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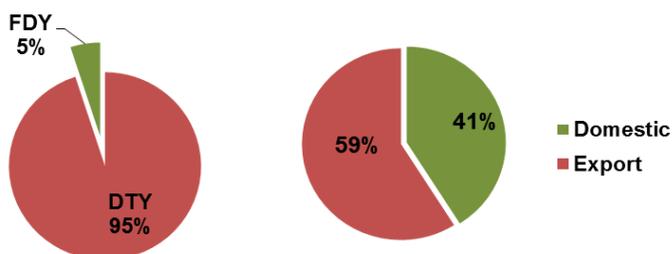
**IR ACTIVITIES OF QUARTER 1/2016**

- In Q3/2016, STK had **9** meetings with over 60 investors and representatives of local and foreign funds, and brokerage firms.

**INFORMATION FOR INVESTORS**

**1. Sales volume and revenue in 9M2016**

<b>Volume (tons)</b>	29.396	+25.4%
<b>Revenue (VND bn.)</b>	970.5	+4.9%
<b>Selling price (VND/kg)</b>	33.017	-16.4%



In the context of competitive market and weak demand, the Company faced difficulties in Q3 when the Turkish Ministry of Economy (“the MOE”) has issued the Disclosure on determination of dumping margin of imported DTY from Vietnam and Thailand (“Disclosure). Although this Disclosure is not yet the final decision on the anti-dumping duties to be imposed on Century and other Vietnamese company, it has affected export sales to Turkey market of Vietnamese companies in general and STK in particular as customers delay orders in order to wait for an official decision. In order to reduce the impact of this market, STK has focused on developing the Korean market and actively received orders of recycle yarn to enhance gross profit margin.

## 2. Profit after tax:

The profit after tax in Q3/2016 reached VND 7.2 billion, an increase of 3% as compared to actual result of Q3/2015. However, the accumulated profit after tax in 9M2016 only achieved VND 39.18 billion, a decrease of 36.4% as compared to 9M2015. Due to high competitive market, the Company actively decreased the selling price in order to increase the orders and to maintain the market share as compared to other companies in industry.

## 3. Financial ratios:

KPIs	Unit	As at 30/09/2016	As at 31/12/2015
<b>Asset structure</b>			
Current Assets/ Total Assets	%	25,72%	27.15%
Non-current Assets/ Total Assets	%	74.28%	72.85%
<b>Owners' equity structure</b>			
Debt/Owners' equity	%	138.4%	118.5%
<b>Debt paying ability</b>			
Current ratio	Times	0.94	1.16
Quick ratio	Times	0.27	0.28
<b>Profitability</b>			
Return on Sales (ROS)	%	4.04%	6.89%
Return on Total Assets (ROA)	%	2.00%	4.15%
Return on Owners' Equity (ROE)	%	5.55%	10.3%

### QUARTER 3/2016 STK BRIEF BULLETIN:

#### 1. Sale Activities:

- In 9M2016, the Company developed 54 new customers, 19 of which are new ones from Korea. During this period, STK's sales volume to Korea has increased 730% year-on-

year. According to Korean custom office's statistics, in first 8 months 2016, STK accounted for approximately 33% in Vietnam's total export volume to Korea.

➤ Recycle yarn:

- Since Q3/2016, the Company officially sold recycled yarn to customers. Thanks to Century actively marketing of the products with branded end-users, they referred their textile suppliers to buy recycle yarn of STK. In addition, STK had concluded an agreement on cooperation with an American partner, whereby STK will have exclusivity in manufacturing and selling recycle yarn for domestic market and the two parties will together develop overseas markets. Both the parties consider that the growth potential of recycle yarn segment in both domestic and international markets is very promising.
- Currently, the major brands such as Nike, Adidas, Uniqlo... tend to increase the proportion of recycle polyester yarn in their total raw material consumption. According to a well-known brand, their demand for recycle yarn in Vietnam market is around 2000 tons per year.
- As at 30<sup>th</sup> September 2016, total received orders of recycled yarn were over 450 tons. However, since some orders are being processed, the Company just recognized the sale volume of 86 tons and the revenue of VND 4.2 billion in Q3.

**2. Progress of Anti-dumping Investigation on DTY product at Turkey market:**

- On 29 August 2016, Century Synthetic Fiber Corporation was informed that the MOE has issued the Disclosure on determination of dumping margin of imported DTY from Vietnam and Thailand. In this Disclosure, the MOE has determined STK's dumping margin at a ridiculous level of 34.81%. On 7<sup>th</sup> and 8<sup>th</sup> Sep 2016, STK, the Ministry of Industry and Trade of Vietnam ("MOIT") and Vietnam Competition Authority ("VCA") attended the hearings in Ankara in order to protect the legitimate interests of Vietnamese enterprises. Later on, both the Company and the MOIT sent official objections to the MOE to strongly challenge its unfair, non-transparent and erroneous methodology used by the investigation authority in determining the dumping margin of Century and other Vietnamese companies on 19 September 2016 and 20 September 2016, respectively. STK and the MOE expect that with persuasive arguments presented in the objections, the MOE should recalculate the dumping margin with fairer and more appropriate methodology. If fair and appropriate methodology is used, the results will so that STK did

not dump the price and should not subject to any anti-dumping duty. The MOE is expected to make the final decision on imposing anti-dumping tariffs for Vietnamese DTY product in October 2016. STK will keep shareholders and investors updated immediately when we receive the MOE's final decision.

### **3. Production- Research- Qualities Activities:**

#### ➤ **Research and Development:**

- In Q3/2016, the Company has conducted R&D of high value added products such as quick dry yarn, hollow yarn, HCR (highly elastic), worth wool yarn (WWY). The initial results are relatively positive and the Company will continuously research to improve product quality.

#### ➤ **Progress of Trang Bang Factory – the fourth phase:**

- By 30th September 2016, STK concluded contracts for machines & facilities purchase with the total value of USD 11.8 mil., which accounted for 95.1 % of total budget (USD 12.5 mil.)
- STK is implementing machine installation . the Company will ensure the project's schedule (i.e put the factory into operation in Q1-2017).

### **4. Company activities:**

- Officially listed additional shares to pay dividends and to increase chartered capital from owner's equity: **6,980,189** shares. Total shares after additional listing: **53,516,024** shares. Listing date: 15th July 2016.
- STK strictly complied with the regulations on information disclosure in Q3/2016. Number of warnings & violations in 9M2016: **0** times