

Everpia Joint Stock Company

Interim separate financial statements

For the six-month period ended 30 June 2023



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For the six-month period ended 30 June 2023



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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 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 branches are 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 period 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 period and at the date of this report are:

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

Everpia Joint Stock Company

GENERAL INFORMATION (continued)

MANAGEMENT

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

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

LEGAL REPRESENTATIVE

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

AUDITOR

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

Everpia Joint Stock Company

REPORT OF MANAGEMENT

Management of Everpia Joint Stock Company ("the Company") is pleased to present this report and the interim separate financial statements of the Company for the six-month period ended 30 June 2023.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

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

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

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

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

STATEMENT BY THE MANAGEMENT

The management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2023, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of interim separate financial statements.

The Company has two subsidiaries as disclosed in the interim separate financial statements. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information in the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiary for the six-month period ended 30 June 2023 dated 25 August 2023.

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

For and on behalf of the management:



Lee Jae Eun
General Director

Hanoi, Vietnam

25 August 2023

Reference: 11453398/67061582/LR

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders of Everpia Joint Stock Company

We have reviewed the accompanying interim separate financial statements of Everpia Joint Stock Company ("the Company"), as prepared on 25 August 2023 and set out on pages 6 to 40 which comprise the interim separate balance sheet as at 30 June 2023, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditor's responsibility

Our responsibility is to express a conclusion on the interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2023, and of its interim separate results of operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

Ernst & Young Vietnam Limited



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

Hanoi, Vietnam

25 August 2023

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2023

Currency: VND

Code	ASSETS	Notes	30 June 2023	31 December 2022
100	A. CURRENT ASSETS		922,932,603,900	1,006,357,330,623
110	I. Cash and cash equivalents	4	23,506,232,054	54,187,527,306
111	1. Cash		16,164,573,604	37,111,751,659
112	2. Cash equivalents		7,341,658,450	17,075,775,647
120	II. Short-term investments		290,569,551,995	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	290,569,551,995	303,212,082,150
130	III. Current accounts receivables		181,301,805,157	230,376,814,589
131	1. Short-term trade receivables	6.1	155,330,547,906	183,249,582,129
132	2. Short-term advances to suppliers	6.2	31,245,464,875	40,316,492,714
136	3. Other short-term receivables	7	24,894,886,294	34,290,682,778
137	4. Provision for doubtful debts	8	(30,169,093,918)	(27,479,943,032)
140	IV. Inventories	9	397,730,598,841	370,004,854,237
141	1. Inventories		426,035,097,170	399,031,985,301
149	2. Provision for obsolete inventories		(28,304,498,329)	(29,027,131,064)
150	V. Other current assets		29,824,415,853	6,881,609,170
151	1. Short-term prepaid expenses	14	1,913,580,137	3,783,070,296
152	2. Value-added tax deductible		27,910,835,716	3,098,538,874

INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2023

Currency: VND

Code	ASSETS	Notes	30 June 2023	31 December 2022
200	B. NON-CURRENT ASSETS		570,605,436,967	438,745,765,065
210	I. Long-term receivables		2,373,500,304	2,528,912,336
216	1. Other long-term receivables	7	2,373,500,304	2,528,912,336
220	II. Fixed assets		148,417,252,583	150,521,910,151
221	1. Tangible fixed assets	10	148,015,080,553	149,974,198,369
222	Cost		603,922,774,266	594,586,605,282
223	Accumulated depreciation		(455,907,693,713)	(444,612,406,913)
227	2. Intangible fixed assets	11	402,172,030	547,711,782
228	Cost		41,013,062,876	41,013,062,876
229	Accumulated amortization		(40,610,890,846)	(40,465,351,094)
240	III. Long-term assets in progress		198,272,959,056	64,280,616,346
242	1. Construction in progress	12	198,272,959,056	64,280,616,346
250	IV. Long-term investments	13	63,281,249,521	63,281,249,521
251	1. Investments in subsidiary		74,285,000,000	74,285,000,000
252	2. Investments in associate		11,590,390,000	11,590,390,000
253	3. Other long-term investments		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		158,260,475,503	158,133,076,711
261	1. Long-term prepaid expenses	14	136,972,254,352	136,827,519,145
262	2. Deferred tax assets	27.3	21,288,221,151	21,305,557,566
270	TOTAL ASSETS		1,493,538,040,867	1,445,103,095,688

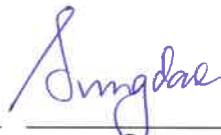
INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2023

Currency: VND

Code	RESOURCES	Notes	30 June 2023	31 December 2022
300	C. LIABILITIES		505,933,175,316	420,842,515,432
310	I. Current liabilities		336,095,989,347	318,616,144,844
311	1. Short-term trade payables	15.1	75,917,354,680	59,260,660,160
312	2. Short-term advances from customers	15.2	18,586,589,577	18,592,271,299
313	3. Statutory obligations	16	8,908,891,514	17,305,373,343
314	4. Payables to employees		21,748,240,115	28,196,167,408
315	5. Short-term accrued expenses	17	1,824,969,332	1,590,412,575
318	6. Short-term unearned revenue		48,290,471	182,895,926
319	7. Other short-term payables	18	1,029,110,491	1,072,716,630
320	8. Short-term loans	19	208,032,543,167	192,415,647,503
330	II. Non-current liabilities		169,837,185,969	102,226,370,588
337	1. Other long-term payables	18	17,139,639,020	17,635,237,921
338	2. Long-term loans	19	152,697,546,949	84,591,132,667
400	D. OWNERS' EQUITY		987,604,865,551	1,024,260,580,256
410	I. Capital	20	987,604,865,551	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	20.2	184,195,877,847	184,195,877,847
420	3. Other fund belonging to owners' equity	20.5	6,019,731,233	1,708,511,408
421	4. Undistributed earnings	20.1	377,591,526,471	418,558,461,001
421a	- Undistributed earnings up to the end of prior year		367,847,931,120	330,409,731,903
421b	- Undistributed earnings of current period		9,743,595,351	88,148,729,098
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,493,538,040,867	1,445,103,095,688



Preparer
Accounting manager
Nguyen Bao Ngoc



Deputy General Director
In charge of Finance
Yu Sung Dae



General Director
Lee Jae Eun


Hanoi, Vietnam

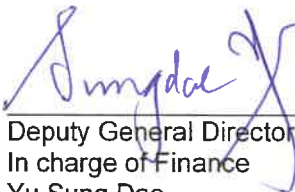
25 August 2023

INTERIM SEPARATE INCOME STATEMENT
for the six-month period ended 30 June 2023

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
01	1. Revenue from sale of goods and rendering of services	22.1	349,681,760,295	472,292,766,819
02	2. Deductions	22.1	(706,784,822)	(387,447,153)
10	3. Net revenue from sale of goods and rendering of services	22.1	348,974,975,473	471,905,319,666
11	4. Cost of goods sold and services rendered	23	(244,908,280,424)	(314,469,761,000)
20	5. Gross profit from sale of goods and rendering of services		104,066,695,049	157,435,558,666
21	6. Finance income	22.2	29,547,512,329	15,302,347,768
22 23	7. Finance expenses <i>In which: Interest expenses</i>	24	(8,322,060,962) (5,934,063,147)	(27,598,078,565) (3,088,276,720)
25	8. Selling expenses	25	(75,259,750,331)	(75,116,889,906)
26	9. General and administrative expenses	25	(37,990,407,567)	(35,954,162,051)
30	10. Operating profit		12,041,988,518	34,068,775,912
31	11. Other income		697,434,448	212,089,924
32	12. Other expenses		(13,831,221)	(135,951,203)
40	13. Other profit		683,603,227	76,138,721
50	14. Accounting profit before tax		12,725,591,745	34,144,914,633
51	15. Current corporate income tax expense	27.1	(2,964,659,980)	(7,513,785,617)
52	16. Deferred tax expense/(income)	27.3	(17,336,414)	373,043,567
60	17. Net profit after tax		9,743,595,351	27,004,172,583


Preparer
Accounting manager
Nguyen Bao Ngoc


Deputy General Director
In charge of Finance
Yu Sung Dae


General Director
Lee Jae Eun

Hanoi, Vietnam

25 August 2023

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2023

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		12,725,591,745	34,144,914,633
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and amortisation of intangible fixed assets		13,340,560,456	20,624,212,348
03	(Reversal of provisions)/provisions		(15,968,393,509)	23,886,449,607
04	Foreign exchange (gains)/losses arisen from restranlation of monetary accounts denominated in foreign currencies		(1,009,818,392)	1,971,686,373
05	Profits from investing activities		(26,264,588,637)	(9,903,660,694)
06	Interest expenses	24	5,934,063,147	3,088,276,720
08	Operating (loss)/profit before changes in working capital		(11,242,585,190)	73,811,878,987
09	Decrease/(increase) in receivables		5,493,314,081	(25,421,967,334)
10	Increase in inventories		(27,003,111,869)	(23,988,259,790)
11	Increase/(decrease) in payables		10,107,660,816	(10,264,352,875)
12	Decrease/(increase) in prepaid expenses		1,724,754,952	(428,190,953)
13	Decrease in held-for-trading securities		59,629,354,831	61,855,490,642
14	Interest paid		(5,967,837,090)	(3,073,547,104)
15	Corporate income tax paid		(11,930,718,031)	(8,396,768,130)
17	Other cash outflows for operating activities		(267,521,904)	(451,243,700)
20	Net cash flows from operating activities		20,543,310,596	63,643,039,743
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets		(127,869,894,411)	(66,394,038,450)
22	Proceeds from disposals of fixed assets		537,272,727	843,358,284
23	Payments for short-term investments		(290,569,551,995)	(183,302,301,853)
24	Collections from short-term investments		303,212,082,150	252,600,000,000
27	Interest and dividends received		25,258,468,823	9,875,358,900
30	Net cash flows (used in)/from investing activities		(89,431,622,706)	13,622,376,881

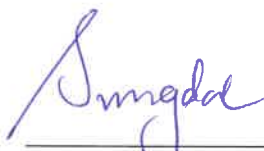
INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2023

Currency: VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		319,017,361,300	235,048,765,984
34	Repayment of borrowings		(236,311,564,375)	(172,724,921,701)
36	Dividends paid to shareholders		(46,131,788,152)	(41,031,361,450)
40	Net cash flows from financing activities		36,574,008,773	21,292,482,833
50	Net (decrease)/increase in cash for the period		(32,314,303,337)	98,557,899,457
60	Cash and cash equivalents at beginning of the period		54,187,527,306	49,634,206,005
61	Impact of exchange rate fluctuation		1,633,008,085	427,817,667
70	Cash and cash equivalents at end of the period	4	23,506,232,054	148,619,923,129



Preparer
Accounting manager
Nguyen Bao Ngoc



Deputy General Director
In charge of Finance
Yu Sung Dae



General Director
Lee Jae Eun

Hanoi, Vietnam

25 August 2023

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
as at 30 June 2023 and for the six-month period then ended

1. CORPORATE INFORMATION

Everpia Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and 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 branches are 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 total number of the Company’s employees as at 30 June 2023 is 1,198 (31 December 2022 is 1,209).

Company structure

As at 30 June 2023, the Company has 2 subsidiaries (31 Dec 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 raw materials for production of bedding related 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 stocks, bonds and other investments.

As at 30 June 2023, the Company also has an investment in associate as disclosed in Note 13.

2. BASIS OF PREPARATION

2.1 *Purpose of preparing the interim separate financial statements*

The Company has subsidiaries in Note 1 and Note 13. The Company prepared these interim 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 interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2023 dated 25 August 2023.

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

2. BASIS OF PREPARATION (continued)

2.2 *Accounting standards and system*

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

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

Accordingly, the accompanying interim separate financial statements, including their utilisation are not designed for those who are not informed about Vietnam’s accounting principles, procedures and practices and furthermore are not intended to present the interim separate financial position and interim separate results of operations and interim 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 interim 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 INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period 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.

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 basis.
Finished goods and 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 interim separate balance sheet date.

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

3.3 *Receivables*

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

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement. 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 interim separate 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 recognised as part of the cost of building, structures using discounted cash flow of the future cash flow to settle the site restoration obligation at the end of the factory area rental period.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Tangible fixed assets* (continued)

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

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

3.5 *Leased assets*

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

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

Where the Company is the lessee

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

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises of its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

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

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

3.7 *Depreciation and amortisation*

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

Buildings, structures	22 - 46 years
Machinery and equipment	5 - 15 years
Office equipment	6 - 8 years
Motor vehicles	9 - 10 years
Others tangible fixed assets	4 - 20 years
Trademark	6 - 16 years
Distribution channels	15 years
Computer software	4 years
Other intangible fixed assets	4 - 10 years

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

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

3.9 *Prepaid expenses*

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

Prepaid land rental

The prepaid land rental represents the unamortised balance of advance payment made in accordance with lease contract signed with Sonadezi Giang Dien Joint Stock Company on 9 September 2021 for a period of 48 years. Such prepaid rental is classified as long-term prepaid expenses for allocation to the interim separate income statement over the remaining lease period.

3.10 *Investments*

Investment in subsidiaries

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

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

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 interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Held-for-trading securities and investments in other entities

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 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 interim separate income statement and deducted against the value of such investments.

Provision for diminution in value investments

Provision of the investment is made when there are reliable 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 interim separate income statement.

3.11 Payables and accruals

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

3.12 Accrual for severance pay

The severance pay to employee 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 interim separate income statement.

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

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.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 Provisions (continued)

Provision for site restoration costs

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

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

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

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

3.16 Appropriation of net profits

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

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

Other fund belonging to owners' equity

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 dividends is established.

3.18 Taxation

Current income tax

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

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

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

Deferred tax

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period 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 temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporary differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognized 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 interim separate balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are reassessed at each interim separate balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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

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

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period 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 bedding-related products. Revenue and assets regarding to bedding-related products accounted for more than 90% of total revenue in the period and total assets as at the reporting date. Besides, the production and business activities of the Company are mainly carried out in the territory of Vietnam. Therefore, the Company has only one business segment and one geographic segment. Accordingly, the Company does not disclose information segment.

3.20 Related parties

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

4. CASH AND CASH EQUIVALENTS

	<i>Currency: VND</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Cash on hand	267,620,844	147,458,108
Cash at banks	15,896,952,760	37,094,185,251
Cash equivalents (*)	<u>7,341,658,450</u>	<u>16,945,883,947</u>
TOTAL	<u>23,506,232,054</u>	<u>54,187,527,306</u>

(*) As at 30 June 2023, cash equivalents represent bank deposits and listed bonds (with repurchase commitment term) with terms from 1 month to 3 months and earn interest at rates ranging from 4.3% to 7.3% per annum (31 December 2022: from 3.8% to 6.0% per annum).

5. HELD-TO-MATURITY INVESTMENTS

Held-to-maturity investments represent bank deposits with terms from 6 months to 1 year, and earn interest at rates ranging from 4.7% to 10.1% per annum (31 December 2022: from 3.8% to 11.5% per annum).

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

6.1 Short-term trade receivables

	<i>Currency: VND</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Trade receivables	<u>155,330,547,906</u>	<u>183,249,582,129</u>
TOTAL	<u>155,330,547,906</u>	<u>183,249,582,129</u>
Provision for doubtful debts	(18,716,101,301)	(16,026,950,415)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

6. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS
(continued)

6.2 Short-term advances to suppliers

	<i>Currency: VND</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
YoungJin E&C Joint Stock Company	1,499,176,664	20,340,368,000
Tongxiang Huibo Import & Export Company Limited	4,753,221,285	4,568,687,508
Other suppliers	24,993,066,926	15,407,437,206
TOTAL	<u>31,245,464,875</u>	<u>40,316,492,714</u>

7. OTHER RECEIVABLES

	<i>Currency: VND</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Short-term		
Shortage of assets awaiting solution	11,349,845,417	11,349,845,417
Interest receivable	8,215,654,131	7,746,807,044
Advances to employees	4,412,166,343	3,051,958,040
Value added tax waiting for refund	-	11,353,286,408
Other short-term receivables	917,220,403	788,785,869
TOTAL	<u>24,894,886,294</u>	<u>34,290,682,778</u>
Provision for doubtful other short-term receivables	(11,452,992,617)	(11,452,992,617)
Long-term		
Long-term deposit	2,373,500,304	2,528,912,336
TOTAL	<u>2,373,500,304</u>	<u>2,528,912,336</u>

8. BAD DEBTS

	<i>Currency: VND</i>			
	<i>30 June 2023</i>		<i>31 December 2022</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Trade receivables	40,718,738,870	22,002,637,569	27,138,830,869	11,111,880,454
Shortage of assets awaiting solution	11,452,992,617	-	11,452,992,617	-
TOTAL	<u>52,171,731,487</u>	<u>22,002,637,569</u>	<u>38,591,823,486</u>	<u>11,111,880,454</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

9. INVENTORIES

Currency: VND

	<i>30 June 2023</i>		<i>31 December 2022</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Goods in transit	2,452,633,500	-	7,158,568,051	-
Raw materials	213,015,270,092	(14,320,172,867)	208,381,549,389	(14,320,172,867)
Finished goods	207,339,049,960	(13,984,325,462)	178,442,877,216	(14,706,958,197)
Merchandises	3,228,143,618	-	5,048,990,645	-
TOTAL	426,035,097,170	(28,304,498,329)	399,031,985,301	(29,027,131,064)

Movements of provision for obsolete inventories:

Currency: VND

	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Beginning balance	29,027,131,064	16,525,625,089
Add: Provision made during the period	-	3,392,711,850
Less: Utilisation and reversal of provision during the period	(722,632,735)	(1,279,384,657)
Ending balance	28,304,498,329	18,638,952,282

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

10. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Others	Total
Cost:						
As at 31 December 2022	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	-	1,727,370,160	8,927,126,364	581,406,364	-	11,235,902,888
- Disposal	-	-	(1,899,733,904)	-	-	(1,899,733,904)
As at 30 June 2023	198,522,782,797	319,371,549,523	50,533,537,650	14,943,693,298	20,551,210,998	603,922,774,266
<i>In which:</i>						
Fully depreciated	64,285,289,561	163,807,655,739	20,071,979,412	14,362,286,934	15,113,715,383	277,640,927,029
Accumulated depreciation:						
As at 31 December 2022	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 period	2,893,050,942	8,431,820,730	1,444,241,993	186,219,522	239,687,517	13,195,020,704
- Disposal	-	-	(1,899,733,904)	-	-	(1,899,733,904)
As at 30 June 2023	121,640,856,126	268,771,725,531	32,377,767,613	14,548,506,456	18,568,837,987	455,907,693,713
Net carrying amount:						
As at 31 December 2022	79,774,977,613	57,304,274,562	10,672,885,666	-	2,222,060,528	149,974,198,369
As at 30 June 2023	76,881,926,671	50,599,823,992	18,155,770,037	395,186,842	1,982,373,011	148,015,080,553

As at 30 June 2023, certain tangible fixed assets were pledged as collaterals for loans of the Company as presented in Note 19.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

11. INTANGIBLE FIXED ASSETS

Cost:	Trademark	Distribution channels	Computer software	Others	Total	Currency: VND
As at 31 December 2022	24,566,385,000	7,831,500,000	7,928,284,189	686,893,687	41,013,062,876	
As at 30 June 2023	24,566,385,000	7,831,500,000	7,928,284,189	686,893,687	41,013,062,876	
<i>In which:</i>						
<i>Fully amortised</i>	23,494,500,000	7,831,500,000	6,866,430,149	686,893,687	38,879,323,836	
Accumulated amortisation:						
As at 31 December 2022	24,443,527,166	7,831,500,000	7,503,430,241	686,893,687	40,465,351,094	
Amortisation for the period	99,039,752	-	46,500,000	-	145,539,752	
As at 30 June 2023	24,542,566,918	7,831,500,000	7,549,930,241	686,893,687	40,610,890,846	
Net carrying amount:						
As at 31 December 2022	122,857,834	-	424,853,948	-	547,711,782	
As at 30 June 2023	23,818,082	-	378,353,948	-	402,172,030	

12. CONSTRUCTION IN PROGRESS

	30 June 2023	31 December 2022	Currency: VND
Construction cost of Giang Dien factory (*)	197,849,382,156	63,857,039,446	
IT system under installation	423,576,900	423,576,900	
TOTAL	198,272,959,056	64,280,616,346	

(*) Construction work of Giang Dien factory was pledged as collateral for long-term loan as presented in Note 19.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

13. LONG-TERM INVESTMENTS

Currency: VND

	30 June 2023		31 December 2022	
	Cost	Provision	Cost	Provision
Investment in subsidiaries (Note 13.1)	74,285,000,000	(15,425,858,966)	74,285,000,000	(15,425,858,966)
- Everpia Korea Joint Stock Company	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 13.2)	11,590,390,000	(11,590,390,000)	11,590,390,000	(11,590,390,000)
Other long-term investments (Note 13.3)	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 disclose the fair value of these investments as they are not listed on the stock market.

13.1 Investments in subsidiaries

Detailed information of subsidiaries as at 30 June 2023 is disclosed in Note 1.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

13. LONG-TERM INVESTMENTS (continued)

13.2 Investments in associate

As at 30 June 2023 and 31 December 2022, the Company has 1 associate as follows:

Name	Location	Principal activities	Percentage of ownership of the Company	Voting rights of the Company
Texpia Joint Stock Company	Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa City, Dong Nai Province	Manufacture of cotton fabrics and knitwear	44%	44%

As at 30 June 2023, Texpia Joint Stock Company was in process of liquidation.

13.3 Other long-term investments

	Currency: VND	
	30 June 2023	31 December 2022
Bac Ninh Pharmaceutical JSC	4,014,200,000	4,014,200,000
Hyojung Soft Tech JSC	960,000,000	960,000,000
TOTAL	4,974,200,000	4,974,200,000

14. PREPAID EXPENSES

	Currency: VND	
	30 June 2023	31 December 2022
Short-term		
Prepaid rentals	553,833,334	2,417,931,422
Insurance premium	432,199,392	467,235,377
Advertising fee	415,907,531	515,770,795
Others	511,639,880	382,132,702
TOTAL	1,913,580,137	3,783,070,296
Long-term		
Land rental prepaid (*)	116,277,895,739	117,802,409,903
Prepaid rentals	8,418,102,303	10,404,457,765
Furniture in use	4,917,826,421	4,262,881,265
Tools in use	3,616,756,090	3,030,217,512
Others	3,741,673,799	1,327,552,700
TOTAL	136,972,254,352	136,827,519,145

(*) Mainly includes prepaid land rental of the factory in Giang Dien Industrial Park, Dong Nai province, which was pledged as collateral for long-term loan as presented in Note 19.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

15. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

15.1 Short-term trade payables

Currency: VND

	30 June 2023		31 December 2022	
	Amount	Amount payable	Amount	Amount payable
Short-term trade payables	64,971,905,814	64,971,905,814	47,584,978,542	47,584,978,542
Payables to related parties (Note 28)	10,945,448,866	10,945,448,866	11,675,681,618	11,675,681,618
TOTAL	75,917,354,680	75,917,354,680	59,260,660,160	59,260,660,160

15.2 Short-term advances from customers

Currency: VND

	30 June 2023	31 December 2022
Short-term advances from customers	18,586,589,577	18,592,271,299
TOTAL	18,586,589,577	18,592,271,299

16. STATUTORY OBLIGATIONS

Currency: VND

	31 December 2022	Payable during the period	Payment during the period	30 June 2023
Value added tax	4,288,958,024	3,701,869,222	(4,326,445,211)	3,664,382,035
Import and export duties	-	1,311,597,534	(1,311,597,534)	-
Corporate income tax	11,931,183,138	2,964,659,980	(11,930,718,031)	2,965,125,087
Personal income tax	1,085,232,181	7,336,893,126	(6,523,681,609)	1,898,443,698
Other taxes	-	850,337,560	(469,396,866)	380,940,694
TOTAL	17,305,373,343	16,165,357,422	(24,561,839,251)	8,908,891,514

17. SHORT-TERM ACCRUED EXPENSES

Currency: VND

	30 June 2023	31 December 2022
Import and export fees	1,083,016,208	893,724,575
Others	741,953,124	696,688,000
TOTAL	1,824,969,332	1,590,412,575

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

18. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>
Short-term		
Trade union fee	445,183,331	352,227,174
Interest payable	307,854,604	341,628,547
Other short-term payables	276,072,556	378,860,909
TOTAL	1,029,110,491	1,072,716,630
Long-term		
Provision for severance allowances	13,759,824,706	14,755,423,607
Provision for site restoration	2,762,996,314	2,762,996,314
Other long-term payables	616,818,000	116,818,000
TOTAL	17,139,639,020	17,635,237,921

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

19. LOANS

	31 December 2022		Movement during the period		Foreign exchange difference	30 June 2023	
	Balance	Payable amount	Increase	Decrease		Balance	Payable amount
Short-term							
Loans from banks (Note 19.1)	188,737,772,170	188,737,772,170	232,774,887,073	(236,311,564,375)	1,017,513,021	186,218,607,889	186,218,607,889
Current portion of long-term loans (Note 19.2)	3,677,875,333	3,677,875,333	18,136,059,945	-	-	21,813,935,278	21,813,935,278
TOTAL	192,415,647,503	192,415,647,503	250,910,947,018	(236,311,564,375)	1,017,513,021	208,032,543,167	208,032,543,167
Long-term							
Loans from banks (Note 19.2)	84,591,132,667	84,591,132,667	86,242,474,227	(18,136,059,945)	-	152,697,546,949	152,697,546,949
	84,591,132,667	84,591,132,667	86,242,474,227	(18,136,059,945)	-	152,697,546,949	152,697,546,949

Currency: VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

19. LOANS (continued)

19.1 Short-term loans from banks

Bank	30 June 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	54,974,791,900	USD 2,314,728	6-month, due from September 2023 to December 2023. Interest is payable monthly.	4% - 4.3%	Buildings, structures and machineries of Hung Yen, Ha Noi and Dong Nai factories.
Joint Stock Commercial Bank for Foreign Trade of Vietnam	131,243,815,989	VND 131,243,815,989	6-month, due from July 2023 to December 2023. Interest is payable monthly.	6.2% - 7.8%	Buildings, structures and machineries of Hung Yen, Ha Noi and Dong Nai factories.
TOTAL	186,218,607,889				

19.2 Long-term loans from banks

Bank	30 June 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	174,511,482,227	VND 174,511,482,227	7-year, payable in instalments from November 2023 to November 2029. Interest is payable monthly.	9.5%	Land use rights and related fixed assets funded by the loan at Giang Dien Factory, Dong Nai Province.
TOTAL	174,511,482,227				
<i>In which:</i>					
Current portion	21,813,935,278				
Non-current portion	152,697,546,949				

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

	Issued share capital	Share premium	Treasury shares	Other fund belonging to owners' equity	Undistributed earnings	Total
For the six-month period ended 30 June 2022						
As at 31 December 2021	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 period	-	-	-	-	27,004,172,583	27,004,172,583
- Appropriation to Other fund belonging to owners' equity	-	-	-	2,986,033,563	(2,986,033,563)	-
- Issuance of treasury shares	-	(10,590,472,350)	58,831,785,950	-	(48,241,313,600)	-
- Dividends declared	-	-	-	-	(41,031,361,450)	(41,031,361,450)
- Other decreases	-	-	-	(451,243,700)	-	(451,243,700)
As at 30 June 2022	419,797,730,000	192,482,251,897	(17,168,214,050)	6,894,570,248	357,465,667,759	959,472,005,854
For the six-month period ended 30 June 2023						
As at 31 December 2022	419,797,730,000	184,195,877,847	-	1,708,511,408	418,558,461,001	1,024,260,580,256
- Profit for the period	-	-	-	-	9,743,595,351	9,743,595,351
- Appropriation to Other fund belonging to owners' equity	-	-	-	4,578,741,729	(4,578,741,729)	-
- Dividends declared (*)	-	-	-	-	(46,131,788,152)	(46,131,788,152)
- Other decreases	-	-	-	(267,521,904)	-	(267,521,904)
As at 30 June 2023	419,797,730,000	184,195,877,847	-	6,019,731,233	377,591,526,471	987,604,865,551

(*) 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 (i.e. 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 INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

20. OWNERS' EQUITY (continued)

20.2 Share capital

Currency: VND

	30 June 2023		31 December 2022	
	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

20.3 Dividends

Currency: VND

	For the six-month period ended 30 June 2023	For the six-month period ended 30 June 2022
Dividends declared and paid during the period	46,131,788,152	41,031,361,450
<i>Dividends on ordinary shares</i>		
Dividends for 2022: VND 1,100/share (2021: VND 1,000/share)	46,131,788,152	41,031,361,450
Dividends declared after the date of reporting period and not yet recognised as liability as at 30 June 2023	-	-

20.4 Shares

Quantity

	30 June 2023	31 December 2022
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).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

21. OFF BALANCE SHEET ITEMS

	30 June 2023	31 December 2022
Written-off receivables:		
- Texpia JSC (VND)	30,160,675,690	30,160,675,690
- Other receivables (VND)	2,389,798,881	2,389,798,881
Foreign currencies:		
- United State dollar (USD)	305,974.06	548,756.84
- Euro (EUR)	593.53	86,856.31

22. REVENUE

22.1 Revenue from sale of goods

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Gross revenue	349,681,760,295	472,292,766,819
<i>In which:</i>		
Sales of goods	349,681,760,295	472,292,766,819
Revenue deductions		
Sales returns	(706,784,822)	(387,447,153)
Net revenue	<u>348,974,975,473</u>	<u>471,905,319,666</u>

22.2 Finance income

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Interest income	14,851,723,420	9,769,680,069
Gain from trading securities	10,435,133,750	2,327,953,304
Foreign exchange gains	3,690,368,178	3,080,930,066
Dividends income	440,458,740	123,784,329
Other	129,828,241	-
TOTAL	<u>29,547,512,329</u>	<u>15,302,347,768</u>

23. COST OF GOODS SOLD

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Cost of goods sold	244,908,280,424	314,469,761,000
TOTAL	<u>244,908,280,424</u>	<u>314,469,761,000</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

24. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Interest expenses	5,934,063,147	3,088,276,720
Provision for diminution in value of trading securities	-	20,640,898,201
Foreign exchange losses	2,274,856,435	3,868,903,644
Others	113,141,380	-
TOTAL	<u>8,322,060,962</u>	<u>27,598,078,565</u>

25. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Selling expenses		
- Labour costs	35,954,492,185	32,865,685,533
- Expenses for external services	27,791,750,210	32,507,536,265
- Materials cost	1,847,276,991	2,404,455,480
- Depreciation and amortisation	513,438,650	1,228,078,387
- Others	9,152,792,295	6,111,134,241
TOTAL	<u>75,259,750,331</u>	<u>75,116,889,906</u>
General and administrative expenses		
- Labour costs	23,297,874,433	22,564,881,805
- Provision	2,760,734,715	1,509,555,703
- Expenses for external services	6,432,458,348	6,384,434,036
- Depreciation and amortisation	2,214,794,651	2,706,103,069
- Others	3,284,545,420	2,789,187,438
TOTAL	<u>37,990,407,567</u>	<u>35,954,162,051</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

26. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Materials cost	185,334,483,616	196,766,264,573
Labour costs	134,062,884,881	86,237,191,053
Expenses for external services	39,108,609,687	41,842,875,613
Depreciation and amortisation	13,340,560,456	20,624,212,348
Other expenses	12,447,337,712	8,925,019,171
TOTAL	<u>384,293,876,352</u>	<u>354,395,562,758</u>

27. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") 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 interim separate financial statements could change at a later date upon final determination by the tax authorities.

27.1 CIT expenses

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Current CIT expenses	2,964,659,980	7,513,785,617
Deferred tax expense/(income)	17,336,414	(373,043,567)
TOTAL	<u>2,981,996,394</u>	<u>7,140,742,050</u>

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

	<i>Currency: VND</i>	
	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Profit before tax	12,725,591,745	34,144,914,633
At CIT rate of 20%	2,545,118,349	6,828,982,927
<i>Adjustments:</i>		
Expenses not eligible for CIT deduction	524,969,793	336,515,989
Dividends income	(88,091,748)	(24,756,866)
Estimated current CIT expenses	<u>2,981,996,394</u>	<u>7,140,742,050</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

27. CORPORATE INCOME TAX (continued)

27.2 Current CIT

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

27.3 Deferred tax

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

Currency: VND

	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>	
	<i>30 June 2023</i>	<i>31 December 2022</i>	<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
<i>Deferred tax assets</i>				
Provision for doubtful debts	12,489,695,170	11,951,864,991	537,830,179	236,301,890
Provision for obsolete inventories	5,660,899,666	5,805,426,213	(144,526,547)	422,665,439
Accrual for severance pay	2,751,964,941	2,951,084,721	(199,119,780)	(212,964,801)
Site restoration obligation	552,599,260	552,599,260	-	55,259,926
Other expenses	290,432,618	255,046,121	35,386,497	35,386,497
	21,745,591,655	21,516,021,305	229,570,349	536,648,951
<i>Deferred tax liabilities</i>				
Unrealised foreign exchange gains of cash and trade receivables	(457,370,504)	(210,463,745)	(246,906,763)	(163,605,384)
	(457,370,504)	(210,463,745)	(246,906,763)	(163,605,384)
<i>Net deferred tax assets</i>	21,288,221,151	21,305,557,566		
<i>Net deferred tax (charge)/credit to interim separate income statement</i>			(17,336,414)	373,043,567

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

28. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship with the Company during the period and as at 30 June 2023 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Everpia Korea Joint Stock Company	Subsidiary
Mirae Asset Opportunities Fund Vietnam	Subsidiary

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

Significant transactions with related parties during the six-month period were as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Currency: VND</i>	
			<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Everpia Korea Joint Stock Company	Subsidiary	Purchase of raw materials and tools	54,586,645,207	57,325,971,582
		Purchase of service	1,647,702,122	2,229,963,353
Mirae Asset Opportunities Fund Vietnam (MAOF)	Subsidiary	Capital contribution	-	40,000,000,000

The terms and conditions of transactions with related parties

The sales, purchases and service transactions with related parties shall perform on the basis of contractual agreement.

Outstanding balances at 30 June 2023 are unsecured, interest free and will be settled in cash. For the six-month period ended 30 June 2023, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2022: nil). This assessment is undertaken each financial year through the examination of the financial position of the related party and the market in which the related party operates.

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

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Currency: VND</i>	
			<i>30 June 2023</i>	<i>31 December 2022</i>
Short-term trade payables (Note 15.1)				
Everpia Korea Joint Stock Company	Subsidiary	Purchase of materials	10,945,448,866	11,675,681,618
TOTAL			10,945,448,866	11,675,681,618

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Other transactions with other related parties

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

		<i>Currency: VND</i>	
		<i>For the six-month period ended 30 June 2023</i>	<i>For the six-month period ended 30 June 2022</i>
Board of Directors/the Management			
Mr Lee Jae Eun	General Director/ Member of BOD	2,732,535,734	2,129,643,506
Mr Cho Yong Hwan	Chairman/Ho Chi Minh City Branch Deputy General Director	1,302,564,552	1,215,888,706
Mr Yu Sung Dae	Deputy General Director/Member of BOD	1,306,932,906	982,185,943
Mr Le Kha Tuyen	Member of BOD	43,200,000	43,200,000
Ms Nguyen Le Hoang Yen	Member of BOD (until 28 April 2022)	-	28,800,000
Board of supervision			
Mr Truong Tuan Nghia	Head of Board	43,200,000	43,200,000
Mr Ko Tae Yeon	Member	43,200,000	43,200,000
Mr Nguyen Dac Huong	Member	43,200,000	43,200,000
		<u>5,514,833,192</u>	<u>4,529,318,155</u>

29. COMMITMENTS

Operating lease commitment

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

		<i>Currency: VND</i>	
		<i>30 June 2023</i>	<i>31 December 2022</i>
Up to 1 year		11,048,021,740	10,781,651,384
From 1 to 5 years		10,532,038,143	14,447,138,741
Over 5 years		5,317,325,195	-
TOTAL		<u>26,897,385,078</u>	<u>25,228,790,125</u>

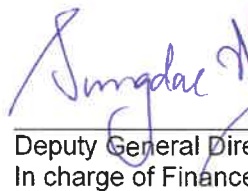
NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2023 and for the six-month period then ended

30. EVENTS AFTER THE INTERIM SEPARATE BALANCE SHEET DATE

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



Preparer
Accounting manager
Nguyen Bao Ngoc



Deputy General Director
In charge of Finance
Yu Sung Dae




General Director
Lee Jae Eun

Hanoi, Vietnam

25 August 2023

