

**HOA SEN GROUP**

**CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024**



# HOA SEN GROUP

## CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2024

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## HOA SEN GROUP

### CORPORATE INFORMATION

<b>Enterprise registration certificate</b>	No. 3700381324 dated 8 August 2001 was initially issued by the Department of Planning and Investment of Binh Duong Province and the latest 44th amendment dated 21 November 2024.	
<b>Board of Directors</b>	Mr. Le Phuoc Vu Mr. Tran Ngoc Chu Mr. Tran Quoc Tri Mr. Ly Van Xuan Mr. Nguyen Van Luan Mr. Dinh Viet Duy	Chairperson Executive Vice Chairperson Non-Executive Member Non-Executive Member Independent Member Independent Member
<b>Board of Supervision</b>	Mr. Nguyen Van Luan Mr. Dinh Viet Duy Mr. Ly Van Xuan	Chief Supervisor Member Member
<b>Board of Management</b>	Mr. Vu Van Thanh  Mr. Tran Quoc Tri  Mr. Hoang Duc Huy Mr. Nguyen Ngoc Huy Mr. Tran Thanh Nam Mr. Tran Quoc Pham Mr. Nguyen Minh Phuc Mr. Nguyen Tan Hoa  Mr. Nguyen Le Manh Tung  Mr. Tran Dinh Tai  Mr. Pham Dinh  Mr. Nguyen Tran Dai	General Director (from 12 April 2024) Deputy General Director (until 12 April 2024) General Director (until 12 April 2024) Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director (from 1 May 2024) Acting Deputy General Director (from 1 May 2024) Acting Deputy General Director (from 1 May 2024) Acting Deputy General Director (from 1 May 2024) Acting Deputy General Director (from 3 June 2024)
<b>Legal representative</b>	Mr. Le Phuoc Vu Mr. Tran Ngoc Chu Mr. Vu Van Thanh  Mr. Tran Quoc Tri	Chairperson Vice Chairperson General Director (from 12 April 2024) General Director (until 12 April 2024)
<b>Registered office</b>	No. 9, Thong Nhat Street, Song Than II Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam	
<b>Representative office</b>	No. 183, Nguyen Van Troi Street, Ward 10, Phu Nhuan District, Ho Chi Minh City, Vietnam	
<b>Auditor</b>	PwC (Vietnam) Limited	



## HOA SEN GROUP

### STATEMENT OF THE BOARD OF MANAGEMENT

#### Statement of Responsibility of the Board of Management of the Company in respect of the Consolidated Financial Statements

The Board of Management of Hoa Sen Group ("the Company") is responsible for preparing the consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 30 September 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing these consolidated financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent; and
- Prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

#### Approval of the Consolidated Financial Statements

We hereby, approve the accompanying consolidated financial statements as set out on pages 5 to 56 which give a true and fair view of the consolidated financial position of the Group as at 30 September 2024 and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements.

On behalf of the Board of Management



Vu Van Thanh  
General Director

Ho Chi Minh City, SR Vietnam  
25 December 2024





## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HOA SEN GROUP**

We have audited the accompanying consolidated financial statements of Hoa Sen Group and its subsidiaries (together, "the Group") which were prepared on 30 September 2024 and approved by the Board of Management on 25 December 2024. The consolidated financial statements comprise the consolidated balance sheet as at 30 September 2024, the consolidated income statement and the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 56.

### **The Board of Management's Responsibility**

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements of the Group in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of consolidated 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 the consolidated 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 standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Group are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and true and fair presentation of the consolidated 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 Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Management, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 30 September 2024, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

### Other Matters

The consolidated financial statements for the year ended 30 September 2023 were audited by another auditor whose independent auditor's report dated 22 December 2023, expressed an unmodified opinion.

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

### For and on behalf of PwC (Vietnam) Limited



Luong Thi Anh Tuyen  
Audit Practising Licence No.  
3048-2024-006-1  
Authorised signatory



Tram Tu Mai Anh  
Audit Practising Licence No.  
3546-2021-006-1

Report reference number: HCM16078  
Ho Chi Minh City, 25 December 2024



## CONSOLIDATED BALANCE SHEET


Code	ASSETS	Note	As at	
			30.9.2024 VND	30.9.2023 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>14,174,354,519,923</b>	<b>11,274,839,904,924</b>
<b>110</b>	<b>Cash and cash equivalents</b>	<b>3</b>	<b>602,071,799,277</b>	<b>596,862,912,861</b>
111	Cash		597,436,771,510	576,792,912,861
112	Cash equivalents		4,635,027,767	20,070,000,000
<b>120</b>	<b>Short-term investments</b>		<b>30,636,010,069</b>	<b>26,175,510,851</b>
123	Investments held to maturity	4(a)	30,636,010,069	26,175,510,851
<b>130</b>	<b>Short-term receivables</b>		<b>2,985,396,517,329</b>	<b>2,322,150,338,611</b>
131	Short-term trade accounts receivable	5	2,272,400,526,277	1,852,766,528,136
132	Short-term prepayments to suppliers	6	626,072,378,471	97,524,228,315
136	Other short-term receivables	7(a)	87,496,782,857	383,617,751,361
137	Provision for doubtful debts - short-term		(573,170,276)	(11,758,169,201)
<b>140</b>	<b>Inventories</b>	<b>8</b>	<b>9,712,417,100,426</b>	<b>7,628,606,120,691</b>
141	Inventories		10,028,722,114,986	7,746,044,623,773
149	Provision for decline in value of inventories		(316,305,014,560)	(117,438,503,082)
<b>150</b>	<b>Other current assets</b>		<b>843,833,092,822</b>	<b>701,045,021,910</b>
151	Short-term prepaid expenses	9(a)	154,842,917,113	135,385,630,493
152	Value added tax ("VAT") to be reclaimed	14(a)	560,536,071,430	437,009,675,890
153	Tax and other receivables from the State	14(b)	128,454,104,279	128,649,715,527
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>5,391,266,415,234</b>	<b>6,090,465,740,720</b>
<b>210</b>	<b>Long-term receivables</b>		<b>214,837,184,200</b>	<b>143,083,524,246</b>
216	Other long-term receivables	7(b)	214,837,184,200	143,083,524,246
<b>220</b>	<b>Fixed assets</b>		<b>4,110,740,000,399</b>	<b>5,019,581,505,116</b>
221	Tangible fixed assets	10(a)	3,914,578,436,382	4,832,642,501,649
222	Historical cost		14,184,242,725,156	14,227,893,527,743
223	Accumulated depreciation		(10,269,664,288,774)	(9,395,251,026,094)
227	Intangible fixed assets	10(b)	196,161,564,017	186,939,003,467
228	Historical cost		305,035,244,710	289,088,144,510
229	Accumulated amortisation		(108,873,680,693)	(102,149,141,043)
<b>240</b>	<b>Long-term assets in progress</b>		<b>663,598,828,419</b>	<b>530,451,510,027</b>
242	Construction in progress	11	663,598,828,419	530,451,510,027
<b>250</b>	<b>Long-term investments</b>		<b>1,000,000,000</b>	<b>1,000,000,000</b>
252	Investments in associates	4(b)	-	-
255	Investments held to maturity	4(a)	1,000,000,000	1,000,000,000
<b>260</b>	<b>Other long-term assets</b>		<b>401,090,402,216</b>	<b>396,349,201,331</b>
261	Long-term prepaid expenses	9(b)	261,145,045,760	303,516,349,039
262	Deferred income tax assets	20	139,945,356,456	92,832,852,292
<b>270</b>	<b>TOTAL ASSETS</b>		<b>19,565,620,935,157</b>	<b>17,365,305,645,644</b>


The notes on pages 9 to 56 are an integral part of these consolidated financial statements.




**CONSOLIDATED BALANCE SHEET**  
(continued)

Code	RESOURCES	Note	As at	
			30.9.2024 VND	30.9.2023 VND
<b>300</b>	<b>LIABILITIES</b>		<b>8,648,683,879,620</b>	<b>6,585,139,273,223</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>8,632,413,967,195</b>	<b>6,568,894,350,227</b>
311	Short-term trade accounts payable	12	2,328,013,444,688	2,885,172,192,715
312	Short-term advances from customers	13	198,890,754,513	142,527,410,662
313	Tax and other payables to the State	14(c)	106,354,354,489	171,848,422,096
314	Payable to employees	15	94,523,557,443	70,913,549,105
315	Short-term accrued expenses	16	351,221,219,526	162,529,104,397
319	Other short-term payables	17	153,938,114,587	51,089,573,633
320	Short-term borrowings	18	5,364,084,453,144	2,936,344,523,958
322	Bonus and welfare funds	19	35,388,068,805	148,469,573,661
<b>330</b>	<b>Long-term liabilities</b>		<b>16,269,912,425</b>	<b>16,244,922,996</b>
337	Other long-term payables		709,500,000	709,500,000
342	Provision for long-term liabilities		15,560,412,425	15,535,422,996
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>10,916,937,055,537</b>	<b>10,780,166,372,421</b>
<b>410</b>	<b>Capital and reserves</b>		<b>10,916,937,055,537</b>	<b>10,780,166,372,421</b>
411	Owners' capital	21, 22	6,159,823,090,000	6,159,823,090,000
411a	- Ordinary shares with voting rights		6,159,823,090,000	6,159,823,090,000
412	Share premium	22	157,292,539,068	157,292,539,068
420	Other funds	22	50,993,213,769	77,910,496,944
421	Undistributed earnings	22	4,532,690,018,176	4,369,041,219,887
421a	- Undistributed post-tax profits of previous years		4,058,199,282,997	4,339,032,984,202
421b	- Post-tax profits of current year		474,490,735,179	30,008,235,685
429	Non-controlling interests		16,138,194,524	16,099,026,522
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>19,565,620,935,157</b>	<b>17,365,305,645,644</b>

  
Nguyen Thi Thanh Tuyen  
Preparer

  
Nguyen Thi Ngoc Lan  
Chief Accountant

  
Vu Van Thanh  
General Director  
25 December 2024



The notes on pages 9 to 56 are an integral part of these consolidated financial statements.

## CONSOLIDATED INCOME STATEMENT

Code	Note	Year ended	
		30.9.2024 VND	30.9.2023 VND
01	Revenue from sales of goods and rendering of services	39,882,804,917,399	32,084,297,693,056
02	Less deductions	(610,911,178,951)	(433,636,736,406)
10	Net revenue from sales of goods and rendering of services	26 39,271,893,738,448	31,650,660,956,650
11	Cost of goods sold and services rendered	27 (35,008,227,341,981)	(28,590,018,867,006)
20	Gross profit from sales of goods and rendering of services	4,263,666,396,467	3,060,642,089,644
21	Financial income	28 341,714,489,440	233,474,915,968
22	Financial expenses	29 (254,496,678,142)	(314,154,742,246)
23	- Including: Interest expense	29 (133,022,415,113)	(195,489,503,107)
25	Selling expenses	30 (3,344,662,264,465)	(2,476,864,155,543)
26	General and administration expenses	31 (495,608,090,352)	(406,967,911,274)
30	Net operating profit	510,613,852,948	96,130,196,549
31	Other income	47,104,533,756	51,053,143,467
32	Other expenses	(6,515,129,358)	(1,160,780,453)
40	Net other income	32 40,589,404,398	49,892,363,014
50	Accounting profit before tax	551,203,257,346	146,022,559,563
51	Corporate income tax ("CIT") - current	33 (83,641,785,140)	(64,666,147,735)
52	CIT - deferred	33 47,112,504,164	(51,294,067,926)
60	Profit after tax	514,673,976,370	30,062,343,902
Attributable to:			
61	Owners of the parent company	514,634,808,368	30,008,235,685
62	Non-controlling interests	39,168,002	54,108,217
70	Basic earnings per share	24(a) 802	47
71	Diluted earnings per share	24(b) 802	47

\_\_\_\_\_  
 Nguyen Thi Thanh Tuyen  
 Preparer

\_\_\_\_\_  
 Nguyen Thi Ngoc Lan  
 Chief Accountant

\_\_\_\_\_  
 Vu Van Thanh  
 General Director  
 25 December 2024



The notes on pages 9 to 56 are an integral part of these consolidated financial statements.



**CONSOLIDATED CASH FLOW STATEMENT**  
**(Indirect method)**

Code	Note	Year ended	
		30.9.2024 VND	30.9.2023 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Accounting profit before tax	551,203,257,346	146,022,559,563
	Adjustments for:		
02	Depreciation and amortisation	989,752,858,560	1,130,700,951,016
03	Provisions/(reversal of provisions)	198,051,671,650	(586,365,813,878)
04	Unrealised foreign exchange losses/(gains)	4,955,330,327	(1,827,471,514)
05	Profits from investing activities	(19,468,779,383)	(10,332,343,999)
06	Interest expense	133,022,415,113	195,489,503,107
08	Operating profit before changes in working capital	1,857,516,753,613	873,687,384,295
09	Increase in receivables	(343,676,959,515)	(786,168,440,314)
10	(Increase)/decrease in inventories	(2,282,677,491,213)	354,598,706,273
11	(Decrease)/increase in payables	(294,528,831,844)	1,843,192,008,584
12	Decrease in prepaid expenses	48,890,358,337	23,499,333,445
14	Interest paid	(132,557,007,997)	(197,384,202,217)
15	CIT paid	(84,874,309,981)	(54,101,428,379)
17	Other payments on operating activities	(182,993,643,610)	(191,696,191,456)
20	Net cash (outflows)/inflows from operating activities	(1,414,901,132,210)	1,865,627,170,231
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets	(770,512,877,910)	(373,766,505,881)
22	Proceeds from disposals of fixed assets	48,923,665,386	22,445,756,850
23	Payment of term deposits placed at banks over 3 months	(6,480,499,218)	(20,608,888,192)
24	Collection of term deposits at banks over 3 months	2,020,000,000	19,132,039,162
27	Dividends and interest received	2,221,975,359	3,037,092,911
30	Net cash outflows from investing activities	(723,827,736,383)	(349,760,505,150)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from issue of shares	22,110,000,000	-
33	Proceeds from short-term borrowings	31,980,416,047,732	21,880,369,799,625
34	Repayments of borrowings	(29,552,676,118,546)	(23,131,044,370,706)
36	Dividends paid	(307,574,177,800)	(5,531,000)
40	Net cash inflows/(outflows) from financing activities	2,142,275,751,386	(1,250,680,102,081)
50	Net increase in cash and cash equivalents of year	3,546,882,793	265,186,563,000
60	Cash and cash equivalents at beginning of year	596,862,912,861	330,134,957,719
61	Effect of foreign exchange differences	1,662,003,623	1,541,392,142
70	Cash and cash equivalents at end of year	602,071,799,277	596,862,912,861

Additional information relating to the consolidated cash flow statement is presented in Note 35.



Nguyen Thi Thanh Tuyen  
Preparer



Nguyen Thi Ngoc Lan  
Chief Accountant



Vu Van Thanh  
General Director  
25 December 2024

The notes on pages 9 to 56 are an integral part of these consolidated financial statements.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 SEPTEMBER 2024****1 GENERAL INFORMATION**

Hoa Sen Group ("the Company") is a joint stock company established in SR Vietnam pursuant to Enterprise registration certificate No. 3700381324, which was issued by the Department of Planning and Development of Binh Duong Province, dated 8 August 2001 and the 44th amended enterprise registration certificate dated 21 November 2024.

The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock trading code "HSG" from 5 December 2008, according to Decision No. 117/QĐ-SGDHCM signed by Director of Ho Chi Minh City Stock Exchange at 5 November 2008.

The principal activities of the Group are:

- Production of roofing sheets made of galvanized steel, zinc-aluminum alloy, painted galvanized steel, and other alloy types;
- Production of steel purlins, galvanized purlins;
- Production of black steel pipes, galvanized steel pipes, steel pipes coated with other alloys;
- Production of galvanized steel mesh, galvanized steel wire, and all kinds of steel wire;
- Buy and sell construction materials, production materials and consumer goods;
- Warehouse leasing and cargo transportation services;
- Industrial and civil construction;
- Production of cold rolled steel coils
- Machinery, equipment and other tangible items leasing;
- Production and sales of construction materials including plastic pipes and plastic pipe accessories; and
- Hotel business, catering services and commercial centers.

The normal business cycle of the Group is 12 months.

As at 30 September 2024, the Group had 7,975 employees (as at 30 September 2023: 7,402 employees).

Comparative information as at 30 September 2023 is carried over from information presented in the audited consolidated financial statements for the financial year ended 30 September 2023.

## 1 GENERAL INFORMATION (continued)

As at 30 September 2024, the Company had 9 subsidiaries and 2 associates (as at 30 September 2023: 9 subsidiaries and 1 associate). Details are as follows:

Name	Principal activities	Place of incorporation and operation	As at 30.9.2024		As at 30.9.2023	
			% of ownership	% of voting rights	% of ownership	% of voting rights
<b>Subsidiaries</b>						
Hoa Sen Nghe An One Member Limited Liabilities Company	Production and sales of metal roofing sheets and steel pipe products.	Nghe An Province	100	100	100	100
Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liabilities Company	Production and sales of metal roofing products.	Binh Dinh Province	100	100	100	100
Hoa Sen Steel One Member Company Limited	Producing and trading cold rolled steel products.	Binh Duong Province	100	100	100	100
Hoa Sen Phu My One Member Limited Liabilities Company	Producing and trading steel pipe products.	Ba Ria - Vung Tau Province	100	100	100	100
Hoa Sen Ha Nam One Member Limited Liabilities Company	Producing and trading steel pipe products.	Ha Nam Province	100	100	100	100
Hoa Sen Plastics Joint Stock Company	Producing and trading in plastic construction materials.	Ba Ria - Vung Tau Province	99.95	99.95	99.95	99.95
Hoa Sen Binh Dinh Sole Member Limited Company	Producing and trading steel pipe products.	Binh Dinh Province	100	100	100	100
Hoa Sen Yen Bai Joint Stock Company	Hotel business, catering services and commercial centers.	Yen Bai Province	97.26	97.26	95.96	95.96
Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company	Producing and trading steel pipe products.	Yen Bai Province	100	100	100	100
<b>Associates</b>						
Hoa Sen International Port Joint Stock Company	Other support service activities related to transportation.	Ba Ria - Vung Tau Province	49	49	49	49
Hoa Sen Sai Gon Joint Stock Company (ii)	Real estate business activities.	Ho Chi Minh City	40	40	-	-

As at 30 September 2024 and 30 September 2023, the Company has 63 branches.



**1 GENERAL INFORMATION (continued)**

Significant information relating to investment in subsidiary and associate during the year ended 30 September 2024 was as follows:

- (i) According to the Resolution of the Board of Directors No. 15/NQ/HĐQT/2024 dated 7 May 2024, the Board of Directors approved to increase the charter capital of Hoa Sen Yen Bai Joint Stock Company by VND200,000,000,000 to facilitate business operations and implement the Yen Bai Hotel Project. According to the Decision of the Board of Directors No. 55A/QĐ/HĐQT/2024 dated 17 May 2024, the Company adjusted the first phase of capital contribution. Accordingly, the adjusted capital contribution amount for the first phase of 2024 is VND10,000,000,000. Specifically, the Company contributed VND1,500,000,000 in cash, converted long-term loans into equity by VND4,200,000,000 and converted of interest receivable from loans into equity by VND45,087,671. The remaining amount of the first capital contribution in 2024 will be fully contributed in the following year.
- (ii) According to the Resolution of the Board of Directors No. 46/NQ/HĐQT/2023 dated 26 December 2023, the Board of Directors approved the investment of 40% voting right to establish Hoa Sen Sai Gon Joint Stock Company. Details are presented in Note 4(b).

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of the consolidated financial statements**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. The consolidated financial statements have been prepared under the historical cost convention, except for investments in associates and business combinations as presented in Note 2.5.

The accompanying consolidated financial statements are not intended to present the consolidated financial position and results of consolidated operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam's. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in Vietnamese language are the official statutory consolidated financial statements of the Group. The consolidated financial statements in English language have been translated from the Vietnamese version.

**2.2 Fiscal year**

The Group's fiscal year is from 1 October to 30 September.

**2.3 Currency**

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND"), which is the Company's accounting currency.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the consolidated balance sheet date of the commercial bank(s) with which the Group regularly transacts. Foreign currencies deposited in bank(s) at the consolidated balance sheet date are translated at the buying exchange rate of the commercial bank(s) where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the consolidated income statement.

**2.5 Basis of consolidation****Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the subsidiaries are prepared for the same fiscal year of the Group for the consolidation purpose.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.5 Basis of consolidation (continued)****Non-controlling transactions and interests**

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Transactions leading to the change in the Group's ownership interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

Transactions leading to the change in the Group's ownership interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

**Associates**

Associates are investments that the Group has significant influence but not control over and the Group would generally have from 20% to less than 50% of the voting rights of the investee. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

The Group's share of the post-acquisition profits or losses of its associates is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates.

**2.6 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and other short-term investments with an original maturity of three months or less.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the expected loss that may arise. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of general and administrative expenses in the year. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the consolidated balance sheet based on the remaining term from the consolidated balance sheet date to the maturity date.

**2.8 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other directly-related costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method for inventories.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

**2.9 Investments****(a) Investments held to maturity**

Investments held to maturity are investments which the Group has a positive intention and ability to hold until maturity.

Investments held to maturity include bank term deposits and bonds. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.9 Investments (continued)****(a) Investments held to maturity (continued)**

Investments held to maturity are classified into short-term and long-term investments held to maturity on the consolidated balance sheet based on the remaining term from the consolidated balance sheet date to the maturity date.

**(b) Investments in associates**

Investments in associates are accounted for using the equity method when preparing the consolidated financial statements (Note 2.5).

**2.10 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the consolidated income statement when incurred in the year.

*Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the consolidation financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Buildings and structures	5 - 50 years
Machinery and equipment	2 - 25 years
Motor vehicles	2 - 10 years
Office equipment	3 - 10 years
Others	3 - 20 years
Land use rights	14 - 50 years
Software	3 - 6 years

Land use rights comprise of 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 its 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.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Fixed assets (continued)***Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the consolidated income statement.

*Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; project management expenditure; construction consulting expenditure; and capitalised borrowing costs for qualifying assets in accordance with the Group's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

**2.11 Operating leases**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

**2.12 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a year not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets for a year exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated using the straight-line basis over their estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in Note 2.10 are recorded as prepaid expenses and allocated using the straight-line basis over the prepaid lease term.

Site clearance costs include payments for land leveling before the construction phase and are recognised in the consolidated income statement on a straight-line basis over the term of the land lease, which ranges from 42 to 50 years.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.13 Payables**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables and payables not relating to purchases of goods and services.

Payables are classified as long-term and short-term payables on the consolidated balance sheet based on remaining term from the consolidated balance sheet date to the maturity date.

**2.14 Borrowings**

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term based on remaining term from the consolidated balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which is used for the purpose of construction or production of any qualifying assets, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Group's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

**2.15 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

**2.16 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.17 Provision for severance allowances**

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer are entitled to a severance allowance. The working year used for the calculation of severance allowance is the year during which the employee actually works for the Group less the year during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working year for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting year on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee contract's average salary for the six-month period prior to the consolidated balance sheet date.

This allowance will be paid as a lump sum when employees terminate their labour contracts in accordance with current regulations.

**2.18 Capital and reserves**

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Undistributed earnings record the Company's results (profit or loss) after CIT at the reporting date.

**2.19 Appropriation of profit**

The Group's dividends are recognised as a liability in the Group's consolidated financial statements in the year based on the final registration date for closing the list of shareholders according to the Resolution of Board of Directors, in which the dividends are approved by the Company's General Meeting of shareholders.

Net profit after CIT could be distributed to shareholders after approval at a General Meeting of shareholders, and after appropriation to funds in accordance with the Group's charter and Vietnamese regulations.

The Group's funds are as below:

**(a) Bonus and welfare fund**

The bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the General Meeting of shareholders. This fund is presented as a liability on the consolidated balance sheet. This fund is used for the purpose of rewarding and encouragement, enhancement of the employees' benefits.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.19 Appropriation of profit (continued)****(b) Other funds**

Other funds are appropriated from profit after tax and approved by the shareholders in the General Meeting of shareholders. This fund is used for sponsorship, charity activities, and remuneration and expenses of the Board of Directors. The use of these funds is based on the regulations on appropriation, management, and use of funds and operating expenses of the Board of Directors.

**2.20 Revenue recognition****(a) Revenue from sales of goods**

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sales obligation. If the Group gives promotional goods to customers associated with their purchases, the Group allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the consolidated income statement.

**(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the consolidated income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from rendering of services is only recognised when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group;
- The percentage of completion of the transaction at the consolidated balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.20 Revenue recognition (continued)****(c) Interest income**

Interest income is recognised in the consolidated income statement on the basis of the actual time and interest rates for each year when both (2) of the following conditions are satisfied:

- It is probable that economic benefits will be generated; and
- Income can be measured reliably.

**(d) Dividends income**

Income from dividends is recognised in the consolidated income statement when both (2) of the following conditions are satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Group; and
- Income can be measured reliably.

Income from distributable profits is recognised when the Group has established the receiving rights from investees.

**2.21 Sales deductions**

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year.

Sales deductions for sales of products, goods or rendering of services which are sold in the year but are incurred after the consolidated balance sheet date but before the issuance of the consolidated financial statements are recorded as a deduction from the revenue of the year.

**2.22 Cost of goods sold and services rendered**

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudent basis.

**2.23 Financial expenses**

Financial expenses are expenses incurred in the year for financial activities including expenses or losses relating to expenses of borrowing; losses from foreign exchange differences; and payment discounts.

**2.24 Selling expenses**

Selling expenses represent expenses that are incurred in the process of selling products, goods and providing services.

**2.25 General and administration expenses**

General and administration expenses represent expenses that are incurred for administrative purposes.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.26 Current and deferred income tax**

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**2.27 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the Chairperson and members of the Board of Directors, the Board of Management, the Board of Supervision, close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Group considers the substance of the relationships, not merely the legal form.

**2.28 Segment reporting**

A segment is a component which can be separated by the Group engaged in providing products or services ("business segment"), or providing products or services within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group's business segment or the Group's business segment.



**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.29 Critical accounting estimates**

The preparation of consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements requires the Board of 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 consolidated financial statements and the reported amounts of revenue and expenses during the year.

The areas involving significant estimates and assumptions are as follows:

- Provision for decline in value of inventories (Note 2.8); and
- CIT expense and deferred income tax (Note 2.26).

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are assessed by the Board of Management to be reasonable under the circumstances.

**3 CASH AND CASH EQUIVALENTS**

	30.9.2024 VND	30.9.2023 VND
Cash on hand	16,558,134,500	20,182,995,403
Cash at banks	580,478,637,010	556,584,565,896
Cash in transit	400,000,000	25,351,562
Cash equivalents (*)	4,635,027,767	20,070,000,000
	<u>602,071,799,277</u>	<u>596,862,912,861</u>

- (\*) As at 30 September 2024, cash equivalents include bank term deposits with original maturity of 3 months or less and earn interest at rates ranging from 1.6% per annum to 3% per annum (as at 30 September 2023: from 2.7% per annum to 3.4% per annum).

As at 30 September 2024, cash equivalents of VND3.356 billion and VND1.279 billion were used to secure for guarantee contract in Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Zone Branch and Joint Stock Commercial Bank for Foreign Trade of Vietnam - Vung Tau Branch, respectively (as at 30 September 2023: cash equivalents of VND20.07 billion were used to secure for guarantee contract in Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Zone Branch).



## 4 INVESTMENTS

## (a) Investments held to maturity

	As at 30.9.2024		As at 30.9.2023	
	Cost VND	Book value VND	Cost VND	Book value VND
i. Short-term Term deposits (*)	30,636,010,069	30,636,010,069	26,175,510,851	26,175,510,851
ii. Long-term Bonds issued by Agribank Securities Corporation (**)	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000

(\*) As at 30 September 2024, the balance represents bank term deposits with original maturity of more than 3 months and with remaining term less than 12 months and earn interest at rates ranging from 2.8% per annum to 4.5% per annum (as at 30 September 2023: from 5.2% per annum to 7.5% per annum).

As at 30 September 2024, deposit contracts amounting to VND21.3 billion were pledged with Joint Stock Commercial Bank for Investment and Development of Vietnam as collateral assets for short-term borrowings granted to the Group (as at 30 September 2023: VND20.6 billion) (Note 18).

As at 30 September 2024, term deposit contracts amounting to VND3 billion, VND631 million, and VND5.725 billion, are used to secure the guarantee contracts of Vietnam Joint Stock Commercial Bank for Industry and Trade - Binh Duong Industrial Zone Branch, Vietnam Joint Stock Commercial Bank for Industry and Trade - Nghe An Branch and Joint Stock Commercial Bank for Foreign Trade of Vietnam - Vung Tau Branch, respectively (as at 30 September 2023: VND3 billion, VND595 million and VND2.02 billion).

(\*\*) Bonds have original maturity of 7 years from the date of issuance on 24 September 2019, were issued in Vietnamese Dong and have interest rates calculated based on the average interest rate of personal saving deposits in Vietnamese Dong for the 12-month year term of four (4) banks (Vietnam Bank for Agriculture and Rural Development, Joint Stock Commercial Bank for Foreign Trade of Vietnam, Vietnam Joint Stock Commercial Bank for Industry and Trade, Joint Stock Commercial Bank for Investment and Development of Vietnam) plus a margin of 1.2%.

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4 INVESTMENTS (continued)

(b) Investments in other entities

	As at 30.9.2024			As at 30.9.2023		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Investments associates						
Hoa Sen International Port Joint Stock Company (i)	-	(*)	-	-	(*)	-
Hoa Sen Sai Gon Joint Stock Company (ii)	-	(*)	-	-	(*)	-
	-	-	-	-	-	-

(\*) As at 30 September 2024 and 30 September 2023, the Group has not determined the fair value of these investments for disclosure in the consolidated financial statement because they do not have listed prices. The fair value of such investments may be different from their book value.

(i) Hoa Sen International Port Joint Stock Company was established pursuant to Enterprise registration certificate No. 3502399898, which was issued by the Department of Planning and Development of Ba Ria - Vung Tau Province, dated 5 July 2019. As at 30 September 2024, this company has not received capital contribution and has not commenced operation. Accordingly, the Company will contribute VND4.9 billion, equivalent to 49% of voting rights.

(ii) Hoa Sen Sai Gon Joint Stock Company was established pursuant to Enterprise registration certificate No. 0318310211, which was issued by the Department of Planning and Development of Ho Chi Minh City, dated 21 February 2024. As at 30 September 2024, this company has not received capital contribution and has not commenced operation. Accordingly, the Company will contribute VND40 billion, equivalent to 40% of the voting rights.



**5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE**

	30.9.2024 VND	30.9.2023 VND
Third parties		
Duferco Sa	208,338,347,744	353,564,251,820
Others	2,064,062,178,533	1,499,136,258,616
Related parties (Note 37(b))	-	66,017,700
	<u>2,272,400,526,277</u>	<u>1,852,766,528,136</u>

As at 30 September 2024 and 30 September 2023, receivables amounting to VND1,139 blion and VND1,239 blion, respectively, were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 18).

**6 SHORT-TERM PREPAYMENTS TO SUPPLIERS**

	30.9.2024 VND	30.9.2023 VND
Third parties		
SMC Da Nang One Member Limited Company	40,000,000,000	-
QH Plus Steel Structure Corporation	9,564,907,241	18,150,000,000
K.N.G Construction Company Limited	9,030,923,603	14,984,539,870
Others	117,476,547,627	64,389,688,445
Related parties (Note 37(b))	450,000,000,000	-
	<u>626,072,378,471</u>	<u>97,524,228,315</u>

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7 OTHER RECEIVABLES

(a) Other short-term receivables

	As at 30.9.2024		As at 30.9.2023	
	Book value VND	Provision VND	Book value VND	Provision VND
Advance to employees	29,772,893,989	-	25,566,944,730	-
Rental deposits	24,118,490,000	-	30,694,045,800	-
Compensation for site clearance (*)	20,000,000,000	-	95,738,070,000	-
LC deposit	-	-	144,324,780,746	-
Advances for land purchases	-	-	58,438,165,400	-
Shortage of assets awaiting resolution	34,005,840	-	10,345,169,668	(10,345,169,668)
Short-term deposits	2,860,290,001	-	3,859,454,630	-
Others	10,711,103,027	-	14,651,120,387	-
	<u>87,496,782,857</u>	<u>-</u>	<u>383,617,751,361</u>	<u>(10,345,169,668)</u>
In which,				
Third parties	86,726,782,857	-	337,145,526,361	(10,345,169,668)
Related parties (Note 37(b))	<u>770,000,000</u>	<u>-</u>	<u>46,472,225,000</u>	<u>-</u>
	<u>87,496,782,857</u>	<u>-</u>	<u>383,617,751,361</u>	<u>(10,345,169,668)</u>

(\*) As at 30 September 2024, the balance represents the amount the Group advanced to clear the site for the project to build an industrial, commercial, service, cultural and sports complex associated with the development of residential areas at the IC12 intersection, Noi Bai - Lao Cai expressway in Tran Yen district, Yen Bai province ("Yen Bai Hotel Project") (as at 30 September 2023: the balance represents the amount the Group has advanced to clear the site for the Yen Bai Hotel Project and the Hoa Sen Factory Construction Project in Thanh Liem Industrial Park in Kien Khe town, Thanh Liem district, Ha Nam province), these advances will be refunded or deducted from the land rental fee in the future.



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## 7 OTHER RECEIVABLES (continued)

## (b) Other long-term receivables

	As at 30.9.2024		As at 30.9.2023	
	Book value VND	Provision VND	Book value VND	Provision VND
Rental deposit	91,484,245,800	-	127,931,524,246	-
Advances for land purchases (*)	58,438,165,400	-	-	-
Compensation for site clearance (**)	36,943,998,000	-	-	-
Others	27,970,775,000	-	15,152,000,000	-
	<u>214,837,184,200</u>	<u>-</u>	<u>143,083,524,246</u>	<u>-</u>
In which,				
Third parties	165,819,759,200	-	138,658,324,246	-
Related parties (Note 37(b))	49,017,425,000	-	4,425,200,000	-
	<u>214,837,184,200</u>	<u>-</u>	<u>143,083,524,246</u>	<u>-</u>

(\*) As at the date of these consolidated financial statements, the Group is in the process of conducting legal procedures to transfer land use rights and is expected to last for more than 12 months.

(\*\*) Compensation for site clearance represents the amount that the Group advanced to clear the site of Hoa Sen Factory Construction Project at Thanh Liem Industrial Park in Kien Khe town, Thanh Liem district, Ha Nam Province, these advances will be refunded or deducted from the land rental fee in the future.



## 8 INVENTORIES

	As at 30.9.2024		As at 30.9.2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	942,722,610,814	(17,655,353,966)	1,190,017,296,617	(1,916,485,707)
Raw materials	4,459,710,785,556	(130,315,936,372)	2,593,687,433,417	(34,594,377,867)
Tools and supplies	502,241,747,192	-	535,963,387,028	-
Work in progress	110,419,404	-	-	-
Finished goods	2,958,375,031,111	(129,434,015,952)	2,226,103,634,178	(46,391,373,811)
Merchandise	1,165,561,520,909	(38,899,708,270)	1,200,272,872,533	(34,536,265,697)
	<u>10,028,722,114,986</u>	<u>(316,305,014,560)</u>	<u>7,746,044,623,773</u>	<u>(117,438,503,082)</u>

As at 30 September 2024, inventories with the book value of VND4,169 billion (as at 30 September 2023: VND3,729 billion) were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 18).

Movements in the provision for decline in value of inventories during the year were as follows:

	For the year ended	
	30.9.2024 VND	30.9.2023 VND
Beginning of year	117,438,503,082	715,679,159,748
Increase/(reversal) (Note 27)	198,866,511,478	(598,240,656,666)
End of year	<u>316,305,014,560</u>	<u>117,438,503,082</u>



**9 PREPAID EXPENSES****(a) Short-term**

	30.9.2024 VND	30.9.2023 VND
Rental expenses	60,239,652,472	65,979,132,889
Tools and supplies	36,345,390,198	27,855,649,983
Prepaid advertising expenses	26,800,138,075	14,986,892,696
Repair and maintainance	8,174,198,936	7,084,411,712
Others	23,283,537,432	19,479,543,213
	<u>154,842,917,113</u>	<u>135,385,630,493</u>

**(b) Long-term**

	30.9.2024 VND	30.9.2023 VND
Site clearance expense	76,489,373,121	78,325,116,411
Tools and supplies	73,707,927,750	81,501,592,111
Rental expenses	44,326,573,507	48,282,491,935
Repair and maintainance	36,732,986,153	45,688,884,054
Billboard	13,254,815,891	29,746,562,183
Others	16,633,369,338	19,971,702,345
	<u>261,145,045,760</u>	<u>303,516,349,039</u>

Movement in long-term prepaid during the year were as follows:

	For the year ended	
	30.9.2024 VND	30.9.2023 VND
Beginning of year	303,516,349,039	295,431,936,752
Increase	66,571,996,663	122,835,385,208
Transfer from construction in progress (Note 11)	24,308,508,113	59,129,254,111
Allocation	(131,322,083,270)	(130,361,180,295)
Disposal	(1,929,724,785)	(6,575,048,737)
Transfer to other short-term receivables	-	(36,943,998,000)
End of year	<u>261,145,045,760</u>	<u>303,516,349,039</u>

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10 FIXED ASSETS

(a) Tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
<b>Historical cost</b>						
As at 1 October 2023	2,930,864,766,517	10,640,298,501,123	517,609,232,616	100,956,640,089	38,164,387,398	14,227,893,527,743
New purchases	308,181,818	20,808,319,625	17,852,494,453	225,900,000	2,278,361,381	41,473,257,277
Transfers from construction in progress (Note 11)	12,813,507,522	32,674,545,214	9,463,439,350	-	99,088,397	55,050,580,483
Disposals	-	(108,380,537,233)	(17,384,196,949)	-	-	(125,764,734,182)
Write-off	(7,845,512,701)	(6,405,499,453)	-	-	(158,894,011)	(14,409,906,165)
As at 30 September 2024	2,936,140,943,156	10,578,995,329,276	527,540,969,470	101,182,540,089	40,382,943,165	14,184,242,725,156
<b>Accumulated depreciation</b>						
As at 1 October 2023	1,118,564,804,868	7,750,021,829,732	418,845,360,929	80,775,626,545	27,043,404,020	9,395,251,026,094
Charge for the year	181,093,411,727	753,071,770,236	38,411,573,820	7,630,363,148	2,821,199,979	983,028,318,910
Disposals	-	(82,985,496,296)	(14,264,140,291)	-	-	(97,249,636,587)
Write-off	(4,837,162,411)	(6,369,363,221)	-	-	(158,894,011)	(11,365,419,643)
As at 30 September 2024	1,294,821,054,184	8,413,738,740,451	442,992,794,458	88,405,989,693	29,705,709,988	10,269,664,288,774
<b>Net book value</b>						
As at 1 October 2023	1,812,299,961,649	2,890,276,671,391	98,763,871,687	20,181,013,544	11,120,983,378	4,832,642,501,649
As at 30 September 2024	1,641,319,888,972	2,165,256,588,825	84,548,175,012	12,776,550,396	10,677,233,177	3,914,578,436,382



**10 FIXED ASSETS (continued)****(a) Tangible fixed assets (continued)**

As at 30 September 2024, tangible fixed assets with a carrying value of VND2,582 billion (as at 30 September 2023: VND3,152 billion), were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 18).

As at 30 September 2024, the historical cost of tangible fixed assets which were fully depreciated but still in use was VND4,352 billion (as at 30 September 2023: VND2,800 billion).

**(b) Intangible fixed assets**

	Land use rights VND	Software VND	Total VND
<b>Historical cost</b>			
As at 1 October 2023	234,582,707,708	54,505,436,802	289,088,144,510
Transfers from construction in progress (Note 11)	-	15,947,100,200	15,947,100,200
As at 30 September 2024	234,582,707,708	70,452,537,002	305,035,244,710
<b>Accumulated amortisation</b>			
As at 1 October 2023	51,393,614,712	50,755,526,331	102,149,141,043
Charge for the year	3,453,611,701	3,270,927,949	6,724,539,650
As at 30 September 2024	54,847,226,413	54,026,454,280	108,873,680,693
<b>Net book value</b>			
As at 1 October 2023	183,189,092,996	3,749,910,471	186,939,003,467
As at 30 September 2024	179,735,481,295	16,426,082,722	196,161,564,017

As at 30 September 2024, intangible fixed assets with a carrying value of VND70 billion (as at 30 September 2023: VND84 billion), were pledged with banks as collateral assets for short-term borrowings granted to the Group (Note 18).

As at 30 September 2024, the historical cost of intangible fixed assets which were fully amortised but still in use was VND51 billion (as at 30 September 2023: VND751 million).

**11 CONSTRUCTION IN PROGRESS**

Details of construction in progress by projects are as follows:

	30.9.2024 VND	30.9.2023 VND
Yen Bai Hotel project (*)	389,403,528,626	385,771,131,059
Hoa Sen Phu My project	88,841,901,839	36,772,865,723
Machinery and software in installation	63,061,367,294	14,928,044,341
Hoa Sen Binh Dinh project	49,145,775,188	19,625,824,294
Hoa Sen Ha Nam project	37,967,880,631	37,967,880,631
Construction at subsidiaries	22,974,738,533	12,300,037,819
Others	12,203,636,308	23,085,726,160
	<u>663,598,828,419</u>	<u>530,451,510,027</u>

(\*) The Group tendered in 2024 and is completing the construction of this project to bring it into operation.

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

	For the year ended	
	30.9.2024 VND	30.9.2023 VND
Beginning of year	530,451,510,027	603,535,433,172
Increase	230,238,617,998	209,907,898,640
Transfers to tangible fixed assets (Note 10(a))	(55,050,580,483)	(177,541,961,915)
Transfers to intangible fixed assets (Note 10(b))	(15,947,100,200)	-
Transfers to long-term prepaid expenses (Note 9(b))	(24,308,508,113)	(59,129,254,111)
Transfers to short-term prepaid expenses	(1,667,833,565)	(4,953,094,165)
Disposals	(117,277,245)	(2,573,439,594)
Transfer to other short-term receivables	-	(38,794,072,000)
End of year	<u>663,598,828,419</u>	<u>530,451,510,027</u>

Borrowing cost which was capitalised in construction in progress during the financial year ended 30 September 2024 was VND45,087,671 (during the financial year ended 30 September 2023: VND2,205,821,918).



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## 12 SHORT-TERM TRADE ACCOUNTS PAYABLE

	As at 30.9.2024		As at 30.9.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Kim Quoc Steel Company Limited	603,635,726,823	603,635,726,823	148,774,386,772	148,774,386,772
Hoa Phat Dung Quat Steel Joint Stock Company	382,563,821,530	382,563,821,530	29,420,508,150	29,420,508,150
Win Faith Trading Limited	-	-	1,060,712,721,850	1,060,712,721,850
Formosa Ha Tinh Steel Corporation	-	-	215,321,324,077	215,321,324,077
Others	1,332,772,001,647	1,332,772,001,647	1,421,350,283,452	1,421,350,283,452
Related parties (Note 37(b))	9,041,894,688	9,041,894,688	9,592,968,414	9,592,968,414
	<u>2,328,013,444,688</u>	<u>2,328,013,444,688</u>	<u>2,885,172,192,715</u>	<u>2,885,172,192,715</u>

## 13 SHORT-TERM ADVANCES FROM CUSTOMERS

	30.9.2024		30.9.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Related parties (Note 37(b))	183,343,510,186		130,018,877,787	
	<u>15,547,244,327</u>		<u>12,508,532,875</u>	
	<u>198,890,754,513</u>		<u>142,527,410,662</u>	

As at 30 September 2024 and 30 September 2023, there were no third-party customers who had a balance accounting for 10% or more of the total balance of short-term advances from customers.

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14 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in tax and other receivables from/payables to the State were as follows:

	As at 1.10.2023 VND	Receivable/payable during the year VND	Payment during the year VND	Offset during the year VND	Refund during the year VND	Reclassification VND	As at 30.9.2024 VND
(a) VAT to be reclaimed							
VAT to be reclaimed	437,009,675,890	10,811,558,584,053	-	(9,027,673,776,366)	(1,660,358,412,147)	-	560,536,071,430
(b) Tax receivables							
CIT	128,498,372,448	-	-	-	-	(99,693,200)	128,398,679,248
Personal income tax	151,343,079	-	-	-	-	(95,918,048)	55,425,031
	128,649,715,527	-	-	-	-	(195,611,248)	128,454,104,279
(c) Tax payables							
VAT import	142,077,492,529	1,319,835,163,500	(1,403,785,525,504)	-	-	-	58,127,130,525
VAT	11,966,611,325	9,133,029,622,728	(86,150,155,856)	(9,027,673,776,366)	-	-	31,172,301,831
CIT	14,864,381,719	83,641,785,140	(84,874,309,981)	-	-	(99,693,200)	13,532,163,678
Personal income tax	2,167,501,415	55,576,141,387	(54,183,266,223)	-	-	(95,918,048)	3,464,458,531
Export and import tax	31,974,921	9,450,126,025	(9,443,844,677)	-	-	-	38,256,269
Others	740,460,187	13,544,035,321	(14,264,451,853)	-	-	-	20,043,655
	171,848,422,096	10,615,076,874,101	(1,652,701,554,094)	(9,027,673,776,366)	-	(195,611,248)	106,354,354,489



**15 PAYABLE TO EMPLOYEES**

Payable to employees represents salary payable to employees.

**16 SHORT-TERM ACCRUED EXPENSES**

	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Trade discount	136,181,782,296	90,199,607,878
Staff costs	79,451,673,446	1,375,141,829
Transportation	75,477,811,588	3,019,944,373
Rental fee	20,239,199,753	17,810,699,049
Electricity	13,324,591,438	10,392,668,077
Interest expense	2,381,809,877	1,916,402,761
Promotion	2,286,612,513	12,665,979,198
Others	21,877,738,615	25,148,661,232
	<u>351,221,219,526</u>	<u>162,529,104,397</u>

**17 OTHER SHORT-TERM PAYABLES**

	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Discounting export document (*)	101,285,719,447	28,135,471,782
Proceeds from issue of Employee Stock Ownership Plan ("ESOP") shares (**)	22,110,000,000	-
Short-term deposits	18,836,602,528	10,561,616,231
Social insurance, health insurance, unemployment insurance, and union fees	1,376,083,575	2,551,389,020
Dividend payable (Note 23)	3,957,992,677	3,541,015,977
Others	6,371,716,360	6,300,080,623
	<u>153,938,114,587</u>	<u>51,089,573,633</u>

(\*) As at 30 September 2024 and 30 September 2023, the balance represents the amount that the Group received related to discounting export document. Accordingly, the Group paid to bank a fee to receive payment in advance.

(\*\*) According to the Resolution of the General Meeting of Shareholders No. 01/NQ/ĐHĐCĐ/2024 dated 18 March 2024, the General Meeting of Shareholders approved the issuance of shares under the Employee Stock Ownership Plan ("ESOP") for leaders, managers, executive officers, other key personnel of the Group, and authorised the Board of Directors to decide on the implementation timeline. Accordingly, the ESOP issuance period began on 31 August 2024 and ended on 9 October 2024. The balance represents the capital contributed by the employees as at 30 September 2024. On 9 October 2024, the Company completed the shares issuance (Note 39(a)).

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## 18 SHORT-TERM BORROWINGS

	As at 1.10.2023		During the year		As at 30.9.2024	
	Value VND	Able-to-pay amount VND	Increase VND	Decrease VND	Value	Able-to-pay amount VND
Banks	2,936,344,523,958	2,936,344,523,958	31,980,416,047,732	(29,552,676,118,546)	5,364,084,453,144	5,364,084,453,144
Borrowings from banks in Vietnamese Dong are mobilised for the purpose of financing working capital. Interest rates of borrowings are determined in each drawdown. Details are as follows:						
Banks	Interest %/year	Term	As at 30.9.2024 VND	As at 30.9.2023 VND		
Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch (i)	2.3% - 3.3%	No later than 6 months from the next day of disbursement date.	2,647,446,645,284	1,100,416,059,001		
Vietnam Joint Stock Commercial Bank For Industry and Trade - Binh Duong Industrial Zone Branch (ii)	3% - 3.3%	No later than 5 months from the disbursement date.	2,271,483,187,659	1,625,599,905,996		
Joint stock Commercial Bank for Investment and Development of Viet Nam - Transaction Center 2 Branch (iii)	3.6%	According to each facility agreement.	323,755,954,476	-		
Vietnam Joint Stock Commercial Bank For Industry and Trade - Ba Ria - Vung Tau Branch (iv)	3.3%	No exceed 1 month from the disbursement date.	53,369,294,000	32,557,721,520		
United Overseas Bank (Vietnam) Limited (v)	3.1%	No later than 120 days from the disbursement date.	53,000,000,000	-		
Kasikornbank Public Company Limited - Ho Chi Minh Branch (vi)	3.3%	No later than 120 days from the disbursement date.	15,029,371,725	177,770,837,441		
HSBC Bank (Vietnam) Ltd (vii)	(*)	No later than 120 days from the disbursement date.	-	-		
Saigon Thuong Tin Commercial Joint Stock Bank (viii)	(**)	According to each facility agreement and within p12 months.	-	-		
			5,364,084,453,144	2,936,344,523,958		



**18 SHORT-TERM BORROWINGS (continued)**

- (\*) As at 30 September 2024 and 30 September 2023, the Group have settled its borrowings with HSBC Bank (Vietnam) Ltd.
- (\*\*) The Group did not incur borrowings with Saigon Thuong Tin Commercial Joint Stock Bank during the year ended 30 September 2024.

Details of collateral assets are as follow:

- (i) Loans from Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch are secured by land use rights and tangible fixed assets with carrying amount of VND18 billion and VND370 billion, respectively (as at 30 September 2023: VND31 billion and VND356 billion); a part of the inventories of the Company; and receivables with amount of VND569 billion.
- (ii) Loans from Vietnam Joint Stock Commercial Bank For Industry and Trade - Binh Duong Industrial Zone Branch are secured by land use rights and tangible fixed assets with total carrying amount of VND34 billion and VND2,072 billion, respectively (as at 30 September 2023: VND35 billion and VND2,628 billion); a part of the inventories of the Company; and receivables with amount of VND570 billion;
- (iii) Loans from Joint Stock Commercial Bank for Investment and Development of Viet Nam - Transaction Center 2 Branch are secured by a term deposit with a book value of VND21.3 billion and tangible fixed assets has a carrying amount of VND42 billion (as at 30 September 2023: VND20.6 billion and VND51 billion);
- (iv) Loans from Vietnam Joint Stock Commercial Bank For Industry and Trade - Ba Ria - Vung Tau Branch are secured by inventory and tangible assets with carrying amount of VND350 billion and VND68 billion, respectively (as at 30 September 2023: VND360 billion and VND86 billion, and additionally secured by short-term customer receivables amounting to VND100 billion);
- (v) Loans from United Overseas Bank (Vietnam) Limited are secured by the floating inventories with the amount of USD23 million;
- (vi) Loans from Kasikornbank Public Company Limited - Ho Chi Minh Branch are secured by the Company's inventories with the minimum of USD10 million (or equivalent amount in Vietnamese Dong);
- (vii) Loans from HSBC Bank (Vietnam) Ltd are secured by land use rights and tangible assets with carrying amount of VND11 billion and VND28.5 billion, respectively (as at 30 September 2023: VND11 billion and VND31 billion); and inventories; and
- (viii) The collateral assets at Saigon Thuong Tin Commercial Joint Stock Bank are land use rights with a carrying amount of VND7 billion and VND1.5 billion, respectively (as at 30 September 2023: land use rights with a carrying amount of VND7 billion).

**19 BONUS AND WELFARE FUNDS**

Movements in bonus and welfare fund during the year were as follows:

	For the year ended	
	30.9.2024	30.9.2023
	VND	VND
Beginning of year	148,469,573,661	206,699,825,822
Appropriation (Note 22)	18,103,097,086	10,053,653,206
Utilisation	(131,184,601,942)	(68,283,905,367)
End of year	<u>35,388,068,805</u>	<u>148,469,573,661</u>

**20 DEFERRED INCOME TAX**

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current income tax assets against current income tax liabilities and when the deferred income taxes relate to the same taxation authority and same taxable unit.

The details were as follows:

	30.9.2024	30.9.2023
	VND	VND
Deferred tax assets:		
Deferred tax assets to be recovered after more than 12 months	3,979,571,784	2,872,608,474
Deferred tax assets to be recovered within 12 months	135,965,784,672	90,443,244,201
Deferred tax liabilities:		
Deferred tax liabilities to be recovered within 12 months	-	(483,000,383)
	<u>139,945,356,456</u>	<u>92,832,852,292</u>



**20 DEFERRED INCOME TAX (continued)**

The gross movements in deferred income tax, without taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows:

	For the year ended	
	30.9.2024	30.9.2023
	VND	VND
Beginning of year	92,832,852,292	144,126,920,218
Consolidated income statement credit/(charge) (Note 33)	47,112,504,164	(51,294,067,926)
End of year	<u>139,945,356,456</u>	<u>92,832,852,292</u>

**(a) Details of deferred tax assets**

Deferred tax assets related to the following temporary differences:

	30.9.2024	30.9.2023
	VND	VND
Accrued expense	67,016,921,237	28,280,991,129
Provisions	38,145,835,930	31,706,123,314
Unrealised profits	34,179,987,085	33,328,738,232
Foreign exchange differences	602,612,204	-
	<u>139,945,356,456</u>	<u>93,315,852,675</u>

**(b) Details of deferred tax liabilities**

Deferred tax liabilities related to the following temporary differences:

	30.9.2024	30.9.2023
	VND	VND
Foreign exchange differences	<u>-</u>	<u>(483,000,383)</u>

The Group used tax rates of 5%, 8.5% and 20% for the year ended 30 September 2024 and the year ended 30 September 2023 to determine deferred income tax assets and deferred income tax liabilities.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

**21 OWNERS' CAPITAL****(a) Number of shares**

	<b>As at 30.9.2024</b>		<b>As at 30.9.2023</b>	
	<b>Ordinary shares</b>	<b>Preference shares</b>	<b>Ordinary shares</b>	<b>Preference shares</b>
Number of shares registered	615,982,309	-	615,982,309	-
Number of shares issued	615,982,309	-	615,982,309	-
Number of existing shares in circulation	615,982,309	-	615,982,309	-

**(b) Details of owners' shareholding**

	<b>As at 30.9.2024</b>		<b>As at 30.9.2023</b>	
	<b>Ordinary shares</b>	<b>%</b>	<b>Ordinary shares</b>	<b>%</b>
Mr. Le Phuoc Vu	104,845,945	17.02	104,845,945	17.02
Other shareholders	511,136,364	82.98	511,136,364	82.98
Number of shares	615,982,309	100.00	615,982,309	100.00

**(c) Movement of share capital**

	<b>Number of shares</b>	<b>Ordinary shares VND</b>	<b>Preference shares VND</b>	<b>Total VND</b>
As at 1 October 2022	598,054,986	5,980,549,860,000	-	5,980,549,860,000
New shares issued	17,927,323	179,273,230,000	-	179,273,230,000
As at 30 September 2023	615,982,309	6,159,823,090,000	-	6,159,823,090,000
As at 30 September 2024	615,982,309	6,159,823,090,000	-	6,159,823,090,000

Par value per share: VND10,000.



## 22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Other funds VND	Post-tax undistributed earnings VND	Non-controlling shareholder interests VND	Total VND
As at 1 October 2022	5,980,549,860,000	157,292,539,068	187,499,009,876	4,542,183,640,565	16,044,918,305	10,883,569,967,814
Net profit for the year	-	-	-	30,008,235,685	54,108,217	30,062,343,902
Dividends paid by shares	179,273,230,000	-	-	(179,273,230,000)	-	-
Appropriation to bonus and welfare funds (Note 19)	-	-	-	(10,053,653,206)	-	(10,053,653,206)
Appropriation to other funds	-	-	13,823,773,157	(13,823,773,157)	-	-
Utilisation of other funds	-	-	(123,412,286,089)	-	-	(123,412,286,089)
As at 30 September 2023	6,159,823,090,000	157,292,539,068	77,910,496,944	4,369,041,219,887	16,099,026,522	10,780,166,372,421
Net profit for the year	-	-	-	514,634,808,368	39,168,002	514,673,976,370
Dividends paid (*) (Note 23)	-	-	-	(307,991,154,500)	-	(307,991,154,500)
Appropriation to bonus and welfare funds (*) (Note 19)	-	-	-	(18,103,097,086)	-	(18,103,097,086)
Appropriation to other funds (*)	-	-	24,891,758,493	(24,891,758,493)	-	-
Utilisation of other funds	-	-	(51,809,041,668)	-	-	(51,809,041,668)
As at 30 September 2024	6,159,823,090,000	157,292,539,068	50,993,213,769	4,532,690,018,176	16,138,194,524	10,916,937,055,537

(\*) According to the Resolution of Annual General Meeting of Shareholders 2022-2023 No. 01/NQ-DHĐCĐ/2023 dated 10 March 2023 and the Resolution of Board of Directors No. 02/NQ/HĐQT/2024 dated 12 January 2024, the Group appropriated consolidated profit after tax of the financial year ("FY") 2022-2023 as follow:

- Appropriation of bonus and welfare fund is 4% from consolidated profit after tax, equivalent to VND1,200,329,428;
- Appropriation of compensation for Board of Directors and Department under the Board of Directors is 1.5% from consolidated profit after tax, equivalent to VND450,123,535; and
- Appropriation of sponsorship and charity fund 4% from consolidated profit after tax, equivalent to VND1,200,329,427.

Besides, according to the Resolution of Annual General Meeting of Shareholders 2023-2024 No. 01/NQ-DHĐCĐ/2024 dated 18 March 2024, the General Meeting of Shareholders approved the dividend payment plan of the FY 2022-2023 and the appropriation to funds and compensation for the Board of Directors in the FY 2023-2024 as follows:

- Cash dividends declaration from the consolidated post-tax undistributed earnings as at 30 September 2023 with the payout ratio at 5% of the par value of outstanding ordinary shares. During the financial year ended 30 September 2024, the Company completed the cash dividends payment according to the Resolution of the Board of Directors No. 11/NQ/HĐQT/2024 dated 11 April 2024;
- Temporary appropriation of bonus and welfare fund is VND16,902,767,658;
- Temporary appropriation of compensation for Board of Management and Department under the Board of Directors is VND6,338,537,872; and
- Temporary appropriation of sponsorship and charity fund is VND16,902,767,659.

**23 DIVIDENDS**

Movements in dividends during the year were as follows:

	30.9.2024 VND	30.9.2023 VND
Beginning of year	3,541,015,977	3,546,546,977
Dividends payable during the year (Note 22)	307,991,154,500	-
Dividends paid in cash	(307,574,177,800)	(5,531,000)
End of year	<u>3,957,992,677</u>	<u>3,541,015,977</u>

**24 EARNINGS PER SHARE****(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year. The details were as follows:

	For the year ended	
	30.9.2024	30.9.2023
Net profit attributable to shareholders (VND)	514,634,808,368	30,008,235,685
Less amount allocated to bonus and welfare funds (VND) (*)	(20,585,392,335)	(1,200,329,427)
	<u>494,049,416,033</u>	<u>28,807,906,258</u>
Weighted average number of ordinary shares in issue (shares)	<u>615,982,309</u>	<u>615,982,309</u>
Basic earnings per share (VND)	<u>802</u>	<u>47</u>

(\*) The amount appropriated to bonus and welfare fund for the year ended 30 September 2024, including bonus and welfare fund, which is estimated at a rate of 4% of consolidated profit after tax for the year ended 30 September 2024 according to the Resolution of Annual General Meeting of Shareholders 2023-2024 No. 01/NQ-DHĐCĐ/2024 dated 18 March 2024.

**(b) Diluted earnings per share**

The Group did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.



**25 OFF CONSOLIDATED BALANCE SHEET ITEMS****(a) Shortage of assets awaiting resolution written off**

As at 30 September 2024, total shortage of assets awaiting resolution written off were VND10,345,169,668 (as at 30 September 2023: nil).

**(b) Foreign currency**

As at 30 September 2024, included in cash and cash equivalents were balances held in foreign currency of USD6,905,824 (as at 30 September 2023: USD2,947,027).

**26 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
<b>Revenue from sales of goods and rendering of services</b>		
Revenue from sales of merchandise	20,489,142,408,971	16,311,576,818,615
Revenue from sales of finished goods	19,378,177,588,581	15,758,056,666,536
Revenue from rendering of services	10,471,999,619	9,713,005,593
Revenue from sales of others	5,012,920,228	4,951,202,312
	<u>39,882,804,917,399</u>	<u>32,084,297,693,056</u>
<b>Sales deductions</b>		
Trade discounts	(575,807,818,429)	(408,620,166,437)
Sales returns	(23,548,187,437)	(15,531,050,103)
Sales allowances	(11,555,173,085)	(9,485,519,866)
	<u>(610,911,178,951)</u>	<u>(433,636,736,406)</u>
<b>Net revenue from sales of goods and rendering of services</b>		
Net revenue from sales of merchandise	20,387,405,329,760	16,271,652,132,889
Net revenue from sales of finished goods	18,869,003,488,841	15,364,359,282,523
Net revenue from rendering of services	10,471,999,619	9,698,338,926
Net revenue from sales of others	5,012,920,228	4,951,202,312
	<u>39,271,893,738,448</u>	<u>31,650,660,956,650</u>

**27 COST OF GOODS SOLD AND SERVICES RENDERED**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Cost of merchandise sold	18,083,394,630,897	15,570,568,607,068
Cost of finished goods sold	16,717,738,129,909	13,603,191,775,437
Others	8,228,069,697	14,499,141,167
Provision/(reversal of provision) for decline in value of inventories (Note 8)	198,866,511,478	(598,240,656,666)
	<u>35,008,227,341,981</u>	<u>28,590,018,867,006</u>

**28 FINANCIAL INCOME**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Realised foreign exchange gains	338,524,857,415	227,774,761,913
Interest income from deposits	2,221,975,359	1,893,092,911
Payment discounts received	570,298,517	520,140,127
Interest income from late payments from customers	397,358,149	315,449,503
Net gain from foreign currency translation at year-end	-	1,827,471,514
Income from investments	-	1,144,000,000
	<u>341,714,489,440</u>	<u>233,474,915,968</u>

**29 FINANCIAL EXPENSES**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Interest expense	133,022,415,113	195,489,503,107
Realised foreign exchange losses	114,276,526,902	116,527,176,927
Payment discounts	2,242,405,800	2,138,062,212
Net loss from foreign currency translation at year-end	4,955,330,327	-
	<u>254,496,678,142</u>	<u>314,154,742,246</u>



**30 SELLING EXPENSES**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Export expenses	1,334,709,958,956	740,825,612,555
Staff costs	868,080,164,955	692,558,304,009
Transportation	273,760,273,456	223,306,684,654
Rental	200,202,739,909	194,639,564,812
Depreciation and amortisation expenses	172,295,710,084	198,367,334,392
Advertising	91,592,844,338	73,165,325,085
Outside services	82,155,176,335	84,859,067,464
Sales support	15,170,913,885	28,834,974,421
Others	306,694,482,547	240,307,288,151
	<u>3,344,662,264,465</u>	<u>2,476,864,155,543</u>

**31 GENERAL AND ADMINISTRATION EXPENSES**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
Staff costs	221,959,245,153	141,907,580,859
Outside services	70,712,773,077	59,929,903,424
Depreciation and amortisation expenses	37,456,949,286	58,899,234,668
Office and equipment rental	33,188,707,525	35,716,348,704
Others	132,290,415,311	110,514,843,619
	<u>495,608,090,352</u>	<u>406,967,911,274</u>

**32 NET OTHER INCOME AND OTHER EXPENSES**

	<b>For the year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
<b>Other income</b>		
Gains on disposal of fixed assets	20,408,567,791	7,295,251,088
Compensation received	6,299,913,765	14,869,945,513
Gains on disposal of scrap, tools and supplies	6,538,337,068	9,911,113,490
Others	13,857,715,132	18,976,833,376
	<u>47,104,533,756</u>	<u>51,053,143,467</u>
<b>Other expenses</b>		
Others	(6,515,129,358)	(1,160,780,453)
<b>Net other income</b>	<u>40,589,404,398</u>	<u>49,892,363,014</u>

**33 CORPORATE INCOME TAX ("CIT")**

The Company is obliged to pay the State CIT at the tax rate of 20%. Subsidiaries are obliged to pay the State CIT at the following tax rates:

Hoa Sen Nghe An One Member Limited Liabilities Company is eligible to pay the CIT at the tax rate of 10% within 15 years from the first year of operation of Nam Cam Factory (FY 2015-2016 to FY 2029-2030), Dong Hoi Factory (FY 2016-2017 to FY 2030-2031), and to the normal tax rate in the following years. Nam Cam Factory and Dong Hoi Factory are exempted from CIT for the first 4 years generating taxable income (FY 2015-2016 to FY 2018-2019 and FY 2016-2017 to FY 2019-2020) and are eligible for 50% reduction of CIT in the 9 following years (FY 2019-2020 to FY 2027-2028 and FY 2020-2021 to FY 2028-2029).

Hoa Sen Nhon Hoi - Binh Dinh One Member Limited Liabilities Company is eligible to pay the CIT at the tax rate of 10% within 15 years from the date this subsidiary generates revenue (FY 2016-2017 to FY 2030-2031) and at normal tax rates in the following years. This subsidiary is exempted from CIT for 4 years from the first year generating taxable income (FY 2019-2020 to FY 2022-2023) and is eligible for a 50% reduction of CIT in the 9 following years (FY 2023-2024 to FY 2031-2032).

Hoa Sen Ha Nam One Member Limited Liabilities Company is eligible to pay the CIT at the tax rate of 17% within 10 years from the first year this subsidiary has taxable income (FY 2016-2017 to FY 2025-2026) and at normal tax rates in the following years. This subsidiary is exempted from CIT for production activities for 2 years from the first year generating taxable income (FY 2019-2020 to FY 2020-2021) and is eligible for 50% reduction of CIT in the 4 following years (FY 2021-2022 to FY 2024-2025).

Hoa Sen Phu My One Member Limited Liabilities Company is eligible to pay the CIT at the tax rate of 17% within 10 years from the first year that the investment project of this subsidiary had revenue (FY 2017-2018 to FY 2026-2027) and at normal tax rates in the following years. This subsidiary is exempted from CIT for 2 years from the first year generating taxable income (FY 2020-2021 to FY 2021-2022) and is eligible for 50% reduction of CIT in the next 4 following years (FY 2022-2023 to FY 2025-2026).

Hoa Sen Yen Bai Building Materials One Member Limited Liabilities Company is eligible to pay the CIT at the tax rate of 17% within 10 years from the first year of operation (FY 2017-2018 to FY 2026-2027) and at normal tax rates in the following years. This subsidiary is exempted from CIT for 2 years from the first year generating taxable income (FY 2020-2021 to FY 2021-2022) and is eligible 50% reduction of CIT for the next 4 following years (FY 2022-2023 to FY 2025-2026).

Other subsidiaries are using the applicable tax rate of 20%.



**33 CORPORATE INCOME TAX ("CIT") (continued)**

The CIT amount on the accounting profit before tax of the Group is different from the tax amount when calculated at the applicable tax rate of the Company and its subsidiaries as follows:

	For the year ended	
	30.9.2024 VND	30.9.2023 VND
Net accounting profit before tax	551,203,257,346	146,022,559,563
Tax calculated at a rate of 10%	30,337,860,555	27,841,803,441
Tax calculated at a rate of 17%	(9,552,152,913)	(14,860,014,851)
Tax calculated at a rate of 20%	63,855,414,411	(8,996,724,553)
Effect of:		
Expenses not deductible for tax purposes	29,971,623,054	18,053,891,967
Utilisation of previously unrecognised tax losses	(91,707,562,410)	-
Tax losses for which no deferred income tax asset was recognised	18,148,455,618	148,008,396,409
Temporary differences for which no deferred income tax asset was recognised	(1,809,542,569)	(66,497,320,302)
Impact of changes in tax rate of subsidiaries	8,781,724,385	19,450,181,758
Tax exemption	(12,483,048,745)	(10,208,807,624)
Under-provision in previous year	986,509,590	3,168,809,416
CIT charge (*)	<u>36,529,280,976</u>	<u>115,960,215,661</u>
Charged/(credited) to the consolidated income statement:		
CIT - current	83,641,785,140	64,666,147,735
CIT - deferred (Note 20)	(47,112,504,164)	51,294,067,926
CIT charge	<u>36,529,280,976</u>	<u>115,960,215,661</u>

(\*) The current CIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

**33 CORPORATE INCOME TAX ("CIT") (continued)**

The Group's tax losses can be carried forward to offset against future taxable profits for a maximum year of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented in the consolidated financial statements. The estimated amount of tax losses available for offset against the Group's future taxable profit is:

<b>FY of tax loss</b>	<b>Status of tax authorities' review</b>	<b>Loss incurred VND</b>	<b>Loss utilised VND</b>	<b>Loss carried forward VND</b>
2019-2020	Finalised	2,955,947,345	-	2,955,947,345
2021-2022	Outstanding	12,376,961,481	-	12,376,961,481
2022-2023	Outstanding	929,259,872,533	(481,054,916,822)	448,204,955,711
2023-2024	Outstanding	96,661,234,269	-	96,661,234,269

The Company and its subsidiaries did not recognise deferred income tax assets relating to the above tax losses carried forward, as the realisation of the related tax benefits through future taxable profits currently cannot be assessed as probable for the period in which the Company and its subsidiaries can utilise these losses.

**34 COSTS OF OPERATION BY FACTOR**

Costs of operation by factor represent all costs incurred during the year, excluding cost of merchandises for trading activities. The details are as follows:

	<b>For the year ended</b>	
	<b>30.9.2024 VND</b>	<b>30.9.2023 VND</b>
Raw materials	32,501,538,110,377	25,751,153,670,467
Outside service	2,959,827,174,634	1,908,865,750,638
Staff costs	1,434,027,101,757	977,190,273,062
Depreciation and amortisation expenses	989,752,858,560	1,130,700,951,016
Others	1,113,829,368,966	905,250,083,597
	<b>38,998,974,614,294</b>	<b>30,673,160,728,780</b>



### 35 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE CONSOLIDATED CASH FLOW STATEMENT

	30.9.2024 VND	30.9.2023 VND
Purchase of fixed assets and other long-term assets that have not yet been settled	50,669,136,824	30,969,165,231
Prepayments to suppliers for purchasing of fixed assets and other long-term assets	<u>592,835,205,838</u>	<u>74,334,231,610</u>
	Year ended	
	30.9.2024 VND	30.9.2023 VND
Written-off shortage of assets awaiting resolution	<u>10,345,169,668</u>	<u>-</u>

### 36 SEGMENT REPORTING

The Board of Management of the Group determines that the decisions of the Group are based primarily on the types of products and services provided by the Group. As a result, the primary segment reporting of the Group is presented in respect of the Group's business segments.

#### *Business segments*

The principal business activities of the Group are production of roofing sheets made of galvanized steel, zinc-aluminum alloy, painted galvanized steel, and other alloy types; production of steel purlins, galvanized purlins; production of black steel pipes, galvanized steel pipes, steel pipes coated with other alloys; production of galvanized steel mesh, galvanized steel wire, and all kinds of steel wire; buy and sell construction materials, production materials and consumer goods; warehouse rental and cargo transportation services; industrial and civil construction; production of cold rolled steel coils; rental of machinery, equipment and other tangible items; production and sales of construction materials including plastic pipes and plastic pipe accessories; and hotel business, catering services and commercial centers. During the year, other business activities account for an insignificant proportion of the total revenue and consolidated income statement of the Group. Accordingly, financial information presented on the consolidated balance sheet and consolidated income statement is mainly related to the main business activities of the Group.

## 35 SEGMENT REPORTING (continued)

*Geographical segments*

Segment revenue from external sales and the carrying amount of receivables from customers based on the geographical location of its customers. The total carrying amount of segment assets by geographical location of the assets. As at 30 September 2024 and 30 September 2023, all of the assets of the Group are located only in the territory of Vietnam. Segment information based on the geographical location of the Group is as follows:

	Year ended 30 September 2024		
	Domestic VND	Export VND	Total VND
Net revenue from sales of goods and rendering of services	20,576,757,708,717	18,695,136,029,731	39,271,893,738,448
Costs of goods sold and services rendered	(18,304,915,269,170)	(16,703,312,072,811)	(35,008,227,341,981)
Gross profit from sales of goods and rendering of services	<u>2,271,842,439,547</u>	<u>1,991,823,956,920</u>	<u>4,263,666,396,467</u>
	Year ended 30 September 2023		
	Domestic VND	Export VND	Total VND
Net revenue from sales of goods and rendering of services	18,623,830,014,222	13,026,830,942,428	31,650,660,956,650
Costs of goods sold and services rendered	(16,617,116,086,809)	(11,972,902,780,197)	(28,590,018,867,006)
Gross profit from sales of goods and rendering of services	<u>2,006,713,927,413</u>	<u>1,053,928,162,231</u>	<u>3,060,642,089,644</u>



**37 RELATED PARTY DISCLOSURES**

The Company is joint stock company.

Details of subsidiaries and associates are given in Note 1.

Details of the key related parties and relationship are given as below:

<b>Name</b>	<b>Relationship</b>
Hoa Sen International Port Joint Stock Company	Associate
Hoa Sen Sai Gon Joint Stock Company	Associate
Hoa Sen Holdings Group	Owned by Chairperson of the Company
Hoa Sen Nghe An Investment One Member Limited Liabilities Company	Owned by Chairperson of the Company
Hoa Sen International Art Performance and Concert Limited Liabilities Company	Owned by Chairperson of the Company
Mr. Hoang Duc Huy	Member of Board of Management
Ms. Le Thi Le Hoa	Related party of the Chairperson

**(a) Related party transactions**

The significant transactions with related parties incurred in the year are:

	<b>Year ended</b>	
	<b>30.9.2024</b>	<b>30.9.2023</b>
	<b>VND</b>	<b>VND</b>
<b>(i) Net revenue from sales of goods and rendering of services</b>		
Hoa Sen Holdings Group	3,689,802,431,194	3,289,566,255,170
Hoa Sen Nghe An Investment One Member Limited Liabilities Company	216,980,000	222,127,500
	<u>3,690,019,411,194</u>	<u>3,289,788,382,670</u>
<b>(ii) Purchases of goods and services</b>		
Hoa Sen Holdings Group	251,212,342,420	66,249,738,984
Hoa Sen Nghe An Investment One Member Limited Liabilities Company	53,442,718,128	43,689,368,018
Hoa Sen International Art Performance and Concert Limited Liabilities Company	-	35,450,000,000
	<u>304,655,060,548</u>	<u>145,389,107,002</u>

## 37 RELATED PARTY DISCLOSURES (continued)

## (a) Related party transactions (continued)

		Year ended	
		30.9.2024 VND	30.9.2023 VND
(iii) Sales of fixed assets, tools and supplies			
Hoa Sen Holdings Group		154,000,000	-
(iv) Purchases of constructions in progress			
Hoa Sen Holdings Group		-	18,000,000
(v) Interest from late payment			
Hoa Sen Holdings Group		52,000,842	315,449,503
(vi) Compensation of key management			
<b>Board of Directors</b>			
Mr. Le Phuoc Vu	Chairperson	360,000,000	360,000,000
Mr. Tran Ngoc Chu	Executive Vice Chairperson	300,000,000	300,000,000
Mr. Tran Quoc Tri	Non-Executive member	240,000,000	240,000,000
Mr. Ly Van Xuan	Non-Executive member	240,000,000	240,000,000
Mr. Nguyen Van Luan	Independent member	240,000,000	240,000,000
Mr. Dinh Viet Duy	Independent member	240,000,000	240,000,000
<b>Board of Supervision</b>			
Mr. Nguyen Van Luan	Chairperson	120,000,000	120,000,000
Mr. Dinh Viet Duy	Member	60,000,000	60,000,000
Mr. Ly Van Xuan	Member	60,000,000	60,000,000
<b>Board of Management</b>			
Mr. Vu Van Thanh	General Director (from 12 April 2024)	2,369,789,926	2,431,757,097
Mr. Tran Quoc Tri	General Director (until 12 April 2024)	1,398,954,316	2,362,752,815
Other members		13,975,908,556	12,000,123,580
		19,604,652,798	18,654,633,492



## 37 RELATED PARTY DISCLOSURES (continued)

## (b) Year-end balances with related parties (continued)

	30.9.2024 VND	30.9.2023 VND
(i) Short-term trade accounts receivable (Note 5)		
Hoa Sen Nghe An Investment One Member Limited Liabilities Company	-	66,017,700
(ii) Prepayments to suppliers (Note 6)		
Ms. Le Thi Le Hoa (*)	450,000,000,000	-
(*) The balance represents the prepayment according to the Transfer Agreement and Commitment No. 01/HĐHMHB/2024 dated 12 June 2024, and its appendices between the Company and Ms. Le Thi Le Hoa (Party B). Accordingly, the parties commit to transferring and receiving the transfer of land use rights for the land located in Long An Commune, Long Thanh District, Dong Nai Province. The transfer price will be agreed upon by the parties based on the actual area and market price at the time of transfer. As at 30 September 2024, the Company has made a prepayment of VND450 billion to Party B, and the parties are completing the legal procedures for the transfer.		
(iii) Other short-term receivables (Note 7(a))		
<i>Rental deposit</i>		
Other related party Hoa Sen Holdings Group	770,000,000	1,010,000,000
<i>Advances for land purchases</i>		
Member of Board of Management Mr. Hoang Duc Huy	-	45,462,225,000
	770,000,000	46,472,225,000

## 37 RELATED PARTY DISCLOSURES (continued)

## (b) Year-end balances with related parties (continued)

	30.9.2024 VND	30.9.2023 VND
(iv) Other long-term receivables (Note 7(b))		
<i>Rental deposit</i>		
Other related party		
Hoa Sen Holdings Group	3,555,200,000	4,425,200,000
<i>Advances for land purchases</i>		
Member of Board of Management		
Mr. Hoang Duc Huy	45,462,225,000	-
	<u>49,017,425,000</u>	<u>4,425,200,000</u>
(v) Short-term trade accounts payable (Note 12)		
Hoa Sen Holdings Group	5,388,232,064	5,468,309,878
Hoa Sen Nghe An Investment One Member Limited Liabilities Company	3,653,662,624	4,124,658,536
	<u>9,041,894,688</u>	<u>9,592,968,414</u>
(vi) Short-term advances from customers (Note 13)		
Hoa Sen Holdings Group	<u>15,547,244,327</u>	<u>12,508,532,875</u>
(vii) Other long-term payables		
Hoa Sen Holdings Group	<u>709,500,000</u>	<u>709,500,000</u>



**38 COMMITMENTS****(a) Commitments under operating leases****(i) The Company as a lessee**

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

	30.9.2024 VND	30.9.2023 VND
Within one year	174,292,514,498	198,096,110,010
Between one and five years	459,961,814,827	608,663,842,515
Over five years	539,483,984,898	596,870,950,333
Total minimum payments	<u>1,173,738,314,223</u>	<u>1,403,630,902,858</u>

**(ii) The Company as a lessor**

The Company signed operating lease contracts. Accordingly, the future minimum lease receipts under non-cancellable operating leases were as follows:

	30.9.2024 VND	30.9.2023 VND
Within one year	5,339,177,089	4,977,767,531
Between one and five years	15,067,971,993	17,700,895,988
Over five years	14,803,291,656	17,703,090,411
Total minimum receipts	<u>35,210,440,738</u>	<u>40,381,753,930</u>

**(b) Capital commitments**

Capital expenditure contracted for at the consolidated balance sheet date but not recognised in the consolidated financial statements was as follows:

	30.9.2024 VND	30.9.2023 VND
Buildings, stores, machinery and equipments	<u>411,888,879,105</u>	<u>129,182,279,069</u>

**(c) Guarantee commitments**

As at 30 September 2024, the Company has an irrevocable guarantee commitment with a commercial bank (referred to as "Creditor") for borrowings of its subsidiary (referred to as "Debtor"). Accordingly, the Company is responsible for repaying fully and promptly the loan principal, interest, guarantee costs and other costs to the Creditor. Details of guarantee are as follows:

	Guarantee limits	
	30.9.2024 VND	30.9.2023 VND
Hoa Sen Plastics Joint Stock Company	<u>350,000,000,000</u>	<u>250,000,000,000</u>

**39 EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE****(a) Issuance of shares under the Employee Stock Ownership Plan ("ESOP")**

According to the Resolution of the General Meeting of Shareholders No. 01/NQ/ĐHĐCĐ/2024 dated 18 March 2024, the General Meeting of Shareholders approved the issuance of shares under the Employee Stock Ownership Plan ("ESOP") for leaders, managers, executive officers, other key personnel of the Group, and authorised the Board of Directors to decide implementation timeline. On 9 October 2024, the Company completed the shares issuance. Accordingly, the number of shares issued was 5,000,000. On 17 October 2024, the Company received the announcement from the State Securities Commission of Vietnam ("SSC") to acknowledge the receipt of the shares issuance result under the Employee Stock Ownership Plan.

According to Decision No. 609/QĐ-SGDHCM dated 31 October 2024, Ho Chi Minh City Stock Exchange approved to change shares listing of the Company with an increase of 5,000,000 ordinary shares. Accordingly, the number of ordinary shares listing is changed to 620,982,309 shares. The effective date is 4 November 2024.

Subsequently, the Company has been granted the 44th latest Enterprise registration certificate by the Department of Planning and Development of Binh Duong Province on 21 November 2024, to update the charter capital from VND6,159,823,090,000 to VND6,209,823,090,000.

**(b) Capital contribution of Hoa Sen Phu My One Member Limited Liabilities Company**

According to Resolution of the Board of Directors No. 52/NQ/HĐQT/2024 dated 22 November 2024, the Board of Directors approved the plan to increase the charter capital of Hoa Sen Phu My One Member Limited Liabilities Company, a subsidiary, to supplement capital for expansion and operating activities. Accordingly, the charter capital of Hoa Sen Phu My One Member Limited Liabilities Company increased from VND380 billion to VND700 billion. As at the date of these consolidated financial statements, the Company has completed the capital contribution.

The consolidated financial statements were approved by the Board of Management on 25 December 2024.

  
\_\_\_\_\_  
Nguyen Thi Thanh Tuyen  
Preparer

  
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Nguyen Thi Ngoc Lan  
Chief Accountant

  
\_\_\_\_\_  
Vu Van Thanh  
General Director