

Century Synthetic Fiber Corporation

Interim separate financial statements

For the six-month period ended 30 June 2022



Century Synthetic Fiber Corporation

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Century Synthetic Fiber Corporation

GENERAL INFORMATION

THE COMPANY

Century Synthetic Fiber Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam and currently operates based on the 19th Amended Enterprise Registration Certificate No. 0302018927 issued by the Department of Planning and Investment of Ho Chi Minh City on 10 August 2020.

The Company listed its shares on the Ho Chi Minh Stock Exchange with trading code as STK in accordance with Decision No. 410/QĐ-SGDHCM issued by the Ho Chi Minh Stock Exchange on 10 September 2015.

The current principal activities of the Company during the period are to manufacture synthetic yarn and knitting.

The Company's registered head office is located at Lot B1-1 North West Cu Chi Industrial Zone, Cu Chi District, Ho Chi Minh City, Vietnam. In addition, the Company has Trang Bang Branch, located at Street No.8, Trang Bang Industrial Zone, Trang Bang Commune, Tay Ninh Province, and one representative office, located at 102-104-106 Bau Cat, Ward 14, Tan Binh District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

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

Ms Dang My Linh	Chairman
Mr Dang Trieu Hoa	Vice Chairman
Mr Dang Huong Cuong	Member
Ms Cao Thi Que Anh	Member
Mr Chen Che Jen	Member
Mr Vo Quang Long	Member
Mr Nguyen Quoc Huong	Member

BOARD OF SUPERVISION

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

Mr Nguyen Tu Luc	Head
Ms Hoang Nu Mong Tuyen	Member
Ms Dinh Ngoc Hoa	Member

MANAGEMENT

Members of the Management during the period and at the date of this report are:

Mr Dang Trieu Hoa	General Director
Ms Nguyen Phuong Chi	Chief Strategic Officer
Mr Phan Nhu Bich	Chief Financial Officer

LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Dang Trieu Hoa.

AUDITORS

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

Century Synthetic Fiber Corporation

REPORT OF MANAGEMENT

Management of Century Synthetic Fiber Corporation ("the Company") is pleased to present this report and the interim separate financial statements of the Company for the six-month period ended 30 June 2022.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Company and of the interim separate results of its operations and its interim separate cash flows for the period. In preparing those interim separate 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 interim separate financial statements; and
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company 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 interim separate financial statements.

STATEMENT BY MANAGEMENT

Management of the Company, does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Company as at 30 June 2022 and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the interim separate financial statements.

The Company has a subsidiary as disclosed in the interim separate financial statements. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its a subsidiary ("the Group") for the six-month period ended 30 June 2022 dated 22 August 2022.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

For and on behalf of management:



Đang Triều Hoa
General Director

Ho Chi Minh City, Vietnam

22 August 2022

Reference: 60867230/22990398/LR

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

To: The Shareholders of Century Synthetic Fiber Corporation

We have reviewed the accompanying interim separate financial statements of Century Synthetic Fiber Corporation ("the Company") as prepared on 22 August 2022 and set out on pages 5 to 32, which comprise the interim separate balance sheet as at 30 June 2022, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

Our responsibility is to express a conclusion on the interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Company as at 30 June 2022, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the interim separate financial statements.

Ernst & Young Vietnam Limited



Ernest Young Chin Kang
Deputy General Director
Audit Practicing Registration Certificate
No. 1891-2018-004-1

Ho Chi Minh City, Vietnam

22 August 2022

Century Synthetic Fiber Corporation

B01a-DN

INTERIM SEPARATE BALANCE SHEET
as at 30 June 2022

VND

Code	ASSETS	Notes	30 June 2022	31 December 2021
100	A. CURRENT ASSETS		1,179,647,732,313	983,396,835,105
110	I. Cash and cash equivalents	4	530,965,290,028	366,106,963,933
111	1. Cash		27,465,290,028	24,106,963,933
112	2. Cash equivalents		503,500,000,000	342,000,000,000
130	II. Current accounts receivable		126,445,335,167	92,200,177,566
131	1. Short-term trade receivables	5.1	71,736,059,228	69,083,156,471
132	2. Short-term advances to suppliers	5.2	10,577,260,928	5,258,024,025
136	3. Other short-term receivables	6	44,132,015,011	17,858,997,070
140	III. Inventories	8	476,267,296,154	471,504,991,659
141	1. Inventories		488,276,480,967	490,920,247,655
149	2. Provision for obsolete inventories		(12,009,184,813)	(19,415,255,996)
150	IV. Other current assets		45,969,810,964	53,584,701,947
151	1. Short-term prepaid expenses	13	2,340,538,578	5,930,866,811
152	2. Value-added tax deductible	16	34,830,375,533	34,102,004,823
153	3. Tax and other receivables from the State	16	8,798,896,853	13,551,830,313
200	B. NON-CURRENT ASSETS		932,124,052,996	986,539,614,461
210	I. Non-current account receivable		3,471,000,000	11,279,690,982
215	1. Long-term loan receivable	7	3,471,000,000	11,279,690,982
220	II. Fixed assets		755,982,237,634	806,745,403,454
221	1. Tangible fixed assets	9	755,936,372,484	806,644,500,122
222	Cost		2,062,499,215,003	2,058,140,940,344
223	Accumulated depreciation		(1,306,562,842,519)	(1,251,496,440,222)
227	2. Intangible assets	10	45,865,150	100,903,332
228	Cost		14,385,298,205	14,385,298,205
229	Accumulated amortisation		(14,339,433,055)	(14,284,394,873)
240	III. Long-term asset in progress		24,762,079,504	23,843,586,550
242	1. Construction in progress	11	24,762,079,504	23,843,586,550
250	IV. Long-term investments	12	93,800,000,000	86,097,134,018
251	1. Investment in a subsidiary	12.1	80,000,000,000	80,000,000,000
253	2. Investment in another entity	12.2	13,800,000,000	6,097,134,018
260	V. Other long-term assets		54,108,735,858	58,573,799,457
261	1. Long-term prepaid expenses	13	53,175,308,194	55,511,081,281
262	2. Deferred tax assets	26.3	933,427,664	3,062,718,176
270	TOTAL ASSETS		2,111,771,785,309	1,969,936,449,566

Century Synthetic Fiber Corporation

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INTERIM SEPARATE BALANCE SHEET (continued)
as at 30 June 2022

VND

Code	RESOURCES	Notes	30 June 2022	31 December 2021
300	C. LIABILITIES		807,376,983,321	710,777,777,980
310	I. Current liabilities		807,094,815,488	710,497,673,607
311	1. Short-term trade payables	14	340,944,445,638	290,027,470,347
312	2. Short-term advances from customers	15	31,960,946,340	41,623,436,088
313	3. Statutory obligations	16	14,235,744,492	11,810,815,168
314	4. Payables to employees		20,401,763,627	26,624,030,474
315	5. Short-term accrued expenses	17	7,959,053,769	8,266,264,038
319	6. Other short-term payables	18	7,223,895,262	6,233,724,905
320	7. Short-term loans	19	379,396,648,750	321,327,876,336
322	8. Bonus and welfare funds	3.14	4,972,317,610	4,584,056,251
330	II. Non-current liabilities		282,167,833	280,104,373
342	1. Long-term provision		282,167,833	280,104,373
400	D. OWNERS' EQUITY		1,304,394,801,988	1,259,158,671,586
410	I. Capital	20.1	1,304,394,801,988	1,259,158,671,586
411	1. Share capital		707,269,440,000	707,269,440,000
411a	- Shares with voting rights		707,269,440,000	707,269,440,000
412	2. Share premium		35,093,198,872	35,093,198,872
415	3. Treasury shares		(42,410,550,000)	(42,410,550,000)
418	4. Investment and development fund		1,219,011,000	1,219,011,000
421	5. Undistributed earnings		603,223,702,116	557,987,571,714
421a	- Undistributed earnings by the end of prior period		455,709,630,714	279,067,885,313
421b	- Undistributed earnings of current period		147,514,071,402	278,919,686,401
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,111,771,785,309	1,969,936,449,566

Preparer
Nguyen Thi Hong Tham

Chief Accountant
Phan Nhu Bich

General Director
Dang Trieu Hoa



22 August 2022

Century Synthetic Fiber Corporation

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INTERIM SEPARATE INCOME STATEMENT for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
01	1. Revenue from sale of goods	21.1	1,171,030,545,410	1,077,766,296,318
02	2. Deductions	21.1	(1,419,571,506)	(753,617,747)
10	3. Net revenue from sale of goods	21.1	1,169,610,973,904	1,077,012,678,571
11	4. Cost of goods sold	25	(952,578,978,943)	(865,965,236,801)
20	5. Gross profit from sale of goods		217,031,994,961	211,047,441,770
21	6. Finance income	21.2	10,180,812,678	3,387,719,730
22	7. Finance expenses	22	(19,884,648,752)	(3,376,094,863)
23	In which: Interest expense		(2,838,336,489)	(2,634,249,896)
25	8. Selling expenses	23, 25	(11,263,045,264)	(14,185,033,737)
26	9. General and administrative expenses	24, 25	(30,991,585,287)	(36,209,105,738)
30	10. Operating profit		165,073,528,336	160,664,927,162
31	11. Other income		258,417,971	426,688,633
32	12. Other expenses		(1,197,898)	(11,297,220)
40	13. Other profit		257,220,073	415,391,413
50	14. Accounting profit before tax		165,330,748,409	161,080,318,575
51	15. Current corporate income tax expense	26.1	(15,687,386,495)	(16,983,414,805)
52	16. Deferred tax expense	26.3	(2,129,290,512)	(3,090,806,477)
60	17. Net profit after tax		147,514,071,402	141,006,097,293

Preparer
Nguyen Thi Hong Tham

Chief Accountant
Phan Nhu Bich

General Director
Dang Trieu Hoa



22 August 2022

INTERIM SEPARATE CASH FLOW STATEMENT
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		165,330,748,409	161,080,318,575
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	9, 10	55,121,440,479	55,386,586,427
03	(Reversal of provision) provision		(7,406,071,183)	8,094,358,487
04	Foreign exchange gains arising from revaluation of monetary accounts denominated in foreign currency		7,761,693,957	(519,820,959)
05	Profits from investing activities	21.2	(7,470,498,061)	(2,176,384,958)
06	Interest expenses	22	2,838,336,489	2,634,249,896
08	Operating profit before changes in working capital		216,175,650,090	224,499,307,468
09	Increase in receivables		(24,046,982,179)	(26,242,587,627)
10	Decrease (increase) in inventories		2,643,766,688	(156,164,483,304)
11	Increase in payables		31,255,302,298	92,583,998,150
12	Decrease (increase) in prepaid expenses		5,926,101,320	(5,750,457,930)
13	Interest paid		(2,787,213,149)	(2,617,050,646)
14	Corporate income tax paid		(6,816,861,344)	(6,334,418,393)
15	Other cash inflows from operating activities		-	554,706,947
16	Other cash outflows for operating activities		(1,836,441,341)	(520,287,324)
20	Net cash flow from operating activities		220,513,322,383	120,008,727,341
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(10,758,844,954)	-
24	Collection of bank term deposit		-	26,000,000,000
27	Interest received		7,310,262,999	2,176,318,291
30	Net cash flow (used in) from investing activities		(3,448,581,955)	28,176,318,291

INTERIM SEPARATE CASH FLOW STATEMENT (continued)
for the six-month period ended 30 June 2022

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings	19	574,594,646,050	571,135,087,736
34	Repayment of borrowings	19	(523,581,547,148)	(528,869,108,006)
36	Dividends paid	20.2	(102,213,100,650)	-
40	Net cash flow (used in) from financing activities		(51,200,001,748)	42,265,979,730
50	Net increase in cash and cash equivalents for the period		165,864,738,680	190,451,025,362
60	Cash and cash equivalents at beginning of the period		366,106,963,933	95,080,564,018
61	Impact of exchange rate fluctuation		(1,006,412,585)	-
70	Cash and cash equivalents at end of the period	4	530,965,290,028	285,531,589,380


Preparer
Nguyen Thi Hong Tham


Chief Accountant
Phan Nhu Bich


General Director
Dang Trieu Hoa



22 August 2022

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
as at 30 June 2022 and for the six-month period then ended

1. CORPORATE INFORMATION

Century Synthetic Fiber Corporation ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam and currently operates based on the 19th Amended Enterprise Registration Certificate No. 0302018927 issued by the Department of Planning and Investment of Ho Chi Minh City on 10 August 2020.

The Company listed its shares on the Ho Chi Minh Stock Exchange with trading code as STK in accordance with Decision No. 410/QD-SGDHCM issued by the Ho Chi Minh Stock Exchange on 10 September 2015.

The current principal activities of the Company during the period are to manufacture synthetic yarn and knitting.

The Company's normal course of business cycle is 12 months.

The Company's registered head office is located at Lot B1-1 North West Cu Chi Industrial Zone, Cu Chi District, Ho Chi Minh City, Vietnam. In addition, the Company has Trang Bang Branch, located at Street No.8, Trang Bang Industrial Zone, Trang Bang Commune, Tay Ninh Province, and one representative office, located at 102-104-106 Bau Cat, Ward 14, Tan Binh District, Ho Chi Minh City, Vietnam.

The number employees of the Company as at 30 June 2022 was 1012 (31 December 2021: 927).

2. BASIS OF PREPARATION

2.1 *Purpose of preparing the interim separate financial statements*

The Company has a subsidiary as disclosed in Note 12.1. The Company prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the interim consolidated financial statements of the Company and its subsidiaries ("the Group") for the six-month period ended 30 June 2022 dated 22 August 2022.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Group.

2.2 *Accounting standards and system*

The interim separate financial statements of the Company expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standard No. 27 - Interim Financial Reporting and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

2. BASIS OF PREPARATION (continued)

2.2 *Accounting standards and system* (continued)

Accordingly, the accompanying interim separate 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 interim separate financial position and interim separate results of operations and interim separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 *Applied accounting documentation system*

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

2.4 *Fiscal year*

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

2.5 *Accounting currency*

The interim separate financial statements are prepared in VND which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

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

3.2 *Inventories*

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value 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	- cost of purchase on a weighted average basis.
Finished goods	- cost of direct materials and labour plus attributable manufacturing overheads based on the normal operating capacity 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 raw materials, finished goods owned by the Company, based on appropriate evidence of impairment available at the interim balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.3 Receivables

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

The provision for doubtful debts represents amounts of outstanding receivables at the interim 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 interim separate income statement.

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 interim separate income statement as incurred.

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

3.5 Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible 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 interim separate income statement as incurred.

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

3.6 Depreciation and amortisation

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

Buildings, structures	5 - 25 years
Machinery and equipment	5 - 15 years
Means of transportations	2 - 10 years
Office equipment	3 - 6 years
Computer software	4 - 5 years

3.7 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are recorded as expense during the period in which they are incurred.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Prepaid expenses*

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

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

- ▶ Prepaid rental; and
- ▶ Tools and consumables with large value issued into production and can be used for more than one year.

Prepaid land rental

The prepaid land rental represents the unamortised balance of advance payment made in accordance with the lease contract signed with Cidico Corporation on 3 July 2000 for a period of 50 years and Tay Ninh Industrial Park Infrastructure Development Joint Stock Company on 21 July 2009 for a period of 45 years, and on 31 October 2017 to 14 July 2053.

Such prepaid rental is recognised as a long-term prepaid expense for allocation to the interim separate income statement over the remaining lease period according to Circular 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013.

3.9 *Construction in progress*

Construction in progress represents costs that are directly attributable to the acquisition, construction to produce an asset in the course of construction at the interim balance sheet date.

3.10 *Investments*

Investment in a subsidiary

Investment in a subsidiary over which the Company has control is carried at cost.

Distributions from accumulated net profits of the subsidiary arising subsequent to the date of acquisition are recognised in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the interim balance sheet date.

Increases and decreases to the provision balance are recorded as finance expense in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 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 Company.

3.12 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting period for all employees who have been in service for more than 12 months up to the interim balance sheet date at the rate of one-half of the average monthly salary for each period of service up to 31 December 2008 in accordance with the Labour Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the interim separate income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labour contract following Article 48 of the Labour Code.

3.13 Foreign currency transactions

The Company applies guidance of Circular 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular 200/2014/TT-BTC dated 22 December 2014 to record foreign currency transactions.

Transactions in currencies other than the Company's reporting currency are recorded at the exchange rate that approximates the average of buying and selling transfer exchange rates announced by the commercial bank where the Company most frequently conducts its transactions ("the average transfer exchange rate"). This approximate exchange rate does not exceed +/- 1% of the average transfer exchange rate. The average transfer exchange rate is determined daily based on the average of daily buying transfer rates and selling transfer rates of the commercial bank.

At end of period, balances of monetary items denominated in foreign currencies are translated at the buying transfer exchange rate announced by the commercial bank where the Company most frequently conducts its transactions.

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

3.14 Appropriation of net profit

Net profit after tax is available for appropriation to shareholders after approval in the shareholders' meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

Investment and development fund

This fund is set aside for use in the Company's expansion of its operation or of in-depth investment.

Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits and presented as a liability on the interim separate balance sheet.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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.

Interest

Revenue is recognised as the interest accrues unless collectability is in doubt.

3.16 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior periods 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 interim balance sheet date.

Current income tax is charged or credited to the interim separate 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 Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current income tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the interim balance sheet date between the tax base of assets and liabilities and their carrying amount 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; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

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; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each interim separate 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 interim separate 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 period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the interim balance sheet date.

Deferred tax is charged or credited to the interim separate 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 Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.17 Related parties

Parties are considered to be related parties of the Company 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 Company and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

4. CASH AND CASH EQUIVALENTS

	VND	
	30 June 2022	31 December 2021
Cash on hand	418,108,867	35,847,322
Cash in banks	27,047,181,161	24,071,116,611
Cash equivalents (*)	503,500,000,000	342,000,000,000
TOTAL	530,965,290,028	366,106,963,933

(*) Time deposits at banks represent bank deposits at commercial banks with original maturities of less than three (3) months and earn interest at the market rate.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

5. SHORT-TERM TRADE RECEIVABLES AND ADVANCES TO SUPPLIERS

5.1. Short-term trade receivables

	VND	
	30 June 2022	31 December 2021
Chori Osaka Ltd Ptd	18,476,651,326	12,352,370,186
Phong Phu Coats Company Limited	13,041,518,678	13,412,446,823
Unifi Asia Pacific (Hong Kong) – XKTC (*)	9,594,351,892	6,833,681,146
Unifi Asia Pacific (Hong Kong)	7,203,868,590	10,545,551,846
Far Eastern Polytex (Viet Nam) Limited	7,016,731,986	280,240,972
Happytex Joint Stock Company	6,999,381,501	-
Formosa Taffeta Dong Nai Company Limited	5,239,079,142	2,017,671,318
Y.R.C Textile Company Limited	-	9,116,557,702
Formosa Taffeta Viet Nam Company Limited	-	296,656,800
Others (*)	4,164,476,113	14,227,979,678
TOTAL	71,736,059,228	69,083,156,471

(*) The detail of beginning is disclosed in corresponding with the ending balance.

5.2. Short-term advances to suppliers

	VND	
	30 June 2022	31 December 2021
An Tri Viet Technology Electrical Automation Company Limited	4,350,000,000	-
Schill + Seilacher GMBH Boeblingen	3,639,396,730	1,086,189,280
Mikyo Packing Machinery Joint Stock Company	1,457,400,000	-
Truong Hai Investment and Development Company Limited	-	1,705,000,000
VBS Technology Company Limited	-	1,090,594,122
Others	1,130,464,198	1,376,240,623
TOTAL	10,577,260,928	5,258,024,025

6. OTHER SHORT-TERM RECEIVABLES

	VND	
	30 June 2022	31 December 2021
Payment on behalf	16,128,129,327	16,207,588,781
Non-interest bearing lending (*)	25,650,150,000	-
Social insurance	1,272,541,711	801,791,320
Others	1,081,193,973	849,616,969
TOTAL	44,132,015,011	17,858,997,070

In which:

Due from a related party (Note 27)	41,778,279,327	16,207,588,781
Due from other parties	2,353,735,684	1,651,408,289

(*) This represented non-interest bearing lending to Unitex Corporation, a subsidiary of the Company, to finance construction and operating expenses for Unitex Manufacture Synthetic Yarn Factory project in accordance with Decision No. 216-21/QD-CTTK dated 20 August 2021.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

7. LONG-TERM LOAN RECEIVABLE

Long-term loan receivable represents loan to Dintsun Vietnam Company Limited ("Dintsun") under the Capital Contribution Agreement No DTVN – 2019001 dated 12 December 2019 to raise the capital for Soc Trang Industrial Zone Project and earn no interest.

8. INVENTORIES

	30 June 2022		31 December 2021	
	Cost	Provision	Cost	Provision
Finished goods	223,216,562,475	(8,469,236,645)	249,440,713,272	(16,104,310,749)
Raw materials	226,413,261,408	(3,539,948,168)	208,061,491,372	(3,310,945,247)
Goods in transit	38,646,657,084	-	33,418,043,011	-
TOTAL	488,276,480,967	(12,009,184,813)	490,920,247,655	(19,415,255,996)

Detail of movements of provision for obsolete inventories:

	VND	
	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Beginning balance	(19,415,255,996)	(24,524,085,893)
Add: Provision made during the period	(1,786,035,196)	(8,094,358,487)
Less: Reversal of provision made during the period	9,192,106,379	-
Ending balance	(12,009,184,813)	(32,618,444,380)

Century Synthetic Fiber Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

9. TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery and equipment	Means of transportations	Office equipment	VND Total
Cost:					
As at 31 December 2021	304,608,626,458	1,565,972,049,649	182,768,538,157	4,791,726,080	2,058,140,940,344
Increase in the period	-	-	4,032,952,000	-	4,032,952,000
Other increase	-	325,322,659	-	-	325,322,659
As at 30 June 2022	304,608,626,458	1,566,297,372,308	186,801,490,157	4,791,726,080	2,062,499,215,003
<i>In which:</i>					
Fully depreciated	86,363,990,119	356,990,489,118	37,951,671,844	3,451,926,867	484,758,077,948
Accumulated depreciation:					
As at 31 December 2021	(150,939,967,561)	(952,160,023,166)	(143,778,284,908)	(4,618,164,587)	(1,251,496,440,222)
Depreciation for the period	(4,954,158,312)	(41,490,442,535)	(8,589,581,391)	(32,220,059)	(55,066,402,297)
As at 30 June 2022	(155,894,125,873)	(993,650,465,701)	(152,367,866,299)	(4,650,384,646)	(1,306,562,842,519)
Net carrying amount:					
As at 31 December 2021	153,668,658,897	613,812,026,483	38,990,253,249	173,561,493	806,644,500,122
As at 30 June 2022	148,714,500,585	572,646,906,607	34,433,623,858	141,341,434	755,936,372,484

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

10. INTANGIBLE ASSETS

	VND
	<i>Computer software</i>
Cost:	
As at 31 December 2021 and 30 June 2022	<u>14,385,298,205</u>
<i>In which:</i>	
<i>Fully amortised</i>	<u>13,834,916,387</u>
Accumulated amortisation:	
As at 31 December 2021	(14,284,394,873)
Amortisation for the period	<u>(55,038,182)</u>
As at 30 June 2022	<u>(14,339,433,055)</u>
Net carrying amount:	
As at 31 December 2021	<u>100,903,332</u>
As at 30 June 2022	<u>45,865,150</u>

11. CONSTRUCTION IN PROGRESS

		VND
	30 June 2022	31 December 2021
Machinery and equipment	<u>24,762,079,504</u>	<u>23,843,586,550</u>

12. LONG-TERM INVESTMENTS

				VND
	30 June 2022		31 December 2021	
	Cost	Provision	Cost	Provision
Investment in a subsidiary (Note 12.1)	80,000,000,000	-	80,000,000,000	-
Investment in another entity (Note 12.2)	<u>13,800,000,000</u>	<u>-</u>	<u>6,097,134,018</u>	<u>-</u>
TOTAL	<u>93,800,000,000</u>	<u>-</u>	<u>86,097,134,018</u>	<u>-</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

12. LONG-TERM INVESTMENTS (continued)

12.1 Investment in a subsidiary

	30 June 2022		31 December 2021	
	% of interest	Cost VND	% of interest	Cost VND
Unitex Corporation	100	<u>80,000,000,000</u>	100	<u>80,000,000,000</u>

Unitex Corporation ("Unitex") formerly is a shareholding company established in Vietnam pursuant to the Investment Certificate No. 452033000336 issued by the Management Board of Tay Ninh Economic Zone on 29 June 2015 and Enterprise Registration Certificate ("ERC") No. 3901206611 issued by Department of Planning and Investment of Tay Ninh Province on 29 June 2015, and the amended ERCs.

The principal activities per Investment Certificate of Unitex are to manufacture fibers and fabrics. The registered head office of Unitex is located at A17.1, C1 Street, Thanh Thanh Cong Industrial Zone, An Hoa ward, Trang Bang Commune, Tay Ninh Province, Vietnam.

As at 30 June 2022, the Company holds 100% ownership and voting rights at Unitex.

12.2 Investment in another entity

	30 June 2022		31 December 2021	
	% of interest	Cost VND	% of interest	Cost VND
Dintsun Vietnam Company Limited (*)	5	<u>13,800,000,000</u>	5	<u>6,097,134,018</u>

Dintsun Vietnam Company Limited ("Dintsun") is a limited company established pursuant to the Enterprise Registration Certificate ("ERC") No. 2200764052 issued by the Department of Planning and Investment of Ho Chi Minh City on 29 May 2019. The principal activities per Investment Registration Certificate of Dintsun is to invest in business infrastructure. The registered head office of Dintsun is located at Xay Da B Hamlet, Ho Duc Kien Commune, Chau Thanh District, Soc Trang Province, Vietnam.

(*) On 16 June 2022, the Group completed additional investment in Dintsun amounting to VND 7,702,865,982 under the form of conversion of a long-term receivable.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

13. PREPAID EXPENSES

	VND	
	30 June 2022	31 December 2021
Short-term	2,340,538,578	5,930,866,811
Tools and supplies in use	2,144,518,310	4,237,790,752
Car rental	120,000,000	1,658,228,059
Others	76,020,268	34,848,000
Long-term	53,175,308,194	55,511,081,281
Land rental	35,144,945,215	35,776,544,714
Tools and supplies in use	16,367,710,365	18,710,893,905
Others	1,662,652,614	1,023,642,662
TOTAL	55,515,846,772	61,441,948,092

14. SHORT-TERM TRADE PAYABLES

	VND	
	30 June 2022	31 December 2021
Unifi Textile (Suzhou) Company Limited	140,620,913,000	62,093,306,000
Tainan Spinning Company Limited	85,311,662,500	91,222,587,200
Pt. Indo-Rama Synthetics TBK	47,497,326,000	60,490,976,000
Chori Company Limited	30,571,697,100	46,151,762,440
Others	36,942,847,038	30,068,838,707
TOTAL	340,944,445,638	290,027,470,347

15. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2022	31 December 2021
Lear Corporation - Kenansville	9,893,964,495	9,398,398,464
Treasure Star International Limited	6,111,654,552	5,794,349,760
Global Dyeing Company Limited	3,832,231,312	-
Nam Phuong Textile and Dyeing Company Limited	2,496,664,764	5,373,566,979
Others	9,626,431,217	21,057,120,885
TOTAL	31,960,946,340	41,623,436,088

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

16. STATUTORY OBLIGATIONS

	31 December 2021	Increase in period	Decrease in period	VND 30 June 2022
Payables				
Corporate income tax	6,499,586,755	15,687,386,495	(11,912,648,641)	10,274,324,609
Value-added tax	113,431,355	7,881,488,620	(7,777,785,194)	217,134,781
Personal income tax	5,197,797,058	142,133,348,082	(143,586,860,038)	3,744,285,102
TOTAL	11,810,815,168	165,702,223,197	(163,277,293,873)	14,235,744,492
Receivables				
Corporate income tax	13,551,830,313	-	(5,111,598,127)	8,440,232,186
Value-added tax deductible	34,102,004,823	140,648,223,883	(139,919,853,173)	34,830,375,533
Others	-	1,466,369,137	(1,107,704,470)	358,664,667
TOTAL	47,653,835,136	142,114,593,020	(146,139,155,770)	43,629,272,386

17. SHORT-TERM ACCRUED EXPENSES

	30 June 2022	31 December 2021
Utility expenses	6,406,952,191	7,191,132,150
Sales commission	1,289,012,095	868,165,745
Interest expense	218,089,483	76,631,638
Others	45,000,000	130,334,505
TOTAL	7,959,053,769	8,266,264,038

18. SHORT-TERM OTHER PAYABLES

	30 June 2022	31 December 2021
Social insurance	4,145,062,183	3,245,911,456
Dividends	327,500,530	262,660,180
Others	2,751,332,549	2,725,153,269
TOTAL	7,223,895,262	6,233,724,905

19. SHORT-TERM LOANS

Details of movements of loans are as follows:

	Amount VND
As at 1 January 2022	321,327,876,336
Drawdown during the period	574,594,646,050
Repayment during the period	(523,581,547,148)
Revaluation of foreign exchange	7,055,673,512
As at 30 June 2022	379,396,648,750

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

19. SHORT-TERM LOANS (continued)

The Company obtained the unsecured short-term loans from banks for the purpose of financing its working capital requirements. Details are as follows:

<i>Banks</i>	<i>30 June 2022</i>		<i>Original amount</i>	<i>Term and maturity date</i>	<i>Interest rate % p.a.</i>
	<i>VND</i>	<i>USD</i>			
Joint Stock Commercial Bank for Foreign Trade of Vietnam	260,700,680,450		11,268,670	From 16 September 2022 to 30 December 2022	1.5 - 2.7
Orient Commercial Joint Stock Bank	80,006,845,100		3,458,260	From 21 September 2022 to 17 November 2022	1.9 - 2.7
Chinatrust Commercial Bank Company Limited	12,076,470,000		522,000	From 15 September 2022 to 26 September 2022	2.92 - 3.7
Vietnam Export Import Commercial Joint Stock Bank	26,612,653,200		1,150,320	From 4 September 2022 to 30 September 2022	1.70
TOTAL	379,396,648,750		16,399,250		

Century Synthetic Fiber Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

20. OWNERS' EQUITY

20.1 Increases and decreases in owners' equity

	Share capital	Share premium	Treasury share	Investment and development fund	Undistributed earnings	Total	VND
For the six-month period ended 30 June 2021:							
As at 31 December 2020	707,269,440,000	35,093,198,872	(42,410,550,000)	1,219,011,000	381,345,826,313	1,082,516,926,185	
Net profit for the period	-	-	-	-	141,006,097,293	141,006,097,293	
Dividend declared	-	-	-	-	(102,277,941,000)	(102,277,941,000)	
As at 30 June 2021	<u>707,269,440,000</u>	<u>35,093,198,872</u>	<u>(42,410,550,000)</u>	<u>1,219,011,000</u>	<u>420,073,982,606</u>	<u>1,121,245,082,478</u>	
For the six-month period ended 30 June 2022:							
As at 31 December 2021	707,269,440,000	35,093,198,872	(42,410,550,000)	1,219,011,000	557,987,571,714	1,259,158,671,586	
Net profit for the period	-	-	-	-	147,514,071,402	147,514,071,402	
Dividend declared (*)	-	-	-	-	(102,277,941,000)	(102,277,941,000)	
As at 30 June 2022	<u>707,269,440,000</u>	<u>35,093,198,872</u>	<u>(42,410,550,000)</u>	<u>1,219,011,000</u>	<u>603,223,702,116</u>	<u>1,304,394,801,988</u>	

(*) The Resolutions of Annual Shareholder Meeting dated 22 April 2022, and of Board of Directors No. 06-2022/NQHDQT/TK dated 5 April 2022 approved the dividend by cash of 15% par value of share with total amount of VND 102,277,941,000.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

20. OWNERS' EQUITY (continued)

20.2 Capital transactions with owners and distribution of dividends, profits

	VND	
	For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Issued share capital		
As at 1 January to 30 June	707,269,440,000	707,269,440,000
Dividends declared	(102,277,941,000)	(102,277,941,000)
Dividends paid	(102,213,100,650)	-

20.3 Shares

	30 June 2022		31 December 2021	
	Quantity	Amount (VND)	Quantity	Amount (VND)
Authorized shares	70,726,944	707,269,440,000	70,726,944	707,269,440,000
Issued shares				
Issued and paid-up shares	70,726,944	707,269,440,000	70,726,944	707,269,440,000
Ordinary shares	70,726,944	707,269,440,000	70,726,944	707,269,440,000
Treasury shares				
Ordinary shares	(2,541,650)	(42,410,550,000)	(2,541,650)	(42,410,550,000)
Shares in circulation				
Ordinary shares	68,185,294	664,858,890,000	68,185,294	664,858,890,000

Par value of outstanding shares: 10,000 VND per share.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

21. REVENUES

21.1 Revenue from sale of goods

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Gross revenue	1,171,030,545,410	1,077,766,296,318
Less	(1,419,571,506)	(753,617,747)
Sales returns	(1,400,811,961)	(668,683,667)
Trade discounts	(18,759,545)	(84,934,080)
Net revenue	<u>1,169,610,973,904</u>	<u>1,077,012,678,571</u>
<i>Of which:</i>		
Sales to other parties	1,169,610,973,904	1,054,529,931,962
Sales to related parties (Note 27)	-	22,482,746,609

21.2 Finance income

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Interest income	7,470,498,061	2,176,384,958
Foreign exchange gains	2,710,314,617	1,211,334,772
TOTAL	<u>10,180,812,678</u>	<u>3,387,719,730</u>

22. FINANCE EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Foreign exchange losses	17,046,312,263	741,844,967
Interest expense	2,838,336,489	2,634,249,896
TOTAL	<u>19,884,648,752</u>	<u>3,376,094,863</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

23. SELLING EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Transportation expense	5,667,164,046	6,506,608,706
Letter of credit (L/C) and documentary fee	2,865,716,981	4,576,558,256
Commission fee	1,482,349,147	1,407,519,802
Others	1,247,815,090	1,694,346,973
TOTAL	11,263,045,264	14,185,033,737

24. GENERAL AND ADMINISTRATION EXPENSES

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Labour costs	15,303,167,729	16,819,574,709
Expenses for external services	6,783,001,076	10,583,704,338
Stationery and other tools costs	4,940,871,868	4,989,608,191
Depreciation and amortisation expenses	792,004,622	693,132,622
Others	3,172,539,992	3,123,085,878
TOTAL	30,991,585,287	36,209,105,738

25. PRODUCTION AND OPERATING COSTS

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Raw materials	702,393,814,191	619,535,567,779
Expenses for external services	134,953,814,575	145,253,449,877
Labour costs	76,943,014,493	72,733,398,953
Depreciation and amortisation (Notes 9 and 10)	55,121,440,479	55,386,586,427
Others	25,421,525,756	23,450,373,240
TOTAL	994,833,609,494	916,359,376,276

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

26. CORPORATE INCOME TAX

Corporation income tax ("CIT") applied for the Company are as below:

- For Cu Chi Operation, the applicable statutory corporate income tax ("CIT") rate is 20% of taxable profit.
- For Trang Bang Branch, CIT is applied according to each product type. In particular:
Income from FDY and DTY products onwards is exempted for four years (2011 - 2014), and is subject to 50% deduction in the nine following years (2015 - 2023). The applicable rate is 10% for 15 years from 2011.

Income from FDY and DTY products of expansion projects onwards is exempted for four years (2016 - 2019), and is subject to 50% deduction in the nine following years (2020 - 2028). The applicable rate is 10% for 15 years from 2016.

Income from POY products at stage 3 is exempted for two years (2016 - 2017), and is subject to 50% deduction in the four following years (2018 - 2021). The applicable rate is 10% for 15 years from 2016.

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

26.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
CIT expense of current period	15,482,367,080	13,648,996,412
Adjustment for under accrual of CIT from prior periods	205,019,415	3,334,418,393
CIT expense	15,687,386,495	16,983,414,805
Deferred tax expense	2,129,290,512	3,090,806,477
TOTAL	17,816,677,007	20,074,221,282

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Accounting profit before tax	165,330,748,409	161,080,318,575
At the applicable CIT rate for the Company	33,066,149,682	32,216,063,715
<i>Adjustments:</i>		
Non-deductible expenses	143,158,976	120,613,890
Tax incentive at Trang Bang branch	(14,719,736,136)	(18,151,400,823)
Adjustment for under accrual of tax from prior periods	205,019,415	3,334,418,393
Change of unrealised profit	(877,914,930)	2,554,526,107
CIT expense	17,816,677,007	20,074,221,282

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

26. CORPORATE INCOME TAX (continued)

26.2 Current tax

The current CIT payable is based on taxable income for the current period. The taxable income of the Company for the period differs from the accounting profit before tax as reported in the interim separate income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the interim separate balance sheet date.

26.3 Deferred tax

The followings are the deferred tax assets recognised by the Company, and the movements thereon, during the current and previous periods:

	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>	
	<i>30 June 2022</i>	<i>31 December 2021</i>	<i>For the six-month period ended 30 June 2022</i>	<i>For the six-month period ended 30 June 2021</i>
Deferred tax assets				
Accrued expenses	389,367,334	262,105,268	127,262,066	(818,859,641)
Accrued salaries and bonus	1,560,913,333	2,362,960,217	(802,046,884)	(201,555,930)
Accrual for severance pay	46,865,592	45,885,925	979,667	(10,771,300)
Provision for obsolete inventories	(1,073,923,600)	337,150,913	(1,411,074,513)	(303,896,636)
Tax loss carried forward		-	-	(1,736,575,132)
Foreign exchange arising from revaluation of monetary accounts denominated in foreign currency	10,205,005	54,615,853	(44,410,848)	(19,147,838)
	933,427,664	3,062,718,176		
Net deferred tax charged to interim separate income statement			(2,129,290,512)	(3,090,806,477)

VND

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

27. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties in current and prior periods were as follows:

Related parties	Relationship	Transactions	VND	
			For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Unitex Corporation	Subsidiary	Lending	31,150,150,000	-
		Collection of lending	5,500,000,000	-
Hung Loi Service Trading Investment Company Limited	Related party due to family member of a BOD member of the Company	Sale of goods	-	21,258,848,361

Amounts due from a related party at the interim balance sheet date were as follows:

			VND	
Related parties	Relationship	Transactions	30 June 2022	31 December 2021
Other short-term receivable (Note 6)				
Unitex Corporation	Subsidiary	Payment on behalf Non-interest bearing lending	16,128,129,327	16,207,588,781
			25,650,150,000	-
TOTAL			41,778,279,327	16,207,588,781

Details of remuneration of the Board of Directors, Board of Supervision and management during the period are as below:

Individuals	Position	VND	
		For the six-month period ended 30 June 2022	For the six-month period ended 30 June 2021
Ms Dang My Linh	Chairman	75,000,000	75,000,000
Mr Dang Trieu Hoa	Deputy of Chairman cum General Director	627,100,000	683,800,000
Mr Dang Huong Cuong	Member of BOD	75,000,000	75,000,000
Mr Chen Che Jen	Member of BOD	112,500,000	112,500,000
Ms Cao Thi Que Anh	Member of BOD	112,500,000	112,500,000
Mr Vo Quang Long	Member of BOD	75,000,000	75,000,000
Mr Nguyen Quoc Huong	Member of BOD	112,500,000	112,500,000
Mr Nguyen Tu Luc	Head of Audit function	30,000,000	30,000,000
Ms Hoang Nu Mong Tuyen	Member of Audit function	30,000,000	30,000,000
Ms Dinh Ngoc Hoa	Member of Audit function	30,000,000	30,000,000
Ms Nguyen Phuong Chi	Director	752,658,623	702,065,367
Mr Phan Nhu Bich	Financial Director cum Chief Accountant	431,347,852	411,850,021
TOTAL		2,463,606,475	2,450,215,388

Century Synthetic Fiber Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)
as at 30 June 2022 and for the six-month period then ended

28. OPERATING LEASE COMMITMENT

The Company leases assets under operating lease arrangements. As at the interim balance sheet date, the future minimum lease commitment under the operating lease agreements is as follows:

	VND	
	30 June 2022	31 December 2021
Less than 1 year	3,143,281,108	340,500,000
From 1 to 5 years	2,497,321,600	1,362,000,000
More than 5 years	-	9,902,875,000
TOTAL	5,640,602,708	11,605,375,000

29. OFF INTERIM SEPARATE BALANCE SHEET ITEM

	30 June 2022	31 December 2021
Foreign currency:		
United States Dollar (USD)	257,635	101,190

30. EVENT AFTER THE INTERIM BALANCE SHEET DATE

There has been no significant matter or circumstance after the interim separate balance sheet date which would require adjustments or disclosures to be made in the interim separate financial statements of the Company.

Preparer
Nguyen Thi Hong Tham

Chief Accountant
Phan Nhu Bich

General Director
Dang Trieu Hoa



22 August 2022