

**Financial statements**  
**Quarter 3 - 2022**

**Corporate information**

Investment Licence No.	270/GP	16/11/1991
Investment Certificate No.	472033000328 (1st amendment)	28/11/2007
	472033000328 (2nd amendment)	20/05/2010
	472033000328 (3rd amendment)	22/04/2011
	472033000328 (4th amendment)	18/10/2011
	472033000328 (5th amendment)	14/05/2014
	472033000328 (6th amendment)	30/12/2015
	6525867086 (7th amendment)	05/02/2016
	6525867086 (8th amendment)	28/12/2016
	6525867086 (9th amendment)	25/01/2017
	6525867086 (10th amendment)	08/04/2018
	6525867086 (11st amendment)	01/10/2019
	6525867086 (12nd amendment)	21/09/2020
	6525867086 (13rd amendment)	18/05/2021

The Company's Investment Licence has been amended several times, the most recent of which is by investment licence No. 270 CPH/GCNDCC3-BHK dated 23 August 2006. The Investment Licence and its amendments were issued by the Ministry of Planning and Investment and are valid for 50 years.

The investment certificates were issued by the Dong Nai Industrial Zone Authority and are valid for 50 years from the date of the initial investment licence.

**Enterprise Registration**

<b>Certificate No.:</b>	3600245631	21/01/2016
	3600245631	19/03/2018
	3600245631	06/07/2019
	3600245631	30/06/2020
	3600245631	01/04/2021
	3600245631	18/01/2022

The Company's Enterprise Registration Certificate was issued by the Department of Planning and Investment of Dong Nai Province

**Board of Management:**

Nguyen Thi Kim Lien	Chairman of the BOM
Hajime Kawasaki	Member
Hiroaki Takaoka	Member

**Board of Director:**

Hajime Kawasaki	General Director
Kenichiro Wada	General Manager of Marketing and Sales
Koichi Noda	General Manager of Factory
Tomohide Ito	General Manager of Planning
Nguyen Thi Kim Lien	General Manager of Internal Control

**Registered Office**

Lot 13, Tam Phuoc IZ, Tam Phuoc Ward  
Bien Hoa City, Dong Nai Province, Vietnam

**Auditors**

KPMG Limited Vietnam

**Statement of the Board of Directors**

The Board of Directors of Interfood Shareholding Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 30 September 2022.

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

- (a) the financial statements set out on pages 4 to 25 give a true and fair view of the financial position of the Company as at 30 September 2022, and of its results of operations and its cash flows for the three month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
  
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors

*(Signed and sealed)*

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**Hajime Kawasaki**  
General Director  
Dong Nai, dated 20th October 2022.

## Balance sheet

ASSETS	Code	Notes	30/09/2022 VND'000	31/12/2021 VND'000
<b>Current assets (100=110+130+140+150)</b>	<b>100</b>		<b>1,298,576,645</b>	<b>1,144,057,173</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>987,038,120</b>	<b>928,623,068</b>
Cash	111		287,038,120	378,623,068
Cash equivalent	112		700,000,000	550,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>40,930,262</b>	<b>34,794,054</b>
Accounts receivable from customers	131	6	29,609,855	29,573,912
Prepayments to suppliers	132		6,330,950	2,651,398
Other receivables – short-term	136	7	5,003,395	2,582,682
Allowance for doubtful debts	137	6	(13,938)	(13,938)
<b>Inventories</b>	<b>140</b>	<b>8</b>	<b>268,418,564</b>	<b>179,623,221</b>
Inventories	141		268,721,241	180,071,552
Allowance for inventories	149		(302,677)	(448,331)
<b>Other current assets</b>	<b>150</b>		<b>2,189,699</b>	<b>1,016,830</b>
Short-term prepaid expenses	151		2,046,224	875,607
Taxes receivable from State Treasury	153		143,475	141,223
<b>Long-term assets (200 = 210 + 220 + 240 + 260)</b>	<b>200</b>		<b>132,180,563</b>	<b>132,663,069</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>932,520</b>	<b>932,520</b>
Other receivables – long-term	216		932,520	932,520
<b>Fixed assets</b>	<b>220</b>		<b>80,117,023</b>	<b>88,327,895</b>
Tangible fixed assets	221	9	79,094,329	86,313,610
Cost	222		432,262,469	428,367,799
Accumulated depreciation	223		(353,168,140)	(342,054,189)
Intangible fixed assets	227	10	1,022,694	2,014,285
Cost	228		14,082,575	14,082,575
Accumulated depreciation	229		(13,059,881)	(12,068,290)
<b>Other long-term assets</b>	<b>260</b>		<b>51,131,020</b>	<b>43,402,654</b>
Long-term prepaid expenses	261	11	31,491,504	28,977,864
Deffered tax assets	262	12	19,639,516	14,424,790
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>1,430,757,208</b>	<b>1,276,720,242</b>

## Balance sheet

			30/09/2022	31/12/2021
RESOURCES	Code	Notes	VND'000	VND'000
<b>LIABILITIES (300=310+330)</b>	<b>300</b>		<b>283,837,099</b>	<b>213,644,293</b>
<b>Current liabilities</b>	<b>310</b>		<b>280,141,579</b>	<b>210,044,244</b>
Accounts payable to suppliers	311	13	152,097,361	107,154,816
Advances from customers	312		11,431,039	18,749,141
Taxes payable to State Treasury	313	14	12,183,413	6,491,034
Payable to employees	314		9,034,137	8,724,114
Accrued expenses	315	15	94,185,447	68,061,632
Other short-term payables	319	16	1,210,182	863,507
<b>Long term liabilities</b>	<b>330</b>		<b>3,695,520</b>	<b>3,600,049</b>
Provision – long-term	342	17	3,695,520	3,600,049
<b>EQUITY (400=410)</b>	<b>400</b>		<b>1,146,920,109</b>	<b>1,063,075,949</b>
<b>Owners' equity</b>	<b>410</b>	<b>18</b>	<b>1,146,920,109</b>	<b>1,063,075,949</b>
Share capital	411	19	871,409,840	871,409,840
- Ordinary shares with voting rights	411a		871,409,840	871,409,840
Share premium	412		85,035,704	85,035,704
Other reserves	420	20	90,034,048	90,034,048
Retained profits	420		100,440,517	16,596,357
- Accumulated profit (losses) brought forward	421a		39,571	(108,961,177)
- Retained profits for the current year	421b		100,400,946	125,557,534
<b>TOTAL RESOURCES (440=300+400)</b>			<b><u>1,430,757,208</u></b>	<b><u>1,276,720,242</u></b>

Dong Nai, dated 20th October 2022.

Prepared by:

Approved by:

(Signed)

(Signed and sealed)

Nguyễn Hồng Phong  
Chief AccountantHajime Kawasaki  
General Director

## Statement of income

	Code	Notes	Q3-2022 VND'000	Q3-2021 VND'000	YTD2022Q3 VND'000	YTD2021Q3 VND'000
Revenue from sale of goods	01	22	459,250,790	253,298,062	1,298,943,632	997,133,142
Revenue deductions	02	22	29,116,765	21,913,625	82,497,415	63,679,147
Net revenue (10=01-02)	10	22	430,134,025	231,384,437	1,216,446,217	933,453,995
Cost of sales	11	23	289,048,671	152,279,716	824,347,961	571,639,251
Gross profit (20=10-11)	20		141,085,354	79,104,721	392,098,256	361,814,744
Financial income	21	24	5,411,274	1,950,225	13,105,849	4,393,601
Financial expenses	22	25	104,236	51,528	144,178	68,744
<i>In which: Interest expenses</i>	23		-	934	-	5,416
Selling expenses	25	26	95,887,312	51,764,430	251,638,360	167,054,510
G&A expenses	26	27	9,415,508	9,223,755	26,650,542	26,763,569
Operating profit/(loss) {30=20+(21-22)-(25+26)}	30		41,089,572	20,015,233	126,771,025	172,321,522
Other income	31		260,183	223,311	513,925	448,169
Other expenses	32	28	278,277	11,792,011	1,376,911	12,362,503
Results of other activities (40 = 31 - 32)	40		(18,094)	(11,568,700)	(862,986)	(11,914,334)
Profit (loss) before tax (50 = 30 + 40)	50		41,071,478	8,446,533	125,908,039	160,407,188
Income tax expenses - current	51	30	9,703,842	4,502,618	30,721,818	30,298,216
Income tax expenses - deferred	52	30	(1,422,855)	(2,783,944)	(5,214,725)	1,941,637
Profit (loss) after tax (60= 50 - 51- 52)	60		32,790,491	6,727,859	100,400,946	128,167,335
Earnings per share						
Basic earnings per share (in VND)	70	31	376	77	1,152	1,471

Dong Nai, dated 20th October 2022.

Prepared by:

*(Signed)*

Approved by:

*(Signed and sealed)*Nguyễn Hồng Phong  
Chief AccountantHajime Kawasaki  
General Director

## Statements of cash flows

(Indirect method)

	Code	Notes	30/09/2022 VND'000	YTD2021Q3 VND'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit/(loss) before tax</b>	<b>01</b>		<b>109,351,252</b>	<b>151,960,655</b>
<b>Adjustments for:</b>				
Depreciation and amortisation	02		12,105,542	8,582,104
Allowances and provisions	03		1,107,177	750,328
Exchange gain/ losses	04		4,743	8,263
Profits from investing activities	05		(12,956,927)	(2,268,291)
Interest expense	06		-	4,482
<b>Operating profit/(loss) before changes in working ca</b>	<b>08</b>		<b>109,611,787</b>	<b>159,037,541</b>
Change in receivable	09		(6,262,238)	12,133,515
Change in inventories	10		(89,568,628)	24,338,005
Change in payables and other liabilities	11		62,095,818	(31,460,672)
Change in prepaid expenses	12		(3,684,257)	(233,386)
Interest paid	14		-	(4,482)
Income tax paid	15		(22,839,687)	(32,255,830)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>49,352,795</b>	<b>131,554,691</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets	21		(3,894,670)	(2,269,040)
Proceeds from disposals of fixed assets	22		-	-
Payment for granting loans	23		-	-
Payments for investment in a subsidiary	25		-	-
Receipts of interests	27		12,956,927	1,684,729
Cash increase from merger	28		-	-
<b>Net cash inflows/(outflows) from investing activities</b>	<b>30</b>		<b>9,062,257</b>	<b>(584,311)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments to settle finance lease liabilities	35		-	(28,566)
<b>Net cash inflows/(outflows) from financing activities</b>	<b>40</b>		<b>-</b>	<b>(28,566)</b>
<b>Net increase/(decrease) in cash</b>	<b>50</b>		<b>58,415,052</b>	<b>130,941,814</b>
<b>(50= 20 +30 + 40)</b>				
<b>Cash at beginning of the year</b>	<b>60</b>		<b>928,623,068</b>	<b>720,073,459</b>
Effects of changes in foreign exchange rates			-	-
<b>Cash at end of the year (70= 50 + 60)</b>	<b>70</b>	<b>5</b>	<b>987,038,120</b>	<b>851,015,273</b>

Dong Nai, dated 20th October 2022.

Prepared by:

Approved by:

(Signed)

(Signed and sealed)

Nguyễn Hồng Phong  
Chief AccountantHajime Kawasaki  
General Director

**Notes to the financial statements**

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

**1 Reporting Entity**

**(a) Ownership structure**

Interfood Shareholding Company (“the Company”) is incorporated as a joint stock company in Vietnam.

The Company’s shares were listed on the Ho Chi Minh Stock Exchange in accordance with the Listing License No. 61/UBCK-GPNY issued by the Ho Chi Minh City Stock Exchange on 29 September 2006.

According to the Announcement No. 395/2013 of Ho Chi Minh Stock Exchange, the Company’s shares were delisted from 3 May 2013 and thereafter trading on Vietnam Security Depository.

The Company’s shares were listed on the Unlisted Public Company Market in accordance with the Decision No. 717/QD-SGDHN issued by the Ha Noi Stock Exchange on 7 November 2016.

**(b) Principal activities**

The principal activities of the Company are to process agricultural and aquatic products into canned, dried, frozen, salted, and pickled products; the production of biscuits and snack food; carbonated and non-carbonated fruit juice, non-carbonated and carbonated beverages, with or without low level of alcohol (less than 10%); bottled filtered water; packaging for foods and beverages; process milk and milk related products; and to export, import products in accordance with business operation.

**(c) Normal operating cycle**

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

**(d) Company structure**

As at 30 September 2022, the Company had 838 employees (31/12/2021: 578 employees).

**2 Basis of preparation**

**(a) Statement of compliance**

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



**Notes to the financial statements**

**(b) Basis of measurement**

The 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.

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"). the financial statements are prepared and presented in Vietnam Dong rounded to the nearest thousand ("VND'000").

**3 Summary of significant accounting policies**

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

**(a) Foreign currency transactions**

Transactions in currencies other than VND during the year 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 account transfer buying rate and the account transfer selling rate at the end of the annual accounting period, respectively, quoted by the commercial bank where the Company most frequently conducts transactions.

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

**(b) Cash and cash equivalent**

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) Accounts receivable**

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

**Notes to the financial statements****(d) 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 selling expenses.

The Company applies the perpetual method of accounting for inventory.

**(e) 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 consolidated statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

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

Buildings	30 years
Machinery and equipment	4 – 15 years
Motor vehicles	6 – 10 years
Office equipment	3 – 10 years

**(f) Intangible fixed assets****Software**

Cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 10 years.

**Notes to the financial statements****(g) 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 Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, 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 term of the lease of 40 years.

**(ii) Tools and supplies**

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

**(iii) Renovation expenses**

Renovation expenses are recorded at cost and amortised on a straight-line basis over 2 to 3 years.

**(iv) Other long-term prepaid expenses**

Other long-term prepaid expenses mainly include the renovation, repair and maintenance expenses which are initially stated at cost and amortised on a straight-line basis over 3 years

**(h) Trade and other payables**

Trade and other payables are stated at their cost.

**(i) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or contractual 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 annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Company are excluded.

**Notes to the financial statements****(j) Share capital*****Ordinary shares***

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 difference between proceeds from the issuance of shares over the par value is recorded in share premium

**(k) Taxation**

Income tax on the profit or loss for the year 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 to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting 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 the tax rates enacted or substantively enacted at the balance sheet date.

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.

**(l) Revenue and other income****(i) *Goods sold***

Revenue from sale of goods is recognised in the separate statement of income when significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or 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) *Interest income***

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

**Notes to the financial statements**

**(m) Leases**  
**(i) *Leased assets***

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Tangible fixed assets acquired by way of finance leases are stated at an amount equal to the lower of fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation

Depreciation on finance leased assets is computed on a straight-line basis over the estimated useful lives of items of the leased assets. The estimated useful lives of finance leased assets are consistent with the useful lives of tangible fixed assets as described in accounting policy 3(f)(ii)

**(ii) *Leased 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

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability

**(n) Borrowing costs**

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

**(o) Earnings per share**

The Company presents basic earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. During the year, the Company had no potential ordinary shares and therefore does not present diluted EPS.

**(p) Segment reporting**

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

**Notes to the financial statements****(q) 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

**(r) Comparative information**

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

**4 Segment reporting**

The Company mainly operates in one business segment, which is the production and sale of foods and beverages and in primarily one geographical segment, which is in Vietnam.

<b>5 Cash</b>	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
Cash on hand	144,858	90,146
Cash in banks	286,893,262	378,532,922
Time deposit	700,000,000	550,000,000
Cash in the statement of cash flows	<u><b>987,038,120</b></u>	<u><b>928,623,068</b></u>

**6 Accounts receivable from customers****(a) Accounts receivable from customers detailed by significant customers**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
WinCommerce General Commercial Services SJC	6,502,467	7,800,393
EB Services Company Limited	3,789,551	5,380,205
MM Mega Market Vietnam Company Limited	2,837,994	4,151,201
Saigon Union of Trading Co-operatives	1,643,264	1,999,106
Others	14,836,579	10,243,007
	<u><b>29,609,855</b></u>	<u><b>29,573,912</b></u>

**(b) Accounts receivable from customers classified by payment term**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
Short-term	29,609,855	29,573,912
	<u><b>29,609,855</b></u>	<u><b>29,573,912</b></u>

## Notes to the financial statements

7	Other receivables	30/09/2022	31/12/2021
		VND'000	VND'000
	Interest receivable from deposits at banks	4,562,466	2,197,858
	Other receivable	440,929	384,824
		<u>5,003,395</u>	<u>2,582,682</u>

8	Inventories	30/09/2022		31/12/2021	
		Cost	Allowance	Cost	Allowance
		VND'000	VND'000	VND'000	VND'000
	Goods in transit	25,548	-	1,927,010	-
	Raw materials	64,477,488	-	43,273,764	-
	Tools and supplies	5,154,616	(296,819)	5,911,817	(296,819)
	Work in progress	9,176,663	-	6,702,591	-
	Finished goods	189,886,926	(5,858)	122,256,370	(151,512)
		<u>268,721,241</u>	<u>(302,677)</u>	<u>180,071,552</u>	<u>(448,331)</u>

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

	30/09/2022	31/12/2021
	VND'000	VND'000
Opening balance	448,331	368,794
Increase in allowance during the year	773,285	2,209,438
Allowance utilised during the year	(918,939)	(2,129,901)
Closing balance	<u>302,677</u>	<u>448,331</u>

## 9 Tangible fixed assets

	Building	Machinery & Equipment	Motor vehicles	Office equipment	Total
	VND'000	VND'000	VND'000	VND'000	VND'000
<b>Historical cost</b>					
Opening balance	117,748,737	291,082,154	5,578,385	13,958,523	428,367,799
Additions	-	3,374,160	99,500	421,010	3,894,670
Transfer from CIP	-	-	-	-	-
Disposals(*)	-	-	-	-	-
Closing balance	<u>117,748,737</u>	<u>294,456,314</u>	<u>5,677,885</u>	<u>14,379,533</u>	<u>432,262,469</u>
<b>Accumulated depreciation</b>					
Opening balance	55,875,657	269,377,168	5,126,020	11,675,344	342,054,189
Charge for the year	2,974,446	6,863,060	154,131	1,122,314	11,113,951
Transfer from CIP	-	-	-	-	-
Disposals(*)	-	-	-	-	-
Closing balance	<u>58,850,103</u>	<u>276,240,228</u>	<u>5,280,151</u>	<u>12,797,658</u>	<u>353,168,140</u>
<b>Net book value</b>					
Opening balance	61,873,080	21,704,986	452,365	2,283,179	86,313,610
Closing balance	<u>58,898,634</u>	<u>18,216,086</u>	<u>397,734</u>	<u>1,581,875</u>	<u>79,094,329</u>

**Notes to the financial statements**

Included in the cost of tangible fixed assets were assets costing 92,493 million VND which were fully depreciated as of 30 September 2022 (31/12/2021: 77,214 million VND), but are still in active use.

The net book value of temporarily idle tangible fixed assets amounted to VND 669 million as at 30 September 2022 (31/12/2021: VND 701 million).

**10 Intangible fixed assets**

	<b>Software VND'000</b>	<b>Total VND'000</b>
<b>Historical cost</b>		
Opening balance	14,082,575	14,082,575
Additions	-	-
Transfer from CIP	-	-
Written off	-	-
Closing balance	14,082,575	14,082,575
<b>Accumulated depreciation</b>		
Opening balance	12,068,290	12,068,290
Charge for the year	991,591	991,591
Disposals	-	-
Closing balance	13,059,881	13,059,881
<b>Net book value</b>		
Opening balance	2,014,285	2,014,285
Closing balance	1,022,694	1,022,694

Included in the cost of intangible fixed assets were assets costing VND 1,851 million which were fully amortised as of 30 September 2022 (31/12/2021: VND1,851 million), but are still in active use.

**11 Long-term prepaid expenses**

	<b>Prepaid land costs VND'000</b>	<b>Tool and supplies VND'000</b>	<b>Renovation VND'000</b>	<b>Other VND'000</b>	<b>Total VND'000</b>
Opening balance	22,097,539	185,897	4,924,190	1,770,238	28,977,864
Additions	-	-	6,517,360	-	6,517,360
Amortisation for the period	(521,989)	-	(3,426,034)	(55,697)	(4,003,720)
<b>Closing balance</b>	<b>21,575,550</b>	<b>185,897</b>	<b>8,015,516</b>	<b>1,714,541</b>	<b>31,491,504</b>



## Notes to the financial statements

## 12 Deferred tax assets

	Tax rate	30/09/2022 VND'000	31/12/2021 VND'000
Deferred tax assets recognised on			
Allowance expenses	20%	18,837,089	13,612,326
Allowance and provisions	20%	802,427	812,464
Others	20%	-	-
		<b>19,639,516</b>	<b>14,424,790</b>

## 13 Accounts payable to suppliers

## (a) Accounts payable to suppliers detailed by significant suppliers

	30/09/2022		31/12/2021	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
	VND'000	VND'000	VND'000	VND'000
Vietnam Kirin Beverage Company Limited	64,926,777	64,926,777	47,195,482	47,195,482
Crown Beverage Cans (Dong Nai) Co., Ltd	26,829,156	26,829,156	17,392,971	17,392,971
Vietnam Chuanli Can Co., Ltd	11,737,372	11,737,372	4,062,889	4,062,889
Others	48,604,056	48,604,056	38,503,474	38,503,474
	<b>152,097,361</b>	<b>152,097,361</b>	<b>107,154,816</b>	<b>107,154,816</b>

## (b) Accounts payable to suppliers classified by payment term

	30/09/2022		31/12/2021	
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
	VND'000	VND'000	VND'000	VND'000
Short-term	152,097,361	152,097,361	107,154,816	107,154,816
	<b>152,097,361</b>	<b>152,097,361</b>	<b>107,154,816</b>	<b>107,154,816</b>

## (c) Accounts payable to suppliers who are related parties

	30/09/2022	30/09/2022	31/12/2021	31/12/2021
	Cost	Amount within payment capacity	Cost	Amount within payment capacity
	VND'000	VND'000	VND'000	VND'000
Vietnam Kirin Beverage Company, Limited	64,926,777	64,926,777	47,195,482	47,195,482
	<b>64,926,777</b>	<b>64,926,777</b>	<b>47,195,482</b>	<b>47,195,482</b>

The amounts due to Vietnam Kirin Beverage Company Limited represented the processing fee payable, which were unsecured, interest free and payable on demand.

## Notes to the financial statements

**14 Taxes payable to State Treasury**

	<b>31/12/2021</b>	<b>Incurred</b>	<b>Netted-off</b>	<b>Paid</b>	<b>30/09/2022</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Value added tax	4,063,559	97,471,105	(77,686,482)	(22,592,904)	1,255,278
Corporate income tax	1,821,710	30,721,819	-	(22,839,687)	9,703,842
Personal income tax	605,765	4,891,489	-	(4,272,961)	1,224,293
Other tax	-	848,368	-	(848,368)	-
	<b>6,491,034</b>	<b>133,932,781</b>	<b>(77,686,482)</b>	<b>(50,553,920)</b>	<b>12,183,413</b>

**15 Accrued expenses**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
Accrual for aluminium price adjustment	45,224,293	25,837,769
Sales discounts and commission	19,181,460	12,491,272
Promotion expenses	8,646,398	11,989,683
Transportation fee	8,584,662	1,302,302
Secondment fee payable (*)	1,622,970	3,146,132
Others	10,925,664	13,294,474
	<b>94,185,447</b>	<b>68,061,632</b>

(\*) According to the Secondment Agreement dated 1 July 2011, the Group agreed to pay secondment fee to Kirin Holdings Company, Limited, a related party, who provides strategic and management advice and assistance to the Group at fixed amounts stipulated in the agreement with each seconded employee.

**16 Other short-term payables**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
Non-trade amounts due to a related party	265,464	207,427
Dividends payable	508,027	505,391
Other payable	436,691	150,689
	<b>1,210,182</b>	<b>863,507</b>

The non-trade amounts due to a related party were unsecured, interest free and are payable on demand.

## Notes to the financial statements

## 17 Provision - long-term

	<b>Severance allowance 30/09/2022 VND'000</b>	<b>Severance allowance 31/12/2021 VND'000</b>
Movements of provision during the year were as follow:		
Opening balance	3,600,049	3,683,527
Provision made during the year	333,892	510,755
Provision utilised during the year	(238,421)	(594,233)
Closing balance	<u><u>3,695,520</u></u>	<u><u>3,600,049</u></u>

## 18 Changes in owners' equity

	<b>Share capital VND'000</b>	<b>Share premium VND'000</b>	<b>Other Reserves VND'000</b>	<b>Accumulated losses VND'000</b>	<b>Total VND'000</b>
<b>Balance as at 01/01/2021</b>	871,409,840	85,035,704	90,034,048	(108,961,177)	<b>937,518,415</b>
Share capital issued					-
Net profit for the year				125,557,534	<b>125,557,534</b>
<b>Balance as at 31/12/2021</b>	<u>871,409,840</u>	<u>85,035,704</u>	<u>90,034,048</u>	<u>16,596,357</u>	<u>1,063,075,949</u>
Dividend paid				(16,556,786)	<b>(16,556,786)</b>
Net profit for the year				100,400,946	<b>100,400,946</b>
<b>Balance as at 30/09/2022</b>	<u><u>871,409,840</u></u>	<u><u>85,035,704</u></u>	<u><u>90,034,048</u></u>	<u><u>100,440,517</u></u>	<u><u>1,146,920,109</u></u>

## 19 Share capital

The Company's authorised and issued share capital is:

	<b>30/09/2022</b>		<b>31/12/2021</b>	
	<b>Number of shares</b>	<b>VND'000</b>	<b>Number of shares</b>	<b>VND'000</b>
<b>Authorised and issued share capital</b>				
Ordinary shares	87,140,992	871,409,920	87,140,992	871,409,920
<b>Shares in circulation</b>				
Ordinary shares	87,140,984	871,409,840	87,140,984	871,409,840

**Notes to the financial statements**

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 dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. In respect of shares bought back by the Company, all rights are suspended until those shares are reissued.

Movements in share capital during the year were as follows:

	30/09/2022		31/12/2021	
	Number of shares	VND'000	Number of shares	VND'000
Balance at the beginning of the period	87,140,984	871,409,840	87,140,984	871,409,840
Shares issued during the year				
Balance at the end of period:	<b>87,140,984</b>	<b>871,409,840</b>	<b>87,140,984</b>	<b>871,409,840</b>

**20 Other reserves**

(b) On 1 January 2013, the Company changed its accounting currency from United States Dollars (USD) to Vietnam Dong (VND) in accordance with the requirements of Circular No. 244/2010/TT/BTC dated 31 December 2009 of the Ministry of Finance (Circular 244). Accordingly, all balances in USD as at 31 December 2012 have been translated to VND at the exchange rate of VND20,828 to USD1. This amount represents the difference between the converted value and par value of ordinary shares in VND. The difference between the converted value and par value of ordinary shares of VND90,034,048,000 is reflected as other reserves.

**21 Off balance sheet items****(a) Lease**

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

	30/09/2022	31/12/2021
	VND'000	VND'000
Within one year	4,022,461	4,022,461
Within two to five years	8,276,384	11,293,229
Over five years	-	-
	<b>12,298,845</b>	<b>15,315,690</b>

**(b) Foreign currencies**

	30/09/2022		31/12/2021	
	Original currency	VND'000	Original currency	VND'000
USD	110,587	2,517,466	292,796	6,628,898
		<b>2,517,466</b>		<b>6,628,898</b>

## Notes to the financial statements

## 22 Revenues from sales of goods

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

Net revenue comprised:

	Q3-2022 VND'000	Q3-2021 VND'000	YTD2022Q3 VND'000	YTD2021Q3 VND'000
<b>Total revenue</b>				
■ Sales of drinks	388,877,849	204,950,071	1,086,610,107	810,463,344
■ Sales of food stuff	69,507,822	48,014,203	208,794,073	184,560,773
■ Sales of scraps	865,119	333,788	3,539,452	2,109,025
	<b>459,250,790</b>	<b>253,298,062</b>	<b>1,298,943,632</b>	<b>997,133,142</b>
<b>Less revenue deductions:</b>				
■ Sales allowances	29,116,765	21,913,625	82,497,415	63,679,147
■ Sales return	-	-	-	-
	<b>29,116,765</b>	<b>21,913,625</b>	<b>82,497,415</b>	<b>63,679,147</b>
<b>Net revenue</b>	<b>430,134,025</b>	<b>231,384,437</b>	<b>1,216,446,217</b>	<b>933,453,995</b>

## 23 Cost of sales

	Q3-2022 VND'000	Q3-2021 VND'000	YTD2022Q3 VND'000	YTD2021Q3 VND'000
<b>Total cost of sales</b>				
■ Cost of drinks	247,973,712	114,330,085	684,293,356	447,271,993
■ Cost of other products	41,074,959	37,949,631	140,054,605	124,367,258
	<b>289,048,671</b>	<b>152,279,716</b>	<b>824,347,961</b>	<b>571,639,251</b>

## 24 Financial income

	Q3-2022 VND'000	Q3-2021 VND'000	YTD2022Q3 VND'000	YTD2021Q3 VND'000
Interest income from bank deposits	5,342,237	1,922,960	12,956,927	4,191,251
Foreign exchange gains	69,037	27,265	148,922	202,350
	<b>5,411,274</b>	<b>1,950,225</b>	<b>13,105,849</b>	<b>4,393,601</b>

## 25 Financial expenses

	Q3-2022 VND'000	Q3-2021 VND'000	YTD2022Q3 VND'000	YTD2021Q3 VND'000
Interest expenses	-	934	-	5,416
Foreign exchange losses	104,236	50,594	144,178	63,328
	<b>104,236</b>	<b>51,528</b>	<b>144,178</b>	<b>68,744</b>

## Notes to the financial statements

**26 Selling expenses**

	<b>Q3-2022</b>	<b>Q3-2021</b>	<b>YTD2022Q3</b>	<b>YTD2021Q3</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Staff costs	41,469,075	29,351,274	118,173,455	90,445,000
Advertisement and promotion expenses	18,405,457	8,588,217	44,417,458	25,259,528
Transportation fee	28,595,538	10,151,904	70,085,744	37,378,548
Rental fee	2,871,396	2,014,122	7,189,678	7,442,187
Others	4,545,846	1,658,913	11,772,025	6,529,247
	<b>95,887,312</b>	<b>51,764,430</b>	<b>251,638,360</b>	<b>167,054,510</b>

**27 General and administration expenses**

	<b>Q3-2022</b>	<b>Q3-2021</b>	<b>YTD2022Q3</b>	<b>YTD2021Q3</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Staff costs	3,466,607	3,503,475	10,355,570	10,114,433
Consultant fee	714,707	687,800	2,310,107	2,757,636
Rental fee	564,437	855,898	993,293	3,188,239
Depreciation and amortisation	987,758	900,724	2,858,914	2,618,387
Allowance	47,782	132,488	243,444	314,001
Others	3,634,217	3,143,370	9,889,214	7,770,873
	<b>9,415,508</b>	<b>9,223,755</b>	<b>26,650,542</b>	<b>26,763,569</b>

**28 Other expenses**

	<b>Q3-2022</b>	<b>Q3-2021</b>	<b>YTD2022Q3</b>	<b>YTD2021Q3</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Depreciation of idle tangible fixed assets	10,918	14,376	32,754	56,973
Loss from disposals of tangible fixed assets	-	45,252	-	45,252
Others	267,359	11,732,383	1,344,157	12,260,278
	<b>278,277</b>	<b>11,792,011</b>	<b>1,376,911</b>	<b>12,362,503</b>

**29 Production and business costs by element**

	<b>Q3-2022</b>	<b>Q3-2021</b>	<b>YTD2022Q3</b>	<b>YTD2021Q3</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Raw material costs included in production cost	182,018,296	41,247,831	555,071,640	270,828,207
Labour costs and staff costs	55,072,839	41,189,043	157,783,104	119,463,471
Depreciation and amortisation	3,900,575	4,354,965	12,105,541	13,500,205
Outside services	168,724,635	46,328,102	413,242,150	208,545,868
Other expenses	4,929,620	3,255,677	14,381,023	10,372,977
	<b>414,645,964</b>	<b>136,375,618</b>	<b>1,152,583,459</b>	<b>622,710,727</b>

**Notes to the financial statements****30 Corporate Income Taxes****(a) Recognised in the consolidated statement of income**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
<b>Current tax expense</b>		
Current year	<u>30,721,818</u>	<u>32,119,926</u>
<b>Deferred tax income</b>		
Origination and reversal of temporary differences	<u>(5,214,725)</u>	<u>(494,969)</u>
	<b>(5,214,725)</b>	<b>(494,969)</b>
<b>Income tax expense</b>	<b><u>25,507,093</u></b>	<b><u>31,624,957</u></b>

**(b) Reconciliation of effective tax rate**

	<b>30/09/2022</b>	<b>31/12/2021</b>
	<b>VND'000</b>	<b>VND'000</b>
Accounting profit (loss) before tax	<u>125,908,039</u>	<u>157,182,491</u>
Tax at the Company's tax rate	25,181,608	31,436,498
Non-deductible expenses	325,485	188,459
Written off deferred tax assets	-	-
Under provision in prior year	-	-
	<b><u>25,507,093</u></b>	<b><u>31,624,957</u></b>

**(c) Applicable tax rates**

Under the terms of the Company's Investment Certificates, the Company has an obligation to pay the government income tax at the rate of 15% of taxable profits for the first 12 years starting from the first year of operation (1994). Thereafter, from 2006 onwards the Company is subject to income tax rate applicable to enterprises before any incentives of 25%.

According to Decree No. 24/2007/ND-CP dated 14 February 2007 (which replaced Decree No. 164/2003/ND-CP dated 22 December 2003), the Company is entitled to tax incentives in relation to the relocation of its business activities out of an urban area. In 2006, the Company relocated one of its production lines from Bien Hoa City to Tam Phuoc Industrial Zone, Bien Hoa City. As a result, profit derived from this line is exempted from corporate income tax for two years and a reduction of 50% for the following six years. Also as stated in this Decree, the Company is entitled to tax incentives in relation to investments made in new production lines that are qualified under this Decree. The tax incentives include one year of exemption from corporate income tax and a reduction of 50% for the following four years applied to profit derived from the new production lines.

**Notes to the financial statements**

Under Decree No. 124/2008/ND-CP dated 11 December 2008 (which replaced Decree No. 24/2007/ND-CP dated 14 February 2007) and Decree No. 122/2011/ND-CP dated 27 December 2012 (which provided a number of amendments to prevailing Decree No. 124/2008/ND-CP), the Company will continue to enjoy its tax incentives under Decree No. 24/2007/ND-CP dated 14 February 2007.

According to Letter No. 11924/TC-CST dated 20 October 2004 issued by the Ministry of Finance, the Company is entitled to a 50% reduction for two years after listing its shares in Ho Chi Minh City Securities Trading Centre. The Company has completed the registration with the tax authority to apply the incentives commencing from 2007.

The usual income tax rate applicable to enterprises before any incentives is 22% for 2015, and will be reduced to 20% from 2016.

<b>31</b>	<b>Basic earnings per share</b>		
<b>(a)</b>	<b>Net profit attributable to ordinary shareholders</b>		
		<b>30/09/2022</b>	<b>31/12/2021</b>
		<b>VND'000</b>	<b>VND'000</b>
	Net profit attributable to ordinary shareholders	<u>100,400,946</u>	<u>125,557,534</u>
<b>(b)</b>	<b>Weighted average number of ordinary shares</b>		
	Weighted average number of ordinary shares for the	<u>87,140,984</u>	<u>87,140,984</u>

**31 Significant transactions with related parties**

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

	Transaction value	
	YTD2022Q3	YTD2021Q3
	VND'000	VND'000
<b>Related companies</b>		
<b>Kirin Holdings Company, Limited - Ultimate Parent Company</b>		
Short-term loan received	-	-
Share subscription	-	-
Interest expenses	-	-
Secondment fee	4,823,476	4,990,191
Purchases of services	99,962	-



**Notes to the financial statements****Vietnam Kirin Beverage Company, Limited**

Processing fee	244,520,919	109,773,775
Purchases of services	2,341,030	1,525,840
Sale of finished goods	218,908	-
Purchases of goods	1,027,027	47,468
Processing contract Compensation	-	-

**Kyowa Hakko Bio Singapore Pte,Ltd**

Purchases of goods	8,217,870	463,700
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**Board of Directors and Board of Management**

Secondment fees	3,376,727	3,201,920
Salary	1,363,500	1,363,500

Dong Nai, dated 20th October 2022.

Prepared by:

Approved by:

*(Signed)**(Signed and sealed)*Nguyễn Hồng Phong  
Chief AccountantHajime Kawasaki  
General Director