



Tien Phong Plastic Joint Stock Company

Separate Interim Financial Statements
for the six-month period ended
30 June 2022



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 29 July 2020. 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. Nguyen Viet Phuong	Member
Mr. Dao Anh Thang	Independent Member

Board of General Directors

Mr. Chu Van Phuong	General Director
Mr. Tran Nhat Ninh	Deputy General Director
Ms. Ngo Thi Thu Thuy	Deputy General Director
Mr. Nguyen Van Thuc	Deputy General Director
Mr. Tran Ngoc Bao	Chief Accountant

Audit Committee

Mr. Dao Anh Thang	Chairman of the Committee
Mr. Nguyen Viet Phuong	Member

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 2022.

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 2022, 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,



Chu Van Phuong
General Director

Hai Phong, 12 August 2022



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Road, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
+84 (24) 3946 1600 | kpmg.com.vn

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 2022, 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 12 August 2022, 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 2022 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. 22-02-00154-22-1



Wang Toon Kim
Practicing Auditor Registration
Certificate No.: 0557-2018-007-1
Deputy General Director

Hanoi, **12 AUG 2022**

Trương Tuyet Mai
Practicing Auditor Registration
Certificate No.: 2594-2019-007-1

Tien Phong Plastic Joint Stock Company
Separate balance sheet as at 30 June 2022

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

	Code	Note	30/6/2022 VND	1/1/2022 VND
ASSETS				
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		3,125,027,233,559	2,557,691,594,169
Cash and cash equivalents	110	8	588,841,303,067	132,976,715,364
Cash	111		581,841,303,067	132,976,715,364
Cash equivalents	112		7,000,000,000	-
Short-term financial investments	120		735,414,794,520	700,000,000,000
Held-to-maturity investments	123	9	735,414,794,520	700,000,000,000
Accounts receivable – short-term	130		742,463,298,327	772,993,167,178
Accounts receivable from customers	131	10	747,874,930,679	780,774,759,010
Prepayments to suppliers	132	11	35,932,918,518	38,170,501,214
Loans receivable – short-term	135	12	15,461,572,866	15,461,572,866
Other receivables	136	13	23,388,097,695	18,780,555,519
Allowance for doubtful debts	137	14	(80,194,221,431)	(80,194,221,431)
Inventories	140	15	1,045,643,551,101	946,172,372,471
Inventories	141		1,049,089,910,221	949,618,731,591
Allowance for inventories	149		(3,446,359,120)	(3,446,359,120)
Other current assets	150		12,664,286,544	5,549,339,156
Short-term prepaid expenses	151		10,858,329,919	5,128,289,932
Deductible value added tax	152		1,362,189,586	-
Taxes and others receivable from State Treasury	153		443,767,039	421,049,224

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 2022 (continued)

Form B 01a – DN

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

	Code	Note	30/6/2022 VND	1/1/2022 VND
Long-term assets (200 = 220 + 240 + 250 + 260)	200		1,924,225,126,886	1,990,408,684,413
Fixed assets	220		1,319,482,108,917	1,369,979,099,015
Tangible fixed assets	221	16	1,319,482,108,917	1,369,979,099,015
Cost	222		2,736,166,218,576	2,714,083,194,536
Accumulated depreciation	223		(1,416,684,109,659)	(1,344,104,095,521)
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		12,607,450,892	32,881,860,391
Construction in progress	242	17	12,607,450,892	32,881,860,391
Long-term financial investments	250	9	465,272,188,600	465,272,188,600
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)
Held-to-maturity investments	255		150,000,000,000	150,000,000,000
Other long-term assets	260		126,863,378,477	122,275,536,407
Long-term prepaid expenses	261	18	126,863,378,477	122,275,536,407
TOTAL ASSETS (270 = 100 + 200)	270		5,049,252,360,445	4,548,100,278,582

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 2022 (continued)

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

	Code	Note	30/6/2022 VND	1/1/2022 VND
RESOURCES				
LIABILITIES (300 = 310 + 330)	300		2,392,607,239,100	2,049,647,494,613
Current liabilities	310		2,385,254,943,391	2,032,926,897,090
Accounts payable to suppliers	311	19	264,128,394,818	232,898,460,035
Advances from customers	312	20	279,144,753,768	75,700,465,109
Taxes and others payable to State Treasury	313	21	52,451,356,151	61,151,218,653
Payables to employees	314		51,403,773,420	64,105,637,449
Accrued expenses	315	22	200,830,501,630	98,801,972,765
Other payables – short-term	319	23	127,220,169,705	109,330,985,919
Short-term borrowings	320	24(a)	1,409,939,376,367	1,389,623,502,334
Bonus and welfare fund	322	25	136,617,532	1,314,654,826
Long-term liabilities	330		7,352,295,709	16,720,597,523
Long-term borrowings	338	24(b)	7,352,295,709	16,720,597,523
EQUITY (400 = 410)	400		2,656,645,121,345	2,498,452,783,969
Owners' equity	410	26	2,656,645,121,345	2,498,452,783,969
Share capital	411	27	1,177,961,830,000	1,177,961,830,000
- Ordinary shares with voting rights	411a		1,177,961,830,000	1,177,961,830,000
Investment and development fund	418	29	1,140,954,572,043	1,034,576,932,192
Retained profits	421		337,728,719,302	285,914,021,777
- Retained profits brought forward	421a		47,199,299,220	47,199,299,220
- Profit for the current period/year	421b		290,529,420,082	238,714,722,557
TOTAL RESOURCES (440 = 300 + 400)	440		5,049,252,360,445	4,548,100,278,582

12 August 2022

Prepared by:


Luu Thi Mai
Deputy Head of Finance and
Accounting Department

Approved by:


Tran Ngoc Bao
Chief Accountant


Chu Van Phuong
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 2022

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 30/6/2022 VND	30/6/2021 VND
Revenue from sales of goods	01	31	2,532,184,252,472	2,115,600,565,320
Revenue deductions	02	31	87,299,945,109	90,213,600,649
Net revenue (10 = 01 - 02)	10	31	2,444,884,307,363	2,025,386,964,671
Cost of sales	11	32	1,807,025,925,088	1,543,829,687,912
Gross profit (20 = 10 - 11)	20		637,858,382,275	481,557,276,759
Financial income	21	33	101,287,876,458	109,061,813,002
Financial expenses	22	34	61,022,038,326	26,610,650,394
<i>In which: Interest expense</i>	23		28,705,154,447	15,355,058,932
Selling expenses	25	35	269,240,778,036	197,278,097,624
General and administration expenses	26	36	65,536,045,312	60,035,066,519
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		343,347,397,059	306,695,275,224
Other income	31		1,299,433,133	1,550,264,800
Other expenses	32		1,279,473,763	56,822,367
Results of other activities (40 = 31 - 32)	40		19,959,370	1,493,442,433
Accounting profit before tax (50 = 30 + 40)	50		343,367,356,429	308,188,717,657
Income tax expense – current	51	38	52,837,936,347	43,027,835,747
Net profit after tax (60 = 50 - 51)	60		290,529,420,082	265,160,881,910


12 August 2022

Prepared by:


Lưu Thị Mai
Deputy Head of Finance and
Accounting Department

Approved by:


Trần Ngọc Bảo
Chief Accountant


Chu Văn Phương
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 2022
(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 30/6/2022 VND	30/6/2021 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax	01	343,367,356,429	308,188,717,657
Adjustments for			
Depreciation and amortisation	02	74,663,795,274	71,671,329,373
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	4,094,999,809	(239,161,336)
Profits from investing activities	05	(99,713,992,367)	(108,888,858,250)
Interest expense	06	28,705,154,447	15,355,058,932
Operating profit before changes in working capital	08	351,117,313,592	286,087,086,376
Change in receivables	09	41,924,167,694	2,008,099,320
Change in inventories	10	(99,471,178,630)	(370,278,655,916)
Change in payables and other liabilities	11	320,329,864,987	129,606,984,891
Change in prepaid expenses	12	(3,620,170,018)	3,645,610,344
		610,279,997,625	51,069,125,015
Interest paid	14	(26,398,272,644)	(14,422,566,874)
Income tax paid	15	(40,136,683,840)	(26,558,141,627)
Other payments for operating activities	17	(15,718,937,000)	(20,555,296,703)
Net cash flows from operating activities	20	528,026,104,141	(10,466,880,189)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets	21	(22,928,971,215)	(13,519,127,992)
Proceeds from disposals of fixed assets	22	-	181,818,182
Payments for granting loans and placement of deposits with terms of more than 3 months	23	(535,414,794,520)	(603,000,000,000)
Receipts from collecting loans and withdrawal of deposits with terms of more than 3 months	24	500,000,000,000	3,000,000,000
Receipts of interests, dividends and distributed profits	27	97,205,763,047	94,134,660,737
Net cash flows from investing activities	30	38,861,997,312	(519,202,649,073)

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 2022
(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 30/6/2022 VND	30/6/2021 VND
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	1,885,931,494,184	1,424,704,531,617
Payments to settle loan principals	34	(1,879,173,465,935)	(804,147,924,594)
Payments of dividends	36	(117,796,183,000)	(117,796,183,000)
Net cash flows from financing activities	40	(111,038,154,751)	502,760,424,023
Net cash flows during the period (50 = 20 + 30 + 40)	50	455,849,946,702	(26,909,105,239)
Cash and cash equivalents at the beginning of the period	60	132,976,715,364	194,084,404,609
Effect of exchange rate fluctuations on cash and cash equivalents	61	14,641,001	2,841,319
Cash and cash equivalents at the end of the period (70 = 50 + 60 + 61) (Note 8)	70	588,841,303,067	167,178,140,689


12 August 2022


Prepared by:


Luu Thi Mai
*Deputy Head of Finance and
Accounting Department*

Approved by:


Tran Ngoc Bao
Chief Accountant


Chu Van Phuong
General Director



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

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period
ended 30 June 2022

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 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 29 July 2020.

(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 2022 and 1 January 2022, the Company had 2 subsidiaries, 3 associates as listed in Note 9.

As at 30 June 2022, the Company had 1,259 employees (1/1/2022: 1,257 employees).

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2022 (continued)

Form B 09a – DN
*(Issued under Circular No. 200/2014/TT-BTC
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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 2022 (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, bonds and loans receivable held to maturity. 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 fair value of this investment is less than its carrying amount. For the investments of which the fair value cannot be determined at the reporting date, 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 2022 (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

(i) Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use rights comprises any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over a period ranging from 27 to 45 years.

(ii) 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.

Tien Phong Plastic Joint Stock Company
Notes to the separate interim financial statements for the six-month period ended
30 June 2022 (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

(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 2022 (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.

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(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.

(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, results of operation or 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 2022.

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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 2022, there were not any significant changes in accounting estimates since the latest annual accounting period ended.

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 2022.

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 2022.

8. Cash and cash equivalents

	30/6/2022 VND	1/1/2022 VND
Cash on hand	182,690,865	269,134,613
Cash in banks	571,658,612,202	132,707,580,751
Cash in transit	10,000,000,000	-
Cash equivalents	7,000,000,000	-
	<hr/>	<hr/>
	588,841,303,067	132,976,715,364
	<hr/>	<hr/>

9. Investments

(a) Held-to-maturity investments

	Quantity	30/6/2022 Cost VND	Fair value VND	Quantity	1/1/2022 Cost VND	Fair value VND
Held-to-maturity investments – short-term						
▪ Term deposits (i)	-	735,414,794,520	735,414,794,520	-	700,000,000,000	700,000,000,000
Held-to-maturity investments – long-term						
Bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade (ii)	15,000	150,000,000,000	(*)	15,000	150,000,000,000	(*)

(i) 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 4.9% to 6.5%. The costs of these deposits approximate their fair values due to the short-term nature of the investments.

(ii) These bonds earned interest at the rate of 7% per annum. In which, 10,000 bonds will be due on 14 November 2027 and 5,000 bonds will be due on 14 December 2027.

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(b) Equity investments in other entities

					30/6/2022	1/1/2022	
	Quantity	% of equity owned	% of voting rights	Cost	Allowance for diminution in value	Fair value	Cost
							Allowance for diminution in value
							Fair value
							Fair value
Equity investments in:							
Subsidiaries							
▪ Tien Phong Central Plastic Company Limited (iii)		100.00%	100.00%	120,000,000,000	-	(*)	120,000,000,000
▪ Tien Phong Land Company Limited (iv)		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 (v)	8,415,000	27.39%	27.39%	84,150,000,000	-	(*)	84,150,000,000
▪ Tien Phong Packaging Joint Stock Company (vi)	499,775	49.98%	49.98%	5,397,000,000	-	(*)	5,397,000,000
▪ Tien Phong - SMP Plastic Joint Venture Company Limited (vii)		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 (viii)	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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- (iii) 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.
- (iv) 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 2022, the Company has contributed VND11,100 million in Tien Phong Land’s charter capital.
- (v) 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.
- (vi) 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.
- (vii) 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.

- (viii) At 30 June 2022 and 1 January 2022, this investment was pledged with banks as security for loans granted to the Company (Note 24).
- (*) The Company has not determined fair values of these investments for disclosure in the interim separate 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

	30/6/2022	1/1/2022
	VND	VND
Related parties		
Tien Phong South Plastic Joint Stock Company – an associate (i)	477,707,409,615	507,775,042,229
Minh Hai Import - Export Trading Limited Company – a company whose key management member being a related individual of the Company (i)	98,218,883,848	98,249,573,848
Sekisui Vietnam Company Limited – a company with common key management members (ii)	1,497,529,760	1,264,458,136
Tien Phong Packaging Joint Stock Company – an associate (i)	16,243,200	12,562,000
Other parties		
Hong Phuoc Investment and Trading Joint Stock Company	137,894,321,154	97,208,674,112
Thai Hoa Trading Company Limited	16,492,953,898	68,276,461,099
Other customers	16,047,589,204	7,987,987,586
	<hr/>	<hr/>
	747,874,930,679	780,774,759,010
	<hr/>	<hr/>

- (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 2022, receivables with a carrying value of VND668,970 million (1/1/2022: VND701,869 million) were pledged with banks as security for loans granted to the Company (Note 24).

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11. Prepayments to suppliers

	30/6/2022 VND	1/1/2022 VND
Related parties		
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members	5,062,781,726	5,940,080,065
Other parties		
CT - Wearnes Vietnam Company Limited	6,000,000,000	-
Lotus Chemical Technology Company Limited	3,746,693,379	9,375,659,443
PNT Technology and Equipment Company Limited	3,621,893,992	2,964,483,848
Truong An Heating Refrigeration and Air Ventilation Joint Stock Company	2,240,000,000	-
Minh Khang Advertising Media Company Limited	1,941,264,000	2,356,640,000
Anh Quan Electric Water and Trading Service Company Limited	-	4,181,100,000
Vina Valves Joint Stock Company	-	3,256,193,160
Other suppliers	13,320,285,421	10,096,344,698
	35,932,918,518	38,170,501,214

12. Loans receivable – short-term

As at 30 June 2022 and 1 January 2022, loans receivable – short-term represented the loans granted to Tien Phong Packaging Joint Stock Company – an associate. These loans were unsecured, interest free and are payable upon demand.

13. Other receivables

	30/6/2022 VND	1/1/2022 VND
Accrued interest from deposits and bonds	13,803,525,859	10,833,561,647
Advances	4,981,713,778	5,300,636,207
Security deposits	2,646,000,000	2,378,000,000
Other receivables	1,956,858,058	268,357,665
	23,388,097,695	18,780,555,519

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14. Bad and doubtful debts

	30/6/2022				1/1/2022			
	Overdue period	Cost VND	Allowance VND	Recoverable amount VND	Overdue period	Cost VND	Allowance VND	Recoverable amount VND
<i>Overdue debts</i>								
Dai Phat Construction and Trading Services Company Limited	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	2 years to over				1 year to over			
Minh Hai Import - Export Trading Limited Company	3 years	1,060,039,175	(1,060,039,175)	-	3 years	1,264,458,136	(1,060,039,175)	204,418,961
– a company with key management member being a related individual of the Company	2 years to below				2 years to below			
Others	3 years	98,218,883,848	(77,845,262,227)	20,373,621,621	3 years	98,249,573,848	(77,845,262,227)	20,404,311,621
	Over 3 years	203,536,476	(203,536,476)	-	Over 3 years	203,536,476	(203,536,476)	-
		100,567,843,052	(80,194,221,431)	20,373,621,621		100,802,952,013	(80,194,221,431)	20,608,730,582

Of which:

Allowance for doubtful debts – short-term

(80,194,221,431)

(80,194,221,431)

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15. Inventories

	30/6/2022		1/1/2022	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	196,980,087,218	-	70,112,842,476	-
Raw materials	537,076,296,046	(3,446,359,120)	560,882,839,863	(3,446,359,120)
Tools and supplies	9,290,035,785	-	9,038,098,070	-
Work in progress	75,673,087,370	-	59,868,617,771	-
Finished goods	230,070,403,802	-	249,716,333,411	-
	1,049,089,910,221	(3,446,359,120)	949,618,731,591	(3,446,359,120)

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16. Tangible fixed assets

Cost	Buildings and structures VND	Plant and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Opening balance	1,493,140,993,920	1,049,879,213,794	153,667,879,630	17,395,107,192	2,714,083,194,536
Additions	1,481,722,043	9,405,164,999	570,854,000	-	11,457,741,042
Transfer from construction in progress	8,780,045,405	395,124,427	1,702,113,166	-	10,877,282,998
Reclassifications	(2,553,010,825)	-	2,553,010,825	-	-
Disposals	-	(252,000,000)	-	-	(252,000,000)
Closing balance	1,500,849,750,543	1,059,427,503,220	158,493,857,621	17,395,107,192	2,736,166,218,576
Accumulated depreciation					
Opening balance	525,008,031,495	700,193,868,803	102,206,188,032	16,696,007,191	1,344,104,095,521
Charge for the period	37,759,684,250	29,178,884,680	5,768,299,578	125,145,630	72,832,014,138
Reclassifications	(74,124,326)	-	74,124,326	-	-
Disposals	-	(252,000,000)	-	-	(252,000,000)
Closing balance	562,693,591,419	729,120,753,483	108,048,611,936	16,821,152,821	1,416,684,109,659
Net book value					
Opening balance	968,132,962,425	349,685,344,991	51,461,691,598	699,100,001	1,369,979,099,015
Closing balance	938,156,159,124	330,306,749,737	50,445,245,685	573,954,371	1,319,482,108,917

Included in tangible fixed assets were assets costing VND583,427 million which were fully depreciated as of 30 June 2022 (1/1/2022: VND563,185 million), but which are still in active use.

As at 30 June 2022, tangible fixed assets with a net book value of VND703,596 million (1/1/2022: VND748,165 million) were pledged with banks as security for loans granted to the Company (Note 24).

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17. Construction in progress

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Opening balance	32,881,860,391	85,526,863,328
Additions	894,085,808	27,900,533,541
Transfer to tangible fixed assets	(10,877,282,998)	(6,053,122,748)
Transfer to long-term prepaid expenses	(8,529,493,175)	-
Others	(1,761,719,134)	(69,538,477)
Closing balance	12,607,450,892	107,304,735,644

Major constructions in progress were as follows:

	30/6/2022	1/1/2022
	VND	VND
New factory in Duong Kinh	12,607,450,892	23,850,632,324
Project No. 2 An Da	-	9,031,228,067
	12,607,450,892	32,881,860,391

18. Long-term prepaid expenses

	Prepaid land costs	Tools and instruments	Others	Total
	VND	VND	VND	VND
Opening balance	111,239,214,569	2,561,327,854	8,474,993,984	122,275,536,407
Additions	-	405,541,568	2,975,912,048	3,381,453,616
Transfer from construction in progress	-	-	8,529,493,175	8,529,493,175
Amortisation for the period	(1,831,781,136)	(1,218,783,992)	(4,272,539,593)	(7,323,104,721)
Closing balance	109,407,433,433	1,748,085,430	15,707,859,614	126,863,378,477

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19. Accounts payable to suppliers

Accounts payable to suppliers detailed by significant suppliers and related parties

	Cost and amount within payment capacity	
	30/6/2022	1/1/2022
	VND	VND
Related parties		
Sekisui Vietnam Company Limited – a company with common key management members	70,928,841,528	90,829,495,680
Tien Phong Packaging Joint Stock Company – an associate	4,515,130,455	1,997,604,554
Tien Phong South Plastic Joint Stock Company – an associate	-	43,722,349,648
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members	-	205,906,250
Other parties		
PT Asahimas Chemical	54,414,115,200	-
Tin Kim Plastic Joint Stock Company	40,797,065,687	3,192,395,448
Solmer Future Ltd	31,149,619,200	-
Eastern Trading Petroleum and Gas Joint Stock Company	20,492,685,400	-
Marubeni Corporation	9,200,563,200	24,600,591,540
Huyen Trang Investment Company Limited	638,383,000	8,021,597,200
Borouge Pte Ltd.	-	8,274,494,250
SCG Chemicals Co., Ltd.	-	17,729,250,000
Other suppliers	31,991,991,148	34,324,775,465
	264,128,394,818	232,898,460,035

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 2022, the Company had no overdue debts (1/1/2022: Nil).

20. Advances from customers

	30/6/2022	1/1/2022
	VND	VND
Nam Phuong Trading Company Limited	128,943,859,563	16,555,985,810
Tam Phuoc Company Limited	127,738,214,205	58,203,602,728
Ha Dung Trading Company Limited	22,462,680,000	938,132,491
Other customers	-	2,744,080
	279,144,753,768	75,700,465,109

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21. Taxes and others payable to State Treasury

	1/1/2022 VND	Incurred VND	Paid/offset VND	30/6/2022 VND
Value added tax	29,971,130,003	206,734,108,256	(217,139,843,748)	19,565,394,511
Value added tax of imported goods	-	63,262,092,258	(63,262,092,258)	-
Corporate income tax	19,762,785,058	52,837,936,347	(40,136,683,840)	32,464,037,565
Personal income tax	11,061,867,416	4,259,702,787	(15,255,082,304)	66,487,899
Land rental	-	3,102,154,100	(3,102,154,100)	-
Import tax	355,436,176	8,418,435,788	(8,418,435,788)	355,436,176
Other taxes	-	5,000,000	(5,000,000)	-
	61,151,218,653	338,619,429,536	(347,319,292,038)	52,451,356,151

22. Accrued expenses

	30/6/2022 VND	1/1/2022 VND
Interests payable	3,930,029,551	1,623,147,748
Discounts payable to distributors and retailers	170,851,937,283	68,135,046,662
Transportation expenses	7,130,311,211	7,611,859,008
Land rental	11,067,562,311	9,443,036,249
Advertising and marketing expenses	1,585,999,998	2,678,000,000
Others	6,264,661,276	9,310,883,098
	200,830,501,630	98,801,972,765

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Notes to the separate interim financial statements for the six-month period ended
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23. Other short-term payables

	30/6/2022 VND	1/1/2022 VND
Related parties		
Payments made on behalf from Tien Phong Central Plastic Company Limited – a subsidiary	115,537,706,263	100,756,235,584
Other parties		
Short-term deposits received	6,346,100,177	6,298,984,177
Trade union fees	1,137,493,463	1,293,995,672
Others	4,198,869,802	981,770,486
	127,220,169,705	109,330,985,919

The non-trade amounts due to the related party were unsecured, bore interest at 3.7% per annum and are payable upon demand.

Tien Phong Plastic Joint Stock Company

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24. Borrowings

(a) Short-term borrowings

	1/1/2022	Movements in the period			30/6/2022
	Carrying amount and amount within payment capacity VND	Addition VND	Decrease VND	Foreign exchange differences VND	Carrying amount and amount within payment capacity VND
Short-term borrowings	1,370,886,898,706	1,885,931,494,184	(1,869,805,164,040)	4,189,543,970	1,391,202,772,820
Current portion of long-term borrowings (Note 24(b))	18,736,603,628	9,368,301,814	(9,368,301,895)	-	18,736,603,547
	1,389,623,502,334	1,895,299,795,998	(1,879,173,465,935)	4,189,543,970	1,409,939,376,367

Short-term borrowings include:

- bank loans in Vietnamese Dong, which bore interest at annual rates ranging from 3.0% to 5.2% (six-month period ended 30/6/2021: from 2.9% to 4.1%); and
- bank loans in United States Dollar, which bore interest at the annual rates ranging from 2.0% to 4.2% (six-month period ended 30/6/2021: from 2.0% to 2.1%).

At the reporting date, the short-term borrowings with a carrying amount of VND928,569 million (1/1/2022: VND959,856 million) were secured over assets as described in Note 24(b). The remaining short-term loans were unsecured.

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(b) Long-term borrowings

	30/6/2022 VND	1/1/2022 VND
Long-term borrowings	26,088,899,256	35,457,201,151
Repayable within twelve months (Note 24(a))	(18,736,603,547)	(18,736,603,628)
Repayable after twelve months	7,352,295,709	16,720,597,523

Long-term borrowings include bank loans in Vietnamese Dong which bore interest at annual rates ranging from 4.7% to 5.45% (six-month period ended 30/6/2021: from 4% to 5.45%) and with maturities in the years from 2023 to 2024.

Outstanding short-term 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 2022 and 1 January 2022 (Note 9);
- receivables with carrying amount of VND668,970 million (1/1/2022: VND701,869 million) (Note 10); and
- tangible fixed assets of the Company with a net book value of VND703,596 million as at 30 June 2022 (1/1/2022: VND748,165 million) (Note 16).

25. 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 30/6/2022 VND	30/6/2021 VND
Opening balance	1,314,654,826	694,709,063
Appropriation	14,540,899,706	23,580,023,466
Utilisation	(15,718,937,000)	(19,555,296,703)
Closing balance	136,617,532	4,719,435,826

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26. Changes in owners' equity

	Share capital VND	Investment and development fund VND	Retained profits VND	Total VND
Balance at 1/1/2021	1,177,961,830,000	941,847,178,493	282,305,259,385	2,402,114,267,878
Net profit for the period	-	-	265,160,881,910	265,160,881,910
Appropriation to investment and development fund Dividends (Note 28)	-	92,729,753,699	(92,729,753,699)	-
Appropriation to bonus and welfare fund (Note 25)	-	-	(117,796,183,000)	(117,796,183,000)
Compensation to Board of Management	-	-	(23,580,023,466)	(23,580,023,466)
	-	-	(1,000,000,000)	(1,000,000,000)
Balance at 30/6/2021	1,177,961,830,000	1,034,576,932,192	312,360,181,130	2,524,898,943,322
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 Dividends (Note 28)	-	106,377,639,851	(106,377,639,851)	-
Appropriation to bonus and welfare fund (Note 25)	-	-	(117,796,183,000)	(117,796,183,000)
	-	-	(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

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27. Share capital

The Company's authorised and issued share capital are:

	30/6/2022		1/1/2022	
	Number of shares	VND	Number of shares	VND
Authorised share capital	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000
Issued share capital				
Ordinary shares	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000
Shares in circulation				
Ordinary shares	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000

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.

28. Dividends

The General Meeting of Shareholders of the Company on 19 April 2022 resolved to distribute dividends in cash for 2021 amounting to VND117,796 million (VND1,000 per share, equivalent to 10% of charter capital) (six-month period ended 30/6/2021: VND117,796 million (VND1,000 per share, equivalent to 10% of charter capital)).

29. 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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30. Off balance sheet items

(a) Land lease commitments

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

	30/6/2022 VND	1/1/2022 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	233,452,821,625	238,883,820,688
	<hr/>	<hr/>
	287,762,812,250	293,193,811,313
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(b) Foreign currency

	30/6/2022		1/1/2022	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	53,765	1,231,638,770	96,398	2,177,137,763
		<hr/>		<hr/>

(c) Capital expenditure commitments

As at 30 June 2022, the Company had the following outstanding capital commitments approved but not provided for in the separate balance sheet:

	30/6/2022 VND	1/1/2022 VND
Approved and not contracted	139,653,872,725	21,607,267,431
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31. 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	
	30/6/2022	30/6/2021
	VND	VND
Total revenue		
▪ Sales of goods	2,501,179,888,554	2,106,825,652,824
▪ Others	31,004,363,918	8,774,912,496
	<hr/>	<hr/>
	2,532,184,252,472	2,115,600,565,320
Less revenue deductions		
▪ Discounts	(84,787,404,696)	(82,461,233,362)
▪ Sales returns	(2,512,540,413)	(7,752,367,287)
	<hr/>	<hr/>
	(87,299,945,109)	(90,213,600,649)
	<hr/>	<hr/>
Net revenue	2,444,884,307,363	2,025,386,964,671
	<hr/>	<hr/>

32. Cost of sales

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Total cost of sales:		
▪ Goods sold	1,779,187,779,992	1,537,491,994,973
▪ Others	27,838,145,096	6,337,692,939
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	1,807,025,925,088	1,543,829,687,912
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33. Financial income

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Interest income from deposits and bonds	20,998,052,566	15,727,039,625
Foreign exchange gains	1,112,149,199	285,234,457
Dividends and distributed profits	79,177,674,693	93,049,538,920
	<hr/>	<hr/>
	101,287,876,458	109,061,813,002
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34. Financial expenses

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Interest expense	28,705,154,447	15,355,058,932
Payment discounts	28,104,762,241	11,149,392,299
Foreign exchange losses	4,212,121,638	106,199,163
	<hr/>	<hr/>
	61,022,038,326	26,610,650,394
	<hr/>	<hr/>

35. Selling expenses

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Staff costs	17,014,255,620	15,759,405,525
Discounts paid to retailers	162,476,033,041	93,396,702,200
Depreciation	9,198,093,500	8,196,317,968
Transportation expenses	47,568,246,286	39,099,626,778
Advertising and marketing expenses	7,107,027,082	9,094,585,860
Other selling expenses	25,877,122,507	31,731,459,293
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	269,240,778,036	197,278,097,624
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36. General and administration expenses

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Staff costs	31,570,577,315	29,081,487,745
Depreciation and amortisation	12,972,975,607	10,201,019,447
Other expenses in cash	10,952,483,735	10,790,542,715
Other general and administration expenses	10,040,008,655	9,962,016,612
	<hr/>	<hr/>
	65,536,045,312	60,035,066,519
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37. Production and business costs by element

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Raw material costs included in production costs	1,616,853,351,181	1,446,035,029,742
Discounts paid to distributors and retailers	162,476,033,041	93,396,702,200
Labour costs and staff costs	141,819,899,394	158,362,360,880
Depreciation and amortisation	74,663,795,274	71,671,329,373
Outside services and other expenses in cash	101,358,100,437	128,523,171,616
Other expenses	40,790,109,099	19,003,373,029
	<hr/>	<hr/>

38. Income tax

(a) Recognised in the separate statement of income

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Current tax expense		
Current period	52,837,936,347	43,027,835,747
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(b) Reconciliation of effective tax rate

	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
Accounting profit before tax	343,367,356,429	308,188,717,657
Tax at the Company's tax rate	68,673,471,286	61,637,743,531
Tax exempt income	(15,835,534,939)	(18,609,907,784)
	52,837,936,347	43,027,835,747

(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.

39. 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	
	30/6/2022	30/6/2021
	VND	VND
Subsidiary		
<i>Tien Phong Central Plastic Company Limited</i>		
Sales of goods and services	27,271,386,777	2,358,168,391
Disposal of tangible fixed assets	40,000,000	181,818,182
Purchase of goods	440,641,454	408,031,650
Raw materials lent	-	57,271,760,000
Profit distribution	72,798,806,265	87,278,953,020
Associates		
<i>Tien Phong South Plastic Joint Stock Company</i>		
Sales of goods	69,749,014,091	84,096,624,908
Purchase of goods and services	57,307,816,545	64,954,239,845
Royalty fee (*)	3,400,000,000	3,400,000,000
Sales returns	1,585,484	718,915,961

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	Transaction value	
	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
<i>Tien Phong Packaging Joint Stock Company</i>		
Purchase of goods and services	17,567,473,944	12,051,072,289
Dividends received	499,775,000	599,730,000
Other related companies		
<i>Minh Hai Import - Export Trading Limited Company</i>		
Discounts	-	8,513,017,824
Sales returns	-	173,813,645
<i>Tien Phong Technology Equipment Joint Stock Company</i>		
Sales of goods	17,240,000	15,720,000
Purchase of goods	36,813,378,000	34,931,907,980
Purchase of tangible fixed assets	-	580,600,000
Loans granted	-	3,000,000,000
Collection of loans	-	3,000,000,000
Interest income from loans	-	62,191,148
<i>Sekisui Vietnam Company Limited</i>		
Sales of goods	2,359,896,968	2,084,153,142
Purchase of goods	306,131,311,000	187,280,958,000
Sales returns	669,454	12,518,950

- (*) 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. 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	
	30/6/2022	30/6/2021
	VND	VND
Board of Management members		
Fees, bonus and other benefits		
Mr. Dang Quoc Dung – Chairman	1,379,566,710	1,580,420,177
Mr. Noboru Kobayashi – Vice Chairman	452,000,000	619,000,000
Mr. Tran Ngoc Bao – Member	1,130,078,868	1,269,636,949
Mr. Nguyen Viet Phuong – Member	221,000,000	50,000,000
Mr. Dao Anh Thang – Member	460,080,000	459,630,000

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	Six-month period ended	
	30/6/2022	30/6/2021
	VND	VND
General Director cum Member of Board of Management		
Salaries, bonus and other benefits	1,381,649,727	1,599,730,020
Other management personnel		
Salary, bonus and other benefits (excluding all the items disclosed above)	2,154,039,160	2,247,047,397

40. Post balance sheet event

On 22 July 2022, the Company's Board of Management issued Decision No. 41/QD-HDQT on approving the results of issuance of 11,779,151 shares to the existing shareholders to increase share capital from investment and development fund in accordance with the General Meeting of Shareholders' Resolution No. 14/NQ-DHDCDTN-2022 dated 19 April 2022. Accordingly, the Company will register an amendment in its charter capital with the capital change date of 12 July 2022. On 26 July 2022, the State Securities Commission of Vietnam confirmed the receipt of the Company's report on results of shares issuance to increase share capital from owners' equity.

41. Comparative information

Comparative information as at 1 January 2022 and for the six-month period ended 30 June 2021 were derived from the balances and amounts reported in the Company's separate financial statements for the year ended 31 December 2021 and the Company's separate interim financial statements for the six-month period ended 30 June 2021.

12 August 2022

Prepared by:


Luu Thi Mai
Deputy Head of Finance and
Accounting Department

Approved by:


Tran Ngoc Bao
Chief Accountant


Chau Van Phuong
General Director