

VinaCafé Bien Hoa Joint Stock Company

Quarterly Financial Statements for
the period ended 30 June 2023



VinaCafé Bien Hoa Joint Stock Company Corporate Information

Enterprise Registration Certificate No.

3600261626

29 December 2004

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 7 July 2022. The Enterprise Registration Certificate and its amendments were issued by the Planning and Investment Department of Dong Nai Province.

Board of Directors

Mr Pham Hong Son	Chairman
Ms Nguyen Hoang Yen	Member
Mr Huynh Cong Hoan	Member
Ms Ho Thuy Hanh	Member

Board of Management

Mr Doan Quoc Hung	Chief Executive Officer
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Registered Office

Bien Hoa Industrial Zone 1
An Binh Ward
Bien Hoa City
Dong Nai Province
Vietnam

VinaCafé Bien Hoa Joint Stock Company
Balance sheet as at 30 June 2023

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

	Code	Note	30/6/2023 VND	1/1/2023 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		1,934,213,059,901	1,770,245,687,000
Cash and cash equivalents	110	4	449,500,250,674	220,747,303,628
Cash	111		12,500,250,674	4,247,303,628
Cash equivalents	112		437,000,000,000	216,500,000,000
Short-term financial investments	120		90,400,000,000	400,000,000
Held-to-maturity investments	123	5(b)	90,400,000,000	400,000,000
Accounts receivable – short-term	130		1,095,913,325,361	1,175,231,017,068
Accounts receivable from customers	131		335,360,220,282	443,509,322,563
Prepayments to suppliers	132		250,632,250	806,435,532
Other short-term receivables	136	6(a)	760,302,472,829	730,915,258,973
Inventories	140	7	295,904,030,618	372,812,797,741
Inventories	141		296,936,423,937	379,286,373,904
Allowance for inventories	149		(1,032,393,319)	(6,473,576,163)
Other current assets	150		2,495,453,248	1,054,568,563
Short-term prepaid expenses	151		1,186,391,533	1,054,568,563
Taxes and other receivables from State Treasury	153		1,309,061,715	-

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

VinaCafé Bien Hoa Joint Stock Company
Balance sheet as at 30 June 2023 (continued)

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

	Code	Note	30/6/2023 VND	1/1/2023 VND
Long-term assets (200 = 210 + 220 + 240 + 260)	200		309,934,585,812	336,004,350,270
Accounts receivable – long-term	210		5,000,000	5,000,000
Other long-term receivables	216	6(b)	5,000,000	5,000,000
Fixed assets	220		288,906,297,070	313,821,666,357
Tangible fixed assets	221	8	288,906,297,070	313,759,810,920
<i>Cost</i>	222		1,024,185,399,238	1,026,229,652,894
<i>Accumulated depreciation</i>	223		(735,279,102,168)	(712,469,841,974)
Intangible fixed assets	227	9	-	61,855,437
<i>Cost</i>	228		1,880,358,879	1,880,358,879
<i>Accumulated amortisation</i>	229		(1,880,358,879)	(1,818,503,442)
Long-term work in progress	240		538,530,900	460,000,000
Construction in progress	242	10	538,530,900	460,000,000
Other long-term assets	260		20,484,757,842	21,717,683,913
Long-term prepaid expenses	261	11	17,892,223,151	17,904,136,113
Deferred tax assets	262		2,592,534,691	3,813,547,800
TOTAL ASSETS (270 = 100 + 200)	270		2,244,147,645,713	2,106,250,037,270

The accompanying notes are an integral part of these financial statements

VinaCafé Bien Hoa Joint Stock Company
Balance sheet as at 30 June 2023 (continued)

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

	Code	Note	30/6/2023 VND	1/1/2023 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		386,251,064,620	443,418,098,090
Current liabilities	310		381,508,588,120	438,501,046,840
Accounts payable to suppliers – short-term	311	12	181,072,940,115	121,866,794,835
Advances from customers	312		2,902,420,363	806,093,746
Taxes payable to State Treasury	313	13	79,992,494,090	13,312,725,973
Accrued expenses	315	14	16,117,322,780	26,957,408,885
Other short-term payables	319	15(a)	3,018,490,798	2,955,586,185
Short-term borrowings	320	16	77,373,022,516	251,570,539,758
Bonus and welfare funds	322		21,031,897,458	21,031,897,458
Long-term liabilities	330		4,742,476,500	4,917,051,250
Other long-term payables	337	15(b)	279,450,000	279,450,000
Long-term provisions	342		4,463,026,500	4,637,601,250
EQUITY (400 = 410)	400		1,857,896,581,093	1,662,831,939,180
Owners' equity	410	17	1,857,896,581,093	1,662,831,939,180
Share capital	411	18	265,791,350,000	265,791,350,000
- Ordinary shares with voting rights	411a		265,791,350,000	265,791,350,000
Share premium	412	18	29,974,241,968	29,974,241,968
Investment and development fund	418		213,510,848,947	213,510,848,947
Undistributed profits after tax	421		1,348,620,140,178	1,153,555,498,265
- Undistributed profits after tax brought forward	421a		1,153,555,498,265	834,448,773,274
- Undistributed profit after tax for the current period/prior period	421b		195,064,641,913	319,106,724,991
TOTAL RESOURCES (440 = 300 + 400)	440		2,244,147,645,713	2,106,250,037,270

17 July 2023

Prepared by:

Approved by:



Nguyen Thi Ngoc Tram
General Accountant



Phan Thi Thuy Hoa
Chief Accountant



Đoàn Quốc Hưng
Chief Executive Officer

The accompanying notes are an integral part of these financial statements

VinaCafé Bien Hoa Joint Stock Company
Statement of income for the period ended 30 June 2023

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

	Code	Note	Quarter II		Period to date	
			2023 VND	2022 VND	2023 VND	2022 VND
Revenue from sale of goods and provision of services	01	20	564,228,507,375	528,204,936,619	1,009,217,726,829	953,886,496,952
Revenue deductions	02	20	9,596,225,400	1,183,233,994	15,184,581,551	1,373,774,129
Net revenue (10 = 01 - 02)	10	20	554,632,281,975	527,021,702,625	994,033,145,278	952,512,722,823
Cost of sales	11	21	413,437,084,270	382,942,039,672	769,299,062,742	688,484,210,014
Gross profit (20 = 10 - 11)	20		141,195,197,705	144,079,662,953	224,734,082,536	264,028,512,809
Financial income	21	22	19,381,123,699	9,286,301,595	36,361,756,843	19,204,066,052
Financial expenses	22	23	1,668,707,532	1,107,665,290	5,116,652,694	86,399,738,468
<i>In which: Interest expense</i>	23		<i>1,665,903,925</i>	<i>1,028,754,196</i>	<i>4,836,854,728</i>	<i>3,130,825,753</i>
Selling expenses	25		1,349,078,827	2,517,359,494	2,133,772,036	5,321,895,380
General and administration expenses	26		4,981,534,919	11,163,633,703	9,960,411,212	20,088,580,352
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		152,577,000,126	138,577,306,061	243,885,003,437	171,422,364,661
Other income	31		11,061,727	-	66,061,727	-
Other expenses	32		-	-	70,810,290	96,545,497
Results of other activities (40 = 31 - 32)	40		11,061,727	-	(4,748,563)	(96,545,497)
Accounting profit before tax (50 = 30 + 40) (carried forward to next page)	50		152,588,061,853	138,577,306,061	243,880,254,874	171,325,819,164

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

VinaCafé Bien Hoa Joint Stock Company
Statement of income for the period ended 30 June 2023 (continued)

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

	Code	Note	Quarter II		Period to date	
			2023 VND	2022 VND	2023 VND	2022 VND
Accounting profit before tax (brought forward from previous page)	50		152,588,061,853	138,577,306,061	243,880,254,874	171,325,819,164
Income tax expense – current	51		27,307,981,967	27,981,027,318	47,594,599,852	34,632,582,201
Income tax expense/ (benefit) – deferred	52		3,214,830,402	(256,487,832)	1,221,013,109	(311,543,269)
Net profit after tax (60 = 50 - 51 - 52)	60		122,065,249,484	110,852,766,575	195,064,641,913	137,004,780,232
Earnings per share						
Basic earnings per share	70	24	4,593	4,171	7,339	5,155

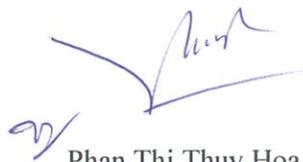
17 July 2023

Prepared by:



Nguyen Thi Ngoc Tram
General Accountant

Approved by:



Phan Thi Thuy Hoa
Chief Accountant



Đoan Quoc Hung
Chief Executive Officer

The accompanying notes are an integral part of these financial statements

VinaCafé Bien Hoa Joint Stock Company
Statement of cash flows for the period ended 30 June 2023
(Indirect method)

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

	Code	For the period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Accounting profit before tax	01	243,880,254,874	171,325,819,164
Adjustments for			
Depreciation and amortisation	02	25,460,369,287	27,908,124,670
Allowances and provisions	03	3,725,422,030	83,157,034,056
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	7,881,650	(55,495,351)
Profit from investing activities	05	(35,345,652,680)	(17,994,944,146)
Interest expense	06	4,836,854,728	3,130,825,753
Operating profit before changes in working capital	08	242,565,129,889	267,471,364,146
Change in receivables and other assets	09	107,169,440,737	(153,735,615,405)
Change in inventories	10	73,008,770,343	(199,700,185,573)
Change in payables and other liabilities	11	82,040,752,182	(78,006,494,747)
Change in prepaid expenses	12	1,086,809,992	513,368,120
		505,870,903,143	(163,457,563,459)
Interest paid	14	(6,074,792,512)	(3,683,165,120)
Corporate income tax paid	15	(11,191,410,056)	(25,055,348,113)
Net cash flows from operating activities	20	488,604,700,575	(192,196,076,692)

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

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023
(Indirect method - continued)

Form B 03a – DN/HN
(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

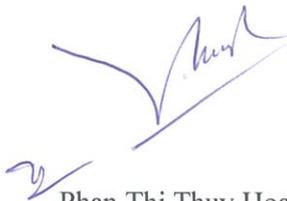
	Code	For the period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(1,436,065,480)	(1,345,154,275)
Proceeds from disposals of fixed assets	22	63,068,183	-
Placement of term deposits to banks and payment for other investments	23	(90,000,000,000)	(500,000,000,000)
Receipts of interest from deposits at banks	27	5,719,330,249	8,228,830,722
Net cash flows from investing activities	30	(85,653,667,048)	(493,116,323,553)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank borrowings	33	134,623,550,372	331,287,470,224
Payments to settle loan principals to banks	34	(308,821,067,614)	(540,168,557,112)
Net cash flows from financing activities	40	(174,197,517,242)	(208,881,086,888)
Net cash flows during the period (50 = 20 + 30 + 40)	50	228,753,516,285	(894,193,487,133)
Cash and cash equivalents at the beginning of the period	60	220,747,303,628	1,112,648,169,018
Effect of exchange rate fluctuations	61	(569,239)	1,971,393
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	449,500,250,674	218,456,653,278

Prepared by:

17 July 2023

Approved by:


 Nguyen Thi Ngoc Tram
 General Accountant


 Phan Thi Thuy Hoa
 Chief Accountant



 Doan Quoc Hung
 Chief Executive Officer

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

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

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

1. Reporting entity

(a) Ownership structure

Vinacafé Bien Hoa Joint Stock Company (“the Company”) is a joint stock company incorporated in Vietnam

(b) Principal activities

The principal activities of the Company are to manufacture and sell various kinds of coffees, instant cereals and non-alcoholic drinks in the domestic and oversea markets.

(c) Normal operating cycle

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

(d) Company structure

As at 30 June 2023, the Company had 240 employees (1/1/2023: 245 employees).

2. Basis of preparation

(a) Statement of compliance

These financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

(b) Basis of measurement

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

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December. These financial statements are prepared for the period ended 30 June 2023.

(d) Accounting and presentation currency

The Company’s accounting currency is Vietnam Dong (“VND”) which is also the currency used for these financial statements presentation purposes.

(e) Corresponding figures

The corresponding figures as at 1 January 2023 were brought forward from the audited figures as at 31 December 2022.

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

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

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Company or its subsidiaries most frequently conduct transactions.

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

(b) Cash and cash equivalents

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

(c) Held-to-maturity investments

Held-to-maturity investments are those that the Board of Management of the Company has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at banks. These investments are stated at costs less allowance for doubtful debts.

(d) Accounts receivable from customers and other receivables

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

(e) Inventories

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

The Company applies the perpetual method of accounting for inventories.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
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(f) Tangible fixed assets

(i) Cost

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

(ii) Depreciation

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

▪ Buildings and structures	5 – 25 years
▪ office equipment	3 – 7 years
▪ machinery and equipment	3 – 20 years
▪ motor vehicles	5 – 10 years

(g) Intangible fixed assets

(i) Software

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

(ii) Brand name

Cost of acquiring a brand name is capitalised and treated as an intangible fixed asset and is amortised on a straight-line basis over 8 years.

(h) Construction in progress

Construction in progress represents the costs of construction and machinery which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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(i) Long-term prepaid expenses

(i) Prepaid land costs

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the terms of the leases from 43 years.

(ii) Tools and supplies

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

(j) Accounts payable to suppliers and other payables

Accounts payable to suppliers and other payables are stated at their costs.

(k) Provisions

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

Severance allowance

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

(l) Share capital and share premium

Ordinary shares are classified as equity. Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issuance of shares, net of tax effects. Such costs are recognised as a deduction from share premium. The excess of proceeds from issuance of shares over the par value of shares issued is recorded as share premium.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
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(m) Taxation

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

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

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

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

(n) Revenue

(i) Sale of goods

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

(ii) Rental income

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

(iii) Provision of services

Revenue from provision of services is recognised in the statement of income in proportion to the stage of completion of the transaction. The stage of completion is assessed by reference to surveys of work performed. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
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(o) Financial income and financial expenses

(i) Financial income

Financial income mainly comprises interest income from deposits at banks, interest income from other investing activities and foreign exchange gains.

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

(ii) Financial expenses

Financial expenses mainly comprise interest expense on borrowings from banks, allowance for diminution in value of investment in a subsidiary, foreign exchange losses and other financial expenses.

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

(p) Operating lease payments

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

(q) Earnings per share

The Company presents basic and diluted earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

The profit or loss attributable to the ordinary shareholders of Company is determined after deducting any amounts appropriated to bonus and welfare funds for the year.

(r) Related parties

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

Related companies refer to the parent company, the ultimate parent company and their subsidiaries and associates.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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4. Cash and cash equivalents

	30/6/2023 VND	1/1/2023 VND
Cash on hand	25,319,002	20,369,002
Cash at banks	12,474,931,672	4,226,934,626
Cash equivalents	437,000,000,000	216,500,000,000
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	449,500,250,674	220,747,303,628
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Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transaction dates.

5. Held-to-maturity investments

	30/6/2023 VND	1/1/2023 VND
Term deposits at banks	90,400,000,000	400,000,000
	<hr/>	<hr/>

Held-to-maturity investments represented term deposits at banks with remaining terms to maturity of twelve months or less from the end of the accounting period.

6. Other receivables

(a) Other short-term receivables

	30/6/2023 VND	1/1/2023 VND
Short-term deposits for investing activities (*)	700,000,000,000	700,000,000,000
Accrued interest receivable from deposits at banks and other investments	59,898,581,371	30,335,327,123
Short-term deposits for operating activities	84,315,000	84,315,000
Others	319,576,458	495,616,850
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	760,302,472,829	730,915,258,973
	<hr/>	<hr/>

(*) These balances represented the amounts deposited to third parties under investment cooperation contracts. According to these contracts, these third parties committed to pay the Company a minimum rate of return as agreed in the investment cooperation contracts.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

(b) Other long-term receivables

	30/6/2023	1/1/2023
	VND	VND
Long-term deposits	5,000,000	5,000,000

7. Inventories

	30/6/2023		1/1/2023	
	Cost	Allowance	Cost	Allowance
	VND	VND	VND	VND
Goods in transit	6,739,972,490	-	-	-
Raw materials	189,241,833,308	(1,032,393,319)	272,260,453,369	(6,473,576,163)
Tools and supplies	9,076,161,428	-	9,773,985,669	-
Finished goods	91,860,589,528	-	97,248,250,321	-
Merchandise inventories	17,867,183	-	3,684,545	-
	296,936,423,937	(1,032,393,319)	379,286,373,904	(6,473,576,163)

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

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	6,473,576,163	644,729,157
Increase in allowance during the period	3,968,012,113	82,181,643
Allowance utilised during the period	(9,341,179,624)	(644,729,157)
Written back during the period	(68,015,333)	-
Closing balance	1,032,393,319	82,181,643

Included in inventories of the Company as at 30 June 2023 was VND1,032 million (1/1/2023: VND6,474 million) of slow-moving inventories.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

8. Tangible fixed assets

	Buildings VND	Office equipment VND	Machinery and equipment VND	Motor vehicles VND	Total VND
Cost					
Opening balance	203,568,960,136	5,757,020,909	812,746,184,614	4,157,487,235	1,026,229,652,894
Additions during the period	-	-	85,000,000	-	85,000,000
Transfer from construction in progress	-	-	460,000,000	-	460,000,000
Disposals	-	(214,562,301)	(2,319,263,155)	-	(2,533,825,456)
Written off	-	-	(55,428,200)	-	(55,428,200)
Closing balance	203,568,960,136	5,542,458,608	810,916,493,259	4,157,487,235	1,024,185,399,238
Accumulated depreciation					
Opening balance	103,317,210,611	4,455,629,284	600,788,654,488	3,908,347,591	712,469,841,974
Charge for the period	4,189,107,564	242,214,254	20,892,112,424	75,079,608	25,398,513,850
Disposals	-	(214,562,301)	(2,319,263,155)	-	(2,533,825,456)
Written off	-	-	(55,428,200)	-	(55,428,200)
Closing balance	107,506,318,175	4,483,281,237	619,306,075,557	3,983,427,199	735,279,102,168
Net book value					
Opening balance	100,251,749,525	1,301,391,625	211,957,530,126	249,139,644	313,759,810,920
Closing balance	96,062,641,961	1,059,177,371	191,610,417,702	174,060,036	288,906,297,070

Included in the cost of tangible fixed assets were assets costing VND333,309 million which were fully depreciated as of 30 June 2023 (1/1/2023: VND327,017 million), but are still in active use.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

9. Intangible fixed assets

	Software VND	Brand name VND	Tostal VND
Cost			
Opening and close balance	1,004,073,640	876,285,239	1,880,358,879
Opening balance	1,004,073,640	814,429,802	1,818,503,442
Charge for the period	-	61,855,437	61,855,437
Closing balance	1,004,073,640	876,285,239	1,880,358,879
Net book value			
Opening balance	-	61,855,437	61,855,437
Closing balance	-	-	-

Included in the cost of intangible fixed assets were assets costing VND1,880 million which were fully depreciated as of 30 June 2023 (1/1/2023: VND1,004 million), but are still in active use.

10. Construction in progress

For the period ended	30/6/2023 VND
Opening balance	460,000,000
Additions during the period	1,745,250,900
Transfer to tangible fixed assets	(460,000,000)
Transfer to long-term prepaid expenses	(1,206,720,000)
Closing balance	538,530,900

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

11. Long-term prepaid expenses

	Prepaid land costs VND	Tools and supplies VND	Total VND
Opening balance	12,889,217,309	5,014,918,804	17,904,136,113
Additions during the period	-	787,100,000	787,100,000
Transfer from construction in progress	-	1,206,720,000	1,206,720,000
Amortisation for the period	(201,394,020)	(1,804,338,942)	(2,005,732,962)
Closing balance	12,687,823,289	5,204,399,862	17,892,223,151

12. Accounts payable to suppliers

	30/6/2023		1/1/2023	
	Cost VND	Amount within payment capacity VND	Cost VND	Amount within payment capacity VND
Short-term	181,072,940,115	181,072,940,115	121,866,794,835	121,866,794,835
	181,072,940,115	181,072,940,115	121,866,794,835	121,866,794,835

13. Taxes payable to State Treasury

	30/6/2023 VND	1/1/2023 VND
Corporate income tax	46,792,805,969	10,389,616,173
Value added tax	33,199,688,121	2,843,004,226
Personal income tax	-	80,105,574
	79,992,494,090	13,312,725,973

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circulars No. 200/2014/TT-
dated 22 December 2014 of the Ministry of Finance)*

14. Accrued expenses

	30/6/2023	1/1/2023
	VND	VND
Bonus and 13 th month salary	7,271,579,392	9,835,765,541
Processing fee	3,130,416,679	6,632,978,648
Logistic expense	1,755,165,682	1,673,123,281
Accrued interest expense	695,994,369	1,933,932,153
Construction in progress	298,000,000	322,000,000
Others	2,966,166,658	6,559,609,262
	<hr/>	<hr/>
	16,117,322,780	26,957,408,885
	<hr/>	<hr/>

15. Other payables

(a) Other short-term payables

	30/6/2023	1/1/2023
	VND	VND
Dividends payable	2,106,665,000	2,106,665,000
Trade union fee, social, health and unemployment insurances	264,396,405	204,822,505
Short-term deposits received	381,882,500	381,882,500
Others	265,546,893	262,216,180
	<hr/>	<hr/>
	3,018,490,798	2,955,586,185
	<hr/>	<hr/>

(b) Other long-term payables

	30/6/2023	1/1/2023
	VND	VND
Long-term deposits received	279,450,000	279,450,000
	<hr/>	<hr/>

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

16. Short-term Borrowings

	30/6/2023		1/1/2023	
	Carrying amount VND	Amount within repayment capacity VND	Carrying Amount VND	Amount within repayment capacity VND
Short-term borrowings	77,373,022,516	77,373,022,516	251,570,539,758	251,570,539,758

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

	Currency	Annual interest rate	30/6/2023 VND	1/1/2023 VND
Unsecured bank loans	VND	6.2 - 7%	77,373,022,516	251,570,539,758

As at 30 June 2023 and 1 January 2023, the Company does not have any overdue borrowings including principal and interest.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

17. Changes in owners' equity

	Share capital VND	Share premium VND	Investment and development fund VND	Undistributed profits after tax VND	Total VND
Balance as at 1 January 2022	265,791,350,000	29,974,241,968	213,510,848,947	834,448,773,274	1,343,725,214,189
Net profit for the period	-	-	-	137,004,780,232	137,004,780,232
Balance as at 30 June 2022	265,791,350,000	29,974,241,968	213,510,848,947	971,453,553,506	1,480,729,994,421
Balance as at 1 January 2023	265,791,350,000	29,974,241,968	213,510,848,947	1,153,555,498,265	1,662,831,939,180
Net profit for the period	-	-	-	195,064,641,913	195,064,641,913
Balance as at 30 June 2023	265,791,350,000	29,974,241,968	213,510,848,947	1,348,620,140,178	1,857,896,581,093

(*) Investment and development fund was appropriated from undistributed profits after tax in accordance with the resolution of Annual General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

VinaCafé Bien Hoa Joint Stock Company**Notes to the financial statements for the period ended 30 June 2023 (continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)***18. Share capital, treasury shares and share premium**

The Company's authorised and issued share capital are as follows:

	30/6/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
Authorised and issued share capital				
Ordinary shares	26,579,135	265,791,350,000	26,579,135	265,791,350,000
Shares currently in circulation				
Ordinary shares	26,579,135	265,791,350,000	26,579,135	265,791,350,000
Share premium		29,974,241,968		29,974,241,968

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. All rights of shares bought back by the Company are suspended until those shares are reissued.

There were no movements in share capital during the period.

19. Off balance sheet item**Foreign currencies**

	30/6/2023		1/1/2023	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	5,187	121,525,454	14,433	337,883,319

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

20. Revenue from sale of goods and provision of services

Total revenue represents the gross value of goods sold and provision of services exclusive of value added tax.

Net revenue comprised of:

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Total revenue	1,009,217,726,829	953,886,496,952
Less revenue deductions		
▪ Sales discounts	3,682,355,399	-
▪ Sales returns	11,502,226,152	1,373,774,129
	<hr/> 15,184,581,551	<hr/> 1,373,774,129
Net revenue	<hr/> 994,033,145,278	<hr/> 952,512,722,823

21. Cost of sales

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Total cost of sales		
▪ Goods sold	765,399,065,962	688,402,028,371
▪ Allowance for inventories	3,899,996,780	82,181,643
	<hr/> 769,299,062,742	<hr/> 688,484,210,014

22. Financial income

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest income from deposits at banks and other investments	35,282,584,497	17,994,944,146
Foreign exchange gains	1,079,172,346	1,209,121,906
	<hr/> 36,361,756,843	<hr/> 19,204,066,052

23. Financial expenses

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest expense on borrowings from banks	4,836,854,728	3,130,825,753
Foreign exchange losses	279,797,966	327,195,802
Allowance for diminution in value of long-term investment	-	82,941,716,913
	<hr/> 5,116,652,694	<hr/> 86,399,738,468

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

24. Earnings per share

Basic earnings per share

The calculation of basic earnings per share for the period ended 30 June 2023 was based on the profit attributable to ordinary shareholders of the Company after deducting the amounts appropriated to bonus and welfare funds for the period and a weighted average number of ordinary shares during the period – currently in circulation calculated as follows:

(i) Net profit attributable to ordinary shareholders

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Net profit attributable to ordinary shareholders	195,064,641,913	137,004,780,232

(ii) Weighted average number of ordinary shares

	For the period ended	
	30/6/2023	30/6/2022
	Shares	Shares
Weighted average number of ordinary shares during the period – currently in circulation	26,579,135	26,579,135

(iii) Basic earnings per share

	For the period ended	
	30/6/2023	30/6/2022
	VND	VND
Basic earnings per share	7,339	5,155

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

25. Significant transactions with related parties

During the period and as at the period ended, the Company has the following significant transactions and balances with their related parties:

Relationship	Nature of transactions	Transaction value For the period ended		Receivable/(payable) as at	
		30/6/2023 VND	30/6/2022 VND	30/6/2023 VND	1/1/2023 VND
Parent of parent company					
Masan Consumer Corporation	Sales of goods	863,977,539,986	848,169,692,924	308,447,806,631	382,201,922,442
	Purchases of goods	27,939,535,599	23,501,285,456	-	-
Other related parties					
Masan Industrial One Member Company Limited	Sale of goods	11,167,598	-	-	-
	Purchase of goods	152,159,025	148,175,844	(167,374,928)	(2,565,000)
	Purchase of services	8,443,094,542	10,833,281,534	(6,338,064,935)	(5,441,546,589)
Vinh Hao Mineral Water Corporation	Sale of goods	34,187,076	-	-	-
	Sale of services	498,456,000	-	-	-
	Purchase of goods	4,651,818,605	5,643,940,128	(2,979,726,564)	(2,621,126,177)
	Purchase of services	3,422,188,800	3,721,550,400	(1,932,941,698)	(2,726,234,496)
Masan MB One Member Company Limited	Sale of goods and services	14,241,444,000	11,501,650,560	10,143,611,544	8,488,415,051
	Purchase of goods	-	2,686,684,000	-	-
Masan HG One Member Company Limited	Sale of goods and services	15,584,947,036	13,791,538,320	9,275,223,655	12,490,268,004
	Purchase of goods	6,564,975	69,400,161	-	-

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

Relationship	Nature of transactions	Transaction value		Receivable/(payable)	
		For the period ended		as at	
		30/6/2023	30/6/2022	30/6/2023	1/1/2023
		VND	VND	VND	VND
Masan Brewery Distribution One Member Company limited	Purchase of goods	-	43,529,091	-	(48,510,000)
Phuc Long Heritage Corporation	Sale of goods	3,204,411,778	6,960,325,520	237,494,935	3,554,389,075
Mobicast Joint Stock Company	Purchase of services	56,034,489	32,251,551	-	-
Wincommerce General Commercial Services Joint Stock Company	Purchase of goods	-	56,201,245	-	-
Masan JinJu Joint Stock Company	Sale of goods	-	8,418,249	-	-
Key management personnel	Remuneration to key management personnel (*)	-	9,802,294,667	-	-

As at 30 June 2023 and 1 January 2023, the Company has current and term deposit accounts at Vietnam Technological and Commercial Joint Stock Bank at normal trading terms.

(*) No board fees were paid to members of the Board of Directors of the Company for the periods ended 30 June 2023 and 30 June 2022.

VinaCafé Bien Hoa Joint Stock Company
Notes to the financial statements for the period ended 30 June 2023 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

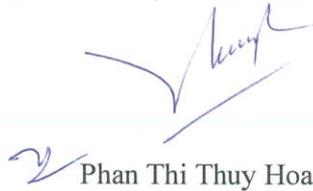
17 July 2023

Prepared by:



Nguyen Thi Ngoc Tram
General Accountant

Approved by:



Phan Thi Thuy Hoa
Chief Accountant



Doan Quoc Hung
Chief Executive Officer