

THANH CONG TEXTILE GARMENT INVESTMENT TRADING JOINT STOCK COMPANY
36 Tay Thanh Street, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

SECOND QUARTER 2024

For the fiscal year 31 December 2024

26 July 2024

CONSOLIDATED BALANCE SHEET

As at 30 June 2024

FORM B 01a-DN/HN

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

Unit: VND

ASSETS	CODE	NOTE	30/06/2024	31/12/2023
A - CURRENT ASSETS	100		2,382,820,251,296	2,130,754,199,483
I. Cash and cash equivalents	110	5	441,613,142,221	434,896,282,731
1. Cash	111		64,354,142,221	49,156,282,731
2. Cash equivalents	112		377,259,000,000	385,740,000,000
II. Short-term financial investments	120		415,396,312,876	312,811,046,575
3. Held-to-maturity investment	123		415,396,312,876	312,811,046,575
III. Short-term receivables	130		395,906,234,907	329,025,647,203
1. Short-term trade receivable	131	6	443,930,380,772	377,596,356,087
2. Short-term advances to suppliers	132		18,261,303,519	6,657,590,643
3. Other short-term receivable	136	8	8,163,198,751	15,892,764,898
4. Provisions for short-term doubtful debts	137		(74,448,648,135)	(71,121,064,425)
IV. Inventories	140	9	1,035,508,105,385	1,027,930,046,160
1. Inventories	141		1,067,214,714,451	1,052,583,922,271
2. Provisions for devaluation of inventories	149		(31,706,609,066)	(24,653,876,111)
V. Other short-term assets	150		94,396,455,907	26,091,176,814
1. Short-term prepayments	151		6,273,928,013	3,294,158,292
2. Value added tax deductibles	152		88,117,419,471	22,797,018,522
3. Taxes and other accounts receivable from the State	153		5,108,423	-

CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2024

FORM B 01a-DN/HN

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

Unit: VND

ASSETS	CODE	NOTE	30/06/2024	31/12/2023
B - NON - CURRENT ASSETS	200		1,309,494,642,352	1,148,610,185,471
I. Long-term receivables	210		504,875,269	440,373,011
1. Other long-term receivables	216		504,875,269	440,373,011
II. Fixed assets	220		1,111,880,564,639	960,921,390,895
1. Tangible fixed assets	221	10	932,667,173,110	755,576,926,044
<i>Cost</i>	222		2,157,557,852,891	1,910,396,483,359
<i>Accumulated depreciation</i>	223		<i>(1,224,890,679,781)</i>	<i>(1,154,819,557,315)</i>
2. Finance lease assets	224	11	-	24,908,604,540
<i>Cost</i>	225		-	45,544,973,606
<i>Accumulated depreciation</i>	226		-	<i>(20,636,369,066)</i>
3. Intangible assets	227	12	179,213,391,529	180,435,860,311
<i>Cost</i>	228		220,064,420,003	220,064,420,003
<i>Accumulated depreciation</i>	229		<i>(40,851,028,474)</i>	<i>(39,628,559,692)</i>
III. Investment property	230	13	2,348,374,007	2,383,250,849
1. Cost	231		2,807,585,760	2,807,585,760
2. Accumulated depreciation	232		<i>(459,211,753)</i>	<i>(424,334,911)</i>
IV. Long-term assets in progress	240		54,834,118,970	40,981,825,712
1. Long-term work in process	241		13,878,890,676	9,787,981,585
2. Long term construction-in-progress	242	14	40,955,228,294	31,193,844,127
V. Long-term financial investments	250		4,803,306,603	4,803,306,603
1. Investments in associates	252	15	8,335,136,095	8,335,136,095
2. Equity investments in other entities	253	16	4,943,600,000	4,943,600,000
3. Provisions for impairment of long-term financial investments	254		<i>(8,475,429,492)</i>	<i>(8,475,429,492)</i>
VI. Other long-term assets	260		135,123,402,864	139,080,038,401
1. Long-term prepayments	261	17	121,634,026,692	124,580,018,137
2. Deferred tax assets	262		13,489,376,172	14,500,020,264
TOTAL ASSETS	270		3,692,314,893,648	3,279,364,384,954

CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2024

FORM B 01a-DN/HN

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

Unit: VND

RESOURCES	Code	Note	30/06/2024	31/12/2023
C - LIABILITIES	300		1,563,723,920,124	1,269,227,732,733
I. Current liabilities	310		1,486,050,288,633	1,173,414,840,149
1. Short-term trade payables	311	18	550,479,841,900	265,311,482,269
2. Short-term advances from customers	312	19	43,684,881,475	46,790,047,267
3. Taxes and amounts payables to the State Budget	313	20	19,931,882,627	18,286,173,151
4. Payables to employees	314		65,687,534,327	80,196,020,919
5. Short term accrued expenses	315	21	10,837,096,292	6,830,004,886
6. Other current payables	319	22	21,801,343,736	22,186,674,404
7. Short-term loans and obligations under finance leases	320	23	661,804,166,796	632,445,322,015
8. Bonus and welfare funds	322		111,823,541,480	101,369,115,238
II. Long-term liabilities	330		77,673,631,491	95,812,892,584
1. Other long-term payables	337	25	16,734,513,600	17,973,644,000
2. Long-term loans and obligations under finance leases	338	24	32,029,553,320	48,044,329,980
3. Deferred income tax payable	341		2,499,217,134	2,499,217,134
4. Long-term provisions	342	26	26,410,347,437	27,295,701,470

CONSOLIDATED BALANCE SHEET (Continued)

As at 30 June 2024

FORM B 01a-DN/HN

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

Unit: VND

RESOURCES	Code	Note	30/06/2024	31/12/2023
D - OWNER'S EQUITY	400		2,128,590,973,524	2,010,136,652,221
I. Owner's equity	410	27	2,128,590,973,524	2,010,136,652,221
1. Owner's contributed capital	411		1,019,554,820,000	926,977,140,000
- Common stock	411a		1,019,554,820,000	926,977,140,000
2. Share premium	412		22,720,075,000	22,720,075,000
3. Treasury shares	415		(5,939,990,000)	(5,939,990,000)
4. Investment and development fund	418		227,482,515,048	293,003,539,381
5. Other reserves	420		75,807,893,614	75,582,811,269
6. Retained earnings	421		779,468,123,633	687,689,678,099
- Retained earnings accumulated to the prior year end	421a		645,416,566,369	555,782,656,225
- Retained earnings of the current period end	421b		134,051,557,264	131,907,021,874
7. Non-controlling Interest	429		9,497,536,229	10,103,398,472
TOTAL RESOURCES	440		3,692,314,893,648	3,279,364,384,954



Nguyen Thuy Trang
Preparer



Pham Thi Thanh Thuy
Chief Accountant




Nguyen Minh Hao
Chief Finance Officer
26 July 2024

CONSOLIDATED INCOME STATEMENT
Second Quarter 2024

FORM B 02a-DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)
 Unit: VND

ITEMS	Code	Note	Second Quarter		For the period ended	
			Current year	Previous year	30/06/2024	30/06/2023
1. Gross revenue from goods sold and services rendered	01		846,919,868,813	714,498,173,633	1,781,313,390,635	1,590,938,326,626
2. Deductions	03		(208,078,534)	-	(453,181,294)	-
3. Net revenue from goods sold and services rendered	10	29	846,711,790,279	714,498,173,633	1,780,860,209,341	1,590,938,326,626
4. Costs of goods sold and services rendered	11	30	(693,970,995,941)	(619,205,298,950)	(1,470,882,528,511)	(1,360,179,619,477)
5. Gross profit from goods sold and services rendered	20		152,740,794,338	95,292,874,683	309,977,680,830	230,758,707,149
6. Financial income	21	32	24,745,435,062	17,799,810,761	49,197,870,193	39,978,751,634
7. Financial expenses	22	33	(9,492,183,041)	(38,446,386,290)	(28,389,635,180)	(57,857,039,048)
<i>In which: Loan interest expenses</i>	23		(5,054,887,993)	(9,527,213,040)	(11,560,746,107)	(20,058,168,044)
8. Gain (loss) from associates	24		-	-	-	987,061,108
9. Selling expenses	25	34	(40,165,992,952)	(37,074,069,689)	(78,937,819,684)	(68,993,048,818)
10. General and administration expenses	26	35	(39,136,118,028)	(23,469,151,544)	(84,389,904,641)	(60,774,899,012)
11. Operating profit/ (loss)	30		88,691,935,379	14,103,077,921	167,458,191,518	84,099,533,013
12. Other income	31	36	2,734,479,095	1,844,033,732	2,850,341,882	3,606,425,454
13. Other expense	32	37	(203,200,287)	(267,911,847)	(376,411,615)	(478,387,237)
14. Profit/ (loss) from other activities	40		2,531,278,808	1,576,121,885	2,473,930,267	3,128,038,217
15. Profit/(loss) before tax	50		91,223,214,187	15,679,199,806	169,932,121,785	87,227,571,230
16. Current corporate income tax expense	51		(17,913,442,088)	(11,646,089,761)	(34,001,086,573)	(28,205,634,766)
17. Deferred corporate income tax	52		(1,010,644,092)	(1,738,130,068)	(1,010,644,092)	(1,738,130,068)
18. Profit/ (loss) after tax	60		72,299,128,007	2,294,979,977	134,920,391,120	57,283,806,396
19.1. Profit after tax of the company's shareholders	61		71,430,294,151	1,887,881,954	134,051,557,264	56,422,709,207
19.2. Interest of minority shareholders	62		868,833,856	407,098,023	868,833,856	861,097,189
20. Earning per share	70				1,237	499
21. Diluted earning per share	71				1,237	499



Nguyen Thuy Trang
Preparer



Pham Thi Thanh Thuy
Chief Accountant





Nguyen Minh Hao
Chief Finance Officer
26 July 2024

CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 June 2024

FORM B 03a-DN/HN

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

Unit: VND


ITEMS	Code	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
I. Cash flows from operating activities			
1. Profit before tax	01	169,932,121,785	87,227,571,230
2. Adjustments for:			
- Depreciation of amortisation of fixed assets and investment properties	02	58,857,412,092	64,460,840,102
- Provisions/(Reversal)	03	9,494,962,632	(7,713,651,159)
- Foreign exchange (gain)/loss arising from translating foreign currency items	04	(6,054,740,091)	11,688,854,190
- (Gain)/ loss from investing activities	05	(14,125,808,766)	(2,250,949,483)
- Interest expenses	06	11,560,746,107	20,058,168,044
3. Operating profit before changes of working capital	08	229,664,693,759	173,470,832,924
- (Increase)/decrease in receivables	9	(137,819,409,139)	(5,688,908,835)
- (Increase)/decrease in inventories	10	(14,630,792,180)	22,098,054,664
- Increase/(decrease) in accounts payable	11	87,514,366,909	(65,511,994,816)
- (Increase)/decrease of prepaid expenses	12	(33,778,276)	901,821,535
- Interest paid	14	(11,419,042,367)	(20,114,043,857)
- Corporate income tax paid	15	(32,062,039,979)	(28,814,357,149)
- Other cash outflows	17	(5,274,578,075)	(2,623,879,667)
<i>Net cash flows from operating activities</i>	20	115,939,420,652	73,717,524,799
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(37,700,777,724)	(27,150,889,186)
2. Proceeds from sale, disposal of fixed and long-term assets	22	1,351,850,000	1,003,037,735
3. Cash outflow for lending, buying debt instruments of other entities	23	(98,520,000,000)	(219,130,750,685)
4. Cash recovered from lending	24	-	115,107,000,000
6. Cash recovered from investment, capital contribution in other entities	26	-	56,726,575,200
5. Interest earned, dividends and profits received	27	12,503,184,861	13,053,661,723
<i>Net cash flows from investing activities</i>	30	(122,365,742,863)	(60,391,365,213)

CONSOLIDATED CASH FLOW STATEMENT (Continued)
For the period ended 30 June 2024

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

Unit: VND

ITEMS	Code	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	1,316,443,408,770	1,220,077,314,372
2. Repayment of borrowings	34	(1,302,368,117,561)	(1,247,114,986,488)
3. Repayment of obligations under finance leases	35	(3,094,463,572)	(46,759,389,304)
4. Dividends, benefits paid to the owners	36	-	(57,875,043,150)
<i>Net cash flows from financing activities</i>	40	10,980,827,637	(131,672,104,570)
Net cash flows during the year	50	4,554,505,426	(118,345,944,984)
Cash and cash equivalents at the beginning of the period	60	434,896,282,731	422,224,811,098
Effects of changes in foreign exchange rates	61	23,62,554,062	39,656,217
Cash and cash equivalents at the end of the period	70	441,613,142,221	303,918,522,331



Nguyen Thuy Trang
 Preparer



Pham Thi Thanh Thuy
 Chief Accountant





Nguyen Minh Hao
 Chief Finance Officer
 26 July 2024

1. GENERAL INFORMATION

Structure of ownership

Thanh Cong Textile Garment Investment Trading Joint Stock Company (the “Company”) was incorporated in Vietnam as a joint stock company under Business Registration Certificate No. 4103004932 dated 23 June 2006 issued by the Department of Planning and Investment of Ho Chi Minh City, as amended, According to 26th amended Business Registration Certificate No. 0301446221 dated 05 July 2024 issued by the Department of Planning and Investment of Ho Chi Minh City, the Company's share capital is VND 1,019,554,820,000. The Company's main shareholder is E-land Asia Holdings Pte Ltd. incorporated in Singapore.

Principal activities

The principal activities of the Company are manufacture and trading garment, details are as follows:

- Manufacture and trade cotton, fiber, garment products, footwear, machinery and equipment, spare parts, raw materials, chemicals (excluding strong toxic chemicals), dye, packing for garment and textile industry;
- Trade cold equipment, air-conditioners, radios and televisions, building materials, and transport vehicles;
- Provide services of installation and repairs for machinery and equipment;
- Trade road transport and merchandise transport;
- Trade real estates, commercial centres;
- Lease office buildings, factories, freight yard, machinery and equipment;
- Act as a commercial brokerage;
- Act as an agent for goods trading and goods consignment;
- Invest, build, trade, assemble, repair, prepare overall estimates for civil/industrial construction works, infrastructure of industrial parks and tourist area;
- Short-term accommodation services;
- Restaurant and foods services;
- Retails of beverage in the specialised shops;
- Retails of foods in the specialised shops;
- Trade of real estate, land use rights owned or leased; and
- Other retails.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

Details of Thanh Cong Textile Garment Investment Trading Joint Stock Company's subsidiaries and associates at 30 June 2024 are as follows:

Subsidiaries

<u>Name of subsidiaries</u>	<u>Place of incorporation (or registered place) and operation</u>	<u>Proportion of ownership (%)</u>	<u>Charter capital as at 31/12/2023 (VND)</u>	<u>Principal activities</u>
Thanh Cong Medical Center Joint Stock Company	Tan Phu District, Ho Chi Minh City	70,94	21,700,000,000	Medical servicing and trading medicines and medical equipment
TC Tower Company Limited	Tan Phu District, Ho Chi Minh City	100,00	137,820,000,000	Trading real estate
TC Commerce Company Limited	Tan Phu District, Ho Chi Minh City	100,00	12,000,000,000	E-commerce service business

Associates

Name of associates	Place of incorporation (or registered place) and operation	Proportion of ownership (%)	Charter capital as at 31/12/2023 (VND)	Principal activities
Thanh Phuc Investment Construction Corporation (“Thanh Phuc”)	Tan Phu District, Ho Chi Minh City	23,79	7,000,000,000	Constructing and managing projects
Vung Tau Golf Tourism Joint Stock Company (“Golf Vung Tau”)	Ba Ria, Vung Tau City	29,61	29,384,234,785	Providing tourism and entertainment services

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (“VND”), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying consolidated financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Group’s financial year begins on 01 January and ends on 31 December. The consolidated financial statements are prepared for the period from 01 January to 30 June 2024.

3. ADOPTION OF NEW ACCOUNTING GUIDANCE

On 21 March 2016, the Ministry of Finance issued Circular No. 53/2016/TT-BTC (“Circular 53”) amending and supplementing certain articles of Circular 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises, Circular 53 is effective for the financial years beginning on or after 01 January 2016. Accordingly, the Company has applied Circular 53 in the preparation and presentation of the Company’s consolidated financial statements for the Company’s twelve-months period ended at 31 Dec 2024.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Group in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period, though these accounting estimates are based on the Board of Directors’ best knowledge, actual results may differ from those estimates.

Basic of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to the end of each reporting period, Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are identified separately from the Company's equity therein, Non-controlling interests consist of the amount of those interests at the date of the original business combination (presented in Note 28) and the non-controlling's interests of changes in equity since the date of the combination, Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition, Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill, Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture, Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, Interests in associates are carried in the balance sheet at cost as adjusted by post-acquisition changes in the Company's share of the net assets of the associate, Losses of an associate in excess of the Company's interest in that associate (which includes any long-term interests that, in substance, form part of the Company's net investment in the associate) are not recognised.

Where a group entity transacts with an associate of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in the relevant associate.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets, Financial assets of the Group comprise cash and cash equivalents, trade and other receivables, investments and deposits.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities, Financial liabilities of the Group comprise obligations under finance leases, borrowings, trade and other payables and short-term accrued expenses.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts, Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment, Provision for impairment is made in accordance with the prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value, Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition, Cost is calculated using the weighted average method, Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have book values higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation, The cost of purchased tangible fixed assets comprises their purchase prices and any directly attributable costs of bringing the assets to its working condition and location for its intended use. The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Buildings and structures	10 - 50
Machinery and equipment	7 - 15
Motor vehicles	10
Office equipment	7 - 15
Others	7 - 22

Intangible assets and amortisation

Intangible assets represent land use rights, patents and software, Intangible assets are stated at cost less accumulated amortisation and are amortised on the straight-line basis over their estimated useful lives, Definite land use rights are carried at cost and amortised on the straight-line basis over the duration of the right to use the land from 15-50 years, Indefinite land use rights are carried at cost and not amortised, Patents and software are amortised on the straight-line basis over their estimate useful lives from 4-10 years.

Leasing

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

Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments, The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation, Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability, Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing Group are accounted for as operating leases, Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease.

Assets held by the Group under finance leases are machinery and equipment which depreciated over the period of 10-15 years.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Group's accounting policy, Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Investment property

Investment properties, which are composed of buildings and structures and land use rights held by the Group to earn rentals or for capital appreciation, Investment properties held to earn rentals are stated at cost less accumulated depreciation while investment properties held for capital appreciation are stated at cost less impairment loss, The cost of purchased investment properties comprises its purchase price and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs, The costs of self-constructed investment properties are the finally accounted construction or

directly attributable costs of the properties, No depreciation is recorded for investment properties held for capital appreciation.

Buildings and structures are depreciated using the straight-line method over their estimated useful lives of 50 years, Definite land use rights are amortised using the straight-line method over number of years in accordance with the terms indicated in each land use right certificate, Land use rights which are granted for an indefinite term are carried at cost and not amortised.

Long-term prepayments

Long-term prepayments comprise prepaid land rentals at Nhi Xuan Industrial Zone - Hoc Mon District, Ho Chi Minh City, Trang Bang Industrial Zone - Tay Ninh Province and Hoa Phu Industrial Zone - Vinh Long Province, and other prepayments (allocated within 3 years), Prepaid land rentals are charged to income statement using the straight-line method over the lease term from 45 to 58 years.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be measured reliably;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Group; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably, Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period, The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Group;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Dividend income from investments is recognised when the Group's right to receive payment has been established.

Foreign currencies

The Company applies the method of recording foreign exchange differences in accordance with Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of changes in foreign exchange rates", Accordingly, transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date, The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date, Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement, Unrealised exchange gains as at the balance sheet date are not treated as part of distributable profit to shareholders.

Borrowing costs

Borrowing costs are recognised in the consolidated income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard "Borrowing costs", Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale, Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets, For specific borrowings for the purpose of

construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

All other borrowing costs are recognised in the consolidated income statement when incurred.

Payable provisions

Payable provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation, Provisions are measured at the Board of Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Severance allowance payable

The severance allowance for employees is accrued at the end of each reporting period for all employees having worked at the Company for full 12 months and above, Working time serving as the basis for calculating severance allowance shall be the total actual working time subtracting the time when the employees have made unemployment insurance contributions as prescribed by law, and the working time when severance allowance has been paid to the employees, The allowance made for each year of service equals to a half of an average monthly salary under the Vietnamese Labour Code, Social Insurance Code and relevant guiding documents, The average monthly salary used for calculation of severance allowance shall be adjusted to be the average of the 6 consecutive months nearest to the date of the consolidated financial statements at the end of each reporting period, The increase or decrease in the accrued amount shall be recorded in the income statement.

Tax

Income tax expense represents the sum of the tax currently payable and deferred tax, The tax currently payable is based on taxable profit for the period, Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

In year 2024, the Company is obliged to pay CIT at the rate of 20% for business activities.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method, Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised, Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The determination of the current tax payable and deferred tax is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Appropriation of funds and dividend distribution

Dividend distribution to the Company and its subsidiaries' shareholders is recognised as a liability in the Company and its subsidiaries' financial statements in the year in which the dividends are approved by the Company and its subsidiaries' shareholders.

Net profit after tax is available for appropriation to shareholders after approval by the shareholders at the Annual General Shareholders' Meeting, and after making appropriation to funds in accordance with the Company and its subsidiaries' Charter and Vietnamese regulatory requirements.

Treasury shares

Treasury shares are shares issued and bought-back by the Company, but they are not cancelled and shall be re-issued in the period which complies with law on securities, Treasury shares are hold by the Company will have no dividend, no right for election or participating in share assets when the Company is dissolved, When distributing dividend for shares, treasury shares hold by the Company shall be considered as not yet sold.

Value of treasury shares is reflected as prices actually bought-back including buying-back prices and expenses directly related to buying-back of shares, such as expenses of transaction, information.

5. CASH AND CASH EQUIVALENTS

	<u>30/6/2024</u>	<u>31/12/2023</u>
Cash	801,699,956	713,890,834
Cash at bank	63,552,442,265	48,442,391,897
Cash equivalents	377,259,000,000	385,740,000,000
Total	441,613,142,221	434,896,282,731

6. SHORT-TERM TRADE RECEIVABLES

	<u>30/6/2024</u>	<u>31/12/2023</u>
a. Related parties		
Eland Fashion (Shanghai) Co.,Ltd	19,161,929,177	2,939,301,602
Eland International Fashion Shanghai Co.LTD	426,316,095	205,306,080
Eland VN	199,329,676	158,808,097
Eland World LTD	92,362,193,954	63,305,801,076
Savimex Corporation	416,755,000	-
SY Vina Co., Ltd	189,415,000	118,503,000
Wish Fashion (Shanghai) Co.LTD	21,241,646,054	7,129,025,591
Eland Global Co., Ltd	963,011,286	6,154,268,876
b. Third parties		
Eddie Bauer LLC	66,885,854,147	84,859,614,268
Sears, Roebuck and Co	44,509,003,169	42,441,563,234
Kmart Corporation	27,129,079,966	25,868,936,191
Others	170,445,847,248	144,415,228,072
Total	443,930,380,772	377,596,356,087

7. SHORT-TERM LOAN RECEIVABLES

Short-term loan receivables comprise a loan to third party in 2006, The investment has been fully provided according to the Company's accounting policy.

8. OTHER SHORT-TERM RECEIVABLES

	30/6/2024	31/12/2023
Deposits and mortgagers	54,600,000	4,923,320,000
Dividend receivable	2,810,565,000	2,810,565,000
Others	5,298,033,751	8,158,879,898
Total	8,163,198,751	15,892,764,898

9. INVENTORIES

	30/6/2024		31/12/2023	
	Cost	Provision [¥]	Cost	Provision
Goods in transit	62,818,993,998	-	64,766,916,530	-
Raw materials	205,819,329,373	-	178,595,280,088	-
Tools and supplies	4,872,428,389	-	1,945,022,651	-
Work in progress	243,568,820,836	-	243,413,539,284	-
Finished goods	530,523,122,817	(31,706,609,066)	529,245,620,927	(24,653,876,111)
Merchandise	1,944,784,723	-	2,324,213,877	-
Goods on consignment	17,667,234,315	-	32,293,328,914	-
Total	1,067,214,714,451	(31,706,609,066)	1,052,583,922,271	(24,653,876,111)

THANH CONG TEXTILE GARMENT INVESTMENT TRADING JOINT STOCK COMPANY
 NOTES TO THE CONSOLIDATED FINANCIAL SECOND QUARTER 2024 (Continued)

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10. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
COST						
As at 1/1/2024	638,352,619,373	1,066,389,124,090	27,743,741,418	31,598,608,756	146,312,389,722	1,910,396,483,359
Additions	76,498,055,613	109,769,722,173	1,955,819,645	2,121,428,174	10,134,060,484	200,479,086,089
Transfer from construction in progress	1,249,985,204	6,232,854,469	-	-	1,819,783,232	9,302,622,905
Transfer from finance lease assets	-	45,544,973,606	-	-	-	45,544,973,606
Disposals	-	(8,165,313,068)	-	-	-	(8,165,313,068)
As at 30/06/2024	716,100,660,190	1,219,771,361,270	29,699,561,063	33,720,036,930	158,266,233,438	2,157,557,852,891
ACCUMULATED DEPRECIATION						
As at 1/1/2024	197,153,769,409	789,478,110,280	19,387,042,230	25,635,620,836	123,165,014,560	1,154,819,557,315
Charge for the period	8,834,076,939	42,451,993,677	1,168,841,066	1,001,629,833	3,762,431,758	57,218,973,273
Transfer from finance lease assets	-	21,017,462,261	-	-	-	21,017,462,261
Disposals	-	(8,165,313,068)	-	-	-	(8,165,313,068)
As at 30/06/2024	205,987,846,348	844,782,253,150	20,555,883,296	26,637,250,669	126,927,446,318	1,224,890,679,781
NET BOOK VALUE						
As at 1/1/2024	441,198,849,964	276,911,013,810	8,356,699,188	5,962,987,920	23,147,375,162	755,576,926,044
As at 30/06/2024	510,112,813,842	374,989,108,120	9,143,677,767	7,082,786,261	31,338,787,120	932,667,173,110

11. FINANCE LEASE ASSETS

	Machinery and equipment
COST	
As at 1/1/2024	45,544,973,606
Transfer to tangible fixed assets	(45,544,973,606)
As at 30/06/2024	-
ACCUMULATED DEPRECIATION	
As at 1/1/2024	20,636,369,066
Charge for the period	381,093,195
Transfer to tangible fixed assets	(21,017,462,261)
As at 30/06/2024	-
NET BOOK VALUE	
As at 1/1/2024	24,908,604,540
As at 30/06/2024	-

12. INTANGIBLE ASSETS

	Land use rights	Patents	Software	Total
COST				
As at 1/1/2024	188,910,335,412	5,352,549,047	25,801,535,544	220,064,420,003
As at 30/06/2024	188,910,335,412	5,352,549,047	25,801,535,544	220,064,420,003
ACCUMULATED DEPRECIATION				
As at 1/1/2024	13,638,436,127	5,352,549,047	20,637,574,518	39,628,559,692
Charge for the period	197,245,853	-	1,025,222,929	1,222,468,782
As at 30/06/2024	13,835,681,980	5,352,549,047	21,662,797,447	40,851,028,474
NET BOOK VALUE				
As at 1/1/2024	175,271,899,285	-	5,163,961,026	180,435,860,311
As at 30/06/2024	175,074,653,432	-	4,138,738,097	179,213,391,529

13. INVESTMENT PROPERTY

	Buildings and structures
COST	
As at 1/1/2024	2,807,585,760
As at 30/06/2024	2,807,585,760
ACCUMULATED DEPRECIATION	
As at 1/1/2024	424,334,911
Charge for the period	34,876,842
As at 30/06/2024	459,211,753
NET BOOK VALUE	
As at 1/1/2024	2,383,250,849
As at 30/06/2024	2,348,374,007

14. CONSTRUCTION IN PROGRESS

	30/6/2024	31/12/2023
As at 01 January 2024	31,193,844,127	37,718,924,399
Additions	19,064,007,072	43,888,264,713
Transfer to finance lease assets	-	(28,389,489,259)
Transfer to tangible fixed assets	(9,302,622,905)	(18,991,337,147)
Transfer to intangible assets	-	(3,032,518,579)
As at 30 June 2024	40,955,228,294	31,193,844,127

As at the balance sheet date, construction in progress comprises the following major projects:

	30/6/2024	31/12/2023
Building	1,873,207,132	92,000,000
ERP software	32,651,121,354	27,713,873,545
Others	6,430,899,808	3,387,970,582
Total	40,955,228,294	31,193,844,127

15. INVESTMENTS IN ASSOCIATES

	30/6/2024	31/12/2023
Cost of investments in associates	10,365,000,000	10,365,000,000
Share of post-acquisition profits, net off dividends received	(2,029,863,905)	(2,029,863,905)
Company's share of associates' net assets	8,335,136,095	8,335,136,095
Company's share of associates' net assets	8,335,136,095	8,335,136,095
	-	-
Total assets	30,957,758,929	30,957,758,929
Total liabilities	1,488,849,725	1,488,849,725
Net assets	29,468,909,204	29,468,909,204
Company's share of associates' net assets	8,335,136,095	8,335,136,095
	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Net profit	-	4,280,722,741
Company's share of associates' net profit	-	987,061,108

16. EQUITY INVESTMENTS IN OTHER ENTITIES

	<u>30/06/2024</u>	<u>31/12/2023</u>
Viet Thang Textile JSC	125,000,000	125,000,000
Thang Loi Textile and Garment JSC	1,576,000,000	1,576,000,000
Hue Textile and Garment JSC	793,000,000	793,000,000
Vietcombank	<u>2,449,600,000</u>	<u>2,449,600,000</u>
Total	<u>4,943,600,000</u>	<u>4,943,600,000</u>

17. LONG-TERM PREPAYMENTS

	<u>30/6/2024</u>	<u>31/12/2023</u>
Beginning balance	124,580,018,137	125,132,333,599
Additions	3,248,050,195	8,939,985,067
Allocated to expenses during to period	<u>(6,194,041,640)</u>	<u>(9,492,300,529)</u>
Ending balance	<u>121,634,026,692</u>	<u>124,580,018,137</u>

Details of long-term prepayments are as follows:

	<u>30/6/2024</u>	<u>31/12/2023</u>
Tools and supplies	5,007,297,466	5,655,631,560
Land rental expenses	110,804,028,755	112,451,361,350
Other	<u>5,822,700,471</u>	<u>6,473,025,227</u>
Total	<u>121,634,026,692</u>	<u>124,580,018,137</u>

18. SHORT-TERM TRADE PAYABLES

	<u>30/6/2024</u>	<u>31/12/2023</u>
a. Related parties		
Eland International Fashion (Shanghai) Co LTD	4,898,521,838	2,568,195,477
Eland Human Resource Development Center	-	620,241,138
Wish Trading (Shanghai) Co.LTD	11,391,726,329	9,174,425,509
SY Vina Corporation	243,371,777,914	7,487,039,345
Eland Viet Nam Co.LTD	277,988,121	247,211,215
Eland Engineering & Construction VN Limited Comp	680,205,094	680,205,094
Kotiti Vietnam Co., Ltd	556,252,218	383,549,299
b. Third parties	-	-
Timbro Swiss LTD	-	29,935,272,385
Cargill Cotton, A Business Unit Of Cargill, Incorporated	25,459,856,103	-
Others	<u>263,843,514,283</u>	<u>214,215,342,807</u>
Total	<u>550,479,841,900</u>	<u>265,311,482,269</u>

19. SHORT-TERM ADVANCES FROM CUSTOMERS

	30/6/2024	31/12/2023
Ichimura Sangyo Co.LTD	9,829,002,162	7,774,265,124
Kokuraya Co.LTD	8,010,796,317	11,917,986,023
Magnolia Company Limited	4,976,740,584	-
Other	20,868,342,412	27,097,796,120
Total	43,684,881,475	46,790,047,267

20. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	30/6/2024	31/12/2023
Corporate income tax	18,204,677,976	16,262,813,772
Personal income tax	1,679,311,182	1,480,870,048
Withholding tax	47,893,469	531,489,766
Value added tax	-	10,999,565
Total	19,931,882,627	18,286,173,151

21. SHORT-TERM ACCRUED EXPENSES

	30/06/2024	31/12/2023
Audits fees	265,835,501	325,560,000
Commission	1,329,287,107	1,219,695,728
Land rental expenses	2,179,362,269	-
Interest expenses	1,443,718,114	1,267,952,263
Others	5,618,893,301	4,016,796,895
Total	10,837,096,292	6,830,004,886

22. OTHER CURRENT PAYABLES

	30/6/2024	31/12/2023
Union fee	7,662,237,796	7,720,596,495
Dividends payable	131,412,640	506,359,140
Short term deposits received	6,821,151,932	8,219,996,436
Others	7,186,541,368	5,739,722,333
Total	21,801,343,736	22,186,674,404

THANH CONG TEXTILE GARMENT INVESTMENT TRADING JOINT STOCK COMPANY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS SECOND QUARTER 2024 (Continued) FORM B09a-DN/HN

23. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	31/12/2023	In the period	Revaluation	30/6/2024
	Amount	Increases	Decreases	Amount
Short-term loans	605,328,693,453	1,247,302,294,995	(1,290,353,340,902)	563,980,377,745
- Joint Stock Commercial Bank for Foreign Trade of Vietnam ("Vietcombank") - Ho Chi Minh City Branch	415,115,571,740	793,512,016,252	(794,563,030,325)	414,535,516,024
- Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") - Ho Chi Minh Branch	61,745,949,732	259,936,842,417	(218,644,134,475)	103,329,929,516
- Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank") - Ho Chi Minh City Branch	106,484,671,981	193,853,436,326	(277,146,176,102)	23,191,932,205
- E-Land Asia Holding Pre.Ltd	21,982,500,000	-	-	22,923,000,000
Discount receivable document	-	381,320,775,211	(312,179,661,436)	69,801,624,060
Current portion of long -term loans	24,022,164,990	16,014,776,660	(12,014,776,659)	28,022,164,991
Current portion of long -term obligations under finance lease	3,094,463,572	-	(3,094,463,572)	-
Total	632,445,322,015	1,644,637,846,866	(1,617,642,242,569)	661,804,166,796

24. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	31/12/2023	In the period	Revaluation	30/6/2024
	Amount	Increases	Decreases	Amount
- Woori Bank Vietnam Limited - Ho Chi Minh City Branch	48,044,329,980	-	(16,014,776,660)	32,029,553,320
Total	48,044,329,980	-	(16,014,776,660)	32,029,553,320

25. OTHER LONG-TERM PAYABLES

Other long-term payables mainly represent the amount payable to the State Treasury for the increasing amount when valuing a number of land lots which were granted to the Company or leased when it was equitised in 2004. In accordance with the asset valuation report for equitisation dated 28 September 2005 of Auditing and Consulting Vietnam Joint Stock Company, among the land lots, there were 5 land lots with the total area of 36,716 m² revalued. The amount will be paid once the Company completes the transfer of title of the land use rights to the Company's name and deposits received from customers.

26. LONG-TERM PROVISIONS

Long-term provisions represent for the severance allowance accrued in accordance with the Group's policies.

27. OWNERS' EQUITY

The list of main shareholders has been fixed as at 30 June 2024 by Ho Chi Minh Stock Exchange ("HOSE")

	<u>31/3/2024</u>	<u>31/12/2023</u>
Eland Asia Holding Pte.LTD	478,889,790,000	435,354,360,000
Mr Nguyen Van Nghia	171,903,080,000	156,275,560,000
Others	368,761,950,000	334,342,720,000
Treasury shares	1,004,500,000	1,004,500,000
Total	<u>1,020,559,320,000</u>	<u>926,977,140,000</u>

Share

	<u>31/3/2024</u>	<u>31/12/2023</u>
Number of shares issued to public	101,955,482	92,697,714
Number of treasury shares	100,450	100,450
Number or outstanding shares in circulation	101,855,032	92,597,264

The Company has one class of ordinary share which carries no right to receive any fixed dividend with the par value of VND 10,000/share. The shareholders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to have one vote per share at the Company's shareholders meetings.

THANH CONG TEXTILE GARMENT INVESTMENT TRADING JOINT STOCK COMPANY
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS SECOND QUARTER 2024 (Continued)

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Movement in owners' equity:

	Owner's contributed capital	Share premium	Treasury shares	Investment and development fund	Other reserves	Retained earnings	Total	Non-controlling interests	Total of capital and reserves
As at 01/01/2023	820,471,270,000	22,720,075,000	(5,939,990,000)	342,676,575,917	75,376,495,065	713,995,423,064	1,969,299,849,046	9,557,559,288	1,978,857,408,334
Capital increased from	106,505,870,000	-	-	(106,505,870,000)	-	-	-	-	-
Profit for the period	-	-	-	-	-	131,907,021,874	131,907,021,874	1,897,230,861	133,804,252,735
Appropriation to funds	-	-	-	56,832,833,464	206,316,204	(57,039,149,668)	-	-	-
Appropriation to Bonus and	-	-	-	-	-	(43,810,943,271)	(43,810,943,271)	(676,126,177)	(44,487,069,448)
Dividends paid	-	-	-	-	-	(57,362,673,900)	(57,362,673,900)	-	(57,362,673,900)
Appropriation profit of a	-	-	-	-	-	-	-	(675,265,500)	(675,265,500)
As at 31/12/2023	926,977,140,000	22,720,075,000	(5,939,990,000)	293,003,539,381	75,582,811,269	687,689,678,099	2,000,033,253,749	10,103,398,472	2,010,136,652,221
As at 01/01/2024	926,977,140,000	22,720,075,000	(5,939,990,000)	293,003,539,381	75,582,811,269	687,689,678,099	2,000,033,253,749	10,103,398,472	2,010,136,652,221
Capital increased from	92,577,680,000	-	-	(92,577,680,000)	-	-	-	-	-
bonus shares	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	134,051,557,264	134,051,557,264	868,833,856	134,920,391,120
Dividend declared	-	-	-	-	-	-	-	(737,065,500)	(737,065,500)
Fund appropriation	-	-	-	27,056,655,667	225,082,345	(42,273,111,730)	(14,991,373,718)	(737,650,599)	(15,729,004,317)
As at 30/06/2024	1,019,554,820,000	22,720,075,000	(5,939,990,000)	227,482,515,048	75,807,893,614	779,468,123,633	2,119,093,437,295	9,497,536,229	2,128,590,973,524

28. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segment

The business segment report includes items directly attributable to a segment as well as segments on reasonable basis. Unallocated items include financial income, financial expenses, selling expenses, general and administration expenses, profit from other activities, and corporate income tax, The business segment report during the period is as follows:

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Garment and textile		
Revenue	1,746,032,721,288	1,559,486,078,614
Cost of goods sold	1,447,325,342,327	1,339,709,319,156
Gross profit	298,707,378,961	219,776,759,458
Healthcare services		
Revenue	33,366,461,160	30,150,464,441
Cost of goods sold	23,152,369,131	20,329,611,509
Gross profit	10,214,092,029	9,820,852,932
Other		
Revenue	1,461,026,893	1,301,783,571
Cost of goods sold	404,817,053	140,688,812
Gross profit	1,056,209,840	1,161,094,759
Total revenue	1,780,860,209,341	1,590,938,326,626
Total COGS	1,470,882,528,511	1,360,179,619,477
Gross profit	309,977,680,830	230,758,707,149

Geographical segments

Geographical segment report depends on geographic location of customers in Vietnam ("Domestic") or in countries other than Vietnam ("Export"), The Group does not prepare the segment report for items in the consolidated balance sheet due to insufficient basis for separation.

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Domestic		
Revenue	198,078,017,398	203,278,869,056
Cost of goods sold	175,398,115,684	166,671,328,917
Gross profit	22,679,901,714	36,607,540,139
Export		
Revenue	1,582,782,191,943	1,387,659,457,570
Cost of goods sold	1,295,484,412,827	1,193,508,290,560
Gross profit	287,297,779,116	194,151,167,010

29. NET REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Revenue	1,781,313,390,635	1,590,938,326,626
Revenue from sales of finished goods	1,675,973,049,057	1,495,018,282,116
Revenue from rendering of services	70,512,853,525	64,467,796,498
Revenue from other activities	34,827,488,053	31,452,248,012
Deductions	(453,181,294)	-
Sales returns	(453,181,294)	-
Net sales	1,780,860,209,341	1,590,938,326,626

30. COST OF GOODS SOLD AND SERVICES RENDERED

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Cost of finished goods sold	1,381,857,327,402	1,282,197,194,241
Cost of services rendered	58,415,281,970	49,644,589,186
Provision of decline in value of inventories	7,052,732,955	7,867,535,729
Others	23,557,186,184	20,470,300,321
Total	1,470,882,528,511	1,360,179,619,477

31. PRODUCTION COST BY NATURE

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Raw materials	844,445,784,048	864,033,538,794
Labour costs	499,080,198,749	455,853,257,396
Depreciation and amortisation	58,857,412,092	64,460,840,102
Out-sourced services	237,398,820,711	208,599,627,257
Others	65,728,132,226	55,960,943,770
Total	1,705,510,347,826	1,648,908,207,319

30. FINANCIAL INCOME

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Bank and loan interest	9,722,113,766	16,715,338,506
Dividend income	559,845,000	591,750,000
Realised foreign exchange gain	32,178,406,748	22,671,663,128
Unrealised foreign exchange gain	6,737,504,679	-
Total	49,197,870,193	39,978,751,634

31. FINANCIAL EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Interest expense	11,560,746,107	20,058,168,044
(Reversal)/made provision for financial investments	-	(4,057,708)
Loss long term financial investments	-	17,237,038,394
Unrealised foreign exchange loss	682,764,588	11,688,854,190
Realised foreign exchange loss	16,146,124,485	8,877,036,128
Total	28,389,635,180	57,857,039,048

32. SELLING EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Staff costs	42,758,138,594	39,618,996,670
Outside service expenses	10,425,856,470	6,407,103,054
Transportation expenses	11,665,432,234	9,394,040,193
Depreciation and amortisation expenses	265,495,726	302,523,663
Material expenses	112,439,252	111,207,878
Others	13,710,457,408	13,159,177,360
Total	78,937,819,684	68,993,048,818

33. GENERAL AND ADMINISTRATION EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Staff costs	51,273,493,527	43,807,750,004
Outside service expenses	5,032,380,450	4,760,061,079
Depreciation and amortisation expenses	3,888,158,999	3,692,386,235
Office equipments	1,966,565,731	1,916,788,780
Provision for doubtful debts	3,327,583,710	(15,428,822,608)
Others	7,668,111,768	7,668,111,768
Others	11,233,610,456	14,358,623,754
Total	84,389,904,641	60,774,899,012

34. OTHER INCOME

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Proceed from disposals for fixed assets	1,351,850,000	788,687,472
Proceed from sales of material, supplies	124,433,965	259,861,003
Other	1,374,057,917	2,557,876,979
Total	2,850,341,882	3,606,425,454

35. OTHER EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Expenses for sales for material, supplies	100,519,240	203,457,808
Other	275,892,375	274,929,429
Total	376,411,615	478,387,237

36. BASIC EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the ordinary equity holders of the Company is based on the data as below and the certain reclassification has been made to the prior year's figures in accordance with the guidance of Circular 200 to enhance their comparability with the current year's presentation:

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Profit for the period attributable to equity holders of the Company	134,051,557,264	56,422,709,207
Less: appropriation of bonus and welfare fund	8,043,093,436	5,642,270,921
Earnings for the purposes of basic earnings per share	126,008,463,828	50,780,438,286
Weighted average number of ordinary shares for the purposes of basic earnings per share	101,855,032	101,855,032
Earnings per share	1,237	499

37. FINANCIAL INSTRUMENTS

Capital risk management.

The Group manages its capital to ensure that the Group will be able to continue as a going concern while maximizing the return to shareholders through the optimization of the debt and equity balance.

The capital structure of the Group consists of net debt (borrowings as disclosed in Note 23 and 24, offset by cash and cash equivalents), and equity attributable to shareholders (comprising owners' contributed capital, share premium, treasury shares, funds and retained earnings).

Gearing ratio

The gearing ratio of the Group as at the balance sheet date was as follows:

	30/06/2024	31/12/2023
Borrowings	693,833,720,116	680,489,651,995
Less: cash and cash equivalents	441,613,142,221	434,896,282,731
Net debt	252,220,577,895	245,593,369,264
Equity	2,128,590,973,524	2,010,136,652,221
Net debt to equity ratio	0.12	0.12

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities are disclosed in Note 4.

Categories of financial instruments

	Carrying amount	
	30/06/2024	31/12/2023
Financial assets		
Cash and cash equivalent	441,613,142,221	434,896,282,731
Held-to-maturity investment	415,396,312,876	312,811,046,575
Trade and other receivables	378,149,806,657	322,674,054,571
Investments	4,803,306,603	4,657,568,489
Total	1,239,962,568,357	1,075,038,952,366
Financial liabilities		
Obligations under finance leases	-	3,094,463,572
Borrowings	693,833,720,116	677,395,188,423
Trade and other payables	564,703,461,440	279,875,204,178
Accrued expenses	10,837,096,292	6,830,004,886
Total	1,269,374,277,848	967,194,861,059

The Group has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there are no comprehensive guidance under Circular 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 (“Circular 210”) and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards (“IFRS”) on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

Financial risk management objectives

The Group has set up risk management system to identify and assess the risks exposed by the Group and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Group’s operations.

Financial risks include market risk (including foreign currency risk, interest rate risk, share price risk and commodity price risk), credit risk and liquidity risk.

Market risk

Foreign currency risk management

The Group undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Group’s foreign currency denominated monetary assets and monetary liabilities at the end of the period/year are as follows:

	Liabilities		Asset	
	30/6/2024	31/12/2023	30/6/2024	31/12/2023
	VND	VND	VND	VND
United States Dollar (USD)	323,311,544,499	282,322,486,315	656,549,766,941	403,730,977,960
Euro (EUR)	-	-	2,193,424,601	737,945,706
Kwon (KRW)	-	-	-	-
Japanese Yen (JPY)	160,914,445	-	13,475,835	14,718,165
Total	323,472,458,944	282,322,486,315	658,756,667,377	404,483,641,831

Foreign currency sensitivity analysis

The Group is mainly exposed to United States Dollar and Euro.

The following table details the Group's sensitivity to a 2% increase and decrease in Vietnam Dong against the relevant foreign currencies, 2% is the sensitivity rate used when reporting foreign currency risk internally to Board of Directors' and represents Board of Directors' assessment of the reasonably possible change in foreign exchange rates, The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period /end for a 2% change in foreign currency rates. For a 2% increase/decrease in the following foreign currencies against Vietnam Dong, the profit before tax for the period would decrease/increase VND (6,664,764,449) (the previous period: VND 10,452,988,128).

Interest rate risk management

The Group has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Group by maintaining an appropriate level of borrowings and analyzing market competition to enjoy favorable interest rates from appropriate lenders.

Interest rate sensitivity

The loan's sensitivity to interest rate changes which may arise at an appropriate level. Assuming all other variables were held constant, if interest rates applicable to floating interest bearing loans had been 200 basis points higher/lower, the Company's profit before tax for the six-months period ended at 30 June 2024 would have decreased/ increased by VND 6,938,337,201 (For the three-months period ended at 30 June 2023: VND 8,532,196,407).

Share price risk management.

Shares held by the Group are affected by market risks arising from the uncertainty about the future prices of such shares. The Group manages this risk exposure by setting up investment limits. The Group's Board of Management also assesses and approves decisions on share investments such as operating industry, investees, etc. The Group assesses the share price risk to be immaterial.

The Group is also exposed to equity price risks arising from investments in subsidiaries and associates. The Group's Board of Management assesses and approves decisions on investments in subsidiaries and associates such as operating industry, investees, etc. Investments in subsidiaries and associates are held for long-term strategic investments rather than trading purposes. The Group does not have intention to trade these investments in the foreseeable future.

Commodity price risk management

The Group purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Group is exposed to the risk of changes in selling prices of materials, commodities.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group, The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis, The Group does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations, Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Group believes can generate within that period, The Group policy is to regularly monitor current and expected liquidity requirements to ensure that the Group maintains sufficient reserves of cash, borrowing and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

The following table details the Group's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods, The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay, The inclusion of information on non-derivative financial assets is necessary in order to understand the Group's liquidity risk management as the liquidity is managed on a net asset and liability basis.

As at 30/06/2024	Less than 1 year	Over 1 year	Total
Cash and cash equivalents	441,613,142,221	-	441,613,142,221
Held-to-maturity investment	415,396,312,876	-	415,396,312,876
Trade and other receivables	377,644,931,388	504,875,269	378,149,806,657
Investments	-	4,803,306,603	4,803,306,603
Total	1,234,654,386,485	5,308,181,872	1,239,962,568,357
Obligations under finance leases	-	-	-
Borrowings	661,804,166,796	32,029,553,320	693,833,720,116
Trade and other payables	564,618,947,840	84,513,600	564,703,461,440
Accrued expenses	10,837,096,292	-	10,837,096,292
Total	1,237,260,210,928	32,114,066,920	1,269,374,277,848
Net liquidity gap	(2,605,824,443)	(26,805,885,048)	(29,411,709,491)
As at 31/12/2023	Less than 1 year	Over 1 year	Total
Cash and cash equivalents	434,896,282,731	-	434,896,282,731
Held-to-maturity investment	312,811,046,575	-	312,811,046,575
Trade and other receivables	322,233,681,560	440,373,011	322,674,054,571
Investments	-	4,657,568,489	4,657,568,489
Total	1,069,941,010,866	5,097,941,500	1,075,038,952,366
Obligations under finance leases	3,094,463,572	-	3,094,463,572
Borrowings	629,350,858,443	48,044,329,980	677,395,188,423
Trade and other payables	279,794,060,178	81,144,000	279,875,204,178
Accrued expenses	6,830,004,886	-	6,830,004,886
Total	919,069,387,079	48,125,473,980	967,194,861,059
Net liquidity gap	150,871,623,787	(43,027,532,480)	107,844,091,307

Regardless of the existing net liquidity gap, the Board of Directors believes that the Group will be able to generate sufficient funds to meet its financial obligations as and when they fall due from internally generated cash flows by maintaining the minimum credit lines available.

40. OTHER INFORMATION

Explanation of profit after corporate income tax in the second quarter 2024 increases 3.050% and the first 6 months of 2024 by 136% compared to the same period in 2023 as the following reasons:

The net revenue in the second quarter and the first six months 2024 increases by 18.50% and 11.94%, and the rate of COGS/net revenue in the second quarter and the first six months 2024 decreases by 4.7% and 2.9% compared to the same period in 2023.

Therefore, the gross profit in the second quarter 2024 increases 60.29% and the first six months 34.3% compared to the same period in 2023.

Total financial expenses in second quarter and six months 2024 decreased by 75.31% and 50.93% compared to the same period in 2023.

In conclusion, the profit after corporate income tax in the second quarter and the first six months 2024 increases compare with the same period 2023.

41. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

<u>Name</u>	<u>Relationship</u>
Eland Asia Holdings Pte Ltd	Main shareholder
Kotiti Viet Nam Co.LTD	The related company a member of Board of Directors
Savimex Corporation	Company in Eland Group
Eland World Limited	Company in Eland Group
Eland International Fashion (Shanghai) Co., Ltd	Company in Eland Group
Eland Fashion (Shanghai) Co., Ltd	Company in Eland Group
E-Land Asia Holdings Pte. Ltd, Incorporated In Singapore With Limited Liability	Company in Eland Group
Eland Fashion Hong Kong Limited - Taiwan Branch	Company in Eland Group
Eland Retail Limited	Company in Eland Group
Eland Viet Nam Co., Ltd	Company in Eland Group
SY Vina Textile Garment Company Limited	Company in Eland Group
Wish Fashion (Shanghai) Co.Ltd	Company in Eland Group
Wish Trading (Shanghai) Co., Ltd	Company in Eland Group
Eland Fashion India PVT.Ltd	Company in Eland Group
Eland Human Resource Development center	Company in Eland Group
Eland Engineering & Construction VN Limited	Company in Eland Group
Eland Global Co., Ltd	Company in Eland Group

During the period, the Group entered the following significant transactions with its related parties:

Sales	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Eland Fashion (Shanghai) Co.,Ltd	49,459,810,297	5,677,594,482
Eland International Fashion Shanghai Co.LTD	3,824,659,922	7,331,689,973
Eland Viet Nam Co.LTD	947,749,506	137,862,600
Eland World LTD	334,222,843,563	258,781,766,028
Eland retail LTD	-	463,600,774
Wish Fashion Shanghai Co.LTD	34,927,207,565	6,543,074,169
E-Land Asia Holdings Pte. Ltd	-	60,781,808,903
SY Vina Textile Garment Company Limited	2,350,998,850	509,541,856
Kotiti Viet Nam Company Limited	50,471,844	-
Savimex Corporation	416,755,000	4,500,000
Eland Global Co., Ltd	14,889,661,536	9,241,085,691
	441,090,158,083	349,472,524,476

Purchases	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
SY Vina Textile Garment Company Limited	85,671,175,412	747,347,820
Wish Trading Shanghai Co.LTD	13,778,526,819	4,182,605,535
Eland International Fashion Shanghai Co.LTD	5,615,827,394	6,222,003,525
Kotiti Viet Nam Co.LTD	1,234,445,500	1,089,096,281
Eland Viet Nam Co.LTD	582,319,022	481,631,296
Savimex Corporation	149,428,704	-
Total	107,031,722,851	12,722,684,457

Purchasing fixed assets	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
SY Vina Textile Garment Company Limited	200,246,196,089	10,642,500,000
Eland Viet Nam Co.LTD	-	873,129,449
Total	200,246,196,089	11,515,629,449

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Dividends paid in cash to E-Land Asia Holdings Pte. Ltd.	-	25,821,562,900
Dividends paid in cash to E-Land Asia Holdings Pte. Ltd.	43,535,430,000	-
Dividends paid by bonus shares to Savimex Corporation	2,780,940,000	-

Significant related party balances as at the balance sheet date were as follows:

Trade receivables	30/06/2024	31/12/2023
Eland Fashion (Shanghai) Co.,Ltd	19,161,929,177	2,939,301,602
Eland International Fashion Shanghai Co.LTD	426,316,095	205,306,080
Eland Viet Nam Ltd	199,329,676	158,808,097
Eland World LTD	92,362,193,954	63,305,801,076
Savimex Corporation	416,755,000	-
SY Vina Textile Garment Company Limited	189,415,000	118,503,000
Wish Fashion (Shanghai) Co.LTD	21,241,646,054	7,129,025,591
Eland Global Co., Ltd	963,011,286	6,154,268,876
Total	134,960,596,242	80,011,014,322

Other short term receivables	30/06/2024	31/12/2023
Eland Engineering & Construction VN Limited Company	14,247,222	-
E-Land Asia Holdings Pte., Ltd	6,299,972	-
Total	20,547,194	-

Trade payables	30/06/2024	31/12/2023
Eland International Fashion (Shanghai) Co LTD	4,898,521,838	2,568,195,477
Eland Human Resource Development Center	-	620,241,138
Wish Trading (Shanghai) Co.LTD	11,391,726,329	9,174,425,509
SY Vina Textile Garment Company Limited	243,371,777,914	7,487,039,345
Eland Viet Nam Co.LTD	277,988,121	247,211,215
Eland Engineering & Construction VN Limited Company	680,205,094	680,205,094
Kotiti Viet Nam Co.LTD	556,252,218	383,549,299
Total	261,176,471,514	21,160,867,077

Loan payable	30/06/2024	31/12/2023
E-Land Asia Holding Pte.Ltd	22,923,000,000	21,982,500,000

Short-term advances to suppliers	30/06/2024	31/12/2023
Công ty TNHH Dệt May SY Vina	17,263,500,000	-

Loan interest payable
E-Land Asia holdings Pte Ltd

30/06/2024

1,127,931,094

31/12/2023

69,030,060



Nguyen Thuy Trang
Preparer



Pham Thi Thanh Thuy
Chief Accountant



Nguyen Minh Hao
Chief Finance Officer
26 July 2024