



Hoa Sen Group

Separate Financial Statements
for the year ended 30 September 2023



**Hoa Sen Group
Corporate Information**

Enterprise Registration Certificate 3700381324

8 August 2001

The Enterprise Registration Certificate has been amended several times, the most recent of which is by Enterprise Registration Certificate No. 3700381324 dated 2 October 2023. The Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Binh Duong Province.

Board of Directors	Mr. Le Phuoc Vu Mr. Tran Ngoc Chu Mr. Tran Quoc Tri Mr. Ly Van Xuan Mr. Nguyen Van Luan Mr. Dinh Viet Duy	Chairman Vice Chairman Member Member Member Member
Audit Committee	Mr. Nguyen Van Luan Mr. Dinh Viet Duy Mr. Ly Van Xuan	Chairman Member Member
Board of Management	Mr. Tran Quoc Tri Mr. Vu Van Thanh Mr. Hoang Duc Huy Mr. Tran Quoc Pham Mr. Nguyen Ngoc Huy Mr. Tran Thanh Nam Mr. Nguyen Tan Hoa Mr. Nguyen Minh Phuc	General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director (until 26 July 2023) Acting Deputy General Director
Legal representative	Mr. Le Phuoc Vu Mr. Tran Ngoc Chu Mr. Tran Quoc Tri	Chairman Vice Chairman General Director
Registered Office	No. 9, Thong Nhat Boulevard Song Than II Industrial Park Di An Ward, Di An City Binh Duong Province Vietnam	
Auditor	KPMG Limited Vietnam	

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Hoa Sen Group Statement of the Board of Management


The Board of Management of Hoa Sen Group (“the Company”) presents this statement and the accompanying separate financial statements of the Company for the year ended 30 September 2023.

The Board of Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standard, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

- (a) the separate financial statements set out on pages 5 to 53 give a true and fair view of the unconsolidated financial position of the Company as at 30 September 2023, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying separate financial statements for issue.



On behalf of the Board of Management 

Tran Quoc Tri
General Director

Ho Chi Minh City, 22 December 2023

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KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
+84 (28) 3821 9266 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Hoa Sen Group

We have audited the accompanying separate financial statements of Hoa Sen Group ("the Company"), which comprise the separate balance sheet as at 30 September 2023, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 22 December 2023, as set out on pages 5 to 53.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 about whether the separate financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the 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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's Board of Management, as well as evaluating the overall presentation of the financial statements.

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



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Hoa Sen Group as at 30 September 2023 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 23-01-00382-23-1



Pham Huy Cuong
Practicing Auditor Registration
Certificate No. 2675-2019-007-1
Deputy General Director

Tran Thi Le Hang
Practicing Auditor Registration
Certificate No. 3782-2022-007-1

Ho Chi Minh City, 22 December 2023

Hoa Sen Group
Separate balance sheet as at 30 September 2023

Form B 01 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/9/2023 VND	1/10/2022 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		13,186,804,684,705	12,258,434,228,464
Cash and cash equivalents	110	5	501,386,999,566	242,815,476,591
Cash	111		500,636,999,566	242,065,476,591
Cash equivalents	112		750,000,000	750,000,000
Short-term financial investments	120		20,560,958,904	5,000,000,000
Held-to-maturity investments	123	14(a)	20,560,958,904	5,000,000,000
Accounts receivable – short-term	130		8,405,245,948,063	8,315,127,736,295
Accounts receivable from customers	131	6(a)	7,416,195,465,814	7,934,070,297,881
Prepayments to suppliers	132	7	26,549,614,993	95,559,044,734
Loans receivable – short-term	135	8(a)	118,500,000,000	-
Other short-term receivables	136	9(a)	854,774,675,210	299,205,562,269
Allowance for doubtful debts	137	6(c)	(10,773,807,954)	(13,707,168,589)
Inventories	140	10	3,749,491,109,277	3,185,372,278,891
Inventories	141		3,876,500,070,101	3,377,955,693,089
Allowance for inventories	149		(127,008,960,824)	(192,583,414,198)
Other current assets	150		510,119,668,895	510,118,736,687
Short-term prepaid expenses	151	15(a)	96,483,062,965	94,748,267,020
Deductible value added tax	152	18(a)	285,106,020,138	286,790,842,330
Taxes receivable from State Treasury	153	18(b)	128,530,585,792	128,579,627,337

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

Hoa Sen Group
Separate balance sheet as at 30 September 2023 (continued)

Form B 01 – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/9/2023 VND	1/10/2022 VND
Long-term assets (200 = 210 + 220 + 240 + 250 + 260)	200		4,924,991,584,484	5,118,727,087,531
Accounts receivable – long-term	210		140,931,524,246	241,195,291,600
Loans receivable – long-term	215	8(b)	-	70,700,000,000
Other long-term receivables	216	9(b)	140,931,524,246	170,495,291,600
Fixed assets	220		1,016,313,002,019	1,198,450,061,079
Tangible fixed assets	221	11	848,743,235,444	1,014,508,752,822
Cost	222		3,888,602,489,525	3,794,307,134,043
Accumulated depreciation	223		(3,039,859,254,081)	(2,779,798,381,221)
Intangible fixed assets	227	12	167,569,766,575	183,941,308,257
Cost	228		254,559,214,510	259,431,861,261
Accumulated amortisation	229		(86,989,447,935)	(75,490,553,004)
Long-term work in progress	240		27,180,502,737	106,037,865,309
Construction in progress	242	13	27,180,502,737	106,037,865,309
Long-term financial investments	250		3,589,850,000,000	3,393,850,000,000
Investments in subsidiaries	251	14(b)	3,588,850,000,000	3,377,850,000,000
Held-to-maturity investments	255	14(a)	1,000,000,000	16,000,000,000
Other long-term assets	260		150,716,555,482	179,193,869,543
Long-term prepaid expenses	261	15(b)	100,428,317,304	69,639,780,740
Deferred tax assets	262	16	50,288,238,178	109,554,088,803
TOTAL ASSETS (270 = 100 + 200)	270		18,111,796,269,189	17,377,161,315,995

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

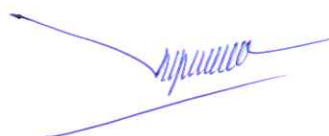
Hoa Sen Group
Separate balance sheet as at 30 September 2023 (continued)

Form B 01 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/9/2023 VND	1/10/2022 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		6,829,845,298,714	6,210,033,388,769
Current liabilities	310		6,815,609,482,547	6,195,799,689,582
Accounts payable to suppliers	311	17	3,330,483,232,614	1,970,635,586,928
Advances from customers	312		129,957,335,766	176,845,202,295
Taxes payable to State Treasury	313	18(c)	145,505,586,644	5,275,868,275
Payables to employees	314		48,600,453,107	64,245,590,725
Accrued expenses	315	19	66,684,028,030	207,561,319,455
Other payables – short-term	319	20	42,122,470,287	18,979,145,366
Short-term borrowings	320	21	2,903,786,802,438	3,545,557,150,716
Bonus and welfare funds	322	22	148,469,573,661	206,699,825,822
Long-term liabilities	330		14,235,816,167	14,233,699,187
Other payables – long-term	337		709,500,000	709,500,000
Provisions – long-term	342	23	13,526,316,167	13,524,199,187
EQUITY (400 = 410)	400		11,281,950,970,475	11,167,127,927,226
Owners' equity	410	24	11,281,950,970,475	11,167,127,927,226
Share capital	411	25	6,159,823,090,000	5,980,549,860,000
- Ordinary shares with voting rights	411a		6,159,823,090,000	5,980,549,860,000
Share premium	412		157,292,539,068	157,292,539,068
Other equity funds	420		77,910,496,944	187,499,009,876
Retained profits	421		4,886,924,844,463	4,841,786,518,282
- Retained profits brought forward	421a		4,638,635,861,919	4,793,615,960,838
- Retained profits for the current year	421b		248,288,982,544	48,170,557,444
TOTAL RESOURCES (440 = 300 + 400)	440		18,111,796,269,189	17,377,161,315,995

22 December 2023

Prepared by:



Nguyen Thi Thanh Tuyen
Accountant

Approved by:



Nguyen Thi Ngoc Lan
Chief Accountant



Tran Quoc Tri
General Director

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

Hoa Sen Group
Separate statement of income for the year ended 30 September 2023

Form B 02 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Year ended	
			30/9/2023 VND	30/9/2022 VND
Revenue from sales of goods and provision of services	01	27	52,881,019,564,133	81,450,228,213,277
Revenue deductions	02	27	276,256,396,943	260,746,998,178
Net revenue (10 = 01 - 02)	10	27	52,604,763,167,190	81,189,481,215,099
Cost of sales	11	28	50,476,627,454,498	77,388,423,409,761
Gross profit (20 = 10 - 11)	20		2,128,135,712,692	3,801,057,805,338
Financial income	21	29	800,850,256,543	425,167,604,879
Financial expenses	22	30	300,217,604,297	419,889,233,636
<i>In which: Interest expense</i>	23		184,694,883,045	176,518,452,634
Selling expenses	25	31	2,121,829,595,199	3,469,159,524,662
General and administration expenses	26	32	242,553,285,595	323,017,357,209
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		264,385,484,144	14,159,294,710
Other income	31		45,338,320,487	37,281,371,157
Other expenses	32		631,991,708	2,028,544,004
Results of other activities (40 = 31 - 32)	40		44,706,328,779	35,252,827,153
Accounting profit before tax (50 = 30 + 40)	50		309,091,812,923	49,412,121,863
Income tax expense – current	51	34	1,536,979,754	23,681,645,484
Income tax expense/(benefit) – deferred	52	34	59,265,850,625	(22,440,081,065)
Net profit after tax (60 = 50 - 51 - 52)	60		248,288,982,544	48,170,557,444

22 December 2023

Prepared by:



Nguyen Thi Thanh Tuyen
Accountant

Approved by:





Nguyen Thi Ngoc Lan
Chief Accountant

Tran Quoc Tri
General Director

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

Hoa Sen Group
Separate statement of cash flows for the year ended 30 September 2023
(Indirect method)

Form B 03 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code Note	Year ended	
		30/9/2023 VND	30/9/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	309,091,812,923	49,412,121,863
Adjustments for			
Depreciation and amortisation	02	296,698,963,838	288,742,037,855
Allowances and provisions	03	(54,798,528,440)	112,682,357,532
Exchange gains arising from revaluation of monetary items denominated in foreign currencies	04	(2,114,003,286)	(5,999,777,701)
Profits from investing activities	05	(582,268,394,623)	(182,386,015,343)
Interest expense	06	184,694,883,045	176,518,452,634
Operating profit before changes in working capital	08	151,304,733,457	438,969,176,840
Change in receivables	09	455,788,862,582	1,825,657,571,725
Change in inventories	10	(508,889,546,680)	3,086,823,027,253
Change in payables and other liabilities	11	1,544,513,703,402	(3,677,954,974,368)
Change in prepaid expenses	12	23,096,871,939	(13,914,683,956)
		1,665,814,624,700	1,659,580,117,494
Interest paid	14	(186,167,929,380)	(182,460,644,247)
Income tax paid	15	(1,461,479,656)	(288,320,745,818)
Other payments for operating activities	17	(191,696,191,456)	(117,030,852,331)
Net cash flows from operating activities	20	1,286,489,024,208	1,071,767,875,098
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(178,762,599,745)	(328,785,899,096)
Proceeds from disposals of fixed assets	22	33,972,301,805	24,389,427,659
Payments for granting loans and placement of term deposits	23	(136,060,958,904)	(2,700,000,000)
Collections on loans receivable and term deposits	24	15,000,000,000	-
Payments for investments in subsidiaries	25	(130,845,602,739)	-
Receipts of interest on term deposits, bond coupons and dividends	27	9,167,953,933	231,166,167,254
Net cash flows from investing activities	30	(387,528,905,650)	(75,930,304,183)

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

Hoa Sen Group
Separate statement of cash flows for the year ended 30 September 2023
(Indirect method – continued)

Form B 03 – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code Note	Year ended	
		30/9/2023 VND	30/9/2022 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from shares issuance	31	-	49,008,000,000
Proceeds from borrowings	33	21,420,117,233,606	32,420,046,369,416
Payments to settle loan principals	34	(22,061,887,581,884)	(33,679,445,401,829)
Payments of dividends	36	(5,531,000)	(393,643,500)
Net cash flows from financing activities	40	(641,775,879,278)	(1,210,784,675,913)
Net cash flows during the year (50 = 20 + 30 + 40)	50	257,184,239,280	(214,947,104,998)
Cash and cash equivalents at the beginning of the year	60	242,815,476,591	406,017,139,417
Effect of exchange rate fluctuations on cash and cash equivalents	61	1,387,283,695	51,745,442,172
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70 5	501,386,999,566	242,815,476,591

22 December 2023

Prepared by:



Nguyen Thi Thanh Tuyen
Accountant

Approved by:



Nguyen Thi Ngoc Lan
Chief Accountant



Fran Quoc Tri
General Director

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

Hoa Sen Group

Notes to the separate financial statements for the year ended 30 September 2023

Form B 09 – DN

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

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

1. Reporting entity

(a) Ownership structure

Hoa Sen Group (“the Company”) is a joint stock company incorporated in Vietnam.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange with trading code “HSG” in accordance with Decision No. 117/QĐ-SGDHCM dated 5 November 2008 issued by the Ho Chi Minh City Stock Exchange.

(b) Principal activities

The Company’s principal activities are manufacturing roofing sheets by galvanised steel, zinc alloy, paint galvanised zinc plating and plating of other alloys; producing steel purlins, galvanised purlins; manufacturing black steel pipes, galvanised steel pipes and other alloys; manufacturing steel mesh, galvanised steel wire, steel wire; buying and selling building materials, capital goods and consumer goods; providing warehousing and transportation services; providing industrial and civil construction services; and producing cold rolled steel coils and leasing machinery and equipment and other tangible belongings.

(c) Normal operating cycle

The normal operating cycle of the Company is generally within 12 months.

(d) Company structure

As at 30 September 2023, the Company had 9 subsidiaries and 1 associate (1/10/2022: 9 subsidiaries and 1 associate) as listed in Note 14(b).

As at 30 September 2023, the Company had 5,195 employees (1/10/2022: 5,678 employees).

2. Basis of preparation

(a) Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting. The Company also prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the Company’s consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the Company’s consolidated financial statements.

Hoa Sen Group
Notes to the separate financial statements for the year ended 30 September 2023
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(b) Basis of measurement

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 October to 30 September.

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statements presentation purpose.

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these separate financial statements.

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the buying exchange rate and selling exchange rate, respectively at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

(b) Cash and cash equivalents

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Hoa Sen Group
Notes to the separate financial statements for the year ended 30 September 2023
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(c) Investments

(i) Held-to-maturity investments

Held-to-maturity investments are those that the Company's management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks and bank bonds. These investments are stated at cost less allowance for doubtful debts.

(ii) Investments in subsidiaries and associates

For the purpose of these separate financial statements, investments in subsidiaries and associates are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous losses for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(d) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

(e) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Company applies the perpetual method of accounting for inventories.

Hoa Sen Group
Notes to the separate financial statements for the year ended 30 September 2023
(continued)

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
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(f) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use and the costs of dismantling and removing the asset and restoring the site on which it is located. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 30 years
▪ machinery and equipment	3 – 10 years
▪ motor vehicles	2 – 10 years
▪ office equipment	3 – 10 years
▪ others	5 – 8 years

(g) Intangible fixed assets

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use rights comprises its purchase price and any direct attributable costs incurred in conjunction with securing the land use rights. Land use rights with definite term are amortised on a straight-line basis over the term of land use rights which is from 14 years to 55 years. Land use rights with indefinite term are not amortised.

(ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 6 years.

Hoa Sen Group
Notes to the separate financial statements for the year ended 30 September 2023
(continued)

Form B 09 – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(h) Construction in progress

Construction in progress represents the cost of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the year of construction and installation.

(i) Long-term prepaid expenses

(i) Advertising panels

Advertising panels are initially recognised at cost and are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(ii) Tools and instruments

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(iii) Rental expenses

Rental expenses comprise prepayments for warehouse rental during the Company's production and business operations and are initially recognised at cost. These prepayments are amortised on a straight-line basis over the lease terms ranging from 2 to 3 years.

(iv) Maintenance expenses

Maintenance expenses represent costs to repair and replace machinery, equipment and other fixed assets which do not meet the recognition requirements of fixed assets. Maintenance expenses are initially recognised at cost and amortised on a straight-line basis over a period ranging from 2 to 3 years.

(j) Trade and other payables

Trade and other payables are stated at their cost.

(k) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Hoa Sen Group
Notes to the separate financial statements for the year ended 30 September 2023
(continued)

Form B 09 – DN
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dated 22 December 2014 of the Ministry of Finance)*

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

(l) Share capital

(i) Ordinary shares

Ordinary shares are recognised at par value.

(ii) Share premium

Excess of cash receipt from share issues over par value is recorded as share premium. Incremental costs directly attributable to the issue of shares, net of tax effects is recognised as a deduction from share premium.

(m) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purpose and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

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(n) Revenue and other income

(i) Goods sold

Revenue from sales of goods is recognised in the separate statement of income when significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts stated on the invoice.

(ii) Processing service

Revenue from processing service is recognised in the separate statement of income when the goods have been processed and accepted by the customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Rental income

Rental income from operating lease is recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives granted are recognised in the separate statement of income as an integral part of the total rental income.

(iv) Interest income

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

(v) Dividend income

Dividend income is recognised when the right to receive dividend is established.

(o) Operating lease payments

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense, over the term of the lease.

(p) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the year of construction are capitalised as part of the cost of the assets concerned.

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(q) Segment reporting

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's primary format for segment reporting is based on business segments.

(r) Related parties

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(s) Comparative information

Comparative information in these separate financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these separate financial statements is not intended to present the Company's unconsolidated financial position, unconsolidated results of operation and unconsolidated cash flows for the prior year.

4. Segment reporting

(a) Business segments

The Company's principal business activities are manufacturing and trading galvanized steel roofing sheets, aluminum-zinc alloys, galvanized coatings and construction materials. Other activities are asset leasing and service provision. During the year, other activities accounted for an insignificant proportion of the unconsolidated revenue and unconsolidated results of operations of the Company, accordingly, the financial information presented in the separate balance sheets as at 30 September 2023 and 1 October 2022 and all revenue, expenses presented in the separate statements of income for the years ended 30 September 2023 and 30 September 2022 were mainly related to the Company's principal business activities.

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Notes to the separate financial statements for the year ended 30 September 2023
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(b) Geographical segments

The Company's geographical segments were based on the locations of customers as follows:

	Geographical segments		
	Domestic VND	Export VND	Total VND
Year ended 30 September 2023			
Net revenue	39,593,660,448,682	13,011,102,718,508	52,604,763,167,190
Cost of sales	(38,503,724,674,301)	(11,972,902,780,197)	(50,476,627,454,498)
	1,089,935,774,381	1,038,199,938,311	2,128,135,712,692
Year ended 30 September 2022			
Net revenue	56,214,951,778,660	24,974,529,436,439	81,189,481,215,099
Cost of sales	(55,347,026,256,953)	(22,041,397,152,808)	(77,388,423,409,761)
	867,925,521,707	2,933,132,283,631	3,801,057,805,338

5. Cash and cash equivalents

	30/9/2023 VND	1/10/2022 VND
Cash on hand	19,658,150,000	15,584,046,000
Cash in banks	480,959,663,566	226,481,430,591
Cash in transit	19,186,000	-
Cash equivalents (*)	750,000,000	750,000,000
	501,386,999,566	242,815,476,591

(*) Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transactions dates and earned annual interest at rates 2.7% (1/10/2022: from 3.3% to 4.6%).

As of 30 September 2023, term deposits of VND750 million (1/10/2022: VND750 million) were secured over a guarantee contract issued by Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Park Branch.

Hoa Sen Group**Notes to the separate financial statements for the year ended 30 September 2023
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	30/9/2023	1/10/2022
	VND	VND
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company	2,215,264,273,972	2,652,930,737,630
Hoa Sen Nghe An One Member Limited Liabilities Company	1,372,936,869,815	2,422,283,777,755
Hoa Sen Steel One Member Company Limited	946,241,475,038	403,645,299,396
Hoa Sen Phu My One Member Limited Liabilities Company	895,604,786,299	864,997,781,220
Other customers	1,986,148,060,690	1,590,212,701,880
	<hr/>	<hr/>
	7,416,195,465,814	7,934,070,297,881

(b) Accounts receivable from customers who are related parties

	30/9/2023	1/10/2022
	VND	VND
<i>Subsidiaries</i>		
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company	2,215,264,273,972	2,652,930,737,630
Hoa Sen Nghe An One Member Limited Liabilities Company	1,372,936,869,815	2,422,283,777,755
Hoa Sen Steel One Member Company Limited	946,241,475,038	403,645,299,396
Hoa Sen Phu My One Member Limited Liabilities Company	895,604,786,299	864,997,781,220
Hoa Sen Plastics Joint Stock Company	431,164,423,550	607,338,753,185
Hoa Sen Ha Nam One Member Limited Liability Company	-	917,618,361
Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company	-	5,254,326,475
	<hr/>	<hr/>

The trade related amounts due from the related parties were unsecured, interest free and are receivable within 365 days from invoice dates.

Hoa Sen Group

Notes to the separate financial statements for the year ended 30 September 2023 (continued)

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(c) Bad and doubtful debts

	Overdue days	30/9/2023			Overdue days	1/10/2022		
		Cost VND	Allowance VND	Recoverable amount VND		Cost VND	Allowance VND	Recoverable amount VND
<i>Overdue debts</i>								
Mekong Consultant Trading Construction Joint Stock Company	-	-	-	-	More than 4 years	1,648,743,436	(1,648,743,436)	-
Hai Thuy Limited Liability Company	-	-	-	-	More than 6 years	1,545,000,625	(1,545,000,625)	-
Hiep Loan Construction Steel Company Limited	-	-	-	-	More than 3 years	1,243,508,106	(1,243,508,106)	-
Hoang Thai Private Enterprise	-	-	-	-	More than 6 years	1,023,359,294	(1,023,359,294)	-
Other customers	From 6 months to 2 years	10,773,807,954	(10,773,807,954)	-	From 2 to more than 5 years	8,246,557,128	(8,246,557,128)	-
		<u>10,773,807,954</u>	<u>(10,773,807,954)</u>	<u>-</u>		<u>13,707,168,589</u>	<u>(13,707,168,589)</u>	<u>-</u>

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Movements of allowance for doubtful debts during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	13,707,168,589	13,731,284,589
Allowance made during the year	10,773,807,954	-
Allowance utilised during the year	(13,707,168,589)	-
Allowance reversed during the year	-	(24,116,000)
	<hr/>	<hr/>
Closing balance	10,773,807,954	13,707,168,589

7. Prepayments to suppliers

	30/9/2023 VND	1/10/2022 VND
<i>Third parties</i>		
Ddecor Joint Stock Company	4,508,131,372	-
Nam Dinh Granite Tile Joint Stock Company	3,928,890,565	-
Kim Lam Trading and Services Company Limited	2,915,783,476	2,915,783,476
Little Rain Company Limited	844,762,499	9,445,374,912
Trung Nguyen Mining and Construction Materials Production Joint Stock Company	-	15,600,000,000
Vicenza Development Investment Joint Stock Company	-	14,763,244,800
Other suppliers	14,352,047,081	52,834,641,546
	<hr/>	<hr/>
	26,549,614,993	95,559,044,734

8. Loans receivable**(a) Loans receivable – short-term**

	30/9/2023 VND	1/10/2022 VND
Loans receivable from Hoa Sen Plastics Joint Stock Company – a subsidiary	118,500,000,000	-
	<hr/>	<hr/>

These loans are unsecured, have original term to maturity from 3 to 12 months and earned annual interest at 3.5%.

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Notes to the separate financial statements for the year ended 30 September 2023
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(b) Loans receivable – long-term

	30/9/2023	1/10/2022
	VND	VND
Loans receivable from Hoa Sen Yen Bai Joint Stock Company – a subsidiary	-	70,700,000,000

Movements of long-term loans receivable during the year were as follows:

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	70,700,000,000	-
Additions	2,000,000,000	2,700,000,000
Conversion into capital contribution to Hoa Sen Yen Bai Joint Stock Company	(72,700,000,000)	-
Transfers from loans receivable – short-term	-	68,000,000,000
Closing balance	-	70,700,000,000

9. Other receivables

(a) Other short-term receivables

	30/9/2023	1/10/2022
	VND	VND
Receivable from profits distribution	569,044,918,051	154,371,185,341
Deposit awaiting settlement at Joint Stock Commercial Bank for Foreign Trade of Vietnam	144,324,780,746	-
Advances for purchases of lands	58,438,165,400	53,832,470,000
Advances to employees	25,152,379,411	31,942,549,257
Short-term deposits and rental deposits	32,922,961,831	32,995,045,800
Receivables from transfers of land use rights	12,818,775,000	12,818,775,000
Shortage of assets awaiting resolution	10,345,169,668	1,631,088,893
Interest income from loans receivable	-	5,248,575,343
Other receivables	1,727,525,103	6,365,872,635
	854,774,675,210	299,205,562,269

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Other short-term receivables from related parties

	30/9/2023	1/10/2022
	VND	VND
<i>Subsidiaries</i>		
Hoa Sen Nghe An One Member Limited Liabilities Company	452,606,481,613	-
Hoa Sen Steel One Member Company Limited	79,701,680,202	55,113,744,672
Hoa Sen Ha Nam One Member Limited Liability Company	21,793,140,575	59,919,400,868
Hoa Sen Binh Dinh Sole Member Limited Company	14,943,615,661	32,534,930,981
Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company	-	6,803,108,820
Hoa Sen Yen Bai Joint Stock Company	-	5,248,575,343
<i>Company owned by the Company's Chairman</i>		
Hoa Sen Holdings Group	1,010,000,000	1,448,000,000
<i>Key management personnel</i>		
Mr. Hoang Duc Huy - Deputy General Director	45,462,225,000	45,462,225,000

Other receivables from the related parties were unsecured, interest free and are receivable on demand.

(b) Other long-term receivables

	30/9/2023	1/10/2022
	VND	VND
Rental deposits	127,931,524,246	161,495,291,600
Others	13,000,000,000	9,000,000,000
	140,931,524,246	170,495,291,600

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10. Inventories

	30/9/2023		1/10/2022	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	1,158,658,126,605	(15,816,167,731)	114,509,419,480	-
Raw materials	435,595,761,803	(13,737,221,633)	477,122,815,899	(37,069,055,231)
Tools and supplies	150,718,345,305	-	172,405,446,071	-
Work in progress	-	-	4,834,046	-
Finished goods	871,628,051,071	(25,238,466,823)	1,109,718,290,205	(84,128,944,549)
Merchandises goods	1,259,899,785,317	(72,217,104,637)	1,504,194,887,388	(71,385,414,418)
	<u>3,876,500,070,101</u>	<u>(127,008,960,824)</u>	<u>3,377,955,693,089</u>	<u>(192,583,414,198)</u>

As at 30 September 2023, inventories with carrying amounts of VND1,614,030 million (1/10/2022: VND2,016,477 million) were pledged with banks as security for loans granted to the Company (Note 21).

Movements of allowance for inventories during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	192,583,414,198	80,458,082,586
Allowance (reversed)/made during the year	(65,574,453,374)	112,125,331,612
	<u>127,008,960,824</u>	<u>192,583,414,198</u>

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11. Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Cost						
Opening balance	774,658,362,424	2,600,845,969,583	320,216,460,166	76,375,572,729	22,210,769,141	3,794,307,134,043
Additions	598,034,486	7,798,793,891	2,568,536,364	-	9,597,000	10,974,961,741
Transfers from construction in progress	83,185,510,661	25,430,359,655	3,847,900,311	8,373,081,818	8,130,113,152	128,966,965,597
Transfers from intangible fixed assets	-	-	-	4,986,512,351	-	4,986,512,351
Disposals	(137,900,000)	(45,844,170,676)	(2,762,515,667)	-	-	(48,744,586,343)
Written off	(1,246,719,022)	(641,778,842)	-	-	-	(1,888,497,864)
Closing balance	857,057,288,549	2,587,589,173,611	323,870,381,174	89,735,166,898	30,350,479,293	3,888,602,489,525
Accumulated depreciation						
Opening balance	321,215,298,917	2,145,683,170,378	236,097,412,843	55,019,104,849	21,783,394,234	2,779,798,381,221
Charge for the year	70,967,015,774	167,501,416,827	32,710,797,616	10,299,942,473	1,654,037,433	283,133,210,123
Transfers from intangible fixed assets	-	-	-	2,066,858,784	-	2,066,858,784
Disposals	(16,205,477)	(21,064,003,607)	(2,555,410,619)	-	-	(23,635,619,703)
Written off	(1,052,818,994)	(450,757,350)	-	-	-	(1,503,576,344)
Closing balance	391,113,290,220	2,291,669,826,248	266,252,799,840	67,385,906,106	23,437,431,667	3,039,859,254,081
Net book value						
Opening balance	453,443,063,507	455,162,799,205	84,119,047,323	21,356,467,880	427,374,907	1,014,508,752,822
Closing balance	465,943,998,329	295,919,347,363	57,617,581,334	22,349,260,792	6,913,047,626	848,743,235,444

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Included in tangible fixed assets were assets costing VND1,640,344 million which were fully depreciated as at 30 September 2023 (1/10/2022: VND1,175,749 million), but which are still in active use.

As at 30 September 2023, tangible fixed assets with net book value of VND114,967 million (1/10/2022: VND193,584 million) were pledged with banks as security for loans granted to the Company (Note 21).

12. Intangible fixed assets

	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	200,234,842,108	59,197,019,153	259,431,861,261
Additions	113,865,600	-	113,865,600
Transfers to tangible fixed assets	-	(4,986,512,351)	(4,986,512,351)
Closing balance	200,348,707,708	54,210,506,802	254,559,214,510
Accumulated amortisation			
Opening balance	33,977,518,763	41,513,034,241	75,490,553,004
Charge for the year	2,551,332,841	11,014,420,874	13,565,753,715
Transfers to tangible fixed assets	-	(2,066,858,784)	(2,066,858,784)
Closing balance	36,528,851,604	50,460,596,331	86,989,447,935
Net book value			
Opening balance	166,257,323,345	17,683,984,912	183,941,308,257
Closing balance	163,819,856,104	3,749,910,471	167,569,766,575

Included in intangible fixed assets were assets costing VND456 million which were fully amortised as at 30 September 2023 (1/10/2022: VND456 million), but which are still in active use.

As at 30 September 2023, intangible fixed assets with net book value of VND65,077 million (1/10/2022: VND65,802 million) were pledged with banks as security for loans granted to the Company (Note 21).



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Major construction in progress were as follows:

	30/9/2023	1/10/2022
	VND	VND
Machinery and equipment waiting for installation	12,473,213,114	18,689,210,837
Construction and renovation costs of Hoa Sen Home project	12,111,342,101	73,383,240,019
Major maintenance expenses of fixed assets	272,693,086	13,119,891,601
Others	2,323,254,436	845,522,852
	<hr/>	<hr/>
	27,180,502,737	106,037,865,309
	<hr/>	<hr/>

Movements of construction in progress during the year were as follows:

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Opening balance	106,037,865,309	180,277,059,193
Additions	105,729,807,473	272,415,965,753
Transfers to tangible fixed assets	(128,966,965,597)	(320,452,190,169)
Transfers to long-term prepaid expenses	(52,200,883,683)	(25,723,501,813)
Transfers to short-term prepaid expenses	(3,419,320,765)	(479,467,655)
	<hr/>	<hr/>
Closing balance	27,180,502,737	106,037,865,309
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14. Financial investments

(a) Held-to-maturity investments

Held-to-maturity investments – short-term

	30/9/2023	1/10/2022
	VND	VND
Term deposits	20,560,958,904	5,000,000,000
	20,560,958,904	5,000,000,000

Held-to-maturity investments – short-term included term deposits at banks in VND with original terms to maturity of more than 3 months from their transaction dates and less than 12 months from the end of the annual accounting period. As at 30 September 2023, these term deposits earned interest at rates ranging from 5.4% to 5.7% per annum (1/10/2022: 4% per annum).

Held-to-maturity investments – long-term

	30/9/2023	1/10/2022
	VND	VND
Bonds issued by Vietnam Bank for Industry and Trade Securities Joint Stock Company (*)	-	15,000,000,000
Bonds issued by Agribank Securities Corporation (**)	1,000,000,000	1,000,000,000
	1,000,000,000	16,000,000,000

(*) These bonds have 10 year tenor, are denominated in VND and earned interest at the average of interest rate of 12 months Vietnam Dong individual saving deposits quoted by 4 local banks (Agribank, Vietcombank, Vietinbank and BIDV) plus an annual margin of 1.2%. During the year, these bonds were settled before their maturity.

(**) These bonds have 7 year tenor, are denominated in VND and earned interest at the average of interest rate of 12 months Vietnam Dong individual saving deposits quoted by 4 local banks (Agribank, Vietcombank, Vietinbank and BIDV) plus an annual margin of 1.2%.

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(b) Equity investments in other entities

	30/9/2023			1/10/2022		
	% of equity owned/ voting rights	Cost VND	Allowance for diminution in value VND	% of equity owned/ voting rights	Cost VND	Allowance for diminution in value VND
Investments in subsidiaries						
▪ Hoa Sen Nghe An One Member Limited Liabilities Company	100%	1,100,000,000,000	-	100%	1,100,000,000,000	-
▪ Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company	100%	770,000,000,000	-	100%	770,000,000,000	-
▪ Hoa Sen Steel One Member Company Limited	100%	280,000,000,000	-	100%	280,000,000,000	-
▪ Hoa Sen Phu My One Member Limited Liabilities Company	100%	380,000,000,000	-	100%	250,000,000,000	-
▪ Hoa Sen Ha Nam One Member Limited Liability Company	100%	200,000,000,000	-	100%	200,000,000,000	-
▪ Hoa Sen Plastics Joint Stock Company	99.95%	299,850,000,000	-	99.95%	299,850,000,000	-
▪ Hoa Sen Binh Dinh Sole Member Limited Company	100%	105,000,000,000	-	100%	105,000,000,000	-
▪ Hoa Sen Yen Bai Joint Stock Company	95.962%	404,000,000,000	-	95%	323,000,000,000	-
▪ Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company	100%	50,000,000,000	-	100%	50,000,000,000	-
		3,588,850,000,000	-		3,377,850,000,000	-
Investment in an associate						
▪ Hoa Sen International Port Joint Stock Company (i)		-	-		-	-
		3,588,850,000,000	-		3,377,850,000,000	-



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- (i) Hoa Sen International Port Joint Stock Company was incorporated under Enterprise Registration Certificate No. 3502399898 issued by the Department of Planning and Investment of Ba Ria Vung Tau Province on 5 July 2019, in which the Company holds 49% ownership. As at 30 September 2023, the Company has not made any capital contribution to Hoa Sen International Port Joint Stock Company.

Movements of investments in subsidiaries during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	3,377,850,000,000	3,228,000,000,000
Increase in investment in subsidiaries by cash	130,845,602,739	-
Increase in investment in subsidiaries through conversion of loans receivable	72,700,000,000	-
Increase in investment in subsidiaries through conversion of interest receivable	7,454,397,261	-
Increase in investments in subsidiaries by off setting accounts receivable from customers	-	149,850,000,000
	<hr/>	<hr/>
Closing balance	3,588,850,000,000	3,377,850,000,000

15. Prepaid expenses

(a) Short-term prepaid expenses

	30/9/2023 VND	1/10/2022 VND
	Rental expenses	64,417,050,951
Advertising panels	12,053,314,299	7,532,677,931
Tools and instruments	7,097,532,603	8,433,302,530
Maintenance expenses	3,277,044,736	4,186,028,112
Insurance fee	1,665,144,665	2,156,343,069
Consulting expenses	420,243,334	188,404,107
Other short-term prepaid expenses	7,552,732,377	7,665,903,363
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	96,483,062,965	94,748,267,020

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(b) Long-term prepaid expenses

	30/9/2023 VND	1/10/2022 VND
Advertising panels	29,506,341,258	25,604,930,564
Tools and instruments	23,936,086,329	18,132,685,548
Maintenance expenses	29,666,238,371	10,989,601,459
Prepaid rental expenses	7,087,889,100	10,596,319,316
Other long-term prepaid expenses	10,231,762,246	4,316,243,853
	100,428,317,304	69,639,780,740

Movements of long-term prepaid expenses during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	69,639,780,740	38,680,005,935
Additions	34,775,660,765	38,837,490,092
Transfers from construction in progress	52,200,883,683	25,723,501,813
Amortisation for the year	(55,043,240,550)	(33,467,890,065)
Disposals	(1,144,767,334)	(133,327,035)
	100,428,317,304	69,639,780,740

16. Deferred tax assets

	Tax rate	30/9/2023 VND	1/10/2022 VND
<i>Deferred tax assets are recognised for:</i>			
▪ Accrued expenses	20%	14,944,363,399	72,253,284,528
▪ Allowances and provisions	20%	30,261,816,989	41,258,116,558
▪ Unrealised profits/(losses)	20%	5,565,058,173	(3,957,312,283)
▪ Unrealised foreign exchange gains	20%	(483,000,383)	-
		50,288,238,178	109,554,088,803

Hoa Sen Group**Notes to the separate financial statements for the year ended 30 September 2023
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	Cost/Amount within repayment capacity	
	30/9/2023 VND	1/10/2022 VND
Win Faith Trading Limited	1,060,712,721,850	-
Hoa Sen Binh Dinh Sole Member Limited Company	334,337,182,195	458,751,657,862
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company	253,940,389,459	466,964,809,368
Formosa Ha Tinh Steel Corporation	215,321,324,077	484,333,050,520
Hoa Sen Ha Nam One Member Limited Liability Company	111,279,330,138	205,051,386,730
Other suppliers	1,354,892,284,895	355,534,682,448
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	3,330,483,232,614	1,970,635,586,928
	<hr/>	

(b) Accounts payable to suppliers who are related parties

	Cost/Amount within repayment capacity	
	30/9/2023 VND	1/10/2022 VND
<i>Subsidiaries</i>		
Hoa Sen Binh Dinh Sole Member Limited Company	334,337,182,195	458,751,657,862
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company	253,940,389,459	466,964,809,368
Hoa Sen Ha Nam One Member Limited Liability Company	111,279,330,138	205,051,386,730
Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company	20,317,701,360	47,205,825,100
Hoa Sen Plastics Joint Stock Company	505,888,267	-
<i>Companies owned by the Company's Chairman</i>		
Hoa Sen Holdings Group	4,927,051,994	517,408,886
Hoa Sen Nghe An Investment Company Limited	7,879,921	86,963,661
	<hr/>	

The trade related amounts due to the related parties are unsecured, interest free and payable within 365 days from invoice dates for subsidiaries and within 45 days from invoice dates for companies owned by the Company's Chairman.

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	1/10/2022 VND	Incurred VND	Refunded VND	Netted-off VND	30/9/2023 VND
Deductible value added tax	286,790,842,330	5,377,873,793,544	(1,118,180,000,000)	(4,261,378,615,736)	285,106,020,138

(b) Taxes receivable from State Treasury

	1/10/2022 VND	Netted-off VND	Reclassified VND	30/9/2023 VND
Corporate income tax	128,573,872,546	(75,500,098)	-	128,498,372,448
Personal income tax	4,805,422	-	27,407,922	32,213,344
Other taxes	949,369	(949,369)	-	-
	128,579,627,337	(76,449,467)	27,407,922	128,530,585,792

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	1/10/2022 VND	Incurred VND	Paid VND	Netted-off VND	Reclassified VND	30/9/2023 VND
Value added tax	2,757,214,460	4,978,853,583,453	(577,393,366,895)	(4,261,378,615,736)	-	142,838,815,282
Import-export tax	79,574,109	2,691,343,521	(2,738,942,709)	-	-	31,974,921
Corporate income tax	-	1,536,979,754	(1,461,479,656)	(75,500,098)	-	-
Personal income tax	2,439,079,706	31,548,974,642	(32,109,920,452)	-	27,407,922	1,905,541,818
Other taxes	-	8,451,492,678	(7,721,288,686)	(949,369)	-	729,254,623
	5,275,868,275	5,023,082,374,048	(621,424,998,398)	(4,261,455,065,203)	27,407,922	145,505,586,644

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	30/9/2023 VND	1/10/2022 VND
Trade discounts	48,754,012,121	-
Electricity expenses	7,929,241,402	10,580,760,500
Transportation expenses	2,197,954,978	8,772,973,606
Construction in progress	2,004,568,119	5,981,920,235
Interest expense	1,669,015,121	3,142,061,456
Salary and bonus	644,609,213	175,807,342,057
Others	3,484,627,076	3,276,261,601
	<hr/>	<hr/>
	66,684,028,030	207,561,319,455
	<hr/>	<hr/>

20. Other payables – short-term

	30/9/2023 VND	1/10/2022 VND
Export Documentary Credit Bill Negotiation payable	28,135,471,782	-
Short-term deposits received	5,674,230,502	4,533,857,502
Dividend payables	3,541,015,977	3,546,546,977
Social insurance, health insurance, unemployment insurance and union funds	1,723,454,640	1,807,923,260
Payables to related parties	185,203,980	-
Other payables	2,863,093,406	9,090,817,627
	<hr/>	<hr/>
	42,122,470,287	18,979,145,366
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Other payables – short-term from related parties

	30/9/2023 VND	1/10/2022 VND
<i>Subsidiary</i>		
Hoa Sen Yen Bai Building Materials One Member Limited		
Liabilities Company	185,203,980	-
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Hoa Sen Group

Notes to the separate financial statements for the year ended 30 September 2023 (continued)

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21. Short-term borrowings

	1/10/2022	Movements during the year		30/9/2023
	Carrying amount/ Amount within repayment capacity VND	Additions VND	Repayments VND	Carrying amount/ Amount within repayment capacity VND
Short-term borrowings	3,545,557,150,716	21,420,117,233,606	(22,061,887,581,884)	2,903,786,802,438

Terms and conditions of outstanding short-term borrowings were as follows:

Lenders	Note	Currency	30/9/2023 VND	1/10/2022 VND
▪ Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Park Branch	(i)	VND	1,625,599,905,996	67,760,505,201
▪ Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Park Branch	(i)	USD	-	1,299,533,881,430
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch	(ii)	VND	1,100,416,059,001	1,338,014,916,558
▪ Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch	(ii)	USD	-	151,710,297,416
▪ HSBC Bank (Vietnam) Ltd.	(iii)	VND	-	421,607,418,953
▪ United Overseas Bank (Vietnam) Limited	(iv)	VND	-	266,930,131,158
▪ Kasikornbank Public Bank Limited - Ho Chi Minh City Branch	(v)	VND	177,770,837,441	-
			2,903,786,802,438	3,545,557,150,716

Hoa Sen Group**Notes to the separate financial statements for the year ended 30 September 2023 (continued)****Form B 09 – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

Terms and conditions of outstanding short-term borrowings were as follows:

	Lenders	Currency	Credit limit	Interest rate		Pledged assets
				30/9/2023	1/10/2022	
i.	Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Park Branch	VND USD	VND4,000 billion	2.8% - 5.2%	3.86% - 4.10% -	Land use rights, buildings, structures, machinery and equipment, accounts receivable
ii.	Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch	VND USD	VND2,400 billion	3.20%	4.50% - 5.0% -	Land use rights, machinery and equipment and inventories, buildings, structures, accounts receivable
iii.	HSBC Bank (Vietnam) Ltd.	VND	USD60 million	-	4.30% - 5.0%	Inventories, machinery and equipment, land use rights and constructions on land and certain fixed assets of Hoa Sen Binh Dinh Sole Member Limited Company, a subsidiary
iv.	United Overseas Bank (Vietnam) Limited	VND	USD23 million	-	4.30% - 5.20%	Inventories
v.	Kasikornbank Public Bank Limited - Ho Chi Minh City Branch	VND	USD10 million	2.4% - 2.6%	-	Inventories

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22. Bonus and welfare funds

Movements of bonus and welfare funds during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	206,699,825,822	75,028,510,629
Appropriation from retained profits	10,053,653,206	172,540,289,352
Utilisation of funds during the year	(68,283,905,367)	(40,868,974,159)
	<hr/>	<hr/>
Closing balance	148,469,573,661	206,699,825,822
	<hr/> <hr/>	<hr/> <hr/>

23. Provisions – long-term

Provisions – long-term represented provision for severance allowance. Movements of provision for severance allowance during the year were as follows:

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Opening balance	13,524,199,187	12,943,057,267
Provision made during the year	2,116,980	581,141,920
	<hr/>	<hr/>
Closing balance	13,526,316,167	13,524,199,187
	<hr/> <hr/>	<hr/> <hr/>

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24. Changes in owners' equity

	Share capital VND	Share premium VND	Other equity funds VND	Retained profits VND	Total VND
Balance at 1 October 2021	4,934,818,960,000	157,292,539,068	90,695,201,265	6,135,844,836,973	11,318,651,537,306
Net profit for the year	-	-	-	48,170,557,444	48,170,557,444
Share dividends	996,722,900,000	-	-	(996,722,900,000)	-
Shares issued under employee stock ownership plans	49,008,000,000	-	-	-	49,008,000,000
Appropriation to bonus and welfare fund	-	-	-	(172,540,289,352)	(172,540,289,352)
Appropriation to equity funds	-	-	172,965,686,783	(172,965,686,783)	-
Utilisation of funds	-	-	(76,161,878,172)	-	(76,161,878,172)
Balance at 1 October 2022	5,980,549,860,000	157,292,539,068	187,499,009,876	4,841,786,518,282	11,167,127,927,226
Net profit for the year	-	-	-	248,288,982,544	248,288,982,544
Share dividends (i)	179,273,230,000	-	-	(179,273,230,000)	-
Appropriation to bonus and welfare fund	-	-	-	(10,053,653,206)	(10,053,653,206)
Appropriation to equity funds (ii)	-	-	13,823,773,157	(13,823,773,157)	-
Utilisation of funds	-	-	(123,412,286,089)	-	(123,412,286,089)
Balance at 30 September 2023	6,159,823,090,000	157,292,539,068	77,910,496,944	4,886,924,844,463	11,281,950,970,475

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- (i) In accordance with the Resolution of the General Meeting of Shareholders dated 10 March 2023 and Resolution of the Board of Directors dated 18 May 2023, the Company paid share dividends through issuance of new shares. There were 17,927,323 shares issued at par value of VND10,000/share (for the year ended 30 September 2022: in accordance with the Resolution of the General Meeting of Shareholders dated 21 March 2022 and Resolution of the Board of Directors dated 29 September 2022 the Company issued 99,672,290 shares at par value of VND10,000/share).
- (ii) In accordance with the Resolution of the General Meeting of Shareholders dated 21 March 2022 and Resolution of the Board of Directors dated 1 October 2022, the Company has appropriated VND13,824 million from retained profits brought forward (for the year ended 30 September 2022: in accordance with the Resolution of the General Meeting of Shareholders dated 21 January 2021 and Resolution of the Board of Directors dated 16 November 2021, the Company has appropriated VND172,966 million from retained profits brought forward) to other equity funds for the purpose of paying remunerations and operating expenses of the Board of Directors, charitable activities and other activities of the Company as approved by of the Board of Directors.

25. Share capital

The Company's authorised and issued share capital are:

	30/9/2023		1/10/2022	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	615,982,309	6,159,823,090,000	598,054,986	5,980,549,860,000
Shares in circulation				
Ordinary shares	615,982,309	6,159,823,090,000	598,054,986	5,980,549,860,000

All ordinary shares have a par value of VND10,000 each. Each share is entitled to one vote at shareholders' meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally in regard to the Company's residual assets. In respect of shares bought back by the Company prior to 1 January 2021, all rights are suspended until those shares are reissued.

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Movements of share capital during the year were as follows:

	Year ended			
	30/9/2023		30/9/2022	
	Number of shares	VND	Number of shares	VND
Opening balance	598,054,986	5,980,549,860,000	493,481,896	4,934,818,960,000
Share dividends	17,927,323	179,273,230,000	99,672,290	996,722,900,000
Shares issued under employee stock ownership plans	-	-	4,900,800	49,008,000,000
Closing balance	615,982,309	6,159,823,090,000	598,054,986	5,980,549,860,000

26. Off balance sheet items

(a) Lease

(i) *Lease commitments*

The future minimum lease payments under non-cancellable operating leases were:

	30/9/2023 VND	1/10/2022 VND
Within one year	184,530,335,648	190,704,970,814
From two to five years	566,172,450,076	671,436,595,330
More than five years	322,064,111,424	402,599,723,559
	1,072,766,897,148	1,264,741,289,703

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(ii) Lease receipts

The Company leases premises, offices and vehicles under operating lease arrangements. At the reporting date, the minimum lease receipts that can be obtained from these contracts are as follows:

	30/9/2023	1/10/2022
	VND	VND
Within one year	3,998,410,909	2,798,181,818
From two to five years	13,433,280,000	10,036,363,636
More than five years	148,019,091	2,471,000,000
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	17,579,710,000	15,305,545,454
	<hr/>	<hr/>

(b) Foreign currency

	30/9/2023		1/10/2022	
	Original	VND	Original	VND
	currency	equivalent	currency	equivalent
USD	2,877,534	69,399,055,929	1,907,538	45,263,920,554
		<hr/>		<hr/>

(c) Capital expenditure commitments

The Company had the following outstanding capital expenditure commitments approved but not provided for in the separate balance sheet:

	30/9/2023	1/10/2022
	VND	VND
Approved and contracted	11,130,299,195	43,430,903,759
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Total revenue represents the gross value of goods sold and services provided, exclusive of value added tax.

Net revenue comprised:

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Total revenue		
▪ Sales of merchandise goods	37,197,687,706,056	57,808,704,593,493
▪ Sales of finished goods	15,675,573,606,016	23,634,273,781,682
▪ Others	7,758,252,061	7,249,838,102
	<hr/>	<hr/>
	52,881,019,564,133	81,450,228,213,277
Less revenue deductions		
▪ Sales discounts	256,227,646,279	235,503,862,029
▪ Sales returns	10,636,844,422	22,285,866,464
▪ Sales allowances	9,391,906,242	2,957,269,685
	<hr/>	<hr/>
	276,256,396,943	260,746,998,178
Net revenue	<hr/>	<hr/>
	52,604,763,167,190	81,189,481,215,099

28. Cost of sales

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Total cost of sales:		
▪ Merchandise goods sold	36,410,957,999,503	55,515,097,480,925
▪ Finished goods sold	14,129,805,609,860	21,760,279,939,401
▪ Others	1,438,298,509	920,657,823
▪ Allowance (reversed)/made during the year	(65,574,453,374)	112,125,331,612
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	50,476,627,454,498	77,388,423,409,761

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29. Financial income

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Interest income from term deposits and loans receivable	3,493,917,031	10,315,629,445
Profits from financial investments	1,076,750,000	1,094,800,000
Income from profits distribution	569,219,313,947	154,371,185,341
Realised foreign exchange gains	224,243,067,662	251,951,061,756
Unrealised foreign exchange gains	2,114,003,286	5,999,777,701
Other financial income	703,204,617	1,435,150,636
	800,850,256,543	425,167,604,879

30. Financial expenses

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Interest expense	184,694,883,045	176,518,452,634
Realised foreign exchange losses	113,384,659,040	242,244,477,150
Other financial expenses	2,138,062,212	1,126,303,852
	300,217,604,297	419,889,233,636

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31. Selling expenses

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Staff costs	595,641,447,118	800,829,008,111
Export expenses	734,588,143,602	1,788,319,799,615
Rental expenses	184,212,620,724	191,267,820,840
Depreciation and amortisation	178,504,610,026	143,706,365,940
Transportation expenses	122,664,976,847	192,663,313,546
Advertising expenses	70,351,232,208	94,421,008,749
Outside services	70,115,142,722	70,052,660,275
Other selling expenses	165,751,421,952	187,899,547,586
	2,121,829,595,199	3,469,159,524,662

32. General and administration expenses

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Staff costs	87,843,401,610	137,809,115,329
Depreciation and amortisation	30,162,020,849	31,898,095,327
Outside services	31,977,383,698	51,617,783,651
Guest reception expenses	10,677,349,360	12,241,321,628
Rental expenses	18,953,626,090	18,518,659,374
Business trip expenses	8,118,742,665	9,059,375,388
Professional services	8,039,155,867	5,260,489,540
Other general and administration expenses	46,781,605,456	56,612,516,972
	242,553,285,595	323,017,357,209

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	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Raw material costs	13,052,226,649,528	20,525,871,449,898
Labour costs and staff costs	756,748,227,290	1,020,188,374,598
Depreciation and amortisation	296,698,963,838	288,742,037,855
Outside services	1,223,002,874,116	2,383,274,263,506
Others	646,617,614,749	740,564,626,415

34. Income tax**(a) Recognised in the separate statement of income**

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
Current tax expense		
Current year	-	22,742,463,666
Under provision in prior year	1,536,979,754	939,181,818
	1,536,979,754	23,681,645,484
Deferred tax expenses/(benefit)		
Original and reversal of temporary differences	59,265,850,625	(22,440,081,065)
	60,802,830,379	1,241,564,419

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(b) Reconciliation of effective tax rate

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Accounting profit before tax	309,091,812,923	49,412,121,863
Tax at the Company's tax rate	61,818,362,585	9,882,424,373
Non-deductible expenses	13,200,629,518	21,294,195,296
Tax exempt income	(113,843,862,789)	(30,874,237,068)
Unrecognised deferred tax assets	98,090,721,311	-
Under provision in prior year	1,536,979,754	939,181,818
	60,802,830,379	1,241,564,419

(c) Applicable tax rates

Under the terms of Income Tax Law, the Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

(d) Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	30/9/2023		1/10/2022	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Tax loss	490,453,606,555	98,090,721,311	-	-

The tax losses expire in 2028.

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In addition to related party balances disclosed in other notes to the separate financial statements, the Company had the following significant transactions with related parties during the year:

	Year ended	
	30/9/2023	30/9/2022
	VND	VND
<i>Subsidiaries</i>		
Hoa Sen Steel One Member Company Limited		
Purchases of merchandise and finished goods	11,165,960,437,401	16,849,446,476,866
Sales of merchandise and finished goods	10,998,802,448,339	15,154,201,068,619
Payments on behalf	125,152,350,216	145,872,876,921
Sales of fixed assets	18,702,475,219	-
Purchases of fixed assets	254,000,000	-
Provision of processing service	27,145,456	-
Profit distribution received	79,701,680,202	55,113,744,672
Other sales	-	734,960,549
Sale returns	-	461,604,000
Hoa Sen Plastics Joint Stock Company		
Purchases of merchandise and finished goods	9,459,614,719	2,667,095,069,278
Sales of merchandise and finished goods	6,991,437,506	2,949,538,487,764
Purchase of leasing service	1,662,837,469	1,667,888,665
Provision of leasing service	410,753,368	132,000,000
Loans granted	118,500,000,000	-
Interest income	385,178,082	-
Purchase returns	61,440,100	317,064,314
Sales of fixed assets	60,000,000	596,981,403
Sales of tools and instruments	26,980,420	-
Sales of scraps	10,090,980	-
Provision of processing service	2,798,250	-
Purchase of transportation service	2,448,000	-
Sale returns	-	1,506,534,607
Provision of transportation services	-	55,330,646
Other sales	-	1,171,818

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	Year ended	
	30/9/2023 VND	30/9/2022 VND
Hoa Sen Binh Dinh Sole Member Limited Company		
Purchases of merchandise and finished goods	1,288,695,460,946	1,807,757,820,347
Sales of merchandise and finished goods	12,744,811,017	53,100,202,214
Purchase of transportation service	3,984,180,788	362,700,165
Purchase of leasing service	765,000,000	-
Sales of fixed assets	153,268,494	2,136,688,455
Purchase allowances and purchase returns	172,731,046	909,091
Provision of leasing service	43,000,000	88,000,000
Sales allowances	22,148,485	-
Sale returns	13,859,988	-
Provision of processing service	625,747	-
Profit distribution received	14,943,615,661	32,534,930,981
Other sales	-	19,747,239
Purchase of processing service	-	12,703,654
Hoa Sen Nghe An One Member Limited Liabilities Company		
Sales of merchandise and finished goods	7,844,837,450,270	11,338,681,473,292
Purchases of merchandise and finished goods	7,717,697,049,045	10,677,905,794,382
Purchase of processing service	72,139,411,056	74,544,573,553
Purchase of transportation service	4,380,845,692	1,758,868,357
Purchase returns	1,912,485,853	1,313,093,999
Purchase of packaging service	1,159,901,997	-
Provision of leasing service	364,867,044	112,867,044
Purchase allowances	242,990,916	179,379,341
Provision of leasing service	116,040,000	116,040,000
Sales of scraps	48,548,688	-
Other sales	-	5,265,843
Other purchases	-	466,646,471
Profit distribution received	452,606,481,613	-

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	Year ended	
	30/9/2023 VND	30/9/2022 VND
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liability Company		
Sales of merchandise and finished goods	2,736,525,476,044	5,916,912,916,961
Purchases of merchandise and finished goods	1,897,176,551,422	5,293,505,494,304
Purchase of processing service	17,341,430,717	48,253,646,596
Purchase of transportation service	1,382,429,285	1,683,027,246
Purchases of fixed assets	805,000,002	-
Purchase of leasing service	507,709,678	-
Purchase returns	296,081,059	1,715,302,815
Provision of processing service	16,666,695	-
Sales of scraps	11,000,000	-
Sales of tools and instruments	5,535,000	-
Provision of transportation service	4,160,000	-
Sales of fixed assets	-	283,000,000
Other sales	-	52,984,112
Other purchases	-	191,314,130
Hoa Sen Ha Nam One Member Limited Liability Company		
Purchases of merchandise and finished goods	437,625,336,332	579,971,845,803
Sales of merchandise and finished goods	4,691,612,304	20,131,689,237
Purchase of transportation service	1,323,123,526	148,220,156
Purchase of leasing service	632,000,000	96,000,000
Provision of leasing service	234,600,000	254,400,000
Purchase returns/purchase allowances	18,490,680	64,144,064
Profit distribution received	21,967,536,471	59,919,400,868
Other sales	-	42,234,031
Other purchases	-	29,545,456
Hoa Sen Yen Bai Joint Stock Company		
Interest income	2,205,821,918	5,248,575,343
Loans granted	2,000,000,000	2,700,000,000
Hoa Sen Phu My One Member Limited Liabilities Company		
Sales of merchandise and finished goods	3,824,510,443,651	1,602,249,854,813
Purchases of merchandise and finished goods	2,782,529,022,168	1,084,379,090,742
Purchase of leasing service	2,407,904,206	5,400,926,396
Sales returns	1,950,897,178	1,494,701,100
Provision of transportation service	210,871,814	10,229,427
Purchase of transportation service	145,502,443	1,422,234
Sales of fixed assets	50,000,000	-
Purchase returns	24,112,210	494,720,491
Sales of scraps	10,033,712	-
Purchase allowances	4,090,909	-
Other purchases	-	200,345,454
Other sales	-	2,051,444

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	Year ended	
	30/9/2023 VND	30/9/2022 VND
Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company		
Purchases of merchandise and finished goods	223,178,479,434	426,566,323,005
Purchase of transportation service	636,261,077	53,318,348
Sales of merchandise and finished goods	526,746,286	5,323,476,510
Operation leasing	120,000,000	-
Purchase returns	12,363,560	-
Purchase allowances	2,145,616	-
Profit received	-	6,803,108,820
Other sales	-	185,822
Company owned by the Company's Chairman		
Hoa Sen Holdings Group		
Sales of merchandise and finished goods	2,270,409,673,386	3,092,150,468,293
Sales discounts	92,710,514,295	40,668,612,691
Purchase of transportation service	43,729,047,517	54,223,963,947
Purchase of leasing service	10,169,650,855	11,691,820,663
Provision of leasing service	4,004,933,810	3,426,751,992
Sales returns	3,363,622,179	4,211,655,248
Interest income on late payment	196,103,790	733,063
Purchases of merchandise and service	155,100,000	-
Sales allowances	67,271,243	54,727,273
Provision of transportation service	21,382,180	5,624,030
Purchases of fixed assets	18,000,000	-
Provision of processing service	17,334,799	7,004,452
Purchase of processing service	1,898,200	-
Sales of fixed assets	-	836,100,000
Other sales	-	108,548,139
Hoa Sen Nghe An Investment Company Limited		
Purchase of transportation service	442,906,542	615,505,112
Hoa Sen International Art Performance and Concert Limited Liabilities Company		
Purchase of event organisation service	35,450,000,000	-
Members of Board of Directors		
Remuneration		
Mr. Le Phuoc Vu – Chairman	360,000,000	360,000,000
Mr. Tran Ngoc Chu – Vice Chairman	300,000,000	300,000,000
Mr. Tran Quoc Tri – Member	240,000,000	240,000,000
Mr. Ly Van Xuan – Member	300,000,000	300,000,000
Mr. Nguyen Van Luan – Member	360,000,000	360,000,000
Mr. Dinh Viet Duy – Member	300,000,000	300,000,000

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	Year ended	
	30/9/2023 VND	30/9/2022 VND
General Director		
Salary, bonuses and other allowances	2,362,752,815	2,706,721,532
Other members of Board of Management		
Salary, bonuses and other allowances	14,431,880,677	16,587,416,081

36. Non-cash investing and financing activities

	Year ended	
	30/9/2023 VND	30/9/2022 VND
Costs of fixed assets acquired through occurrence of liabilities	17,171,863,456	93,030,622,427
Netting-off trade payables and receivables from profit distribution	147,742,472,417	2,088,425,817,863
Conversion of loans receivable into investments in subsidiaries	72,700,000,000	-
Conversion of interest receivable into investment in subsidiaries	7,454,397,261	-
Increase in investment in subsidiaries by off setting accounts receivable from customers	-	149,850,000,000

37. Comparative information

The comparative information as at 1 October 2022 was derived from the balances and amounts reported in the Company's separate financial statements as at and for the year ended 30 September 2022.

22 December 2023

Prepared by:



Nguyen Thi Thanh Tuyen
Accountant

Approved by:



Nguyen Thi Ngoc Lan
Chief Accountant



Fran Quoc Tri
General Director

