



**Binh Minh Plastics Joint Stock Company
and its subsidiary**

**Consolidated interim Financial Statements
for the six-month period ended 30 June 2023**



Binh Minh Plastics Joint Stock Company
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 initial 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
Mr. Asada Boonsirat	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 interim financial statements of the Company and its subsidiary (collectively referred to as "the Group") for the six-month period ended 30 June 2023.

The Company's Board of Management is responsible for the preparation and fair presentation of the consolidated interim 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 interim financial statements set out on pages 5 to 51 give a true and fair view of the consolidated financial position of the Group as at 30 June 2023, and of its consolidated results of operations and its consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim 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 the accompanying consolidated interim financial statements for issue.

On behalf of the Board of Management



Chaovalit Treejak
General Director

Ho Chi Minh City, 25 August 2023



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

INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Binh Minh Plastics Joint Stock Company

We have reviewed the accompanying consolidated interim 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 30 June 2023, the consolidated statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 25 August 2023, as set out on pages 5 to 51.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 – *Review of interim financial information performed by the independent auditor of the entity*.

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



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not 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 30 June 2023, and of their consolidated results of operations and their consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Review Report No.: 23-01-00242-23-2



Chang Hung Chun
Practicing Auditor Registration
Certificate No. 0863-2023-007-1
Deputy General Director

Ho Chi Minh City, 25 August 2023

Tran Thi Le Hang
Practicing Auditor Registration
Certificate No. 3782-2022-007-1



Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2023

Form B 01a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2023 VND	1/1/2023 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,803,065,894,322	2,215,147,283,810
Cash and cash equivalents	110	7	608,800,625,494	358,572,233,870
Cash	111		93,300,625,494	46,972,233,870
Cash equivalents	112		515,500,000,000	311,600,000,000
Short-term financial investments	120		1,480,000,000,000	965,000,000,000
Held-to-maturity investments	123	8(a)	1,480,000,000,000	965,000,000,000
Accounts receivable – short-term	130		257,032,005,317	278,727,408,937
Accounts receivable from customers	131	9	211,364,472,208	274,800,487,941
Prepayments to suppliers	132	10	29,225,164,168	43,255,736,124
Other short-term receivables	136	11	40,081,929,777	19,601,182,695
Allowance for doubtful debts	137	12	(23,732,202,357)	(59,022,639,344)
Shortage of assets awaiting resolution	139		92,641,521	92,641,521
Inventories	140	13	449,233,479,500	576,848,239,590
Inventories	141		449,868,868,960	577,483,629,050
Allowance for inventories	149		(635,389,460)	(635,389,460)
Other current assets	150		7,999,784,011	35,999,401,413
Short-term prepaid expenses	151	18(a)	6,883,945,818	722,740,291
Deductible value added tax	152	23(b)	-	35,276,661,122
Taxes receivable from State Treasury	153		1,115,838,193	-

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2023 (continued)

Form B 01a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2023 VND	1/1/2023 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		723,278,041,166	829,644,709,983
Accounts receivable – long-term	210		20,000,000,000	20,000,000,000
Loans receivable – long-term	215	14	20,000,000,000	20,000,000,000
Fixed assets	220		313,043,748,197	367,746,104,997
Tangible fixed assets	221	15	306,522,428,313	360,548,687,507
Cost	222		2,063,971,921,459	2,035,656,756,132
Accumulated depreciation	223		(1,757,449,493,146)	(1,675,108,068,625)
Intangible fixed assets	227	16	6,521,319,884	7,197,417,490
Cost	228		38,620,263,278	38,620,263,278
Accumulated amortisation	229		(32,098,943,394)	(31,422,845,788)
Long-term work in progress	240		7,404,325,847	25,071,276,356
Construction in progress	242	17	7,404,325,847	25,071,276,356
Long-term financial investments	250		65,861,496,814	66,415,601,903
Investments in associates	252	8(b)	63,861,496,814	64,415,601,903
Equity investments in other entities	253	8(c)	4,000,000,000	4,000,000,000
Allowance for diminution in the value of long-term financial investments	254	8(c)	(2,000,000,000)	(2,000,000,000)
Other long-term assets	260		316,968,470,308	350,411,726,727
Long-term prepaid expenses	261	18(b)	292,882,370,422	306,881,087,414
Deferred tax assets	262	19	5,674,971,952	5,897,498,732
Long-term tools, supplies and spare parts	263	20	18,411,127,934	37,633,140,581
TOTAL ASSETS (270 = 100 + 200)	270		3,526,343,935,488	3,044,791,993,793

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated balance sheet as at 30 June 2023 (continued)

Form B 01a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND	1/1/2023 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		770,171,520,036	423,473,389,660
Current liabilities	310		750,553,816,953	403,473,029,077
Accounts payable to suppliers	311	21	145,247,133,912	91,380,423,299
Advances from customers	312	22	118,827,182,278	3,396,601,604
Taxes payable to State Treasury	313	23(a)	195,529,204,059	65,241,129,584
Payables to employees	314		95,433,492,958	84,007,032,449
Accrued expenses	315	24	138,060,269,600	101,470,596,256
Other payables	319	25	2,276,534,146	2,817,245,885
Short-term borrowings	320	26	55,180,000,000	55,160,000,000
Long-term liabilities	330		19,617,703,083	20,000,360,583
Provisions	342	27	19,617,703,083	20,000,360,583
EQUITY (400 = 410)	400		2,756,172,415,452	2,621,318,604,133
Owners' equity	410	28	2,756,172,415,452	2,621,318,604,133
Share capital	411	29	818,609,380,000	818,609,380,000
- Ordinary shares with voting rights	411a		818,609,380,000	818,609,380,000
Share premium	412		1,592,782,700	1,592,782,700
Investment and development fund	418		1,157,256,738,050	1,157,256,738,050
Other equity funds	420		44,983,552,000	44,983,552,000
Retained profits	421		733,729,962,702	598,876,151,383
- Retained profits brought forward	421a		158,376,292,867	158,376,292,867
- Profit for the current period/year	421b		575,353,669,835	440,499,858,516
TOTAL RESOURCES	440		3,526,343,935,488	3,044,791,993,793
(440 = 300 + 400)				

25 August 2023

Prepared by:



Pham Manh Tuan
General Accountant



Phung Huu Luan
Chief Accountant



Approved by:



Chaowalit Treejak
General Director

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated statement of income for the six-month period ended 30 June 2023

Form B 02a – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended 30/6/2023 VND	30/6/2022 VND
Revenue from sales of goods and provision of services	01	32	2,797,458,769,618	2,911,237,544,158
Revenue deductions	02	32	21,059,707,824	6,580,248,680
Net revenue from sales of goods and provision of services (10 = 01 - 02)	10	32	2,776,399,061,794	2,904,657,295,478
Cost of goods sold and services provided	11	33	1,649,118,891,019	2,194,675,749,591
Gross profit (20 = 10 - 11)	20		1,127,280,170,775	709,981,545,887
Financial income	21	34	57,004,887,754	23,994,488,426
Financial expenses	22	35	77,336,025,576	77,627,979,722
In which: Interest expense	23		19,140,395	12,434,631
Share of loss in associates	24	8(b)	(554,105,089)	(460,808,314)
Selling expenses	25	36	333,575,580,848	254,557,969,051
General and administration expenses	26	37	54,854,321,226	61,901,715,228
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		717,965,025,790	339,427,561,998
Other income	31		1,376,816,659	1,613,188,469
Other expenses	32		11,228,882	61,849,659
Result of other activities (40 = 31 - 32)	40		1,365,587,777	1,551,338,810
Accounting profit before tax (50 = 30 + 40) (carried forward to next page)	50		719,330,613,567	340,978,900,808

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated statement of income for the six-month period ended 30 June 2023
(continued)

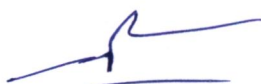
Form B 02a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	Six-month period ended 30/6/2023 VND	30/6/2022 VND
Accounting profit before tax (50 = 30 + 40) (brought forward from previous page)	50		719,330,613,567	340,978,900,808
Income tax expense – current	51	39	143,754,416,952	68,968,205,544
Income tax expense/(benefit) – deferred	52	39	222,526,780	(680,263,721)
Net profit after tax (60 = 50 - 51 - 52)	60		575,353,669,835	272,690,958,985
Earnings per share				
Basic earnings per share	70	40	7,028	3,331

25 August 2023

Prepared by:



Pham Manh Tuan
General Accountant



Phung Huu Luan
Chief Accountant



Approved by:



Chaowalit Treejak
General Director

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the six-month period ended 30 June 2023
(Indirect method)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended 30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES				
Accounting profit before tax	01		719,330,613,567	340,978,900,808
Adjustments for				
Depreciation and amortisation	02		85,419,915,804	82,950,024,919
Allowances and provisions	03		(4,446,308,636)	(551,862,034)
Profits from investing activities	05		(56,004,841,746)	(22,548,018,062)
Interest expense	06		19,140,395	12,434,631
Operating profit before changes in working capital	08		744,318,519,384	400,841,480,262
Change in receivables and other assets	09		73,773,251,342	(55,588,766,386)
Change in inventories and long-term tools, supplies and spare parts	10		146,836,772,737	(58,978,855,258)
Change in payables and other liabilities	11		269,628,963,052	42,344,212,665
Change in prepaid expenses	12		6,398,897,736	(19,537,062,980)
			1,240,956,404,251	309,081,008,303
Interest paid	14		-	(12,434,631)
Corporate income tax paid	15		(66,341,732,523)	(50,519,677,693)
Other payments for operating activities	17		(7,019,544,616)	(14,085,643,888)
Net cash flows from operating activities	20		1,167,595,127,112	244,463,252,091

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the six-month period ended 30 June 2023
(Indirect method - continued)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

			Six-month period ended	
	Code	Note	30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for additions to fixed assets and other long-term assets	21		(4,218,242,729)	(39,447,793,014)
Proceeds from disposals of fixed assets	22		517,400,793	-
Payments for placement of term deposits at banks	23		(1,154,000,000,000)	(295,000,000,000)
Receipts from collection of term deposits at banks	24		639,000,000,000	405,000,000,000
Receipts of interest and dividends	27		35,177,077,848	17,437,794,398
Net cash flows from investing activities	30		(483,523,764,088)	87,990,001,384
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		20,000,000	1,300,000,000
Payments to settle loan principals	34		-	(3,434,254,298)
Payments of dividends	36		(433,862,971,400)	(212,838,438,800)
Net cash flows from financing activities	40		(433,842,971,400)	(214,972,693,098)
Net cash flows during the period (50 = 20 + 30 + 40)	50		250,228,391,624	117,480,560,377
Cash and cash equivalents at the beginning of the period	60		358,572,233,870	172,938,679,946
Cash and cash equivalents at the end of the period (70 = 50 + 60)	70	7	608,800,625,494	290,419,240,323

25 August 2023

Prepared by:



Pham Manh Tuan
General Accountant



Phung Huu Luan
Chief Accountant

Approved by:



Chaowalit Treejak
General Director

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Consolidated statement of cash flows for the six-month period ended 30 June 2023
(Indirect method)

Form B 03a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

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

The Company’s shares have been officially traded on the Ho Chi Minh City Stock Exchange (“HOSE”) since 11 July 2006 with the securities code of BMP.

The consolidated interim financial statements of the Company comprise the Company and its subsidiary (collectively referred to as “the Group”) and the Group’s interest in associates.

(b) Principal activities

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

(c) Normal operating cycle

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

Binh Minh Plastics Joint Stock Company and its subsidiary

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(d) Group structure

As at 30 June 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 Plastics 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 Plastics 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.

Binh Minh Plastics Joint Stock Company and its subsidiary**Notes to the consolidated interim financial statements for the six-month period ended 30 June 2023 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

As at 30 June 2023 and 1 January 2023, the Company had 1 subsidiary and 2 associates as follows:

				Percentage of equity owned and voting rights	
No.	Name	Principal activities	Address	30/6/2023	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%	100%
Associates					
1	Danang Plastics Joint Stock Company	Manufacturing and trading, import and export plastic products, materials and equipment.	Lot Q, Streets No.4 and No.7 Street, 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%	26%

All subsidiary and associates are incorporated in Vietnam.

As at 30 June 2023, the Group had 1,339 employees (1/1/2023: 1,339 employees).

Binh Minh Plastics Joint Stock Company and its subsidiary
Notes to the consolidated interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

2. Basis of preparation

(a) Statement of compliance

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

(b) Basis of measurement

The consolidated interim 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.

(c) Annual accounting period

The annual accounting period of the Group are from 1 January to 31 December. The consolidated interim financial statements are prepared for the six-month period ended 30 June.

(d) Accounting and presentation currency

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

3. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Group in the preparation of these consolidated interim financial statements are consistent with those adopted in the preparation of the most recent consolidated annual financial statements.

(a) Basis of consolidation

(i) Subsidiaries

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

Binh Minh Plastics Joint Stock Company and its subsidiary
Notes to the consolidated interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
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(iv) Associates

Associates are those 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. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated interim financial statements include the Group's share of the profit or loss of the associates, 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 associates 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 the consolidated statement of income (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

When the Group's share of losses exceeds its interest in an associate 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 associate.

(v) Transactions eliminated on consolidation

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

(b) 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 accounting period quoted by the commercial bank where the Company or its subsidiary most frequently conduct transactions.

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

(c) 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.

Binh Minh Plastics Joint Stock Company and its subsidiary
Notes to the consolidated interim financial statements for the six-month period ended
30 June 2023 (continued)

Form B 09a – DN/HN

*(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(d) Investments

(i) Held-to-maturity investments

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

(ii) Investments in equity instruments of other entities

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 their 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.

(e) Accounts receivable

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

Allowance for doubtful debts is 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:

<i>Overdue status</i>	<i>Allowance rate</i>
From over 6 months to less than 1 year	30%
From 1 to less than 2 years	50%
From 2 to less than 3 years	70%
From 3 years and above	100%

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.

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(f) 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.

(g) 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 and maintenance costs are charged to the consolidated statement of income in the period 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	3 – 8 years
▪ motor vehicles	6 – 8 years
▪ office equipment	3 – 8 years

(h) 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.

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(ii) Software

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

(i) Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. Depreciation is not provided for construction in progress during the period of construction and installation.

(j) Long-term prepaid expenses

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group 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 from 41 to 46 years.

(ii) Tools and instruments

Tools and instruments include assets held for use by the Group 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 2 to 3 years.

(iii) Overhaul expenditure

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

(k) Accounts payable to suppliers and other payables

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

(l) Provisions

A provision, except those provisions as defined in other notes, 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.

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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.

(m) Share capital

Ordinary shares

Ordinary shares are stated at par value.

(n) 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.

(o) 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 are 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.

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(p) Taxation

Income tax on the profit or loss for the period 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 period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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.

(q) 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.

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(iv) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as income.

(r) 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.

(s) 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.

(t) Earnings per share

The Group presents basic 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 fund for the annual accounting period) of the Group by the weighted average number of ordinary shares outstanding during the period. 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.

(u) 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 assessed that the Group only operates in one main business segment, which is manufacturing and trading civil and industrial products from plastics and rubber, and in one main geographical segment, which is Vietnam.

(v) 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.

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(w) Comparative information

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

4. Seasonality or cyclical of operations

The Group's business results are not affected by seasonality or cyclical factors except for the following items:

(a) Employees' bonus

The Group recognised the estimated employees' bonus based on the financial plan for 2023 and the financial results for the six-month period ended 30 June 2023. The employees' bonus will be finalised based on the financial results for the whole year at the end of the annual accounting period.

(b) Income tax

In accordance with the current tax regulations, income tax is computed and finalised at the end of the annual accounting period. The corporate income tax for the period is calculated by applying the tax rate of 20% to the profit before tax for the six-month period ended 30 June 2023.

5. Changes in accounting estimates

In preparing consolidated annual financial statements and consolidated interim financial statements, the Board of Management has made several accounting estimates. Actual results may differ from these estimates.

There were no significant changes in accounting estimates made in the consolidated interim financial statements for the six-month period ended 30 June 2023 compared to those made in the most recent consolidated annual financial statements or those made in the same interim period of the prior year.

6. Changes in the composition of the Company

There were no changes in the composition of the Group for the six-month period ended 30 June 2023.

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7. Cash and cash equivalents

	30/6/2023 VND	1/1/2023 VND
Cash on hand	464,658,590	419,477,857
Cash in banks	92,835,966,904	46,552,756,013
Cash equivalents	515,500,000,000	311,600,000,000
	608,800,625,494	358,572,233,870

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less and earned interest at rates ranging from 4.0% to 5.0% per annum as at 30 June 2023 (1/1/2023: from 3.5% to 6.0% per annum).

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8. Investments

(a) Held-to-maturity investments

	30/6/2023			1/1/2023		
	Annual interest rate	Cost VND	Fair value VND	Annual interest rate	Cost VND	Fair value VND
Held-to-maturity investments – short-term						
▪ Term deposits with original terms to maturity of more than 3 months to 12 months	6.0% - 12.0%	1,480,000,000,000	1,480,000,000,000	5.4% - 11.5%	965,000,000,000	965,000,000,000

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(b) Investments in associates

				30/6/2023						1/1/2023		
	Quantity Shares	% of equity owned	% of voting rights	Cost VND	Cumulative share of profit VND	Carrying amount VND	Quantity shares	% of equity owned	% of voting rights	Cost VND	Cumulative share of profit VND	Carrying amount VND
Equity investments in associates:												
▪ Danang Plastics Joint Stock Company	650,000	29.05%	29.05%	8,125,000,000	1,136,496,814	9,261,496,814	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%	26%	54,600,000,000	-	54,600,000,000	5,460,000	26%	26%	54,600,000,000	-	54,600,000,000
				62,725,000,000	1,136,496,814	63,861,496,814				62,725,000,000	1,690,601,903	64,415,601,903

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

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	64,415,601,903	69,681,452,347
Share of loss in associates	(554,105,089)	(460,808,314)
Closing balance	63,861,496,814	69,220,644,033

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(c) Equity investments in other entities

As at 30/6/2023 and 1/1/2023					
	Quantity shares	% of equity owned and voting rights	Cost VND	Allowance for diminution in value VND	Fair value VND
Tan Tien Plastics Joint Stock Company (i)	20,000	3.00%	4,000,000,000	(2,000,000,000)	(*)

(i) Tan Tien Plastics 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 Plastics Joint Stock Company are to produce and trade consumer products from plastics, engineering plastics, plastic plating, high quality and large-sized plastic products for technical businesses and investment projects.

(*) The Company has not determined fair value of this investment for disclosure in the 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 Vietnamese Accounting Standards or the Vietnamese Accounting System for enterprises. The fair value of this investment may differ from its carrying amount.

9. Accounts receivable from customers

Accounts receivable from customers detailed by significant customers

	30/6/2023 VND	1/1/2023 VND
Duc Tuong Group Joint Stock Company	75,664,446,242	81,746,021,123
Phuong Hoang Trading Manufacturing Co., Ltd	45,200,692,278	67,048,961,712
VN Dai Phong Company Limited	25,136,202,787	24,017,555,494
Other customers	65,363,130,901	101,987,949,612
	211,364,472,208	274,800,487,941

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10. Prepayments to suppliers

	30/6/2023 VND	1/1/2023 VND
Eplas Company Limited	1,107,911,640	11,801,767,896
Bong Sen Plastic Chemical Technology Co., Ltd	17,391,575,157	17,391,575,157
Other suppliers	10,725,677,371	14,062,393,071
	29,225,164,168	43,255,736,124

11. Other short-term receivables

	30/6/2023 VND	1/1/2023 VND
Interest receivable	35,221,264,828	14,346,447,482
Short-term deposits	3,705,682,200	4,277,337,286
Advances to employees	1,019,288,844	467,732,000
Others	135,693,905	509,665,927
	40,081,929,777	19,601,182,695

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12. Allowance for doubtful debts

		30/6/2023					1/1/2023		
	Overdue days	Cost VND	Allowance VND	Recoverable amount VND		Overdue days	Cost VND	Allowance VND	Recoverable amount VND
Overdue debts									
Thanh Tuyet Private enterprise	Over 7 years	20,992,959,002	(20,992,959,002)	-		Over 7 years	20,992,959,002	(20,992,959,002)	-
Duc Thanh Plastic Trading Co., Ltd		-	-	-		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
Others	Over 3 years	2,739,243,355	(2,739,243,355)	-		Over 3 years	2,739,243,355	(2,739,243,355)	-
		23,732,202,357	(23,732,202,357)	-			59,468,947,980	(59,022,639,344)	446,308,636

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

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	59,022,639,344	59,352,881,098
Allowance made during the period	-	315,925,582
Allowance reversed during the period	(4,446,308,636)	(33,698,280)
Allowance utilised during the period	(30,844,128,351)	-
Closing balance	23,732,202,357	59,635,108,400

13. Inventories

	30/6/2023		1/1/2023	
	Cost	Allowance	Cost	Allowance
	VND	VND	VND	VND
Goods in transit	11,651,948,240	-	21,632,577,536	-
Raw materials	190,411,140,772	-	197,101,021,996	-
Tools and supplies	8,589,031,829	-	3,306,825,770	-
Work in progress	28,445,086,296	-	49,073,132,901	-
Finished goods	181,195,149,644	(364,323,658)	265,406,375,735	(364,323,658)
Merchandise inventories	29,576,512,179	(271,065,802)	40,963,695,112	(271,065,802)
	449,868,868,960	(635,389,460)	577,483,629,050	(635,389,460)

Included in inventories as at 30 June 2023 were VND5,898 million of finished goods and VND3,260 million of merchandise inventories (1/1/2023: VND5,898 million of finished goods and VND3,260 million of merchandise inventories) carried at net realisable value.

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

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	635,389,460	2,645,870,752
Allowance reversed during the period	-	(1,542,359,138)
Closing balance	635,389,460	1,103,511,614

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14. Loan receivable – long-term

	Annual interest rate	Maturity date	30/6/2023 VND	1/1/2023 VND
Loan to Danang Plastics Joint Stock Company – an associate	5.4%	2027	20,000,000,000	20,000,000,000

The loan is denominated in VND and unsecured.

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15. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
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
Additions	-	7,923,338,463	183,000,000	-	8,106,338,463
Transfers from construction in progress	-	21,182,955,964	-	-	21,182,955,964
Transfers from long-term prepaid expenses	1,670,648,200	-	-	-	1,670,648,200
Disposals	-	(125,161,500)	(2,519,615,800)	-	(2,644,777,300)
Closing balance	513,259,675,511	1,498,951,867,197	39,275,007,953	12,485,370,798	2,063,971,921,459
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
Charge for the period	27,027,722,226	55,679,418,456	1,395,337,736	641,339,780	84,743,818,198
Transfers from long-term prepaid expenses	232,034,471	-	-	-	232,034,471
Disposals	-	(114,812,348)	(2,519,615,800)	-	(2,634,428,148)
Closing balance	480,779,762,249	1,232,293,672,649	35,708,240,251	8,667,817,997	1,757,449,493,146
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	32,479,913,262	266,658,194,548	3,566,767,702	3,817,552,801	306,522,428,313

Included in tangible fixed assets were assets costing VND1,118,390 million which were fully depreciated as at 30 June 2023 (1/1/2023: VND1,057,006 million), but which are still in active use.

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16. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
Opening and closing balances	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
Charge for the period	78,954,216	597,143,390	676,097,606
Closing balance	4,019,413,031	28,079,530,363	32,098,943,394
Net book value			
Opening balance	5,630,205,935	1,567,211,555	7,197,417,490
Closing balance	5,551,251,719	970,068,165	6,521,319,884

Included in intangible fixed assets were assets costing VND25,822 million which were fully depreciated as at 30 June 2023 (1/1/2023: VND25,111 million), but which are still in active use.

17. Construction in progress

	Six-month period ended 30/6/2023 VND	30/6/2022 VND
Opening balance	25,071,276,356	20,422,985,140
Additions	3,516,005,455	13,541,509,333
Transfers to tangible fixed assets	(21,182,955,964)	(18,795,224,247)
Closing balance	7,404,325,847	15,169,270,226

Major construction in progress was as follows:

	30/6/2023 VND	1/1/2023 VND
Machinery and equipment	7,404,325,847	25,071,276,356

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18. Prepaid expenses

(a) Short-term prepaid expenses

	30/6/2023 VND	1/1/2023 VND
Prepaid land lease	3,470,081,410	-
Other short-term prepaid expenses	3,413,864,408	722,740,291
	6,883,945,818	722,740,291

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(b) Long-term prepaid expenses

	Prepaid land costs VND	Tools and instruments VND	Overhaul expenditure VND	Total VND
Opening balance	211,029,944,464	86,466,526,123	9,384,616,827	306,881,087,414
Additions	-	28,543,066,970	347,419,000	28,890,485,970
Transfers from tangible fixed assets	-	(1,438,613,729)	-	(1,438,613,729)
Amortisation for the period	(2,850,036,786)	(28,868,516,620)	(9,732,035,827)	(41,450,589,233)
Closing balance	208,179,907,678	84,702,462,744	-	292,882,370,422

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19. Deferred tax assets

	Tax rate	30/6/2023 VND	1/1/2023 VND
Accrued expenses and provisions	20%	5,674,971,952	5,897,498,732

20. Long-term tools, supplies and spare parts

Long-term tools, supplies and spare parts include assets held for use by the Group in the normal course of the business, not qualified for recognition as fixed assets under prevailing regulations. Costs of long-term tools, supplies and spare parts are amortised on a straightline basis over 3 years when being issued for use.

21. Accounts payable to suppliers

(a) Accounts payable to suppliers detailed by significant suppliers

	Cost and amount within payment capacity	
	30/6/2023 VND	1/1/2023 VND
AGC Chemicals Vietnam Co., Ltd.	28,628,136,900	6,926,319,400
Hoa Thinh Trading – Production and Service Co., Ltd	27,764,695,805	21,530,996,850
TPC Vina Plastic and Chemical Corporation Ltd.	19,582,392,500	18,931,452,100
Other suppliers	69,271,908,707	43,991,654,949
	145,247,133,912	91,380,423,299

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(b) Accounts payable to suppliers who are related parties

	Cost and amount	
	within payment capacity	
	30/6/2023	1/1/2023
	VND	VND
<i>An associate</i>		
Da Nang Plastics Joint Stock Company	1,422,886,791	675,133,838
<i>Other related companies</i>		
TPC Vina Plastic and Chemical Corporation Ltd.	19,582,392,500	18,931,452,100
Thai Polyethylene Co., Ltd	9,829,844,585	5,834,949,120

The trade related amounts due to related parties were unsecured, interest free and are payable within 14 to 30 days from invoice date.

22. Advances from customers

	30/6/2023	1/1/2023
	VND	VND
Van Nhi Minh Liem Co., Ltd	32,134,755,565	779,356,797
Hoan Tuan Thanh Production - Trading and Construction Co., Ltd	20,756,886,677	-
Lan Thanh Construction - Production - Trading & Services Co., Ltd	16,619,868,177	670,405,826
Other customers	49,315,671,859	1,946,838,981
	118,827,182,278	3,396,601,604

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23. Taxes

(a) Taxes payable to State Treasury

	1/1/2023 VND	Incurred VND	Paid VND	Net-off/Refunded VND	30/6/2023 VND
Value added tax	-	361,742,376,303	(50,467,307,850)	(256,301,433,495)	54,973,634,958
Corporate income tax	63,039,988,652	143,754,416,952	(66,341,732,523)	-	140,452,673,081
Personal income tax	2,201,140,932	20,433,651,681	(15,799,343,276)	(6,732,553,317)	102,896,020
Foreign constructor tax	-	766,618,150	(766,618,150)	-	-
Other taxes	-	82,090,511	(82,090,511)	-	-
	65,241,129,584	526,779,153,597	(133,457,092,310)	(263,033,986,812)	195,529,204,059

(b) Deductible value added tax

	1/1/2023 VND	Incurred VND	Net-off VND	30/6/2023 VND
Deductible value added tax	35,276,661,122	221,024,772,373	(256,301,433,495)	-

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24. Accrued expenses

	30/6/2023 VND	1/1/2023 VND
Payment discounts	12,002,145,445	12,748,651,168
Selling expenses for distribution network	120,398,948,710	81,772,059,177
Other expenses	5,659,175,445	6,949,885,911
	138,060,269,600	101,470,596,256

25. Other payables

	30/6/2023 VND	1/1/2023 VND
Dividends	350,414,300	350,414,300
Deposits and collaterals received	1,043,030,450	973,030,450
Trade union fee	329,631,460	324,645,800
Others	553,457,936	1,169,155,335
	2,276,534,146	2,817,245,885

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26. Short-term borrowings

	1/1/2023	Movements during the period	30/6/2023	
	Carrying amount VND	Amount within repayment capacity VND	Increase VND	Carrying amount VND
				Amount within repayment capacity VND
Short-term borrowings	55,160,000,000	55,160,000,000	20,000,000	55,180,000,000

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Annual interest rate	30/6/2023 VND	1/1/2023 VND
<i>Loans from:</i>				
Binh Minh Viet Real Estate Investment and Trading Joint Stock Company – an associate (i)	VND	-	54,600,000,000	54,600,000,000
Other customers (ii)	VND	6.27% - 6.82%	580,000,000	560,000,000
			55,180,000,000	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 obligation of the Group's customers.

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27. Provisions

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

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	20,000,360,583	21,851,641,376
Provision made during the period	-	708,269,802
Provision used during the period	(382,657,500)	(995,055,588)
Closing balance	19,617,703,083	21,564,855,590

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28. Changes in owners' equity

	Share capital VND	Share premium VND	Investment and development fund VND	Other equity funds VND	Retained profits VND	Total VND
Balance at 1 January 2022	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 period	-	-	-	-	272,690,958,985	272,690,958,985
Dividends (Note 30)	-	-	-	-	(110,512,266,300)	(110,512,266,300)
Payments to Board of Directors and Supervisory Board	-	-	-	-	(2,143,768,200)	(2,143,768,200)
Balance at 30 June 2022	818,609,380,000	1,592,782,700	1,157,256,738,050	44,983,552,000	431,067,251,852	2,453,509,704,602
Balance at 1 January 2023	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 period	-	-	-	-	575,353,669,835	575,353,669,835
Dividends (Note 30)	-	-	-	-	(433,862,971,400)	(433,862,971,400)
Payments to Board of Directors and Supervisory Board	-	-	-	-	(6,636,887,116)	(6,636,887,116)
Balance at 30 June 2023	818,609,380,000	1,592,782,700	1,157,256,738,050	44,983,552,000	733,729,962,702	2,756,172,415,452

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29. Share capital

The Company's authorised and issued share capitals are:

	30/6/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	81,860,938	818,609,380,000	81,860,938	818,609,380,000
Shares in circulation				
Ordinary shares	81,860,938	818,609,380,000	81,860,938	818,609,380,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared by the Company from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

There was no movement in share capital during the period.

Details of shareholders at the reporting date were as follows:

	At 30/6/2023		At 1/1/2023	
	Share capital VND	% equity owned	Share capital VND	% equity owned
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%
	818,609,380,000	100%	818,609,380,000	100%

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

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30. Dividends

The Annual General Meeting of Shareholders of the Company on 28 April 2023 resolved to distribute dividends amounting to VND687,631 million in cash, equivalent to 99,0% profit after tax of 2022, in which the interim dividends amounting to VND253,769 million, equivalent to VND8,400/share were paid in 2022 (2021: the Annual General Meeting of Shareholders of the Company on 26 April 2022 resolved to distribute dividends amounting to VND212,838 million in cash, equivalent to 99,3% profit after tax of 2021, in which the interim dividends amounting to VND102,326 million, equivalent to VND1,250/share were paid in 2021).

31. Off balance sheet items

(a) Foreign currencies

	30/6/2023		1/1/2023	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	41,997	963,188,990	32,848	767,359,928
THB	-	-	37,950	25,332,764
		<u>963,188,990</u>		<u>792,692,692</u>

(a) Bad debts written off

	Reason for writing off	Written off in year	Six-month period ended	
			30/6/2023 VND	30/6/2022 VND
Duc Thanh Plastic Trading Company Limited	Uncollectible	2023	30,844,128,351	-

(b) Capital expenditure commitments

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

	30/6/2023 VND	1/1/2023 VND
Approved and contracted	29,060,212,046	20,503,572,713

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32. Revenue from sales of goods and provision of services

Total revenue represents the gross value of goods sold and services rendered exclusive of value added tax.

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Total revenue		
▪ Sales of finished goods	2,650,483,563,656	2,783,316,647,248
▪ Sales of merchandise goods	146,970,585,962	127,914,575,910
▪ Transportation service	4,620,000	6,321,000
	2,797,458,769,618	2,911,237,544,158
Less revenue deductions		
▪ Sales discounts	(20,207,137,600)	(6,197,596,000)
▪ Sales returns	(852,570,224)	(382,652,680)
	(21,059,707,824)	(6,580,248,680)
Net revenue	2,776,399,061,794	2,904,657,295,478

33. Cost of goods sold and services provided

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Total cost of sales:		
▪ Finished goods sold	1,507,838,912,651	2,072,570,755,468
▪ Merchandise goods sold	141,279,978,368	123,647,353,261
▪ Allowance for inventories	-	(1,542,359,138)
	1,649,118,891,019	2,194,675,749,591

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34. Financial income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest income	56,051,895,194	23,008,826,376
Realised foreign exchange gains	952,992,560	985,662,050
	57,004,887,754	23,994,488,426

35. Financial expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Payment discounts	77,100,018,151	77,356,105,560
Realised foreign exchange losses	216,867,030	259,439,531
Interest expense	19,140,395	12,434,631
	77,336,025,576	77,627,979,722

36. Selling expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Selling expenses for distribution network	263,866,712,762	162,076,715,941
Staff costs	35,827,366,890	28,029,424,104
Transportation costs	8,987,440,300	12,563,376,313
Materials and packaging expenses	3,140,965,770	8,362,542,960
Advertising and promotion expenses	2,674,029,174	1,511,099,482
Depreciation and amortisation	572,471,482	1,107,754,213
Customer conference expenses	-	12,613,512,293
Outside service expenses	10,895,099,129	11,259,888,857
Other expenses	7,611,495,341	17,033,654,888
	333,575,580,848	254,557,969,051

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37. General and administration expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Staff costs	33,930,092,682	33,298,161,989
Materials and supplies	1,787,691,663	1,957,044,307
Depreciation and amortisation	1,183,277,261	1,260,376,224
Taxes, duties and fees	1,854,647,855	2,037,451,223
Allowance (reversed)/ made for doubtful debts	(4,446,308,636)	282,227,302
Outside service expenses	13,322,328,414	10,957,241,678
Other expenses	7,222,591,987	12,109,212,505
	54,854,321,226	61,901,715,228

38. Production and business costs by element

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Raw material costs included in production costs and cost of merchandise goods purchased	1,254,942,671,957	1,899,588,255,494
Labour costs and staff costs	230,297,836,617	205,025,701,344
Depreciation and amortisation	85,419,915,804	82,950,024,919
Outside services	92,289,778,400	101,099,425,259
Other expenses	267,599,276,424	225,257,152,061

39. Income tax

(a) Recognised in the consolidated statement of income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Current tax expense		
Current period	143,754,416,952	68,968,205,544
Deferred tax expense/(benefit)		
Origination and reversal of temporary differences	222,526,780	(680,263,721)
Income tax expense	143,976,943,732	68,287,941,823

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(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Accounting profit before tax	719,330,613,567	340,978,900,808
Tax at the Company's tax rate	143,866,122,714	68,195,780,159
Effect of share of loss in associates	110,821,018	92,161,664
	<u>143,976,943,732</u>	<u>68,287,941,823</u>

(c) Applicable tax rates

The Company and its subsidiary have an obligation to pay the government income tax at the rate of 20% of taxable profits.

40. Earnings per share

(a) Basic earnings per share

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

(i) Net profit attributable to ordinary shareholders

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Net profit for the period	575,353,669,835	272,690,958,985
Appropriation to bonus and welfare fund (*)	-	-
Net profit attributable to ordinary shareholders	<u>575,353,669,835</u>	<u>272,690,958,985</u>

(*) Prior to 2021, employee bonus is appropriated from profit after tax. From 2021, employee bonus is recorded as an expense in the consolidated statement of income.

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(ii) Weighted average number of ordinary shares

	Six-month period ended	
	30/6/2023	30/6/2022
	Shares	Shares
Weighted average number of ordinary shares for the period	81,860,938	81,860,938

(iii) Basic earnings per share

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Basic earnings per share	7,028	3,331

(b) Diluted earnings per share

As at 30 June 2023 and 1 January 2023, the Company did not have dilutive potential ordinary shares, therefore the presentation of diluted earnings per share is not applicable.

41. Significant transactions with related parties

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

	Transaction value	
	Six-month period ended	Six-month period ended
	30/6/2023	30/6/2022
	VND	VND
Associate		
Danang Plastics Joint Stock Company		
Sales of finished goods and merchandises	5,400,000,000	-
Commission expense	4,550,096,415	4,935,700,388
Warehouse rental expense	720,000,000	603,636,364
Purchase of transportation service	-	1,316,400,000
Loan granted to the associate	-	20,000,000,000
Receipts from collection of loan principals	-	5,000,000,000
Interest income	540,000,000	280,000,000

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	Transaction value	
	Six-month period ended	Six-month period ended
	30/6/2023	30/6/2022
	VND	VND
<i>Other related parties</i>		
TPC Vina Plastic and Chemical Corporation Ltd.		
Purchases of raw materials	321,689,319,000	744,003,430,000
Thai Polyethylene Co., Ltd		
Purchases of raw materials	21,641,872,065	82,444,505,624
Nawaplastic Industries Co., Ltd		
Purchases of raw materials	1,485,550,080	-
Alcamax Packaging (Vietnam) Co., Ltd		
Purchases of raw materials	197,490,400	-
Long Son Petrochemicals Company Ltd		
Purchases of raw materials	26,835,272,727	32,431,341,819
SCG Learning Excellence Co., Ltd		
Purchase of service	632,718,242	-
Duy Tan Plastics Manufacturing Corporation		
Purchases of raw materials	13,409,080	-
Remuneration of the Board of Directors		
Mr. Sakchai Patiparnpreechavud – Chairman	1,397,239,393	451,319,621
Mr. Nguyen Hoang Ngan – Member	1,148,217,159	2,431,740,333
Mr. Wisit Rechaipichitgool – Former Vice Chairman	-	86,059,851
Mr Chaowalit Treejak – Vice Chairman of the Board of Directors cum General Director	2,537,750,301	1,363,372,226
Mr. Poramate Larnroongroj – Member	838,343,636	270,791,773
Mr. Phan Khac Long – Member	838,343,636	270,791,773
Other members of the Board of Management		
Salary, bonus and allowance	4,209,882,815	4,586,528,362
Members of the Supervisory Board		
Salary, bonus and allowance	1,637,161,222	777,051,469

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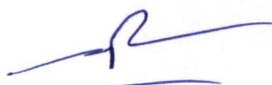
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42. Comparative information

Comparative information was derived from the balances and amounts reported in the Group's consolidated financial statements as at and for the year ended 31 December 2022 and the balances and amounts reported in the Group's consolidated interim financial statements for the six-month period ended 30 June 2022.

25 August 2023

Prepared by:



Pham Manh Tuan
General Accountant



Phung Huu Luan
Chief Accountant

Approved by:



Chaowalit Treejak
General Director