

## **Century Synthetic Fiber Corporation**

Separate financial statements

For the year ended 31 December 2024



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# **Century Synthetic Fiber Corporation**

Separate financial statements

For the year ended 31 December 2024



# Century Synthetic Fiber Corporation

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# Century Synthetic Fiber Corporation

## GENERAL INFORMATION (continued)

### 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 activity 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 year and at the date of this report are:

Ms Dang My Linh	Chairwomen
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	Independence member
Mr Nguyen Quoc Huong	Independence member

### BOARD OF SUPERVISION

Members of the Board of Supervision during the year 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 year 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 year 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 separate financial statements of the Company for the year ended 31 December 2024.

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

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the 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 separate financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying separate financial statements give a true and fair view of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements.

The Company has a subsidiary as disclosed in the separate financial statements. The Company prepared these 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 consolidated financial statements of the Company and its subsidiary ("the Group") for the year ended 31 December 2024 dated 7 March 2025.

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

For and on behalf of the management:



Dang Trieu Hoa  
General Director

Ho Chi Minh City, Vietnam

7 March 2025

Reference: 11659174/67734722

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Century Synthetic Fiber Corporation**

We have audited the accompanying separate financial statements of Century Synthetic Fiber Corporation ("the Company"), as prepared on 7 March 2025 and set out on pages 5 to 33, which comprise the separate balance sheet as at 31 December 2024, and the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

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

### *Auditors' responsibility*

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

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

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



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### **Opinion**

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprises Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements.

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



  
Ernest Young Chin Kang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 1891-2023-004-1



Pham Ninh Tung  
Auditor  
Audit Practicing Registration Certificate  
No. 5631-2025-004-1

Ho Chi Minh City, Vietnam

7 March 2025



SEPARATE BALANCE SHEET  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>951,155,841,512</b>	<b>1,131,949,607,133</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>4</b>	<b>94,669,463,759</b>	<b>108,619,404,123</b>
111	1. Cash		4,669,463,759	5,132,599,494
112	2. Cash equivalents		90,000,000,000	103,486,804,629
<b>130</b>	<b>II. Current accounts receivable</b>		<b>125,802,073,810</b>	<b>277,419,566,189</b>
131	1. Short-term trade receivables	5	100,502,033,566	91,305,667,931
132	2. Short-term advances to suppliers		1,024,792,564	977,316,345
135	3. Short-term loan receivables	6	3,471,000,000	182,281,649,607
136	4. Other short-term receivables	7	20,804,247,680	2,854,932,306
<b>140</b>	<b>III. Inventories</b>	<b>8</b>	<b>584,626,693,115</b>	<b>614,701,605,204</b>
141	1. Inventories		591,223,730,234	621,011,847,400
149	2. Provision for obsolete inventories		(6,597,037,119)	(6,310,242,196)
<b>150</b>	<b>IV. Other current assets</b>		<b>146,057,610,828</b>	<b>131,209,031,617</b>
151	1. Short-term prepaid expenses	13	4,129,693,461	2,793,026,285
152	2. Value-added tax deductible	16	141,864,903,390	126,657,659,077
153	3. Tax receivable from the State	16	63,013,977	1,758,346,255
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>1,680,547,982,670</b>	<b>1,264,070,175,116</b>
<b>210</b>	<b>I. Long-term receivable</b>		<b>518,856,838,309</b>	<b>-</b>
215	1. Long-term loan receivables	6	518,856,838,309	-
<b>220</b>	<b>II. Fixed assets</b>		<b>560,684,345,537</b>	<b>642,368,814,999</b>
221	1. Tangible fixed assets	9	560,684,345,537	642,368,814,999
222	Cost		2,103,161,115,998	2,092,008,447,857
223	Accumulated depreciation		(1,542,476,770,461)	(1,449,639,632,858)
227	2. Intangible fixed 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>III. Long-term asset in progress</b>		<b>14,992,452,882</b>	<b>25,284,826,023</b>
242	1. Construction in progress	11	14,992,452,882	25,284,826,023
<b>250</b>	<b>IV. Long-term investments</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>V. Other long-term assets</b>		<b>50,214,345,942</b>	<b>60,616,534,094</b>
261	1. Long-term prepaid expenses	13	47,657,745,499	57,673,262,953
262	2. Deferred tax assets	27.3	2,556,600,443	2,943,271,141
<b>270</b>	<b>TOTAL ASSETS</b>		<b>2,631,703,824,182</b>	<b>2,396,019,782,249</b>

SEPARATE BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>881,684,480,704</b>	<b>763,608,501,775</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>881,425,017,367</b>	<b>763,350,296,943</b>
311	1. Short-term trade payables	14	320,701,509,596	237,317,939,002
312	2. Short-term advances from customers	15	22,221,633,134	39,224,518,554
313	3. Statutory obligations	16	6,894,007,297	2,966,276,273
314	4. Payable to employees		18,000,026,438	24,864,693,178
315	5. Short-term accrued expenses	17	8,276,193,479	7,924,740,536
319	6. Other short-term payables	18	7,413,589,343	5,170,126,270
320	7. Short-term loans	19	489,819,144,259	438,607,652,554
322	8. Bonus and welfare fund	3.14	8,098,913,821	7,274,350,576
<b>330</b>	<b>II. Non-current liability</b>		<b>259,463,337</b>	<b>258,204,832</b>
342	1. Long-term provision	3.12	259,463,337	258,204,832
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>1,750,019,343,478</b>	<b>1,632,411,280,474</b>
<b>410</b>	<b>I. Capital</b>	<b>20.1</b>	<b>1,750,019,343,478</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		64,477,297,852	40,824,578,872
415	3. Treasury share		-	(42,410,550,000)
418	4. Investment and development fund		1,219,011,000	1,219,011,000
421	5. Undistributed earnings		717,953,794,626	666,409,000,602
421a	- Undistributed earnings at the end of prior year		666,409,000,602	579,046,451,465
421b	- Profit of current year		51,544,794,024	87,362,549,137
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>2,631,703,824,182</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

7 March 2025

SEPARATE INCOME STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods	21.1	1,249,467,054,177	1,425,624,612,200
02	2. Deductions	21.1	(203,810,405)	(561,587,822)
10	3. Net revenue from sale of goods	21.1	1,249,263,243,772	1,425,063,024,378
11	4. Cost of goods sold	26	(1,094,298,734,759)	(1,232,981,228,387)
20	5. Gross profit from sale of goods		154,964,509,013	192,081,795,991
21	6. Finance income	21.2	26,546,157,075	28,792,054,999
22	7. Finance expenses	22	(52,114,072,789)	(52,998,026,704)
23	In which: Interest expense		(17,127,583,213)	(17,335,099,901)
25	8. Selling expenses	23, 26	(12,473,186,828)	(19,663,775,726)
26	9. General and administrative expenses	24, 26	(52,004,776,510)	(58,298,975,207)
30	10. Operating profit		64,918,629,961	89,913,073,353
31	11. Other income		260,006,335	705,579,002
32	12. Other expenses	25	(6,798,596,719)	(53,505,668)
40	13. Other (loss) profit		(6,538,590,384)	652,073,334
50	14. Accounting profit before tax		58,380,039,577	90,565,146,687
51	15. Current corporate income tax expense	27.1	(6,448,574,855)	(2,721,665,639)
52	16. Deferred tax expense	27.3	(386,670,698)	(480,931,911)
60	17. Net profit after tax		51,544,794,024	87,362,549,137

Preparer  
Vo Thi Thu Trang

Chief Accountant  
Phan Nhu Bich

General Director  
Dang Trieu Hoa

Ho Chi Minh City, Vietnam

7 March 2025



SEPARATE CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>01</b>	<b>Accounting profit before tax</b>		<b>58,380,039,577</b>	<b>90,565,146,687</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortization	9, 10	92,837,137,603	91,883,225,860
03	Provision (reversal provision)		286,794,923	(235,568,532)
04	Foreign exchange losses arising from revaluation of monetary accounts denominated in foreign currency		15,161,841,423	1,004,052,016
05	Profits from investing activities	21.2	(14,028,912,161)	(10,459,102,797)
06	Interest expense	22	17,127,583,213	17,335,099,901
<b>08</b>	<b>Operating profit before changes in working capital</b>		<b>169,764,484,578</b>	<b>190,092,853,135</b>
09	Increase in receivables		(25,742,402,151)	(67,661,579,675)
10	Decrease (increase) in inventories		29,788,117,166	(148,329,512,416)
11	Increase in payables		118,041,404,142	59,652,645,771
12	Decrease in prepaid expenses		8,678,850,278	914,547,932
14	Interest paid		(16,881,918,686)	(17,710,432,108)
15	Corporate income tax paid		-	(59,110,914)
<b>20</b>	<b>Net cash flows from operating activities</b>		<b>283,648,535,327</b>	<b>16,899,411,725</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase of fixed assets		(860,295,000)	(18,001,126,409)
23	Placement of bank term deposits		(593,810,091,750)	(178,810,649,607)
24	Proceeds from bank term deposit		253,763,903,048	130,000,000,000
25	Payment for investment in other entity		-	(60,066,877,163)
27	Interest received		237,634,370	5,382,106,036
<b>30</b>	<b>Net cash flows used in investing activities</b>		<b>(340,668,849,332)</b>	<b>(121,496,547,143)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings	19	976,723,408,023	1,097,690,768,811
34	Repayment of borrowings	19	(932,696,487,760)	(976,450,568,240)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>44,026,920,263</b>	<b>121,240,200,571</b>

SEPARATE CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net (decrease) increase in cash and cash equivalents for the year		(12,993,393,742)	16,643,065,153
60	Cash and cash equivalents at the beginning of the year		108,619,404,123	91,973,456,952
61	Impact of exchange rate fluctuation		(956,546,622)	2,882,018
70	Cash and cash equivalents at the end of the year	4	94,669,463,759	108,619,404,123


Preparer  
Vo Thi Thu Trang

Chief Accountant  
Phan Nhu BichGeneral Director  
Dang Trieu Hoa

Ho Chi Minh City, Vietnam

7 March 2025



NOTES TO THE SEPARATE FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year 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's shares were listed 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 activity 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 of the Company' employees as at 31 December 2024 was 679 (31 December 2023: 797).

**2. BASIS OF PREPARATION**

**2.1 Purpose of the separate financial statements**

The Company has a subsidiary as disclosed in Note 12.1. The Company prepared these separate financial statements to meet 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 consolidated financial statements of the Company and its subsidiary for the year ended 31 December 2024 dated 7 March 2025.

Users of the separate financial statements should read them together with the said consolidated financial statements to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiary.

**2.2 Accounting standards and system**

The separate financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System 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).

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



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**2. BASIS OF PREPARATION (continued)**

**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 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 less 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 their historical costs. The cost of inventories comprise costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition. In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

Net 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 finished good 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 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 separate income statement.

**3.3 *Receivables***

Receivables are presented in the 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 income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the separate income statement.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

**3.4 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

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

**3.5 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed 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 separate income statement as incurred.

When intangible 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 separate income statement.

**3.6 Depreciation and amortization**

Depreciation of tangible fixed assets and amortization of intangible asset 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
Motor vehicles	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 an entity incurs in connection with the borrowing of funds and are recorded as expense during the year.

**3.8 Prepaid expenses**

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

The following types of expenses are recorded as long-term prepaid expense and are amortized to the consolidated 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 to 14 July 2053.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

**3.8 Prepaid expenses (continued)**

*Prepaid land rental (continued)*

Such prepaid rental is recognized as a long-term prepaid expense for allocation to the 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 process**

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

**3.10 Investments**

*Investment in 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 recognized in the 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 another entity*

Investment in another entity is stated at acquisition cost.

*Provision for diminution in value of investment*

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

Increases or decreases to the provision balance are recorded as finance expense in the 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.

**3.12 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labor Code and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting year 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 employees will be taken to the 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 48 of the Labor Code.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

#### **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 accounting 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 the end of the year, balances of monetary items denominated in foreign currencies are translated at the transfer exchange rate announced by the commercial bank where the Company most frequently conducts its transactions. This transfer exchange rate is the buying transfer exchange rate of the commercial bank.

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 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:

##### *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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

**3.16 Taxation**

*Current income tax*

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

Current income tax is charged or credited to the 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 income tax assets against current income tax liabilities and when the Company intend 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 consolidated 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.

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 consolidated 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.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

**3.16 Taxation (continued)**

*Deferred tax (continued)*

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group 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 Group 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 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 enterprise or individual, including close members of their families.

**4. CASH AND CASH EQUIVALENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	659,785	4,587,230
Cash in banks	4,668,803,974	5,128,012,264
Time deposits at banks (*)	90,000,000,000	103,486,804,629
<b>TOTAL</b>	<b>94,669,463,759</b>	<b>108,619,404,123</b>

(\*) These represent short-term deposits at commercial banks with original maturities of less than three (3) months and earn market rate interest.

**5. SHORT-TERM TRADE RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade receivables from third parties	92,738,754,357	91,305,667,931
<i>Coats Phong Phu Co., Ltd.</i>	30,598,767,067	30,329,992,959
<i>Unifi Asia Pacific (Hong Kong)</i>	14,389,550,465	1,765,368,864
<i>Van Thinh Trading Service Co., Ltd.</i>	11,850,307,007	-
<i>Chori Osaka Ltd Ptd</i>	10,479,688,403	13,683,713,805
<i>XKTC Unifi Asia Pacific (Hong Kong)</i>	2,185,095,310	15,353,899,789
<i>Nam Phuong Textile and Dyeing Co., Ltd.</i>	83,665,034	17,000,354,250
<i>Others</i>	23,151,681,072	13,172,338,264
Trade receivables from related parties (Note 28)	7,763,279,208	-
<b>TOTAL</b>	<b>100,502,033,565</b>	<b>91,305,667,931</b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

6. LOAN RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>3,471,000,000</b>	<b>182,281,649,607</b>
Dintsun Vietnam Company Limited (*)	3,471,000,000	3,471,000,000
Unitex Corporation (**) (Note 28)	-	178,810,649,607
<b>Long-term</b>	<b>518,856,838,309</b>	<b>-</b>
Unitex Corporation (**) (Note 28)	518,856,838,309	-
<b>TOTAL</b>	<b>522,327,838,309</b>	<b>182,281,649,607</b>

(\*) The balance represents interest-free loan to Dintsun Vietnam Company Limited ("Dintsun") under Capital Contribution Agreement No. DTVN – 2019001 dated 12 December 2019 and the latest Appendix dated 29 December 2023 to raise capital for the Soc Trang Industrial Zone Project.

(\*\*) The balance represents interest-free loan to Unitex Corporation ("Unitex") under Agreement No. 01-2022/HDV/STK-UNITEX dated 17 August 2022 and Appendix No. 02-2024/HDV/STK-UNITEX dated 16 August 2024 to finance its working capital requirements at rates ranging from 4.0% to 6.0% per annum.

7. OTHER SHORT-TERM RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Lending interest	15,239,114,464	2,504,297,506
Deposits interest	147,777,778	26,950,000
Others	5,417,355,438	323,684,800
<b>TOTAL</b>	<b>20,804,247,680</b>	<b>2,854,932,306</b>
<i>In which:</i>		
Receivables from related parties (Note 28)	18,805,633,120	2,504,297,506
Receivables from third parties	1,998,614,560	350,634,800



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**8. INVENTORIES**

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Cost</i>	<i>Provision</i>	<i>Cost</i>	<i>Provision</i>
Finished goods	387,506,580,177	(2,032,632,169)	447,284,438,381	(2,458,780,034)
Raw materials	182,259,577,164	(4,564,404,950)	149,212,283,772	(3,851,462,162)
Goods in transit	21,457,572,894	-	24,515,125,247	-
<b>TOTAL</b>	<b><u>591,223,730,235</u></b>	<b><u>(6,597,037,119)</u></b>	<b><u>621,011,847,400</u></b>	<b><u>(6,310,242,196)</u></b>

Detail of movements of provision for obsolete inventories:

	<i>Current year</i>	<i>Previous year</i>
Beginning balance	6,310,242,196	6,545,810,728
Add: Provision made during the year	4,574,326,845	174,972,119
Less: Reversal of provision	<u>(4,287,531,922)</u>	<u>(410,540,651)</u>
Ending balance	<u>6,597,037,119</u>	<u>6,310,242,196</u>

# Century Synthetic Fiber Corporation

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 9. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	VND Total
<b>Cost:</b>					
Beginning balance	304,608,626,458	1,593,749,105,162	188,858,990,157	4,791,726,080	2,092,008,447,857
Transfer from CIP	-	9,024,991,977	2,127,676,164	-	11,152,668,141
Ending balance	<u>304,608,626,458</u>	<u>1,602,774,097,139</u>	<u>190,986,666,321</u>	<u>4,791,726,080</u>	<u>2,103,161,115,998</u>
<i>In which:</i>					
Fully depreciated	88,291,213,408	594,184,780,150	101,587,466,880	4,791,726,079	788,855,186,519
<b>Accumulated depreciation:</b>					
Beginning balance	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 year	<u>9,046,843,986</u>	<u>73,099,262,366</u>	<u>10,691,031,251</u>	<u>-</u>	<u>92,837,137,603</u>
Ending balance	<u>178,241,101,465</u>	<u>1,179,303,380,697</u>	<u>180,140,562,219</u>	<u>4,791,726,080</u>	<u>1,542,476,770,461</u>
<b>Net carrying amount:</b>					
Beginning balance	<u>135,414,368,979</u>	<u>487,544,986,831</u>	<u>19,409,459,189</u>	<u>-</u>	<u>642,368,814,999</u>
Ending balance	<u>126,367,524,993</u>	<u>423,470,716,442</u>	<u>10,846,104,102</u>	<u>-</u>	<u>560,684,345,537</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

10. INTANGIBLE FIXED ASSET

VND

Computer software

**Cost:**

Beginning and ending balances	<u>14,385,298,205</u>
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*In which:*

<i>Fully amortized</i>	<u>14,385,298,205</u>
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**Accumulated amortization:**

Beginning and ending balances	<u>14,385,298,205</u>
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**Net carrying amount:**

Beginning and ending balances	<u><u>-</u></u>
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11. CONSTRUCTION IN PROGRESS

VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Machinery and equipment under installation	14,930,784,238	25,223,157,379
Others	<u>61,668,644</u>	<u>61,668,644</u>
<b>TOTAL</b>	<b><u>14,992,452,882</u></b>	<b><u>25,284,826,023</u></b>

12. LONG-TERM INVESTMENTS

VND

	<u><i>Ending balance</i></u>		<u><i>Beginning balance</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>-</u>	<u>13,800,000,000</u>	<u>-</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 SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**12. LONG-TERM INVESTMENTS (continued)**

**12.1 Investment in subsidiary**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	% of interest	Cost VND	% of interest	Cost VND
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.

**12.2 Investment in other entity**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	% of interest	Cost VND	% of interest	Cost VND
Dintsun Vietnam Company Limited	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 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.

**13. PREPAID EXPENSES**

	<b>VND</b>	
	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Short-term</b>	<b>4,129,693,461</b>	<b>2,793,026,285</b>
Insurance premium	1,907,513,717	1,904,838,455
Tools and supplies in use	1,827,326,100	489,317,732
Prepaid car rental	320,000,000	320,000,000
Others	74,853,644	78,870,098
<b>Long-term</b>	<b>47,657,745,499</b>	<b>57,673,262,953</b>
Prepaid land rental	32,428,421,703	33,674,230,259
Tools and supplies in use	13,041,658,974	20,748,154,809
Others	2,187,664,822	3,250,877,885
<b>TOTAL</b>	<b><u>51,787,438,960</u></b>	<b><u>60,466,289,238</u></b>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**14. SHORT-TERM TRADE PAYABLES**

		VND
	Ending balance	Beginning balance
Trade payables to suppliers	302,953,639,920	237,317,939,002
<i>PT Indorama Polychem Indonesia</i>	113,245,684,800	-
<i>Unifi Textile (Suzhou) Co., Ltd.</i>	109,740,846,000	117,400,338,000
<i>Chori Co., Ltd.</i>	29,846,682,000	62,895,417,000
<i>Tainan Spinning Co., Ltd.</i>	6,049,887,090	32,910,848,100
<i>Others</i>	44,070,540,030	24,111,335,902
Trade payable to related parties (Note 28)	17,747,869,669	-
<b>TOTAL</b>	<b><u>320,701,509,589</u></b>	<b><u>237,317,939,002</u></b>

**15. SHORT-TERM ADVANCES FROM CUSTOMERS**

		VND
	Ending balance	Beginning balance
VietNam De Licacy Industrial Co.,Ltd	12,048,401,928	-
Lear Corporation - Kenansville	3,661,809,868	29,140,194,914
Others	6,511,421,338	10,084,323,640
<b>TOTAL</b>	<b><u>22,221,633,134</u></b>	<b><u>39,224,518,554</u></b>

**16. STATUTORY OBLIGATIONS**

				VND
	Beginning balance	Increase during the year	Decrease during the year	Ending balance
<b>Payables</b>				
Corporate income tax	-	6,448,574,775	(1,638,337,850)	4,810,236,925
Value-added tax	2,501,784,369	22,886,933,495	(23,649,734,836)	1,738,983,028
Personal income tax	293,189,699	1,725,718,969	(1,674,121,324)	344,787,344
Import/export duties	171,302,205	-	(171,302,205)	-
Others	-	65,292,397	(65,292,397)	-
<b>TOTAL</b>	<b><u>2,966,276,273</u></b>	<b><u>31,126,519,636</u></b>	<b><u>(27,198,788,612)</u></b>	<b><u>6,894,007,297</u></b>
<b>Receivables</b>				
Value-added tax deductible	126,657,659,077	45,726,840,372	(30,519,596,059)	141,864,903,390
Import/export duties	114,423,926	2,978,525,522	(3,029,935,471)	63,013,977
Corporate income tax	1,642,819,105	-	(1,642,819,105)	-
Foreign contractor tax	1,103,224	68,753,986	(69,857,210)	-
<b>TOTAL</b>	<b><u>128,416,005,332</u></b>	<b><u>48,774,119,880</u></b>	<b><u>(35,262,207,845)</u></b>	<b><u>141,927,917,367</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**17. SHORT-TERM ACCRUED EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Utilities	5,856,874,732	6,703,250,971
Sales commission	1,852,441,266	865,656,539
Interest expense	566,877,481	355,833,026
<b>TOTAL</b>	<b><u>8,276,193,479</u></b>	<b><u>7,924,740,536</u></b>

**18. OTHER SHORT-TERM PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Union fees	3,327,930,639	2,326,315,136
Social insurance	1,605,515,660	425,330,080
Dividends	327,500,530	327,500,530
Others	2,152,642,514	2,090,980,524
<b>TOTAL</b>	<b><u>7,413,589,343</u></b>	<b><u>5,170,126,270</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 19. SHORT-TERM LOANS

Bank	Beginning balance	Increase	Decrease	Revaluation due to foreign exchange difference	Ending balance	Term and maturity date
Loans from banks	438,607,652,554	976,723,408,023	(932,696,487,760)	7,184,571,442	489,819,144,259	
The Company obtained unsecured short-term loans from banks to finance its working capital requirements at interest rates ranging from 4.5% to 5.6% per annum (for foreign currencies) and from 3.9% to 5.65% per annum (for VND). Further details are as follows:						
Bank	Ending balance	Original amount		Term and maturity date		
		VND	USD			
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh Branch	239,377,772,863	-	-	From 6 January 2025 to 27 June 2025		
Vietnam Export Import Commercial Joint Stock Bank - Ho Chi Minh Branch	118,812,504,857	4,705,259		From 8 February 2025 to 27 June 2025		
Orient Commercial Joint Stock Bank – Tan Binh Branch	73,695,801,030	2,918,530		From 26 April 2025 to 23 May 2024		
Woori Bank Vietnam Limited – Ho Chi Minh Branch	49,466,694,102	1,958,999		From 16 April 2025 to 26 June 2025		
Vietnam Export Import Bank – Ho Chi Minh Branch	8,466,371,407	-		From 4 April 2025 to 5 June 2025		
<b>TOTAL</b>	<b>489,819,144,259</b>	<b>9,582,788</b>				

# Century Synthetic Fiber Corporation

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year 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>Previous year:</b>						
Beginning balance	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	-	-	-	-	87,362,549,137	87,362,549,137
Dividends declared	122,730,990,000	-	-	-	(122,730,990,000)	-
Ending balance	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
<b>Current year:</b>						
Beginning balance	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	-	23,652,718,980	42,410,550,000	-	-	66,063,268,980
Net profit for the year	-	-	-	-	51,544,794,019	51,544,794,019
Ending balance	966,369,240,000	64,477,297,852	-	1,219,011,000	717,953,794,621	1,750,019,343,473



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**20. OWNERS' EQUITY (continued)**

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

	VND	
	Current year	Previous year
<b>Issued share capital</b>		
Beginning balance	966,369,240,000	843,638,250,000
Dividend shares	-	122,730,990,000
Ending balance	<u>966,369,240,000</u>	<u>966,369,240,000</u>
<b>Dividends declared</b>	-	<b>(122,730,990,000)</b>
Dividends paid in shares	-	(122,730,990,000)

**20.3 Shares**

	Ending balance		Beginning balance	
	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>				
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	
	Current year	Previous year
<b>Gross revenue</b>	<b>1,249,467,054,177</b>	<b>1,425,624,612,200</b>
Less:		
Sales returns	<u>(203,810,405)</u>	<u>(561,587,822)</u>
<b>Net revenue</b>	<b><u>1,249,263,243,772</u></b>	<b><u>1,425,063,024,378</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**21. REVENUES (continued)**

**21.2 Finance income**

	VND	
	Current year	Previous year
Interest income	14,028,912,161	10,459,102,797
Foreign exchange gains	12,517,244,914	18,332,952,202
<b>TOTAL</b>	<b><u>26,546,157,075</u></b>	<b><u>28,792,054,999</u></b>

**22. FINANCE EXPENSES**

	VND	
	Current year	Previous year
Foreign exchange losses	34,986,489,576	35,662,926,803
Interest expense	17,127,583,213	17,335,099,901
<b>TOTAL</b>	<b><u>52,114,072,789</u></b>	<b><u>52,998,026,704</u></b>

**23. SELLING EXPENSES**

	VND	
	Current year	Previous year
Transportation	6,400,763,719	7,986,552,183
Letter of credit and documentary fees	3,195,497,469	7,574,931,856
Commission fee	1,115,428,363	554,678,691
Others	1,761,497,277	3,547,612,996
<b>TOTAL</b>	<b><u>12,473,186,828</u></b>	<b><u>19,663,775,726</u></b>

**24. GENERAL AND ADMINISTRATION EXPENSES**

	VND	
	Current year	Previous year
Labor costs	26,668,773,327	30,667,207,028
External services	9,412,259,692	10,787,742,574
Stationery and other tools costs	9,008,201,335	9,579,378,915
Depreciation and amortization	1,480,304,462	1,499,423,578
Others	5,435,237,694	5,765,223,112
<b>TOTAL</b>	<b><u>52,004,776,510</u></b>	<b><u>58,298,975,207</u></b>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**25. OTHERS EXPENSES**

		VND
	<i>Current year</i>	<i>Previous year</i>
Depreciation and allocation	6,790,462,424	-
Others	8,134,295	53,505,668
<b>TOTAL</b>	<b><u>6,798,596,719</u></b>	<b><u>53,505,668</u></b>

**26. PRODUCTION AND OPERATING COSTS**

		VND
	<i>Current year</i>	<i>Previous year</i>
Raw materials	780,490,074,480	855,629,530,014
External services	164,144,367,934	213,550,444,420
Depreciation and amortization (Notes 9 and 10)	92,837,137,610	91,883,225,861
Labor costs	92,451,098,481	113,035,316,525
Others	28,854,019,592	36,845,462,501
<b>TOTAL</b>	<b><u>1,158,776,698,097</u></b>	<b><u>1,310,943,979,320</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 each product type. In particular:

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 separate financial statements could change at a later date upon final determination by the tax authorities.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

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

**27.1 CIT expense**

		VND
	<i>Current year</i>	<i>Previous year</i>
Current tax expense	5,481,093,224	5,936,938,896
Adjustment for under (over) accrual of CIT from prior years	967,481,631	(3,215,273,257)
Total current income tax expense	6,448,574,855	2,721,665,639
Deferred tax expense	386,670,698	480,931,911
<b>TOTAL</b>	<b>6,835,245,553</b>	<b>3,202,597,550</b>

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

		VND
	<i>Current year</i>	<i>Previous year</i>
<b>Accounting profit before tax</b>	<b>58,334,211,829</b>	<b>90,565,146,687</b>
At the applicable CIT rate for the Company	11,676,007,915	18,113,029,337
<i>Adjustments:</i>		
Non-deductible expenses	438,946,687	1,542,260,623
(Utilize tax loss) tax loss carrying forward	(1,242,619,215)	657,934,669
Tax incentive for the Trang Bang branch	(3,649,716,451)	(19,253,612,424)
Adjustment for under (over) accrual of tax from prior years	967,481,631	(3,215,273,257)
Unrealized (loss) profit	(1,354,855,014)	5,358,258,602
<b>CIT expense</b>	<b>6,835,245,553</b>	<b>3,202,597,550</b>

**27.2 Current CIT**

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



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year 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>Separate balance sheet</i>		<i>Separate income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Accrued salaries and bonus	1,155,869,845	1,810,582,582	(654,712,737)	(190,627,848)
Accrued expenses	431,715,373	209,244,395	222,470,978	(151,163,552)
Foreign exchange arising from revaluation of monetary accounts denominated in foreign currency	(40,921,300)	2,421,631	(43,342,931)	(64,178,601)
Accrual for severance pay	44,649,892	43,898,866	751,026	(1,602,386)
Provision for obsolete inventories	965,286,634	877,123,667	88,162,967	(73,359,524)
<b>TOTAL</b>	<b><u>2,556,600,443</u></b>	<b><u>2,943,271,141</u></b>		
<b>Net deferred tax charge to separate income statement</b>			<b><u>(386,670,698)</u></b>	<b><u>(480,931,911)</u></b>

**28. TRANSACTIONS WITH RELATED PARTIES**

The related parties that have a controlling relationship with the Company as at 31 December 2024 are as follows:

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**28. TRANSACTIONS WITH RELATED PARTIES (continued)**

Significant transactions with related parties were as follows:

<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Current year</i>	<i>VND</i> <i>Previous year</i>
Unitex Corporation	Subsidiary	Lending	585,397,796,750	178,810,649,607
		Lending collection	245,351,608,048	-
		Interest lending	13,670,450,013	5,430,602,316

Amounts due from a related party were as follows:

			VND	
<i>Related party</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivable</b>				
Unitex Corporation	Subsidiary	Sale of good	<u>7,669,753,843</u>	<u>-</u>
<b>Short-term loan receivable</b>				
Unitex Corporation	Subsidiary	Lending	<u>-</u>	<u>178,810,649,607</u>
<b>Long-term loan receivable</b>				
Unitex Corporation	Subsidiary	Lending	<u>518,856,838,309</u>	<u>-</u>
<b>Other short-term receivables</b>				
Unitex Corporation	Subsidiary	Lending interest	15,239,114,464	2,504,297,506
		Others	<u>3,566,518,656</u>	<u>-</u>
			<u><b>18,805,633,120</b></u>	<u><b>2,504,297,506</b></u>
<b>Short-term trade payable</b>				
Unitex Corporation	Subsidiary	Purchase	17,747,869,669	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**28. RELATED PARTY DISCLOSURES (continued)**

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

<i>Individual</i>	<i>Position</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
Ms Dang My Linh	Chairwoman	150,000,000	150,000,000
Mr Dang Trieu Hoa	Deputy of Chairman cum General Director	1,492,450,300	1,517,600,000
Mr Dang Huong Cuong	Member of BOD	150,000,000	150,000,000
Mr Chen Che Jen	Member of BOD	225,000,000	225,000,000
Ms Cao Thi Nguyet Anh	Member of BOD	150,000,000	150,000,000
Mr Vo Quang Long	Member of BOD	150,000,000	150,000,000
Mr Nguyen Quoc Huong	Member of BOD	225,000,000	225,000,000
Mr Nguyen Tu Luc	Head of Audit function	60,000,000	60,000,000
Ms Ha Kiet Tran	Member of BOS from 30 March 2023	60,000,000	60,000,000
Ms Dinh Ngoc Hoa	Member of BOS	198,714,294	167,748,325
Ms Nguyen Phuong Chi	Director	1,472,785,551	1,419,857,942
Mr Phan Nhu Bich	Financial Director cum Chief Accountant	936,636,843	836,885,835
<b>TOTAL</b>		<b>5,270,586,988</b>	<b>5,112,092,102</b>

**29. COMMITMENTS**

***Operating lease commitment***

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

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	1,227,965,559	1,961,680,720
From 1 to 5 years	2,103,976,448	2,364,405,800
More than 5 years	8,896,236,498	8,884,960,020
<b>TOTAL</b>	<b>12,228,178,505</b>	<b>13,211,046,540</b>

***Letter of guarantee issued***

The Company has issued a letter of guarantee to CTBC Bank Co., Ltd – Ho Chi Minh Branch to guarantee for the loan that Unitex Corporation, a subsidiary of the Company, obtained from the bank maximum amounting to USD 1,000,000.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**30. OFF BALANCE SHEET ITEM**

	<i>Ending balance</i>	<i>Beginning balance</i>
Major foreign currency:		
United States dollar (USD)	37,037	72,414
EURO	25	-
JPY	418,231	-

**31. EVENT AFTER THE BALANCE SHEET DATE**

There is no matter or circumstance that has arisen since the balance sheet date that requires adjustment or disclosure in the 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

7 March 2025

