

**Phu Bai Spinning Mill Joint Stock Company**

Interim Financial Statements  
for the six-month period ended  
30 June 2025



## **Phu Bai Spinning Mill Joint Stock Company**

### **Corporate Information**

<b>Investment Certificate No.</b>	31321000019	1 June 2009
	3101557847	29 January 2018

The Investment Certificate No. 3101557847 dated 29 January 2018, for the expansion investment project has been amended several times and the most recent of which is Investment Certificate No. 3101557847 dated 12 May 2021. The Investment Certificate and amendments were issued by the Economic and Industrial Zones Authority of Hue City.

<b>Enterprise Registration Certificate No.</b>	3300352720	14 January 2003
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The Enterprise Registration Certificate has been amended several times, the most recent of which is Enterprise Registration Certificate No. 3300352720 dated 4 January 2025. The Enterprise Registration Certificate was issued by the Department of Planning and Investment of Hue City.

<b>Board of Management</b>	Mr. Pham Van Tan	Chairman
	Mr. Tran Dinh Hiep	Member
	Mr. Truong Van Hien	Member
	Ms. Le Thi Que Huong	Member
	Mr. Bui Thanh Hung	Member

<b>Board of Directors</b>	Mr. Tran Dinh Hiep	General Director
	Ms. Le Thi Que Huong	Deputy General Director
	Ms. Hoang Thai Truc	Deputy General Director

<b>Supervisory Board</b>	Ms. Nguyen Ngoc Mai Chi	Head of Supervisory Board
	Mr. Vo Hoang Phung	Member
	Ms. Nguyen Thi Thu Thao	Member

<b>Registered Office</b>	Phu Bai Industrial Zone, Phu Bai Ward Hue City, Vietnam <i>(Address before the administrative boundary change: Phu Bai Industrial Zone, Phu Bai Ward Huong Thuy Town, Hue City, Vietnam)</i>
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<b>Auditor</b>	KPMG Limited Vietnam
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## **Phu Bai Spinning Mill Joint Stock Company**

### **Statement of the Board of Directors**

The Board of Directors of Phu Bai Spinning Mill Joint Stock Company ("the Company") presents this statement and the accompanying interim financial statements of the Company for the six-month period ended 30 June 2025.

The Company's Board of Directors is responsible for the preparation and fair presentation of the 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 Directors:

- (a) the interim financial statements set out on pages 5 to 39 give a true and fair view of the financial position of the Company as at 30 June 2025, and of its results of operations and 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 Directors has, on the date of this statement, authorised the accompanying interim financial statements for issue.

On behalf of the Board of Directors,



Tran Dinh Hiep  
*General Director*

Hue City, 14 August 2025



KPMG Limited  
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South Tu Liem District, Hanoi, Vietnam  
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## INTERIM FINANCIAL STATEMENTS REVIEW REPORT

### To the Shareholders Phu Bai Spinning Mill Joint Stock Company

We have reviewed the accompanying interim financial statements of Phu Bai Spinning Mill Joint Stock Company ("the Company"), which comprise the balance sheet as at 30 June 2025, the 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 Directors on 14 August 2025, as set out on pages 5 to 39.

### Management's Responsibility

The Company's Board of Directors is responsible for the preparation and fair presentation of these 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 Directors determines is necessary to enable the preparation of 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 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 interim financial statements do not give a true and fair view, in all material respects, of the financial position of Phu Bai Spinning Mill Joint Stock Company as at 30 June 2025, and of its results of operations and 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. 25-04-00051-25-1



Trương Vinh Phúc

Practicing Auditor Registration

Certificate No.: 1901-2023-007-1

*Deputy General Director*

Hanoi, 14 August 2025

Nguyễn Thuy Trang

Practicing Auditor Registration

Certificate No.: 3846-2022-007-1



**Phu Bai Spinning Mill Joint Stock Company**  
**Balance sheet as at 30 June 2025**

**Form B 01a – DN**

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

	Code	Note	30/6/2025 VND	1/1/2025 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>592,013,329,135</b>	<b>488,058,079,129</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>9</b>	<b>26,821,850,472</b>	<b>52,096,040,114</b>
Cash	111		2,191,441,722	1,753,840,114
Cash equivalents	112		24,630,408,750	50,342,200,000
<b>Short-term financial investments</b>	<b>120</b>	<b>10</b>	<b>8,458,575,000</b>	<b>16,000,000,000</b>
Held-to-maturity investments	123		8,458,575,000	16,000,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>141,543,840,399</b>	<b>149,743,803,413</b>
Accounts receivable from customers	131	11	47,962,944,905	53,240,725,084
Prepayments to suppliers	132	18(b)	19,453,548,228	10,942,550,824
Other receivables	136	12	74,127,347,266	85,560,527,505
<b>Inventories</b>	<b>140</b>	<b>13</b>	<b>387,802,960,849</b>	<b>250,354,350,572</b>
Inventories	141		391,818,421,278	253,574,665,579
Allowance for inventories	149		(4,015,460,429)	(3,220,315,007)
<b>Other current assets</b>	<b>150</b>		<b>27,386,102,415</b>	<b>19,863,885,030</b>
Short-term prepaid expenses	151		1,258,290,270	2,734,909,763
Deductible value added tax	152		25,890,310,427	15,395,962,463
Taxes and others receivable from State Treasury	153	19(a)	237,501,718	1,733,012,804
<b>Long-term assets</b> <b>(200 = 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>481,158,689,257</b>	<b>423,841,014,718</b>
<b>Fixed assets</b>	<b>220</b>		<b>404,775,070,356</b>	<b>416,809,542,179</b>
Tangible fixed assets	221	14	404,689,287,328	416,693,482,785
Cost	222		923,537,487,838	922,535,592,120
Accumulated depreciation	223		(518,848,200,510)	(505,842,109,335)
Intangible fixed assets	227		85,783,028	116,059,394
Cost	228		549,040,000	549,040,000
Accumulated amortisation	229		(463,256,972)	(432,980,606)
<b>Long-term work in progress</b>	<b>240</b>	<b>15</b>	<b>69,860,076,645</b>	<b>1,852,827,335</b>
Construction in progress	242		69,860,076,645	1,852,827,335
<b>Long-term financial investments</b>	<b>250</b>	<b>16</b>	<b>-</b>	<b>-</b>
Equity investments in other entities	253		1,075,000,000	1,075,000,000
Allowance for diminution in the value of long-term financial investments	254		(1,075,000,000)	(1,075,000,000)
<b>Other long-term assets</b>	<b>260</b>		<b>6,523,542,256</b>	<b>5,178,645,204</b>
Long-term prepaid expenses	261	17	6,372,998,731	5,028,101,679
Deferred tax assets	262		150,543,525	150,543,525
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>1,073,172,018,392</b>	<b>911,899,093,847</b>

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Balance sheet as at 30 June 2025 (continued)**

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

	Code	Note	30/6/2025 VND	1/1/2025 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>827,200,432,399</b>	<b>674,825,143,380</b>
<b>Current liabilities</b>	<b>310</b>		<b>506,757,777,141</b>	<b>377,649,585,240</b>
Accounts payable to suppliers	311	18(a)	37,835,906,627	80,882,082,094
Advances from customers	312		3,021,687,680	6,201,897,870
Taxes and others payable to State Treasury	313	19(b)	722,305,737	651,355,355
Payables to employees	314		17,393,680,041	23,012,980,464
Accrued expenses	315	20	1,758,688,994	1,016,251,429
Other payables – short-term	319	21	2,121,696,755	2,080,449,895
Short-term borrowings	320	22(a)	438,670,393,058	258,443,149,884
Bonus and welfare fund	322	23	5,233,418,249	5,361,418,249
<b>Long-term liabilities</b>	<b>330</b>		<b>320,442,655,258</b>	<b>297,175,558,140</b>
Long-term borrowings	338	22(b)	320,442,655,258	297,175,558,140
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>245,971,585,993</b>	<b>237,073,950,467</b>
<b>Owners' equity</b>	<b>410</b>	<b>24</b>	<b>245,971,585,993</b>	<b>237,073,950,467</b>
Share capital	411	25	133,000,870,000	133,000,870,000
- Ordinary shares with voting rights	411a		133,000,870,000	133,000,870,000
Capital surplus	412		52,790,556,000	52,790,556,000
Investment and development fund	418	26	68,451,731,553	68,451,731,553
Other equity funds	420		830,000	830,000
Accumulated losses	421		(8,272,401,560)	(17,170,037,086)
- Accumulated losses brought forward	421a		(17,170,037,086)	(32,326,167,884)
- Profit for the current period/year	421b		8,897,635,526	15,156,130,798
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>1,073,172,018,392</b>	<b>911,899,093,847</b>

14 August 2025

Prepared by:

Nguyen Trung Hieu  
General Accountant

Approved by:

Hoang Thai Truc  
Chief Accountant

Tran Dinh Hiep  
General Director

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



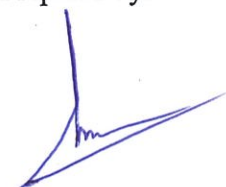
**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of income for the six-month period ended 30 June 2025**

**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 30/6/2025 VND	30/6/2024 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>28</b>	<b>535,957,149,356</b>	<b>626,264,976,910</b>
<b>Cost of sales</b>	<b>11</b>	<b>29</b>	<b>479,108,313,043</b>	<b>572,572,683,154</b>
<b>Gross profit (20 = 01 - 11)</b>	<b>20</b>		<b>56,848,836,313</b>	<b>53,692,293,756</b>
Financial income	21	30	8,499,970,109	9,859,906,039
Financial expenses	22	31	20,529,946,051	18,138,978,262
<i>In which: Interest expense</i>	23		18,333,616,961	15,857,647,447
Selling expenses	25	32	23,214,989,719	25,156,645,670
General and administration expenses	26	33	12,563,027,962	12,289,706,020
<b>Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}</b>	<b>30</b>		<b>9,040,842,690</b>	<b>7,966,869,843</b>
Other income	31		1,577,098,675	218,865,535
Other expenses	32		52,495,938	141,279,970
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>1,524,602,737</b>	<b>77,585,565</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>10,565,445,427</b>	<b>8,044,455,408</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>35</b>	<b>1,667,809,901</b>	<b>-</b>
<b>Net profit after tax (60 = 50 - 51)</b>	<b>60</b>		<b>8,897,635,526</b>	<b>8,044,455,408</b>
<b>Basic earnings per share</b>				
Basic earnings per share	70	36	669	605

14 August 2025

Prepared by:



Nguyen Trung Hieu  
General Accountant

Approved by:



Hoang Thai Truc  
Chief Accountant



Tran Dinh Hiep  
General Director

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



**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of cash flows for the six-month period ended 30 June 2025**  
**(Indirect method)**

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

	Code	Note	Six-month period ended 30/6/2025 VND	30/6/2024 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>10,565,445,427</b>	<b>8,044,455,408</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		16,241,246,731	15,660,328,216
Allowances and provisions	03		795,145,422	(2,144,507,193)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		158,492,131	245,861,336
Profits from investing activities	05		(2,013,097,919)	(1,033,033,290)
Interest expense	06		18,333,616,961	15,857,647,447
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>44,080,848,753</b>	<b>36,630,751,924</b>
Change in receivables	09		5,921,236,912	76,287,781,823
Change in inventories	10		(138,243,755,699)	44,036,280,408
Change in payables and other liabilities	11		(65,592,778,829)	(1,930,321,829)
Change in prepaid expenses	12		131,722,441	947,508,720
			<b>(153,702,726,422)</b>	<b>155,972,001,046</b>
Interest paid	14		(18,068,948,189)	(15,822,418,527)
Income tax paid	15		(172,298,815)	(182,311,418)
Other payments for operating activities	17		(128,000,000)	(3,704,700,000)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(172,071,973,426)</b>	<b>136,262,571,101</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(65,994,016,491)	(10,460,721)
Proceeds from disposals of fixed assets	22		87,565,660	103,743,750
Placement of term deposits	23		(14,372,825,000)	(35,050,000,000)
Proceeds from term deposits	24		21,914,250,000	-
Receipts of interests	27		2,023,064,592	1,324,200,501
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(56,341,961,239)</b>	<b>(33,632,516,470)</b>

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of cash flows for the six-month period ended 30 June 2025**  
**(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	Note	Six-month period ended 30/6/2025 VND	30/6/2024 VND
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from borrowings	33		620,912,883,397	456,961,745,811
Payments to settle loan principals	34		(417,774,954,932)	(508,588,795,340)
Net cash flows from financing activities	40		203,137,928,465	(51,627,049,529)
Net cash flows during the period (50 = 20 + 30 + 40)	50		(25,276,006,200)	51,003,005,102
Cash and cash equivalents at the beginning of the period	60		52,096,040,114	3,688,490,588
Effect of exchange rate fluctuations on cash and cash equivalents	61		1,816,558	1,819,477
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61)	70	9	26,821,850,472	54,693,315,167

14 August 2025

Prepared by:

Nguyen Trung Hieu  
General Accountant

Approved by:

Hoang Thai Truc  
Chief Accountant

Tran Dinh Hiep  
General Director

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period**  
**ended 30 June 2025**

**Form B 09a – 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 interim financial statements.

**1. Reporting entity**

**(a) Ownership structure**

Phu Bai Spinning Mill Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

As at 30 June 2025, the Company had 630 employees (1/1/2025: 661 employees).

**(b) Principal activities**

The principal activities of the Company are production and trading of assorted fibres, raw materials and equipment for the spinning industry.

**(c) Normal operating cycle**

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

**2. Basis of preparation**

**(a) Statement of compliance**

The 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.

**(b) Basis of measurement**

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

**(c) Accounting period**

The annual accounting period of the Company is from 1 January to 31 December. The Company's six-month accounting period is from 1 January to 30 June.

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong (“VND”), which is also the currency used for interim 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 interim financial statements.

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

#### **(a) Foreign currency transactions**

Transactions in currencies other than VND during the period have been translated into VND at 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 statement of income.

#### **(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 in equity investments of other entities**

##### **(i) Held-to-maturity investments**

Held-to-maturity investments are those that the Company's Board of Directors has the intention and ability to hold until maturity. Held-to-maturity investments represent term deposits in banks and are stated at costs.

##### **(ii) Equity investments in other entities**

Investments in equity instruments of 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.



**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
**(continued)**

**Form B 09a – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
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**(d) Accounts receivable**

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

**(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 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 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 infrastructures	6 – 30 years
▪ machinery and equipment	5 – 15 years
▪ motor vehicles	3 – 6 years
▪ office equipment	3 – 5 years

**(g) Intangible fixed assets**

**Software**

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
**(continued)**

**Form B 09a – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(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.

**(i) Long-term prepaid expenses**

***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 3 years.

**(j) Trade and other payables**

Trade and other payables are stated at their cost.

**(k) Share capital**

***Ordinary shares***

Ordinary shares are stated at par value. The cash proceeds over the par value is recognised in share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

**(l) Taxation**

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the 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.



**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
**(continued)**

**Form B 09a – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(m) Revenue and other incomes**

**(i) Goods sold**

Revenue from the sales of goods is recognised in the 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) Processing services**

Revenue from processing services is recognised in the statement of income when the goods have been processed and the significant risks and rewards of ownership have been transferred to the ordering parties. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) Interest income**

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

**(iv) Dividend income**

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

**(n) Lease**

***Operating lease payments***

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

**(o) Borrowing costs**

Borrowing costs are recognised as an expense in the period in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

**(p) Earnings per share**

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company (after deducting any amounts appropriated to bonus and welfare funds for the accounting period) by the weighted average number of ordinary shares outstanding during the period.

During the period, the Company had no potential dilutive ordinary shares and therefore does not present diluted earnings per share.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**(q) Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's Board of Directors considers that the Company operates in one business area which is the production and trading of assorted fibres and raw materials and equipment for the spinning industry.

Geographical segment of the Company is determined based on the location of customers. The Company's Board of Directors has assessed that a geographical area that generates more than 10% of total revenue is a segment that needs to be reported.

**(r) 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.

Related companies refer to the parent company - Vietnam National Textile And Garment Group, and its subsidiaries and associates.

**(s) Comparative information**

Comparative information in these 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 interim financial statements is not intended to present the Company's financial position, results of operation or cash flows for the prior period.



**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**4. Seasonality of operations**

The Company does not have any seasonal business segments that affects the Company's operating results for the six-month period ended 30 June 2025.

**5. Changes in accounting estimates**

In preparing the annual and interim financial statements, the Board of Directors has made several accounting estimates. Actual results may differ from these estimates. For the six-month period ended 30 June 2025, there were not any significant changes in accounting estimates since the latest annual accounting period ended.

**6. Unusual items**

The Company has no unusual items that affects the Company's interim financial statements for the six-month period ended 30 June 2025.

**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 2025.

**Phu Bai Spinning Mill Joint Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)**

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**8. Segment reporting**

The Company comprises the following geographical segments, based on geographical locations of customers:

- Vietnam
- Republic of Korea;
- Japan;
- Others.

	Vietnam VND	Republic of Korea VND	Japan VND	Others VND	Total VND
<b>For the six-month period ended 30 June 2025</b>					
Total segment revenue	49,258,391,206	352,753,608,090	129,224,977,864	4,720,172,196	535,957,149,356
Segment results	2,808,746,794	31,602,900,971	22,040,960,194	396,228,354	56,848,836,313
Unallocated incomes					8,499,970,109
Unallocated expenses					(56,307,963,732)
Results from operating activities					9,040,842,690
Other income					1,577,098,675
Other expenses					(52,495,938)
Income tax					(1,667,809,901)
Net profit after tax					8,897,635,526

## Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)

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	Vietnam VND	Republic of Korea VND	Japan VND	Others VND	Total VND
<b>For the six-month period ended 30 June 2024</b>					
Total segment revenue	91,554,849,245	411,893,574,047	110,305,767,307	12,510,786,311	626,264,976,910
Segment results	5,038,152,598	27,655,368,425	19,289,488,930	1,709,283,803	53,692,293,756
Unallocated incomes					9,859,906,039
Unallocated expenses					(55,585,329,952)
Results from operating activities					7,966,869,843
Other income					218,865,535
Other expenses					(141,279,970)
Net profit after tax					8,044,455,408
				Six-month period ended	
				30/6/2025	30/6/2024
				VND	VND
Capital expenditure				65,994,016,491	10,460,721
Depreciation of tangible fixed assets				16,210,970,365	15,630,051,850
Amortisation of intangible fixed assets				30,276,366	30,276,366

**Phu Bai Spinning Mill Joint Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)**

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	Vietnam VND	Republic of Korea VND	Japan VND	Others VND	Total VND
<b>At 30 June 2025</b>					
Segment assets					47,962,944,905
Unallocated assets	56,790,000	29,107,240,797	16,528,590,055	2,270,324,053	1,025,209,073,487
Total assets					1,073,172,018,392
Segment liabilities					3,021,687,680
Unallocated liabilities	2,935,647,222	-	62,966,053	23,074,405	824,178,744,719
Total liabilities					827,200,432,399
<b>At 1 January 2025</b>					
Segment assets					53,240,725,084
Unallocated assets	104,295,228	37,580,086,356	15,556,343,500	-	858,658,368,763
Total assets					911,899,093,847
Segment liabilities					6,201,897,870
Unallocated liabilities	6,115,857,412	-	62,966,053	23,074,405	668,623,245,510
Total liabilities					674,825,143,380



**Phu Bai Spinning Mill Joint Stock Company**  
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**(continued)**

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**9. Cash and cash equivalents**

	<b>30/6/2025</b> <b>VND</b>	<b>1/1/2025</b> <b>VND</b>
Cash on hand	414,638,201	113,281,496
Cash in banks	1,776,803,521	1,640,558,618
Cash equivalents	24,630,408,750	50,342,200,000
	<hr/>	<hr/>
	26,821,850,472	52,096,040,114

As at 30 June 2025, cash equivalents represented term deposits in VND at banks with original terms not exceeding 3 months from the transaction dates and annual interest rates ranging from 1.6% to 3.5% per annum (1/1/2025: from 1.5% to 3.9%).

**10. Held-to-maturity investments**

Held-to-maturity investments represented deposits at banks with an original term of more than 3 months and the remaining term of less than 12 months from the end of the annual accounting period. Held-to-maturity investments were deposited in VND and earned annual interest at rates ranging from 3.4% to 4.2% (1/1/2025: from 2.8% to 3.2%).

The fair value of held-to-maturity investments approximates the carrying amount due to the short-term nature of these financial assets.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
**(continued)**

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**11. Accounts receivable from customers**

**Accounts receivable from customers detailed by significant customer**

	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Color and Touch Co., Ltd.	14,642,693,689	22,123,496,488
Shinatomy Co., Ltd	6,986,677,266	7,639,094,377
Jungwoo Vina Co., Ltd.	5,772,116,920	969,770,463
Sewang Textile Co., Ltd	5,766,413,233	904,988,785
Shinatomy Co., Ltd Osaka Branch	3,126,004,757	1,969,948,180
Sumtex Industrial Limited	2,270,324,053	-
Toyoshima & Co., Ltd.	1,446,316,866	4,435,392,268
YSK Co., Ltd.	-	8,138,402,605
Samkang Co., Ltd	-	2,586,671,533
Other customers	7,952,398,121	4,472,960,385
	<hr/> 47,962,944,905	<hr/> 53,240,725,084 <hr/>

At 1 January 2025 and 30 June 2025, all short-term receivables from customers are pledged with banks as security for the loans granted to the Company (Note 22(a)).

**12. Other short-term receivables**

	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Receivables from employees	132,739,138	122,033,045
Security deposits (*)	72,811,016,250	84,607,800,000
Interest income	531,437,803	628,970,136
Others	652,154,075	201,724,324
	<hr/> 74,127,347,266	<hr/> 85,560,527,505 <hr/>

(\*) Security deposits represent term deposits at banks as security for the opening of letters of credit and the Company's borrowings (Note 22(a)) and earned interest at rates ranging from 1.9% to 4.2% per annum (1/1/2025: from 1.9% to 4.2%).

**Phu Bai Spinning Mill Joint Stock Company****Notes to the interim financial statements for the six-month period ended 30 June 2025  
(continued)****Form B 09a – DN***(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)***13. Inventories**

	<b>30/6/2025</b>		<b>1/1/2025</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	51,291,451,390	(453,533,002)	108,519,145,300	(1,560,374,817)
Raw materials	289,584,932,582	(2,527,269,810)	108,442,157,861	(1,446,569,613)
Tools and supplies	75,399,885	-	41,012,321	-
Work in progress	16,862,041,508	(128,742,014)	17,455,041,751	(213,370,577)
Finished goods	34,004,595,913	(905,915,603)	19,117,308,346	-
	<b>391,818,421,278</b>	<b>(4,015,460,429)</b>	<b>253,574,665,579</b>	<b>(3,220,315,007)</b>

Included in inventories at 30 June 2025 was VND387,728 millions of raw materials, work in progress and finished goods recognised at net realisable value. (1/1/2025: VND231,148 millions).

As at 30 June 2025 inventories with a cost of VND391,818 millions (1/1/2025: VND253,574 millions) were pledged with banks as security for borrowings granted to the Company (Note 22(a)).



**Phu Bai Spinning Mill Joint Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)**

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**14. Tangible fixed assets**

	Buildings and structures VND	Plant and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost</b>					
Opening balance	139,310,866,319	759,440,927,387	23,474,869,522	308,928,892	922,535,592,120
Additions	-	4,206,774,908	-	-	4,206,774,908
Disposals	-	(3,204,879,190)	-	-	(3,204,879,190)
Closing balance	139,310,866,319	760,442,823,105	23,474,869,522	308,928,892	923,537,487,838
<b>Accumulated depreciation</b>					
Opening balance	55,806,912,939	426,654,802,382	23,071,465,122	308,928,892	505,842,109,335
Charge for the period	1,651,887,912	14,477,540,227	81,542,226	-	16,210,970,365
Disposals	-	(3,204,879,190)	-	-	(3,204,879,190)
Closing balance	57,458,800,851	437,927,463,419	23,153,007,348	308,928,892	518,848,200,510
<b>Net book value</b>					
Opening balance	83,503,953,380	332,786,125,005	403,404,400	-	416,693,482,785
Closing balance	81,852,065,468	322,515,359,686	321,862,174	-	404,689,287,328

Included in tangible fixed assets were assets costing VND392,649 million which were fully depreciated as of 30 June 2025 (1/1/2025: VND396,441 million), but are still in active use.

At 30 June 2025, tangible fixed assets, including the assets of the 30,240-spindle spinning mill project with a net book value of VND326,461 million (1/1/2025: VND338,375 million) were pledged with banks as security for borrowings granted to the Company (Note 22).

**Phu Bai Spinning Mill Joint Stock Company**  
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**15. Construction in progress**

	Six-month period ended 30/6/2025 VND
Opening balance	1,852,827,335
Additions	68,007,249,310
Closing balance	69,860,076,645

Major constructions in progress were as follows:

	30/6/2025 VND
Machinery and equipment pending installation	68,885,181,454
Upgrading administration and office building area	974,895,191
Closing balance	69,860,076,645

**16. Long-term financial investments**

		30/6/2025 and 1/1/2025			
	Address	Number of shares	% of equity owned and voting rights	Cost VND	Allowance for diminution in value VND
Equity investments in other entities					
▪ Dong Phu Spinning Joint Stock Company	Hung Yen	107,500	3.84%	1,075,000,000	(1,075,000,000)

The Company has not determined fair values of the equity investment in other entities for disclosure in the interim financial statements because information about its market price is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair value of this investment may differ from its carrying amount.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**17. Long-term prepaid expenses**

	<b>Tools and instruments VND</b>
Opening balance	5,028,101,679
Additions	2,759,725,251
Amortisation for the period	(1,414,828,199)
	<hr/>
Closing balance	6,372,998,731
	<hr/>

**18. Accounts payable to suppliers – short-term**

**(a) Accounts payable to suppliers detailed by significant suppliers**

	<b>Cost and amount within payment capacity</b>	
	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Trutzschler Group SE	8,272,395,000	-
Timex Trading Co., Ltd	6,210,340,000	-
Toyoshima & Co., Ltd	5,858,224,797	8,942,850
Olam Global Agri Pte Ltd	3,534,850,974	10,731,287,646
Foryoutex Com	3,053,980,985	2,453,207,467
ADM International Sàrl	35,974,981	29,238,797,767
Cofco International Singapore Pte.Ltd	-	13,605,907,500
Louis Dreyfus Company Suisse Sa	-	8,231,799,653
Other suppliers	10,870,139,890	16,612,139,211
	<hr/>	<hr/>
	37,835,906,627	80,882,082,094
	<hr/>	<hr/>

**(b) Prepayments to suppliers**

	<b>Cost and amount within payment capacity</b>	
	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Phu Xuan Real Estate Investment Joint Stock Company	12,090,909,091	3,818,181,818
Hong Phuc Long Co., Ltd	2,680,791,300	4,131,596,700
Other suppliers	4,681,847,837	2,992,772,306
	<hr/>	<hr/>
	19,453,548,228	10,942,550,824
	<hr/>	<hr/>



**Phu Bai Spinning Mill Joint Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)**

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**19. Taxes and others receivable from and payable to State Treasury**

**(a) Taxes and others receivable from State Treasury**

	1/1/2025 VND	Offset VND	30/6/2025 VND
Corporate income tax	1,733,012,804	(1,495,511,086)	237,501,718

**(b) Taxes and others payable to State Treasury**

	1/1/2025 VND	Incurred during the period VND	Paid during the period VND	Offset during the period VND	30/6/2025 VND
Value added tax	-	11,407,094,537	(8,231,025,282)	(3,176,069,255)	-
Corporate income tax	-	1,667,809,901	(172,298,815)	(1,495,511,086)	-
Personal income tax	651,355,355	636,695,657	(565,745,275)	-	722,305,737
Import tax	-	81,605,496	(81,605,496)	-	-
Other tax	-	4,000,000	(4,000,000)	-	-
	651,355,355	13,797,205,591	(9,054,674,868)	(4,671,580,341)	722,305,737

**Phu Bai Spinning Mill Joint Stock Company**  
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**20. Accrued expenses**

	<b>30/6/2025 VND</b>	<b>1/1/2025 VND</b>
Accrued interest expenses on borrowings	808,001,644	543,332,872
Others	950,687,350	472,918,557
	<hr/>	<hr/>
	1,758,688,994	1,016,251,429
	<hr/>	<hr/>

**21. Other payables – short-term**

	<b>30/6/2025 VND</b>	<b>1/1/2025 VND</b>
Trade union fees	328,942,858	224,386,165
Others	1,792,753,897	1,856,063,730
	<hr/>	<hr/>
	2,121,696,755	2,080,449,895
	<hr/>	<hr/>

**Phu Bai Spinning Mill Joint Stock Company**

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**22. Borrowings**

**(a) Short-term borrowings**

	1/1/2025	Movements during the period			30/6/2025
	Carrying amount and amount within repayment capacity VND	Addition VND	Decrease VND	Unrealized foreign exchange differences VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	258,443,149,884	588,545,786,279	(417,774,954,932)	356,411,827	429,570,393,058
Current portion of long-term borrowings (Note 22(b))	-	9,100,000,000	-	-	9,100,000,000
	258,443,149,884	597,645,786,279	(417,774,954,932)	356,411,827	438,670,393,058

Terms and conditions of short-term borrowings were as follows:

	Currency	Annual interest rate	30/6/2025 VND	1/1/2025 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam (“Vietcombank”)	VND	4.1% - 4.6%	195,926,958,121	162,156,831,725
Vietnam Joint Stock Commercial Bank for Industry and Trade (“Vietinbank”)	VND	4.4%	94,898,440,060	24,726,932,063
Bank for Investment and Development of Vietnam (“BIDV”)	VND	4.3% - 4.6%	69,139,489,365	60,279,856,009
Vietnam Maritime Commercial Joint Stock Bank (“MSB”)	VND	4.4% - 4.5%	35,646,211,742	-
Vietnam Technological and Commercial Joint Stock Bank (“Techcombank”)	USD	4.1%	33,959,293,770	11,279,530,087
			429,570,393,058	258,443,149,884

These borrowings were secured over accounts receivable from customers, other receivables, inventories and certain tangible fixed assets (Notes 11, 12, 13, 14).



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**(b) Long-term borrowings**

	<b>30/6/2025</b> <b>VND</b>	<b>1/1/2025</b> <b>VND</b>
Long-term borrowings	329,542,655,258	297,175,558,140
Repayable within twelve months	(9,100,000,000)	-
	<hr/> 320,442,655,258	<hr/> 297,175,558,140

Terms and conditions of long-term borrowings were as follows:

	<b>Currency</b>	<b>Annual interest rate</b>	<b>Year of maturity</b>	<b>30/6/2025</b> <b>VND</b>	<b>1/1/2025</b> <b>VND</b>
Borrowings from Vietcombank	VND	7.075% - 7.4%	2026 - 2035	297,175,558,140	297,175,558,140
Borrowings from BIDV	VND	6.4%	2026 - 2040	32,367,097,118	-
				<hr/> 329,542,655,258	<hr/> 297,175,558,140

Long-term borrowings were secured by certain tangible fixed assets of the Company (Note 14).

**23. Bonus and welfare fund**

Bonus and welfare 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 the Company's bonus and welfare policies. Movements of bonus and welfare fund during the period were as follows:

	<b>Six-month period ended</b> <b>30/6/2025</b> <b>VND</b>	<b>30/6/2024</b> <b>VND</b>
Opening balance	5,361,418,249	9,735,158,249
Utilisation	(128,000,000)	(3,704,700,000)
	<hr/> 5,233,418,249	<hr/> 6,030,458,249

**Phu Bai Spinning Mill Joint Stock Company**

**Notes to the interim financial statements for the six-month period ended 30 June 2025 (continued)**

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**24. Changes in owners' equity**

	Share capital VND	Capital surplus VND	Investment and development fund VND	Other equity funds VND	(Accumulated losses)/ retained profit VND	Total VND
<b>Balance at 1/1/2024</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(32,326,167,884)	221,917,819,669
Net profit for the period	-	-	-	-	8,044,455,408	8,044,455,408
<b>Balance at 30/6/2024</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(24,281,712,476)	229,962,275,077
<b>Balance at 1/1/2025</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(17,170,037,086)	237,073,950,467
Net profit for the period	-	-	-	-	8,897,635,526	8,897,635,526
<b>Balance at 30/6/2025</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(8,272,401,560)	245,971,585,993

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**25. Share capital**

The Company's authorised and issued share capital are:

	30/6/2025		1/1/2025	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	13,300,087	133,000,870,000	13,300,087	133,000,870,000
<b>Issued share capital</b>				
Ordinary shares	13,300,087	133,000,870,000	13,300,087	133,000,870,000
<b>Shares in circulation</b>				
Ordinary shares	13,300,087	133,000,870,000	13,300,087	133,000,870,000

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.



**Phu Bai Spinning Mill Joint Stock Company**

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The issued and outstanding share capital of the shareholders is as follows:

	30/6/2025			1/1/2025		
	Issued and outstanding			Issued and outstanding		
	Number of shares	VND	%	Number of shares	VND	%
Vietnam National Textile and Garment Group	8,076,809	80,768,090,000	60.73%	8,076,809	80,768,090,000	60.73%
Nghe An Food Agricultural Materials Joint Stock Company	2,095,500	20,955,000,000	15.76%	2,095,500	20,955,000,000	15.76%
Hue Textile Garment Joint Stock Company (Huegatex)	664,890	6,648,900,000	5.00%	664,890	6,648,900,000	5.00%
Mr. Bui Nguyen Tien	-	-	-	376,515	3,765,150,000	2.83%
Others	2,462,888	24,628,880,000	18.52%	2,086,373	20,863,730,000	15.69%
	13,300,087	133,000,870,000	100%	13,300,087	133,000,870,000	100%

Vietnam National Textile and Garment Group, the parent company, is incorporated in Vietnam.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**26. Investment and development fund**

This fund is established by appropriating from retained profits as approved by the shareholders at shareholders' meeting. This fund was established for the purpose of future business expansion.

**27. Off balance sheet items**

**(a) Lease**

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

	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Within one year	869,916,000	869,916,000
Within two to five years	3,479,663,000	3,479,663,000
More than five years	17,978,256,000	18,413,214,000
	<hr/>	<hr/>
	22,327,835,000	22,762,793,000
	<hr/>	<hr/>

**(b) Foreign currencies**

	<b>30/6/2025</b>		<b>1/1/2025</b>	
	<b>Original</b>	<b>VND</b>	<b>Original</b>	<b>VND</b>
	<b>currency</b>	<b>equivalent</b>	<b>currency</b>	<b>equivalent</b>
USD	26,115	676,725,071	31,216	789,247,078
EUR	325	9,803,884	330	8,627,854
		<hr/>		<hr/>
		686,528,955		797,874,932
		<hr/>		<hr/>

**(c) Capital expenditure commitments**

As at 30 June 2025 the Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	<b>30/6/2025</b>	<b>1/1/2025</b>
	<b>VND</b>	<b>VND</b>
Approved but not contracted	120,000,000	16,226,166,665
Approved and contracted	23,010,734,540	69,858,660,000
	<hr/>	<hr/>
	23,130,734,540	86,084,826,665
	<hr/>	<hr/>

**Phu Bai Spinning Mill Joint Stock Company**  
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**28. Revenue from sales of goods and provision of services**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Total revenue from sales of goods and services		
▪ Finished goods sold	508,762,191,404	595,719,063,910
▪ Scrap sales	26,513,036,750	30,534,798,000
▪ Merchandises sold	681,921,202	-
▪ Processing services	-	11,115,000
	<hr/>	<hr/>
	535,957,149,356	626,264,976,910
	<hr/>	<hr/>

**29. Cost of sales**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Cost of finished goods sold	451,184,971,910	544,172,209,868
Cost of scraps sold	26,513,036,750	30,534,798,000
Cost of merchandises sold	615,158,961	-
Processing services	-	10,182,479
Allowance for inventories recognised/(reversed)	795,145,422	(2,144,507,193)
	<hr/>	<hr/>
	479,108,313,043	572,572,683,154
	<hr/>	<hr/>

**30. Financial income**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Interest income from deposits	1,925,532,259	929,289,540
Realised foreign exchange gains	6,574,437,850	8,930,616,499
	<hr/>	<hr/>
	8,499,970,109	9,859,906,039
	<hr/>	<hr/>



**Phu Bai Spinning Mill Joint Stock Company**  
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**31. Financial expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Interest expense	18,333,616,961	15,857,647,447
Realised foreign exchange losses	2,037,836,959	2,035,469,479
Unrealised foreign exchange losses	158,492,131	245,861,336
	<hr/>	<hr/>
	20,529,946,051	18,138,978,262
	<hr/>	<hr/>

**32. Selling expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Packaging costs	4,802,428,084	5,449,248,251
Brokerage commissions	5,882,411,983	5,406,145,694
Transportation costs	9,466,938,367	11,561,585,366
Customs documents and declaration expenses	3,063,211,285	2,739,666,359
	<hr/>	<hr/>
	23,214,989,719	25,156,645,670
	<hr/>	<hr/>

**33. General and administration expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Staff costs	5,866,927,114	7,110,569,001
Depreciation	169,603,374	159,233,442
Outside services	162,063,433	156,557,323
Others	6,364,434,041	4,863,346,254
	<hr/>	<hr/>
	12,563,027,962	12,289,706,020
	<hr/>	<hr/>

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the interim financial statements for the six-month period ended 30 June 2025**  
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**34. Production and business costs by element**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Raw material costs included in production costs	374,991,251,832	443,804,758,936
Allowance for inventories recognised/(reversed)	795,145,422	(2,144,507,193)
Staff costs	56,276,947,170	56,871,136,903
Depreciation and amortisation	16,241,246,731	15,660,328,216
Outside services	73,887,338,754	75,886,343,773
Other expenses	6,988,688,139	3,963,258,123

**35. Income tax**

**(a) Recognised in the statement of income**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current period	1,667,809,901	-

**(b) Reconciliation of effective tax rate**

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
Accounting profit before tax	10,565,445,427	8,044,455,408
Tax at the Company's tax rate	2,113,089,085	1,608,891,082
Non-deductible expenses	209,225,762	73,200,000
Tax incentives from the investment expansion project of the Spinning Mill No. 3	(511,096,772)	-
Tax losses utilised	(832,138,504)	(2,127,418,361)
Effect of unrecognised temporary differences	688,730,330	445,327,279
	1,667,809,901	-

**Phu Bai Spinning Mill Joint Stock Company**  
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**(c) Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items:

	30/6/2025		1/1/2025	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Deductible temporary differences	40,515,684,910	8,103,136,983	37,072,033,266	7,414,406,653
Tax losses	-	-	4,160,692,520	832,138,504
	40,515,684,910	8,103,136,983	41,232,725,786	8,246,545,157

Deductible temporary differences include interest expenses allowed to be carried forward for deduction against future taxable profit in accordance with regulation in Decree 132/2020/ND-CP dated 5 November 2020. These deductible temporary differences expire in the following years:

Year of expiry	Interest expenses deductible in future periods VND
2027	561,931,105
2028	30,000,868,736
2029	6,547,446,140
2030	3,443,651,644
	40,553,897,625

**(d) Applicable tax rates**

Under the provisions of the current Law on Corporate Income Tax, the Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

In addition, the additional income from the investment expansion project of the Spinning Mill No. 3 is exempt from income tax for 2 years starting from the first year it generates a taxable profit (from 2021 to 2022) and entitled to a 50% reduction in income tax for the 4 succeeding years (from 2023 to 2026).

The computation of corporate income tax as well as the application of tax incentives according to the Company's interpretation of the prevailing CIT regulations is subject to the review and approval of the tax authority.



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**36. Basic earnings per share**

The calculation of basic earnings per share for the year ended 30 June 2025 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding at the date of these financial statements. Details are as follows:

	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
Net profit for the period (VND)	8,897,635,526	8,044,455,408
Weighted average number of ordinary shares (number of shares)	13,300,087	13,300,087
Basic earnings per share (VND/share)	669	605

**37. Significant transactions with related parties**

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

	<b>Transaction value</b>	
	<b>Six-month period ended</b>	<b>Six-month period ended</b>
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
<b>The parent company</b>		
<i>Vietnam National Textile and Garment Group</i>		
Purchase of services	100,000,000	161,115,000
<b>The subsidiaries of the parent company</b>		
<i>Nam Dinh Textile Garment Joint Stock Corporation</i>		
Purchases of merchandises	615,158,961	-
<i>Hoa Tho Textile and Garment Joint Stock Corporation</i>		
Purchases of goods and services	-	459,994,037
<b>General Director</b>		
Salary and bonus	607,505,799	645,441,032
<b>Chairman of Board of Management</b>		
Bonus	108,000,000	102,000,000
Remuneration	90,000,000	90,000,000
<b>Member 1 of the Board of Management</b>		
Salary	55,000,000	52,000,000
Remuneration	60,000,000	60,000,000
<b>Member 2 of the Board of Management</b>		
Salary	58,000,000	50,000,000
Remuneration	60,000,000	60,000,000



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	<b>Transaction value</b>	
	<b>Six-month period ended</b>	
	<b>30/6/2025</b>	<b>30/6/2024</b>
	<b>VND</b>	<b>VND</b>
<b>Member 3 of the Board of Management</b>		
Salary	75,000,000	52,000,000
Remuneration	60,000,000	60,000,000
<b>Member 4 of the Board of Management</b>		
Salary	55,000,000	52,000,000
Remuneration	60,000,000	60,000,000
<b>Other members of Board of Directors</b>		
Remuneration, salary and bonus	849,963,178	799,019,550

### 38. Comparative information

Comparative information as at 1 January 2025 was derived from the balances and amounts reported in the Company's financial statements as at and for the year ended 31 December 2024. Comparative figures in the statements of income and cash flows and the related notes were derived from the balances and amounts reported in the Company's the interim financial statements for the six-month period ended 30 June 2024.

14 August 2025

Prepared by:



**Nguyen Trung Hieu**  
General Accountant

Approved by:



**Hoang Thai Truc**  
Chief Accountant



**Tran Dinh Hiep**  
General Director

