

**Interfood Shareholding Company**

**Financial statements**  
**Quarter 3 - 2023**

## Interfood Shareholding Company

### Corporate information

Investment Licence No.	270/GP	16/11/1991
Investment Certificate No.	472033000328 (1st amendment)	28/11/2007
	472033000328 (2nd amendment)	20/05/2010
	472033000328 (3rd amendment)	22/04/2011
	472033000328 (4th amendment)	18/10/2011
	472033000328 (5th amendment)	14/05/2014
	472033000328 (6th amendment)	30/12/2015
	6525867086 (7th amendment)	05/02/2016
	6525867086 (8th amendment)	28/12/2016
	6525867086 (9th amendment)	25/01/2017
	6525867086 (10th amendment)	08/04/2018
	6525867086 (11st amendment)	01/10/2019
	6525867086 (12nd amendment)	21/09/2020
	6525867086 (13rd amendment)	18/05/2021
	6525867086 (14th amendment)	20/04/2023

The Company's Investment Licence has been amended several times, the most recent of which is by investment licence No. 270 CPH/GCNDDC3-BHK dated 23 August 2006. The Investment Licence and its amendments were issued by the Ministry of Planning and Investment and are valid for 50 years.

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

### Enterprise Registration

<b>Certificate No.:</b>	3600245631	21/01/2016
	3600245631	19/03/2018
	3600245631	06/07/2019
	3600245631	30/06/2020
	3600245631	01/04/2021
	3600245631	18/01/2022
	3600245631	05/04/2023

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

<b>Board of Management:</b>	Okamoto Shogo	Chairman/ member (from 20 April 2023)
	Daisuke Hattori	Member (until 20 April 2023)
	Hiroaki Takaoka	Member
	Nguyen Thi Kim Lien	Chairman/ member (until 20 April 2023)
	Hajime Kawasaki	Member (until 20 April 2023)
<b>Board of Director:</b>	Daisuke Hattori	General Director (from 30 March 2023)
	Koichi Noda	General Manager of Factory
	Kenichiro Wada	General Manager of Marketing and Sales
	Okamoto Shogo	General Manager of Planning cum General Manager of Internal Control (from 01 July 2023)
	Hajime Kawasaki	General Director (until 30 March 2023)
	Nguyen Thi Kim Lien	General Manager of Internal Control (until 1 July 2023)
<b>Registered Office</b>	Lot 13, Tam Phuoc IZ, Tam Phuoc Ward, Bien Hoa City, Dong Nai Province, Vietnam	
<b>Auditors</b>	KPMG Limited Vietnam	

## **Interfood Shareholding Company**

### **Statement of the Board of Directors**

The Board of Directors of Interfood Shareholding Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 30 September 2023.

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

- (a) the financial statements set out on pages 4 to 26 give a true and fair view of the financial position of the Company as at 30 September 2023, and of its results of operations and its cash flows for the three month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Directors

*(Signed and sealed)*

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**Daisuke Hattori**

General Director

Dong Nai, dated 18th October 2023.

## Interfood Shareholding Company

### Balance sheet

ASSETS	Code	Notes	30/09/2023 VND'000	31/12/2022 VND'000
<b>Current assets (100=110+130+140+150)</b>	<b>100</b>		<b>1,334,166,872</b>	<b>1,323,229,336</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>934,877,102</b>	<b>1,009,072,464</b>
Cash	111		234,877,102	309,072,464
Cash equivalent	112		700,000,000	700,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>47,519,423</b>	<b>47,254,470</b>
Accounts receivable from customers	131	6	27,522,127	30,176,163
Prepayments to suppliers	132		13,155,550	2,698,063
Other receivables – short-term	136	7	6,861,658	14,400,156
Allowance for doubtful debts	137	6	(19,912)	(19,912)
<b>Inventories</b>	<b>140</b>	<b>8</b>	<b>349,038,899</b>	<b>264,989,516</b>
Inventories	141		349,639,356	270,753,347
Allowance for inventories	149		(600,457)	(5,763,831)
<b>Other current assets</b>	<b>150</b>		<b>2,731,448</b>	<b>1,912,886</b>
Short-term prepaid expenses	151		2,658,899	1,771,663
Taxes receivable from State Treasury	153		72,549	141,223
<b>Long-term assets (200 = 210 + 220 + 240 + 260)</b>	<b>200</b>		<b>110,776,964</b>	<b>121,500,401</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>929,020</b>	<b>932,520</b>
Other receivables – long-term	216		929,020	932,520
<b>Fixed assets</b>	<b>220</b>		<b>71,290,770</b>	<b>76,634,339</b>
Tangible fixed assets	221	9	70,894,353	75,940,395
Cost	222		434,195,224	430,859,779
Accumulated depreciation	223		(363,300,871)	(354,919,384)
Intangible fixed assets	227	10	396,417	693,944
Cost	228		14,082,575	14,082,575
Accumulated depreciation	229		(13,686,158)	(13,388,631)
<b>Other long-term assets</b>	<b>260</b>		<b>38,557,174</b>	<b>43,933,542</b>
Long-term prepaid expenses	261	11	27,504,968	31,256,120
Deffered tax assets	262	12	11,052,206	12,677,422
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>1,444,943,836</b>	<b>1,444,729,737</b>

**Interfood Shareholding Company****Balance sheet**

			<b>30/09/2023</b>	<b>31/12/2022</b>
<b>RESOURCES</b>	<b>Code</b>	<b>Notes</b>	<b>VND'000</b>	<b>VND'000</b>
<b>LIABILITIES (300=310+330)</b>	<b>300</b>		<b>232,808,582</b>	<b>242,564,944</b>
<b>Current liabilities</b>	<b>310</b>		<b>230,552,566</b>	<b>238,980,797</b>
Accounts payable to suppliers	311	13	137,888,882	153,223,134
Advances from customers	312		6,509,777	12,929,934
Taxes payable to State Treasury	313	14	22,443,090	8,143,206
Payable to employees	314		9,718,458	9,262,235
Accrued expenses	315	15	52,384,649	54,019,225
Other short-term payables	319	16	1,607,710	1,403,063
<b>Long term liabilities</b>	<b>330</b>		<b>2,256,016</b>	<b>3,584,147</b>
Provision – long-term	342	17	2,256,016	3,584,147
<b>EQUITY (400=410)</b>	<b>400</b>		<b>1,212,135,254</b>	<b>1,202,164,793</b>
<b>Owners' equity</b>	<b>410</b>	<b>18</b>	<b>1,212,135,254</b>	<b>1,202,164,793</b>
Share capital	411	19	871,409,840	871,409,840
- Ordinary shares with voting rights	411a		871,409,840	871,409,840
Share premium	412		85,035,704	85,035,704
Other reserves	420	20	90,034,048	90,034,048
Retained profits	420		165,655,662	155,685,201
- Accumulated profit (losses) brought forward	421a		574,249	39,571
- Retained profits for the current year	421b		165,081,413	155,645,630
<b>TOTAL RESOURCES (440=300+400)</b>			<b><u>1,444,943,836</u></b>	<b><u>1,444,729,737</u></b>

Dong Nai, dated 18th October 2023.

Prepared by:

*(Signed)*Nguyễn Hồng Phong  
Chief Accountant

Approved by:

*(Signed and sealed)*Daisuke Hattori  
General Director

## Interfood Shareholding Company

### Statement of income

	Code	Notes	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
Revenue from sale of goods	01	22	497,925,695	459,250,790	1,426,341,982	1,298,943,632
Revenue deductions	02	22	29,789,061	29,116,765	86,105,963	82,497,415
Net revenue (10=01-02)	10	22	468,136,634	430,134,025	1,340,236,019	1,216,446,217
Cost of sales	11	23	291,335,253	289,048,671	858,387,547	824,347,961
Gross profit (20=10-11)	20		176,801,381	141,085,354	481,848,472	392,098,256
Financial income	21	24	8,451,327	5,411,274	28,800,416	13,105,849
Financial expenses	22	25	67,636	104,236	140,718	144,178
<i>In which: Interest expenses</i>	23		-	-	-	-
Selling expenses	25	26	95,943,033	95,887,312	273,748,099	251,638,360
G&A expenses	26	27	10,047,094	9,415,508	29,663,207	26,650,542
Operating profit/(loss) {30=20+(21-22)-(25+26)}	30		79,194,945	41,089,572	207,096,864	126,771,025
Other income	31		674,352	260,183	1,846,116	513,925
Other expenses	32	28	472,994	278,277	2,035,051	1,376,911
Results of other activities (40 = 31 - 32)	40		201,358	(18,094)	(188,935)	(862,986)
Profit (loss) before tax (50 = 30 + 40)	50		79,396,303	41,071,478	206,907,929	125,908,039
Income tax expenses - current	51	30	19,040,399	9,703,842	40,201,299	30,721,818
Income tax expenses - deferred	52	30	(3,046,615)	(1,422,855)	1,625,217	(5,214,725)
Profit (loss) after tax (60 = 50 - 51 - 52)	60		63,402,519	32,790,491	165,081,413	100,400,946
Earnings per share						
Basic earnings per share (in VND)	70	31	728	376	1,894	1,152

Dong Nai, dated 18th October 2023.

Prepared by:

(Signed)

Nguyễn Hồng Phong  
Chief Accountant

Approved by:

(Signed and sealed)

Daisuke Hattori  
General Director

**Interfood Shareholding Company**

**Statements of cash flows**

**(Indirect method)**

	Code	Notes	30/09/2023 VND'000	YTD2022Q3 VND'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit/(loss) before tax</b>	<b>01</b>		<b>206,907,929</b>	<b>84,836,561</b>
<b>Adjustments for:</b>				
Depreciation and amortisation	02		8,679,014	8,204,967
Allowances and provisions	03		2,202,335	696,362
Exchange gain/ losses	04		258,670	39,942
Profits from investing activities	05		(28,401,027)	(7,614,690)
Interest expense	06		-	-
<b>Operating profit/(loss) before changes in working</b>	<b>08</b>		<b>189,646,921</b>	<b>86,163,142</b>
Change in receivable	09		6,452,590	(6,730,948)
Change in inventories	10		(87,234,129)	(53,898,548)
Change in payables and other liabilities	11		(22,532,975)	41,231,686
Change in prepaid expenses	12		2,863,916	(4,803,330)
Interest paid	14		-	-
Income tax paid	15		(26,590,249)	(9,758,394)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>62,606,074</b>	<b>52,203,608</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets	21		(10,609,313)	(913,750)
Proceeds from disposals of fixed assets	22		-	-
Receipts of interests	27		28,776,712	5,967,646
Cash increase from merger	28		-	-
<b>Net cash inflows/(outflows) from investing activities</b>	<b>30</b>		<b>18,167,399</b>	<b>5,053,896</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Payments to settle finance lease liabilities			-	-
Profits distributions	35		(154,968,836)	-
<b>Net cash inflows/(outflows) from financing activities</b>	<b>40</b>		<b>(154,968,836)</b>	<b>-</b>
<b>Net increase/(decrease) in cash</b>	<b>50</b>		<b>(74,195,363)</b>	<b>57,257,504</b>
<b>(50= 20 +30 + 40)</b>				
<b>Cash at beginning of the year</b>	<b>60</b>		<b>1,009,072,464</b>	<b>928,623,068</b>
Effects of changes in foreign exchange rates			-	-
<b>Cash at end of the year (70= 50 + 60)</b>	<b>70</b>	<b>5</b>	<b>934,877,101</b>	<b>985,880,572</b>

Dong Nai, dated 18th October 2023.

Prepared by:

Approved by:

*(Signed)*

*(Signed and sealed)*

Nguyễn Hồng Phong  
Chief Accountant

Daisuke Hattori  
General Director

## **Interfood Shareholding Company**

### **Notes to the financial statements**

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

#### **1 Reporting Entity**

##### **(a) Ownership structure**

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

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

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

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

##### **(b) Principal activities**

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

##### **(c) Normal operating cycle**

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

##### **(d) Company structure**

As at 30 September 2023, the Company had 872 employees (31/12/2022: 876 employees).

#### **2 Basis of preparation**

##### **(a) Statement of compliance**

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



## **Interfood Shareholding Company**

### **Notes to the financial statements**

#### **(b) Basis of measurement**

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

#### **(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

#### **(d) Accounting and presentation currency**

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

### **3 Summary of significant accounting policies**

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

#### **(a) Foreign currency transactions**

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

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and the account transfer selling rate at the end of the annual accounting period, respectively, quoted by the commercial bank where the Company most frequently conducts transactions.

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

#### **(b) Cash and cash equivalent**

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

#### **(c) Accounts receivable**

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

## Interfood Shareholding Company

### Notes to the financial statements

#### (d) Inventories

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

The Company applies the perpetual method of accounting for inventory.

#### (e) Tangible fixed assets

##### (i) Cost

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

##### (ii) Depreciation

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

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

#### (f) Intangible fixed assets

##### *Software*

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

## Interfood Shareholding Company

### Notes to the financial statements

**(g) Long-term prepaid expenses**

**(i) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance providing guidance on management, use and depreciation of fixed assets, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the statement of income on a straight-line basis over the term of the lease of 40 years.

**(ii) Tools and supplies**

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

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

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

**(h) Accounts payable**

Trade and other payables are stated at their cost.

**(i) Provisions**

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

#### **Severance allowance**

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

## Interfood Shareholding Company

### Notes to the financial statements

#### (j) Share capital

##### (i) *Ordinary shares*

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

##### (ii) *Repurchase and reissue of ordinary shares (treasury shares)*

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the Company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognised as equity are repurchased, their par value amount is recognised as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium

#### (k) Taxation

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

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

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

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

## Interfood Shareholding Company

### Notes to the financial statements

#### (l) Revenue and other income

##### (i) *Goods sold*

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

##### (ii) *Interest income*

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

#### (m) Leases

##### (i) *Leased assets*

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

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

##### (ii) *Leased payments*

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

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

#### (n) Borrowing costs

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

## Interfood Shareholding Company

### Notes to the financial statements

#### (o) Earnings per share

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

#### (p) Segment reporting

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

#### (q) Related parties

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

#### (r) Comparative information

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

## 4 Segment reporting

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

#### (a) Business segments

The Company operates in the following main business segments:

- Drinks; and
- Others include other products and scraps

## Interfood Shareholding Company

### Notes to the financial statements

<b>Q3-2023</b>	<b>Drink VND'000</b>	<b>Others VND'000</b>	<b>Total VND'000</b>
Total segment revenue – net	381,600,243	86,536,391	468,136,634
Segment cost of sales	(247,583,238)	(43,752,015)	(291,335,253)
Segment gross profit	<u>134,017,005</u>	<u>42,784,376</u>	176,801,381
Unallocated selling expenses			(95,943,033)
Unallocated general and administration expenses			(10,047,094)
Financial income			8,451,327
Financial expenses			<u>(67,636)</u>
Net operating profit			<u>79,194,945</u>
Results of other activities			201,358
Income tax expense			(15,993,784)
Net profit after tax			<u><u>63,402,519</u></u>

<b>Q3-2022</b>	<b>Drink VND'000</b>	<b>Others VND'000</b>	<b>Total VND'000</b>
Total segment revenue – net	362,382,241	67,751,784	430,134,025
Segment cost of sales	(247,973,712)	(41,074,959)	(289,048,671)
Segment gross profit	<u>114,408,529</u>	<u>26,676,825</u>	141,085,354
Unallocated selling expenses			(95,887,312)
Unallocated general and administration expenses			(9,415,508)
Financial income			5,411,274
Financial expenses			<u>(104,236)</u>
Net operating profit			<u>41,089,572</u>
Results of other activities			(18,094)
Income tax expense			(8,280,987)
Net profit after tax			<u><u>32,790,491</u></u>

#### (b) Geographical segments

The Company mainly operates in one geographical segment which is in Vietnam

## Interfood Shareholding Company

### Notes to the financial statements

5	Cash and cash equivalents	30/09/2023 VND'000	31/12/2022 VND'000
	Cash on hand	200,915	176,244
	Cash in banks	234,676,187	308,896,220
	Cash equivalents	700,000,000	700,000,000
		<u><b>934,877,102</b></u>	<u><b>1,009,072,464</b></u>

Cash equivalents represented term deposits at banks with original terms to maturity of three months or less from their transaction dates.

6	Accounts receivable from customers	30/09/2023 VND'000	31/12/2022 VND'000
(a)	Accounts receivable from customers detailed by significant customers		
	EB Services Company Limited	3,419,375	6,757,415
	MM Mega Market Vietnam Company Limited	2,146,753	4,302,407
	Wincommerce General Commercial Services SJC	5,227,752	3,792,630
	Others	16,728,247	15,323,711
		<u><b>27,522,127</b></u>	<u><b>30,176,163</b></u>

(b) Accounts receivable from customers classified by payment term

	30/09/2023 VND'000	31/12/2022 VND'000
Short-term	<u>27,522,127</u>	<u>30,176,163</u>
	<u><b>27,522,127</b></u>	<u><b>30,176,163</b></u>

(c) Allowance for doubtful debts

Movements of the allowance for doubtful debts during the year were as follows:

	30/09/2023 VND'000	31/12/2022 VND'000
Opening balance	19,912	13,938
Allowance made during the year	-	5,974
Allowance utilised during the year	-	-
Closing balance	<u><b>19,912</b></u>	<u><b>19,912</b></u>

7	Other receivables	30/09/2023 VND'000	31/12/2022 VND'000
	Interest receivable from deposits at banks	6,357,535	7,191,781
	Compensation receivable		6,730,108
	Other receivable	504,123	478,267
		<u><b>6,861,658</b></u>	<u><b>14,400,156</b></u>



## Interfood Shareholding Company

### Notes to the financial statements

8	Inventories	30/09/2023		31/12/2022	
		Cost VND'000	Allowance VND'000	Cost VND'000	Allowance VND'000
	Goods in transit	35,430	-	396,708	-
	Raw materials	63,507,627	57,910	74,731,931	-
	Tools and supplies	4,551,702	(296,819)	4,798,417	(296,819)
	Work in progress	14,847,666	-	8,634,131	-
	Finished goods	266,696,931	(361,548)	182,192,160	(5,467,012)
		<b>349,639,356</b>	<b>(600,457)</b>	<b>270,753,347</b>	<b>(5,763,831)</b>

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

	30/09/2023 VND'000	31/12/2022 VND'000
Opening balance	5,763,831	448,331
Increase in allowance during the year	3,184,745	6,367,258
Allowance utilised during the year	(8,348,119)	(1,051,758)
Closing balance	<b>600,457</b>	<b>5,763,831</b>

Included in inventories as at 30 September 2023 was VND 256 million (1/1/2022: VND5,764 million) of obsolete and slow-moving inventories

### 9 Tangible fixed assets

	Building VND'000	Machinery & Equipment VND'000	Motor vehicles VND'000	Office equipment VND'000	Total VND'000
<b>Historical cost</b>					
Opening balance	117,748,737	294,847,656	3,883,853	14,379,533	<b>430,859,779</b>
Additions	-	2,652,146	-	683,300	<b>3,335,446</b>
Disposals(*)	-	-	-	-	-
Closing balance	<b>117,748,737</b>	<b>297,499,802</b>	<b>3,883,853</b>	<b>15,062,833</b>	<b>434,195,225</b>
<b>Accumulated depreciation</b>					
Opening balance	59,839,344	278,396,486	3,539,915	13,143,639	<b>354,919,384</b>
Charge for the year	2,964,363	4,431,958	161,388	823,778	<b>8,381,487</b>
Disposals(*)	-	-	-	-	-
Closing balance	<b>62,803,707</b>	<b>282,828,444</b>	<b>3,701,303</b>	<b>13,967,417</b>	<b>363,300,871</b>
<b>Net book value</b>					
Opening balance	57,909,393	16,451,170	343,938	1,235,894	<b>75,940,395</b>
Closing balance	<b>54,945,030</b>	<b>14,671,358</b>	<b>182,550</b>	<b>1,095,416</b>	<b>70,894,354</b>

## Interfood Shareholding Company

### Notes to the financial statements

Included in the cost of tangible fixed assets were assets costing 183,963 million VND which were fully depreciated as of 30 September 2023 (31/12/2022: 91,809 million VND), but are still in active use.

The net book value of temporarily idle tangible fixed assets amounted to VND 625 million as at 30 September 2023 (31/12/2022: VND 658 million).

<b>10 Intangible fixed assets</b>	<b>Software VND'000</b>	<b>Total VND'000</b>
<b>Historical cost</b>		
Opening balance	14,082,575	14,082,575
Additions	-	-
Closing balance	<u>14,082,575</u>	<u>14,082,575</u>
<b>Accumulated depreciation</b>		
Opening balance	13,388,631	13,388,631
Charge for the year	297,527	297,527
Closing balance	<u>13,686,158</u>	<u>13,686,158</u>
<b>Net book value</b>		
Opening balance	693,944	693,944
Closing balance	<u>396,417</u>	<u>396,417</u>

Included in the cost of intangible fixed assets were assets costing VND 12,740 million which were fully amortised as of 30 September 2023 (31/12/2022: VND1,851 million), but are still in active use.

<b>11 Long-term prepaid expenses</b>	<b>Prepaid land costs</b>	<b>Renovation cost</b>	<b>Other</b>	<b>Total</b>
	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>	<b>VND'000</b>
Opening balance	21,401,554	1,714,541	8,140,024	31,256,119
Additions	-	-	1,098,013	1,098,013
Amortisation for the period	(521,989)	(4,092,277)	(234,897)	(4,849,163)
<b>Closing balance</b>	<u>20,879,565</u>	<u>(2,377,736)</u>	<u>9,003,140</u>	<u>27,504,969</u>

<b>12 Deferred tax assets</b>	<b>Tax rate</b>	<b>30/09/2023 VND'000</b>	<b>31/12/2022 VND'000</b>
Deferred tax assets recognised on			
Allowance expenses	20%	10,476,930	10,803,845
Allowance and provisions	20%	575,276	1,873,577
		<u>11,052,206</u>	<u>12,677,422</u>

## Interfood Shareholding Company

### Notes to the financial statements

#### 13 Accounts payable to suppliers

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

	30/09/2023		31/12/2022	
	Cost VND'000	Amount within payment capacity VND'000	Cost VND'000	Amount within payment capacity VND'000
Crown Beverage Cans (Dong Nai) Co., Ltd	27,180,905	27,180,905	46,531,755	46,531,755
Vietnam Kirin Beverage Company Limited	31,257,282	31,257,282	37,214,495	37,214,495
Vietnam Chuanli Can Co., Ltd	16,114,921	16,114,921	13,830,620	13,830,620
Others	63,335,774	63,335,774	55,646,264	55,646,264
	<b>137,888,882</b>	<b>137,888,882</b>	<b>153,223,134</b>	<b>153,223,134</b>

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

	30/09/2023		31/12/2022	
	Cost VND'000	Amount within payment capacity VND'000	Cost VND'000	Amount within payment capacity VND'000
Short-term	137,888,882	137,888,882	153,223,134	153,223,134
	<b>137,888,882</b>	<b>137,888,882</b>	<b>153,223,134</b>	<b>153,223,134</b>

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

	30/09/2023		31/12/2022	
	Cost VND'000	Amount within payment capacity VND'000	Cost VND'000	Amount within payment capacity VND'000
Vietnam Kirin Beverage Company, Limited	31,257,282	31,257,282	37,214,495	37,214,495
	<b>31,257,282</b>	<b>31,257,282</b>	<b>37,214,495</b>	<b>37,214,495</b>

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

#### 14 Taxes payable to State Treasury

	31/12/2022 VND'000	Incurred VND'000	Netted-off VND'000	Paid VND'000	30/09/2023 VND'000
Value added tax	1,450,576	122,708,776	(86,813,010)	(34,792,130)	2,554,212
Corporate income tax	5,429,348	40,201,299		(26,590,249)	19,040,398
Personal income tax	1,263,282	5,776,813		(6,191,615)	848,480
Other tax	-	861,853		(861,853)	-
	<b>8,143,206</b>	<b>169,548,741</b>	<b>(86,813,010)</b>	<b>(68,435,847)</b>	<b>22,443,090</b>

## Interfood Shareholding Company

### Notes to the financial statements

15	Accrued expenses	30/09/2023 VND'000	31/12/2022 VND'000
	Sales discounts and commission	13,235,396	11,393,176
	Promotion expenses	7,027,593	8,709,425
	Incentives for salesman	4,856,685	6,827,743
	Accrual for aluminium price adjustment	-	3,992,133
	Secondment fee (*)	1,898,131	3,567,883
	Transportation fee	5,254,224	2,157,969
	Others	20,112,620	17,370,896
		<u><b>52,384,649</b></u>	<u><b>54,019,225</b></u>

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

16	Other short-term payables	30/09/2023 VND'000	31/12/2022 VND'000
	Dividends payable	528,149	508,027
	Non-trade amounts due to a related party	321,840	389,707
	Other payable	757,721	505,329
		<u><b>1,607,710</b></u>	<u><b>1,403,063</b></u>

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

17	Provision - long-term	Severance allowance 30/09/2023 VND'000	Severance allowance 31/12/2022 VND'000
	Movements of provision during the year were as follow:		
	Opening balance	3,584,147	3,600,049
	Provision made during the year	(982,411)	405,392
	Provision utilised during the year	(345,720)	(421,294)
	Closing balance	<u><b>2,256,016</b></u>	<u><b>3,584,147</b></u>

## Interfood Shareholding Company

### Notes to the financial statements

#### 18 Changes in owners' equity

	Share capital VND'000	Share premium VND'000	Other Reserves VND'000	Retained profits VND'000	Total VND'000
<b>Balance as at</b>					
<b>01/01/2022</b>	871,409,840	85,035,704	90,034,048	16,596,357	<b>1,063,075,949</b>
Net profit for the year				155,645,630	<b>155,645,630</b>
Dividends (Note 21)				(16,556,786)	<b>(16,556,786)</b>
<b>Balance as at</b>					
<b>31/12/2022</b>	<b>871,409,840</b>	<b>85,035,704</b>	<b>90,034,048</b>	<b>155,685,201</b>	<b>1,202,164,793</b>
Net profit for the year				165,081,413	<b>165,081,413</b>
Dividends (Note 21)				(155,110,952)	<b>(155,110,952)</b>
<b>Balance as at</b>					
<b>30/09/2023</b>	<b>871,409,840</b>	<b>85,035,704</b>	<b>90,034,048</b>	<b>320,766,614</b>	<b>1,212,135,254</b>

#### 19 Share capital

The Company's authorised and issued share capital is:

	30/09/2023		31/12/2022	
	Number of shares	VND'000	Number of shares	VND'000
<b>Authorised and issued share capital</b>				
Ordinary shares	87,140,992	871,409,920	87,140,992	871,409,920
<b>Shares in circulation</b>				
Ordinary shares	87,140,984	871,409,840	87,140,984	871,409,840

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

There were no movements of share capital during the report period:

#### 20 Other equity funds

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

## Interfood Shareholding Company

### Notes to the financial statements

#### 21 Dividends

The Annual General Shareholder Meeting of the Company in April 2023 resolved to distribute dividends amounting to VND 155,111 million, payment will be implement on September 2023 (2022: VND16,557 million).

#### 22 Off balance sheet items

##### (a) Lease

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

	30/09/2023	31/12/2022
	VND'000	VND'000
Within one year	3,347,376	3,899,718
Within two to five years	4,929,008	7,393,511
	<u>8,276,384</u>	<u>11,293,229</u>

##### (b) Foreign currencies

	30/09/2023		31/12/2022	
	Original currency	VND'000	Original currency	VND'000
USD	265,120	6,316,736	30,534	724,582
		<u>6,316,736</u>		<u>724,582</u>

#### 23 Revenues from sales of goods

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

Net revenue comprised:

	Q3-2023	Q3-2022	YTD2023Q3	YTD2022Q3
	VND'000	VND'000	VND'000	VND'000
<b>Total revenue</b>				
■ Sales of drinks	408,994,631	388,877,849	1,174,917,711	1,086,610,107
■ Sales of food stuff	87,414,053	69,507,822	247,434,049	208,794,073
■ Sales of scraps	1,517,011	865,119	3,990,222	3,539,452
	<u>497,925,695</u>	<u>459,250,790</u>	<u>1,426,341,982</u>	<u>1,298,943,632</u>
<b>Less revenue deductions:</b>				
■ Sales allowances - drinks	27,394,388	26,495,608	76,915,725	73,632,587
■ Sales allowances - food stuff	2,394,673	2,621,157	9,190,238	8,864,828
■ Sales return	-	-	-	-
	<u>29,789,061</u>	<u>29,116,765</u>	<u>86,105,963</u>	<u>82,497,415</u>
<b>Net revenue</b>	<u>468,136,634</u>	<u>430,134,025</u>	<u>1,340,236,019</u>	<u>1,216,446,217</u>

## Interfood Shareholding Company

### Notes to the financial statements

24	Cost of sales	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
<b>Total cost of sales</b>					
■	Cost of drinks	247,583,238	247,973,712	744,192,873	684,293,356
■	Cost of other products	43,752,015	41,074,959	114,194,674	140,054,605
		<b>291,335,253</b>	<b>289,048,671</b>	<b>858,387,547</b>	<b>824,347,961</b>
25	Financial income	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
	Interest income from bank deposits	8,328,480	5,342,237	28,401,027	12,956,927
	Foreign exchange gains	122,847	69,037	399,389	148,922
		<b>8,451,327</b>	<b>5,411,274</b>	<b>28,800,416</b>	<b>13,105,849</b>
26	Financial expenses	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
	Interest expenses	-	-	-	-
	Foreign exchange losses	67,636	104,236	140,718	144,178
		<b>67,636</b>	<b>104,236</b>	<b>140,718</b>	<b>144,178</b>
27	Selling expenses	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
	Staff costs	42,994,293	41,469,075	133,029,980	118,173,455
	Advertisement and promotion expenses	20,287,160	18,405,457	51,047,892	44,417,458
	Transportation fee	25,130,418	28,595,538	70,051,960	70,085,744
	Rental fee	3,696,444	2,871,396	8,990,061	7,189,678
	Others	3,834,718	4,545,846	10,628,206	11,772,025
		<b>95,943,033</b>	<b>95,887,312</b>	<b>273,748,099</b>	<b>251,638,360</b>
28	General and administration expenses	Q3-2023 VND'000	Q3-2022 VND'000	YTD2023Q3 VND'000	YTD2022Q3 VND'000
	Staff costs	3,299,166	3,466,607	12,306,746	10,355,570
	Consultant fee	983,210	714,707	2,455,160	2,310,107
	Rental fee	1,105,606	564,437	1,751,813	993,293
	Depreciation and amortisation	544,196	987,758	2,093,550	2,858,914
	Allowance	-	47,782	44,020	243,444
	Others	4,114,916	3,634,217	11,011,918	9,889,214
		<b>10,047,094</b>	<b>9,415,508</b>	<b>29,663,207</b>	<b>26,650,542</b>

## Interfood Shareholding Company

### Notes to the financial statements

#### 29 Other expenses

	Q3-2023	Q3-2022	YTD2023Q3	YTD2022Q3
	VND'000	VND'000	VND'000	VND'000
Depreciation of idle tangible fixed assets	10,918	10,918	32,754	32,754
Others	462,076	267,359	2,002,297	1,344,157
	<b>472,994</b>	<b>278,277</b>	<b>2,035,051</b>	<b>1,376,911</b>

#### 30 Production and business costs by element

	Q3-2023	Q3-2022	YTD2023Q3	YTD2022Q3
	VND'000	VND'000	VND'000	VND'000
Raw material costs included in production cost	237,210,159	182,018,296	640,268,727	555,071,640
Labour costs and staff costs	57,742,872	55,072,839	180,641,512	157,783,104
Depreciation and amortisation	2,218,913	3,900,575	8,732,395	12,668,678
Outside services	170,479,913	168,724,635	424,022,562	413,242,150
Other expenses	6,424,451	4,929,620	16,804,526	14,381,023
	<b>474,076,307</b>	<b>414,645,964</b>	<b>1,270,469,721</b>	<b>1,153,146,596</b>

#### 31 Corporate Income Taxes

##### (a) Recognised in the consolidated statement of income

	30/09/2023	31/12/2022
	VND'000	VND'000
<b>Current tax expense</b>		
Current year	40,201,299	36,151,167
<b>Deferred tax income</b>		
Origination and reversal of temporary differences	1,625,217	1,747,368
	<b>1,625,217</b>	<b>1,747,368</b>
<b>Income tax expense</b>	<b>41,826,516</b>	<b>37,898,535</b>

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

	30/09/2023	31/12/2022
	VND'000	VND'000
Accounting profit (loss) before tax	206,907,929	193,544,165
Tax at the Company's tax rate	41,381,586	38,708,833
Non-deductible expenses	444,930	410,394
Over provision in prior years	-	(1,220,692)
	<b>41,826,516</b>	<b>37,898,535</b>



## Interfood Shareholding Company

### Notes to the financial statements

#### (c) Applicable tax rates

Under the terms of prevailing income tax regulations, the Company has an obligation to pay the government income tax at the rate of 20% of taxable profits (2022: 20%).

#### 32 Basic earnings per share

##### (a) Net profit attributable to ordinary shareholders

	30/09/2023 VND'000	31/12/2022 VND'000
Net profit attributable to ordinary shareholders	<u>165,081,413</u>	<u>125,557,534</u>

##### (b) Weighted average number of ordinary shares

Weighted average number of ordinary shares for	<u>87,140,984</u>	<u>87,140,984</u>
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#### 33 Significant transactions with related parties

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

	Transaction value	
	YTD2023Q3 VND'000	YTD2022Q3 VND'000
<b>Related companies</b>		
<b>Kirin Holdings Company, Limited - Ultimate Parent Company</b>		
Dividend paid	-	15,838,454
Secondment fee	5,891,320	4,823,476
Purchases of services	63,488	99,962
<b>Vietnam Kirin Beverage Company, Limited</b>		
Processing fee	244,298,010	244,520,919
Purchases of services	2,592,850	2,341,030
Sale of finished goods	59,876	218,908
Purchases of goods	28,340	1,027,027
Processing contract Compensation	-	-
<b>Kyowa Hakko Bio Singapore Pte,Ltd</b>		
Purchases of goods	4,070,520	8,217,870

**Interfood Shareholding Company****Notes to the financial statements****Board of Directors and Board of Management**

Secondment fees	3,420,000	3,376,727
Salary	961,442	1,363,500
	<hr/> <hr/>	<hr/> <hr/>

Dong Nai, dated 18th October 2023.

Prepared by:

Approved by:

*(Signed)*

*(Signed and sealed)*

Nguyễn Hồng Phong  
Chief Accountant

Daisuke Hattori  
General Director