

# Century Synthetic Fiber Corporation

Interim separate financial statements

For the six-month period ended 30 June 2024



# Century Synthetic Fiber Corporation

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11/1/2010

# Century Synthetic Fiber Corporation

## GENERAL INFORMATION

### THE COMPANY

Century Synthetic Fiber Corporation ("the Company") is currently a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificates No. 0302018927 issued by the Department of Planning and Investment of Ho Chi Minh City dated 11 April 2005, as amended.

The Company listed its shares on the Ho Chi Minh Stock Exchange with trading code 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 is 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 Vo Quang Long	Member
Mr Chen Che Jen	Independent member
Mr Nguyen Quoc Huong	Independent 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 Ha Kiet Tran	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.

### AUDITOR

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 2024.

### 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, 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 2024, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, 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, specifically of Circular 96/2020/TT-BTC on disclosure of information in the securities market. In addition, as required, the Company also prepared the interim consolidated financial statements of the Company and its subsidiary ("the Group") for the six-month period ended 30 June 2024 dated 28 August 2024.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements 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 the management: *Rich*



Dang Trieu Hoa  
General Director

Ho Chi Minh City, Vietnam

28 August 2024

Reference: 11659174/67734722/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 28 August 2024 and set out on pages 5 to 32, which comprise the interim separate balance sheet as at 30 June 2024, and 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***

Management 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 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 2024, and of the interim separate results of its operations and its interim separate cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to 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. 1891-2023-004-1

Ho Chi Minh City, Vietnam

28 August 2024

INTERIM SEPARATE BALANCE SHEET  
as at 30 June 2024

VND

Code	ASSETS	Notes	30 June 2024	31 December 2023
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>1,028,422,332,219</b>	<b>1,131,949,607,133</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>80,740,754,851</b>	<b>108,619,404,123</b>
111	1. Cash		6,573,625,262	5,132,599,494
112	2. Cash equivalents		74,167,129,589	103,486,804,629
<b>130</b>	<b>II. Current accounts receivable</b>		<b>312,014,798,579</b>	<b>277,419,566,189</b>
131	1. Short-term trade receivables	5.1	72,462,262,853	91,305,667,931
132	2. Short-term advances to suppliers	5.2	693,289,873	977,316,345
135	3. Short-term loan receivables	6	231,417,978,524	182,281,649,607
136	4. Other short-term receivables	7	7,441,267,329	2,854,932,306
<b>140</b>	<b>III. Inventories</b>	<b>8</b>	<b>504,789,825,768</b>	<b>614,701,605,204</b>
141	1. Inventories		511,785,809,312	621,011,847,400
149	2. Provision for obsolete inventories		(6,995,983,544)	(6,310,242,196)
<b>150</b>	<b>IV. Other current assets</b>		<b>130,876,953,021</b>	<b>131,209,031,617</b>
151	1. Short-term prepaid expenses	13	1,808,254,999	2,793,026,285
152	2. Value-added tax deductible	16	127,843,058,474	126,657,659,077
153	3. Tax receivable from the State	16	1,225,639,548	1,758,346,255
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,210,443,208,946</b>	<b>1,264,070,175,116</b>
<b>220</b>	<b>I. Fixed assets</b>		<b>607,017,153,033</b>	<b>642,368,814,999</b>
221	1. Tangible fixed assets	9	607,017,153,033	642,368,814,999
222	Cost		2,102,729,585,813	2,092,008,447,857
223	Accumulated depreciation		(1,495,712,432,780)	(1,449,639,632,858)
227	2. Intangible asset	10	-	-
228	Cost		14,385,298,205	14,385,298,205
229	Accumulated amortization		(14,385,298,205)	(14,385,298,205)
<b>240</b>	<b>II. Long-term asset in progress</b>		<b>14,791,188,067</b>	<b>25,284,826,023</b>
242	1. Construction in progress	11	14,791,188,067	25,284,826,023
<b>250</b>	<b>III. Long-term investments</b>	<b>12</b>	<b>535,800,000,000</b>	<b>535,800,000,000</b>
251	1. Investment in subsidiary	12.1	522,000,000,000	522,000,000,000
253	2. Investment in other entity	12.2	13,800,000,000	13,800,000,000
<b>260</b>	<b>IV. Other long-term assets</b>		<b>52,834,867,846</b>	<b>60,616,534,094</b>
261	1. Long-term prepaid expenses	13	50,232,831,887	57,673,262,953
262	2. Deferred tax assets	27.3	2,602,035,959	2,943,271,141
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,238,865,541,165</b>	<b>2,396,019,782,249</b>

INTERIM SEPARATE BALANCE SHEET (continued)  
as at 30 June 2024

VND

Code	RESOURCES	Notes	30 June 2024	31 December 2023
<b>300</b>	<b>C. LIABILITIES</b>		<b>555,353,459,777</b>	<b>763,608,501,775</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>555,049,056,694</b>	<b>763,350,296,943</b>
311	1. Short-term trade payables	14	212,807,619,357	237,317,939,002
312	2. Short-term advances from customers			39,224,518,554
		15	22,758,484,151	
313	3. Statutory obligations	16	1,525,248,431	2,966,276,273
314	4. Payable to employees		18,018,710,023	24,864,693,178
315	5. Short-term accrued expenses	17	6,821,711,623	7,924,740,536
319	6. Other short-term payables	18	5,660,965,382	5,170,126,270
320	7. Short-term loans	19	279,960,480,097	438,607,652,554
322	8. Bonus and welfare fund	3.14	7,495,837,630	7,274,350,576
<b>330</b>	<b>II. Non-current liability</b>		<b>304,403,083</b>	<b>258,204,832</b>
342	1. Long-term provision	3.12	304,403,083	258,204,832
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,683,512,081,388</b>	<b>1,632,411,280,474</b>
<b>410</b>	<b>I. Capital</b>	<b>20.1</b>	<b>1,683,512,081,388</b>	<b>1,632,411,280,474</b>
411	1. Share capital		966,369,240,000	966,369,240,000
411a	- Shares with voting rights		966,369,240,000	966,369,240,000
412	2. Share premium		64,458,443,852	40,824,578,872
415	3. Treasury shares		-	(42,410,550,000)
418	4. Investment and development fund		1,219,011,000	1,219,011,000
421	5. Undistributed earnings		651,465,386,536	666,409,000,602
421a	- Undistributed earnings at the end of prior year		666,409,000,602	579,046,451,465
421b	- (Loss) profit of current period/year		(14,943,614,066)	87,362,549,137
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,238,865,541,165</b>	<b>2,396,019,782,249</b>

Preparer  
Vo Thi Thu Trang

Chief Accountant  
Phan Nhu Bich

General Director  
Dang Trieu Hoa

Ho Chi Minh City, Vietnam

28 August 2024



INTERIM SEPARATE INCOME STATEMENT  
for the six-month period ended 30 June 2024

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
01	1. Revenue from sale of goods	21.1	568,991,767,044	695,195,639,493
02	2. Deductions	21.1	(1,800,000)	-
10	3. Net revenue from sale of goods	21.1	568,989,967,044	695,195,639,493
11	4. Cost of goods sold	26	(522,097,321,358)	(617,056,784,503)
20	5. Gross profit from sale of goods		46,892,645,686	78,138,854,990
21	6. Finance income	21.2	7,925,408,140	20,505,379,067
22	7. Finance expenses	22	(30,722,721,346)	(23,949,686,992)
23	In which: interest expense		(8,582,927,267)	(8,609,376,624)
25	8. Selling expenses	23, 26	(7,619,714,446)	(7,151,298,335)
26	9. General and administrative expenses	24, 26	(25,913,328,779)	(30,116,318,351)
30	10. Operating (loss) profit		(9,437,710,745)	37,426,930,379
31	11. Other income		135,126,314	257,962,162
32	12. Other expenses	25	(4,780,600,148)	(48,019,215)
40	13. Other (loss) profit		(4,645,473,834)	209,942,947
50	14. Accounting (loss) profit before tax		(14,083,184,579)	37,636,873,326
51	15. Current corporate income tax (expense) income	27.1	(519,194,305)	835,300,594
52	16. Deferred tax expense	27.3	(341,235,182)	(569,642,007)
60	17. Net (loss) profit after tax		(14,943,614,066)	37,902,531,913

Preparer  
Vo Thi Thu Trang

Chief Accountant  
Phan Nhu Bich

General Director  
Dang Trieu Hoa

Ho Chi Minh City, Vietnam

28 August 2024

INTERIM SEPARATE CASH FLOW STATEMENT  
for the six-month period ended 30 June 2024

VND


Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting (loss) profit before tax</b>		<b>(14,083,184,579)</b>	<b>37,636,873,326</b>
	<i>Adjustments for:</i>			
02	Depreciation	9, 10	46,072,799,922	45,841,434,714
03	Provision		685,741,348	662,610,196
04	Foreign exchange losses arising from revaluation of monetary accounts denominated in foreign currency		5,558,488,897	4,032,238,447
05	Profit from investing activities	21.2	(3,949,257,349)	(6,919,754,444)
06	Interest expense	22	8,582,927,267	8,609,376,624
08	<b>Operating profit before changes in working capital</b>		<b>42,867,515,506</b>	<b>89,862,778,863</b>
09	Decrease in receivables		17,819,219,170	157,552,370,555
10	Decrease (increase) in inventories		109,226,038,088	(38,122,714,181)
11	(Decrease) increase in payables		(46,384,363,863)	72,618,822,421
12	Decrease (increase) in prepaid expenses		8,425,202,352	(504,204,078)
14	Interest paid		(8,659,477,822)	(8,314,225,761)
15	Corporate income tax paid		-	(59,110,914)
20	<b>Net cash flows from operating activities</b>		<b>123,294,133,431</b>	<b>273,033,716,905</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and construction of fixed assets		(227,500,000)	(12,459,320,982)
23	Loan to other entity		(168,736,328,917)	(7,751,306,000)
24	Collection from borrower		119,600,000,000	130,000,000,000
25	Payment for investment in other entity		-	(299,899,810,000)
27	Interest received		19,390,576	3,960,860,247
30	<b>Net cash flows used in investing activities</b>		<b>(49,344,438,341)</b>	<b>(186,149,576,735)</b>

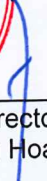
INTERIM SEPARATE CASH FLOW STATEMENT (continued)  
for the six-month period ended 30 June 2024

VND

Code	ITEMS	Notes	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
31	Capital contribution and issuance of shares	20	66,044,414,980	-
33	Drawdown of borrowings	19	446,918,687,443	475,251,985,946
34	Repayment of borrowings	19	(614,812,432,507)	(426,010,388,404)
40	<b>Net cash flows (used in) from financing activities</b>		<b>(101,849,330,084)</b>	<b>49,241,597,542</b>
50	<b>Net (decrease) increase in cash and cash equivalents for the period</b>		<b>(27,899,634,994)</b>	<b>136,125,737,712</b>
60	<b>Cash and cash equivalents at beginning of the period</b>		<b>108,619,404,123</b>	<b>91,973,456,952</b>
61	Impact of exchange rate fluctuation		20,985,722	(827,533,528)
70	<b>Cash and cash equivalents at end of the period</b>	4	<b>80,740,754,851</b>	<b>227,271,661,136</b>

  
Preparer  
Vo Thi Thu Trang

  
Chief Accountant  
Phan Nhu Bich

  
General Director  
Dang Trieu Hoa



Ho Chi Minh City, Vietnam

28 August 2024

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS  
as at 30 June 2024 and for the six-month period then ended

## 1. CORPORATE INFORMATION

Century Synthetic Fiber Corporation (“the Company”) is currently a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificates No. 0302018927 issued by the Department of Planning and Investment of Ho Chi Minh City dated 11 April 2005, as amended.

The Company listed its shares in 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 is 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 2024 was 628 (31 December 2023 was 797).

## 2. BASIS OF PREPARATION

### 2.1 Purpose of 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 prevailing requirements, specifically of Circular No. 96/2020/TT-BTC on disclosure of information in the securities market. In addition, as required, the Company also prepared the interim consolidated financial statements of the Company and its subsidiaries (“the Group”) for the six-month period ended 30 June 2024 dated 22 August 2024.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements 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 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 2024 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 utilization 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 measured at historical cost. The cost of inventories comprises cost of purchase and conversion (including raw materials, direct labor cost, other directly related costs, and manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

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

Net realizable 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 labor 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 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. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the interim separate income statement.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 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 the estimated loss due to non-collection of receivables that were outstanding at the balance sheet date. Increases or decreases to the provision balance are recorded as general and administrative expense in the interim separate income statement. When bad debts are determined as unrecoverable and accountant written off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included 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 amortization.

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 amortization*

Depreciation of tangible fixed assets and amortization 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 2024 and for the six-month period then ended

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

#### 3.8 *Prepaid expenses*

Prepaid expenses are reported as either short-term or long-term prepaid expenses in the interim separate balance sheet and amortized 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 amortized 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 unamortized 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 for a period of 36 years.

Such prepaid rental is recognized 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 comprises costs that are directly attributable to the acquisition and construction to produce an asset at the balance sheet date.

#### 3.10 *Investments*

##### *Investment in subsidiary*

Investment in 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 recognized in the interim separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted from the cost of the investment.

##### *Investment in other entity*

Investment in other entity is stated at acquisition cost.

##### *Provision for diminution in value of investments*

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

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

#### 3.11 *Payables and accruals*

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

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

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

#### 3.12 *Accrual for severance pay*

The severance pay to employee is accrued at the end of each reporting period for employees who have been worked for more than 12 months at the Company. The accrued amount is calculated at the rate of one-half of the average monthly salary for each period of service qualified for severance pay in accordance with the Labor Code and related implementing guidance. The average monthly salary used in this calculation is adjusted at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases 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 labor contract following Article 46 of the Labor Code.

#### 3.13 *Foreign currency transactions*

The Company applies the 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 on 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 and selling transfer exchange 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 interim 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.

#### 3.15 *Revenue recognition*

Revenue is recognized 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 recognized:



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

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

#### 3.15 Revenue recognition (continued)

##### *Sale of goods*

Revenue is recognized 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 recognized 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 balance sheet date.

Current income tax is charged or credited to the interim separate income statement, except when it relates to items recognized 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 balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized 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 recognized 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 utilized, 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 recognized 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 utilized.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 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 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 utilized. Previously unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized 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 realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the interim separate income statement, except when it relates to items recognized 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 realize 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 2024	31 December 2023
Cash on hand	12,342,101	4,587,230
Cash in banks	6,561,283,161	5,128,012,264
Time deposits at banks (*)	74,167,129,589	103,486,804,629
<b>TOTAL</b>	<b><u>80,740,754,851</u></b>	<b><u>108,619,404,123</u></b>

(\*) Time deposits at banks have original maturities of less than three (3) months and earn market rate interest.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 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 2024	31 December 2023
Phong Phu Coats Co., Ltd.	30,737,489,393	30,329,992,959
Chori Osaka Ltd Ptd	8,605,786,281	13,683,713,805
Nam Phuong Textile and Dyeing Co., Ltd.	8,413,669,000	17,000,354,250
Others	24,705,318,179	30,291,606,917
<b>TOTAL</b>	<b><u>72,462,262,853</u></b>	<b><u>91,305,667,931</u></b>

### 5.2. Short-term advances to suppliers

	VND	
	30 June 2024	31 December 2023
Quoc Hung Conveyor Co., Ltd.	203,118,000	203,118,000
An Tri Viet Technology Electrical Automation Co., Ltd.	200,000,000	-
Slack & Parr Co., Ltd.	-	454,651,445
Others	290,171,873	319,546,900
<b>TOTAL</b>	<b><u>693,289,873</u></b>	<b><u>977,316,345</u></b>

## 6. SHORT-TERM LOAN RECEIVABLES

	VND	
	30 June 2024	31 December 2023
Related party (Note 28) (*)	227,946,978,524	178,810,649,607
Other parties (**)	3,471,000,000	3,471,000,000
<b>TOTAL</b>	<b><u>231,417,978,524</u></b>	<b><u>182,281,649,607</u></b>

(\*) The balance represents loan to Unitex Corporation under Agreement No. 01-2022/HDV/STK-UNITEX dated 17 August 2022 and appendix thereto dated 18 August 2022 to finance its working capital requirements with interest at rates ranging from 4.0% to 6.0% per annum.

(\*\*) The balance represents interest-free loan to Dintsun Vietnam Company Limited under Capital Contribution Agreement No. DTVN – 2019001 dated 12 December 2019 and the latest appendix signed on 28 June 2024 to raise capital for the Soc Trang Industrial Zone Project.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 7. OTHER SHORT-TERM RECEIVABLES

	VND	
	30 June 2024	31 December 2023
Lending interest (Note 28)	6,852,900,124	2,504,297,506
Deposits interest	3,541,666	26,950,000
Others	584,825,539	323,684,800
<b>TOTAL</b>	<b><u>7,441,267,329</u></b>	<b><u>2,854,932,306</u></b>

## 8. INVENTORIES

	30 June 2024		31 December 2023	
	Cost	Provision	Cost	Provision
Finished goods	350,251,558,948	(2,286,810,996)	447,284,438,381	(2,458,780,034)
Raw materials	156,915,690,426	(4,709,172,548)	149,212,283,772	(3,851,462,162)
Goods in transit	4,618,559,938	-	24,515,125,247	-
<b>TOTAL</b>	<b><u>511,785,809,312</u></b>	<b><u>(6,995,983,544)</u></b>	<b><u>621,011,847,400</u></b>	<b><u>(6,310,242,196)</u></b>

Movements of provision for obsolete inventories are as follows:

	VND	
	For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
As at 1 January	6,310,242,196	6,545,810,728
Add: Provision during the period	867,632,281	4,569,664,212
Less: Reversal of provision	(181,890,933)	(3,907,054,016)
As at 30 June	<b><u>6,995,983,544</u></b>	<b><u>7,208,420,924</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 9. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Means of transportations	Office equipment	VND Total
<b>Cost:</b>					
As at 31 December 2023	304,608,626,458	1,593,749,105,162	188,858,990,157	4,791,726,080	2,092,008,447,857
Transfer from construction in progress	-	8,718,461,792	2,002,676,164	-	10,721,137,956
As at 30 June 2024	304,608,626,458	1,602,467,566,954	190,861,666,321	4,791,726,080	2,102,729,585,813
<i>In which:</i>					
Fully depreciated	88,291,213,410	592,516,250,722	105,416,508,786	4,791,726,080	791,015,698,998
<b>Accumulated depreciation:</b>					
As at 31 December 2023	169,194,257,479	1,106,204,118,331	169,449,530,968	4,791,726,080	1,449,639,632,858
Depreciation for the period	7,779,178,130	27,956,701,132	10,336,920,660	-	46,072,799,922
As at 30 June 2024	176,973,435,609	1,134,160,819,463	179,786,451,628	4,791,726,080	1,495,712,432,780
<b>Net carrying amount:</b>					
As at 31 December 2023	135,414,368,979	487,544,986,831	19,409,459,189	-	642,368,814,999
As at 30 June 2024	127,635,190,849	468,306,747,491	11,075,214,693	-	607,017,153,033

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended**10. INTANGIBLE ASSET**

	VND
	<i>Computer software</i>
<b>Cost:</b>	
As at 31 December 2023 and 30 June 2024	<u>14,385,298,205</u>
<i>In which:</i>	
<i>Fully amortized</i>	14,385,298,205
<b>Accumulated amortization:</b>	
As at 31 December 2023 and 30 June 2024	<u>14,385,298,205</u>
<b>Net carrying amount:</b>	
As at 31 December 2023 and 30 June 2024	<u>-</u>

**11. CONSTRUCTION IN PROGRESS**

	VND	
	<i>30 June 2024</i>	<i>31 December 2023</i>
Machinery and equipment	14,729,519,423	25,223,157,379
Others	<u>61,668,644</u>	<u>61,668,644</u>
<b>TOTAL</b>	<b><u>14,791,188,067</u></b>	<b><u>25,284,826,023</u></b>

**12. LONG-TERM INVESTMENTS**

	VND			
	<u><i>30 June 2024</i></u>		<u><i>31 December 2023</i></u>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Investment in subsidiary (Note 12.1)	522,000,000,000	-	522,000,000,000	-
Investment in other entity (Note 12.2)	<u>13,800,000,000</u>	-	<u>13,800,000,000</u>	-
<b>TOTAL</b>	<b><u>535,800,000,000</u></b>	<b><u>-</u></b>	<b><u>535,800,000,000</u></b>	<b><u>-</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 12. LONG-TERM INVESTMENTS (continued)

### 12.1 Investment in subsidiary

	<u>30 June 2024</u>		<u>31 December 2023</u>	
	<i>% of interest</i>	<i>Cost VND</i>	<i>% of interest</i>	<i>Cost VND</i>
Unitex Corporation	100	<u>522,000,000,000</u>	100	<u>522,000,000,000</u>

Unitex is a limited company established in Vietnam pursuant to 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 the Department of Planning and Investment of Tay Ninh Province on 29 June 2015, and as subsequently amended.

The principal activity of Unitex is 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 Jun 2024, the Company holds 100% ownership and voting rights in Unitex.

### 12.2 Investment in other entity

	<u>30 June 2024</u>		<u>31 December 2023</u>	
	<i>% of interest</i>	<i>Cost VND</i>	<i>% of interest</i>	<i>Cost VND</i>
Dintsun Vietnam Company Limited ("Dintsun") (*)	5	<u>13,800,000,000</u>	5	<u>13,800,000,000</u>

Dintsun is a limited company established in Vietnam pursuant to ERC No. 2200764052 issued by the Department of Planning and Investment of Soc Trang Province on 29 May 2019. Its principal activity are investment and business in infrastructure. The registered head office of Dintsun is located at Xay Da B Hamlet, Ho Dac Kien Commune, Chau Thanh District, Soc Trang Province, Vietnam.



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

### 13. PREPAID EXPENSES

	VND	
	30 June 2024	31 December 2023
<b>Short-term</b>	<b>1,808,254,999</b>	<b>2,793,026,285</b>
Tools and supplies in use	1,377,716,800	489,317,732
Prepaid car rental	80,000,000	320,000,000
Insurance premium	51,124,991	1,904,838,455
Others	299,413,208	78,870,098
<b>Long-term</b>	<b>50,232,831,887</b>	<b>57,673,262,953</b>
Prepaid lands rental	33,051,409,986	33,674,230,259
Tools and supplies in use	14,648,322,752	20,748,154,809
Others	2,533,099,149	3,250,877,885
<b>TOTAL</b>	<b><u>52,041,086,886</u></b>	<b><u>60,466,289,238</u></b>

### 14. SHORT-TERM TRADE PAYABLES

	VND	
	30 June 2024	31 December 2023
Unifi Textile (Suzhou) Co., Ltd.	124,714,710,754	117,400,338,000
Chori Co., Ltd.	49,697,904,000	62,895,417,000
Tainan Spinning Co., Ltd.	17,704,878,300	32,910,848,100
Others	20,690,126,303	24,111,335,902
<b>TOTAL</b>	<b><u>212,807,619,357</u></b>	<b><u>237,317,939,002</u></b>

### 15. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	30 June 2024	31 December 2023
Lear Corporation - Kenansville	17,004,169,319	29,140,194,914
Chori Vietnam Co., Ltd.	1,336,464,162	2,089,870,242
Others	4,417,850,670	7,994,453,398
<b>TOTAL</b>	<b><u>22,758,484,151</u></b>	<b><u>39,224,518,554</u></b>



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 16. TAX

	31 December 2023	Increase during period	Decrease during period	VND 30 June 2024
<b>Payables</b>				
Value-added tax	2,501,784,369	84,273,458,135	(85,485,617,314)	1,289,625,190
Personal income tax	293,189,699	931,020,089	(1,022,784,283)	201,425,505
Others	171,302,205	990,740,216	(1,127,844,685)	34,197,736
<b>TOTAL</b>	<b>2,966,276,273</b>	<b>86,195,218,440</b>	<b>(87,636,246,282)</b>	<b>1,525,248,431</b>
<b>Receivables</b>				
Value-added tax deductible	126,657,659,077	49,282,594,335	(48,097,194,938)	127,843,058,474
Corporate income tax	1,642,819,105	-	(519,194,225)	1,123,624,880
Export import tax	114,423,926	52,000,481	(64,409,739)	102,014,668
Others	1,103,224	380,254,624	(381,357,848)	-
<b>TOTAL</b>	<b>128,416,005,332</b>	<b>49,714,849,440</b>	<b>(49,062,156,750)</b>	<b>129,068,698,022</b>

## 17. SHORT-TERM ACCRUED EXPENSES

	30 June 2024	31 December 2023
Utilities	4,606,561,207	6,703,250,971
Sales commission	1,935,867,945	865,656,539
Interest expense	279,282,471	355,833,026
<b>TOTAL</b>	<b>6,821,711,623</b>	<b>7,924,740,536</b>

## 18. SHORT-TERM OTHER PAYABLES

	30 June 2024	31 December 2023
Union fees	2,955,339,897	2,326,315,136
Social insurance	340,390,657	425,330,080
Dividends	327,500,530	327,500,530
Others	2,037,734,298	2,090,980,524
<b>TOTAL</b>	<b>5,660,965,382</b>	<b>5,170,126,270</b>

# Century Synthetic Fiber Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 19. SHORT-TERM LOANS

	Movements during the period		Revaluation due to foreign exchange difference	VND
	31 December 2023	Increase / Decrease		
Loans from banks	438,607,652,554	446,918,687,443 (614,812,432,507)	9,246,572,607	279,960,480,097

The Company obtained unsecured short-term loans from banks to finance its working capital requirements at interest rates ranging from 3.5% to 5.3% per annum (for foreign currencies) and from 2.9% to 4% per annum (for VND). Further details are as follows:

Bank	30 June 2024		Original amount	Term and maturity date
	VND	USD		
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh Branch	186,082,040,346	-	-	From 4 September 2024 to 24 December 2024
CTBC Bank Co., Ltd – Ho Chi Minh Branch	13,131,369,004	-	-	From 18 July 2024 to 29 August 2024
Vietnam Export Import Commercial Joint Stock Bank – Ho Chi Minh Branch	73,502,244,695	2,910,634	-	From 2 July 2024 to 28 December 2024
Vietnam Export Import Commercial Joint Stock Bank – Ho Chi Minh Branch	7,244,826,052	-	-	From 17 November 2024 to 28 December 2024
<b>TOTAL</b>	<b>279,960,480,097</b>	<b>2,910,634</b>	<b>-</b>	

# Century Synthetic Fiber Corporation

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NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 20. OWNERS' EQUITY

### 20.1 Movements in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	VND Total
<b>For the six-month period ended 30 June 2023:</b>						
As at 31 December 2022	843,638,250,000	40,824,578,872	(42,410,550,000)	1,219,011,000	701,777,441,465	1,545,048,731,337
Net profit for the year	-	-	-	-	37,902,531,913	37,902,531,913
As at 30 Jun 2023	<u>843,638,250,000</u>	<u>40,824,578,872</u>	<u>(42,410,550,000)</u>	<u>1,219,011,000</u>	<u>739,679,973,378</u>	<u>1,582,951,263,250</u>
<b>For the six-month period ended 30 June 2024:</b>						
As at 31 December 2023	966,369,240,000	40,824,578,872	(42,410,550,000)	1,219,011,000	666,409,000,602	1,632,411,280,474
Re-sell treasury shares	-	23,633,864,980	42,410,550,000	-	-	66,044,414,980
Net loss for the period	-	-	-	-	(14,943,614,066)	(14,943,614,066)
As at 30 June 2024	<u>966,369,240,000</u>	<u>64,458,443,852</u>	<u>-</u>	<u>1,219,011,000</u>	<u>651,465,386,536</u>	<u>1,683,512,081,388</u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 20. OWNERS' EQUITY (continued)

### 20.2 Capital transactions with owners and distribution of dividends, profits

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
<b>Issued share capital</b>		
As at 1 January and 30 June	<u>966,369,240,000</u>	<u>843,638,250,000</u>
<b>Dividends declared</b>	-	-
Dividends paid in cash	-	-

### 20.3 Shares

	<u>30 June 2024</u>		<u>31 December 2023</u>	
	Quantity	Amount (VND)	Quantity	Amount (VND)
<b>Authorized shares</b>	<b>96,636,924</b>	<b>966,369,240,000</b>	<b>96,636,924</b>	<b>966,369,240,000</b>
<b>Issued shares</b>				
Issued and paid-up ordinary shares	96,636,924	966,369,240,000	96,636,924	966,369,240,000
<b>Treasury shares</b>				
Ordinary shares	-	-	(2,541,650)	(42,410,550,000)
<b>Shares in circulation</b>				
Ordinary shares	96,636,924	966,369,240,000	94,095,274	923,958,690,000

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

## 21. REVENUES

### 21.1 Revenue from sale of goods

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
<b>Gross revenue</b>	<b>568,991,767,044</b>	<b>695,195,639,493</b>
<b>Less</b>		
Sales returns	<u>(1,800,000)</u>	<u>-</u>
<b>Net revenue</b>	<u><b>568,989,967,044</b></u>	<u><b>695,195,639,493</b></u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

**21. REVENUES** (continued)

**21.2 Finance income**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Foreign exchange gains	3,976,150,791	13,585,624,623
Interest income	<u>3,949,257,349</u>	<u>6,919,754,444</u>
<b>TOTAL</b>	<b><u>7,925,408,140</u></b>	<b><u>20,505,379,067</u></b>

**22. FINANCE EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Foreign exchange losses	22,139,794,079	15,340,310,368
Interest expense	<u>8,582,927,267</u>	<u>8,609,376,624</u>
<b>TOTAL</b>	<b><u>30,722,721,346</u></b>	<b><u>23,949,686,992</u></b>

**23. SELLING EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Transportation	4,175,298,796	2,232,699,774
Letter of credit and documentary fees	1,690,577,400	2,351,099,948
Commission fee	1,105,997,851	315,309,481
Others	<u>647,840,399</u>	<u>2,252,189,132</u>
<b>TOTAL</b>	<b><u>7,619,714,446</u></b>	<b><u>7,151,298,335</u></b>

**24. GENERAL AND ADMINISTRATION EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Labor costs	13,401,267,833	16,242,349,955
Stationery and other tools costs	4,687,725,135	4,677,287,924
External services	4,487,588,922	5,767,830,533
Depreciation	751,699,065	745,971,675
Others	<u>2,585,047,824</u>	<u>2,682,878,264</u>
<b>TOTAL</b>	<b><u>25,913,328,779</u></b>	<b><u>30,116,318,351</u></b>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

**25. OTHER EXPENSES**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Depreciation for temporary un-used assets at Cu Chi factory	4,780,490,508	-
Others	109,640	48,019,215
<b>TOTAL</b>	<b><u>4,780,600,148</u></b>	<b><u>48,019,215</u></b>

**26. PRODUCTION AND OPERATING COSTS**

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Raw materials	375,972,765,355	440,596,218,975
External services	73,165,699,058	95,174,940,923
Depreciation (Note 9)	46,072,799,922	45,841,434,714
Labor costs	44,524,102,180	55,315,682,917
Others	15,894,998,068	17,396,123,660
<b>TOTAL</b>	<b><u>555,630,364,583</u></b>	<b><u>654,324,401,189</u></b>

**27. CORPORATE INCOME TAX**

The applicable corporate income tax ("CIT") rates to the Company are as follows:

- For the Cu Chi Operation, the CIT rate is 20% of taxable profit.
- For the Trang Bang Branch, the CIT is applied according to product type, as follows:
  - Income from Fully Drawn Yarn (FDY) and Drawn Textured Yarn (DTY) products was CIT exempt for four years (2011 - 2014), and is subject to 50% deduction in the following nine years (2015 - 2023). The applicable rate is 10% for 15 years from 2011.
  - Income from FDY and DTY products from the expansion projects was CIT-exempt for four years (2016 - 2019), and is subject to 50% deduction in the following nine years (2020 - 2028). The applicable rate is 10% for 15 years from 2016.
  - Income from Partially Oriented Yarn (POY) products at stage 3 was CIT-exempt for two years (2016 - 2017), and is subject to 50% deduction in the following four 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.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 27. CORPORATE INCOME TAX (continued)

### 27.1 CIT expense

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
Current tax expense	136,396,750	2,379,972,663
Under (over) accrual of CIT from prior years	<u>382,797,555</u>	<u>(3,215,273,257)</u>
Total current tax expenses (income)	519,194,305	(835,300,594)
Deferred tax expense	<u>341,235,182</u>	<u>569,642,007</u>
<b>TOTAL</b>	<b><u>860,429,487</u></b>	<b><u>(265,658,587)</u></b>

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

	VND	
	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>
<b>Accounting (loss) profit before tax</b>	<b><u>(14,083,184,579)</u></b>	<b><u>37,636,873,326</u></b>
At the applicable CIT rate for the Company	(2,816,636,915)	7,527,374,665
<i>Adjustments:</i>		
Non-deductible expenses	1,821,046,010	362,616,994
Tax incentive for the Trang Bang branch	(920,403,388)	(8,848,844,014)
Under (over) accrual of tax from prior years	382,797,555	(3,215,273,257)
Unrealized (loss) profit	(1,927,314,032)	3,113,877,855
Unrecognized deferred tax assets on tax loss carried forward	<u>4,320,940,257</u>	<u>794,589,170</u>
<b>CIT expense (income)</b>	<b><u>860,429,487</u></b>	<b><u>(265,658,587)</u></b>

### 27.2 Current tax

The current CIT payable is based on (tax loss) taxable income for the current period. The (tax loss) taxable income of the Company for the period differs from the accounting (loss) 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 at the balance sheet date.

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

27. CORPORATE INCOME TAX (continued)

27.3 *Deferred tax*

The deferred tax asset items recognized by the Company, and the movements thereon, are as follows:

	<i>Interim separate balance sheet</i>		<i>Interim separate income statement</i>		VND
	<i>30 June 2024</i>	<i>31 December 2023</i>	<i>For the six-month period ended 30 June 2024</i>	<i>For the six-month period ended 30 June 2023</i>	
	Accrued expenses	1,608,005,911	2,019,826,977	(411,821,066)	(591,677,619)
Foreign exchange arising from revaluation of monetary accounts denominated in foreign currency	(459,362)	2,421,631	(2,880,993)	(43,207,096)	
Accrual for severance pay	48,647,904	43,898,866	4,749,038	4,923,039	
Provision for obsolete inventories	945,841,506	877,123,667	68,717,839	60,319,669	
<b><i>Deferred tax assets</i></b>	<b><u>2,602,035,959</u></b>	<b><u>2,943,271,141</u></b>			
<b><i>Net deferred tax charged to interim separate income statement</i></b>			<b><u>(341,235,182)</u></b>	<b><u>(569,642,007)</u></b>	

28. RELATED PARTY DISCLOSURES

The related parties that have relationships with the Company as at 30 June 2024 are as follows:

<i>Related party</i>	<i>Relationship</i>
Unitex Corporation	Subsidiary
Hung Loi Service Trading Investment Co., Ltd.	Related party due to a BOD member of the Group invested therein
P.A.N Asia Co., Ltd.	Related party due to a BOD member of the Company invested therein



NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 28. RELATED PARTY DISCLOSURES (continued)

Significant transactions with related parties were as follows:

Related party	Transaction	VND	
		For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
Unitex Corporation	Lending	168,736,328,917	7,751,306,000
	Collection of lending	119,600,000,000	-
	Interest lending	3,953,275,107	-
	Capital contribution	-	299,899,810,000

Amount due from related party was as follows:

Related party	Transaction	VND	
		30 June 2024	31 December 2023
<b>Short-term loan receivable</b>			
Unitex Corporation	Lending	<u>227,946,978,524</u>	<u>178,810,649,607</u>
<b>Other short-term receivable</b>			
Unitex Corporation	Lending interest	<u>6,852,900,124</u>	<u>2,504,297,506</u>

Details of remuneration of the Board of Directors ("BOD"), Board of Supervision ("BOS") and management are as follows:

Individual	Position	VND	
		For the six-month period ended 30 June 2024	For the six-month period ended 30 June 2023
Ms Dang My Linh	Chairwoman of BOD	75,000,000	75,000,000
Mr Dang Trieu Hoa	Vice Chairman of BOD cum General Director	758,800,000	758,800,000
Mr Dang Huong Cuong	BOD Member	75,000,000	75,000,000
Mr Chen Che Jen	BOD Independent member	112,500,000	112,500,000
Ms Cao Thi Que Anh	BOD member	75,000,000	75,000,000
Mr Vo Quang Long	BOD Member	75,000,000	75,000,000
Mr Nguyen Quoc Huong	BOD Independent member	112,500,000	112,500,000
Mr Nguyen Tu Luc	Head of BOS	30,000,000	30,000,000
Ms Ha Kiet Tran	BOS Member from 30 March 2023	30,000,000	30,000,000
Ms Dinh Ngoc Hoa	BOS Member	124,783,910	137,748,325
Ms Nguyen Phuong Chi	Chief Strategic Officer	785,339,441	700,603,506
Mr Phan Nhu Bich	Chief Financial Officer cum Chief Accountant	458,626,223	403,572,451
<b>TOTAL</b>		<u><b>2,712,549,574</b></u>	<u><b>2,585,724,282</b></u>

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS (continued)  
as at 30 June 2024 and for the six-month period then ended

## 29. OPERATING LEASE COMMITMENTS

The Company leases assets under an operating lease arrangement with future minimum lease commitments due as follows:

	VND	
	30 June 2024	31 December 2023
Less than 1 year	2,438,293,080	1,961,680,720
From 1 to 5 years	2,152,938,700	2,364,405,800
More than 5 years	8,700,978,249	8,884,960,020
<b>TOTAL</b>	<b><u>13,292,210,029</u></b>	<b><u>13,211,046,540</u></b>

## 30. OFF INTERIM SEPARATE BALANCE SHEET ITEM

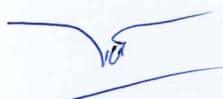
	30 June 2024	31 December 2023
Foreign currency:		
United States dollar (USD)	<u>77,780</u>	<u>72,414</u>

## 31. EVENT AFTER THE BALANCE SHEET DATE


On 12 August 2024, the Board of Directors ("BOD") of the Company approved Resolution No. 18-2024/NQHĐQT to increase the capital contribution into Unitex Corporation ("Unitex") of 122,000,000,000 VND. As of the date of this report, the Company is in the process of completing the necessary procedures to finalize this transaction.

In addition, on 13 August 2024, BOD of the Company approved Resolution No. 19-2024/NQHĐQT to implement a private placement plan with an estimated 13,500,000 shares to be offered at a minimum issuance price of 27,500 VND per share agreeing with the 2022 AGSM Resolution No. 03-2022/NQ-DHDCD/TK dated 31 March 2022. The funds raised from the private placement will be used to invest in Unitex and to enhance the Company's working capital. As of the date of this report, the Company is in the process of completing the necessary procedures to finalize this transaction.

Except for the above events, there is no other matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the interim separate financial statements of the Company.

  
Preparer  
Vo Thi Thu Trang

  
Chief Accountant  
Phan Nhu Bich

  
General Director  
Dang Trieu Hoa

Ho Chi Minh City, Vietnam

28 August 2024