

Everpia Joint Stock Company

Separate 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 subsequent amended investment certificates, with the latest being the 21th Amended Investment 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, and other activities as registered in the Investment Certificate.

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.

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 on 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 separate financial statements of the Company for the year ended 31 December 2023.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments 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 separate financial statements; and
- ▶ prepare the 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 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 separate financial statements.

STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2023 and of the separate results of its operations and its separate 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 the separate financial statements.

The Company has two subsidiaries as disclosed in the separate financial statements. The Company prepared these 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 consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2023 dated 25 March 2024.

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

For and on behalf of management:



Lee Jae Eun

General Director

Hanoi, Vietnam

25 March 2024

Reference: 11453398/67061582

INDEPENDENT AUDITORS' REPORT

To: The shareholders of Everpia Joint Stock Company

We have audited the accompanying separate financial statements of Everpia Joint Stock Company ("the Company") as prepared on 25 March 2024 and set out on pages 5 to 39, which comprise the separate balance sheet as at 31 December 2023, the separate income statement and the separate 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 separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the separate financial statements, and for such internal control as the management determines is necessary to enable the preparation and presentation of separate 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 separate 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 separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate 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 separate 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 separate 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 separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2023, and of the separate results of its operations and its separate 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 the separate 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

SEPARATE BALANCE SHEET
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		769,187,648,591	1,006,357,330,623
110	I. Cash and cash equivalents	4	37,295,304,064	54,187,527,306
111	1. Cash		35,449,650,599	37,111,751,659
112	2. Cash equivalents		1,845,653,465	17,075,775,647
120	II. Short-term investments		220,251,937,241	344,906,525,321
121	1. Held-for-trading securities		-	59,629,354,831
122	2. Provision for held-for-trading securities		-	(17,934,911,660)
123	3. Held-to-maturity investments	5	220,251,937,241	303,212,082,150
130	III. Current accounts receivables		181,327,623,237	230,376,814,589
131	1. Short-term trade receivables	6.1	167,122,003,180	183,249,582,129
132	2. Short-term advances to suppliers	6.2	9,806,656,928	40,316,492,714
136	3. Other short-term receivables	7	33,145,959,626	34,290,682,778
137	4. Provision for doubtful short-term receivables		(28,746,996,497)	(27,479,943,032)
140	IV. Inventories	9	325,207,900,646	370,004,854,237
141	1. Inventories		357,320,746,114	399,031,985,301
149	2. Provision for obsolete inventories		(32,112,845,468)	(29,027,131,064)
150	V. Other current assets		5,104,883,403	6,881,609,170
151	1. Short-term prepaid expenses	13	3,171,222,115	3,783,070,296
152	2. Value-added tax deductible		1,933,661,288	3,098,538,874

SEPARATE BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		572,336,904,227	438,745,765,065
210	I. Long-term receivables		3,092,726,629	2,528,912,336
216	1. Other long-term receivables	7	3,092,726,629	2,528,912,336
220	II. Fixed assets		337,600,105,526	150,521,910,151
221	1. Tangible fixed assets	10	337,333,757,244	149,974,198,369
222	Cost		758,878,180,005	594,586,605,282
223	Accumulated depreciation		(421,544,422,761)	(444,612,406,913)
227	2. Intangible fixed assets	11	266,348,282	547,711,782
228	Cost		41,013,062,876	41,013,062,876
229	Accumulated amortization		(40,746,714,594)	(40,465,351,094)
240	III. Long-term assets in progress		1,019,733,800	64,280,616,346
242	1. Construction in progress		1,019,733,800	64,280,616,346
250	IV. Long-term investments	12	63,281,249,521	63,281,249,521
251	1. Investments in subsidiaries		74,285,000,000	74,285,000,000
252	2. Investments in associate		11,590,390,000	11,590,390,000
253	3. Investment in other entity		4,974,200,000	4,974,200,000
254	4. Provision for long-term investments		(27,568,340,479)	(27,568,340,479)
260	V. Other long-term assets		167,343,088,751	158,133,076,711
261	1. Long-term prepaid expenses	13	146,002,881,797	136,827,519,145
262	2. Deferred tax assets	26.3	21,340,206,954	21,305,557,566
270	TOTAL ASSETS		1,341,524,552,818	1,445,103,095,688

SEPARATE BALANCE SHEET (continued)
as at 31 December 2023

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		346,133,339,012	420,842,515,432
310	I. Current liabilities		229,373,776,917	318,616,144,844
311	1. Short-term trade payables	14.1	50,319,555,468	59,260,660,160
312	2. Short-term advances from customers	14.2	19,186,940,891	18,592,271,299
313	3. Statutory obligations	15	6,876,649,113	17,305,373,343
314	4. Payables to employees		23,583,401,818	28,196,167,408
315	5. Short-term accrued expenses		832,302,286	1,590,412,575
318	6. Short-term unearned revenue		-	182,895,926
319	7. Other short-term payables	16	752,946,612	1,072,716,630
320	8. Short-term loans	17	127,821,980,729	192,415,647,503
330	II. Non-current liabilities		116,759,562,095	102,226,370,588
337	1. Other long-term liabilities	16	14,442,079,868	17,635,237,921
338	2. Long-term loans	17	102,317,482,227	84,591,132,667
400	D. OWNERS' EQUITY	18	995,391,213,806	1,024,260,580,256
410	I. Capital		995,391,213,806	1,024,260,580,256
411	1. Issued share capital		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	18.2	184,195,877,847	184,195,877,847
420	3. Other funds belonging to owners' equity		5,593,405,673	1,708,511,408
421	4. Undistributed earnings	18.1	385,804,200,286	418,558,461,001
421a	- Undistributed earnings by the end of prior year		367,847,931,258	330,409,731,903
421b	- Undistributed earnings of current year		17,956,269,028	88,148,729,098
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,341,524,552,818	1,445,103,095,688

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

SEPARATE 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	1,021,471,331,353
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	1,021,044,840,308
11	4. Cost of goods sold	21	(550,036,861,184)	(656,678,297,461)
20	5. Gross profit from sale of goods		236,817,044,965	364,366,542,847
21	6. Finance income	20.2	42,770,100,352	28,903,439,916
22	7. Finance expenses	22	(20,137,299,072)	(37,406,991,467)
23	In which: Interest expenses		(13,876,831,505)	(6,286,169,496)
25	8. Selling expenses	23	(158,452,976,824)	(166,386,133,877)
26	9. General and administrative expenses	23	(84,172,926,450)	(79,174,512,037)
30	10. Operating profit		16,823,942,971	110,302,345,382
31	11. Other income	24	7,709,837,988	1,302,110,218
32	12. Other expenses		(957,185,127)	(431,658,911)
40	13. Other profit		6,752,652,861	870,451,307
50	14. Accounting profit before tax		23,576,595,832	111,172,796,689
51	15. Current corporate income tax expenses	26.1	(5,654,976,192)	(25,497,811,179)
52	16. Deferred tax income	26.3	34,649,388	2,473,743,588
60	17. Net profit after tax		17,956,269,028	88,148,729,098



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

SEPARATE 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		23,576,595,832	111,172,796,689
	<i>Adjustments for:</i>			
02	Depreciation of tangibles fixed assets and amortisation of intangible fixed assets		31,139,332,547	35,178,970,608
03	(Reversal of provision)/provision		(13,582,143,791)	26,867,557,441
04	Foreign exchange gains arisen from revaluation of monetary accounts denominated in foreign currency		(2,190,902,542)	(1,378,890,386)
05	Profit from investing activities		(33,351,692,552)	(20,971,357,748)
06	Interest expenses		13,876,831,505	6,286,169,496
08	Operating profit before changes in working capital		19,468,020,999	157,155,246,100
09	Decrease/(increase) in receivables		33,768,197,181	(15,084,301,765)
10	Decrease/(increase) in inventories		41,711,239,187	(28,484,347,836)
11	(Decrease)/increase in payables		(19,344,487,637)	132,352,701
12	Increase in prepaid expenses		(8,563,514,471)	(1,249,152,962)
13	Decrease in held-for-trading securities		59,629,354,831	54,123,007,338
14	Interest paid		(13,998,920,446)	(5,996,684,516)
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		97,920,161,285	135,740,604,560
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(141,327,210,278)	(153,405,647,486)
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 and payments for purchases of debt instruments of other entities		(447,947,663,269)	(398,412,082,150)
24	Collections from borrowers, short-term investments		530,907,808,178	353,300,000,000
25	Payments for investments in other entities		-	(40,000,000,000)
27	Interest and dividends received		25,466,727,459	16,357,745,502
30	Net cash flows used in investing activities		(23,593,780,553)	(220,819,292,397)

SEPARATE 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	Proceeds from issuing share, receiving contributed capital		-	8,881,839,777
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		(46,131,788,014)	(41,083,124,500)
40	Net cash flows (used in)/from financing activities		(92,781,945,152)	88,296,296,398
50	Net (decrease)/increase in cash for the year		(18,455,564,420)	3,217,608,561
60	Cash and cash equivalents at the beginning of the year		54,187,527,306	49,634,206,005
61	Impact of exchange rate fluctuation		1,563,341,178	1,335,712,740
70	Cash and cash equivalents at the end of the year	4	37,295,304,064	54,187,527,306



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 SEPARATE 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 the Hanoi Department of Planning and Investment on 27 April 2007, and subsequent amended Investment Certificates, with the latest being the 21th amended Investment 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 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 Company’s normal course of business cycle is 12 months.

The number of the Company’s employees as at 31 December 2023 is 1,199 (31 December 2022: 1,209).

Company structure

As at 31 December 2023, the Company has 2 subsidiaries (31 December 2022: 2 subsidiaries), with the 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	80%	80%	38th 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 associates as disclosed in Note 12.2.

2. BASIS OF PREPARATION

2.1 *Purpose of preparing the separate financial statements*

The Company has subsidiaries as presented in Note 1 and Note 12.1. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2023 dated 25 March 2024.

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

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

2. BASIS OF PREPARATION (continued)

2.2. *Accounting standards and system*

The 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 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 separate financial position and separate results of operations and separate 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 General Journal system.

2.4 *Fiscal year*

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

2.5 *Accounting currency*

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

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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.2 *Inventories*

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

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

Net realisable value represents the estimated selling price in the ordinary course of 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, based on appropriate evidence of impairment available at the separate balance sheet date.

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

3.3 *Receivables*

Receivables are presented in the 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 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 separate income statement.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year 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 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 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 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 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, improvements are added to the carrying amount of the assets and other expenditures are charged to the 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 separate income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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
Means of transportation	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 separate 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.

3.10 Investments

Investment in subsidiaries

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

Distributions from accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the 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 SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Investments* (continued)

Investments in associates

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognised in the 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 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 evidence 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 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 is accrued at the end of each reporting year for employees who have been worked for more than 12 months. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labour Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 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 separate income statement.

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

3.13 *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 SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2023 and for the year 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 recognized as part of the cost of the buildings and structures, which will be amortized 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 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 separate balance sheet dates which are determined as follows:

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

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

3.16 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 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.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Appropriation of net profits* (continued)

Other fund belonging to owners' equity

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

3.17 *Revenue recognition*

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

Sale of goods

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

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.

3.18 *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 separate balance sheet date.

Current income tax is charged or credited to the 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 balance sheet date between the tax base of assets and liabilities and their carrying amount for separate financial reporting purposes.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 Taxation (continued)

Deferred tax (continued)

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 subsidiary 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 subsidiary, 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 utilized.

The carrying amount of deferred tax assets is reviewed at each 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 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.

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 separate balance sheet date.

Deferred tax is charged or credited to the 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 year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 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 have only one business segment and one geographic segment. Accordingly, the Company do not disclose segment information.

3.20 Related parties

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

4. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	147,891,517	147,458,108
Cash at banks	35,301,759,082	37,094,185,251
Cash equivalents (*)	<u>1,845,653,465</u>	<u>16,945,883,947</u>
TOTAL	<u>37,295,304,064</u>	<u>54,187,527,306</u>

(*) As at 31 December 2023, cash equivalents represent bank deposits with terms ranging from 1 month to 3 months, which earn interest at rates ranging from 1.9% to 3% per annum (as at 31 December 2022: from 3.8% to 6.0% per annum).

5. HELD-TO-MATURITY 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>
Term deposits (i)	207,251,937,241	207,251,937,241	303,212,082,150	303,212,082,150
Other investments (ii)	<u>13,000,000,000</u>	<u>13,000,000,000</u>	-	-
TOTAL	<u>220,251,937,241</u>	<u>220,251,937,241</u>	<u>303,212,082,150</u>	<u>303,212,082,150</u>

(i) Balance as at 31 December 2023 includes bank deposits with remaining terms from 1 month to 10 months and earn interest at rates ranging from 5.2% to 9.5% per annum (31 December 2022: from 3.8% to 11.5% per annum).

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

NOTES TO THE SEPARATE 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	165,502,497,826
TOTAL	<u>167,122,003,180</u>	<u>183,249,582,129</u>
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	11,579,176,930
TOTAL	<u>9,806,656,928</u>	<u>40,316,492,714</u>

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	8,564,971,018	7,746,807,044
Advance to employees	2,017,353,944	3,051,958,040
Other short-term receivables	437,958,711	685,638,669
TOTAL	<u>33,145,959,626</u>	<u>34,290,682,778</u>
Provision for other doubtful short-term receivables	(11,452,992,617)	(11,452,992,617)
Long-term		
Long-term deposit	3,092,726,629	2,528,912,336
TOTAL	<u>3,092,726,629</u>	<u>2,528,912,336</u>

NOTES TO THE SEPARATE 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	172,647,304,717	(19,011,394,539)	208,381,549,389	(14,320,172,867)
Finished goods	175,715,956,308	(13,101,450,929)	178,442,877,216	(14,706,958,197)
Merchandise	3,290,963,915	-	5,048,990,645	-
TOTAL	357,320,746,114	(32,112,845,468)	399,031,985,301	(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: Utilisation of provision during the period	(5,059,612,048)	(2,815,917,296)
Ending balance	<u>32,112,845,468</u>	<u>29,027,131,064</u>

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

10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
<i>Currency: VND</i>						
Cost:						
Beginning balance	198,522,782,797	317,644,179,363	43,506,145,190	14,362,286,934	20,551,210,998	594,586,605,282
- 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)
Ending balance	355,575,951,432	322,264,009,773	44,805,271,238	16,334,776,756	19,898,170,806	758,878,180,005
<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	118,747,805,184	260,339,904,801	32,833,259,524	14,362,286,934	18,329,150,470	444,612,406,913
- Depreciation for the year	10,069,586,622	16,651,367,231	3,216,405,875	484,745,063	435,864,256	30,857,969,047
- Disposal	(39,720,970,375)	(3,752,858,184)	(9,737,328,924)	(61,755,542)	(653,040,174)	(53,925,953,199)
Ending balance	89,096,421,431	273,238,413,848	26,312,336,475	14,785,276,455	18,111,974,552	421,544,422,761
Net carrying amount:						
Beginning balance	79,774,977,613	57,304,274,562	10,672,885,666	-	2,222,060,528	149,974,198,369
Ending balance	266,479,530,001	49,025,595,925	18,492,934,763	1,549,500,301	1,786,196,254	337,333,757,244

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

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

11. INTANGIBLE FIXED ASSETS

Cost:	Trademark	Distribution channel	Computer software	Others	Currency: VND
					Total
Beginning balance	24,566,385,000	7,831,500,000	7,928,284,189	686,893,687	41,013,062,876
Ending balance	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 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	-	547,711,782
Ending balance	-	-	266,348,282	-	266,348,282

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

12. LONG-TERM INVESTMENTS

	Ending balance		Beginning balance		Currency: VND
	Cost	Provision	Cost	Provision	
Investment in subsidiaries (Note 12.1)	74,285,000,000	(15,425,858,966)	74,285,000,000	(15,425,858,966)	
- Everpia Korea JSC	34,285,000,000	(15,425,858,966)	34,285,000,000	(15,425,858,966)	
- Mirae Asset Opportunities Fund Vietnam (MAOF)	40,000,000,000	-	40,000,000,000	-	
Investment in associate (Note 12.2)	11,590,390,000	(11,590,390,000)	11,590,390,000	(11,590,390,000)	
Investment in other entities (Note 12.3)	4,974,200,000	(552,091,513)	4,974,200,000	(552,091,513)	
TOTAL	90,849,590,000	(27,568,340,479)	90,849,590,000	(27,568,340,479)	

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

12.1 Investments in subsidiaries

Detailed information on subsidiaries as at 31 December 2023 is disclosed in Note 1.

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

12. LONG-TERM INVESTMENTS (continued)

12.2 Investments in associate

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

Name	Location	Principal activities	Ownership	Voting rights
Texpia JSC	Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa City, Dong Nai Province	Manufacture of cotton fabrics and knitwear	44%	44%

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

12.3 Investments in other entities

	<i>Currency: VND</i>	
	<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
TOTAL	<u>4,974,200,000</u>	<u>4,974,200,000</u>

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
Insurance premium	-	467,235,377
Advertising fee	1,429,052,621	515,770,795
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.

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

14. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

14.1 Short-term trade payables

Currency: VND

	Ending balance		Beginning balance	
	Amount	Amount payable	Amount	Amount payable
Short-term trade payables	38,517,052,749	38,517,052,749	47,584,978,542	47,584,978,542
- 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	32,858,109,241	32,858,109,241	40,749,785,701	40,749,785,701
Short term trade payable to related party (Note 27)	11,802,502,719	11,802,502,719	11,675,681,618	11,675,681,618
TOTAL	50,319,555,468	50,319,555,468	59,260,660,160	59,260,660,160

14.2 Short-term advances from customers

Currency: VND

	Ending balance	Beginning balance
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	19,186,940,891	18,592,271,299

15. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	Payable in the year	Payment in the year	Ending balance
Value added tax	4,288,958,024	8,651,982,406	(10,859,374,465)	2,081,565,965
Import and export duties	-	2,220,088,338	(2,220,088,338)	-
Corporate income tax	11,931,183,138	5,654,976,192	(14,055,880,895)	3,530,278,435
Personal income tax	1,085,232,181	11,954,811,384	(11,873,577,915)	1,166,465,650
Other taxes	-	1,130,887,912	(1,032,548,849)	98,339,063
TOTAL	17,305,373,343	30,649,903,927	(41,078,628,157)	6,876,649,113

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

16. OTHER PAYABLES

	<i>Currency: VND</i>	
	<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
Others	354,884,918	378,860,909
TOTAL	<u>752,946,612</u>	<u>1,072,716,630</u>
Long-term		
Provision for severance allowances	13,932,079,868	14,755,423,607
Provision for site restoration	-	2,762,996,314
Others	510,000,000	116,818,000
TOTAL	<u>14,442,079,868</u>	<u>17,635,237,921</u>

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

17. LOANS

	Beginning balance		Movement during the year		Foreign exchange difference	Ending balance		Currency: VND
	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	3,677,875,333	3,677,875,333	-	(3,677,875,333)	-	-	-	
	192,415,647,503	192,415,647,503	420,093,016,492	(484,469,523,190)	(217,160,076)	127,821,980,729	127,821,980,729	
Long-term								
Loans from banks (Note 17.2)	84,591,132,667	84,591,132,667	86,242,474,227	(68,516,124,667)	-	102,317,482,227	102,317,482,227	
	84,591,132,667	84,591,132,667	86,242,474,227	(68,516,124,667)	-	102,317,482,227	102,317,482,227	
TOTAL	277,006,780,170	277,006,780,170	506,335,490,719	(552,985,647,857)	(217,160,076)	230,139,462,956	230,139,462,956	

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

17. LOANS AND BORROWINGS (continued)

17.1 Short-term borrowings from banks

Bank	31 December 2023		Principal and interest payment term	Interest rate per annum	Description of collaterals
	VND	Original currency			
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	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.
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
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

TOTAL 127,821,980,729

17.2 Long-term borrowings from banks

Bank	31 December 2023		Principal and interest repayment term	Interest rate per annum	Description of collateral
	VND	Original currency			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	102,317,482,227	VND 102,317,482,227	7 years, payable in installment from February 2024 to November 2029. Interest is payable monthly.	9.5%	Land use rights and fixed assets of the Company formed from the loan at Giang Dien factory in Dong Nai, funded by the loan.

TOTAL 102,317,482,227

NOTES TO THE SEPARATE 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

	Issued share capital	Share premium	Treasury shares	Other fund belonging to owners' equity	Undistributed earnings	Total
Previous year						
Beginning balance	419,797,730,000	203,072,724,247	(76,000,000,000)	4,359,780,385	422,720,203,789	973,950,438,421
- Profit for the year	-	-	-	-	88,148,729,098	88,148,729,098
- Appropriation	-	-	-	2,986,033,563	(2,986,033,563)	-
- Issuance 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)
- Other decreases	-	-	-	(5,637,302,540)	-	(5,637,302,540)
Ending balance	419,797,730,000	184,195,877,847	-	1,708,511,408	418,558,461,001	1,024,260,580,256
Current year						
Beginning balance	419,797,730,000	184,195,877,847	-	1,708,511,408	418,558,461,001	1,024,260,580,256
- Profit for the year	-	-	-	-	17,956,269,028	17,956,269,028
- Appropriation (*)	-	-	-	4,578,741,729	(4,578,741,729)	-
- Dividends declared (*)	-	-	-	-	(46,131,788,014)	(46,131,788,014)
- Other decreases	-	-	-	(693,847,464)	-	(693,847,464)
Ending balance	419,797,730,000	184,195,877,847	-	5,593,405,673	385,804,200,286	995,391,213,806

(*) 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.

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

18. OWNERS' EQUITY (continued)

18.2 Share capital

Currency: VND

	Ending balance		Beginning balance	
	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	184,195,877,847	184,195,877,847	184,195,877,847	184,195,877,847
	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 and paid during the year	46,131,788,014	41,083,124,500
<i>Dividends on ordinary shares</i>		
Dividends by cash 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

	Quantity	
	Ending balance	Beginning balance
Authorised shares	41,979,773	41,979,773
Issued and paid-up shares	41,979,773	41,979,773
Ordinary shares	41,979,773	41,979,773
Treasury shares	-	-
Ordinary shares	-	-
Shares in circulation	41,979,773	41,979,773
Ordinary shares	41,979,773	41,979,773

Par value of outstanding shares is VND 10,000/share (31 December 2022: VND 10,000/share).

19. OFF BALANCE SHEET ITEMS

	Ending balance	Beginning balance
- United States dollar (USD)	272,068.64	548,756.84
- Euro (EUR)	184,740.10	86,856.31

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

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	1,021,471,331,353
<i>In which:</i>		
<i>Sales of goods</i>	787,684,319,980	1,021,471,331,353
Deductions	(830,413,831)	(426,491,045)
<i>Sales returns</i>	(830,413,831)	(426,491,045)
Net revenue	<u>786,853,906,149</u>	<u>1,021,044,840,308</u>

20.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income	25,729,131,433	19,722,940,999
Gain from trading securities	-	2,335,843,715
Reversals of provisions for trading securities	10,307,916,508	-
Foreign exchange gain	6,177,292,411	6,099,655,202
Dividends income	555,760,000	745,000,000
TOTAL	<u>42,770,100,352</u>	<u>28,903,439,916</u>

21. COST OF GOODS SOLD

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of goods sold	550,036,861,184	656,678,297,461
TOTAL	<u>550,036,861,184</u>	<u>656,678,297,461</u>

22. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	13,876,831,505	6,286,169,496
Provision for trading securities	-	17,434,956,302
Foreign exchange losses	6,235,467,567	9,992,819,090
Others	25,000,000	3,693,046,579
TOTAL	<u>20,137,299,072</u>	<u>37,406,991,467</u>

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

23. SELLING AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
- Labour costs	70,761,460,492	69,726,125,235
- Expenses for external services	61,244,353,954	70,445,770,264
- Material costs	2,918,467,966	5,693,988,035
- Depreciation and amortization	1,056,217,964	2,399,929,082
- Others	22,472,476,448	18,120,321,261
TOTAL	158,452,976,824	166,386,133,877
General and administrative expenses		
- Labour costs	53,288,516,652	48,007,347,972
- Provisions for doubtful debts	2,660,318,272	3,068,904,836
- Expenses for external services	16,016,949,331	13,583,646,446
- Depreciation and amortization	5,951,988,703	5,218,407,853
- Others	6,255,153,492	9,296,204,930
TOTAL	84,172,926,450	79,174,512,037

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	7,709,837,988	1,302,110,218

25. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Material costs	423,512,941,035	576,874,733,314
Labour costs	216,542,576,940	200,624,240,962
Expenses for external services	87,328,712,044	91,597,916,066
Depreciation and amortization	31,139,332,547	35,178,970,608
Other expenses	28,751,962,713	27,471,211,697
TOTAL	787,275,525,279	931,747,072,647

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

26. CORPORATE INCOME TAX

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

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 separate 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	25,497,811,179
Deferred tax income	(34,649,388)	(2,473,743,588)
TOTAL	<u>5,620,326,804</u>	<u>23,024,067,591</u>

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	23,576,595,832	111,172,796,689
At CIT rate of 20%	4,715,319,166	22,234,559,338
<i>Adjustments:</i>		
Expenses not eligible for CIT deduction	1,016,159,638	938,508,253
Dividends income	(111,152,000)	(149,000,000)
CIT expense	<u>5,620,326,804</u>	<u>23,024,067,591</u>

26.2 Current CIT

The current tax payable is based on taxable income for the current year. The taxable income of the Company for the year differs from the profit as reported in the separate 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. The Company's liability for current tax is calculated using tax rates that have been enacted by the separate balance sheet date.

NOTES TO THE SEPARATE 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 recognised by the Company, and the movements thereon, during the current and previous years:

Currency: VND

	<i>Separate balance sheet</i>		<i>Separate 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	5,805,426,214	617,142,880	2,500,301,197
Accrual for severance pay	2,786,415,974	2,951,084,721	(164,668,747)	(182,924,579)
Site restoration obligation	-	552,599,264	(552,599,266)	110,519,857
Other expenses	325,819,111	255,046,121	70,772,990	70,772,988
	<u>21,740,079,863</u>	<u>21,516,021,311</u>	<u>224,058,550</u>	<u>2,633,487,152</u>
<i>Deferred tax liabilities</i>				
Unrealised foreign exchange gain of cash and trade receivables	(399,872,909)	(210,463,745)	(189,409,162)	(159,743,564)
	<u>(399,872,909)</u>	<u>(210,463,745)</u>	<u>(189,409,162)</u>	<u>(159,743,564)</u>
<i>Net deferred tax assets</i>	<u>21,340,206,954</u>	<u>21,305,557,566</u>		
<i>Net deferred tax presented in separate income statement</i>			<u>34,649,388</u>	<u>2,473,743,588</u>

27. TRANSACTIONS WITH RELATED PARTIES

List of related parties as at 31 December 2023 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Everpia Korea JSC	Subsidiary
Mirae Asset Opportunities Fund Vietnam	Subsidiary

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

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

27. TRANSACTIONS WITH RELATED PARTIES (continued)

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Currency: VND</i>	
			<i>Current year</i>	<i>Previous year</i>
Everpia Korea JSC	Subsidiary	Purchase of raw material	78,688,893,962	104,428,668,158
		Purchase of services	2,024,141,511	6,939,035,381
Mirae Asset Opportunities Fund Vietnam	Subsidiary	Capital contribution	-	40,000,000,000

The terms and conditions of transactions with related parties

The sales and purchases transactions with related parties are made at the contractual agreed price in the contract.

Outstanding balances at 31 December 2023 is unsecured, interest-free and will be settled in cash. For the year ended on 31 December 2023, the Company has no provision for doubtful loan receivable and interest receivable relating to amounts owed by related parties (31 December 2022: nil). This assessment is done for each year through examining the financial position of the related party and the relevant markets in which it operates.

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Currency: VND</i>	
			<i>Ending balance</i>	<i>Beginning balance</i>
Short-term trade payables (Note 14.1)				
Everpia Korea JSC	Subsidiary	Purchase of raw materials and services	11,802,502,719	11,675,681,618
TOTAL			11,802,502,719	11,675,681,618

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

27. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Remuneration to members of the Board of Directors ("BOD"), Management and Board of supervision:

		<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 of Supervision	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>

28. COMMITMENTS

Operating lease commitment

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

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

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

29. EVENTS AFTER THE BALANCE SHEET DATE

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



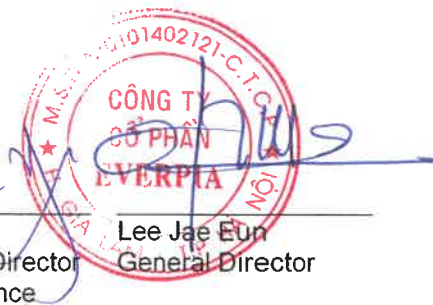
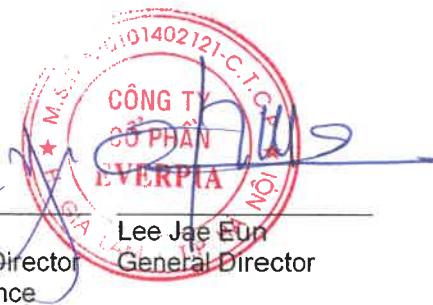
Nguyen Bao Ngoc
Preparer



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

