

HA LONG CANNED FOOD JOINT STOCK CORPORATION
REVIEWED INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JANUARY 2023 TO 30 JUNE 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 interim separate financial statements for the period from 01 January 2023 to 30 June 2023.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

Members of Board of Management and Board of General Directors of the Company who held office for the period from 01 January 2023 to 30 June 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

Supervisory Board

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	
Ms. La Thi Quy	Member	Resigned on 30 June 2023

Board of General Directors

Mr. Truong Sy Toan	Chief Executive Officer
Ms. Pham Thi Thu Nga	Deputy General Director

Legal representative

Mr. Kek Chin Ann	Chairman
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Chief Accountant

Ms. Bui Thi Huong

EVENTS AFTER THE INTERIM SEPARATE BALANCE SHEET DATE

The Board of General Directors confirms that there have been no significant events occurring after the interim separate Balance Sheet date which would require adjustments to or disclosures to be made in the interim 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 interim separate financial statements which give a true and fair view of the interim separate financial position of the Company for the period from 01 January 2023 to 30 June 2023 and its interim separate results and interim separate cash flows for the period then ended.

In preparing those interim separate 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 interim separate financial statements; and
- Prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the interim separate financial position of the Company and to ensure that the interim separate financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other related legal regulations on preparation and presentation of the interim 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 interim separate financial statements of the Company pursuant to the Authorisation Letter No. 12/GUQ/ĐHHL dated 28 November 2022.

OTHER COMMITMENTS

The Board of 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 market, securities, 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,



Trương Sỹ Toàn

Chief Executive Officer

*Authorized under Power of Attorney No. 12/GUQ/DHHL dated November 28, 2022
Hai Phong, 25th August 2023*

**REPORT ON REVIEW OF
INTERIM SEPARATE FINANCIAL STATEMENTS**

*On the interim separate financial statements of Ha Long Canned Food Joint Stock Corporation
For the period from 01 January 2023 to 30 June 2023*

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

We have reviewed the accompanying interim separate financial statements of Ha Long Canned Food Joint Stock Corporation (hereinafter referred to as the "Company") which were prepared on 25th August 2023 as set out on page 06 to 38, including the interim separate Balance Sheet as at 30 June 2023, the interim separate Income Statement and interim separate Cash Flow Statement for the period from 01 January 2023 to 30 June 2023 and the interim separate Notes there to.

Responsibilities of the Board of Directors

The Board of Directors of the Company is responsible for preparing and presenting the interim separate financial statements in a true and fair view in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and related legal regulations on the preparation and presentation of the interim 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 interim separate financial statements that are free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditors

Our responsibility is to express a conclusion on this interim financial information based on the result of our review. We conducted our review in accordance with Vietnamese Standards of service contract No.2410 - Review of interim financial information performed by the independent auditor of the entity.

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

Conclusion of the Auditors

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements for the period from 01 January 2023 to 30 June 2023 do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2023 and the interim separate results of its operations and its interim separate cash flows for the period from 01 January 2023 to 30 June 2023, in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and related legal regulations on the preparation and presentation of the interim separate financial statements.

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

Other matters

The interim separate financial statements of Ha Long Canned Food Joint Stock Company for the period from 01 January 2022 to 30 June 2022 have been reviewed by another auditor and another auditing firm. The auditor expressed the unqualified conclusion on the interim separate financial statements on 22 August 2022.

The interim separate financial statements of Ha Long Canned Food Joint Stock Company for the year ended 31 December 2022 have been audited by another auditor and another auditing firm. The auditor expressed the unqualified opinion on the interim separate financial statements as at 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, 25th August 2023

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
As at 30 June 2023

ASSETS	Code	Note	30/06/2023 VND	01/01/2023 VND
CURRENT ASSETS	100		237,310,989,893	257,826,296,362
Cash and cash equivalents	110	4	3,438,341,451	9,689,924,550
Cash	111		3,438,341,451	9,689,924,550
Short-term receivables	130		43,540,492,809	42,744,411,954
Short-term trade accounts receivable	131	6	42,630,614,560	40,160,862,580
Short-term prepayments to suppliers	132		2,822,926,957	4,215,354,578
Other short-term receivables	136	7	7,677,392,230	7,875,499,279
Provision for short-term doubtful debts	137	9	(9,591,048,429)	(9,507,304,483)
Shortage of assets awaiting resolution	139		607,491	-
Inventories	140	8	187,828,761,301	203,187,599,905
Inventories	141		190,306,130,460	205,531,413,002
Provision against devaluation of goods in stock	149		(2,477,369,159)	(2,343,813,097)
Other current assets	150		2,503,394,332	2,204,359,953
Short-term prepaid expenses	151	10	2,286,222,118	2,204,359,953
Taxes and other receivables from the State Budget	153	15	217,172,214	-
NON-CURRENT ASSETS	200		50,504,409,030	52,800,994,812
Long-term receivables	210		598,164,171	598,164,171
Other long-term receivables	216	7	598,164,171	598,164,171
Fixed assets	220		31,959,120,165	33,864,566,725
Tangible fixed assets	221	11	19,707,963,714	21,433,936,555
- Cost	222		110,552,174,018	110,166,557,351
- Accumulated depreciation	223		(90,844,210,304)	(88,732,620,796)
Intangible fixed assets	227	12	12,251,156,451	12,430,630,170
- Cost	228		14,134,262,202	14,134,262,202
- Accumulated amortization	229		(1,883,105,751)	(1,703,632,032)
Long-term financial investments	250	5	15,110,926,449	15,110,926,449
Investment in subsidiaries	251		15,110,926,449	15,110,926,449
Other non-current assets	260		2,836,198,245	3,227,337,467
Long-term prepaid expenses	261	10	2,836,198,245	3,227,337,467
TOTAL ASSETS	270		287,815,398,923	310,627,291,174

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION (CONT'D)
As at 30 June 2023

RESOURCES	Code	Note	30/06/2023 VND	01/01/2023 VND
LIABILITIES	300		185,235,043,400	199,054,297,986
Current liabilities	310		180,539,811,874	194,451,981,950
Short-term trade accounts payable	311	13	32,251,289,278	41,498,019,509
Short-term advances from customers	312		708,899,760	522,900,983
Taxes and other payables to the State budget	313	15	5,398,512,581	4,769,484,671
Payables to employees	314		1,583,515,259	8,466,325,719
Short-term expenses payable	315	16	10,428,189,085	9,283,049,992
Other short-term payables	319	17	706,204,726	563,887,726
Short-term borrowings and finance lease debts	320	14	124,987,326,004	124,999,827,702
Bonus and welfare fund	322		4,475,875,181	4,348,485,648
Non-current liabilities	330		4,695,231,526	4,602,316,036
Other long-term payables	337	17	372,500,163	372,500,163
Provision for long-term payables	342	18	4,322,731,363	4,229,815,873
OWNERS' EQUITY	400		102,580,355,523	111,572,993,188
Owners' equity	410	19	102,580,355,523	111,572,993,188
Owners' equity	411		50,000,000,000	50,000,000,000
- Ordinary shares with voting rights	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		7,806,708,025	16,799,345,690
- Accumulated retained earnings brought forward	421a		8,799,345,690	4,597,673,839
- Retained earnings for the current period	421b		(992,637,665)	12,201,671,851
TOTAL RESOURCES	440		287,815,398,923	310,627,291,174

Hai Phong, 25th August 2023

Preparer



Duong Thi Thu Phuong

Chief Accountant



Bui Thi Huong

Chief Executive Officer



Truong Sy Toan

INTERIM SEPARATE INCOME STATEMENT
For the period from 01 January 2023 to 30 June 2023

Items	Code	Note	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
			VND	VND
Gross sales of merchandise and services	01	20	234,453,098,376	247,502,075,484
Less deductions	02	21	6,338,673,251	7,818,111,942
Net sales of merchandise and services	10		228,114,425,125	239,683,963,542
Cost of goods sold	11	22	169,690,465,232	172,084,400,268
Gross profit from sales of merchandise and services	20		58,423,959,893	67,599,563,274
Financial incomes	21	23	4,395,377	7,700,000
Financial expenses	22	24	5,702,602,601	3,600,771,707
<i>Including : Interest expense</i>	23		5,260,795,081	3,051,991,771
Selling expenses	25	25	43,207,697,751	38,876,574,303
General and administrative expenses	26	25	10,444,172,561	11,599,639,084
Operating profit	30		(926,117,643)	13,530,278,180
Other income	31		126,246,368	257,402,563
Other expenses	32		27,735,858	3,137,060
Profit from other activities	40		98,510,510	254,265,503
Net profit before tax	50		(827,607,133)	13,784,543,683
Current Corporate income tax expense	51	27	165,030,532	2,935,731,690
Deferred Corporate income tax expense	52		-	-
Net profit after tax	60		(992,637,665)	10,848,811,993

Hai Phong, 25th August 2023

Preparer



Duong Thi Thu Phuong

Chief Accountant



Bui Thi Huong

Chief Executive Officer



Truong Sy Toan

INTERIM SEPARATE CASH FLOW STATEMENT
(Applying indirect method)

For the period from 01 January 2023 to 30 June 2023

Items	Code Note	From 01/01/2023 to 30/06/2023 VND	From 01/01/2022 to 30/06/2022 VND
Cash flows from operating activities			
Profit before tax	1	(827,607,133)	13,784,543,683
Adjustments for:			
Depreciation and amortization	02	2,524,396,560	2,624,604,568
Provisions	03	310,215,498	(3,322,976,536)
Foreign exchange difference (gain)/loss from revaluation of monetary items denominated in foreign currency	04	(400)	-
(Gain) from investing activities	05	(58,937,632)	(175,545,930)
Interest expense	06	5,260,795,081	3,051,991,771
Operating profit before movements in working capital	08	7,208,861,974	15,962,617,556
Increase, decrease in receivables	09	(1,096,997,015)	374,008,018
Increase, decrease in inventories	10	15,225,282,542	(31,646,938,729)
Increase, decrease in payables (excluding interest payables, corporate income tax payable)	11	(13,375,511,053)	6,232,495,427
Increase, decrease in prepaid expenses	12	309,277,057	(565,793,930)
Interest paid	14	(5,263,403,264)	(3,068,760,256)
Corporate income tax paid	15	(845,990,457)	(2,746,741,225)
Other cash outflows from operating activities	17	(372,610,467)	(123,994,832)
Net cash flows from operating activities	20	1,788,909,317	(15,583,107,971)
Cash flows from investing activities			
Acquisition of fixed assets and other long-term assets	21	(618,950,000)	(36,900,000)
Proceeds from fixed assets and long-term assets disposal	22	54,545,455	173,218,000
Interest income, dividend and profit distributed	27	4,392,177	2,327,930
Net cash flows from investing activities	30	(560,012,368)	138,645,930
Cash flows from financing activities			
Proceeds from borrowings	33	197,106,233,339	213,490,850,275
Repayments of principal	34	(197,118,735,037)	(184,016,541,144)
Dividends paid, profits distributed to owners	36	(7,467,978,750)	(12,512,593,550)
Net cash flows from financing activities	40	(7,480,480,448)	16,961,715,581


INTERIM SEPARATE CASH FLOW STATEMENT (CONT'D)
(Applying indirect method)

For the period from 01 January 2023 to 30 June 2023


Items	Code	Note	From 01/01/2023	From 01/01/2022
			to 30/06/2023	to 30/06/2022
			VND	VND
Net decrease/(increase) in cash and cash equivalents	50		(6,251,583,499)	1,517,253,540
Cash and cash equivalents at the beginning of the period	60	4	9,689,924,550	930,098,754
Effect from changing foreign exchange rate	61		400	-
Cash and cash equivalents at the end of the period	70	4	3,438,341,451	2,447,352,294

Hai Phong, 25th August 2023

Preparer


Duong Thi Thu Phuong

Chief Accountant


Bui Thi Huong

Chief Executive Officer



Truong Sy Toan

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS

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

1. BUSINESS HIGHLIGHTS

1.1 STRUCTURE OF OWNERSHIP

Ha Long Canned Food Joint Stock Company, (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 30 June 2023 is 50,000,000,000 VND divided into 5,000,000 shares with a par value of VND 10,000/share. In which, Vietnam Seaproducts Joint Stock Corporation contributed 13,873,600,000 VND, 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 30 June 2023 is 707 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:

Subsidiaries	Place of incorporation and operation	Principal Business activities	% of Owner ship	% of voting rights
Ha Long 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 INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

1. BUSINESS HIGHLIGHTS

1.5 STATEMENT OF COMPATIBILITY OF INFORMATION ON THE INTERIM SEPARATE FINANCIAL STATEMENTS

The comparative figures in the interim separate balance sheet and the corresponding notes are from the audited separate financial statements for the year ended 31 December 2022 of the Company. The comparative figures in the interim separate income statement, the interim separate cash flows and the corresponding separate notes are from the reviewed separate financial statements for the period from 01 January 2023 to 30 June 2023.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

2.1 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/TT0-BTC.

2.2 ACCOUNTING PERIOD

The accounting period of the Company begins on 1 January and ends on 31 December of the calendar year. The accompanying interim separate financial statements have been prepared for the period from 01 January 2023 to 30 June 2023.

2.3 STATEMENT OF COMPLIANCE WITH ACCOUNTING STANDARDS AND SYSTEM

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3.1 ACCOUNTING STANDARD AND SYSTEM APPLIED

The interim separate financial statements are prepared as separate financial statements of the Parent Company. The Company prepares these interim separate financial statements to meet the requirements for information disclosure, specifically as prescribed in Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guidelines on information disclosure on the stock market. At the same time, the Company also prepares the interim consolidated financial statements of the Company and its subsidiaries for the six-month period ended 30 June 2023 in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and related legal regulations on the preparation and presentation of the interim consolidated financial statements.

3.2 ACCOUNTING ESTIMATES

Financial reporting in conformity with Vietnamese Accounting Standards, Vietnamese Accounting System and prevailing accounting regulations in Vietnam requires management to make estimates and assumptions that affect the reported amounts of assets liabilities and disclosures of contingent assets and liabilities at the date of the interim separate financial statements and the reported amounts of revenue and expenses during the operating period. Actual results could differ from those estimates.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.3 FOREIGN CURRENCY

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 interim 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 interim 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 interim 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 or has regular transactions at the time of preparation of the interim 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 November 20, 2015 effective from January 1, 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 interim separate financial and operating policies of an enterprise or business so as to obtain benefits from its activities or business activities.

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 interim separate financial and operating policies of the entity under a statute or agreement;
- (iii) The power to govern the interim separate financial and operating policies of the entity under a statute or agreement;
- (iv) The right to appoint and remove the majority of members of the Board of Directors (or an equivalent management body) of the entity; or
- (v) The right to vote on decisions in meetings of the Board of Directors (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 cost (purchase price and directly attributable costs) less allowance for investment loss. Provision for investment loss is made based on the amount of accumulated loss in the interim separate financial statements of the subsidiary and can be reversed when there is a profit. The increase or decrease in the provision for devaluation of financial investments is charged to financial expenses during the period.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

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 or debt commitment and receivable debts which are not due for payment 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.

Increases/decreases of balance of provision for bad debts which need appropriating as of the interim separate Balance Sheet date are recorded into administrative overheads.

3.7 INVENTORIES

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

The cost 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 cost 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 interim separate financial statements are recorded in the cost of goods sold during the period.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.8 TANGIBLES FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are recorded at cost, which is reflected in the interim separate Balance Sheet according to cost, 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 22/12/2014 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. 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 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 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 basis 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

3.9 INTANGIBLE FIXED ASSETS

Intangible fixed assets are recorded at cost, which is reflected in the interim separate 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 22/12/2014 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. 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 April 12/2017 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 period unless these expenses are associated with a specific intangible fixed asset and increase economic benefits from these assets.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.9 INTANGIBLE FIXED ASSETS (CONT'D)

The Corporation's intangible fixed assets include land use rights and software programs, 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 costs less accumulated amortisation. Costs 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 basis over the terms of the land use right certificates.

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

3.10 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 no more than 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.

3.11 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.

3.12 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 deduction 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 payable to this account in accordance with the actual expenses incurred.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.13 BORROWING AND FINANCIAL LEASE LIABILITY

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

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

3.14 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.

3.15 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.

Profit after corporate income tax is distributed to shareholders after setting aside funds in accordance with the Charter of the Corporation 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. 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.

3.16 REVENUE RECOGNITION

Revenue of the Corporation includes sales of products, goods, construction and installation, provision of services and revenue from financial activities.

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;

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.16 REVENUE RECOGNITION (CONT'D)

- 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 interim separate 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;
- The Corporation received or shall receive economic benefits from transactions of providing services.
- The stage of completion of transaction at the end of reporting period can be measured reliably.
- The costs incurred for transactions and the costs to complete transactions can be measured reliably.

Financial income

Interest on bank deposits is recognized based on the bank's periodic announcement, loan interest is recognized on the basis of time and actual interest rate each period.

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.

3.17 FINANCIAL EXPENSES

Financial expenses recognized in the interim 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.

3.18 TAXES AND OTHER PAYMENTS TO THE STATE

Value-added tax (VAT)

Enterprises apply the declaration and calculation of VAT according to the guidance of the current tax law.

Corporate income tax

Corporate income tax represents the sum of the current tax payable.

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.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

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

3.18 TAXES AND OTHER PAYMENTS TO THE STATE (CONT'D)

Corporate income tax is calculated at the tax rate effective at the interim separate 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.

3.19 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 companies, including the Parent Company, subsidiaries and associates.
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel, the close family members of these individuals.
- 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

	30/06/2023	01/01/2023
	VND	VND
- Cash on hand	159,440,047	281,626,068
- Cash at bank	3,278,901,404	9,408,298,482
Total	3,438,341,451	9,689,924,550

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***5. FINANCIAL INVESTMENTS**

	30/06/2023			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 30 June 2023, the Company has not determined the fair value of these investments to disclose on the interim 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.

6. TRADE RECEIVABLES

	30/06/2023		01/01/2023	
	Amount VND	Provision VND	Amount VND	Provision VND
a) Short-term	42,630,614,560	(1,535,846,473)	40,160,862,580	(1,452,102,527)
- Andy Trading Service Company Limited	9,850,674,674	-	10,098,363,940	-
- Highland coffee Service Joint Stock Company	6,654,066,400	-	1,932,920,544	-
- Wincommerce general commercial services Joint Stock	7,743,466,115	(376,761,540)	6,026,589,546	(411,670,829)
- Branch of Highland coffee Service Joint Stock Company	4,360,171,200	-	5,843,070,304	-
- Others	14,022,236,171	(1,159,084,933)	16,259,918,246	(1,040,431,698)
b) Long-term	-	-	-	-
Total	42,630,614,560	(1,535,846,473)	40,160,862,580	(1,452,102,527)

c) Trade receivables with related parties: Details are presented in Note 29.1

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***7. OTHER RECEIVABLES**

	30/06/2023		01/01/2023	
	Amount	Ability-to-pay amount	Amount	Ability-to-pay amount
	VND	VND	VND	VND
a) Short-term	7,677,392,230	(7,212,767,618)	7,875,499,279	(7,212,767,618)
- Receivables from individuals relating to VAT (*)	5,054,991,698	(5,054,991,698)	5,054,991,698	(5,054,991,698)
- Ha Long Canfoco - Kindergarten	1,076,239,000	(1,076,239,000)	1,076,239,000	(1,076,239,000)
- Receivables from employees	163,978,869	-	275,183,228	-
- Deposits	206,466,373	-	288,966,373	-
- Others	1,175,716,290	(1,081,536,920)	1,180,118,980	(1,081,536,920)
b) Long-term	598,164,171	-	598,164,171	-
- Deposits	598,164,171	-	598,164,171	-
Total	8,275,556,401	(7,212,767,618)	8,473,663,450	(7,212,767,618)

c) Other receivables with related parties: *Detail are presented in Note 29.1*

(*) 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 Decision No. 03/HSPT dated 12 and 13 January 2005, issued by the Supreme People's Court of Vietnam – Appellate Court in Hanoi. On 28 March 2022, the Company wrote off the bad debt for an individual amounting to VND 403,262,552 according to the decision approved by the Chief Executive Officer.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***8. INVENTORIES**

	30/06/2023		01/01/2023	
	Historical cost	Provision	Historical cost	Provision
	VND	VND	VND	VND
Goods in transit	1,638,470,400	-	2,421,864,000	-
Raw materials	71,027,565,537	(309,614,448)	99,581,121,762	(665,258,116)
Tools and supplies	7,583,328,804	(73,557,790)	8,886,989,646	(199,157,807)
Work in progress	46,673,623,336	(473,274,123)	22,968,034,235	(316,585,688)
Finished goods	42,797,555,606	(313,466,632)	48,171,825,378	(115,832,608)
Merchandise	20,585,586,777	(1,307,456,166)	23,501,577,981	(1,046,978,878)
Total	190,306,130,460	(2,477,369,159)	205,531,413,002	(2,343,813,097)

9. DOUBTFUL DEBTS

	30/06/2023			01/01/2023		
	Cost	Recoverable value	Provision	Cost	Recoverable value	Provision
	VND	VND	VND	VND	VND	VND
Overdue receivables						
Trade accounts receivable	42,630,614,560	41,094,768,087	(1,535,846,473)	40,160,862,580	38,708,760,053	(1,452,102,527)
Others receivable	8,275,556,401	1,062,788,783	(7,212,767,618)	8,473,663,450	1,260,895,832	(7,212,767,618)
Prepayments to suppliers	2,263,475,847	1,421,041,509	(842,434,338)	4,181,522,776	3,339,088,438	(842,434,338)
Total	53,169,646,808	43,578,598,379	(9,591,048,429)	52,816,048,806	43,308,744,323	(9,507,304,483)

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

9. DOUBTFUL DEBTS (CONT'D)

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

	The six-month period ended at 30/06/2023	Year end at 31/12/2022
	VND	VND
Beginning of year/period	9,507,304,483	9,891,086,615
Increase	224,504,902	551,715,851
Decrease	(140,760,956)	(320,235,431)
Write off	-	(615,262,552)
End of year/period	9,591,048,429	9,507,304,483

10. PREPAID EXPENSES

	30/06/2023	01/01/2023
	VND	VND
a) Short-term	2,286,222,118	2,204,359,953
- Insurance fees	431,271,328	400,961,942
- Repair and maintenance expenses	124,208,546	235,164,495
- Rental expense	872,375,822	525,054,286
- Tools and supplies	347,811,001	315,749,362
- Others	510,555,421	727,429,868
b) Long-term	2,836,198,245	3,227,337,467
- Assets retirement obligation	2,306,981,086	2,381,378,962
- Repair and maintenance expenses	257,252,282	486,353,138
- Others	271,964,877	359,605,367
Total	5,122,420,363	5,431,697,420

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***11. TANGIBLE FIXED ASSETS**

	Plant and buildings VND	Machinery equipment VND	Motor vehicles transmission VND	Office equipment VND	Total VND
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	-	-	(233,333,333)	-	(233,333,333)
30/06/2023	34,764,137,080	71,441,922,143	4,268,931,481	77,183,314	110,552,174,018
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	(205,757,304)	(2,050,458,574)	(88,706,963)	-	(2,344,922,841)
- Disposals	-	-	233,333,333	-	233,333,333
30/06/2023	(33,547,824,612)	(54,366,816,309)	(2,852,386,069)	(77,183,314)	(90,844,210,304)
NET BOOK VALUE					
01/01/2023	1,422,069,772	18,915,564,408	1,096,302,375	-	21,433,936,555
30/06/2023	1,216,312,468	17,075,105,834	1,416,545,412	-	19,707,963,714

- The residual value of tangible fixed assets used as mortgage, pledge or loan security as at 30 June 2023 is VND 5,604,170,476 (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 30 June 2023 is VND 51,572,146,832 (01 January 2023 is VND 52,443,576,727).

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

12. INTANGIBLE FIXED ASSETS

	Land use rights (*) <u>VND</u>	Computer software <u>VND</u>	Total <u>VND</u>
COST			
01/01/2023	11,987,672,202	2,146,590,000	14,134,262,202
30/06/2023	<u>11,987,672,202</u>	<u>2,146,590,000</u>	<u>14,134,262,202</u>
ACCUMULATED DEPRECIATION			
01/01/2023	-	(1,703,632,032)	(1,703,632,032)
- Charge for the period	-	(179,473,719)	(179,473,719)
30/06/2023	<u>-</u>	<u>(1,883,105,751)</u>	<u>(1,883,105,751)</u>
NET BOOK VALUE			
01/01/2023	<u>11,987,672,202</u>	<u>442,957,968</u>	<u>12,430,630,170</u>
30/06/2023	<u>11,987,672,202</u>	<u>263,484,249</u>	<u>12,251,156,451</u>

(*) 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 INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***13. TRADE PAYABLES**

	30/06/2023		01/01/2023	
	Amount	Ability-to-pay amount	Amount	Ability-to-pay amount
	VND	VND	VND	VND
a) Short-term	32,251,289,278	32,251,289,278	41,498,019,509	41,498,019,509
- Ha Long Foods Import Export Company Limited	9,069,386,890	9,069,386,890	19,302,114,090	19,302,114,090
- Vietnam Chuan Li Can Company Limited	4,980,002,280	4,980,002,280	7,667,557,095	7,667,557,095
- Ha Long Canfoco - Da Nang Company Limited	4,661,947,225	4,661,947,225	5,334,156,727	5,334,156,727
- Others	13,539,952,883	13,539,952,883	9,194,191,597	9,194,191,597
b) Long-term	-	-	-	-
Total	32,251,289,278	32,251,289,278	41,498,019,509	41,498,019,509

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***14. BORROWING AND FINANCIAL LEASE**

Description	30/06/2023		In period		01/01/2023	
	Amount	Ability-to-pay amount	Increase	Decrease	Amount	Ability-to-pay amount
	VND	VND	VND	VND	VND	VND
Short-term borrowings	124,987,326,004	124,987,326,004	197,106,233,339	197,118,735,037	124,999,827,702	124,999,827,702
- Joint Stock Commercial Bank For Foreign Trade Of Vietnam - South Hai Phong Branch (1)	24,978,204,070	24,978,204,070	34,078,833,407	39,100,589,567	29,999,960,230	29,999,960,230
- Vietnam Bank for Agriculture and Rural Development - Hai Phong Branch (2)	49,999,381,595	49,999,381,595	73,638,653,997	73,639,257,418	49,999,985,016	49,999,985,016
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Ngo Quyen Branch (3)	12,380,553,780	12,380,553,780	32,835,082,041	50,454,482,914	29,999,954,653	29,999,954,653
- Vietnam Export Import Bank - Hai Phong Branch (4)	14,999,755,000	14,999,755,000	33,924,232,335	33,924,405,138	14,999,927,803	14,999,927,803
- Vietnam Technological and Commercial Joint Stock Bank - Hai	22,629,431,559	22,629,431,559	22,629,431,559	-	-	-
Long-term borrowings	-	-	-	-	-	-
Total	124,987,326,004	124,987,326,004	197,106,233,339	197,118,735,037	124,999,827,702	124,999,827,702

(1) Loan contract No. 126914/2022/HDHM dated 20 May 2022 of Joint Stock Commercial Bank for Foreign Trade of Vietnam – South Hai Phong Branch with specific terms as follows:

- Credit limit: VND 30,000,000,000 ;
- The limit maintenance period is 12 months from the effective date of the contract;
- Purpose: Financing working capital for production and business activities of the Company.
- Interest rate of the loan within the term according to each disbursement, specified on each debt receipt.
- Collateral is used machinery and equipment owned by the Company under the mortgage contract No. 22/2018/HDTC-CAN and 22-A/2018/HDTC-CAN signed on 02 October 2018, mortgage contract No. 02.2019/HDTC-CAN dated 24 December 2019; and real estate owned by the Company under the mortgage contract No. 01.2019/HDTC-CAN dated 13 December 2019.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***14. BORROWING AND FINANCIAL LEASE (CONT'D)**

(2) Credit Contract No. 2100-LAV-202200432 dated 17 August 2022 of the Joint Stock Commercial Bank for Agriculture and Rural Development of Vietnam - City Branch. Hai Phong with the following specific terms:

- Credit limit: 50.000.000.000 đồng;
- The limit maintenance period is 12 months from the effective date of the contract;
- Purpose: Financing working capital for production and business activities of the Company;
- Interest rate within the term applies floating interest rate according to Agribank's regulations on lending interest rates from time to time.;
- The collateral is the land use right and assets attached to the land at 71 Le Lai, May Chai ward, Ngo Quyen district, Hai Phong.

(3) Loan contract No. 02/2022-HDCVHM/NHCT168-DOHOPHALONG dated 23 May 2022 of Joint Stock Commercial Bank for Industry and Trade of Vietnam - Ngo Quyen Branch with specific terms as follows:

- Credit limit: VND 30.000.000.000 ;
- The limit maintenance period is 12 months from the effective date of the contract;
- Purpose: Financing working capital for production and business activities of the Company.;
- The interest rate for the term loan is the interest rate on each debit note and is valid from the time of disbursement until the interest rate adjustment of the Joint Stock Commercial Bank for Industry and Trade of Vietnam.

(4) Credit Contract No. 1603-LAV-220075319 dated August 25, 2022 of Vietnam Export-Import Commercial Joint Stock Bank - Hai Phong Branch with specific terms as follows:

- Credit limit: VND 15.000.000.000 ;
- The limit maintenance period is 12 months from the effective date of the contract;
- Purpose: Financing working capital for production and business activities of the Company;
- Interest rate for the loan within the term as specified in the Debt Acceptance Agreement;

(5) Credit contract No. HPG202213857808/HDCTD dated April 6, 2023 of Vietnam Technological and Commercial Joint Stock Bank - Hai Phong Branch with specific terms as follows:

- Credit limit: VND 45.000.000.000 ;
- The validity period of the credit extension contract is 12 months from the effective date of the contract;
- Purpose: Financing working capital for production and business activities of the Company.;
- Interest rate for the loan within the term according to each disbursement, specified in the Disbursement Request cum Debt Receipt Agreement.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***15. TAX AND OTHER PAYABLE TO THE STATE**

	01/01/2023	Incurred during the period	Payment during the period	Offset	30/06/2023
	VND	VND	VND	VND	VND
Taxes and amounts payable					
- Value added tax payable	2,485,714,650	25,295,540,450	12,903,591,497	10,477,997,806	4,399,665,797
- Corporate income tax	463,787,711	165,030,532	845,990,457	(217,172,214)	-
- Personal income tax	142,891,728	1,871,288,415	1,515,906,405	348,763,019	149,510,719
- Land tax, land rental	-	288,366,798	164,766,720	-	123,600,078
- Other taxes	-	7,549,673	7,549,673	-	-
- Fees, charges and other payables	1,677,090,582	16,838,372	968,192,967	-	725,735,987
Total	4,769,484,671	27,644,614,240	16,405,997,719	10,609,588,611	5,398,512,581
	01/01/2023	Incurred during the period	Receipt during the period	Offset	30/06/2023
	VND	VND	VND	VND	VND
Taxes and amounts receivable					
- Corporate income tax	-	-	-	217,172,214	217,172,214
Total	-	-	-	217,172,214	217,172,214

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

16. EXPENSES PAYABLES

	30/06/2023	01/01/2023
	VND	VND
a) Short-term	10,428,189,085	9,283,049,992
- Distributor support expenses	4,421,050,441	5,081,635,846
- Sales staff incentive	1,286,000,001	1,420,200,000
- Others	4,721,138,643	2,781,214,146
b) Long-term	-	-
Total	10,428,189,085	9,283,049,992

17. OTHER PAYABLES

	30/06/2023	01/01/2023
	VND	VND
a) Short-term	706,204,726	563,887,726
- Trade union fees	122,621,922	120,901,917
- Social insurance	68,615,094	-
- Health insurance	3,775,565	-
- Unemployment insurance	108,540	-
- Dividend payables	130,947,450	98,926,200
- Short-term mortgages, deposits received	91,500,000	60,000,000
- Others	288,636,155	284,059,609
b) Long-term	372,500,163	372,500,163
- Long-term mortgages, deposits received	90,000,000	90,000,000
- Others	282,500,163	282,500,163
Total	1,078,704,889	936,387,889

18. PROVISION FOR PAYABLES

	30/06/2023	01/01/2023
	VND	VND
Long-term	4,322,731,363	4,229,815,873
- Provision for restoration cost (*)	4,322,731,363	4,229,815,873
Total	4,322,731,363	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 period were as follows:

	The six-month period ended at 30/06/2023	Year end at 31/12/2022
	VND	VND
Beginning of year/period	4,229,815,873	4,043,984,893
Time value effect of provision for dismantling and restoration costs related to leased lands	92,915,490	185,830,980
End of year/period	4,322,731,363	4,229,815,873

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)*(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)***19. OWNERS' EQUITY****19.1 CHANGES IN OWNERS' EQUITY**

Items	Owners' capital VND	Share premium VND	Investment and development VND	Retained earnings VND	Total 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 this period	-	-	-	(992,637,665)	(992,637,665)
- 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)
30/06/2023	50,000,000,000	15,753,387,350	29,020,260,148	7,806,708,025	102,580,355,523

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

19. OWNERS' EQUITY (CONT'D)

19.2 DETAILS OF OWNERS' EQUITY

	30/06/2023	01/01/2023
	VND	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
- Mr. Le Minh Ha	2,741,900,000	2,741,900,000
- Mrs. Pham Thi Thu Nga	20,000,000	20,000,000
- Other shareholders	14,451,300,000	15,198,600,000
Total	50,000,000,000	50,000,000,000

19.3 EQUITY TRANSACTIONS WITH OWNERS AND DISTRIBUTION OF PROFITS

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
Owners' equity		
+ Equity at the beginning of period	50,000,000,000	50,000,000,000
+ Equity increase in period	-	-
+ Equity decrease in period	-	-
+ Equity at the end of period	50,000,000,000	50,000,000,000
- Dividends paid	7,500,000,000	12,500,000,000

19.4 SHARES

	30/06/2023	01/01/2023
	Share	Share
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 INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

20. SALES OF MERCHANDISE AND SERVICES

	From 01/01/2023 to 30/06/2023 VND	From 01/01/2022 to 30/06/2022 VND
a) Revenue	234,453,098,376	247,502,075,484
- Sales of finished goods	184,986,699,284	207,273,505,375
- Sales of merchandise	48,725,949,813	39,916,570,109
- Others	740,449,279	312,000,000
Total	234,453,098,376	247,502,075,484
b) Revenue with related parties: Details are presented in Note 29.1		

21. SALES DEDUCTIONS

	From 01/01/2023 to 30/06/2023 VND	From 01/01/2022 to 30/06/2022 VND
Sales reduction	6,338,673,251	7,818,111,942
In which:		
+ Trade discounts	6,251,817,115	7,813,939,002
+ Sales returns	86,856,136	4,172,940
Total	6,338,673,251	7,818,111,942

22. COST OF GOODS SOLD

	From 01/01/2023 to 30/06/2023 VND	From 01/01/2022 to 30/06/2022 VND
- Cost of finished goods sold	135,318,194,714	142,071,144,865
- Cost of goods sold	34,238,714,456	30,534,725,013
- Provision against devaluation of goods in stock	133,556,062	(521,469,610)
Total	169,690,465,232	172,084,400,268

23. FINANCIAL INCOMES

	From 01/01/2023 to 30/06/2023 VND	From 01/01/2022 to 30/06/2022 VND
- Bank interest, lending interest	4,392,177	7,700,000
- Foreign exchange difference gain arising in the period	2,800	-
- Foreign exchange difference gain at the end of the period	400	-
Total	4,395,377	7,700,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

24. FINANCIAL EXPENSES

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
- Interest expense	5,260,795,081	3,051,991,771
- Time value effect of provision for dismantling and restoration costs related to leased lands	92,915,490	92,915,490
- Others	348,892,030	455,864,446
Total	5,702,602,601	3,600,771,707

25. SELLING EXPENSE AND GENERAL AND ADMINISTRATIVE EXPENSE

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
a) General and Administration expenses	10,444,172,561	11,599,639,084
- Labour costs	5,280,483,871	4,821,810,452
- Provision for doubtful debts	158,141,822	505,577,584
- Depreciation and amortisation	276,158,811	338,576,358
- Tax and fees expenses	294,031,798	446,900,898
- Working expenses	695,629,035	609,895,891
- Outsource service expenses	1,271,005,357	3,301,724,813
- Others	2,468,721,867	1,575,153,088
b) Selling expenses	43,207,697,751	38,876,574,303
- Labour costs	23,821,597,624	20,964,344,743
- Distributor support expenses	5,504,323,057	5,018,709,838
- Shipping and handling costs	5,962,227,134	6,617,127,412
- Depreciation and amortisation	20,975,158	14,059,471
- Working expenses	1,426,692,717	1,558,265,908
- Marketing and promotion expenses	1,137,127,203	1,355,815,827
- Outsource service expenses	3,061,134,297	1,436,612,903
- Others	2,273,620,561	1,911,638,201
Total	53,651,870,312	50,476,213,387

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

26. OPERATING COST BY FACTOR

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
- Raw material costs	97,116,701,566	110,665,648,815
- Labor costs	51,853,336,806	48,008,577,659
- Depreciation and amortisation	2,524,396,560	2,624,604,568
- Outsource service expenses	16,232,486,692	22,084,405,898
- Other cash expenses	19,838,506,401	8,522,308,486
Total	187,565,428,025	191,905,545,426

27. CURRENT CORPORATE INCOME TAX EXPENSE

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
Total profit before tax	(827,607,133)	13,784,543,683
Non-deductible expenses	3,257,016,911	2,030,846,930
- Provision against devaluation of goods in stock	1,825,078,935	-
- Provision for restoration cost	92,915,490	92,915,490
- Provision for doubtful debts	224,504,902	505,577,584
- Non-deductible expenses	1,114,517,584	1,432,353,856
Adjustments to reduce other profit before tax	1,832,283,829	1,136,732,162
- Reverting of provision expenses	1,832,283,829	1,136,732,162
Total taxable income in period	597,125,949	14,678,658,451
Income tax rate	20%	20%
Estimated CIT payable	119,425,190	2,935,731,690
Additional 2022 CIT expenses	45,605,342	-
Total current corporate income tax expense	165,030,532	2,935,731,690

28. 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 interim separate financial statements during the operating period from January 1, 2023 to June 30, 2023.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

29. OTHER INFORMATION

29.1 INFORMATION ABOUT RELATED PARTIES

During the operating period from 01 January 2023 to 30 June 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
- Mrs. Nguyen Thi Huong Giang	Head of the Supervisory Board (Appointed on 25/04/2023)
- Mrs. Pham Thi Hai Yen	Head of the Supervisory Board (Replaced on 25/04/2023)
- Mr. Nguyen Manh Tuan Vu	Member of the Supervisory Board
- Mrs. La Thi Quy	Member of the Supervisory Board (Resigned on 30/06/2023)
- Ha Long Canfoco - Da Nang Company Limited	Subsidiary
- Ha Long Canfoco - Kindergarten	Subsidiary

Transaction with related parties

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
Purchased with related party	15,256,554,925	17,159,007,780
- Ha Long Canfoco - Da Nang Company Limited	15,256,554,925	17,159,007,780
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
- Mr. Pham Huu Quy Lam	657,180,000	1,095,300,000
- Landial Pte Ltd.	1,098,600,000	989,500,000
- Mr. Low Say Pun	576,750,000	961,250,000
- Mr. Nguyen Van Binh	504,450,000	783,000,000
- Mr. Nguyen Van Manh	-	712,425,000
- Mr. Le Minh Ha	411,285,000	685,475,000
- Mrs. Pham Thi Thu Nga	3,000,000	5,000,000
- Other shareholders	2,167,695,000	3,799,650,000

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

29. OTHER INFORMATION (CONT'D)

29.1 INFORMATION ABOUT RELATED PARTIES (CONT'D)

Balance with related parties

	30/06/2023	01/01/2023
	VND	VND
Trade accounts receivable	-	793,617,591
- Ha Long Canfoco - Da Nang Company Limited	-	793,617,591
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
Other receivables	1,076,239,000	1,076,239,000
- Ha Long Canfoco - Kindergarten	1,076,239,000	1,076,239,000
Trade accounts payable	4,661,947,225	5,334,156,727
- Ha Long Canfoco - Da Nang Company Limited	4,661,947,225	5,334,156,727

Income of key management members

	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
	VND	VND
- Income of key management members	1,952,000,000	1,402,233,333
- Remuneration of the Board of management and the Supervisory Board	840,000,001	2,490,630,633
Total	2,792,000,001	3,892,863,966

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

29. OTHER INFORMATION (CONT'D)

29.1 INFORMATION ABOUT RELATED PARTIES (CONT'D)

Income of key management members

Name	Position	From 01/01/2023 to 30/06/2023	From 01/01/2022 to 30/06/2022
		VND	VND
- Mr. Kek Chin Ann	Chairman of the Board of management	158,490,566	588,910,421
- Mr. Nguyen Thanh Trung	Vice Chairman of the Board of management	145,283,019	338,993,711
- Mr. Bui Quoc Hung	Member of the Board of management	132,075,472	416,284,209
- Mr. Wilson Cheah Hui Pin	Member of the Board of management	132,075,472	398,266,191
- Mr. Tran Huu Hoang	Member of the Board of management	132,075,472	308,176,101
- Mrs. Pham Thi Hai Yen	Head of the Supervisory Board (Replaced on 25/04/2023)	60,000,000	230,000,000
- Mrs. Nguyen Thi Huong Giang	Head of the Supervisory Board (Appointed on 25/04/2023)	22,666,666	-
- Mrs. La Thi Quy	Member of the Supervisory Board (Resigned on 30/06/2023)	28,666,667	105,000,000
- Mr. Nguyen Manh Tuan Vu	Member of the Supervisory Board	28,666,667	105,000,000
- Mr. Truong Sy Toan	Chief Executive Officer	1,152,000,000	968,000,000
- Mrs. Pham Thi Thu Nga	Deputy General Director	375,000,000	-
- Mrs. Bui Thi Huong	Chief Accountant	425,000,000	434,233,333
Total		2,792,000,001	3,892,863,966

29.2 COMPARATIVE FIGURES

Comparative figures are from the reviewed interim separate financial statements for the period from 01 January 2022 to 30 June 2022 and the audited separate financial statements for the year ended at 31 December 2022.

Hai Phong, 25th August 2023

Preparer

Duong Thi Thu Phuong

Chief Accountant

Bui Thi Huong

Chief Executive Officer

Truong Sy Toan

