

# **Everpia Joint Stock Company**

Interim separate financial statements

For the six-month period ended 30 June 2021



# Everpia Joint Stock Company

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# Everpia Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Everpia Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent Amended Investment Certificates, with the latest being the 20<sup>th</sup> Amended Investment Registration Certificate received on 2 June 2020.

The shares of the Company have been officially listed on the Ho Chi Minh City Stock Exchange from 17 December 2010 under Decision No. 247/2010/QĐ-SGDHCM by the Director of the Ho Chi Minh City Stock Exchange dated 30 November 2010.

The principal activities of the Company under its Investment Registration Certificate are to produce, import, distribute (wholesale or retail), consultancy, technology transfer and export non-knitting cloth, filter cloth, wool, blanket, bedding, padding, pillow, mattresses, knapsacks, valise, bags, underclothes and other garment products; import, distribute (wholesale or retail) and export furniture goods, kitchen and office facilities; and trading of real estate under the form of house and infrastructure leasing.

The Company has its head office located at Duong Xa Commune, Gia Lam District, Hanoi and branch offices located in Hung Yen, Hoa Binh, Ho Chi Minh City, Dong Nai, Binh Duong, Da Nang and Khanh Hoa.

### BOARD OF DIRECTORS

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

|                        |          |                         |
|------------------------|----------|-------------------------|
| Mr Cho Yong Hwan       | Chairman |                         |
| Mr Lee Jae Eun         | Member   |                         |
| Ms Le Thi Thu Hien     | Member   | Resigned on 30 Mar 2021 |
| Mr Yu Sung Dae         | Member   |                         |
| Mr Park Sung Jin       | Member   |                         |
| Mr Le Kha Tuyen        | Member   |                         |
| Ms Nguyen Le Hoang Yen | Member   |                         |

### BOARD OF SUPERVISION

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

|                      |                              |
|----------------------|------------------------------|
| Mr Truong Tuan Nghia | Head of Board of Supervision |
| Mr Ko Tae Yeon       | Member                       |
| Mr Nguyen Dac Huong  | Member                       |

# Everpia Joint Stock Company

## GENERAL INFORMATION (continued)

### MANAGEMENT

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

|                  |   |
|------------------|---|
| Mr Lee Jae Eun   | General Director  |
| Mr Cho Yong Hwan | Deputy General Director in charge<br>of Ho Chi Minh City Branch |
| Mr Yu Sung Dae   | Deputy General Director   |
| Mr Park Sung Jin | Dong Nai Branch Director  |

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Lee Jae Eun, General Director of the Company.

### AUDITOR

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

# Everpia Joint Stock Company

## REPORT OF MANAGEMENT

Management of Everpia Joint Stock Company (“the Company”) is pleased to present this report and the interim separate financial statements of the Company for the six-month period ended 30 June 2021.

### MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Company and of the interim separate results of its operations and its interim separate cash flows for the period. In preparing those interim separate financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- ▶ prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

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

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

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2020, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements.

The Company has a subsidiary as disclosed in the interim separate financial statements. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information in the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiary for the six-month period ended 30 June 2021 dated 27 August 2021.

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

For and on behalf of management:



Lee Jae Eun  
General Director

Hanoi, Vietnam

27 August 2021

Reference: 61110609/22383583-LR

## REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

**To: The shareholders of Everpia Joint Stock Company**

We have reviewed the accompanying interim separate financial statements of Everpia Joint Stock Company ("the Company"), as prepared on 27 August 2021 and set out on pages 6 to 47 which comprise the interim separate balance sheet as at 30 June 2021, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

### ***Management's responsibility***

The Company's management is responsible for the preparation and fair presentation of the interim separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of interim separate 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 interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2021, and of its interim separate results of operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

### **Ernst & Young Vietnam Limited**



Le Duc Truong  
Deputy General Director  
Audit Practising Registration  
Certificate No. 0816-2018-004-1

Hanoi, Vietnam

27 August 2021

INTERIM SEPARATE BALANCE SHEET  
as at 30 June 2021

Currency: VND

| Code       | ASSETS                                       | Notes    | 30 June 2021             | 31 December 2020         |
|------------|--|----------|--------------------------|--------------------------|
| <b>100</b> | <b>A. CURRENT ASSETS</b>                     |          | <b>1,147,223,976,677</b> | <b>1,071,977,782,467</b> |
| <b>110</b> | <b>I. Cash and cash equivalents</b>          | <b>4</b> | <b>44,534,542,371</b>    | <b>41,344,568,854</b>    |
| 111        | 1. Cash                                      |          | 26,738,283,226           | 23,960,830,679           |
| 112        | 2. Cash equivalents                          |          | 17,796,259,145           | 17,383,738,175           |
| <b>120</b> | <b>II. Short-term investments</b>            | <b>5</b> | <b>536,392,679,147</b>   | <b>534,270,000,000</b>   |
| 121        | 1. Held-for-trading securities               |          | 19,710,223,671           | 20,000,000,000           |
| 122        | 2. Provision for held-for-trading securities |          | (887,544,524)            | -                        |
| 123        | 3. Held-to-maturity investments              |          | 517,570,000,000          | 514,270,000,000          |
| <b>130</b> | <b>III. Current accounts receivables</b>     |          | <b>204,726,182,644</b>   | <b>146,680,340,442</b>   |
| 131        | 1. Short-term trade receivables              | 6.1      | 160,757,777,907          | 134,129,999,632          |
| 132        | 2. Short-term advances to suppliers          | 6.2      | 36,956,363,257           | 13,634,948,620           |
| 136        | 3. Other short-term receivables              | 7        | 30,988,439,439           | 23,888,133,245           |
| 137        | 4. Provision for doubtful debts              |          | (23,976,397,959)         | (24,972,741,055)         |
| <b>140</b> | <b>IV. Inventories</b>                       | <b>9</b> | <b>355,922,831,197</b>   | <b>344,659,198,714</b>   |
| 141        | 1. Inventories                               |          | 375,751,879,275          | 361,038,139,221          |
| 149        | 2. Provision for obsolete inventories        |          | (19,829,048,078)         | (16,378,940,507)         |
| <b>150</b> | <b>V. Other current assets</b>               |          | <b>5,647,741,318</b>     | <b>5,023,674,457</b>     |
| 151        | 1. Short-term prepaid expenses               | 13       | 5,097,265,359            | 3,365,109,886            |
| 152        | 2. Value-added tax deductible                |          | 550,475,959              | 1,658,564,571            |



INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2021


Currency: VND


| Code       | ASSETS                                 | Notes     | 30 June 2021             | 31 December 2020         |
|------------|--|-----------|--------------------------|--------------------------|
| <b>200</b> | <b>B. NON-CURRENT ASSETS</b>           |           | <b>256,240,147,765</b>   | <b>277,342,156,361</b>   |
| <b>210</b> | <b>I. Long-term receivables</b>        | <b>7</b>  | <b>1,373,803,661</b>     | <b>3,068,101,054</b>     |
| 216        | 1. Other long-term receivables         |           | 1,373,803,661            | 3,068,101,054            |
| <b>220</b> | <b>II. Fixed assets</b>                |           | <b>187,271,645,215</b>   | <b>205,365,101,809</b>   |
| 221        | 1. Tangible fixed assets               | 10        | 184,389,646,143          | 201,705,006,975          |
| 222        | Cost                                   |           | 582,299,569,873          | 583,509,943,716          |
| 223        | Accumulated depreciation               |           | (397,909,923,730)        | (381,804,936,741)        |
| 227        | 2. Intangible fixed assets             | 11        | 2,881,999,072            | 3,660,094,834            |
| 228        | Cost                                   |           | 41,013,062,876           | 41,013,062,876           |
| 229        | Accumulated amortization               |           | (38,131,063,804)         | (37,352,968,042)         |
| <b>250</b> | <b>III. Long-term investments</b>      | <b>12</b> | <b>22,697,341,034</b>    | <b>25,097,341,034</b>    |
| 251        | 1. Investments in subsidiary           |           | 34,285,000,000           | 34,285,000,000           |
| 252        | 2. Investments in associates           |           | 12,790,390,000           | 15,190,390,000           |
| 253        | 3. Investments in other entities       |           | 2,638,200,000            | 2,638,200,000            |
| 254        | 4. Provision for long-term investments |           | (27,016,248,966)         | (27,016,248,966)         |
| <b>260</b> | <b>IV. Other long-term assets</b>      |           | <b>44,897,357,855</b>    | <b>43,811,612,464</b>    |
| 261        | 1. Long-term prepaid expenses          | 13        | 26,098,724,184           | 25,550,584,092           |
| 262        | 2. Deferred tax assets                 | 28.3      | 18,798,633,671           | 18,261,028,372           |
| <b>270</b> | <b>TOTAL ASSETS</b>                    |           | <b>1,403,464,124,442</b> | <b>1,349,319,938,828</b> |

INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2021

Currency: VND

| Code       | RESOURCES  | Notes     | 30 June 2021             | 31 December 2020         |
|------------|--|-----------|--------------------------|--------------------------|
| <b>300</b> | <b>C. LIABILITIES</b>                                |           | <b>481,241,754,408</b>   | <b>397,886,214,791</b>   |
| <b>310</b> | <b>I. Current liabilities</b>                        |           | <b>229,762,211,844</b>   | <b>145,834,839,716</b>   |
| 311        | 1. Short-term trade payables                         | 14.1      | 63,463,668,220           | 44,084,106,701           |
| 312        | 2. Short-term advances from customers                | 14.2      | 19,127,158,261           | 16,245,685,048           |
| 313        | 3. Statutory obligations                             | 15        | 8,892,533,860            | 15,637,850,076           |
| 314        | 4. Payables to employees                             |           | 16,790,240,057           | 17,746,406,860           |
| 315        | 5. Short-term accrued expenses                       | 16        | 6,242,160,993            | 1,805,648,638            |
| 319        | 6. Other short-term payables                         | 17        | 18,676,852,578           | 1,352,055,973            |
| 320        | 7. Short-term borrowings                             | 18        | 96,569,597,875           | 48,963,086,420           |
| <b>330</b> | <b>II. Non-current liabilities</b>                   |           | <b>251,479,542,564</b>   | <b>252,051,375,075</b>   |
| 337        | 1. Other long-term liabilities                       | 17        | 17,779,824,564           | 18,866,230,134           |
| 338        | 2. Long-term borrowings                              | 18        | 667,165,000              | 603,556,941              |
| 339        | 3. Convertible bonds                                 | 19        | 233,032,553,000          | 232,581,588,000          |
| <b>400</b> | <b>D. OWNERS' EQUITY</b>                             |           | <b>922,222,370,034</b>   | <b>951,433,724,037</b>   |
| <b>410</b> | <b>I. Capital</b>                                    | <b>20</b> | <b>922,222,370,034</b>   | <b>951,433,724,037</b>   |
| 411        | 1. Share capital                                     | 20.3      | 419,797,730,000          | 419,797,730,000          |
| 411a       | Ordinary shares with voting rights                   |           | 419,797,730,000          | 419,797,730,000          |
| 412        | 2. Share premium                                     | 20.2      | 203,072,724,247          | 203,072,724,247          |
| 415        | 3. Treasury shares                                   |           | (76,000,000,000)         | (76,000,000,000)         |
| 420        | 4. Other fund belonging to owners' equity            | 20.6      | 3,902,158,886            | 2,273,497,330            |
| 421        | 5. Undistributed earnings                            | 20.1      | 371,449,756,901          | 402,289,772,460          |
| 421a       | - Undistributed earnings up to the end of prior year |           | 362,195,488,654          | 371,609,457,043          |
| 421b       | - Undistributed earnings of current period           |           | 9,254,268,247            | 30,680,315,417           |
| <b>440</b> | <b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>          |           | <b>1,403,464,124,442</b> | <b>1,349,319,938,828</b> |

  
Preparer  
Accounting manager  
Nguyen Bao Ngoc

  
Deputy General Director  
In charge of Finance  
Yu Sung Dae

  
General Director  
Lee Jae Eun




Hanoi, Vietnam

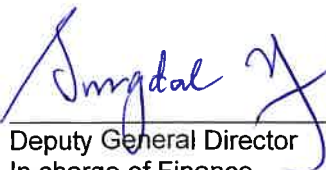
27 August 2021

INTERIM SEPARATE INCOME STATEMENT  
for the six-month period ended 30 June 2021


Currency: VND

| Code | ITEMS  | Notes | For the six-month<br>period ended 30<br>June 2021 | For the six-month<br>period ended 30<br>June 2020 |
|------|--|-------|---|---|
| 01   | 1. Revenue from sale of goods and rendering of services      | 22.1  | 413,823,490,395                                   | 383,744,541,248                                   |
| 02   | 2. Deductions  | 22.1  | (448,215,754)                                     | (349,953,836)                                     |
| 10   | 3. Net revenue from sale of goods and rendering of services  | 22.1  | 413,375,274,641                                   | 383,394,587,412                                   |
| 11   | 4. Cost of goods sold and services rendered                  | 23    | (284,465,343,481)                                 | (285,426,169,271)                                 |
| 20   | 5. Gross profit from sale of goods and rendering of services |       | 128,909,931,160                                   | 97,968,418,141                                    |
| 21   | 6. Finance income  | 22.2  | 21,204,574,747                                    | 24,844,274,915                                    |
| 22   | 7. Finance expenses  | 25    | (22,931,415,466)                                  | (15,556,016,897)                                  |
| 23   | - In which: Interest expenses                                |       | (18,206,882,646)                                  | (8,067,325,700)                                   |
| 25   | 8. Selling expenses  | 24    | (79,406,670,248)                                  | (64,736,536,377)                                  |
| 26   | 9. General and administrative expenses                       | 24    | (35,876,071,968)                                  | (46,582,840,841)                                  |
| 30   | 10. Operating profit/(loss)                                  |       | 11,900,348,225                                    | (4,062,701,059)                                   |
| 31   | 11. Other income   | 26    | 782,256,145                                       | 376,953,151                                       |
| 32   | 12. Other expenses   | 26    | (568,175,621)                                     | (975,016,681)                                     |
| 40   | 13. Other profit/(loss)                                      | 26    | 214,080,524                                       | (598,063,530)                                     |
| 50   | 14. Accounting profit/(loss) before tax                      |       | 12,114,428,749                                    | (4,660,764,589)                                   |
| 51   | 15. Current corporate income tax expense                     | 28.1  | (3,397,765,801)                                   | (2,639,113,065)                                   |
| 52   | 16. Deferred tax income                                      | 28.3  | 537,605,299                                       | 2,244,890,574                                     |
| 60   | 17. Net profit/(loss) after tax                              |       | 9,254,268,247                                     | (5,054,987,080)                                   |

  
Preparer  
Accounting manager  
Nguyen Bao Ngoc

  
Deputy General Director  
In charge of Finance  
Yu Sung Dae



  
General Director  
Lee Jae Eun

Hanoi, Vietnam

27 August 2021

INTERIM SEPARATE CASH FLOW STATEMENT  
for the six-month period ended 30 June 2021


Currency: VND

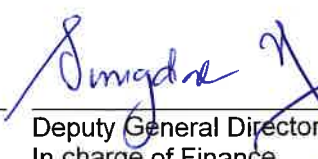
| Code | ITEMS  | Notes | For the six-month<br>period ended 30<br>June 2021 | For the six-month<br>period ended 30<br>June 2020 |
|------|--|-------|---|---|
|      | <b>I. CASH FLOWS FROM<br/>OPERATING ACTIVITIES</b>   |       |   |   |
| 01   | <b>Profit/(loss) before tax</b>  |       | <b>12,114,428,749</b>                             | <b>(4,660,764,589)</b>                            |
|      | <i>Adjustments for:</i>  |       |   |   |
| 02   | Depreciation of tangible fixed<br>assets and amortisation of<br>intangible fixed assets                        |       | 18,194,676,011                                    | 22,731,912,528                                    |
| 03   | Provisions   |       | 2,254,903,433                                     | 14,474,041,318                                    |
| 04   | Foreign exchange gains arisen<br>from restranlation of monetary<br>accounts denominated in foreign<br>currency |       | (589,298,085)                                     | (2,130,882,083)                                   |
| 05   | Profits from investing activities  |       | (15,609,961,220)                                  | (21,044,116,296)                                  |
| 06   | Interest expenses and bond<br>issuance expenses  | 25    | 19,617,347,646                                    | 8,421,684,200                                     |
| 08   | <b>Operating profit before changes in<br/>working capital</b>  |       | <b>35,982,096,534</b>                             | <b>17,791,875,078</b>                             |
| 09   | (Increase)/decrease in<br>receivables  |       | (47,908,645,876)                                  | 32,850,172,276                                    |
| 10   | (Increase)/decrease in inventories   |       | (14,713,740,054)                                  | 7,211,220,437                                     |
| 11   | Increase/(decrease) in payables  |       | 23,276,814,137                                    | (23,835,272,246)                                  |
| 12   | (Increase)/decrease in prepaid<br>expenses   |       | (2,280,295,565)                                   | 1,577,832,840                                     |
| 13   | Decrease in held-for-trading<br>securities   |       | 289,776,329                                       | 12,000,000,000                                    |
| 14   | Interest paid  |       | (1,042,173,603)                                   | (7,985,617,486)                                   |
| 15   | Corporate income tax paid  | 15    | (8,871,223,939)                                   | (12,145,954,782)                                  |
| 17   | Other cash outflows for operating<br>activities  |       | (474,185,000)                                     | (1,814,225,974)                                   |
| 20   | <b>Net cash flows (used in)/from<br/>operating activities</b>  |       | <b>(15,741,577,037)</b>                           | <b>25,650,030,143</b>                             |
|      | <b>II. CASH FLOWS FROM<br/>INVESTING ACTIVITIES</b>  |       |   |   |
| 21   | Purchase, construction of fixed<br>assets  |       | (5,278,619,481)                                   | (1,855,029,817)                                   |
| 22   | Proceeds from disposals of fixed<br>assets   |       | 584,000,000                                       | 27,483,636  |
| 23   | Payments for short-term<br>investments   |       | (238,300,000,000)                                 | (470,784,000,000)                                 |
| 24   | Collections from short-term<br>investments   |       | 235,000,000,000                                   | 436,353,000,000                                   |
| 25   | Payments for investments in other<br>entities  |       | 2,400,000,000                                     | -   |
| 27   | Interest and dividends received  |       | 13,040,947,186                                    | 17,401,925,855                                    |
| 30   | <b>Net cash flows from/(used in)<br/>investing activities</b>  |       | <b>7,446,327,705</b>                              | <b>(18,856,620,326)</b>                           |


INTERIM SEPARATE CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2021

Currency: VND

| Code      | ITEMS   | Notes    | For the six-month<br>period ended 30<br>June 2021 | For the six-month<br>period ended 30<br>June 2020 |
|-----------|---|----------|---|---|
|           | <b>III. CASH FLOWS FROM FINANCING<br/>ACTIVITIES</b>            |          |   |   |
| 33        | Drawdown of borrowings  |          | 114,563,976,487                                   | 127,051,216,108                                   |
| 34        | Repayment of borrowings   |          | (66,819,420,156)                                  | (128,178,961,464)                                 |
| 36        | Dividends paid to shareholders                                  |          | (36,645,688,650)                                  | (34,022,914,604)                                  |
| <b>40</b> | <b>Net cash flows from/(used in)<br/>financing activities</b>   |          | <b>11,098,867,681</b>                             | <b>(35,150,659,960)</b>                           |
| <b>50</b> | <b>Net increase/(decrease) in cash for<br/>the period</b>       |          | <b>2,803,618,349</b>                              | <b>(28,357,250,143)</b>                           |
| <b>60</b> | <b>Cash and cash equivalents at<br/>beginning of the period</b> |          | <b>41,344,568,854</b>                             | <b>63,866,279,854</b>                             |
| 61        | Impact of exchange rate fluctuation                             |          | 386,355,168                                       | 1,990,623,480                                     |
| <b>70</b> | <b>Cash and cash equivalents at end of<br/>the period</b>       | <b>4</b> | <b>44,534,542,371</b>                             | <b>37,499,653,191</b>                             |

  
Preparer  
Accounting manager  
Nguyen Bao Ngoc

  
Deputy General Director  
In charge of Finance  
Yu Sung Dae

  
General Director  
Lee Jae Eun



Hanoi, Vietnam

27 August 2021

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS  
as at 30 June 2021 and for the six-month period then ended

**1. CORPORATE INFORMATION**

Everpia Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent Amended Investment Certificates, with the latest being the 20<sup>th</sup> Amended Investment Registration Certificate, received on 2 June 2020.

The shares of the Company have been officially listed on the Ho Chi Minh City Stock Exchange from 17 December 2010 under Decision No. 247/2010/QĐ-SGDHCM by the Director of the Ho Chi Minh City Stock Exchange dated 30 November 2010.

The principal activities of the Company under its Investment Registration Certificate are to produce, import, distribute (wholesale or retail), consultancy, technology transfer and export non-knitting cloth, filter cloth, wool, blanket, bedding, padding, pillow, mattresses, knapsacks, valise, bags, underclothes and other garment products; import, distribute (wholesale or retail) and export furniture goods, kitchen and office facilities; and trading of real estate under the form of house and infrastructure leasing.

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

The Company has its head office located at Duong Xa Commune, Gia Lam District, Hanoi and branch offices located in Hung Yen, Hoa Binh, Ho Chi Minh City, Dong Nai, Binh Duong, Da Nang and Khanh Hoa.

The number of the Company's employees as at 30 June 2021 is 1,360 (31 December 2020 is 1,358).

***Company structure***

The Company has a subsidiary, of which general information, voting rights and equity interest of the Company in the subsidiary are presented below:

***Everpia Korea Joint Stock Company***

This subsidiary is a joint stock company established under Investment Certificate No. 201600179 issued by the Ministry of Planning and Investment of Vietnam on 1 August 2016. Everpia Korea Joint Stock Company is located at A408-Hyeondae Knowledge Industry Center, No. 3 Godeung Ro, Sujeong Gu, Seongnam Si, Gyeonggi Do, Seoul, Korea. The principal activities of Everpia Korea are trading of bedding, pillows, mattresses, consultancy and technology transfer and perform the right to import and export following the Korean law.

As at 30 June 2021, the Company is registered to hold 100% shares and voting rights in this subsidiary. At the date of this report, the Company has contributed USD 1,500,000 (equivalent to VND 34,285,000,000), equivalent to 100% charter capital in this subsidiary.

As at 30 June 2021, the Company also has associates as presented on Note 12.2.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## **2. BASIS OF PREPARATION**

### **2.1 Purpose of preparing the interim separate financial statements**

Everpia Joint Stock Company has a subsidiary as presented in Note 1 and Note 12.1. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 155/2015/TT-BTC on disclosure of information on the securities market. The Company is also required under this circular to prepare the interim consolidated financial statements for the six-month period ended 30 June 2021. The Company has issued these interim consolidated financial statements on 27 August 2021.

Users of these interim separate financial statements should read them together with the interim consolidated financial statements of the Company and its subsidiary for the six-month period ended 30 June 2021 in order to obtain full information on the interim consolidated financial position, the interim consolidated results of operations and the interim consolidated cash flows of the Company and its subsidiary.

### **2.2 Accounting standards and system**

The interim separate financial statements of the Company, which are expressed in Vietnam Dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

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

### **2.3 Applied accounting documentation system**

The Company's applied accounting documentation system is computerised system.

### **2.4 Fiscal year**

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

### **2.5 Accounting currency**

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash at banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

#### 3.2 *Inventories*

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

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

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

|                                     |   |
|-------------------------------------|---|
| Materials, merchandise              | - cost of purchase on a weighted average cost basis   |
| Finished goods and work in progress | - cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis. |

##### *Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the interim separate balance sheet date.

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

#### 3.3 *Receivables*

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

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Site restoration costs are recognised as part of the cost of building, structures using discounted cash flow of the future cash flow to settle the site restoration obligation at the end of the factory area rental period.

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

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

#### 3.5 *Leased assets*

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

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

*Where the Company is the lessee*

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

#### 3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use. Expenditures for additions and improvements are added to the carrying amount of the assets and other expenditures are charged to the interim separate income statement as incurred.

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

*Trademark, distribution channels*

Trademark and distribution channels are recognised as intangible fixed assets at purchase price as indicated in the purchase contract.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.7 *Depreciation and amortisation*

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

|                               |               |
|-------------------------------|---------------|
| Buildings, structures         | 25 - 46 years |
| Machinery and equipment       | 5 - 15 years  |
| Office equipment              | 6 - 8 years   |
| Motor vehicles                | 9 - 10 years  |
| Others tangible fixed assets  | 4 - 20 years  |
| Trademark                     | 6 - 16 years  |
| Distribution channels         | 15 years      |
| Computer software             | 4 years       |
| Other intangible fixed assets | 4 -10 years   |

#### 3.8 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

#### 3.9 *Prepaid expenses*

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

##### *Prepaid land rental*

The prepaid land rental represents the unamortised balance of advance payment made in accordance with lease contract signed with Mr. Nguyen Hoai Thanh on 22 February 2019 for a period of 50 years. The aforementioned prepaid land rental is recognized as a long-term prepaid expense and amortized to the shorter of the period between the remaining term of the lease and the Company's remaining operating life under the Investment certificate.

#### 3.10 *Investments*

##### *Investment in subsidiary*

Investments in subsidiary over which the Company has control are carried at cost in interim separate balance sheet.

Distributions from accumulated net profits of the subsidiary arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.10 *Investments* (continued)

##### *Investments in associate*

Investments in associate over which the Company has significant influence are carried at cost in interim separate balance sheet.

Distributions from accumulated net profits of the associate arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

##### *Held-for-trading securities and investments in other entities*

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

##### *Held-to-maturity investments*

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

##### *Provision for diminution in value investments*

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases and decreases to the provision balance are recorded as finance expense in the interim separate income statement.

#### 3.11 *Payables and accruals*

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

#### 3.12 *Accrual for severance pay*

The severance pay to employee by the Company is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each accounting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

#### 3.13 *Treasury share*

Own equity instruments which are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss upon purchase, sale, re-issue or cancellation of the Company's own equity instruments.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.14 Provisions

##### *General*

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

##### *Provision for site restoration costs*

The Company records a provision for site restoration costs in relation to the land on which the Company's buildings and structures are located. Site restoration costs are provided at the current estimated costs to settle the obligation and are recognised as part of the cost of the buildings and structures, which will be amortised over the lease term of the land on which the buildings and structures are located. The estimated costs of site restoration liability are reviewed periodically and adjusted as appropriate. Changes in the estimated future costs are added to or deducted from the cost of the asset.

#### 3.15 Convertible bond

Bonds that are convertible by the holder into a fixed number of ordinary shares of the entity are separated into financial liability (a contractual arrangement to deliver cash or other financial assets) and equity instrument (a call option granting the holder the right, for a specified period of time) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are amortised during the lifetime of the bond. At initial recognition, issuance costs are deducted from the liability component of the bond.

#### 3.16 Foreign currency transactions

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

- ▶ Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 *Foreign currency transactions* (continued)

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

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

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

#### 3.17 *Appropriation of net profits*

Net profit after tax is available for appropriation to shareholders after approval in the annual shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and approved at the annual shareholders' meeting.

*Other fund belonging to owners' equity*

This fund is set aside for other purposes of the Company's operation following the decision at the annual shareholders' meeting. According to resolution of shareholders' meeting, the Board of Director and Board of Management are authorised to use this fund for the Company's business activities in order to maximize the Company's operating results.

#### 3.18 *Revenue recognition*

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

*Sale of goods*

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

*Rendering of services*

Revenue is recognised when services are completed.

*Interest*

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

*Dividends*

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 Taxation

##### *Current income tax*

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

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

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

##### *Deferred tax*

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

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

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

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

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

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



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 *Taxation* (continued)

##### *Deferred tax* (continued)

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

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

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

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

#### 3.20 *Segment information*

The principal activities of the Company are manufacturing and trading of products of blankets, sheets, pillows, mattresses and padding. Revenue and assets regarding to blankets, sheets, pillows, mattresses and cotton accounted for more than 90% of total revenue in the period and total assets as at reporting date. Besides, the production and business activities of the Company are mainly carried out in the territory of Vietnam. Therefore, the Company has only one business segment and one geographic segment. Accordingly, the Company does not disclose information segment.

#### 3.21 *Related parties*

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 4. CASH AND CASH EQUIVALENTS

Currency: VND

|                      | 30 June 2021          | 31 December 2020      |
|----------------------|-----------------------|-----------------------|
| Cash on hand         | 147,885,694           | 251,740,298           |
| Cash at banks        | 26,590,397,532        | 23,709,090,381        |
| Cash equivalents (*) | 17,796,259,145        | 17,383,738,175        |
| <b>TOTAL</b>         | <b>44,534,542,371</b> | <b>41,344,568,854</b> |

(\*) As at 30 June 2021, cash equivalents represent bank deposits with terms from 1 month to 3 months which earn interest at rates ranging from 3.7% to 4.35% per annum (31 December 2020: interest rates from 3.0 % to 3.5% per annum).

#### 5. HELD-TO-MATURITY INVESTMENTS

##### 5.1 Held-for-trading securities

Currency: VND

|              | 30 June 2021          |                       |                      | 31 December 2020      |                       |           |
|--------------|-----------------------|-----------------------|----------------------|-----------------------|-----------------------|-----------|
|              | Cost                  | Fair value            | Provision            | Cost                  | Fair value            | Provision |
| Shares (i)   | 19,710,223,671        | 19,466,160,000        | (887,544,524)        | -                     | -                     | -         |
| Bond         | -                     | -                     | -                    | 20,000,000,000        | 20,000,000,000        | -         |
| <b>TOTAL</b> | <b>19,710,223,671</b> | <b>19,466,160,000</b> | <b>(887,544,524)</b> | <b>20,000,000,000</b> | <b>20,000,000,000</b> | -         |

(i) Details for shares investment are as follows:

Currency: VND

|  | 30 June 2021          |                       |                      | 31 December 2020 |      |           |
|--|-----------------------|-----------------------|----------------------|------------------|------|-----------|
|  | Cost                  | Fair value            | Provision            | Fair value       | Cost | Provision |
| Vietnam Aviation Corporation               | 5,177,475,292         | 4,887,960,000         | (289,515,292)        | -                | -    | -         |
| Ho Chi Minh City Securities Corporation    | 1,911,519,147         | 2,555,000,000         | -                    | -                | -    | -         |
| Vietnam Dairy Products Joint Stock Company | 12,621,229,232        | 12,023,200,000        | (598,029,232)        | -                | -    | -         |
| <b>TOTAL</b>                               | <b>19,710,223,671</b> | <b>19,466,160,000</b> | <b>(887,544,524)</b> | -                | -    | -         |

##### 5.2 Held-to-maturity investments

|               | 30 June 2021           |                        | 30 June 2020           |                        |
|---------------|------------------------|------------------------|------------------------|------------------------|
|               | Cost                   | Carrying value         | Cost                   | Carrying value         |
| Term deposits | 517,570,000,000        | 517,570,000,000        | 514,270,000,000        | 514,270,000,000        |
| <b>TOTAL</b>  | <b>517,570,000,000</b> | <b>517,570,000,000</b> | <b>514,270,000,000</b> | <b>514,270,000,000</b> |

Held-to-maturity investments represent bank deposits with terms from 6 months to 1 year, which earn interest at rates ranging from 6.9% to 7.5% per annum (31 December 2020: 4.4% to 7.1% per annum).



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 6. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS

### 6.1 Short-term trade receivables

|                                   | <i>Currency: VND</i>          |                               |
|-----------------------------------|-------------------------------|-------------------------------|
|                                   | <i>30 June 2021</i>           | <i>31 December 2020</i>       |
| Apparel Tech Co., Ltd             | 10,212,686,934                | 258,763,780                   |
| Xuan Khieu Services and Trade JSC | 8,128,283,867                 | 977,910,448                   |
| Welcron Global Vietnam JSC        | 7,013,170,859                 | 5,489,364,193                 |
| Ha Hae Vietnam Co., Ltd           | 6,692,649,384                 | 564,707,395                   |
| Medline Industries, Inc           | 5,377,503,448                 | 3,166,877,456                 |
| Pan-Pacific Co., Ltd              | 4,673,586,163                 | 533,370,144                   |
| Phu Truong Contradinco            | 3,230,802,607                 | 3,230,802,607                 |
| Eady Tax Trading Co., Ltd         | 3,317,841,495                 | 3,317,841,495                 |
| TCK Textiles Korea Inc            | 876,669,336                   | 8,467,258,427                 |
| Other trade receivables           | 111,234,583,814               | 108,123,103,687               |
| <b>TOTAL</b>                      | <b><u>160,757,777,907</u></b> | <b><u>134,129,999,632</u></b> |
| Provision for doubtful debts      | (12,523,405,342)              | (13,519,748,438)              |

Some receivables have been used as collateral for short-term loans of the Company as presented in Note 18.1.

### 6.2 Short-term advances to suppliers

|  | <i>Currency: VND</i>         |                              |
|--|------------------------------|------------------------------|
|  | <i>30 June 2021</i>          | <i>31 December 2020</i>      |
| Tongxiang Huiibo Import & Export Co., Ltd                | 6,787,901,168                | 237,223,353                  |
| Branch of Vu Gia International Company Limited in Ha Nam | 5,261,741,416                | 1,004,300,000                |
| Guoxin Infu Co., Ltd                                     | 1,658,773,408                | 2,410,315,457                |
| Hatrang Interior Co., Ltd                                | 1,063,251,591                | 1,038,699,932                |
| Advance to other suppliers                               | 22,184,695,674               | 8,944,409,878                |
| <b>TOTAL</b>   | <b><u>36,956,363,257</u></b> | <b><u>13,634,948,620</u></b> |

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 7. OTHER RECEIVABLES

|   | <i>Currency: VND</i>         |                              |
|---|------------------------------|------------------------------|
|   | <i>30 June 2021</i>          | <i>31 December 2020</i>      |
| <b>Short-term</b>                                   |                              |                              |
| Shortage of assets awaiting resolution              | 11,349,845,417               | 11,349,845,417               |
| Interest income from term deposits                  | 10,516,827,907               | 8,392,757,809                |
| Land rental deposit (*)                             | 5,038,344,000                | -                            |
| Advance to employees                                | 1,990,295,072                | 2,006,049,137                |
| Value added tax waiting for refund                  | 1,168,241,076                | 1,168,241,076                |
| Import tax waiting for refund                       | 347,397,965                  | 347,397,965                  |
| Other short-term receivables                        | 577,488,002                  | 623,841,841                  |
| <b>TOTAL</b>  | <b><u>30,988,439,439</u></b> | <b><u>23,888,133,245</u></b> |
| Provision for doubtful other short-term receivables | (11,452,992,617)             | (11,452,992,617)             |
| <b>Long-term</b>                                    |                              |                              |
| Long-term deposit                                   | 1,373,803,661                | 2,987,355,101                |
| Other long-term receivables                         | -                            | 80,745,953                   |
| <b>TOTAL</b>  | <b><u>1,373,803,661</u></b>  | <b><u>3,068,101,054</u></b>  |

(\*) This is a deposit according to the agreement with Sonadezi Giang Dien Company for the purpose of renting land to build a factory in Giang Dien Industrial Park, Dong Nai province.

## 8. OVERDUE DEBTS

|  | <i>Currency: VND</i>         |                              |                              |                              |
|--|------------------------------|------------------------------|------------------------------|------------------------------|
|  | <i>30 June 2021</i>          |                              | <i>31 December 2020</i>      |                              |
|  | <i>Cost</i>                  | <i>Recoverable amount</i>    | <i>Cost</i>                  | <i>Recoverable amount</i>    |
| Trade receivables                      | 60,132,551,559               | 47,609,146,217               | 62,228,288,748               | 48,708,540,310               |
| Shortage of assets awaiting resolution | 11,452,992,617               | -                            | 11,452,992,617               | -                            |
| <b>TOTAL</b>                           | <b><u>71,585,544,176</u></b> | <b><u>47,609,146,217</u></b> | <b><u>73,681,281,365</u></b> | <b><u>48,708,540,310</u></b> |

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**9. INVENTORIES**

Currency: VND

|                  | 30 June 2021           |                         | 31 December 2020       |                         |
|------------------|------------------------|-------------------------|------------------------|-------------------------|
|                  | Cost                   | Provision               | Cost                   | Provision               |
| Goods in transit | 10,048,798,341         | -                       | 3,505,661,597          | -                       |
| Raw materials    | 209,817,855,918        | (10,710,033,444)        | 196,393,207,223        | (6,022,901,941)         |
| Finished goods   | 147,131,697,282        | (9,119,014,634)         | 151,718,369,491        | (10,356,038,566)        |
| Merchandise      | 8,753,527,734          | -                       | 9,420,900,910          | -                       |
| <b>TOTAL</b>     | <b>375,751,879,275</b> | <b>(19,829,048,078)</b> | <b>361,038,139,221</b> | <b>(16,378,940,507)</b> |

**Movements of provision for obsolete inventories:**

Currency: VND

|   | For the six-month<br>period ended 30<br>June 2021 | For the six-month<br>period ended 30<br>June 2020 |
|---|---|---|
| Beginning balance   | 16,378,940,507                                    | 15,090,250,750                                    |
| Add: Provision made during the period                         | 5,809,169,721                                     | 4,760,714,411                                     |
| Less: Utilisation and reversal of provision during the period | (2,359,062,150)                                   | (2,265,803,550)                                   |
| Ending balance  | 19,829,048,078                                    | 17,585,161,611                                    |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

10. TANGIBLE FIXED ASSETS

Currency: VND

|                                  | Buildings and structures | Machinery and equipment | Office equipment | Motor vehicle  | Others         | Total           |
|----------------------------------|--------------------------|-------------------------|------------------|----------------|----------------|-----------------|
| <b>Cost:</b>                     |                          |                         |                  |                |                |                 |
| As at 31 December 2020           | 197,286,321,894          | 307,002,767,411         | 14,371,903,738   | 45,059,065,180 | 19,789,885,493 | 583,509,943,716 |
| - New purchase                   | -                        | -                       | 81,859,140       | 33,899,927     | 124,516,414    | 240,275,481     |
| - Disposal                       | -                        | (524,837,016)           | (91,475,944)     | (834,336,364)  | -              | (1,450,649,324) |
| As at 30 June 2021               | 197,286,321,894          | 306,477,930,395         | 14,362,286,934   | 44,258,628,743 | 19,914,401,907 | 582,299,569,873 |
| <i>In which:</i>                 |                          |                         |                  |                |                |                 |
| Fully depreciated                | 21,104,538,726           | 122,245,043,197         | 11,766,203,979   | 10,349,657,357 | 13,791,055,408 | 179,256,498,667 |
| <b>Accumulated depreciation:</b> |                          |                         |                  |                |                |                 |
| As at 31 December 2020           | 97,084,546,369           | 226,146,557,873         | 13,503,187,299   | 28,037,307,059 | 17,033,338,141 | 381,804,936,741 |
| - Depreciation for the period    | 6,472,640,385            | 8,223,389,476           | 266,818,453      | 2,072,732,343  | 380,999,592    | 17,416,580,249  |
| - Disposal                       | -                        | (524,837,016)           | (91,475,944)     | (695,280,300)  | -              | (1,311,593,260) |
| As at 30 June 2021               | 103,557,186,754          | 233,845,110,333         | 13,678,529,808   | 29,414,759,102 | 17,414,337,733 | 397,909,923,730 |
| <b>Net carrying amount:</b>      |                          |                         |                  |                |                |                 |
| As at 31 December 2020           | 100,201,775,525          | 80,856,209,538          | 868,716,439      | 17,021,758,121 | 2,756,547,352  | 201,705,006,975 |
| As at 30 June 2021               | 93,729,135,140           | 72,632,820,062          | 683,757,126      | 14,843,869,641 | 2,500,064,174  | 184,389,646,143 |

Some tangible fixed assets with net carrying amount of VND 38 billion have been mortgaged for loans and bonds of the Company as presented in Note 18.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

11. INTANGIBLE FIXED ASSETS

Currency: VND

|                                  | Trademark      | Distribution channels | Computer software | Others      | Total          |
|----------------------------------|----------------|-----------------------|-------------------|-------------|----------------|
| <b>Cost:</b>                     |                |                       |                   |             |                |
| As at 31 December 2020           | 24,566,385,000 | 7,831,500,000         | 7,928,284,189     | 686,893,687 | 41,013,062,876 |
| As at 30 June 2021               | 24,566,385,000 | 7,831,500,000         | 7,928,284,189     | 686,893,687 | 41,013,062,876 |
| <i>In which:</i>                 |                |                       |                   |             |                |
| <i>Fully amortised</i>           | -              | 7,831,500,000         | 6,866,430,149     | 686,893,687 | 15,384,823,836 |
| <b>Accumulated amortisation:</b> |                |                       |                   |             |                |
| As at 31 December 2020           | 21,517,144,114 | 7,831,500,000         | 7,317,430,241     | 686,893,687 | 37,352,968,042 |
| Amortisation for the period      | 731,595,762    | -                     | 46,500,000        | -           | 778,095,762    |
| As at 30 June 2021               | 22,248,739,876 | 7,831,500,000         | 7,363,930,241     | 686,893,687 | 38,131,063,804 |
| <b>Net carrying amount:</b>      |                |                       |                   |             |                |
| As at 31 December 2020           | 3,049,240,886  | -                     | 610,853,948       | -           | 3,660,094,834  |
| As at 30 June 2021               | 2,317,645,124  | -                     | 564,353,948       | -           | 2,881,999,072  |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 12. LONG-TERM INVESTMENTS

Currency: VND

|   | 30 June 2021          |                         |                | 31 December 2020      |                         |                |
|---|-----------------------|-------------------------|----------------|-----------------------|-------------------------|----------------|
|   | Cost                  | Provision               | Fair value (*) | Cost                  | Provision               | Fair value (*) |
| Investment in subsidiary<br>(Note 1)      |                       |                         |                |                       |                         |                |
| Everpia Korea Joint Stock<br>Company      | 34,285,000,000        | (15,425,858,966)        |                | 34,285,000,000        | (15,425,858,966)        |                |
| Investment in associate<br>(Note 12.1)    |                       |                         |                |                       |                         |                |
| Texpia Joint Stock Company                | 12,790,390,000        | (11,590,390,000)        |                | 15,190,390,000        | (11,590,390,000)        |                |
| Hyojung Soft Tech JSC                     | 11,590,390,000        | (11,590,390,000)        |                | 11,590,390,000        | (11,590,390,000)        |                |
| Investment in other entity<br>(Note 12.2) | 1,200,000,000         | -                       |                | 3,600,000,000         | -                       |                |
|   | 2,638,200,000         | -                       |                | 2,638,200,000         | -                       |                |
| <b>TOTAL</b>                              | <b>49,713,590,000</b> | <b>(27,016,248,966)</b> |                | <b>52,113,590,000</b> | <b>(27,016,248,966)</b> |                |

(\*) Shares of these companies are not listed on the stock market so management could not assess the fair value of these investments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 12. LONG-TERM INVESTMENTS (continued)

### 12.1 Investments in associate

|                                | 30 June 2021  |                  | 31 December 2020 |                  |
|--------------------------------|---------------|------------------|------------------|------------------|
|                                | Ownership (%) | Voting right (%) | Ownership (%)    | Voting right (%) |
| Texpia Joint Stock Company (*) | 44%           | 44%              | 44%              | 44%              |
| Hyojung Soft Tech JSC (**)     | 24%           | 24%              | 24%              | 24%              |

(\*) Texpia Joint Stock Company is a joint stock company established under the Investment Certificate No. 472033001056 issued by the Management Board of Dong Nai Industrial Zone on 16 October 2013 and the Amended Investment Certificates, with the latest being the latest being the 6<sup>th</sup> No. 472033001056 issued on 2 June 2017. Texpia Joint Stock Company is located in Nhon Trach Textile Industrial Zone, Nhon Trach district, Bien Hoa city, Dong Nai province. The principal activities of Texpia Joint Stock Company are to produce and process all kinds of cleaners and garment fabrics. As at 2 April 2018, the Company has completely purchased assets and liabilities of this associate. As at the date of this report, Texpia Joint Stock Company completed tax finalization as well as procedures with Management Board of Dong Nai Industrial Zone and this associate is working with other governing agencies regarding procedure to dissolve its business.

(\*\*) Hyojung Soft Tech JSC is a joint stock company established under the Business Registration Certificate No. 0108559121 issued by Hanoi Authority for Planning and Investment on 24 December 2019 and the second amended certificate is issued on 7 October 2020. Hyojung Soft Tech JSC is located in Lot 47, HDI Project Area, Mac Thai Tong Street, Yen Hoa Ward, Cau Giay District, Hanoi City. The principal activities of Hyojung Soft Tech JSC are to develop POS software and POS management system, provide credit card payment agency service and POS hardware maintenance service.

### 12.2 Investment in other entity

The investment in shares of Bac Ninh Pharmaceutical Joint Stock Company, with 172,000 shares at the cost of VND 2,638,200,000. During the year the Company received the dividend amount: VND 92,000,000 (2020: VND 300,000,000).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

### 13. PREPAID EXPENSES

|                         | <i>Currency: VND</i>         |                              |
|-------------------------|------------------------------|------------------------------|
|                         | <i>30 June 2021</i>          | <i>31 December 2020</i>      |
| <b>Short-term</b>       |                              |                              |
| Prepaid rentals         | 2,713,807,396                | 2,269,799,999                |
| Fire insurance          | 424,970,928                  | 472,218,749                  |
| Advertising fee         | 219,473,708                  | 505,124,168                  |
| King Koil franchise fee | 495,237,375                  | -                            |
| ERP system              | 247,352,500                  | -                            |
| Others                  | 996,423,452                  | 117,966,970                  |
| <b>TOTAL</b>            | <b><u>5,097,265,359</u></b>  | <b><u>3,365,109,886</u></b>  |
| <b>Long-term</b>        |                              |                              |
| Showroom furniture      | 5,052,809,395                | 4,969,395,969                |
| Land rental prepaid     | 7,344,481,624                | 7,507,692,322                |
| Prepaid rentals         | 9,243,834,540                | 9,450,267,599                |
| Tools and spare parts   | 3,191,566,914                | 2,689,711,915                |
| Others                  | 1,266,031,711                | 933,516,287                  |
| <b>TOTAL</b>            | <b><u>26,098,724,184</u></b> | <b><u>25,550,584,092</u></b> |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

#### 14. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

##### 14.1 Short-term trade payables

Currency: VND

|   | 30 June 2021          |                       | 31 December 2020      |                       |
|---|-----------------------|-----------------------|-----------------------|-----------------------|
|   | Amount                | Amount payable        | Amount                | Amount payable        |
| Short-term trade payables   | 63,401,554,684        | 63,401,554,684        | 40,549,932,125        | 40,549,932,125        |
| - Tongxiang Huibo Import & Export Co., Ltd                              | 8,016,845,039         | 8,016,845,039         | 3,824,488,423         | 3,824,488,423         |
| - Viet Nam Ngan Ha Joint Stock Investment Trade Import - Export Company | 3,641,498,953         | 3,641,498,953         | 1,700,016,514         | 1,700,016,514         |
| - Payables to other suppliers   | 51,743,210,692        | 51,743,210,692        | 35,025,427,188        | 35,025,427,188        |
| Payables to related parties (Note 29)                                   | 62,113,536            | 62,113,536            | 3,534,174,576         | 3,534,174,576         |
| <b>TOTAL</b>  | <b>63,463,668,220</b> | <b>63,463,668,220</b> | <b>44,084,106,701</b> | <b>44,084,106,701</b> |

##### 14.2 Short-term advances from customers

Currency: VND

|                               | 30 June 2021                                    | 31 December 2020      |
|-------------------------------|---|-----------------------|
|                               | Hai An Import Export and Trading Investment JSC | 3,238,914,234         |
| ODK Mikazuki Vietnam Co., Ltd | 2,896,959,120                                   | -                     |
| Petit Elin Co., Ltd.          | 647,481,308                                     | 2,335,167,208         |
| Others                        | 12,343,803,599                                  | 11,344,280,103        |
| <b>TOTAL</b>                  | <b>19,127,158,261</b>                           | <b>16,245,685,048</b> |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**15. STATUTORY OBLIGATIONS**

Currency: VND

|                                   | 31 December<br>2020   | Payable during<br>the period | Payment during<br>the period | 30 June 2021         |
|-----------------------------------|-----------------------|------------------------------|------------------------------|----------------------|
| <b>Payables</b>                   |                       |                              |                              |                      |
| Value added tax                   | 5,193,720,680         | 15,438,248,723               | (16,573,815,792)             | 4,058,153,611        |
| Import and export<br>duties       | 99,811,731            | 2,353,840,060                | (2,353,840,060)              | 99,811,731           |
| Corporate income<br>tax (Note 28) | 8,871,223,939         | 3,397,765,801                | (8,871,223,939)              | 3,397,765,801        |
| Personal income tax               | 1,436,490,423         | 4,752,591,877                | (4,853,279,583)              | 1,335,802,717        |
| Other taxes                       | 36,603,303            | 351,159,690                  | (386,762,993)                | 1,000,000            |
| <b>TOTAL</b>                      | <b>15,637,850,076</b> | <b>26,293,606,151</b>        | <b>(33,038,922,367)</b>      | <b>8,892,533,860</b> |

**16. SHORT-TERM ACCRUED EXPENSES**

Currency: VND

|   | 30 June 2021         | 31 December 2020     |
|---|----------------------|----------------------|
| Import and export fee   | 905,454,545          | 840,149,095          |
| Rental fee  | 440,661,845          | 440,661,843          |
| Professional fee  | 210,000,000          | 168,000,000          |
| Other short-term accrued expenses                                 | 327,676,933          | 356,837,700          |
| Other short-term accrued expenses to related<br>parties (Note 29) | 4,358,367,672        | -                    |
| <b>TOTAL</b>  | <b>6,242,160,993</b> | <b>1,805,648,638</b> |

**17. OTHER PAYABLES**

Currency: VND

|                                    | 30 June 2021          | 31 December 2020      |
|------------------------------------|-----------------------|-----------------------|
| <b>Short-term</b>                  |                       |                       |
| Accrued interest (Note 19)         | 17,943,638,048        | 778,929,005           |
| Trade union fee                    | 165,808,948           | 186,784,384           |
| Social insurance                   | 11,196,116            | 22,631,460            |
| Other short-term payables          | 556,209,466           | 363,711,124           |
| <b>TOTAL</b>                       | <b>18,676,852,578</b> | <b>1,352,055,973</b>  |
| <b>Long-term</b>                   |                       |                       |
| Provision for severance allowances | 14,900,010,250        | 15,986,415,820        |
| Provision for site restoration     | 2,762,996,314         | 2,762,996,314         |
| Other long-term payables           | 116,818,000           | 116,818,000           |
| <b>TOTAL</b>                       | <b>17,779,824,564</b> | <b>18,866,230,134</b> |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 18. LOANS

Currency: VND

|  | 31 December 2020      |                       | Movement during the period |                         | 30 June 2021         |                       |
|--|-----------------------|-----------------------|----------------------------|-------------------------|----------------------|-----------------------|
|  | Balance               | Payable amount        | Increase                   | Decrease                | Balance              | Payable amount        |
| <b>Short-term</b>                                      |                       |                       |                            |                         |                      |                       |
| Borrowings from banks<br>(Note 18.1)                   | 47,749,318,838        | 47,749,318,838        | 114,563,976,487            | (66,143,513,927)        | (138,044,876)        | 96,031,736,522        |
| Current portion of long-term borrowings<br>(Note 18.2) | 1,213,767,582         | 1,213,767,582         | -                          | (675,906,229)           | -                    | 537,861,353           |
|  | <b>48,963,086,420</b> | <b>48,963,086,420</b> | <b>114,563,976,487</b>     | <b>(66,819,420,156)</b> | <b>(138,044,876)</b> | <b>96,569,597,875</b> |
| <b>Long-term</b>                                       |                       |                       |                            |                         |                      |                       |
| Borrowings from banks<br>(Note 18.2)                   | 603,556,941           | 603,556,941           | -                          | -                       | 63,608,059           | 667,165,000           |
|  | <b>603,556,941</b>    | <b>603,556,941</b>    | <b>-</b>                   | <b>-</b>                | <b>63,608,059</b>    | <b>667,165,000</b>    |
| <b>TOTAL</b>   | <b>49,566,643,361</b> | <b>49,566,643,361</b> | <b>114,563,976,487</b>     | <b>(66,819,420,156)</b> | <b>(74,436,817)</b>  | <b>97,236,762,875</b> |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**18. LOANS** (continued)

**18.2 Long-term borrowings from banks**

| Bank   | 30 June 2021  |                      | Principal and interest<br>repayment term  | Interest rate<br>per annum | Description of collateral   |
|--|---------------|----------------------|---|----------------------------|---|
|  | VND           | Original currency    |   |                            |   |
| Shinhan One Member<br>Limited Bank of<br>Vietnam | 1,205,026,353 | USD 52,188.22        | Principal is payable in 4-5<br>years since loan drawdown<br>date. Final principal repayment<br>is on 26 July 2022. Interest<br>payment is payable 28th each<br>month. | 1.9% - 1.92%               | Machinery and equipment funded<br>by the loan; fixed assets on the<br>ground in Bien Hoa 1 Industrial<br>Zone, Dong Nai |
|  |               | <u>1,205,026,353</u> |   |                            |   |
| <i>In which:</i>                                 |               |                      |   |                            |   |
| Current portion                                  |               | 537,861,353          |   |                            |   |
| Non-current portion                              |               | 667,165,000          |   |                            |   |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 19. CONVERTIBLE BONDS

Convertible bonds amounting to USD 10,100,000 (equivalent to VND 230,431,500,000) were issued on 6 September 2018 ("Issuance date") with a term of 5 years. The bonds are unsecured and bear interest rate of 1% per annum.

Management assesses that there is no equity component in these convertible bonds (since there is no known fixed number of shares to be converted) and as a result, has recognised the entire convertible bonds as long-term debts.

Under the terms of the convertible bond, bondholders have the right to convert the bonds into common shares of the Company at a price that can be adjusted downward by no more than 70% of the original conversion price after issuance date (VND 12,772), starting one year from issuance date until 1 month before the maturity date. Bondholders also have a put option that may require the Company to redeem all or part of the bonds every 3 months after three years from the date of issue to the maturity date (from 6 September 2021 to 6 September 2023). The redemption price is equal to the bond's par value plus a compound interest of 3.5%/year deducting the 1% paid interest.

During the period, the Company received a notification from the bondholder regarding the request for the bonds to be redeemed under the put option. Accordingly, the Company estimated the additional interest payable as at 30 June 2021 of VND 16,347,519,543, which have been recognized in the income statement for the current period.

Balance of these bonds as at 30 June 2021 is following:

|  |                         | <i>Movement during the period</i> |  |  | <i>Currency: USD</i> |
|--|-------------------------|-----------------------------------|--|--|----------------------|
|  | <i>31 December 2020</i> | <i>New issuance</i>               | <i>Converted to shares</i>                         | <i>Due but not yet converted</i>                   | <i>30 June 2021</i>  |
| Value  | 10,100,000              | -                                 | -  | -  | 10,100,000           |
| <i>Currency: VND</i>                             |                         |                                   |  |  |                      |
|  |                         |                                   | <i>For the six-month period ended 30 June 2021</i> | <i>For the six-month period ended 30 June 2020</i> |                      |
| Value of convertible bond                        |                         |                                   | 232,581,588,000                                    | 232,024,371,000                                    |                      |
| Equity component                                 |                         |                                   | -  | -  |                      |
| Liability component at initial recognition       |                         |                                   | 232,581,588,000                                    | 232,024,371,000                                    |                      |
| <i>Add: Accumulated amortisation of discount</i> |                         |                                   |  |  |                      |
| Beginning balance                                |                         |                                   | 1,417,434,000                                      | 944,956,000  |                      |
| Amortisation for the period                      |                         |                                   | 1,410,465,000                                      | 354,358,500  |                      |
| Ending balance                                   |                         |                                   | 2,827,899,000                                      | 1,299,314,500                                      |                      |
| <i>Add: foreign exchange difference</i>          |                         |                                   | (959,500,000)                                      | 707,000,000  |                      |
| Liability component at end of the period         |                         |                                   | 233,032,553,000                                    | 233,085,729,500                                    |                      |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 20. OWNERS' EQUITY

### 20.1 Increase and decrease in owners' equity

Currency: VND

|  | Share capital   | Share premium   | Treasury shares  | Other fund<br>belonging to<br>owners' equity | Undistributed<br>earnings | Total            |
|--|-----------------|-----------------|------------------|--|---------------------------|------------------|
| <b>For the six-month period ended 30 June 2020</b> |                 |                 |                  |  |                           |                  |
| As at 31 December 2019                             | 419,797,730,000 | 203,072,724,247 | (76,000,000,000) | 1,912,789,888                                | 409,447,046,136           | 958,230,290,271  |
| - Loss for the period                              | -               | -               | -                | -  | (5,054,987,080)           | (5,054,987,080)  |
| - Appropriation to reserve                         | -               | -               | -                | 3,594,413,393                                | (3,594,413,393)           | -                |
| - Dividends declared                               | -               | -               | -                | -  | (34,243,175,701)          | (34,243,175,701) |
| - Other decreases                                  | -               | -               | -                | (1,814,225,974)                              | -                         | (1,814,225,974)  |
| As at 30 June 2020                                 | 419,797,730,000 | 203,072,724,247 | (76,000,000,000) | 3,692,977,307                                | 366,554,469,962           | 917,117,901,516  |
| <b>For the six-month period ended 30 June 2021</b> |                 |                 |                  |  |                           |                  |
| As at 31 December 2020                             | 419,797,730,000 | 203,072,724,247 | (76,000,000,000) | 2,273,497,330                                | 402,289,772,460           | 951,433,724,037  |
| - Profit for the period                            | -               | -               | -                | -  | 9,254,268,247             | 9,254,268,247    |
| - Appropriation to reserve                         | -               | -               | -                | 2,102,846,556                                | (2,102,846,556)           | -                |
| - Dividends declared (*)                           | -               | -               | -                | -  | (37,991,437,250)          | (37,991,437,250) |
| - Other decreases                                  | -               | -               | -                | (474,185,000)                                | -                         | (474,185,000)    |
| As at 30 June 2021                                 | 419,797,730,000 | 203,072,724,247 | (76,000,000,000) | 3,902,158,886                                | 371,449,756,901           | 922,222,370,034  |

(\*) Under the Resolution of the Annual Meeting of Shareholders No. 01/ĐHĐCĐ2021/NQ dated 23 April 2021, the Company declared dividends in cash for 2020: 10% of par value (VND 1,000 per share).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**20. OWNERS' EQUITY** (continued)

**20.2 Share capital**

Currency: VND

|                           | 30 June 2021           |                        | 31 December 2020       |                        |
|---------------------------|------------------------|------------------------|------------------------|------------------------|
|                           | Total                  | Ordinary shares        | Total                  | Ordinary shares        |
| Contributed share capital | 419,797,730,000        | 419,797,730,000        | 419,797,730,000        | 419,797,730,000        |
| Share premium             | 203,072,724,247        | 203,072,724,247        | 203,072,724,247        | 203,072,724,247        |
| Treasury shares           | (76,000,000,000)       | (76,000,000,000)       | (76,000,000,000)       | (76,000,000,000)       |
|                           | <b>546,870,454,247</b> | <b>546,870,454,247</b> | <b>546,870,454,247</b> | <b>546,870,454,247</b> |

**20.3 Capital transactions with owners and distribution of dividends, profits**

Currency: VND

|                                  | For the six-month period ended 30 June 2021 | For the six-month period ended 30 June 2020 |
|----------------------------------|---|---|
| <b>Contributed share capital</b> |   |   |
| Beginning balance                | 419,797,730,000                             | 419,797,730,000                             |
| Ending balance                   | 419,797,730,000                             | 419,797,730,000                             |

**20.4 Dividends and paid**

Currency: VND

|   | For the six-month period ended 30 June 2021 | For the six-month period ended 30 June 2020 |
|---|---|---|
| <b>Dividends declared and paid during the period</b>  |   |   |
| <i>Dividends on ordinary shares</i>   |   |   |
| Dividends for 2020: VND 1,000/share (2019: VND 900/share)   | 37,991,437,250                              | 34,243,175,701                              |
| <b>Dividends declared after the date of reporting period and not yet recognised as liability as at 30 June 2021</b> | -   | -   |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 20. OWNERS' EQUITY (continued)

### 20.5 Shares

|                              | <i>Quantity</i>     |                         |
|------------------------------|---------------------|-------------------------|
|                              | <i>30 June 2021</i> | <i>31 December 2020</i> |
| <b>Registered shares</b>     | <b>41,979,773</b>   | <b>41,979,773</b>       |
| <b>Issued shares</b>         | <b>41,979,773</b>   | <b>41,979,773</b>       |
| Ordinary shares              | 41,979,773          | 41,979,773              |
| Preference shares            | -                   | -                       |
| <b>Treasury shares</b>       | <b>(3,931,800)</b>  | <b>(3,931,800)</b>      |
| Ordinary shares              | (3,931,800)         | (3,931,800)             |
| Preference shares            | -                   | -                       |
| <b>Shares in circulation</b> | <b>38,047,973</b>   | <b>38,047,973</b>       |
| Ordinary shares              | 38,047,973          | 38,047,973              |
| Preference shares            | -                   | -                       |

The par value of share in circulation during the period is VND 10,000/share (2020: VND 10,000/share).

### 20.6 Other funds belonging to owners' equity

Other fund belonging to owners' equity is set up under the Resolution of the General Shareholders No. 01/ĐHĐCĐ2021/NQ dated 23 April 2021 with the amount of 5% of profit after tax presented in the consolidated financial statements for the year ended 31 December 2020. Under this Resolution, the Board of Director and Board of Management are authorised to use this fund for the Company's business activities in order to maximize the Company's operating results.

## 21. OFF BALANCE SHEET ITEMS

|  | <i>30 June 2021</i> | <i>31 December 2020</i> |
|--|---------------------|-------------------------|
| Other receivables from Texpia JSC  | 30,160,675,690      | 30,160,675,690          |
| Provision for other receivables from Texpia JSC<br>(written-off from 2018) | (30,160,675,690)    | (30,160,675,690)        |
| Other receivables  | 2,389,798,881       | 2,389,798,881           |
| Provision for other receivables  | (2,389,798,881)     | (2,389,798,881)         |
| Foreign currency   |                     |                         |
| - United State dollar (USD)  | 439,132.50          | 276,667.28              |
| - Euro (EUR)   | 84,435.03           | 6,409.73                |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**22. REVENUE****22.1 Revenue from sale of goods and rendering services**

|                                     | <i>Currency: VND</i>                                       |  |
|-------------------------------------|--|--|
|                                     | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| <b>Gross revenue</b>                | <b>413,823,490,395</b>                                     | <b>383,744,541,248</b>                                     |
| <i>In which:</i>                    |  |  |
| Sales of bedding, mattress products | 237,217,336,436  | 212,900,238,415  |
| Sales of padding products           | 103,430,377,370  | 95,175,001,998   |
| Sales of cleaner products           | 40,890,574,502   | 45,685,380,518   |
| Sales of quilting products          | 14,556,949,172   | 17,352,737,937   |
| Sales of other goods and services   | 17,728,252,915   | 12,631,182,380   |
| <b>Less</b>                         |  |  |
| Trade discount                      | (448,215,754)  | (349,953,836)  |
| <b>Net revenue</b>                  | <b>413,375,274,641</b>                                     | <b>383,394,587,412</b>                                     |
| <i>In which:</i>                    |  |  |
| Sales of bedding, mattress products | 236,769,120,682  | 212,550,284,579  |
| Sales of padding products           | 103,430,377,370  | 95,175,001,998   |
| Sales of cleaner products           | 40,890,574,502   | 45,685,380,518   |
| Sales of quilting products          | 14,556,949,172   | 17,352,737,937   |
| Sales of other goods and services   | 17,728,252,915   | 12,631,182,380   |

**22.2 Finance income**

|                              | <i>Currency: VND</i>                                       |  |
|------------------------------|--|--|
|                              | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Interest income              | 14,947,017,284   | 21,087,552,869   |
| Gain from trading securities | 3,764,372,303  | 2,338,393,727  |
| Foreign exchange gains       | 2,275,185,160  | 1,418,328,319  |
| Dividend income              | 218,000,000  | -  |
| <b>TOTAL</b>                 | <b>21,204,574,747</b>                                      | <b>24,844,274,915</b>                                      |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**23. COST OF GOODS SOLD AND SERVICES RENDERED**

|   | <i>Currency: VND</i>                                       |  |
|---|--|--|
|   | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Cost of bedding, mattress products              | 162,110,354,231  | 161,644,921,526  |
| Cost of padding products                        | 61,996,840,851   | 58,687,329,091   |
| Cost of cleaner products                        | 35,359,503,352   | 42,338,926,925   |
| Cost of quilting products                       | 12,516,190,912   | 14,705,554,827   |
| Cost of other goods and other services rendered | 12,482,454,135   | 8,049,436,902  |
| <b>TOTAL</b>                                    | <b><u>284,465,343,481</u></b>                              | <b><u>285,426,169,271</u></b>                              |

**24. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

|  | <i>Currency: VND</i>                                       |  |
|--|--|--|
|  | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| <b>Selling expenses</b>                    |  |  |
| - Labour costs                             | 36,686,851,102   | 32,885,855,994   |
| - Expenses for external services           | 33,424,890,858   | 23,144,551,571   |
| - Raw material                             | 3,765,042,824  | 1,783,221,766  |
| - Depreciation and amortisation            | 1,171,119,086  | 1,112,629,344  |
| - Others                                   | 4,358,766,378  | 5,810,277,702  |
| <b>TOTAL</b>                               | <b><u>79,406,670,248</u></b>                               | <b><u>64,736,536,377</u></b>                               |
| <b>General and administrative expenses</b> |  |  |
| - Labour costs                             | 22,308,520,576   | 24,374,091,281   |
| - Provision                                | 1,300,088,741  | 7,792,146,016  |
| - Expenses for external services           | 5,621,851,573  | 6,063,716,958  |
| - Depreciation and amortisation            | 3,391,471,942  | 4,108,807,991  |
| - Others                                   | 3,254,139,136  | 4,244,078,595  |
| <b>TOTAL</b>                               | <b><u>35,876,071,968</u></b>                               | <b><u>46,582,840,841</u></b>                               |

**25. FINANCE EXPENSES**

|                                  | <i>Currency: VND</i>                                       |  |
|----------------------------------|--|--|
|                                  | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Interest expenses                | 18,206,882,646   | 8,067,325,700  |
| Provision for trading securities | 887,544,524  | 5,000,000,000  |
| Realised foreign exchange losses | 2,342,449,468  | 1,971,639,110  |
| Others                           | 1,494,538,828  | 517,052,087  |
| <b>TOTAL</b>                     | <b><u>22,931,415,466</u></b>                               | <b><u>15,556,016,897</u></b>                               |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**26. OTHER INCOME AND EXPENSES**

|                                | <i>Currency: VND</i>                                       |  |
|--------------------------------|--|--|
|                                | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| <b>Other income</b>            |  |  |
| Fix assets disposal            | 584,000,000  | 27,483,636   |
| Others                         | 198,256,145  | 349,469,515  |
|                                | <b><u>782,256,145</u></b>                                  | <b><u>376,953,151</u></b>                                  |
| <b>Other expenses</b>          |  |  |
| Fix assets disposal            | 139,056,064  | 70,920,209   |
| Penalties                      | -  | 705,803,875  |
| Others                         | 429,119,557  | 198,292,597  |
|                                | <b><u>568,175,621</u></b>                                  | <b><u>975,016,681</u></b>                                  |
| <b>NET OTHER PROFIT/(LOSS)</b> | <b><u>214,080,524</u></b>                                  | <b><u>(598,063,530)</u></b>                                |

**27. PRODUCTION AND OPERATING COSTS**

|                                | <i>Currency: VND</i>                                       |  |
|--------------------------------|--|--|
|                                | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Materials                      | 248,014,204,866  | 235,101,586,637  |
| Labour costs                   | 88,071,649,934   | 92,957,945,931   |
| Expenses for external services | 34,501,913,337   | 25,468,144,623   |
| Depreciation and amortisation  | 18,194,676,011   | 22,731,912,528   |
| Other expenses                 | 5,711,596,164  | 13,416,251,641   |
| <b>TOTAL</b>                   | <b><u>394,494,040,312</u></b>                              | <b><u>389,675,841,360</u></b>                              |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

## 28. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Company is 20% of taxable income for the six-month period ended 30 June 2021.

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

### 28.1 CIT expenses

|                      | <i>Currency: VND</i>                                       |  |
|----------------------|--|--|
|                      | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Current CIT expenses | 3,397,765,801  | 2,639,113,065  |
| Deferred tax income  | <u>(537,605,299)</u>                                       | <u>(2,244,890,574)</u>                                     |
| <b>TOTAL</b>         | <b><u>2,860,160,502</u></b>                                | <b><u>394,222,491</u></b>                                  |

The reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

|   | <i>Currency: VND</i>                                       |  |
|---|--|--|
|   | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| Profit/(loss) before tax                | <u>12,114,428,751</u>                                      | <u>(4,660,764,589)</u>                                     |
| At CIT rate of 20%                      | 2,422,885,750  | (932,152,918)  |
| <i>Adjustments to increase:</i>         |  |  |
| Expenses not eligible for CIT deduction | 454,474,752  | 326,375,409  |
| Provision for foreign investment        | -  | 1,000,000,000  |
| <i>Adjustments to decrease:</i>         |  |  |
| Dividend received                       | <u>(17,200,000)</u>  | <u>-</u>   |
| <b>Estimated current CIT expenses</b>   | <b><u>2,860,160,502</u></b>                                | <b><u>394,222,491</u></b>                                  |

### 28.2 Current CIT

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**28. CORPORATE INCOME TAX (continued)**

**28.3 Deferred tax**

The following are the deferred tax assets and deferred tax liabilities recognised by the Company and the movements thereon, during the current and previous periods:

Currency: VND

|   | <i>Interim separate balance sheet</i> |                         | <i>Interim separate income statement</i>           |  |
|---|---------------------------------------|-------------------------|--|--|
|   | <i>30 June 2021</i>                   | <i>31 December 2020</i> | <i>For the six-month period ended 30 June 2021</i> | <i>For the six-month period ended 30 June 2020</i> |
|   |                                       |                         |  |  |
| <b>Deferred tax assets</b>  |                                       |                         |  |  |
| Provision for obsolete inventories                                  | 3,965,809,615                         | 3,275,788,101           | 690,021,514  | 498,982,172  |
| Provision for doubtful debts  | 11,251,155,976                        | 11,450,424,595          | (199,268,619)                                      | 1,286,987,638                                      |
| Accrual for severance pay   | 2,980,002,050                         | 3,197,283,165           | (217,281,115)                                      | 108,838,454  |
| Allocation expense of site restoration provision                    | 386,819,482                           | 331,559,556             | 55,259,926   | 55,259,926   |
| Education support expense   | 463,000,000                           | 463,000,000             | -  | -  |
| Other deferred tax assets   | 243,767,202                           | 113,638,773             | 130,128,429  | 227,845,112  |
|   | <b>19,290,554,325</b>                 | <b>18,831,694,190</b>   | <b>458,860,135</b>                                 | <b>2,177,913,302</b>                               |
| <b>Deferred tax liabilities</b>                                     |                                       |                         |  |  |
| Unrealised foreign exchange gain of cash and trade receivables      | (491,920,654)                         | (570,665,818)           | 78,745,164   | 66,977,272   |
|   | <b>(491,920,654)</b>                  | <b>(570,665,818)</b>    | <b>78,745,164</b>                                  | <b>66,977,272</b>                                  |
| <b>Net deferred tax assets</b>                                      | <b>18,798,633,671</b>                 | <b>18,261,028,372</b>   |  |  |
| <b>Net deferred tax charge to interim separate income statement</b> |                                       |                         | <b>537,605,299</b>                                 | <b>2,244,890,574</b>                               |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**29. TRANSACTIONS WITH RELATED PARTIES**

Significant transactions of the company with related parties during the six-month period were as follows.

*Currency: VND*

| <i>Related parties</i>            | <i>Relationship</i> | <i>Transactions</i>                | <i>For the six-month period ended 30 June 2021</i> | <i>For the six-month period ended 30 June 2020</i> |
|-----------------------------------|---------------------|------------------------------------|--|--|
| Everpia Korea Joint Stock Company | Subsidiary          | Purchase of raw material and tools | 24,062,820,089                                     | 47,109,042,945                                     |
|                                   |                     | Purchase of service                | 4,358,367,672                                      | -  |
| Mr Cho Yong Hwan                  | Chairman            | Office rental                      | -  | 3,300,000,000                                      |
| Hyojung Soft Tech JSC             | Associate           | Capital contribution               | -  | 3,600,000,000                                      |
|                                   |                     | Dividend received                  | 2,400,000,000                                      | -  |

*The terms and conditions of transactions with related parties*

The sales, purchases and service transactions with related parties shall comply with the prices and the terms prevailing in the market.

Outstanding balances at 30 June 2021 are unsecured, interest free and will be settled in cash. For the six-month period ended 30 June 2021, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2020: nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

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

*Currency: VND*

| <i>Related parties</i>            | <i>Relationship</i> | <i>Transactions</i>      | <i>30 June 2021</i>  | <i>31 December 2020</i> |
|-----------------------------------|---------------------|--------------------------|----------------------|-------------------------|
| <b>Trade payables (Note 14.1)</b> |                     |                          |                      |                         |
| Everpia Korea Joint Stock Company | Subsidiary          | Purchase of raw material | 62,113,536           | 3,534,174,576           |
| <b>TOTAL</b>                      |                     |                          | <b>62,113,536</b>    | <b>3,534,174,576</b>    |
| <b>Prepaid expense (Note 16)</b>  |                     |                          |                      |                         |
| Everpia Korea Joint Stock Company | Subsidiary          | Purchase of service      | 4,358,367,672        | -                       |
| <b>TOTAL</b>                      |                     |                          | <b>4,358,367,672</b> | <b>-</b>                |



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

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

*Transactions with other related parties*

Remuneration to members of the Board of Directors and management:

|                             |                                 | <i>Currency: VND</i>                                       |  |
|-----------------------------|---------------------------------|--|--|
|                             |                                 | <i>For the six-month<br/>period ended 30<br/>June 2021</i> | <i>For the six-month<br/>period ended 30<br/>June 2020</i> |
| <b>Management</b>           |                                 |  |  |
| Mr Lee Jae Eun              | General Director                | 3,013,809,206  | 3,399,412,085  |
| Mr Cho Yong Hwan            | Deputy General<br>Director      | 1,460,825,602  | 1,722,684,737  |
| Mr Yu Sung Dae              | Deputy General<br>Director      | 1,274,946,804  | 1,474,775,507  |
| Mr Park Sung Jin            | Dong Nai Branch<br>Director     | 1,223,081,702  | 1,749,216,708  |
| Ms Le Thi Thu Hien          | Member                          | 21,600,000   | 43,200,000   |
| Mr Le Kha Tuyen             | Member                          | 43,200,000   | 43,200,000   |
| Ms Nguyen Le Hoang Yen      | Member                          | 43,200,000   | 43,200,000   |
| <b>Board of supervision</b> |                                 |  |  |
| Mr Truong Tuan Nghia        | Head of Board of<br>Supervision | 43,200,000   | 43,200,000   |
| Mr Ko Tae Yeon              | Member                          | 43,200,000   | 43,200,000   |
| Mr Nguyen Dac Huong         | Member                          | 43,200,000   | 43,200,000   |
|                             |                                 | <b><u>7,210,263,314</u></b>                                | <b><u>8,605,289,037</u></b>                                |

**30. COMMITMENTS**

*Operating lease commitment*

At the interim separate balance sheet date, future lease payments under product showroom lease contracts are presented as follows:

|                |  | <i>Currency: VND</i>         |                              |
|----------------|--|------------------------------|------------------------------|
|                |  | <i>30 June 2021</i>          | <i>31 December 2020</i>      |
| Up to 1 year   |  | 14,743,809,858               | 12,010,832,537               |
| From 1-5 years |  | 15,127,503,465               | 22,948,192,340               |
| <b>TOTAL</b>   |  | <b><u>29,871,313,323</u></b> | <b><u>34,959,024,877</u></b> |

**31. IMPORTANT EVENT IN THE YEAR**

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company and its subsidiary operate. The Company's management has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this interim separate financial statements.


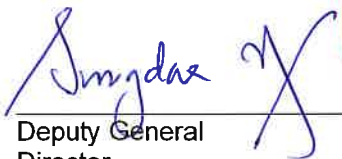

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 30 June 2021 and for the six-month period then ended

**32. EVENTS AFTER THE BALANCE SHEET DATE**

On 18 August 2021, the Company has received the Investment Registration Certificate No. 7658827507 issued by Management Board of Dong Nai Industrial Parks for the investment project of Everpia Factory in Giang Dien Industrial Park, Dong Nai Province. This investment project is to replace the Everpia Factory project in Bien Hoa I Industrial Park, Dong Nai province which is due to expire in 2022.

On 6 August 2021, the Company has received an official notification from the bondholders of the convertible bonds regarding the request for the Company to early redeem the bonds under the put option before the maturity date in September 2021.

There is no other matter or circumstance that has arisen since the interim separate balance sheet date that requires adjustment or disclosure in the interim separate financial statements of the Company.

|  |   |  |
|--|---|--|
| <br><hr/> Preparer<br>Accounting manager<br>Nguyen Bao Ngoc | <br><hr/> Deputy General<br>Director<br>In charge of Finance<br>Yu Sung Dae | <br><hr/> General Director<br>Lee Jae Eun |
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Hanoi, Vietnam  
27 August 2021

