

**AN CUONG WOOD - WORKING JOINT STOCK COMPANY**

**SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

**AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

**SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

<b>TABLE OF CONTENTS</b>	<b>PAGE</b>
Corporate information	1
Statement of the Board of Management	2
Report on review of separate interim financial information	3
Separate interim balance sheet (Form B 01a – DN)	5
Separate interim income statement (Form B 02a – DN)	8
Separate interim cash flow statement (Form B 03a – DN)	9
Notes to the separate interim financial statements (Form B 09a – DN)	10

# 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 31<sup>st</sup> latest Enterprise Registration Certificate No. 3700748131 dated 18 April 2023.

### Board of Directors

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

### Board of Management

Ms. Vo Thi Ngoc Anh	General Director
Mr. Le Thanh Phong	Deputy General Director
Ms. Nguyen Thi Hao	Deputy General Director
Ms. Nguyen Thi Kim Thoa	Deputy General Director
Ms. Nguyen Thi Duyen	Deputy General Director
Mr. Ngo Tan Tri	Deputy General Director
Ms. Thieu Thi Ngoc Diem	Chief Accountant

### Board of Supervision

Ms. Tran Thi Ngoc Tue	Head
Ms. Nguyen Thi Thuy Trang	Member (from 26 April 2023)
Ms. Tran Thi Kim Anh	Member (until 25 April 2023)
Ms. Mai Thi Phuong Thao	Member

### Legal representative

Mr. Le Duc Nghia	Chairman
Ms. Vo Thi Ngoc Anh	General Director

### Registered office

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

### Auditor

PwC (Vietnam) Limited

# 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 SEPARATE INTERIM FINANCIAL STATEMENTS

The Board of Management of An Cuong Wood-Working Joint Stock Company (“the Company”) is responsible for preparing the separate interim financial statements which give a true and fair view of the separate interim financial position of the Company as at 30 June 2023, and the results of its separate interim operations and its separate interim cash flows for the six-month period then ended. In preparing these separate interim 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 separate interim financial statements on a going concern basis unless it is inappropriate to presume that the Company 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 separate interim financial position of the Company and which enable separate interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

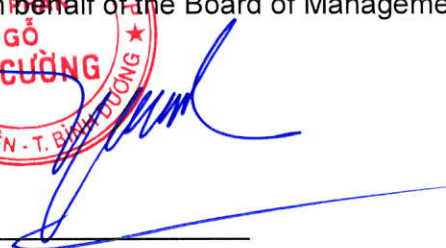
### APPROVAL OF THE SEPARATE INTERIM FINANCIAL STATEMENTS

We hereby, approve the accompanying separate interim financial statements as set out on pages 5 to 52 which gives a true and fair view of the separate interim financial position of the Company as at 30 June 2023 and of the results of its separate interim operations and its separate interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Company and its subsidiaries (“the Group”) for the six-month period ended 30 June 2023 in order to obtain full information of the consolidated interim financial position, results of consolidated interim operations and consolidated interim cash flows of the Group.

On behalf of the Board of Management



  
Vo Thi Ngoc Anh  
General Director

Binh Duong Province, SR Vietnam  
15 August 2023



## **REPORT ON REVIEW OF SEPARATE INTERIM FINANCIAL INFORMATION TO THE SHAREHOLDERS OF AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

We have reviewed the accompanying separate interim financial statements of An Cuong Wood-Working Joint Stock Company ("the Company") which were prepared on 30 June 2023, and approved by the Board of Management of the Company on 15 August 2023. The separate interim financial statements comprise the separate interim balance sheet as at 30 June 2023, the separate interim income statement and the separate interim cash flow statement for the six-month period then ended, and separate interim explanatory notes to the separate interim financial statements including significant accounting policies, as set out on pages 5 to 52.

### **The Board of Management's Responsibility**

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

### **Auditor's Responsibility**

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

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



## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial information does not presented fairly, in all material respects, the separate interim financial position of the Company as at 30 June 2023, its separate interim income statement and its separate interim cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements.

## Other Matters

The report on review of separate interim information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English copies, the Vietnamese copy shall take precedence.

## For and on behalf of PwC (Vietnam) Limited



---

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

Report reference number: HCM14212  
Ho Chi Minh City, 15 August 2023

## SEPARATE INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2023 VND	31.12.2022 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>2,357,190,624,780</b>	<b>2,430,244,352,161</b>
<b>110</b>	<b>Cash and cash equivalents</b>	<b>3</b>	<b>28,479,046,056</b>	<b>285,786,734,410</b>
111	Cash		28,479,046,056	38,786,734,410
112	Cash equivalents		-	247,000,000,000
<b>120</b>	<b>Short-term investments</b>		<b>1,087,000,000,000</b>	<b>866,000,000,000</b>
123	Investments held to maturity	4(a)	1,087,000,000,000	866,000,000,000
<b>130</b>	<b>Short-term receivables</b>		<b>553,832,198,989</b>	<b>549,599,335,714</b>
131	Short-term trade accounts receivable	5	363,351,677,312	348,476,458,971
132	Short-term prepayments to suppliers	6	20,950,271,778	25,123,628,414
135	Short-term lending	7(a)	28,505,283,031	-
136	Other short-term receivables	8(a)	172,539,885,292	198,564,033,959
137	Provision for doubtful debts			
	– short-term	9	(32,096,031,443)	(22,987,743,718)
139	Shortage of assets awaiting resolution		581,113,019	422,958,088
<b>140</b>	<b>Inventories</b>	<b>10</b>	<b>671,735,775,468</b>	<b>698,932,385,372</b>
141	Inventories		695,244,758,364	717,210,854,026
149	Provision for decline in value of inventories		(23,508,982,896)	(18,278,468,654)
<b>150</b>	<b>Other current assets</b>		<b>16,143,604,267</b>	<b>29,925,896,665</b>
151	Short-term prepaid expenses	11(a)	13,943,962,403	27,371,387,238
152	Value added tax ("VAT") to be reclaimed	15(a)	1,978,013,887	1,333,331,682
153	Tax and other receivables from the State		221,627,977	1,221,177,745

The notes on pages 10 to 52 are an integral part of these separate interim financial statements.

SEPARATE INTERIM BALANCE SHEET  
(continued)

Code	ASSETS (continued)	Note	As at	
			30.6.2023 VND	31.12.2022 VND
<b>200</b>	<b>NON-CURRENT ASSETS</b>		<b>2,085,821,589,336</b>	<b>2,109,540,952,400</b>
<b>210</b>	<b>Long-term receivables</b>		<b>358,555,823,351</b>	<b>364,461,972,146</b>
215	Long-term lending	7(b)	256,547,547,280	-
216	Other long-term receivables	8(b)	102,008,276,071	364,461,972,146
<b>220</b>	<b>Fixed assets</b>		<b>185,520,208,526</b>	<b>174,151,299,318</b>
221	Tangible fixed assets	12(a)	173,664,828,100	160,889,579,088
222	Historical cost		501,357,570,819	475,131,484,000
223	Accumulated depreciation		(327,692,742,719)	(314,241,904,912)
227	Intangible fixed assets	12(b)	11,855,380,426	13,261,720,230
228	Historical cost		32,826,067,346	32,568,567,346
229	Accumulated amortisation		(20,970,686,920)	(19,306,847,116)
<b>240</b>	<b>Long-term asset in progress</b>		<b>6,991,340,150</b>	<b>2,006,447,041</b>
242	Construction in progress		6,991,340,150	2,006,447,041
<b>250</b>	<b>Long-term investments</b>		<b>1,442,031,200,000</b>	<b>1,475,431,200,000</b>
251	Investments in subsidiaries	4(b)	926,800,000,000	916,600,000,000
252	Investments in associate	4(b)	396,031,200,000	393,631,200,000
253	Investments in other entity	4(b)	119,200,000,000	119,200,000,000
255	Investments held to maturity	4(a)	-	46,000,000,000
<b>260</b>	<b>Other long-term assets</b>		<b>92,723,017,309</b>	<b>93,490,033,895</b>
261	Long-term prepaid expenses	11(b)	86,163,709,595	85,840,952,383
262	Deferred income tax assets	21	6,559,307,714	7,649,081,512
<b>270</b>	<b>TOTAL ASSETS</b>		<b>4,443,012,214,116</b>	<b>4,539,785,304,561</b>

The notes on pages 10 to 52 are an integral part of these separate interim financial statements.




SEPARATE INTERIM BALANCE SHEET  
(continued)

Code	RESOURCES	Note	As at	
			30.6.2023 VND	31.12.2022 VND
<b>300</b>	<b>LIABILITIES</b>		<b>763,045,142,285</b>	<b>1,095,773,666,553</b>
<b>310</b>	<b>Current liabilities</b>		<b>756,258,823,118</b>	<b>1,088,987,347,386</b>
311	Short-term trade accounts payable	13	198,216,038,214	319,977,099,228
312	Short-term advances from customers	14	118,189,878,943	103,216,991,711
313	Tax and other payables to the State	15(b)	25,239,115,239	83,447,540,876
314	Payable to employees	16	11,593,169,400	16,304,569,145
315	Short-term accrued expenses	17	16,233,035,775	20,127,143,508
318	Short-term unearned revenue		249,999,999	500,000,000
319	Other short-term payables		6,382,763,212	3,007,743,242
320	Short-term borrowings	18	334,392,045,918	520,147,652,725
322	Bonus and welfare funds	19	45,762,776,418	22,258,606,951
<b>330</b>	<b>Non-current liability</b>		<b>6,786,319,167</b>	<b>6,786,319,167</b>
342	Provision for long-term liabilities	20	6,786,319,167	6,786,319,167
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>3,679,967,071,831</b>	<b>3,444,011,638,008</b>
<b>410</b>	<b>Capital and reserves</b>		<b>3,679,967,071,831</b>	<b>3,444,011,638,008</b>
411	Owners' capital	22, 23	1,358,461,220,000	1,358,461,220,000
411a	- Ordinary shares with voting rights		1,358,461,220,000	1,358,461,220,000
412	Share premium	23	1,419,298,588,703	1,419,298,588,703
415	Treasury shares	23	(653,230,147)	(653,230,147)
418	Investment and development funds	23	30,216,587,418	-
421	Undistributed earnings	23	872,643,905,857	666,905,059,452
421a	- Undistributed post-tax profits of previous years		600,346,930,518	75,983,470,486
421b	- Post-tax profits of current period/year		272,296,975,339	590,921,588,966
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>4,443,012,214,116</b>	<b>4,539,785,304,561</b>

  
\_\_\_\_\_  
Nguyen Thi Hong Lan  
Preparer

  
\_\_\_\_\_  
Thieu Thi Ngoc Diem  
Chief Accountant

  
\_\_\_\_\_  
Vu Thi Ngoc Anh  
General Director  
15 August 2023



The notes on pages 10 to 52 are an integral part of these separate interim financial statements.

## SEPARATE INTERIM INCOME STATEMENT

Code	Note	For the six-month period ended	
		30.6.2023 VND	30.6.2022 VND
01	Revenue from sales of goods and rendering of services	1,093,645,105,986	1,241,628,979,617
02	Less deductions	(2,973,706,065)	(3,903,267,142)
10	Net revenue from sales of goods and rendering of services	26 1,090,671,399,921	1,237,725,712,475
11	Cost of goods sold and services rendered	27 (831,309,850,267)	(943,041,324,557)
20	Gross profit from sales of goods and rendering of services	259,361,549,654	294,684,387,918
21	Financial income	28 269,707,189,893	352,423,889,707
22	Financial expenses	29 (17,711,889,566)	(9,781,834,805)
23	- Including: Interest expense	29 (15,518,907,471)	(7,984,815,979)
25	Selling expenses	30 (169,274,869,063)	(143,000,906,802)
26	General and administration expenses	31 (50,583,094,017)	(33,203,307,697)
30	Net operating profit	291,498,886,901	461,122,228,321
31	Other income	6,045,728,281	2,243,473,740
32	Other expenses	(2,132,943,427)	(304,978,543)
40	Net other income	3,912,784,854	1,938,495,197
50	Accounting profit before tax	295,411,671,755	463,060,723,518
51	Corporate income tax ("CIT") - current	32 (22,024,922,618)	(39,266,630,909)
52	CIT - deferred	32 (1,089,773,798)	170,071,351
60	Profit after tax	272,296,975,339	423,964,163,960

  
 \_\_\_\_\_  
 Nguyen Thi Hong Lan  
 Preparer

  
 \_\_\_\_\_  
 Thieu Thi Ngoc Diem  
 Chief Accountant

  
 \_\_\_\_\_  
 Vo Thi Ngoc Anh  
 General Director  
 15 August 2023



The notes on pages 10 to 52 are an integral part of these separate interim financial statements.



SEPARATE INTERIM CASH FLOW STATEMENT  
(Indirect method)

Code	Note	For the six-month period ended	
		30.6.2023 VND	30.6.2022 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01		<b>295,411,671,755</b>	<b>463,060,723,518</b>
	Accounting profit before tax		
	Adjustments for:		
02	Depreciation and amortisation	22,017,269,210	25,250,504,940
03	Provisions/(reversal of provisions)	14,478,841,223	(22,447,183)
04	Unrealised foreign exchange losses/(gains)	128,819,750	(237,103,978)
05	Profits from investing activities	(261,170,965,837)	(347,845,589,680)
06	Interest expense	15,518,907,471	7,984,815,979
08	<b>Operating profit before changes in working capital</b>	<b>86,384,543,572</b>	<b>148,190,903,596</b>
09	Decrease/(increase) in receivables	27,712,567,622	(46,839,079,704)
10	Decrease/(increase) in inventories	21,966,095,662	(70,449,337,959)
11	(Decrease)/increase in payables	(156,476,080,476)	22,108,491,113
12	Decrease/(increase) in prepaid expenses	17,013,996,921	(5,217,589)
14	Interest paid	(15,518,907,471)	(7,984,815,979)
15	CIT paid	(71,136,079,215)	(31,048,418,172)
17	Other payments on operating activities	(13,537,372,049)	(5,462,665,000)
20	<b>Net cash (outflows)/inflows from operating activities</b>	<b>(103,591,235,434)</b>	<b>8,509,860,306</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets	(8,513,632,916)	(733,201,527)
22	Proceeds from disposals of fixed assets	-	214,486,714
23	Investments held to maturity	(447,000,000,000)	(391,000,000,000)
24	Collection of investments held to maturity	272,000,000,000	362,900,000,000
25	Investments in subsidiary and associate	(12,600,000,000)	(126,631,200,000)
27	Interest received from lendings, bank deposits, dividends and profit distributed	228,170,627,557	297,775,367,636
30	<b>Net cash inflows from investing activities</b>	<b>32,056,994,641</b>	<b>142,525,452,823</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from issue of shares	-	43,748,200,000
33	Proceeds from borrowings	607,110,267,055	735,875,385,036
34	Repayments of borrowings	(792,868,093,071)	(607,029,573,815)
36	Dividends paid	-	(315,314,094,500)
40	<b>Net cash outflows from financing activities</b>	<b>(185,757,826,016)</b>	<b>(142,720,083,279)</b>
50	<b>Net (decrease)/increase in cash</b>	<b>(257,292,066,809)</b>	<b>8,315,229,850</b>
60	<b>Cash and cash equivalents at beginning of period</b>	<b>285,786,734,410</b>	<b>47,401,336,077</b>
61	Effect of foreign exchange differences	(15,621,545)	(51,023,699)
70	<b>Cash and cash equivalents at end of period</b>	<b>28,479,046,056</b>	<b>55,665,542,228</b>

Additional information relating to the separate interim cash flow statement is presented in Note 34.

  
\_\_\_\_\_  
Nguyen Thi Hong Lan  
Preparer

  
\_\_\_\_\_  
Thieu Thi Ngoc Diem  
Chief Accountant

  
  
\_\_\_\_\_  
Vo Thi Ngoc Anh  
General Director  
15 August 2023

**NOTES TO THE SEPARATE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2023**

**1 GENERAL INFORMATION**

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 which was issued by the Department of Planning and Development of Binh Duong Province and the 31<sup>st</sup> latest Enterprise Registration Certificate No. 3700748131 dated 18 April 2023.

The owners of the Company include NC Vietnam Investment Company Limited, Whitlam Holding Pte. Ltd., Sumitomo Forestry (Singapore) Ltd. and other shareholders. Details of capital contributions are presented in Note 22.

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 is within 12 months.

As at 30 June 2023, the Company had 3 direct subsidiaries, 1 indirect subsidiary and 1 associate as disclosed in Note 4(b). Details are as follows:

Name	Principal activities	Place of incorporation and operation	30.6.2023		31.12.2022	
			Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
<b>Direct subsidiaries</b>						
An Cuong Wood - Working Manufacturing Limited Company	Manufacture and trade wooden products	Binh Duong Province	100	100	100	100
Malloca Vietnam Company Limited	Trade Malloca-brand kitchen appliances	Ho Chi Minh City	100	100	100	100
An Khang MDF Co., Ltd	Manufacture and trade products from boards	Tay Ninh Province	51	51	51	51
<b>Indirect subsidiary</b>						
AConcept Vietnam Limited Company (*)	Wholesale and retail of interior and interior decoration	Ho Chi Minh City	100	100	100	100
<b>Associate</b>						
Thang Loi Homes Joint Stock Company	Trade real estate and develop residential projects	Ho Chi Minh City	30	30	30	30

**1 GENERAL INFORMATION (continued)**

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

Pursuant to the Resolution of the Board of Directors No. 05-2023/NQ-GAC dated 11 April 2023, the Company approved the establishment of a Commercial Representative Office in the Kingdom of Cambodia. As at 20 June 2023, the incorporation was completed.

As at 30 June 2023, the Company had 1,798 employees (as at 31 December 2022: 1,753 employees).

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of separate interim financial statements**

The separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate interim financial statements. The separate interim financial statements have been prepared under the historical cost convention.

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

The separate interim financial statements in the Vietnamese language are the official statutory separate interim financial statements of the Company. The separate interim financial statements in the English language have been translated from the Vietnamese version.

Separately, the Company has also prepared consolidated interim financial statements of the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated interim financial statements. In the consolidated interim financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate interim financial statements of the Company should read them together with the consolidated interim financial statements of the Group for the six-month period ended 30 June 2023 in order to obtain full information of the consolidated interim financial position and results of consolidated interim operations and consolidated interim cash flows of the Group.

**2.2 Fiscal year**

The Company's fiscal year is from 1 January to 31 December. The separate interim financial statements are prepared for the period from 1 January to 30 June.

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

**2.3 Currency**

The separate interim financial statements are measured and presented in Vietnamese Dong (“VND”), which is the Company’s accounting currency.

**2.4 Exchange rate**

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

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

**2.5 Cash and cash equivalents**

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

**2.6 Receivables**

Receivables represent trade receivables from customers arising from sales of merchandise and finished goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties) or 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 separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the maturity date.

**2.7 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 Company applies the perpetual system for inventories.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Inventories (continued)**

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

**2.8 Investments****(a) Investments held-to-maturity**

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

Investments held-to-maturity include term deposits. Those investments are initially accounted for at cost. Subsequently, The Board of Management reviews all outstanding investment 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 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 separate interim balance sheet based on the remaining period from the separate interim balance sheet date to the remaining maturity date.

**(b) Investments in subsidiaries**

Subsidiaries are all entities over which the Company 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 Company controls another entity.

Investments in subsidiaries are initially recorded at costs of acquisition including capital contribution value plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the accounting period end.

**(c) Investments in associate**

Associates are investments that the Company has significant influence but not control over and the Company would generally have from 20% to less than 50% of the voting rights of the investee.

Investments in associate is initially recorded at cost of acquisition including capital contribution value plus other expenditures directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the provision to recognise at the accounting period end.

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

**2.8 Investments (continued)**

**(d) Investments in other entity**

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

**(e) Provision for investments in subsidiaries, associate and other entity**

Provision for investments in subsidiaries, associate and other entity is made when there is a diminution in value of the investments at the period end.

Provision for investments in subsidiaries and associate is calculated based on the loss of investees.

Provision for investments in other entity is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries and associate.

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.

**2.9 Lending**

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

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.

Lendings are classified into short-term and long-term lendings on the separate interim balance sheet based on the remaining term of the lendings as at the separate interim balance sheet date.

**2.10 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 separate interim income statement when incurred in the accounting period.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Fixed assets (continued)***Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line basic so as to write off the depreciation amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the separate interim 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% - 25%
Others	6% - 13%
Land use rights	3%
Software	13% - 40%

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

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

*Disposals*

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

*Construction in progress*

Construction in progress represents the cost of assets 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 construction costs; costs of tools and equipment; project management expenditure; construction consulting expenditure; and capitalised borrowing costs for qualifying assets in accordance with the Company's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

**2.11 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 separate interim income statement on a straight-line basis over the term of the lease.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.12 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the separate interim 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 represent 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 on a straight-line basis over estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in Note 2.10 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

**2.13 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 purchases of goods and services.

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

**2.14 Borrowings**

Short-term borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term borrowings on the separate interim balance sheet based on their remaining terms from the separate interim 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 Company 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 Company's borrowings that are outstanding during the accounting period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the separate interim income statement when incurred.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.15 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the accounting 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.

**2.16 Provisions**

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

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

**2.17 Provision for severance allowances**

In accordance with Vietnamese labour laws, employees of the Company 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 period during which the employee actually works for the Company less the year during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working year for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting period 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 separate interim balance sheet date.

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

**2.18 Owners' capital**

*Owners' capital* is recorded according to the actual amounts contributed at the par value of the share.

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

*Treasury shares* brought before the effective date of the Securities Law (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.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.18 Owners' capital (continued)**

Treasury shares brought after 1 January 2021 will be cancelled and adjusted to reduce equity.

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

**2.19 Appropriation of net profit**

The Company's dividends are recognised as a liability in the Company's separate interim financial statements in the accounting 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.

Net 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 Company's funds are as below:

**(a) Bonus and welfare fund**

The bonus and welfare fund is appropriated from the Company's profit after CIT and subject to Shareholders' approval in the General Meeting of Shareholders. This fund is presented as a liability on the separate interim balance sheet. This fund is use for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of employees' benefits.

**(b) Investment and development fund**

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.

**2.20 Revenue recognition****(a) Revenue from sales of goods**

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

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company 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 Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.20 Revenue recognition (continued)****(a) Revenue from sales of goods (continued)**

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 Company gives promotional goods to customers associated with their purchases, the Company allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of good sold in the separate interim income statement.

**(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the separate interim 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 the rendering of services is only recognised when the four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The percentage of completion of the transaction at the separate interim 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 period when both conditions below are simultaneously satisfied:

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

**(d) Profit distributed**

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

**2.21 Sales deductions**

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

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

**2.21 Sales deductions (continued)**

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

**2.22 Cost of goods sold and services rendered**

Cost of goods sold and cost of services rendered are cost of finished goods, merchandise, materials sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis.

**2.23 Financial expenses**

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

**2.24 Selling expenses**

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

**2.25 General and administration expenses**

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

**2.26 Current and deferred income tax**

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

Current income tax is the amount of income taxes payable or recoverable in respect of the current period 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 separate interim 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 accounting period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate interim 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 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.27 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 Company, including holding companies, subsidiaries, associate and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including Chairman, members of the Company's Board of Directors, Head of Board of Supervision, General Director and members of the Company's 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 Company considers the substance of the relationships, not merely the legal form.

**2.28 Segment reporting**

A segment is a component which can be separated by the Company 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 Company's business segment or the Company's geographical segment.

**2.29 Critical accounting estimates**

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

The areas involving significant estimates and assumptions are as follows:

- Estimated useful life of fixed assets (Note 2.10 and 12);
- Estimation of provision for doubtful debts (Note 9) and provision for decline in value of inventories (Note 10);
- Recognition of deferred tax assets for difference between tax base and accounting base (Note 21).

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

**3 CASH AND CASH EQUIVALENTS**

	<b>30.6.2023</b> <b>VND</b>	<b>31.12.2022</b> <b>VND</b>
Cash on hand	1,349,845,683	414,366,556
Cash at bank	27,129,200,373	38,372,367,854
Cash equivalents	-	247,000,000,000
	<u>28,479,046,056</u>	<u>285,786,734,410</u>

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

	<u>As at 30.6.2023</u>		<u>As at 31.12.2022</u>	
	Cost VND	Book value VND	Cost VND	Book value VND
<b>i. Short-term</b>				
Term deposits (*)	<u>1,087,000,000,000</u>	<u>1,087,000,000,000</u>	<u>866,000,000,000</u>	<u>866,000,000,000</u>
<b>ii. Long-term</b>				
Term deposits	<u>-</u>	<u>-</u>	<u>46,000,000,000</u>	<u>46,000,000,000</u>

(\*) As at 30 June 2023, short-term investments held-to-maturity comprise of term deposits at commercial banks with remaining period less than 1 year and earn interest at the rate of 6% - 12% per annum (as at 31 December 2022: 5.5% - 12% per annum). In addition, the Company has pledged VND162 billions of these investments with banks as collateral assets for the Company's borrowings (Note 18).



**AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

Form B 09a – DN

**4 INVESTMENTS (continued)**

**(b) Investments in subsidiaries, associate and other entity**

	As at 30.6.2023			As at 31.12.2022		
	Book value VND	Ownership %	Provision VND	Book value VND	Ownership %	Provision VND
<b>i. Investments in subsidiaries</b>						
An Cuong Wood-Working Manufacturing Company Limited (*)	796,600,000,000	100	-	796,600,000,000	100	-
Malloca Vietnam Company Limited (*)	120,000,000,000	100	-	120,000,000,000	100	-
An Khang MDF Co., Ltd (*), (**)	10,200,000,000	51	-	-	51	-
	<u>926,800,000,000</u>	<u>          </u>	<u>          </u>	<u>916,600,000,000</u>	<u>          </u>	<u>          </u>
<b>ii. Investments in associate</b>						
Thang Loi Homes Joint Stock Company (*), (***)	<u>396,031,200,000</u>	<u>30</u>	<u>          </u>	<u>393,631,200,000</u>	<u>30</u>	<u>          </u>
<b>iii. Investment in other entity</b>						
Thang Loi Real Estate Joint Stock Company (*), (***)	<u>119,200,000,000</u>	<u>12.97</u>	<u>          </u>	<u>119,200,000,000</u>	<u>12.97</u>	<u>          </u>

(\*) As at 30 June 2023 and 31 December 2022, the Company had not determined the fair value of these investments to disclose in the separate interim financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

(\*\*) Pursuant to Resolution of the Board of Directors No. 16-2022/NQ-GAC dated 24 October 2022, the Board of Directors of the Company approved the plan to contribute capital to establish An Khang MDF Co., Ltd. On 16 January 2023, the Company has fully contributed the capital commitment. Accordingly, as at 30 June 2023, the Company owned 51% of the charter capital of this company.

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

(\*\*\*) Pursuant to the Resolution of the Board of Directors No. 04-2022/NQ-GAC dated 21 March 2022, the Board of Directors of the Company approved the plan to buy shares of Central Hill Real Estate Joint Stock Company (changed name to Thang Loi Home Joint Stock Company from 8 September 2022). Pursuant to Resolution of the Board of Directors No. 09-2023/NQ-GAC dated 1 June 2023, the Board of Directors of the Company approved an investment of VND5,400,000,000 to buy 30% of total new shares issued by Thang Loi Homes Joint Stock Company, which is equivalent to 540,000 ordinary shares. During the period, the Company has fully contributed the 1<sup>st</sup> round of committed capital amounted to VND2,400,000,000, equivalent to 240,000 ordinary shares. Accordingly, as at 30 June 2023, the Company owned 30% of the charter capital of this company. At the date of these separate interim financial statements, the information regarding the remaining capital contribution and the issuance of the ordinary shares has not been disclosed.

(\*\*\*\*) Pursuant to the Resolution of the Board of Directors No. 05-2021/NQ-GAC dated 15 April 2021, the Board of Directors of the Company approved the plan to buy shares of Thang Loi Real Estate Joint Stock Company. Accordingly, as at 30 June 2023, the Company owned 12.97% of the charter capital of this company.

**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	<b>30.6.2023</b>	<b>31.12.2022</b>
	<b>VND</b>	<b>VND</b>
Third parties		
Ai Linh Trading Import - Export Joint Stock Company	41,961,127,119	45,704,544,547
Others	292,417,386,409	263,715,344,861
Related parties (Note 35(b))	28,973,163,784	39,056,569,563
	<u>363,351,677,312</u>	<u>348,476,458,971</u>

As at 30 June 2023 and 31 December 2022, the balances of short-term trade accounts receivable which were past due, amounted to VND36,476,393,539 and VND33,351,118,362, respectively as presented in Note 9.

As at 30 June 2023 and 31 December 2022, there were no other third-party customers who had a balance accounting for 10% or more of the total balance of short-term trade accounts receivable.

**AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

**Form B 09a – DN**

**6 SHORT-TERM PREPAYMENTS TO SUPPLIERS**

	<b>30.6.2023</b> <b>VND</b>	<b>31.12.2022</b> <b>VND</b>
Third parties		
Bangkok Regenerative Center Company Limited	2,598,608,426	-
Dat Moi Trading and Service Joint Stock Company	-	2,653,701,897
Cata Electrodomesticos SL	-	2,564,450,694
Others	14,712,682,852	16,103,429,823
Related parties (Note 35(b))	3,638,980,500	3,802,046,000
	<u>20,950,271,778</u>	<u>25,123,628,414</u>

**7 LENDINGS**

**(a) Short-term**

	<b>30.6.2023</b> <b>VND</b>	<b>31.12.2022</b> <b>VND</b>
Novareal Joint Stock Company (*)	<u>28,505,283,031</u>	<u>-</u>

**(b) Long-term**

	<b>30.6.2023</b> <b>VND</b>	<b>31.12.2022</b> <b>VND</b>
Novareal Joint Stock Company (*)	<u>256,547,547,280</u>	<u>-</u>

**7 LENDINGS (continued)**

(\*) 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 the exercise or not the real estate purchase option. The Company has confirmed whether 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, the Company continued to confirm to not exercise the real estate purchase option and will be fully refunded deposit amounts and interests, according to the schedule and interest rate as follows:

- September 2023: Payment 10% of the actual deposit.
- September 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 on 100% of the actual deposit as of September 2023 and the late-payment interest calculated at 15% per annum arising from September 2023 to September 2024 on 40% of the actual deposit.
- September 2025: Payment of 50% of the actual deposit and the late-payment interest calculated at 15% per annum arising from September 2023 to September 2025 on 50% of the actual deposit.

The Company recognised the above accrued interest income in the separate financial statements for the year ended 31 December 2022 and separate interim financial statements for the six-month period ended 30 June 2023.

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

	<b>30.6.2023</b>	<b>31.12.2022</b>
	<b>VND</b>	<b>VND</b>
Entrusted-investment (*)	114,699,683,444	156,017,700,000
Interest income from term deposits	42,212,263,207	18,066,530,507
Interest income from entrusted-investment (Note 34)	10,867,216,930	18,645,847,067
Deposits	2,854,061,096	4,149,048,176
Advances to employees	1,754,098,283	1,387,873,529
Others	152,562,332	297,034,680
	<u>172,539,885,292</u>	<u>198,564,033,959</u>

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

(\*) 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 separate interim 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, this investment will be fully recovered and hence, there's no impairment indicator which requires a provision to be made.

**(b) Long-term**

	<b>30.6.2023</b>	<b>31.12.2022</b>
	<b>VND</b>	<b>VND</b>
Interest receivables (Note 7, 28, 34)	87,166,719,705	68,790,574,233
Other deposits	14,841,556,366	10,618,567,602
Deposits (*)	-	285,052,830,311
	<u>102,008,276,071</u>	<u>364,461,972,146</u>

(\*) As at 30 June 2023, the deposits is classified into short-term lending and long-term lending according to the confirmation of not exercising the real estate purchase option with Novareal Joint Stock Company, which was signed on 20 April 2023 as presented in Note 7.

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 09a – DN

9 PROVISION FOR DOUBTFUL DEBTS – SHORT-TERM

	30.6.2023			Overdue period
	Cost VND	Recoverable amount VND	Provision VND	
<b>Receivables that were past due</b>				
Lao Cai - No.1 Construction and Trading Investment Joint Stock Company	17,905,448,246	1,393,841,670	16,511,606,576	Over 2 years
Long Giang Investment and Urban Development Joint Stock Company	4,735,807,801	-	4,735,807,801	Over 3 years
An Gia Hung Investment Construction Joint Stock Company	3,338,942,601	31,511,515	3,307,431,086	Over 3 years
Others	10,496,194,891	2,955,008,911	7,541,185,980	Over 6 months
	<u>36,476,393,539</u>	<u>4,380,362,096</u>	<u>32,096,031,443</u>	
	31.12.2022			Overdue period
	Cost VND	Recoverable amount VND	Provision VND	
<b>Receivables that were past due</b>				
Lao Cai - No.1 Construction and Trading Investment Joint Stock Company	18,799,490,297	9,399,745,149	9,399,745,149	Over 2 years, under 3 years
Long Giang Investment and Urban Development Joint Stock Company	5,235,807,801	-	5,235,807,801	Over 2 years, under 3 years
An Gia Hung Investment Construction Joint Stock Company	3,338,942,601	-	3,338,942,601	Over 3 years
Others	5,976,877,663	963,629,496	5,013,248,167	Over 1 year
	<u>33,351,118,362</u>	<u>10,363,374,645</u>	<u>22,987,743,718</u>	

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 09a – DN

10 INVENTORIES

	30.6.2023		31.12.2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods purchased in transit	16,534,778,249	-	27,858,140,925	-
Raw materials	374,271,698,516	(13,104,505,526)	402,482,294,220	(10,786,154,521)
Tools and supplies	1,802,090,323	-	-	-
Work in progress	135,384,323,069	(1,920,708,420)	124,037,465,903	(2,431,079,708)
Finished goods	127,645,504,843	(6,927,473,912)	125,995,998,180	(4,212,662,775)
Merchandise	34,158,488,891	(1,556,295,038)	29,965,698,784	(848,571,650)
Finished goods in transit	5,447,874,473	-	6,871,256,014	-
	<u>695,244,758,364</u>	<u>(23,508,982,896)</u>	<u>717,210,854,026</u>	<u>(18,278,468,654)</u>

**10 INVENTORIES (continued)**

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

	<b>For the six-month period ended 30.6.2023 VND</b>	<b>For the year ended 31.12.2022 VND</b>
Beginning of period/year	18,278,468,654	20,944,199,080
Provision/(reversal of provision) (Note 27)	5,230,514,242	(2,665,730,426)
End of period/year	<u>23,508,982,896</u>	<u>18,278,468,654</u>

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

	<b>30.6.2023 VND</b>	<b>31.12.2022 VND</b>
Tools and supplies	5,129,573,286	5,723,400,406
Rental	2,359,510,617	610,340,000
Insurance	680,888,497	739,385,873
Advertising	763,405,792	10,156,785,302
Others	5,010,584,211	10,141,475,657
	<u>13,943,962,403</u>	<u>27,371,387,238</u>

**(b) Long-term**

	<b>30.6.2023 VND</b>	<b>31.12.2022 VND</b>
Land rental (*)	63,509,655,303	64,419,790,083
Office and factory renovation	13,226,965,039	12,349,834,490
Tools and supplies	6,621,471,083	5,786,869,689
Rental	1,978,878,830	2,001,933,729
Others	826,739,340	1,282,524,392
	<u>86,163,709,595</u>	<u>85,840,952,383</u>

(\*) As at 30 June 2023, land use rights of land lots No. 218 and No. 441 located in Binh Duong Province with the carrying amount of VND60,921,945,689 (as at 31 December 2022: VND61,797,500,831) have been pledged for short-term borrowings with bank (Note 18).



## 11 PREPAID EXPENSES (continued)

## (b) Long-term (continued)

Movements in long-term prepaid expenses during the period/year were as follows:

	30.6.2023 VND	31.12.2022 VND
Beginning of period/year	85,840,952,383	83,193,368,488
Increase	7,806,786,169	18,207,227,852
Allocation during the period/year	(7,484,028,957)	(15,559,643,957)
End of period/year	<u>86,163,709,595</u>	<u>85,840,952,383</u>

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 09a – DN

12 FIXED ASSETS

(a) Tangible fixed assets

	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
<b>Historical cost</b>						
As at 1 January 2023	156,425,241,636	218,759,966,915	75,476,867,747	4,064,844,180	20,404,563,522	475,131,484,000
New purchases	-	32,271,436,611	2,790,000,000	-	-	35,061,436,611
Disposals	-	(6,250,807,519)	(2,584,542,273)	-	-	(8,835,349,792)
As at 30 June 2023	156,425,241,636	244,780,596,007	75,682,325,474	4,064,844,180	20,404,563,522	501,357,570,819
<b>Accumulated depreciation</b>						
As at 1 January 2023	90,404,942,731	150,667,148,224	51,506,585,577	3,548,020,114	18,115,208,266	314,241,904,912
Charge for the period	6,242,373,107	10,191,196,963	3,329,389,095	189,302,966	401,167,275	20,353,429,406
Disposals	-	(4,318,049,326)	(2,584,542,273)	-	-	(6,902,591,599)
As at 30 June 2023	96,647,315,838	156,540,295,861	52,251,432,399	3,737,323,080	18,516,375,541	327,692,742,719
<b>Net book value</b>						
As at 1 January 2023	66,020,298,905	68,092,818,691	23,970,282,170	516,824,066	2,289,355,256	160,889,579,088
As at 30 June 2023	59,777,925,798	88,240,300,146	23,430,893,075	327,521,100	1,888,187,981	173,664,828,100

Historical cost of tangible fixed assets fully depreciated but still in use as at 30 June 2023 was VND93,368,770,655 (as at 31 December 2022: VND77,388,426,143).

As at 30 June 2023, tangible fixed assets with carrying value of VND28,393,254,115 (as at 31 December 2022: VND30,164,505,782) were pledged with banks as security for short-term borrowings granted to the Company (Note 18).

## 12 FIXED ASSETS (continued)

## (b) Intangible fixed assets

	Land use rights VND	Software VND	Total VND
<b>Historical cost</b>			
As at 1 January 2023	8,090,909,091	24,477,658,255	<b>32,568,567,346</b>
Purchase	-	257,500,000	<b>257,500,000</b>
As at 30 June 2023	<u>8,090,909,091</u>	<u>24,735,158,255</u>	<b><u>32,826,067,346</u></b>
<b>Accumulated amortisation</b>			
As at 1 January 2023	1,843,415,183	17,463,431,933	<b>19,306,847,116</b>
Charge for the period	110,902,259	1,552,937,545	<b>1,663,839,804</b>
As at 30 June 2023	<u>1,954,317,442</u>	<u>19,016,369,478</u>	<b><u>20,970,686,920</u></b>
<b>Net book value</b>			
As at 1 January 2023	<u>6,247,493,908</u>	<u>7,014,226,322</u>	<b><u>13,261,720,230</u></b>
As at 30 June 2023	<u><u>6,136,591,649</u></u>	<u><u>5,718,788,777</u></u>	<b><u><u>11,855,380,426</u></u></b>

Historical cost of intangible fixed assets fully amortised but still in use as at 30 June 2023 was VND3,623,852,090 (as at 31 December 2022: VND3,398,852,090).

As at 30 June 2023, intangible fixed assets with carrying value of VND6,136,591,649 (as at 31 December 2022: VND6,247,493,908) were pledged with banks as security for short-term borrowings granted to the Company (Note 18).

**13 SHORT-TERM TRADE ACCOUNTS PAYABLE**

	30.6.2023		31.12.2022	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Vina Eco Board Company Limited	20,748,278,392	20,748,278,392	17,471,924,992	17,471,924,992
Others	109,888,156,015	109,888,156,015	169,825,764,725	169,825,764,725
Related parties (Note 35(b))	67,579,603,807	67,579,603,807	132,679,409,511	132,679,409,511
	<u>198,216,038,214</u>	<u>198,216,038,214</u>	<u>319,977,099,228</u>	<u>319,977,099,228</u>

As at 30 June 2023 and 31 December 2022, there were no other third-party suppliers who had a balance accounting for 10% or more of the total balance of short-term trade accounts payable.

**14 SHORT-TERM ADVANCES FROM CUSTOMERS**

	30.6.2023 VND	31.12.2022 VND
Kember Kreative Interiors Conglom Inc.	19,015,792,758	-
Others	11,477,000,000	11,477,000,000
	<u>87,697,086,185</u>	<u>91,739,991,711</u>
	<u>118,189,878,943</u>	<u>103,216,991,711</u>

As at 30 June 2023 and 31 December 2022, there were no other third-party customers who had a balance accounting for 10% or more of the total balance of short-term advances from customers.

**AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

**Form B 09a – DN**

**15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE**

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

	As at 1.1.2023 VND	Receivable during the period VND	Paid during the period VND	Net-off during the period VND	As at 30.6.2023 VND
<b>a) Value added tax ("VAT") input</b>	1,333,331,682	66,131,450,796	-	(65,486,768,591)	1,978,013,887
<b>b) Payables</b>					
CIT	70,304,116,183	22,024,922,618	(71,136,079,215)	-	21,192,959,586
Personal income tax	7,066,232,963	4,289,771,602	(10,556,512,706)	-	799,491,859
VAT output	6,077,191,730	94,689,383,037	(32,033,142,382)	(65,486,768,591)	3,246,663,794
Import tax	-	3,643,437,522	(3,643,437,522)	-	-
Others	-	776,913,386	(776,913,386)	-	-
	83,447,540,876	125,424,428,165	(118,146,085,211)	(65,486,768,591)	25,239,115,239

**16 PAYABLES TO EMPLOYEES**

Payables to employees represent salary of June payable to employees.

**17 SHORT-TERM ACCRUED EXPENSES**

	<b>30.6.2023</b>	<b>31.12.2022</b>
	<b>VND</b>	<b>VND</b>
Based-investment-performance fees to VinaCapital	6,000,000,000	6,000,000,000
Bonus to employees	5,731,793,324	8,786,389,043
Trade discounts	1,197,865,094	-
Others	3,303,377,357	5,340,754,465
	<u>16,233,035,775</u>	<u>20,127,143,508</u>

AN CUONG WOOD-WORKING JOINT STOCK COMPANY

Form B 09a – DN

18 SHORT-TERM BORROWINGS

	As at 1.1.2023 VND	Increase VND	Decrease VND	Foreign exchange revaluation VND	As at 30.6.2023 VND
Bank loans (*)	520,147,652,725	607,110,267,055	(792,868,093,071)	2,219,209	334,392,045,918

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

	Currency	As at 30.6.2023 VND	As at 30.6.2023 Original currency	Term (months)	Expiry date	Interest (% per annum)	Collateral assets (Note 4(a), 11(b), 12(a), 12(b))
Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank")	VND	302,315,970,190	302,315,970,190	6	28/7/2023 - 26/12/2023	6.5 - 7	Bank deposit contracts of VND122 billion and VND40 billion; debt collection rights; land use rights and assets belonged to land plot No. 218 located in Binh Duong.
Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank")	USD	1,214,959,473	46,234	3	21/9/2023	4.8	Debt collection rights; land use rights and assets belonged to land plot No. 441 located in Binh Duong; machinery and equipment.
	VND	30,861,116,255	30,861,116,255	3	18/9/2023 - 2/10/2023	6.3 - 6.8	
		<u>334,392,045,918</u>					

**19 BONUS AND WELFARE FUNDS**

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

	<b>30.6.2023</b> VND	<b>31.12.2022</b> VND
Beginning of period/year	22,258,606,951	354,323,432
Increase (Note 23)	30,779,064,467	32,087,642,807
Decrease	(7,274,895,000)	(10,183,359,288)
End of period/year	<u>45,762,776,418</u>	<u>22,258,606,951</u>

**20 PROVISION FOR LONG-TERM LIABILITIES**

The balances represent provision for dismantling cost and provision for severance allowances which are determined based on the method disclosed in Note 2.16 and Note 2.17.

**21 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 taxable unit. The details were as follows:

	<b>30.6.2023</b> VND	<b>31.12.2022</b> VND
Deferred tax assets are calculated base on:		
Provision for decline in value of inventories	4,701,796,579	3,655,693,731
Provision for dismantling cost	800,000,000	800,000,000
Provision of severance allowances	557,263,833	557,263,833
Accrual expenses	-	2,636,123,948
Others	500,247,302	-
	<u>6,559,307,714</u>	<u>7,649,081,512</u>

The gross movement in deferred income tax, without taking into consideration the offsetting of balances within the same tax jurisdiction during the period/year, is as follows:

	<b>30.6.2023</b> VND	<b>31.12.2022</b> VND
Beginning of period/year	7,649,081,512	5,095,520,566
Separate interim income statement (charge)/credit (Note 32)	(1,089,773,798)	2,553,560,946
End of period/year	<u>6,559,307,714</u>	<u>7,649,081,512</u>



**21 DEFERRED INCOME TAX (continued)**

Details of deferred tax assets:

	<b>30.6.2023</b> <b>VND</b>	<b>31.12.2022</b> <b>VND</b>
Deductible temporary differences	6,559,307,714	7,649,081,512

The Company uses tax rate of 20% for determining deferred tax assets.

Deferred tax assets mainly arise from deductible temporary differences relating to accrued expenses, and provisions.

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

**22 OWNERS' CAPITAL****(a) Number of ordinary shares**

	<b>30.6.2023</b> <b>Ordinary</b> <b>shares</b>	<b>31.12.2022</b> <b>Ordinary</b> <b>shares</b>
Number of shares registered	135,846,122	135,846,122
Number of shares issued	135,846,122	135,846,122
Number of shares repurchased	(9,600)	(9,600)
Number of existing shares in circulation	135,836,522	135,836,522

**(b) Details of owners' shareholding**

	<b>30.6.2023</b>		<b>31.12.2022</b>	
	<b>Ordinary</b> <b>shares</b>	<b>%</b>	<b>Ordinary</b> <b>shares</b>	<b>%</b>
NC Viet Nam Investment Ltd.	67,984,860	50.05	67,984,860	50.05
Sumitomo Forestry (Singapore) Ltd.	26,641,279	19.61	26,641,279	19.61
Whitlam Holding Pte. Ltd.	24,542,700	18.07	24,542,700	18.07
Others	16,667,683	12.27	16,667,683	12.27
	<u>135,836,522</u>	<u>100</u>	<u>135,836,522</u>	<u>100</u>

**22 OWNERS' CAPITAL (continued)****(c) Movement of share capital**

	Number of shares	Ordinary shares VND	Treasury shares VND	Total VND
As at 1 January 2022	87,640,744	876,503,440,000	(653,230,147)	<b>875,850,209,853</b>
New shares issued	48,195,778	481,957,780,000	-	<b>481,957,780,000</b>
As at 31 December 2022 and as at 30 June 2023	<u>135,836,522</u>	<u>1,358,461,220,000</u>	<u>(653,230,147)</u>	<u><b>1,357,807,989,853</b></u>

Par value per share: VND10,000.

The Company has no preference shares.

**AN CUONG WOOD-WORKING JOINT STOCK COMPANY**

**Form B 09a – DN**

**23 MOVEMENTS IN OWNERS' EQUITY**

	Owners' capital VND	Share premium VND	Treasury shares VND	Development and investment fund VND	Undistributed earnings VND	Total VND
As at 1 January 2022	876,503,440,000	1,419,304,688,703	(653,230,147)	21,397,458,939	994,790,724,554	3,311,343,082,049
Capital increased during the year	43,754,300,000	(6,100,000)	-	-	-	43,748,200,000
Net profit for the year	-	-	-	-	590,921,588,966	590,921,588,966
Dividends paid in shares	438,203,480,000	-	-	-	(438,203,480,000)	-
Dividends paid in cash	-	-	-	-	(464,913,590,200)	(464,913,590,200)
Appropriation to the bonus and welfare fund	-	-	-	-	(10,690,183,868)	(10,690,183,868)
Appropriation to the charity fund	-	-	-	-	(5,000,000,000)	(5,000,000,000)
Transfer to bonus and welfare fund	-	-	-	(21,397,458,939)	-	(21,397,458,939)
<b>As at 31 December 2022</b>	<b>1,358,461,220,000</b>	<b>1,419,298,588,703</b>	<b>(653,230,147)</b>	<b>-</b>	<b>666,905,059,452</b>	<b>3,444,011,638,008</b>
Net profit for the period	-	-	-	-	272,296,975,339	272,296,975,339
Appropriation to the investment and development fund (*)	-	-	-	30,779,064,467	(30,779,064,467)	-
Appropriation to the bonus and welfare fund (*)	-	-	-	-	(30,779,064,467)	(30,779,064,467)
Appropriation to the charity fund (*)	-	-	-	-	(5,000,000,000)	(5,000,000,000)
Payment from investment and development fund	-	-	-	(562,477,049)	-	(562,477,049)
<b>As at 30 June 2023</b>	<b>1,358,461,220,000</b>	<b>1,419,298,588,703</b>	<b>(653,230,147)</b>	<b>30,216,587,418</b>	<b>872,643,905,857</b>	<b>3,679,967,071,831</b>

**23 MOVEMENTS IN OWNERS' EQUITY (continued)**

(\*) Pursuant to the Resolution of the Annual General Meeting of Shareholders No. 07/2023/NQ-GAC dated 26 April 2023, the General Meeting of Shareholders approved the appropriation of charity fund amounting to VND5,000,000,000, the appropriation of bonus and welfare fund at the rate of 5% on profit after tax in the audited consolidated financial statements of the Group in 2022, which is equivalent to VND30,779,064,467 and the appropriation of the Company's Investment and Development Fund at the rate of 5% on profit after tax in the audited consolidated financial statements of the Group in 2022, which is equivalent to VND30,779,064,467.

**24 DIVIDENDS**

	<b>For the six-month period ended 30.6.2023 VND</b>	<b>For the year ended 31.12.2022 VND</b>
Beginning of period/year	262,857,700	-
Increase in the period/year (Note 23)	-	903,117,070,200
Dividend paid in cash	-	(464,650,732,500)
Dividend paid in ordinary shares (Note 23)	-	(438,203,480,000)
End of period/year	<u>262,857,700</u>	<u>262,857,700</u>

**25 OFF BALANCE SHEET ITEMS****(a) Foreign currencies**

As at 30 June 2023, included in cash were balances held in foreign currencies of US\$371,912 and EUR4,613 (as at 31 December 2022: US\$415,893 and EUR14,945).

**(b) Operating lease assets**

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

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

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
<b>Revenue</b>		
Revenue from sales of merchandise and finished goods	1,072,108,522,192	1,207,871,024,448
Revenue from rendering of services	21,536,583,794	33,757,955,169
	<u>1,093,645,105,986</u>	<u>1,241,628,979,617</u>
<b>Sales deductions</b>		
Sales returns	(1,685,905,093)	(2,168,843,596)
Trade discounts	(1,266,046,912)	(1,729,767,986)
Sales allowances	(21,754,060)	(4,655,560)
	<u>(2,973,706,065)</u>	<u>(3,903,267,142)</u>
<b>Net revenue from sales of goods and rendering of services</b>		
Net revenue from sales of merchandise and finished goods	1,069,134,816,127	1,203,967,757,306
Net revenue from rendering of services	21,536,583,794	33,757,955,169
	<u>1,090,671,399,921</u>	<u>1,237,725,712,475</u>

## 27 COST OF GOODS SOLD AND SERVICES RENDERED

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Cost of merchandise and finished goods sold	813,528,784,862	919,028,947,746
Cost of services rendered	12,550,551,163	23,162,020,059
Provision for decline in value of inventories (Note 10)	5,230,514,242	850,356,752
	<u>831,309,850,267</u>	<u>943,041,324,557</u>

**28 FINANCIAL INCOME**

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Profit distributed (Note 35)	205,000,000,000	278,000,000,000
Interest income from bank deposits	39,574,962,120	29,728,256,124
Interest receivables (Note 8(b))	18,376,145,472	18,376,145,472
Realised foreign exchange gains	6,756,082,301	4,555,682,763
Net gain from foreign currency translation at period-end	-	237,103,978
Interest income from entrusted-investment	-	10,520,810,959
Dividend income	-	8,940,000,000
Interest income from lending	-	2,065,890,411
	<u>269,707,189,893</u>	<u>352,423,889,707</u>

**29 FINANCIAL EXPENSES**

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Interest expenses from borrowings	15,518,907,471	7,984,815,979
Realised foreign exchange losses	2,064,162,345	1,797,018,826
Net loss from foreign currency translation at period-end	128,819,750	-
	<u>17,711,889,566</u>	<u>9,781,834,805</u>

**30 SELLING EXPENSES**

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Staff costs	48,744,019,896	60,328,264,446
Marketing and advertising	39,982,986,966	18,783,693,563
Transportation	20,877,766,371	23,034,168,706
Rental	13,049,144,219	10,459,123,759
Repair and maintenances	8,225,040,158	8,074,707,161
Depreciation and amortisation	4,475,684,017	4,583,391,355
Tools and supplies	4,450,087,585	2,215,079,740
Others	29,470,139,851	15,522,478,072
	<u>169,274,869,063</u>	<u>143,000,906,802</u>

**31 GENERAL AND ADMINISTRATION EXPENSES**

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Staff costs	19,755,805,956	19,155,571,375
Provision/(reversal of provision) for doubtful debts	9,248,326,981	(932,718,102)
Depreciation and amortisation	1,006,966,569	1,127,567,261
Tools and supplies	834,751,981	451,296,580
Professional fees	744,821,000	1,114,914,024
Others	18,992,421,530	12,286,676,559
	<u>50,583,094,017</u>	<u>33,203,307,697</u>

**32 CORPORATE INCOME TAX (“CIT”)**

The CIT tax on the Company’s accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Accounting profit before tax	295,411,671,755	463,060,723,518
Tax calculated at a rate of 20%	59,082,334,351	92,612,144,704
Effect of:		
Expenses not deductible for tax purposes	4,447,185,674	3,872,414,854
Incomes not subject to tax (**)	(41,000,000,000)	(57,388,000,000)
Under-provision in previous years	585,176,391	-
CIT charge (*)	<u>23,114,696,416</u>	<u>39,096,559,558</u>
Charged/(credited) to separate interim income statement:		
CIT – current	22,024,922,618	39,266,630,909
CIT – deferred (Note 21)	1,089,773,798	(170,071,351)
CIT charge	<u>23,114,696,416</u>	<u>39,096,559,558</u>

(\*) The CIT charge for the accounting period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

(\*\*) Incomes not subject to tax during the accounting period were related to profit distributed from subsidiaries.

**33 COSTS OF OPERATION BY FACTOR**

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

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Raw materials	629,776,508,656	743,113,853,992
Staff costs	166,041,900,513	179,809,376,410
Outside services	97,036,992,488	60,930,854,701
Tools and supplies	26,791,938,059	22,424,025,640
Depreciation and amortisation	22,017,269,210	25,250,504,940
Transportation	21,072,742,511	23,649,006,995
Others	78,687,233,836	56,700,002,197
	<u>1,041,424,585,273</u>	<u>1,111,877,624,875</u>

**34 NON-CASH TRANSACTIONS AFFECTING THE SEPARATE INTERIM CASH FLOW STATEMENT**

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
Reclassification of deposit for real estate from other long-term receivables to long-term lending (Note 8(b))	256,547,547,280	-
Interest receivables not yet collected (Note 8(b))	87,166,719,705	18,376,145,472
Purchase of fixed assets and other long-term assets that have not been settled	31,790,196,804	-
Reclassification of deposit for real estate from other long-term receivables to short-term lending (Note 7(a))	28,505,283,031	-
Interest income from entrusted-investment not yet collected (Note 8(a))	10,941,680,930	10,520,810,959
Written-off short-term provision for doubtful debts	140,039,256	-
Issuance of ordinary shares to pay dividends to existing shareholders	-	438,203,480,000
Conversion from borrowings into investment in an associate	-	267,000,000,000
	<u>-</u>	<u>705,970,295,431</u>



**35 RELATED PARTY DISCLOSURES**

As at 30 June 2023 and the six-month period then ended, the Company had balances and/or transactions with the related parties:

<b>Related parties</b>	<b>Relationship</b>
Malloca Vietnam Company Limited	Subsidiary
An Cuong Wood-Working Manufacturing Company Limited	Subsidiary
An Khang MDF Co., Ltd	Subsidiary
AConcept Vietnam Company Limited	Indirect subsidiary
Thang Loi Homes Joint Stock Company	Associate
NC Vietnam Investment Company Limited	Controlling shareholder
Whitlam Holding Pte. Ltd	Major shareholder
Sumitomo Forestry (Singapore) Ltd.	Major shareholder
Trung Hieu Plywood Company Limited	Controlled by Chairman'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	Operated by a member of Board of Directors
Mr. Le Duc Nghia	Chairman

**(a) Related party transactions**

The primary transactions with related parties incurred during the accounting period are:

	<b>For the six-month period ended</b>	
	<b>30.6.2023</b>	<b>30.6.2022</b>
	<b>VND</b>	<b>VND</b>
<b><i>i) Sales of goods and rendering of services</i></b>		
An Cuong Wood-Working Manufacturing Company Limited	65,459,425,219	97,617,972,545
Trung Hieu Plywood Company Limited	15,917,765,339	25,478,502,781
Malloca Vietnam Company Limited	10,651,140,035	15,895,075,356
AConcept Vietnam Company Limited	1,205,646,472	6,874,098,424
	<u>93,233,977,065</u>	<u>145,865,649,106</u>
<b><i>ii) Purchases of goods and services</i></b>		
An Cuong Wood-Working Manufacturing Company Limited	137,663,696,392	160,490,398,389
Malloca Vietnam Company Limited	6,875,389,545	11,185,403,000
Thao Nghia Thanh One-member Limited	3,756,793,000	-
AConcept Vietnam Company Limited	2,009,594,498	715,757,761
Sumitomo Forestry Vietnam Company Limited	576,843,238	-
	<u>150,882,316,673</u>	<u>172,391,559,150</u>

## 35 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
<b>iii) Purchases of fixed assets</b>		
An Cuong Wood-Working Manufacturing Company Limited	28,995,000,000	-
<b>iv) Sale of fixed assets</b>		
An Cuong Wood-Working Manufacturing Company Limited	1,736,000,000	263,469,698
<b>v) Dividend paid in cash</b>		
NC Vietnam Investment Ltd.	-	157,900,320,000
Sumitomo Forestry (Singapore) Ltd.	-	61,876,519,000
Whitlam Holding Pte. Ltd.	-	57,002,400,000
Other shareholders	-	38,714,177,000
	-	315,493,416,000
<b>vi) Dividend paid in ordinary shares</b>		
NC Vietnam Investment Ltd.	-	219,306,000,000
Sumitomo Forestry (Singapore) Ltd.	-	85,939,610,000
Whitlam Holding Pte. Ltd.	-	79,170,000,000
Others	-	53,787,870,000
	-	438,203,480,000
<b>vii) Profit distributed from (Note 28)</b>		
An Cuong Wood-Working Manufacturing Company Limited	200,000,000,000	251,000,000,000
Malloca Vietnam Company Limited	5,000,000,000	27,000,000,000
	205,000,000,000	278,000,000,000
<b>viii) Investment in subsidiaries (Note 4(b))</b>		
An Khang MDF Co., Ltd	10,200,000,000	-

## 35 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

	For the six-month period ended	
	30.6.2023 VND	30.6.2022 VND
<b>ix) Investment in associate (Note 4(b))</b>		
Thang Loi Homes Joint Stock Company	2,400,000,000	393,631,200,000
<b>x) Compensation of key management</b>		
Gross salaries and other benefits	7,805,006,667	9,161,640,769

## In which:

## Remuneration of Board of Directors

No.	Full name	Title	30.6.2023 VND	30.6.2022 VND
1.	Mr. Le Duc Nghia	Chairman	-	-
2.	Mr. Masao Kamibayashima	Vice Chairman	-	-
3.	Mr. Nguyen Minh Tuan	Member	-	-
4.	Mr. Le Thanh Phong	Member	-	-
5.	Ms. Nguyen Thi Dieu Phuong	Member	-	-
6.	Mr. Nguyen Thanh Quyen	Independent member	-	-
7.	Mr. Phan Quoc Cong	Independent member	-	-

## Remuneration of Board of Supervision

No.	Full name	Title	30.6.2023 VND	30.6.2022 VND
1.	Ms. Tran Thi Ngoc Tue	Head of Board of Supervision	-	-
2.	Ms. Nguyen Thi Thuy Trang	Member (from 26/4/2023)	-	-
3.	Ms. Tran Thi Kim Anh	Member (until 25/4/2023)	-	-
4.	Ms. Mai Thi Phuong Thao	Member	-	-

## 35 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

x) *Compensation of key management (continued)*

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

No.	Full name	Title	30.6.2023 VND	30.6.2022 VND
1.	Ms. Vo Thi Ngoc Anh	General Director	670,000,000	749,000,000
2.	Mr. Le Thanh Phong	Deputy General Director	977,340,000	1,079,935,000
3.	Ms. Nguyen Thi Hao	Deputy General Director	980,000,000	1,063,500,000
4.	Ms. Nguyen Thi Kim Thoa	Deputy General Director	900,000,000	861,500,000
5.	Ms. Nguyen Thi Duyen	Deputy General Director	991,800,000	968,600,000
6.	Mr. Ngo Tan Tri	Deputy General Director	992,100,000	968,600,000
7.	Ms. Thieu Thi Ngoc Diem	Chief Accountant	900,000,000	861,500,000
8.	Ms. Tran Thi Ngoc Tue	Head of Internal Control	592,766,667	581,330,769
9.	Mr. Masao Kamibayashiana	Marketing Development Director	801,000,000	1,235,375,000
10.	Mr. Tran Luong Thanh Tung	In charge of information disclosure (until 22/12/2022)	-	792,300,000
			<u>7,805,006,667</u>	<u>9,161,640,769</u>

## (b) Period/year-end balances with related parties

	30.6.2023 VND	31.12.2022 VND
<b>Investments in subsidiaries (Note 4(b))</b>		
An Cuong Wood - Working Manufacturing Company Limited	796,600,000,000	796,600,000,000
Malloca Vietnam Company Limited	120,000,000,000	120,000,000,000
An Khang MDF Co., Ltd	10,200,000,000	-
	<u>926,800,000,000</u>	<u>916,600,000,000</u>
<b>Investment in associate (Note 4(b))</b>		
Thang Loi Homes Joint Stock Company	<u>396,031,200,000</u>	<u>393,631,200,000</u>
<b>Short-term trade accounts receivable (Note 5)</b>		
An Cuong Wood-Working Manufacturing Company Limited	18,070,147,127	22,061,724,847
Trung Hieu Plywood Company Limited	9,145,044,890	8,826,856,174
Malloca Vietnam Company Limited	1,627,538,167	7,543,309,030
AConcept Vietnam Company Limited	130,433,600	624,679,512
	<u>28,973,163,784</u>	<u>39,056,569,563</u>

## 35 RELATED PARTY DISCLOSURES (continued)

## (b) Period/year-end balances with related parties (continued)

	30.6.2023 VND	31.12.2022 VND
<b><i>Short-term prepayments to suppliers (Note 6)</i></b>		
Thao Nghia Thanh One-member Limited	3,638,980,500	3,802,046,000
<b><i>Short-term trade accounts payable (Note 13)</i></b>		
An Cuong Wood-Working Manufacturing Company Limited	55,468,676,536	126,479,738,673
Malloca Vietnam Company Limited	6,721,038,600	2,653,424,000
AConcept Vietnam Company Limited	4,895,427,671	2,726,335,424
Thao Nghia Thanh One-member Company Limited	494,461,000	302,933,260
Sumitomo Vietnam Company Limited	-	516,978,154
	<u>67,579,603,807</u>	<u>132,679,409,511</u>

## 36 OPERATING COMMITMENTS

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

	30.6.2023 VND	31.12.2022 VND
Within one year	44,465,409,670	34,311,696,811
Between one and five years	131,999,887,251	99,588,016,320
Over five years	4,281,127,539	4,126,906,065
Total minimum payments	<u>180,746,424,460</u>	<u>138,026,619,196</u>

37 SUBSEQUENT EVENTS

According to the Resolution of the Board of Directors No. 10-2023/NQ-GAC dated 21 June 2023, the Company approved the implementation of the plan to issue ordinary shares to pay 2<sup>nd</sup> dividend of 2022 in accordance with the Resolution of the Annual General Meeting of Shareholders No. 07-2023/NQ-GAC dated 26 April 2023. According to the Resolution No.11-2023/NQ-GAC dated 5 July 2023, the Board of Directors approved 19 July 2023 as the last record date for registration of the shareholders list entitled to the 2<sup>nd</sup> dividend of 2022 by ordinary shares at ratio 11% (100:11). According to the Notice of change in the number of shares with voting rights No. 59-2023/TB-GAC dated 24 July 2023, the Company's charter capital has increased by VND149,418,240,000, which is equivalent to 14,941,824 shares with voting rights.

The separate interim financial statements were approved by the Board of Management on 15 August 2023.



\_\_\_\_\_  
Nguyen Thi Hong Lan  
Preparer



\_\_\_\_\_  
Thieu Thi Ngoc Diem  
Chief Accountant

  
\_\_\_\_\_  
Võ Thị Ngọc Anh  
General Director