

Everpia Joint Stock Company

Consolidated financial statements

For the year ended 31 December 2023



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 21th Amended Investment Registration Certificate, dated 28 April 2022.

The shares of the Company have been listed (under ticker of EVE) on the Ho Chi Minh City Stock Exchange since 17 December 2010.

The principal activities of the Company are to produce, distribute (wholesale and retail) and export bedding-related products and other activities as registered in the investment certificate.

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

BOARD OF DIRECTORS

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

Mr Cho Yong Hwan	Chairman	
Mr Lee Jae Eun	Member	
Mr Yu Sung Dae	Member	
Mr Le Kha Tuyen	Member	
Mr Lee Bang Hyun	Member	Appointed 27 April 2023 Resigned on 8 August 2023

BOARD OF SUPERVISION

Members of the Board of Supervision during the year 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

MANAGEMENT

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

Mr Lee Jae Eun	General Director
Mr Cho Yong Hwan	Deputy General Director in charge of Ho Chi Minh City Branch
Mr Yu Sung Dae	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year 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 – Hanoi Branch.

Everpia Joint Stock Company

REPORT OF MANAGEMENT

Management of Everpia Joint Stock Company (“the Company”) is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023.

MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and its subsidiaries and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing these consolidated 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 consolidated financial statements; and
- ▶ prepare the consolidated 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 consolidated financial position of the Company and its subsidiaries 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 its subsidiaries 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 consolidated financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiaries as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprises Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

For and on behalf of management:



Lee Jae Eun
General Director

Hanoi, Vietnam

25 March 2024

Reference: 11453398/67061582-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Everpia Joint Stock Company

We have audited the accompanying consolidated financial statements of Everpia Joint Stock Company ("the Company") and its subsidiaries as prepared on 25 March 2024 and set out on pages 5 to 44, which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

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

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Company and its subsidiaries as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of consolidated financial statements.

Ernst & Young Vietnam Limited – Hanoi Branch



Nguyen Manh Hung
Deputy General Director
Audit Practising Registration
Certificate No. 2401-2023-004-1

Le Thi Thu
Auditor
Audit Practising Registration
Certificate No. 5606-2020-004-1

Hanoi, Vietnam

26 March 2024

CONSOLIDATED BALANCE SHEET
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		770,385,094,402	1,055,145,769,022
110	I. Cash and cash equivalents	4	40,858,611,052	54,780,353,092
111	1. Cash		39,012,957,587	37,834,469,145
112	2. Cash equivalents		1,845,653,465	16,945,883,947
120	II. Short-term investments		223,235,937,241	396,498,286,055
121	1. Held-for-trading securities		-	108,759,627,374
122	2. Provision for held-for-trading securities		-	(18,067,423,469)
123	3. Held-to-maturity investments	5	223,235,937,241	305,806,082,150
130	III. Current accounts receivables		182,263,347,093	232,722,338,012
131	1. Short-term trade receivables	6.1	167,122,003,180	183,249,582,128
132	2. Short-term advances to suppliers	6.2	9,806,656,928	42,266,149,339
136	3. Other short-term receivables	7	34,081,683,482	34,686,549,577
137	4. Provision for doubtful short-term receivables		(28,746,996,497)	(27,479,943,032)
140	IV. Inventories	9	318,859,392,606	364,153,052,782
141	1. Inventories		350,972,238,074	393,180,183,846
149	2. Provision for obsolete inventories		(32,112,845,468)	(29,027,131,064)
150	V. Other current assets		5,167,806,410	6,991,739,081
151	1. Short-term prepaid expenses	13	3,171,222,115	3,783,070,296
152	2. Value-added tax deductible		1,996,584,295	3,208,668,785

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		585,485,974,868	401,549,607,125
210	<i>I. Long-term receivables</i>		3,114,021,409	2,550,207,116
216	1. Other long-term receivables	7	3,114,021,409	2,550,207,116
220	<i>II. Fixed assets</i>		352,165,213,136	165,509,518,378
221	1. Tangible fixed assets	10	351,190,821,438	164,253,763,180
222	Cost		774,106,278,847	609,814,704,124
223	Accumulated depreciation		(422,915,457,409)	(445,560,940,944)
227	2. Intangible fixed assets	11	974,391,698	1,255,755,198
228	Cost		41,721,106,292	41,721,106,292
229	Accumulated amortisation		(40,746,714,594)	(40,465,351,094)
240	<i>III. Long-term assets in progress</i>		1,019,733,800	64,280,616,346
242	1. Construction in progress		1,019,733,800	64,280,616,346
250	<i>IV. Long-term investments</i>	12	60,556,466,482	9,804,108,487
252	1. Investments in associates		11,590,390,000	11,590,390,000
253	2. Investments in other entities		10,356,200,000	10,356,200,000
254	3. Provision for long-term investments		(12,985,341,499)	(12,142,481,513)
255	4. Held-to-maturity investment		51,595,217,981	-
260	<i>V. Other long-term assets</i>		168,630,540,041	159,405,156,798
261	1. Long-term prepaid expenses	13	146,002,881,797	136,827,519,145
262	2. Deferred tax assets	26.3	22,627,658,244	22,577,637,653
270	TOTAL ASSETS		1,355,871,069,270	1,456,695,376,147

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		355,899,753,750	428,854,173,261
310	I. Current liabilities		233,682,771,214	312,013,032,780
311	1. Short-term trade payables	14.1	41,219,860,824	48,905,071,795
312	2. Short-term advances from customers	14.2	19,186,940,891	18,592,271,299
313	3. Statutory obligations	15	7,329,424,459	17,868,736,240
314	4. Payables to employees		25,802,587,704	30,679,597,943
315	5. Short-term accrued expenses		978,892,917	1,673,446,511
318	6. Short-term unearned revenue		-	182,895,926
319	7. Other short-term payables	16	1,563,083,690	1,695,365,563
320	8. Short-term loans	17	137,601,980,729	192,415,647,503
330	II. Non-current liabilities		122,216,982,536	116,841,140,481
337	1. Other long-term liabilities	16	19,899,500,309	22,415,007,814
338	2. Long-term loans	17	102,317,482,227	94,426,132,667
400	D. OWNERS' EQUITY		999,971,315,520	1,027,841,202,886
410	I. Capital	18	999,971,315,520	1,027,841,202,886
411	1. Issued share capital		419,797,730,000	419,797,730,000
411a	- Shares with voting rights		419,797,730,000	419,797,730,000
412	2. Share premium	18.2	184,195,877,847	184,195,877,847
417	3. Foreign exchange differences reserve		(3,689,666,922)	(4,000,628,280)
420	4. Other funds belonging to owners' equity		5,057,441,212	1,169,532,841
421	5. Undistributed earnings	18.1	383,538,969,799	416,424,104,094
421a	- Undistributed earnings by the end of prior year		365,713,574,357	324,849,269,506
421b	- Undistributed earnings of current year		17,825,395,442	91,574,834,588
429	6. Non-controlling interests		11,070,963,584	10,254,586,384
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,355,871,069,270	1,456,695,376,147

Nguyen Bao Ngoc
Preparer

Nguyen Bao Ngoc
Chief Accountant

Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

Hanoi, Vietnam

25 March 2024

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods	20.1	787,684,319,980	1,021,675,009,233
02	2. Deductions	20.1	(830,413,831)	(426,491,045)
10	3. Net revenue from sale of goods	20.1	786,853,906,149	1,021,248,518,188
11	4. Cost of goods sold	21	(535,771,595,934)	(637,064,757,476)
20	5. Gross profit from sale of goods		251,082,310,215	384,183,760,712
21	6. Finance income	20.2	49,447,504,304	31,681,507,476
22	7. Finance expenses	22	(22,641,932,270)	(39,728,202,018)
23	<i>In which: Interest expenses</i>		(14,493,574,387)	(6,738,633,160)
25	8. Selling expenses	23	(167,439,134,031)	(173,296,409,898)
26	9. General and administrative expenses	23	(92,954,672,832)	(88,027,974,504)
30	10. Operating profit		17,494,075,386	114,812,681,768
31	11. Other income	24	7,709,837,988	1,302,110,218
32	12. Other expenses		(957,185,127)	(779,887,540)
40	13. Other profit		6,752,652,861	522,222,678
50	14. Accounting profit before tax		24,246,728,247	115,334,904,446
51	15. Current corporate income tax expense	26.1	(5,654,976,192)	(25,752,397,563)
52	16. Deferred tax income	26.3	50,020,587	2,246,914,089

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
60	17. Net profit after tax		18,641,772,642	91,829,420,972
61	18. Net profit after tax attributable to shareholders of the parent		17,825,395,442	91,574,834,588
62	19. Net profit after tax attributable to non-controlling interests		816,377,200	254,586,384
70	20. Basic earnings per share	28	425	2,215
71	21. Diluted earnings per share	28	425	2,215



Nguyen Bao Ngoc
Preparer



Nguyen Bao Ngoc
Chief Accountant



Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

Hanoi, Vietnam

25 March 2024

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		24,246,728,247	115,334,904,446
	<i>Adjustments for:</i>			
02	Depreciation of tangibles fixed assets and amortisation of intangible fixed assets		31,561,833,164	35,677,478,011
03	(Reversal of provision)/provision		(12,871,795,614)	25,995,691,868
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(2,245,902,542)	(1,378,890,386)
05	Profit from investing activities		(38,519,437,458)	(19,960,993,451)
06	Interest expenses		14,493,574,387	6,738,633,160
08	Operating profit before changes in working capital		16,665,000,184	162,406,823,648
09	Decrease/(increase) in receivables		35,765,060,712	(16,938,180,579)
10	Decrease/(increase) in inventories		42,207,945,772	(30,127,094,340)
11	Decrease in payables		(17,220,755,262)	(2,166,116,277)
12	Increase in prepaid expenses		(8,563,514,471)	(1,249,152,962)
13	Decrease in held-for-trading securities		108,759,627,374	4,992,734,795
14	Interest paid		(14,615,663,328)	(6,803,641,363)
15	Corporate income tax paid		(14,055,880,895)	(19,218,211,960)
17	Other cash outflows from operating activities		(693,847,464)	(5,637,302,540)
20	Net cash flows from operating activities		148,247,972,622	85,259,858,422
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(141,327,210,278)	(153,498,703,878)
22	Proceeds from disposals of fixed assets and other long-term assets		9,306,557,357	1,340,691,737
23	Loans to other entities, short-term investment		(500,732,881,250)	(398,412,082,150)
24	Collections from borrowers, short-term investments		531,707,808,178	353,345,000,000
27	Interest and dividends received		30,094,615,304	14,951,514,410
30	Net cash flows used in investing activities		(70,951,110,689)	(182,273,579,881)

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2023

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares		-	18,881,839,777
33	Drawdown of borrowings		506,335,490,719	363,031,673,666
34	Repayment of borrowings		(552,985,647,857)	(242,534,092,545)
36	Dividends paid to shareholders		(46,131,788,152)	(41,083,124,500)
40	Net cash flows (used in)/from financing activities		(92,781,945,290)	98,296,296,398
50	Net (decrease)/increase in cash for the year		(15,485,083,357)	1,282,574,939
60	Cash and cash equivalents at the beginning of the year		54,780,353,092	52,162,065,411
61	Impact of exchange rate fluctuation		1,563,341,317	1,335,712,742
70	Cash and cash equivalents at the end of the year	4	40,858,611,052	54,780,353,092



Nguyen Bao Ngoc
Preparer



Nguyen Bao Ngoc
Chief Accountant



Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

Hanoi, Vietnam

25 March 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2023 and for the year 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 the latest being the 21th Amended Investment Registration Certificate dated 28 April 2022.

The shares of the Company have been listed (under ticker of EVE) on the Ho Chi Minh City Stock Exchange since 17 December 2010.

The principal activities of the Company are to produce, distribute (wholesale and retail) and export bedding-related products and other activities as registered in the investment certificate.

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

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

The number of employees of the Company and its subsidiaries as at 31 December 2023 is 1,205 (31 December 2022: 1,217).

Company structure

As at 31 December 2023, the Company has 2 subsidiaries (31 December 2022: 2 subsidiaries), with below details:

<i>No.</i>	<i>Name</i>	<i>Equity interest</i>	<i>Voting rights</i>	<i>Address</i>	<i>Principal activities</i>
1	Everpia Korea Joint Stock Company	100%	100%	A408-Hyeondae Knowledge Industry Center, No. 3 Godeung Ro, Sujeong Gu, Seongnam Si, Gyeonggi Do, Seoul, Korea	Trading of materials for production of bedding products.
2	Mirae Asset Vietnam Opportunity Fund (“MAOF”)	80%	80%	38 th floor, Keangnam Landmark Hanoi Tower, Area E6, Cau Giay New Urban Area, Me Tri Ward, Nam Tu Liem District, Hanoi	Investing in securities and investment management.

As at 31 December 2023, the Company also has an investment in associate as disclosed in Note 12.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The consolidated financial statements of the Company and its subsidiaries, which are expressed in Vietnam Dong ("VND"), are prepared in accordance with the 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 consolidated 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 consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Applied accounting documentation system*

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

2.3 *Fiscal year*

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

2.4 *Accounting currency*

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

2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

2. BASIS OF PREPARATION (continued)

2.5 *Basis of consolidation* (continued)

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of subsidiary, without a loss of control, is recorded in undistributed earnings.

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

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, work in progress	-	cost of finished goods, semi products 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 and its subsidiaries, based on appropriate evidence of impairment available at the balance sheet date.

Increases and decreases to the provision balance are recorded into the cost of goods sold and service rendered account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

Receivables are presented in the consolidated 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 separate income statement. When bad debts are determined as unrecovered and written off, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

3.4 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises 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 recognized 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 consolidated 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 consolidated 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 consolidated 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 amortization.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Intangible fixed assets* (continued)

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated 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 consolidated income statement.

3.7 *Depreciation and amortization*

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

Buildings, structures	10 - 30 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 year in which they are incurred, except to the extent that they are capitalized 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 capitalized 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 consolidated balance sheet and amortized 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

Prepaid land rental is classified as long-term prepaid expenses for allocation to the consolidated income statement over the remaining lease period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiaries acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

3.11 *Investments*

Investments in associate

The investment in associate is accounted using the equity method of accounting. An associate is an entity in which the Company and its subsidiaries have significant influence that is neither subsidiaries nor joint ventures. The Company and its subsidiaries generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Company and its subsidiaries' share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Company and its subsidiaries. Where necessary, adjustments are made to bring the accounting policies in line with those of the Company and its subsidiaries.

Held-for-trading securities and investments in other entities

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

Provision for diminution in value investments

Provision of the investment is made when there are reliable evidence of the diminution in value of those investments at the balance sheet date. Increases and decreases in the provision balance are recorded as finance expense in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Investments (continued)

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 consolidated income statement and deducted against the value of such investments.

3.12 Payables and accruals

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

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, issue or cancellation of the Company's own equity instruments.

3.14 Accrual for severance pay

The Company and MAOF

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months at the Company and MAOF. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each 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 consolidated income statement.

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

Everpia Korea Joint Stock Company

The severance allowance payable to all employees employed by the subsidiary is calculated at the rate of one month's salary for each year of service in the Company up to balance sheet date in accordance with the law of the country of residence.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 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.

3.16 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;
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; 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.

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

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

All foreign exchange differences are taken to the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Foreign currency transactions* (continued)

Conversion of the financial statements of a foreign operation

Conversion of the financial statements of the Company's subsidiaries which maintains their accounting records in other currency rather than the Company's accounting currency of VND, for consolidation purpose, is as follows:

- ▶ Assets and liabilities are converted into VND by using the buying and selling exchange rates, respectively, as announced by the commercial banks where the Company frequently conducts its transactions at the consolidated balance sheet date;
- ▶ Revenues, other income and expenses are converted into VND by using the average exchange rate of accounting period if the average exchange rates do not exceed +/-2% the transactional exchange rates; and
- ▶ All foreign exchange differences resulting from the conversion of financial statements of the subsidiary for the consolidation purpose are taken to the "foreign exchange differences reserve" on the consolidated balance sheet and charged to the consolidated income statement upon the disposal of the investment.

3.17 *Appropriation of net profits*

Net profit after tax (excluding negative good will arising from bargain purchase) is available for appropriation to shareholders after approval in the annual shareholders' meeting, and after making appropriation to reserve funds in accordance with the Charter of the Company and its subsidiaries and Vietnam's regulatory requirements.

The Company and its subsidiaries maintain the following reserve funds which are appropriated from the Company and its subsidiaries' 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 and its subsidiaries's operation following the resolution of the annual shareholders' meeting. According to resolution of shareholders' meeting, the Board of Directors and 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 its subsidiaries 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.

Interest

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Revenue recognition (continued)

Dividends

Income is recognised when the entitlement of Company and its subsidiaries as an investor to receive the dividend is established.

3.19 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years 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 balance sheet date.

Current income tax is charged or credited to the consolidated 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 and its subsidiaries to set off current tax assets against current tax liabilities and when the Company and its subsidiaries 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 balance sheet date between the tax base of assets and liabilities and their carrying amount in the consolidated financial statements.

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 by the Company and its subsidiaries 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 *Taxation* (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each consolidated 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 consolidated balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

Deferred tax is charged or credited to the consolidated 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 and its subsidiaries 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 and its subsidiaries intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year 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 and its subsidiaries 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 and its subsidiaries are mainly carried out in the territory of Vietnam. Therefore, the Company and its subsidiaries have only one business segment and one geographic segment. Accordingly, the Company and its subsidiaries do not disclose segment information.

3.21 *Related parties*

Parties are considered to be related parties of the Company and its subsidiaries if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and its subsidiaries 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 CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.22 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit/(loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

4. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	152,408,091	147,654,730
Cash at banks	38,860,549,496	37,686,814,415
Cash equivalents (*)	1,845,653,465	16,945,883,947
TOTAL	<u>40,858,611,052</u>	<u>54,780,353,092</u>

(*) Cash equivalents represent deposits with terms from 1 month to 3 months at banks, which earn interest at rates ranging from 1.9% to 3% per annum (2022: 3.8 – 6.0% per annum).

5. SHORT-TERM INVESTMENTS

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Carrying value</i>	<i>Cost</i>	<i>Carrying value</i>
Time deposits (i)	210,235,937,241	210,235,937,241	305,806,082,150	305,806,082,150
Other investments (ii)	13,000,000,000	13,000,000,000	-	-
TOTAL	<u>223,235,937,241</u>	<u>223,235,937,241</u>	<u>305,806,082,150</u>	<u>305,806,082,150</u>

(i) Balance as at 31 December 2023 represents time deposits at banks with remaining terms from 1 month to 10 months, which earn interest at rates ranging from 5.2% to 10.5% per annum (as at 31 December 2022: 3.8% to 11.5% per annum).

(ii) Balance as at 31 December 2023 represents investment in VPS Securities Joint Stock Company with term of 3 months and earning interest rates ranging from 7.1% to 7.4% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

6. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Welcron Global Vietnam JSC	4,098,926,010	6,436,352,596
Essenlue Co., Ltd	4,085,420,563	2,722,025,652
MM Mega Market Vietnam Co., Ltd.	3,359,880,825	3,176,920,133
GDB Investment and Trading Co., Ltd – Hai Phong	2,532,109,691	2,549,881,971
Petit Elin Co., Ltd.	945,971,080	2,861,903,951
Other customers	152,099,695,011	165,502,497,825
TOTAL	167,122,003,180	183,249,582,128
Provision for doubtful debts	(17,294,003,880)	(16,026,950,415)

6.2 Short-term advances to suppliers

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Guoxin Infu Co., Ltd	2,367,423,883	1,222,535,252
Ha Trang Interior Co., Ltd.	1,390,583,712	2,430,499,821
Youngjin E&C JSC	-	20,340,368,000
Tongxiang Huibo Import & Export Co., Ltd.	-	4,568,687,508
NanTong GlobalLink Industry & Trade Co., Ltd.	-	175,225,203
Other suppliers	6,048,649,333	13,528,833,555
TOTAL	9,806,656,928	42,266,149,339

7. OTHER RECEIVABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Shortage of assets awaiting resolution	11,452,992,617	11,452,992,617
Value added tax waiting for refund	10,672,683,336	11,353,286,408
Interest receivable	9,500,694,874	8,142,673,839
Advance to employees	2,017,353,944	3,051,958,040
Other short-term receivables	437,958,711	685,638,673
TOTAL	34,081,683,482	34,686,549,577
Provision for doubtful other short-term receivables	(11,452,992,617)	(11,452,992,617)
Long-term		
Long-term deposits	3,114,021,409	2,550,207,116
TOTAL	3,114,021,409	2,550,207,116

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

8. BAD DEBTS

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Trade receivables	26,477,342,223	9,183,338,343	27,138,830,869	11,111,880,454
Shortage of assets awaiting resolution	11,452,992,617	-	11,452,992,617	-
TOTAL	37,930,334,840	9,183,338,343	38,591,823,486	11,111,880,454

9. INVENTORIES

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Goods in transit	5,666,521,174	-	7,158,568,051	-
Raw materials	167,162,003,830	(19,011,394,539)	203,185,708,767	(14,320,172,867)
Finished goods	174,852,749,155	(13,101,450,929)	177,278,317,383	(14,706,958,197)
Merchandise	3,290,963,915	-	5,557,589,645	-
TOTAL	350,972,238,074	(32,112,845,468)	393,180,183,846	(29,027,131,064)

Movements of provision for obsolete inventories:

Currency: VND

	<i>Current year</i>	<i>Previous year</i>
Beginning balance	29,027,131,064	16,525,625,089
Add: Provision made during the year	8,145,326,452	15,317,423,271
Less: Utilization of provision during the year	(5,059,612,048)	(2,815,917,296)
Ending balance	<u>32,112,845,468</u>	<u>29,027,131,064</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

10. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
Beginning balance	213,528,101,087	317,644,179,363	43,506,145,190	14,362,286,934	20,773,991,550	609,814,704,124
- New purchase	196,774,139,009	10,139,423,223	11,509,476,564	2,034,245,364	-	220,457,284,160
- Disposal	(39,720,970,374)	(5,519,592,813)	(10,210,350,516)	(61,755,542)	(653,040,192)	(56,165,709,437)
- Reclassification	(401,281,920)	-	-	401,281,920	-	-
Ending balance	370,179,987,802	322,264,009,773	44,805,271,238	16,736,058,676	20,120,951,358	774,106,278,847
<i>In which:</i>						
Fully depreciated	26,678,392,926	169,387,760,376	11,123,019,805	14,300,531,392	14,460,675,191	235,950,379,690
Accumulated depreciation:						
Beginning balance	119,696,339,215	260,339,904,801	32,833,259,524	14,362,286,934	18,329,150,470	445,560,940,944
- Depreciation for the year	10,380,965,498	16,651,367,231	3,216,405,875	546,760,378	484,970,682	31,280,469,664
- Disposal	(39,720,970,375)	(3,752,858,184)	(9,737,328,924)	(61,755,542)	(653,040,174)	(53,925,953,199)
- Reclassification	(377,672,736)	-	-	263,775,641	113,897,095	-
Ending balance	89,978,661,602	273,238,413,848	26,312,336,475	15,111,067,411	18,274,978,073	422,915,457,409
Net carrying amount:						
Beginning balance	93,831,761,872	57,304,274,562	10,672,885,666	-	2,444,841,080	164,253,763,180
Ending balance	280,201,326,200	49,025,595,925	18,492,934,763	1,624,991,265	1,845,973,285	351,190,821,438

As at 31 December 2023, certain tangible fixed assets were pledged as collaterals for loans as presented in Note 17.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

11. INTANGIBLE FIXED ASSETS

	Trademark	Distribution channel	Computer software	Others	Total
Cost:					
Beginning balance	24,566,385,000	7,831,500,000	7,928,284,189	1,394,937,103	41,721,106,292
Ending balance	24,566,385,000	7,831,500,000	7,928,284,189	1,394,937,103	41,721,106,292
<i>In which:</i>					
<i>Fully amortized</i>	24,566,385,000	7,831,500,000	6,866,430,149	686,893,687	39,951,208,836
Accumulated amortization:					
Beginning balance	24,443,527,166	7,831,500,000	7,503,430,241	686,893,687	40,465,351,094
Amortization for the year	122,857,834	-	158,505,666	-	281,363,500
Ending balance	24,566,385,000	7,831,500,000	7,661,935,907	686,893,687	40,746,714,594
Net carrying amount:					
Beginning balance	122,857,834	-	424,853,948	708,043,416	1,255,755,198
Ending balance	-	-	266,348,282	708,043,416	974,391,698

Currency: VND

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

12. LONG-TERM INVESTMENTS

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investment in associate (Note 12.1)	11,590,390,000	(11,590,390,000)	11,590,390,000	(11,590,390,000)
Investment in other entities (Note 12.2)	10,356,200,000	(552,091,513)	10,356,200,000	(552,091,513)
Held-to-maturity investments (Note 12.3)	51,595,217,981	(842,859,986)	-	-
TOTAL	73,541,807,981	(12,985,341,499)	21,946,590,000	(12,142,481,513)

The Company's management is unable to determine the fair value of these investments as these entities are not listed on the stock market.

12.1 Investments in associate

As at 31 December 2023, the Company has 1 associate as follow:

<i>Name</i>	<i>Location</i>	<i>Principal activities</i>	<i>Ownership</i>	<i>Voting rights</i>
Texpia JSC	Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa, Dong Nai Vietnam	Manufacture of cotton fabrics, yarn and knitwear	44%	44%

As at 31 December 2023, Texpia JSC was in process of liquidation.

Details of the investment in associate in current period are as follow:

Currency: VND
Texpia JSC

Cost of investment:	
Beginning balance	<u>11,590,390,000</u>
Ending balance	<u>11,590,390,000</u>
Accumulated share in post-acquisition loss of the associates:	
Beginning balance	<u>(11,590,390,000)</u>
Ending balance	<u>(11,590,390,000)</u>
Net carrying amount:	
Beginning balance	<u>-</u>
Ending balance	<u>-</u>

12.2 Investment in other entities

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Bac Ninh Pharmaceutical JSC	4,014,200,000	4,014,200,000
Hyojung Soft Tech JSC	960,000,000	960,000,000
Kalon Investment Asset Co., Ltd	<u>5,382,000,000</u>	<u>5,382,000,000</u>
TOTAL	<u>10,356,200,000</u>	<u>10,356,200,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

12. LONG-TERM INVESTMENTS (continued)

12.3 Held-to-maturity investments

	Ending balance		Beginning balance		Currency: VND
	Cost	Carrying value	Cost	Carrying value	
PC1 Group JSC bonds (i)	29,120,254,734	29,120,254,734	-	-	
Lien Viet Post Bank bonds (ii)	10,010,034,247	9,208,329,000	-	-	
Vingroup bonds (iii)	5,000,000,000	5,000,000,000	-	-	
Lien Viet Post Bank bonds (iv)	4,000,000,000	4,000,000,000	-	-	
Vietnam Bank for Agriculture and Rural Development bonds (v)	3,464,929,000	3,423,774,261	-	-	
TOTAL	51,595,217,981	50,752,357,995	-	-	

(i) Bonds with term of 5 years, due on 19 May 2027 and earn interest at rates of 10.7% per annum. Interest is payables on a semi-annual period. The bonds are secured by ordinary shares of PC1 Group which is listed on Ho Chi Minh City Stock Exchange. The bonds are not listed on the stock market and therefore, the management is unable to determine their fair value for disclosure.

(ii) Listed bonds with no collaterals, term of 7 years, due on 28 February 2029 and earn interest at rate of 9.6% for the 1st period. Interest is payable annually.

(iii) Listed bonds with no collaterals, term of 2 years, due on 31 August 2025 and earn interest at rates of 14.5% for the 1st and 2nd period. Interest is payable annually.

(iv) Bonds with term of 7 years, due on 15 September 2030 and earn interest at rates of 9.1% for this period. Interest is payable on annually. The bonds are not listed on the stock market and therefore, the management is unable to determine their fair value for disclosure.

(v) Listed bonds with no collaterals, term of 8 years, due on 9 November 2031 and earn interest at rate of 9.0% per annum for the 1st period. Interest is payable annually.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

13. PREPAID EXPENSES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Prepaid rental	1,329,222,027	2,417,931,422
Advertisement fee	1,429,052,621	515,770,795
Insurance premium	-	467,235,377
Others	412,947,467	382,132,702
TOTAL	<u>3,171,222,115</u>	<u>3,783,070,296</u>
Long-term		
Prepaid land rental (*)	116,148,113,508	117,802,409,903
Prepaid rental	8,211,669,244	10,404,457,765
Furniture in use	3,938,749,652	4,262,881,265
Tools in use	7,470,557,862	3,030,217,512
Office renovation cost	7,537,998,071	1,007,510,589
Others	2,695,793,460	320,042,111
TOTAL	<u>146,002,881,797</u>	<u>136,827,519,145</u>

(*) Mainly includes prepaid land rental of the factory in Giang Dien Industrial Park, Dong Nai province, which is pledged as collateral for long-term loan as presented in Note 17.

14. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

14.1 Short-term trade payables

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Amount</i>	<i>Amount payable</i>	<i>Amount</i>	<i>Amount payable</i>
Tongxiang Huibo Import & Export Co., Ltd.	2,983,616,136	2,983,616,136	4,787,327,426	4,787,327,426
Osun Co., Ltd.	2,675,327,372	2,675,327,372	2,047,865,415	2,047,865,415
Other suppliers	35,560,917,316	35,560,917,316	42,069,878,954	42,069,878,954
TOTAL	<u>41,219,860,824</u>	<u>41,219,860,824</u>	<u>48,905,071,795</u>	<u>48,905,071,795</u>

14.2 Short-term advances from customers

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Thanh Thuy Hot Spring JSC	2,484,512,816	667,411,650
Petit Elin Co., Ltd	473,033,617	948,000,240
Hung Thang Construction JSC	-	1,883,282,750
Other customers	16,229,394,458	15,093,576,659
TOTAL	<u>19,186,940,891</u>	<u>18,592,271,299</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

15. STATUTORY OBLIGATIONS

Currency: VND

	<i>Beginning balance</i>	<i>Payable in the year</i>	<i>Payment in the year</i>	<i>Ending balance</i>
Value added tax	4,288,958,024	8,651,982,406	(10,859,374,465)	2,081,565,965
Import duties	-	2,220,088,338	(2,220,088,338)	-
Corporate income tax	12,185,769,522	5,654,976,192	(14,055,880,895)	3,784,864,819
Personal income tax	1,394,008,694	12,602,020,930	(12,631,375,012)	1,364,654,612
Other taxes	-	1,130,887,912	(1,032,548,849)	98,339,063
TOTAL	<u>17,868,736,240</u>	<u>30,074,948,579</u>	<u>(40,614,260,360)</u>	<u>7,329,424,459</u>

16. OTHER PAYABLES

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Interest payable	219,539,606	341,628,547
Trade union fee	178,522,088	352,227,174
Social insurance	106,948,143	213,069,025
Others	1,058,073,853	788,440,817
TOTAL	<u>1,563,083,690</u>	<u>1,695,365,563</u>
Long-term		
Provision for severance allowances	19,389,500,309	19,535,193,500
Provision for site restoration	-	2,762,996,314
Others	510,000,000	116,818,000
TOTAL	<u>19,899,500,309</u>	<u>22,415,007,814</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

17. LOANS

Currency: VND

	Beginning balance		Movement during the year		Foreign exchange difference	Ending balance	
	Balance	Payable amount	Increase	Decrease		Balance	Payable amount
Short-term							
Loans from banks (Note 17.1)	188,737,772,170	188,737,772,170	420,093,016,492	(480,791,647,857)	(217,160,076)	127,821,980,729	127,821,980,729
Current portion of long-term loans (Note 17.2)	3,677,875,333	3,677,875,333	9,835,000,000	(3,677,875,333)	(55,000,000)	9,780,000,000	9,780,000,000
	192,415,647,503	192,415,647,503	429,928,016,492	(484,469,523,190)	(272,160,076)	137,601,980,729	137,601,980,729
Long-term							
Loans from banks (Note 17.2)	94,426,132,667	94,426,132,667	86,242,474,227	(78,351,124,667)	-	102,317,482,227	102,317,482,227
	94,426,132,667	94,426,132,667	86,242,474,227	(78,351,124,667)	-	102,317,482,227	102,317,482,227
TOTAL	286,841,780,170	286,841,780,170	516,170,490,719	(562,820,647,857)	(272,160,076)	239,919,462,956	239,919,462,956

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

17. LOANS (continued)

17.1 Short-term loans from banks

<i>Bank</i>	<i>31 December 2023</i>		<i>Principal and interest repayment term</i>	<i>Interest rate per annum</i>	<i>Description of collateral</i>
	<i>VND</i>	<i>Original currency</i>			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	65,150,068,480	VND 65,150,068,480	6-month, due in June 2024. Interest is payable monthly.	4%-5 %	Plants, machineries and equipment of Hung Yen factory and right to collect receivables of the Company.
Joint Stock Commercial Bank for Foreign Trade of Vietnam	21,531,148,678	USD 881,701.42	6-month, due in June 2024. Interest is payable monthly.	4%	Plants, machineries and equipment of Hung Yen factory and right to collect receivables of the Company.
Joint Stock Commercial Bank for Investment and Development of Vietnam	35,518,100,028	VND 35,518,100,028	165 days, due in March 2024. Interest is payable monthly.	4.6% - 5.2%	Unsecured
Woori Bank Vietnam Limited	5,622,663,543	VND 5,622,663,543	6-month, due in February 2024. Interest is payable monthly.	4.8%	Unsecured
TOTAL		127,821,980,729			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

17. LOANS (continued)

17.2 Long-term loans from banks

<i>Banks</i>	<i>31 December 2023</i>		<i>Interest rate per annum</i>	<i>Description of collateral</i>
	<i>VND equivalent</i>	<i>Original currency</i>		
Joint Stock Commercial Bank for Foreign Trade of Vietnam	102,317,482,227	VND 102,317,482,227	9.5%	Land use rights and fixed assets of the Company at Giang Dien factory in Dong Nai Province, funded by the loan.
KEB Hana Bank	9,780,000,000	KRW 500,000,000	3.64%	Everpia Korea Company Office at A408-Hyeondae knowledge Industry Center, No. 3 Godeung Ro, Sujeong Gu, Seongnam Si, Gyeonggi Do, Seoul City, South Korea.

TOTAL

112,097,482,227

In which:

Current portion 9,780,000,000
Non-current portion 102,317,482,227

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Foreign exchange reserve	Other fund belonging to owners' equity	Undistributed earnings	Non-controlling interest	Total
<i>Currency: VND</i>								
Previous year								
Beginning balance	419,797,730,000	203,072,724,247	(76,000,000,000)	(3,801,332,966)	3,807,375,305	417,159,741,392	-	984,036,237,978
- Profit for the year	-	-	-	-	-	91,574,834,588	254,586,384	91,829,420,972
- Increase in capital contribution	-	-	-	-	-	-	10,000,000,000	10,000,000,000
- Appropriation to reserve	-	-	-	-	2,986,033,563	(2,986,033,563)	-	-
- Reissuance of treasury shares	-	(18,876,846,400)	76,000,000,000	-	-	(48,241,313,823)	-	8,881,839,777
- Dividends declared	-	-	-	-	-	(41,083,124,500)	-	(41,083,124,500)
- Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	-	-	-	(199,295,314)	13,426,513	-	-	(185,868,801)
- Utilisation of fund	-	-	-	-	(5,637,302,540)	-	-	(5,637,302,540)
Ending balance	419,797,730,000	184,195,877,847	-	(4,000,628,280)	1,169,532,841	416,424,104,094	10,254,586,384	1,027,841,202,886
Current year								
Beginning balance	419,797,730,000	184,195,877,847	-	(4,000,628,280)	1,169,532,841	416,424,104,094	10,254,586,384	1,027,841,202,886
- Profit for the year	-	-	-	-	-	17,825,395,442	816,377,200	18,641,772,642
- Appropriation (*)	-	-	-	-	4,578,741,723	(4,578,741,723)	-	-
- Dividends declared (*)	-	-	-	-	-	(46,131,788,014)	-	(46,131,788,014)
- Foreign exchanges differences arising from conversion of financial statements of oversea subsidiary	-	-	-	310,961,358	3,014,112	-	-	313,975,470
- Other decrease	-	-	-	-	(693,847,464)	-	-	(693,847,464)
Ending balance	419,797,730,000	184,195,877,847	-	(3,689,666,922)	5,057,441,212	383,538,969,799	11,070,963,584	999,971,315,520

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

18. OWNERS' EQUITY (continued)

18.1 Increase and decrease in owners' equity (continued)

(*) In accordance with the Resolution No. 01/DHDCD2023/NQ dated 27 April 2023 of Annual Meeting of General Shareholders, the Company was approved for (i) cash dividends at 11% of par value (VND 1,100 per share); and (ii) appropriation of 5% profit after tax of 2022 to Other fund belonging to owners' equity.

18.2 Contributed charter capital

	Currency: VND			
	Ending balance		Beginning balance	
	Total	Ordinary shares	Total	Ordinary shares
Share capital	419,797,730,000	419,797,730,000	419,797,730,000	419,797,730,000
Share premium	184,195,877,847	184,195,877,847	184,195,877,847	184,195,877,847
TOTAL	603,993,607,847	603,993,607,847	603,993,607,847	603,993,607,847

18.3 Dividends

	Currency: VND	
	Current year	Previous year
Dividends declared during the year	46,131,788,014	41,083,124,500
<i>Dividends on ordinary shares</i>		
Dividends for 2022: VND 1,100 per share (2021: VND 1,000 per share)	46,131,788,014	41,083,124,500
Dividends declared after the date of reporting period and not yet recognized as liability as at 31 December 2023	-	-

18.4 Shares

	Ending balance Shares	Beginning balance Shares
Issued shares	41,979,773	41,979,773
Issued and paid-up shares	41,979,773	41,979,773
<i>Ordinary shares</i>	41,979,773	41,979,773
Treasury shares	-	-
<i>Ordinary shares</i>	-	-
Shares in circulation	41,979,773	41,979,773
<i>Ordinary shares</i>	41,979,773	41,979,773

The par value of share in circulation during the year is 10,000 VND/share (2022:10,000 VND/share).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

19. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
United States Dollars ("USD")	272,068.64	548,756.84
Euro ("EUR")	184,740.10	86,856.31
Korean Won ("KRW")	20,352,582	27,557,929

20. REVENUE**20.1 Revenue from sale of goods**

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross revenue	787,684,319,980	1,021,675,009,233
<i>In which:</i>		
<i>Sales of finished goods</i>	787,684,319,980	1,021,675,009,233
Deductions	(830,413,831)	(426,491,045)
<i>Sales return</i>	(830,413,831)	(426,491,045)
Net revenue	<u>786,853,906,149</u>	<u>1,021,248,518,188</u>

20.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income	30,885,906,022	18,712,576,702
Foreign exchange gain	7,686,951,457	8,084,033,397
Gain from trading securities	10,916,438	3,980,809,470
Reversals of provisions for trading securities	10,307,916,508	-
Dividends income	555,760,000	745,000,000
Other	-	159,087,907
TOTAL	<u>49,447,504,304</u>	<u>31,681,507,476</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

21. COST OF GOODS SOLD

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of goods sold	535,771,595,934	637,064,757,476
TOTAL	535,771,595,934	637,064,757,476

22. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	14,493,574,387	6,738,633,160
Provision for diminution in value of held-for-trading securities	-	17,434,956,302
Loss from investing activities	453,291,079	-
Foreign exchange losses	7,670,054,961	11,861,565,702
Other finance expenses	25,011,843	3,693,046,854
TOTAL	22,641,932,270	39,728,202,018

23. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
- Labour costs	79,211,369,816	78,362,705,820
- Raw materials	2,918,467,966	5,693,988,035
- Depreciation and amortisation	1,056,217,964	2,399,929,082
- External services	60,715,407,183	68,168,588,160
- Others	23,537,671,102	18,671,198,801
TOTAL	167,439,134,031	173,296,409,898
General and administrative expenses		
- Labour costs	59,664,655,151	54,311,448,983
- Provisions	3,658,899,208	4,073,282,218
- Depreciation and amortisation	6,383,732,992	5,716,915,256
- External services	16,656,654,750	14,146,045,855
- Others	6,590,730,731	9,780,282,192
TOTAL	92,954,672,832	88,027,974,504

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

24. OTHER INCOME

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gains from disposal of assets	7,066,801,119	503,416,749
Others	643,036,869	798,693,469
TOTAL	<u>7,709,837,988</u>	<u>1,302,110,218</u>

25. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Materials cost	405,745,037,451	562,031,924,801
Labour cost	231,308,624,762	215,564,922,558
Expenses for external services	87,439,470,693	89,883,133,370
Depreciation and amortization	31,561,833,164	35,677,478,011
Other expenses	31,220,559,209	27,471,211,698
TOTAL	<u>787,275,525,279</u>	<u>930,628,670,438</u>

26. CORPORATE INCOME TAX

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

Everpia Korea Co., Ltd. has obligation of CIT payment in accordance with local regulation (Korea) at 9.9% of taxable income.

MAOF is not liable to pay CIT. Any subsequent dividends payment to investors is subject to deduction tax rate of 20%.

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

26.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	5,654,976,192	25,752,397,563
Deferred tax income	(50,020,587)	(2,246,914,089)
TOTAL	<u>5,604,955,605</u>	<u>23,505,483,474</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

26. CORPORATE INCOME TAX (continued)

26.1 CIT expenses (continued)

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

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Profit before tax	24,246,728,247	115,334,904,446
At CIT rate of 20%	4,849,345,649	23,066,980,889
<i>Adjustments:</i>		
Expenses not eligible for CIT deduction	1,016,159,635	1,165,337,753
Unrecognized deferred tax assets related to tax losses	307,481,580	-
Difference in CIT tax rate of subsidiaries	(502,683,873)	(309,831,116)
Dividends income	(111,152,000)	(149,000,000)
Other adjustments	45,804,614	(268,004,052)
CIT expense	<u>5,604,955,605</u>	<u>23,505,483,474</u>

26.2 Current tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company and its subsidiaries for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. Liability for current tax of the Company and its subsidiaries is calculated using tax rates that have been enacted by the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

26. CORPORATE INCOME TAX (continued)

26.3 Deferred tax

The following are the deferred tax assets and deferred tax liabilities recognized by the Company and its subsidiaries, and the movements thereon, during the current and previous years.

Currency: VND

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
<i>Deferred tax assets</i>				
Provision for doubtful debts	12,205,275,684	11,951,864,991	253,410,693	134,817,689
Provision for obsolete inventories	6,422,569,094	5,805,426,213	617,142,880	2,500,301,196
Accrual for severance pay	2,786,415,974	2,951,084,721	(164,668,747)	(182,924,579)
Unrealised profit in inventories	1,287,451,290	1,272,080,092	15,371,198	(226,829,500)
Allocation expense of site restoration provision	-	552,599,260	(552,599,266)	110,519,853
Expense for excess of allocation period	325,819,111	255,046,121	70,772,990	70,772,988
	<u>23,027,531,153</u>	<u>22,788,101,398</u>	<u>239,429,748</u>	<u>2,406,657,647</u>
<i>Deferred tax liabilities</i>				
Unrealised foreign exchange gain of cash and trade receivables	(399,872,909)	(210,463,745)	(189,409,161)	(159,743,558)
	<u>(399,872,909)</u>	<u>(210,463,745)</u>	<u>(189,409,161)</u>	<u>(159,743,558)</u>
<i>Net deferred tax assets</i>	<u>22,627,658,244</u>	<u>22,577,637,653</u>		
<i>Net deferred tax credit to consolidated income statement</i>			<u>50,020,587</u>	<u>2,246,914,089</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

27. TRANSACTIONS WITH RELATED PARTIES

Information on related parties, who are members of Board of Directors ("BOD"), Board of supervision and Management, is presented in General Information.

Significant transactions of the Company with related parties during the year were as follows:

Transactions with other related parties

Remuneration to members of the Board of Directors, Board of Management and Board of supervision:

<i>Individuals</i>	<i>Position</i>	<i>Currency: VND</i>	
		<i>Current year</i>	<i>Previous year</i>
Board of Directors/Management			
Mr Cho Yong Hwan	Chairman/Ho Chi Minh City Branch Deputy General Director	2,643,781,770	2,826,339,203
Mr Lee Jae Eun	Member of BOD/General Director	5,544,416,003	5,921,754,630
Mr Yu Sung Dae	Member of BOD/Deputy General Director	2,651,815,208	2,963,542,823
Mr Le Kha Tuyen	Member of BOD	86,400,000	86,400,000
Mrs Nguyen Le Hoang Yen	Member of BOD (Until 28 April 2022)	-	28,800,000
Board of supervision			
Mr. Truong Tuan Nghia	Head of Board	86,400,000	86,400,000
Mr. Ko Tae Yeon	Member	86,400,000	86,400,000
Mr. Nguyen Dac Huong	Member	86,400,000	86,400,000
		<u>11,185,612,981</u>	<u>12,086,036,656</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

28. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable to ordinary equity holders for basic earnings	17,825,395,442	91,574,834,588
Net profit attributable to ordinary equity holders adjusted for the effect of dilution	<u>17,825,395,442</u>	<u>91,574,834,588</u>
Weighted average number of ordinary shares for basic earnings per share	41,979,773	41,342,227
Weighted average number of ordinary shares adjusted for the effect of dilution	<u>41,979,773</u>	<u>41,342,227</u>
Basic earnings per share	425	2,215
Diluted earnings per share	425	2,215

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

29. COMMITMENTS

Operating lease commitment

As at the reporting date, commitment on future minimum lease payments under showroom (operating) lease contracts are presented as below:

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	11,487,183,432	10,781,651,384
From 1 to 5 years	15,583,038,145	14,447,138,741
Above 5 years	6,397,028,760	-
TOTAL	<u>33,467,250,337</u>	<u>25,228,790,125</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

30. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiaries.

Nguyen Bao Ngoc
Preparer

Nguyen Bao Ngoc
Chief Accountant

Yu Sung Dae
Deputy General Director
In charge of Finance



Lee Jae Eun
General Director

Hanoi, Vietnam

25 March 2024

