



Tien Phong Plastic Joint Stock Company

Separate Interim Financial Statements
for the six-month period ended
30 June 2023



Tien Phong Plastic Joint Stock Company Corporate Information

Enterprise Registration Certificate No.

0200167782

30 December 2004

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 20 May 2023. The Enterprise Registration Certificate was issued by Hai Phong Department of Planning and Investment.

Board of Management

Mr. Dang Quoc Dung	Chairman
Mr. Noboru Kobayashi	Vice Chairman
Mr. Chu Van Phuong	Member
Mr. Tran Ngoc Bao	Member
Mr. Bui Duc Long	Member (<i>from 28/4/2023</i>)
Mr. Nguyen Viet Phuong	Member (<i>until 28/4/2023</i>)
Mr. Dao Anh Thang	Independent Member

Board of General Directors

Mr. Chu Van Phuong	General Director
Mr. Tran Nhat Ninh	Deputy General Director - Technology
Ms. Ngo Thi Thu Thuy	Deputy General Director - Production
Mr. Nguyen Van Thuc	Deputy General Director - Internal Affairs
Mr. Tran Ngoc Bao	Deputy General Director - Finance

Audit Committee

Mr. Dao Anh Thang	Chairman of the Committee
Mr. Bui Duc Long	Member (<i>from 28/4/2023</i>)
Mr. Nguyen Viet Phuong	Member (<i>until 28/4/2023</i>)

Registered Office

No. 2 An Da Road
Lach Tray Ward, Ngo Quyen District
Hai Phong City
Vietnam

Auditors

KPMG Limited
Vietnam

Tien Phong Plastic Joint Stock Company Statement of the Board of General Directors

The Board of General Directors of Tien Phong Plastic Joint Stock Company (“the Company”) presents this statement and the accompanying separate interim financial statements of the Company for the six-month period ended 30 June 2023.

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

- (a) the separate interim financial statements set out on pages 5 to 41 give a true and fair view of the unconsolidated financial position of the Company as at 30 June 2023, and of its unconsolidated results of operations and unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there is no reason to believe that the Company will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of General Directors,



*Tran Ngoc Bao*¹
Deputy General Director – Finance
As authorised by the General Director

Hai Phong, 14 August 2023

¹ Mr. Tran Ngoc Bao - Deputy General Director – Finance was authorised by Mr. Chu Van Phuong – General Director under the letter of authorization dated 14 August 2023.



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders and Board of Management Tien Phong Plastic Joint Stock Company

We have reviewed the accompanying separate interim financial statements of Tien Phong Plastic Joint Stock Company (“the Company”), which comprise the separate balance sheet as at 30 June 2023, the separate statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Company’s Board of General Directors on 14 August 2023, as set out on pages 5 to 41.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express a conclusion on these separate interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 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.



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial position of Tien Phong Plastic Joint Stock Company as at 30 June 2023 and of its unconsolidated results of operations and its unconsolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited

Vietnam

Review Report No.: 23-02-00227-23-1



Phan My Linh
Practicing Auditor Registration
Certificate No.: 3064-2019-007-1
Deputy General Director

Hanoi, 14 August 2023

Pham Thi Thuy Linh
Practicing Auditor Registration
Certificate No.: 3065-2019-007-1

Tien Phong Plastic Joint Stock Company
Separate balance sheet as at 30 June 2023

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND	1/1/2023 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,863,071,924,595	2,946,640,233,205
Cash and cash equivalents	110	8	447,427,098,567	164,141,010,132
Cash	111		237,078,899,989	124,088,407,392
Cash equivalents	112		210,348,198,578	40,052,602,740
Short-term financial investments	120		580,000,000,000	432,857,808,219
Held-to-maturity investments	123	9(a)	580,000,000,000	432,857,808,219
Accounts receivable – short-term	130		825,632,577,576	938,490,552,873
Accounts receivable from customers	131	10	817,239,391,754	866,051,626,939
Prepayments to suppliers	132	11	51,815,677,282	73,249,950,492
Other receivables	136	12	18,665,287,376	61,276,754,278
Allowance for doubtful debts	137	13	(62,087,778,836)	(62,087,778,836)
Inventories	140	14	997,226,891,330	1,365,841,984,676
Inventories	141		1,000,939,027,371	1,369,554,120,717
Allowance for inventories	149		(3,712,136,041)	(3,712,136,041)
Other current assets	150		12,785,357,122	45,308,877,305
Short-term prepaid expenses	151		12,342,328,623	12,446,361,138
Deductible value added tax	152		-	32,448,774,160
Taxes and others receivable from State Treasury	153		443,028,499	413,742,007

The accompanying notes are an integral part of these separate interim financial statements

Tien Phong Plastic Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
*(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2023 VND	1/1/2023 VND
Long-term assets (200 = 220 + 240 + 250 + 260)	200		1,767,930,936,845	1,780,476,105,395
Fixed assets	220		1,292,159,027,833	1,324,966,964,370
Tangible fixed assets	221	15	1,292,159,027,833	1,324,966,964,370
Cost	222		2,837,308,870,816	2,810,670,809,484
Accumulated depreciation	223		(1,545,149,842,983)	(1,485,703,845,114)
Intangible fixed assets	227		-	-
Cost	228		2,501,022,223	2,501,022,223
Accumulated amortisation	229		(2,501,022,223)	(2,501,022,223)
Long-term work in progress	240		28,903,001,766	2,173,973,393
Construction in progress	242	16	28,903,001,766	2,173,973,393
Long-term financial investments	250	9(b)	315,272,188,600	315,272,188,600
Investments in subsidiaries	251		131,100,000,000	131,100,000,000
Investments in associates	252		113,345,883,000	113,345,883,000
Equity investments in other entities	253		95,960,188,600	95,960,188,600
Allowance for diminution in the value of long-term financial investments	254		(25,133,883,000)	(25,133,883,000)
Other long-term assets	260		131,596,718,646	138,062,979,032
Long-term prepaid expenses	261	17	131,596,718,646	138,062,979,032
TOTAL ASSETS (270 = 100 + 200)	270		4,631,002,861,440	4,727,116,338,600

The accompanying notes are an integral part of these separate interim financial statements

Tien Phong Plastic Joint Stock Company
Separate balance sheet as at 30 June 2023 (continued)

Form B 01a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	30/6/2023 VND	1/1/2023 VND
RESOURCES				
LIABILITIES (300 = 310)	300		1,872,798,591,143	2,129,542,537,289
Current liabilities	310		1,872,798,591,143	2,129,542,537,289
Accounts payable to suppliers	311	18	140,254,601,262	235,400,714,256
Advances from customers	312	19	44,964,187,168	30,421,439,866
Taxes and others payable to State Treasury	313	20	9,339,189,328	27,502,552,251
Payables to employees	314		84,136,872,143	58,900,186,915
Accrued expenses	315	21	83,272,236,170	60,755,178,177
Other payables – short-term	319	22	110,419,984,898	60,924,718,404
Short-term borrowings	320	23(a)	1,379,977,449,787	1,649,879,077,138
Bonus and welfare fund	322	24	20,434,070,387	5,758,670,282
EQUITY (400 = 410)	400		2,758,204,270,297	2,597,573,801,311
Owners' equity	410	25	2,758,204,270,297	2,597,573,801,311
Share capital	411	26	1,295,753,340,000	1,295,753,340,000
- Ordinary shares with voting rights	411a		1,295,753,340,000	1,295,753,340,000
Investment and development fund	418	28	1,174,251,384,986	1,023,163,062,043
Retained profits	421		288,199,545,311	278,657,399,268
- Retained profits brought forward	421a		47,199,299,220	47,199,299,220
- Profit for the current period/year	421b		241,000,246,091	231,458,100,048
TOTAL RESOURCES (440 = 300 + 400)	440		4,631,002,861,440	4,727,116,338,600

14 August 2023

Prepared by:



Luu Thi Mai
Chief Accountant

Approved by:



Tran Ngoc Bao
Deputy General Director – Finance
As authorised by the General Director

The accompanying notes are an integral part of these separate interim financial statements

Tien Phong Plastic Joint Stock Company
Separate statement of income for the six-month period ended 30 June 2023

Form B 02a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	Six-month period ended	
			30/6/2023 VND	30/6/2022 VND
Revenue from sales of goods	01	30	2,273,273,689,843	2,532,184,252,472
Revenue deductions	02	30	33,487,160,600	87,299,945,109
Net revenue (10 = 01 - 02)	10	30	2,239,786,529,243	2,444,884,307,363
Cost of sales	11	31	1,684,155,178,823	1,807,025,925,088
Gross profit (20 = 10 - 11)	20		555,631,350,420	637,858,382,275
Financial income	21	32	124,522,982,374	101,287,876,458
Financial expenses	22	33	67,911,681,623	61,022,038,326
<i>In which: Interest expense</i>	23		50,920,192,454	28,705,154,447
Selling expenses	25	34	251,616,795,410	269,240,778,036
General and administration expenses	26	35	86,976,652,584	65,536,045,312
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		273,649,203,177	343,347,397,059
Other income	31		2,723,168,904	1,299,433,133
Other expenses	32		86,759,299	1,279,473,763
Results of other activities (40 = 31 - 32)	40		2,636,409,605	19,959,370
Accounting profit before tax (50 = 30 + 40)	50		276,285,612,782	343,367,356,429
Income tax expense – current	51	37	35,285,366,691	52,837,936,347
Net profit after tax (60 = 50 - 51)	60		241,000,246,091	290,529,420,082

14 August 2023

Prepared by:



Luu Thi Mai
Chief Accountant

Approved by:



Tran Ngoc Bao
Deputy General Director – Finance
As authorised by the General Director

The accompanying notes are an integral part of these separate interim financial statements

Tien Phong Plastic Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	01	276,285,612,782	343,367,356,429
Adjustments for			
Depreciation and amortisation	02	75,166,260,166	74,663,795,274
Exchange (gains)/losses arising from revaluation of monetary items denominated in foreign currencies	04	(25,631,375)	4,094,999,809
Profits from investing activities	05	(123,367,312,343)	(99,713,992,367)
Interest expense	06	50,920,192,454	28,705,154,447
Operating profit before changes in working capital	08	278,979,121,684	351,117,313,592
Change in receivables	09	150,696,638,857	41,924,167,694
Change in inventories	10	368,615,093,346	(99,471,178,630)
Change in payables and other liabilities	11	(5,165,613,710)	320,329,864,987
Change in prepaid expenses	12	4,738,511,765	(3,620,170,018)
		797,863,751,942	610,279,997,625
Interest paid	14	(51,852,271,850)	(26,398,272,644)
Income tax paid	15	(42,249,370,139)	(40,136,683,840)
Other payments for operating activities	17	(906,710,000)	(15,718,937,000)
Net cash flows from operating activities	20	702,855,399,953	528,026,104,141
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(56,511,155,962)	(22,928,971,215)
Proceeds from disposals of fixed assets	22	431,818,182	-
Payments for granting loans and placement of deposits with terms of more than 3 months	23	(550,000,000,000)	(535,414,794,520)
Receipts from collecting loans and withdrawal of deposits with terms of more than 3 months	24	402,857,808,219	500,000,000,000
Receipts of interests, dividends and distributed profits	27	117,642,850,442	97,205,763,047
Net cash flows from investing activities	30	(85,578,679,119)	38,861,997,312

Tien Phong Plastic Joint Stock Company
Separate statement of cash flows for the six-month period ended 30 June 2023
(Indirect method - continued)

Form B 03a – DN
(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Six-month period ended	
		30/6/2023 VND	30/6/2022 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	1,474,084,619,527	1,885,931,494,184
Payments to settle loan principals	34	(1,743,313,393,378)	(1,879,173,465,935)
Payments of dividends	36	(64,787,667,000)	(117,796,183,000)
Net cash flows from financing activities	40	(334,016,440,851)	(111,038,154,751)
Net cash flows during the period (50 = 20 + 30 + 40)	50	283,260,279,983	455,849,946,702
Cash and cash equivalents at the beginning of the period	60	164,141,010,132	132,976,715,364
Effect of exchange rate fluctuations on cash and cash equivalents	61	25,808,452	14,641,001
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61) (Note 8)	70	447,427,098,567	588,841,303,067

14 August 2023

Prepared by:



Luu Thi Mai
Chief Accountant

Approved by:



Tran Ngoc Bao
Deputy General Director – Finance
As authorised by the General Director

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2023

Form B 09 – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

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

1. Reporting entity

(a) Ownership structure

Tien Phong Plastic Joint Stock Company (“the Company”) was formerly a State-owned enterprise which was equitised pursuant to Decree No. 64/2002/ND-CP dated 19 June 2002 issued by the Government on promulgating the restructuring of State-owned enterprises to joint stock companies. The equitisation of the Company was implemented in accordance with Decision No. 80/2004/QĐ-BCN dated 17 August 2004 issued by the Minister of Industry and Trade.

After equitisation, the Company is a joint stock company incorporated under the Law on Enterprise of Vietnam in pursuant to the Enterprise Registration Certificate No. 0200167782 issued by the Hai Phong Department of Planning and Investment on 30 December 2004. The Company’s Enterprise Registration Certificate has been amended several times, the most recent of which is dated 20 May 2023.

(b) Principal activities

The licensed activities of the Company are as follows:

- Manufacturing and trading plastic products for civil consumption, usage in construction, industry, agriculture, fisheries and transportation;
- Construction of apartment buildings, infrastructures, high quality housing, offices for lease, trade centres and market buildings;
- Construction of other civil engineering works;
- Providing warehouse and storage services, road transportation and other supporting services for transportation; and
- Trading of real estate and land use rights.

During the period, the principal activities of the Company are to manufacture and trade plastic products for civil consumption and usage in construction, industrials, agriculture, fisheries and transportation.

(c) Normal operating cycle

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

(d) Company structure

As at 30 June 2023 and 1 January 2022, the Company had 2 subsidiaries, 3 associates as listed in Note 9.

As at 30 June 2023, the Company had 1,259 employees (1/1/2023: 1,262 employees).

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

2. Basis of preparation

(a) Statement of compliance

The separate interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to interim financial reporting. The Company prepares and issues its consolidated interim financial statements separately. For a comprehensive understanding of the Company's consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate interim financial statements should be read in conjunction with the Company's consolidated interim financial statements.

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting and presentation currency

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

3. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Company in the preparation of these separate interim financial statements are consistent with those adopted in the preparation of the latest annual separate financial statements.

(a) Foreign currency transactions

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

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

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

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(b) Cash and cash equivalents

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

(c) Investments

(i) *Held-to-maturity investments*

Held-to-maturity investments are those that the Company's Board of General Directors has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank. These investments are stated at costs less allowance for doubtful debts.

(ii) *Investments in subsidiaries and associates*

For the purpose of these interim separate financial statements, investments in subsidiaries and associates are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(iii) *Equity investments in other entities*

Equity investments in other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(d) Accounts receivable

Trade and other receivables are stated at cost less allowance for doubtful debts.

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(e) Inventories

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

The Company applies the perpetual method of accounting for inventories.

(f) Tangible fixed assets

(i) Cost

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

(ii) Depreciation

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

▪ buildings and structures	5 – 25 years
▪ plant and equipment	3 – 20 years
▪ motor vehicles	3 – 12 years
▪ office equipment	3 – 8 years

(g) Intangible fixed assets

Technology license

Technology license comprises the expenses incurred up to the date of putting technology license into use. Technology license is amortised on a straight-line basis over 2 years.

(h) Construction in progress

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
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(i) Long-term prepaid expenses

(i) *Prepaid land costs*

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under the prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the separate statement of income on a straight-line basis over the term of the lease from 27 to 44 years.

(ii) *Tools and instruments*

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

(iii) *Other long-term prepaid expenses*

Other long-term prepaid expenses comprise expenses for periodic renovation, repair, billboards rental which are recognised at cost and amortised on a straight-line basis over a period ranging from 2 to 5 years.

(j) Trade and other payables

Trade and other payables are stated at their cost.

(k) Provision

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

(l) Share capital

Ordinary shares

Ordinary shares are stated at issue price less any costs directly attributable to the issue of shares, net of tax effects. These costs are recognised as a deduction from share premium.

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2023 (continued)

Form B 09a – DN
(Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

(m) Taxation

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

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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

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

(n) Revenue and other income

(i) Goods sold

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

(ii) Interest income

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

(iii) Dividend income

Dividend income is recognised when the right to receive dividend is established.

(o) Leases

(i) Leased assets

Leases in terms of which the Company, as lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets held under other leases are classified as operating leases and are not recognised in the Company's separate balance sheet. All of the Company's leases are operating leases.

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(ii) Lease payments

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

(p) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Related parties

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

(r) Comparative information

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

4. Seasonality of operations

The Company does not have any seasonal business segments that may affect its unconsolidated operating results for the six-month period ended 30 June 2023.

5. Changes in accounting estimates

In preparing the separate annual and interim financial statements, the Board of General Directors has made several accounting estimates. Actual results may differ from these estimates. During the six-month period ended 30 June 2023, there were not any significant changes in accounting estimates since the latest annual accounting period ended.

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6. Unusual items

The Company does not have any unusual items which may affect its separate interim financial statements for the six-month period ended 30 June 2023.

7. Changes in the composition of the Company

There were not any significant changes in the composition of the Company for the six-month period ended 30 June 2023.

8. Cash and cash equivalents

	30/6/2023	1/1/2023
	VND	VND
Cash on hand	379,514,462	723,402,875
Cash in banks	236,699,385,527	123,365,004,517
Cash equivalents	210,348,198,578	40,052,602,740
	<hr/>	<hr/>
	447,427,098,567	164,141,010,132
	<hr/>	<hr/>

9. Investments

(a) Held-to-maturity investments

Held-to-maturity investments – short-term represented the deposits with a term of 6 months at local banks, which earned interest at annual rates ranging from 5.5% to 9.3% (1/1/2023: from 5.7% to 10%) per annum. The costs of these deposits approximate their fair values due to the short-term nature of the investments.

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(b) Equity investments in other entities

	Quantity	% of equity owned	% of voting rights	30/6/2023	1/1/2023	
				Cost	Allowance for diminution in value	Fair value
				Cost	Allowance for diminution in value	Fair value
Equity investments in:						
Subsidiaries						
▪ Tien Phong Central Plastic Company Limited (i)	100.00%	100.00%	100.00%	120,000,000,000	-	(*) 120,000,000,000
▪ Tien Phong Land Company Limited (ii)	100.00%	100.00%	100.00%	11,100,000,000	-	(*) 11,100,000,000
				131,100,000,000	-	131,100,000,000
Associates						
▪ Tien Phong South Plastic Joint Stock Company (iii)	12,218,580	27.39%	27.39%	84,150,000,000	-	(*) 84,150,000,000
▪ Tien Phong Packaging Joint Stock Company (iv)	499,775	49.98%	49.98%	5,397,000,000	-	(*) 5,397,000,000
▪ Tien Phong - SMP Plastic Joint Venture Company Limited (v)	51.00%	51.00%	51.00%	23,798,883,000	(23,798,883,000)	(*) 23,798,883,000
				113,345,883,000	(23,798,883,000)	113,345,883,000
Other entities						
▪ Nam Dinh Water Supply Joint Stock Company (vi)	4,632,086	13.50%	13.50%	46,784,068,600	-	(*) 46,784,068,600
▪ Thu Dau Mot Water Joint Stock Company	1,800,000	1.80%	1.80%	41,400,000,000	-	(*) 41,400,000,000
▪ Tien Phong Technology Equipment Joint Stock Company	396,000	17.39%	17.39%	5,148,000,000	-	(*) 5,148,000,000
▪ Ha Giang Water Supply and Drainage Joint Stock Company	56,406	4.80%	4.80%	1,128,120,000	-	(*) 1,128,120,000
▪ Golden Bridge Vietnam Securities Joint Stock Company	150,000	1.11%	1.11%	1,500,000,000	(1,335,000,000)	(*) 1,500,000,000
				95,960,188,600	(1,335,000,000)	95,960,188,600
				340,406,071,600	(25,133,883,000)	340,406,071,600

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- (i) Tien Phong Central Plastic Company Limited was incorporated on 19 March 2012 and is located in Lot C, Nam Cam Industrial Park, Nghi Xa Commune, Nghi Loc District, Nghe An Province. The principal activities of this subsidiary are to produce and trade civil and industrial plastic products.
- (ii) Tien Phong Land Company Limited (“Tien Phong Land”) was incorporated on 18 May 2015 and is located at No. 2 An Da Road, Lach Tray Ward, Ngo Quyen District, Hai Phong City. Under its Enterprise Registration Certificate, the Company shall contribute VND20,000 million to the charter capital of Tien Phong Land. Up to 30 June 2023, the Company has contributed VND11,100 million in Tien Phong Land’s charter capital.
- (iii) Tien Phong South Plastic Joint Stock Company was incorporated on 24 September 2007 and is located at Lot C2, Dong An II Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province. The principal activities of this associate are to produce and trade civil and industrial plastic products.
- (iv) Tien Phong Packaging Joint Stock Company was incorporated on 1 July 2004 and is located at No. 2 An Da Road, Lach Tray Ward, Ngo Quyen District, Hai Phong City. The principal activities of this associate are to produce PP packages, cement packages, papers of different types, multilayer films and other plastic products.
- (v) Tien Phong - SMP Plastic Joint Venture Company Limited (“Tien Phong - SMP”) was established under Overseas Investment Certificate No. 222/BKH-DTRNN issued by the Ministry of Planning and Investment on 5 March 2009 and Investment Certificate No. 032/IB.VC issued by Vientiane Department of Domestic and Foreign Investment on 17 April 2008 between SMP Commerce Import - Export Company Limited and Tien Phong Plastic Joint Stock Company.

Tien Phong – SMP has ceased operation for many years, and this has affected the ability to transfer fund from Tien Phong – SMP to the Company. Therefore, though the Company owns 51% of the charter capital of Tien Phong – SMP, the Board of General Directors assessed that the Company does not have control over Tien Phong – SMP and presents this investment as investments in associates. Under the prudence principle, the Company made allowance for diminution in value of long-term investments for the whole cost of this investment in the separate financial statements in previous years.

- (vi) At 30 June 2023 and 1 January 2023, this investment was pledged with banks as security for borrowings granted to the Company (Note 23).
- (*) The Company has not determined fair values of these investments for disclosure in the separate interim financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair values of these investments may differ from their carrying amounts.

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10. Accounts receivable from customers

Accounts receivable from customers detailed by significant customers and related parties

	30/6/2023	1/1/2023
	VND	VND
Related parties		
Tien Phong South Plastic Joint Stock Company – an associate (i)	374,832,341,530	375,340,672,512
Minh Hai Import - Export Trading Limited Company – a company whose key management member being a related individual of the Company (i)	62,436,872,579	63,407,039,363
Sekisui Vietnam Company Limited – a company with common key management members (ii)	7,690,804,847	1,964,613,471
Tien Phong Packaging Joint Stock Company – an associate (i)	15,010,000	15,228,000
Other parties		
Hong Phuoc Investment and Trading Joint Stock Company	234,602,803,813	235,916,348,895
Thai Hoa Trading Company Limited	67,809,402,944	73,246,697,591
Tin Kim Plastic Joint Stock Company	23,280,586,560	65,474,372,304
Iplex Pipelines NZ Ltd	6,437,966,365	18,888,932,956
Plastic Additives Joint Stock Company	18,157,154,760	16,935,150,960
Nam Phuong Trading Development and Investment Company Limited	14,961,505,578	11,642,880,145
Other customers	7,014,942,778	3,219,690,742
	817,239,391,754	866,051,626,939

- (i) These receivables were unsecured, interest free and are receivable upon demand.
- (ii) The trade related amounts due from Sekisui Vietnam Company Limited were unsecured, interest free and are due in 30 to 90 days from invoice date.

At 30 June 2023, receivables with a carrying value of VND756,441 million (1/1/2023: VND805,253 million) were pledged with banks as security for borrowings granted to the Company (Note 23).

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11. Prepayments to suppliers

	30/6/2023	1/1/2023
	VND	VND
Related parties		
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members	-	2,432,858,181
Other parties		
Eplas Company Limited	13,309,612,444	10,282,845,424
Minh Hoa Investment Joint Stock Company	8,837,050,090	17,325,655,600
Vietnam Travel and Marketing Transports Joint Stock Company – Vietravel – Ha Noi Branch	8,260,800,000	-
PNT Technology and Equipment Company Limited	4,429,324,253	3,841,482,876
Minh Khang Advertising Media Company Limited	2,395,922,224	3,195,238,962
Lotus Chemical Technology Company Limited	643,603,846	4,333,829,379
CT - Wearnes Vietnam Company Limited	-	12,000,000,000
Van Vina Joint Stock Company	-	1,832,624,420
Other suppliers	13,939,364,425	18,005,415,650
	<hr/>	<hr/>
	51,815,677,282	73,249,950,492
	<hr/>	<hr/>

12. Other receivables

	30/6/2023	1/1/2023
	VND	VND
Related party		
Receivable from Tien Phong Central Plastic Company Limited – a subsidiary, related to materials loaned	-	48,177,538,800
Other parties		
Interest receivables	11,990,752,600	6,698,108,881
Advances	4,629,578,457	4,319,845,817
Security deposits	1,751,000,000	1,489,000,000
Other receivables	293,956,319	592,260,780
	<hr/>	<hr/>
	18,665,287,376	61,276,754,278
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Tien Phong Plastic Joint Stock Company

Notes to the separate interim financial statements for the six-month period ended 30 June 2023 (continued)

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13. Bad and doubtful debts

	Overdue period	30/6/2023			1/1/2023		
		Cost VND	Allowance VND	Recoverable amount VND	Overdue period	Cost VND	Allowance VND
<i>Overdue debts</i>							
Dai Phat Construction and Trading Services Joint Stock Company	Over 3 years	583,902,600	(583,902,600)	-	Over 3 years	583,902,600	(583,902,600)
Vi Nam Company Limited	Over 3 years	501,480,953	(501,480,953)	-	Over 3 years	501,480,953	(501,480,953)
Sekisui Vietnam Company Limited – a company with common key management members	Over 3 years	1,060,039,175	(1,060,039,175)	-	Over 2 years to 3 years	1,060,039,175	(1,060,039,175)
Minh Hai Import - Export Trading Limited Company – a company with key management member being a related individual of the Company	Over 3 years	62,436,872,579	(59,738,819,632)	2,698,052,947	Over 3 years	63,407,039,363	(59,738,819,632)
Others	Over 3 years	203,536,476	(203,536,476)	-	Over 3 years	203,536,476	(203,536,476)
		64,785,831,783	(62,087,778,836)	2,698,052,947		65,755,998,567	(62,087,778,836)

Of which:

Allowance for doubtful debts – short-term

(62,087,778,836)

(62,087,778,836)

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14. Inventories

	30/6/2023		1/1/2023	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	23,971,418,880	-	76,011,196,033	-
Raw materials	611,082,391,827	(3,712,136,041)	928,752,980,255	(3,712,136,041)
Tools and supplies	11,113,050,552	-	10,096,957,539	-
Work in progress	62,484,437,352	-	58,304,521,409	-
Finished goods	292,287,728,760	-	296,388,465,481	-
	1,000,939,027,371	(3,712,136,041)	1,369,554,120,717	(3,712,136,041)

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15. Tangible fixed assets

Cost	Buildings and structures VND	Plant and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Opening balance	1,534,498,311,445	1,096,942,451,499	161,649,545,348	17,580,501,192	2,810,670,809,484
Transfer from construction in progress	1,531,689,637	10,173,423,480	28,821,429,376	-	40,526,542,493
Disposals	-	(12,472,038,780)	(1,416,442,381)	-	(13,888,481,161)
Closing balance	1,536,030,001,082	1,094,643,836,199	189,054,532,343	17,580,501,192	2,837,308,870,816
Accumulated depreciation					
Opening balance	599,553,866,751	755,285,629,085	113,982,079,051	16,882,270,227	1,485,703,845,114
Charge for the period	36,876,023,338	30,328,838,938	5,957,704,460	171,912,294	73,334,479,030
Disposals	-	(12,472,038,780)	(1,416,442,381)	-	(13,888,481,161)
Closing balance	636,429,890,089	773,142,429,243	118,523,341,130	17,054,182,521	1,545,149,842,983
Net book value					
Opening balance	934,944,444,694	341,656,822,414	47,667,466,297	698,230,965	1,324,966,964,370
Closing balance	899,600,110,993	321,501,406,956	70,531,191,213	526,318,671	1,292,159,027,833

Included in tangible fixed assets were assets costing VND636,553 million which were fully depreciated as of 30 June 2023 (1/1/2023: VND601,003 million), but are still in active use.

As at 30 June 2023, tangible fixed assets with a net book value of VND342,001 million (1/1/2023: VND363,546 million) were pledged with banks as security for borrowings granted to the Company (Note 23).

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16. Construction in progress

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	2,173,973,393	32,881,860,391
Additions	67,255,570,866	894,085,808
Transfer to tangible fixed assets	(40,526,542,493)	(10,877,282,998)
Transfer to long-term prepaid expenses	-	(8,529,493,175)
Others	-	(1,761,719,134)
	<hr/>	<hr/>
Closing balance	28,903,001,766	12,607,450,892
	<hr/>	<hr/>

Major constructions in progress were as follows:

	30/6/2023	1/1/2023
	VND	VND
New factory in Duong Kinh	2,331,974,482	2,173,973,393
Machinery and equipment	26,571,027,284	-
	<hr/>	<hr/>
	28,903,001,766	2,173,973,393
	<hr/>	<hr/>

17. Long-term prepaid expenses

	Prepaid land costs VND	Tools and instruments VND	Others VND	Total VND
Opening balance	107,575,652,297	1,249,518,227	29,237,808,508	138,062,979,032
Additions	-	960,697,728	312,841,000	1,273,538,728
Amortisation for the period	(1,831,781,136)	(665,884,315)	(5,242,133,663)	(7,739,799,114)
	<hr/>	<hr/>	<hr/>	<hr/>
Closing balance	105,743,871,161	1,544,331,640	24,308,515,845	131,596,718,646
	<hr/>	<hr/>	<hr/>	<hr/>

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18. Accounts payable to suppliers

Accounts payable to suppliers detailed by significant suppliers and related parties

	Cost and amount within payment capacity	
	30/6/2023	1/1/2023
	VND	VND
Related parties		
Sekisui Vietnam Company Limited – a company with common key management members	409,988,370	46,962,939,960
Tien Phong South Plastic Joint Stock Company – an associate	69,028,030,664	50,223,323,676
Tien Phong Packaging Joint Stock Company – an associate	3,086,162,123	4,927,811,613
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members	860,936,678	338,576,590
Other parties		
Tin Kim Plastic Joint Stock Company	41,202,395,272	68,523,416,669
Woojin Plaimm Co., Ltd	4,362,778,000	-
Hyosung Chemical Corporation	-	25,016,785,200
Borouge Pte Ltd.	-	11,878,812,000
PT Asahimas Chemical	-	8,382,528,000
Other suppliers	21,304,310,155	19,146,520,548
	140,254,601,262	235,400,714,256

The amounts due to the related parties were unsecured, interest free and are payable within 30 - 180 days from invoice date.

As at 30 June 2023, the Company had no overdue debts (1/1/2023: Nil).

19. Advances from customers

	30/6/2023	1/1/2023
	VND	VND
Nam Phuong Trading Company Limited	2,993,695	1,707,234,129
Tam Phuoc Company Limited	40,260,679,569	27,526,297,429
Ha Dung Trading Company Limited	4,700,513,904	1,187,908,308
	44,964,187,168	30,421,439,866

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20. Taxes and others payable to State Treasury

	1/1/2023 VND	Incurred VND	Paid/offset VND	30/6/2023 VND
Value added tax	-	226,019,185,796	(219,942,730,411)	6,076,455,385
Value added tax of imported goods	-	45,918,621,650	(45,918,621,650)	-
Corporate income tax	8,572,826,716	35,285,366,691	(42,249,370,139)	1,608,823,268
Personal income tax	18,574,289,359	3,277,276,609	(20,553,091,469)	1,298,474,499
Land rental	-	1,619,357,200	(1,619,357,200)	-
Import tax	355,436,176	1,964,212,087	(1,964,212,087)	355,436,176
	27,502,552,251	314,084,020,033	(332,247,382,956)	9,339,189,328

21. Accrued expenses

	30/6/2023 VND	1/1/2023 VND
Interests payable	3,967,810,425	4,899,889,821
Discounts payable to distributors and retailers	51,893,316,150	22,647,974,110
Transportation expenses	5,184,451,323	7,114,559,430
Land rental	15,973,325,935	12,612,990,373
Advertising and marketing expenses	3,377,870,757	9,417,320,861
Others	2,875,461,580	4,062,443,582
	83,272,236,170	60,755,178,177

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22. Other short-term payables

	30/6/2023	1/1/2023
	VND	VND
Related parties		
Payments made on behalf by Tien Phong Central Plastic Company Limited – a subsidiary	68,499,393,208	21,831,187,490
Other parties		
Payables to General Import - Export Trade and Production Joint Stock Company related to borrowings of raw materials	21,402,000,000	31,402,000,000
Short-term deposits received	8,360,990,345	5,954,600,177
Payables to Trade Union	6,645,819,352	369,767,440
Others	5,511,781,993	1,367,163,297
	110,419,984,898	60,924,718,404

The non-trade amounts due to the related party were unsecured, bore interest at 6% per annum (1/1/2023: 6% per annum) and are payable upon demand.

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23. Borrowings

(a) Short-term borrowings

	1/1/2023	Movements in the period		30/6/2023
	Carrying amount and amount within payment capacity VND	Addition VND	Decrease VND	Carrying amount and amount within payment capacity VND
Short-term borrowings	1,638,494,769,189	1,474,084,619,527	(1,735,723,854,732)	1,376,182,680,484
Current portion of long-term borrowings (Note 23(b))	11,384,307,949	-	(7,589,538,646)	3,794,769,303
	1,649,879,077,138	1,474,084,619,527	(1,743,313,393,378)	1,379,977,449,787

Short-term borrowings include:

- bank borrowings in Vietnamese Dong, which bore interest at annual rates ranging from 4.6% to 9.1% (1/1/2023: from 7.0% to 9.5%); and
- bank borrowings in United States Dollar, which bore interest at the annual rates ranging from 4.4% to 6.8% (1/1/2023: 4.9%).

At the reporting date, the short-term borrowings with a carrying amount of VND752,384 million (1/1/2023: VND948,205 million) were secured over assets as described in Note 23(b). The remaining short-term borrowings were unsecured.

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(b) Long-term borrowings

	30/6/2023	1/1/2023
	VND	VND
Long-term borrowings	3,794,769,303	11,384,307,949
Repayable within twelve months (Note 23(a))	(3,794,769,303)	(11,384,307,949)
Repayable after twelve months	-	-

Long-term borrowings include bank borrowings in Vietnamese Dong which bore interest at annual rates ranging from 5.9% to 8.6% (1/1/2023: from 5.9% to 8.6%) and with maturities in 2023.

The short-term borrowings with a carrying amount of VND752,384 million (1/1/2023: VND948,205 million) and long-term borrowings were secured over the following assets:

- investment in Nam Dinh Water Supply Joint Stock Company with a carrying amount of VND46,784 million as at 30 June 2023 and 1 January 2023 (Note 9);
- receivables with carrying amount of VND756,441 million (1/1/2023: VND805,253 million) (Note 10); and
- tangible fixed assets of the Company with a net book value of VND342,001 million as at 30 June 2023 (1/1/2023: VND363,546 million) (Note 15).

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24. Bonus and welfare fund

This fund is established by appropriating from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Company's employees in accordance with its bonus and welfare policies. Movements of bonus and welfare fund during the period were as follows:

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Opening balance	5,758,670,282	1,314,654,826
Appropriation	15,582,110,105	14,540,899,706
Utilisation	(906,710,000)	(15,718,937,000)
Closing balance	20,434,070,387	136,617,532

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25. Changes in owners' equity

	Share capital VND	Investment and development fund VND	Retained profits VND	Total VND
Balance at 1/1/2022	1,177,961,830,000	1,034,576,932,192	285,914,021,777	2,498,452,783,969
Net profit for the period	-	-	290,529,420,082	290,529,420,082
Appropriation to investment and development fund	-	106,377,639,851	(106,377,639,851)	-
Dividends (Note 27)	-	-	(117,796,183,000)	(117,796,183,000)
Appropriation to bonus and welfare fund (Note 24)	-	-	(14,540,899,706)	(14,540,899,706)
Balance at 30/6/2022	1,177,961,830,000	1,140,954,572,043	337,728,719,302	2,656,645,121,345
Balance at 1/1/2023	1,295,753,340,000	1,023,163,062,043	278,657,399,268	2,597,573,801,311
Net profit for the period	-	-	241,000,246,091	241,000,246,091
Appropriation to investment and development fund	-	151,088,322,943	(151,088,322,943)	-
Dividends (Note 27)	-	-	(64,787,667,000)	(64,787,667,000)
Appropriation to bonus and welfare fund (Note 24)	-	-	(15,582,110,105)	(15,582,110,105)
Balance at 30/6/2023	1,295,753,340,000	1,174,251,384,986	288,199,545,311	2,758,204,270,297

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26. Share capital

The Company's authorised and issued share capital are:

	30/6/2023		1/1/2023	
	Number of shares	VND	Number of shares	VND
Authorised share capital	129,575,334	1,295,753,340,000	129,575,334	1,295,753,340,000
Issued share capital				
Ordinary shares	129,575,334	1,295,753,340,000	129,575,334	1,295,753,340,000
Shares in circulation				
Ordinary shares	129,575,334	1,295,753,340,000	129,575,334	1,295,753,340,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

27. Dividends

The General Meeting of Shareholders of the Company on 28 April 2023 resolved to distribute dividends in cash for 2022 amounting to VND64,788 million (VND500 per share, equivalent to 5% of charter capital) (six-month period ended 30/6/2022: VND117,796 million (VND1,000 per share, equivalent to 10% of charter capital)).

28. Investment and development fund

Investment and development fund was appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

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29. Off balance sheet items

(a) Land lease commitments

The future minimum lease payments under non-cancellable land leases were:

	30/6/2023	1/1/2023
	VND	VND
Within one year	10,861,998,125	10,861,998,125
Within two to five years	43,447,992,500	43,447,992,500
More than five years	222,590,823,500	228,021,822,563
	<hr/>	<hr/>
	276,900,814,125	282,331,813,188
	<hr/>	<hr/>

(b) Foreign currency

	30/6/2023		1/1/2023	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	623,610	14,579,994,786	42,694	997,322,029
		<hr/>		<hr/>

(c) Bad debts written off

	Reason for writing off	Written off in year	30/6/2023 VND	1/1/2023 VND
Receivable from Minh Hai Import - Export Trading Co., Ltd – a company whose key management member being a related individual of the Company	Unrecoverable debt	2022	16,499,693,934	16,499,693,934
			<hr/>	<hr/>

(d) Capital expenditure commitments

As at 30 June 2023 and 1 January 2023, the Company had the following outstanding capital commitments approved but not provided for in the separate balance sheet:

	30/6/2023	1/1/2023
	VND	VND
Approved and not contracted	133,518,866,683	56,610,270,109
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30. Revenue from sales of goods

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

Net revenue comprised:

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Total revenue		
▪ Sales of goods	2,100,534,513,370	2,501,179,888,554
▪ Others	172,739,176,473	31,004,363,918
	<hr/>	<hr/>
	2,273,273,689,843	2,532,184,252,472
Less revenue deductions		
▪ Sales discounts	(29,176,217,620)	(84,787,404,696)
▪ Sales returns	(4,310,942,980)	(2,512,540,413)
	<hr/>	<hr/>
	(33,487,160,600)	(87,299,945,109)
Net revenue	<hr/>	<hr/>
	2,239,786,529,243	2,444,884,307,363
	<hr/>	<hr/>

31. Cost of sales

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Total cost of sales:		
▪ Goods sold	1,507,429,767,212	1,779,187,779,992
▪ Others	176,725,411,611	27,838,145,096
	<hr/>	<hr/>
	1,684,155,178,823	1,807,025,925,088
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32. Financial income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest income from deposits	19,763,873,665	20,998,052,566
Foreign exchange gains	1,587,488,213	1,112,149,199
Dividends and distributed profits	103,171,620,496	79,177,674,693
	<hr/>	<hr/>
	124,522,982,374	101,287,876,458
	<hr/>	<hr/>

33. Financial expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Interest expense	50,920,192,454	28,705,154,447
Payment discounts	16,716,768,437	28,104,762,241
Foreign exchange losses	274,720,732	4,212,121,638
	<hr/>	<hr/>
	67,911,681,623	61,022,038,326
	<hr/>	<hr/>

34. Selling expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Staff costs	22,530,893,603	17,014,255,620
Discounts paid to retailers	137,120,464,384	162,476,033,041
Depreciation	10,208,205,040	9,198,093,500
Transportation expenses	50,206,729,284	47,568,246,286
Advertising and marketing expenses	4,929,151,094	7,107,027,082
Other selling expenses	26,621,352,005	25,877,122,507
	<hr/>	<hr/>
	251,616,795,410	269,240,778,036
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35. General and administration expenses

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Staff costs	43,094,034,089	31,570,577,315
Depreciation and amortisation	12,973,351,850	12,972,975,607
Other expenses in cash	11,868,264,325	10,952,483,735
Other general and administration expenses	19,041,002,320	10,040,008,655
	<hr/>	<hr/>
	86,976,652,584	65,536,045,312
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36. Production and business costs by element

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Raw material costs included in production costs	1,475,941,895,136	1,616,853,351,181
Discounts paid to retailers	137,120,464,384	162,476,033,041
Labour costs and staff costs	178,829,964,236	141,819,899,394
Depreciation and amortisation	75,166,260,166	74,663,795,274
Outside services and other expenses in cash	102,306,188,722	101,358,100,437
Other expenses	53,463,033,395	40,790,109,099
	<hr/>	<hr/>

37. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Current tax expense		
Current period	34,622,798,457	52,837,936,347
Under provision in prior years	662,568,234	-
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	35,285,366,691	52,837,936,347
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(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Accounting profit before tax	276,285,612,782	343,367,356,429
Tax at the Company's tax rate	55,257,122,556	68,673,471,286
Tax exempt income	(20,634,324,099)	(15,835,534,939)
Under provision in prior years	662,568,234	-
	35,285,366,691	52,837,936,347

(c) Applicable tax rates

According to the current Law on Corporate Income Tax, the Company has obligations to pay the Government income tax at 20% of taxable profits.

38. Significant transactions with related parties

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

	Transaction value	
	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Subsidiary		
<i>Tien Phong Central Plastic Company Limited</i>		
Sales of goods and services	13,661,124,512	27,271,386,777
Disposal of tangible fixed assets	-	40,000,000
Purchase of goods	838,060,512	440,641,454
Raw materials lent	15,185,016,000	-
Collection of materials lent	63,362,554,800	-
Profit distribution	98,018,281,424	72,798,806,265
Associates		
<i>Tien Phong South Plastic Joint Stock Company</i>		
Sales of goods	98,417,950,846	69,749,014,091
Purchase of goods and services	141,489,405,868	57,307,816,545
Royalty fee (*)	-	3,400,000,000
Sales returns	34,020,495	1,585,484

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	Transaction value	
	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
<i>Tien Phong Packaging Joint Stock Company</i>		
Sales of goods	13,700,000	-
Purchase of goods and services	16,004,158,011	17,567,473,944
Dividends received	599,730,000	499,775,000
Other related companies		
<i>Minh Hai Import - Export Trading Limited Company –</i> <i>a company whose key management member being</i> <i>a related individual of the Company</i>		
Sales returns	929,854,626	-
<i>Tien Phong Technology Equipment Joint Stock</i> <i>Company – a company with common key management</i> <i>members</i>		
Sales of goods	18,980,000	17,240,000
Purchase of goods	27,495,502,741	36,813,378,000
<i>Sekisui Vietnam Company Limited – a company with</i> <i>common key management members</i>		
Sales of goods	14,473,985,122	2,359,896,968
Purchase of goods	79,041,177,225	306,131,311,000
Sales returns	8,377,849	669,454

(*) According to the sub-license agreement dated 1 August 2018 between the Company and Tien Phong South Plastic Joint Stock Company (an associate), Tien Phong South Plastic Joint Stock Company has the right and transferred sub-licenses, received from Sekisui Chemical Co., Ltd., to the Company for the Company to manufacture, use and sale of a number of products based on this technological know-how. Within 5 years before 30 June 2022, the Company pays a royalty fee of VND3,400 million per year to Tien Phong South Plastic Joint Stock Company.

Key management personnel compensation

	Six-month period ended	
	30/6/2023	30/6/2022
	VND	VND
Board of Management members		
Fees, bonus and other benefits		
Mr. Dang Quoc Dung – Chairman	2,101,837,090	1,379,566,710
Mr. Noboru Kobayashi – Vice Chairman	761,100,000	452,000,000
Mr. Tran Ngoc Bao – Member	1,549,006,284	1,130,078,868
Mr. Nguyen Viet Phuong – Member	362,750,000	221,000,000
Mr. Dao Anh Thang – Member	460,080,000	460,080,000

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General Director cum Member of Board of Management

Salaries, bonus and other benefits	1,986,610,266	1,381,649,727
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Other management personnel

Salary, bonus and other benefits (excluding all the items disclosed above)	2,633,265,988	2,154,039,160
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39. Comparative information

The comparative information was derived from the balances and amounts as at 31 December 2022 reported in the Company’s separate financial statements for the year ended 31 December 2022 for the balances and amounts presented in the separate balance sheet and the relevant notes; and the balances and amounts reported in the Company’s separate interim financial statements for the six-month period ended 30 June 2022 for the balances and amounts presented in the separate statements of income and cash flows and the relevant notes.

14 August 2023

Prepared by:



Luu Thi Mai
Chief Accountant

Approved by:




Tran Ngoc Bao
Deputy General Director – Finance
As authorised by the General Director