

HA LONG CANNED FOOD JOINT STOCK CORPORATION
AUDITED SEPARATE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2023



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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Ha Long Canned Food Joint Stock Corporation (hereinafter referred to as “the Company”) presents this report together with the audited separate financial statements for the fiscal year ended 31 December 2023.

BOARD OF MANAGEMENT, BOARD OF SUPERVISION, AND BOARD OF GENERAL DIRECTORS

Members of Board of Management, Supervisory Board and Board of General Directors of the Company who held office for the fiscal year ended 31 December 2023 are as follows:

Board of Management

Mr. Kek Chin Ann	Chairman
Mr. Nguyen Thanh Trung	Vice Chairman
Mr. Bui Quoc Hung	Member
Mr. Tran Huu Hoang	Member
Mr. Wilson Cheah Hui Pin	Member

Board of Supervision

Ms. Nguyen Thi Huong Giang	Head of the Supervisory Board	Appointed on 25 April 2023
Ms. Pham Thi Hai Yen	Head of the Supervisory Board	Replaced on 25 April 2023
Mr. Nguyen Manh Tuan Vu	Member	
Mrs. La Thi Quy	Member	Resignation letter on 30 June 2023

Board of General Directors

Mr Truong Sy Toan	Chief Executive Officer	
Mrs. Pham Thi Thu Nga	Deputy General Director	Appointment expired on 25 November 2023

Legal representative

Mr. Kek Chin Ann	Chairman
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Chief Accountant

Chief accountant of the Company is Mrs. Bui Thi Huong.

EVENTS AFTER THE BALANCE SHEET DATE

On 29 February 2024, Cot Den Food One Member Enterprise Liability Limited with 100% capital contributed by the Company (a subsidiary of the Company) has been granted an enterprise registration certificate by Hanoi Department of Planning and Investmen. Accordingly, the charter capital of Cot Den Food One Member Enterprise Liability Limited is VND 1,000,000,000 (VND 1 billion) and is headquartered at No. 44 Chua Quynh, Quynh Loi Ward, Hai Ba Trung District, Hanoi.

The Board of General Directors confirms that apart from the above information, there have been no significant events occurring after the balance sheet date which would require adjustments to or disclosures to be made in the separate financial statements.

THE AUDITOR

The accompanying separate financial statements have been reviewed by UHY Auditing and Consulting Company Limited.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONT'D)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Company is responsible for preparing the separate financial statements which give a true and fair view of the financial position of the Company for the fiscal year ended 31 December 2023 and its results of operations and cash flows for the year then ended, in accordance with Vietnamese accounting standards, corporate accounting regime and legal regulations related to the preparation and presentation of separate financial statements. In preparing those financial statements, the Board of General Directors is required to:

- 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 separate financial statements; and
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.
- Design and implement an effective system of internal control for the purpose of fair preparation and presentation of the separate financial statements in order to limit risks and frauds

The Board of General Directors confirms that the Company has complied with the above requirements in preparing and presenting the separate financial statements.

The Board of General Directors is responsible for ensuring that accounting records are properly kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the separate financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other related legal regulations on preparation and presentation of the separate financial statements. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Legal Representative of the Company authorized the Chief Executive Officer to sign and be responsible for the separate financial statements of the Company pursuant to the Authorisation Letter No. 12/GUQ/ĐHHL dated 28 November 2022.

OTHER COMMITMENTS

The Board of general directors commits that the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC on 16 November 2020 of the Ministry of Finance on disclosing information in the Securities Market, complying with the provisions of Decree No.155/2020/ND-CP on 31 December 2020 of the Government detailing the implementation of a number of articles of the securities law and Circular No. 116/2020/TT-BTC on 31 December 2020 of the Ministry of Finance guiding a number of articles on corporate governance applicable to public companies in Decree No. 155/2020/ND-CP.

For and on behalf of the Board of General Directors,

Truong Sy Toan
Chief Executive Officer

Authorized under Power of Attorney No. 12/UQ-DHHL dated 28 November 2022
Hai Phong, 15 March 2024

No: 237/2024/UHY-BCKT

INDEPENDENT AUDITORS' REPORT

*On the separate financial statements of Ha Long Canned Food Joint Stock Corporation
For the fiscal year ended 31 December 2023*

To: Shareholders
Board of Management and Board of General Directors
Ha Long Canned Food Joint Stock Corporation

We have audited the accompanying separate financial statements of Ha Long Canned Food Joint Stock Corporation (hereinafter referred to as the "Company") which were prepared on 15 March 2024 as set out on page 06 to 38, including the Separate Statement of Financial Position as at 31 December 2023, the Separate Income Statement and Separate Cash Flow Statement for the fiscal year then ended and the Notes thereto.

Responsibilities of the Board of General Directors

The Board of general directors of the Company is responsible for preparing and presenting the separate financial statements in a true and fair view in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations related to the preparation and presentation of the separate financial statements and for such internal control as the Board of General Directors determines is necessary to enable the preparation and presentation of the separate financial statements that are free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditors

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The selected procedures depend on the auditor's judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the separate financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors, as well as evaluating the overall presentation of the separate financial statements.

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

Opinion of the Auditors

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the financial position of the Ha Long Canned Food Joint Stock Corporation as at 31 December 2023 and the results of its operations and its cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations related to preparation and presentation of the separate financial statements.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Other matters

The separate financial statements of HaLong Canned Food Joint Stock Corporation for the fiscal year ended 31 December 2022 have been audited by other auditors and another audit firm. These auditors issued an unqualified opinion on these separate financial statements on 20 March 2023.



Nguyen Minh Long
Deputy General Director
Auditor's Practicing Certificate No.0666-
2023-112-1
For and on behalf of
UHY AUDITING AND CONSULTING COMPANY LIMITED
Hanoi, 15 March 2024

Bui Duc Nam
Auditor
Auditor's Practicing Certificate No. 5142-
2020-112-1

Bn

SEPARATE BALANCE SHEET
As at 31 December 2023

ASSETS	Code	Note	31/12/2023 VND	01/01/2023 VND
CURRENT ASSETS	100		203,289,496,273	257,826,296,362
Cash and cash equivalents	110	4	12,070,306,185	9,689,924,550
Cash	111		12,070,306,185	9,689,924,550
Short-term receivables	130		41,585,811,242	42,744,411,954
Short-term trade accounts receivable	131	7	41,029,911,181	40,160,862,580
Short-term prepayments to suppliers	132	8	2,102,189,280	4,215,354,578
Other short-term receivables	136	9	7,926,392,728	7,875,499,279
Provision for short-term doubtful debts	137	11	(9,472,681,947)	(9,507,304,483)
Inventories	140	10	147,874,118,503	203,187,599,905
Inventories	141		150,390,531,267	205,531,413,002
Provision against devaluation of goods in stock	149		(2,516,412,764)	(2,343,813,097)
Other current assets	150		1,759,260,343	2,204,359,953
Short-term prepaid expenses	151	5	1,453,836,393	2,204,359,953
Taxes and other receivables from the State	153		305,423,950	-
NON-CURRENT ASSETS	200		48,169,522,110	52,800,994,812
Long-term receivables	210		598,164,171	598,164,171
Other long-term receivables	216	9	598,164,171	598,164,171
Fixed assets	220		29,499,923,541	33,864,566,725
Tangible fixed assets	221	13	17,415,764,148	21,433,936,555
- <i>Cost</i>	222		107,250,993,484	110,166,557,351
- <i>Accumulated depreciation</i>	223		(89,835,229,336)	(88,732,620,796)
Intangible fixed assets	227	12	12,084,159,393	12,430,630,170
- <i>Cost</i>	228		14,134,262,202	14,134,262,202
- <i>Accumulated amortization</i>	229		(2,050,102,809)	(1,703,632,032)
Long-term investments	250	6	15,110,926,449	15,110,926,449
Investments in subsidiaries	251		15,110,926,449	15,110,926,449
Other non-current assets	260		2,960,507,949	3,227,337,467
Long-term prepaid expenses	261	5	2,960,507,949	3,227,337,467
TOTAL ASSETS	270		251,459,018,383	310,627,291,174

SEPARATE BALANCE SHEET (CONT'D)
As at 31 December 2023

RESOURCES	Code	Note	31/12/2023	01/01/2023
			VND	VND
LIABILITIES	300		146,255,784,521	199,054,297,986
Current liabilities	310		141,557,637,505	194,451,981,950
Short-term trade accounts payable	311	14	19,385,076,031	41,498,019,509
Short-term advances from customers	312		531,542,713	522,900,983
Taxes and other payables to the State budget	313	16	3,161,082,888	4,769,484,671
Payables to employees	314		3,900,822,062	8,466,325,719
Short-term expenses payable	315	17	9,060,317,990	9,283,049,992
Other short-term payables	319	18	614,005,711	563,887,726
Short-term borrowings and finance lease debts	320	15	101,046,981,544	124,999,827,702
Bonus and welfare fund	322		3,857,808,566	4,348,485,648
Non-current liabilities	330		4,698,147,016	4,602,316,036
Other long-term payables	337	18	282,500,163	372,500,163
Provision for long-term payables	342	19	4,415,646,853	4,229,815,873
OWNERS' EQUITY	400	20	105,203,233,862	111,572,993,188
Owners' equity	410		105,203,233,862	111,572,993,188
Owners' equity	411		50,000,000,000	50,000,000,000
- <i>Ordinary shares with voting rights</i>	411a		50,000,000,000	50,000,000,000
Share premium	412		15,753,387,350	15,753,387,350
Investment and development funds	418		29,020,260,148	29,020,260,148
Retained earnings	421		10,429,586,364	16,799,345,690
- <i>Accumulated retained earnings brought forward</i>	421a		8,799,345,690	4,597,673,839
- <i>Retained earnings for the current year</i>	421b		1,630,240,674	12,201,671,851
TOTAL RESOURCES	440		251,459,018,383	310,627,291,174

Hai Phong, 15 March 2024

Preparer 
Duong Thi Thu Phuong

Chief Accountant 
Bui Thi Huong

Chief Executive Officer 
Truong Sy Toan

SEPARATE INCOME STATEMENT
For the fiscal year ended 31 December 2023

Items	Code	Note	Year 2023	Year 2022
			VND	VND
Gross sales of merchandise and services	01	21	494,664,373,235	528,757,216,314
Less deductions	02	22	12,776,274,146	14,418,234,174
Net sales of merchandise and services	10		481,888,099,089	514,338,982,140
Cost of goods sold	11	23	363,574,650,111	383,748,743,841
Gross profit from sales of merchandise and services	20		118,313,448,978	130,590,238,299
Financial income	21	24	15,786,156	10,770,860
Financial expenses	22	25	10,007,229,126	8,496,659,730
<i>Including : Interest expenses</i>	23		9,180,290,597	7,145,142,292
Selling expenses	25	26	88,282,304,111	81,177,062,276
General and administrative expenses	26	26	20,293,620,805	23,487,640,676
Operating profit	30		(253,918,908)	17,439,646,477
Other income	31	27	4,417,350,538	396,045,177
Other expenses	32		48,047,944	1,812,034,688
Profit from other activities	40		4,369,302,594	(1,415,989,511)
Net profit before tax	50		4,115,383,686	16,023,656,966
Current Corporate income tax expenses	51	29	2,485,143,012	3,821,985,115
Deferred Corporate income tax expenses	52		-	-
Net profit after tax	60		1,630,240,674	12,201,671,851

Hai Phong, 15 March 2024

Preparer

Duong Thi Thu Phuong

Chief Accountant

Bui Thi Huong

Chief Executive Officer

M.S.Đ.N: 02003447
CÔNG TY
CỔ PHẦN
BỘ HỘP HÀ LONG
(HALONG CANFOCO)
QNGO QUYEN - TP.HAI PHONG

Truong Sy Toan

SEPARATE CASH FLOW STATEMENT

(Applying indirect method)

For the fiscal year ended 31 December 2023

Items	Code	Note	Year 2023	Year 2022
			VND	VND
Cash flows from operating activities				
Profit before tax	1		4,115,383,686	16,023,656,966
Adjustments for:				
Depreciation and amortization	02		4,983,593,184	5,227,678,324
Provisions	03		323,808,111	(1,585,326,219)
(Gain) from investing activities	05		(364,988,779)	(178,601,790)
Interest expense	06		9,180,290,597	7,145,142,292
Operating profit before movements in working capital	08		18,238,086,799	26,632,549,573
Increase, decrease in receivables	09		887,799,298	6,038,747,038
Increase, decrease in inventories	10		55,140,881,735	(4,592,574,675)
Increase, decrease in payables (excluding interest payables, corporate income tax payable)	11		(28,632,570,003)	(26,275,391,389)
Increase, decrease in prepaid expenses	12		1,017,353,078	(1,092,048,922)
Interest paid	14		(9,218,312,661)	(7,091,252,695)
Corporate income tax paid	15		(2,365,476,900)	(5,746,741,225)
Other cash outflows from operating activities	17		(990,677,082)	(602,294,832)
Net cash flows from operating activities	20		34,077,084,264	(12,729,007,127)
Cash flows from investing activities				
Acquisition of fixed assets and other long-term assets	21		(618,950,000)	(1,262,572,727)
Proceeds from fixed assets and long-term assets disposal	22		356,060,455	173,218,000
Interest income, dividend and profit distributed	27		8,928,324	5,383,790
Net cash flows from investing activities	30		(253,961,221)	(1,083,970,937)
Cash flows from financing activities				
Proceeds from borrowings	33		391,381,143,651	435,666,764,964
Repayments of principal	34		(415,333,989,809)	(400,581,367,554)
Dividends paid, profits distributed to owners	36		(7,489,895,250)	(12,512,593,550)
Net cash flows from financing activities	40		(31,442,741,408)	22,572,803,860

SEPARATE CASH FLOW STATEMENT (CONT'D)

(Applying indirect method)

For the fiscal year ended 31 December 2023

Items	Code	Note	Year 2023	Year 2022
			VND	VND
Net decrease/(increase) in cash and cash equivalents	50		2,380,381,635	8,759,825,796
Cash and cash equivalents at the beginning of the year	60	4	9,689,924,550	930,098,754
Cash and cash equivalents at the end of the year	70	4	12,070,306,185	9,689,924,550

Hai Phong, 15 March 2024

Preparer



Duong Thi Thu Phuong

Chief Accountant



Bui Thi Huong



Chief Executive Officer

Truong Sy Toan

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

1. BUSINESS HIGHLIGHTS

1.1 STRUCTURE OF OWNERSHIP

Ha Long Canned Food Joint Stock Corporation, (hereinafter referred to as “the Company”) is incorporated and operates under the Business Registration Certificate No. 0200344752 initially issued by Hai Phong Department of Planning and Investment dated 5 March 1999, and amended for the 14th time on 23 May 2023.

The Company's head office is located at 71 Le Lai, May Chai Ward, Ngo Quyen District, Hai Phong, Vietnam.

The actual contributed charter capital according to the Business Registration Certificate of the Company as of 31 December 2023 is VND 50,000,000,000 divided into 5,000,000 shares with a par value of VND 10,000/share. In which, Vietnam Seaproducts Joint Stock Corporation contributed VND 13,873,600,000, accounting for 27.75%, other shareholders contributed 36,126,400,000 VND, accounting for 72.25%.

On 18 October 2001, 5 million shares of the Company with the stock code “CAN” were officially listed on the Hanoi Stock Exchange.

The total number of employees of the Company as at 31 December 2023 is 706 people (as at 31 December 2022: 689 people).

1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES

Producing, processing, canning and trading aquatic products, seafood, frozen livestock and other foods.

1.3 NORMAL PRODUCTION AND BUSINESS CYCLE

The normal production and business cycle of the Company is 12 months.

1.4 BUSINESS STRUCTURES

The Company has two following subsidiaries as below:

List of directly controlled subsidiaries:

Subsidiaries	Place of incorporation and operation	Principal Business activities	% of Ownership	% of voting rights
HaLong Canfoco – Da Nang Company Limited	Lot C3-4, C3-5, Tho Quang Aquaculture Services IZ, Tho Quang Ward, Son Tra District, Da Nang City, Viet Nam	Processing and storage fish and fish products, meat and meat products, vegetables and fruits, livestock, poultry feed and aquatic products.	100%	100%
Ha Long Canfoco Kindergarten	69 Le Lai Street, May Chai Ward, Ngo Quyen District, Hai Phong City, Vietnam	Providing childcare and nursery education service.	100%	100%

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

1. BUSINESS HIGHLIGHTS (CONT'D)

1.5 STATEMENT OF COMPATIBILITY OF INFORMATION ON SEPARATE FINANCIAL STATEMENTS

The corresponding information, data and figures in the Company's separate financial statements for the fiscal year ending 31 December 2022 are presented as comparative ones.

2. APPLICABLE ACCOUNTING CONVENTION AND ACCOUNTING REGIME

2.1 APPLICABLE ACCOUNTING CONVENTION

The Company applied to Vietnamese Accounting Standards, Vietnamese Corporate Accounting System promulgated under Circular 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance guiding Corporate Accounting System and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular 200/2014/TT-BTC.

2.2 FISCAL YEAR

The fiscal year of the Company begins on 1 January and ends on 31 December of the calendar year.

2.3 STATEMENT OF COMPLIANCE WITH ACCOUNTING STANDARDS AND SYSTEM

The separate financial statements have been prepared and presented in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other legal regulations related to preparation and presentation of the separate financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company in the preparation of these financial statements are as follows:

3.1 BASIS AND PURPOSE OF PREPARING SEPARATE FINANCIAL STATEMENTS

Separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting Regime and legal regulations related to the preparation and presentation of separate financial statements. Separate financial statements are prepared according to the principle of original price.

The accompanying separate financial statements are not intended to present the financial position, business results and cash flows in accordance with accounting principles and practices generally accepted in countries and institutions other than Vietnam. The accounting principles and practices used in Vietnam may differ from accounting principles and practices in other countries and institutions.

In addition, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries (collectively referred to as the "Group") in accordance with Vietnamese Accounting Standards, Vietnam Corporate Accounting Regime and legal regulations related to the preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiaries are those with which the Group controls operational and financial policies, which have been fully consolidated.

Users of the Company's separate financial statements should read along with the Group's consolidated financial statements for the financial year ended 31 December 2023 for sufficient information about the Group's consolidated financial position, results of operations and consolidated cash flows.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.2 MATERIALITY ACCOUNTING ESTIMATES

The preparation of separate financial statements in compliance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting Regime and legal regulations related to the preparation and presentation of separate financial statements requires the Legal Representative to make estimates and assumptions affecting the data on liabilities, assets and the presentation of liabilities and contingent assets at the end of the accounting year as well as figures for revenues and expenses throughout the fiscal year.

Materially impactful estimates and assumptions in separate financial statements include:

- Estimated useful life of fixed assets (Notes 3.8);
- Provision for bad receivables (Notes 11);
- Provision for inventory discounts (Notes 10); and
- Provision for site restoration and rehabilitation expenses (Notes 19).

Estimates and assumptions are regularly evaluated based on past experience and other factors, including future assumptions that have a material effect on the Company's separate financial statements and are judged reasonably by the Legal Representative.

3.3 FOREIGN CURRENCIES

The exchange rate to convert transactions arising during the period in foreign currencies is the exchange rate with the Commercial Bank where the Corporation has such transaction at the time of arising.

The exchange rate when re-evaluating monetary items denominated in foreign currencies at the time of preparation of the separate financial statements is the exchange rate announced by the Commercial Bank where the foreign currency account is opened at the time of preparation of the separate financial statements:

In there:

- The exchange rate when revaluation of items denominated in foreign currencies that are classified as assets is the buying exchange rate of the Commercial Bank where the foreign currency account is opened at the time of preparing the separate financial statements.
- The exchange rate when re-evaluating items denominated in foreign currencies that are classified as liabilities is the selling exchange rate of the Commercial Bank where such foreign currency account is opened at the time of preparation of the separate financial statements.

3.4 CASH AND CASH EQUIVALENTS

Cash is an aggregate entry that reflects the entire existing cash balance of the enterprise at the reporting time, including cash at the enterprise's fund, demand deposits in banks recorded and reported in Vietnamese dong (VND), in accordance with the provisions of the Law on Accounting No. 88/2015/QH13 dated 20 November 2015 effective from 1 January 2017.

3.5 FINANCIAL INVESTMENTS

Invest in Subsidiaries

The investment presented is an investment in a Subsidiary when the Company acquires control of the invested entity. Control is the power to govern the financial and operating policies of an enterprise or business activities so as to obtain benefits from its activities or business activities.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.5 FINANCIAL INVESTMENTS (CONT'D)

An investment is considered to have control over the invested entity when the Company holds more than 50% of the ownership interest in that entity, unless such ownership is not associated with control. If the Company does not hold more than 50% ownership of another entity, the Company may still acquire control of the entity if it has:

- (i) More than 50% of the voting power of the entity through an arrangement with other investors;
- (ii) The power to govern the financial and operating policies of the entity under a statute or agreement;
- (iii) The right to appoint and remove the majority of members of the Board of managements (or an equivalent management body) of the entity; or
- (iv) The right to vote on decisions in meetings of the Board of managements (or equivalent management body) of the entity.

Initial recognition of an investment in a Subsidiary acquired during the period is the date on which the Company acquires actual control over the invested entity. In the Company's separate financial statements, investments in Subsidiaries are stated at original cost (purchase price and directly attributable purchase costs) deducting provisions for investment loss. Provision for investment loss is made based on the amount of accumulated loss in the separate financial statements of the subsidiary and can be reversed when there is a profit. The increase or decrease in the provision against devaluation of financial investments is charged to financial expenses during the period.

3.6 RECEIVABLES

Accounts receivable are stated at carrying amount less provisions for bad debts.

The classification of receivables is made according to the following principles:

- Accounts Receivables from customers reflect trade receivables arising from purchase - sale transactions between the Corporation and the buyers who are an independent unit against of the Corporation.
- Other accounts receivables reflect non-commercial receivables unrelated to purchase - sale transactions.

Provision for doubtful debts is made for receivables which are overdue in the economic contract, the contractual commitment, debt commitment, the Company has demanded many times but unrecoverable. In which, the provision for overdue receivables is based on the time of principal repayment according to the original purchase and sale contract, regardless of the debt extension between the parties and undue receivable debts, but the debtors have gone into bankruptcy status or are in the process of dissolving, missing, fleeing and refunded when the debt is collected.

Increases/decreases in balance of provision for bad debts which need appropriating as of the balance sheet date are recorded into administrative overheads.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 INVENTORIES

Inventories are measured at the lower of cost and net realizable value.

The original price of inventory includes the costs of bringing the inventory to its present location and condition, including: purchase price, non-refundable taxes, transportation, handling, and maintenance costs, inventory loss, and other costs directly attributable to the purchase of the inventory.

Net realizable values are the estimated selling prices of inventories in an ordinary course of business less the estimated expenses on product completion and other necessary expenses on product consumption.

The Corporation applies the regular declaration method to accounting for inventories. Cost of inventories is calculated by monthly weighted average method.

Method of making provision for devaluation of inventories: Provision for devaluation of inventories is made for each inventory item with diminution in value (the original price is greater than the net realizable value). Increase or decrease in the balance of provision for devaluation of inventories that need to be set up at the closing date of the separate financial statements are recorded in the cost of goods sold during the year.

3.8 TANGIBLES FIXED ASSETS

Tangible fixed assets are recorded at original price, which is reflected in the balance sheet according to original price, accumulated depreciation and residual value.

The recognition of tangible fixed assets and the depreciation of fixed assets shall comply with Vietnamese Accounting Standard No. 03 - Tangible fixed assets, Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the corporate accounting regime, Circular No. 45/2013/TT-BTC dated 25 April 2013 guiding the regime of management, use and depreciation of fixed assets and Circular No. 147/2016/TT-BTC dated 13 October 2016 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/TT-BTC dated 12 April 2017 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 147/2016/TT-BTC of the Ministry of Finance.

The historical cost of purchased tangible fixed assets includes the purchase price (less trade discounts or rebates), taxes and costs directly attributable to the acquisition of the fixed assets to bring it to the ready-for-use purpose.

Expenses incurred after initial recognition of tangible fixed assets are recorded as an increase in the historical cost of the asset when it is probable that these costs will increase future economic benefits. Expenses incurred which do not meet the above conditions will be recorded into expenses during the year.

Tangible fixed assets are depreciated on a straight-line method based over their estimated useful lives. Accounting for tangible fixed assets is classified according to groups of assets with the same nature and purpose of use in production and business activities of the company. The specific amortization period is as follows:

<i>Fixed assets</i>	<i>Useful lives (years)</i>
- Buildings and structures	05 - 15
- Machinery and equipment	02 - 12
- Vehicles and transmission equipment	02 - 08
- Management equipment	03 - 06

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.9 INTANGIBLE FIXED ASSETS

Intangible fixed assets are recorded at historical cost, which is reflected in the balance sheet according to the items of historical cost, accumulated amortization and residual value.

The recognition of intangible fixed assets and the amortization of fixed assets comply with Vietnamese Accounting Standard No. 04 - Intangible fixed assets, Circular No. 200/2014/TT-BTC dated 22 December 2014 2014 of the Ministry of Finance guiding the corporate accounting regime, Circular No. 45/2013/TT-BTC dated 25 April 2013 guiding the regime of management, use and amortization of fixed assets and Circular No. 147/2016/TT-BTC dated 13 October 2016 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/TT-BTC dated 12 April 2017 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 147/2016/TT-BTC of the Ministry of Finance.

Historical costs of intangible fixed assets include all the expenses of the Corporation to have these fixed assets as of the dates they are ready to be put into use. Expenses related to intangible fixed assets, which are incurred after initial recognition, are recognized as operating expenses in the year unless these expenses are associated with a specific intangible fixed asset and increase economic benefits from these assets.

The Corporation's intangible fixed assets include land use rights and software programs, and land use rights.

Land use rights

Land use rights comprise of land use rights granted by the State for which land use fees are collected, land use rights acquired in a legitimate transfer, and prepaid land use rights obtained under land rental contracts which are effective before the effective date of land law 2003 (ie. 1 July 2004) and which land use right certificates are granted.

Definite land use rights are stated at historical costs less accumulated amortisation. Historical cost of land use rights consists of the purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line method based over the terms of the land use right certificates.

Indefinite land use rights are stated at historical costs and not amortised.

3.9 PREPAID EXPENSES

Prepaid expenses include expenses actually incurred but related to the results of production and business activities of many accounting periods. Prepaid expenses include: costs of insurance, tools and supplies that have been used and are waiting for allocation, repair and maintenance expenses of fixed assets, rental costs and other prepaid expenses.

Tools and supplies: Tools and supplies that have been put into use are allocated on a straight-line method for the period during 05 - 36 months.

Repair expenses: Expenses for repairing large-valued one-time assets are allocated into expenses on a straight-line method for the period during 05 - 36 months.

Rental expenses: Including office rental, advertising rental, cash register rental, etc., which are allocated into expenses on a straight-line method for the period during 01 - 12 months.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.10 LIABILITIES PAYABLE

Liabilities are accounts payable to suppliers and other entities. Liabilities include trade and other payables. The unrecognized liability is lower than the payable obligation.

The classification of payables is made according to the following principles:

- Trade payables reflect trade payables occurred from purchase-sale transaction of goods, services, assets and the suppliers are independent units against the Corporation, including payables between the parent company and subsidiaries, joint ventures and associates;
- Other payables include non-commercial payables, unrelated to the purchase, sale and provision of goods and services.

3.11 ACCRUED EXPENSES

Actual costs incurred in the reporting year but not yet paid due to lack of invoices or insufficient accounting records and documents are recorded in production and business expenses of the reporting period.

The advance for production and business expenses in the year is strictly calculated and there must be reasonable and reliable evidence of the expenses to be deducted in advance in the year, to ensure that the accrued expenses are recorded to this account in accordance with the actual expenses incurred.

3.12 BORROWING AND FINANCIAL LEASE LIABILITY

Loans and finance lease liabilities are recognized on the basis of bank documents, contracts and finance lease contracts.

Loans and finance lease liabilities are tracked by object, term, and original currency.

3.13 BORROWING COSTS

Borrowing costs include interest and other costs incurred directly in connection with the loans.

Borrowing costs are recognized in production and business expenses in the year when they are incurred, unless they are capitalized in accordance with the provisions of Accounting Standard "Borrowing costs". Accordingly, borrowing costs that are directly attributable to the acquisition, construction or production of assets that take a relatively long time to complete are added to the cost of the assets until the asset is put into use or business. Gains arising from the temporary investment of loans are written off at the cost of the related assets. For separate loans for the construction of fixed assets, real estate investment, interest is capitalized even if the construction period is less than 12 months.

3.14 OWNER'S EQUITY

Owner's contribution capital is recognized in line with the amount actually contributed by the shareholders.

Share premium is recognized according to the difference between the issue price and par value of shares upon initial issue, additional issue, the difference between the re-issuance price and the book value of treasury shares and capital portion of the convertible bond at maturity. Direct expenses related to the additional issuance of shares and the re-issuance of treasury shares are recorded as a decrease in share premium.

Undistributed profit after tax is the profit (profit or loss) from the enterprise's operations after deducting this year's CIT expenses and retrospective application adjustments due to changes in accounting policies and retrospective adjustment due to material misstatement of previous years.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.14 OWNER'S EQUITY (CONT'D)

Profit after corporate income tax is distributed to shareholders after setting aside funds in accordance with the Charter of the Company as well as the provisions of law and has been approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is taken into account the non-monetary items included in the undistributed profit after tax that may affect the cash flow and the ability to pay dividends such as interest due to revaluation of assets for capital contribution, interest on revaluation of monetary items, financial instruments are other non-monetary items.

Dividends are recognized as a liability when approved by the General Meeting of Shareholders.

3.15 REVENUE RECOGNITION

Revenue of the Corporation includes sales of products, goods, leases and others.

Revenue from selling products and goods

Revenue from the sale of goods and finished products is recognized when all five (5) of the following conditions are satisfied simultaneously:

- The Corporation has transferred substantially all the risks and rewards of ownership of the products or goods to the purchaser;
- The Corporation no longer holds management right on goods, products as the goods and product owner or control right on goods;
- The revenue can be measured reliably. When contracts define that buyers are entitled to return products, goods purchased under specific conditions, revenue are recognized only when such specific conditions no longer exist and buyers are not entitled to return products, goods (except the case that buyers are entitled to return goods, products in the form of exchange for other goods, services);
- The Corporation has received or shall receive economic benefits from transactions of selling goods; and
- Costs related to the transaction of selling goods can be determined.

Revenue from service providers

Revenue from a service transaction is recognized when the outcome of the transaction can be measured reliably. In case the service provision transaction involves many periods, revenue is recognized in the year according to the results of the completed work at the closing date of the financial period. The sales of a service transaction is determined when all four (4) of the following conditions are satisfied:

- The revenue can be measured reliably. When contracts define that buyers are entitled to return services provided under specific conditions, revenue are recognized only when such specific conditions no longer exist and buyers are not entitled to return services provided;
- It is probable that economic benefits associated with the transaction will flow to the company.
- Percentage of completion of services at the separate balance sheet date can be measured.
- The costs incurred for transactions and the costs to complete transactions can be measured reliably.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.15 REVENUE RECOGNITION (CONT'D)

Financial income

Interest on bank deposits is recognized on the basis of time and actual interest rate each period of the Bank.

Gain from assessment of exchange rate differences arising during the period and revaluation of monetary items denominated in foreign currencies at the end of the period.

3.16 FINANCIAL EXPENSES

Financial expenses recognized in the separate income statement are the total financial expenses incurred during the year, not offset against financial income, including interest expense, interest rate difference, and other financial expenses.

3.17 TAXES AND OTHER PAYMENTS TO THE STATE

Value-added tax (VAT)

The Company implemented the declaration, calculation of VAT in conformity with guidance of the applicable law.

Corporate income tax

Corporate income tax represents the sum of the current tax payable and the deferred tax amount.

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses transferred.

Corporate income tax is calculated at the tax rate effective at the balance sheet date of 20% of taxable income.

The determination of the Corporation's income tax is based on current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the examination results of the competent tax authorities.

Other taxes

Other taxes and fees, enterprises shall declare and pay to local tax authorities according to current tax law in Vietnam.

3.18 RELATED PARTIES

A party is considered to be related to the Company if it has the ability to control the Company or exercise significant influence over the Company in making financial and operating decisions. Related parties include:

- Enterprises have the right to control or be directly or indirectly controlled by one or more intermediaries, or under the common control with the companies, including the Parent Company, Subsidiaries, joint ventures, jointly controlled businesses, and affiliated companies.
- Individuals, directly or indirectly holding voting power of the Company that have a significant influence on the Company, key management personnel having the power and responsibility for making plans, managing and controlling the Company's activities and even the close family members of these individuals.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.18 RELATED PARTIES (CONT'D)

- Enterprises owned by aforementioned individuals, having direct or indirect voting rights or having a significant influence on the business.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

4. CASH AND CASH EQUIVALENTS

	31/12/2023 VND	01/01/2023 VND
- Cash on hand	227,489,991	281,626,068
- Cash at bank	11,842,816,194	9,408,298,482
Total	12,070,306,185	9,689,924,550

5. PREPAID EXPENSES

	31/12/2023 VND	01/01/2023 VND
a) Short-term		
- Insurance fees	316,042,664	400,961,942
- Repair and maintenance expenses	299,472,059	235,164,495
- Rental expense	395,428,479	525,054,286
- Tools and supplies	154,930,833	315,749,362
- Others	287,962,358	727,429,868
b) Long-term		
- Assets retirement obligation	2,960,507,949	3,227,337,467
- Repair and maintenance expenses	2,232,583,210	2,381,378,962
- Others	326,413,556	486,353,138
Total	4,414,344,342	5,431,697,420

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

6. FINANCIAL INVESTMENTS

	31/12/2023			01/01/2023		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
Investment in subsidiaries	15,110,926,449	-	(*)	15,110,926,449	-	(*)
+ Ha Long Canfoco - Da Nang Company Limited	15,000,000,000	-	(*)	15,000,000,000	-	(*)
+ Ha Long Canfoco - Kindergarten	110,926,449	-	(*)	110,926,449	-	(*)
Total	15,110,926,449	-	(*)	15,110,926,449	-	(*)

Note: As at 31 December 2023, the Company has not determined the fair value of these investments to disclose on the separate financial statements because of the Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises does not currently have guidance on how to calculate fair value using valuation techniques. The fair value of such investments may be different from their book values.

7. TRADE RECEIVABLES

- a) Short-term**
- Andy Trading Service Company Limited
 - Wincommerce General Commercial Services Joint Stock
 - EB Services Company Limited
 - Branch of Highland Coffee Service Joint Stock Company
 - Vietnam Coffee Tea Service Trading Corporation
 - Others
- b) Long-term**
- Total**

	31/12/2023		01/01/2023	
	Amount VND	Provision VND	Amount VND	Provision VND
a) Short-term				
- Andy Trading Service Company Limited	41,029,911,181	(1,417,479,991)	40,160,862,580	(1,452,102,527)
- Wincommerce General Commercial Services Joint Stock	9,590,583,722	-	10,098,363,940	-
- EB Services Company Limited	8,174,462,946	(250,342,809)	6,026,589,546	(411,670,829)
- Branch of Highland Coffee Service Joint Stock Company	3,515,026,277	-	3,627,060,141	(10,171,886)
- Vietnam Coffee Tea Service Trading Corporation	3,684,064,000	-	5,843,070,304	-
- Others	2,843,522,496	-	786,931,200	-
Total	13,222,251,740	(1,167,137,182)	13,778,847,449	(1,030,259,812)
b) Long-term	-	-	-	-
Total	41,029,911,181	(1,417,479,991)	40,160,862,580	(1,452,102,527)

c) Trade receivables with related parties: Details are presented in Note 31.1

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

8. PREPAYMENT TO SUPPLIERS

a) Short-term

- Nhat Nguyen Food Company Limited
- Viet Lap production and business facility
- Others

b) Long-term

Total

	31/12/2023	01/01/2023		
	Amount VND	Provision VND	Amount VND	Provision VND
2,102,189,280	(842,434,338)	4,215,354,578	(842,434,338)	
637,757,400	-	1,513,000,000	-	
533,903,200	(533,903,200)	533,903,200	(533,903,200)	
930,528,680	(308,531,138)	2,168,451,378	(308,531,138)	
	-	-	-	-
Total	2,102,189,280	(842,434,338)	4,215,354,578	(842,434,338)

9. OTHER RECEIVABLES

a) Short-term

- Receivables from individuals relating to VAT (*)
- Ha Long Canfoco - Kindergarten
- Deposits
- Others

b) Long-term

- Deposits

Total

	31/12/2023	01/01/2023		
	Amount VND	Provision VND	Amount VND	Provision VND
7,926,392,728	(7,212,767,618)	7,875,499,279	(7,212,767,618)	
5,054,991,698	(5,054,991,698)	5,054,991,698	(5,054,991,698)	
1,076,239,000	(1,076,239,000)	1,076,239,000	(1,076,239,000)	
240,466,373	-	288,966,373	-	
1,554,695,657	(1,081,536,920)	1,455,302,208	(1,081,536,920)	
598,164,171	-	598,164,171	-	
598,164,171	-	598,164,171	-	
Total	8,524,556,899	(7,212,767,618)	8,473,663,450	(7,212,767,618)

c) Other receivables with related parties: Details are presented in Note 31.1

(*) This balance represents the receivables and its provision from individuals relating to the VAT payable to the State amounting to VND 5,458,254,250 in accordance with Appeal judgment No. 03/HSPT dated 12 and 13 January 2005, issued by the Supreme People's Court of Vietnam – Appellate Court in Hanoi. In 2022, the Company wrote off the bad debt for an individual amounting to VND 403,262,552 according to instructions in Circular No. 48/2019/TT-BTC dated 8 August 2019 of the Ministry of Finance.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

10. INVENTORIES

	31/12/2023		01/01/2023	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
Goods in transit	-	-	2,421,864,000	-
Raw materials	52,425,448,862	(306,050,821)	99,581,121,762	(665,258,116)
Tools and supplies	3,475,144,527	(84,401,631)	8,886,989,646	(199,157,807)
Work in progress	26,740,038,335	(419,299,093)	22,968,034,235	(316,585,688)
Finished goods	43,400,466,212	(963,818,602)	48,171,825,378	(115,832,608)
Merchandise	24,349,433,331	(742,842,616)	23,501,577,981	(1,046,978,878)
Total	150,390,531,267	(2,516,412,764)	205,531,413,002	(2,343,813,097)

11. DOUBTFUL DEBTS

	31/12/2023			01/01/2023		
	Cost VND	Recoverable value VND	Provision VND	Cost VND	Recoverable value VND	Provision VND
	Overdue receivables			Overdue receivables		
Trade accounts receivable	41,029,911,181	39,612,431,190	(1,417,479,991)	40,160,862,580	38,708,760,053	(1,452,102,527)
Others receivable	8,524,556,899	1,311,789,281	(7,212,767,618)	8,473,663,450	1,260,895,832	(7,212,767,618)
Prepayments to suppliers	2,102,189,280	1,259,754,942	(842,434,338)	4,215,354,578	3,372,920,240	(842,434,338)
Total	51,656,657,360	42,183,975,413	(9,472,681,947)	52,849,880,608	43,342,576,125	(9,507,304,483)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

11. DOUBTFUL DEBTS (CONT'D)

Movements of provision for doubtful debts during the year were as below:

	Year 2023	Year 2022
	VND	VND
Beginning of year	9,507,304,483	9,891,086,615
Increase	400,996,994	551,715,851
Decrease	(435,619,530)	(320,235,431)
Write off	-	(615,262,552)
End of year	9,472,681,947	9,507,304,483

12. INTANGIBLE FIXED ASSETS

	Land use right (*)	Computer software	Total
	VND	VND	VND
HISTORICAL COST			
01/01/2023	11,987,672,202	2,146,590,000	14,134,262,202
31/12/2023	11,987,672,202	2,146,590,000	14,134,262,202
ACCUMULATED DEPRECIATION			
01/01/2023	-	(1,703,632,032)	(1,703,632,032)
- Charge for the period	-	(346,470,777)	(346,470,777)
31/12/2023	-	(2,050,102,809)	(2,050,102,809)
NET BOOK VALUE			
01/01/2023	11,987,672,202	442,957,968	12,430,630,170
31/12/2023	11,987,672,202	96,487,191	12,084,159,393

(*) Intangible fixed assets are land use rights with indefinite useful life and intended purpose of building factories as below:

- i) Land use right of Ha Long Canned Food Joint Stock Corporation with an area of 10,306m² at plot C3-4 and plot C3-5, Tho Quang Seafood Service Industrial Zone, Tho Quang Ward, Son Tra District, Da Nang City with book value of VND 11,258,672,202; and
- ii) Land use right of Ha Long Canned Food Joint Stock Corporation with an area of 290,7m² at plot No.1 at No. 43/1 Phuoc Long Street, Phuoc Long Ward, Nha Trang City, Khanh Hoa Province with book value of VND 729,000,000.

On 20 July 2016, the Company signed a land use right mortgage contract No. 77/2016/VCB DN with Joint Stock Commercial Bank for Foreign Trade of Vietnam - Da Nang branch, to use the land use right in Da Nang (book value of VND 11,258,672,202) as the collateral for the bank loans obtained by Ha Long Canfoco - Da Nang Company Limited, a subsidiary.

On 24 December 2019, the Company signed a land use right mortgage contract No. 01.2019/HDTC-CAN with Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Hai Phong branch, to use the land use right in Nha Trang (book value of VND 729,000,000) as the collateral for the bank loans obtained by the Company.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

13. TANGIBLE FIXED ASSETS

	Plant and buildings VND	Machinery equipment VND	Motor vehicles transmission VND	Office equipment VND	Total VND
HISTORICAL COST					
01/01/2023	34,764,137,080	71,231,922,143	4,093,314,814	77,183,314	110,166,557,351
- Acquisitions	-	210,000,000	408,950,000	-	618,950,000
- Disposals	-	-	(1,206,853,333)	-	(1,206,853,333)
- Others	(2,327,660,534)	-	-	-	(2,327,660,534)
31/12/2023	<u>32,436,476,546</u>	<u>71,441,922,143</u>	<u>3,295,411,481</u>	<u>77,183,314</u>	<u>107,250,993,484</u>
ACCUMULATED DEPRECIATION					
01/01/2023	(33,342,067,308)	(52,316,357,735)	(2,997,012,439)	(77,183,314)	(88,732,620,796)
- Charge for the period	(377,026,690)	(4,075,074,834)	(185,020,883)	-	(4,637,122,407)
- Disposals	-	-	1,206,853,333	-	1,206,853,333
- Others	2,327,660,534	-	-	-	2,327,660,534
31/12/2023	<u>(31,391,433,464)</u>	<u>(56,391,432,569)</u>	<u>(1,975,179,989)</u>	<u>(77,183,314)</u>	<u>(89,835,229,336)</u>
NET BOOK VALUE					
01/01/2023	1,422,069,772	18,915,564,408	1,096,302,375	-	21,433,936,555
31/12/2023	<u>1,045,043,082</u>	<u>15,050,489,574</u>	<u>1,320,231,492</u>	-	<u>17,415,764,148</u>

- The residual value of tangible fixed assets used as mortgage, pledge or loan security as at 31 December 2023 is VND 4,544,952,004 (01 January 2023 is VND 6,663,388,948);
- The historical cost of tangible fixed assets that have been fully depreciated but are still in use as of 31 December 2023 is VND 48,412,009,255 (01 January 2023 is VND 52,443,576,727).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

14. TRADE PAYABLES

a) Short-term

- Ha Long Foods Import Export Company Limited
- Vietnam Chuan Li Can Company Limited
- Ha Long Canfoco - Da Nang Company Limited
- Others

b) Long-term

Total

c) Other payables with related parties: *Details are presented in Note 31.1*

	31/12/2023		01/01/2023	
	Amount	Ability-to-pay amount	Amount	Ability-to-pay amount
	VND	VND	VND	VND
a) Short-term	19,385,076,031	19,385,076,031	41,498,019,509	41,498,019,509
- Ha Long Foods Import Export Company Limited	5,898,039,880	5,898,039,880	19,302,114,090	19,302,114,090
- Vietnam Chuan Li Can Company Limited	2,689,394,400	2,689,394,400	7,667,557,095	7,667,557,095
- Ha Long Canfoco - Da Nang Company Limited	4,009,470,286	4,009,470,286	5,334,156,727	5,334,156,727
- Others	6,788,171,465	6,788,171,465	9,194,191,597	9,194,191,597
b) Long-term	-	-	-	-
Total	19,385,076,031	19,385,076,031	41,498,019,509	41,498,019,509

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

15. BORROWING AND FINANCIAL LEASES

Description	31/12/2023		In period		01/01/2023	
	Amount VND	Ability-to-pay amount VND	Increase VND	Decrease VND	Amount VND	Ability-to-pay amount VND
Short-term borrowings	101.046.981.544	101.046.981.544	391.381.143.651	415.333.989.809	124.999.827.702	124.999.827.702
- Joint Stock Commercial Bank For Foreign Trade Of Vietnam - South Hai Phong	18.453.444.340	18.453.444.340	79.369.099.099	90.915.614.989	29.999.960.230	29.999.960.230
- Vietnam Bank for Agriculture and Rural Development - Hai Phong Branch	43.897.670.195	43.897.670.195	153.392.982.902	159.495.297.723	49.999.985.016	49.999.985.016
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Ngo Quyen Branch	6.891.994.519	6.891.994.519	44.135.178.892	67.243.139.026	29.999.954.653	29.999.954.653
- Vietnam Export Import Bank - Hai Phong Branch	-	-	37.571.423.231	52.571.351.034	14.999.927.803	14.999.927.803
- Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch	31.803.872.490	31.803.872.490	76.912.459.527	45.108.587.037	-	-
Long-term borrowings	-	-	-	-	-	-
Total	101.046.981.544	101.046.981.544	391.381.143.651	415.333.989.809	124.999.827.702	124.999.827.702

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

15. BORROWING AND FINANCIAL LEASE (CONT'D)

Lenders and loan agreement	Credit limit	Balance at 31/12/2023	Refund period	Rate	Loan purpose	Form of guarantee
			payment of principal and interest			
	VND	VND				
- Joint Stock Commercial Bank for Foreign Trade of Vietnam – South Hai Phong Branch	30,000,000,000	18,453,444,340	Loan principal paid in 4 months, interest paid monthly.	5.0 - Financing 8.2%/year	working capital	Collateral means used machinery and equipment under mortgage contracts No. 22/2018/HĐTC-CAN, 22A/2018/HĐTC/CAN, 02.2019/HĐTC-CAN and investment real estate owned by the Company under mortgage contract No. 01.2019/HĐTC-CAN.
- Joint Stock Commercial Bank for Agriculture and Rural Development of Vietnam - Hai Phong Branch	50,000,000,000	43,897,670,195	Loan principal paid in 4 months, interest paid monthly.	5.0 - Financing 8.3%/year	working capital	Collateral means land use rights and assets attached to land at 71 Le Lai, May Chai Ward, Ngo Quyen District, Hai Phong.
- Joint Stock Commercial Bank for Industry and Trade of Vietnam - Ngo Quyen Branch	20,000,000,000	6,891,994,519	Loan principal paid in 5 months, interest paid monthly.	5.2 - Financing 9.2%/year	working capital	No collateral.
- Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch	45,000,000,000	31,803,872,490	Loan principal paid in 6 months, interest paid monthly.	5.3 - Financing 9.99%/year	working capital	No collateral.
Total	145,000,000,000	101,046,981,544				

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

16. TAX AND OTHER PAYABLE TO THE STATE

	01/01/2023	Incurred during the period	Payment during the period	Offset	31/12/2023
	VND	VND	VND	VND	VND
Taxes and amounts payables					
- Value added tax payable	2,485,714,650	46,950,620,243	27,111,859,079	19,873,098,991	2,451,376,823
- Corporate income tax	463,787,711	2,485,143,012	2,365,476,900	-	583,453,823
- Personal income tax	142,891,728	2,710,133,290	2,378,044,721	348,763,019	126,217,278
- Land tax, land rental	-	695,831,355	1,001,255,305	(305,423,950)	-
- Other taxes	-	8,049,673	8,049,673	-	-
- Fees, charges and other payables	1,677,090,582	24,665,010	1,701,720,628	-	34,964
Total	4,769,484,671	52,874,442,583	34,566,406,306	19,916,438,060	3,161,082,888

	01/01/2023	Incurred during the period	Payment during the period	Offset	31/12/2023
	VND	VND	VND	VND	VND
Taxes and amounts receivable					
- Land tax, land rental	-	-	-	305,423,950	305,423,950
Total	-	-	-	305,423,950	305,423,950

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

17. EXPENSES PAYABLES

	31/12/2023	01/01/2023
	VND	VND
a) Short-term		
- Distributor support expenses	9,060,317,990	9,283,049,992
- Sales staff incentive	5,917,926,046	5,081,635,846
- Others	1,057,521,643	1,420,200,000
b) Long-term		
Total	9,060,317,990	9,283,049,992

18. OTHER PAYABLES

	31/12/2023	01/01/2023
	VND	VND
a) Short-term		
- Trade union fees	614,005,711	563,887,726
- Dividend payables	122,169,868	120,901,917
- Short-term mortgages, deposits received	109,030,950	98,926,200
- Others	91,500,000	60,000,000
b) Long-term		
- Others	291,304,893	284,059,609
Total	282,500,163	372,500,163
	282,500,163	372,500,163
Total	896,505,874	936,387,889

19. PROVISION FOR PAYABLES

	31/12/2023	01/01/2023
	VND	VND
Long-term		
- Provision for restoration cost (*)	4,415,646,853	4,229,815,873
Total	4,415,646,853	4,229,815,873

(*) This represents the provision for dismantling and restoration cost of the Company's leased land at 71 Le Lai Street, May Chai Ward, Ngo Quyen District, Hai Phong City, Vietnam in accordance with the Contract No. 11/HD/TD dated 15 March 1999 between the Company and Land and Housing Department of Hai Phong City. Accordingly, the Company has obligation to clear the land at the end of the lease term. The land clearance includes removals of the Company's properties located on the lands and restoration of the lands to their original condition.

Movements in the long-term provision during the year were as follows:

	Year 2023	Year 2022
	VND	VND
Beginning of year	4,229,815,873	4,043,984,893
Time value effect of provision for dismantling and restoration costs related to leased lands	185,830,980	185,830,980
End of year	4,415,646,853	4,229,815,873

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

20. OWNERS' EQUITY

20.1 CHANGES IN OWNERS' EQUITY

Items	Owners' capital	Share premium	Investment and development funds	Retained earnings	Total
	VND	VND	VND	VND	VND
01/01/2022	50,000,000,000	15,753,387,350	29,020,260,148	20,697,673,839	115,471,321,337
- Profit in prior year	-	-	-	12,201,671,851	12,201,671,851
- Profit distribution	-	-	-	(16,100,000,000)	(16,100,000,000)
+ Appropriated to bonus and welfare fund	-	-	-	(1,200,000,000)	(1,200,000,000)
+ Extra bonus	-	-	-	(2,400,000,000)	(2,400,000,000)
+ Dividends distribution	-	-	-	(12,500,000,000)	(12,500,000,000)
31/12/2022	50,000,000,000	15,753,387,350	29,020,260,148	16,799,345,690	111,572,993,188
01/01/2023	50,000,000,000	15,753,387,350	29,020,260,148	16,799,345,690	111,572,993,188
- Profit in year	-	-	-	1,630,240,674	1,630,240,674
- Profit distribution (*)	-	-	-	(8,000,000,000)	(8,000,000,000)
+ Appropriated to bonus and welfare fund	-	-	-	(500,000,000)	(500,000,000)
+ Dividends distribution	-	-	-	(7,500,000,000)	(7,500,000,000)
31/12/2023	50,000,000,000	15,753,387,350	29,020,260,148	10,429,586,364	105,203,233,862

(*) Profit distribution according to the Annual General Meeting of Shareholders Resolution No. 01/2023/NQ-DHĐCĐ dated 25 April 2023.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

20. OWNERS' EQUITY (CONT'D)

20.2 DETAILS OF OWNERS' EQUITY

	31/12/2023 VND	01/01/2023 VND
- Vietnam Seaproducts Joint Stock Corporation	13,873,600,000	13,873,600,000
- Mr. Pham Huu Quy Lam	4,381,200,000	4,381,200,000
- Landial Pte Ltd.	7,324,000,000	3,958,000,000
- Mr. Low Say Pun	3,845,000,000	3,845,000,000
- Mr. Nguyen Van Binh	3,363,000,000	3,132,000,000
- Mr. Nguyen Van Manh	-	2,849,700,000
- Mrs. Le Minh Ha	2,741,900,000	2,741,900,000
- Other shareholders	14,471,300,000	15,218,600,000
Total	50,000,000,000	50,000,000,000

20.3 EQUITY TRANSACTIONS WITH OWNERS AND DISTRIBUTION OF PROFITS

	Year 2023 VND	Year 2022 VND
Owners' equity		
+ Equity at the beginning of the year	50,000,000,000	50,000,000,000
+ Equity increase in the year	-	-
+ Equity decrease in the year	-	-
+ Equity at the end of the year	50,000,000,000	50,000,000,000
- Dividends paid	7,500,000,000	12,500,000,000

20.4 SHARES

	31/12/2023 Shares	01/01/2023 Shares
Number of shares to be issued	5,000,000	5,000,000
Number of shares offered to the public	5,000,000	5,000,000
+ Ordinary shares	5,000,000	5,000,000
Number of shares in circulation	5,000,000	5,000,000
+ Ordinary shares	5,000,000	5,000,000
<i>Par value of shares (VND/share)</i>	<i>10,000</i>	<i>10,000</i>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

21. SALES OF MERCHANDISE AND SERVICES

	Year 2023	Year 2022
	VND	VND
a) Revenue		
- Sales of finished goods	494,664,373,235	528,757,216,314
- Sales of merchandise	396,311,214,070	419,898,764,194
- Others	97,762,159,165	108,132,625,675
Total	591,000,000	725,826,445
	494,664,373,235	528,757,216,314

b) Revenue with related parties: *Details are presented in Note 31.1*

22. SALES DEDUCTIONS

	Year 2023	Year 2022
	VND	VND
Sales reduction		
In which:		
+ Trade discounts	12,776,274,146	14,418,234,174
+ Sales returns	12,202,265,538	14,374,847,391
Total	574,008,608	43,386,783
	12,776,274,146	14,418,234,174

23. COST OF GOODS SOLD

	Year 2023	Year 2022
	VND	VND
- Cost of finished goods sold	291,989,331,225	303,636,098,269
- Cost of goods sold	71,412,719,219	78,715,283,191
- (Reversal) Provision against devaluation of goods in stock	172,599,667	1,397,362,381
Total	363,574,650,111	383,748,743,841

24. FINANCIAL INCOMES

	Year 2023	Year 2022
	VND	VND
- Bank interest, lending interest	8,928,324	5,383,790
- Realized exchange rate difference interest	6,857,832	5,387,070
Total	15,786,156	10,770,860

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

25. FINANCIAL EXPENSES

	Year 2023 VND	Year 2022 VND
- Interest expense	9,180,290,597	7,145,142,292
- Time value effect of provision for dismantling and restoration costs related to leased lands	185,830,980	185,830,980
- Others	641,107,549	1,165,686,458
Total	10,007,229,126	8,496,659,730

26. SELLING EXPENSE AND GENERAL AND ADMINISTRATIVE EXPENSE

	Year 2023 VND	Year 2022 VND
<i>a) General and Administration expenses</i>		
- Labour costs	20,293,620,805	23,487,640,676
- Provision for doubtful debts	10,082,234,161	10,143,442,887
- Depreciation and amortisation	114,173,216	231,480,420
- Tax and fees expenses	539,840,961	701,124,960
- Working expenses	590,408,912	1,202,872,196
- Outsource service expenses	1,297,722,004	1,209,686,209
- Others	4,841,450,151	6,364,068,831
<i>b) Selling expenses</i>		
- Labour costs	2,827,791,400	3,634,965,173
- Distributor support expenses	88,282,304,111	81,177,062,276
- Shipping and handling costs	47,459,380,458	46,021,304,756
- Depreciation and amortisation	12,086,116,648	8,527,210,277
- Working expenses	12,375,655,334	11,595,906,445
- Marketing and promotion expenses	51,328,108	16,728,043
- Outsource service expenses	3,003,565,334	3,167,264,853
- Others	2,358,150,880	2,611,233,873
Total	108,575,924,916	104,664,702,952

27. OTHER INCOMES

	Year 2023 VND	Year 2022 VND
- Disposals	356,060,455	173,217,880
- Income from site clearance compensation (*)	3,903,991,301	-
- Others	157,298,782	222,827,297
Total	4,417,350,538	396,045,177

(*) This is the revenue from compensation and support related to the land acquisition of the Company for the implementation of the investment project to build urban resettlement and embellishment areas according to Decision No. 3030/QD-UBND dated 24 October 2023 of the People's Committee of Ngo Quyen district.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

28. OPERATING COST BY FACTOR

	Year 2023 VND	Year 2022 VND
- Raw material costs	214,331,322,564	232,088,428,251
- Labor costs	101,901,054,308	100,357,215,742
- Depreciation and amortisation	4,983,593,184	5,227,678,324
- Outsource service expenses	44,381,530,553	144,694,772,371
- Other cash expenses	25,552,198,311	11,191,245,231
Total	391,149,698,920	493,559,339,919

29. CURRENT CORPORATE INCOME TAX EXPENSE

	Year 2023 VND	Year 2022 VND
Total profit before tax	4,115,383,686	16,023,656,966
Non-deductible expenses	11,168,628,402	6,365,011,401
- Interest expense eliminated according to Decree 132/2020/ND-CP	5,001,051,308	-
- Provision against devaluation of goods in stock	2,920,736,088	1,501,967,615
- Provision for restoration cost	185,830,980	185,830,980
- Provision for doubtful debts	400,996,994	551,715,851
- Non-deductible expenses	2,660,013,032	4,125,496,955
Adjustments to reduce other profit before tax	3,183,755,951	3,278,746,169
- Reverting of provision expenses	3,183,755,951	3,278,746,169
Total taxable income in period	12,100,256,137	19,109,922,198
Income tax rate	20%	20%
Estimated CIT payable	2,420,051,227	3,821,985,115
Additional 2022 CIT expenses	65,091,785	-
Total current corporate income tax expense	2,485,143,012	3,821,985,115

30. BASIC EARNING PER SHARE

According to the provisions of Vietnamese Accounting Standard No. 30 - Earnings per share, in case the Company has to prepare both separate financial statements and consolidated financial statements, only basic earnings per share information is presented on the consolidated financial statements. Therefore, the Company did not present this entry in the separate financial statements during the fiscal year ended 31 December 2023.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

31. OTHER INFORMATION

31.1 INFORMATION ABOUT RELATED PARTIES

During the fiscal year ended 31 December 2023, related parties of the Company include:

Related parties	Relationship
- Mr. Kek Chin Ann	Chairman of the Board of management
- Mr. Nguyen Thanh Trung	Vice Chairman of the Board of management
- Mr. Bui Quoc Hung	Member of the Board of management
- Mr. Tran Huu Hoang	Member of the Board of management
- Mr. Wilson Cheah Hui Pin	Member of the Board of management
- Mrs. Nguyen Thi Thuy Tien	In charge of administration
- Mr. Truong Sy Toan	Chief Executive Officer
- Mrs. Pham Thi Thu Nga	Deputy General Director (Appointment expired on 25 November 2023)
- Mrs. Nguyen Thi Huong Giang	Head of the Supervisory Board (Appointed on 25 April 2023)
- Mrs. Pham Thi Hai Yen	Head of the Supervisory Board (Replaced on 25 April 2023)
- Mr. Nguyen Manh Tuan Vu	Member of the Supervisory Board
- Mrs. La Thi Quy	Member of the Supervisory Board (Resignation letter on 30 June 2023)
- Vietnam Seaproducts Joint Stock Corporation	Associate
- Branch of Seaprodex Hai Phong - Vietnam Seaproducts Joint Stock Corporation	Associate
- HaLong Canfoco - Da Nang Company Limited	Subsidiary
- Ha Long Canfoco - Kindergarten	Subsidiary

Transaction with related parties

	Year 2023	Year 2022
	VND	VND
Sale with related parties	4,335,696	-
- HaLong Canfoco - Da Nang Company Limited	4,335,696	-
Purchased with related parties	43,164,038,318	37,165,044,684
- HaLong Canfoco - Da Nang Company Limited	41,628,888,306	36,231,022,342
- Branch of Seaprodex Hai Phong - Vietnam Seaproducts Joint Stock Corporation	1,535,150,012	934,022,342
Financing activities	7,500,000,000	12,500,000,000
Dividend declared to:	7,500,000,000	12,500,000,000
- Vietnam Seaproducts Joint Stock Corporation	2,081,040,000	3,468,400,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

31. OTHER INFORMATION (CONT'D)

31.1 INFORMATION ABOUT RELATED PARTIES (CONT'D)

Balance with related parties

	31/12/2023 VND	01/01/2023 VND
Trade accounts receivable		793,617,591
- HaLong Canfoco - Da Nang Company Limited		793,617,591
Investment in subsidiaries	15,110,926,449	15,110,926,449
- HaLong Canfoco - Da Nang Company Limited	15,000,000,000	15,000,000,000
- HaLong Canfoco - Kindergarten	110,926,449	110,926,449
Other receivables	1,017,503,000	1,076,239,000
- HaLong Canfoco - Kindergarten	1,017,503,000	1,076,239,000
Trade accounts payable	4,075,009,231	5,411,820,974
- HaLong Canfoco - Da Nang Company Limited	4,009,470,286	5,334,156,727
- Branch of Seaprodex Hai Phong - Vietnam Seaproducts Joint Stock Corporation	65,538,945	77,664,247

Income of key management members

Name	Position	Year 2023 VND	Year 2022 VND
		VND	VND
- Mr. Kek Chin Ann	Chairman of the Board of management	316,981,132	627,400,987
- Mr. Nguyen Thanh Trung	Vice Chairman of the Board of management	290,566,038	473,270,440
- Mr. Bui Quoc Hung	Member of the Board of management	264,150,943	559,365,970
- Mr. Wilson Cheah Hui Pin	Member of the Board of management	264,150,943	530,341,662
- Mr. Tran Huu Hoang	Member of the Board of management	264,150,943	440,251,572
- Mrs. Pham Thi Hai Yen	Head of the Supervisory Board (Replaced on 25 April 2023)	60,000,000	342,500,000
- Mrs. Nguyen Thi Huong Giang	Head of the Supervisory Board (Appointed on 25 April 2023)	90,666,664	-
- Mrs. La Thi Quy	Member of the Supervisory Board (Resignation letter on 30 June 2023)	64,666,667	130,000,000
- Mr. Nguyen Manh Tuan Vu	Member of the Supervisory Board	64,666,667	130,000,000
- Mr. Truong Sy Toan	Chief Executive Officer	1,572,000,000	1,688,744,586
- Mrs. Pham Thi Thu Nga	Deputy General Director (Appointment expired on 25 November 2023)	550,000,000	582,409,091
- Mrs. Bui Thi Huong	Chief Accountant	657,916,667	704,468,053
Total		4,459,916,664	6,208,752,361



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

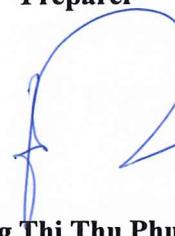
31. OTHER INFORMATION (CONT'D)

31.2 COMPARATIVE FIGURES

Comparative figures are from the audited separate financial statements for the fiscal year ended 31 December 2022 of Ha Long Canned Food Joint Stock Corporation.

Hai Phong, 15 March 2024

Preparer



Duong Thi Thu Phuong

Chief Accountant



Bui Thi Huong

Chief Executive Officer



Truong Sy Toan