

Everpia Joint Stock Company

Separate financial statements

For the year ended 31 December 2022



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For the year ended 31 December 2022



Everpia Joint Stock Company

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Everpia Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Everpia Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent amended Investment Certificates, with the latest, being the 21th Amended Investment Registration Certificate, received on 28 April 2022.

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

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

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

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 Park Sung Jin	Member	
Mr Le Kha Tuyen	Member	
Ms Nguyen Le Hoang Yen	Member	Resigned on 28 April 2022

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

Everpia Joint Stock Company

GENERAL INFORMATION (continued)

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	
Mr Park Sung Jin	Dong Nai Branch Director	Resigned on 1 January 2022

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.

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 separate financial statements of the Company for the year ended 31 December 2022.

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 its 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 2022 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 Circular 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 subsidiaries for the year ended 31 December 2022 dated 29 March 2023.

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

29 March 2023

Reference: 61110609/22965193

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 29 March 2023 and set out on pages 6 to 42, which comprise the separate balance sheet as at 31 December 2022, and the separate income statement and 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 separate financial statements, and for such internal control as 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 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 2022, 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 separate financial statements.

Ernst & Young Vietnam Limited



Le Duc Truong
Deputy General Director
Audit Practising Registration
Certificate No. 0816-2023-004-1



Thu Thi Le
Auditor
Audit Practising Registration
Certificate No. 5606-2023-004-1

Hanoi, Vietnam

29 March 2023

SEPARATE BALANCE SHEET
as at 31 December 2022

Currency: VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,006,357,330,623	968,737,739,912
110	I. Cash and cash equivalents	4	54,187,527,306	49,634,206,005
111	1. Cash		37,111,751,659	23,331,309,278
112	2. Cash equivalents		17,075,775,647	26,302,896,727
120	II. Short-term investments		344,906,525,321	371,352,406,811
121	1. Held-for-trading securities	5.1	59,629,354,831	113,752,362,169
122	2. Provision for held-for-trading securities	5.1	(17,934,911,660)	(499,955,358)
123	3. Held-to-maturity investments	5.2	303,212,082,150	258,100,000,000
130	III. Current accounts receivables		230,376,814,589	185,734,415,572
131	1. Short-term trade receivables	6.1	183,249,582,129	166,582,061,994
132	2. Short-term advances to suppliers	6.2	40,316,492,714	21,436,698,492
136	3. Other short-term receivables	7	34,290,682,778	24,521,509,675
137	4. Provision for doubtful short-term receivables		(27,479,943,032)	(26,805,854,589)
140	IV. Inventories	9	370,004,854,237	354,022,012,376
141	1. Inventories		399,031,985,301	370,547,637,465
149	2. Provision for obsolete inventories		(29,027,131,064)	(16,525,625,089)
150	V. Other current assets		6,881,609,170	7,994,699,148
151	1. Short-term prepaid expenses	14	3,783,070,296	2,533,917,334
152	2. Value-added tax deductible	16	3,098,538,874	5,460,781,814

SEPARATE BALANCE SHEET (continued)
as at 31 December 2022


Currency: VND

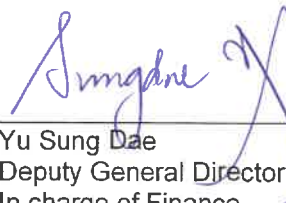
Code	ASSETS	Notes	Ending balance	Beginning balance
200	B. NON-CURRENT ASSETS		438,745,765,065	299,182,767,581
210	<i>I. Long-term receivables</i>		2,528,912,336	2,488,692,336
216	1. Other long-term receivables	7	2,528,912,336	2,488,692,336
220	<i>II. Fixed assets</i>		150,521,910,151	173,780,752,330
221	1. Tangible fixed assets	10	149,974,198,369	171,676,849,021
222	Cost		594,586,605,282	586,475,682,118
223	Accumulated depreciation		(444,612,406,913)	(414,798,833,097)
227	2. Intangible fixed assets	11	547,711,782	2,103,903,309
228	Cost		41,013,062,876	41,013,062,876
229	Accumulated amortization		(40,465,351,094)	(38,909,159,567)
240	<i>III. Long-term assets in progress</i>		64,280,616,346	55,418,410,869
242	1. Construction in progress	12	64,280,616,346	55,418,410,869
250	<i>IV. Long-term investments</i>	13	63,281,249,521	23,281,249,521
251	1. Investments in subsidiaries		74,285,000,000	34,285,000,000
252	2. Investments in associate		11,590,390,000	11,590,390,000
253	3. Investment in other entities		4,974,200,000	4,974,200,000
254	4. Provision for long-term investments		(27,568,340,479)	(27,568,340,479)
260	<i>V. Other long-term assets</i>		158,133,076,711	44,213,662,525
261	1. Long-term prepaid expenses	14	136,827,519,145	25,381,848,553
262	2. Deferred tax assets	27.3	21,305,557,566	18,831,813,972
270	TOTAL ASSETS		1,445,103,095,688	1,267,920,507,493

SEPARATE BALANCE SHEET (continued)
as at 31 December 2022

Currency: VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		420,842,515,432	293,970,069,072
310	I. Current liabilities		318,616,144,844	275,420,208,260
311	1. Short-term trade payables	15.1	59,260,660,160	61,345,493,738
312	2. Short-term advances from customers	15.2	18,592,271,299	23,956,101,080
313	3. Statutory obligations	16	17,305,373,343	10,181,092,281
314	4. Payables to employees		28,196,167,408	20,858,066,440
315	5. Short-term accrued expenses	17	1,590,412,575	1,366,141,805
318	6. Short-term unearned revenue		182,895,926	-
319	7. Other short-term payables	18	1,072,716,630	836,055,510
320	8. Short-term loans	19	192,415,647,503	156,877,257,406
330	II. Non-current liabilities		102,226,370,588	18,549,860,812
337	1. Other long-term payables	18	17,635,237,921	18,549,860,812
338	2. Long-term loans	19	84,591,132,667	-
400	D. OWNERS' EQUITY		1,024,260,580,256	973,950,438,421
410	I. Capital	20	1,024,260,580,256	973,950,438,421
411	1. Share capital		419,797,730,000	419,797,730,000
411a	- Shares with voting rights		419,797,730,000	419,797,730,000
412	2. Share premium	20.2	184,195,877,847	203,072,724,247
415	3. Treasury shares	20.2	-	(76,000,000,000)
420	4. Other funds belonging to owners' equity	20.5	1,708,511,408	4,359,780,385
421	5. Undistributed earnings	20.1	418,558,461,001	422,720,203,789
421a	- Undistributed earnings up to the end of prior year		330,409,731,903	362,195,488,658
421b	- Undistributed earnings of current year		88,148,729,098	60,524,715,131
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,445,103,095,688	1,267,920,507,493


Nguyen Bao Ngoc
Preparer
Accounting manager


Yu Sung Dae
Deputy General Director
In charge of Finance




Lee Jae Eun
General Director


29 March 2023

SEPARATE INCOME STATEMENT
for the year ended 31 December 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	22.1	1,021,471,331,353	861,706,886,503
02	2. Deductions	22.1	(426,491,045)	(503,797,371)
10	3. Net revenue from sale of goods and rendering of services	22.1	1,021,044,840,308	861,203,089,132
11	4. Cost of goods sold and services rendered	23	(656,678,297,461)	(578,275,767,426)
20	5. Gross profit from sale of goods and rendering of services		364,366,542,847	282,927,321,706
21	6. Finance income	22.2	28,903,439,916	44,319,638,229
22	7. Finance expenses	24	(37,406,991,467)	(30,061,639,988)
23	- In which: Interest expenses		(6,286,169,496)	(23,103,377,288)
25	8. Selling expenses	25	(166,386,133,877)	(146,786,318,696)
26	9. General and administrative expenses	25	(79,174,512,037)	(74,446,303,238)
30	10. Operating profit		110,302,345,382	75,952,698,013
31	11. Other income		1,302,110,218	1,523,629,989
32	12. Other expenses		(431,658,911)	(740,079,362)
40	13. Other profit		870,451,307	783,550,627
50	14. Accounting profit before tax		111,172,796,689	76,736,248,640
51	15. Current corporate income tax expenses	27.1	(25,497,811,179)	(16,782,319,109)
52	16. Deferred tax income	27.3	2,473,743,588	570,785,600
60	17. Net profit after tax		88,148,729,098	60,524,715,131


Nguyen Bao Ngoc
Preparer
Accounting manager


Yu Sung Dae
Deputy General Director
In charge of Finance


Lee Jae Eun
General Director

29 March 2023

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2022


Currency: VND

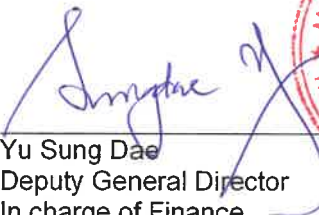
Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		111,172,796,689	76,736,248,640
	<i>Adjustments for:</i>			
02	Depreciation of tangibles fixed assets and amortisation of intangible fixed assets		35,178,970,608	39,044,004,586
03	Provisions		26,867,557,441	2,715,475,665
04	Foreign exchange (gains)/losses arisen from revaluation of monetary accounts denominated in foreign currency		(1,378,890,386)	488,974,567
05	Profit from investing activities		(20,971,357,748)	(28,214,789,468)
06	Interest expenses		6,286,169,496	23,103,377,288
08	Operating profit before changes in working capital		157,155,246,100	113,873,291,278
09	Increase in receivables		(15,084,301,765)	(44,119,055,581)
10	Increase in inventories		(28,484,347,836)	(9,509,498,244)
11	Increase in payables (other than interest, corporate income tax)		132,352,701	25,615,126,823
12	(Increase)/decrease in prepaid expenses		(1,249,152,962)	999,928,091
13	Decrease/(increase) in held-for-trading securities		54,123,007,338	(93,752,362,169)
14	Interest paid		(5,996,684,516)	(21,940,250,726)
15	Corporate income tax paid	16	(19,218,211,960)	(20,001,959,129)
17	Other cash outflows from operating activities		(5,637,302,540)	(16,563,501)
20	Net cash flows from/(used in) operating activities		135,740,604,560	(48,851,343,158)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase, construction of fixed assets and other long-term assets		(153,405,647,486)	(68,202,498,846)
22	Proceeds from disposals of fixed assets and other long-term assets		1,340,691,737	599,431,048
23	Loans to other entities, short-term investment		(398,412,082,150)	(107,230,000,000)
24	Collections from borrowers, short-term investments		353,300,000,000	363,400,000,000
25	Payments for investments in other entities		(40,000,000,000)	(1,376,000,000)
26	Proceeds from sale of investments in other entities		-	3,360,000,000
27	Interest and dividends received		16,357,745,502	31,937,593,552
30	Net cash flows (used in)/from investing activities		(220,819,292,397)	222,488,525,754

SEPARATE CASH FLOW STATEMENT (continued)
for the year ended 31 December 2022

Currency: VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Proceeds from issuing shares		8,881,839,777	-
33	Drawdown of borrowings		363,031,673,666	295,229,315,483
34	Repayment of borrowings		(242,534,092,545)	(423,130,280,750)
36	Dividends paid to shareholders		(41,083,124,500)	(37,991,437,250)
40	Net cash flows from/(used in) financing activities		88,296,296,398	(165,892,402,517)
50	Net increase in cash for the year		3,217,608,561	7,744,780,079
60	Cash and cash equivalents at the beginning of the year		49,634,206,005	41,344,568,854
61	Impact of exchange rate fluctuation		1,335,712,740	544,857,072
70	Cash and cash equivalents at the end of the year	4	54,187,527,306	49,634,206,005


 Nguyen Bao Ngoc
 Preparer
 Accounting manager


 Yu Sung Dae
 Deputy General Director
 In charge of Finance


 Lee Jae Eun
 General Director



29 March 2023

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
as at 31 December 2022 and for the year then ended

1. CORPORATE INFORMATION

Everpia Joint Stock Company (“the Company”) is a joint stock company incorporated under the Law on Enterprise of Vietnam following a change in legal form from a 100% foreign-owned company, Everpia Vietnam Co., Ltd., in pursuant to the Investment Certificate No. 011033000055 issued by Hanoi Department of Planning and Investment on 27 April 2007, and the subsequent Amended Investment Certificates, with the latest being the 21th Amended Investment Registration Certificate, received on 28 April 2022.

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

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

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

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

The number of the Company’s employees as at 31 December 2022 is 1,209 (31 December 2021: 1,228).

Company structure

The Company has 2 subsidiaries. Details of the subsidiaries and the percentages of the Company’s voting and interests in subsidiaries as at 31 December 2022 are as follows:

Everpia Korea Joint Stock Company

This is a joint stock company established under Investment Certificate No. 201600179 issued by the Ministry of Planning and Investment of Vietnam on 1 August 2016. Everpia Korea Joint Stock Company is located at A408-Hyeondae Knowledge Industry Centre, No.3 Godeung Ro, Sujeong Gu, Seong nam Si, Gyeonggi Do, Seoul, Korea. The principal activities of Everpia Korea Joint Stock Company are trading of bed sheets, pillows, mattresses; consulting and transferring technologies in the field of production and business and perform the right to import and export follow the Korean law.

As at 31 December 2022, the Company is registered to hold 100% shares and voting rights in this subsidiary. At the date of this report, the Company contributed USD 1,500,000 (VND 34,285,000,000), equivalent to 100% charter capital to this subsidiary.

Mirae Asset Vietnam Opportunity Fund

This is a securities investment fund established under the certificate No. 36/GCN-UBCK issued by the State Securities Commission on 20 July 2022. Mirae Asset Vietnam Opportunity Fund is headquartered at the 38th floor, Keangnam Landmark Hanoi Tower, Area E6, Cau Giay New Urban Area, Me Tri Ward, Nam Tu Liem District, Hanoi. The Mirae Asset Vietnam Opportunity Fund will invest in stocks and bonds of issuers operating under Vietnamese and foreign laws, and capital contributions in limited liability companies in the industries which is not prohibited by law.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

1. CORPORATE INFORMATION (continued)

Mirae Asset Vietnam Opportunity Fund (continued)

As at 31 December 2022, the Company is registered to hold 80% shares and voting rights in this subsidiary. At the date of this report, the Company contributed VND 40,000,000,000, equivalent to 80% charter capital to this subsidiary.

As at 31 December 2022, the Company also owns investment in associate as disclosed in Note 13.2.

2. BASIS OF PREPARATION

2.1 Purpose of preparing the separate financial statements

Everpia Joint Stock Company has subsidiaries as presented in Note 1 and Note 13.1. 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. The Company is also required under this Circular to prepare the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2022. The Company had completed the consolidated financial statements on 29 March 2023.

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.

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 financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Applied accounting documentation system

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

2. BASIS OF PREPARATION (continued)

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.

3.2 Inventories

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

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of the business, based on market prices at the reporting date and 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 direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

Provision for obsolete inventories

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

Increases and decreases to the provision balance are recorded into the cost of goods sold and services rendered account 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 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.

Trademark, distribution channels

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.7 Depreciation and amortization

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

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs are recorded as expense during the 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

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 2 June 2021 for a period of 50 years. The aforementioned prepaid land rental is recognized as a long-term prepaid expense and amortized to the shorter of the period between the remaining term of the lease and the Company's remaining operating life under the Investment certificate.

3.10 Investments

Investment in subsidiaries

Investments in subsidiaries over which the Company has control are carried at cost in separate financial statements.

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.

Investments in associates

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Investments (continued)

Investments in associates (continued)

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.

Provision for diminution in value investments

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

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

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.

3.11 Payables and accruals

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

3.12 Accrual for severance pay

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

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

3.13 Treasury share

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 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 2022 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 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.

Rendering of services

Revenue is recognized when services are completed.

Interest

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

Dividends

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 financial reporting purposes.

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

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

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

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.18 *Taxation* (continued)

Deferred tax (continued)

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.

3.19 *Segment information*

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

4. CASH AND CASH EQUIVALENTS

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	147,458,108	180,847,013
Cash at banks	37,094,185,251	23,150,462,265
Cash equivalents (*)	16,945,883,947	26,302,896,727
TOTAL	54,187,527,306	49,634,206,005

(*) As at 31 December 2022, cash equivalents represent bank deposits with terms from 1 month to 3 months, which earn interest at rates ranging from 3.8% to 6.0% per annum (2021: 3.0 – 4.0% per annum).

5. SHORT-TERM INVESTMENTS

5.1. Held-for-trading securities

Currency: VND

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>
Shares						
(i)	59,629,354,831	41,694,443,171	(17,934,911,660)	20,392,362,169	19,892,406,812	(499,955,358)
Bond	-	-	-	93,360,000,000	93,360,000,000	-
TOTAL	59,629,354,831	41,694,443,171	(17,934,911,660)	113,752,362,169	113,252,406,812	(499,955,358)

(i) Details for shares investment are as follows:

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Cost</i>	<i>Fair value (*)</i>	<i>Provision</i>	<i>Cost</i>	<i>Fair value</i>	<i>Provision</i>
SSI						
Securities						
Joint Stock						
Company						
Ho Chi Minh	39,434,945,100	26,516,043,171	(12,918,901,929)	2,191,666,811	3,108,000,000	-
City						
Securities						
Corporation	19,695,602,640	14,800,000,000	(4,895,602,640)	6,196,811,500	6,142,500,000	(54,311,500)
Vietnam						
National						
Aviation						
Insurance						
Corporation	498,807,091	378,400,000	(120,407,091)	-	-	-
Hoa Phat						
Group Joint						
Stock						
Company	-	-	-	12,003,883,858	11,558,240,000	(445,643,858)
TOTAL	59,629,354,831	41,694,443,171	(17,934,911,660)	20,392,362,169	20,808,740,000	(499,955,358)

(*) The fair value of shares investment is determined based on the market value of shares on the stock market as at 30 December 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

5. **SHORT-TERM INVESTMENTS** (continued)

5.2. *Held-to-maturity investments*

Currency: VND

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Carrying value</i>	<i>Cost</i>	<i>Carrying value</i>
Term deposits	303,212,082,150	303,212,082,150	258,100,000,000	258,100,000,000
TOTAL	303,212,082,150	303,212,082,150	258,100,000,000	258,100,000,000

Held-to-maturity investments represent deposits with terms from 6 months to 1 year, which earn interest at rates ranging from 3.8% to 11.5% per annum (2021: 5.4% to 5.6% per annum).

6. **SHORT-TERM TRADE RECEIVABLES AND ADVANCE TO SUPPLIERS**

6.1 *Short-term trade receivables*

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Welcron Global Vietnam JSC	6,436,352,596	5,321,675,890
MM Mega Market Vietnam Co., Ltd.	3,176,920,133	4,165,344,026
Petit Elin Co., Ltd.	2,861,903,951	4,699,692,605
GDB Investment and Trading Company Limited – Hai Phong	2,549,881,971	3,832,664,984
Other trade receivables	168,224,523,478	148,562,684,489
TOTAL	183,249,582,129	166,582,061,994
Provision for doubtful debts	(16,026,950,415)	(15,352,861,972)

6.2 *Short-term advances to suppliers*

Currency: VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Youngjin E&C Joint Stock Company	20,340,368,000	-
Tongxiang Huibo Import & Export Co., Ltd.	4,568,687,508	7,260,252,903
Ha Trang Interior Co., Ltd.	2,430,499,821	920,616,857
Guoxin Infu Limited Company	1,222,535,252	1,610,031,598
NanTong GlobalLink Industry & Trade Co., Ltd.	175,225,203	1,732,906,504
Advance to other suppliers	11,579,176,930	9,912,890,630
TOTAL	40,316,492,714	21,436,698,492

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

7. OTHER RECEIVABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Value added tax waiting for refund	11,353,286,408	1,168,241,076
Shortage of assets awaiting resolution	11,349,845,417	11,349,845,417
Interest income from term deposits	7,746,807,044	3,636,611,547
Advance to employees	3,051,958,040	2,265,664,481
Land rental deposit	-	5,038,344,000
Import tax waiting for refund	-	347,397,965
Other short-term receivables	788,785,869	715,405,189
TOTAL	<u>34,290,682,778</u>	<u>24,521,509,675</u>
Provision for doubtful other short-term receivables	(11,452,992,617)	(11,452,992,617)
Long-term		
Long-term deposit	2,528,912,336	2,488,692,336
TOTAL	<u>2,528,912,336</u>	<u>2,488,692,336</u>

8. OVERDUE DEBTS

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Recoverable amount</i>	<i>Cost</i>	<i>Recoverable amount</i>
Trade receivables	27,138,830,869	11,111,880,454	29,113,267,434	13,760,405,462
Shortage of assets awaiting resolution	11,452,992,617	-	11,452,992,617	-
TOTAL	<u>38,591,823,486</u>	<u>11,111,880,454</u>	<u>40,566,260,051</u>	<u>13,760,405,462</u>

9. INVENTORIES

	<i>Currency: VND</i>			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Goods in transit	7,158,568,051	-	5,735,532,397	-
Raw materials	208,381,549,389	(14,320,172,867)	212,132,427,401	(10,540,999,759)
Finished goods	178,442,877,216	(14,706,958,197)	145,865,843,107	(5,984,625,330)
Merchandise	5,048,990,645	-	6,813,834,560	-
TOTAL	<u>399,031,985,301</u>	<u>(29,027,131,064)</u>	<u>370,547,637,465</u>	<u>(16,525,625,089)</u>

Movements of provision for obsolete inventories:

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	16,525,625,089	16,378,940,507
Add: Provision made during the year	15,317,423,271	4,255,794,498
Less: Utilisation and reversal of provision during the year	(2,815,917,296)	(4,109,109,916)
Ending balance	<u>29,027,131,064</u>	<u>16,525,625,089</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

10. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	Machinery and equipment	Office equipment	Motor vehicle	Others	Total
Cost:						
Beginning balance	198,369,782,797	309,624,227,624	14,362,286,934	43,599,982,856	20,519,401,907	586,475,682,118
Newly purchased	153,000,000	12,050,900,358	-	521,693,968	31,809,091	12,757,403,417
Disposal	-	(4,030,948,619)	-	(615,531,634)	-	(4,646,480,253)
Ending balance	198,522,782,797	317,644,179,363	14,362,286,934	43,506,145,190	20,551,210,998	594,586,605,282
<i>In which:</i>						
Fully depreciated	63,456,764,861	158,813,634,122	14,362,286,934	19,125,752,212	14,729,267,001	270,487,705,130
Accumulated depreciation:						
Beginning balance	109,362,878,523	243,079,793,673	14,121,427,516	30,527,274,035	17,707,459,350	414,798,833,097
Depreciation for the year	9,384,926,661	20,453,784,759	240,859,418	2,921,517,123	621,691,120	33,622,779,081
Disposal	-	(3,193,673,631)	-	(615,531,634)	-	(3,809,205,265)
Ending balance	118,747,805,184	260,339,904,801	14,362,286,934	32,833,259,524	18,329,150,470	444,612,406,913
Net carrying amount:						
Beginning balance	89,006,904,274	66,544,433,951	240,859,418	13,072,708,821	2,811,942,557	171,676,849,021
Ending balance	79,774,977,613	57,304,274,562	-	10,672,885,666	2,222,060,528	149,974,198,369

Tangible fixed assets with net carrying amount of VND 83 billion have been mortgaged for loans as presented in Note 19.

NOTES TO SEPARATE THE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

11. INTANGIBLE FIXED ASSETS

Cost:	Currency: VND				Total
	Trademark	Distribution channel	Computer software	Others	
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>	-	7,831,500,000	6,866,430,149	686,893,687	15,384,823,836
Accumulated amortization:					
Beginning balance	22,980,335,639	7,831,500,000	7,410,430,241	686,893,687	38,909,159,567
Amortization for the year	1,463,191,527	-	93,000,000	-	1,556,191,527
Ending balance	24,443,527,166	7,831,500,000	7,503,430,241	686,893,687	40,465,351,094
Net carrying amount:					
Beginning balance	1,586,049,361	-	517,853,948	-	2,103,903,309
Ending balance	122,857,834	-	424,853,948	-	547,711,782

12. CONSTRUCTION IN PROCESS

	Currency: VND	
	Ending balance	Beginning balance
Construction cost of Giang Dien factory (*)	63,442,539,446	-
Consulting cost of EDGE green building certificate - Giang Dien factory	414,500,000	-
Hardware and software of HRIS system	423,576,900	-
Prepaid land rentals	-	55,418,410,869
TOTAL	64,280,616,346	55,418,410,869

(*) Construction cost of Giang Dien factory was used as collateral for long-term loan as presented in Note 19.2.

NOTES TO SEPARATE THE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

13. LONG-TERM INVESTMENTS

Currency: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Investment in subsidiaries (Note 13.1)				
- Everpia Korea JSC	74,285,000,000	(15,425,858,966)	34,285,000,000	(15,425,858,966)
- Mirae Asset Vietnam Opportunity Fund	34,285,000,000	(15,425,858,966)	34,285,000,000	(15,425,858,966)
(*)	40,000,000,000	-	-	-
Investment in associate (Note 13.2)				
- Texpia Joint Stock Company	11,590,390,000	(11,590,390,000)	11,590,390,000	(11,590,390,000)
Investment in other entities (Note 13.3)				
- Bac Ninh Pharmaceutical JSC	4,974,200,000	(552,091,513)	4,974,200,000	(552,091,513)
- Hyojung Soft Tech JSC	4,014,200,000	-	4,014,200,000	-
	960,000,000	(552,091,513)	960,000,000	(552,091,513)
TOTAL	90,849,590,000	(27,568,340,479)	50,849,590,000	(27,568,340,479)

Management could not assess the fair value of these investments as these entities are not listed on the stock market.

(*) Under the Resolution No. 002/2022/HĐQT/NQ dated 24 February 2022, the Company approved the establishment of Mirae Asset Vietnam Opportunity Fund of which the Company would contribute VND 40,000,000,000, accounted for 80% equity interest in this subsidiary.

13.1 Investments in subsidiaries

Detailed information on subsidiaries as at 31 December 2022 is disclosed in Note 1.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

13. LONG-TERM INVESTMENTS (continued)

13.2 Investments in associate

Currency: VND

	Ending balance		Beginning balance	
	Ownership (%)	Voting right (%)	Ownership (%)	Voting right (%)
Texpia Joint Stock Company	44%	44%	44%	44%

As at 31 December 2022, Texpia Joint Stock Company has no assets or liabilities. It is working with governing agencies to officially close the business.

13.3 Investment in other entities

Currency: VND

	Ending balance	Beginning balance
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

(*) The original amount of the investment in shares of Bac Ninh Pharmaceutical JSC with the number of shares is 309,600 shares.

(**) The original amount of the investment in shares of Hyojung Soft Tech JSC with the number of shares is 96,000 shares.

14. PREPAID EXPENSES

Currency: VND

	Ending balance	Beginning balance
Short-term		
Prepaid rentals	2,417,931,422	1,844,791,682
Advertising fee	515,770,795	252,275,454
Fire insurance	467,235,377	64,456,150
Others	382,132,702	372,394,048
TOTAL	3,783,070,296	2,533,917,334
Long-term		
Prepaid land rentals (*)	117,802,409,903	9,858,910,356
Prepaid rentals	10,404,457,765	7,181,270,926
Showroom furniture	4,262,881,265	3,426,539,580
Tools and spare parts	3,030,217,512	3,867,728,255
Others	1,327,552,700	1,047,399,436
TOTAL	136,827,519,145	25,381,848,553

(*) This includes land rental prepaid for the purpose of building a factory in Giang Dien Industrial Park, Dong Nai province with a total value of VND 110,749,580,575 and has been used as collateral for long-term loan as presented in Note 19.2.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

15. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS

15.1 Short-term trade payables

Currency: VND

	Ending balance		Beginning balance	
	Amount	Amount payable	Amount	Amount payable
Short-term trade payables	47,584,978,542	47,584,978,542	52,644,626,730	52,644,626,730
- Tongxiang Huibo Import & Export Co., Ltd.	4,787,327,426	4,787,327,426	8,525,055,744	8,525,055,744
- Osun Co., Ltd.	2,047,865,415	2,047,865,415	1,755,719,493	1,755,719,493
- Payables to other suppliers	40,749,785,701	40,749,785,701	42,363,851,493	42,363,851,493
Short term trade payable to related party (Note 28)	11,675,681,618	11,675,681,618	8,700,867,008	8,700,867,008
TOTAL	59,260,660,160	59,260,660,160	61,345,493,738	61,345,493,738

15.2 Short-term advances from customers

Currency: VND

	Ending balance	Beginning balance
Hung Thang Construction Joint Stock Company	1,883,282,750	1,187,255,963
Petit Elin Company Limited	948,000,240	1,602,145,924
ODK Mikazuki Vietnam Company Limited	-	3,308,186,254
Hai An Trading Investment Joint Stock Company	-	3,238,914,234
Others	15,760,988,309	14,619,598,705
TOTAL	18,592,271,299	23,956,101,080

16. STATUTORY OBLIGATIONS

Currency: VND

	Beginning balance	Receivable in the year	Net off made in the year	Ending balance
Receivables				
Value added tax	5,460,781,814	41,762,285,930	(44,124,528,870)	3,098,538,874
TOTAL	5,460,781,814	41,762,285,930	(44,124,528,870)	3,098,538,874
	Beginning balance	Payable in the year	Payment in the year	Ending balance
Payables				
Value added tax	2,126,909,518	21,735,552,817	(19,573,504,311)	4,288,958,024
Import duties	99,811,732	3,432,780,068	(3,532,591,800)	-
Corporate income tax	5,651,583,919	25,497,811,179	(19,218,211,960)	11,931,183,138
Personal income tax	2,264,927,010	7,879,502,600	(9,059,197,429)	1,085,232,181
Other taxes	37,860,102	751,313,035	(789,173,137)	-
TOTAL	10,181,092,281	59,296,959,699	(52,172,678,637)	17,305,373,343

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

17. SHORT-TERM ACCRUED EXPENSE

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Import and export fee	893,724,575	905,454,545
Others	696,688,000	460,687,260
TOTAL	<u>1,590,412,575</u>	<u>1,366,141,805</u>

18. OTHER PAYABLES

	<i>Currency: VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Trade union fee	352,227,174	406,636,750
Accrued interest	341,628,547	52,143,567
Other short-term payables	378,860,909	377,275,193
TOTAL	<u>1,072,716,630</u>	<u>836,055,510</u>
Long-term		
Provision for severance allowances	14,755,423,607	15,670,046,498
Provision for site restoration	2,762,996,314	2,762,996,314
Other long-term payables	116,818,000	116,818,000
TOTAL	<u>17,635,237,921</u>	<u>18,549,860,812</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

19. LOANS

Currency: VND

	Beginning balance		Movement during the year		Foreign exchange difference	Ending balance	
	Balance	Payable amount	Increase	Decrease		Balance	Payable amount
Short-term							
Loans from banks (Note 19.1)	156,272,917,941	156,272,917,941	274,762,665,666	(241,929,753,080)	(368,058,357)	188,737,772,170	188,737,772,170
Current portion of long-term loans (Note 19.2)	604,339,465	604,339,465	3,677,875,333	(604,339,465)	-	3,677,875,333	3,677,875,333
	156,877,257,406	156,877,257,406	278,440,540,999	(242,534,092,545)	(368,058,357)	192,415,647,503	192,415,647,503
Long-term							
Loans from banks (Note 19.2)	-	-	88,269,008,000	(3,677,875,333)	-	84,591,132,667	84,591,132,667
	-	-	88,269,008,000	(3,677,875,333)	-	84,591,132,667	84,591,132,667
TOTAL	156,877,257,406	156,877,257,406	366,709,548,999	(246,211,967,878)	(368,058,357)	277,006,780,170	277,006,780,170

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

19. LOANS (continued)

19.1 Short-term loans from banks

Bank	31 December 2022		Principal and interest payment term	Interest rate per annum	Description of collaterals
	VND	Original currency			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	101,057,565,831	VND 101,057,565,831	Loan with 6-month term. Interest is payable on 26 th each month and latest indenture payable on 27 June 2023.	5 – 7.3%	Plants, machineries and equipment of Hung Yen factory and receivables.
Joint Stock Commercial Bank for Foreign Trade of Vietnam	60,646,457,492	USD 2,555,687.21	Loan with 6-month term. Interest is payable on 26 th each month and latest indenture payable on 28 June 2023.	2.5 – 4%	Plants, machineries and equipment of Hung Yen factory and receivables.
Woori Bank Vietnam Limited	27,033,748,847	VND 27,033,748,847	Loan with 6-month term. Interest is payable on 26 th each month and latest indenture payable on 26 February 2023.	4.8%	Unsecured.

TOTAL 188,737,772,170

19.2 Long-term loans from banks

Bank	31 December 2022		Principal and interest repayment term	Interest rate per annum	Description of collateral
	VND	Original currency			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	88,269,008,000	VND 88,269,008,000	Loan with 7-year term. Interest is payable on 26 th each month and the latest indenture payable on 9 November 2029.	9.50%	Land use rights and fixed assets formed from the loan at Giang Dien factory, Dong Nai.

TOTAL 88,269,008,000

In which:

Current portion 3,677,875,333

Non-current portion 84,591,132,667

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

Currency: VND

	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)	2,273,497,330	402,289,772,460	951,433,724,037
- Profit for the year	-	-	-	-	60,524,715,131	60,524,715,131
- Appropriation to reserve	-	-	-	2,102,846,552	(2,102,846,552)	-
- Dividends declared	-	-	-	-	(37,991,437,250)	(37,991,437,250)
- Utilisation of fund	-	-	-	(16,563,497)	-	(16,563,497)
Ending 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
Current 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 to reserve	-	-	-	2,986,033,563	(2,986,033,563)	-
- Reissuance of treasury shares (i)	-	(18,876,846,400)	76,000,000,000	-	(48,241,313,823)	8,881,839,777
- Dividends declared (ii)	-	-	-	-	(41,083,124,500)	(41,083,124,500)
- Utilisation of fund	-	-	-	(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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

20. OWNERS' EQUITY (continued)

20.1 Increase and decrease in owners' equity (continued)

- (i) Under the Resolution of Board of Directors No. 001/2022/HDQT/NQ dated 4 January 2022, the Company's Board of Directors has approved the plan to reissue treasury shares to existing shareholders at the rate of 8% (shareholders owning 100 shares will receive 8 shares divided from treasury shares).

Under the Resolution of Board of Directors No. 005/2022/HDQT/NQ dated 12 April 2022, the Company's Board of Directors has approved the detailed plan to use treasury shares to sell to employees with the amount of 888,184 shares.

- (ii) Under the Resolution of the Annual Meeting of Shareholders No. 01/DHDCD2022/NQ dated 28 April 2022, the Company declared dividends in cash from profit after tax presented in the consolidated financial statements for the year ended 31 December 2021 equal 10% of par value (VND 1,000 per share).

20.2 Contributed charter capital

Currency: VND

	Ending balance		Beginning balance	
	Total	Ordinary shares	Total	Ordinary shares
Share capital	419,797,730,000	419,797,730,000	419,797,730,000	419,797,730,000
Share premium	184,195,877,847	184,195,877,847	203,072,724,247	203,072,724,247
Treasury shares	-	-	(76,000,000,000)	(76,000,000,000)
TOTAL	603,993,607,847	603,993,607,847	546,870,454,247	546,870,454,247

20.3 Dividends

Currency: VND

	Current year	Previous year
Dividends declared during the year	41,083,124,500	37,991,437,250
<i>Dividends on ordinary shares</i>		
Dividends for 2021: VND 1,000 per share (2020: VND 1,000 per share)	41,083,124,500	37,991,437,250
Dividends declared after the date of reporting period and not yet recognized as liability as at 31 December 2022	-	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

20. OWNERS' EQUITY (continued)

20.4 Shares

	<i>Ending balance</i> Shares	<i>Beginning balance</i> Shares
Issued 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	-	(3,931,800)
Ordinary shares	-	(3,931,800)
Shares in circulation	41,979,773	38,047,973
Ordinary shares	41,979,773	38,047,973

The par value of share in circulation during the year is VND 10,000/share (2021: VND 10,000/share).

20.5 Other fund belonging to owners' equity

Other fund belonging to owners' equity is set up under the Resolution of the General Shareholders No. 01/DHDCD2022/NQ dated 28 April 2022 at the amount of 5% of profit after tax presented in the consolidated financial statements for year ended 31 December 2021. Under this Resolution, the Board of Director and Board of Management are authorised to use this fund for the Company's business activities in order to maximize the Company's operating results.

21. OFF BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
Other receivables from Texpia JSC	30,160,675,690	30,160,675,690
Provision for other receivable from Texpia JSC (written-off from 2018)	(30,160,675,690)	(30,160,675,690)
Other receivables	2,389,798,881	2,389,798,881
Provision for other receivables	(2,389,798,881)	(2,389,798,881)
Foreign currency		
- United State Dollar ("USD")	548,756.84	439,132.50
- Euro ("EUR")	86,856.31	84,435.03

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

22. REVENUE

22.1 Revenue from sale of goods and rendering of services

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Gross revenue	1,021,471,331,353	861,706,886,503
<i>In which:</i>		
<i>Sales of bedding, mattress products</i>	<i>707,168,494,166</i>	<i>562,367,558,592</i>
<i>Sales of padding products</i>	<i>233,558,161,390</i>	<i>204,031,823,012</i>
<i>Sales of cleaner products</i>	<i>79,901,469,910</i>	<i>76,047,320,175</i>
<i>Sales of other goods and services</i>	<i>843,205,887</i>	<i>19,260,184,724</i>
Less	(426,491,045)	(503,797,371)
<i>Sales return</i>	<i>(426,491,045)</i>	<i>(503,797,371)</i>
Net revenue	<u>1,021,044,840,308</u>	<u>861,203,089,132</u>
<i>In which:</i>		
<i>Sales of bedding, mattress products</i>	<i>706,742,003,121</i>	<i>561,863,761,221</i>
<i>Sales of padding products</i>	<i>233,558,161,390</i>	<i>204,031,823,012</i>
<i>Sales of cleaner products</i>	<i>79,901,469,910</i>	<i>76,047,320,175</i>
<i>Sales of other goods and services</i>	<i>843,205,887</i>	<i>19,260,184,724</i>

22.2 Finance income

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest income	19,722,940,999	26,723,447,290
Foreign exchange gain	6,099,655,202	7,830,904,701
Gain from investments in trading securities	2,335,843,715	9,307,286,238
Dividends earned	745,000,000	458,000,000
TOTAL	<u>28,903,439,916</u>	<u>44,319,638,229</u>

23. COST OF GOODS SOLD AND SERVICES RENDERED

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Cost of bedding, mattress products	425,794,715,215	371,514,253,047
Cost of padding products	156,530,173,662	130,932,938,912
Cost of cleaner products	73,570,525,979	60,313,774,678
Cost of other goods and other services rendered	782,882,605	15,514,800,789
TOTAL	<u>656,678,297,461</u>	<u>578,275,767,426</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

24. FINANCE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	6,286,169,496	23,103,377,288
Provision for diminution in value of held-for-trading securities	17,434,956,302	1,052,046,871
Foreign exchange losses	9,992,819,090	4,624,809,858
Other finance expenses	3,693,046,579	1,281,405,971
TOTAL	<u>37,406,991,467</u>	<u>30,061,639,988</u>

25. SELLING AND GENERAL AND ADMINISTRATIVE EXPENSES

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses		
- Labour costs	69,726,125,235	67,244,533,292
- Raw materials	5,693,988,035	6,140,748,763
- Depreciation and amortization	2,399,929,082	2,310,880,446
- External services	70,445,770,264	62,142,472,909
- Others	18,120,321,261	8,947,683,286
TOTAL	<u>166,386,133,877</u>	<u>146,786,318,696</u>
General and administrative expenses		
- Labour costs	48,007,347,972	46,689,619,752
- Provision	3,068,904,836	4,036,344,915
- External services	13,583,646,446	12,244,593,738
- Depreciation and amortization	5,218,407,853	6,237,475,334
- Others	9,296,204,930	5,238,269,499
TOTAL	<u>79,174,512,037</u>	<u>74,446,303,238</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

26. PRODUCTION AND OPERATING COSTS

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Raw materials	576,874,733,314	456,224,149,716
Labour costs	200,624,240,962	195,305,211,749
Expenses for external services	91,597,916,066	60,532,841,828
Depreciation and amortisation	35,178,970,608	39,044,004,586
Other expenses	27,471,211,697	39,942,588,747
TOTAL	<u>931,747,072,647</u>	<u>791,048,796,626</u>

27. CORPORATE INCOME TAX

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

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.

27.1 CIT expenses

	<i>Currency: VND</i>	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expenses	25,497,811,179	16,782,319,109
Deferred tax income	(2,473,743,588)	(570,785,600)
TOTAL	<u>23,024,067,591</u>	<u>16,211,533,509</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	111,172,796,689	76,736,248,640
At CIT rate of 20%	22,234,559,338	15,347,249,728
<i>Adjustments to increase:</i>		
Expenses not eligible for CIT deduction	938,508,253	955,883,781
<i>Adjustments to decrease:</i>		
Dividend received	(149,000,000)	(91,600,000)
CIT expense	<u>23,024,067,591</u>	<u>16,211,533,509</u>

27.2 Current tax

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 2022 and for the year then ended

27. CORPORATE INCOME TAX (continued)

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 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	11,951,864,991	11,817,047,302	134,817,689	366,622,707
Provision for obsolete inventories	5,805,426,214	3,305,125,017	2,500,301,197	29,336,916
Accrual for severance pay	2,951,084,721	3,134,009,300	(182,924,579)	(63,273,865)
Allocation expense of site restoration provision	552,599,264	442,079,407	110,519,857	110,519,851
Expense for excess of allocation period	255,046,121	184,273,133	70,772,988	70,634,360
Education support expense	-	-	-	(463,000,000)
	<u>21,516,021,311</u>	<u>18,882,534,159</u>	<u>2,633,487,152</u>	<u>50,839,969</u>
<i>Deferred tax liabilities</i>				
Unrealised foreign exchange gain of cash and trade receivables	(210,463,745)	(50,720,187)	(159,743,564)	519,945,631
	<u>(210,463,745)</u>	<u>(50,720,187)</u>	<u>(159,743,564)</u>	<u>519,945,631</u>
<i>Net deferred tax assets</i>	<u>21,305,557,566</u>	<u>18,831,813,972</u>		
<i>Net deferred tax credit to separate income statement</i>			<u>2,473,743,588</u>	<u>570,785,600</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

28. TRANSACTIONS WITH RELATED PARTIES

List of related parties as at 31 December 2022 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Everpia Korea Joint Stock Company	Subsidiary
Mirae Asset Vietnam Opportunity Fund	Subsidiary
Texpia Joint Stock Company	Associate
Mr Cho Yong Hwan	Chairman
	Ho Chi Minh City Branch Deputy General Director
Mr Lee Jae Eun	General Director
	Member of Board of Directors
Mr Yu Sung Dae	Deputy General Director
	Member of Board of Directors
Mr Park Sung Jin	Dong Nai Branch Director (Until 1 January 2022)
	Member of Board of Directors
Mr Le Kha Tuyen	Member of Board of Directors
Ms Nguyen Le Hoang Yen	Member of Board of Directors (Until 28 April 2022)
Mr Truong Tuan Nghia	Head of Board of Supervision
Mr Ko Tae Yeon	Member of Board of Supervision
Mr Nguyen Dac Huong	Member of Board of Supervision

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	104,428,668,158	84,535,366,748
		Purchase of services	6,939,035,381	9,569,747,511
Mirae Asset Vietnam Opportunity Fund	Subsidiary	Capital contribution	40,000,000,000	-

The terms and conditions of transactions with related parties

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

Outstanding balances at 31 December 2022 is unsecured, interest-free and will be settled in cash. For the year ended 31 December 2022, the Company has not made any provision for doubtful debts relating to amounts owed by related parties (31 December 2021: 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

			<i>Currency: VND</i>	
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term trade payables (Note 15.1)</i>				
Everpia Korea JSC	Subsidiary	Purchase of raw material and services	11,675,681,618	8,700,867,008
TOTAL			<u>11,675,681,618</u>	<u>8,700,867,008</u>

Transactions with other related parties

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

			<i>Currency: VND</i>	
			<i>Current year</i>	<i>Previous year</i>
Board of Directors and Management				
Mr Lee Jae Eun	General Director		5,921,754,630	5,769,159,583
	Member of Board of Directors			
Mr Cho Yong Hwan	Chairman		2,826,339,203	2,775,195,304
	Ho Chi Minh City Branch Deputy General Director			
Mr Yu Sung Dae	Deputy General Director		2,963,542,823	2,536,251,687
	Member of Board of Directors			
Mr Park Sung Jin	Dong Nai Branch Director		-	2,404,513,268
	Member of Board of Directors			
Mrs Le Thi Thu Hien	Member of Board of Directors		-	21,600,000
Mr Le Kha Tuyen	Member of Board of Directors		86,400,000	86,400,000
Mrs Nguyen Le Hoang Yen	Member of Board of Directors		28,800,000	86,400,000
Board of supervision				
Mr. Truong Tuan Nghia	Head of Board of Supervision		86,400,000	86,400,000
Mr. Ko Tae Yeon	Member of Board of Supervision		86,400,000	86,400,000
Mr. Nguyen Dac Huong	Member of Board of Supervision		86,400,000	86,400,000
TOTAL			<u>12,086,036,656</u>	<u>13,938,719,842</u>

29. COMMITMENTS

Operating lease commitment

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

			<i>Currency: VND</i>	
			<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year			10,781,651,384	8,107,061,636
From 1-5 years			14,447,138,741	4,814,572,376
TOTAL			<u>25,228,790,125</u>	<u>12,921,634,012</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year then ended

30. 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
Accounting manager



Yu Sung Dae
Deputy General Director
In charge of Finance




Lee Jae Eun
General Director

Hanoi, Vietnam

29 March 2023

