

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

**CONSOLIDATED FINANCIAL STATEMENTS
FOR QUARTER III 2024**

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

**CONSOLIDATED FINANCIAL STATEMENTS
FOR QUARTER III 2024**

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AN CUONG WOOD-WORKING JOINT STOCK COMPANY

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 latest Enterprise Registration Certificate No. 3700748131 dated 16 May 2024.

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. Nguyen Thanh Quyen | Independent Member |
| Mr. Phan Quoc Cong | Independent Member |

Board of Management

| | |
|-------------------------|-------------------------|
| 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 |

Board of Supervision

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

Legal representative

Ms. Vo Thi Ngoc Anh General Director

Registered office

Land plot No. 681, Map No. 5, DT 747B Street,
Phuoc Hai Town, Thai Hoa Ward, Tan Uyen City,
Binh Duong Province, Viet Nam.

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

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 30 September 2024, and the results of its consolidated operations and consolidated cash flows for Quarter III 2024 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 which enable the 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 errors.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby, approve the accompanying consolidated financial statements as set out on pages 3 to 52 which give a true and fair view of the consolidated financial position of the Group as at 30 September 2024 and of the results of its consolidated operations and consolidated cash flows for Quarter III 2024 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 the Board of Management




Vo Thi Ngoc Anh
General Director

Binh Duong, SR Vietnam
28 October 2024

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 01a – DN/HN

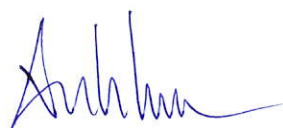
CONSOLIDATED BALANCE SHEET

| Code | ASSETS | Note | As at | |
|------------|---|-------|--------------------------|--------------------------|
| | | | 30.9.2024 VND | 31.12.2023 VND |
| 100 | CURRENT ASSETS | | 4,099,544,620,932 | 4,131,503,386,110 |
| 110 | Cash and cash equivalents | 3 | 73,698,604,920 | 66,882,261,518 |
| 111 | Cash | | 73,698,604,920 | 66,882,261,518 |
| 120 | Short-term investments | | 1,814,850,000,000 | 1,834,500,000,000 |
| 123 | Investments held to maturity | 4(a) | 1,814,850,000,000 | 1,834,500,000,000 |
| 130 | Short-term receivables | | 1,151,754,354,811 | 1,078,715,271,161 |
| 131 | Short-term trade accounts receivable | 5 | 783,535,102,745 | 723,795,484,707 |
| 132 | Short-term prepayments to suppliers | 6 | 27,687,952,123 | 18,994,795,117 |
| 135 | Short-term lendings | 7(a) | 115,421,132,127 | 115,551,132,127 |
| 136 | Other short-term receivables | 8(a) | 311,471,849,242 | 277,092,053,954 |
| | Provision for doubtful debts – short term | 5 | (86,961,258,914) | (57,118,073,641) |
| 137 | | | | |
| 139 | Shortage of assets awaiting resolution | | 599,577,488 | 399,878,897 |
| 140 | Inventories | 9 | 1,037,943,721,620 | 1,134,504,136,989 |
| 141 | Inventories | | 1,079,933,776,312 | 1,170,522,474,357 |
| 149 | Provision for decline in value of inventories | | (41,990,054,692) | (36,018,337,368) |
| 150 | Other current assets | | 21,297,939,581 | 16,901,716,442 |
| 151 | Short-term prepaid expenses | 10(a) | 19,107,389,773 | 14,935,644,627 |
| | Value added tax ("VAT") to be reclaimed | 15(a) | 2,093,362,745 | 1,786,084,549 |
| 152 | | | | |
| 153 | Tax and other receivables from the State | | 97,187,063 | 179,987,266 |
| 200 | NON-CURRENT ASSETS | | 1,444,034,484,637 | 1,390,580,649,441 |
| 210 | Long-term receivables | | 187,132,359,624 | 164,948,393,611 |
| 211 | Long-term trade accounts receivable | | 4,852,818,089 | - |
| 215 | Long-term lendings | 7(b) | 142,526,415,151 | 142,526,415,151 |
| 216 | Other long-term receivables | 8(b) | 39,753,126,384 | 22,421,978,460 |
| 220 | Fixed assets | | 392,898,399,140 | 404,977,442,045 |
| 221 | Tangible fixed assets | 11(a) | 364,444,427,755 | 393,162,446,484 |
| 222 | Historical cost | | 1,110,395,904,152 | 1,072,429,376,434 |
| 223 | Accumulated depreciation | | (745,951,476,397) | (679,266,929,950) |
| | | | | |
| 227 | Intangible fixed assets | 11(b) | 28,453,971,385 | 11,814,995,561 |
| 228 | Historical cost | | 55,806,991,197 | 34,504,878,488 |
| 229 | Accumulated amortisation | | (27,353,019,812) | (22,689,882,927) |
| 240 | Long-term asset in progress | | 3,141,018,214 | 21,542,045,902 |
| 242 | Construction in progress | 12 | 3,141,018,214 | 21,542,045,902 |
| 250 | Long-term investments | | 673,229,580,100 | 601,080,434,733 |
| 252 | Investments in associates | 4(b) | 406,029,580,100 | 405,880,434,733 |
| 253 | Investments in other entity | 4(b) | 119,200,000,000 | 119,200,000,000 |
| 255 | Investments held to maturity | 4(a) | 148,000,000,000 | 76,000,000,000 |
| 260 | Other long-term assets | | 187,633,127,559 | 198,032,333,150 |
| 261 | Long-term prepaid expenses | 10(b) | 179,174,761,418 | 187,035,283,084 |
| 262 | Deferred income tax assets | 23 | 8,458,366,141 | 10,997,050,066 |
| 270 | TOTAL ASSETS | | 5,543,579,105,569 | 5,522,084,035,551 |

The notes on pages 8 to 52 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(Continued)

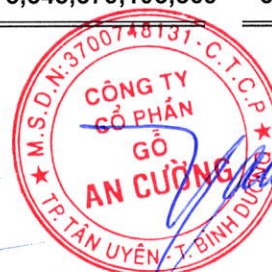
| Code | RESOURCES | Note | As at | |
|------------|---|--------|--------------------------|---------------------------------|
| | | | 30.9.2024 VND | 31.12.2023 VND (Restated) |
| 300 | LIABILITIES | | 1,336,920,569,753 | 1,445,575,812,774 |
| 310 | Current liabilities | | 1,325,323,770,089 | 1,430,554,990,864 |
| 311 | Short-term trade accounts payable | 13 | 269,543,584,755 | 263,320,000,996 |
| 312 | Short-term advances from customers | 14 | 113,541,985,831 | 174,455,445,430 |
| 313 | Tax and other payables to the State | 15(b) | 124,587,799,288 | 163,429,189,931 |
| 314 | Payables to employees | 16 | 16,266,210,225 | 72,997,981,546 |
| 315 | Short-term accrued expenses | 17 | 70,750,084,812 | 22,405,996,833 |
| 318 | Short-term unearned revenue | | 1,104,331,074 | 1,403,071,904 |
| 319 | Other short-term payables | 18 | 4,231,638,941 | 2,303,046,251 |
| 320 | Short-term borrowings | 20 | 646,174,252,431 | 706,566,540,805 |
| 322 | Bonus and welfare funds | 19 | 79,123,882,732 | 23,673,717,168 |
| 330 | Non-current liabilities | | 11,596,799,664 | 15,020,821,910 |
| 336 | Long-term unearned revenue | | - | 753,563,083 |
| 342 | Provision for long-term liabilities | 21 | 11,596,799,664 | 14,267,258,827 |
| 400 | OWNERS' EQUITY | | 4,206,658,535,816 | 4,076,508,222,777 |
| 410 | Capital and reserves | | 4,206,658,535,816 | 4,076,508,222,777 |
| 411 | Owners' capital | 23, 24 | 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 | Share premium | 24 | 1,418,741,358,556 | 1,418,741,358,556 |
| 418 | Investment and development funds | 24 | - | 35,502,563,287 |
| 421 | Undistributed earnings | 24 | 1,280,037,717,260 | 1,114,384,840,934 |
| | - Undistributed post-tax profits of | | | |
| 421a | previous years | | 950,068,342,537 | 703,199,183,748 |
| 421b | - Post-tax profits of current period/year | | 329,969,374,723 | 411,185,657,186 |
| 440 | TOTAL RESOURCES | | 5,543,579,105,569 | 5,522,084,035,551 |



Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



Vo Thi Ngoc Anh
General Director
28 October 2024

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 02a – DN/HN

CONSOLIDATED INCOME STATEMENT

| Code | Note | For the three-month period ended | | For the nine-month period ended | |
|------|--|----------------------------------|-------------------|---------------------------------|---------------------|
| | | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | | VND | VND | VND | VND |
| 01 | Revenue from sales of goods and rendering of services | 1,054,581,951,155 | 964,196,931,397 | 2,789,764,665,778 | 2,622,109,901,762 |
| 02 | Less deductions | (10,764,603,279) | (1,628,393,405) | (25,114,195,887) | (11,402,196,382) |
| 10 | Net revenue from sales of goods and rendering of services | 1,043,817,347,876 | 962,568,537,992 | 2,764,650,469,891 | 2,610,707,705,380 |
| 11 | Cost of goods sold and services rendered | (716,145,923,949) | (664,308,898,598) | (1,889,695,734,679) | (1,841,959,710,055) |
| 20 | Gross profit from sales of goods and rendering of services | 327,671,423,927 | 298,259,639,394 | 874,954,735,212 | 768,747,995,325 |
| 21 | Financial income | 40,050,118,904 | 32,496,017,667 | 129,797,545,144 | 110,573,095,267 |
| 22 | Financial expenses | (6,556,282,156) | (8,652,136,035) | (27,837,881,755) | (37,974,823,074) |
| 23 | - Including: Interest expense | (5,106,665,682) | (7,005,789,072) | (21,799,104,718) | (32,853,535,652) |
| 24 | Share in profits of associates | - | - | 149,145,367 | 1,849,234,733 |
| 25 | Selling expenses | (133,533,704,573) | (123,177,734,481) | (354,664,614,259) | (387,592,415,154) |
| 26 | General and administration expenses | (71,342,489,166) | (37,168,518,983) | (146,645,629,773) | (120,892,033,065) |
| 30 | Net operating profit | 156,289,066,936 | 161,757,267,562 | 475,753,299,936 | 334,711,054,032 |
| 31 | Other income | 1,305,848,574 | 1,948,237,062 | 4,842,937,928 | 10,000,916,670 |
| 32 | Other expenses | (349,813,335) | (12,487,061,198) | (55,694,027,266) | (13,072,879,611) |
| 40 | Net other income | 956,035,239 | (10,538,824,136) | (50,851,089,339) | (3,071,962,941) |
| 50 | Net accounting profit before tax | 157,245,102,175 | 151,218,443,426 | 424,902,210,598 | 331,639,091,091 |

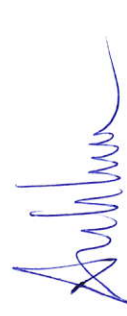
The notes on pages 8 to 52 are an integral part of these consolidated financial statements

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 02a – DN/HN

CONSOLIDATED INCOME STATEMENT (continued)

| Code | Note | For the three-month period ended | | For the nine-month period ended | |
|------|---|----------------------------------|------------------|---------------------------------|------------------|
| | | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | | VND | VND | VND | VND |
| | | | (Restated) | | (Restated) |
| 51 | Corporate income tax ("CIT") - current | 35 | (27,170,978,109) | (92,394,151,950) | (82,274,943,600) |
| 52 | Corporate income tax - deferred | 35 | 346,864,594 | (2,538,683,925) | (131,927,530) |
| 60 | Net profit after tax | | 130,420,988,660 | 329,969,374,723 | 249,232,219,961 |
| | Attributable to: | | | | |
| 61 | Profit after tax of the Company | | 130,420,988,660 | 329,969,374,723 | 249,233,689,961 |
| 62 | Profit after tax of non-controlling interests | | - | - | (1,470,000) |
| 70 | Basic earnings per share | 26 | 865 | 2,188 | 1,494 |
| 71 | Diluted earnings per share | 26 | 865 | 2,188 | 1,494 |




Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant




Vo Thi Ngoc Anh
General Director
28 October 2024

The notes on pages 8 to 52 are an integral part of these consolidated financial statements

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 03a – DN/HN

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

| Code | Note | For the nine-month period ended | |
|---|------|---------------------------------|--------------------------------|
| | | 30.9.2024 VND | 30.9.2023 VND (Restated) |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| 01 | | 424,902,210,598 | 331,639,091,091 |
| | | Adjustments for: | |
| 02 | 36 | 76,072,002,657 | 78,602,102,171 |
| 03 | | 33,144,443,434 | 35,066,845,623 |
| 04 | | (241,804,488) | 916,390,550 |
| 05 | | (119,374,269,862) | (100,240,969,538) |
| 06 | | 21,799,104,718 | 32,853,535,652 |
| 08 | | 436,301,687,057 | 378,836,995,549 |
| 09 | | (74,361,751,961) | 28,360,914,310 |
| 10 | | 90,588,698,045 | 144,507,148,805 |
| 11 | | (83,381,341,858) | (63,972,958,846) |
| 12 | | 8,551,543,357 | 25,756,942,962 |
| 14 | | (21,799,104,718) | (32,853,535,652) |
| 15 | | (110,239,983,630) | (111,479,987,470) |
| 17 | | (23,617,539,320) | (27,310,540,680) |
| 20 | | 222,042,206,972 | 341,844,978,978 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| 21 | | (50,782,253,901) | (64,435,384,457) |
| 22 | | 523,919,193 | 1,720,663,636 |
| 23 | | (906,350,000,000) | (1,044,500,000,000) |
| 24 | | 854,130,000,000 | 883,500,000,000 |
| 25 | | - | (2,400,000,000) |
| 27 | | 68,019,164,388 | 66,272,232,927 |
| 30 | | (34,459,170,320) | (159,842,487,894) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| 31 | | - | 9,800,000,000 |
| 33 | | 1,682,298,777,200 | 1,508,609,947,228 |
| 34 | | (1,742,691,065,574) | (1,995,257,363,006) |
| 36 | | (120,563,281,600) | - |
| 40 | | (180,955,569,974) | (476,847,415,778) |
| 50 | | 6,627,466,678 | (294,844,924,694) |
| 60 | 3 | 66,882,261,518 | 387,855,741,942 |
| 61 | | 188,876,724 | (146,285,552) |
| 70 | 3 | 73,698,604,920 | 92,864,531,696 |

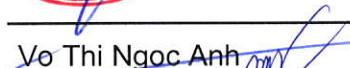


Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant




Vo Thi Ngoc Anh
General Director
28 October 2024

The notes on pages 8 to 52 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR QUARTER II 2024

1 GENERAL INFORMATION OF THE GROUP

An Cuong Wood-Working Joint Stock Company (“the Company”) is a joint stock company 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 latest Enterprise Registration Certificate No. 3700748131 dated 16 May 2024.

Shareholders of the Company include NC Vietnam Investment Company Limited, Whitlam Holding Pte. Ltd., Sumitomo Forestry (Singapore) Ltd. and other shareholders. Details are presented in Note 23.

The Company’s shares are listed in Ho Chi Minh City Stock Exchange (“HOSE”) with the ticker symbol ACG.

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 30 September 2024 and 31 December 2023, the Group had two direct subsidiaries, one one indirect subsidiary and one associate. Details are as follows:

| Name | Location | Principal activity | 30.9.2024 | | 31.12.2023 | |
|---------------------------------------|---------------------|---|---------------|------------------|---------------|------------------|
| | | | Ownership (%) | Voting right (%) | Ownership (%) | Voting right (%) |
| Direct subsidiaries | | | | | | |
| An Cuong Wood Working Company Limited | Binh Duong Province | Manufacture and trade wooden products. | 100 | 100 | 100 | 100 |
| Malloca Vietnam Company Limited | Ho Chi Minh City | Trade Malloca brand kitchen appliances. | 100 | 100 | 100 | 100 |
| Indirect subsidiary | | | | | | |
| AConcept Vietnam Company Limited (*) | Ho Chi Minh City | Wholesale and retail of interior and interior decoration. | 100 | 100 | 100 | 100 |
| Associate | | | | | | |
| Thang Loi Homes Joint Stock Company | Long An Province | Trade real estate and residential projects. | 30 | 30 | 30 | 30 |

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

1 GENERAL INFORMATION OF THE GROUP (continued)

The Company established a Commercial Representative Office in the Kingdom of Cambodia according to the Resolution of the Board of Directors No. 05-2023/NQ-GAC dated 11 April 2023.

As at 30 September 2024, the Group had 2,478 employees (as at 31 December 2023: 2,633 employees).

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 in Vietnam. 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.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December. The consolidated financial statements for Quarter III are prepared for the three-month period from 1 July to 30 September.

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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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.

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 financial year 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' financial year and that of the Group's. The length of the reporting year and differences in reporting date must be consistent between years

Non- controlling transactions and interests

The Group applies a policy for transactions with non-controlling shareholders as transactions with external parties to the Group.

Non- controlling interests ("NCI") are measured at their proportionate share of acquiree's identifiable net assets at date of acquisition.

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associate

Associate is entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associate are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associate includes goodwill identified on acquisition, net of any accumulated impairment loss.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continued)*****Associate (continued)***

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 an associate equal 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 deposits 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 not arising from sales of goods and rendering of services. 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 period 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 period and the provision of the previous period are recognised as an increase or decrease of cost of goods sold in the period.

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 entrusted-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 the amount of provision to recognise at the period 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 period 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 to the maturity date.

(b) Investments in associates

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

(c) Investments in other entities

Investment in other entities 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 the amount of provision to recognise at the period end.

Provision for investments associate and investments in other entities is made when there is a diminution in value of the investments at the period 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 accounting period 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Lendings (continued)**

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the period 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 accounting period 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 lending 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 period.

Depreciation and amortisation

Fixed assets are depreciated and 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 consolidated 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% - 20% |
| Machinery | 8% - 20% |
| Motor vehicles | 8% - 17% |
| Office equipment | 13% - 33% |
| Others | 6% - 13% |
| Land use rights | 3% |
| Software | 13% - 40% |

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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Fixed assets (continued)***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.

2.12 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 represent 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 prepayment. Long-term prepaid expenses reflect prepayments for services; or tools, which 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 prepayment. 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 period from the consolidated balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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 period 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 period 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 period, 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 period but not yet paid for due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

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 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 period 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 period 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 period 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 contract's average salary for the six-month prior to the consolidated balance sheet date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Provision for severance allowances (continued)**

This allowance will be paid as a lump sum when employees terminate their labour contracts in according 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 recognised 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 2020. 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 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

Treasury shares bought 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 bought after 1 January 2021 will be cancelled and adjusted to reduce the 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 period in which the dividends are approved by the General Meeting of Shareholders and the Company has finalised the list of Shareholders receiving dividend in accordance with Resolution of the Board of Directors.

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 funds

The bonus and welfare fund is appropriated from profit after CIT and subject to Shareholders' approval in 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Appropriation of profit (continued)****(a) Bonus and welfare funds (continued)**

The bonus and welfare fund of subsidiaries is appropriated from profit after CIT of the company and subject to approval of Chairman of the company.

(b) Investment and development funds

The investment and development fund is appropriated from the Company's profit after CIT and subject to Shareholders' approval in the General Meeting of Shareholders. This fund is use for the Company's expansion of its operation or in-depth investments.

The investment and development fund of subsidiaries is appropriated from the company's profit after CIT and subject to approval of Chairman of the company.

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) 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 sales 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) following conditions are satisfied:

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.22 Revenue recognition (continued)****(b) Revenue from rendering of services (continued)**

- 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 the basis of the actual time and interest rates for each year when both conditions are simultaneously satisfied:

- It is probable that economic benefits will be generated; and
- Income can be measured reliably.

(d) Profit distributed

Profit distributed is recognised when the Group has established the receiving right from subsidiaries

2.23 Sales deductions

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

Sales deductions for sales of products, goods or rendering services which are sold in the period 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 period.

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 period, 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 period for financial activities including expenses of 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**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 period tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

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 period 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 Board of Directors and 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.

3 CASH AND CASH EQUIVALENTS

| | 30.9.2024 VND | 31.12.2023 VND |
|--------------|-----------------------|-----------------------|
| Cash on hand | 659,670,717 | 450,061,516 |
| Cash at bank | 73,038,934,203 | 66,432,200,002 |
| | <u>73,698,604,920</u> | <u>66,882,261,518</u> |

4 INVESTMENTS**(a) Investments held to maturity**

| | As at 30.9.2024 | | As at 31.12.2023 | |
|--------------------|-------------------|-------------------|-------------------|-------------------|
| | Cost VND | Book value VND | Cost VND | Book value VND |
| Short-term | | | | |
| Term deposits (i) | 1,814,850,000,000 | 1,814,850,000,000 | 1,834,500,000,000 | 1,834,500,000,000 |
| Long-term | | | | |
| Term deposits (ii) | 148,000,000,000 | 148,000,000,000 | 76,000,000,000 | 76,000,000,000 |

(i) As at 30 September 2024, short-term investments held-to-maturity represent term deposits at commercial banks with remaining maturities of more than 3 months but less than 1 year and earn interest at the rate of approximately 4.2% - 8.3% per annum (as at 31 December 2023: 4.9% - 11.5% per annum).

(ii) As at 30 September 2024, short-term investments held-to-maturity represent term deposits at commercial banks with remaining maturities of more than 1 year and earn interest at the rate of 6.3% per annum (as at 31 December 2023: 4.8% per annum).

In addition, the Company has pledged VND335 billion of these investments with banks as collateral assets for the Company's borrowings (*Note 20*) (as at 31 December 2023: VND343 billion).

(b) Investments in associate and other entity

| | As at 30.9.2024 | | | As at 31.12.2023 | | |
|--|-------------------|----------------------|------------------|-------------------|----------------------|------------------|
| | Book value VND | Fair value VND | Provision VND | Book value VND | Fair value VND | Provision VND |
| Investment in associate | | | | | | |
| Thang Loi Homes Joint Stock Company | 406,029,580,100 | (**) | - | 405,880,434,733 | (**) | - |
| Investments in other entity | | | | | | |
| Thang Loi Group Real Estate Joint Stock Company (*) | 119,200,000,000 | (**) | - | 119,200,000,000 | (**) | - |

4 INVESTMENTS (continued)**(b) Investments in associate and other entity (continued)**

- (*) The ending balance represented the investment in Thang Loi Group Real Estate Joint Stock Company with the cost of investment amounting to VND 119,200,000,000 equivalent to the ownership of 9.35%.

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 equity interest and voting rights owned by the Company in this company from 15.55% to 9.35%.

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

Details of the investment in an associate is as follows:

Cost:

| | |
|--|------------------------|
| As at 31 December 2023 and 30 September 2024 | <u>396,031,200,000</u> |
|--|------------------------|

Accumulated share in post-acquisition profit of associate:

| | |
|------------------------|---------------|
| As at 31 December 2023 | 9,849,234,733 |
|------------------------|---------------|

| | |
|---|--------------------|
| Share in profit of associate for the period | <u>149,145,367</u> |
|---|--------------------|

| | |
|-------------------------|----------------------|
| As at 30 September 2024 | <u>9,998,380,100</u> |
|-------------------------|----------------------|

Net carrying amount:

| | |
|------------------------|------------------------|
| As at 31 December 2023 | <u>405,880,434,733</u> |
|------------------------|------------------------|

| | |
|-------------------------|------------------------|
| As at 30 September 2024 | <u>406,029,580,100</u> |
|-------------------------|------------------------|

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

| | 30.9.2024 | 31.12.2023 |
|---|------------------------|------------------------|
| | VND | VND |
| Third parties | | |
| Ai Linh Trading Import - Export Joint Stock Company | 207,951,684,342 | 151,251,590,399 |
| Hung Thinh Furniture Joint Stock Company | 77,902,199,414 | 77,902,199,414 |
| Others | 476,218,732,847 | 488,925,720,689 |
| Related parties (Note 37(b)) | 21,462,486,142 | 5,715,974,205 |
| | <u>783,535,102,745</u> | <u>723,795,484,707</u> |

The Group pledged its short-term trade receivables with amount of VND 573,000,000,000 as collateral for bank loans (Note 20).

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE (continued)

Movements of provision for doubtful short-term trade receivables were as follows:

| | For the nine-month period ended 30.9.2024 | For the nine-month period ended 30.9.2023 |
|-----------------------|---|---|
| | VND | VND |
| Beginning balance | 57,118,073,641 | 31,764,224,434 |
| Provision | 31,397,710,226 | 33,507,792,024 |
| Reversal of provision | (1,554,524,953) | (14,246,042,163) |
| Ending balance | <u>86,961,258,914</u> | <u>51,025,974,295</u> |

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

| | 30.9.2024 | | 31.12.2023 | |
|---|------------------------|-----------------------|------------------------|-----------------------|
| | Cost VND | Provision VND | Cost VND | Provision VND |
| Hung Think Furniture JSC | 77,902,199,414 | 45,057,977,870 | 77,902,199,414 | 33,306,163,695 |
| Lao Cai – No. 1 Construction and Trading Investment JSC | 17,797,175,145 | 9,345,608,599 | 19,697,175,145 | 3,527,570,505 |
| Hung Think Incons JSC | 15,955,868,009 | 6,494,800,125 | 15,955,868,009 | 2,488,808,034 |
| 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 | 4,437,696,765 | 4,297,330,792 | 4,437,696,765 | 4,437,696,765 |
| Others | 662,706,355,611 | 17,029,733,727 | 601,066,737,573 | 8,622,026,841 |
| | <u>783,535,102,745</u> | <u>86,961,258,914</u> | <u>723,795,484,707</u> | <u>57,118,073,641</u> |

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

| | 30.9.2024 VND | 31.12.2023 VND |
|------------------------------|-----------------------|-----------------------|
| Third parties | | |
| Xingzhao Vietnam Co.,Ltd | 6,431,240,588 | - |
| HUECK Rheinische GmbH | - | 2,771,525,210 |
| Others | 21,256,711,535 | 15,824,329,507 |
| Related parties (Note 37(b)) | - | 398,940,400 |
| | <u>27,687,952,123</u> | <u>18,994,795,117</u> |

7 LENDINGS**(a) Short-term**

| | 30.9.2024 VND | 31.12.2023 VND |
|----------------------------------|--------------------------------|---------------------------------|
| Novareal Joint Stock Company (*) | 114,021,132,127 | 114,021,132,127 |
| Other | 1,400,000,000 | 1,530,000,000 |
| | <u>115,421,132,127</u> | <u>115,551,132,127</u> |

(b) Long-term

| | 30.9.2024 VND | 31.12.2023 VND |
|----------------------------------|--------------------------------|---------------------------------|
| Novareal Joint Stock Company (*) | 142,526,415,151 | 142,526,415,151 |
| | <u>142,526,415,151</u> | <u>142,526,415,151</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 VND285,052,830,311 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 to not 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 to not 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. During the year, the Company fully collected 10% of the actual deposit, equivalent to VND28,505,283,033.
- 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 consolidated financial statements for the year ended 31 December 2023 and 30 September 2024.

8 OTHER RECEIVABLES**(a) Short-term**

| | 30.9.2024 VND | 31.12.2023 VND |
|------------------------------------|--------------------------------|---------------------------------|
| Related party (*) (Note 37 (b)) | 125,566,900,374 | 125,566,900,374 |
| Third party | | |
| Interest receivables (Note 7) | 112,704,912,011 | 99,490,956,153 |
| Interest income from term deposits | 69,104,318,685 | 47,465,864,469 |
| Advances to employees | 2,287,392,494 | 1,242,279,970 |
| Deposits | 468,523,500 | 3,290,081,440 |
| Others | 1,339,802,178 | 35,971,548 |
| | <u>311,471,849,242</u> | <u>277,092,053,954</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 VND7,778,630,137 on 3 January 2023 and the principal amounted to VND41,318,016,556 on 9 June 2023. At the date of these consolidated financial statements, VinaCapital is in the process of dealing with the bond issuer to collect the remaining of this investment. According to the Board of Management’s assessment of the Company, this investment will be fully recovered and hence, there’s no impairment indicator which requires a provision to be made.

(b) Long-term

| | 30.9.2024 VND | 31.12.2023 VND |
|-------------------------------|--------------------------------|---------------------------------|
| Deposits | 21,613,252,271 | 5,681,532,440 |
| Interest receivables (Note 7) | 18,053,874,113 | 16,740,446,020 |
| Other | 86,000,000 | - |
| | <u>39,753,126,384</u> | <u>22,421,978,460</u> |

9 INVENTORIES

| | 30.9.2024 | | 31.12.2023 | |
|------------------------------|--------------------------|-------------------------|--------------------------|-------------------------|
| | Cost VND | Provision VND | Cost VND | Provision VND |
| Goods in transit | 39,968,920,650 | - | 45,208,363,802 | - |
| Raw materials | 511,441,371,579 | (21,956,986,983) | 557,485,101,721 | (18,919,194,639) |
| Tools and supplies | 12,568,210,095 | - | 9,756,769,432 | - |
| Work in progress | 175,296,020,246 | (5,962,068,496) | 174,198,297,205 | (5,167,458,899) |
| Finished goods | 202,865,194,328 | (10,707,752,639) | 206,412,425,952 | (8,759,996,393) |
| Merchandise | 128,372,460,470 | (3,363,246,574) | 162,155,014,106 | (3,171,687,437) |
| Finished goods in transit | 9,421,598,944 | - | 15,306,502,139 | - |
| | <u>1,079,933,776,312</u> | <u>(41,990,054,692)</u> | <u>1,170,522,474,357</u> | <u>(36,018,337,368)</u> |

The Group pledged its inventories with amount of VND 157,000,000,000 as collateral for bank loans (Note 20).

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

| | For the nine-month period ended 30.9.2024 VND | For the nine-month period ended 30.9.2023 VND |
|---------------------|--|--|
| Beginning of period | 36,018,337,368 | 24,713,907,707 |
| Provision (Note 29) | 5,971,717,324 | 13,160,683,594 |
| End of period | <u>41,990,054,692</u> | <u>37,874,591,301</u> |

10 PREPAID EXPENSES**(a) Short-term**

| | 30.9.2024 VND | 31.12.2023 VND |
|-------------------------------------|-----------------------|-----------------------|
| Tools and supplies | 2,636,792,547 | 7,061,021,396 |
| Software usage, infrastructure fees | 1,818,269,672 | 696,508,764 |
| Rental | 2,423,435,709 | 824,572,477 |
| Insurance | 549,538,517 | 1,256,907,760 |
| Advertising | 193,761,467 | 836,059,282 |
| Others | 11,485,591,861 | 4,260,574,948 |
| | <u>19,107,389,773</u> | <u>14,935,644,627</u> |

10 PREPAID EXPENSES (continued)

(b) Long-term

| | 30.9.2024 VND | 31.12.2023 VND |
|-------------------------------|--------------------------------|---------------------------------|
| Land rental (*) | 153,631,363,153 | 157,173,459,051 |
| Office and factory renovation | 11,208,594,803 | 12,115,407,205 |
| Tools and supplies | 3,917,355,681 | 8,720,395,262 |
| Rental | 1,921,241,583 | 1,955,823,931 |
| Others | 8,496,206,198 | 7,070,197,635 |
| | <u>179,174,761,418</u> | <u>187,035,283,084</u> |

(*) As at 30 September 2024, land use right of land lots No. 441, No. 218, No. 820 and No. 818 located in Binh Duong Province with the total carrying value of VND151,130,102,636 (as at 31 December 2023: VND154,620,329,076) were pledged as securities as security for short-term borrowings with banks (Note 20).

Movement of long-term prepaid expense during the period is as follows:

| | For the nine-month period ended 30.9.2024 VND | For the nine-month period ended 30.9.2023 VND |
|------------------------------|--|--|
| Beginning of period | 187,035,283,084 | 191,951,361,477 |
| Increase | 12,671,467,081 | 17,057,557,201 |
| Allocation during the period | (20,531,988,747) | (20,199,594,747) |
| End of period | <u>179,174,761,418</u> | <u>188,809,323,931</u> |

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| 11 | FIXED ASSETS | Plant and buildings VND | Machinery VND | Motor vehicles VND | Office equipment VND | Others VND | Total VND |
|-----|--|----------------------------|------------------|-----------------------|-------------------------|----------------|-------------------|
| (a) | Tangible fixed assets | | | | | | |
| | Historical cost | | | | | | |
| | As at 1 January 2024 | 334,878,421,731 | 565,227,634,126 | 140,418,194,622 | 10,053,079,484 | 21,852,046,471 | 1,072,429,376,434 |
| | New purchases | 3,818,473,898 | 16,234,813,452 | 15,788,118,402 | 1,189,845,702 | - | 37,031,251,454 |
| | Disposal | - | (1,676,254,545) | (2,389,483,030) | (15,230,000) | (99,154,000) | (4,180,121,575) |
| | Write- off | (228,752,750) | (643,000,000) | - | - | - | (871,752,750) |
| | Transfer from constructions in progress (Note 12) | - | 5,987,150,589 | - | - | - | 5,987,150,589 |
| | As at 30 September 2024 | 338,468,142,879 | 585,130,343,622 | 153,816,829,994 | 11,227,695,186 | 21,752,892,471 | 1,110,395,904,152 |
| | <i>In which:</i> | | | | | | |
| | Fully depreciated | 70,093,147,466 | 85,029,611,330 | 35,796,920,399 | 9,277,860,880 | 8,942,835,208 | 209,140,375,283 |
| | Accumulated depreciation | | | | | | |
| | As at 1 January 2024 | 196,888,137,695 | 363,568,131,072 | 88,994,511,831 | 9,555,294,269 | 20,260,855,083 | 679,266,929,950 |
| | Charge for the period | 19,017,679,019 | 41,636,937,715 | 9,907,615,960 | 280,872,469 | 565,760,609 | 71,408,865,772 |
| | Disposal | - | (1,348,699,545) | (2,389,483,030) | (15,230,000) | (99,154,000) | (3,852,566,575) |
| | Write- off | (228,752,750) | (643,000,000) | - | - | - | (871,752,750) |
| | As at 30 September 2024 | 215,677,063,964 | 403,213,369,242 | 96,512,644,761 | 9,820,936,738 | 20,727,461,692 | 745,951,476,397 |
| | Net book value | | | | | | |
| | As at 1 January 2024 | 137,990,284,036 | 201,659,503,054 | 51,423,682,791 | 497,785,215 | 1,591,191,388 | 393,162,446,484 |
| | As at 30 September 2024 | 122,791,078,915 | 181,916,974,380 | 57,304,185,233 | 1,406,758,448 | 1,025,430,779 | 364,444,427,755 |
| | <i>In which:</i> | | | | | | |
| | Mortgaged as loan security (Note 20) | 31,182,148,298 | 3,224,504,280 | - | - | 498,263,506 | 34,904,916,084 |

11 FIXED ASSETS (continued)

(b) Intangible fixed assets

| | Land use rights VND | Software VND | Total VND |
|--|------------------------|-----------------------|------------------------------|
| Historical cost | | | |
| As at 1 January 2024 | 8,090,909,091 | 26,413,969,397 | 34,504,878,488 |
| New purchases | - | 4,964,505,811 | 4,964,505,811 |
| Transfer from constructions in progress (Note 12) | - | 16,337,606,898 | 16,337,606,898 |
| As at 30 September 2024 | <u>8,090,909,091</u> | <u>47,716,082,106</u> | <u>55,806,991,197</u> |
| <i>In which:</i> | | | |
| Fully amortised | - | 3,938,852,090 | 3,938,852,090 |
| Accumulated amortisation | | | |
| As at 1 January 2024 | 2,065,219,701 | 20,624,663,226 | 22,689,882,927 |
| Charge for the period | 166,353,388 | 4,496,783,497 | 4,663,136,885 |
| As at 30 September 2024 | <u>2,231,573,089</u> | <u>25,121,446,723</u> | <u>27,353,019,812</u> |
| Net book value | | | |
| As at 1 January 2024 | <u>6,025,689,390</u> | <u>5,789,306,171</u> | <u>11,814,995,561</u> |
| As at 30 September 2024 | <u>5,859,336,002</u> | <u>22,594,635,383</u> | <u>28,453,971,385</u> |
| <i>In which:</i> | | | |
| Mortgaged as loan security (Note 20) | 5,859,336,002 | - | 5,859,336,002 |

12 CONSTRUCTIONS IN PROGRESS

| | 30.9.2024 VND | 31.12.2023 VND |
|----------------------------------|----------------------|-----------------------|
| Software in installment progress | 1,978,254,295 | 18,628,673,191 |
| Factory construction | 669,033,636 | 669,033,636 |
| Office renovation | 146,159,875 | 729,289,463 |
| Machinery and equipment | - | 939,191,330 |
| Others | 347,570,408 | 575,858,282 |
| | <u>3,141,018,214</u> | <u>21,542,045,902</u> |

12 CONSTRUCTIONS IN PROGRESS (continued)

Movements of the constructions in progress during the period were as follows:

| | For the nine-month period ended 30.9.2024 VND | For the nine-month period ended 30.9.2023 VND |
|--|--|--|
| Beginning of period | 21,542,045,902 | 4,590,174,133 |
| Increase during the period | 8,786,496,636 | 7,246,306,582 |
| Transfer to tangible fixed assets (Note 11) | (5,987,150,589) | - |
| Transfer to intangible fixed assets (Note 11) | (16,337,606,898) | - |
| Transfer to prepaid expense | (4,862,766,837) | - |
| End of period | <u>3,141,018,214</u> | <u>11,836,480,715</u> |

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

| | 30.9.2024 | | 31.12.2023 | |
|--|------------------------|------------------------------|------------------------|------------------------------|
| | Value VND | Able-to-pay amount VND | Value VND | Able-to-pay amount VND |
| Third parties | | | | |
| VRG Kien Giang MDF Joint Stock Company | 54,351,654,620 | 54,351,654,620 | 56,115,551,218 | 56,115,551,218 |
| Vina Eco Board Limited | 13,087,017,402 | 13,087,017,402 | 20,290,814,232 | 20,290,814,232 |
| Others | 197,099,136,620 | 197,099,136,620 | 182,906,217,893 | 182,906,217,893 |
| Related parties (Note 37(b)) | 5,005,776,113 | 5,005,776,113 | 4,007,417,653 | 4,007,417,653 |
| | <u>269,543,584,755</u> | <u>269,543,584,755</u> | <u>263,320,000,996</u> | <u>263,320,000,996</u> |

As at 30 September 2024 and 31 December 2023, there was no balance of short-term trade accounts payable that was past due.

14 SHORT-TERM ADVANCES FROM CUSTOMERS

| | 30.9.2024 VND | 31.12.2023 VND |
|--|------------------------|------------------------|
| Ricons Contruction Investment Joint Stock Company | 2,518,516,626 | 21,390,527,465 |
| Others | 111,023,469,205 | 153,064,917,965 |
| | <u>113,541,985,831</u> | <u>174,455,445,430</u> |

As at 30 September 2024 and 31 December 2023, there was no third-party customers had a balance accounting for more than 10% of the total balance of short-term advances.

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15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

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

| | As at 1.1.2024 VND | Increase in period VND | Decrease in period VND | As at 30.9.2024 VND |
|----------------------------------|-----------------------|---------------------------|---------------------------|------------------------|
| (a) Receivables | | | | |
| Value added tax ("VAT") input | 1,786,084,549 | 109,326,359,775 | (109,019,081,579) | 2,093,362,745 |
| | | | | |
| (b) Payables | | | | |
| CIT | 99,846,046,324 | 92,394,151,950 | (110,239,983,630) | 82,000,214,644 |
| VAT output | 54,365,704,761 | 179,495,512,198 | (192,704,325,990) | 41,156,890,969 |
| VAT on imported goods | - | 47,522,908,415 | (47,522,908,415) | - |
| Personal income tax | 9,203,440,594 | 11,401,639,995 | (19,189,465,384) | 1,415,615,205 |
| Import tax | 13,998,252 | 2,630,098,007 | (2,630,098,007) | 13,998,252 |
| Others | - | 84,563,758,204 | (84,562,677,986) | 1,080,218 |
| | 163,429,189,931 | 418,008,068,769 | (456,849,459,412) | 124,587,799,288 |

16 PAYABLES TO EMPLOYEES

Payables to employees represent monthly salary and bonus for employees.

17 SHORT-TERM ACCRUED EXPENSES

| | 30.9.2024 | 31.12.2023 |
|--|-----------------------|-----------------------|
| | VND | VND |
| Staff costs | 54,949,967,121 | 11,242,722,945 |
| Based-investment-performance fees to VinaCapital (Note 37(b)) | 6,000,000,000 | 6,000,000,000 |
| Interest expense | - | 423,656,468 |
| Others | 9,800,117,691 | 4,739,617,420 |
| | <u>70,750,084,812</u> | <u>22,405,996,833</u> |

18 OTHER SHORT-TERM PAYABLES

| | 30.9.2024 | 31.12.2023 |
|--|----------------------|----------------------|
| | VND | VND |
| Compulsory insurances | 933,827,783 | 621,550,388 |
| Dividends payable to shareholders (Note 25) | 388,623,700 | 321,548,500 |
| Others | 2,909,187,458 | 1,359,947,363 |
| | <u>4,231,638,941</u> | <u>2,303,046,251</u> |

19 BONUS AND WELFARE FUNDS

Movements of bonus and welfare funds during the period are as follows:

| | For the nine-month period ended 30.9.2024 | For the nine-month period ended 30.9.2023 |
|---------------------|--|--|
| | VND | VND |
| Beginning of period | 23,673,717,168 | 39,016,837,567 |
| Increase | 73,902,611,564 | 54,699,030,232 |
| Decrease | (18,452,446,000) | (20,988,063,631) |
| End of period | <u>79,123,882,732</u> | <u>72,727,804,168</u> |

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20 SHORT-TERM BORROWINGS

| | As at 1.1.2024 | Increase | Decrease | As at 30.9.2024 |
|----------------|-----------------------|-------------------|---------------------|------------------------|
| | VND | VND | VND | VND |
| Bank loans (*) | 706,566,540,805 | 1,682,298,777,200 | (1,742,691,065,574) | 646,174,252,431 |

(*) Bank loans are for the working capital purpose. Details of short-term bank loans as follows:

| | As at 30.9.2024 | Term | Interest | Expiry date | Collateral |
|--|------------------------|---------------|------------------|-------------------------|---|
| | VND | Months | (%/annum) | | |
| Joint Stock Commercial Bank for Foreign Trade of Vietnam | 289,430,444,092 | 3 | 3- 3.9 | 14/10/2024 - 21/03/2025 | Term deposit contracts; debt collection rights; inventory; land use rights and assets, machineries belonged to land plots No. 218, 818 located in Binh Duong (Note 4; 5; 9; 10; 11). |
| Vietnam Joint Stock Commercial Bank for Industry and Trade | 356,632,808,339 | 4 | 3.2- 3.5 | 05/11/2024 - 30/01/2025 | Debt collection rights; land use rights and assets, machineries belonged to land plot No. 441 and land plot No.820 located in Binh Duong; machineries and equipments (Note 5; 10; 11). |
| Shinhan Bank Vietnam Limited | 111,000,000 | 3 | 3.1- 3.3 | 20/11/2024 | Term deposit contracts of VND95 billion (Note 4) |

646,174,252,431

21 PROVISIONS FOR LONG-TERM LIABILITIES

| | 30.9.2024 VND | 31.12.2023 VND |
|----------------------|--------------------------------|---------------------------------|
| Severance allowances | 4,120,055,835 | 4,390,514,998 |
| Dismantling costs | 7,476,743,829 | 9,876,743,829 |
| | <u>11,596,799,664</u> | <u>14,267,258,827</u> |

22 DEFERRED INCOME TAX

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.

| | 30.9.2024 VND | 31.12.2023 VND |
|---|--------------------------------|---------------------------------|
| Deferred tax assets are calculated based on: | | |
| Deferred tax assets are recovered than more 12 months | 1,870,526,591 | 2,399,843,424 |
| Deferred tax assets are recovered within 12 months | 6,587,839,550 | 8,597,206,642 |
| | <u>8,458,366,141</u> | <u>10,997,050,066</u> |

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

| | For the nine-month period ended 30.9.2024 VND | For the nine-month period ended 30.9.2023 VND |
|--------------------------------------|--|--|
| Beginning of period/ year | 10,997,050,066 | 9,316,601,049 |
| Consolidated income statement charge | (2,538,683,925) | (131,927,530) |
| End of period/ year | <u>8,458,366,141</u> | <u>9,184,673,519</u> |

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

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23 OWNERS' CAPITAL

(a) Number of shares

| | 30.9.2024 | 31.12.2023 |
|--|------------------|-------------------|
| Number of shares registered | 150,787,946 | 150,787,946 |
| Number of shares issued | 150,787,946 | 150,787,946 |
| Number of existing shares in circulation | 150,787,946 | 150,787,946 |

(b) Details of owners' shareholding

| | 30.9.2024 | | 31.12.2023 | |
|------------------------------------|------------------------|------------|------------------------|------------|
| | Ordinary shares | % | Ordinary shares | % |
| NC Viet Nam Investment Co.,Ltd. | 75,463,194 | 50.05 | 75,463,194 | 50.05 |
| Sumitomo Forestry (Singapore) Ltd. | 29,571,819 | 19.61 | 29,571,819 | 19.61 |
| Whitlam Holding Pte. Ltd. | 27,242,397 | 18.07 | 27,242,397 | 18.07 |
| Others | 18,510,536 | 12.27 | 18,510,536 | 12.27 |
| | <u>150,787,946</u> | <u>100</u> | <u>150,787,946</u> | <u>100</u> |

(c) Movements of share capital

| | Number of shares | Ordinary shares | Treasury shares | Total |
|---------------------------|-------------------------|--------------------------|------------------------|---------------------------------|
| | | VND | VND | VND |
| As at 1 January 2023 | 135,836,522 | 1,358,461,220,000 | (653,230,147) | 1,357,807,989,853 |
| New shares issued | 14,941,824 | 149,418,240,000 | - | 149,418,240,000 |
| Treasury shares re-issued | 9,600 | - | 653,230,147 | 653,230,147 |
| | <u>150,787,946</u> | <u>1,507,879,460,000</u> | <u>-</u> | <u>1,507,879,460,000</u> |
| As at 31 December 2023 | 150,787,946 | 1,507,879,460,000 | - | 1,507,879,460,000 |
| As at 30 September 2024 | <u>150,787,946</u> | <u>1,507,879,460,000</u> | <u>-</u> | <u>1,507,879,460,000</u> |

Par value per share: VND10,000.

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24 MOVEMENTS IN OWNERS' EQUITY

| | Owners' capital VND | Share premium VND | Treasury shares VND | Development and investment funds VND | Undistributed earnings VND | Non-controlling interests VND | Total VND |
|---|------------------------|----------------------|------------------------|--|-------------------------------|----------------------------------|-------------------|
| As at 1 January 2023 (Restated) | 1,358,461,220,000 | 1,419,298,588,703 | (653,230,147) | 5,387,266 | 1,063,590,339,250 | - | 3,840,702,305,072 |
| Net profit for the year | - | - | - | - | 411,185,657,186 | (1,470,000) | 411,184,187,186 |
| Capital increased during the year | - | - | - | - | - | 9,800,000,000 | 9,800,000,000 |
| Capital decreased during the year | - | - | - | - | - | (9,798,530,000) | (9,798,530,000) |
| Appropriation to the bonus and welfare funds | - | - | - | - | (54,699,030,232) | - | (54,699,030,232) |
| Appropriation to the investment and development funds | - | - | - | 45,729,043,070 | (45,729,043,070) | - | - |
| Appropriation to the charity funds | - | - | - | - | (5,000,000,000) | - | (5,000,000,000) |
| Payments from investment and development funds | - | - | - | (10,231,867,049) | - | - | (10,231,867,049) |
| Dividend paid in shares | 149,418,240,000 | - | - | - | (149,418,240,000) | - | - |
| Dividend paid in cash | - | - | - | - | (105,544,842,200) | - | (105,544,842,200) |
| Treasury shares re-issued | - | (557,230,147) | 653,230,147 | - | - | - | 96,000,000 |
| As at 31 December 2023 (Restated) | 1,507,879,460,000 | 1,418,741,358,556 | - | 35,502,563,287 | 1,114,384,840,934 | - | 4,076,508,222,777 |
| Net profit for the period | - | - | - | - | 329,969,374,723 | - | 329,969,374,723 |
| Appropriation to the bonus and welfare funds (i); (ii); (iii) | - | - | - | - | (38,686,141,597) | - | (38,686,141,597) |
| Appropriation to the charity funds (i) | - | - | - | - | (5,000,000,000) | - | (5,000,000,000) |
| Transfer to the bonus and welfare funds (i); (ii); (iii) | - | - | - | (35,216,469,967) | - | - | (35,216,469,967) |
| Dividend paid in cash (i) | - | - | - | - | (120,630,356,800) | - | (120,630,356,800) |
| Payments from investment and development funds | - | - | - | (286,093,320) | - | - | (286,093,320) |
| As at 30 September 2024 | 1,507,879,460,000 | 1,418,741,358,556 | - | - | 1,280,037,717,260 | - | 4,206,658,535,816 |

24 MOVEMENTS IN OWNERS' EQUITY (continued)

- (i) Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 01-2024/NQ-GAC-ĐHCĐ dated 06 May 2024, it was approved for the appropriation of the charity fund amounting to VND5,000,000,000, the appropriation of the 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 2023, equivalent to VND21,835,913,529, and the transfer of the entire remaining balance of the investment and development fund to the bonus and welfare fund with an amount of VND22,464,724,098. At the same time, the General Meeting of Shareholders approved the 2nd dividend payment of 2023 by cash for existing shareholders at the rate of 8% at par value of each share, equivalent to VND120,630,356,800. The dividend payment was completed on 10 July 2024.
- (ii) Pursuant to the Decision No.61-2024/QĐ-SXG dated 29 May 2024, the Chairman of An Cuong Wood-Working Manufacturing Company Limited approved the appropriation of the bonus and welfare fund at 8% on profit after tax in the audited financial statements of An Cuong Wood-Working Manufacturing Company Limited as at 31 December 2023, equivalent to VND15,565,388,361, and the transfer of the entire remaining balance of the investment and development fund to the bonus and welfare fund with an amount of VND10,694,826,873.
- (iii) Pursuant to the Decision No. 10-2024/QĐ-MLC dated 29 May 2024, the Chairman of Maloca Company Limited approved the appropriation of the bonus and welfare fund at the rate of 8% on profit after tax in the audited financial statements of Malloca Company Limited as at 31 December 2023, equivalent to VND1,284,839,707 on profit after tax in the audited financial statements of Malloca Company Limited as at 31 December 2023, and the transfer of the entire remaining balance of the investment and development fund to the bonus and welfare fund with an amount of VND2,056,918,996.

25 DIVIDENDS

| | 30.9.2024 | 31.12.2023 |
|---------------------------|--------------------|--------------------|
| | VND | VND |
| Beginning of period/ year | 321,548,500 | 262,857,700 |
| Increase | 120,630,356,800 | 254,963,082,200 |
| Payment in cash | (120,563,281,600) | (105,486,151,400) |
| Payment in shares | - | (149,418,240,000) |
| | <hr/> | <hr/> |
| End of period/ year | <u>388,623,700</u> | <u>321,548,500</u> |

26 EARNINGS PER SHARE**(a) Basic earnings per share**

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 period, excluding ordinary shares repurchased by the Company and held as treasury shares. The details were as follows:

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| 26 | EARNINGS PER SHARE (continued) | For the three-month period ended | | For the nine-month period ended | |
|-----|--|---|-------------------------------------|--|-------------------------------------|
| | | 30.9.2024 | 30.9.2023 (Restated) (*) | 30.9.2024 | 30.9.2023 (Restated) (*) |
| (b) | Basic earnings per share (continued) | | | | |
| | Net profit attributable to shareholders (VND) | 130,420,988,660 | 105,454,383,311 | 329,969,374,723 | 249,233,689,961 |
| | Less amount allocated to bonus and welfare funds (VND) | - | (10,527,420,118) | - | (23,974,747,479) |
| | | <u>130,420,988,660</u> | <u>94,926,963,193</u> | <u>329,969,374,723</u> | <u>225,258,942,482</u> |
| | Weighted average number of ordinary shares in circulation (shares) | 150,787,946 | 150,778,346 | 150,787,946 | 150,778,346 |
| | Basic earnings per share (VND) | <u>865</u> | <u>630</u> | <u>2,188</u> | <u>1,494</u> |

(*) In 2024, it was approved for the entire remaining balance of the investment and development funds transferred to the bonus and welfare funds, and the increase in the bonus and welfare funds (VND) for the financial year ending 31 December 2023, according to the approved ratio in the Resolution of the Annual General Meeting of Shareholders No. 01-2024/NQ-GAC-DHCB dated 6 May 2024, Decision No. 61-2024/QĐ-SXG dated 29 May 2024, and Decision No. 10-2024/QĐ-MLC dated 29 May 2024. Additionally, the Company has made retrospective adjustments and the corresponding impact on the financial statements as of 31 December 2023, and for the period ending 30 June 2023, as presented in Note 39.

(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 period and until the date of these consolidated financial statements. Therefore, the diluted earnings per share shall be equal to the basic earnings per share for the three-month period ended 30 September 2024.

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27 OFF BALANCE SHEET ITEMS

Foreign currencies

As at 30 September 2024, included in cash are balances held in foreign currencies of US\$591,201.08 and EUR155,477.56 (as at 31 December 2023: US\$407,721 and EUR5,101).

28 NET REVENUE OF SALES OF GOODS AND RENDERING OF SERVICES

| | For the three-month period ended | | For the nine-month period ended | |
|--|----------------------------------|------------------------|---------------------------------|--------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Revenue from sales of goods and rendering of services | | | | |
| Revenue from sales of goods | 1,050,234,374,327 | 959,053,162,165 | 2,774,547,418,909 | 2,608,278,244,710 |
| Revenue from rendering of services | 4,347,576,828 | 5,143,769,232 | 15,217,246,869 | 13,831,657,052 |
| | <u>1,054,581,951,155</u> | <u>964,196,931,397</u> | <u>2,789,764,665,778</u> | <u>2,622,109,901,762</u> |
| Sales deduction | | | | |
| Trade discounts | (5,139,108,126) | 3,638,264,637 | (9,068,915,691) | (186,933,846) |
| Sales returns | (5,550,658,586) | (5,224,395,633) | (15,942,001,129) | (11,147,832,656) |
| Sales allowances | (74,836,567) | (42,262,409) | (103,279,067) | (67,429,880) |
| | <u>(10,764,603,279)</u> | <u>(1,628,393,405)</u> | <u>(25,114,195,887)</u> | <u>(11,402,196,382)</u> |
| Net revenue from sales of goods and rendering of services | | | | |
| Net revenue from sales of goods | 1,039,469,771,048 | 957,424,768,760 | 2,749,433,223,022 | 2,596,876,048,328 |
| Net revenue from rendering of services | 4,347,576,828 | 5,143,769,232 | 15,217,246,869 | 13,831,657,052 |
| | <u>1,043,817,347,876</u> | <u>962,568,537,992</u> | <u>2,764,650,469,891</u> | <u>2,610,707,705,380</u> |
| <i>In which:</i> | | | | |
| Net revenue from third parties | 1,033,399,186,590 | 952,737,381,480 | 2,721,938,746,284 | 2,583,757,359,839 |
| Net revenue from related parties (Note 37) | 10,418,161,286 | 9,831,156,512 | 42,711,723,607 | 26,950,345,541 |

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29 COST OF GOODS SOLD AND SERVICES RENDERED

| | For the three-month period ended | | For the nine-month period ended | |
|---|----------------------------------|------------------------|---------------------------------|--------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Cost of goods sold | 710,357,148,873 | 655,506,439,241 | 1,884,083,430,304 | 1,825,408,168,287 |
| Cost of services rendered | 384,665,526 | 684,053,391 | 2,040,587,051 | 1,514,114,345 |
| Provision for decline in value of inventories | 8,704,109,550 | 5,118,405,966 | 5,971,717,324 | 13,160,683,594 |
| (Reversal of provision)/ Provision for dismantling cost | (3,300,000,000) | 3,000,000,000 | (2,400,000,000) | 1,876,743,829 |
| | <u>716,145,923,949</u> | <u>664,308,898,598</u> | <u>1,889,695,734,679</u> | <u>1,841,959,710,055</u> |

30 FINANCIAL INCOME

| | For the three-month period ended | | For the nine-month period ended | |
|------------------------------------|----------------------------------|-----------------------|---------------------------------|------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Interest income from bank deposits | 26,526,203,684 | 25,892,785,514 | 88,528,342,129 | 75,999,697,516 |
| Interest receivables | 10,062,755,393 | 3,147,295,633 | 29,145,675,689 | 21,523,441,105 |
| Realised foreign exchange gains | 3,067,909,241 | 3,423,300,904 | 10,613,842,819 | 12,937,649,797 |
| Unrealised foreign exchange gains | 241,804,488 | - | 241,804,488 | - |
| Interest income from lendings | 28,230,137 | 32,635,616 | 86,862,465 | 112,306,849 |
| Others | 123,215,961 | - | 1,181,017,554 | - |
| | <u>40,050,118,904</u> | <u>32,496,017,667</u> | <u>129,797,545,144</u> | <u>110,573,095,267</u> |

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31 FINANCIAL EXPENSE

| | For the three-month period ended | | For the nine-month period ended | |
|------------------------------------|----------------------------------|----------------------|---------------------------------|-----------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Interest expense | 5,106,665,682 | 7,005,789,072 | 21,799,104,718 | 32,853,535,652 |
| Realised foreign exchange losses | 1,323,504,474 | 729,956,413 | 5,912,486,532 | 4,204,896,872 |
| Unrealised foreign exchange losses | - | 916,390,550 | - | 916,390,550 |
| Others | 126,112,000 | - | 126,290,505 | - |
| | <u>6,556,282,156</u> | <u>8,652,136,035</u> | <u>27,837,881,755</u> | <u>37,974,823,074</u> |

32 SELLING EXPENSES

| | For the three-month period ended | | For the nine-month period ended | |
|-------------------------------|----------------------------------|------------------------|---------------------------------|------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Staff costs | 65,477,415,198 | 44,445,767,102 | 150,348,164,523 | 131,428,889,358 |
| Transportation | 14,411,919,203 | 15,538,787,802 | 42,492,636,491 | 43,591,608,243 |
| Marketing and advertising | 19,023,163,286 | 24,190,273,545 | 56,540,535,930 | 89,699,691,523 |
| Tools and supplies | 2,364,783,706 | 4,051,593,305 | 6,510,922,359 | 11,577,292,000 |
| Rental | 12,235,373,244 | 10,827,530,339 | 37,597,412,700 | 32,357,445,313 |
| Depreciation and amortisation | 3,181,413,298 | 3,820,591,035 | 10,113,799,418 | 11,756,242,601 |
| Repair and maintenances | 3,857,966,489 | 4,301,955,239 | 12,040,609,569 | 14,599,833,970 |
| Others | 12,981,670,149 | 16,001,236,114 | 39,020,533,269 | 52,581,412,146 |
| | <u>133,533,704,573</u> | <u>123,177,734,481</u> | <u>354,664,614,259</u> | <u>387,592,415,154</u> |

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33 GENERAL AND ADMINISTRATION EXPENSES

| | For the three-month period ended | | For the nine-month period ended | |
|-------------------------------|----------------------------------|-----------------------|---------------------------------|------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Staff costs | 31,619,006,804 | 16,399,436,828 | 68,885,943,896 | 52,078,034,451 |
| Professional service fees | 913,386,351 | 755,002,899 | 2,834,622,046 | 1,865,919,583 |
| Tools and supplies | 255,435,444 | 539,187,814 | 864,496,204 | 2,029,827,159 |
| Depreciation and amortisation | 1,521,956,294 | 1,107,703,328 | 4,335,075,988 | 3,306,851,913 |
| Provision for doubtful debts | 24,349,418,067 | 3,732,095,806 | 30,513,079,335 | 19,401,789,116 |
| Others | 12,683,286,206 | 14,635,092,308 | 39,212,412,304 | 42,209,610,843 |
| | <u>71,342,489,166</u> | <u>37,168,518,983</u> | <u>146,645,629,773</u> | <u>120,892,033,065</u> |

34 OTHER EXPENSES

| | For the three-month period ended | | For the nine-month period ended | |
|---|----------------------------------|-----------------------|---------------------------------|-----------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | (Restated) |
| Tax late payments | - | - | 42,568,997,307 | - |
| Non-deductible value-added tax (Note 39) | - | 11,311,278,899 | 11,579,044,872 | 11,653,018,040 |
| Disposal of tangible asset | 51,818,182 | 2,525,252 | 379,373,182 | 2,525,252 |
| Other | 297,995,153 | 1,173,257,047 | 1,166,611,905 | 1,417,336,319 |
| | <u>349,813,335</u> | <u>12,487,061,198</u> | <u>55,694,027,266</u> | <u>13,072,879,611</u> |

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35 CORPORATE INCOME TAX (“CIT”)

The statutory corporate income tax (“CIT”) rate applicable to the Company and subsidiaries are as follows:

| <i>Entities</i> | <i>Applicable CIT tax</i> | <i>CIT tax incentive</i> |
|---|---------------------------|---|
| An Cuong Wood-Working Joint Stock Company | 20% of taxable profits | |
| An Cuong Wood-Working Manufacturing Company Limited | 20% of taxable profits | Exempt from CIT for two (2) years (2019-2020) from the first year of making taxable profit and is entitled to a 50% reduction in the CIT rate for four (4) years (2021-2024) thereafter |
| Other subsidiaries | 20% of taxable profits | |

The tax returns filed by the Company and its subsidiaries 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 consolidated financial statements could change at a later date upon final determination by the tax authorities.

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35 CORPORATE INCOME TAX (“CIT”)

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:

| | For the three-month period ended | | For the nine-month period ended | |
|--|----------------------------------|-----------------|---------------------------------|------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| | | (Restated) | | (Restated) |
| Net accounting profit before tax | 157,245,102,175 | 151,218,443,426 | 424,902,210,598 | 331,639,091,091 |
| Tax calculated at a rate of 20% | 31,449,020,435 | 30,243,688,685 | 84,980,442,120 | 66,327,818,218 |
| Effect of: | | | | |
| Expenses not deductible for tax purposes | 3,237,566,436 | 7,860,122,958 | 23,463,649,882 | 14,711,765,169 |
| Tax losses not calculated CIT | 1,038,803,365 | - | 1,038,803,365 | - |
| Adjustment for under accrual of CIT in prior years | 94,101,981 | 13,102,982,860 | 9,012,077,940 | 13,830,012,639 |
| Tax deduction | (8,995,378,702) | (5,442,734,388) | (23,562,137,432) | (12,463,324,896) |
| Tax losses not recognised for deferred tax asset | - | - | - | 600,000 |
| CIT (*) | 26,824,113,515 | 45,764,060,115 | 94,932,835,875 | 82,406,871,130 |
| Charged to the consolidated income statement: | | | | |
| CIT – current | 27,170,978,109 | 47,770,674,249 | 92,394,151,950 | 82,274,943,600 |
| CIT – deferred | (346,864,594) | (2,006,614,134) | 2,538,683,925 | 131,927,530 |
| | 26,824,113,515 | 45,764,060,115 | 94,932,835,875 | 82,406,871,130 |

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36 COSTS OF OPERATION BY FACTOR

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

| | For the three-month period ended | | For the nine-month period ended | |
|-------------------------------|----------------------------------|------------------------|---------------------------------|--------------------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| Raw materials | 582,994,831,533 | 602,449,126,044 | 1,556,828,785,907 | 1,623,756,006,107 |
| Staff costs | 172,016,115,139 | 128,641,991,702 | 413,161,444,015 | 380,122,690,341 |
| Depreciation and amortisation | 25,862,048,325 | 25,585,645,981 | 76,072,002,657 | 78,602,102,171 |
| Outside services | 53,823,365,909 | 68,700,608,438 | 163,922,313,584 | 219,003,453,585 |
| Transportation | 15,142,045,347 | 16,417,987,904 | 44,755,449,963 | 46,350,985,655 |
| Tools and supplies | 18,615,886,517 | 22,680,512,297 | 47,765,363,689 | 65,347,638,740 |
| Others | 62,158,816,455 | 47,080,681,101 | 173,203,795,586 | 165,630,840,925 |
| | <u>930,613,109,225</u> | <u>911,556,553,467</u> | <u>2,475,709,155,401</u> | <u>2,578,813,717,524</u> |

37 RELATED PARTY DISCLOSURES

During the period and as at 30 September 2024, the Group had balances and/or transactions mainly with below related parties:

| Related parties | Relationship |
|---|---|
| NC Vietnam Investment Company Limited | Controlling shareholder |
| Whitlam Holding Pte. Ltd. | Major shareholder |
| Sumitomo Forestry (Singapore) Ltd. | Major shareholder |
| Thang Loi Homes Joint Stock Company | Associate |
| Trung Hieu Plywood Company Limited | Controlled by Chairman of Board of Directors's family member |
| Thao Nghia Thanh One-member Company Limited | Controlled by Head of Board of Supervision's family member |
| Sumitomo Forestry Vietnam Company Limited | Managed by Vice Chairman of Board of Directors |
| VinaCapital Fund Management Joint Stock Company | Member of Company's Board of Directors is Deputy Executive Director |

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37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions

During the period, the following major transactions were carried out with related parties:

| | For the three-month period ended 30.9.2024 | For the three-month period ended 30.9.2023 | For the nine-month period ended 30.9.2024 | For the nine-month period ended 30.9.2023 |
|--|---|---|--|--|
| | VND | VND | VND | VND |
| i) Sales of goods and rendering of services | | | | |
| Trung Hieu Plywood Company Limited | 10,418,161,286 | 9,831,156,512 | 29,002,496,933 | 26,950,345,541 |
| Sumitomo Forestry Vietnam Company Limited | - | - | 19,156,858 | - |
| Thang Loi Homes Joint Stock Company | - | - | 13,690,069,816 | - |
| | <u>10,418,161,286</u> | <u>9,831,156,512</u> | <u>42,711,723,607</u> | <u>26,950,345,541</u> |
| ii) Purchase of goods and services | | | | |
| Sumitomo Forestry (Singapore) Ltd. | 2,727,163,210 | 4,363,337,275 | 6,948,755,147 | 6,110,833,747 |
| Thao Nghia Thanh One-Member Company Limited | 5,452,670,476 | 9,586,471,008 | 7,364,993,771 | 13,742,779,008 |
| Sumitomo Forestry Vietnam Company Limited | 785,590,665 | 772,017,856 | 1,247,300,197 | 1,348,861,094 |
| | <u>8,965,424,351</u> | <u>14,721,826,139</u> | <u>15,561,049,115</u> | <u>21,202,473,849</u> |
| iii) Compensation of key management | | | | |
| Gross salaries and other benefits | <u>7,318,710,000</u> | <u>5,165,618,300</u> | <u>17,252,488,300</u> | <u>15,073,643,267</u> |

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37 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

| | For the three-month period ended | | For the nine-month period ended | |
|--|----------------------------------|-----------------|---------------------------------|-----------------|
| | 30.9.2024 | 30.9.2023 | 30.9.2024 | 30.9.2023 |
| | VND | VND | VND | VND |
| <i>iv) Dividend paid to shareholders</i> | | | | |
| NC Vietnam Investment | - | 74,783,340,000 | 60,370,555,200 | 74,783,340,000 |
| Whitlam Holding Pte. Ltd | - | 26,996,970,000 | 23,657,455,200 | 26,996,970,000 |
| Sumitomo Forestry (Singapore) Ltd | - | 29,305,400,000 | 21,793,917,600 | 29,305,400,000 |
| Others | - | 18,332,530,000 | 15,129,977,300 | 18,332,530,000 |
| | | | | |
| | - | 149,418,240,000 | 120,951,905,300 | 149,418,240,000 |

37 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

| | 30.9.2024 VND | 31.12.2023 VND |
|--|------------------------|------------------------|
| Short-term trade accounts receivable (Note 5) | | |
| Trung Hieu Plywood Company Limited | 6,673,099,998 | 5,715,974,205 |
| Thang Loi Homes Joint Stock Company | 14,789,386,144 | - |
| | <u>21,462,486,142</u> | <u>5,715,974,205</u> |
| Short-term prepayments to suppliers (Note 6) | | |
| Thao Nghia Thanh One-Member Company Limited | - | 398,940,400 |
| | <u>-</u> | <u>398,940,400</u> |
| Other short-term receivables (Note 8) | | |
| VinaCapital Fund Management Joint Stock Company | 125,566,900,374 | 125,566,900,374 |
| | <u>125,566,900,374</u> | <u>125,566,900,374</u> |
| Short-term trade accounts payable (Note 13) | | |
| Sumitomo Forestry (Singapore) Ltd. | 2,730,436,466 | 2,491,135,553 |
| Thao Nghia Thanh One- Member Company Limited | 1,796,080,206 | 1,516,282,100 |
| Sumitomo Forestry Vietnam Company Limited | 479,259,441 | - |
| | <u>5,005,776,113</u> | <u>4,007,417,653</u> |
| Short-term accrued expenses (Note 17) | | |
| VinaCapital Fund Management Joint Stock Company | 6,000,000,000 | 6,000,000,000 |
| | <u>6,000,000,000</u> | <u>6,000,000,000</u> |

38 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:

| | For the three-month period ended 30.9.2024 | | | For the nine-month period ended 30.9.2024 | | |
|--|--|-----------------------|--------------------------|---|-----------------------|--------------------------|
| | Dosmetic VND | Overseas VND | Total VND | Dosmetic VND | Overseas VND | Total VND |
| Net revenue from sales of goods and rendering of services | 876,639,525,644 | 167,177,822,232 | 1,043,817,347,876 | 2,276,737,342,003 | 487,913,127,888 | 2,764,650,469,891 |
| Cost of goods sold and services rendered | (596,941,382,899) | (119,204,541,050) | (716,145,923,949) | (1,541,826,829,322) | (347,868,905,357) | (1,889,695,734,679) |
| Results | | | | | | |
| Segment gross margin | 279,698,142,745 | 47,973,281,182 | 327,671,423,927 | 734,910,512,681 | 140,044,222,531 | 874,954,735,212 |
| Unallocated expenses | | | (170,426,321,753) | | | (450,052,524,615) |
| Net profit before corporate income tax | | | 157,245,102,174 | | | 424,902,210,597 |
| Corporate income tax expense | | | (27,170,978,109) | | | (92,394,151,950) |
| Deferred tax expenses | | | 346,864,595 | | | (2,538,683,924) |
| Net profit after tax | | | 130,420,988,660 | | | 329,969,374,723 |
| As at 30.9.2024 | | | | | | |
| Total carrying amount of the segment assets by geographic area of the assets | 592,418,037,952 | 1,903,530,593 | 594,321,568,545 | 592,418,037,952 | 1,903,530,593 | 594,321,568,545 |
| Segment assets | 784,809,326,688 | 3,578,594,146 | 788,387,920,834 | 784,809,326,688 | 3,578,594,146 | 788,387,920,834 |
| Unallocated assets | 4,755,191,184,736 | - | 4,755,191,184,736 | 4,755,191,184,736 | - | 4,755,191,184,736 |
| Total assets | 5,540,000,511,424 | 3,578,594,146 | 5,543,579,105,570 | 5,540,000,511,424 | 3,578,594,146 | 5,543,579,105,570 |
| Segment liabilities | 177,611,639,426 | 91,931,945,329 | 269,543,584,755 | 177,611,639,426 | 91,931,945,329 | 269,543,584,755 |
| Unallocated liabilities | 1,067,376,984,998 | - | 1,067,376,984,998 | 1,067,376,984,998 | - | 1,067,376,984,998 |
| Total liabilities | 1,244,988,624,424 | 91,931,945,329 | 1,336,920,569,753 | 1,244,988,624,424 | 91,931,945,329 | 1,336,920,569,753 |

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38 SEGMENT REPORTING (continued)

Geographical segments (continued)

| | For the three-month period ended 30.9.2023 | | | For the nine-month period ended 30.9.2023 | | |
|--|--|-----------------------|--------------------------|---|-----------------------|--------------------------|
| | Dosmetic VND | Overseas VND | Total VND | Dosmetic VND | Overseas VND | Total VND |
| Net revenue from sales of goods and rendering of services | 786,332,323,390 | 176,236,214,602 | 962,568,537,992 | 2,185,049,315,595 | 425,658,389,785 | 2,610,707,705,380 |
| Cost of goods sold and services rendered | (531,609,367,230) | (132,699,531,368) | (664,308,898,598) | (1,508,846,052,597) | (333,113,657,458) | (1,841,959,710,055) |
| Results | | | | | | |
| Segment gross margin | 254,722,956,160 | 43,536,683,234 | 298,259,639,394 | 676,203,262,998 | 92,544,732,327 | 768,747,995,325 |
| Unallocated expenses | | | (147,041,195,968) | | | (437,108,904,234) |
| Net profit before corporate income tax | | | 151,218,443,426 | | | 331,639,091,091 |
| Corporate income tax expense | | | (47,770,674,249) | | | (82,274,943,600) |
| Deferred tax expenses | | | 2,006,614,134 | | | (131,927,530) |
| Net profit after tax | | | 105,454,383,311 | | | 249,232,219,961 |
| As at 31.12.2023 | | | | | | |
| Total carrying amount of the segment assets by geographic area of the assets | 404,275,576,259 | 701,865,786 | 404,977,442,045 | 404,275,576,259 | 701,865,786 | 404,977,442,045 |
| Segment assets | 714,001,111,452 | 9,794,373,255 | 723,795,484,707 | 714,001,111,452 | 9,794,373,255 | 723,795,484,707 |
| Unallocated assets | 4,393,311,108,799 | - | 4,393,311,108,799 | 4,393,311,108,799 | - | 4,393,311,108,799 |
| Total assets | 5,511,587,796,510 | 10,496,239,041 | 5,522,084,035,551 | 5,511,587,796,510 | 10,496,239,041 | 5,522,084,035,551 |
| Segment liabilities | 179,870,444,703 | 83,449,556,293 | 263,320,000,996 | 179,870,444,703 | 83,449,556,293 | 263,320,000,996 |
| Unallocated liabilities | 1,085,208,133,564 | - | 1,085,208,133,564 | 1,085,208,133,564 | - | 1,085,208,133,564 |
| Total liabilities | 1,265,078,578,267 | 83,449,556,293 | 1,348,528,134,560 | 1,265,078,578,267 | 83,449,556,293 | 1,348,528,134,560 |

39 COMPARATIVE INFORMATION

During the period, the Group proactively reviewed expenses incurred for the financial years from 2014 to 2023 and excluded expenses with invoices that did not qualify for VAT deduction and did not meet the criteria for being deductible expenses for CIT calculations according to tax regulations. On 26 April 2024, the Chairman of the Board of Directors approved the Decision No. 70A-2024/QĐ-GAC, and the Chairman of the subsidiary approved the Decision No. 42A-2024/QĐ-SXG. Accordingly, the Group made retrospective adjustments to CIT and VAT expenses related to these non-deductible expenses. The details of the impact of these retrospective adjustments on the consolidated balance sheet, consolidated income statement, and consolidated cash flow statement are as follows:

- ▶ Adjusted to increase other expenses for the three-month period and nine-month period ended 30 September 2023, equivalent to VND11,311,278,899 and VND11,653,018,040 due to expenses with invoices that do not qualify for deductible value-added tax in these accounting periods.
- ▶ Adjusted to increase current corporate income tax expense for the three-month period and nine-month period ended 30 September 2023, equivalent to VND13,102,982,860 and VND13,830,012,639 due to additional CIT obligation in these accounting periods.
- ▶ Adjusted to decrease accumulated profit and increase statutory obligations as at 31 December 2023 by VND97,047,678,214 as a result of additional tax obligations from 2016 to 2023.

CONSOLIDATED BALANCE SHEET

| Code | ASSETS | As at 1.1.2024 | | As at 1.1.2024 |
|------------|---|----------------------------|---------------------------------|--------------------------|
| | | Previously reported VND | Impact of adjustments VND | Restated VND |
| 300 | LIABILITIES | 1,348,528,134,560 | 97,047,678,214 | 1,445,575,812,774 |
| 310 | Current liabilities | 1,333,507,312,650 | 97,047,678,214 | 1,430,554,990,864 |
| 313 | Tax and other payables to the State | 66,381,511,717 | 97,047,678,214 | 163,429,189,931 |
| 400 | OWNERS' EQUITY | 4,173,555,900,991 | (97,047,678,214) | 4,076,508,222,777 |
| 410 | Capital and reserves | 4,173,555,900,991 | (97,047,678,214) | 4,076,508,222,777 |
| 421 | Undistributed earnings | 1,211,432,519,148 | (97,047,678,214) | 1,114,384,840,934 |
| 421a | - Undistributed post- tax profits of previous years | 774,714,248,566 | (71,515,064,818) | 703,199,183,748 |
| 421b | - Post-tax profits of current period/year | 436,718,270,582 | (25,532,613,396) | 411,185,657,186 |

39 COMPARATIVE INFORMATION (continued)

CONSOLIDATED INCOME STATEMENT

| Code | | For the three-month period ended 30.9.2023 (Previously reported) VND | Impact of adjustments VND | For the nine-month period ended 30.9.2023 (Restated) VND |
|------|---|--|------------------------------|--|
| 32 | Other expenses | (1,175,782,299) | (11,311,278,899) | (12,487,061,198) |
| 40 | Net other income | 772,454,763 | (11,311,278,899) | (10,538,824,136) |
| 50 | Net accounting profit before tax | 162,529,722,325 | (11,311,278,899) | 151,218,443,426 |
| 51 | Corporate income tax ("CIT") – current | (34,667,691,389) | (13,102,982,860) | (47,770,674,249) |
| 60 | Net profit after tax | 129,868,645,070 | (24,414,261,759) | 105,454,383,311 |

| Code | | For the nine-month period ended 30.9.2023 (Previously reported) VND | Impact of adjustments VND | For the nine-month period ended 30.9.2023 (Restated) VND |
|------|---|---|------------------------------|--|
| 32 | Other expenses | (1,419,861,571) | (11,653,018,040) | (13,072,879,611) |
| 40 | Net other income | 8,581,055,099 | (11,653,018,040) | (3,071,962,941) |
| 50 | Net accounting profit before tax | 343,292,109,131 | (11,653,018,040) | 331,639,091,091 |
| 51 | Corporate income tax ("CIT") – current | (68,444,930,961) | (13,830,012,639) | (82,274,943,600) |
| 60 | Net profit after tax | 274,715,250,640 | (25,483,030,679) | 249,232,219,961 |
| 61 | Attributable to: Profit after tax of the Company | 274,716,720,640 | (25,483,030,679) | 249,233,689,961 |

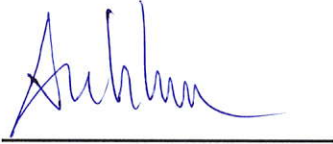
CONSOLIDATED CASH FLOW STATEMENT

| Code | | For the nine-month period ended 30.9.2023 (Previously reported) VND | Impact of adjustments VND | For the nine-month period ended 30.9.2023 (Restated) VND |
|------|---|---|------------------------------|--|
| 01 | Net accounting profit before tax | 343,292,109,131 | (11,653,018,040) | 331,639,091,091 |
| 08 | Operating profit before changes in working capital | 390,490,013,589 | (11,653,018,040) | 378,836,995,549 |
| 11 | Decrease in payables | (75,625,976,886) | 11,653,018,040 | (63,972,958,846) |

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

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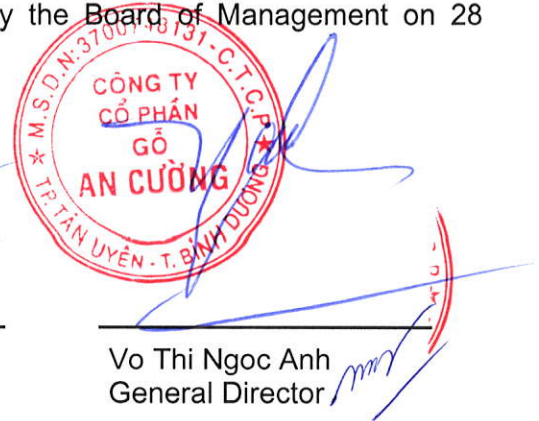
The consolidated financial statements were approved by the Board of Management on 28 October 2024.



Tran Anh Tuan
Preparer



Thieu Thi Ngoc Diem
Chief Accountant



M.S.D.N: 3700748131-C.T.C.P.
CÔNG TY
CỔ PHẦN
GỖ
AN CƯỜNG
TP. TÂN UYÊN - T. BÌNH DƯƠNG

Vo Thi Ngoc Anh
General Director