	(104,826,892,800)
Dividend paid in ordinary shares [Note 22, 34, 35]	(438,203,480,000)	-
End of year	<u>262,857,700</u>	<u>-</u>

24. EARNINGS PER SHARE

[a] Basic earnings per share [continued]

Basic earnings per share is calculated by dividing the net profit attributable to Shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares repurchased by the Company and held as treasury shares.

The details were as follows:

	For the year ended	
	31.12.2022	31.12.2021 (Restated) [**]
Net profit attributable to shareholders (VND)	615,581,289,335	451,279,222,834
Less amount allocated to bonus and welfare funds (VND) [*]	-	[58,182,148,122]
	<u>615,581,289,335</u>	<u>393,097,074,712</u>
Weighted average number of ordinary shares in issue [shares]	134,505,936	131,119,704
Basic earnings per share (VND)	<u>4,577</u>	<u>2,998</u>

[*] As at 31 December 2022, the Group has not had the plan to appropriate the bonus and welfare funds from undistributed earnings of 2022.

24. EARNINGS PER SHARE (continued)

[a] Basic earnings per share (continued)

(**) Basic earnings per share of the year 2021 were recalculated to take into account adjustments for bonus and welfare expenses and/or for bonus share issuance as follows:

For the year ended 31.12.2021			
	As previously reported	Adjustments (***)	As restated
Net profit attributable to shareholders (VND)	451,279,222,834	-	451,279,222,834
Adjust amount of Bonus and welfare fund	(56,753,648,630)	[1,428,499,492]	[58,182,148,122]
	<u>394,525,574,204</u>		<u>393,097,074,712</u>
Weighted average number of ordinary shares in issue (shares)	87,413,136	43,706,568	131,119,704
Basic earnings per share (VND)	<u>4,513</u>		<u>2,998</u>

[***) In 2022, the adjusted amount that increase Bonus and welfare fund (VND) for the year ended 31 December 2021 is VND58,182,148,122 according to approved Resolution of the Annual General Meeting of Shareholders No. 09-2022/NQ-GAC, Resolution No. 81-2022/QĐ-SXGAC and Resolution No. 55-2022/QĐ-MLC with the additional appropriation amount equivalent to VND1,428,499,492 compared to temporarily appropriation amount in 2021. At the same time, weighted average number of ordinary shares in issue is also adjusted as an impact of the issuance of new shares to pay dividend for existing shareholders at the ratio of 2:1 according to Resolution No. 06-2022/NQ-GAC.

[b] Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- The weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

The Group has no ordinary shares that have a dilutive effect during the year and until the date of these consolidated financial statements. Therefore, the diluted earnings per share shall be equal to the basic earnings per share.

25. OFF BALANCE SHEET ITEMS

[a] Foreign currencies

As at 31 December 2022, included in cash were balances held in foreign currencies of US\$451,559 and EUR15,434 (as at 31 December 2021: US\$97,120 and EUR7,561).

[b] Operating lease assets

The future minimum lease payments under non-cancellable operating assets leases are presented in Note 36.

26. NET REVENUE OF SALES OF GOODS AND RENDERING OF SERVICES

	2022 VND	2021 VND
Revenue		
Revenue from sales of merchandise and finished goods	4,482,061,765,274	3,292,751,656,168
Revenue from rendering of services	27,608,105,827	20,199,023,434
	<u>4,509,669,871,101</u>	<u>3,312,950,679,602</u>
Sales deductions		
Trade discounts	(12,111,113,729)	(9,408,276,177)
Sales returns	(22,071,582,989)	(9,906,477,914)
Sales allowances	(8,735,560)	(128,340,000)
	<u>(34,191,432,278)</u>	<u>(19,443,094,091)</u>
Net revenue from sales of goods and rendering of services		
Net revenue from sales of merchandise and finished goods	4,447,870,332,996	3,273,308,562,077
Net revenue from rendering of services	27,608,105,827	20,199,023,434
	<u>4,475,478,438,823</u>	<u>3,293,507,585,511</u>

27. COST OF GOODS SOLD AND SERVICES RENDERED

	2022 VND	2021 VND
Cost of goods sold	3,134,076,717,010	2,378,309,634,571
Cost of services rendered	4,416,868,924	4,717,151,471
(Reversal of provision)/provision for decline in value of inventories (Note 9)	(4,861,452,427)	10,586,048,439
Provision for dismantling cost	4,000,000,000	4,000,000,000
	<u>3,137,632,133,507</u>	<u>2,397,612,834,481</u>

28. FINANCIAL INCOME

	2022 VND	2021 VND
Interest income from bank deposits	80,834,190,753	87,946,953,295
Interest income from deposits (Note 7(b))	37,056,867,940	31,733,706,294
Realised foreign exchange gains	22,162,099,595	15,160,029,224
Interest income from trusted-investment	21,099,747,945	19,227,747,944
Interest income from lending	2,478,479,451	-
Dividend distributed	8,940,000,000	-
Net gain from foreign currency translation at year-end	2,733,153,902	-
	<u>175,304,539,586</u>	<u>154,068,436,757</u>

29. FINANCIAL EXPENSES

	2022 VND	2021 VND
Interest expenses	31,879,418,791	21,480,945,050
Realised foreign exchange losses	18,978,309,279	2,194,419,622
Based-investment-performance fees to VinaCapital	6,000,000,000	-
Net loss from foreign currency translation at year-end	-	482,783,595
	<u>56,857,728,070</u>	<u>24,158,148,267</u>

30. SELLING EXPENSES

	2022 VND	2021 VND
Staff costs	227,736,278,828	160,571,768,848
Marketing and advertising	100,724,394,367	60,147,816,247
Transportation	66,810,926,515	46,777,042,792
Rental	38,349,887,505	31,193,807,045
Repair and maintenances	19,784,345,235	20,149,039,103
Depreciation and amortisation	14,153,763,193	14,810,679,636
Tools and supplies	9,495,350,887	10,415,798,398
Others	70,815,997,643	39,704,456,704
	547,870,944,173	383,770,408,773

31. GENERAL AND ADMINISTRATION EXPENSES

	2022 VND	2021 VND
Staff costs	89,615,977,843	57,177,494,879
Provision for doubtful debts	12,998,884,773	8,103,472,769
Depreciation and amortisation	4,370,421,947	4,466,490,808
Professional fees	3,293,107,102	2,470,737,223
Tools and supplies	2,022,028,959	1,583,202,420
Others	55,593,434,683	26,291,098,485
	167,893,855,307	100,092,496,584

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

	2022 VND	2021 VND
Net accounting profit before tax	<u>751,936,633,140</u>	546,416,590,445
Tax calculated at a rate of 20%	150,387,326,628	109,283,318,089
Effect of:		
Expenses not deductible for tax purposes	16,838,398,289	8,692,852,902
Tax deduction [**]	(29,170,782,454)	(22,887,217,550)
Incomes not subject to tax [***]	(1,788,000,000)	-
Under-provision in previous years	88,401,342	48,414,170
CIT charge [*]	<u>136,355,343,805</u>	<u>95,137,367,611</u>

Charged/[credited] to consolidated income statement:

CIT – current	137,375,132,415	94,471,564,132
CIT – deferred [Note 20]	(1,019,788,610)	665,803,479
	<u>136,355,343,805</u>	<u>95,137,367,611</u>

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

[**] Persuant to the initial Investment Registration certificate No. 1338867711 dated 17 October 2017, An Cuong Wood-Working Manufacturing Company Limited has the obligation to pay CIT at rate of 20%. The Company is exempted from CIT for 2 years from the first profitable year [2019 - 2020] and is entitled to a 50% CIT reduction for 4 years thereafter [2021 - 2024].

[***] Incomes not subject to tax during the year were related to dividend distributed from investment in other entity.

33. COST OF OPERATION BY FACTOR

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

	2022 VND	2021 VND
Raw materials	2,801,172,108,515	1,710,541,558,607
Staff costs	632,684,808,649	480,190,442,816
Outside services	273,116,392,532	193,668,960,605
Depreciation and amortisation	110,500,933,112	114,701,008,697
Tools and supplies	64,973,736,758	82,794,391,947
Transportation	87,441,085,728	47,318,065,526
Others	206,356,715,540	131,282,384,136
	4,176,245,780,834	2,760,496,812,334

34. NON-CASH TRANSACTIONS AFFECTING THE CONSOLIDATED CASH-FLOW STATEMENT

	Year ended 31 December	
	2022 VND	2021 VND
Issuance of shares to pay dividends to existing shareholders [Note 23, 35(a)]	438,203,480,000	-
Conversion from borrowings into investment in an associate	267,000,000,000	-
Reclassification of trusted-investment from short-term investment held-to-maturity to other short-term receivables	156,017,700,000	-
Interest income from deposits not yet collected [Note 7(b)]	68,790,574,235	31,733,706,294
Interest income from trusted-investment not yet collected [Note 7(a)]	18,720,311,067	5,319,221,533
Profit sharing from income statement of associate company	8,000,000,000	-

35. RELATED PARTY DISCLOSURES

As at 31 December 2022 and the year then ended, the Group had balances and/or transactions with the related parties:

Related parties	Relationship
Thang Loi Homes Joint Stock Company (formerly known as Central Hill Real Estate Joine Stock Company)	Associate
NC Vietnam Investment Company Limited	Controlling shareholder
Whitlam Holding Pte. Ltd	Major shareholder
Sumitomo Forestry (Singapore) Ltd.	Major shareholder
Trung Hieu Plywood Company Limited	Controlled by the Chairman's family member
Thao Nghia Thanh One-member Company Limited	Controlled by the Head of Board of Supervision's family member
Sumitomo Forestry Vietnam Company Limited	Controlled by a member of Board of Directors
Mr. Le Duc Nghia	Chairman
Ms. Vo Thi Ngoc Anh	General Director
Ms. Nguyen Thi Kim Thoa	Deputy General Director

[a]. Related party transactions

The primary transactions with related parties incurred in the year are:

	2022 VND	2021 VND
[i] Sales of goods		
Trung Hieu Plywood Company Limited	<u>65,342,502,700</u>	<u>52,726,274,803</u>
[ii] Purchases of goods and services		
Thao Nghia Thanh One-member Limited	13,215,968,254	4,703,383,000
Sumitomo Forestry (Singapore) Ltd.	7,432,065,037	4,474,241,784
Sumitomo Forestry Vietnam Company Limited	1,698,717,435	43,370,890
	<u>22,346,750,726</u>	<u>9,220,995,674</u>
[iii] Borrowings drawdown		
Mr. Le Duc Nghia	-	<u>102,000,000,000</u>
[iv] Repayment of borrowings		
Mr. Le Duc Nghia	-	<u>102,000,000,000</u>
[v] Interest expense of borrowings		
Mr. Le Duc Nghia	-	<u>425,654,794</u>
[vi] Dividend paid during the year in cash (Note 22)		
NC Vietnam Investment Ltd.	232,683,666,000	52,633,440,000
Sumitomo Forestry (Singapore) Ltd	91,181,925,900	20,625,506,400
Whitlam Holding Pte. Ltd.	83,999,370,000	19,000,800,000
Other shareholders	57,048,628,300	12,567,146,400
	<u>464,913,590,200</u>	<u>104,826,892,800</u>
[vii] Dividend paid during the year in ordinary shares (Note 22,23,34)		
NC Vietnam Investment Ltd.	219,306,000,000	-
Sumitomo Forestry (Singapore) Ltd	85,939,610,000	-
Whitlam Holding Pte. Ltd.	79,170,000,000	-
Other shareholders	53,787,870,000	-
	<u>438,203,480,000</u>	-
[viii] Investment in associate (Note 4(b))		
Thang Loi Homes Joint Stock Company	<u>393,631,200,000</u>	-
[ix] Deposits for purchasing houses		
Ms. Nguyen Thi Kim Thoa	5,900,700,000	-
Ms. Vo Thi Ngoc Anh	3,417,300,000	-
	<u>9,318,000,000</u>	-

35. RELATED PARTY DISCLOSURES (continued)

[a] Related party transactions (continued)

	2022 VND	2021 VND
(x) Compensation of key management		
Gross salaries and other benefits	<u>30,365,894,931</u>	<u>20,808,075,386</u>

In which:

Remuneration of Board of Directors

No.	Name	Title	2022 VND	2021 VND
1	Mr. Le Duc Nghia	Chairman	-	-
2	Mr. Masao Kamibayashiyama	Vice Chairman	-	-
3	Ms. Tran Luong Thanh Tung	Member (until 22/12/2022)	-	-
4	Mr. Jess Rueloekke	Member (until 22/12/2022)	-	-
5	Ms. Nguyen Thanh Quyen	Independent member (from 23/12/2022)	-	-
6	Mr. Phan Quoc Cong	Independent member (from 23/12/2022)	-	-
7	Mr. Nguyen Minh Tuan	Member	-	-
8	Mr. Le Thanh Phong	Member	-	-
9	Ms. Nguyen Thi Dieu Phuong	Member	-	-

Remuneration of Board of Supervision

No.	Name	Title	2022 VND	2021 VND
1	Ms. Tran Thi Ngoc Tue	Head of Board of Supervision	-	-
2	Ms. Tran Thi Kim Anh	Member	-	-
3	Ms. Mai Thi Phuong Thao	Member	-	-

Gross salaries and other benefits of Board of Management and other directors

No.	Name	Title	2022 VND	2021 VND
1	Mr. Le Duc Nghia	Chairman of Board of Member of subsidiary	4,625,500,000	2,850,000,000
2	Ms. Vo Thi Ngoc Anh	General Director	3,884,500,000	1,928,426,154
3	Mr. Le Thanh Phong	Deputy General Director	2,698,034,999	1,747,980,000
4	Ms. Nguyen Thi Hao	Deputy General Director	2,571,399,999	1,759,060,000
5	Ms. Nguyen Thi Kim Thoa	Deputy General Director	2,711,399,999	1,696,680,000
6	Ms. Nguyen Thi Duyen	Deputy General Director	3,070,175,000	1,875,200,000
7	Mr. Ngo Tan Tri	Deputy General Director	2,602,797,500	1,812,640,001
8	Ms. Thieu Thi Ngoc Diem	Chief Accountant	2,418,441,666	1,545,880,000
9	Ms. Tran Thi Ngoc Tue	Head of Board of Supervision	1,599,240,768	862,849,231
10	Mr. Masao Kamibayashiyama	Market Development Director	2,409,555,000	3,308,080,000
11	Mr. Tran Luong Thanh Tung	In charge of information disclosure (until 22/12/2022)	1,774,850,000	1,421,280,000
			<u>30,365,894,931</u>	<u>20,808,075,386</u>

	2022 VND	2021 VND
Short-term trade accounts receivable [Note 5]		
Trung Hieu Plywood Company Limited	8,880,115,294	9,897,160,560
Prepayment to vendors [Note 6]		
Thao Nghia Thanh One-member Company Limited	3,802,046,000	190,640,000
Other short-term receivables [Note 7(a)]		
Ms. Nguyen Thi Kim Thoa	5,900,700,000	-
Ms. Vo Thi Ngoc Anh	3,417,300,000	-
	9,318,000,000	-
Short-term trade accounts payable [Note 13]		
Sumitomo Forestry (Vietnam) Ltd.	516,978,154	-
Thao Nghia Thanh One-member Company Limited	302,933,260	-
	819,911,414	-
Investment in associate [Note 4(b)]		
Thang Loi Homes Joint Stock Company	393,631,200,000	-

36. COMMITMENTS

[a] Operating lease commitments

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

	2022 VND	2021 VND
Within one year	40,599,777,074	36,684,263,553
Between one and five years	119,672,102,772	74,837,443,552
Over five years	12,876,125,257	20,200,420,062
Total minimum payments	173,148,005,103	131,722,127,167

36. COMMITMENTS (continued)

(b) Capital commitments

Capital expenditure contracted for at the consolidated balance sheet date but not recognised in the consolidated financial statements was as follows:

	2022 VND	2021 VND
Capital contribution to a subsidiary	<u>10,200,000,000</u>	-

37. SEGMENT REPORTING

Business activity segments

Business segment information is primarily segment reporting of the Group. Its business is manufacturing and trading wooden household, industrial wooden items, artificial boards, interior decoration, kitchen equipment, and other wooden related products and they are the main activities to earn revenue and gain profit for the Group, whereas other incomes account for a small proportion in total revenue of the Group, therefore, the Board of Management of the Group assumed that the Group is in one business activity segment, only.

Geographical segments

The primarily segment reporting of the Group is presented in term of business segment. Therefore, the Group presented the geographical segments as the secondary segment information and including information as follows:

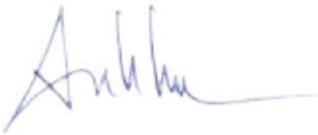
	2022		
	Cosmetic VND	Overseas VND	Total VND
Net revenue from sales of goods and rendering of services	3,915,918,994,274	559,559,444,549	4,475,478,438,823
Cost of goods sold and services rendered	(2,639,203,409,341)	(498,428,724,166)	(3,137,632,133,507)
Gross profit from sales of goods and rendering of services	1,276,715,584,933	61,130,720,383	1,337,846,305,316
Total expense incurred for purchases of fixed assets	18,400,278,483	-	18,400,278,483
Total carrying amount of the segment fixed assets by geographic area of the assets	439,123,243,902	-	439,123,243,902
Segment assets	642,507,978,066	11,760,226,863	654,268,204,929
Unallocated assets	4,355,415,288,550	-	4,355,415,288,550
Total assets	5,455,446,789,001	11,760,226,863	5,467,207,015,864
Segment liabilities	234,026,643,737	113,487,701,710	347,514,345,447
Unallocated liabilities	1,207,475,300,527	-	1,207,475,300,527
Total liabilities	1,441,501,944,264	113,487,701,710	1,554,989,645,974

	2021		
	Dosmetic VND	Overseas VND	Total VND
Net revenue from sales of goods and rendering of services	2,785,078,781,595	508,428,803,916	3,293,507,585,511
Cost of goods sold and services rendered	1,921,461,074,020	476,151,760,561	2,397,612,834,581
Gross profit from sales of goods and rendering of services	863,617,707,575	32,277,043,355	895,894,751,030
Total expense incurred for purchases of fixed assets	13,099,136,894	-	13,099,136,894
Total carrying amount of the segment fixed assets by geographic area of the assets	534,761,034,183	-	534,761,034,183
Segment assets	540,870,824,018	8,712,520,216	549,583,344,234
Unallocated assets	3,885,475,510,413	-	3,885,475,510,413
Total assets	4,974,206,505,508	8,712,520,216	4,982,919,025,724
Segment liabilities	216,614,822,459	72,572,264,048	289,187,086,507
Unallocated liabilities	916,933,034,027	-	916,933,034,027
Total liabilities	1,133,547,856,486	72,572,264,048	1,206,120,120,534

38. EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE

As presented in Note 1, on 16 January 2023, the Company has fully contributed the capital commitment which is VND10,200,000,000 (equivalent to 51% of charter capital) to An Khang MDF Company Limited.

The consolidated financial statements were approved by the Board of Management on 28 March 2023.


Tran Anh Tuan
Preparer




Thieu Thi Ngoc Diem
Chief Accountant




Vo Thi Ngoc Anh
General Director

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