

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

SEPARATE FINANCIAL STATEMENTS

SECOND QUARTER 2024

For the fiscal year 31 December 2024

26 July 2024

SEPARATE BALANCE SHEET

As at 30 June 2024

FORM B 01a-DN

*(Issued under Circular No. 200/2014/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		2,341,601,494,810	2,082,616,637,542
I. Cash and cash equivalents	110	5	434,209,400,541	420,097,411,090
1. Cash	111		57,450,400,541	36,857,411,090
2. Cash equivalents	112		376,759,000,000	383,240,000,000
II. Short-term Financial investments	120		388,012,000,000	287,000,000,000
1. Held-to-maturity investment	123		388,012,000,000	287,000,000,000
III. Short-term receivables	130		393,749,066,890	325,301,380,342
1. Short-term trade receivables	131	6	437,971,108,824	374,792,669,806
2. Short-term advances to suppliers	132		18,145,273,647	6,632,578,771
3. Other short-term receivables	136	8	12,081,332,554	14,997,196,190
4. Provisions for short-term doubtful debts	137		(74,448,648,135)	(71,121,064,425)
IV. Inventories	140	9	1,032,669,192,794	1,024,900,636,647
1. Inventories	141		1,064,375,801,860	1,049,554,512,758
2. Provisions for Inventories (*)	149		(31,706,609,066)	(24,653,876,111)
V. Other short- term assets	150		92,961,834,585	25,317,209,463
1. Short-term prepayments	151		5,819,250,347	3,079,972,458
2. Value added tax deductibles	152		87,142,584,238	22,237,237,005

SEPARATE BALANCE SHEET (Continued)

As at 30 June 2024

FORM B 01a-DN

*(Issued under Circular No. 200/2014/TT-BTC
 dated 22 December 2014 of the Ministry of Finance)*

Unit: VND

ASSETS	Code	30/06/2024	31/12/2023
B. NON - CURRENT ASSETS	200	1,317,060,874,373	1,159,919,716,077
I. Long-term accounts receivable	210	19,571,075	10,289,364,354
1. Other long-term receivable	216	19,571,075	10,289,364,354
II. Fixed assets	220	986,443,272,547	834,523,557,980
1. Tangible fixed assets	221 10	924,782,564,406	747,112,712,566
- Cost	222	2,136,871,653,522	1,889,897,283,990
- Accumulated depreciation (*)	223	(1,212,089,089,116)	(1,142,784,571,424)
2. Financial lease assets	224 11	-	24,908,604,540
- Cost	225	-	45,544,973,606
- Accumulated depreciation (*)	226	-	(20,636,369,066)
3. Intangible fixed assets	227 12	61,660,708,141	62,502,240,874
- Cost	228	101,539,069,105	101,539,069,105
- Accumulated depreciation (*)	229	(39,878,360,964)	(39,036,828,231)
III. Investment property	230 13	2,348,374,007	2,383,250,849
- Cost	231	2,807,585,760	2,807,585,760
- Accumulated depreciation (*)	232	(459,211,753)	(424,334,911)
IV. Long-term assets in progress	240	40,222,803,486	30,982,414,095
1. Construction-in-progress	242 14	40,222,803,486	30,982,414,095
V. Long-term financial investments	250 15	156,134,593,840	145,682,220,931
1. Investments in subsidiaries	251	163,875,000,000	153,375,000,000
2. Investments in associates	252	10,365,000,000	10,365,000,000
3. Equity investments in other entities	253	4,943,600,000	4,943,600,000
4. Provisions for impairment of long-term financial investments	254	(23,049,006,160)	(23,001,379,069)
VI. Other long-term assets	260	131,892,259,418	136,058,907,868
1. Long-term prepayments	261 16	120,951,699,484	124,107,703,842
2. Deffered tax asset	262	10,940,559,934	11,951,204,026
TOTAL ASSETS (270 = 100 + 200)	270	3,658,662,369,183	3,242,536,353,619

SEPARATE BALANCE SHEET (Continued)

As at 30 June 2024

FORM B 01a-DN

(Issued under Circular No. 200/2014/TT-BTC
 dated 22 December 2014 of the Ministry of Finance)

Unit: VND

RESOURCES	Code	30/06/2024	31/12/2023
C. LIABILITIES	300	1,521,538,449,112	1,229,695,752,292
I. Current liabilities	310	1,446,367,034,755	1,136,401,576,842
1. Short-term trade payables	311 17	546,779,820,648	261,653,318,502
2. Short-term advances from customers	312 18	43,302,995,381	46,771,158,766
3. Taxes and amounts payable to the State Budget	313 19	19,121,714,433	16,606,036,895
4. Payable to employees	314	64,656,241,628	78,221,334,605
5. Short term accrued expenses	315 20	9,655,690,485	6,093,955,447
6. Other current payables	319 21	20,723,269,194	21,277,759,441
7. Short-term loans and obligations under finance leases	320 22	638,881,166,796	610,462,822,015
8. Bonus and welfare funds	322	103,246,136,190	95,315,191,171
II. Long-term liabilities	330	75,171,414,357	93,294,175,450
1. Other long-term payables	337 24	16,731,513,600	17,954,144,000
2. Long-term loans and obligations under finance leases	338 23	32,029,553,320	48,044,329,980
3. Provisions for long-term accounts payable	342 25	26,410,347,437	27,295,701,470
D. EQUITY	400	2,137,123,920,071	2,012,840,601,327
I. Owner's equity	410 26	2,137,123,920,071	2,012,840,601,327
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 premiums	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	222,829,036,743	289,025,312,368
5. Other reserves	420	74,741,056,109	74,741,056,109
6. Retained earnings	421	803,218,922,219	705,317,007,850
- Retained earnings accumulated to the prior year end	421a	665,744,901,287	514,825,944,207
- Retained earnings of the current period year end	421b	137,474,020,932	190,491,063,643
TOTAL RESOURCES (430 = 300 + 400)	440	3,658,662,369,183	3,242,536,353,619



Nguyen Thuy Trang
Preparer



Pham Thi Thanh Thuy
Chief Accountant





Nguyen Minh Hao
Chief Finance Officer
26 July 2024

SEPARATE INCOME STATEMENT
Second Quarter 2024

FORM B 02a-DN

*(Issued under Circular No. 200/2014/TT-BTC
 Dated on 22 December 2014 of the Ministry of Finance)*

Unit: VND

Items	Code	Note	Quarter II		For the period ended	
			Current year	Previous year	30/06/2024	30/06/2023
1. Gross revenue from goods sold and services rendered	1		829,821,886,070	699,540,477,718	1,748,422,367,368	1,561,357,047,562
2. Deductions	2		(208,078,534)	-	(453,181,294)	-
3. Net revenue from goods sold and services rendered	10	28	829,613,807,536	699,540,477,718	1,747,969,186,074	1,561,357,047,562
4. Costs of goods sold and services rendered	11	29	(682,268,324,151)	(609,274,989,700)	(1,448,088,691,279)	(1,340,418,225,015)
5. Gross profit from goods sold and services rendered	20		147,345,483,385	90,265,488,018	299,880,494,795	220,938,822,547
6. Financial income	21	31	26,183,941,783	51,251,095,737	50,214,548,349	73,036,951,688
7. Financial expenses	22	32	(8,642,420,253)	(22,484,262,607)	(27,323,258,760)	(42,683,732,940)
- in which: loan interest expenses	23		(4,840,262,702)	(9,420,900,137)	(11,136,807,184)	(19,866,117,127)
8. Selling expenses	24	33	(38,038,285,807)	(35,304,051,290)	(75,063,589,706)	(65,647,229,095)
9. General and administrative expenses	25	34	(36,060,400,279)	(20,545,230,005)	(78,317,535,331)	(55,091,574,861)
10. Net operating profit/(loss)	30		90,788,318,829	63,183,039,853	169,390,659,347	130,553,237,339
11. Other income	31	35	2,644,172,792	1,749,321,271	2,722,492,249	3,498,640,880
12. Other expenses	32	36	(203,200,287)	(267,911,847)	(374,848,258)	(476,170,641)
13. Other profit/(loss)	40		2,440,972,505	1,481,409,424	2,347,643,991	3,022,470,239
14. Profit/(loss) before tax	50		93,229,291,334	64,664,449,277	171,738,303,338	133,575,707,578
15. Current corporate income tax expense	51		(17,554,710,373)	(11,295,867,787)	(33,253,638,314)	(27,524,359,032)
16. Deferred corporate income tax	52		(1,010,644,092)	(1,738,130,068)	(1,040,644,092)	(1,738,130,068)
17. Net Profit/(loss) after tax	60		74,663,936,869	51,630,451,422	137,444,020,932	104,313,218,478

Nguyen Thuy Trang
Preparer

Pham Thi Thanh Thuy
Chief Accountant



Nguyen Minh Hao
Chief Finance Officer
26 July 2024

SEPARATE CASH FLOW STATEMENT

For the period ended at 30 June 2024

FORM B 03a-DN

(Issued under Circular No. 200/2014/TT-BTC
 dated 22 December 2014 of the Ministry of Finance)

Unit: VND

Items	Codes	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
I. CASH FLOWS FROM OPERATING ACTIVITIES	01		
1. Profit before tax		171,738,303,338	133,575,707,578
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	57,709,871,269	63,633,926,938
- Provisions/ Reversal	03	9,542,589,723	(5,834,898,499)
- Foreign exchange (gain)/loss arising from translating foreign currency items	04	(6,737,504,679)	11,666,233,942
- Gains/losses from investing activities	05	(15,162,086,922)	(51,151,089,385)
- Interest expenses	06	11,136,807,184	19,866,117,127
3. Operating profit before changes of working capital	08	228,227,979,913	171,755,997,701
-(Increase)/decrease in receivables	09	(133,917,301,682)	(7,588,070,953)
-(Increase)/decrease in inventories	10	(14,821,289,102)	21,795,908,404
- Increase/(decrease) in accounts payable	11	89,357,934,849	(62,081,562,163)
-(Increase)/decrease of prepaid expenses	12	416,726,469	758,109,928
- Interest paid	14	(11,419,042,367)	(20,113,166,128)
- Corporate income tax paid	15	(30,475,994,931)	(28,560,289,572)
- Other cash inflows	16	(5,259,757,169)	(2,468,621,885)
NET CASH FLOWS FROM OPERATING ACTIVITIES	20	122,109,255,980	73,498,305,332
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Amount payable for purchases and constructions of fixed assets and other long-term assets	21	(36,992,782,948)	(25,210,884,132)
2. Amount receivable from liquidation, transfer fixed and long-term assets	22	1,351,850,000	938,427,280
3. Amount payable for loan. Buying debit tools from other entities	23	(98,520,000,000)	(210,000,000,000)
4. Collection of loans, proceeds from sales of debt instruments of other entities	24	-	108,410,000,000
5. Amount payable for investment, capital contribution to other entities	25	(226,297,646)	-
6. Amount withdraw from investment, capital contribution to other entities	26	-	56,726,575,200
7. Interest earned, dividends and profits received	27	13,539,463,017	13,966,263,351
Net cash flows from investing activities	30	(120,847,767,577)	(55,169,618,301)

SEPARATE CASH FLOW STATEMENT (continued)


For the period ended at 30 June 2024

FORM B 03a-DN

(Issued under Circular No. 200/2014/TT-BTC
 dated 22 December 2014 of the Ministry of Finance)

Unit: VND

Items	Codes	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	-	(57,357,453,650)
<i>Net cash flows from financing activities</i>	40	10,980,827,637	(131,154,515,070)
Net cash flows during the year	50	12,242,316,040	(112,825,828,039)
Cash and cash equivalents at the beginning of the period	60	420,097,411,090	409,311,125,188
Effects of changes in foreign exchange rates	61	1,869,673,411	37,360,267
Cash and cash equivalents at the end of the period	70	434,209,400,541	296,522,657,416



 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 period of 12 months or less.

The Company's structure at 30 June 2024:

The Company has three subsidiaries:

- Thanh Cong Medical Center Joint Stock Company
- TC Tower Company Limited
- TC Commerce Company Limited

The Company has two associates:

- Thanh Phuc Investment Construction Corporation
- Vung Tau Golf Tourism Joint Stock Company

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying 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 financial reporting.

The accompanying 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.

The separate financial statements were prepared to present the separate financial position of the Company as at 30 June 2024, and the related separate statements of income and cash flows for the 6 months period ended 30 June 2024. Consequently, the Company did not consolidate the investments in subsidiaries and associates in these separate financial statements. The accounting policies applied to these investments of the Company are described in detail in Note 4 as below.

Accounting period

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

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 separate financial statements for the Company’s accounting period from 01 January 2024 to 30 June 2024.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

The preparation of separate 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 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 Directors’ best knowledge, actual results may differ from those estimates.

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 Company 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 Company comprise obligations under finance leases, borrowings, trade and other payables and 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.

Investments in subsidiaries, associates

Investment in subsidiaries

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.

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.

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

Investments in subsidiaries, joint ventures and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries, joint ventures and associates are made in accordance with the 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 value higher than net realisable value as at the balance sheet date.

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:

	<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 Company 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 Company's general policy on borrowing costs.

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.

Assets held by the Company under finance leases are machinery and equipment which were 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 not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets,

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.

Investment property

Investment properties, which are composed of buildings and structures and land use rights held by the Company 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 and Trang Bang Industrial Zone – Tay Ninh 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.

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 Directors' best estimate of the expenditure required to settle the obligation as at the balance sheet date.

Revenue recognition

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.

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 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.

Dividend income from investments is recognised when the Company'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 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 income statement in the year 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 and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

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 financial statements at the end of each reporting period. The increase or decrease in the accrued amount shall be recorded in the separate 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 separate 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.

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 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 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's shareholders is recognised as a liability in the Company's separate financial statements in the year in which the dividends are approved by the Company's 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's 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 held by the Company will have no dividend, no right for election or join to 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>30/06/2024</u>	<u>31/12/2023</u>
Cash on hand	631,147,308	404,218,395
Cash at bank	56,819,253,233	36,453,192,695
Cash equivalents	376,759,000,000	383,240,000,000
Total	<u>434,209,400,541</u>	<u>420,097,411,090</u>

6. SHORT-TERM TRADE RECEIVABLES

	30/06/2024	31/12/2023
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 Vietnam Co., Ltd.	199,329,676	158,808,097
Eland World LTD	92,362,193,954	63,305,801,076
Thanh Cong Medical Center JSC	109,845,183	105,441,218
Wish Trading (Shanghai) Co.LTD	21,241,646,054	7,129,025,591
Eland Global 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	164,982,900,117	141,624,603,573
Total	437,971,108,824	374,792,669,806

7. SHORT-TERM LOAN RECEIVABLES

Short-term loan receivables represent a loan to third party in 2006. This short-term loan receivables has been written off by the company from the provision for bad debts and monitored off-balance sheet.

8. OTHER SHORT-TERM RECEIVABLES

	30/06/2024	31/12/2023
Deposits and mortgagers	54,600,000	4,923,320,000
Dividend receivables	2,810,565,000	2,810,565,000
Interest receivables	3,689,964,854	5,911,190,949
Other receivables	1,005,655,506	1,352,120,241
Related parties (Note 39)	4,520,547,194	
Total	12,081,332,554	14,997,196,190

(*) Other short-term receivables mainly from TC Tower Limited Company (“TC Tower”), the Company’s subsidiary, represent the amount that the Company paid on behalf of TC Tower relating to operation expenses.

9. INVENTORIES

	30/06/2024		31/12/2023	
	Cost	Provision	Cost	Provision
Good in transit	62,818,993,998		64,766,916,530	
Raw materials	204,938,468,250		177,911,312,530	
Tools and supplies	4,859,161,644		1,923,794,573	
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)
Good on consignment	17,667,234,315		32,293,328,914	
Total	1,064,375,801,860	(31,706,609,066)	1,049,554,512,758	(24,653,876,111)

THANH CONG TEXTILE GARMENT INVESTMENT TRADING JOINT STOCK COMPANY
 NOTES TO THE SEPARATE FINANCIAL STATEMENTS SECOND QUARTER 2024 (Continued) FORM B 09-a-DN

10. TANGIBLE FIXED ASSETS

	Buidings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
COST						
As at 01/01/2024	633,485,596,078	1,053,557,510,745	26,551,739,488	29,990,047,957	146,312,389,722	1,889,897,283,990
Additions	76,498,055,613	109,582,722,173	1,955,819,645	2,121,428,174	10,134,060,484	200,292,086,089
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	711,233,636,895	1,206,752,747,925	28,507,559,133	32,111,476,131	158,266,233,438	2,136,871,653,522
As at 01/01/2024	194,403,961,860	782,985,580,383	18,195,040,300	24,034,974,321	123,165,014,560	1,142,784,571,424
Charge for the period	8,664,978,663	41,862,401,463	1,168,841,066	993,715,549	3,762,431,758	56,452,368,499
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	203,068,940,523	837,700,131,039	19,363,881,366	25,028,689,870	126,927,446,318	1,212,089,089,116
As at 01/01/2024	439,081,634,218	270,571,930,362	8,356,699,188	5,955,073,636	23,147,375,162	747,112,712,566
As at 30/06/2024	508,164,696,372	369,052,616,886	9,143,677,767	7,082,786,261	31,338,787,120	924,782,564,406

The cost of the Company's tangible fixed assets included VND 509 billion of assets which have been fully depreciated, but which are still in use (31 Dec 2023: VND 343 billion).

11. FINANCE LEASE ASSETS

	Machinery and equipment
COST	
As at 01/01/2024	45,544,973,606
Transfer to tangible fixed assets	(45,544,973,606)
As at 30/06/2024	<u>-</u>
ACCUMULATED DEPRECIATION	
As at 01/01/2024	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	<u>-</u>
As at 01/01/2024	24,908,604,540
As at 30/06/2024	<u>-</u>

12. INTANGIBLE ASSETS

	Land use rights	Patents	Software	Total
COST				
As at 01/01/2024	74,334,416,604	5,352,549,047	21,852,103,454	101,539,069,105
As at 30/06/2024	<u>74,334,416,604</u>	<u>5,352,549,047</u>	<u>21,852,103,454</u>	<u>101,539,069,105</u>
ACCUMULATED DEPRECIATION				
As at 01/01/2024	13,638,436,127	5,352,549,047	20,045,843,057	39,036,828,231
Charge for the period	197,245,853	-	644,286,880	841,532,733
As at 30/06/2024	<u>13,835,681,980</u>	<u>5,352,549,047</u>	<u>20,690,129,937</u>	<u>39,878,360,964</u>
NET BOOK VALUE				
As at 01/01/2024	60,695,980,477	-	1,806,260,397	62,502,240,874
As at 30/06/2024	<u>60,498,734,624</u>	<u>-</u>	<u>1,161,973,517</u>	<u>61,660,708,141</u>

13. INVESTMENT PROPERTY

	Buildings and structures
COST	
As at 01/01/2024	2,807,585,760
As at 30/06/2024	<u>2,807,585,760</u>
ACCUMULATED DEPRECIATION	
As at 01/01/2024	424,334,911
Charge for the period	34,876,842
As at 30/06/2024	<u>459,211,753</u>
NET BOOK VALUE	
As at 01/01/2024	2,383,250,849
As at 30/06/2024	<u>2,348,374,007</u>

14. CONSTRUCTION IN PROGRESS

	<u>30/06/2024</u>	<u>31/12/2023</u>
Beginning balance	30,982,414,095	35,594,013,143
Additions	18,543,012,296	42,769,227,358
Transfer to finance lease assets	-	(28,389,489,259)
Transfer to tangible fixed assets	(9,302,622,905)	(18,991,337,147)
Ending balance	<u>40,222,803,486</u>	<u>30,982,414,095</u>

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

	<u>30/06/2024</u>	<u>31/12/2023</u>
Building	1,873,207,132	92,000,000
ERP software	32,651,121,354	27,713,873,545
Others	5,698,475,000	3,176,540,550
Total	<u>40,222,803,486</u>	<u>30,982,414,095</u>

15. LONG-TERM FINANCIAL INVESTMENTS

Investments in subsidiaries

	<u>30/06/2024</u>		<u>31/12/2023</u>	
	Amount	Ownership interest	Amount	Ownership interest
Thanh Cong Medical Center JSC (*)	14,055,000,000	70.94%	14,055,000,000	70.94%
TC Commerce Company Limited (**)	12,000,000,000	100.00%	12,000,000,000	100.00%
TC Tower Company Limited (***)	137,820,000,000	100.00%	127,320,000,000	100.00%
Total	<u>163,875,000,000</u>		<u>153,375,000,000</u>	

Investments in associates

	<u>30/06/2024</u>		<u>31/12/2023</u>	
	Amount	Ownership interest	Amount	Ownership interest
Thanh Phuc Corporation	1,665,000,000	23.79%	1,665,000,000	23.79%
Vung Tau Gofit tourism JSC	8,700,000,000	29.61%	8,700,000,000	29.61%
Total	<u>10,365,000,000</u>		<u>10,365,000,000</u>	

Other long-term investments

	<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	2,449,600,000	2,449,600,000
Total	<u>4,943,600,000</u>	<u>4,943,600,000</u>

(*) Thanh Cong Medical Center JSC (“Thanh Cong Medical Center”) was established in Vietnam under Business Registration Certificate No. 0305253809 dated 5 October 2007 issued by the Department of Planning and Investment of Ho Chi Minh City. As at the date of this report, the Company has fully contributed to Thanh Cong Medical Center.

(**) TC Commerce Company Limited was established in Vietnam under Enterprise Registration Certificate No. 0316806269 dated 13 April 2021 issued by the Department of Planning and Investment of Ho Chi Minh City. The subsidiary’s registered charter capital is VND 12,000,000,000. As at the date of this report,

the Company has contributed capital to TC Commerce by cash is VND 11,355,357,025 and by fixed asset with the amount of VND 644,642,975.

(**) TC Tower Company Limited (“TC Tower”) was established in Vietnam under Enterprise Registration Certificate No. 411022000794 dated 31 October 2014 issued by the Department of Planning and Investment of Ho Chi Minh City. As at the date of this report, under the latest Enterprise Registration Certificate No. 0313019898 dated 22 May 2024 issued by the Department of Planning and Investment of Ho Chi Minh City, the subsidiary’s registered charter capital is VND 137,820,000,000 and the Company has contributed capital land use rights to TC Tower with the amount of VND 137,820,000,000.

16. LONG-TERM PREPAYMENTS

	<u>30/06/2024</u>	<u>31/12/2023</u>
Beginning balance	124,107,703,842	124,394,940,167
Additions	2,724,643,695	8,546,025,518
Allocated to expenses during to period	(5,880,648,053)	(8,833,261,843)
Ending balance	120,951,699,484	124,107,703,842

Details of long-term prepayments are as follows:

	<u>30/06/2024</u>	<u>31/12/2023</u>
Tools and supplies	5,007,297,466	5,655,631,560
Land rental fees	110,804,028,755	112,451,361,350
Other	5,140,373,263	6,000,710,932
Total	120,951,699,484	124,107,703,842

17. SHORT-TERM TRADE PAYABLES

	<u>30/06/2024</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 Textile Garment Company Limited	243,371,777,914	7,487,039,345
Eland Viet Nam	277,988,121	247,211,215
TC Commerce Limited Company	79,504,065	152,944,606
Thanh Cong Medical Center JSC	197,494,496	606,143,496
Eland Engineering & Construction VN LTD	680,205,094	680,205,094
Kotiti Viet Nam 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	259,866,494,470	209,798,090,938
Total	546,779,820,648	261,653,318,502

18. SHORT- TERM ADVANCES FROM CUSTOMERS

	<u>30/06/2024</u>	<u>31/12/2023</u>
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	-
Others	20,486,456,318	27,078,907,619
Total	43,302,995,381	46,771,158,766

19. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	<u>30/06/2024</u>	<u>31/12/2023</u>
Coprorate income tax	17,482,097,759	14,701,636,766
Personal income tax	1,591,723,205	1,373,177,967
Withholding tax	47,893,469	531,222,162
Total	<u>19,121,714,433</u>	<u>16,606,036,895</u>

20. SHORT TERM ACCRUED EXPENSES

	<u>30/06/2024</u>	<u>31/12/2023</u>
Audits fees	265,835,501	325,560,000
Commission	1,329,287,107	1,219,695,728
Land rental	2,179,362,269	
Loan interest expenses	316,687,020	598,922,203
Other	5,564,518,588	3,949,777,516
Total	<u>9,655,690,485</u>	<u>6,093,955,447</u>

21. OTHER CURRENT PAYABLES

	<u>30/06/2024</u>	<u>31/12/2023</u>
Union fee	7,608,681,920	7,667,466,200
Dividends payable	131,412,640	131,412,640
Deposit	6,821,151,932	8,219,996,436
Other payable	6,162,022,702	5,258,884,165
Total	<u>20,723,269,194</u>	<u>21,277,759,441</u>

22. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	31/12/2023	In the period		Revaluation	30/06/2024
	Amount	Increases	Decreases		Amount
Short-term loans	583,346,193,453	1,247,302,294,995	(1,290,353,340,902)	762,230,199	541,057,377,745
- 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)	470,958,357	414,535,516,024
- Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV") - HCM Branch	61,745,949,732	259,936,842,417	(218,644,134,475)	291,271,842	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
Discount receivable document	24,022,164,990	381,320,775,211	(312,179,661,436)	660,510,285	69,801,624,060
Current portion of long -term loans	3,094,463,572	16,014,776,660	(12,014,776,659)	-	28,022,164,991
Current portion of long -term finance leases	610,462,822,015	1,644,637,846,866	(1,617,642,242,569)	1,422,740,484	638,881,166,796
Total					

23. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	31/12/2023	In the period		Revaluation	30/06/2024
	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

24. 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.

25. LONG-TERM PROVISIONS

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

26. OWNERS' EQUITY

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

	<u>30/06/2024</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>30/06/2024</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 SEPARATE FINANCIAL STATEMENTS SECOND QUARTER 2024 (Continued)

FORM B 09a-DN

Movement in owners' equity:

	Owner's contributed capital	Share premium	Treasury shares	Investment and development fund	Other reserves	Retained earnings	Total
As at 01/01/2023	820,471,270,000	22,720,075,000	(5,939,990,000)	339,317,297,515	74,741,056,109	670,562,916,600	1,921,872,625,224
Capital increased from bonus shares	106,505,870,000	-	-	(106,505,870,000)	-	-	-
Profit for the period	-	-	-	-	-	190,491,063,643	190,491,063,643
Fund appropriation	-	-	-	56,213,884,853	-	(56,213,884,853)	-
Dividend declared	-	-	-	-	-	(57,362,673,900)	(57,362,673,900)
Bonus and welfare funds appropriation	-	-	-	-	-	(42,160,413,640)	(42,160,413,640)
As at 31/12/2023	926,977,140,000	22,720,075,000	(5,939,990,000)	289,025,312,368	74,741,056,109	705,317,007,850	2,012,840,601,327
As at 01/01/2024	926,977,140,000	22,720,075,000	(5,939,990,000)	289,025,312,368	74,741,056,109	705,317,007,850	2,012,840,601,327
Capital increased from bonus shares	92,577,680,000	-	-	(92,577,680,000)	-	-	-
Profit for the period	-	-	-	-	-	137,474,020,932	137,474,020,932
Fund appropriation	-	-	-	26,381,404,375	-	(26,381,404,375)	-
Bonus and welfare funds appropriation	-	-	-	-	-	(13,190,702,188)	(13,190,702,188)
As at 30/06/2024	1,019,554,820,000	22,720,075,000	(5,939,990,000)	222,829,036,743	74,741,056,109	803,218,922,219	2,137,123,920,071

27. SEGMENT REPORTING

The Company selected geographical segments as a reportable segment because the risk and economic benefits of the Company differ in each geographical segment.

The business segment report includes items directly attributable to a segment as well as for 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 income statement of 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
Domestic		
Revenue	165,186,994,131	173,697,589,992
Cost of goods sold	152,604,278,452	146,909,934,455
Gross profit	12,582,715,679	26,787,655,537
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
Total revenue	1,747,969,186,074	1,561,357,047,562
Total cost of goods sold	1,448,088,691,279	1,340,418,225,015
Total gross profit	299,880,494,795	220,938,822,547

Geographical segments

As stated the segment information about geographical segments, segment revenue depends on geographic location of clients in Vietnam (“Domestic”) or in other countries other than Vietnam (“Export”). The Company does not prepare the segment report for items in the balance sheet due to insufficient basis for separation.

Business segments

The separate financial statements have not presented business segments because the Company’s all operations focus on manufacturing, trading of garment and textile products.

28. 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	1,748,422,367,368	1,561,357,047,562
Revenue from sales and finished good	1,675,973,049,057	1,495,018,282,116
Revenue from rendering of services	70,512,853,525	64,468,031,112
Revenue from other activities	1,936,464,786	1,870,734,334
Deductions	(453,181,294)	-
Sales returns	(453,181,294)	-
Net sales	1,747,969,186,074	1,561,357,047,562

29. 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 for decline in value of inventories	7,052,732,955	7,867,535,729
Others	763,348,952	708,905,859
Total	1,448,088,691,279	1,340,418,225,015

30. PRODUCTION COST BY NATURE

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Raw materials	833,059,610,571	859,892,868,840
Labour cost	488,064,594,938	446,710,305,072
Depreciation and amortisation	57,709,871,269	63,633,926,938
Out-sourced services	236,505,466,895	210,850,900,765
Other	56,955,807,014	39,060,667,176
Total	1,672,295,350,687	1,620,148,668,791

31. FINANCIAL INCOME

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Bank and loan interest	8,958,727,422	15,866,066,820
Dividend income	2,359,509,500	2,240,554,500
Disposal long term financial investments	-	32,258,667,240
	32,158,806,748	22,671,663,128
	6,737,504,679	-
Total	50,214,548,349	73,036,951,688

32. FINANCIAL EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Interest expense	11,136,807,184	19,866,117,127
Provision for financial investments	47,627,091	1,874,694,952
Other	-	405,150,791
Unrealised foreign exchange loss	-	11,666,233,942
Realised foreign exchange loss	16,138,824,485	8,871,536,128
Total	27,323,258,760	42,683,732,940

33. SELLING EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Staff costs	40,613,128,041	37,359,226,600
Outside service expenses	10,415,278,744	6,407,103,054
Transportation expenses	11,665,432,234	9,394,040,193
Depreciation and amortisation expenses	265,495,726	302,523,663
Materials	112,439,252	111,207,878
Other	11,991,815,709	12,073,127,707
Total	75,063,589,706	65,647,229,095

34. GENERAL AND ADMINISTRATION EXPENSES

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Staff costs	48,490,180,409	41,282,553,946
Outside service expenses	4,992,380,450	4,760,061,079
Depreciation and amortisation expenses	3,045,240,666	2,865,473,071
Office equipments	1,810,458,326	1,916,788,780
Provision for doubtful debts	3,327,583,710	(15,428,822,608)
Land rental	7,668,111,768	7,668,111,766
Other	8,983,580,002	12,027,408,827
Total	78,317,535,331	55,091,574,861

35. 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	785,800,825
Proceed from sales of material, supplies	124,433,965	259,861,003
Others	1,246,208,284	2,452,979,052
Total	2,722,492,249	3,498,640,880

36. 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	274,329,018	272,712,833
Total	374,848,258	476,170,641

37. FINANCIAL INSTRUMENTS

Capital risk management.

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The capital structure of the Company consists of net debt (borrowings as disclosed in Note 22 and 23, offset by cash and cash equivalents) and equity attributable to shareholders (comprising owners' contributed capital, share premium, treasury shares, reserves and retained earnings).

Gearing ratio

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

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

	30/06/2024	31/12/2023
Borrowings	670,910,720,116	658,507,151,995
Less: cash and cash equivalents	434,209,400,541	420,097,411,090
Net debt	236,701,319,575	238,409,740,905
Equity	2,137,123,920,071	2,012,840,601,327
Net debt to equity ratio	0.11	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	434,209,400,541	420,097,411,090
Held-to-maturity investment	388,012,000,000	287,000,000,000
Trade and other receivables	375,623,364,318	328,958,165,925
Investments	4,803,306,603	4,797,861,886
Total	1,202,648,071,462	1,040,853,438,901
Financial liabilities		
Obligations under finance leases	-	3,094,463,572
Borrowings	670,910,720,116	655,412,688,423
Trade and other payables	559,975,921,522	275,341,755,743
Accrued expenses	9,655,690,485	6,093,955,447
Total	1,240,542,332,123	939,942,863,185

The Company 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 No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 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 Company has set up risk management system to identify and assess the risks exposed by the Company 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 Company’s operations.

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

Market risk

Foreign currency risk management

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

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

	Liabilities		Asset	
	30/06/2024	31/12/2023	30/06/2024	31/12/2023
	VND	VND	VND	VND
United States Dollar (USD)	322,634,250,867	260,339,986,315	651,018,538,011	468,414,263,972
Euro (EUR)	-	-	2,193,424,601	737,945,706
Japanese Yen (JPY)	160,914,445	199,039,560	13,475,835	14,718,165
Total	322,795,165,312	260,539,025,875	653,225,438,447	469,166,927,843

Foreign currency sensitivity analysis

The Company is mainly exposed to United States Dollar.

The following table details the Company'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 the Board of Directors and represents the 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 USD against Vietnam Dong, the profit before tax in the period would increase/(decrease) VND (6,567,685,743) (the previous period VND 10,221,067,439).

Interest rate risk management

The Company has significant interest rate risks arising from interest-bearing loans which are arranged. The risk is managed by the Company 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 period ended at 30 June 2024 would have decreased/increased by VND 6,709,107,201 (the previous period ended at 30 June 2023: VND 8,389,396,407).

Share price risk management.

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

The Company is also exposed to equity price risks arising from investments in subsidiaries and associates. The Company'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 Company does not have intention to trade these investments in the foreseeable future.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. The Company 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 Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its shareholders to meet its liquidity requirements in the short and longer term.

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

The following table details the Company'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 Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company'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	434,209,400,541	-	434,209,400,541
Held-to-maturity investment	388,012,000,000	-	388,012,000,000
Trade and other receivables	375,603,793,243	19,571,075	375,623,364,318
Investments	-	4,803,306,603	4,803,306,603
Total	1,197,825,193,784	4,822,877,678	1,202,648,071,462
Obligations under finance leases			
Borrowings	638,881,166,796	32,029,553,320	670,910,720,116
Trade and other payables	559,894,407,922	81,513,600	559,975,921,522
Accrued expenses	9,655,690,485	-	9,655,690,485
Total	1,208,431,265,203	32,111,066,920	1,240,542,332,123
Net liquidity gap	(10,606,071,419)	(27,288,189,242)	(37,894,260,661)
As at 31/12/2023	Less than 1 year	Over 1 year	Total
Cash and cash equivalents	420,097,411,090	-	420,097,411,090
Held-to-maturity investment	287,000,000,000	-	287,000,000,000
Trade and other receivables	318,668,801,571	10,289,364,354	328,958,165,925
Investments	-	4,797,861,886	4,797,861,886
Total	1,025,766,212,661	15,087,226,240	1,040,853,438,901
Obligations under finance leases	3,094,463,572	-	3,094,463,572
Borrowings	607,368,358,443	48,044,329,980	655,412,688,423
Trade and other payables	275,263,611,743	78,144,000	275,341,755,743
Accrued expenses	6,093,955,447	-	6,093,955,447
Total	891,820,389,205	48,122,473,980	939,942,863,185
Net liquidity gap	133,945,823,456	(33,035,247,740)	100,910,575,716

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

38. OTHER INFORMATION

Explanation of profit after corporate income tax in the second quarter 2024 increases 44,6% and the first 6 months of 2024 by 31,79% 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 18.59% and 11.95%, and the rate of COGS/net revenue in the second quarter and the first six months 2024 decreases by 4.86% and 3.01% compared to the same period in 2023.

Therefore, the gross profit in the second quarter 2024 increases 63.24% and the first six months 35,73% compared to the same period in 2023.

Total financial expenses in second quarter and six months 2024 decreased by 61.56% and 24.99% 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.

39. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties:

<u>Name</u>	<u>Relationship</u>
Eland Asia Holdings Pte Ltd	Main shareholder
Thanh Cong Medical Center JSC	Subsidiary
TC Tower Limited Company	Subsidiary
TC Commerce Limited Company	Subsidiary
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. Intercorporated In Singapore With Limited Liability	Company in Eland Group
Kotiti Viet Nam Co., Ltd	The related company a member of Board of Directors
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 Trading (Shanghai) Co., Ltd	Company in Eland Group
Wish Fashion (Shanghai) Co.Ltd	Company in Eland Group
Eland Fashion India PVT.Ltd	Company in Eland Group
Eland Global Co., Ltd	Company in Eland Group
Eland Engineering & Construction VN Limited	Company in Eland Group

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

During the period, the Company 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 World LTD	334,222,843,563	258,781,766,028
Eland Fashion (Shanghai) Co.,Ltd	49,459,810,297	5,677,594,482
Wish Fashion Shanghai Co.LTD	34,927,207,565	6,543,074,169
Eland Global Co., Ltd	14,889,661,536	9,241,085,691
Eland International Fashion Shanghai Co.LTD	3,824,659,922	7,331,689,973
SY Vina Textile Garment Company Limited	2,280,086,850	509,541,856
Eland Viet Nam Ltd	874,884,506	83,517,600
Thanh Cong Medical Center JSC	588,072,184	568,982,241
Kotiti Viet Nam Co., Ltd	50,471,844	-
TC Commerce Company Limited	30,000,000	30,000,000
E-Land Asia Holdings Pte. Ltd	-	60,781,808,903
Eland retail LTD	-	463,600,774
Total	441,147,698,267	350,012,661,717

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 LTD	582,319,022	481,631,296
TC Commerce Company Limited	191,256,907	234,614
Thanh Cong Medical Center JSC	180,055,000	1,652,056,653
Savimex Corporation	149,428,704	-
Total	107,403,034,758	14,374,975,724

Purchases 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 Ltd	-	873,129,449
Total	200,246,196,089	11,515,629,449

Financing activities

	From 01/01/2024 to 30/06/2024	From 01/01/2023 to 30/06/2023
Dividends paid by cash to E-Land Asia Holdings Pte. Ltd.	-	25,821,562,900
Dividends paid by bonus shares to ELand Asia Holdings Pte. Ltd.	43,535,430,000	-
Dividends paid by bonus shares to Savimex Corporation	2,780,940,000	-
Dividends received from Thanh Cong Medical Center Joint Stock Company		
Thành Công	1,799,664,500	1,648,804,500

Period-end balances with related parties

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
Thanh Cong Medical Center JSC	109,845,183	105,441,218
Wish Fashion (Sanghai) Co.LTD	21,241,646,054	7,129,025,591
Eland Global Co., Ltd	963,011,286	6,154,268,876
Total	134,464,271,425	79,997,952,540

Other receivables	30/06/2024	31/12/2023
TC Tower Company Limited	4,500,000,000	-
Eland Engineering & Construction Viet Nam Co., Ltd	14,247,222	-
E-Land Asia Holdings Pte., Ltd	6,299,972	-
Total	4,520,547,194	-

Other long term receivables

	30/06/2024	31/12/2023
TC Tower Company Limited	-	10,270,702,354

Trade payables

	30/06/2024	31/12/2023
SY Vina Textile Garment Company Limited	243,371,777,914	7,487,039,345
Wish Trading (Shanghai) Co.LTD	11,391,726,329	9,174,425,509
Eland International Fashion (Shanghai) Co LTD	4,898,521,838	2,568,195,477
Eland Human Resource Development Center		620,241,138
Eland Viet Nam Ltd	277,988,121	247,211,215
TC Commerce Company Limited	79,504,065	152,944,606
Thanh Cong Medical Center JSC	197,494,496	606,143,496
Eland Engineering & Construction VN LTD	680,205,094	680,205,094
Kotiti Viet Nam Co., Ltd	556,252,218	383,549,299
Total	261,453,470,075	21,919,955,179

Short-term advances to suppliers

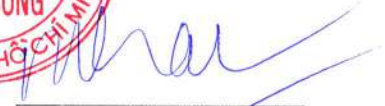
	30/06/2024	31/12/2023
SY Vina Textile Garment Company Limited	17,263,500,000	-



Nguyen Thuy Trang
Preparer



Pham Thi Thanh Thuy
Chief Accountant



Nguyen Minh Hao
Chief Finance Officer
26 July 2024