

# **BaF Vietnam Agriculture Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2023



# BaF Vietnam Agriculture Joint Stock Company

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# BaF Vietnam Agriculture Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

BAF Vietnam Agriculture Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 0107795944 issued by the Department of Planning and Investment of Ha Noi City on 7 April 2017, as amended, and the latest amendment being the 18<sup>th</sup> issued by the Department of Planning and Investment of Ho Chi Minh City on 14 December 2023.

The Company's shares are listed on the Ho Chi Minh Stock Exchange ("HOSE") with trading code of BAF in accordance with the Decision No. 641/QĐ-SGDHCM issued by HOSE on 24 November 2021.

The current principal activities of the Company and its subsidiaries ("the Group") are to carry out the mixed farming activities, trade in agricultural products and produce animal feed.

The Company's registered head office is located at the 9<sup>th</sup> Floor, Vista Tower, 628C Vo Nguyen Giap Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam. Also, the Company has eleven (11) branches located in the cities and provinces of Vietnam including Thuan An - Binh Duong, Bac Tan Uyen - Binh Duong, Dong Nai, Ha Noi, Nghe An, Hoa Binh, Vinh Phuc, Thanh Hoa, Dong Thuan Town - Binh Thuan, Town 3 - Binh Thuan and Binh Phuoc.

### BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Truong Sy Ba	Chairman	
Ms Bui Huong Giang	Member	
Mr Nguyen Duy Tan	Member	appointed on 10 May 2023
Mr Le Xuan Tho	Non-executive Member	
Mr Phan Ngoc An	Member	resigned on 11 April 2023
Mr Bui Quang Huy	Independent Member	

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms Hoang Thi Thu Hien	Head	appointed on 12 December 2023
Ms Luu Ngoc Tram	Member	appointed on 7 December 2023
Mr Nguyen Quoc Van	Member	
Mr Nguyen Thanh Hai	Head	resigned on 7 December 2023
Ms Duong Thi Hong Tan	Member	resigned on 7 December 2023

### MANAGEMENT

Members of management during the year and at the date of this report are:

Ms Bui Huong Giang	General Director	
Mr Nguyen Tien Thanh	Permanent Deputy General Director	resigned on 15 September 2023
Mr Truong Anh Tuan	Deputy General Director	appointed on 1 February 2024
Mr Nguyen Van Non	Deputy General Director	appointed on 25 July 2023
		resigned on 31 January 2024
Mr Phan Ngoc An	Deputy General Director	resigned on 30 May 2023

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Ms Bui Huong Giang.

### AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

# BaF Vietnam Agriculture Joint Stock Company

## REPORT OF MANAGEMENT

Management of BaF Vietnam Agriculture Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2023.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.



Bui Huong Giang  
General Director

Ho Chi Minh City, Vietnam

25 March 2024



Reference: 12943524/67057898-HN

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of BaF Vietnam Agriculture Joint Stock Company**

We have audited the accompanying consolidated financial statements of BaF Vietnam Agriculture Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group") as prepared on 25 March 2024 and set out on pages 5 to 53, which comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### **Opinion**

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2023, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

### **Ernst & Young Vietnam Limited**



  
Hang Nhat Quang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1772-2023-004-1



Huynh Ngoc Minh Tran  
Auditor  
Audit Practicing Registration Certificate  
No. 4637-2023-004-1

Ho Chi Minh City, Vietnam

25 March 2024

CONSOLIDATED BALANCE SHEET  
as at 31 December 2023

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>3,148,011,679,041</b>	<b>2,662,699,738,155</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>95,165,075,409</b>	<b>151,374,475,776</b>
111	1. Cash		92,615,075,409	108,574,475,776
112	2. Cash equivalents		2,550,000,000	42,800,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>326,525,000,000</b>	<b>100,000,000,000</b>
123	1. Held-to-maturity investments	6	326,525,000,000	100,000,000,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>1,105,065,760,580</b>	<b>1,502,476,580,095</b>
131	1. Short term trade receivables	7	890,459,855,304	1,313,962,230,556
132	2. Short-term advances to suppliers	8	149,730,153,663	142,136,494,506
135	3. Short-term loan receivables		-	1,887,924,989
136	4. Other short-term receivables	9	66,104,050,466	48,705,582,700
137	5. Provision for doubtful short-term receivables	9, 10	(4,266,008,550)	(4,303,303,908)
139	6. Shortage of assets waiting for resolution		3,037,709,697	87,651,252
<b>140</b>	<b>IV. Inventory</b>	<b>11</b>	<b>1,592,961,230,786</b>	<b>881,821,214,156</b>
141	1. Inventories		1,592,961,230,786	881,821,214,156
<b>150</b>	<b>V. Other current assets</b>		<b>28,294,612,266</b>	<b>27,027,468,128</b>
151	1. Short-term prepaid expenses	18	23,690,333,542	23,225,601,617
152	2. Value-added tax deductible	23	3,971,475,355	3,742,602,246
153	3. Tax and other receivables from the State	23	632,803,369	59,264,265



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2023

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>3,385,649,016,789</b>	<b>2,066,396,354,761</b>
<b>210</b>	<b>I. Non-current receivables</b>		<b>120,476,649,201</b>	<b>81,702,014,200</b>
215	1. Long-term loan receivables		375,000,000	675,000,000
216	2. Other long-term receivables	9	120,101,649,201	81,027,014,200
<b>220</b>	<b>II. Fixed assets</b>		<b>1,617,376,013,205</b>	<b>1,096,100,694,563</b>
221	1. Tangible fixed assets	12	1,430,155,467,474	888,984,185,387
222	Cost		1,686,171,058,387	1,048,316,645,849
223	Accumulated depreciation		(256,015,590,913)	(159,332,460,462)
227	2. Intangible fixed assets	13	187,220,545,731	207,116,509,176
228	Cost		192,815,486,000	212,584,171,376
229	Accumulated amortisation		(5,594,940,269)	(5,467,662,200)
<b>230</b>	<b>III. Investment properties</b>	<b>14</b>	<b>-</b>	<b>14,649,842,650</b>
231	1. Cost		-	15,175,990,712
232	2. Accumulated depreciation		-	(526,148,062)
<b>240</b>	<b>IV. Long-term assets in progress</b>		<b>901,789,996,097</b>	<b>353,356,265,502</b>
242	1. Construction in progress	15	901,789,996,097	353,356,265,502
<b>250</b>	<b>V. Long-term investment</b>	<b>17</b>	<b>-</b>	<b>29,505,972,462</b>
253	1. Investment in another entity		-	29,505,972,462
<b>260</b>	<b>VI. Other long-term assets</b>		<b>746,006,358,286</b>	<b>491,081,565,384</b>
261	1. Long-term prepaid expenses	18	707,342,510,635	483,390,784,371
262	2. Deferred tax assets	33.3	36,126,941,345	4,774,928,657
269	3. Goodwill	19	2,536,906,306	2,915,852,356
<b>270</b>	<b>TOTAL ASSETS</b>		<b>6,533,660,695,830</b>	<b>4,729,096,092,916</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2023

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>4,625,338,672,211</b>	<b>2,986,428,033,002</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>3,011,074,968,540</b>	<b>2,291,719,028,034</b>
311	1. Short-term trade payables	20.1	2,187,521,274,611	1,900,920,607,966
312	2. Short-term advances from customers	20.2	30,840,012,570	8,632,664,086
313	3. Statutory obligations	23	19,309,184,410	54,752,938,089
314	4. Payables to employees		18,810,434,836	23,660,558,031
315	5. Short-term accrued expenses	21	36,763,167,773	30,633,186,645
319	6. Other short-term payables	22	14,167,578,875	8,718,476,183
320	7. Short-term loans	24	703,663,315,465	264,400,597,034
<b>330</b>	<b>II. Non-current liabilities</b>		<b>1,614,263,703,671</b>	<b>694,709,004,968</b>
338	1. Long-term loans	24	1,156,062,173,955	692,905,367,577
339	2. Convertible bonds	24	452,505,553,270	-
341	3. Deferred tax liabilities	33.3	5,695,976,446	1,803,637,391
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,908,322,023,619</b>	<b>1,742,668,059,914</b>
<b>410</b>	<b>I. Owners' equity</b>		<b>1,908,322,023,619</b>	<b>1,742,668,059,914</b>
411	1. Share capital	25.1	1,435,200,000,000	1,435,200,000,000
413	2. Convertible bond options	25.1	137,648,613,977	-
421	3. Undistributed earnings	25.1	324,866,540,588	298,655,201,455
421a	- Undistributed earnings by the end of prior years		298,655,201,455	11,967,807,977
421b	- Undistributed earnings of current year		26,211,339,133	286,687,393,478
429	4. Non-controlling interests	26	10,606,869,054	8,812,858,459
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>6,533,660,695,830</b>	<b>4,729,096,092,916</b>



Vu Thi Dan Thuy  
Preparer



Nguyen Huynh Thanh Mai  
Chief Accountant




Bui Huong Giang  
General Director

Ho Chi Minh City, Vietnam

25 March 2024

CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	27.1	5,204,230,720,499	7,085,368,377,828
02	2. Deductions	27.1	(5,445,425,109)	(1,950,028,570)
10	3. Net revenue from sale of goods and rendering of services	27.1	5,198,785,295,390	7,083,418,349,258
11	4. Cost of goods sold and services rendered	29	(4,855,521,787,959)	(6,558,010,136,271)
20	5. Gross profit from sale of goods and rendering of services		343,263,507,431	525,408,212,987
21	6. Finance income	27.2	37,934,219,785	8,337,144,783
22	7. Finance expenses	28	(155,387,524,067)	(31,212,497,153)
23	In which: Interest expense		(141,443,303,310)	(36,331,151,929)
24	8. Shares of profit of associate		-	831,315,671
25	9. Selling expenses	30	(93,220,306,421)	(72,229,870,717)
26	10. General and administrative expenses	30	(99,534,558,673)	(87,624,647,284)
30	11. Operating profit		33,055,338,055	343,509,658,287
31	12. Other income	31	1,343,245,199	1,007,084,613
32	13. Other expenses	31	(9,879,100,156)	(5,638,958,195)
40	14. Other loss	31	(8,535,854,957)	(4,631,873,582)
50	15. Accounting profit before tax		24,519,483,098	338,877,784,705
51	16. Current corporate income tax expense	33.1	(21,653,807,003)	(56,593,281,979)
52	17. Deferred tax income	33.3	27,459,673,633	5,494,235,722
60	18. Net profit after tax		30,325,349,728	287,778,738,448
61	19. Net profit after tax attributable to shareholders of the parent	25.1	26,375,283,530	286,687,393,478
62	20. Net profit after tax attributable to non-controlling interests	26	3,950,066,198	1,091,344,970
70	21. Basic earnings per share	34	184	1,998
71	22. Diluted earnings per share	34	184	1,998

Vu Thi Dan Thuy  
Preparer

Nguyen Huynh Thanh Mai  
Chief Accountant



Bui Hương Giang  
General Director

Ho Chi Minh City, Vietnam

25 March 2024



CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>24,519,483,098</b>	<b>338,877,784,705</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation (including amortisation of goodwill)	12, 13, 14, 19	104,628,545,565	58,810,149,507
03	Reversal of provisions		(37,295,358)	(3,611,529,425)
04	Unrealised foreign exchange losses (gains)		3,211,194,374	(232,284,234)
05	Profits from investing activities		(45,194,565,460)	(4,862,686,816)
06	Interest expense	28	151,475,469,147	37,828,465,226
08	<b>Operating profit before changes in working capital</b>		<b>238,602,831,366</b>	<b>426,809,898,963</b>
09	Decrease in receivables		342,296,830,391	1,416,907,838,994
10	(Increase) decrease in inventories		(711,140,016,630)	205,896,943,959
11	Increase (decrease) in payables		125,989,479,314	(2,042,008,441,750)
12	Increase in prepaid expenses		(224,416,458,189)	(303,400,117,364)
13	Decrease in held-for-trading securities		-	65,097,500,000
14	Interest paid		(133,084,739,633)	(27,870,178,823)
15	Corporate income tax paid	23	(57,951,899,292)	(17,978,509,653)
20	<b>Net cash flows used in operating activities</b>		<b>(419,703,972,673)</b>	<b>(276,545,065,674)</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(1,011,505,391,119)	(504,465,486,036)
22	Proceeds from disposals of fixed assets		23,856,502,596	-
23	Placements of term deposits at banks and loans to other entities		(266,525,000,000)	(101,887,924,989)
24	Collections from term deposits at bank and loans to other entities		42,187,924,989	16,435,809,256
26	Proceeds from sale of investments in other entities		44,100,000,000	14,983,824,894
27	Interest and dividends received		12,634,837,514	3,574,081,081
30	<b>Net cash flows used in investing activities</b>		<b>(1,155,251,126,020)</b>	<b>(571,359,695,794)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2023

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Proceeds from option of convertible bonds	25.1	137,648,613,977	-
33	Drawdown of borrowings	24	2,140,147,505,602	882,785,285,130
34	Repayment of borrowings	24	(759,050,421,253)	(124,392,676,214)
40	<b>Net cash flows from financing activities</b>		<b>1,518,745,698,326</b>	<b>758,392,608,916</b>
50	<b>Net decrease in cash and cash equivalents for the year</b>		<b>(56,209,400,367)</b>	<b>(89,512,152,552)</b>
60	<b>Cash and cash equivalents at beginning of year</b>		<b>151,374,475,776</b>	<b>240,885,247,960</b>
61	Impact of exchange rate fluctuation		-	1,380,368
70	<b>Cash and cash equivalents at end of year</b>	5	<b>95,165,075,409</b>	<b>151,374,475,776</b>



Vu Thi Dan Thuy  
Preparer



Nguyen Huynh Thanh Mai  
Chief Accountant



Bui Huong Giang  
General Director

Ho Chi Minh City, Vietnam

25 March 2024



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at and for the year ended 31 December 2023

**1. CORPORATE INFORMATION**

BAF Vietnam Agriculture Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate No. 0107795944 issued by the Department of Planning and Investment of Ha Noi City on 7 April 2017, and as amended, with the latest amendment being the 18<sup>th</sup> issued by the Department of Planning and Investment of Ho Chi Minh City on 14 December 2023.

The Company's shares are listed on the Ho Chi Minh Stock Exchange ("HOSE") with trading code as BAF in accordance with the Decision No. 641/QĐ-SGDHCM issued by HOSE on 24 November 2021.

The current principal activities of the Company and its subsidiaries ("the Group") are to carry out the mixed farming activities, trade in agricultural products and produce animal feed.

The Company's registered head office is located at the 9<sup>th</sup> Floor, Vista Tower, 628C Vo Nguyen Giap Street, An Phu Ward, Thu Duc City, Ho Chi Minh City, Vietnam. Also, the Company has eleven (11) branches located in the provinces and cities of Vietnam including Thuan An - Binh Duong, Bac Tan Uyen - Binh Duong, Dong Nai, Ha Noi, Nghe An, Hoa Binh, Vinh Phuc, Thanh Hoa, Dong Thuan Town - Binh Thuan, Town 3 - Binh Thuan and Binh Phuoc.

The number of the Group's employees as at 31 December 2023 was 1,920 persons (31 December 2022: 1,065).

**Corporate structure**

As at 31 December 2023, the Company has 20 subsidiaries (31 December 2022: 17) as follow:

<i>Name of subsidiary</i>	<i>Location</i>	<i>Operation</i>	<i>% voting right</i>	<i>% ownership</i>
(1) Anh Vu Phu Yen Company Limited ("Anh Vu Phu Yen")	Phu Yen	Animal husbandry	100.00%	100.00%
(2) Bao Ngoc Livestock Company Limited ("Bao Ngoc Livestock")	Dak Lak	Animal husbandry	100.00%	100.00%
(3) Minh Thanh Livestock Production Trading Service Company Limited ("Minh Thanh Livestock")	Tay Ninh	Animal husbandry	98.00%	98.00%
(4) Bac An Khanh Production Trading Service Company Limited ("Bac An Khanh")	Tay Ninh	Animal husbandry	98.00%	98.00%
(5) Dong An Khanh Production Trading Service Company Limited ("Dong An Khanh")	Tay Ninh	Animal husbandry	98.00%	98.00%
(6) Nam An Khanh Livestock Company Limited ("Nam An Khanh")	Tay Ninh	Animal husbandry	98.00%	98.00%
(7) Green Farm 1 Investment Company Limited ("Green Farm 1")	Tay Ninh	Animal husbandry	98.00%	98.00%
(8) Green Farm 2 Investment Company Limited ("Green Farm 2")	Tay Ninh	Animal husbandry	98.00%	98.00%
(9) Hai Dang Tay Ninh High-Technology Livestock Joint Stock Company ("Hai Dang Tay Ninh")	Tay Ninh	Animal husbandry	99.40%	99.40%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

1. **CORPORATE INFORMATION** (continued)

**Corporate structure** (continued)

<i>Name of subsidiary</i>	<i>Location</i>	<i>Operation</i>	<i>% voting right</i>	<i>% ownership</i>
(10) Song Hinh High-Technology Livestock Company Limited ("Song Hinh")	Phu Yen	Animal husbandry	100.00%	100.00%
(11) BAF Tay Ninh Feed Joint Stock Company ("BAF Tay Ninh")	Tay Ninh	Animal feed Manufacturing	99.00%	99.00%
(12) BAF Binh Dinh Agricultural Joint Stock Company ("BAF Binh Dinh")	Binh Dinh	Animal feed Manufacturing	98.00%	98.00%
(13) BAF Meat Binh Phuoc One Member Company Limited (BAF Binh Phuoc")	Binh Phuoc	Pig slaughter and processing	100.00%	100.00%
(14) Tam Hung Services Trading Company Limited ("Tam Hung")	Tay Ninh	Animal husbandry	99.90%	99.90%
(15) Tan Chau Agriculture Investment Company Limited ("Tan Chau")	Tay Ninh	Animal husbandry	99.90%	99.90%
(16) Thien Phu Son Export Import Trading and Production Company Limited ("Thien Phu Son")	Binh Phuoc	Animal husbandry	100.00%	100.00%
(17) Kim Hoi Livestock Services Trading Joint Stock Company ("Kim Hoi Livestock")	Dong Nai	Animal husbandry	99.90%	99.90%
(18) BAF Microbiological Organic Fertilizer Company Limited ("BAF Microbiological Organic Fertilizer")	Ho Chi Minh City	Manufacturing	90.00%	90.00%
(19) BAF Logistic Company Limited ("Logistic BAF")	Ho Chi Minh City	Transportation	100.00%	100.00%
(20) BAF Tay Ninh Food Processing Company Limited ("BAF Tay Ninh Food Processing")	Tay Ninh	Food processing	100.00%	100.00%



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

### 2.3 *Fiscal year*

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year ended 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the Company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded to the account of undistributed earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks and short-term highly liquid investments with an original maturity of not more than three (3) months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

#### 3.2 Inventories

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net realisable value ("NRV") represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, merchandise goods, - cost of purchase on a weighted average basis.  
tools and supplies

Finished goods and work in process - cost of finished goods and work in progress on a weighted average basis.

##### *Provision for obsolete inventories*

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc) of inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

#### 3.3 Receivables

Receivables are presented in the consolidated financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.4 *Tangible fixed assets***

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

**3.5 *Intangible fixed assets***

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

***Land use rights***

Land use rights are recorded as intangible fixed assets when the Group obtained the land use right certificates. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for intended use.

The definite land use right is amortised over the useful life, while the indefinite land use right is not amortised.

The advance payment for land rental, of which the land lease contracts have effectiveness prior to 2003 and Land use right certificate being issued, are recorded as intangible fixed asset according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets ("Circular 45")

**3.6 *Leased assets***

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.6 Leased assets (continued)**

*Where the Group is the lessee*

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

*Where the Group is the lessor*

Assets subject to operating leases are included as the Group's investment properties in the consolidated balance sheet. Initial direct costs incurred in negotiating an operating lease are recognised in the consolidated income statement as incurred.

Lease income is recognised in the consolidated income statement on a straight-line basis over the lease term.

**3.7 Depreciation and amortisation**

Depreciation of tangible fixed assets and amortisation of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Land use rights	indefinite
Buildings and structures	3 - 50 years
Machinery and equipment	2 - 24 years
Means of transportation	3 - 24 years
Office equipment	3 - 10 years
Computer software	3 - 10 years
Livestock	3 - 5 years

**3.8 Investment properties**

Investment properties are stated at cost including transaction costs less accumulated amortisation. Investment properties held for capital appreciation are not depreciated but subject to impairment review.

Subsequent expenditure relating to an investment property that has already been recognised is added to the net book value of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

Depreciation of investment properties is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office floor	50 years
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Investment properties are derecognised when either they have been disposed of or when the investment properties are permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in the consolidated income statement in the year of retirement or disposal.

Transfers are made to investment properties when, and only when, there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment properties when, and only when, there is change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the cost or the carrying value of the property for subsequent accounting at the date of change in use.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.9 Investments**

*Investment in associates*

The Group's investments in its associates are accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of the associates. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of the associate.

The share of post-acquisition profit (loss) of the associates is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from associates reduces the carrying amount of the investment.

The financial statements of the associates are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

*Investments in joint ventures*

The Group's investment in jointly controlled entity is accounted for using the equity method of accounting. Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post joint venture changes in the Group's share of net assets of the jointly controlled entity. The consolidated income statement reflects the share of the post-acquisition results of operation of the jointly controlled entity.

The share of profit/(loss) of the jointly controlled entity is presented on the face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend/profit sharing received or receivable from jointly controlled entities reduces the carrying amount of the investment.

The financial statements of the jointly controlled entities are prepared for the same reporting period and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.9 Investments (continued)**

*Investments in other entities*

Investments in other entities are stated at their acquisition costs.

*Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expenses in the consolidated income statement and deducted against the value of such investments.

*Provision for diminution in value of investments*

Provision for diminution in value of investments is made when there is reliable evidence of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expenses in the consolidated income statement.

**3.10 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expenses and are amortised to the consolidated income statement:

- ▶ Livestock;
- ▶ Tools and consumables with large value issued into production and can be used for more than one year;
- ▶ Substantial expenditure on fixed asset overhaul incurred one time; and
- ▶ Others

*Prepaid land rentals*

The prepaid land rentals represent the unamortised balances of advance payments made in accordance with signed lease contracts. Such prepaid rental is recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular 45.

**3.11 Business combinations and goodwill**

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortized over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.11 Business combinations and goodwill (continued)**

*Assets acquisitions*

The Group acquires subsidiaries that own assets and production activities. At the date of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognised. Accordingly, part of the allocated consideration is recorded to the account of long-term prepaid expenses in the consolidated balance sheet.

**3.12 Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

**3.13 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

**3.14 Convertible bond**

Bonds that are convertible by the holder into a fixed number of ordinary shares of the Group are separated into financial liability (a contractual arrangement to deliver cash or another financial assets) and equity instrument (a call option granting the holder the right, for a specified period) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

Transaction costs are allocated during the lifetime of the bond following straight line basis. At initial recognition, issuance costs are deducted from the liability component of the bond.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.15 Foreign currency transactions**

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment; and
- Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual transaction exchange rates at the balance sheet dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.

**3.16 Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

*Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

*Sale of investment property*

Revenue from sale of investment property is recognised when the significant risks and returns associated with the ownership of the property have been transferred to the buyer.

*Rendering of services*

Revenue from rendering of services is recognized when the services have been rendered and completed.

*Interest*

Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

*Rental income*

Rental income arising from operating leases is recognised in the consolidated income statement on a straight-line basis over the terms of the lease.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.17 Taxation**

*Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current income tax assets against current income tax liabilities and when the Group intends to settle its current income tax assets and liabilities on a net basis.

*Deferred tax*

Deferred tax is provided using the balance sheet method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current income tax assets against current income tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends either settle current income tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Earnings per share**

Basic earnings per share amounts are calculated by dividing the net profit after tax for the year attributable to ordinary shareholders of the Company (after adjusting the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company (after adjusting interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.19 Related parties**

Parties are considered to be related parties of the Group if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

**3.20 Segment information**

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are to carry out the mixed animal breeding, trade in agricultural products and produce animal feed. In addition, the Group's production and business activities are mainly carried out within the territory of Vietnam. Accordingly, management does not present information by geographical segment but do presents information by segment for business of the Group at Note 36.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**4. SIGNIFICANT EVENTS DURING THE YEAR**

**4.1 Issuance of convertible bonds to IFC**

On 23 February 2023, the Group signed the Convertible Bond Contract with International Finance Corporation ("IFC") amounting to VND 600,000,000,000 and bearing an interest rate at 5.25% per annum (Note 24.4).

**4.2 Disposal of Siba Food Vietnam Company Limited ("Siba Food Vietnam")**

On 29 June 2023, the Group disposed its entire ownership interest of 10.20% in Siba Food Vietnam to another investor in accordance with the Capital Transfer Agreement No.2906/2023/HDCNCP at the price of VND 44,100,000,000. The gain from this disposal of VND 14,594,027,538 was recognised into the interim consolidated income statement (Note 27.2). As a result, the Group no longer owns any ownership interest in Siba Food Vietnam as at 31 December 2023.

**5. CASH AND CASH EQUIVALENTS**

	VND	
	Ending balance	Beginning balance
Cash on hand	2,031,641,941	1,273,540,219
Cash at banks	90,583,433,468	107,300,935,557
Cash equivalents (*)	2,550,000,000	42,800,000,000
<b>TOTAL</b>	<b>95,165,075,409</b>	<b>151,374,475,776</b>

(\*) The ending balance represented term deposits at Ho Chi Minh City Development Joint Stock Commercial Bank with original maturity of less than three (3) months and earning interest at the rates ranging from 4.25% to 8.75% per annum.

**6. HELD-TO-MATURITY INVESTMENTS**

The ending balance represented term deposits at Joint Stock Commercial Bank for Investment and Development of Vietnam, Ho Chi Minh City Development Joint Stock Commercial Bank, and Tien Phong Commercial Joint Stock Bank with original maturity over three (3) months and the remaining maturity under twelve (12) months and earning interest at the rates ranging from 4.25% to 9.3% per annum. The Company pledged certain deposits balance to secure for its short-term loans (Note 24.1).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**7. SHORT-TERM TRADE RECEIVABLES**

		VND
	Ending balance	Beginning balance
Due from other parties	818,595,893,239	1,255,248,826,671
Cashew Organic Bissau Joint Stock Company	383,088,754,500	-
Bao Lam Agriculture Joint Stock Company	266,080,131,000	187,665,941,880
An Phu Logistics Joint Stock Company	146,596,623,000	-
Viet Phi Agriculture Joint Stock Company	-	434,934,149,750
Hoang Giang Company Limited	-	329,134,804,490
Tan Thanh Nam Import Export Trade Investment Company Limited	-	192,024,997,500
Long Hung Business and Trading Joint Stock Company	-	56,836,756,350
Other customers	22,830,384,739	54,652,176,701
Due from related parties (Note 35)	71,863,962,065	58,713,403,885
<b>TOTAL</b>	<b>890,459,855,304</b>	<b>1,313,962,230,556</b>

**8. SHORT-TERM ADVANCES TO SUPPLIERS**

		VND
	Ending balance	Beginning balance
Advances to other parties	86,957,469,453	69,451,992,236
Mr Nguyen Cuu Long	22,345,029,000	-
Pigtek Vietnam Co., Ltd.	12,614,051,519	13,095,064,146
Mr Pham Hung Thang	8,378,343,000	8,378,343,000
Phu Loc Foodstuff Technology Company Limited	5,379,120,000	-
Green Environmental Technology and Construction Investment Co., Ltd.	5,179,465,620	10,181,365,620
Other suppliers	33,061,460,314	37,797,219,470
Advances to related parties (Note 35)	62,772,684,210	72,684,502,270
<b>TOTAL</b>	<b>149,730,153,663</b>	<b>142,136,494,506</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

9. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>66,104,050,466</b>	<b>48,705,582,700</b>
Receivables from investment in a joint venture	19,640,362,522	19,640,362,522
Receivables from swine purchase contract with Genesus. Inc	13,851,129,199	13,851,129,199
Interest income	11,564,882,519	2,861,002,740
Advance to employees	8,697,462,155	2,682,603,506
Others	12,350,214,071	9,670,484,733
<i>In which:</i>		
Related parties (Note 35)	19,640,362,522	19,640,362,522
Other parties	46,463,687,944	29,065,220,178
<b>Long-term</b>	<b>120,101,649,201</b>	<b>81,027,014,200</b>
Deposit for rental farms and office	120,101,649,201	57,897,014,200
Deposit for farm construction	-	23,130,000,000
<b>TOTAL</b>	<b>186,205,699,667</b>	<b>129,732,596,900</b>
Provision for doubtful other short-term receivables (Note 10)	(4,266,008,550)	(4,303,303,908)
<b>NET</b>	<b>181,939,691,117</b>	<b>125,429,292,992</b>

Movement for provision for doubtful other short-term receivables:

	VND	
	Current year	Previous year
Beginning balance	4,303,303,908	-
(Reversal of provision) provision made during the year	(37,295,358)	4,303,303,908
Ending balance	4,266,008,550	4,303,303,908

10. BAD DEBTS

	VND			
	Ending balance		Beginning balance	
	Amount	Provision	Amount	Provision
AG World International Corporation	2,408,429,160	2,408,429,160	2,408,429,160	2,408,429,160
Others	2,335,623,819	1,857,579,390	2,619,141,722	1,894,874,748
<b>TOTAL</b>	<b>4,744,052,979</b>	<b>4,266,008,550</b>	<b>5,027,570,882</b>	<b>4,303,303,908</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**11. INVENTORIES**

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Work-in-process	1,382,341,178,279	803,559,549,462
Raw materials	168,982,315,547	58,573,416,519
Goods in transit	16,797,927,597	1,805,523,929
Tools and supplies	13,608,438,631	8,957,657,524
Finished goods	10,836,948,174	8,330,948,253
Merchandise goods	394,422,558	594,118,469
<b>TOTAL</b>	<b><u>1,592,961,230,786</u></b>	<b><u>881,821,214,156</u></b>

Certain inventories were pledged as collaterals for the Group's long-term loans obtained from the commercial banks (*Note 24.2*).

# BaF Vietnam Agriculture Joint Stock Company

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

## 12. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Livestock	Total	VND
<b>Cost:</b>							
Beginning balance	785,109,845,667	191,768,790,071	51,258,392,726	7,213,004,508	12,966,612,877	1,048,316,645,849	
Transferred from construction in progress	459,008,726,181	92,236,476,330	947,050,000	-	7,252,501,294	559,444,753,805	
New purchases	40,698,421,370	38,185,444,575	769,868,000	9,294,518,734	2,252,534	88,950,505,213	
Disposals	-	(650,107,080)	-	-	(9,890,739,400)	(10,540,846,480)	
Ending balance	1,284,816,993,218	321,540,603,896	52,975,310,726	16,507,523,242	10,330,627,305	1,686,171,058,387	
<i>In which:</i>							
Fully depreciated	4,473,289,191	8,684,171,980	120,717,000	584,802,714	309,350,578	14,172,331,463	
<b>Accumulated depreciation:</b>							
Beginning balance	(117,917,134,357)	(24,097,726,627)	(10,122,747,662)	(1,701,710,977)	(5,493,140,839)	(159,332,460,462)	
Depreciation for the year	(68,945,658,100)	(22,019,677,328)	(6,291,262,523)	(1,568,726,227)	(3,729,493,745)	(102,554,817,923)	
Disposals	-	18,058,530	-	-	5,853,628,942	5,871,687,472	
Ending balance	(186,862,792,457)	(46,099,345,425)	(16,414,010,185)	(3,270,437,204)	(3,369,005,642)	(256,015,590,913)	
<b>Net carrying amount:</b>							
Beginning balance	667,192,711,310	167,671,063,444	41,135,645,064	5,511,293,531	7,473,472,038	888,984,185,387	
Ending balance	1,097,954,200,761	275,441,258,471	36,561,300,541	13,237,086,038	6,961,621,663	1,430,155,467,474	
<i>In which:</i>							
Mortgaged as loan security (Note 24)	982,115,621,483	200,297,044,781	31,109,771,258	6,026,647,852	5,303,049,105	1,224,852,134,479	



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**13. INTANGIBLE FIXED ASSETS**

	<i>Land use rights</i>	<i>Computer software</i>	<i>VND Total</i>
<b>Cost:</b>			
Beginning balance	201,517,995,376	11,066,176,000	212,584,171,376
New purchases	-	900,000,000	900,000,000
Reclassification	(20,668,685,376)	-	(20,668,685,376)
Ending balance	<u>180,849,310,000</u>	<u>11,966,176,000</u>	<u>192,815,486,000</u>
<i>In which:</i>			
<i>Fully depreciated</i>	-	730,250,000	730,250,000
<b>Accumulated amortisation:</b>			
Beginning balance	(1,512,342,819)	(3,955,319,381)	(5,467,662,200)
Amortisation for the year	(95,476,423)	(1,544,144,483)	(1,639,620,906)
Reclassification	1,512,342,837	-	1,512,342,837
Ending balance	<u>(95,476,405)</u>	<u>(5,499,463,864)</u>	<u>(5,594,940,269)</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>200,005,652,557</u>	<u>7,110,856,619</u>	<u>207,116,509,176</u>
Ending balance	<u>180,753,833,595</u>	<u>6,466,712,136</u>	<u>187,220,545,731</u>
<i>In which:</i>			
<i>Mortgaged as loan security (Note 24)</i>	180,668,865,577	-	180,668,865,577

**14. INVESTMENT PROPERTIES**

	<i>Office floors</i>	<i>Apartments</i>	<i>VND Total</i>
<b>Cost:</b>			
Beginning balance	14,110,230,000	1,065,760,712	15,175,990,712
Disposal	(14,110,230,000)	(1,065,760,712)	(15,175,990,712)
Ending balance	<u>-</u>	<u>-</u>	<u>-</u>
<b>Accumulated depreciation:</b>			
Beginning balance	(526,148,062)	-	(526,148,062)
Amortisation for the year	(55,160,686)	-	(55,160,686)
Disposal	581,308,748	-	581,308,748
Ending balance	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>13,584,081,938</u>	<u>1,065,760,712</u>	<u>14,649,842,650</u>
Ending balance	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**15. CONSTRUCTION IN PROGRESS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Hai Dang Tay Ninh farm system	217,785,849,918	767,905,000
Bac An Khanh farm system	160,937,681,871	33,910,917,435
Green Farm 2 farm system	125,938,143,304	33,901,950,758
Dong An Khanh farm system	29,994,484,675	107,811,593,253
An Vu Phu Yen farm system	8,553,863,967	42,280,416,482
Nam An Khanh farm system	6,886,662,231	83,062,914,175
Others	351,693,310,131	51,620,568,399
<b>TOTAL</b>	<b>901,789,996,097</b>	<b>353,356,265,502</b>

The Group had used Farm Investment projects Bao Ngoc, Minh Thanh, Green Farm 1, Anh Vu Phu Yen, Bac An Khanh, Dong An Khanh, Nam An Khanh and Kim Hoi as collaterals for its bank loans (Note 24).

Certain breeding pigs were pledged as collaterals for the Group's long-term loans obtained from the commercial banks (Note 24.2).

**16. CAPITALISED BORROWING COSTS**

During the year, the Group capitalised borrowing costs with a value of VND 25,948,927,032 (2022: VND 12,337,753,953). These borrowing costs relate to general loans and direct loans for the purpose of investing in the Group's on-going Farm Investment projects.

**17. INVESTMENTS IN ANOTHER ENTITY**

<i>Name of entity</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>% of interest</i>	<i>Cost of investment</i>	<i>% of interest</i>	<i>Cost of investment</i>
	(%)	(VND)	(%)	(VND)
Siba Food Vietnam (Note 4.2)	-	-	10.20	29,505,972,462

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 18. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>23,690,333,542</b>	<b>23,225,601,617</b>
Breeding royalties	9,684,714,733	12,594,105,000
Tools and supplies in use	7,164,255,076	5,452,452,939
Others	6,841,363,733	5,179,043,678
<b>Long-term</b>	<b>707,342,510,635</b>	<b>483,390,784,371</b>
Livestock	353,500,365,011	188,844,195,255
Land rental (*)	305,427,676,597	278,513,315,502
Tools and supplies	20,521,760,879	10,395,785,119
Advisory expense	9,919,638,516	-
Renovation and maintenance fees	7,327,060,751	-
Bank loan arrangement fees	7,053,571,429	-
Others	3,592,437,452	5,637,488,495
<b>TOTAL</b>	<b>731,032,844,177</b>	<b>506,616,385,988</b>

(\*) The Group has used certain prepaid land rental to secure its bank loans (Note 24).

Certain livestock were pledged as collaterals for the Group's long-term loans obtained from the commercial banks (Note 24.2).

## 19. GOODWILL

	VND	
	Current year	Previous year
<b>Cost:</b>		
Beginning balance	3,789,460,500	4,788,983,648
Reclassification due to asset acquisition	-	(999,523,148)
Ending balance	3,789,460,500	3,789,460,500
<b>Accumulated amortisation:</b>		
Beginning balance	(873,608,144)	(528,282,284)
Amortisation during the year	(378,946,050)	(378,946,050)
Reclassification due to asset acquisition	-	33,620,190
Ending balance	(1,252,554,194)	(873,608,144)
<b>Net carrying amount:</b>		
Beginning balance	2,915,852,356	4,260,701,364
Ending balance	2,536,906,306	2,915,852,356



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**20. SHORT-TERM TRADE PAYABLES AND ADVANCES FROM CUSTOMERS**

**20.1 Short-term trade payables**

		VND
	Ending balance	Beginning balance
Due to other parties	2,159,689,714,864	1,864,507,429,097
Kien Nong Agricultural Joint Stock Company	373,804,077,895	67,164,437,600
Tzan International Agriculture Product Joint Stock Company	320,049,249,300	79,893,844,100
Mogb International Agriculture Product Joint Stock Company	290,096,321,550	164,637,498,100
Vietnam Cavi Agricultural Joint Stock Company	254,544,283,000	151,175,190,000
Hum Joint Stock Company	196,200,124,000	105,844,965,000
An Dien Agriculture Joint Stock Company	162,451,748,650	321,132,694,900
Viet Nam Cbot Joint Stock Company	99,643,557,000	248,497,430
Otran Logistics Joint Stock Company	71,515,617,400	71,515,617,400
Tien Phat Agriculture Product Trading Joint Stock Company	-	294,549,561,000
Bissau Organic Cashew Joint Stock Company	-	229,596,509,100
Vi Dan Rice Joint Stock Company	-	183,078,952,800
Other parties	391,384,736,069	195,669,661,667
Due to related parties (Note 35)	27,831,559,747	36,413,178,869
<b>TOTAL</b>	<b>2,187,521,274,611</b>	<b>1,900,920,607,966</b>

**20.2 Short-term advances from customers**

		VND
	Ending balance	Beginning balance
Advances from other parties	30,840,012,570	8,632,156,786
Phu Nong Agriculture Product Joint Stock Company	30,000,000,000	-
Lac Ve Breeding Pig Company Limited	-	2,594,921,000
Ms Le Thi Cuc	-	1,400,619,547
Other parties	840,012,570	4,636,616,239
Advances from a related party (Note 35)	-	507,300
<b>TOTAL</b>	<b>30,840,012,570</b>	<b>8,632,664,086</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**21. SHORT-TERM ACCRUED EXPENSES**

	VND	
	Ending balance	Beginning balance
Interest expense	26,851,702,620	8,460,973,106
Tools and supplies	3,322,093,715	2,215,507,884
Rental fees	2,404,050,000	-
Transportation fees	525,652,480	1,808,389,057
Royalty fees	-	12,594,105,000
Others	3,659,668,958	5,554,211,598
<b>TOTAL</b>	<b>36,763,167,773</b>	<b>30,633,186,645</b>

**22. OTHER SHORT-TERM PAYABLES**

	VND	
	Ending balance	Beginning balance
Dividends payable	4,320,000,000	-
Union fee	2,990,171,856	69,000,000
Purchase of supplies and goods pending invoices	-	6,471,858,788
Others	6,857,407,019	2,177,617,395
<b>TOTAL</b>	<b>14,167,578,875</b>	<b>8,718,476,183</b>
<i>In which:</i>		
Due to other parties	14,140,097,077	8,718,476,183
Due to related parties (Note 35)	27,481,798	-

**23. STATUTORY OBLIGATIONS**

	VND			
	Beginning balance	Increase in year	Decrease in year	Ending balance
<b>Receivable</b>				
Corporate income tax	-	628,988,543	-	628,988,543
Personal income tax	3,814,826	-	-	3,814,826
Value-added tax	3,742,602,246	2,810,346,109	(2,581,473,000)	3,971,475,355
Others	55,449,439	3,596,439	(59,045,878)	-
<b>TOTAL</b>	<b>3,801,866,511</b>	<b>3,442,931,091</b>	<b>(2,640,518,878)</b>	<b>4,604,278,724</b>
<b>Payable</b>				
Corporate income tax	52,972,734,687	21,653,807,003	(57,322,910,749)	17,303,630,941
Personal income tax	1,436,634,600	3,480,176,468	(4,199,751,954)	717,059,114
Value-added tax	343,568,802	15,127,739,038	(14,184,720,898)	1,286,586,942
Others	-	146,177,840	(144,270,427)	1,907,413
<b>TOTAL</b>	<b>54,752,938,089</b>	<b>40,407,900,349</b>	<b>(75,851,654,028)</b>	<b>19,309,184,410</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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24. LOANS

	Beginning balance	Drawdown in year	Payment in year	Issuance cost	Allocations of issuance costs	Amortisation for the year	Reclassification	Ending balance	VND
<b>Short-term</b>	<b>264,400,597,034</b>	<b>1,096,095,670,820</b>	<b>(756,675,401,934)</b>	-	-	-	<b>99,842,449,545</b>	<b>703,663,315,465</b>	
Loans from banks (Note 24.1)	203,278,644,000	1,096,095,670,820	(695,553,448,900)	-	-	-	-	603,820,865,920	
Current portion of long-term loans (Note 24.2)	61,121,953,034	-	(61,121,953,034)	-	-	-	-	99,842,449,545	
<b>Long-term</b>	<b>692,905,367,577</b>	<b>1,044,051,834,782</b>	<b>(2,375,019,319)</b>	<b>(50,774,449,901)</b>	<b>11,030,423,741</b>	<b>13,572,019,890</b>	<b>(99,842,449,545)</b>	<b>1,608,567,727,225</b>	
Loans from other parties (Note 24.2)	403,408,054,280	281,700,448,759	(2,375,019,319)	-	-	-	(99,842,449,545)	582,891,034,175	
Bonds (Note 24.3)	289,497,313,297	300,000,000,000	-	(24,360,000,000)	8,033,826,483	-	-	573,171,139,780	
Convertible bonds (Note 24.4)	-	462,351,386,023	-	(26,414,449,901)	2,996,597,258	13,572,019,890	-	452,505,553,270	
<b>TOTAL</b>	<b>957,305,964,611</b>	<b>2,140,147,505,602</b>	<b>(759,050,421,253)</b>	<b>(50,774,449,901)</b>	<b>11,030,423,741</b>	<b>13,572,019,890</b>	<b>-</b>	<b>2,312,231,042,690</b>	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**24. LOANS (continued)**

**24.1 Short-term loans from banks**

The Group obtained short-term loans from banks to finance its working capital requirements. Details are as follows:

Name of banks	Ending balance	Maturity date	Interest rate (% p.a.)	Description of collaterals (Notes 6, 12, 13, 15 and 18)
Bank for Investment and Development of Vietnam – Bac Ha Branch	279,000,000,000 VND	From 29 January 2024 to 21 February 2024	7.30-7.60	Term-deposit contracts and real estate owned by Ms. Bui Huong Giang.
Ho Chi Minh Development Joint Stock Commercial Bank – Tien Giang Branch	163,620,561,000	From 3 January 2024 to 27 June 2024	8.20-9.10	Term-deposit contracts and means of transportations of the Group.
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Tan Dinh Branch	90,839,914,000	From 4 April 2024 to 19 June 2024	6.70-7.30	Land use rights of land parcel No. 10, map sheet 02, area of 47,777 m2 owned by BAF Binh Phuoc; and 2 term-deposit contracts at HD Bank - Tien Giang Branch.
Military Commercial Joint Stock Bank – So Giao Dich 2 Branch	70,360,390,920	From 21 May 2024 to 29 June 2024	7.00	15,000,000 shares of BAF Tay Ninh owned by Ms. Nguyen Thi Ngoc Thuy, Mr. Nguyen Van Duc, and the Company; and Land use rights and other assets attached to land, machinery and equipment, means of transport, goods formed in the future of BAF Tay Ninh in An Hoa Ward, Trang Bang Town, Tay Ninh Province.

**TOTAL**

**603,820,865,920**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**24. LOANS (continued)**

**24.2 Long-term loans from banks**

The Group obtained long-term bank loans to finance the construction of farm projects and the purchase of means of transportation. Details are as follows:

Name of banks	Ending balance	Maturity date	Interest rate (% p.a.)	Description of collaterals (Notes 11, 12, 13, 15 and 18)
	VND			
Tien Phong Joint Stock Commercial Bank – Ho Chi Minh Branch	232,657,451,957	From 25 January 2024 to 30 March 2029	10.90 - 13.35	The land use rights and assets attached, machinery, equipment, means of transportation, and all breeding pigs, live pigs and fattening pigs of Green Farm 1 located at Hoa Hiep Commune, Tan Bien District, Tay Ninh Province; and Anh Vu Phu Yen located at Ea Trol Commune, Song Hin District, Phu Yen Province; and The Company's land use rights located at Mai Chi Tho, KP3, An Phu Ward, District 2, Ho Chi Minh City.
Military Joint Stock Commercial Bank – Vung Tau Branch	279,021,355,715	From 25 January 2024 to 20 July 2030	10.50- 14.43	Capital contribution by VND 100,000,000,000 of Dong Anh Khanh and capital contribution by VND 100,000,000,000 of Nam Anh Khanh owned by Ms. Nguyen Thi Ngoc Thuy and the Company; and Land use rights and assets attached, machinery and equipment of Dong An Khanh located at Suoi Day Commune, Tan Chau District, Tay Ninh Province and Nam An Khanh located at Hoi Thanh Hamlet, Tan Hoi Commune, Tan Chau District, Tay Ninh Province.
Tay Ninh Development Investment Fund	80,091,826,589	From 25 March 2024 to 25 December 2031	7.10	The rights to use land and assets attached, machinery and equipment of Bac An Khanh located at Suoi Ngo Commune, Tan Chau District, Tay Ninh Province.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**24. LOANS (continued)**

**24.2 Long-term loans from banks (continued)**

The Group obtained long-term bank loans to finance the construction of farm projects and the purchase of means of transportation. Details are as follows:  
(continued)

Name of banks	Ending balance	Maturity date	Interest rate	Description of collaterals
	VND		(% p.a.)	(Notes 12, 13, 15 and 18)
Vietnam Bank for Agriculture and Rural Development – Dong Nai Branch	35,320,000,000	From 25 January 2024 to 13 September 2028	9.80-10.80	The rights to use land and assets attached, machinery and equipment of Kim Hoi located at Thuan Phu Commune, Dong Phu District, Binh Phuoc Province.
Ho Chi Minh Development Joint Stock Commercial Bank – Tien Giang Branch	34,722,058,459	From 20 January 2024 to 11 October 2029	9.60-13.10	Land use rights and assets attached, machinery and equipment of Bao Ngoc located at Ea Huar Commune, Buon Don District, Dak Lak Province; and the Group's means of transportation.
Asia Joint Stock Commercial Bank	20,920,791,000	From 8 January 2024 to 14 June 2028	10.50-12.00	Land use rights and assets attached, machinery and equipment of Minh Thanh located at Thanh Tay Commune, Tan Bien District, Tay Ninh Province; and Hoa Hiep Commune, Tan Bien District, Tay Ninh Province.

**682,733,483,720**

In which:

Current portion 99,842,449,545  
Non-current portion 582,891,034,175

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**24. LOANS (continued)**

**24.3 Bonds**

The Group issued bonds on 23 August 2022 and 4 July 2023 with the following details:

Arranger	Ending balance VND	Repayment term	Purpose	Interest rate (% p.a.)	Description of collateral
<b>An Binh Securities Joint Stock Company</b>					
Par value	600,000,000,000	From 23 August 2025	To finance working capital requirement	10.50	Unsecured
Issuance costs	(26,828,860,220)	to 4 July 2026			
<b>TOTAL</b>	<b>573,171,139,780</b>				

**24.4 Convertible bonds**

	VND
	Ending balance
Value of convertible bonds	600,000,000,000
Equity component (Note 25.1)	(137,648,613,977)
<b>Liability component at initial recognition</b>	<b>462,351,386,023</b>
<b>Add: Accumulated amortisation of discount</b>	<b>13,572,019,890</b>
Beginning balance	-
Amortisation for the year	13,572,019,890
Ending balance	13,572,019,890
<b>Deduct: Allocation of bond issuance costs</b>	<b>(23,417,852,643)</b>
Beginning balance	-
Issuance costs	(26,414,449,901)
Allocation for the year	2,996,597,258
Ending balance	(23,417,852,643)
<b>Liability component at end of the year</b>	<b>452,505,553,270</b>

On 23 February 2023, the Group entered into the Convertible Bond Contract with International Finance Corporation ("IFC") amounting to VND 600,000,000,000 at annual interest rate of 5.25%. Therefore, IFC was granted the rights to convert this convertible bond to a number of common shares as stipulated in the contract at any time from the issuance date to the date prior to 15 March 2029 (first maturity date) and on 15 March 2030 (final maturity date) or convert into a loan at an interest rate of 10.50% per annum. At the first maturity date, in case these bonds are not converted, the Group redeems an amount equal to one-half (1/2) of the aggregate principal bonds. If any bond remains outstanding on the final maturity date, the Group will redeem all such bonds on the final maturity date. Market interest rate of non-convertible bond is 10.50% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**25. OWNERS' EQUITY**

**25.1 Increase and decrease in owners' equity**

	Share capital	Share premium	Equity component of convertible bond	Undistributed earnings	VND Total
<b>Previous year:</b>					
Beginning balance	780,000,000,000	279,844,500,000	-	387,323,307,977	1,447,167,807,977
Issuance of bonus shares	304,200,000,000	(279,844,500,000)	-	(24,355,500,000)	-
Issuance of stock dividends	351,000,000,000	-	-	(351,000,000,000)	-
Net profit for the year	-	-	-	286,687,393,478	286,687,393,478
Ending balance	1,435,200,000,000	-	-	298,655,201,455	1,733,855,201,455
<b>Current year:</b>					
Beginning balance	1,435,200,000,000	-	-	298,655,201,455	1,733,855,201,455
Convertible bond option (Note 24.4)	-	-	137,648,613,977	-	137,648,613,977
Net profit for the year	-	-	-	26,375,283,530	26,375,283,530
Changes in ownership interest at subsidiaries	-	-	-	(163,944,397)	(163,944,397)
Ending balance	1,435,200,000,000	-	137,648,613,977	324,866,540,588	1,897,715,154,565

**25.2 Share capital**

	Ending balance			Beginning balance		
	VND	Shares	%	VND	Shares	%
Siba Holdings Corporation	581,029,000,000	58,102,900	40.5	563,539,500,000	56,353,950	39.3
Ms Bui Huong Giang	46,690,000,000	4,669,000	3.2	48,463,500,000	4,846,350	3.3
Other shareholders	807,481,000,000	80,748,100	56.3	823,197,000,000	82,319,700	57.4
<b>TOTAL</b>	<b>1,435,200,000,000</b>	<b>143,520,000</b>	<b>100.0</b>	<b>1,435,200,000,000</b>	<b>143,520,000</b>	<b>100.0</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

25. OWNERS' EQUITY (continued)

25.3 Capital transactions with owners and distribution of dividends

		VND
	Current year	Previous year
<b>Contributed share capital</b>		
Beginning balance	1,435,200,000,000	780,000,000,000
Increase	-	655,200,000,000
Ending balance	<u>1,435,200,000,000</u>	<u>1,435,200,000,000</u>
<b>Dividends</b>		
Stock dividends declared	-	351,000,000,000
Stock dividends paid	-	351,000,000,000

25.4 Shares

	Number of shares	
	Ending balance	Beginning balance
Shares authorised to be issued	143,520,000	143,520,000
Shares issued and fully paid	143,520,000	143,520,000
Ordinary shares	143,520,000	143,520,000
Shares in circulation	143,520,000	143,520,000
Ordinary shares	143,520,000	143,520,000

Par value of outstanding share is VND 10,000 per share. The holders of the Company's ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

26. NON-CONTROLLING INTERESTS

		VND
	Ending balance	Beginning balance
Contributed charter capital	9,762,650,000	7,762,650,000
Undistributed earnings	5,164,219,054	1,050,208,459
Accumulated dividend declared	(4,320,000,000)	-
<b>TOTAL</b>	<u>10,606,869,054</u>	<u>8,812,858,459</u>

Movements of non-controlling interests are as follows:

		VND
	Current year	Previous year
Beginning balance	8,812,858,459	7,650,663,489
Increase from acquisition or establishment of subsidiaries	2,000,000,000	70,850,000
Net profit for the year	3,950,066,198	1,091,344,970
Changes in ownership interest at subsidiaries	163,944,397	-
Dividend declared	(4,320,000,000)	-
Ending balance	<u>10,606,869,054</u>	<u>8,812,858,459</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**27. REVENUE****27.1 Revenue from sale of goods and rendering of services**

		VND
	Current year	Previous year
<b>Gross revenue</b>	<b>5,204,230,720,499</b>	<b>7,085,368,377,828</b>
<i>Of which:</i>		
Sales of agricultural products	3,934,989,047,800	5,708,396,788,334
Sale of animal husbandry products	1,209,866,958,051	1,372,699,902,228
Sale of bran	35,195,735,944	3,109,869,086
Sale of investment property	23,856,502,596	-
Rental services	90,000,001	1,161,818,180
Others	232,476,107	-
<b>Less</b>	<b>(5,445,425,109)</b>	<b>(1,950,028,570)</b>
Trade discounts	(5,346,019,109)	-
Sales allowances	(54,900,000)	(1,932,238,570)
Sales return	(44,506,000)	(17,790,000)
<b>Net revenue</b>	<b>5,198,785,295,390</b>	<b>7,083,418,349,258</b>
<i>In which:</i>		
Sales to others	5,015,212,134,402	6,659,763,109,486
Sales to related parties (Notes 35)	183,573,160,988	423,655,239,772

**27.2 Finance income**

		VND
	Current year	Previous year
Interest income	21,338,717,293	4,862,686,814
Gains from disposal of investment (Notes 4.2)	14,594,027,538	24,205,211
Foreign exchange gains	306,986,909	668,971,866
Gains from selling held-for-trading securities	-	2,040,483,025
Others	1,694,488,045	740,797,867
<b>TOTAL</b>	<b>37,934,219,785</b>	<b>8,337,144,783</b>

**28. FINANCE EXPENSES**

		VND
	Current year	Previous year
Interest expense	141,443,303,310	36,331,151,929
Allocation of bond issuance	10,032,165,837	1,497,313,297
Realised foreign exchange loss	3,435,226,350	1,298,865,260
Reversal of provisions for held-for-trading securities	-	(7,914,833,333)
Others	476,828,570	-
<b>TOTAL</b>	<b>155,387,524,067</b>	<b>31,212,497,153</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**29. COST OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of agricultural products sold	3,856,224,883,195	5,554,055,245,834
Cost animal husbandry products	951,584,602,349	996,385,857,403
Cost of bran	32,872,817,372	7,305,959,002
Cost of investment property sold	14,594,681,967	-
Cost of rental service	55,160,686	263,074,032
Others	189,642,390	-
<b>TOTAL</b>	<b><u>4,855,521,787,959</u></b>	<b><u>6,558,010,136,271</u></b>

**30. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Selling expenses</b>	<b>93,220,306,421</b>	<b>72,229,870,717</b>
Transportation expenses	64,454,688,840	42,009,110,113
Labour costs	14,796,582,626	17,951,370,795
Depreciation and amortisation	6,711,621,642	2,949,829,805
Expenses for external services	1,249,462,581	2,889,439,786
Raw material	684,427,980	402,304,603
Others	5,323,522,752	6,027,815,615
<b>General and administrative expenses</b>	<b>99,534,558,673</b>	<b>87,624,647,284</b>
Labour costs	50,980,167,061	50,048,697,738
Expenses for external services	15,937,495,933	9,503,370,516
Depreciation and amortisation	1,749,038,171	2,409,158,701
Goodwill allocation	378,946,050	378,946,050
Others	30,488,911,458	25,284,474,279
<b>TOTAL</b>	<b><u>192,754,865,094</u></b>	<b><u>159,854,518,001</u></b>

**31. OTHER INCOME AND EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Other income</b>	<b>1,343,245,199</b>	<b>1,007,084,613</b>
Penalty received from contract violation	-	400,000,000
Others	1,343,245,199	607,084,613
<b>Other expenses</b>	<b>(9,879,100,156)</b>	<b>(5,638,958,195)</b>
Unused asset's expenses	(4,939,458,198)	(3,218,396,696)
Others	(4,939,641,958)	(2,420,561,499)
<b>OTHER LOSS</b>	<b><u>(8,535,854,957)</u></b>	<b><u>(4,631,873,582)</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

32. PRODUCTION AND OPERATING COSTS

		VND
	<i>Current year</i>	<i>Previous year</i>
Merchandises	3,856,224,883,195	5,554,457,550,437
Raw materials	753,541,042,473	766,933,273,218
Expenses for external services	142,432,517,027	94,285,146,583
Labour costs	137,942,289,503	169,555,272,855
Depreciation, amortisation and goodwill allocation (Notes 12, 13, 14 and 19)	104,628,545,565	58,810,149,507
Others	53,507,375,290	73,823,261,672
<b>TOTAL</b>	<b><u>5,048,276,653,053</u></b>	<b><u>6,717,864,654,272</u></b>

33. CORPORATE INCOME TAX

The Company and its subsidiaries have the obligations to pay corporate income tax ("CIT") at different rates as follows:

- The Company, Binh Duong Branch, Ha Noi Branch, Dong Nai Branch, Long An Branch

For income from carry out the mixed farming activities and produce animal feed, the Company and above branches shall enjoy 15% incentive rate for the whole operation period. For income from other activities not subject to incentives, the Company shall apply the standard rate of 20% on taxable profit.

- Minh Thanh Livestock, Bac An Khanh, Dong An Khanh, Nam An Khanh, Green Farm 1, Green Farm 2, Song Hinh, Anh Vu Phu Yen, Hai Dang Tay Ninh, Tam Hung, Tan Chau, Kim Hoi

These subsidiaries are entitled to CIT incentive scheme by locations which are obliged to pay CIT at the rate of 10% for 15 years from commencement of their operations, and applicable normal rates for the years thereafter. These companies are entitled to an exemption from CIT for four (4) years commencing with the first year of earning profits, and 50% reduction for the following nine (9) years.

- BAF Binh Dinh, Nghe An Branch

BAF Binh Dinh, Nghe An Branch are obliged to pay CIT at the rate of 20%. Besides, BAF Binh Dinh is entitled to CIT incentive scheme by location. This company is entitled to an exemption from CIT for two (2) years commencing with the first year of earning profits, and 50% reduction for the following four (4) years.

- BAF Binh Phuoc

BAF Binh Phuoc is entitled to CIT incentive scheme by location which is obliged to pay CIT at the rate of 10% for 15 years from commencement of its operations, and applicable normal rates for the years thereafter. This company is entitled to an exemption from CIT for two (2) years commencing from the first year of earning profits, and 50% reduction for the following four (4) years.

- Bao Ngoc Livestock, BAF Tay Ninh, Thien Phu Son, BAF Microbiological Organic Fertilizer, Logistic BAF, BAF Tay Ninh Food Processing

The CIT rate applicable to mentioned above subsidiaries is 20%.

The tax returns filed by the Company and its subsidiaries are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**33. CORPORATE INCOME TAX (continued)**

**33.1 CIT expense**

	VND	
	Current year	Previous year
Current income tax expense	19,155,995,067	56,593,281,979
Adjustment for under accrual of tax from prior years	2,497,811,936	-
	21,653,807,003	56,593,281,979
Deferred tax income	(27,459,673,633)	(5,494,235,722)
<b>TOTAL</b>	<b>(5,805,866,630)</b>	<b>51,099,046,257</b>

A reconciliation between the accounting profit before tax and taxable profit is presented below:

	VND	
	Current year	Previous year
<b>Accounting profit before tax</b>	<b>24,519,483,098</b>	<b>338,877,784,705</b>
At applicable CIT rates	(22,687,815)	51,871,723,983
<i>Adjustments to increase (decrease):</i>		
Non-deductible expenses	4,563,230,767	4,092,089,777
Adjustment of non-deductible interest expense under Decree No. 132/2020/ND-CP (*)	12,142,559,473	2,712,744,717
Offset against taxable income between operating activities	(4,038,201,980)	-
Unrecognized deferred tax assets on subsidiaries and independent accounting branches' tax losses carried forward	2,800,085,158	4,476,272,208
Profit sharing from an associate	-	124,697,351
Goodwill allocation	56,841,908	56,841,908
Adjustment for under accrual of tax from prior years	2,497,811,936	-
Tax loss carried forward	(2,407,414,961)	-
Tax exemption	(21,398,091,116)	(12,235,323,687)
<b>CIT expense</b>	<b>(5,805,866,630)</b>	<b>51,099,046,257</b>

(\*) In accordance with Decree No. 132/2020/ND-CP dated 5 November 2020 prescribing tax administration for enterprises having related-party transactions issued by the Government, the Group increased its CIT expense by VND 12,142,559,473 for the current year.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**33. CORPORATE INCOME TAX (continued)**

**33.2 Current CIT**

The current tax payable is based on taxable profit for the year. The taxable profit of the Group for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's current tax liability is calculated using tax rates that have been enacted at the balance sheet date.

**33.3 Deferred CIT**

The following are deferred tax assets and liabilities recognised by the Group, and the movements thereon, during the current and previous years:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
VND				
<b>Deferred tax assets</b>				
Short-term accrued expenses	1,920,660,173	3,171,458,520	(1,250,798,347)	3,171,458,520
Unrealised profits	4,464,223,160	1,603,470,137	2,860,753,023	1,603,470,137
Tax losses available for offset against future taxable income	29,742,058,012	-	29,742,058,012	-
	<b>36,126,941,345</b>	<b>4,774,928,657</b>	<b>31,352,012,68</b>	<b>4,774,928,657</b>
<b>Deferred tax liabilities</b>				
Provision for diminution in value of long-term investments	(1,803,637,391)	(1,803,637,391)	-	719,307,065
Capitalised borrowing costs	(3,892,339,055)	-	(3,892,339,055)	-
	<b>(5,695,976,446)</b>	<b>(1,803,637,391)</b>	<b>(3,892,339,055)</b>	<b>719,307,065</b>
<b>Net deferred tax assets</b>	<b>30,430,964,899</b>	<b>2,971,291,266</b>		
<b>Net deferred tax credit</b>			<b>27,459,673,633</b>	<b>5,494,235,722</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**33. CORPORATE INCOME TAX (continued)**

**33.4 Tax losses carried forward**

The Company and its subsidiaries are entitled to carry each individual tax loss forward to offset against taxable profits arising within five consecutive years subsequent to the year in which the loss was incurred. At the balance sheet date, the Group had accumulated tax losses totaling VND 249,330,346,038 (31 December 2022: VND 28,875,353,398) available for offset against future taxable profits. Details are as follows:

Originating year	Can be utilised up to	Tax loss	Utilised up to 31 December 2023	Forfeited	VND Unutilised as at 31 December 2023
2018 (i)	2023	456,069,439	(456,069,439)	-	-
2019 (i)	2024	3,171,448,495	(1,727,049,972)	-	1,444,398,523
2020 (i)	2025	4,444,876,733	(1,082,879,366)	-	3,361,997,367
2021 (i)	2026	10,333,990,069	(4,727,675,097)	-	5,606,314,972
2022 (i)	2027	22,820,956,403	(9,260,360,587)	-	13,560,595,816
2023 (i)	2028	225,357,039,360	-	-	225,357,039,360
<b>TOTAL</b>		<b>266,584,380,499</b>	<b>(17,254,034,461)</b>	<b>-</b>	<b>249,330,346,038</b>

- (i) Estimated tax losses as per CIT declarations of the Group have not been audited by the local tax authorities as of the date of these consolidated financial statements. No deferred tax assets were recognised in respect of the the tax losses available for carry forward by VND 51,049,959,292 of the Group's subsidiaries and independent accounting branches of the Company because future taxable income cannot be ascertained at this stage.

**33.5 Interest expense exceeds the prescribed threshold**

The Company and its subsidiaries are entitled to carry forward interest expense exceeding the prescribed threshold that have not been deducted when calculating CIT for the current year ("non-deductible interest expense") to the following year when determining the total deductible interest expenses of the following year. The subsequent period that the interest expense can be carried forward to will not exceed consecutive period of 5 years subsequent to the year in which the non-deductible interest expense incurred. At the balance sheet date, the Group has aggregated non-deductible interest expense available as follows:

Originating year	Can be used as deductible interest expense up to	Non-deductible interest expense incurred	Non-deductible interest expense carried forward to following years by 31 December 2023	Forfeited	VND Non-deductible interest expense available to be carried forward as at 31 December 2023
2022 (i)	2027	18,084,964,780	(6,131,721,091)	-	11,953,243,689
2023 (i)	2028	88,843,085,871	-	-	88,843,085,871
<b>TOTAL</b>		<b>106,928,050,651</b>	<b>(6,131,721,091)</b>	<b>-</b>	<b>100,796,329,560</b>

- (i) Estimated non-deductible interest expense as per the Group's CIT declaration has not been audited by the local tax authorities as of the date of these consolidated financial statements.

No deferred tax assets were recognised in respect of the said non-deductible interest expense above because of the uncertainty in predicting whether this non-deductible interest expense will be carried forward in the remaining time limit or not.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**34. EARNINGS PER SHARE**

The Group uses the following information to calculate basic and diluted earnings per share:

	<i>Current year</i>	<i>Previous year</i>
Net profit attributable to ordinary shareholders (VND)	26,375,283,530	286,687,393,478
Dilution resulting from interest expenses of convertible bonds (i)	<u>38,815,170,574</u>	<u>-</u>
<b>Net profit attributable to ordinary shareholders adjusted for the effect of dilution</b>	<b><u>65,190,454,104</u></b>	<b><u>286,687,393,478</u></b>
<b>Weighted average number of ordinary shares (ii)</b>	<b>143,520,000</b>	<b>143,520,000</b>
Effect of dilution due to:		
Convertible bonds (i)	<u>30,342,495</u>	<u>-</u>
<b>Weighted average number of ordinary shares adjusted for the effect of dilution</b>	<b><u>173,862,495</u></b>	<b><u>143,520,000</u></b>
Basic earnings per share (VND/share)	184	1,998
Diluted earnings per share (VND/share)	184	1,998
(i) Convertible bonds that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are anti-dilutive for this year presented.		
(ii) Weighted average number of ordinary shares for basic earnings for the year 2022 has been restated compared to the past data presented to reflect the issuance of shares to pay dividend and issuance of bonus shares appropriated from undistributed earnings of the year 2022.		



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**35. TRANSACTIONS WITH RELATED PARTIES**

List of related parties that have a controlling relationship with the Group as at 31 December 2023 is as follows:

<i>Related party</i>	<i>Relationship</i>
Siba Holdings Corporation	Major shareholder
Tan Long Group Joint Stock Company ("Tan Long")	The company has the same Chairman
Siba food Vietnam Joint Stock Company ("Siba Food")	Subsidiary of major shareholder
Siba High-Tech Mechanical Group Joint Stock Company ("Siba Tech")	Subsidiary of major shareholder
Sibacons Construction Investment Joint Stock Company ("Sibacons")	Subsidiary of major shareholder
Viet Agro Pte., Ltd	Related party
A An Food Joint Stock Company ("A An")	Related party
BAF Myanmar	Related party

Significant transactions with related parties during the year were as follows:

<i>Related party</i>	<i>Transaction</i>	<i>Current year</i>	<i>VND</i>
			<i>Previous year</i>
Siba Tech	Construction of barns	551,312,592,140	197,041,538,281
Siba Food	Sale of goods	183,563,188,988	377,294,624,486
	Purchase of goods	9,922,387,409	2,106,818,533
Tan Long	Purchase of goods	-	80,244,833,350
	Sale of goods	9,972,000	46,360,615,286
Viet Agro Pte. Ltd	Transfer capital	-	14,983,824,894
Sibacons	Purchase of goods	4,321,933,335	-
A An	Purchase of goods	455,632,238	4,706,546,600

*Conditions and terms of transactions with related parties*

Selling and purchasing, loans and lendings transactions with related parties are conducted according to listed and normal market price.

Amounts due from related parties as at the balance sheet date were as follows:

			VND
<i>Related party</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivables</b>			
Siba Food	Sale of goods	<u>71,863,962,065</u>	<u>58,713,403,885</u>
<b>Short-term advances to suppliers</b>			
Siba Tech	Advance for construction of barns	61,583,593,301	72,684,502,270
Sibacons	Sale of goods	<u>1,189,090,909</u>	-
<b>TOTAL</b>		<b><u>62,772,684,210</u></b>	<b><u>72,684,502,270</u></b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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35. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due to related parties as at the balance sheet dates were as follows:

		VND	
<i>Related party</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b><i>Other short-term trade receivables</i></b>			
BAF Myanmar	Sale of goods	<u>19,640,362,522</u>	<u>19,640,362,522</u>
<b><i>Short-term trade payables</i></b>			
Siba Tech	Purchase of goods	21,124,230,246	13,334,356,825
Siba Food	Purchase of goods	6,194,612,677	1,021,470,285
Sibacons	Purchase of goods	327,272,727	-
Tan Long	Purchase of goods	182,084,109	22,057,351,759
A An	Purchase of goods	<u>3,359,988</u>	<u>-</u>
<b>TOTAL</b>		<u><b>27,831,559,747</b></u>	<u><b>36,413,178,869</b></u>
<b><i>Short-term advances from customer</i></b>			
Tan Long	Others	<u>-</u>	<u>507,300</u>
<b><i>Other short-term payables</i></b>			
Siba Food	Others	27,481,798	-

**Transactions with other related parties**

Remuneration to members of the Board of Directors ("BOD"), Board of Supervision ("BOS") and Management:

		VND	
		Current year	Previous year
Mr Truong Sy Ba	Chairman	120,000,000	85,500,000
Ms Bui Huong Giang	BOD Member cum General Director	675,800,000	673,525,535
Mr Phan Ngoc An	BOD Member cum Deputy General Director	283,419,230	690,010,101
Mr Nguyen Van Non	BOD Member cum Deputy General Director	317,769,232	-
Mr Bui Quang Huy	BOD Member	72,000,000	64,800,000
Mr Le Xuan Tho	BOD Member	72,000,000	64,800,000
Mr Nguyen Duy Tan	BOD Member	48,000,000	-
Mr Nguyen Anh Tuan	BOD Member	-	13,500,000
Mr Nguyen Tien Thanh	Permanent Deputy General Director	433,576,923	218,439,457
Mr Nguyen Thanh Hai	BOS Head	204,380,769	375,678,874
Ms Duong Thi Hong Tan	BOS Member	179,860,683	313,820,994
Ms Luu Ngoc Tram	BOS Member	2,500,000	-
Mr Nguyen Quoc Van	BOS Member	<u>463,719,231</u>	<u>361,092,610</u>
<b>TOTAL</b>		<u><b>2,873,026,068</b></u>	<u><b>2,861,167,571</b></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**36. SEGMENT INFORMATION**

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. Secondary information is reported geographically. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

***Business segment***

The following tables present revenue and profit and certain assets and liability information regarding the Group's business segment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

36. SEGMENT INFORMATION (continued)

*Business segment* (continued)

	Agricultural products	Livestock	Feed	Others	Elimination	Consolidation
						VND
<b>For the year ended 31 December 2023</b>						
<b>Segment net revenue</b>						
Sales to external customers	3,934,989,047,800	2,317,947,130,032	1,309,494,560,430	75,834,016,731	(2,439,479,459,603)	5,198,785,295,390
Inter-segment sales	-	(1,113,525,597,090)	(1,274,298,824,486)	(51,655,038,027)	2,439,479,459,603	-
<b>Net inter-segment revenue</b>	<b>3,934,989,047,800</b>	<b>1,204,421,532,942</b>	<b>35,195,735,944</b>	<b>24,178,978,704</b>	<b>-</b>	<b>5,198,785,295,390</b>
<b>Results</b>						
Inter-segment gross profit						
Finance income	78,764,164,605	252,836,930,593	2,322,918,572	9,339,493,661	-	343,263,507,431
Finance expenses						37,934,219,785
Selling expenses						(155,387,524,067)
General and administrative expenses						(93,220,306,421)
Other income						(99,534,558,673)
Other expenses						1,343,245,199
Current corporate income tax expense						(9,879,100,156)
Deferred tax income						(21,653,807,003)
Net profit after tax						27,459,673,633
						30,325,349,728
<b>Assets and liabilities</b>						
Total assets	890,459,855,304	8,309,047,119,690	782,596,638,311	-	(3,448,442,917,475)	6,533,660,695,830
Inter-segment asset	890,459,855,304	8,309,047,119,690	782,596,638,311	-	(3,870,132,992,884)	6,111,970,620,421
Unallocated assets (*)	-	-	-	-	421,690,075,409	421,690,075,409
Total liabilities	2,187,521,274,611	3,999,089,038,121	264,007,840,602	-	(1,825,279,481,123)	4,625,338,672,211
Inter-segment payables	2,187,521,274,611	3,999,089,038,121	264,007,840,602	-	(1,825,279,481,123)	4,625,338,672,211

(\*) Unallocated assets mainly comprised of cash, cash equivalents and other financial investments.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

36. SEGMENT INFORMATION (continued)

*Business segment* (continued)

	Agricultural products	Livestock	Feed	Others	Elimination	VND Consolidation
<b>For the year ended 31 December 2022</b>						
<b>Segment net revenue</b>						
Sales to external customers	5,706,446,759,764	2,047,076,038,093 (674,376,135,865)	308,237,919,375 (305,128,050,289)	5,116,363,635 (3,954,545,455)	(983,458,731,609) 983,458,731,609	7,083,418,349,258 -
Inter-segment sales	-	-	-	-	-	-
<b>Net inter-segment revenue</b>	<b>5,706,446,759,764</b>	<b>1,372,699,902,228</b>	<b>3,109,869,086</b>	<b>1,161,818,180</b>	<b>-</b>	<b>7,083,418,349,258</b>
<b>Results</b>						
Inter segment gross profit	152,391,513,930	376,314,044,825	(4,196,089,916)	898,744,148	-	525,408,212,987
Finance income						8,337,144,783
Finance expenses						(31,212,497,153)
Shares of profit of associate						831,315,671
Selling expenses						(72,229,870,717)
General and administrative expenses						(87,624,647,284)
Other income						1,007,084,613
Other expenses						(5,638,958,195)
Current corporate income tax expense						(56,593,281,979)
Deferred tax (expense)						5,494,235,722
Net profit after tax						287,778,738,448
<b>Assets and liabilities</b>						
Total assets	1,314,503,051,356	4,084,787,291,894	1,352,699,116,135	14,649,842,650	(2,037,543,209,119)	4,729,096,092,916
Inter-segment asset	1,314,503,051,356	4,084,787,291,894	1,352,699,116,135	14,649,842,650	(2,318,423,657,357)	4,448,215,644,678
Unallocated assets (*)	-	-	-	-	280,880,448,238	280,880,448,238
Total liabilities	1,900,648,324,532	1,279,014,582,153	880,546,555,921	-	(1,073,781,429,604)	2,986,428,033,002
Inter-segment payables	1,900,648,324,532	1,279,014,582,153	880,546,555,921	-	(1,073,781,429,604)	2,986,428,033,002

(\*) Unallocated assets mainly comprised cash, cash equivalents and other financial investments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023

**37. COMMITMENTS**

**37.1 Operating lease commitments**

The Group leases farms under operating lease agreements. The minimum lease commitments as at the balance sheet date under the operating lease agreements were as follows:

	VND	
	Ending balance	Beginning balance
Less than 1 year	251,946,249,836	71,753,727,655
From 1-5 years	931,354,841,564	272,742,323,018
More than 5 years	1,700,258,409,091	330,973,516,036
<b>TOTAL</b>	<b>2,883,559,500,491</b>	<b>675,469,566,709</b>

**37.2 Capital commitments**

As at the balance sheet date, the Group had commitments principally relating to construction of factory premises and purchases of new machinery for its business expansion as follows:

	VND	
	Ending balance	Ending balance
Hai Dang Project	389,210,844,380	426,524,230,142
Giai Xuan Project	241,149,856,918	36,737,308,150
Tam Hung Project	157,147,272,250	7,172,480,677
Tan Chau Project	135,277,033,278	134,657,086,862
Song Hinh Project	107,718,514,955	-
Tay Ninh Bran Plant Project	83,906,286,090	13,177,354,351
Bac An Khanh Project	32,866,600,628	188,737,791,982
Green Farm 2 Project	-	134,825,226,682
Nam An Khanh Project	-	122,781,111,308
Dong An Khanh Project	-	90,286,294,462
Meat Binh Phuoc Project	-	3,682,800,000
Phu Yen 3 Project	-	2,457,633,080
Binh Dinh Bran Factory Project	-	2,105,194,000
Thien Phu Son Project	-	1,471,889,000
Phu Yen 2 Project	-	1,105,650,000
<b>TOTAL</b>	<b>1,147,276,408,499</b>	<b>1,165,722,050,696</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for the year ended 31 December 2023**38. EVENTS AFTER THE BALANCE SHEET DATE**

On 18 January 2024, the Board of Directors has issued the Resolution No. 02/NQ-HDQT approving the transfer of capital to acquire ownership interest up to 99.9% CNC Thanh Dat Gia Lai Livestock JSC. This acquisition transaction has not yet completed as at the date of these consolidated financial statements.

On 29 January 2024, the Group acquired 99.90% ownership interest in Tay An Khanh Joint Stock Company from third parties. This acquisition was approved by the Head Office's Board of Directors and DPI of Tay Ninh Province issued the amended ERC No. 3901315120 dated 4 February 2024.

Except from above events, there have been no other significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the Group's consolidated financial statements.



Vu Thi Dan Thuy  
Preparer



Nguyen Huynh Thanh Mai  
Chief Accountant



Bui Huong Giang  
General Director

Ho Chi Minh City, Vietnam

25 March 2024