



AIG Asia Ingredients Corporation

Consolidated financial statements

For the year ended 31 December 2023



AIG Asia Ingredients Corporation

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AIG Asia Ingredients Corporation

GENERAL INFORMATION

THE COMPANY

AIG Asia Ingredients Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 0314524981 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 19 July 2017 and other amended ERCs.

The main activities as registered of the Company are management consulting services (excluded finance, accountant, law consulting), warehousing and storage of goods, manufacturing and blending of foodstuffs, food additives, leasing, operating and managing houses and non-residential land.

The Company's registered head office is located at Lot TH-1B, Street No. 7, South Trading Zone, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Nguyen Thien Truc	Chairman	
Mr Pham Dang Long	Member	
Mr Nguyen Ba Luong	Member	
Mr Lars Kjaer	Member	
Mr Nguyen Quoc Binh	Member	appointed on 1 March 2023
Mr Bharat Venkatarama	Member	appointed on 27 November 2023
Mr Phan Duy Hieu	Member	resigned on 30 June 2023
Mr Huynh Thanh Lam	Member	resigned on 30 June 2023
Mr Bui Quang Nam	Member	resigned on 30 June 2023
Mr Mai Xuan Tram	Member	resigned on 26 February 2023

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms Le Ngoc Sang	Head of Board of Supervision	
Ms Do Thi Kim Chung	Member	
Ms Ha Thi Bich Van	Member	appointed on 27 November 2023
Mr Doan Minh Quan	Member	resigned on 27 November 2023

MANAGEMENT

Members of the Management during the year and at the date of this report are:

Mr Pham Trung Lam	General Director	appointed on 24 February 2024
Mr Tran Viet Hung	Deputy General Director	appointed on 20 March 2024
	General Director	resigned on 24 February 2024
Ms Nguyen Thi Lan Anh	Deputy General Director	resigned on 12 May 2023
Mr Pham Dang Long	Deputy General Director	
Mr Nguyen Thao	Finance Director	

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are:

Mr Pham Trung Lam	General Director	appointed on 24 February 2024
Mr Tran Viet Hung	General Director	resigned on 24 February 2024

AUDITORS

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

AIG Asia Ingredients Corporation

REPORT OF MANAGEMENT

Management of AIG Asia Ingredients Corporation ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2023.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

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

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY THE MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Pham Trung Lam
General Director

Ho Chi Minh City, Vietnam

29 March 2024

Reference: 0012117582/E-66925813-FN-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders and the Board of Directors of AIG Asia Ingredients Corporation

We have audited the accompanying consolidated financial statements of AIG Asia Ingredients Corporation ("the Company") and its subsidiaries ("the Group") as prepared on 29 March 2024 and set out on pages 5 to 48, which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Ernest Young Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2023-004-1



A blue ink signature, likely of the auditor Huynh Ngoc Minh Tran.

Huynh Ngoc Minh Tran
Auditor
Audit Practicing Registration Certificate
No. 4637-2023-004-1

Ho Chi Minh City, Vietnam

29 March 2024

CONSOLIDATED BALANCE SHEET
as at 31 December 2023

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		7,007,853,658,506	5,690,497,686,772
110	I. Cash and cash equivalents	5	383,275,909,584	472,517,240,092
111	1. Cash		183,065,875,541	148,783,815,434
112	2. Cash equivalents		200,210,034,043	323,733,424,658
120	II. Short-term investment		2,548,151,083,417	437,000,000,000
123	1. Held-to-maturity investments	6	2,548,151,083,417	437,000,000,000
130	III. Current accounts receivable		1,762,268,119,310	1,963,050,676,890
131	1. Short-term trade receivables	7.1	1,518,725,538,798	1,751,844,200,977
132	2. Short-term advances to suppliers	7.2	162,091,369,740	153,964,590,120
136	3. Other short-term receivables	8	100,470,048,503	73,369,235,299
137	4. Provision for doubtful short-term receivables	7.1	(19,018,837,731)	(16,127,349,506)
140	IV. Inventories	9	2,193,107,291,415	2,671,448,137,813
141	1. Inventories		2,242,237,279,250	2,740,818,278,799
149	2. Provision for obsolete inventories		(49,129,987,835)	(69,370,140,986)
150	V. Other current assets		121,051,254,774	146,481,631,977
151	1. Short-term prepaid expenses	10	14,035,724,078	12,146,707,888
152	2. Value-added tax deductible		106,542,811,914	125,144,222,575
153	3. Tax and other receivables from the State	16	472,718,782	9,190,701,514
200	B. NON-CURRENT ASSETS		2,499,127,060,408	2,256,487,239,379
210	I. Long-term receivables		4,625,663,031	6,594,260,811
216	1. Other long-term receivables	8	4,625,663,031	6,594,260,811
220	II. Fixed assets		1,254,124,034,680	1,299,270,028,515
221	1. Tangible fixed assets	11	1,224,507,290,967	1,268,237,079,152
222	Cost		1,934,816,150,860	1,860,781,356,037
223	Accumulated depreciation		(710,308,859,893)	(592,544,276,885)
227	2. Intangible fixed assets	12	29,616,743,713	31,032,949,363
228	Cost		42,907,275,707	41,436,221,357
229	Accumulated amortisation		(13,290,531,994)	(10,403,271,994)
240	III. Long-term asset in progress		188,913,941,847	71,335,093,944
242	1. Construction in progress	13	188,913,941,847	71,335,093,944
250	IV. Long-term investment	14	238,369,879,746	234,121,210,920
252	1. Investments in associates, jointly controlled entity	14.1	237,269,823,746	232,321,182,920
255	2. Held-to-maturity investments	14.2	1,100,056,000	1,800,028,000
260	V. Other long-term asset		813,093,541,104	645,166,645,189
261	1. Long-term prepaid expenses	10	813,093,541,104	645,166,645,189
270	TOTAL ASSETS		9,506,980,718,908	7,946,984,926,151

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2023

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		4,035,721,535,658	3,197,714,713,721
310	I. Current liabilities		3,956,883,207,971	3,137,335,968,693
311	1. Short-term trade payables	15.1	1,052,088,839,556	867,329,361,539
312	2. Short-term advances from customers	15.2	21,067,677,072	22,075,400,837
313	3. Statutory obligations	16	51,932,500,231	51,905,557,784
314	4. Payables to employees		2,589,601,676	3,071,681,625
315	5. Short-term accrued expenses	17	183,164,432,136	150,861,426,794
318	6. Short-term unearned revenues		360,000,000	360,000,000
319	7. Other short-term payables		16,290,455,272	2,773,252,925
320	8. Short-term loans	19	2,448,277,779,237	1,881,828,374,836
322	9. Bonus and welfare fund	18,3.15	181,111,922,791	157,130,912,353
330	II. Non-current liabilities		78,838,327,687	60,378,745,028
336	1. Long-term unearned revenues		540,000,000	900,000,000
338	2. Long-term loans	19	53,143,863,299	34,904,291,251
341	3. Deferred tax liabilities	27.3	18,835,218,078	18,316,082,467
342	4. Long-term provisions		6,319,246,310	6,258,371,310
400	D. OWNERS' EQUITY		5,471,259,183,250	4,749,270,212,430
410	I. Capital		5,471,259,183,250	4,749,270,212,430
411	1. Share capital	20.1	1,706,012,980,000	1,706,012,980,000
411a	- Shares with voting rights		1,706,012,980,000	1,706,012,980,000
412	2. Share premium	20.1	174,000,000,000	174,000,000,000
417	3. Foreign exchange differences reserve	20.1	3,979,548,167	1,657,375,939
418	4. Investment and development fund	20.1	29,884,223,256	29,884,223,256
421	5. Undistributed earnings	20.1	2,702,991,886,810	2,080,443,263,208
421a	- Undistributed earnings by the end of prior year		2,080,443,263,208	1,443,285,073,129
421b	- Undistributed earnings of current year		622,548,623,602	637,158,190,079
429	6. Non-controlling interests	20.1	854,390,545,017	757,272,370,027
440	TOTAL LIABILITIES AND OWNERS' EQUITY		9,506,980,718,908	7,946,984,926,151



Vu Minh Duc
Preparer



Nguyen Thao
Chief Accountant



Phạm Trung Lam
General Director

29 March 2024

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	21.1	11,975,780,568,887	12,925,350,383,001
02	2. Deductions	21.1	(60,407,408,988)	(40,625,710,187)
10	3. Net revenue from sale of goods and rendering of services	21.1	11,915,373,167,899	12,884,724,672,814
11	4. Cost of goods sold and rendered services	22,26	(10,096,647,503,117)	(11,950,797,171,816)
20	5. Gross profit from sale of goods and rendering of services		1,818,725,664,782	1,833,927,500,908
21	6. Finance income	21.2	161,766,625,459	145,277,194,657
22	7. Finance expenses	23	(148,728,936,656)	(157,129,842,438)
23	- In which: Interest expense		(123,190,693,391)	(114,411,016,671)
24	8. Shares of profit of associates, joint-venture	14.1	2,414,640,826	1,819,203,836
25	9. Selling expenses	24,26	(347,656,759,118)	(371,204,116,700)
26	10. General and administrative expenses	24,26	(535,585,534,344)	(506,797,827,164)
30	11. Operating profit		950,935,700,949	945,892,113,183
31	12. Other income	25	11,885,561,869	13,027,385,921
32	13. Other expenses	25	(3,326,494,929)	(2,191,851,061)
40	14. Other profit	25	8,559,066,940	10,835,534,060
50	15. Accounting profit before tax		959,494,767,899	956,727,648,043
51	16. Current corporate income tax expense	27.1	(172,018,127,472)	(161,732,273,895)
52	17. Deferred tax (expense) income	27.3	(519,135,611)	210,274,044
60	18. Net profit after tax		786,957,504,806	795,205,648,192

CONSOLIDATED INCOME STATEMENT (continued)
for the year ended 31 December 2023

VND

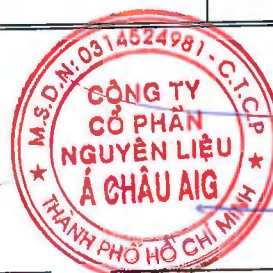
Code	ITEMS	Notes	Current year	Previous year
61	19. Net profit after tax attributable to shareholders of the parent		651,737,930,926	667,711,997,683
62	29. Net profit after tax attributable to non-controlling interests		135,219,574,780	127,493,650,509
70	21. Basic earnings per share	20.4	3,061	3,735
71	22. Diluted earnings per share	20.4	3,661	3,735



Vu Minh Duc
Preparer



Nguyen Thao
Chief Accountant



Pham Trung Lam
General Director

29 March 2024

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		959,494,767,889	956,727,648,043
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets	11,12	125,742,593,600	111,365,268,056
03	(Reversal of provisions) provisions		(17,287,789,926)	27,318,967,361
04	Unrealised foreign exchange losses (gains) arising from revaluation of monetary accounts denominated in foreign currency		25,383,134	(667,014,798)
05	Profits from investing activities		(102,934,011,623)	(75,637,731,938)
06	Interest expense	23	123,190,693,391	114,411,016,671
08	Operating profit before changes in working capital		1,088,231,636,465	1,133,518,153,395
09	Decrease (increase) in receivables		219,017,397,201	(596,846,280,179)
10	Decrease (increase) in inventories		498,580,999,549	(694,179,077,527)
11	Increase (decrease) in payables		246,890,481,662	(220,750,234,946)
12	Increase in prepaid expenses		(169,815,912,105)	(148,780,437,133)
14	Interest paid		(131,036,850,750)	(105,708,034,035)
15	Corporate income tax paid	16	(167,775,203,842)	(154,758,461,454)
17	Other cash outflows for operating activities		(811,760,000)	(1,093,365,455)
20	Net cash flows from (used in) operating activities		1,583,280,788,180	(788,597,737,334)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(196,617,406,693)	(250,371,888,453)
22	Proceeds from disposals of fixed assets		3,173,229,773	843,636,364
23	Payments for term deposits, and for purchase of debt instruments of other entities		(2,881,085,940,380)	-
24	Collection from bank deposits and proceeds from sale of debt instruments of other entities		770,634,828,963	696,850,488,798
25	Payments for investments in other entities (net of cash hold by entity being acquired)		(11,234,000,000)	(224,524,000,000)
26	Proceeds from sale of investments in other entities (net of cash hold by entity being disposed)		-	243,161,002,103
27	Interest received		75,285,861,298	61,299,487,734
30	Net cash flows (used in) from investing activities		(2,239,843,427,039)	527,258,726,546

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares of non-controlling interests		-	33,917,000,000
33	Drawdown of borrowings	19	7,206,225,727,294	8,757,784,476,438
34	Repayment of borrowings	19	(6,621,800,166,845)	(8,503,699,166,601)
36	Dividends paid for non-controlling interests		(19,624,304,000)	(47,563,158,000)
40	Net cash flows from financing activities		564,801,256,449	240,439,151,837
50	Net decrease in cash and cash equivalents for the year		(91,761,382,410)	(20,899,858,951)
60	Cash and cash equivalents at beginning of year		472,517,240,092	488,601,295,076
61	Impact of exchange rate fluctuation		2,520,051,902	4,815,803,967
70	Cash and cash equivalents at end of year	5	383,275,909,584	472,517,240,092



Vu Minh Duc
Preparer



Nguyen Thao
Chief Accountant



Phạm Trung Lam
General Director

29 March 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2023 and for the year then ended

1. CORPORATE INFORMATION

AIG Asia Ingredients Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 0314524981 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 19 July 2017 and other amended ERCs.

The main activities as registered of the Company are management consulting services (excluded finance, accountant, law consulting), warehousing and storage of goods, manufacturing and blending of foodstuffs, food additives, leasing, operating and managing houses and non-residential land.

The Company's registered head office is located at Lot TH-1B, Street No. 7, South Trading Zone, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam.

The number of employees of the Company and its subsidiaries ("the Group") as at 31 December 2023 was 1,184 (31 December 2022: 1,160).

Corporate structure

The Company invested in 8 direct subsidiaries, 2 indirect subsidiaries, 1 indirect joint venture and 2 indirect associates, in which:

Subsidiaries comprise:

▶ *Asia Chemical Corporation ("ACC")*

ACC is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 0304918352 issued by the DPI of Ho Chi Minh City on 9 April 2007 and other amended BRCs, ERCs. ACC's registered head office is located at Lot K4B, Le Minh Xuan Industrial Zone, Road No. 4, Le Minh Xuan Ward, Binh Chanh District, Ho Chi Minh City, Vietnam. The main activities as registered of ACC are to provide products and services to various industries including food and beverage, dairy, seafood, pharmaceuticals, and bakery.

As at 31 December 2023, the Company holds a 96.34% ownership interest and voting rights in ACC (31 December 2022: 96.34% ownership interest and voting rights).

▶ *Asia Sai Gon Food Ingredients Joint Stock Company ("AFI")*

AFI is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the BRC No. 3700916876 issued by the DPI of Binh Duong Province on 7 May 2008 and other amended BRCs, ERCs. AFI's registered head office is located at Lot No. C-9E-CN, My Phuoc 3 Industrial Zone, Thoi Hoa Ward, Ben Cat Town, Binh Duong Province, Vietnam. The main activities as registered of AFI are to manufacture foodstuff, non-dairy creamer product and other food ingredients.

As at 31 December 2023, the Company holds a 64.01% ownership interest and voting rights in AFI (31 December 2022: 64.01% ownership interest and voting rights).

▶ *Asia Coconut Processing Joint Stock Company ("ACP")*

ACP is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 1300975859 issued by the DPI of Ben Tre Province on 19 December 2014 and other amended ERCs. ACP's registered head office is located at Lot EI-2, EI-3, EI-4, Giao Long Industrial Zone, Phase II, An Phuoc Ward, Chau Thanh District, Ben Tre Province, Vietnam. The main activities as registered of ACP are to manufacture and provide coconut products (desiccated coconut, coconut milk powder, coconut milk, frozen coconut cream, nata de coco and coconut oil) for domestic and foreign market.

As at 31 December 2023, the Company holds a 73.42% ownership interest and voting rights in ACP (31 December 2022: 73.42% ownership interest and voting rights).

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

The Company invested in 8 direct subsidiaries, 2 indirect subsidiaries, 1 indirect joint venture and 2 indirect associates, in which: (continued)

Subsidiaries comprise: (continued)

▶ *APIS Corporation ("APIS")*

APIS is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 0312705358 issued by the DPI of Binh Duong Province on 25 March 2014 and other amended ERCs. APIS's registered head office is located at Lot 18A VSIP II-A, No. 27 Street, Vietnam – Singapore II-A Industrial Zone, Vinh Tan Ward, Tan Uyen City, Binh Duong Province, Vietnam. The main activities as registered of APIS are to trade and manufacture food materials, functional foods and essential oils.

As at 31 December 2023, the Company holds a 76.96% ownership interest and voting rights in APIS (31 December 2022: 76.96% ownership interest and voting rights).

▶ *Asia Hoa Son Corporation ("AHS")*

AHS (formerly known as Hoa Son Agricultural Processing Co., Ltd.) incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 2901627664 issued by the DPI of Nghe An Province on 23 May 2013 and other amended BRCs, ERCs. The company was renamed according to the amended ERC No. 2901627664 issued by the DPI of Nghe An Province on 13 December 2018. AHS's registered head office is located at Hamlet No. 12, Hoa Son Ward, Anh Son District, Nghe An Province, Vietnam. The main activities as registered by AHS are to produce starch and starch products; producing sugar, livestock, aquatic feed.

As at 31 December 2023, the Company holds a 67% ownership interest and voting rights in AHS (31 December 2022: 65% ownership interest and voting rights).

▶ *AFC Food Company Limited ("AFC")*

AFC is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 3702533540 issued by the DPI of Binh Duong Province on 10 February 2017 and other amended ERCs. AFC's registered head office is located at Lot C-9F-CN, My Phuoc 3 Industrial Zone, Thoi Hoa Ward, Ben Cat Town, Binh Duong Province. The registered principal activities of AFC are to manufacture and trade foods.

As at 31 December 2023, the Company holds a 100% ownership interest and voting rights in AFC (31 December 2022: 100% ownership interest and voting rights).

▶ *VICTA Trading Corporation ("VICTA")*

VICTA formerly known as Asia Industrial Chemicals Joint Stock Company ("AIC") incorporated in Vietnam under the ERC No. 1101880095 issued by the DPI of Ho Chi Minh City on 7 September 2015 and other amended ERCs. The company was renamed according to the amended ERC No.0313428499 issued by the DPI of Ho Chi Minh City on 6 April 2023. VICTA's registered head office at Lot TH-1B, Street No. 7, South Trading Zone, Tan Thuan Export Processing Zone, Tan Thuan Dong Ward, District 7, Ho Chi Minh City, Vietnam. The main activities as registered by VICTA are trading industrial chemicals, trading feed and ingredients for cattle, poultry and aquatic animals, leasing, operating and managing houses and non-residential land.

As at 31 December 2023, the Company holds a 99.98% ownership interest and voting rights in VICTA (31 December 2022: 99.98% ownership interest and voting rights).

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

The Company invested in 8 direct subsidiaries, 2 indirect subsidiaries, 1 indirect joint venture and 2 indirect associates, in which: (continued)

Subsidiaries comprise: (continued)

▶ *Asia Agricultural Technology Corporation ("ATC")*

ATC is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 3502478571 issued by the DPI of Ba Ria – Vung Tau Province on 13 June 2022. ATC's registered head office is located at Lot L, D.20 Street, Chau Duc Industrial Park, Huu Phuoc Hamlet, Suoi Nghe Commune, Chau Duc District, Ba Ria - Vung Tau Province, Vietnam. The main activities as registered by ARC are the production, processing and wholesale of coffee.

As at 31 December 2023, the Company holds a 99.50% ownership interest and voting rights in ATC (31 December 2022: 99.18% ownership interest and voting rights).

▶ *Asia Chemical Corporation (ACC) Pte. Ltd ("ACC PTE")*

ACC PTE is a one-member limited liability company incorporated under the Accounting and Corporation Regulatory of Singapore pursuant to the Business Registration Certificate No. 201756070K issued by the Accounting and Corporation Regulatory Authority of Singapore on 15 December 2017. ACC PTE's registered head office is located at #08 - 03, Cecil Court Tower, No. 138, Cecil Road, Singapore. The main activities as registered of ACC PTE are business and management consultancy services; general wholesale trade (including general importers and exporters).

As at 31 December 2023, the Company holds a 96.34% ownership interest and 100% voting rights in ACC PTE (31 December 2022: 96.34% ownership interest and 100% voting rights) through subsidiary.

▶ *Asia Healthcare Company Limited ("AHC")*

AHC (formerly known as Pierre Fabre Vietnam Co., Ltd.) established in Vietnam under the Business Registration Certificate No. 3600246593 issued by the DPI of Dong Nai Province on 23 October 1995 and other amended BRCs, ERCs. The company was renamed according to the amended ERC No.3600246593 issued by the DPI of Dong Nai province on 20 August 2020. AHC's registered head office at No. 01, Street 4A, Bien Hoa 2 Industrial Park, Long Binh Tan Ward, Bien Hoa City, Dong Nai Province, Vietnam. The main activities as registered by AHC are to manufacture medicines, pharmaceutical chemistry and pharmaceuticals.

As at 31 December 2023, the Company holds a 91.52% ownership interest and 95% voting rights in AHC (31 December 2022: 91.52% ownership interest and 95% voting rights) through subsidiary.

Joint venture:

▶ *Nature ACH Biology Products Corporation ("Nature ACH")*

Nature ACH is a shareholding company incorporated in Vietnam under the ERC No. 0316794581 issued by the DPI of Ho Chi Minh City on 7 April 2021. Nature ACH's registered head office at No.19, Street 18, Quarter 3, Linh Chieu Ward, Thu Duc City, Ho Chi Minh City, Vietnam. The main activities as registered by Nature ACH is the production of drugs, pharmaceutical chemicals and medicinal materials.

As at 31 December 2023, the Group holds a 30% ownership interest in Nature ACH (31 December 2022: 30% ownership interest) through subsidiary.

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

1. CORPORATE INFORMATION (continued)

Corporate structure (continued)

The Company invested in 8 direct subsidiaries, 2 indirect subsidiaries, 1 indirect joint venture and 2 indirect associates, in which: (continued)

Associate:

▶ *Vinh Hao Spirulina Algae Corporation ("TVH")*

TVH is a shareholding company incorporated in Vietnam under the BRC No. 3400516059 issued by the DPI of Binh Thuan Province on 4 February 2008 and other amended BRCs, ERCs. TVH's registered head office at Vinh Son Hamlet, Vinh Hao Commune, Tuy Phong District, Binh Thuan Province, Viet Nam. The main activities as registered by TVH is the production of Spirulina, food, nutritional food, dietary supplement, cosmetic, soap, feeds for cattle, poultry and aquatic animals.

As at 31 December 2023, the Group holds a 49% ownership interest in TVH (31 December 2022: 49% ownership interest) through subsidiary.

▶ *Asia Cold Industry Corporation ("ACI")*

ACI is a shareholding company incorporated in Vietnam under the ERC No. 1101880095 issued by the DPI of Long An Province on 16 April 2018 and other amended ERCs. ACI's registered head office at Lot 3C-6, Street 12, Long Hau 3 Industrial Park, Long Hau Commune, Can Giuoc District, Long An Province, Vietnam. The main activities as registered by ACI are freight transport by road, warehousing and storage of goods.

As at 31 December 2023, the Group holds a 40.55% ownership interest in ACI (31 December 2022: 40% ownership interest) through subsidiaries.

2. BASIS OF PREPARATION

2.1 *Accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

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

2. BASIS OF PREPARATION (continued)

2.3 *Fiscal year*

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

2.4 *Accounting currency*

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

2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses result from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Inventories*

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

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value. Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

- | | | |
|---|---|--|
| Raw materials, tools and supplies,
merchandise | - | cost of purchase on a weighted average basis. |
| Finished goods | - | cost of finished goods, semi products, merchandise
on a weighted average basis. |

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.2 *Inventories* (continued)

Provision for obsolete inventories

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

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

3.3 *Receivables*

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

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the separate income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

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

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

3.5 *Leased assets*

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

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

Where the Company is the lessee

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.6 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

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

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

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

Land use rights ("LURs")

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45").

3.7 *Depreciation and amortisation*

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

Buildings and structures	5 - 35 years
Machinery and equipment	3 - 12 years
Means of transportation	3 - 10 years
Office equipment	3 - 8 years
Computer software	4 - 10 years
Trademarks	10 years
Others	4 - 5 years
Land use rights	50 years
Perennials, for work animals and for produce	20 - 40 years

3.8 *Borrowing costs*

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

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

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

3.9 *Prepaid expenses*

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

Prepaid land rental

The prepaid land rental represents the unamortised balance of advance payment. Such prepaid rental is recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular 45.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 *Business combinations and goodwill*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill arising from the business combination is fully amortised by the Group in the consolidated income statement as incurred.

3.11 *Investments*

Investments in associates

The Group's investment in its associates is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit/(loss) of the associates is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Investments in joint venture

The Group's interest in the jointly controlled operation is recognised in the consolidated financial statements by including the amount of:

- a) the assets that the Group controls and the liabilities that the Group incurs; and
- b) the expense that the Group incurs and the Group's share of the income that the Group earns from the sale of goods or rendering of services by the jointly controlled operation.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investments* (continued)

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expenses in the consolidated income statements and deducted against the value of such investments.

Provision for diminution in value of investments

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

Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

3.12 *Payables and accruals*

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

3.13 *Accrual for severance pay*

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

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

3.14 *Foreign currency transactions*

Transactions in currencies other than the Group's accounting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Foreign currency transactions* (continued)

Conversion of the financial statements of a foreign subsidiary

The conversion of financial statements of ACC PTE, which denominated in currencies other than the Group's reporting currency of VND is determined in accordance with the following principles:

- Assets and liabilities are converted into VND at the actual average exchange rate available at the date of financial statements;
- Contributed charter capital are converted into VND at the actual exchange rates available at transaction dates;
- Undistributed earnings are converted into VND with reference to the exchange rate of items in the income statement; and
- Items of income statement and cash flow statement are converted into VND at the actual average exchange rate of the reporting year.

The actual average exchange rate at the date of financial statements is the average between buying and selling rate of the commercial bank where the subsidiary conducts transactions regularly. The actual average exchange rate on 31 December 2023 is 24,250 VND/USD.

The actual average exchange rate for the reporting year is determined based on average of all months in a year to come up annual average, monthly average rate is the average between buying and selling rate declared by the commercial bank where the subsidiary conducts transactions regularly at the beginning and ending date of each month. The actual average exchange rate for the year ended 31 December 2023 is 23,833 VND/USD;

Foreign exchange differences arisen from the conversion is presented under "Foreign exchange differences reserve" - Code 417 in the owner's equity.

3.15 ***Appropriation of net profits***

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval by shareholders at the annual general meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

Investment and development fund

This fund is set aside for use in the Group's expansion of its operations or of in-depth investment.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the consolidated balance sheet.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Revenue recognition

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

Sale of goods

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

Rendering of services

Revenue is recognised when the services have been rendered and completed.

Interest income

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

Rental income

Rental income arising from operating leases is accounted for on a straight-line basis over the terms of the lease in the consolidation income statements.

3.17 Taxation

Current income tax

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences.

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 *Taxation* (continued)

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised. Previously unrecognised deferred income tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on the same taxable entity.

3.18 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.19 *Segment information*

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. As the Group's revenue and profit are mainly derived from the manufacturing and trading activities of products and services to various industries including food, flavour, food ingredients, dairy products, coconut products, beverage, seafood, pharmaceuticals, bakery and cosmetic; animal feeds, material for poultry, livestock and aquatic feed while other sources of revenue are not material as a whole, management accordingly believes that the Group operates in a sole business segment only. In addition, management also defines the Company's geographical segment to be based on the location of the Group's assets which is in Vietnam.

3.20 *Related parties*

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

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

4. SIGNIFICANT EVENTS

4.1 *Acquired additional shares of AHS:*

On 12 May 2023, the Company acquired additional 435,000 shares of AHS, equivalent to 2% of ownership from existing shareholders with a total consideration of VND 8,700,000,000. Accordingly, the Group's ownership interest and voting right in AHS increased from 65% to 67%. The difference between the consideration and the carrying amount corresponding to the ownership of the net assets value of AHS at the transaction date of VND 2,076,720,338 is recognized to decrease the undistributed earnings in the consolidated balance sheet.

4.2 *Capital contribution in ATC*

On 6 October 2023, the Company completed contributing the amount of VND 78,000,000,000 according to registered share capital in Asia Agricultural Technology Joint Stock Company. Accordingly, the Company's ownership and voting rights in ATC increased from 99.18% to 99.50%.

5. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	4,230,752,748	4,070,649,386
Cash at banks	178,835,122,793	144,713,166,048
Cash equivalents (*)	<u>200,210,034,043</u>	<u>323,733,424,658</u>
TOTAL	<u>383,275,909,584</u>	<u>472,517,240,092</u>

(*) Cash equivalents represent term deposits at commercial banks with original maturity of less than three (3) months and earning interest at the rates ranging from 0.5% to 4.0% per annum.

6. HELD-TO-MATURITY INVESTMENTS

This balance represented short-term deposits at commercial banks with the original maturity of over six (6) months and under twelve (12) months and earning interest at the rates ranging from 4.75% to 9.5% per annum.

As disclosed in *Note 19*, the Group has pledged certain bank term deposits to secure its bank loan facilities.

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

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

7.1 Short-term trade receivables

	VND	
	Ending balance	Beginning balance
Trade receivables from customers	1,194,467,050,005	1,401,389,990,078
Unilever Vietnam International Company Limited	58,815,697,685	160,510,795,011
Branch of Trung Nguyen Group Corporation - Sai Gon Coffee Factory	53,589,610,400	98,679,964,800
Vitadairy Vietnam Joint Stock Company	45,238,943,623	96,825,070,729
Other customers	1,036,822,798,297	1,045,374,159,538
Trade receivables from related parties (Note 28)	324,258,488,793	350,454,210,899
TOTAL	1,518,725,538,798	1,751,844,200,977
Provision for doubtful short-term receivables	(19,018,837,731)	(16,127,349,506)
NET	1,499,706,701,067	1,735,716,851,471

As disclosed in Note 19, the Group has pledged certain trade receivables to secure its bank loan facilities.

7.2 Short-term advances to suppliers

	VND	
	Ending balance	Beginning balance
Advance to other parties	115,144,717,740	153,964,590,120
Viglacera Yen My Industrial Zone Development Joint Stock Company	57,154,416,040	57,154,416,040
Meihua Group International Trading (Hong Kong) Limited	6,482,017,340	17,629,959,989
SPX Flow Technology Singapore Pte Ltd	1,808,744,208	16,988,304,114
Other suppliers	49,699,540,152	62,191,909,977
Advance to a related party (Note 28)	46,946,652,000	-
TOTAL	162,091,369,740	153,964,590,120

8. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term	100,470,048,503	73,369,235,299
Interest income	38,926,053,530	10,786,515,844
Deposits	34,426,734,033	42,684,922,852
Advances to employees	7,856,370,100	9,565,176,440
Others	19,260,890,840	10,332,620,163
Long-term	4,625,663,031	6,594,260,811
Deposits	4,625,663,031	6,594,260,811
TOTAL	105,095,711,534	79,963,496,110
<i>In which:</i>		
Due from other parties	101,122,506,037	74,522,474,784
Due from related parties (Note 28)	3,973,205,497	5,441,021,326

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

9. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Merchandises	1,278,311,309,525	1,754,916,153,499
Goods in transit	490,192,964,988	385,201,453,065
Finished goods	208,901,301,053	279,642,900,336
Raw materials	189,507,019,224	272,005,244,920
Tools and supplies	32,741,468,084	30,641,629,785
Goods on consignment	23,787,370,016	14,087,136,196
Work in process	18,190,644,848	4,282,977,012
Finished goods from processing	605,201,512	40,783,986
TOTAL	2,242,237,279,250	2,740,818,278,799
Provision for obsolete inventories	<u>(49,129,987,835)</u>	<u>(69,370,140,986)</u>
NET	<u>2,193,107,291,415</u>	<u>2,671,448,137,813</u>

As disclosed in *Note 19*, the Group has pledged certain inventories to secure its bank loan facilities.

Details of movement of provision for obsolete inventories are as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	69,370,140,986	35,631,185,683
Provision created during the year	76,373,700,563	72,084,155,107
Reversal/utilization of provision during the year	<u>(96,613,853,714)</u>	<u>(38,345,199,804)</u>
Ending balance	<u>49,129,987,835</u>	<u>69,370,140,986</u>

10. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	14,035,724,078	12,146,707,888
Insurance fee	2,379,298,881	2,752,451,131
Tools and supplies	2,904,951,944	1,554,863,700
Office rental	928,028,000	1,063,936,187
Others	7,823,445,253	6,775,456,870
Long-term	813,093,541,104	645,166,645,189
Land rental prepaid	762,839,191,356	604,007,311,150
Tools and supplies	17,360,412,790	19,644,169,774
Office and warehouse overhauls	27,035,313,165	11,033,102,419
Others	5,858,623,793	10,482,061,846
TOTAL	<u>827,129,265,182</u>	<u>657,313,353,077</u>

As disclosed in *Note 19*, the Group has pledged its land use rights with their carrying amounts of VND 106,385,586,735 to secure its bank loan facilities.

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

11. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Perennials, for work animals and for produce	Others	Total
Cost							VND
Beginning balance	819,136,640,925	824,348,266,691	169,381,389,711	44,532,456,732	977,375,000	2,405,226,978	1,860,781,356,037
New purchase	-	7,285,720,659	21,222,967,727	677,383,876	-	-	29,186,072,262
Construction in progress completed	51,994,501,991	5,519,819,966	-	-	-	-	57,514,321,957
Disposals	-	(6,056,390,533)	(3,238,135,473)	-	-	-	(9,294,526,006)
Others	-	(3,371,073,390)	-	-	-	-	(3,371,073,390)
Ending balance	871,131,142,916	827,726,343,393	187,366,221,965	45,209,840,608	977,375,000	2,405,226,978	1,934,816,150,860
<i>In which:</i>							
Fully depreciated	36,810,312,354	113,800,419,345	60,772,702,008	7,811,461,251	-	2,088,170,119	221,283,065,077
Accumulated depreciation							
Beginning balance	(153,453,757,838)	(318,465,528,935)	(102,514,721,997)	(15,678,500,165)	(160,755,134)	(2,271,012,816)	(592,544,276,885)
Depreciation for the year	(39,735,822,632)	(63,195,327,490)	(15,586,805,275)	(4,257,924,960)	(26,721,596)	(52,731,647)	(122,855,333,600)
Disposals	-	2,869,429,748	2,221,320,844	-	-	-	5,090,750,592
Ending balance	(193,189,580,470)	(378,791,426,677)	(115,880,206,428)	(19,936,425,125)	(187,476,730)	(2,323,744,463)	(710,308,859,893)
Net carrying amount							
Beginning balance	665,682,883,087	505,882,737,756	66,866,667,714	28,853,956,567	816,619,866	134,214,162	1,268,237,079,152
Ending balance	677,941,562,446	448,934,916,716	71,486,015,537	25,273,415,483	789,898,270	81,482,515	1,224,507,290,967
<i>In which:</i>							
Pledged as collateral (Note 19)	349,553,711,407	274,054,370,405	10,345,441,209	227,498,291	795,993,750	-	634,977,015,062

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

12. INTANGIBLE ASSETS

	VND			
	<i>Land use rights</i>	<i>Trademarks</i>	<i>Computer software</i>	<i>Total</i>
Cost				
Beginning balance	34,749,027,604	-	6,687,193,753	41,436,221,357
New purchase	-	-	265,000,000	265,000,000
Construction in progress completed	-	395,800,000	810,254,350	1,206,054,350
Ending balance	<u>34,749,027,604</u>	<u>395,800,000</u>	<u>7,762,448,103</u>	<u>42,907,275,707</u>
<i>In which:</i>				
<i>Fully amortised</i>	-	-	3,691,271,822	3,691,271,822
Accumulated amortisation				
Beginning balance	(6,371,086,202)	-	(4,032,185,792)	(10,403,271,994)
Amortisation for the year	<u>(2,087,017,331)</u>	<u>(3,298,333)</u>	<u>(796,944,336)</u>	<u>(2,887,260,000)</u>
Ending balance	<u>(8,458,103,533)</u>	<u>(3,298,333)</u>	<u>(4,829,130,128)</u>	<u>(13,290,531,994)</u>
Net carrying amount				
Beginning balance	<u>28,377,941,402</u>	-	<u>2,655,007,961</u>	<u>31,032,949,363</u>
Ending balance	<u>26,290,924,071</u>	<u>392,501,667</u>	<u>2,933,317,975</u>	<u>29,616,743,713</u>

As disclosed in Note 19, the Group has pledged certain land use rights to secure its bank loan facilities.

13. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction costs of new factories (*)	101,298,860,046	43,483,080,071
Purchase of fixed assets	84,378,844,007	26,722,681,347
Software development costs	3,236,237,794	733,532,526
Others	-	395,800,000
TOTAL	<u>188,913,941,847</u>	<u>71,335,093,944</u>

(*) This balance mainly represents the construction costs of Asia Coconut Processing factory Phase 2, located at Lot EI-2, EI-3, EI-4, Giao Long Industrial Zone, Phase II, An Phuoc Commune, Chau Thanh District, Ben Tre Province, Vietnam.

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

14. LONG-TERM INVESTMENTS

14.1 Investments in associates, jointly controlled entity

Details of these investments in associate, joint venture as at 31 December 2023 which were consolidated by applying equity method are presented as follows:

	TVH	Nature ACH	ACI	VND Total
Cost of investment				
Beginning balances	13,839,090,909	1,800,000,000	215,704,000,000	231,343,090,909
Increase in the year	-	-	2,750,000,000	2,750,000,000
Ending balances	<u>13,839,090,909</u>	<u>1,800,000,000</u>	<u>218,454,000,000</u>	<u>234,093,090,909</u>
Accumulated share in post-joint venture/acquisition profit of jointly controlled entity and associates				
Beginning balance	(1,224,876,246)	1,208,803,109	994,165,148	978,092,011
Dividend for the year	-	(216,000,000)	-	(216,000,000)
Shares of profit (loss) of joint venture, associates	<u>(1,368,857,054)</u>	<u>480,584,381</u>	<u>3,302,913,499</u>	<u>2,414,640,826</u>
Ending balance	<u>(2,593,733,300)</u>	<u>1,473,387,490</u>	<u>4,297,078,647</u>	<u>3,176,732,837</u>
Net carrying amount				
Beginning balance	<u>12,614,214,663</u>	<u>3,008,803,109</u>	<u>216,698,165,148</u>	<u>232,321,182,920</u>
Ending balance	<u>11,245,357,609</u>	<u>3,273,387,490</u>	<u>222,751,078,647</u>	<u>237,269,823,746</u>

14.2 Held-to-maturity investments

	VND	
	Ending balance	Beginning balance
Bond	500,600,000	1,590,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (*)	500,000,000	1,500,000,000
Life insurance	600,056,000	300,028,600
Life insurance at Aviva Vietnam Life Insurance Co., Ltd (**)	600,056,000	300,028,000
TOTAL	<u>1,100,056,000</u>	<u>1,800,028,000</u>

(*) The detail of bond is as follow:

50 bonds will be matured in 10 years starting from 27 September 2019, with coupon at the interest rate equal to reference rate + 1.2%/year, postpaid. The reference interest rate equal to the average interest rate of saving deposits in VND, postpaid, applied for 12-month term published on the official website of the four reference banks at the interest date. Coupon payment will be made per year. The par value is VND 10,000,000/bond.

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

14. LONG-TERM INVESTMENT (continued)

14.2 Held-to-maturity investments (continued)

(**) The Group has purchased life insurance for the Group's Management to meet the loan covenant at Vietnam Joint Stock Commercial Bank for Industry and Trade - Nghe An Branch. This Life Insurance contract has the principal repayment term of five (5) years and a fixed interest rate annually up to the sixteenth year (16).

15. SHORT-TERM TRADE PAYABLES AND SHORT-TERM ADVANCES FROM CUSTOMERS

15.1 Short-term trade payables

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to other parties	1,049,980,223,396	863,384,722,819
<i>Givaudan Singapore Pte Ltd</i>	121,404,792,537	67,474,849,819
<i>Open Country Dairy Limited</i>	89,382,123,710	43,762,921,891
<i>Firmenich Asia Private Limited</i>	86,362,326,747	73,768,152,970
<i>Givaudan Viet Nam Co., Ltd</i>	80,154,583,739	75,330,406,122
<i>CP Kelco U.S. Inc.</i>	62,619,477,399	3,448,776,491
<i>DSM Nutritional Products Asia Pacific</i>	53,262,754,990	56,105,030,972
<i>Other suppliers</i>	556,794,164,274	543,494,584,554
Trade payables to related parties (Note 28)	2,108,616,160	3,944,638,720
TOTAL	<u>1,052,088,839,556</u>	<u>867,329,361,539</u>

15.2 Short-term advances from customers

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Advances from other parties	20,862,506,272	21,930,133,337
<i>Recess Co., Ltd</i>	3,755,503,342	391,731,892
<i>Guangxi Chuangjian Food Science & Technology Co.,Ltd</i>	1,929,312,000	3,666,562,386
<i>Other customers</i>	15,177,690,930	17,871,839,059
Advance from a related party (Note 28)	205,170,800	145,267,500
TOTAL	<u>21,067,677,072</u>	<u>22,075,400,837</u>

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

16. TAX

	Beginning balance	Increase in year	Decrease in year	Difference arisen from conversion to VND for the year	Ending balance
Corporate income tax	32,900,529,363	172,018,127,472	(167,775,203,842)	105,144,699	37,248,597,692
Value-added tax	(6,924,293,326)	680,297,001,843	(664,330,848,445)	-	9,041,860,072
Personal income tax	8,439,201,650	58,377,346,279	(62,958,892,250)	-	3,857,655,679
Import duties	8,299,418,583	147,573,957,934	(154,561,708,511)	-	1,311,668,006
Foreign contractor tax	-	22,703,940	(22,703,940)	-	-
Business tax	-	48,000,000	(48,000,000)	-	-
Others	-	147,572,288	(147,572,288)	-	-
TOTAL	42,714,856,270	1,058,484,709,756	(1,049,844,929,276)	105,144,699	51,459,781,449
<i>In which:</i>					
Tax payables	51,905,557,784				51,932,500,231
Tax overpaid	(9,190,701,514)				(472,718,782)

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

17. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Bonus and 13 th month salary	162,070,395,020	123,175,102,187
Loan interest	5,655,496,833	13,501,654,192
Sales support and brokerage fees	10,716,765,364	11,137,204,849
Others	4,721,774,919	3,047,465,566
TOTAL	<u>183,164,432,136</u>	<u>150,861,426,794</u>

18. BONUS AND WELFARE FUND

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	157,130,912,353	126,902,903,388
Appropriation during the year	24,792,770,438	31,321,374,420
Utilisation during the year	(811,760,000)	(1,093,365,455)
Ending balance	<u>181,111,922,791</u>	<u>157,130,912,353</u>

19. LOANS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term loans	2,448,277,779,237	1,881,828,374,836
Loans from banks (Note 19.1)	2,430,415,696,608	1,864,376,229,200
Current portion of long-term loans (Note 19.2)	17,862,082,629	17,452,145,636
Long-term loans	53,143,863,299	34,904,291,251
Loans from banks (Note 19.2)	53,143,863,299	34,904,291,251
TOTAL	<u>2,501,421,642,536</u>	<u>1,916,732,666,087</u>

Movements of loans are as follows:

	VND		
	<i>Short-term loans</i>	<i>Long-term loans</i>	<i>Total</i>
Beginning balance	1,881,828,374,836	34,904,291,251	1,916,732,666,087
Loan drawdown	7,151,699,338,980	54,526,388,314	7,206,225,727,294
Current portion of long-term loans	36,286,816,266	(36,286,816,266)	-
Loan repayment	(6,621,800,166,845)	-	(6,621,800,166,845)
Foreign exchange difference	263,416,000	-	263,416,000
Ending balance	<u>2,448,277,779,237</u>	<u>53,143,863,299</u>	<u>2,501,421,642,536</u>

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

19. LOANS (continued)

19.1 Short-term loans from banks

The Group obtained short-term loans to finance its working capital requirements, details were as follows:

Bank	Ending balance		Term	Interest rate % p.a.	Description of collateral
	VND	Original amount USD			
HSBC Bank Vietnam Ltd.	712,763,565,746	-	From 5 September 2023 to 26 April 2024	3.3 – 4.0	Land use rights and assets associate to the land at Lot No. 35, Lot K4B, Hamlet Le Minh Xuan, Binh Chanh District, Ho Chi Minh City; Merchandise goods in warehouse worth VND 495,000,000,000; Receivable from customers worth VND 495,000,000,000.
Kasikorn Bank Public Company Limited – Ho Chi Minh City Branch	23,822,339,287	975,722			
ANZ Bank (Vietnam) Limited.	468,165,620,514	-	From 11 September 2023 to 22 April 2024	3.3 – 4.0	Merchandise goods in warehouse worth VND 330,000,000,000; Receivable from customers worth VND 330,000,000,000
Bank for Foreign Trade of Vietnam – Tan Binh Branch	358,766,040,198	-	From 10 October 2023 to 28 March 2024	3.3 – 4.3	Merchandise goods or inventories worth VND 580,000,000,000; and accounts receivable from customers (excluding receivables from Vinamilk) worth VND 330,000,000,000.
Vietnam Joint Stock Commercial Bank for Industry and Trade - Vinh Branch	206,913,994,235	-	From 26 October 2023 to 25 March 2024	3.0 – 3.8	Merchandise goods or inventories worth VND 150,000,000,000; and accounts receivable from customers (excluding receivables from Vinamilk, Unilever, Mondelez) worth VND 150,000,000,000.
Vietnam Joint Stock Commercial Bank for Industry and Trade – 7 th Ho Chi Minh City Branch	52,316,090,981	2,131,984			
Vietnam Joint Stock Commercial Bank for Industry and Trade - Vinh Branch	193,046,937,572	-	From 12 October 2023 to 28 April 2024	4.0	Intangible and tangible fixed assets and inventory at the reporting date
Vietnam Joint Stock Commercial Bank for Industry and Trade – 7 th Ho Chi Minh City Branch	119,216,678,552	-	From 7 September 2023 to 18 March 2024	4.0	Merchandise goods or inventories worth VND 60,000,000,000; and accounts receivable from customers (excluding receivables from Vinamilk, Unilever, Mondelez) worth VND 60,000,000,000,000

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

19. LOANS (continued)

19.1 Short-term loans from banks (continued)

The Group obtained short-term loans to finance its working capital requirements, details were as follows (continued):

Bank	Ending balance		Term	Interest rate % p.a.	Description of collateral
	VND	Original amount USD			
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ben Tre Branch	29,978,360,501	-	From 14 September 2023 to 29 April 2024	3.6 – 4.7	Land use right, assets associate with land use right and assets generated in the future from loan and own capital
	97,973,040,000	4,012,000			
Shinhan Bank (Vietnam) Limited	59,261,726,234	-	From 12 October 2023 to 14 March 2024	3.5 – 4.8	Accounts receivable from customers worth VND 20,000,000,000, and inventories worth VND 40,000,000,000.
Vietnam Joint Stock Commercial Bank for Industry and Trade – Ben Tre Branch	45,394,899,908	-	From 21 September 2023 to 20 February 2024	4.7	Term deposit contracts with a total value of VND 20,000,000,000; and inventories worth VND 30,000,000,000
The Siam Commercial Bank Public Company Limited	34,308,405,900	-	From 25 December 2023 to 27 March 2024	3.38	Trade receivables (excluding the receivables from Vinamilk, Unilever, Mondelez) amounting to VND 266,290,000,000
Vietnam Export Import Commercial Joint Stock Bank – Binh Duong Branch	17,166,720,000	702,000	From 9 November 2023 to 21 March 2024	3.4	Term deposit contracts with a total value of VND 73,500,000,000
ChinaTrust Commercial Bank – Ho Chi Minh City Branch	11,321,276,980	-	From 18 September 2023 to 27 February 2024	3.6 – 3.9	Goods or inventories worth USD 2,500,000; and accounts receivable from customers (excluding receivables from Vinamilk) worth USD 2,500,000
TOTAL	2,430,415,696,608	7,821,706			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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19. LOANS (continued)

19.2 Long-term loan from bank

Details of the long-term loan from bank is as follow:

Bank	Ending balance VND	Term	Interest rate % p.a.	Purpose	Description of collateral
HSBC Bank Vietnam Ltd.	71,005,945,928	From 20 October 2020 to 16 March 2028	7.9 -- 9.6	To finance Land use rights and warehouse building	Land Use Rights of Lot 151A, Song Than 1 Industrial Park, Di An City, Binh Duong Province
TOTAL	<u>71,005,945,928</u>				
<i>In which:</i>					
Long-term loan	53,143,863,299				
Current portion of long-term loan	17,862,082,629				

AIG Asia Ingredients Corporation

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

20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

	Share capital	Share premium	Foreign exchange differences reserve	Investment and development fund	Undistributed earnings	Non-controlling interests	Total	VND
Previous year:								
Beginning balance	1,706,012,980,000	174,000,000,000	(476,507,567)	29,884,223,256	1,443,285,073,129	780,052,343,952	4,132,758,112,770	
Capital contribution in subsidiaries	-	-	-	-	-	33,917,000,000	33,917,000,000	
Net profit for the year	-	-	-	-	667,711,997,683	127,493,650,509	795,205,648,192	
Appropriation to bonus and welfare fund	-	-	-	-	(30,553,784,086)	(767,590,334)	(31,321,374,420)	
Dividend declared	-	-	-	-	-	(44,963,158,000)	(44,963,158,000)	
Disposal of subsidiary	-	-	-	-	-	(138,540,955,976)	(138,540,955,976)	
Other changes in ownership interest in subsidiary	-	-	-	-	(23,518)	23,518	-	
Difference arisen from conversion to VND for the year	-	-	2,133,883,506	-	-	81,056,358	2,214,939,864	
Ending balance	1,706,012,980,000	174,000,000,000	1,657,375,939	29,884,223,256	2,080,443,263,208	757,272,370,027	4,749,270,212,430	

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

20. OWNERS' EQUITY (continued)							VND
20.1 Increase and decrease in owners' equity (continued)	Share capital	Share premium	Foreign exchange differences reserve	Investment and development fund	Undistributed earnings	Non-controlling interest	Total
Current year:							
Beginning balance	1,706,012,980,000	174,000,000,000	1,657,375,939	29,884,223,256	2,080,443,263,208	757,272,370,027	4,749,270,212,430
Net profit for the year	-	-	-	-	651,737,930,026	135,219,574,780	786,957,504,806
Appropriation to bonus and welfare fund	-	-	-	-	(22,918,460,732)	(1,874,309,706)	(24,792,770,438)
Appropriation to society charity funds	-	-	-	-	(4,191,503,868)	(200,336,483)	(4,391,840,351)
Change in ownership of subsidiaries	-	-	-	-	(2,079,341,824)	(6,620,658,176)	(8,700,000,000)
Dividend declared	-	-	-	-	-	(29,494,304,000)	(29,494,304,000)
Difference arisen from conversion to VND for the year	-	-	2,322,172,228	-	-	88,208,575	2,410,380,803
Ending balance	1,706,012,980,000	174,000,000,000	3,979,548,167	29,884,223,256	2,702,991,886,810	854,390,545,017	5,471,259,183,250

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

20. OWNERS' EQUITY (continued)

20.2 Capital transactions with owners and distribution of dividends

	VND	
	Current year	Previous year
Contributed share capital		
Beginning and ending balances	<u>1,706,012,980,000</u>	<u>1,706,012,980,000</u>

20.3 Shares

	Number of shares	
	Current year	Previous year
Authorised shares	170,601,298	170,601,298
Shares issued and fully paid Ordinary shares	170,601,298	170,601,298
Shares in circulation Ordinary shares	170,601,298	170,601,298

The Company's shares are issued at par value of VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

20.4 Earnings per share

The following reflects the income and share data used in the earnings per share computations:

	Current year	Previous year
Net profit after tax attributable to the Company's shareholders	651,737,930,026	667,711,997,683
Less: Bonus and welfare fund, Society charity fund (*)	<u>(27,109,964,600)</u>	<u>(30,553,784,086)</u>
Net profit after tax attributable to ordinary equity holders (VND)	624,627,965,426	637,158,213,597
Weighted average number of ordinary shares for the year (shares)	<u>170,601,298</u>	<u>170,601,298</u>
Basic earnings per share (VND/share)	3,661	3,735
Diluted earnings per share (VND/share)	3,661	3,735

(par value: VND 10,000 per share)

(*) Bonus and welfare fund, and society charity fund for the year ended 31 December 2023 is temporarily appropriated at 5% and 1%, respectively of net profit after tax in accordance with the Resolution of the 2023 Annual General Meeting No.01.23/NQCD/ACC dated 29 May 2023 of ACC and the Resolution of the 2023 Annual General Meeting No. 02/2023/QĐ-ĐHĐCĐ dated 18 August 2023 of AHS.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

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

21. REVENUES

21.1 Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	11,975,780,568,887	12,925,350,383,001
Sale of merchandise	8,604,214,048,386	9,459,036,565,832
Sale of finished goods	3,365,345,337,785	3,462,943,163,457
Revenue from rendering services	6,221,182,716	3,370,653,712
Less	(60,407,400,988)	(40,625,710,187)
Trade discount	(2,515,310,279)	(4,227,912,750)
Sales returns	(57,071,709,851)	(35,953,894,754)
Sales allowance	(820,380,858)	(443,902,683)
Net revenue	<u>11,915,373,167,899</u>	<u>12,884,724,672,814</u>
<i>Of which:</i>		
Sale of merchandise	8,550,340,235,776	9,427,591,554,881
Sale of finished goods	3,358,811,749,407	3,453,762,464,221
Sales of rendering services	6,221,182,716	3,370,653,712

21.2 Finance income

	VND	
	Current year	Previous year
Interest income	101,414,677,802	50,501,958,509
Foreign exchange gains	58,742,792,433	71,150,002,434
Interest on bonds	98,875,000	4,545,411,997
Gain on disposal of subsidiary	-	19,079,821,717
Others	1,510,280,224	-
TOTAL	<u>161,766,625,459</u>	<u>145,277,194,657</u>

22. COST OF GOOD SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of merchandise sold	7,564,809,162,429	8,397,218,303,161
Cost of finished goods sold	2,550,973,795,785	2,618,980,583,381
Cost of services rendered	410,333,327	-
(Reversal of provisions) provisions for obsolete inventories	(19,545,788,424)	34,598,285,274
TOTAL	<u>10,096,647,503,117</u>	<u>11,050,797,171,816</u>

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

23. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Loan interest expenses	123,190,693,391	114,411,016,671
Foreign exchange losses	25,538,243,265	42,718,825,767
TOTAL	<u>148,728,936,656</u>	<u>157,129,842,438</u>

24. SELLING EXPENSE AND GENERAL AND ADMINISTRATION EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	347,656,759,118	371,204,116,706
Transportation fees	110,701,399,642	145,281,285,930
Salary expenses	98,138,261,839	78,818,425,387
Sales support and brokerage fees	75,639,964,020	82,111,057,696
Others	63,177,133,617	64,993,347,693
General and administration expenses	535,585,534,344	506,797,827,164
Salary expenses	277,795,081,042	260,845,798,007
Rental fees for office, warehouse and land	29,621,226,123	50,399,800,554
Depreciation and amortisation	47,188,441,225	35,001,518,351
Others	180,980,785,954	160,550,710,252
TOTAL	<u>883,242,293,462</u>	<u>878,001,943,870</u>

25. OTHER INCOME AND OTHER EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Other income	11,885,561,869	13,027,385,921
Compensation receipts from suppliers	6,100,226,587	1,782,232,418
Unrealized gain on intra-group selling of long-term assets has been realized this year when disposing subsidiary	-	4,916,498,074
Others	5,785,335,282	6,328,655,429
Other expenses	(3,326,494,929)	(2,191,851,061)
Compensation expenses	(1,615,685,350)	-
Expenses from disposal of fixed assets	(994,182,005)	(308,664,121)
Expenses from disposal of other assets	(104,861,117)	-
Others	(611,766,457)	(1,883,186,940)
NET OTHER PROFIT	<u>8,559,066,940</u>	<u>10,835,534,860</u>

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

26. PRODUCTION AND OPERATING COSTS

	<i>Current year</i>	<i>VND Previous year</i>
Cost of merchandises	7,487,334,274,169	8,400,503,242,867
Cost of raw materials	2,185,531,063,075	2,293,924,883,066
Labour costs	485,197,280,341	436,892,754,044
Depreciation and amortisation (Notes 11 and 12)	125,742,593,600	111,365,268,056
Others	696,084,585,394	686,112,967,653
TOTAL	<u>10,979,889,796,579</u>	<u>11,928,799,115,686</u>

27. CORPORATE INCOME TAX

Rate applicable to the Company and its subsidiaries incorporated in Vietnam is the statutory corporate income tax ("CIT") rate of 20% of taxable income.

The CIT rate applicable to ACC PTE incorporated in Singapore is 17% of taxable income and right to be entitled to tax incentives pursuant to prevailing tax law.

APIS is entitled to an exemption from CIT for 2 years commencing from the first year in which a taxable income is earned and a 50% reduction of the applicable CIT tax rate for the following 4 years for its manufacturing operations in relation to the APIS's new investment project located at Vietnam - Singapore II-A Industrial Zone. In case the new investment project does not earn taxable income from the first three years from the first year such project generates revenue, the period for tax exemption and reduction is applied from the fourth year from the year when the new investment project generated revenue (2020).

The statutory CIT rate applicable to AFI is 15% of taxable profits for main activities in 12 years from the first year in operation (2008) and the applicable tax rate for the years thereafter. The CIT rate applicable to other activities is 20% on taxable profits. AFI is entitled to an exemption from CIT for main activities for 3 years commencing from the first year in which a taxable profit is earned (2012), and a 50% reduction of the applicable CIT tax rate for the following 7 years. For the investment projects to expand production scale, the Company is entitled to an exemption from CIT for 2 years (2021), and a 50% reduction of CIT payable for the following 4 years for the additional income earned from expansion investment.

The statutory CIT rate applicable to ACP is 17% of taxable profits for main activities in 10 years commencing from the first year in which ACP earns revenue from the new investment project which is entitled tax incentives (2017) and the applicable tax rate for the years thereafter. ACP is entitled to a corporate income tax exemption for 2 years from the first year in which the taxable profit is earned (2018) and a reduction of 50% for the following 4 years.

AHS is entitled to an exemption from CIT for Cassava production and Glucose production activities and has the obligation to pay corporate income tax ("CIT") at the normal applicable rate of 20% of taxable profits on other activities.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

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

27. CORPORATE INCOME TAX (continued)

27.1 CIT expense (continued)

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expense	171,490,432,364	157,450,296,750
Adjustment for under accrual of CIT from previous years	<u>527,695,108</u>	<u>4,281,977,145</u>
	172,018,127,472	161,732,273,895
Deferred tax expense (income)	<u>519,135,611</u>	<u>(210,274,044)</u>
TOTAL	<u>172,537,263,083</u>	<u>161,521,999,851</u>

Reconciliation between CIT expense and the accounting profit multiplied by CIT rate is presented below:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>959,494,767,889</u>	<u>956,727,648,043</u>
At applicable CIT rate	183,424,689,532	177,821,216,471
<i>Adjustments:</i>		
Non-deductible expenses	7,356,404,932	10,798,617,378
Unrecognised deferred tax of tax losses carried forward	3,757,059,059	28,069,461
Depreciation and amortisation of revalued assets arising from business combination	1,118,338,097	1,382,966,884
Change in provisions	(1,558,669,251)	4,623,178,181
Adjustment for under accrual of CIT from previous years	527,695,108	4,281,977,145
Tax losses carried forward	-	(398,756,596)
Tax exemption, deduction at subsidiaries	(21,947,248,724)	(39,238,047,305)
Others	<u>(141,005,670)</u>	<u>2,222,778,232</u>
CIT expense	<u>172,537,263,083</u>	<u>161,521,999,851</u>

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

27. CORPORATE INCOME TAX (continued)

27.2 Current CIT

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

27.3 Deferred tax

The following are deferred tax asset and deferred tax liabilities recognised by the Group, and the movements thereon, during the current and previous years:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Difference due to the asset revaluation arising from consolidation of subsidiaries	(23,641,608,025)	(23,633,043,338)	(8,564,687)	(62,883,083)
Provisions	499,560,578	2,666,665,360	(2,167,104,782)	1,364,003,058
Unrealised profits	3,466,316,767	2,493,407,900	972,908,867	(1,226,045,300)
Accruals	326,310,250	114,825,989	211,484,261	93,137,747
Unrealized exchange rate difference	17,618,765	42,061,622	(24,442,857)	42,061,622
Interest expenses exceeding 30% of Net profits pursuant to Decision 132/2020/NĐ-CP	496,583,587	-	496,583,587	-
Net deferred tax liabilities	(18,835,218,078)	(18,316,082,467)		
Deferred tax (expense) income charge to consolidated income statement			(519,135,611)	210,274,044

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

27. CORPORATE INCOME TAX (continued)

27.4 Tax losses carried forward

The Group is entitled to carry tax loss forward to offset against taxable income arising within five years consecutives subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had aggregated accumulated tax losses of VND 44,737,605,579 (31 December 2022: VND 28,102,370,146) available for offset against future taxable income. Details were as follows:

					VND	
Originating year	Can be utilized up to	Tax loss	Utilized up to 31 December 2023	Forfeited	Unutilized at 31 December 2023	
AIG						
2018	2023	3,042,274,999 (*)	(3,042,274,999)	-	-	-
2019	2024	37,869,984,009 (*)	(14,555,502,539)	-	-	23,314,481,470
2020	2025	1,634,599,571 (*)	-	-	-	1,634,599,571
2023	2028	17,692,844,000 (*)	-	-	-	17,692,844,000
AFC						
2018	2023	2,150,059,862 (*)	(3,478,194)	(2,146,581,668)	-	-
2019	2024	750,184,509 (*)	-	-	-	750,184,509
2021	2026	62,061,861 (*)	-	-	-	62,061,861
2022	2027	190,982,873 (*)	-	-	-	190,982,873
2023	2028	46,119,798 (*)	-	-	-	46,119,798
ATC						
2023	2028	1,046,331,497 (*)	-	-	-	1,046,331,497
TOTAL		<u>64,485,442,979</u>	<u>(17,601,255,732)</u>	<u>(2,146,581,668)</u>		<u>44,737,605,579</u>

(*) Estimated tax losses as per the Company and subsidiaries' CIT declarations have not been audited by the local tax authorities as of the date of these consolidated financial statements.

No deferred tax assets were recognised in respect of the above tax losses of VND 44,737,605,579 because the future taxable income cannot be ascertained at this stage.

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

28. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have a controlling relationship with the Group and other related parties that have transactions with the Group during the year and as at 31 December 2023 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Asia Chemical Corporation ("ACC")	Subsidiary
Asia Sai Gon Food Ingredients Joint Stock Company ("AFI")	Subsidiary
Asia Coconut Processing Joint Stock Company ("ACP")	Subsidiary
APIS Corporation ("APIS")	Subsidiary
AFC Food Company Limited ("AFC")	Subsidiary
VICTA Trading Corporation ("VICTA") (formerly known as Asia Industrial Chemical Joint Stock Company)	Subsidiary
Asia Hoa Son Corporation ("AHS")	Subsidiary
Asia Agricultural Technology Corporation ("ATC")	Subsidiary
Asia Chemical Corporation (ACC) Pte. Ltd ("ACC PTE")	Subsidiary
Asia Healthcare Company Limited ("AHC")	Subsidiary
ACH Nature Biology Products Corporation ("Nature ACH")	Joint venture
Vinh Hao Spirulina Algae Corporation ("TVH")	Associate
Asia Cold Industry Corporation ("ACI")	Associate
ARC Binh Duong Corporation	Company with the same key personnel
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries
Thanh Hung Trading and Service Joint Stock Company	Under common major shareholder with subsidiary
Mr Nguyen Thien Truc	Chairman of Board of Directors
Mr Pham Dang Long	Member of Board of Directors; Deputy General Director
Mr Nguyen Ba Luong	Member of Board of Directors
Mr Lars Kjaer	Member of Board of Directors
Mr Nguyen Quoc Binh	Member of Board of Directors
Mr Huynh Thanh Lam	Member of Board of Directors until 30 June 2023
Mr Phan Duy Hieu	Shareholder, Members of Board of Directors until 30 June 2023; Chairman, General Director at subsidiary
Mr Bui Quang Nam	Member of Board of Directors until 30 June 2023
Mr Mai Xuan Tram	Member of Board of Directors until 26 February 2023
Ms Nguyen Thi Lan Anh	Deputy General Director until 12 May 2023
Ms Le Ngoc Sang	Head of Board of Supervision
Ms Do Thi Kim Chung	Member of Board of Supervision
Mr Doan Minh Quan	Member of Board of Supervision until 27 November 2023
Mr Ha Thi Bich Van	Member of Board of Supervision from 27 November 2023

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

List of related parties that have a controlling relationship with the Group and other related parties that have transactions with the Group during the year and as at 31 December 2023 is as follows: (continued)

<i>Related parties</i>	<i>Relationship</i>
Mr Tran Viet Hung	General Director to 24 February 2024; Deputy General Director from 20 March 2024
Mr Pham Trung Lam	General Director from 24 February 2024
Ms Nguyen Thi Lan Anh	Deputy General Director until 12 May 2023
Mr Nguyen Thao	Finance Director

Significant transactions with related parties were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Current year</i>	<i>Previous year</i>
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries	Sale of goods	2,008,698,792,187	2,233,579,002,265
		Purchase of goods	24,918,217,330	1,868,372,250
		Purchase of processing service	17,951,139,000	56,106,713,124
Thanh Hung Trading and Service Joint Stock Company	Under common major shareholder with subsidiary	Purchase of goods	298,038,955,889	91,953,182,000
		Sale of goods	22,385,285,800	20,567,023,000
Mr Phan Duy Hieu	Shareholder, Members of Board of Directors until 30 June 2023; Chairman, General Director at subsidiary	Purchase of shares	8,700,000,000	-
Nature ACH Biology Products Corporation	Joint venture	Services rendered	1,459,205,000	1,609,950,000
Vinh Hao Spirulina Algae Corporation	Associate	Purchase of goods	802,220,000	1,432,105,000

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions of with related parties were as follows: (continued)

Related party	Relationship	Transaction	VND	
			Current year	Previous year
Mr Nguyen Bao Tung	Major shareholder	Purchase of shares	-	215,704,000,000
Asia Refrigeration Industry Joint Stock Company	Associate	Lending	-	90,000,000,000
		Collection of loan receivable	-	90,000,000,000
		Loan interest	-	477,123,287
		Loan interest collection	-	477,123,287
ARC Binh Duong Corporation	Company with the same key personnel	Purchase of service	-	1,085,541,850
		Services rendered	809,559,189	-
Mr Nguyen Viet Hung	Major shareholder, member of the Board of Director and member of the Management of subsidiary	Lending	-	63,200,000,000
		Collection of loan receivable	-	63,200,000,000
		Loan interest	-	445,566,575
		Loan interest collection	-	445,566,575

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

Related party	Relationship	Transaction	VND	
			Ending balance	Beginning balance
Short-term trade receivables				
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries	Sale of goods	316,762,954,493	347,266,562,842
Thanh Hung Trading and Service Joint Stock Company	Under common major shareholder with subsidiary	Sale of goods	6,897,022,300	2,981,215,000
Nature ACH Biology Products Corporation	Joint venture	Rendering service	427,968,000	206,433,057
ARC Binh Duong Corporation	Company with the same key personnel	Rendering service	170,544,000	-
			324,258,488,793	350,454,210,899

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties at the balance sheet date were as follows:
(continued)

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>VND Beginning balance</i>
Short-term advance to suppliers				
Thanh Hung Trading and Service Joint Stock Company	Under common major shareholder with subsidiary	Purchase of goods	46,946,652,000	-
Other short-term receivable				
Mr Nguyen Viet Hung	Major shareholder, member of the Board of Director and member of the Management of subsidiary	Advance	3,071,080,000	3,071,080,000
Nature ACH Biology Products Corporation	Joint venture	Payment on behalf	902,125,497	431,701,746
			<u>3,973,205,497</u>	<u>3,502,781,746</u>
Other long-term receivable				
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries	Deposit	-	1,938,239,580
Short-term advances from customers				
Nature ACH Biology Products Corporation	Joint venture	Sale of goods	205,170,800	145,267,500
Short-term trade payable				
Thanh Hung Trading and Service Joint Stock Company	Under common major shareholder with subsidiary	Purchase of goods	1,908,684,000	3,417,681,500
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries	Purchase of goods	199,932,160	442,484,318
ARC Binh Duong Corporation	Company with the same key personnel	Purchase of service	-	84,472,902
			<u>2,108,616,160</u>	<u>3,944,638,720</u>
Other short-term payables				
Vietnam Dairy Products Joint Stock Company	Major shareholder of subsidiaries	Dividends	9,270,000,000	-
Unearned revenues				
Nature ACH Biology Products Corporation	Joint venture	Unearned revenues	900,000,000	1,260,000,000

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

28. TRANSACTIONS WITH RELATED PARTIES (continued)

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

	VND	
	Current year	Previous year
Board of Directors		
Remuneration	1,320,000,000	2,438,200,000
Management		
Salary and bonus	946,800,000	2,080,911,111
Board of Supervision		
Remuneration	147,000,000	132,000,000
TOTAL	<u>2,413,800,000</u>	<u>4,651,111,111</u>

29. OPERATING LEASE COMMITMENTS

The Group leases offices and warehouses under operating lease arrangements. The minimum lease commitment as at the balance sheet dates under the operating lease agreements are as follows:

	VND	
	Ending balance	Beginning balance
Less than 1 year	7,710,327,402	15,619,715,741
From 1 to 5 years	13,840,144,024	18,053,759,640
More than 5 years	88,713,728,625	89,078,917,873
TOTAL	<u>110,264,200,051</u>	<u>122,752,393,254</u>

30. EVENTS AFTER THE BALANCE SHEET DATE

According to the Resolution of Board of Directors No. 05/2023/QĐ-HĐQT/AIG dated 20 September 2023, the Board of Directors approved to incorporate Mekong Delta Gourmet Joint Stock Company, with the registered contributed capital of VND 270,000,000,000 in which the Group holds 98% of ownership and voting rights. From 1 January 2024 to 29 March 2024, the Group has contributed the amount of VND 83,000,000,000 of the total committed capital of 264,600,000,000 VND.

Except the event above, there is no other matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the consolidate financial statements of the Group.



Vu Minh Duc
Preparer



Nguyen Thao
Chief Accountant



Pham Trung Lam
General Director

29 March 2024