



THIEN LONG GROUP CORPORATION

**INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**



THIEN LONG GROUP CORPORATION

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THIEN LONG GROUP CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate

No. 0301464830 dated 14 March 2005 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the latest 22nd amendment dated 21 November 2023

Board of Directors

Mr. Co Gia Tho	Chairman
Ms. Tran Thai Nhu	Member
Ms. Co Ngan Binh	Member
Ms. Co Cam Nguyet	Member
Mr. Tayfun Uner	Member
Mr. Pham Nguyen Tri	Member
Mr. Nguyen Dinh Tam	Member

Board of Supervisors

Ms. Nguyen Thi Bich Nga	Head
Ms. Ta Hong Diep	Member
Ms. Vu Thi Thanh Nga	Member

Chief Executive Officer

Ms. Tran Phuong Nga	Chief Executive Officer
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Legal Representative

Ms. Tran Phuong Nga	Chief Executive Officer
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Registered office

10th Floor, Sofic Tower, 10 Mai Chi Tho Street,
Thu Thiem Ward, Thu Duc City,
Ho Chi Minh City, Vietnam

Auditor

PwC (Vietnam) Limited

THIEN LONG GROUP CORPORATION

STATEMENT OF THE CHIEF EXECUTIVE OFFICER

Statement of responsibility of the Chief Executive Officer of the Company in respect of the interim separate financial statements

The Chief Executive Officer of Thien Long Group Corporation ("the Company") is responsible for preparing the interim separate financial statements which give a true and fair view of the interim separate financial position of the Company as at 30 June 2024, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended. In preparing these interim separate financial statements, the Chief Executive Officer is required to:

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

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

Approval of the interim separate financial statements

I hereby, approve the accompanying interim separate financial statements as set out on pages 5 to 44 which give a true and fair view of the interim separate financial position of the Company as at 30 June 2024, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim separate financial statements.

Users of these interim separate financial statements of the Company should read them together with the interim consolidated financial statements of the Company and its subsidiaries (together, "the Group") for the six-month period ended 30 June 2024 in order to obtain full information of the interim consolidated financial position and interim consolidated results of operations and interim consolidated cash flows of the Group.



Tran Phuong Nga
Chief Executive Officer
Legal Representative

Ho Chi Minh City, SR Vietnam
20 August 2024



REPORT ON THE REVIEW OF INTERIM SEPARATE FINANCIAL INFORMATION TO THE SHAREHOLDERS OF THIEN LONG GROUP CORPORATION

We have reviewed the accompanying interim separate financial statements of Thien Long Group Corporation ("the Company") which were prepared on 30 June 2024, and approved by the Chief Executive Officer of the Company on 20 August 2024. The interim separate financial statements comprise the interim separate balance sheet as at 30 June 2024, the interim separate income statement, the interim separate cash flow statement for the six-month period then ended, and explanatory notes to the interim separate financial statements including significant accounting policies, as set out on pages 5 to 44.

The Chief Executive Officer's Responsibility

The Chief Executive Officer of the Company is responsible for the preparation and the true and fair presentation of these interim separate financial statements of Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim separate financial statements, and for such internal control which the Chief Executive Officer determines is necessary to enable the preparation and presentation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not present fairly, in all material respects, the separate financial position of the Company as at 30 June 2024, its separate financial performance and its separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim separate financial statements.

Other Matter

The report on the review of interim separate financial statements 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



Quach Thanh Chau
Audit Practising Licence No.:
0875-2023-006-1
Authorised signatory

Report reference number: HCM15822
Ho Chi Minh City, SR Vietnam
20 August 2024

**INTERIM SEPARATE BALANCE SHEET
AS AT 30 JUNE 2024**

Code	ASSETS	Note	Closing balance VND	Opening balance VND
100	CURRENT ASSETS		1,059,245,774,089	599,836,311,202
110	Cash and cash equivalents	3	221,038,576,648	130,268,365,211
111	Cash		180,538,576,648	130,268,365,211
112	Cash equivalents		40,500,000,000	-
120	Short-term investments		362,200,000,000	218,200,000,000
123	Investments held to maturity	4(a)	362,200,000,000	218,200,000,000
130	Short-term receivables		326,581,449,161	135,214,144,996
131	Short-term trade accounts receivable	5	302,648,910,727	113,653,874,171
132	Short-term prepayments to suppliers		3,704,605,900	1,202,884,878
135	Short-term lendings	6	16,000,000,000	16,000,000,000
136	Other short-term receivables	7	4,227,932,534	4,357,385,947
140	Inventories	8	34,116,845,730	25,647,428,976
141	Inventories		35,357,219,500	27,331,716,269
149	Provision for decline in value of inventories		(1,240,373,770)	(1,684,287,293)
150	Other current assets		115,308,902,550	90,506,372,019
151	Short-term prepaid expenses	9(a)	2,871,096,643	3,700,938,579
152	Value added tax ("VAT") to be reclaimed	12(a)	112,437,805,907	83,724,829,672
153	Tax and other receivables from the State	12(a)	-	3,080,603,768
200	LONG-TERM ASSETS		1,155,711,944,493	1,170,113,275,736
210	Long-term receivables		2,644,867,629	2,644,867,629
216	Other long-term receivables		2,644,867,629	2,644,867,629
220	Fixed assets		22,086,355,618	19,063,373,705
221	Tangible fixed assets	10(a)	16,521,346,516	12,418,343,488
222	Historical cost		47,622,398,387	41,944,050,641
223	Accumulated depreciation		(31,101,051,871)	(29,525,707,153)
227	Intangible fixed assets	10(b)	5,565,009,102	6,645,030,217
228	Historical cost		54,820,374,315	54,820,374,315
229	Accumulated amortisation		(49,255,365,213)	(48,175,344,098)
250	Long-term investments		1,128,875,640,286	1,139,085,025,235
251	Investments in subsidiaries	4(b)	1,110,045,715,761	1,110,045,715,761
252	Investments in associate	4(b)	40,000,000,000	40,000,000,000
253	Investments in other entities	4(b)	30,685,000,000	30,685,000,000
254	Provision for long-term investments	4(b)	(51,855,075,475)	(41,645,690,526)
260	Other long-term assets		2,105,080,960	9,320,009,167
261	Long-term prepaid expenses	9(b)	2,105,080,960	2,484,518,452
262	Deferred income tax assets	16	-	6,835,490,715
270	TOTAL ASSETS		2,214,957,718,582	1,769,949,586,938

The notes on pages 9 to 44 are an integral part of these interim separate financial statements.

**INTERIM SEPARATE BALANCE SHEET
AS AT 30 JUNE 2024
(continued)**

Code	RESOURCES	Note	Closing balance VND	Opening balance VND
300	LIABILITIES		300,988,510,320	205,868,192,404
310	Short-term liabilities		299,160,571,532	204,862,896,404
311	Short-term trade accounts payable	11	212,532,951,486	116,935,392,629
312	Short-term advances from customers		5,610,182,615	1,335,056,835
313	Tax and other payables to the State	12(b)	1,191,694,376	1,138,024,071
314	Payable to employees		4,322,450,125	4,261,501,716
315	Short-term accrued expenses	13	15,157,570,820	15,006,271,412
319	Other short-term payables	14	4,613,758,283	4,480,421,906
320	Short-term borrowings	15	-	19,979,101,008
322	Bonus and welfare funds	20	55,731,963,827	41,727,126,827
330	Long-term liabilities		1,827,938,788	1,005,296,000
341	Deferred income tax liabilities	16	828,133,788	-
342	Provision for long-term liabilities		999,805,000	1,005,296,000
400	OWNERS' EQUITY		1,913,969,208,262	1,564,081,394,534
410	Capital and reserves		1,913,969,208,262	1,564,081,394,534
411	Owners' capital	17, 18	785,944,530,000	785,944,530,000
411a	- Ordinary shares with voting rights		785,944,530,000	785,944,530,000
412	Share premium	18	361,633,483,771	361,633,483,771
418	Investment and development funds	18	261,896,462,556	261,896,462,556
421	Undistributed earnings	18	504,494,731,935	154,606,918,207
421a	- Undistributed post-tax profits of previous years		118,712,864,207	-
421b	- Post-tax profit of current period/year		385,781,867,728	154,606,918,207
440	TOTAL RESOURCES		2,214,957,718,582	1,769,949,586,938



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant



Tran Phuong Nga
Chief Executive Officer
20 August 2024

The notes on pages 9 to 44 are an integral part of these interim separate financial statements.

**INTERIM SEPARATE INCOME STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

Code		Note	Current period VND	Previous period VND
01	Revenue from sales of goods and rendering of services		560,277,130,668	365,983,523,761
02	Less deductions		(7,728,796)	-
10	Net revenue from sales of goods and rendering of services	22	560,269,401,872	365,983,523,761
11	Cost of goods sold and services rendered	23	(410,175,809,499)	(281,752,291,633)
20	Gross profit from sales of goods and rendering of services		150,093,592,373	84,231,232,128
21	Financial income	24	370,079,251,069	338,873,293,918
22	Financial expenses	25	(10,268,501,193)	(141,152,983)
23	- Including: Interest expense	25	(59,116,244)	(84,672,601)
25	Selling expenses	26	(55,739,258,672)	(58,428,406,238)
26	General and administration expenses	27	(52,205,627,412)	(56,360,720,821)
30	Net operating profit		401,959,456,165	308,174,246,004
31	Other income		803,234,675	3,367,796,056
32	Other expenses		(385,180,654)	(47,129,011)
40	Net other income		418,054,021	3,320,667,045
50	Accounting profit before tax		402,377,510,186	311,494,913,049
51	Corporate income tax ("CIT") - current	28	(3,498,750,945)	-
52	CIT - deferred	28	(7,663,624,503)	3,228,737,690
60	Profit after tax		391,215,134,738	314,723,650,739



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant



Tran Phuong Nga
Chief Executive Officer
20 August 2024

The notes on pages 9 to 44 are an integral part of these interim separate financial statements.

**INTERIM SEPARATE CASH FLOW STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024
(Indirect method)**

Code	Note	Current period VND	Previous period VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		402,377,510,186	311,494,913,049
	Accounting profit before tax		
	Adjustments for:		
02	Depreciation and amortisation	3,369,016,450	3,597,694,432
03	Provisions/(reversal of provisions)	9,759,980,426	(1,262,464,525)
04	Unrealised foreign exchange gains	(6,992,755,940)	(1,488,820,051)
05	Profits from investing activities	(356,691,651,943)	(336,540,873,814)
06	Interest expense	59,116,244	84,672,601
08	Operating profit/(loss) before changes in working capital	51,881,215,423	(24,114,878,308)
09	Increase in receivables	(215,080,918,791)	(58,946,572,022)
10	(Increase)/decrease in inventories	(8,025,503,231)	5,140,571,095
11	Increase in payables	97,305,080,975	44,803,820,689
12	Decrease/(increase) in prepaid expenses	1,209,279,428	(283,121,025)
14	Interest paid	(76,358,482)	(97,165,751)
17	Other payments on operating activities	(27,225,226,324)	(32,973,049,207)
20	Net cash outflows from operating activities	(100,012,431,002)	(66,470,394,529)
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets	(6,391,998,363)	(345,481,818)
22	Proceeds from disposals of fixed assets	266,750,081	803,654,545
23	Term deposits placed at banks	(362,000,000,000)	(40,200,000,000)
24	Collection of term deposits placed at banks	218,000,000,000	100,000,000,000
25	Investments in other entities	-	(11,798,500,000)
27	Dividends and interest received	356,675,105,420	195,772,062,797
30	Net cash inflows from investing activities	206,549,857,138	244,231,735,524
CASH FLOWS FROM FINANCING ACTIVITIES			
34	Repayments of borrowings	(19,979,101,008)	(5,169,230,757)
36	Dividends paid	-	(116,691,679,500)
40	Net cash outflows from financing activities	(19,979,101,008)	(121,860,910,257)
50	Net increase in cash and cash equivalents	86,558,325,128	55,900,430,738
60	Cash and cash equivalents at beginning of period	130,268,365,211	225,587,736,745
61	Effect of foreign exchange differences	4,211,886,309	1,092,100,031
70	Cash and cash equivalents at end of period	221,038,576,648	282,580,267,514



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant



Tran Phuong Nga
Chief Executive Officer
20 August 2024

**NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2024**

1 GENERAL INFORMATION

Thien Long Group Corporation (the "Company") is a joint stock company established in Socialist Republic of Vietnam pursuant to the Enterprise registration certificate No. 0301464830 dated 14 March 2005 which was issued by the Department of Planning and Investment of Ho Chi Minh City and the latest 22nd amendment dated 21 November 2023.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") on 26 March 2010 with the stock trading code "TLG" pursuant to Decision No. 20/QĐ-SGDHCM dated 2 February 2010 of the HOSE.

Owners of the Company include Thien Long An Thinh Investment Corporation, a company incorporated in Vietnam, NWL Cayman Holdings Ltd., a company incorporated in the United Kingdom, Mr. Co Gia Tho and other shareholders. Details of the capital contribution are presented in Note 17(b).

The principal activity is to trade stationery products, classroom equipment, plastic teaching instruments, plastic household appliances.

The normal business cycle of the Company is 12 months.

As at end of period, the Company had 116 employees (as at beginning of period: 106 employees).

As at end of period and beginning of period, the Company had 5 direct investment subsidiaries, 2 indirect investment subsidiaries and 1 associate as disclosed in Note 4(b) - Investments. Details are as follows:

	Principal activities	Places of incorporation and operation	At end of period		At beginning of period	
			% of ownership %	% of voting rights %	% of ownership %	% of voting rights %
Direct subsidiaries						
South Thien Long Manufacturing Trading Company Limited	Manufacturing and trading stationery	Ho Chi Minh City	100	100	100	100
Thien Long Global Trading and Service Company Limited	Trading stationery	Ho Chi Minh City	100	100	100	100
Thien Long Long Thanh Manufacturing and Trading Company Limited	Manufacturing and trading stationery	Dong Nai Province	100	100	100	100
Tan Luc South Trading and Service One Member Company Limited	Trading stationery	Ho Chi Minh City	100	100	100	100
FlexOffice Pte. Ltd.	Trading stationery	Singapore	100	100	100	100
Indirect subsidiaries						
ICCO Marketing (M) SDN. BHD.	Trading stationery	Malaysia	60	60	60	60
Clever World Joint Stock Company	Trading stationery	Ho Chi Minh City	92.5	92.5	89	89
Associate						
Pega Holdings Joint Stock Company	Trading stationery	Ho Chi Minh City	40	40	40	40

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of interim separate financial statements

The interim separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim separate financial statements. The interim separate financial statements have been prepared under the historical cost convention.

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

Separately, the Company has also prepared interim consolidated financial statements for the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements. In the interim consolidated financial statements, subsidiaries undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these interim separate financial statements of the Company should read them together with the interim consolidated financial statements of the Group for the six-month period ended 30 June 2024 in order to obtain full information of the interim consolidated financial position and interim consolidated results of operations and interim consolidated cash flows of the Group.

The interim separate financial statements in the Vietnamese language are the official interim separate statutory financial statements of the Company. The interim separate financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

The interim separate financial statements are prepared for the six-month period from 1 January to 30 June.

2.3 Currency

The interim separate 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 interim separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the interim separate balance sheet date are respectively translated at the buying and selling exchange rates at the interim separate balance sheet date of the commercial banks with which the Company regularly trades. Foreign currencies deposited in banks at the interim separate balance sheet date are translated at the buying exchange rate of the commercial banks where the Company opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim separate income statement.

2.5 Cash and cash equivalents

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

2.6 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services, 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 estimated loss that may arise. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of general and administration expenses in the period. Bad debts are written off when identified as uncollectible.

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

2.7 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 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 Company applies the perpetual system for inventories.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Investments****(a) Investments held to maturity**

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

Investments held to maturity include term deposits for interest earning. Those investments are initially accounted for at cost. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period 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 accounting period 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.

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

(b) Investments in subsidiaries

Subsidiaries are all entities whose financial and operating policies the Company has the power to govern 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 Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition plus other expenditure directly attributable to the investment. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(c) Investments in associate

Associate is investment that the Company has significant influence but not control over and the Company would generally have from 20% to less than 50% of the voting rights of the investee.

Investment in associate is initially recorded at cost of acquisition including capital contribution value plus other expenditures directly attributable to the investment. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period end.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Investments (continued)****(d) Investments in other entities**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period end.

(e) Provision for investments in subsidiaries, associate and other entities

Provision for investments in subsidiaries, associate and other entities is made when there is a diminution in value of the investments at the period end.

Provision for investments in subsidiaries and associate is calculated based on the loss of investees.

Provision for investments in other entities is calculated based on market value if market value can be determined reliably. If market value cannot be determined reliably, the provision is calculated similarly to provision for investments in subsidiaries and associate.

Changes in the provision balance during the accounting period 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.

2.9 Lendings

Lendings are lendings granted for the earning interest under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Chief Executive Officer reviews all outstanding amounts to determine the amount of provision to recognise at the period end. Provision for doubtful lendings is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties) or based on the estimated loss that may arise. Changes in the provision balance during the accounting period 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.

Lendings are classified into short-term and long-term lendings on the interim separate balance sheet based on the remaining term of the lendings as at the interim separate balance sheet date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Fixed assets***Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation and amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable condition 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 interim separate income statement when incurred.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the 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 interim separate financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Buildings and structures	25 years
Machinery and equipment	3 - 15 years
Motor vehicles	6 - 8 years
Office equipment	2 - 7 years
Others	3 - 5 years
Software	3 - 10 years
Copyrights, patents	3 years

Disposals

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

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

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 interim separate balance sheet based on the remaining period from the interim separate balance sheet date to the maturity date.

2.14 Borrowings and borrowing costs

Borrowings include borrowings from banks.

Borrowings are classified into long-term and short-term borrowings based on their remaining terms from the interim separate balance sheet date to the maturity date.

Borrowing costs are recognised in the interim separate income statement when incurred.

2.15 Accrued expenses

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

2.16 Provisions

Provisions are recognised when the Company 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 the 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 accounting period are recorded as an increase or decrease in operating expenses.

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

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

The severance allowance is accrued at the end of the reporting period 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 interim separate balance sheet date.

This allowance will be paid as a lump sum when the 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 share.

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 accumulated results after CIT at the reporting date.

2.19 Appropriation of profit

The Company's dividends are recognised as a liability in the Company's interim separate financial statements in the period under the announcement of the 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 the General Meeting of shareholders and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's funds are as below:

(a) Investment and development fund

Investment and development fund is appropriated from profit after CIT of the Company and approved by shareholders at the General Meeting of Shareholders. This fund is used for expanding operation or for deepening investment of the Company.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Appropriation of profit (continued)****(b) Bonus and welfare fund**

Bonus and welfare fund is appropriated from the Company's profit after CIT and subject to shareholders' approval at the General Meeting of Shareholders. This fund is presented as a liability on the interim separate balance sheet and used for rewards, material incentives, bringing common benefits and raising employees' welfare.

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

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

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company 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 Company; 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 Company gives promotional goods to customers associated with their purchases, the Company 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 interim separate income statement.

(b) Revenue from rendering of services

Revenue from rendering of services is recognised in the 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 the rendering of services is only recognised when all four (4) of the 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 Company;
- The percentage of completion of the transaction at the interim separate 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 on the basis of the actual time and interest rates for each period when both (2) of the followings conditions are satisfied:

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

(d) Dividend and distributable profits income

Income from dividends and distributable profits is recognised when both (2) of the following conditions are satisfied:

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

Income from dividends and distributable profits is recognised when the Company has established receiving rights from investees.

2.21 Sales deductions

Sales deductions include sales returns. Sales deductions incurred in the same period of the related revenue from sales of products, goods are recorded as a deduction from the revenue of that period.

Sales deductions for sales of products, goods which are sold in the period but are incurred after the interim separate balance sheet date but before the issuance of the interim separate financial statements are recorded as a deduction from the revenue of the period.

2.22 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of merchandise, materials sold or services rendered during the period 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 period for financial activities including expenses or losses relating to financial investment activities; expenses of borrowing; provision for diminution in value of investments; and losses from foreign exchange differences.

2.24 Selling expenses

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 General and administration expenses**

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

2.26 Current and deferred income tax

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

Current income tax is the amount of income taxes payable or recoverable in respect of the current period taxable profits at the current period tax rates. Current and deferred tax recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, 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 interim separate 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 accounting period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the interim separate 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 Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors, the Chief Executive Officer of the Company and 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 Company considers the substance of the relationship, not merely the legal form.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Segment reporting**

A segment is a component which can be separated by the Company engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of 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 Company's business segment or the Company's geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Group's interim consolidated financial statements in order to help users of financial statements understand and evaluate the Group's operations in a comprehensive manner.

2.29 Critical accounting estimates

The preparation of interim separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim separate financial statements requires the Chief Executive Officer to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim separate financial statements and the reported amounts of revenues and expenses during the accounting period.

The areas involving significant estimates and assumptions are as follows:

- Estimation of provision for decline in value of inventories (Note 2.7);
- Estimation of provision for long-term investments (Note 2.8);
- Estimated useful life of fixed assets (Note 2.10); and
- Estimation of provision for long-term liabilities (Note 2.16 and Note 2.17).

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Chief Executive Officer to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	645,192,728	1,006,517,272
Cash at banks	179,893,383,920	129,261,847,939
Cash equivalents (*)	40,500,000,000	-
	<u>221,038,576,648</u>	<u>130,268,365,211</u>

(*) Cash equivalents represent bank deposits with original maturities of 3 months or less and earn interest at fixed interest rates in Vietnamese Dong.

4 INVESTMENTS**(a) Investments held to maturity**

	Closing balance		Opening balance	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits	<u>362,200,000,000</u>	<u>362,200,000,000</u>	<u>218,200,000,000</u>	<u>218,200,000,000</u>

Representing term deposits at banks with maturity from 6 months to 12 months and earning interest at fixed interest rates in Vietnamese Dong.

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4 INVESTMENTS (continued)

(b) Long-term investments

	Closing balance			Opening balance		
	Cost VND	Fair value VND	Ownership percentage %	Cost VND	Fair value VND	Ownership percentage %
i. Investments in subsidiaries						
South Thien Long Manufacturing Trading Company Limited	650,000,000,000	(*)	100	650,000,000,000	(*)	100
Thien Long Global Trading and Service Company Limited	180,000,000,000	(*)	100	180,000,000,000	(*)	100
Thien Long Long Thanh Manufacturing and Trading Company Limited	169,500,000,000	(*)	100	169,500,000,000	(*)	100
Tan Luc South Trading and Service One Member Company Limited	80,000,000,000	(*)	100	80,000,000,000	(*)	100
FlexOffice Pte. Ltd.	30,545,715,761	(*)	100	30,545,715,761	(*)	100
	<u>1,110,045,715,761</u>	<u>(44,184,283,475)</u>		<u>1,110,045,715,761</u>	<u>(33,793,714,526)</u>	
ii. Investments in associate						
Pega Holdings Joint Stock Company	40,000,000,000	(*)	40	40,000,000,000	(*)	40
iii. Investments in other entities						
Kido Land Corporation	25,000,000,000	(*)	2.00	25,000,000,000	(*)	2.00
Saigon Securities Investment Fund A2	3,565,000,000	(*)	-	3,565,000,000	(*)	-
Brilliant Chip Joint Stock Company	1,520,000,000	(*)	1.89	1,520,000,000	(*)	1.89
Printing No7 Joint Stock Company	600,000,000	(*)	2.50	600,000,000	(*)	2.50
	<u>30,685,000,000</u>	<u>(3,670,792,000)</u>		<u>30,685,000,000</u>	<u>(3,851,976,000)</u>	

(*) As at end of period and beginning of period, the Company has not determined fair value of these investments to disclose on the interim separate financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	Closing balance VND	Opening balance VND
Third parties		
SQI Group Int'l. Corp.	101,580,067,485	38,921,874,368
Crayola LLC	37,921,668,767	4,381,570,377
Others	87,093,579,914	41,574,566,523
Related parties (Note 30(b))	76,053,594,561	28,775,862,903
	<u>302,648,910,727</u>	<u>113,653,874,171</u>

As at end of period, balances of short-term trade accounts receivable which were past due, amounting to VND58,329,275,961 (as at beginning of period: VND10,126,656,887).

6 SHORT-TERM LENDINGS

	Closing balance		Opening balance	
	Book value VND	Provision VND	Book value VND	Provision VND
Related party (Note 30(b))	16,000,000,000	-	16,000,000,000	-

Representing an interest-free convertible loan to Pega Holdings Joint Stock Company. According to the Appendix 01 of Convertible Loan Contract dated 27 May 2024, the loan has been extended up to 30 June 2025.

7 OTHER SHORT-TERM RECEIVABLES

	Closing balance		Opening balance	
	Book value VND	Provision VND	Book value VND	Provision VND
Interest receivables from deposits	3,300,500,551	-	3,550,704,109	-
Advances to employees	801,394,212	-	421,188,669	-
Deposits	30,000,000	-	30,000,000	-
Others	96,037,771	-	355,493,169	-
	<u>4,227,932,534</u>	<u>-</u>	<u>4,357,385,947</u>	<u>-</u>

8 INVENTORIES

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	2,316,066,069	-	4,058,363,452	-
Raw materials	5,344,007,043	-	1,145,763,102	(2,535,874)
Merchandise	27,697,146,388	(1,240,373,770)	22,127,589,715	(1,681,751,419)
	<u>35,357,219,500</u>	<u>(1,240,373,770)</u>	<u>27,331,716,269</u>	<u>(1,684,287,293)</u>

Movements in the provision for decline in value of inventories during the period are as follows:

	Current period VND	Previous period VND
Opening balance	(1,684,287,293)	(1,956,788,693)
Addition (Note 23)	(27,383,040)	(38,198,836)
Reversal (Note 23)	471,296,563	252,010,749
Closing balance	<u>(1,240,373,770)</u>	<u>(1,742,976,780)</u>

9 PREPAID EXPENSES

(a) Short-term

	Closing balance VND	Opening balance VND
SAP system maintenance fee	1,032,497,262	-
Health and asset insurances	721,877,409	316,328,079
Advertising and marketing expenses	243,801,780	1,289,482,062
Others	872,920,192	2,095,128,438
	<u>2,871,096,643</u>	<u>3,700,938,579</u>

(b) Long-term

	Closing balance VND	Opening balance VND
Tools and supplies	1,032,517,284	1,494,475,390
Others	1,072,563,676	990,043,062
	<u>2,105,080,960</u>	<u>2,484,518,452</u>

Movements in prepaid expenses during the period are as follows:

	Current period VND	Previous period VND
Opening balance	6,185,457,031	5,939,192,951
Increase	11,379,634,064	12,908,900,561
Allocation	(12,588,913,492)	(12,625,779,536)
Closing balance	<u>4,976,177,603</u>	<u>6,222,313,976</u>

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10	FIXED ASSETS	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
(a)	Tangible fixed assets						
	Historical cost						
	Opening balance	2.665.600.000	149.408.182	24.116.512.930	4.622.650.087	10.389.879.442	41.944.050.641
	New purchases	-	-	6.236.998.363	81.000.000	74.000.000	6.391.998.363
	Disposals	-	-	(432.623.364)	-	(281.027.253)	(713.650.617)
	Closing balance	2.665.600.000	149.408.182	29.920.887.929	4.703.650.087	10.182.852.189	47.622.398.387
	Accumulated depreciation						
	Opening balance	1.746.705.440	149.408.182	19.987.496.238	2.918.755.664	4.723.341.629	29.525.707.153
	Charge for the period	53.527.839	-	598.568.308	344.173.160	1.292.726.028	2.288.995.335
	Disposals	-	-	(432.623.364)	-	(281.027.253)	(713.650.617)
	Closing balance	1.800.233.279	149.408.182	20.153.441.182	3.262.928.824	5.735.040.404	31.101.051.871
	Net book value						
	Opening balance	918.894.560	-	4.129.016.692	1.703.894.423	5.666.537.813	12.418.343.488
	Closing balance	865.366.721	-	9.767.446.747	1.440.721.263	4.447.811.785	16.521.346.516

As at end of period, the historical cost of tangible assets which were fully depreciated but still in use was VND18,749,696,747 (as at beginning of period: VND16,599,626,111).

10 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Software VND	Copyright, patents VND	Total VND
Historical cost			
Opening balance and closing balance	54,453,374,315	367,000,000	54,820,374,315
Accumulated amortisation			
Opening balance	47,808,344,098	367,000,000	48,175,344,098
Charge for the period	1,080,021,115	-	1,080,021,115
Closing balance	48,888,365,213	367,000,000	49,255,365,213
Net book value			
Opening balance	6,645,030,217	-	6,645,030,217
Closing balance	5,565,009,102	-	5,565,009,102

As at end of period and beginning of period, the historical cost of intangible assets that were fully amortised but still in use was VND44,020,163,161.

11 SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Teibow Co., Ltd.	12,571,242,443	12,571,242,443	3,140,741,040	3,140,741,040
Aubex Corporation	8,387,358,000	8,387,358,000	4,518,610,000	4,518,610,000
Others	9,533,871,550	9,533,871,550	8,864,702,120	8,864,702,120
Related parties (Note 30(b))	182,040,479,493	182,040,479,493	100,411,339,469	100,411,339,469
	<u>212,532,951,486</u>	<u>212,532,951,486</u>	<u>116,935,392,629</u>	<u>116,935,392,629</u>

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12 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

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

	Opening balance VND	Receivables/payables during the period VND	Payment during the period VND	Reclassification VND	Closing balance VND
(a) Tax receivables					
VAT to be reclaimed	83,724,829,672	28,712,976,235	-	-	112,437,805,907
CIT	3,080,603,768	-	-	(3,080,603,768)	-
	<u>86,805,433,440</u>	<u>28,712,976,235</u>		<u>(3,080,603,768)</u>	<u>112,437,805,907</u>
(b) Tax payables					
Personal income tax	758,866,556	10,994,215,642	(11,063,928,143)	-	689,154,055
CIT	-	3,498,750,945	-	(3,080,603,768)	418,147,177
VAT	202,376,568	2,450,647,148	(2,653,023,716)	-	-
Import - export duties	-	93,320,371	(93,320,371)	-	-
Other taxes	176,780,947	1,222,719,235	(1,315,107,038)	-	84,393,144
	<u>1,138,024,071</u>	<u>18,259,653,341</u>	<u>(15,125,379,268)</u>	<u>(3,080,603,768)</u>	<u>1,191,694,376</u>

13 SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
13th month salary and performance bonus	9,094,263,000	14,645,547,000
Advertising and marketing expenses	4,117,944,903	53,074,286
Interest expense	-	17,242,238
Others	1,945,362,917	290,407,888
	<u>15,157,570,820</u>	<u>15,006,271,412</u>

14 OTHER SHORT-TERM PAYABLES

	Closing balance VND	Opening balance VND
Remuneration for the Board of Directors and Board of Supervisors	3,896,500,000	3,799,242,314
Union fees	348,132,100	170,789,600
Dividend payables	11,165,500	11,165,500
Others	357,960,683	499,224,492
	<u>4,613,758,283</u>	<u>4,480,421,906</u>

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15 SHORT-TERM BORROWINGS

	Opening balance		During the period		Closing balance	
	Value VND	Able-to-pay amount VND	Increase VND	Decrease VND	Value VND	Able-to-pay amount VND
19,979,101,008	19,979,101,008		-	(19,979,101,008)	-	-

Bank overdraft
 Joint Stock Commercial
 Bank for Investment and
 Development of Vietnam
 - West Saigon Branch

Overdraft loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - West Saigon Branch for the purpose of supplementing working capital.

16 DEFERRED INCOME TAX ASSETS AND DEFERRED INCOME TAX LIABILITIES

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

	Closing balance VND	Opening balance VND
Deferred tax assets to be recovered	-	6,835,490,715
	<u> </u>	<u> </u>
	Closing balance VND	Opening balance VND
Deferred tax liabilities to be settled	828,133,788	-
	<u> </u>	<u> </u>

Movements in the deferred income tax, taking into consideration the offsetting of balances within the same tax jurisdiction, during the period were as follows:

	Current period VND	Previous period VND
Opening balance	6,835,490,715	8,429,308,082
Interim separate income statement (charge)/credit (Note 28)	(7,663,624,503)	3,228,737,690
	<u> </u>	<u> </u>
Closing balance	(828,133,788)	11,658,045,772
	<u> </u>	<u> </u>

Details of deferred tax assets and deferred tax liabilities

	Closing balance VND	Opening balance VND
Tax losses not yet utilised	-	7,246,666,575
Unrealised exchange rate differences of cash and receivables denominated in foreign currencies	(1,276,169,542)	(949,092,519)
Temporary difference of provisions	448,035,754	537,916,659
	<u> </u>	<u> </u>
	(828,133,788)	6,835,490,715
	<u> </u>	<u> </u>

The Company used a tax rate of 20% in the year 2024 and 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 profit will be available against which the temporary differences can be utilised.

**16 DEFERRED INCOME TAX ASSETS AND DEFERRED INCOME TAX LIABILITIES
(continued)**

The Company's tax losses can be carried forward to offset against future taxable profits for a maximum period 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 interim separate financial statements. The estimated amount of tax losses available for offset against the Company's future taxable profit is:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2022	Outstanding	32,730,657,136	(32,730,657,136)	-
2023	Outstanding	3,357,760,738	(3,357,760,738)	-

17 OWNERS' CAPITAL
(a) Number of shares

	Closing balance		Opening balance	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered, issued and in circulation	78,594,453	-	78,594,453	-

(b) Details of owners' shareholding

	Closing balance		Opening balance	
	Ordinary shares	%	Ordinary shares	%
Thien Long An Think Investment Corporation	37,350,952	47.52	37,350,952	47.52
NWL Cayman Holdings Ltd.	5,500,000	7.00	5,500,000	7.00
Mr. Co Gia Tho	4,924,605	6.27	4,924,605	6.27
Other shareholders	30,818,896	39.21	30,818,896	39.21
Number of shares	78,594,453	100.00	78,594,453	100.00

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17 OWNERS' CAPITAL (continued)

(c) Movement of share capital

	Number of shares	Ordinary shares VND	Total VND
For the six-month period ended 30 June 2023			
Opening balance	77,794,453	777,944,530,000	777,944,530,000
Closing balance	77,794,453	777,944,530,000	777,944,530,000
For the six-month period ended 30 June 2024			
Opening balance	78,594,453	785,944,530,000	785,944,530,000
Closing balance	78,594,453	785,944,530,000	785,944,530,000

Par value per share: VND10,000.

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18 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Investment and development fund VND	Undistributed earnings VND	Total VND
For the six-month period ended 30 June 2023					
Opening balance	777,944,530,000	361,633,483,771	261,896,462,556	54,197,435,783	1,455,671,912,110
Net profit for the period	-	-	-	314,723,650,739	314,723,650,739
Dividends declared from undistributed profit of 2022	-	-	-	(38,897,226,500)	(38,897,226,500)
Dividends declared from undistributed profit of 2023 (i)	-	-	-	(116,691,679,500)	(116,691,679,500)
Appropriation to bonus and welfare fund (Note 20)	-	-	-	(40,137,089,000)	(40,137,089,000)
Bonus for exceeding the budgeted profit for the Board of Management and employees (Note 20)	-	-	-	(22,200,000,000)	(22,200,000,000)
Bonus for exceeding the budgeted profit for the Board of Directors	-	-	-	(2,000,000,000)	(2,000,000,000)
Remuneration of the Board of Directors and Board of Supervisors	-	-	-	(4,263,183,207)	(4,263,183,207)
Closing balance	777,944,530,000	361,633,483,771	261,896,462,556	144,731,908,315	1,546,206,384,642
For the six-month period ended 30 June 2024					
Opening balance	785,944,530,000	361,633,483,771	261,896,462,556	154,606,918,207	1,564,081,394,534
Net profit for the period	-	-	-	391,215,134,738	391,215,134,738
Appropriation to bonus and welfare fund (ii) (Note 20)	-	-	-	(35,894,054,000)	(35,894,054,000)
Remuneration of the Board of Directors and Board of Supervisors (iii)	-	-	-	(5,433,267,010)	(5,433,267,010)
Closing balance	785,944,530,000	361,633,483,771	261,896,462,556	504,494,731,935	1,913,969,208,262

18 MOVEMENTS IN OWNERS' EQUITY (continued)

Pursuant to the Resolution No. 01/2024/NQ-ĐHĐCĐ dated 23 April 2024 of the 2023 Annual General Meeting of Shareholders, the General Meeting of Shareholders of the Company approved the distribution plan of net consolidated profits after tax of the year 2023 and 2024 as follows:

- (i) Appropriation to the dividend distribution from the 2023 post-tax profit at the rate of 35% par value, equivalent to VND273,880,586,000, in which, cash dividend at the rate of 25% par value and share dividend at the rate of 10% par value. In 2023, the Company divided VND116,691,679,500, the remainder divided by cash and shares in 2024;
- (ii) Appropriation to bonus and welfare fund of VND35,894,054,000 (equivalent to 10% of the 2023 post-tax profit); and
- (iii) Remuneration for the Board of Directors and Board of Supervisors of VND15,000,000,000 in 2024. For the first 6-month period, remuneration was appropriated of VND5,433,267,010.

19 DIVIDENDS

Movements of dividend payables during the period are as follows:

	Current period VND	Previous period VND
Opening balance	11,165,500	116,702,845,000
Dividends payable during the period	-	155,588,906,000
Dividends paid in cash	-	(116,691,679,500)
Closing balance	<u>11,165,500</u>	<u>155,600,071,500</u>

20 BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the period are as follows:

	Current period VND	Previous period VND
Opening balance	41,727,126,827	12,156,810,827
Appropriated (Note 18)	35,894,054,000	40,137,089,000
Bonus for exceeding the budgeted profit for the Board of Management and employees (Note 18)	-	22,200,000,000
Utilised	(21,889,217,000)	(26,709,866,000)
Closing balance	<u>55,731,963,827</u>	<u>47,784,033,827</u>

21 OFF INTERIM SEPARATE BALANCE SHEET ITEM

Foreign currencies

Cash and cash equivalents were balances held in foreign currencies as follows:

	Closing balance	Opening balance
Japanese Yen ("JPY")	54,644,047	24,762,004
United States Dollar ("USD")	4,921,598	4,673,187
Korean Won ("KRW")	240,000	240,000
Euro ("EUR")	197,566	161,044
British Pound ("GBP")	1,574	1,583
Singapore Dollar ("SGD")	1,139	1,139
Australian Dollar ("AUD")	110	110
	<u> </u>	<u> </u>

22 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Current period VND	Previous period VND
Revenue from sales of goods and rendering of services		
Revenue from sales of merchandise	531,852,453,968	365,983,523,761
Revenue from rendering of services	28,424,676,700	-
	<u>560,277,130,668</u>	<u>365,983,523,761</u>
Sales deductions		
Sales returns	(7,728,796)	-
	<u> </u>	<u> </u>
Net revenue from sales of goods and rendering of services		
Net revenue from sales of merchandise	531,844,725,172	365,983,523,761
Net revenue from rendering of services	28,424,676,700	-
	<u>560,269,401,872</u>	<u>365,983,523,761</u>

23 COST OF GOODS SOLD AND SERVICES RENDERED

	Current period VND	Previous period VND
Cost of merchandise sold	408,497,613,022	281,966,103,546
Reversal of provision for decline in value of inventories (Note 8)	(443,913,523)	(213,811,913)
Cost of services rendered	2,122,110,000	-
	<u>410,175,809,499</u>	<u>281,752,291,633</u>

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24 FINANCIAL INCOME

	Current period VND	Previous period VND
Dividend income	350,180,000,000	330,180,000,000
Net gain from foreign currency translation at period-end	6,992,755,940	1,488,820,051
Realised foreign exchange gains	6,661,593,267	1,589,476,820
Interest income from deposits	6,244,901,862	5,614,997,047
	<u>370,079,251,069</u>	<u>338,873,293,918</u>

25 FINANCIAL EXPENSES

	Current period VND	Previous period VND
Provision/(reversal of provision) for diminution in value of investments	10,209,384,949	(1,092,342,612)
Interest expense	59,116,244	84,672,601
Realised foreign exchange losses	-	1,148,822,994
	<u>10,268,501,193</u>	<u>141,152,983</u>

26 SELLING EXPENSES

	Current period VND	Previous period VND
Marketing expenses	26,235,305,848	21,219,912,282
Staff costs	16,287,674,863	24,018,161,938
Depreciation	291,473,544	406,682,044
Others	12,924,804,417	12,783,649,974
	<u>55,739,258,672</u>	<u>58,428,406,238</u>

27 GENERAL AND ADMINISTRATION EXPENSES

	Current period VND	Previous period VND
Staff costs	29,313,227,463	31,004,031,659
Outside services expenses	18,522,593,889	19,957,455,981
Depreciation and amortisation	3,070,132,324	3,760,928,639
Others	1,299,673,736	1,638,304,542
	<u>52,205,627,412</u>	<u>56,360,720,821</u>

28 CORPORATE INCOME TAX (“CIT”)

The CIT on the Company’s accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	Current period VND	Previous period VND
Accounting profit before tax	<u>402,377,510,186</u>	<u>311,494,913,049</u>
Adjustment:		
Income not subject to tax	(350,180,000,000)	(330,180,000,000)
Expenses not deductible for tax purposes	2,168,380,609	2,541,398,499
Temporary differences for which no deferred income tax was recognised	1,445,986,441	-
Estimated taxable income/(loss)	<u><u>55,811,877,236</u></u>	<u><u>(16,143,688,452)</u></u>
Tax calculated at a rate of 20%	<u>11,162,375,448</u>	<u>(3,228,737,690)</u>
CIT charge/(credit) (*)	<u><u>11,162,375,448</u></u>	<u><u>(3,228,737,690)</u></u>
Charged/(credited) to the interim separate income statement:		
CIT - current	3,498,750,945	-
CIT - deferred (Note 16)	7,663,624,503	(3,228,737,690)
	<u><u>11,162,375,448</u></u>	<u><u>(3,228,737,690)</u></u>

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

29 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represents all costs incurred during the period from the Company’s operating activities, excluding cost of merchandise for trading activities. Details are as follows:

	Current period VND	Previous period VND
Outside services expenses	59,548,530,884	53,798,423,608
Staff costs	45,600,902,326	55,022,193,597
Depreciation and amortisation	3,369,016,450	3,597,694,432
Others	1,548,546,424	2,370,815,422
	<u><u>110,066,996,084</u></u>	<u><u>114,789,127,059</u></u>

30 RELATED PARTY DISCLOSURES

The Company is a 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:

Related party	Relationship
Thien Long An Think Investment Corporation	Major shareholder
South Thien Long Manufacturing Trading Company Limited	Subsidiary
Thien Long Long Thanh Manufacturing and Trading Company Limited	Subsidiary
Thien Long Global Trading and Service Company Limited	Subsidiary
Tan Luc South Trading and Service One Member Company Limited	Subsidiary
FlexOffice Pte. Ltd.	Subsidiary
ICCO Marketing (M) SDN. BHD.	Indirect subsidiary
Clever World Joint Stock Company	Indirect subsidiary
Pega Holdings Joint Stock Company	Associate

(a) Related party transactions

The primary transactions with related parties incurred in the period are:

	Current period VND	Previous period VND
(i) Net revenue from sales of goods		
Thien Long Global Trading and Service Company Limited	33,115,663,400	49,328,626,360
South Thien Long Manufacturing Trading Company Limited	27,027,605,912	1,987,532,506
ICCO Marketing (M) SDN. BHD.	5,794,436,048	2,390,029,740
Thien Long Long Thanh Manufacturing and Trading Company Limited	711,383,394	561,301,830
FlexOffice Pte. Ltd.	-	1,417,151,941
	<u>66,649,088,754</u>	<u>55,684,642,377</u>
(ii) Net revenue from rendering of services		
Thien Long Global Trading and Service Company Limited	26,742,345,272	-
Thien Long Long Thanh Manufacturing and Trading Company Limited	933,351,428	-
South Thien Long Manufacturing Trading Company Limited	748,980,000	-
	<u>28,424,676,700</u>	<u>-</u>



30 RELATED PARTY DISCLOSURES (continued)**(a) Related party transactions (continued)**

	Current period VND	Previous period VND
(iii) Purchases of goods		
Thien Long Long Thanh Manufacturing and Trading Company Limited	203,174,616,020	98,045,533,680
South Thien Long Manufacturing Trading Company Limited	169,307,606,591	156,019,787,932
Thien Long Global Trading and Service Company Limited	3,847,336,550	4,353,023,852
Pega Holdings Joint Stock Company	52,890,200	-
Clever World Joint Stock Company	-	15,445,420
	<u>376,382,449,361</u>	<u>258,433,790,884</u>
(iv) Rental income		
South Thien Long Manufacturing Trading Company Limited	195,000,000	255,000,000
Clever World Joint Stock Company	48,000,000	48,000,000
Thien Long Global Trading and Service Company Limited	-	6,000,000
	<u>243,000,000</u>	<u>309,000,000</u>
(v) Rental expense		
Thien Long Global Trading and Service Company Limited	<u>960,000,000</u>	<u>960,000,000</u>
(vi) Fee charged for using SAP system		
Thien Long Global Trading and Service Company Limited	-	773,946,000
South Thien Long Manufacturing Trading Company Limited	-	748,980,000
Thien Long Long Thanh Manufacturing and Trading Company Limited	-	599,184,000
	<u>-</u>	<u>2,122,110,000</u>

30 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	Current period VND	Previous period VND
(vii) Investments		
FlexOffice Pte. Ltd.	-	11,798,500,000
(viii) Profit distributed		
Thien Long Long Thanh Manufacturing and Trading Company Limited	150,000,000,000	150,000,000,000
Thien Long Global Trading and Service Company Limited	100,000,000,000	100,000,000,000
South Thien Long Manufacturing Trading Company Limited	100,000,000,000	80,000,000,000
	<u>350,000,000,000</u>	<u>330,000,000,000</u>
(ix) Dividends declared		
Thien Long An Think Investment Corporation	-	74,701,904,000
(x) Compensation of key management		
Gross salaries and other benefits	<u>7,079,125,000</u>	<u>6,148,850,000</u>

30 RELATED PARTY DISCLOSURES (continued)**(b) Period/year-end balances with related parties**

	Closing balance VND	Opening balance VND
(i) Short-term trade accounts receivable (Note 5)		
Thien Long Global Trading and Service Company Limited	41,300,403,221	19,426,302,120
South Thien Long Manufacturing Trading Company Limited	24,036,207,096	2,668,511,080
ICCO Marketing (M) SDN. BHD.	8,487,407,410	6,240,337,914
Thien Long Long Thanh Manufacturing and Trading Company Limited	2,220,776,834	431,911,789
Clever World Joint Stock Company	8,800,000	8,800,000
	<u>76,053,594,561</u>	<u>28,775,862,903</u>
(ii) Short-term lendings (Note 6)		
Pega Holdings Joint Stock Company	<u>16,000,000,000</u>	<u>16,000,000,000</u>
(iii) Short-term trade accounts payable (Note 11)		
Thien Long Long Thanh Manufacturing and Trading Company Limited	119,760,704,608	49,675,757,646
South Thien Long Manufacturing Trading Company Limited	59,876,908,112	49,376,204,052
Thien Long Global Trading and Service Company Limited	2,401,965,513	1,358,878,271
Pega Holdings Joint Stock Company	901,260	499,500
	<u>182,040,479,493</u>	<u>100,411,339,469</u>

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31 COMMITMENTS

(a) Operating leases

(i) *The Company as a lessee*

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

	Office		Warehouse		Total	
	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND	Closing balance VND	Opening balance VND
Within one year	10,669,025,105	10,455,847,811	1,920,000,000	1,920,000,000	12,589,025,105	12,375,847,811
Between one and five years	11,116,687,331	16,451,199,884	2,880,000,000	3,840,000,000	13,996,687,331	20,291,199,884
	<u>21,785,712,436</u>	<u>26,907,047,695</u>	<u>4,800,000,000</u>	<u>5,760,000,000</u>	<u>26,585,712,436</u>	<u>32,667,047,695</u>

(ii) *The Company as a lessor*

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

Within one year	96,000,000	96,000,000
Between one and five years	96,000,000	144,000,000
	<u>192,000,000</u>	<u>240,000,000</u>

31 COMMITMENTS (continued)

(b) Guarantee commitments

As at end of period and beginning of period, the Company has irrevocable guarantee commitments with commercial banks (referred to as "Creditors") for borrowings of its subsidiaries (referred to as "Debtors"). Accordingly, the Company is responsible for repaying the loan principal, interest, guarantee costs and other costs to the Creditors in the circumstances that the Debtors are unable to pay or pay late by the due date. Details of guarantees are as follows:

	Currency	Guarantee limits	
		Closing balance	Opening balance
South Thien Long Manufacturing Trading Company Limited	VND	460,000,000,000	430,000,000,000
Thien Long Long Thanh Manufacturing and Trading Company Limited	VND	391,000,000,000	391,000,000,000
Thien Long Global Trading and Service Company Limited	VND	200,000,000,000	100,000,000,000
Thien Long Long Thanh Manufacturing and Trading Company Limited and South Thien Long Manufacturing Trading Company Limited	USD	10,000,000	-
Thien Long Global Trading and Service Company Limited	USD	5,000,000	-
South Thien Long Manufacturing Trading Company Limited	USD	3,900,000	3,900,000

32 SUBSEQUENT EVENTS

Pursuant to the Resolution No. 08/2024/NQ-HĐQT dated 15 August 2024, the Board of Directors of the Company approved the record date to exercise the right for the second dividend of 2023 in cash at the rate of 10% par value. Accordingly, the final record date is 30 August 2024 and the time of dividend payment is 13 September 2024.

The interim separate financial statements were approved by the Chief Executive Officer on 20 August 2024.



Dao Xuan Nam
Preparer



Ngsuyen Ngoc Nhon
Chief Accountant




Tran Phuong Nga
Chief Executive Officer