

An Cuong Wood – Working Joint Stock Company

Interim separate financial statements

For the six-month period ended 30 June 2024



An Cuong Wood-Working Joint Stock Company

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An Cuong Wood - Working Joint Stock Company

GENERAL INFORMATION

THE COMPANY

An Cuong Wood - Working Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 3700748131 issued by the Department of Planning and Investment ("DPI") of Binh Duong Province on 20 September 2006, and subsequently amended ERCs, with the latest being the 34th amended ERC dated 16 May 2024.

The Company's shares coding ACG were listed on the Ho Chi Minh Stock Exchange ("HOSE") in accordance with the Decision No. 585/QĐ-SGDHCM signed by the Deputy General Director of HOSE on 25 August 2022.

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

The Company's registered head office is located at Land lot No. 681, Map No. 5, DT 747B Street, Phuoc Hai Town, Thai Hoa Ward, Tan Uyen City, Binh Duong Province, Vietnam and commercial representative office is located at No. 98, Commercial Borey Chip Mong Landmark 271, Prek Ta Kong, Chak Angrae Leu, Mean Chey, Phnom Penh, Cambodia.

BOARD OF DIRECTORS

Members of the Board of Directors of the Company during the period and at the date of this report are:

Mr Le Duc Nghia	Chairman
Mr Masao Kamibayashiyama	Vice Chairman
Mr Nguyen Minh Tuan	Member
Mr Le Thanh Phong	Member
Ms Nguyen Thi Dieu Phuong	Member
Mr Phan Quoc Cong	Independence Member
Mr Nguyen Thanh Quyen	Independence Member

BOARD OF SUPERVISION

Members of the Board of Supervision during the period and at the date of this report are:

Ms Tran Thi Ngoc Tue	Head
Ms Nguyen Thi Thuy Trang	Member
Ms Mai Thi Phuong Thao	Member

BOARD OF MANAGEMENT

Members of the Board of Management during the period and at the date of this report are:

Ms Vo Thi Ngoc Anh	General Director
Mr Le Thanh Phong	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

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Ms Vo Thi Ngoc Anh.

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

An Cuong Wood - Working Joint Stock Company

REPORT OF MANAGEMENT

The Board of Management of An Cuong Wood - Working Joint Stock Company ("the Company") is pleased to present this report and the interim separate financial statements of the Company for the six-month period ended 30 June 2024.

THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

The Board of Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Company and of the interim separate results of its operations and its interim separate cash flows for the period. In preparing those interim separate 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;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- ▶ prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim separate financial position of the Company and ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management confirmed that it has complied with the above requirements in preparing the accompanying interim separate financial statements.

STATEMENT BY THE BOARD OF MANAGEMENT

The Board of Management do hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2024 and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

The Company has subsidiaries as disclosed in Note 15.1 to the interim separate financial statements. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. Concurrently, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2024 dated 27 August 2024.

Users of these accompanying interim separate financial statements should read them together with the said interim consolidated financial statements of the Group in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

On behalf of Board of Management,


Vo Thi Ngoc Anh
General Director

Binh Duong Province, Vietnam

27 August 2024

Reference: 13689150/68379985-LR

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders of An Cuong Wood – Working Joint Stock Company

We have reviewed the accompanying interim separate financial statements of An Cuong Wood – Working Joint Stock Company (“the Company”), as prepared on 27 August 2024 and set out on pages 5 to 44, which comprise the interim separate balance sheet as at 30 June 2024, and the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

The Board of Management’s responsibility

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

Auditors’ responsibility

Our responsibility is to express a conclusion on these interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2024, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

Emphasis of matter

We would like to draw attention to Note 34 of the interim separate financial statements, which discusses about the Company's retrospective adjustments made to the corresponding figures to recognise additional tax obligation of previous fiscal years.

Our review conclusion is not modified in respect of this matter.

Other matter

The separate financial statements of the Company for the year ended 31 December 2023 were audited by another audit firm which expressed an unmodified opinion on those separate financial statements on 28 March 2024. In addition, the interim separate financial statement of the Company for the six-month period ended 30 June 2023 were reviewed by this audit firm which expressed an unmodified conclusion on those interim separate financial statements on 15 August 2023.

Ernst & Young Vietnam Limited



Nguyễn Ho Khanh Tan
Deputy General Director
Audit Practicing Registration Certificate
No. 3458-2020-004-1

Ho Chi Minh City, Vietnam

27 August 2024

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2024

VND

Code	ASSETS	Notes	30 June 2024	31 December 2023
100	A. CURRENT ASSETS		2,837,157,044,380	2,752,021,455,541
110	I. Cash	4	67,890,614,899	46,348,000,184
111	1. Cash		67,890,614,899	46,348,000,184
120	II. Short-term investments		1,467,000,000,000	1,469,000,000,000
123	1. Held-to-maturity investments	5	1,467,000,000,000	1,469,000,000,000
130	III. Current accounts receivable		754,492,100,227	698,496,776,769
131	1. Short-term trade receivables	6	364,545,142,528	340,592,936,743
132	2. Short-term advances to suppliers	7	13,003,398,395	9,045,626,640
135	3. Short-term loan receivables	8	114,021,132,127	114,021,132,127
136	4. Other short-term receivables	9	293,221,190,909	262,896,722,295
137	5. Provision for doubtful short-term receivables	6	(30,562,925,720)	(28,305,607,893)
139	6. Shortage of assets waiting for resolution		264,161,988	245,966,857
140	IV. Inventories	10	532,049,499,654	527,900,304,770
141	1. Inventories		554,175,892,114	553,096,470,114
149	2. Provision for obsolete inventories		(22,126,392,460)	(25,196,165,344)
150	V. Other current assets		15,724,829,600	10,276,373,818
151	1. Short-term prepaid expenses	11	13,853,036,217	8,394,354,218
152	2. Deductible value-added tax	17	1,830,236,540	1,786,084,549
153	3. Tax and other receivables from the State	17	41,556,843	95,935,051

INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2024


VND

Code	ASSETS	Notes	30 June 2024	31 December 2023
200	B. NON-CURRENT ASSETS		1,883,512,437,280	1,909,397,222,344
210	i. Long-term receivables		177,423,297,029	162,273,147,671
211	1. Long-term trade receivables		4,444,690,471	-
215	2. Long-term loan receivables	8	142,526,415,151	142,526,415,151
216	3. Other long-term receivables	9	30,452,191,407	19,746,732,520
220	ii. Fixed assets		180,923,117,877	173,724,393,411
221	1. Tangible fixed assets	12	152,775,904,364	161,909,397,850
222	Cost		501,935,813,041	493,908,287,859
223	Accumulated depreciation		(349,159,908,677)	(331,998,890,009)
227	2. Intangible assets	13	28,147,213,513	11,814,995,561
228	Cost		53,883,109,331	34,504,878,488
229	Accumulated amortisation		(25,735,895,818)	(22,689,882,927)
240	iii. Long-term assets in progress		4,460,100,188	20,342,350,587
242	1. Construction in progress	14	4,460,100,188	20,342,350,587
250	iv. Long-term investments		1,431,831,200,000	1,458,831,200,000
251	1. Investments in subsidiaries	15.1	916,600,000,000	916,600,000,000
252	2. Investments in associates	15.2	396,031,200,000	396,031,200,000
253	3. Investment in other entities	15.3	119,200,000,000	119,200,000,000
255	4. Held-to-maturity investments		-	27,000,000,000
260	v. Other long-term assets		88,874,722,186	94,226,130,675
261	1. Long-term prepaid expenses	11	81,314,939,627	84,258,338,589
262	2. Deferred tax assets	30.3	7,559,782,559	9,967,792,086
270	TOTAL ASSETS		4,720,669,481,660	4,661,418,677,885


INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2024

VND


Code	RESOURCES	Notes	30 June 2024	31 December 2023 (as restated - Note 34)
300	C. LIABILITIES		990,228,854,730	899,770,961,544
310	I. Current liabilities		979,820,388,479	890,039,786,129
311	1. Short-term trade payables	16.1	216,092,854,497	213,783,820,148
312	2. Short-term advances from customers	16.2	94,413,613,365	96,759,961,892
313	3. Statutory obligations	17	43,994,094,469	119,290,682,254
314	4. Payables to employees		13,095,247,780	51,984,400,815
315	5. Short-term accrued expenses	18	15,515,576,527	15,023,078,467
318	6. Short-term unearned revenue		136,363,640	272,727,272
319	7. Other short-term payables	19	123,497,335,128	1,786,131,339
320	8. Short-term loans	20	434,526,466,998	388,236,979,494
322	9. Bonus and welfare fund	21	38,548,836,075	2,902,004,448
330	II. Non-current liabilities		10,408,466,251	9,731,175,415
342	1. Long-term provisions	22	10,408,466,251	9,731,175,415
400	D. OWNERS' EQUITY		3,730,440,626,930	3,761,647,716,341
410	I. Owners' equity	23.1	3,730,440,626,930	3,761,647,716,341
411	1. Share capital		1,507,879,460,000	1,507,879,460,000
411a	- Ordinary shares with voting rights		1,507,879,460,000	1,507,879,460,000
412	2. Share premium		1,418,741,358,556	1,418,741,358,556
418	3. Investment and development fund		-	22,750,817,418
421	4. Undistributed earnings		803,819,808,374	812,276,080,367
421a	- Undistributed earnings by the end of prior year		664,809,810,038	275,967,341,887
421b	- Undistributed earnings of current period		139,009,998,336	536,308,738,480
440	TOTAL LIABILITIES AND OWNERS' EQUITY		4,720,669,481,660	4,661,418,677,885



Nguyen Thi Hong Lan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



Vo Thi Ngoc Anh
General Director


Binh Duong Province, Vietnam

27 August 2024


INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 30 June 2024

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023 (as restated - Note 34)
01	1. Revenue from sale of goods and rendering of services	24.1	1,104,800,676,455	1,093,645,105,986
02	2. Deductions	24.1	(48,550,500)	(2,973,706,065)
10	3. Net revenue from sale of goods and rendering of services	24.1	1,104,752,125,955	1,090,671,399,921
11	4. Cost of goods sold and services rendered	25	(801,533,751,493)	(831,309,850,267)
20	5. Gross profit from sale of goods and rendering of services		303,218,374,462	259,361,549,654
21	6. Finance income	24.2	122,478,375,875	269,707,189,893
22	7. Finance expenses	26	(12,730,592,904)	(17,711,889,566)
23	- In which: Interest expense		(9,536,231,569)	(15,518,907,471)
25	8. Selling expenses	27	(146,576,112,376)	(169,274,869,063)
26	9. General and administrative expenses	27	(42,509,613,557)	(50,583,094,017)
30	10. Operating profit		223,880,431,500	291,498,886,901
31	11. Other income	29	2,616,218,021	6,045,728,281
32	12. Other expenses	29	(42,481,668,886)	(2,474,682,568)
40	13. Other (loss) profit	29	(39,865,450,865)	3,571,045,713
50	14. Accounting profit before tax		184,014,980,635	295,069,932,614
51	15. Current corporate income tax expense	30.1	(42,596,972,772)	(22,751,952,397)
52	16. Deferred tax expense	30.1	(2,408,009,527)	(1,089,773,798)
60	17. Net profit after tax		139,009,998,336	271,228,206,419


Nguyen Thi Hong Lan
Preparer


Thieu Thi Ngoc Diem
Chief Accountant


Vo Thi Ngoc Anh
General Director

Binh Duong Province, Vietnam

27 August 2024

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2024


VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023 (as restated - Note 34)
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		184,014,980,635	295,069,932,614
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	12, 13	23,536,051,127	22,017,269,210
03	(Reversal of provisions) provisions		(135,164,221)	14,478,841,223
04	Foreign exchange (gains) losses arising from revaluation of monetary accounts denominated in foreign currency		(256,651,998)	128,819,750
05	Profits from investing activities		(116,487,766,584)	(261,170,965,837)
06	Interest expense	26	9,536,231,569	15,518,907,471
08	Operating profit before changes in working capital		100,207,680,528	86,042,804,431
09	(Increase) decrease in receivables		(29,648,688,294)	27,712,567,622
10	(Increase) decrease in inventories		(1,079,422,000)	21,966,095,662
11	Decrease in payables		(70,526,113,691)	(156,134,341,335)
12	Decrease in prepaid expenses		339,194,174	17,013,996,921
14	Interest paid		(9,477,165,219)	(15,518,907,471)
15	Corporate income tax paid	17	(82,862,925,963)	(71,136,079,215)
17	Other cash outflows from operating activities		(13,238,899,320)	(13,537,372,049)
20	Net cash flows used in operating activities		(106,286,339,785)	(103,591,235,434)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets and other long-term assets		(23,897,383,902)	(8,513,632,916)
22	Proceeds from disposals of fixed assets		437,555,557	-
23	Bank term deposits		(275,000,000,000)	(447,000,000,000)
24	Collections from bank term deposits		304,000,000,000	272,000,000,000
25	Payments for investments in other entities		-	(12,600,000,000)
27	Interest and dividends received		76,019,854,576	228,170,627,557
30	Net cash flows from investing activities		81,560,026,231	32,056,994,641

INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2024

VND


Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings	20	662,065,583,287	607,110,267,055
34	Repayment of borrowings	20	(615,776,095,783)	(792,868,093,071)
40	Net cash flows from (used in) financing activities		46,289,487,504	(185,757,826,016)
50	Net increase (decrease) in cash for the period		21,563,173,950	(257,292,066,809)
60	Cash and cash equivalents at beginning of period		46,348,000,184	285,786,734,410
61	Impact of foreign exchange rate fluctuation		(20,559,235)	(15,621,545)
70	Cash at end of period	4	67,890,614,899	28,479,046,056



Nguyen Thi Hong Lan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



Vo Thi Ngoc Anh
General Director



Binh Duong Province, Vietnam

27 August 2024

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
as at 30 June 2024 and for the six-month period then ended

1. **CORPORATE INFORMATION**

An Cuong Wood - Working Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 3700748131 issued by the Department of Planning and Investment of ("DPI") Binh Duong Province on 20 September 2006, and subsequently amended ERCs, with the latest being the 34th amended ERC dated 16 May 2024.

The Company's shares coding ACG were listed on the Ho Chi Minh Stock Exchange ("HOSE") in accordance with the Decision No. 585/QD-SGDHCM signed by the Deputy General Director of HOSE on 25 August 2022.

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

The Company's registered head office is located at Land lot No. 681, Map No. 5, DT 747B Street, Phuoc Hai Town, Thai Hoa Ward, Tan Uyen City, Binh Duong Province, Vietnam and commercial representative office is located at No. 98, Commercial Borey Chip Mong Landmark 271, Prek Ta Kong, Chak Angra Leu, Mean Chey, Phnom Penh, Cambodia.

The normal course of the Company's operating cycle is 12 months.

The number of the Company's employees as at 30 June 2024 was 1,704 (31 December 2023: 1,746).

Corporate structure

As at 30 June 2024 and 31 December 2023, the Company's structure includes 2 (two) directly owned subsidiaries, 1 (one) indirectly owned subsidiary and 1 (one) associate as follows:

Name	Location	Business activities	30 June 2024 and 31 December 2023	
			Ownership %	Voting right %
Directly owned subsidiaries				
An Cuong Wood – Working Manufacturing Company Limited	Binh Duong Province	Manufacture and trade wooden products	100	100
Malloca Vietnam Company Limited	Ho Chi Minh City	Trade Malloca – brand kitchen appliances	100	100
Indirectly owned subsidiary				
AConcept Vietnam Company Limited (*)	Ho Chi Minh City	Wholesale and retail of interior and interior decoration	100	100
Associate				
Thang Loi Homes Joint Stock Company	Long An Province	Trade real estate and develop residential projects	30	30

(*) AConcept Vietnam Company Limited is a subsidiary of Malloca Vietnam Company Limited.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

2. BASIS OF PREPARATION

2.1 Purpose of preparing the interim separate financial statements

The Company has subsidiaries as disclosed in Note 1 and Note 15.1. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. Concurrently, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2024 dated 27 August 2024.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, the interim consolidated results of operations and the interim consolidated cash flows of the Group.

2.2 Accounting standards and system

The interim separate financial statements of the Company expressed in Vietnam Dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27 – Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying interim separate financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the interim separate financial position and interim separate results of operations and interim separate cash flows of the Company in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system.

2.4 Fiscal year

The Company's fiscal year applicable for the preparation of its separate financial statements starts on 1 January and ends on 31 December.

2.5 Accounting currency

The interim separate financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash

Cash comprise cash on hand, cash in banks.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 Inventories

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools and supplies and merchandises - Cost of purchase on a weighted average basis.

Work-in-process and finished goods - Cost of direct materials and labor plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

Provision for obsolete inventories

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the interim balance sheet date. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the interim separate income statement.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the interim separate income statement.

3.3 Receivables

Receivables are presented in the interim separate balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the interim balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded into general and administrative expense account in the interim separate income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the interim separate income statement.

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the interim separate income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Leased assets

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where the Company is the lessee

Rentals under operating leases are charged to the interim separate income statement on a straight-line basis over the lease term.

Where the Company is the lessor

Assets subject to operating leases are included as the Company's fixed assets in the interim separate balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the interim separate income statement as incurred.

Lease income is recognised in the interim separate income statement on a straight-line basis over the lease term.

3.6 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions and improvements are added to the carrying amount of the assets and other expenditures are charged to the interim separate income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the interim separate income statement.

Land use rights

Land use rights are recognised as an intangible asset when the company holds a land use right certificate. The cost of land use rights comprises all directly attributable costs of bringing the assets to its intended use.

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

3.7 Depreciation and amortisation

Depreciation of tangible fixed assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	4 - 39 years
Machinery and equipment	2 - 12 years
Means of transportation	3 - 12 years
Office equipment	3 - 8 years
Software	2 - 8 years
Others	2 - 15 years

Land use rights with a definite term are amortised over the number of years in accordance with the land use right certificate, while land use rights with indefinite term will not be amortised.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Construction in progress

Construction in progress represents costs directly attributable to the Company's office and factory decoration, manufacturing factories, purchasing machinery and equipment which have not been completed yet as at the interim balance sheet date.

3.9 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are recorded as expense during the period in which they are incurred.

3.10 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the interim separate balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

Prepaid land rental

The prepaid land rental represents unamortised balance of advance payment made in accordance with the contracts of land use right transfer as below:

- ▶ Vibe and Move Vietnam Company Limited dated 26 October 2016 for land plot No. 441 located in Thai Hoa ward, Tan Uyen city, Binh Duong province for a period of 39 years and 5 months;
- ▶ Le Thi Kim Cuc and Le Duc Nghia dated 16 June 2016 for land plot No. 218 located in Thai Hoa ward, Tan Uyen city, Binh Duong province for a period of 49 years and 5 months; and
- ▶ Nguyen Van Phan and Nguyen Thi Hue dated 31 January 2007 for land plot located in Thai Hoa ward, Tan Uyen city, Binh Duong province for a period of 43 years and 11 months.

In accordance with such prepaid rental is recognised as a long-term prepaid expense for allocation to the interim separate income statement over the remaining lease period. In accordance with the Circular 45.

3.11 Investments

Investments in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources which are attributable to period before obtaining controls are considered a recovery of investment and are deducted to the cost of the investment.

Investment in an associate

Investment in an associate over which the Company has significant influence is carried at cost.

Distributions from accumulated net profits of the associate arising subsequent to the date of acquisition by the Company are recognised in the interim separate income statement. Distributions from sources which are attributable to period before having significant influence are considered a recovery of investment and are deducted to the cost of the investment.

Investments in other entities

Investments in other entities are stated at their acquisition costs.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investments* (continued)

Provision for diminution in value of investments

Provision for diminution in value of the investment is made when there are reliable evidences of the diminution in value of those investments at the interim balance sheet date. Increases and decreases to the provision balance are recorded into finance expense account in the interim separate income statement.

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the interim separate income statement and deducted against the value of such investments.

3.12 *Payables and accruals*

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.13 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at the Company. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the last 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 46 of the Labour Code.

3.14 *Provision*

Site restoration cost

The Company has the obligation to restore the land on which its factory is located to its original condition at the end of its land lease period. The provision has been calculated using a discount rate.

The discount rate applied is the pre-tax discount rate that reflects current market assessments of the time value of money and those risks specific to the liability that have not been reflected in the best estimate of the expenditure.

3.15 *Foreign currency transactions*

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment.

At the end of the period, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the interim balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred are taken to the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Appropriation of net profit*

Net profit after tax is available for appropriation to shareholders after approval in the Annual General Meeting, and after making appropriation to reserve a fund in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

Investment and development fund

This fund is set aside for use in the Company's expansion of its operation or in-depth investment.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the interim separate balance sheet.

3.17 *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the lease term.

Rendering of services

Revenue is recognised upon completion of the services rendered.

Interest income

Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

Dividends

Dividend income is recognised when the Company's entitlement as an investor to receive the dividend is established.

3.18 *Taxation*

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the interim balance sheet date.

Current income tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Taxation* (continued)

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the interim balance sheet date between the tax base of assets and liabilities and their carrying amount for interim financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each interim balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each interim balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled based on tax rates and tax laws that have been enacted at the interim balance sheet date.

Deferred tax is charged or credited to the interim separate income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 Related parties

Parties are considered to be related parties of the Company if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

4. CASH

	VND	
	30 June 2024	31 December 2023
Cash on hand	390,236,892	241,334,599
Cash in banks	67,500,378,007	46,106,665,585
TOTAL	67,890,614,899	46,348,000,184

5. HELD-TO-MATURITY INVESTMENTS

Short-term held-to-maturity investments represented the term deposits at commercial banks with original terms of more than three (3) months and the remaining terms of less than twelve (12) months from the interim balance sheet date and earn interests at rates ranging from 4.2% to 8.3% p.a.

The Company pledged its short-term deposits with carrying value of VND 211,000,000,000 as collateral for bank loans (Note 20).

6. SHORT-TERM TRADE RECEIVABLES

	VND	
	30 June 2024	31 December 2023
Due from other parties	325,885,453,611	319,553,602,322
- Ai Linh Trading and Export Import JSC	57,197,047,471	32,970,348,517
- Ai Linh Bac Ninh Co., Ltd	39,633,747,239	10,413,402,780
- Western City Co., Ltd	10,941,220,966	33,107,012,766
- Others	218,113,437,935	243,062,838,259
Due from related parties (Note 31)	38,659,688,917	21,039,334,421
TOTAL	364,545,142,528	340,592,936,743
Provisions for doubtful receivables	(30,562,925,720)	(28,305,607,893)
NET	333,982,216,808	312,287,328,850

The Company pledged its short-term trade receivables with carrying value of VND 353,000,000,000 as collateral for bank loans (Note 20).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

6. SHORT-TERM TRADE RECEIVABLES (continued)

Movements of provision for doubtful trade receivables were as follows:

	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
		VND
Beginning balance	28,305,607,893	22,987,743,718
Add: Provision made during the period	3,261,670,485	11,267,063,517
Less: Reversal of provision during the period	<u>(1,004,352,658)</u>	<u>(2,158,775,792)</u>
Ending balance	<u>30,562,925,720</u>	<u>32,096,031,443</u>

Details of short-term trade receivables and provision for doubtful short-term receivables:

	30 June 2024		31 December 2023	
	Cost	Provision	Cost	Provision
Hung Thinh Furniture JSC	29,965,421,278	11,956,648,604	29,965,421,278	11,297,457,556
Lao Cai – No. 1 Construction and Trading Investment JSC	14,877,795,248	3,139,061,310	19,697,175,145	3,527,570,505
Hung Thinh Incons JSC	15,955,868,009	4,367,165,503	15,955,868,009	4,367,165,503
Long Giang Investment and Urban Development JSC	4,735,807,801	4,735,807,801	4,735,807,801	4,735,807,801
An Gia Hung Investment Construction JSC	3,338,942,601	3,198,576,628	3,338,942,601	3,338,942,601
Other customers	295,671,307,591	3,165,665,874	266,899,721,909	1,038,663,927
TOTAL	<u>364,545,142,528</u>	<u>30,562,925,720</u>	<u>340,592,936,743</u>	<u>28,305,607,893</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

7. SHORT-TERM ADVANCES TO SUPPLIERS

	VND	
	30 June 2024	31 December 2023
Due from other parties	12,684,275,845	8,646,686,240
- Xingzhao Vietnam Co., Ltd	1,796,487,900	-
- Guangdong Tutti Hardware Co., Ltd	1,084,934,806	166,654,317
- Others	9,802,853,139	8,480,031,923
Due from related parties (Note 31)	319,122,550	398,940,400
TOTAL	<u>13,003,398,395</u>	<u>9,045,626,640</u>

8. LOAN RECEIVABLES

	VND	
	30 June 2024	31 December 2023
Short-term		
Novareal Joint Stock Company (*)	114,021,132,127	114,021,132,127
Long-term		
Novareal Joint Stock Company (*)	142,526,415,151	142,526,415,151
TOTAL	<u>256,547,547,278</u>	<u>256,547,547,278</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 Novareal Phan Thiet project. Accordingly, the Company deposited VND 285,052,830,311 in 2021. In addition, pursuant to the relevant agreements, until 15 March 2023, the Company can decide whether to exercise or not the real estate purchase option. The Company has confirmed not to exercise the real estate purchase option. According to the confirmation for Option Selection for the Buy Back Commitment Program with Novareal Joint Stock Company signed on 20 April 2023 and Liquidation agreements dated 11 October 2023, the Company continued to confirm not to exercise the real estate purchase option and will be fully refunded deposit amounts and relevant interests, according to the schedule and interest rate as follows:

- October 2023: Payment of 10% of the actual deposit. In 2023, the Company fully collected 10% of the actual deposit, equivalent to VND 28,505,283,033.
- October 2024: Payment of 40% of the actual deposit and the unpaid interest accumulated as of September 2024, including the interest calculated at 13% per annum computed on 100% of the actual deposit as of September 2023 and the late-payment interest at 15% per annum arising from September 2023 to October 2024 computed on 40% of the actual deposit.
- October 2025: Payment of 50% of the actual deposit and the late-payment interest at 15% per annum arising from September 2023 to October 2025 computed on 50% of the actual deposit.

The Company recognised the above accrued interest income in the separate financial statements for the year ended 31 December 2023 and interim separate financial statement for the six-month period ended 30 June 2024.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

9. OTHER RECEIVABLES

	VND	
	30 June 2024	31 December 2023
Short-term		
Entrusted investment (*)	114,699,683,444	114,699,683,444
Interest receivables (**)	107,972,254,064	99,490,956,153
Interest income from term deposits	55,656,160,949	34,381,169,796
Interest income from entrusted investment (*)	10,867,216,930	10,867,216,930
Advance to employees	1,798,411,901	688,177,229
Deposits	1,630,203,500	2,731,297,440
Others	597,260,121	38,221,303
TOTAL	<u>293,221,190,909</u>	<u>262,896,722,295</u>
<i>In which:</i>		
<i>Due from other parties</i>	167,654,290,535	137,329,821,921
<i>Due from related party (Note 31)</i>	125,566,900,374	125,566,900,374
Long-term		
Interest receivables (**)	16,283,154,827	5,681,532,440
Deposits	14,169,036,580	14,065,200,080
TOTAL	<u>30,452,191,407</u>	<u>19,746,732,520</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 Company and VinaCapital. These bonds were matured on 30 December 2022. The Company received the interest amounted to VND 7,778,630,137 on 3 January 2023 and the principal amounted to VND 41,318,016,556 on 9 June 2023. At the date of these interim separate financial statements, VinaCapital is in the process of negotiate with the bond issuer to provide additional collateral and a specific payment schedule with the aim of collecting the remaining of this investment. According to the Board of Management's assessment, this investment will be fully recovered and hence, there's no impairment indicator which requires a provision to be made.

(**) These receivables represented interest receivables relating to deposit in Novareal Joint Stock Company as mentioned in Note 8.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

10. INVENTORIES

	VND			
	30 June 2024		31 December 2023	
	Cost	Provision	Cost	Provision
Raw materials	309,236,939,092	(15,857,480,389)	324,289,166,219	(15,611,746,978)
Work in process	91,363,580,652	(868,550,611)	78,882,345,131	(2,706,350,783)
Finished goods	97,814,172,500	(3,737,169,544)	88,245,071,521	(4,499,216,083)
Goods in transit	25,018,331,323	-	26,675,466,855	-
Merchandise	12,157,462,670	(1,663,191,916)	14,121,331,535	(2,378,851,500)
Tools and supplies	9,494,678,334	-	6,591,322,304	-
Goods on consignment	9,090,727,543	-	14,291,766,549	-
TOTAL	554,175,892,114	(22,126,392,460)	553,096,470,114	(25,196,165,344)

The Company pledged its inventories with carrying value of VND 107,000,000,000 as collateral for bank loans (Note 20).

Detail of movements of provision for obsolete inventories:

	VND	
	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
Beginning balance	25,196,165,344	18,278,468,654
Add: Provision during the period	19,456,127,223	21,048,109,715
Less: Reversal of provision during the period	(22,525,900,107)	(15,817,595,473)
Ending balance	<u>22,126,392,460</u>	<u>23,508,982,896</u>

11. PREPAID EXPENSES

	VND	
	30 June 2024	31 December 2023
Short-term	13,853,036,217	8,394,354,218
Software usage, infrastructure fees	2,602,880,928	696,508,764
Tools and supplies	2,205,663,222	2,714,194,960
Rental fee	1,092,169,328	658,142,000
Others	7,952,322,739	4,325,508,494
Long-term	81,314,939,627	84,258,338,589
Prepaid land rental fee (*)	61,689,385,740	62,599,520,521
Office and factory renovation	10,001,624,232	11,888,793,811
Tools and supplies	2,864,697,203	4,473,811,646
Rental	1,932,769,032	1,955,823,931
Others	4,826,463,420	3,340,388,680
TOTAL	95,167,975,844	92,652,692,807

(*) As at 30 June 2024, land use rights of land plot No. 218 and No. 441 located in Tan Uyen City, Binh Duong Province with the carrying amount of VND 59,170,835,403 (as at 31 December 2023: VND 60,046,390,546) were pledged as securities for short-term borrowings with banks (Note 20).

An Cuong Wood - Working Joint Stock Company

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

12. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						VND
As at 31 December 2023	150,537,656,469	242,495,689,490	78,304,319,747	4,219,332,543	18,351,289,610	493,908,287,859
Newly purchased	-	9,277,408,907	-	532,102,992	-	9,809,511,899
Transferred from construction in progress	-	1,874,587,851	-	-	-	1,874,587,851
Disposal during the period	-	(1,455,800,000)	(1,329,021,818)	-	-	(2,784,821,818)
Write-off	(228,752,750)	(643,000,000)	-	-	-	(871,752,750)
As at 30 June 2024	150,308,903,719	251,548,886,248	76,975,297,929	4,751,435,535	18,351,289,610	501,935,813,041
<i>In which:</i>						
Fully depreciated	35,726,828,920	45,625,187,500	28,899,460,078	3,576,566,180	5,541,232,347	119,369,275,025
Accumulated depreciation:						
As at 31 December 2023	94,578,478,714	161,703,769,777	55,111,722,334	3,788,202,328	16,816,716,856	331,998,890,009
Depreciation for the period	5,092,338,044	11,965,970,991	2,935,214,803	145,580,397	350,934,001	20,490,038,236
Disposal during the period	-	(1,128,245,000)	(1,329,021,818)	-	-	(2,457,266,818)
Write-off	(228,752,750)	(643,000,000)	-	-	-	(871,752,750)
As at 30 June 2024	99,442,064,008	171,898,495,768	56,717,915,319	3,933,782,725	17,167,650,857	349,159,908,677
Net carrying amount:						
As at 31 December 2023	55,959,177,755	80,791,919,713	23,192,597,413	431,130,215	1,534,572,754	161,909,397,850
As at 30 June 2024	50,866,839,711	79,650,390,480	20,257,382,610	817,652,810	1,183,638,753	152,775,904,364
<i>In which:</i>						
Mortgaged as loan security (Note 20)	20,714,663,185	3,645,091,795	-	-	601,736,975	24,961,491,955

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

13. INTANGIBLE ASSETS

			VND
	<i>Land use rights</i>	<i>Software</i>	<i>Total</i>
Cost:			
As at 31 December 2023	8,090,909,091	26,413,969,397	34,504,878,488
Newly purchases	-	3,040,623,945	3,040,623,945
Transferred from construction in progress	-	16,337,606,898	16,337,606,898
As at 30 June 2024	<u>8,090,909,091</u>	<u>45,792,200,240</u>	<u>53,883,109,331</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	3,938,852,090	3,938,852,090
Accumulated amortisation:			
As at 31 December 2023	2,065,219,701	20,624,663,226	22,689,882,927
Amortisation for the period	110,902,259	2,935,110,632	3,046,012,891
As at 30 June 2024	<u>2,176,121,960</u>	<u>23,559,773,858</u>	<u>25,735,895,818</u>
Net carrying amount:			
As at 31 December 2023	<u>6,025,689,390</u>	<u>5,789,306,171</u>	<u>11,814,995,561</u>
As at 30 June 2024	<u>5,914,787,131</u>	<u>22,232,426,382</u>	<u>28,147,213,513</u>
<i>In which:</i>			
<i>Mortgaged as loan security (Note 20)</i>	5,914,787,131	-	5,914,787,131

14. CONSTRUCTION IN PROGRESS

	VND	
	<i>30 June 2024</i>	<i>31 December 2023</i>
Machinery and equipment	1,668,412,299	408,529,651
Software	1,538,713,691	18,628,673,191
Office renovation	906,156,804	729,289,463
Others	346,817,394	575,858,282
TOTAL	<u>4,460,100,188</u>	<u>20,342,350,587</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

15. LONG-TERM INVESTMENTS

	VND	
	30 June 2024	31 December 2023
Investments in subsidiaries (Note 15.1)	916,600,000,000	916,600,000,000
Investment in an associate (Note 15.2)	396,031,200,000	396,031,200,000
Investment in another entity (Note 15.3)	119,200,000,000	119,200,000,000
TOTAL	1,431,831,200,000	1,431,831,200,000
Provision for long-term investments	-	-
NET	1,431,831,200,000	1,431,831,200,000

15.1 Investments in subsidiaries

Name of subsidiaries	30 June 2024			31 December 2023		
	Ownership and voting (%)	Cost VND	Provision VND	Ownership and voting (%)	Cost VND	Provision VND
An Cuong Wood-Working Manufacturing Company Limited	100	796,600,000,000	-	100	796,600,000,000	-
Malloca Vietnam Company Limited	100	120,000,000,000	-	100	120,000,000,000	-
TOTAL		916,600,000,000	-		916,600,000,000	-

15.2 Investments in an associate

Name of associate	30 June 2024			31 December 2023		
	Ownership and voting (%)	Cost VND	Provision VND	Ownership and voting (%)	Cost VND	Provision VND
Thang Loi Homes Joint Stock Company	30	396,031,200,000	-	30	396,031,200,000	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

15. LONG-TERM INVESTMENTS (continued)

15.3 Investment in another entity

Name	30 June 2024			31 December 2023		
	Ownership and voting (%)	Cost VND	Provision VND	Ownership and voting (%)	Cost VND	Provision VND
Thang Loi Group Real Estate Joint Stock Company	9.35	119,200,000,000	-	15.55	119,200,000,000	-

As at 30 June 2024 and 31 December 2023, the Company had not determined the fair value of these investments to disclose in the interim separate financial statement because they do not have listed prices. The fair values of such investments may be different from their book values.

During the period, Thang Loi Group Real Estate Joint Stock Company issued shares according to the Resolution of the General Meeting of Shareholders of this company, resulting a decrease of the equity interest and voting rights owned by the Company in this company from 15.55% to 9.35%.

16. SHORT-TERM TRADE PAYABLES AND SHORT-TERM ADVANCES FROM CUSTOMERS

16.1 Short-term trade payables

	VND	
	30 June 2024	31 December 2023
Due to other parties	159,453,909,721	150,560,573,155
- Vina Eco Board Limited	30,053,116,437	17,076,232,316
- VRG Kien Giang MDF JSC	13,679,782,542	28,290,617,496
- Others	115,721,010,742	105,193,723,343
Due to related parties (Note 31)	56,638,944,776	63,223,246,993
TOTAL	216,092,854,497	213,783,820,148

16.2 Short-term advances from customers

	VND	
	30 June 2024	31 December 2023
Conglom Inc.	11,477,000,000	11,477,000,000
Kember Kreative Interiors	7,098,784,987	14,284,932,385
Others	75,837,828,378	70,998,029,507
TOTAL	94,413,613,365	96,759,961,892

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

17. TAX

	31 December 2023 (as restated - Note 34)	Increase in period	Decrease in period	VND 30 June 2024
Receivables				
Value-added tax ("VAT")	1,786,084,549	29,831,247,332	(29,787,095,341)	1,830,236,540
Other taxes	95,935,051	256,438,208	(310,816,416)	41,556,843
TOTAL	1,882,019,600	30,087,685,540	(30,097,911,757)	1,871,793,383
Payables				
Value-added tax	34,257,178,239	39,138,326,297	(68,070,393,187)	5,325,111,349
VAT on imported goods	-	19,597,059,361	(19,597,059,361)	-
Import duties	-	3,153,539,481	(3,153,539,481)	-
Corporate income tax	77,933,071,952	42,596,972,772	(82,862,925,963)	37,667,118,761
Personal income tax	7,100,432,063	4,888,409,632	(10,986,977,336)	1,001,864,359
Other tax	-	80,709,731,090	(80,709,731,090)	-
TOTAL	119,290,682,254	190,084,038,633	(265,380,626,418)	43,994,094,469

18. SHORT-TERM ACCRUED EXPENSES

	30 June 2024	31 December 2023
Based-investment-performance fees to Vinacapital (Note 31)	6,000,000,000	6,000,000,000
Salary and bonus expenses	6,501,706,205	6,079,777,047
Interest expenses	282,472,511	223,406,161
Others	2,731,397,811	2,719,895,259
TOTAL	15,515,576,527	15,023,078,467

19. OTHER SHORT-TERM PAYABLES

	30 June 2024	31 December 2023
Dividend payables (Note 23.4)	120,951,905,300	321,548,500
Other payables	2,545,429,828	1,464,582,839
TOTAL	123,497,335,128	1,786,131,339

An Cuong Wood - Working Joint Stock Company

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

20. SHORT-TERM LOANS

	31 December 2023	Increase during the period	Decrease during the period	30 June 2024
Loan from banks	388,236,979,494	662,065,583,287	(615,776,095,783)	434,526,466,998

VND

Details of short-term loans from commercial banks for the purpose of financing capital requirements are as follows:

Name of banks	30 June 2024 VND	Principal and interest repayment term	Interest rate %pa	Collateral (Notes 5, 6, 10, 11, 12 and 13)
Joint Stock Commercial Bank for Foreign Trade of Vietnam	206,618,948,967	From 19 July 2024 to 24 December 2024	3.0% - 3.8%	Short-term bank deposit contracts of VND 175 billion; Debt collection right of VND 93 billion; Inventories of VND 107 billion;
Vietnam Joint Stock Commercial Bank for Industry and Trade	177,789,511,102	From 11 July 2024 to 14 October 2024	3.2% - 3.6%	Land use rights and assets belonged to land plot No. 218 located in Thai Hoa Ward, Tan Uyen City, Binh Duong Province Debt collection right of VND 260 billion; Land use rights and assets belonged to land plot No. 441 located in Thai Hoa Ward, Tan Uyen City, Binh Duong Province; Machineries and equipments with carrying amount of VND 3,645,091,795
Vietnam Maritime Commercial Joint Stock Bank	43,118,006,929	From 22 July 2024 to 29 July 2024	3.5%	Land use rights and assets belonged to land plot No. 750 located in Thai Hoa Ward, Tan Uyen City, Binh Duong Province
Vietnam Thuong Tin Commercial Joint Stock Bank	7,000,000,000	3 October 2024	7%	Short-term bank deposit contracts of VND 36 billion
	434,526,466,998			

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

21. BONUS AND WELFARE FUND

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Beginning balance	2,902,004,448	22,258,606,951
Increase during the period	44,300,637,627	30,779,064,467
Utilization during the period	<u>(8,653,806,000)</u>	<u>(7,274,895,000)</u>
Ending balance	<u>38,548,836,075</u>	<u>45,762,776,418</u>

22. PROVISION

	VND	
	<i>30 June 2024</i>	<i>31 December 2023</i>
Restoration costs	6,900,000,000	6,000,000,000
Severance allowance	<u>3,508,466,251</u>	<u>3,731,175,415</u>
TOTAL	<u>10,408,466,251</u>	<u>9,731,175,415</u>

An Cuong Wood - Working Joint Stock Company

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

23. OWNERS' EQUITY

23.1 Increase and decrease in owners' equity

	Ordinary shares with voting rights	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
	VND					
For the six-month period ended 30 June 2023 (as restated – Note 34)						
As at 31 December 2022 (as previous reported)	1,358,461,220,000	1,419,298,588,703	(653,230,147)	-	666,905,059,452	3,444,011,638,008
Restatements	-	-	-	-	(69,416,506,431)	(69,416,506,431)
As at 31 December 2022 (as restated)	1,358,461,220,000	1,419,298,588,703	(653,230,147)	-	597,488,553,021	3,374,595,131,577
Net profit for the period	-	-	-	-	271,228,206,419	271,228,206,419
Appropriation to investment and development fund	-	-	-	30,779,064,467	(30,779,064,467)	-
Appropriation to bonus and welfare fund	-	-	-	-	(30,779,064,467)	(30,779,064,467)
Appropriation to charity fund	-	-	-	-	(5,000,000,000)	(5,000,000,000)
Utilization of the investment and development fund	-	-	-	(562,477,049)	-	(562,477,049)
As at 30 June 2023 (as restated)	1,358,461,220,000	1,419,298,588,703	(653,230,147)	30,216,587,418	802,158,630,506	3,609,481,796,480
For the six-month period ended 30 June 2024						
As at 31 December 2023 (as previous reported)	1,507,879,460,000	1,418,741,358,556	-	22,750,817,418	892,547,450,223	3,841,919,086,197
Restatements	-	-	-	-	(80,271,369,856)	(80,271,369,856)
As at 31 December 2023 (as restated)	1,507,879,460,000	1,418,741,358,556	-	22,750,817,418	812,276,080,367	3,761,647,716,341
Net profit for the period	-	-	-	-	139,009,998,336	139,009,998,336
Dividend declared (Note 23.4)	-	-	-	-	(120,630,356,800)	(120,630,356,800)
Transfer to bonus and welfare fund (Note 23.4)	-	-	-	(22,464,724,098)	-	(22,464,724,098)
Utilization of the investment and development fund	-	-	-	(286,093,320)	-	(286,093,320)
Appropriation to bonus and welfare fund (Note 23.4)	-	-	-	-	(21,835,913,529)	(21,835,913,529)
Appropriation to charity fund (Note 23.4)	-	-	-	-	(5,000,000,000)	(5,000,000,000)
As at 30 June 2024	1,507,879,460,000	1,418,741,358,556	-	-	803,819,808,374	3,730,440,626,930

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

23. OWNERS' EQUITY (continued)

23.2 Contributed charter capital

	VND	
	<u>30 June 2024 and 31 December 2023</u>	
	Total	Ordinary shares
NC Vietnam Investment Company Limited	75,463,194	75,463,194
Sumitomo Forestry (Singapore) Ltd.	29,571,819	29,571,819
Whitlam Holding Pte. Ltd.	27,242,397	27,242,397
Others	18,510,536	18,510,536
TOTAL	<u>150,787,946</u>	<u>150,787,946</u>

23.3 Share capital

	Number of shares	
	<u>30 June 2024</u>	<u>31 December 2023</u>
Shares authorised to be issued	150,787,946	150,787,946
Issued and fully paid shares	150,787,946	150,787,946
<i>Ordinary shares</i>	150,787,946	150,787,946
Shares in circulation	150,787,946	150,787,946
<i>Ordinary shares</i>	150,787,946	150,787,946

The par value of the Company's shares is VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

23.4 Capital transactions with shareholders and distribution of dividends

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Issued share capital		
Beginning and ending balances	<u>1,507,879,460,000</u>	<u>1,358,461,220,000</u>
Dividends declared	120,630,356,800	-

Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 01-2024/NQ-GAC-ĐHCĐ dated 6 May 2024, the Company's shareholders approved:

- ▶ the appropriation of bonus and welfare fund at the rate of 5% on profit after tax in the audited consolidated financial statements of the Company in 2023, which is equivalent to VND 21,835,913,529;
- ▶ the transfer of the entire remaining balance of the Company's investment and development fund to bonus and welfare fund, which is equivalent to VND 22,464,724,098;
- ▶ the appropriation of charity fund amounting to VND 5,000,000,000.

In additional, the General Meeting of Shareholders approved the payment of the second dividend in 2023 in cash to existing shareholders at the rate of 8% on the par value of each share, equivalent to VND 120,630,356,800. The dividend payment transaction was completed on 10 July 2024.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

24. REVENUES

24.1 Revenues from sale of goods and rendering of services

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Revenue	1,104,800,676,455	1,093,645,105,986
<i>Revenue from sales of merchandises and finished goods</i>	<i>1,084,149,013,648</i>	<i>1,072,108,522,192</i>
<i>Revenue from rendering of services</i>	<i>13,566,340,617</i>	<i>14,965,668,794</i>
<i>Revenue from rental services</i>	<i>7,085,322,190</i>	<i>6,570,915,000</i>
Less	(48,550,500)	(2,973,706,065)
<i>Sales returns</i>	<i>(20,108,000)</i>	<i>(1,685,905,093)</i>
<i>Sales discounts</i>	<i>-</i>	<i>(1,266,046,912)</i>
<i>Sales deduction</i>	<i>(28,442,500)</i>	<i>(21,754,060)</i>
NET REVENUES	<u>1,104,752,125,955</u>	<u>1,090,671,399,921</u>
<i>In which:</i>		
<i>Revenue from sales of merchandises and finished goods</i>	<i>1,084,100,463,148</i>	<i>1,069,134,816,127</i>
<i>Revenue from rendering of services</i>	<i>13,566,340,617</i>	<i>14,965,668,794</i>
<i>Revenue from rental services</i>	<i>7,085,322,190</i>	<i>6,570,915,000</i>
<i>In which:</i>		
<i>Revenue from third parties</i>	<i>1,004,059,217,345</i>	<i>997,437,422,856</i>
<i>Revenue from related parties (Note 31)</i>	<i>100,692,908,610</i>	<i>93,233,977,065</i>

24.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Distributed profit	49,405,452,257	205,000,000,000
Interest income from bank deposits	47,737,139,502	39,574,962,120
Interest receivables	19,082,920,296	18,376,145,472
Foreign exchange gains	6,100,609,848	6,756,082,301
Others	152,253,972	-
TOTAL	<u>122,478,375,875</u>	<u>269,707,189,893</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

25. COSTS OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Cost of finished goods and merchandise sold	791,295,026,795	813,528,784,862
Cost of services rendered	7,892,831,906	8,507,042,587
Cost of rental services	4,515,665,676	4,043,508,576
(Reversal of provision) provision for obsolete inventories	(3,069,772,884)	5,230,514,242
Restoration cost	900,000,000	-
TOTAL	<u>801,533,751,493</u>	<u>831,309,850,267</u>

26. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Interest expense	9,536,231,569	15,518,907,471
Foreign exchange losses	3,194,182,830	2,192,982,095
Others	178,505	-
TOTAL	<u>12,730,592,904</u>	<u>17,711,889,566</u>

27. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Selling expenses	146,576,112,376	169,274,869,063
Labour costs	51,258,281,978	48,744,019,896
Marketing and advertising	27,933,048,392	39,982,986,966
Transportation	20,840,468,159	20,877,766,371
Rental fee	14,460,432,694	13,049,144,219
Depreciation and amortisation	3,977,505,176	4,475,684,017
Others	28,106,375,977	42,145,267,594
General and administrative expenses	42,509,613,557	50,583,094,017
Labour costs	20,799,233,331	19,755,805,956
Provision for doubtful debts	2,257,317,827	9,108,287,726
Expenses for external services	1,498,997,638	1,292,206,432
Depreciation and amortisation	776,282,068	1,006,966,569
Others	17,177,782,693	19,419,827,334
TOTAL	<u>189,085,725,933</u>	<u>219,857,963,080</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

28. PRODUCTION AND OPERATING COSTS

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Raw materials	572,521,034,426	629,776,508,656
Labour costs	164,498,567,766	166,041,900,513
Expenses for external services	69,502,066,469	97,036,992,488
Depreciation and amortisation (Notes 12 and 13)	23,536,051,127	22,017,269,210
Tools and supplies	16,599,088,938	26,791,938,059
Transportation	21,915,221,251	21,072,742,511
Others	60,500,849,018	78,687,233,836
TOTAL	<u>929,072,878,995</u>	<u>1,041,424,585,273</u>

29. OTHER INCOMES AND EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023 (as restated - Note 34)</i>
Other incomes	2,616,218,021	6,045,728,281
Gain from disposal of fixed assets	110,000,557	2,431,209,091
Compensation and penalty	42,345,771	212,216,035
Others	2,463,871,693	3,402,303,155
Other expenses	(42,481,668,886)	(2,474,682,568)
Tax late payment expense	(39,965,997,307)	-
Non-deductible VAT	(2,089,393,712)	(341,739,141)
Others	(426,277,867)	(2,132,943,427)
OTHER (LOSS) PROFIT	<u>(39,865,450,865)</u>	<u>3,571,045,713</u>

30. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rate applicable to the Company is 20% of taxable profits.

The tax returns filed by the Company are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the interim separate financial statements could change at a later date upon final determination by the tax authorities.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

30. CORPORATE INCOME TAX (continued)

30.1 CIT expenses

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023 (as restated - Note 34)</i>
Current CIT expense before adjustment	37,905,905,117	21,439,746,227
Adjustment for under-accrual of CIT in prior years	<u>4,691,067,655</u>	<u>1,312,206,170</u>
Current CIT expense	42,596,972,772	22,751,952,397
Deferred tax expense	<u>2,408,009,527</u>	<u>1,089,773,798</u>
TOTAL	<u>45,004,982,299</u>	<u>23,841,726,195</u>

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023 (as restated - Note 34)</i>
Accounting profit before tax	<u>184,014,980,635</u>	<u>295,069,932,614</u>
At CIT rate of 20%	36,802,996,127	59,013,986,523
<i>Adjustments:</i>		
Non-deductible expenses	13,392,008,968	4,515,533,502
Adjustment for under accrual of tax from prior years	4,691,067,655	1,312,206,170
Income from business activities not subject to CIT	<u>(9,881,090,451)</u>	<u>(41,000,000,000)</u>
CIT expense	<u>45,004,982,299</u>	<u>23,841,726,195</u>

30.2 Current CIT

The current CIT payable is based on taxable profit for the current period. The taxable profit of the Company for the period differs from the profit as reported in the interim separate income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted at the interim balance sheet date.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

30. CORPORATE INCOME TAX (continued)

30.3 *Deferred tax*

The following are the deferred tax assets recognised by the Company and the movements thereon during the period :

	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>	
	<i>30 June</i>	<i>31 December</i>	<i>For the six-month</i>	<i>For the six-month</i>
	<i>2024</i>	<i>2023</i>	<i>period ended</i>	<i>period ended</i>
			<i>30 June 2024</i>	<i>30 June 2023</i>
Provisions	5,805,278,492	6,239,233,069	(433,954,577)	1,046,102,848
Profit from revenue with invoices issued but not yet qualified to be recognised	1,008,268,984	775,816,267	232,452,717	500,247,302
Provision for severance allowance	746,235,083	746,235,083	-	-
Accrued expense	-	2,206,507,667	(2,206,507,667)	(2,636,123,948)
<i>Deferred tax asset</i>	<u>7,559,782,559</u>	<u>9,967,792,086</u>		
<i>Net deferred tax expense charged to interim separate income statement</i>			<u>(2,408,009,527)</u>	<u>(1,089,773,798)</u>

VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship with the Company and related parties that have significant transactions with the Company during the period and as at 30 June 2024 is as follows:

<i>Related parties</i>	<i>Relationship</i>
An Cuong Wood-Working Manufacturing Company Limited ("An Cuong Wood-Working Manufacturing")	Subsidiary
Malloca Vietnam Company Limited ("Malloca Vietnam")	Subsidiary
AConcept Vietnam Company Limited ("AConcept Vietnam")	Indirect subsidiary
Thang Loi Homes Joint Stock Company ("Thang Loi Homes")	Associate
NC Vietnam Investment Company Limited ("NC Vietnam Investment")	Controlling shareholder
Whitlam Holding Pte. Ltd	Major shareholder
Sumitomo Forestry (Singapore) Ltd.	Major shareholder
Trung Hieu Plywood Company Limited ("Trung Hieu Plywood")	Chairman's family member is General Director
Thao Nghia Thanh One-member Company Limited ("Thao Nghia Thanh")	Head of Board of Supervision's family member is General Director
Sumitomo Forestry Vietnam Company Limited ("Sumitomo Forestry Vietnam")	Vice Chairman of Board of Directors is General Director
VinaCapital Fund Management Joint Stock Company ("VinaCapital")	Member of Board of Directors is Deputy Executive Director
Mr. Le Duc Nghia	Chairman
Mr Masao Kamibayashiyama	Vice Chairman
Mr Nguyen Minh Tuan	Member of Board of Directors ("BOD")
Mr Le Thanh Phong	Member of BOD cum Deputy General Director
Ms Nguyen Thi Dieu Phuong	Member of BOD
Mr Phan Quoc Cong	Independence Member
Mr Nguyen Thanh Quyen	Independence Member
Ms Tran Thi Ngoc Tue	Head of Board of Supervision ("BOS")
Ms Nguyen Thi Thuy Trang	Member of BOS
Ms Mai Thi Phuong Thao	Member of BOS
Ms Vo Thi Ngoc Anh	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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

31. TRANSACTIONS WITH RELATED PARTIES (continued)

Terms and conditions of transactions with related parties

Related party transactions include all transactions undertaken with other companies to which the Company is related, either through the investor, investee relationship or because they share a common investor and thus are considered to be a part of the same corporate company. Sales and purchases to/from related parties are made on the basis of negotiated contracts. Outstanding balances at the six-month period-end are unsecured and settlement is expected to occur in cash.

Significant transactions of the Company with its related parties in the current and previous period were as follows:

Related parties	Transaction	VND	
		For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
An Cuong Wood-Working Manufacturing	Sales of goods and services	65,258,417,390	65,459,425,219
	Purchases of goods and services	105,869,688,286	137,663,696,392
	Profit distributed	36,405,452,257	200,000,000,000
	Purchase of fixed assets	-	28,995,000,000
	Disposal of fixed assets	-	1,736,000,000
Malloca Vietnam	Sales of goods and services	6,702,729,863	10,651,140,035
	Purchase of goods and services	4,403,998,968	6,875,389,545
	Profit distributed	13,000,000,000	5,000,000,000
Trung Hieu Plywood	Sales of goods and services	14,041,098,702	15,917,765,339
Thang Loi Homes	Sales of goods and services	13,690,069,816	-
	Investment	-	2,400,000,000
Sumitomo Forestry (Singapore) Ltd	Purchases of goods and services	2,286,851,755	1,746,420,312
	Dividends declared	23,657,455,200	-
AConcept Vietnam	Sales of goods and services	981,435,981	1,205,646,472
	Purchases of goods and services	112,579,545	2,009,594,498
Thao Nghia Thanh	Purchases of goods and services	939,429,705	3,756,793,000
Sumitomo Forestry Vietnam	Purchases of goods and services	461,709,532	576,843,238
	Sales of goods and services	19,156,858	-
NC Vietnam Investment	Dividends declared	60,370,555,200	-
Whitlam Holding Pte. Ltd	Dividends declared	21,793,917,600	-
Other shareholders	Dividends declared	14,808,428,800	-

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

31. **TRANSACTIONS WITH RELATED PARTIES** (continued)

Amounts due from and to related parties at the interim balance sheet date were as follows:

<i>Related parties</i>	<i>Transaction</i>	<i>30 June 2024</i>	<i>31 December 2023</i>
			<i>VND</i>
Short-term trade receivables			
An Cuong Wood-Working Manufacturing	Sale of goods and services	17,011,238,245	12,998,377,854
Thang Loi Homes	Sale of goods and services	14,789,386,144	-
Trung Hieu Plywood	Sale of goods and services	6,259,210,306	5,715,974,205
Malloca Vietnam	Sale of goods and services	343,853,154	2,324,982,362
AConcept Vietnam	Sale of goods and services	256,001,068	-
		38,659,688,917	21,039,334,421
Short-term advances to suppliers			
Thao Nghia Thanh	Purchase of goods and services	319,122,550	398,940,400
Short-term other receivables			
VinaCapital	Entrusted investment	114,699,683,444	114,699,683,444
	Interest income from entrusted investment	10,867,216,930	10,867,216,930
		125,566,900,374	125,566,900,374
Short-term trade payables			
An Cuong Wood-Working Manufacturing	Purchase of goods and services	44,150,115,387	49,703,241,189
Malloca Vietnam	Purchase of goods and services	9,897,653,380	9,523,020,887
Thao Nghia Thanh	Purchase of goods and services	1,516,282,100	1,516,282,100
AConcept Vietnam	Purchase of goods and services	746,801,621	642,105,221
Sumitomo Forestry Vietnam	Purchase of goods and services	328,092,288	-
Sumitomo Forestry (Singapore) Ltd.	Purchase of goods and services	-	1,838,597,596
		56,638,944,776	63,223,246,993
Short-term accrued expense			
VinaCapital	Based-investment-performance fees	6,000,000,000	6,000,000,000
Other short-term payables			
NC Vietnam Investment	Dividend payable	60,370,555,200	-
Sumitomo Forestry (Singapore) Ltd.	Dividend payable	23,657,455,200	-
Whitlam Holding Pte. Ltd	Dividend payable	21,793,917,600	-
Others	Dividend payable	15,129,977,300	321,548,500
		120,951,905,300	321,548,500

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

31. **TRANSACTIONS WITH RELATED PARTIES** (continued)

Transactions with other related parties

Salary and remuneration to members of the Board of Directors, Board of Supervision, Board of Management and other directors:

		VND	
	Position	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
Board of Directors			
Mr Le Duc Nghia	Chairman	-	-
Mr Masao Kamibayashiyama	Vice Chairman	-	-
Mr Nguyen Minh Tuan	Member	-	-
Mr Le Thanh Phong	Member	-	-
Ms Nguyen Thi Dieu Phuong	Member	-	-
Mr Phan Quoc Cong	Independent member	-	-
Mr Nguyen Thanh Quyen	Independent member	-	-
Board of Supervision			
Ms Tran Thi Ngoc Tue	Head	-	-
Ms Nguyen Thi Thuy Trang	Member	-	-
Ms Mai Thi Phuong Thao	Member	-	-
Board of Management and other directors			
Ms Vo Thi Ngoc Anh	General Director	872,100,000	670,000,000
Mr Le Thanh Phong	Deputy General Director	1,127,740,000	977,340,000
Ms Nguyen Thi Hao	Deputy General Director (resigned on 25 October 2023)	-	980,000,000
Ms Nguyen Thi Kim Thoa	Deputy General Director	995,000,000	900,000,000
Ms Nguyen Thi Duyen	Deputy General Director	1,091,300,000	991,800,000
Mr Ngo Tan Tri	Deputy General Director	1,041,300,000	992,100,000
Ms Thieu Thi Ngoc Diem	Chief Accountant	945,000,000	900,000,000
Ms Tran Thi Ngoc Tue	Head of Internal Control	643,200,000	592,766,667
Mr Masao Kamibayashiyama	Marketing Development Director	821,100,000	801,000,000
TOTAL		<u>7,536,740,000</u>	<u>7,805,006,667</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

32. OPERATING LEASE COMMITMENT

The Company as a lessee

The Company leases offices, machinery and equipment, land use right under operating lease arrangements. The minimum lease commitments as at the interim balance sheet date under the operating lease agreements are as follows:

	VND	
	30 June 2024	31 December 2023
Less than 1 year	39,963,252,385	37,850,599,772
From 1 to 5 years	79,459,935,739	101,676,597,704
Over 5 years	876,770,961	2,404,889,230
TOTAL	<u>120,299,959,085</u>	<u>141,932,086,706</u>

The Company as a lessor

The Company lets out warehouses under operating lease arrangements, with minimum rental receivables due as follows:

	VND	
	30 June 2024	31 December 2023
Less than 1 year	9,267,844,380	9,529,444,380
From 1 to 5 years	16,567,147,245	21,208,269,435
TOTAL	<u>25,834,991,625</u>	<u>30,737,713,815</u>

33. OFF BALANCE SHEET ITEMS

	30 June 2024	31 December 2023
US Dollar (USD)	24,777.05	482,117.53
Euro (EUR)	7,707.47	50,709.43

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

34. CORRESPONDING FIGURES

In 2024, the Management of the Company conducted a review of the costs of purchasing goods and services for the fiscal years from 2014 to 2023 for the purpose of checking the appropriate recognition of tax obligations payable to the state during these years. Some expenses were assessed as likely not qualifying for the deduction of deductible value-added tax, as well as not qualifying to be considered deductible expenses when calculating corporate income tax. The Management of the Company made retrospective adjustments to recognize additional corporate income tax and value-added tax liabilities arising from previous years due to these non-deductible costs. These tax obligations were approved by the Chairman of the Board of Directors according to Decision No. 70A-2024/QĐ-GAC dated 26 April 2024.

Details of impact of retroactive adjustments in the separate balance sheet, interim separate income statement are as follows:

- ▶ Increase other expenses for the six-month period ended 30 June 2023 by VND 341,739,141 due to expenses with invoices that do not qualify for deductible value-added tax in this accounting period.
- ▶ Increase current corporate income tax expense for the six-month period ended 30 June 2023 by VND 727,029,779 due to additional CIT obligation in this accounting period.
- ▶ Decrease accumulated profit and increase statutory obligations as at 31 December 2023 by VND 80,271,369,856 as a result of additional tax obligations from 2016 to 2023.

The details of the impacts on corresponding figures are summarized as follows:

	<i>As previously reported</i>	<i>Restatements</i>	<i>VND As restated</i>
Interim separate balance sheet as at 31 December 2023			
Statutory obligations	39,019,312,398	80,271,369,856	119,290,682,254
Undistributed earnings	892,547,450,223	(80,271,369,856)	812,276,080,367
- Undistributed earnings by the end of prior year	345,383,848,318	(69,416,506,431)	275,967,341,887
- Undistributed earnings of current period	547,163,601,905	(10,854,863,425)	536,308,738,480
Interim separate income statement for the six-month period ended 30 June 2023			
Other expenses	(2,132,943,427)	(341,739,141)	(2,474,682,568)
Other (loss) profit	3,912,784,854	(341,739,141)	3,571,045,713
Profit before tax	295,411,671,755	(341,739,141)	295,069,932,614
Current corporate income tax expense	(22,024,922,618)	(727,029,779)	(22,751,952,397)
Net profit after tax	272,296,975,339	(1,068,768,920)	271,228,206,419
Interim separate cash flow statement for the six-month period ended 30 June 2023			
Accounting profit before tax	295,411,671,755	(341,739,141)	295,069,932,614
Operating profit before changes in working capital	86,384,543,572	(341,739,141)	86,042,804,431
Adjustments for:			
Decrease in payables	(156,476,080,476)	341,739,141	(156,134,341,335)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2024 and for the six-month period then ended

35. EVENTS AFTER THE INTERIM BALANCE SHEET DATE

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



Nguyen Thi Hong Lan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



Vo Thi Ngoc Anh
General Director.

Binh Duong Province, Vietnam

27 August 2024

