

TNG INVESTMENT AND TRADING JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

**REVIEWED INTERIM SEPARATE
FINANCIAL STATEMENTS**

For the 6-month period ended 30 June 2023



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STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of TNG Investment and Trading Joint Stock Company (the “Company”) presents this report together with the Company’s interim separate financial statements for the 6-month period ended 30 June 2023.

THE BOARDS OF DIRECTORS AND EXECUTIVE OFFICERS

The members of the Boards of Directors and Executive Officers of the Company during the period and to the date of this report are as follows:

Board of Directors

Mr. Nguyen Van Thoi	Chairman
Mr. Nguyen Duc Manh	Deputy Chairman
Ms. Luong Thi Thuy Ha	Deputy Chairman
Mr. Nguyen Manh Linh	Member
Mr. Nguyen Hoang Giang	Non-executive member
Mr. Nguyen Van Duc	Member (Resigned on 23 April 2023)
Mr. Le Quang Vinh	Member (Resigned on 23 April 2023)
Ms. Do Thi Ha	Member (Resigned on 23 April 2023)
Mr. Tran Canh Thong	Member (Resigned on 23 April 2023)

Board of Executive Officers

Mr. Nguyen Duc Manh	Chief Executive Officer
Mr. Tran Minh Hieu	Deputy Chief Executive Officer
Ms. Luong Thi Thuy Ha	Deputy Chief Executive Officer
Ms. Doan Thi Thu	Deputy Chief Executive Officer
Mr. Luu Duc Huy	Deputy Chief Executive Officer
Mr. Pham Thanh Tuan	Deputy Chief Executive Officer
Ms. Nguyen Thi Phuong	Deputy Chief Executive Officer
Mr. Le Xuan Vi	Deputy Chief Executive Officer (Appointed on 20 February 2023)

Chief Accountant

Ms. Tran Thi Thu Ha	Chief Accountant
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BOARD OF EXECUTIVE OFFICERS’ STATEMENT OF RESPONSIBILITY

The Board of Executive Officers of the Company is responsible for preparing the interim separate financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. In preparing these interim separate financial statements, the Board of Executive Officers is required to:

TNG INVESTMENT AND TRADING JOINT STOCK COMPANY

No. 434/1 Bac Kan Street, Hoang Van Thu Ward,
Thai Nguyen City, Thai Nguyen Province, Vietnam

STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim separate financial statements;
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim separate financial statements so as to minimize errors and frauds.

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the interim separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executive Officers confirms that the Company has complied with the above requirements in preparing these interim separate financial statements.

For and on behalf of the Board of Executive Officers,



Luong Thi Thuy Ha

Deputy Chief Executive Officer

(Under Power of Attorney No. 011122/GUQ/-TNG dated 01 November 2022)

Thai Nguyen, 14 August 2023

The Board of Directors approved the accompanying interim separate financial statements, which present fairly, in all material respects, the financial position of the Company as at 30 June 2023, and its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.

For and on behalf of the Board of Directors,



Nguyen Van Thoi

Chairman

Thai Nguyen, 14 August 2023

No.: *0182* /VN1A-HN-BC

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders
The Board of Directors and Board of Executive Officers
TNG Investment and Trading Joint Stock Company

We have reviewed the accompanying interim separate financial statements of TNG Investment and Trading Joint Stock Company (the "Company"), prepared on 14 August 2023 as set out from page 05 to page 39, which comprise the interim balance sheet as at 30 June 2023, the interim income statement and interim cash flow statement for the 6-month period then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Executive Officers' Responsibility for the Interim Separate Financial Statements

The Board of Executive Officers is responsible for the preparation and fair presentation of these interim separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express a conclusion on the accompanying interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2023, and of its financial performance and its cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting.



Phan Ngoc Anh

Deputy General Director

Audit Practising Registration Certificate

No. 1101-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

14 August 2023

Hanoi, S.R. Vietnam

INTERIM BALANCE SHEET

As at 30 June 2023

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		2,650,777,865,636	2,444,037,339,760
I. Cash and cash equivalents	110	4	262,338,863,711	352,893,095,158
1. Cash	111		46,506,650,479	102,116,032,418
2. Cash equivalents	112		215,832,213,232	250,777,062,740
II. Short-term receivables	130		889,973,293,104	554,737,850,801
1. Short-term trade receivables	131	5	832,715,632,139	470,752,972,903
2. Short-term advances to suppliers	132		3,722,877,770	1,208,754,202
3. Other short-term receivables	136	6	56,008,753,274	85,264,093,775
4. Provision for short-term doubtful debts	137	7	(2,473,970,079)	(2,487,970,079)
III. Inventories	140	8	1,350,451,011,767	1,279,993,895,072
1. Inventories	141		1,369,216,330,711	1,304,464,135,386
2. Provision for devaluation of inventories	149		(18,765,318,944)	(24,470,240,314)
IV. Other short-term assets	150		148,014,697,054	256,412,498,729
1. Short-term prepayments	151	9	24,535,511,828	25,548,020,393
2. Value added tax deductibles	152		109,683,425,853	213,332,662,194
3. Taxes and other receivables from the State budget	153	17	13,795,759,373	17,531,816,142
B. NON-CURRENT ASSETS	200		2,941,221,076,314	2,824,335,925,674
I. Long-term receivables	210		10,680,826,157	10,680,826,157
1. Other long-term receivables	216	6	10,680,826,157	10,680,826,157
II. Fixed assets	220		1,883,885,961,996	1,812,357,749,031
1. Tangible fixed assets	221	10	1,736,746,735,699	1,790,947,003,309
- Cost	222		2,985,509,141,397	2,962,179,867,853
- Accumulated depreciation	223		(1,248,762,405,698)	(1,171,232,864,544)
2. Intangible assets	227	11	147,139,226,297	21,410,745,722
- Cost	228		178,136,424,962	47,422,684,488
- Accumulated amortisation	229		(30,997,198,665)	(26,011,938,766)
III. Investment property	230	12	294,320,526,785	32,066,802,409
- Cost	231		295,971,083,898	32,946,529,783
- Accumulated depreciation	232		(1,650,557,113)	(879,727,374)
IV. Long-term assets in progress	240		489,483,070,086	684,021,623,687
1. Construction in progress	242	13	489,483,070,086	684,021,623,687
V. Long-term financial investments	250	14	140,000,000,000	140,000,000,000
1. Investments in subsidiaries	251		140,000,000,000	140,000,000,000
2. Investments in associates	252		771,150,000	771,150,000
3. Provision for impairment of long-term financial investments	254		(771,150,000)	(771,150,000)
VI. Other long-term assets	260		122,850,691,290	145,208,924,390
1. Long-term prepayments	261	9	122,480,427,231	145,208,924,390
2. Deferred tax assets	262		370,264,059	-
TOTAL ASSETS (270=100+200)	270		5,591,998,941,950	5,268,373,265,434

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

INTERIM BALANCE SHEET (Continued)

As at 30 June 2023

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		3,946,781,710,788	3,640,725,237,262
I. Current liabilities	310		3,224,525,905,765	2,924,215,193,039
1. Short-term trade payables	311	15	765,074,624,534	659,750,563,839
2. Short-term advances from customers	312	16	17,110,087,059	32,899,377,296
3. Taxes and amounts payable to the State budget	313	17	26,827,407,098	18,085,476,944
4. Payables to employees	314		63,275,751,110	153,411,843,806
5. Short-term accrued expenses	315	18	26,380,876,284	43,112,892,698
6. Short-term unearned revenue	318		1,796,457,639	4,379,397,073
7. Other current payables	319	19	19,353,124,852	14,251,737,997
8. Short-term loans	320	20	2,244,111,891,693	1,961,006,518,037
9. Short-term provisions	321		37,500,000	-
10. Bonus and welfare funds	322		60,558,185,496	37,317,385,349
II. Long-term liabilities	330		722,255,805,023	716,510,044,223
1. Long-term unearned revenue	336		61,259,992,204	1,780,588,437
2. Long-term loans	338	21	660,995,812,819	714,729,455,786
D. EQUITY	400		1,645,217,231,162	1,627,648,028,172
I. Owners' equity	410	23	1,645,217,231,162	1,627,648,028,172
1. Owners' contributed capital	411		1,051,177,580,000	1,051,177,580,000
- Ordinary shares carrying voting rights	411a		1,051,177,580,000	1,051,177,580,000
2. Share premium	412		40,988,785,123	40,988,785,123
3. Other owners' capital	414		55,419,591	55,419,591
4. Investment and development fund	418		270,776,332,224	212,319,038,365
5. Other reserves	420		102,265,079,441	72,801,115,397
6. Retained earnings	421		179,954,034,783	250,306,089,696
- Retained earnings accumulated to the prior year end	421a		84,094,206,400	66,723,600
- Retained earnings of the current period/current year	421b		95,859,828,383	250,239,366,096
TOTAL RESOURCES (440=300+400)	440		5,591,998,941,950	5,268,373,265,434

Pham Thi Hieu
Preparer

Tran Thi Thu Ha
Chief Accountant



Luong Thi Thuy Ha
Deputy Chief Executive Officer

14 August 2023

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

INTERIM INCOME STATEMENT

For the 6-month period ended 30 June 2023

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period
1. Gross revenue from goods sold and services rendered	01	26	3,333,985,614,929	3,241,779,734,277
2. Net revenue from goods sold and services rendered (10=01)	10		3,333,985,614,929	3,241,779,734,277
3. Cost of sales and services rendered	11	27	2,899,631,821,083	2,772,464,133,955
4. Gross profit from goods sold and services rendered (20=10-11)	20		434,353,793,846	469,315,600,322
5. Financial income	21	29	46,686,353,403	35,728,169,271
6. Financial expenses	22	30	139,944,408,702	124,570,430,758
- In which: Interest expense	23		100,998,307,979	70,922,294,954
7. Selling expenses	25	31	38,967,494,014	37,146,511,023
8. General and administration expenses	26	31	172,028,585,131	180,719,767,141
9. Operating profit (30=20+(21-22)-(25+26))	30		130,099,659,402	162,607,060,671
10. Other income	31		1,520,608,848	2,058,164,670
11. Other expenses	32	32	13,387,998,020	10,041,318,357
12. (Losses) from other activities (40=31-32)	40		(11,867,389,172)	(7,983,153,687)
13. Accounting profit before tax (50=30+40)	50		118,232,270,230	154,623,906,984
14. Current corporate income tax expense	51	33	22,742,705,906	29,428,303,037
15. Deferred corporate tax income	52		(370,264,059)	-
16. Net profit after corporate income tax (60=50-51-52)	60		95,859,828,383	125,195,603,947

Pham Thi Hieu
Preparer

Tran Thi Thu Ha
Chief Accountant



Luong Thi Thuy Ha
Deputy Chief Executive Officer

14 August 2023

INTERIM CASH FLOW STATEMENT

For the 6-month period ended 30 June 2023

Unit: VND

ITEMS	Codes	Current period	Prior period
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	118,232,270,230	154,623,906,984
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	106,972,257,825	92,686,683,109
Provisions	03	(5,681,421,370)	(10,809,526,424)
Foreign exchange losses arising from translating foreign currency items	04	3,161,956,387	27,095,761,247
(Gain) from investing activities	05	(668,321,787)	(1,173,383,458)
Interest expense	06	100,998,307,979	70,922,294,954
3. Operating profit before movements in working capital	08	323,015,049,264	333,345,736,412
Changes in receivables	09	(225,162,167,716)	(586,284,108,210)
Changes in inventories	10	(63,541,051,262)	(203,677,308,187)
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	124,243,315,138	230,437,964,957
Changes in prepaid expenses	12	(4,786,623,559)	(16,299,436,031)
Interest paid	14	(101,751,870,252)	(67,383,899,186)
Corporate income tax paid	15	(15,886,036,113)	(19,341,543,839)
Other cash outflows	17	(4,383,415,200)	(10,040,265,435)
Net cash used in operating activities	20	31,747,200,300	(339,242,859,519)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(310,111,229,822)	(236,308,590,265)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	1,317,774,529	1,130,181,818
3. Interest earned, dividends and profits received	27	-	43,201,641
Net cash used in investing activities	30	(308,793,455,293)	(235,135,206,806)

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

INTERIM CASH FLOW STATEMENT (Continued)

For the 6-month period ended 30 June 2023

Unit: VND

ITEMS	Codes	Current period	Prior period
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	2,736,823,007,302	2,752,501,108,511
2. Repayment of borrowings	34	(2,508,300,057,115)	(2,111,066,141,541)
3. Dividends and profits paid	36	(42,047,103,200)	(74,159,023,200)
<i>Net cash generated by financing activities</i>	40	186,475,846,987	567,275,943,770
Net decreases in cash (50=20+30+40)	50	(90,570,408,006)	(7,102,122,555)
Cash and cash equivalents at the beginning of the period	60	352,893,095,158	13,512,403,296
Effects of changes in foreign exchange rates	61	16,176,559	1,280,992
Cash and cash equivalents at the end of the period (70=50+60+61)	70	262,338,863,711	6,411,561,733

Pham Thi Hieu
Preparer

Tran Thi Thu Ha
Chief Accountant



Luong Thi Thuy Ha
Deputy Chief Executive Officer

14 August 2023

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying interim separate financial statements

1. GENERAL INFORMATION

Structure of ownership

TNG Investment and Trading Joint Stock Company (the "Company") was originally a State-owned enterprise established under Decision No. 448/QĐ-UB by the People's Committee of Bac Thai Province (currently known as Thai Nguyen Province) dated 12 November 1979. The Company was equitized and transformed into a joint stock company under Decision No. 3744/QĐ-UB dated 16 December 2002 by the People's Committee of Thai Nguyen Province. Since 01 January 2003, the Company has officially been transformed into a joint stock company under Business License No. 1703000036 issued by the Authority for Planning and Investment of Thai Nguyen Province on 02 January 2003. According to the amended Enterprise Registration Certificates No. 4600305723 issued by the Department of Planning and Investment of Thai Nguyen Province on 19 July 2023, the charter capital of the Company is VND 1,135,230,020,000. The Company's shares are listed on Hanoi Stock Exchange (HNX) with the stock code of TNG.

The Company's total number of employees of as at 30 June 2023 was 18,461 (as at 31 December 2022: 18,085).

Operating industry and principal activities

The Company's operating industry is to manufacture and trade in garments.

The Company's principal activities include:

- Manufacture of corrugated paper and paperboard, containers of paper and paperboard (manufacture of containers of paper);
- Manufacture of plastic products (production of plastic for plastic bags, plastic raincoats and garment materials and accessories);
- Wholesale of textiles, ready-made clothing, footwear;
- Retail of clothing, footwear, leather articles and imitation leather in specialized stores;
- Printing (directly onto textiles, plastic, cardboard, PE bags);
- Finishing of textiles (silk screen-printing, including thermal printing on wearing apparel);
- Real estate activities with owned or leased property;
- Manufacture of wearing apparel (except being made of animal's skin and fur) – Principal activity;
- Manufacture of knitted and crocheted apparel;
- Vocational education (industrial sewing training);
- Manufacture of ready-made articles (except apparel);
- Washing, cleaning of textiles and fur products. Details: industrial washing and pressing of garment products; and
- Manufacture, wholesale and retail of medical equipment.

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.

Characteristics of the business activities in the period which have impact on the interim separate financial statements

According to the Resolution of the Board of Directors No. 507/NQ-HDQT dated 23 April 2023, the Company terminated the subsidiaries - TNG Eco Green Company Limited and TNG Fashion Company Limited. According to Notification No. 8438/23 and 8439/23 dated 29 June 2023, the Department of Planning and Investment of Thai Nguyen Province announced the termination of the above companies.

The Company's structure

The Company's structure includes 1 headquarter and 19 dependent branches. The Company's headquarters is located at No. 434/1 Bac Kan Street, Hoang Van Thu Ward, Thai Nguyen City.

As at 30 June 2023, the Company has 01 subsidiary and 02 associates. General information about its subsidiary and associates is as follows:

Name of Company	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activity
Subsidiary				
1. TNG Land Joint Stock Company	Thai Nguyen	86	86	Real estates
Associates				
2. Bac Thai Electric Construction Joint Stock Company	Thai Nguyen	49	49	Electric construction
3. TNG Yen Binh Golf Company Limited	Thai Nguyen	49	49	Golf course business

The actual contributed capital and capital commitments to Company's subsidiaries and associates as at 30 June 2023 are presented in Note 14.

Disclosure of information comparability in the interim separate financial statements

The comparative figures of the interim balance sheet and corresponding notes are the figures of the Company's audited separate financial statements for the year ended 31 December 2022. The comparative figures of the interim income statement, interim cash flow statement and corresponding notes are the figures of the reviewed interim separate financial statements for the 6-month period ended 30 June 2022.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention for interim separate financial statements

The accompanying interim separate 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 interim financial reporting.

The accompanying interim separate 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.

These interim separate financial statements have been prepared solely for the Company and do not include the interim financial statements of its subsidiary. The interim separate financial statements should be read in conjunction with the interim consolidated financial statements of the Company for the 6-month period ended 30 June 2023 for comprehensive information about the financial position as well as results of its operations and its cash flows of the Company during the period.

Accounting period

The Company's financial year begins on 01 January and ends on 31 December.

These interim separate financial statements were prepared for the 6-month period ended 30 June 2023.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of interim separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to interim financial reporting requires the Board of Executive Officers 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 interim separate financial statements and the reported amounts of revenues and expenses during the reporting period. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Investments in subsidiaries, associates

A subsidiary is an entity over which the Company has control. 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.

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.

Interests in associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the interim income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries and associates are carried in the interim balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries and associates are made when there is reliable evidence for declining in value of these investments at the balance sheet date.

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, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt according to the Board of Executive Officers' assessment.

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. Inventories are recorded under perpetual method.

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 costs higher than net realisable values as at the balance sheet date.

Prepayments

Prepayments are expenses which have already been paid for but relate to results of operations of multiple accounting periods, including prepaid land rentals, costs of acquiring the land use right and assets on land, costs of repairing fixed assets, costs to purchase property insurance and other prepayments.

Prepaid land rentals represent the amount of land rentals that has been paid in advance. Prepaid land rentals are amortized to the interim income statement on a straight-line basis over the lease period of 48 years.

Prepaid expenses for acquiring the land use rights and assets on land are amortized to the interim income statement on the straight-line basis over the lease term.

Property insurance expenses represent property insurance expenses incurred periodically and amortized to the interim income statement on a straight-line basis over a period of not more than 12 months over the insurance term.

Repair cost of fixed assets represents fixed assets overhaul expenses incurred once and of great value and amortized to the interim income statement on a straight-line basis over a period of not more than 3 years.

Other types of prepayments comprise costs of small tools, supplies and spare parts issued for consumption, advertising expenditures incurred in the production and business activities of the Company which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments and are allocated to the interim income statement using the straight-line method in accordance with the current prevailing accounting regulations.

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.

The Company as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their 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:

	Year
Buildings and structures	4 - 47
Machinery and equipment	3 - 20
Office equipment	3 - 9
Motor vehicles	6 - 10
Others	5 - 7

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the interim income statement.

Intangible assets and amortisation

Land use rights

Intangible assets representing land use rights are stated at cost less accumulated amortisation. Land use rights are allocated over the land-use period.

Computer software

Intangible assets representing computer software is measured initially at purchase price and amortized using the straight-line method over their estimated useful life.

Software is amortised using the straight-line method over the duration of 5 - 7 years.



Investment properties

Investment properties are composed of land use rights and buildings held by the Company to earn rentals, stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives of 47 - 50 years.

Construction in progress

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

Payable provisions

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

Straight bond issued

Straight bonds are issued as long-term borrowings.

Carrying value of straight bonds is recorded on net basis, equal to bonds' nominal amount.

Costs relating to the issue of straight bonds are initially recorded as a decrease in the principal of the straight bonds. Periodically, such costs are allocated by increasing the principal and recorded in the financial expenses or capitalised in line with recognition of convertible bonds' interest expense.

Unearned revenue

Unearned revenue is the amounts received in advance relating to results of operations of for multiple accounting periods for services that have been yet provided or delivered. The Company recognizes unearned revenue in proportion to its obligations that the Company will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognised in the interim income statement for the period corresponding to the portion that meets the revenue recognition conditions.

Revenue recognition

Sale of goods

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

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company 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 Company;
and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Sale of real estate

Revenue from the sale of real estate which the Company is the investor is recognised when all five (5) following conditions are satisfied:

- (a) the real estate has been completed and transferred to the buyer, the Company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
- (c) the amount of revenue can be measured reliably;
- (d) the economic benefits associated with the transaction flowed or will flow to the Company; and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

For the real estate that the Company is an investor; customers have the right to complete the interior of the property and the Company shall complete the interior of the property in accordance with design, and requirements of customers, the Company recognises revenue when the main construction work is completed, handed over to customers if all five (5) similar conditions as above are satisfied.

Rendering of services

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 the period by reference to the percentage of completion of the transaction at the balance sheet date of that year. 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 Company;
- (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.

Foreign currencies

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 interim balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the interim income statement.

Borrowing costs

Borrowing costs are recognised in the interim income statement in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No.16 "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, borrowing costs are capitalised even when the construction period is under 12 months. Other borrowing costs are recognized in the interim income statement when incurred.

Taxation

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 profit before tax as reported in the interim income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim separate 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 utilised.

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 tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable 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.

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	808,426,602	604,444,811
Bank demand deposits	45,698,223,877	101,511,587,607
Cash equivalents (*)	215,832,213,232	250,777,062,740
	<u>262,338,863,711</u>	<u>352,893,095,158</u>

(*) Cash equivalents represent term deposits at commercial banks with original term from 01 to 03 months at the interest rate of 4.2% p.a - 5.5% p.a (as at 31 December 2022: 5.5% p.a).

As presented in Note 20, the Company used some deposits as collaterals for the short-term loans obtained from commercial banks.

5. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
The Children's Place., Ltd	206,230,456,338	83,136,097,010
IFG Corporation	100,239,234,956	-
Shanghai Shenda Imp. & Exp. Co., Ltd.	86,574,273,614	11,942,280,439
Others	439,671,667,231	375,674,595,454
	<u>832,715,632,139</u>	<u>470,752,972,903</u>
In which:		
Short-term trade receivables to related party (Details stated in Note 35)	4,008,408,250	2,760,000

As presented in Note 20 and 21, the Company used some short-term trade receivables as collaterals for the loans obtained from commercial banks.

6. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
- Advances to employees	35,871,793,047	63,980,231,867
- Advances for site clearance compensation	16,816,083,422	16,816,083,422
- Other receivables	3,320,876,805	4,467,778,486
	<u>56,008,753,274</u>	<u>85,264,093,775</u>
b. Non-current		
- Land rentals deductible	10,680,826,157	10,680,826,157
	<u>10,680,826,157</u>	<u>10,680,826,157</u>

7. BAD DEBTS

	Closing balance			Opening balance		
	Cost	Recoverable amount	Overdue days VND	Cost	Recoverable amount	Overdue days VND
Institute of Environmental Technology and Climate Change Pearl Global Vietnam Limited	2,182,208,600	-	> 3 years	2,182,208,600	-	< 3 years
Truc Minh Garment Joint Stock Company	132,227,260	-	< 3 years	132,227,260	-	< 3 years
Vincom Viet Tri Store - TNG Fashion Branch	159,534,219	-	< 2 years	159,534,219	-	< 1 year
	-	-		14,000,000	-	< 1 year
	2,473,970,079	-		2,487,970,079	-	
Provision for short-term doubtful debts	2,473,970,079			2,487,970,079		

Recoverable amount is determined by cost less provision for doubtful debts.

8. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision VND	Cost	Provision VND
Goods in transit	49,777,109,943	-	102,804,780,365	-
Raw materials	450,427,133,015	(10,901,645,417)	436,925,485,022	(14,745,847,530)
Tools and supplies	4,055,632,972	-	4,580,143,662	-
Work in progress	441,482,802,718	(90,951,139)	347,561,433,687	(197,104,186)
Finished goods	423,473,652,063	(7,772,722,388)	412,592,292,650	(9,527,288,598)
	1,369,216,330,711	(18,765,318,944)	1,304,464,135,386	(24,470,240,314)

During the period, the Company reversed provision for devaluation of raw materials with an amount of VND 3,844,202,113 (prior period: VND 10,809,526,424) due to disposal of inventories which was provided for at the beginning of the period, reversed provision for devaluation of work in progress with an amount of VND 106,153,047 (prior period: nil) and finished goods with an amount of VND 1,754,566,210 (prior period: nil) because the net realizable value at the end of the period is higher than the net realizable value at the beginning of the period.

As at 30 June 2023, as presented in Note 20, the Company used some inventories as collateral for the short-term loans obtained from commercial banks.

9. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
- Tools and dies issued for consumption	17,182,613,572	8,892,834,312
- Assets insurance premium	2,265,134,293	5,972,229,579
- Others	5,087,763,963	10,682,956,502
	24,535,511,828	25,548,020,393
b. Non-current		
- Tools and dies issued for consumption	37,773,723,827	40,796,158,071
- Cost of land clearance compensation	22,354,190,356	-
- Land rentals	9,923,096,642	39,387,088,426
- Cost of acquiring land use rights and assets on land (i)	17,792,761,355	18,004,579,943
- Cost for repairs of fixed assets	22,547,695,670	30,532,305,805
- Others	12,088,959,381	16,488,792,145
	122,480,427,231	145,208,924,390

- (i) The cost of acquiring land use rights and assets on land pertains to the land lots for which the Company has been granted with certificates of land use rights with land rentals being paid on an annual basis.

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10. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Others VND	Total VND
COST						
Opening balance	1,455,086,762,784	1,491,316,597,885	4,390,300,269	8,890,863,927	2,495,342,988	2,962,179,867,853
Purchases	1,327,616,297	6,607,394,631	-	-	-	7,935,010,928
Transfer from construction in progress	42,857,884,376	127,054,838	-	-	-	42,984,939,214
Disposals	-	(27,515,982,270)	(74,694,328)	-	-	(27,590,676,598)
Closing balance	1,499,272,263,457	1,470,535,065,084	4,315,605,941	8,890,863,927	2,495,342,988	2,985,509,141,397
ACCUMULATED DEPRECIATION						
Opening balance	359,527,650,258	798,007,753,489	4,352,925,329	7,298,786,225	2,045,749,243	1,171,232,864,544
Charge for the period	34,800,321,870	69,119,144,648	9,763,974	486,621,065	54,913,453	104,470,765,010
Disposals	-	(26,866,529,528)	(74,694,328)	-	-	(26,941,223,856)
Closing balance	394,327,972,128	840,260,368,609	4,287,994,975	7,785,407,290	2,100,662,696	1,248,762,405,698
NET BOOK VALUE						
Opening balance	1,095,559,112,526	693,308,844,396	37,374,940	1,592,077,702	449,593,745	1,790,947,003,309
Closing balance	1,104,944,291,329	630,274,696,475	27,610,966	1,105,456,637	394,680,292	1,736,746,735,699

As presented in Notes 20 and 21, the Company has pledged its machinery, equipment, motor vehicles, buildings and structures to secure its loans obtained from commercial banks and financial institutions.

As at 30 June 2023, the cost of the Company's tangible fixed assets includes VND 436,500,553,054 (as at 31 December 2022: VND 384,460,350,241) of tangible fixed assets which have been fully depreciated but are still in use.

11. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
COST			
Opening balance	19,783,250,377	27,639,434,111	47,422,684,488
Additions	124,660,930,083	6,052,810,391	130,713,740,474
Closing balance	144,444,180,460	33,692,244,502	178,136,424,962
ACCUMULATED AMORTISATION			
Opening balance	3,087,799,531	22,924,139,235	26,011,938,766
Charge for the period	385,598,420	1,309,655,488	1,695,253,908
Other addition	3,290,005,991	-	3,290,005,991
Closing balance	6,763,403,942	24,233,794,723	30,997,198,665
NET BOOK VALUE			
Opening balance	16,695,450,846	4,715,294,876	21,410,745,722
Closing balance	137,680,776,518	9,458,449,779	147,139,226,297

As at 30 June 2023, the cost of the Company's intangible assets includes VND 15,422,210,292 (as at 31 December 2022: VND 13,795,010,292) of assets which have been fully amortised but are still in use.

The Company pledged the land use rights to secure the long-term loans from banks as presented in the Note 21.

12. INCREASES, DECREASES IN INVESTMENT PROPERTY

	Buildings and structures VND
COST	
Opening balance	32,946,529,783
Increase	264,273,374,813
Other decreases	(1,248,820,698)
Closing balance	295,971,083,898
ACCUMULATED DEPRECIATION	
Opening balance	879,727,374
Charge for the period	808,506,374
Other decreases	(37,676,635)
Closing balance	1,650,557,113
NET BOOK VALUE	
Opening balance	32,066,802,409
Closing balance	294,320,526,785

According to VAS No. 05 - *Investment Properties*, fair value of investment property as at 30 June 2023 is required to be disclosed. At the time of issuance of the interim separate financial statements, the Company has not determined the fair value of investment properties because there is no comprehensive guidance on the determination of the fair value of investment properties.

13. CONSTRUCTION IN PROGRESS

	Closing balance	Opening balance
	VND	VND
Construction in progress		
- Construction	489,483,070,086	683,894,568,849
- Acquisition	-	127,054,838
In which:		
- Son Cam Industrial Zone Project	227,760,223,111	565,055,128,521
- TNG Son Cam Factory Project	188,153,642,656	-
- TNG Vo Nhai Factory Project	15,296,309,743	12,013,125,252
- Phu Binh Project	12,698,879,271	13,585,429,406
- Song Cong Auxiliary Home Project	12,129,060,640	9,316,400,620
- Others	33,444,954,665	84,051,539,888
	489,483,070,086	684,021,623,687

As presented in Notes 21, the Company has pledged assets formed from the Projects' loans to secure the long-term loans obtained from commercial banks and financial institutions.

During the period, total interest expense capitalized into construction in progress was VND 2,353,192,377 (prior period: VND 2,823,830,853).

14. FINANCIAL INVESTMENTS

	Opening balance		Closing balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Investments in subsidiaries				
TNG Land Joint Stock Company	140,000,000,000	-	140,000,000,000	-
TNG Fashion Company Limited (i)	-	-	-	-
TNG Eco Green Company Limited (i)	-	-	-	-
	140,000,000,000	-	140,000,000,000	-
Investments in associates				
Bac Thai Electric Construction Joint Stock Company (ii)	771,150,000	(771,150,000)	771,150,000	(771,150,000)
TNG Yen Binh Golf Company Limited (iii)	-	-	-	-
	771,150,000	(771,150,000)	771,150,000	(771,150,000)

(i) According to the Resolution of the Board of Directors No. 507/NQ-HDQT dated 23 April 2023, the Company terminated the subsidiaries - TNG Eco Green Company Limited and TNG Fashion Company Limited.

(ii) As at 30 June 2023, Bac Thai Electric Construction Joint Stock Company has halted its production and business activities and is in dissolution process. The Board of Executive Officers assessed that the loss on the Company's investment in this associate corresponding to the proportion of ownership interest was exactly equal to the value of the investment. Therefore, the Board of Executive Officers decided to make full provision for the impairment of investment in this investee.

(iii) Details of the Company's capital commitments to the associate as at 30 June 2023 are as follows:

Name of subsidiaries, associates	Charter capital under Enterprise Registration Certificate (VND)	Proportion of ownership interest under Enterprise Registration Certificate (%)	Capital contribution as at 30 June 2023 (VND)	Remaining capital commitment (VND)
TNG Yen Binh Golf Company Limited	300,000,000,000	49	-	147,000,000,000

Summary of the performance of subsidiaries and associates during the period:

	Current period	Prior period
Subsidiaries		
TNG Land Joint Stock Company	Operating at a profit	In investment phase
TNG Fashion Company Limited	Terminated in April 2023	Not yet come into operation
TNG Eco Green Company Limited	Terminated in April 2023	Not yet come into operation
Associates		
Bac Thai Electric Construction Joint Stock Company	Ceased operation	Ceased operation
TNG Yen Binh Golf Company Limited	Not yet come into operation	Not yet come into operation

The Company has not assessed fair value of its financial investments as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of financial investments to unlisted companies.

15. SHORT-TERM TRADE PAYABLES

	Closing balance	Opening balance
	Amount/Amount able to be paid off	Amount/Amount able to be paid off
	VND	VND
YKK Vietnam Company Limited - Ha Nam Branch	75,957,092,653	33,056,568,437
Others	689,117,531,881	626,693,995,402
	765,074,624,534	659,750,563,839
In which:		
Short-term trade payables to related party (Details stated in Note 35)	4,176,276,721	1,393,157,380

16. SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance	Opening balance
	VND	VND
Uni-Eastern Sportswear Mfg., Ltd.	12,965,206,962	-
Others	4,144,880,097	32,899,377,296
	17,110,087,059	32,899,377,296

17. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

a. Receivables

	Opening balance	Paid during the period	Reimbursed during the period	Closing balance
	VND	VND	VND	VND
Export - import tax	17,531,816,142	8,876,273,424	12,612,330,193	13,795,759,373
	17,531,816,142	8,876,273,424	12,612,330,193	13,795,759,373

b. Payables

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
Corporate income tax	15,664,258,998	22,742,705,906	15,886,036,113	22,520,928,791
Personal income tax	2,231,085,718	13,364,826,090	12,571,114,607	3,024,797,201
Others	190,132,228	5,758,842,512	4,667,293,634	1,281,681,106
	18,085,476,944	41,866,374,508	33,124,444,354	26,827,407,098

18. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Accruals for salary and leave	10,391,507,608	28,368,480,459
Accruals for interest expenses	5,472,730,897	6,226,293,170
Transportation expense	4,084,659,276	2,602,283,913
Other accruals	6,431,978,503	5,915,835,156
	26,380,876,284	43,112,892,698

19. OTHER CURRENT PAYABLES

	Closing balance	Opening balance
	VND	VND
Trade union fee	7,113,336,796	1,948,235,828
Others	12,239,788,056	12,303,502,169
	19,353,124,852	14,251,737,997

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20. SHORT-TERM LOANS

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Foreign exchange effect	Amount able to be paid off
	VND		VND		VND	
Short-term loans	1,632,236,191,981	1,632,236,191,981	2,706,490,590,771	2,388,456,426,989	(24,175,416,803)	1,926,094,938,960
Current portion of long-term loans (Details in Note 21)	178,760,326,056	178,760,326,056	84,914,840,000	95,668,213,323	-	168,006,952,733
Current portion of straight bonds (Details stated in Note 22)	150,010,000,000	150,010,000,000	-	-	-	150,010,000,000
	1,961,006,518,037	1,961,006,518,037	2,791,405,430,771	2,484,124,640,312	(24,175,416,803)	2,244,111,891,693
						2,244,111,891,693

Details of short-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
Short-term loans	1,926,094,938,960	1,632,236,191,981
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch (i)	1,079,922,570,278	915,434,547,440
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch (ii)	523,010,292,198	502,414,456,204
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thai Nguyen Branch (iii)	99,382,719,788	98,804,681,445
Military Commercial Joint Stock Bank - Thai Nguyen Branch (iv)	95,679,703,473	69,644,865,498
Shinhan Bank (Vietnam) Limited - Thai Nguyen Branch (v)	70,206,166,824	45,628,591,394
Vietnam Technological and Commercial Joint Stock Bank - Thang Long Branch (vi)	57,656,436,399	-
Others (vii)	237,050,000	309,050,000
	168,006,952,733	178,760,326,056
Current portion of long-term loans	116,177,272,733	114,777,272,733
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	30,377,680,000	41,629,014,427
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thai Nguyen Branch	21,452,000,000	22,354,038,896
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch		
	150,010,000,000	150,010,000,000
Current portion of straight bonds (Detail stated in Note 22)	2,244,111,891,693	1,961,006,518,037



- (i) Short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch include:
- Loan under the Limit Credit Contract No. 01/2022/469075/HDTD from 15 August 2022 to 31 July 2023 with credit limit of VND 1,000 billion (including VND and foreign currency converted loans, L/C balance less deposit, guarantee balance) with loan interest rate determined for each disbursement. The loan is used to supplement the working capital for the Company's production and business activities. The loan is secured by the assets of the Company, the entire balance of the Company's production and business deposits in VND and foreign currencies at banks and other credit institutions; and
 - Loan under the Limit Credit Contract No. 03/2023/469075/HDTD from 15 June 2023 to 15 February 2024 with credit limit of VND 80 billion with loan interest rate of 4.8%/year in the effective period of the contract. The loan is used to pay the salary for employees. The loan is secured by the assets of the Company which are 4 deposit contracts with the total amount of VND 80 billion according to the Mortgage contract No. 07/2023/469075/HDBD dated 15 June 2023.
- (ii) Short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch include:
- Loans under Credit Line Contract No. 01/2022-HDCVHM/NHCT220-TNG from 15 June 2022 to 15 June 2023 with credit limit of VND 500 billion (including VND and USD loans) and appendices extended to 31 July 2023. The interest rate at the time of signing the contract for loans in VND is 6.2%/year, for loans in USD is 3.8%/year and is determined according to each disbursement after the time of contract signing. The term of each debt does not exceed 6 months. The loan is used to supplement the working capital for the Company's production and business activities. The loans are secured by the Company's assets including industrial sewing machines and office equipment; buildings on land; 04 automatic embroidery machines; buildings and structures attached to the land in Zone B - Song Cong Industrial Zone, circulating inventories and receivables arising from the Company's economic contract financed by Vietnam Joint Stock Commercial Bank for Industry and Trade.
 - Loans under the Contract No. 01/2023-HDCVTL/NHCT220-TNG dated 22 June 2023, disbursement period until 23 June 2023 with credit limit of USD 967,062.99. The interest rate at the time of signing the contract for loans is 5.2%/year and is determined according to each disbursement after the time of contract signing. The term of debt is 6 months from the day after the first disbursement. The loan is used to supplement the working capital for the Company's textile business activities. The loans are secured by the Mortgage contract of the term deposit with the value of VND 52,142,213,232 under the Term deposit contract No. 01/2023/HDBD/NHCT220 dated 20 June 2023.
- (iii) The loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thai Nguyen Branch under Credit Line Contract No. 418.CV/22/HDTD/TN with credit limit of VND 300 billion (including Contract No. 48/22/HDTD/TN dated 17 November 2022 with total long-term and short-term credit limit of VND 435,033,860,000). The effective term of the credit limit is 12 months, no later than 17 November 2023. The lending interest rate is determined at the time of loan disbursement according to the interest rate announcement of the bank from time to time. The loan is used to supplement the working capital for the Company's production and business activities. The loan is secured by machinery and equipment under the additional investment in machinery and equipment project for TNG Phu Binh and TNG Song Cong factories, and the additional investment in machinery and equipment project in 2014 under the Mortgage contract No. 210/18/HDTC/TN dated 18 June 2018, machinery and equipment under the additional investment in machinery and equipment project in 2019 under the Mortgage contract No. 86/19/HDTC/TN dated 9 April 2019; receivables under the Mortgage contract No. 87/19/HDTC/TN dated 9 April 2019; all machinery and equipment formed from loan capital and owner's equity under the construction investment project of TNG Song Cong auxiliary factory under the Mortgage contract No. 312/19/HDTC/TN dated 9 December 2019; the pre-engineered steel frame formed from loans, owner's equity and other mobilized capital under the construction investment project of TNG Song Cong auxiliary factory under the mortgage contract No. 184/20/HDTC/TN dated 25 August 2020; machinery and equipment formed from owner's equity and loan capital under the

plan for additional investment in machinery, equipment and power system in 2021 under the mortgage contract No. 100/21/HDTC/TN dated 12 April 2021; land use right and assets attached to land under mortgage contract No. 418/22/HDTC/TN in 2022.

(iv) The loan from Military Commercial Joint Stock Bank ("MB") - Thai Nguyen Branch under the Contract No. 108458.22.090.2089348.TD dated 20 December 2022 with credit limit of VND 200 billion. The Credit limit term is from date of contract to 30 November 2023. Applicable interest rate is specified in the lender's notice for each disbursement. The loans are to supplement working capital for textile, garment production and processing of the Company for period 2022-2023. The loans are secured by cash - savings account/deposit agreements - valuable papers and property, property right arose/to be arisen from MB credit funding method, including: (i) loan, (ii) LC issued by MB, and (iii) obligations guaranteed by MB.

(v) The loan from Shinhan Bank (Vietnam) Ltd., - Thai Nguyen Branch under Contract No. SHBVN/TN/HDTC-0016 dated 17 February 2020 and the Appendix for extension of credit limit validity period to 17 February 2024 with total Credit limit of USD 3 million under the credit limit method. The interest rate is determined at each time of interest calculation/adjustment under formula: 6-month Libor rate plus (+) 1.7%/year. The loan term of 5 months is applied for each disbursement. The loan is used to supplement the working capital. The loan is secured by machinery and equipment with the value of VND 11,265,491,530 under the mortgage contract No. SHBVN/TN/2023/HDTC-0029 dated 05 April 2023 and its appendices.

(vi) The loan from Vietnam Technological and Commercial Joint Stock Bank - Thang Long Branch under Contract No. TLG2022683822/HDTC dated 24 October 2022 and appendix No. TLG2022683822/HDTC/PL993710 with the credit limit of VND 200 billion (including VND and USD loans), under the condition that the maximum loan balance at all time does not exceed VND 150 billion in 12 months from 24 October 2022 to 24 October 2023, under the credit limit method. The interest rate is determined at each time of disbursement. The loan is used to supplement the working capital for the Company's production and business activities. The loan is currently non-secured and the Company will commit the collateral of factories, machinery and equipment of Dai Tu Factory owned by the Company after settling the bond of VND 150 billion issued on 30 September 2020 with the term of 3 years.

(vii) Other short-term loans from the Company's employees with terms not exceeding 12 months from the contract signing date. The interest rate is 6%/year, the loans are used to supplement the working capital and non-secured.

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21. LONG-TERM LOANS

	Opening balance		In the period		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Foreign exchange effect	Amount able to be paid off
	VND		VND		VND	
Long-term loans	597,856,651,833	597,856,651,833	30,332,416,531	95,514,871,520	(153,341,803)	532,520,855,041
Straight bonds (Details stated in Note 22)	445,643,130,009	445,643,130,009	848,780,502	-	-	446,491,910,511
	1,043,499,781,842	1,043,499,781,842	31,181,197,033	95,514,871,520	(153,341,803)	979,012,765,552

In which:

Amount due for settlement within 12 months (Presented in Note 20)

- Loan

- Straight bonds

Amount due for settlement after 12 months (Code 338 - Balance sheet)

- Loan

- Straight bonds

318,016,952,733

168,006,952,733

150,010,000,000

660,995,812,819

364,513,902,308

296,481,910,511

Details of long-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch (i)	328,200,749,556	355,468,333,025
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch (ii)	107,692,825,328	119,320,864,224
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thai Nguyen Branch (iii)	96,627,280,157	123,067,454,584
	532,520,855,041	597,856,651,833

(i) Long-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch include:

- Loans under credit contract No. 02/2018/469075/HDTD dated 10 September 2018 with the total credit limit of USD 1,327,591 and VND 3,920,000,000 used to finance the machinery and equipment investment project in the last 6 months of 2018 of the Company. The loan term is 60 months from the day after the first disbursement date. The loans bear interest rates of 11.5% per annum for loans in VND. The loans are secured by all assets formed from the Company's machinery and equipment investment project in the last 6 months of 2018.

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- Loans under credit contract No. 02/2020/469075/HDTD dated 08 June 2020 with the total credit limit of VND 70,213,000,000 but not more than 70% of total actual investment capital (including VND and foreign currency converted loans) for investment in machinery and equipment in 2020. The loan term is 60 months from the first disbursement date. The interest rate is floating, adjusted every 6 months and equals to interest rate of BIDV 12-month interest-postpaid individual savings plus minimum bank charge of 4% as regulated by BIDV from time to time. The current applicable interest rate is 11.5% per annum. The loans are secured by all assets formed from the machinery and equipment investment project in 2020 of the Company.
 - Loans under credit contract No. 03/2020/469075/HDTD dated 26 June 2020 with the total credit limit of VND 188,740,000,000 but not more than 65% of total actual investment (including VND and foreign currency converted loans) for investment in construction of TNG Vo Nhai Factory. The loan term is 84 months from the first disbursement date. The current applicable interest rate is 11.5% per annum. The loans are secured by all assets formed from the investment of the project (financed either by loans or owner's equity), land use rights (in the case of land lease with one-off rental payment), all project-related rights (property right arising from land lease contract, rights to insurance benefits,...).
 - Loans under Credit Contract No. 04/2020/469075/HDTD dated 02 December 2020 with total credit limit of VND 37,519,000,000 but not exceeding 70% of total actual investment of project (including VND and foreign currencies converted loans) to implement the cotton production line No. 3 investment project. The loan term is 84 months from the day after the first disbursement date. The interest rate is floating, adjusted every 6 months, equals to the interest rate of BIDV Thai Nguyen 12-month interest-postpaid individual savings plus a minimum bank fee of 4% as regulated by BIDV from time to time. The current applicable interest rate is 11.5% per annum. The loan is secured by all assets formed from the Company's cotton production line No.3 investment project.
 - Loans under Credit Contract No. 02/2022/469075/HDTD dated 21 March 2022 with total credit limit of VND 57,500,000,000 but not exceeding 70% of total actual investment of project (including VND and foreign currencies converted loans) to implement the TNG Song Cong Factory extension project. The loan term is 84 months from the day after the first disbursement date. The interest rate is floating, adjusted every 6 months, equals to the interest rate of BIDV Thai Nguyen 12-month interest-postpaid individual savings plus a minimum bank fee of 4% as regulated by BIDV from time to time. The current applicable interest rate is 11.5% per annum. The loan is secured by all assets formed from the Company's TNG Song Cong Factory extension project.
 - Loans under Credit Contract No. 02/2022/469075/SDBS dated 11 July 2022 (appendices to the Credit Contract No. 02/2019/469075/HDTD dated 10 June 2019) with the total credit limit of VND 183,931,491,700 and USD 158,957.8 but not exceeding 70% of total actual investment of project (including VND and foreign currencies converted loans) for investment in TNG Dong Hy Garment Factory. The loan term is 84 months from the day after the first disbursement date. The loans bear interest rates of 11.5% per annum for loans in VND. The interest rate is adjusted every 6 months. The loans are secured by all assets formed from Dong Hy Garment Factory Project of the Company.
- (ii) Long-term loans from Commercial Joint Stock Vietnam Bank for Industry and Trade - Thai Nguyen Branch include:
- Loans under Loan contract for investment project No. 01/2022-HDCVDADT/NHCT220-TNG dated 15 February 2022 with the total credit limit of VND 123,100,000,000, used to cover the legal investment expenditure of TNG Phu Binh Factory extension project. The loan term is 7 years from the day after the first disbursement date. The current interest rate is 12% per annum for loans in VND. The loans are secured by assets formed from projects' loans.

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- Loans under Loan contract for investment project No. 07/2022-HDCVDADT/NHCT220-TNG dated 29 July 2022 with the total credit limit of VND 14,500,000,000, used to cover the legal investment expenditure of machinery and equipment investment project for the whole Company in 2022. The loan term is 5 years from the day after the first disbursement date. The interest rate equals to basic interest rate plus the margin of 3.5% per annum for loans in VND. The current interest rate is 12.5% per annum for loans in VND. The loans are secured by assets formed from projects' loans.
 - Loans under Loan contract for investment project No. 08/2022-HDCVDADT/NHCT220-TNG dated 05 September 2022 with the total credit limit of VND 30,820,000,000, used to cover the legal investment expenditure of machinery and equipment investment project for the whole Company in 2022 (the second time). The loan term is 5 years from the day after the first disbursement date. The interest rate equals to basic interest rate plus the margin of 3.5% per annum for loans in VND. The current interest rate is 12.5% per annum for loans in VND. The loans are secured by assets formed from projects' loans
 - Loans under Loan contract for investment project No. 11/2022-HDCVDADT/NHCT220-TNG dated 23 November 2022 with the total credit limit of VND 12,113,000,000, used to cover the legal investment expenditure of machinery and equipment investment project for the whole Company in 2022 (the third time). The loan term is 5 years from the day after the first disbursement date. The interest rate equals to basic interest rate plus the margin of 3.5% per annum for loans in VND. The current interest rate is 12.5% per annum for loans in VND. The loans are secured by assets formed from projects' loans.
- (iii) Long-term loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thai Nguyen Branch include:
- Loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thai Nguyen Branch under loan contract under investment project No. 296/19/HDTD/TN dated 9 December 2019 with credit limit of VND 57,532,000,000 but not exceeding 61% of total actual investment of project for investment in construction investment project of TNG Song Cong auxiliary factory (excluding the investment in cotton production line). The loan term is 84 months from the day following the first disbursement date. Floating interest rate equals to the interest rate of 12-month interest-postpaid individual savings as announced by the Bank from time to time plus a margin of 3.3% per year but not lower than the Bank's interest rate floor, adjusted every 3 months. The loans are secured by all construction works on land, machinery and equipment formed from the loans and owner's equity of the construction investment project of TNG Song Cong auxiliary factory according to Mortgage contract No. 296/19/HDTC/TN in 2019; and land use right of Land B, Song Cong I Industrial Zone, Bach Quang Ward, Song Cong City, Thai Nguyen Province with the total area of 53,100m².
 - Loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thai Nguyen Branch under loan contract under investment project No. 185/20/HDTD/TN dated 25 August 2020 with credit limit of VND 55,682,000,000. The loan is used to finance legal, reasonable and valid credit needs related to the investment and implementation of TNG Song Cong auxiliary plant project. The loan term is 72 months from the day following the first disbursement date. Floating interest rate equals to the interest rate of 12-month interest-postpaid individual savings as announced by the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thai Nguyen Branch from time to time plus a margin of 3.3% but not lower than the Bank's interest rate floor, adjusted every 3 months. The loans are secured by the machinery, equipment and receivables according to mortgage contract No. 210/18/HDTC/TN, 86/19/HDTC/TN, 87/19/HDTC/TN, 312/19/HDTC/TN và 184/20/HDTC/TN.
 - Loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thai Nguyen Branch under the loan contract under the investment project No. 100/21/HDTD/TN dated 12 April 2021 with a credit limit of VND 128,000,000,000. The loan is used to finance legal, reasonable and valid credit needs related to the additional investment in machinery, equipment, and power system in 2021 that has been approved by the competent authority in accordance with legal regulations. The loan term is 60 months from the day following the first disbursement date. The floating interest rate equals to the 6-month Libor interest rate plus the margin of 5.5% per annum plus the risk premium announced by the bank. The loans are secured by the mortgage contract No. 100/21/HDTC/TN in 2021.



TNG INVESTMENT AND TRADING JOINT STOCK COMPANY
 NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

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Long-term loans are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	168,006,952,733	178,760,326,056
In the second year	163,370,316,403	169,829,680,000
In the third to fifth year inclusive	188,259,455,321	225,463,682,953
After five years	12,884,130,584	23,802,962,824
	532,520,855,041	597,856,651,833
Less: Amount due for settlement within 12 months (shown under short-term loans)	168,006,952,733	178,760,326,056
Amount due for settlement after 12 months	364,513,902,308	419,096,325,777

22.

BOND ISSUED

Straight bonds

	Closing balance		Opening balance	
	Amount	Interest rate	Amount	Interest rate
	VND	%/Year	VND	%/Year
Straight bonds	446,491,910,511	10	445,643,130,009	10
	446,491,910,511		445,643,130,009	
				Term
				Year
				3 - 4

Details of straight bond contracts are as follows:

	Closing balance	Opening balance
	VND	VND
Bond issued to public code TNG122017 (i)	300,000,000,000	300,000,000,000
Single bond code TNGH2023001 - Bond subscription contract No.02 (ii)	150,000,000,000	150,000,000,000
Single bond code TNGH2023001 - Bond subscription contract No.03 (iii)	10,000,000	10,000,000
Unallocated issue fee	(3,518,089,489)	(4,366,869,991)
	446,491,910,511	445,643,130,009

TNG INVESTMENT AND TRADING JOINT STOCK COMPANY
 NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

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(i) According to the Board of Directors' Resolution No. 171121/NQ-HDQT dated 17 November 2021, the Company publicly issued 3,000,000 non-convertible unsecured bond, without warrants, with par value of VND 100,000, term of 04 years from the date of issue of 16 May 2022, fixed interest rate of 10%/year. The purpose of bond issuance is to settle the salary for employees and material expenses.

(ii) According to the Board of Directors' Resolution No. 2756/NQHDQT-TNG dated 21 September 2020 and bond subscription contracts dated 30 September 2020, the Company privately issued 15,000 non-convertible secured bonds, without warrants, with par value of VND 10,000,000, term of 03 years from the date of issue of 30 September 2020, fixed interest rate of 10 %/year. The purpose of bond issuance is to increase the working capital and supplement the investment capital of Son Cam 1 Industrial Cluster project.

(iii) According to the Board of Directors' Resolution No. 2756/NQHDQT-TNG dated 21 September 2020 and bond subscription contracts dated 30 September 2020, the Company privately issued 1 non-convertible secured bond, without warrants, with par value of VND 10,000,000, term of 03 years from the date of issue of 30 September 2020, fixed interest rate of 10 %/year. The purpose of bond issuance is to increase the working capital and supplement the investment capital of Son Cam 1 Industrial Cluster project.

Bonds are repayable as follows:

	Closing balance	Opening balance
	VND	VND
On demand or within one year	150,010,000,000	150,010,000,000
In the second year	296,481,910,511	295,633,130,009
In the third to fifth year inclusive	446,491,910,511	445,643,130,009
	150,010,000,000	150,010,000,000
	296,481,910,511	295,633,130,009
Less: Amount due for settlement within 12 months (shown under short-term loans)		
Amount due for settlement after 12 months		

TNG INVESTMENT AND TRADING JOINT STOCK COMPANY
NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (Continued)

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23. OWNERS' EQUITY

Movement in owners' equity

	Owners' contributed capital	Share premium	Other owners' capital	Investment and development fund	Other reserves	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND
<i>For the 6-month period ended 30 June 2022</i>							
Opening balance	926,987,790,000	40,988,785,123	55,419,591	200,704,720,977	61,186,798,009	232,327,774,557	1,462,251,288,257
Profit for the period	-	-	-	-	-	125,195,603,947	125,195,603,947
2021 profit distribution	-	-	-	11,614,317,388	11,614,317,388	(78,393,435,411)	(55,164,800,635)
Share dividend	74,133,720,000	-	-	-	-	(74,133,720,000)	-
Cash dividend	-	-	-	-	-	(74,159,023,200)	(74,159,023,200)
Remuneration of the Board of Directors	-	-	-	-	-	(5,574,872,346)	(5,574,872,346)
Closing balance	1,001,121,510,000	40,988,785,123	55,419,591	212,319,038,365	72,801,115,397	125,262,327,547	1,452,548,196,023
<i>For the 6-month period ended 30 June 2023</i>							
Opening balance	1,051,177,580,000	40,988,785,123	55,419,591	212,319,038,365	72,801,115,397	250,306,089,696	1,627,648,028,172
Profit for the period	-	-	-	-	-	95,859,828,383	95,859,828,383
2022 profit distribution (i)	-	-	-	58,457,293,859	29,463,964,044	(117,149,904,833)	(29,228,646,930)
2022 cash dividend	-	-	-	-	-	(42,047,103,200)	(42,047,103,200)
Remuneration of the Board of Directors (ii)	-	-	-	-	-	(7,014,875,263)	(7,014,875,263)
Closing balance	1,051,177,580,000	40,988,785,123	55,419,591	270,776,332,224	102,265,079,441	179,954,034,783	1,645,217,231,162

- (i) According to 2023 Annual General Meeting of Shareholders' Resolution No. 505/2023/NQ-DHDCD dated 23 April 2023, the Company made distribution from 2022 profit to investment and development fund, reserves for working capital, bonus and welfare funds and remuneration for the Board of Directors with the amounts of VND 58,457,293,859, VND 29,463,964,044, VND 29,228,646,930 and VND 7,014,875,263 respectively.
- (ii) The Company advanced dividend the first time with the amount of VND 42,047,103,200 in 2022 according to the Resolution of the Board of Directors No. 2475/NQ-HDQT dated 23 September 2022 and the second time with the amount of VND 42,047,103,200 in the period according to the Resolution of the Board of Directors No. 3180/NQ-HDQT dated 24 December 2022, the last registration date was 10 January 2023. According to 2023 Annual General Meeting of Shareholders' Resolution No. 505/2023/NQ-DHDCD dated 23 April 2023, the Company approved 2022 cash dividend distribution to existing shareholders with the total amount of VND 84,094,206,400.

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Share	Share
Number of shares issued to the public	105,117,758	105,117,758
<i>Ordinary shares</i>	105,117,758	105,117,758
Number of outstanding shares in circulation (*)	105,117,758	105,117,758
<i>Ordinary shares</i>	105,117,758	105,117,758

A common share has par value of VND 10,000.

(*) Including 5,847,990 common shares subject to transfer restriction as at 30 June 2023 (as at 31 December 2022: 5,847,990).

24. OFF BALANCE SHEET ITEMS

Foreign currencies:

	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar (USD)	1,842,790	4,008,175
Euro (EUR)	68	79

25. BUSINESS AND GEOGRAPHICAL SEGMENTS

Geographical segments

The Company does not have any operations outside the territory of Vietnam; manufacturing and business activities of the Company are mainly carried out at No. 434/1, Bac Kan Street, Hoang Van Thu Ward, Thai Nguyen City, Thai Nguyen Province. Therefore, the Company does not report by geographical segments.

Business segments

During the period, the principal activities of the Company are manufacturing and trading of garment products (for export and domestic sales). Therefore, the Company does not report by business segments. Revenue and cost of sales have been detailed by revenue, cost of goods sold and services rendered in Note 26 and Note 27.

26. REVENUE OF GOODS SOLD AND SERVICES RENDERED

	Current period	Prior period
	VND	VND
Sale of goods	2,911,573,820,864	2,762,741,039,530
Rendering of processing services	405,078,701,715	462,865,624,810
Sale of fashion products	8,529,829,927	4,516,088,417
Sale of real estate and other services	8,803,262,423	11,656,981,520
	3,333,985,614,929	3,241,779,734,277

27. COST OF SALES

	Current period	Prior period
	VND	VND
Cost of goods sold	2,535,014,437,977	2,365,163,134,324
Cost of processing services	352,689,102,370	396,255,999,488
Cost of fashion products sold	7,426,650,791	3,866,191,468
Cost of real estate and other services	4,501,629,945	7,178,808,675
	2,899,631,821,083	2,772,464,133,955

28. PRODUCTION COST BY NATURE

	Current period	Prior period
	VND	VND
Raw materials and consumables	1,814,365,953,396	1,713,326,904,177
Labour	1,081,408,582,664	1,019,103,140,350
Depreciation and amortisation of fixed assets and investment properties	106,972,257,825	92,686,683,109
Out-sourced services	125,218,020,265	122,506,880,478
Reversal of provision	(5,681,421,370)	-
Other monetary expenses	93,147,235,892	91,294,050,723
	3,215,430,628,672	3,038,917,658,837

29. FINANCIAL INCOME

	Current period	Prior period
	VND	VND
Foreign exchange gain	42,061,351,483	35,684,967,630
Bank and loan interest	4,625,001,920	43,201,641
	46,686,353,403	35,728,169,271

30. FINANCIAL EXPENSES

	Current period	Prior period
	VND	VND
Interest expense and bond issuance expense	100,998,307,979	70,922,294,954
Foreign exchange loss	22,252,354,039	46,132,808,320
Other financial expenses	16,693,746,684	7,515,327,484
	139,944,408,702	124,570,430,758

31. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current period VND	Prior period VND
General and administration expenses arising in the period		
Administration staff	131,307,354,277	142,116,600,150
Raw materials and consumables	4,840,363,339	5,094,970,122
Depreciation and amortisation	6,327,494,221	5,584,140,297
Out-sourced service expenses	6,557,089,297	8,014,128,157
Other monetary expenses	22,996,283,997	19,909,928,415
	172,028,585,131	180,719,767,141
Selling expenses arising in the period		
Labour	-	525,643,509
Raw materials and consumables	53,442,358	76,139,099
Transportation	9,342,729,835	9,016,689,805
Export - import expenses	8,692,441,918	3,611,511,738
Other selling expenses	20,878,879,903	23,916,526,872
	38,967,494,014	37,146,511,023

32. OTHER EXPENSES

	Current period VND	Prior period VND
Land rental in construction period	8,514,645,904	-
Contracts' penalties and compensations	278,937,736	7,378,989,305
Other expenses	4,594,414,380	2,662,329,052
	13,387,998,020	10,041,318,357

33. CORPORATE INCOME TAX EXPENSE

	Current period VND	Prior period VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current period	22,742,705,906	27,610,301,758
Adjustments for corporate income tax expense in previous years to the current period	-	1,818,001,279
Total current corporate income tax expense	22,742,705,906	29,428,303,037

Current corporate income tax expense in the period was computed as follows:

	Current period VND	Prior period VND
Profit before tax	118,232,270,230	154,623,906,984
Adjustments for taxable profit	12,392,600,469	4,162,523,133
Add back: Non-deductible expenses	12,392,600,469	4,162,523,133
Taxable profit	130,624,870,699	158,786,430,117
Tax rate	5%, 8.5% and 20%	5%, 8.5% and 20%
Corporate income tax expense based on taxable profit in the period	22,742,705,906	29,428,303,037

34. CONTINGENT LIABILITIES

The Company is obliged to return the leased land in Thai Nguyen province in the same condition as when it was handed over and must bear all the costs of returning this land to its original state upon termination of the land lease contract. According to the Company's Board of Executive Officers, the costs related to the return of the land lots to their original condition at the time of handover cannot be certainly estimated because there is not enough information and lack of comprehensive guidance on appropriate calculation methods. Therefore, the Company did not make a payable provision related to the restoration cost for these leased land lots in the interim separate financial statements.

35. RELATED PARTY TRANSACTIONS AND BALANCES

List of related party with significant transactions and balances for the period:

<u>Related party</u>	<u>Relationship</u>
TNG Land Joint Stock Company	Subsidiary

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

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales		
TNG Land Joint Stock Company	143,716,877	-
Purchases		
TNG Land Joint Stock Company	7,651,852,638	-

		<u>Current period</u>	<u>Prior period</u>
		VND	VND
Remuneration of the Board of Directors, Board of Executive Officers and other management personnel			
	Position in the Company		
Mr. Nguyen Van Thoi	Chairman	1,781,683,500	1,735,062,670
Mr. Nguyen Duc Manh	Deputy Chairman cum Chief Executive Officer	1,935,865,920	1,632,855,449
Ms. Nguyen Thi Phuong	Deputy Chief Executive Officer	1,618,495,100	1,280,300,786
Mr. Tran Minh Hieu	Deputy Chief Executive Officer	1,124,458,880	835,859,057
Ms. Luong Thi Thuy Ha	Deputy Chairman cum Deputy Chief Executive Officer	1,097,298,780	819,743,767
Ms. Doan Thi Thu	Deputy Chief Executive Officer	1,033,153,640	785,201,826
Mr. Luu Duc Huy	Deputy Chief Executive Officer	783,560,500	1,009,410,020
Ms. Tran Thi Thu Ha	Chief Accountant	782,645,480	610,497,779
Mr. Pham Thanh Tuan	Deputy Chief Executive Officer	718,447,600	682,716,790
Mr. Le Xuan Vi	Deputy Chief Executive Officer	548,590,800	-
Mr. Nguyen Manh Linh	Member of Board of Directors	90,000,000	664,227,454
Mr. Nguyen Hoang Giang	Member of Board of Directors	90,000,000	90,000,000
Ms. Do Thi Ha	Member of Board of Directors	60,000,000	90,000,000
Mr. Le Quang Vinh	Member of Board of Directors	60,000,000	90,000,000
Mr. Tran Canh Thong	Member of Board of Directors	60,000,000	90,000,000
Mr Nguyen Van Duc	Member of Board of Directors	-	90,000,000
		<u>11,784,200,200</u>	<u>10,505,875,597</u>

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

	Closing balance	Opening balance
	VND	VND
Short-term trade receivables		
TNG Land Joint Stock Company	4,008,408,250	2,760,000
Short-term trade payables		
TNG Land Joint Stock Company	4,176,276,721	1,393,157,380
Unearned revenue		
TNG Land Joint Stock Company	59,892,056,893	-

36. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

Cash outflows for purchases of fixed assets and construction in progress during the period exclude an amount of VND 174,129,462,599 (the 6-month period ended 30 June 2022: VND 143,784,713,000), representing an addition in fixed assets and construction in progress during the period that has not yet been paid, therefore, changes in payables have been adjusted by the same amount.

37. SUBSEQUENT EVENTS

Share dividend declared

According to 2023 Annual General Meeting of Shareholders No. 505/2023/NQ-DHDCD dated 23 April 2023 and Resolution of the Board of Directors No. 523/NQ-HDQT dated 03 May 2023, in July 2023, the Company had paid dividend of 2022 for existing shareholders in shares at the ratio 100:8, the additional shares issued is 8,405,244 shares with par value of VND 10,000. On 05 July 2023, the Company received the notification that the State Security Committee had received the Company's Share dividend issuance report No. 643/CV-TNG dated 26 June 2023. On 24 July 2023, the Company received the 21st amendment of the Certificate of Securities Registration, completing registration for the above shares. On 04 August 2023, Hanoi Stock Exchange issued Decision No. 824/QD-SGDHN to approve the listing of the above shares.

Pham Thi Hieu
Preparer

Tran Thi Thu Ha
Chief Accountant



Luong Thi Thuy Ha
Deputy Chief Executive Officer

14 August 2023