Binh Minh Plastics Joint Stock Company
and its subsidiary

Consolidated financial statements
for the year ended 31 December 2023

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Binh Minh Plastics Joint Stock Company and its subsidiary
Corporate Information

Business Registration Certificate No	4103002023	2 January 2004
	The Business Registration Certificate has been amended several times, the most recent of which is by Enterprise Registration Certificate No. 0301464823 dated 1 August 2022. The Business Registration Certificate and its updates were issued by the Department of Planning and Investment of Ho Chi Minh City.	
Board of Directors	Mr. Sakchai Patiparnpreechavud	Chairman
	Mr. Chaowalit Treejak	Vice Chairman (from 28 April 2023) Member (until 27 April 2023)
	Mr. Nguyen Hoang Ngan	Member (from 28 April 2023) Vice Chairman (until 27 April 2023)
	Mr. Poramate Larnroongroj	Member
	Ms. Nguyen Thi Minh Giang	Member (from 28 April 2023)
	Mr. Phan Khac Long	Member (until 27 April 2023)
Supervisory Board	Mr. Nguyen Thanh Thuan	Head of Supervisory Board
	Ms. Nguyen Luu Thuy Minh	Member
	Mr. Praween Wirotpan	Member
Board of Management	Mr. Chaowalit Treejak	General Director
	Mr. Nguyen Thanh Quan	Deputy General Director
	Mr. Nguyen Thanh Hai	Deputy General Director (until 16 March 2024)
	Mr. Asada Boonsrirat	Deputy General Director (from 1 July 2023)
	Mr. Phung Huu Luan	Chief Accountant
Legal Representative	Mr. Chaowalit Treejak	
Registered Office	240 Hau Giang, Ward 9, District 6 Ho Chi Minh City Vietnam	
Auditor	KPMG Limited Vietnam	

Binh Minh Plastics Joint Stock Company and its subsidiary
Statement of the Board of Management

The Board of Management of Binh Minh Plastics Joint Stock Company ("the Company") presents this statement and the accompanying consolidated financial statements of the Company and its subsidiary (collectively referred to as "the Group") for the year ended 31 December 2023.

The Company's Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company's Board of Management:

(a) the consolidated financial statements set out on pages 5 to 49 give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and

(b) at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Company's Board of Management has, on the date of this statement, authorised these accompanying consolidated financial statements for issue.

On behalf of the Board of Management

Chaowalit Treejak
General Director

Ho Chi Minh City, 22 March 2024

KPMG

KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Binh Minh Plastics Joint Stock Company

We have audited the accompanying consolidated financial statements of Binh Minh Plastics Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2023, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 22 March 2024, as set out on pages 5 to 49.

Management's Responsibility

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

Auditor's Responsibility

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

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

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

KPMG

Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Binh Minh Plastics Joint Stock Company and its subsidiary as at 31 December 2023 and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City
Vietnam
Audit Report No.: 23-01-00241-24-2

M.S.C.N: 0100112042-001 C.T.T.N.H.H CHI NHÁNH CÔNG TY TNHH KPMG PHỐ HỒ CHÍ MINH

Chang Hung Chun	Tran Thi Le Hang
Practicing Auditor Registration Certificate No. 0863-2023-007-1	Practicing Auditor Registration Certificate No. 3782-2022-007-1
Deputy General Director	

Ho Chi Minh City, 22 March 2024

CONSOLIDATED BALANCE SHEET

As at 31 December 2023

Unit: VND

ASSETS	Code	Note	31/12/2023	1/1/2023
A. CURRENT ASSETS (100 = 110 + 120 + 130 + 140 + 150)	**100**		**2,593,900,147,858**	**2,215,147,283,810**
I. Cash and cash equivalents	**110**	V.1	**821,414,457,106**	**358,572,233,870**
1. Cash	111		35,914,457,106	46,972,233,870
2. Cash equivalents	112		785,500,000,000	311,600,000,000
II. Short-term financial investments	**120**		**1,190,000,000,000**	**965,000,000,000**
1. Trading securities	121		-	-
2. Allowance for diminution in the value of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2(a)	1,190,000,000,000	965,000,000,000
III. Accounts receivable – short-term	**130**		**174,027,942,449**	**278,727,408,937**
1. Accounts receivable from customers	131	V.3	132,518,760,446	274,800,487,941
2. Prepayments to suppliers	132	V.4	20,580,723,083	43,255,736,124
3. Intra-company receivables	133		-	-
4. Receivables on construction contracts according to stages of completion	134		-	-
5. Loans receivable	135		-	-
6. Other receivables	136	V.5	28,831,417,922	19,601,182,695
7. Allowance for doubtful debts	137	V.6	(7,902,959,002)	(59,022,639,344)
8. Shortage of assets awaiting resolution	139	V.7	-	92,641,521
IV. Inventories	**140**	V.8	**364,225,974,474**	**576,848,239,590**
1. Inventories	141		364,665,799,847	577,483,629,050
2. Allowance for inventories	149		(439,825,373)	(635,389,460)
V. Other current assets	**150**		**44,231,773,829**	**35,999,401,413**
1. Short-term prepaid expenses	151	V.13(a)	658,775,390	722,740,291
2. Deductible value added tax	152	V.18(b)	43,572,998,439	35,276,661,122
3. Taxes and others receivable from State Treasury	153		-	-
4. Government bonds under purchase and resale agreements	154		-	-
5. Other current assets	155		-	-
B. LONG-TERM ASSETS (200 = 210 + 220 + 230 + 240 + 250 + 260)	**200**		**661,100,780,253**	**829,644,709,983**
I. Accounts receivable – long-term	**210**		**20,000,000,000**	**20,000,000,000**
1. Accounts receivable from customers	211		-	-
2. Prepayments to suppliers	212		-	-
3. Operating capital allocated to subordinated units	213		-	-
4. Intra-company long-term receivables	214		-	-
5. Loans receivable	215	V.09	20,000,000,000	20,000,000,000
6. Other long-term receivables	216		-	-
7. Allowance for doubtful debts	219		-	-

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)
As at 31 December 2023

Unit: VND

ASSETS	Code	Note	31/12/2023	1/1/2023
II. Fixed assets	**220**		**285,789,885,917**	**367,746,104,997**
1. Tangible fixed assets	221	V.10	279,882,659,076	360,548,687,507
- Cost	222		2,105,226,350,984	2,035,656,756,132
- Accumulated depreciation	223		(1,825,343,691,908)	(1,675,108,068,625)
2. Finance lease tangible fixed assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.11	5,907,226,841	7,197,417,490
- Cost	228		38,620,263,278	38,620,263,278
- Accumulated amortisation	229		(32,713,036,437)	(31,422,845,788)
III. Investment property	**230**		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term work in progress	**240**		**12,421,681,336**	**25,071,276,356**
1. Long-term work in progress	241		-	-
2. Construction in progress	242	V.12	12,421,681,336	25,071,276,356
V. Long-term financial investments	**250**		**64,284,850,993**	**66,415,601,903**
1. Investments in associates, joint-ventures	252	V.2(b)	62,284,850,993	64,415,601,903
2. Equity investments in other entities	253	V.2(c)	4,000,000,000	4,000,000,000
3. Allowance for diminution in the value of long-term financial investments	254	V.2(c)	(2,000,000,000)	(2,000,000,000)
4. Held-to-maturity investments	255		-	-
VI. Other long-term assets	**260**		**278,604,362,007**	**350,411,726,727**
1. Long-term prepaid expenses	261	V.13(b)	246,005,035,630	306,881,087,414
2. Deferred tax assets	262	V.14	11,487,975,771	5,897,498,732
3. Long-term tools, supplies and spare parts	263	V.15	21,111,350,606	37,633,140,581
4. Other long-term assets	268		-	-
TOTAL ASSETS (270 = 100 + 200)	**270**		**3,255,000,928,111**	**3,044,791,993,793**

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)
As at 31 December 2023

Unit: VND

EQUITY	Code	Note	31/12/2023	1/1/2023
A. LIABILITIES (300 = 310 + 330)	**300**		**565,271,946,212**	**423,473,389,660**
I. Current liabilities	**310**		**546,150,418,753**	**403,473,029,077**
1. Accounts payable to suppliers	311	V.16	154,431,168,144	91,380,423,299
2. Advances from customers	312	V.17	52,431,105,660	3,396,601,604
3. Taxes and others payable to State Treasury	313	V.18(a)	82,241,262,416	65,241,129,584
4. Payables to employees	314		111,959,331,395	84,007,032,449
5. Accrued expenses	315	V.19	81,829,286,667	101,470,596,256
6. Intra-company payables	316		-	-
7. Payables on construction contracts according to stages of completion	317		-	-
8. Unearned revenue – short-term	318		-	-
9. Other payables – short-term	319	V.20	8,088,264,471	2,817,245,885
10. Short-term borrowings and finance lease liabilities	320	V.21	55,170,000,000	55,160,000,000
11. Provisions – short-term	321		-	-
12. Bonus and welfare funds	322	V.22	-	-
13. Price stabilisation fund	323		-	-
14. Government bonds under sale and repurchase agreements	324		-	-
II. Long-term liabilities	**330**		**19,121,527,459**	**20,000,360,583**
1. Long-term accounts payable to suppliers	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Intra-company payables for operating capital received	334		-	-
5. Long-term intra-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other payables – long-term	337		-	-
8. Long-term borrowings and finance lease liabilities	338		-	-
9. Convertible bonds	339		-	-
10. Preference shares	340		-	-
11. Deferred tax liabilities	341		-	-
12. Provisions – long-term	342	V.23	19,121,527,459	20,000,360,583
13. Science and technology development fund	343		-	-
B. EQUITY (400 = 410)	**400**		**2,689,728,981,899**	**2,621,318,604,133**
I. Owners' equity	**410**	V.24	**2,689,728,981,899**	**2,621,318,604,133**
1. Share capital	411	V.24	818,609,380,000	818,609,380,000
- Ordinary shares with voting rights	411		818,609,380,000	818,609,380,000
- Preference shares	411		-	-
2. Share premium	412		1,592,782,700	1,592,782,700

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED BALANCE SHEET (continued)

As at 31 December 2023

Unit: VND

EQUITY	Code	Note	31/12/2023	1/1/2023
3. Options to convert bonds into shares	413		-	-
4. Other capital	414		-	-
5. Treasury shares	415		-	-
6. Differences upon asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		1,157,256,738,050	1,157,256,738,050
9. Enterprise reorganisation assistance fund	419		-	-
10. Other equity funds	420		44,983,552,000	44,983,552,000
11. Retained profits	421		667,286,529,149	598,876,151,383
- Retained profits brought forward	421a		158,376,292,867	158,376,292,867
- Retained profit for the current year	421b		508,910,236,282	440,499,858,516
12. Capital expenditure fund	422		-	-
II. Non-business expenditure fund and other funds	**430**		**-**	**-**
1. Non-business expenditure fund	431		-	-
2. Non-business expenditure fund invested in fixed assets	432		-	-
TOTAL RESOURCES (440 = 300 + 400)	**440**		**3,255,000,928,111**	**3,044,791,993,793**

Ho Chi Minh City, 22 March 2024

Prepared by:	Reviewed by:	Approved by:
Pham Manh Tuan	Phung Huu Luan	Chaowalit Treejak
General Accountant	*Chief Accountant*	*General Director*

CÔNG TY CỔ PHẦN NHỰA BÌNH MINH
M.S.D.N: 0301464823 - C.T.C.P
QUẬN 6 - T.P HỒ CHÍ MINH

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2023

Unit: VND

Items	Code		2023	2022
1. Revenue from sales of goods and provision of services	**01**	**VI.1**	**5,199,922,785,685**	**5,824,833,255,625**
2. Revenue deductions	02	VI.2	42,938,415,469	16,488,880,365
3. Net revenue (10 = 01 - 02)	**10**	**VI.3**	**5,156,984,370,216**	**5,808,344,375,260**
4. Cost of sales	**11**	**VI.4**	**3,040,564,400,058**	**4,200,684,049,568**
5. Gross profit (20 = 10 - 11)	**20**		**2,116,419,970,158**	**1,607,660,325,692**
6. Financial income	21	VI.5	118,503,493,327	55,197,905,430
7. Financial expenses	22	VI.6	145,561,663,111	157,564,928,385
In which: Interest expense	*23*		*38,676,662*	*27,578,302*
8. Share of loss in associates and jointly controlled entities	24	V.2(b)	(2,130,750,910)	(4,940,850,444)
9. Selling expenses	25	VI.7(a)	676,251,353,235	503,332,468,504
10. General and administration expenses	26	VI.7(b)	106,918,740,381	128,936,965,691
11. Net operating profit (30 = 20 + 21 - 22 - 25 - 26)	**30**		**1,304,060,955,848**	**868,083,018,098**
12. Other income	31	VI.8	6,018,282,506	4,010,454,930
13. Other expenses	32	VI.9	2,896,356,928	750,994,034
14. Results of other activities (40 = 31 - 32)	**40**		**3,121,925,578**	**3,259,460,896**
15. Accounting profit before tax (50 = 30 + 40)	**50**		**1,307,182,881,426**	**871,342,478,994**
16. Income tax expense – current	51	VI.10	271,767,025,183	176,954,786,089
17. Income tax (benefit)/expense – deferred	52	VI.10	(5,590,477,039)	118,926,589
18. Net profit after tax (60 = 50 - 51 - 52)	**60**		**1,041,006,333,282**	**694,268,766,316**
18.1 Net profit after tax attributable to the parent company	61		1,041,006,333,282	694,268,766,316
18.2 Net profit after tax of attributable to non-controlling interest	62		-	-
19. Basic earnings per share	**70**	**VI.11**	**12,717**	**8,481**

Ho Chi Minh City, 22 March 2024

Prepared by:	Reviewed by:	Approved by:
Pham Manh Tuan	Phung Huu Luan	Chaowalit Treejak
General Accountant	*Chief Accountant*	*General Director*

M.S.D.N: 0301464823 – C.T.C.P. CÔNG TY CỔ PHẦN NHỰA BÌNH MINH – QUẬN 6 – T.P HỒ CHÍ MINH

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS
(Indirect method)
For the year ended 31 December 2023

Unit: VND

Items	Code	2023	2022
I. Cash flows from operating activities			
1. Profit before tax	***01***	***1,307,182,881,426***	***871,342,478,994***
2. Adjustments for			
- Depreciation and amortisation	02	172,108,698,447	170,146,778,481
- Allowances and provisions	03	(17,127,287,642)	(2,869,463,509)
- Exchange gains, losses arising from revaluation of monetary items denominated in foreign currencies	04	(46,074,668)	(148,377,709)
- Profits, losses from investing activities	05	(118,284,524,521)	(48,613,423,156)
- Interest expense	06	38,676,662	27,578,302
3. Operating profit before changes in working capital	***08***	***1,343,872,369,704***	***989,885,571,403***
- Increase, decrease in receivables	09	107,351,485,730	(8,529,514,742)
- Increase, decrease in inventories	10	228,669,253,331	35,661,036,746
- Increase, decrease in payables and other liabilities (excluding interest payable and corporate income tax payable)	11	138,405,620,425	(49,780,961,077)
- Increase, decrease in prepaid expenses	12	59,501,402,956	(22,779,396,625)
- Interest paid	14	(38,676,662)	(27,578,302)
- Income tax paid	15	(267,472,430,481)	(130,875,409,961)
- Other payments for operating activities	17	(7,449,939,474)	(14,413,128,630)
Net cash flows from operating activities	***20***	***1,602,839,085,529***	***799,140,618,812***
II. Cash flows from investing activities			
1. Payments for additions to fixed assets and other long-term assets	21	(57,978,690,490)	(69,983,722,708)
2. Proceeds from disposals of fixed assets and other long-term assets	22	3,400,228,062	180,391,320
3. Payments for granting loans, purchase of debt instruments of other entities	23	(1,660,000,000,000)	(942,000,000,000)
4. Receipts from collecting loans, sales of debt instruments of other entities	24	1,435,000,000,000	817,000,000,000
5. Payments for investments in other entities	25	-	-
6. Collections on investments in other entities	26	-	-
7. Receipts of interest and dividends	27	105,517,419,318	50,002,211,049
Net cash flows from investing activities	***30***	***(174,061,043,110)***	***(144,801,120,339)***

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(Indirect method)
For the year ended 31 December 2023

Unit: VND

Items	Code	2023	2022
III. Cash flows from financing activities			
1. Proceeds from equity issued or capital contributed by owners	31	-	-
2. Payments for capital refunds and shares redemptions	32	-	-
3. Proceeds from borrowings	33	20,000,000	1,320,000,000
4. Payments to settle loan principals	34	(10,000,000)	(3,434,254,298)
5. Payments to settle finance lease liabilities	35	-	-
6. Payments of dividends	36	(965,959,068,400)	(466,607,346,600)
Net cash flows from financing activities	***40***	***(965,949,068,400)***	***(468,721,600,898)***
Net cash flows during the year (50=20+30+40)	**50**	**462,828,974,019**	**185,617,897,575**
Cash and cash equivalents at the beginning of the year	**60**	**358,572,233,870**	**172,938,679,946**
Effect of exchange rate fluctuations on cash and cash equivalents	**61**	**13,249,217**	**15,656,349**
Cash and cash equivalents at the end of the year (70=50+60+61)	**70**	**821,414,457,106**	**358,572,233,870**

Ho Chi Minh City, 22 March 2024

Prepared by:	Reviewed by:	Approved by:
Pham Manh Tuan	Phung Huu Luan	Chaowalit Treejakx
General Accountant	*Chief Accountant*	*General Director*

CÔNG TY CỔ PHẦN NHỰA BÌNH MINH
M.S.D.N: 0301464823 - C.T.C.P
QUẬN 6 - T.P HỒ CHÍ MINH

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying consolidated financial statements.

I. Reporting entity

1. Ownership structure

Binh Minh Plastics Joint Stock Company ("the Company") was converted from a State-owned Enterprise into a Joint Stock Companyin accordance with Decision No. 209/2003/QD-BCN dated 4 December 2003 of the Ministry of Industry.

The Company's shares have been officially traded on the Vietnam stock exchange since 11 July 2006 with the security code of BMP.

The consolidated financial statements of the Company comprise the Company and its subsidiary (together referred to as the "Group") and the Group's interest in associates.

2. Principal activities

The principal activities of the Company are to manufacture and trade civil and industrial products from plastics and rubber; to design, manufacture and trade molds for plastics and casting industry; to manufacture and trade machinery and equipment, supplies and sanitary equipment for construction and interior decoration industry; to consult and execute water supply and drainage works, yards and services of chemical inspection, analysis and testing; to trade, import and export raw materials, chemicals, supplies, machinery and equipment for plastics, engineering, construction, water supply and drainage and laboratory equipment.

3. Normal operating cycle

The normal operating cycle of the Group is generally within 12 months.

4. Group structure

As at 31 December 2023 and 1 January 2023, the Company had 2 dependent branches as follows:

No.	Name	Address
1	Binh Minh Plastics Joint Stock Company – Binh Duong Binh Minh Plastic Branch	No. 7 Street No. 2, Song Than 1 Industrial Zone, Di An City, Binh Duong Province, Vietnam.
2	Binh Minh Plastics Joint Stock Company – Long An Binh Minh Plastic Branch	Lot C1-6 to C1-30, Vinh Loc 2 Industrial Zone, Vinh Loc 2 Street, Voi La Hamlet, Long Hiep Commune, Ben Luc District, Long An Province, Vietnam.

As at 31 December 2023 and 1 January 2023, the Company had 1 subsidiary and 2 associates as follows:

No.	Name	Principal activities	Address	Percentage of equity owned and voting rights 31/12/2023	1/1/2023
Subsidiary					
1	Northern Binh Minh Plastics One Member Limited Company	Manufacturing and trading civil and industrial products from plastics and rubber.	Street D1, Zone D, Pho Noi A Industrial Zone, Van Lam District, Hung Yen Province, Vietnam.	100.00%	100.00%
Associates					
1	Danang Plastics Joint Stock Company	Manufacturing and trading, import and export plastics products, materials and equipment.	Lot Q, Streets No.4 and No.7, Lien Chieu Industrial Park, Hoa Hiep Bac Ward, Lien Chieu District, Da Nang City, Vietnam.	29.05%	29.05%
2	Binh Minh Viet Real Estate Investment and Trading Joint Stock Company	Trading real estate, trading materials and other installation equipment in construction.	240 Hau Giang, Ward 9, District 6, Ho Chi Minh City, Vietnam	26.00%	26.00%

The subsidiary and associates are incorporated in Vietnam.

As at 31 December 2023, the Group had 1,318 employees (1/1/2023: 1,339 employees).

II. Accounting period, accounting and presentation currency

1. Annual accounting period

The annual accounting period of the Group is from 1 January to 31 December.

2. Accounting and presentation currency

The Group's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

III. Basis of consolidated financial statements preparation

1. Statement of compliance

These consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

2. Basis of measurement

The consolidated financial statements, except for the consolidated statement of cash flows, are prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

IV. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Group in the preparation of these consolidated financial statements.

1. Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Associates

Associates are the entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investee). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of the equity accounted investee, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in profit or loss (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iii) Transactions and balances eliminated on consolidation

Intra-group transactions, balances, any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

2. Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company and its subsidiary most frequently conduct transactions.

All foreign exchange differences are recorded in the consolidated statement of income.

3. Cash and cash equivalents

Cash comprises cash on hand and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

4. Investments

(i) Held-to-maturity investments

Held-to-maturity investments are those that the Company's Board of Management has the intention and ability to hold until maturity. Held-to-maturity investments comprise term deposits at banks. These investments are stated at cost less allowance for doubful debts.

(ii) Investments in subsidiaries and associates

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Group to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

5. Accounts receivable

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts are made based on the overdue status of receivables or expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased.

Allowance for doubtful debts based on overdue status are made as follows:

Overdue status	***Allowance rate***
From over (06) months to less than (01) year	30.00%
From (01) to less than (02) years	50.00%
From (02) to less than (03) years	70.00%
From (03) years and above	100.00%

For overdue debts, the Company's Board of Management also assesses the expected recovery of these debts to determine the allowance level.

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Company's Board of Management after giving consideration to the recovery of these debts.

6. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Group applies the perpetual method of accounting for inventories.

7. Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 10 years
▪ machinery and equipment	5 – 8 years
▪ motor vehicles	6 – 8 years
▪ office equipment	3 – 8 years

8. Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its lease price and any directly attributable costs incurred in conjunction with securing the land use right. Amortisation is computed on a straight-line basis over a period ranging from 45 to 50 years. Land use rights with indefinite term are not amortised.

(ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible fixed asset. Software cost is amortised on a straight-line basis over a period ranging from 3 years to 7 years.

9. Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

10. Construction in progress

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company and its subsidiary obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of lease ranging from 41 to 46 years.

(ii) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business, not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(iii) Overhaul expenditure

Overhaul expenditure represents repair expenses of factories and machinery, which are stated at their cost and amortised on a straight-line basis over a period ranging from 1 year to 3 years.

11. Accounts payable to suppliers and other payables

Accounts payable to suppliers and other payables are stated at their cost.

12. Provisions

A provision, except for items defined in other accounting policies, is recognised if, as a result of a past event, the Group have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.

13. Share capital

(i) Ordinary shares

Ordinary shares are recognised at par value.

(ii) Share premium

The difference between the issuance price and the par value of ordinary share is recorded in share premium under equity. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

14. Bonus and welfare fund

Bonus and welfare fund is established by appropriating from retained profits as approved by shareholders at Annual General Meeting of Shareholders. This fund is used to pay bonus and welfare to the Group's employees.

15. Equity funds

(i) Investment and development fund

Investment and development fund is established by appropriating from retained profits at the rate approved by the shareholders at Annual General Meeting of Shareholders. This fund is established for the purpose of future business expansion.

(ii) Other equity funds

Other equity funds were appropriated from retained profits in accordance with the resolution of shareholders at Annual General Meeting of Shareholders. These funds are established for the purpose of supplementing share capital in the future.

16. Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

17. Revenue and other income

(i) Goods sold

Revenue from sales of goods is recognised in the consolidated statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(ii) Services rendered

Revenue from services rendered is recognised in the consolidated statement of income when the services are rendered to customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Interest income

Interest income is recognised in the consolidated statement of income on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(iv) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

18. Operating lease payments

Payments made under operating leases are recognised in the consolidated statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the consolidated statement of income as an integral part of the total lease expense, over the term of the lease.

19. Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

20. Earnings per share

The Group presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare funds for the annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

21. Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Board of Management assesses that the Group only operates in one main business area, which is the production and sales of civil and industrial products from plastics and rubber, and in one main geographical area, which is is Vietnam.

22. Related parties

Parties are considered to be related to the Group if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Group and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

23. Comparative information

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these consolidated financial statements is not intended to present the Group's consolidated financial position, consolidated results of operations or consolidated cash flows for the prior year.

Comparative information as at 1 January 2023 was derived from the balances and amounts reported in the Company's consolidated financial statements as at and for the year ended 31 December 2022.

Unit: VND

V. Supplementary information to the consolidated balance sheet

1. Cash and cash equivalents

	31/12/2023	1/1/2023
Cash on hand	390,440,490	419,477,857
Cash in banks	35,524,016,616	46,552,756,013
Cash equivalents	785,500,000,000	311,600,000,000
Total	**821,414,457,106**	**358,572,233,870**

Cash equivalents represented term deposits at banks with original terms to maturity of not exceeding three months and earned interest at rates ranging from 2.00% to 3.85% per annum as at 31 December 2023 (1/1/2023: from 3.50% to 6.00% per annum).

2. Financial investments

(a) Held-to-maturity investments

	31/12/2023			1/1/2023		
	Interest rate	**Cost**	**Fair value**	**Interest rate**	**Cost**	**Fair value**
Held-to-maturity investments	3.40% - 8.30%	1,190,000,000,000	1,190,000,000,000	5.00%-11.50%	965,000,000,000	965,000,000,000
a1. Short-term	3.40% - 8.30%	1,190,000,000,000	1,190,000,000,000	5.00%-11.50%	965,000,000,000	965,000,000,000
- Term deposits	*3.40% - 8.30%*	*1,190,000,000,000*	*1,190,000,000,000*	*5.00%-11.50%*	*965,000,000,000*	*965,000,000,000*
a2. Long-term		-	-		-	-
- Term deposits		-	-		-	-

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

(b) Investments in associates, joint-ventures

	31/12/2023						1/1/2023					
	Quantity (shares)	% of equity owned	% of voting rights	Cost	Cumulative share of loss	Fair value	Quantity (shares)	% of equity owned	% of voting rights	Cost	Cumulative share of profit	Fair value
Equity investments in associates												
▪ Danang Plastics Joint Stock Company	650,000	29.05%	29.05%	8,125,000,000	(440,149,007)	7,684,850,993	650,000	29.05%	29.05%	8,125,000,000	1,690,601,903	9,815,601,903
▪ Binh Minh Viet Real Estate Investment and Trading Joint Stock Company	5,460,000	26.00%	26.00%	54,600,000,000	-	54,600,000,000	5,460,000	26.00%	26.00%	54,600,000,000	-	54,600,000,000
				62,725,000,000	**(440,149,007)**	**62,284,850,993**				**62,725,000,000**	**1,690,601,903**	**64,415,601,903**

Movements in the carrying amounts of investments in associates during the year were as follows:

	2023	2022
Opening balance	64,415,601,903	69,681,452,347
Share of loss in associates	(2,130,750,910)	(4,940,850,444)
Dividends received	-	(325,000,000)
Closing balance	**62,284,850,993**	**64,415,601,903**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

(c) Equity investments in other entities

	31/12/2023					1/1/2023				
	Quantity (shares)	**% of equity owned and voting rights**	**Cost**	**Allowance for diminution in value**	**Fair value**	**Quantity (shares)**	**% of equity owned and voting rights**	**Cost**	**Allowance for diminution in value**	**Fair value**
Tan Tien Plastic Joint Stock Company (*)	20,000	3.00%	4,000,000,000	(2,000,000,000)	(**)	20,000	3.00%	4,000,000,000	(2,000,000,000)	(**)

(*) Tan Tien Plastic Joint Stock Company is a joint stock company established under Business Registration Certificate No. 0302706634 issued by the Department of Planning and Investment of Ho Chi Minh City. The principal activities of Tan Tien Plastic Joint Stock Company are to produce and trade consumer products from plastics, engineering plastics, plastics plating, high quality and large-sized plastic products for technical businesses and investment projects.

(**) The Company has not determined the fair value of this investment for disclosure in the consolidated financial statements because information about its market price is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair value of this investments may differ from its carrying amount.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

3. Accounts receivable from customers

	31/12/2023	1/1/2023
Duc Tuong Group Joint Stock Company	51,083,570,776	81,746,021,123
VN Dai Phong Company Limited	23,216,305,684	24,017,555,494
Phuong Hoang Trading Manufacturing Co., Ltd.	16,975,640,587	67,048,961,712
Other customers	41,243,243,399	101,987,949,612
Total	**132,518,760,446**	**274,800,487,941**

4. Prepayments to suppliers

	31/12/2023	1/1/2023
Eplas Company Limited	7,128,441,284	11,801,767,896
Lotus Chemical Technology Co., Ltd.	2,341,513,123	17,391,575,157
An Ngai Co., Ltd.	1,237,252,500	-
Other customers	9,873,516,176	14,062,393,071
Total	**20,580,723,083**	**43,255,736,124**

5. Other short-term receivables

	31/12/2023	1/1/2023
Interest receivables	25,854,424,685	14,346,447,482
Deposits	1,954,527,800	4,277,337,286
Advances	469,014,010	467,732,000
Other receivables	553,451,427	509,665,927
Total	**28,831,417,922**	**19,601,182,695**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

6. Allowance for doubtful debts

	31/12/2023				1/1/2023			
	Overdue days	Cost	Allowance	Recoverable amount	Overdue days	Cost	Allowance	Recoverable amount
Thanh Tuyet Private Enterprise	Over 8 years	12,022,959,002	(7,902,959,002)	4,120,000,000	Over 7 years	20,992,959,002	(20,992,959,002)	-
Duc Thanh Plastic Trading Company Limited		-	-	-	Over 7 years	34,844,128,351	(34,844,128,351)	-
Nam Phong Technology Trading Development Joint Stock company					From 6 months to 1 year	892,617,272	(446,308,636)	446,308,636
Other customers		-	-	-	Over 3 years	2,739,243,355	(2,739,243,355)	-
Total		**12,022,959,002**	**(7,902,959,002)**	**4,120,000,000**		**59,468,947,980**	**(59,022,639,344)**	**446,308,636**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

Movements of allowance for doubtful debts during the year were as follows:

	2023	2022
Opening balance	59,022,639,344	59,352,881,098
Allowance made during the year	-	494,449,036
Allowance reversed during the year	(17,536,308,636)	(824,690,790)
Allowance ultilised during the year	(33,583,371,706)	-
Closing balance	**7,902,959,002**	**59,022,639,344**

7. Shortage of assets awaiting resolution

	31/12/2023	1/1/2023
Inventories	-	92,641,521
Total	**-**	**92,641,521**

8. Inventories

	31/12/2023		1/1/2023	
	Cost	Allowance	Cost	Allowance
Goods in transit	29,218,043,850	-	21,632,577,536	-
Raw materials	119,953,925,072	-	197,101,021,996	-
Tools and supplies	9,370,291,317	-	3,306,825,770	-
Work in progress	41,277,433,935	-	49,073,132,901	-
Finished goods	145,755,185,949	(293,683,046)	265,406,375,735	(364,323,658)
Merchandise inventories	19,090,919,724	(146,142,327)	40,963,695,112	(271,065,802)
Total	**364,665,799,847**	**(439,825,373)**	**577,483,629,050**	**(635,389,460)**

Included in inventories at 31 December 2023 was VND4,449 million of finished goods and VND2,065 million of merchandise inventories (1/1/2023: VND5,898 million of finished goods and VND3,260 million of merchandise inventories) recorded at net realisable value.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

Movements of allowance for inventories during the year were as follows:

	2023	2022
Opening balance	635,389,460	2,645,870,752
Allowance made during the year	279,237,673	-
Allowance reversed during the year	(474,801,760)	(2,010,481,292)
Closing balance	**439,825,373**	**635,389,460**

9. Long-term loan receivable

	Annual interest rate	Maturity date	31/12/2023	1/1/2023
Loan to Danang Plastics Joint Stock Company – an associate	5.40%	2027	20,000,000,000	20,000,000,000

This loan is denominated in VND and unsecured.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

10. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total
Cost					
Opening balance	511,589,027,311	1,469,970,734,270	41,611,623,753	12,485,370,798	2,035,656,756,132
Increases	1,670,648,200	87,143,122,790	1,070,100,000	510,992,000	90,394,862,990
- Additions	-	*65,303,707,926*	*425,800,000*	*510,992,000*	*66,240,499,926*
- Transfers from construction in progress	-	*21,839,414,864*	*644,300,000*	-	*22,483,714,864*
- Tranfers from long-term prepaid expenses	*1,670,648,200*	-	-	-	*1,670,648,200*
Decreases	-	(17,566,240,271)	(3,259,027,867)	-	(20,825,268,138)
- Disposals	-	*(17,566,240,271)*	*(3,259,027,867)*	-	*(20,825,268,138)*
Closing balance	**513,259,675,511**	**1,539,547,616,789**	**39,422,695,886**	**12,996,362,798**	**2,105,226,350,984**
Accumulated depreciation					
Opening balance	453,520,005,552	1,176,729,066,541	36,832,518,315	8,026,478,217	1,675,108,068,625
Increases	54,312,498,312	113,005,671,685	2,449,655,399	1,282,716,873	171,050,542,269
- Charge for the year	*54,080,463,841*	*113,005,671,685*	*2,449,655,399*	*1,282,716,873*	*170,818,507,798*
- Tranfers from long-term prepaid expenses	*232,034,471*	-	-	-	*232,034,471*
Decreases	-	(17,555,891,119)	(3,259,027,867)	-	(20,814,918,986)
- Disposals	-	*(17,555,891,119)*	*(3,259,027,867)*	-	*(20,814,918,986)*
Closing balance	**507,832,503,864**	**1,272,178,847,107**	**36,023,145,847**	**9,309,195,090**	**1,825,343,691,908**
Net book value					
Opening balance	58,069,021,759	293,241,667,729	4,779,105,438	4,458,892,581	360,548,687,507
Closing balance	**5,427,171,647**	**267,368,769,682**	**3,399,550,039**	**3,687,167,708**	**279,882,659,076**

Included in tangible fixed assets were assets costing VND1,403,750 million which were fully depreciated as at 31 December 2023 (1/1/2023: VND1,057,006 million), but which are still in active use.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

11. Intangible fixed assets

	Land use rights	Software	Total
Cost			
Opening balance	9,570,664,750	29,049,598,528	38,620,263,278
Increases	-	-	-
- Additions	-	-	-
Decreases	-	-	-
- Disposals	-	-	-
Closing balance	**9,570,664,750**	**29,049,598,528**	**38,620,263,278**
Accumulated amortisation			
Opening balance	3,940,458,815	27,482,386,973	31,422,845,788
Increases	157,908,437	1,132,282,212	1,290,190,649
- Charge for the year	*157,908,437*	*1,132,282,212*	*1,290,190,649*
Decreases	-	-	-
- Disposals	-	-	-
Closing balance	**4,098,367,252**	**28,614,669,185**	**32,713,036,437**
Net book value			
Opening balance	5,630,205,935	1,567,211,555	7,197,417,490
Closing balance	**5,472,297,498**	**434,929,343**	**5,907,226,841**

Included in intangible fixed assets were assets costing VND25,918 million which were fully depreciated as at 31 December 2023 (1/1/2023: VND25,111 million), but which are still in active use.

12. Construction in progress

	2023	2022
Opening balance	25,071,276,356	20,422,985,140
Additions	9,834,119,844	33,581,533,337
Transfers to tangible fixed assets	(22,483,714,864)	(26,687,961,106)
Transfers to long-term prepaid expenses	-	(2,245,281,015)
Closing balance	**12,421,681,336**	**25,071,276,356**

Major construction in progress were as follows:

	31/12/2023	1/1/2023
Machinery and equipment	*12,421,681,336*	*25,071,276,356*

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

13. Prepaid expenses

(a) Short-term prepaid expenses

	31/12/2023	1/1/2023
Tools and instruments	-	-
Other short-term prepaid expenses	658,775,390	722,740,291
Total	**658,775,390**	**722,740,291**

(b) Long-term prepaid expenses

	Prepaid land costs	Tools and instruments	Overhaul expenditure	Total
Openning balance	211,083,133,047	86,413,337,540	9,384,616,827	306,881,087,414
Additions	-	1,717,708,750	347,419,000	2,065,127,750
Transfers to tangible fixed assets	-	(1,438,613,729)	-	(1,438,613,729)
Amortisation for the year	(5,753,262,147)	(46,017,267,831)	(9,732,035,827)	(61,502,565,805)
Closing balance	**205,329,870,900**	**40,675,164,730**	**-**	**246,005,035,630**

14. Deferred tax assets

	Tax rate	31/12/2023	1/1/2023
Accrued expenses and provisions	20.00%	11,487,975,771	5,897,498,732

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

15. Long-term tools, supplies and spare parts

Long-term tools, supplies and spare parts are related to tools, supplies and spare parts used for production and business activities of the Group but not qualified for recognition as fixed assets. Costs of long-term tools, supplies and spare parts are amortised on a straightline basis over 3 years when being issued to production.

16. Accounts payable to suppliers

	31/12/2023		1/1/2023	
	Cost	**Amount within payment capacity**	**Cost**	**Amount within payment capacity**
Accounts payable to suppliers – short-term				
TPC Vina Plastic and Chemical Corporation Ltd.	36,265,825,200	36,265,825,200	18,931,452,100	18,931,452,100
Hoa Thinh Trading – Production and Service Co., Ltd.	29,336,711,388	29,336,711,388	21,530,996,850	21,530,996,850
AGC Chemicals Vietnam Co., Ltd.	7,877,689,600	7,877,689,600	6,926,319,400	6,926,319,400
Other suppliers	80,950,941,956	80,950,941,956	43,991,654,949	43,991,654,949
Total	**154,431,168,144**	**154,431,168,144**	**91,380,423,299**	**91,380,423,299**
Accounts payable to suppliers who are related parties				
Danang Plastics Joint Stock Company	811,069,276	811,069,276	675,133,838	675,133,838
TPC Vina Plastic and Chemical Corporation Ltd.	36,265,825,200	36,265,825,200	18,931,452,100	18,931,452,100
Thai Polyethylene Co., Ltd.	-	-	5,834,949,120	5,834,949,120
Totals	**37,076,894,476**	**37,076,894,476**	**25,441,535,058**	**25,441,535,058**

The trade related amounts due to the related parties were unsecured, interest free and are payable within 60 days from invoice date.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

17. Advances from customers

	31/12/2023	1/1/2023
Lan Thanh Construction – Production – Trading & Services Co., Ltd.	423,175,776	670,405,826
Van Nhi Minh Liem Co., Ltd.	38,415,286,532	779,356,797
Tuong Van Production and Trading Joint Stock Company	1,780,796,117	92,488
Hoan Tuan Thanh Production – Trading & Construction Co., Ltd.	10,104,957,219	-
Truong Minh Hai Co., Ltd.	1,084,478	294,979,196
Others	1,705,805,538	1,651,767,297
Total	**52,431,105,660**	**3,396,601,604**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

18. Taxes

(a) Taxes and others payable to State Treasury

	1/1/2023	Incurred	Paid	Net-off/ Refunded	31/12/2023
Value added tax	-	602,293,056,597	(205,501,723,228)	(388,437,482,256)	8,353,851,113
Corporate income tax	63,039,988,652	271,767,025,183	(267,472,430,481)	-	67,334,583,354
Personal income tax	2,201,140,932	39,310,599,025	(27,110,520,498)	(7,848,391,510)	6,552,827,949
Foreign contractor tax	-	105,449,097	(105,449,097)	-	-
Other taxes	-	154,175,084	(154,175,084)	-	-
Total	**65,241,129,584**	**913,630,304,986**	**(500,344,298,388)**	**(396,285,873,766)**	**82,241,262,416**

(b) Deductible value added tax

	1/1/2023	Incurred	Net-off	31/12/2023
Deductible value added tax	35,276,661,122	396,733,819,573	(388,437,482,256)	43,572,998,439

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

19. Short-term accrued expenses

	31/12/2023		1/1/2023	
	Carrying amount	Amount within repayment capacity	Carrying amount	Amount within repayment capacity
Short-term				
Selling expenses for distribution network	73,281,016,292	73,281,016,292	81,772,059,177	81,772,059,177
Payment discounts	5,819,637,375	5,819,637,375	12,748,651,168	12,748,651,168
Other expenses	2,728,633,000	2,728,633,000	6,949,885,911	6,949,885,911
Total	**81,829,286,667**	**81,829,286,667**	**101,470,596,256**	**101,470,596,256**

20. Other short-term payables

	31/12/2023		1/1/2023	
	Carrying amount	Amount within repayment capacity	Carrying amount	Amount within repayment capacity
Trade union fee	346,709,120	346,709,120	324,645,800	324,645,800
Dividend payables	350,414,300	350,414,300	350,414,300	350,414,300
Deposits received	1,043,030,450	1,043,030,450	973,030,450	973,030,450
Others	6,348,110,601	6,348,110,601	1,169,155,335	1,169,155,335
Total	**8,088,264,471**	**8,088,264,471**	**2,817,245,885**	**2,817,245,885**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

21. Short-term borrowings and finance lease liabilities

	1/1/2023		Movements during the year		31/12/2023	
	Carrying amount	**Amount within repayment capacity**	**Increase**	**(Decrease)**	**Carrying amount**	**Amount within repayment capacity**
Short-term borrowings	55,160,000,000	55,160,000,000	20,000,000	(10,000,000)	55,170,000,000	55,170,000,000
Short-term borrowings	55,160,000,000	55,160,000,000	20,000,000	(10,000,000)	55,170,000,000	55,170,000,000
Current portion of long-term borrowings	-	-	-	-	-	-
Total	**55,160,000,000**	**55,160,000,000**	**20,000,000**	**(10,000,000)**	**55,170,000,000**	**55,170,000,000**

	Currency	**Annual interest rate**	**31/12/2023**	**1/1/2023**
Loans from:				
Binh Minh Viet Real Estate Investment and Trading Joint Stock Company – an associate (i)	VND	0.00%	53,040,000,000	53,040,000,000
Viet Commercial Real Estate Joint Stock Company (i)	VND	0.00%	1,560,000,000	1,560,000,000
Third parties (ii)	VND	6.60% - 6.82%	570,000,000	560,000,000
			55,170,000,000	**55,160,000,000**

(i) This is a revolving loan and is unsecured.

(ii) This balance includes deposits received from third parties to guarantee for payment obligations of the Group's customers.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

22. Bonus and welfare funds

Movements of bonus and welfare fund during the year were as follows:

	2023	2022
Opening balance	-	10,946,820,100
Utilisation during the year	-	(10,946,820,100)
Closing balance	**-**	**-**

23. Long-term provisions

Long-term provisions represented provision for severance allowance. Movements of provision for severance allowance during the year were as follows:

	2023	2022
Opening balance	20,000,360,583	21,851,641,376
Provision made during the year	(65,780,766)	(528,740,463)
Provision utilised during the year	(813,052,358)	(1,322,540,330)
Closing balance	**19,121,527,459**	**20,000,360,583**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

24. Owners' equity

(a) Changes in owners' equity

	Share capital	Share premium	Investment and development fund	Other equity funds	Retained profits	Total
Prior year's opening balance	**818,609,380,000**	**1,592,782,700**	**1,157,256,738,050**	**44,983,552,000**	**271,032,327,367**	**2,293,474,780,117**
Net profit for the year	-	-	-	-	694,268,766,316	694,268,766,316
- Profit distribution of 2021	-	-	-	-	(112,656,034,500)	(112,656,034,500)
+ Dividends in cash	-	-	-	-	*(110,512,266,300)*	*(110,512,266,300)*
+ Payments to the Board of Directors and Supervisory Board	-	-	-	-	*(2,143,768,200)*	*(2,143,768,200)*
- Interim dividend of 2022	-	-	-	-	(253,768,907,800)	(253,768,907,800)
+ Dividends in cash	-	-	-	-	*(253,768,907,800)*	*(253,768,907,800)*
Prior year's closing balance	**818,609,380,000**	**1,592,782,700**	**1,157,256,738,050**	**44,983,552,000**	**598,876,151,383**	**2,621,318,604,133**
Current year's opening balance	**818,609,380,000**	**1,592,782,700**	**1,157,256,738,050**	**44,983,552,000**	**598,876,151,383**	**2,621,318,604,133**
- Net profit for the year	-	-	-	-	1,041,006,333,282	1,041,006,333,282
- Profit distribution of 2022	-	-	-	-	(440,499,858,516)	(440,499,858,516)
+ Dividends in cash	-	-	-	-	*(433,862,971,400)*	*(433,862,971,400)*
+ Payments to the Board of Directors and Supervisory Board	-	-	-	-	*(6,636,887,116)*	*(6,636,887,116)*
- Interim dividend of 2023	-	-	-	-	(532,096,097,000)	(532,096,097,000)
+ Dividends in cash	-	-	-	-	*(532,096,097,000)*	*(532,096,097,000)*
Current year's closing balance	**818,609,380,000**	**1,592,782,700**	**1,157,256,738,050**	**44,983,552,000**	**667,286,529,149**	**2,689,728,981,899**

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

(b) Share capital

	31/12/2023		1/1/2023	
	VND	%	VND	%
Nawaplastic Industries Co., Ltd.	450,159,110,000	54.99%	445,898,110,000	54.47%
Other shareholders	368,450,270,000	45.01%	372,711,270,000	45.53%
Total	**818,609,380,000**	**100,00%**	**818,609,380,000**	**100,00%**

The parent company, Nawaplastic Industries Co., Ltd. and the ultimate parent company, the Siam Cement Public Co., Ltd are incorporated in Thailand.

(c) Movements of share capital

	2023	2022
Balance at the beginning of the year	818,609,380,000	818,609,380,000
Increases during the year	-	-
Decreases during the year	-	-
Balance at the end of the year	818,609,380,000	818,609,380,000

(d) Shares

	31/12/2023	1/1/2023
- Number of authorised shares	81,860,938	81,860,938
- Number of issued shares	81,860,938	81,860,938
+ *Ordinary shares*	*81,860,938*	*81,860,938*
+ *Preference shares*	-	-
- Number of treasury shares	-	-
+ *Ordinary shares*	-	-
- Number of shares in circulation	81,860,938	81,860,938
+ *Ordinary shares*	*81,860,938*	*81,860,938*
+ *Preference shares*	-	-

Par value of shares in circulation: 10,000 VND.

Unit: VND

V. Supplementary information to the consolidated balance sheet (continued)

(e) Dividends

The Annual General Meeting of Shareholders of the Company on 28 April 2023 resolved to distribute dividends in cash amounting to VND687,632 million, from the Company's net profit of 2022, in which the interim dividends amounting to VND253,769 million, equivalent to VND3,100/share were paid in 2022, The Board of Directors of the Company on 31 October 2023 resolved to distribute the interim dividend of 2023 amounting to to VND532,096 million, equivalent to VND6,500 per share (2022: the Annual General Meeting of Shareholders of the Company on 26 April 2022 resolved to distribute dividends in cash amounting to VND212,838 million, from the Company's net profit of 2021, in which the first interim dividends amounting to VND102,326 million, equivalent to VND1,250/share were paid in 2021).

25. Off balance sheet items

(a) Foreign currencies

	31/12/2023		1/1/2023	
	Original currency	**VND equivalent**	**Original currency**	**VND equivalent**
USD	42,959	986,123,701	32,848	767,359,928
THB	-	-	37,950	25,332,764
Total		**986,123,701**		**792,692,692**

(b) Writen off bad debts

	Written-off year	**31/12/2023**	**1/1/2023**
Duc Thanh Plastic Trading Company Limited	2023	30,844,128,351	-
Other customers	2023	2,739,243,355	-
Total		**33,583,371,706**	**-**

Reason for written-off: not recoverable.

(c) Capital expenditure commitments

At the reporting date, the Company and its subsidiary had the following outstanding capital expenditure commitments approved but not provided for in the consolidated balance sheet:

	31/12/2023	**1/1/2023**
Approved and contracted	11,400,868,074	20,503,572,713

Unit: VND

VI. Supplementary information to the consolidated statement of income

1. Revenue from sales of goods and provision of services

	2023	2022
Sales of finished goods	4,930,032,697,046	5,546,202,177,218
Sales of supplies and merchandise goods	269,883,283,639	278,622,010,407
Provision of transportation service	6,805,000	9,068,000
Total	**5,199,922,785,685**	**5,824,833,255,625**

2. Revenue deductions

	2023	2022
Sales discount	41,545,200,600	15,710,990,600
Sales returns	1,393,214,509	777,889,765
Total	**42,938,415,469**	**16,488,880,365**

3. Net revenue

	2023	2022
Sales of finished goods	4,888,487,496,086	5,533,334,790,932
Sales of supplies and merchandise goods	268,490,069,130	275,000,516,328
Provision of transportation service	6,805,000	9,068,000
Total	**5,156,984,370,216**	**5,808,344,375,260**

4. Cost of goods sold and services provided

	2023	2022
Total cost of sales:		
Finished goods sold	2,778,278,599,654	3,932,969,774,883
Supplies and merchandise goods sold	262,481,364,491	269,718,434,977
Transportation service rendered	-	6,321,000
Reversal of allowance for inventories	(195,564,087)	(2,010,481,292)
Total	**3,040,564,400,058**	**4,200,684,049,568**

Unit: VND

VI. Supplementary information to the consolidated statement of income (continued)

5. Financial income

	2023	2022
Interest income	116,995,396,521	53,343,882,280
Dividend income	30,000,000	30,000,000
Realised foreign exchange gains	1,432,022,138	1,675,645,441
Unrealised foreign exchange gains	46,074,668	148,377,709
Total	**118,503,493,327**	**55,197,905,430**

6. Financial expenses

	2023	2022
Payment discounts	144,638,514,694	156,359,168,696
Interest expense	38,676,662	27,578,302
Realised foreign exchange losses	884,471,755	1,178,181,387
Total	**145,561,663,111**	**157,564,928,385**

7. Selling expenses and general and administration expenses

(a) Selling expenses

	2023	2022
Selling expenses for distribution network	509,078,259,120	341,116,019,810
Staff costs	68,968,339,779	65,500,046,977
Transportation costs	19,952,781,330	25,292,185,263
Materials and packaging expenses	15,494,085,463	14,102,569,006
Commission expenses	8,282,899,479	9,814,113,227
Advertising and promotion expenses	7,634,223,558	7,627,385,803
Depreciation and amortisation	1,003,631,147	1,997,807,127
Outside service expenses	27,867,710,788	27,684,854,927
Other expenses	17,969,422,571	10,197,486,364
Total	**676,251,353,235**	**503,332,468,504**

Unit: VND

VI. Supplementary information to the consolidated statement of income (continued)

(b) General and administration expenses

	2023	2022
Staff costs	70,449,445,538	71,064,908,022
Materials and supplies	4,383,690,933	5,463,899,559
Depreciation and amortisation	2,333,047,158	2,518,185,784
Taxes, charges and fees	7,628,813,296	8,074,912,217
Allowance for doubtful debts	(17,536,308,636)	(330,241,754)
Outside service expenses	25,259,972,439	26,874,440,325
Other expenses	14,400,079,653	15,270,861,538
Total	**106,918,740,381**	**128,936,965,691**

8. Other income

	2023	2022
Proceeds from disposals of fixed assets	3,402,228,062	180,391,320
Profit from sales of scraps	1,831,638,134	2,648,817,298
Fines collected	26,676,000	432,390,225
Others	757,740,310	748,856,087
Total	**6,018,282,506**	**4,010,454,930**

9. Other expenses

	2023	2022
Expenses for disposals of fixed assets	12,349,152	-
Additional tax and tax penalties	2,790,329,808	-
Others	93,677,968	750,994,034
Total	**2,896,356,928**	**750,994,034**

Unit: VND

VI. Supplementary information to the consolidated statement of income (continued)

10. Income tax

(a) Recognised in the consolidated statement of income

	2023	2022
Current tax expense		
Current year	269,123,713,626	176,954,786,089
Additional tax expense relating to taxable income of prior years	2,643,311,557	-
	271,767,025,183	176,954,786,089
Deferred tax (benefit)/expense		
Origination and reversal of temporary differences	(5,590,477,039)	118,926,589
	266,176,548,144	**177,073,712,678**

(b) Reconciliation of effective tax rate

	2023	2022
Accounting profit before tax	1,307,182,881,426	871,342,478,994
Tax at the Company's tax rate	261,436,576,285	174,268,495,795
Non-deductible expenses	1,676,510,120	1,823,046,790
Tax exempt income	(6,000,000)	-
Unrecognised deferred tax assets	426,150,182	982,170,093
Additional tax expense relating to taxable income of prior years	2,643,311,557	-
	266,176,548,144	**177,073,712,678**

(c) Applicable tax rates

The Company and its subsidiary have an obligation to pay the government income tax at the rate of 20.00% of taxable profits.

Unit: VND

VI. Supplementary information to the consolidated statement of income (continued)

11. Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per share during the year was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare funds and a weighted average number of ordinary shares outstanding during the year, calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2023	2022
Net profit after tax	1,041,006,333,282	694,268,766,316
Appropriation to bonus and welfare funds (*)	-	-
Net profit attributable to ordinary shareholders	**1,041,006,333,282**	**694,268,766,316**

(*) Prior to 2021, employee bonuses were deducted from the Company's retained profits. From 2021, employee bonuses were recorded as an expense in the consolidated statement of income.

(ii) Weighted average number of ordinary shares

	2023 Number of shares	2022 Number of shares
Weighted average number of ordinary shares for the year ended 31 December	81,860,938	81,860,938

(iii) Basic earnings per share

	2023	2022
Basic earnings per share (VND/share)	12,717	8,481

Unit: VND

VI. Supplementary information to the consolidated statement of income (continued)

(b) Diluted earnings per share

As at 31 December 2023 and 1 January 2023, the Company had no potential ordinary shares, therefore the presentation of diluted earnings per share is not applicable.

12. Production and business costs by element

	2023	2022
Raw material costs included in production costs and cost of merchandise goods purchased	2,507,636,168,506	4,052,054,495,430
Labour costs and staff costs	480,077,607,957	518,215,933,954
Depreciation and amortisation	172,108,698,447	170,146,778,481
Outside services	217,922,249,386	244,279,771,207
Other expenses	546,161,001,934	428,494,604,472
Total	**3,923,905,726,230**	**5,413,191,583,544**

Unit: VND

VII. Other information

1. Segment reporting

Business segments

The Group only operates in one main business segment, which is manufacturing and trading of civil and industrial products from plastics and rubber.

Geographical segments

The Company only operates in one geographical segment, which is Vietnam.

2. Information about related parties

In addition to related party balances disclosed in other notes to the consolidated financial statements, the Group had the following significant transactions with related parties during the year:

	2023	2022
Associate		
Danang Plastics Joint Stock Company		
Sales of merchandise goods and finished goods	7,710,000,000	4,627,827,642
Commission expense	8,282,899,479	9,814,113,227
Warehouse rental	1,440,000,000	1,323,636,364
Purchases of transportation service	-	1,963,200,000
Loan granted to the associate	-	20,000,000,000
Collection of loan principals	-	5,000,000,000
Interest income	1,080,000,000	820,000,000

Unit: VND

VII. Other information (continued)

	2023	2022
Other related companies		
TPC Vina Plastic and Chemical Corporation Ltd		
Purchases of raw materials	544,218,531,000	1,243,417,290,000
Long Son Petrochemical Co., Ltd		
Purchases of raw materials	30,966,272,727	62,143,478,181
Thai Polyethylene Co., Ltd		
Purchases of raw materials	62,249,388,265	100,051,806,104
Alcamax Packaging Production Company (Vietnam)		
Purchases of raw materials	308,012,000	-
Nawaplastic Industries Co., Ltd.		
Purchases of raw materials	1,485,550,080	-
Duy Tan Plastic Production Joint Stock Company		
Purchases of raw materials	28,459,080	-
Viet Thai PLASTCHEM Co., Ltd.		
Sales of raw materials	1,145,200,000	-
SCG Learning Excellence Co., Ltd		
Purchase of services	632,718,242	-
Remuneration of the Board of Directors		
Members of the Board of Management		
Mr. Sakchai Patiparnpreechavud – Chairman	2,735,555,182	1,647,109,095
Mr. Chaowalit Treejak - Vice Chairman cum General Director	5,076,373,333	3,638,697,986
Mr. Nguyen Hoang Ngan - Member	1,994,106,070	4,901,224,102
Mr. Poramate Larnroongroj - Member	1,641,333,110	988,265,457
Mr. Phan Khac Long - Member	1,095,740,262	988,265,457
Ms. Nguyen Thi Minh Giang - Member	545,592,848	-
Other members of the Board of Directors		
Salary, bonus and allowances	8,583,282,694	8,639,558,084
Members of the Supervisory Board		
Salary, bonus and allowances	3,191,056,479	2,221,863,998

Unit: VND

VII. Other information (continued)

3. Fees paid and payable to the auditor

	2023	2022
Financial statement audit	850,000,000	1,258,300,000
Financial statement review	367,000,000	374,750,000
Total	**1,217,000,000**	**1,633,050,000**

Ho Chi Minh City, 22 March 2024

Prepared by:	Reviewed by:	Approved by:
Pham Manh Tuan	Phung Huu Luan	Chaowalit Treejakx
General Accountant	*Chief Accountant*	*General Director*

M.S.D.N: 0301464823 - C.T.C.P
CÔNG TY CỔ PHẦN NHỰA BÌNH MINH
QUẬN 6 - T.P HỒ CHÍ MINH