



**Hoa Tho Textile-Garment Joint Stock Corporation**

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

## **Hoa Tho Textile-Garment Joint Stock Corporation**

### **Corporate Information**

#### **Enterprise Registration**

**Certificate No.** 0400101556 30 January 2007

The Enterprise Registration Certificate of the Corporation has been amended several times, the most recent of which is Enterprise Registration Certificate No. 0400101556 dated 28 June 2022. The Enterprise Registration Certificate was issued by the Da Nang Department of Planning and Investment.

<b>Board of Management</b>	Mr. Nguyen Duc Tri	Chairman
	Ms. Tran Tuong Anh	Member
	Mr. Nguyen Ngoc Binh	Member
	Mr. Le Quoc An	Member
	Mr. Nguyen Van Hai	Member
	Mr. Pham Van Tan	Member
		(until 16 April 2022)

<b>Supervisory Board</b>	Ms. Nguyen Thi Kim Khanh	Chairman
	Mr. Nguyen Thanh Son	Member
	Mr. Vu Ngoc Tu	Member
		(from 17 April 2022)
	Mr. Nguyen Ngoc Cach	Member
		(until 16 April 2022)

<b>Board of Directors</b>	Mr. Nguyen Van Hai	General Director
	Ms. Hoang Thuy Oanh	Deputy General Director
	Ms. Tran Tuong Anh	Deputy General Director
	Mr. Nguyen Ngoc Binh	Deputy General Director
	Ms. Tran Thi Hoa Chau	Deputy General Director
	Mr. Pham Ngoc Trung	Managing Director
	Mr. Phan Van Phuoc	Managing Director
	Mr. Phan Quang Long	Managing Director
	Mr. Nguyen Phuoc Hoang	Managing Director
	Mr. Nguyen Van Cuong	Managing Director
	Ms. Nguyen Thi Tuong Long	Chief Accountant

**Registered Office** 36 Ong Ich Duong Street  
Hoa Tho Dong Ward, Cam Le District  
Da Nang City  
Vietnam

**Auditor** KPMG Limited  
Vietnam

## **Hoa Tho Textile-Garment Joint Stock Corporation**

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

The Board of Directors of Hoa Tho Textile-Garment Joint Stock Corporation (“the Corporation”) presents this statement and the accompanying consolidated interim financial statements of the Corporation for the six-month period ended 30 June 2022.

The Corporation’s Board of Directors is responsible for the preparation and fair presentation of the consolidated 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 Board of Directors:

- (a) the consolidated interim financial statements set out on pages 5 to 55 give a true and fair view of the consolidated financial position of the Corporation as at 30 June 2022, and of its consolidated results of operations and its consolidated 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 are no reasons to believe that the Corporation 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 consolidated interim financial statements for issue.

On behalf of the Board of Directors



Nguyễn Văn Hai  
General Director

Da Nang, 16 August 2022



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## **INTERIM FINANCIAL STATEMENTS REVIEW REPORT**

### **To the Shareholders**

#### **Hoa Tho Textile-Garment Joint Stock Corporation**

We have reviewed the accompanying consolidated interim financial statements of Hoa Tho Textile-Garment Joint Stock Corporation ("the Company"), which comprise the consolidated balance sheet as at 30 June 2022, the consolidated 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 Corporation's Board of Directors on 16 August 2022, set out on pages 5 to 55.

### **Management's Responsibility**

The Corporation's Board of Directors is responsible for the preparation and fair presentation of these consolidated 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 consolidated 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 consolidated 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 consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Hoa Tho Textile-Garment Joint Stock Corporation as at 30 June 2022 and of its consolidated results of operations and its consolidated 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. 22-04-00007-22-2



Wang Toon Kim

Practicing Auditor Registration

Certificate No. 0557-2018-007-1

*Deputy General Director*

Hanoi, 16 August 2022

Phan My Linh

Practicing Auditor Registration

Certificate No. 3064-2019-007-1

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 30 June 2022**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2022 VND	1/1/2022 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>1,746,065,778,461</b>	<b>1,605,615,707,684</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>9</b>	<b>31,854,667,232</b>	<b>58,586,417,754</b>
Cash	111		28,831,699,182	50,563,449,704
Cash equivalents	112		3,022,968,050	8,022,968,050
<b>Short-term financial investments</b>	<b>120</b>		<b>219,755,000,000</b>	<b>119,955,000,000</b>
Held-to-maturity investments	123	10(a)	219,755,000,000	119,955,000,000
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>570,303,089,159</b>	<b>528,809,007,805</b>
Accounts receivable from customers	131	11	557,714,193,919	485,922,363,886
Prepayments to suppliers	132		15,237,379,740	43,995,355,569
Loans receivable	135		839,671,000	488,100,000
Other receivables	136	12	3,838,404,571	5,614,168,036
Allowance for doubtful debts	137	13	(7,326,560,071)	(7,210,979,686)
<b>Inventories</b>	<b>140</b>	<b>14</b>	<b>873,180,542,310</b>	<b>857,148,182,643</b>
Inventories	141		873,937,353,563	858,059,229,755
Allowance for inventories	149		(756,811,253)	(911,047,112)
<b>Other current assets</b>	<b>150</b>		<b>50,972,479,760</b>	<b>41,117,099,482</b>
Short-term prepaid expenses	151	18(a)	7,037,402,792	9,655,091,330
Deductible value added tax	152		43,931,521,511	31,462,008,152
Taxes and others receivable from State Treasury	153	20(a)	3,555,457	-

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 30 June 2022 (continued)**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2022 VND	1/1/2022 VND
<b>Long-term assets</b> <b>(200 = 210 + 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>766,181,490,772</b>	<b>735,148,924,587</b>
<b>Accounts receivable – long-term</b>	<b>210</b>		<b>8,412,720,545</b>	<b>3,959,430,014</b>
Loans receivable – long-term	215		5,428,969,000	994,100,000
Other long-term receivables	216		2,983,751,545	2,965,330,014
<b>Fixed assets</b>	<b>220</b>		<b>693,486,209,703</b>	<b>672,855,117,891</b>
Tangible fixed assets	221	15	691,079,359,019	670,989,694,477
Cost	222		1,917,053,626,854	1,849,460,034,252
Accumulated depreciation	223		(1,225,974,267,835)	(1,178,470,339,775)
Intangible fixed assets	227	16	2,406,850,684	1,865,423,414
Cost	228		12,106,702,209	11,203,228,209
Accumulated amortisation	229		(9,699,851,525)	(9,337,804,795)
<b>Long-term work in progress</b>	<b>240</b>		<b>15,003,192,694</b>	<b>14,352,120,576</b>
Construction in progress	242	17	15,003,192,694	14,352,120,576
<b>Long-term financial investments</b>	<b>250</b>	<b>10(b)</b>	<b>15,766,677,280</b>	<b>16,438,680,283</b>
Investments in associates	252		14,816,828,808	15,192,122,289
Equity investments in other entities	253		7,755,702,000	7,755,702,000
Allowance for diminution in the value of long-term financial investments	254		(6,805,853,528)	(6,509,144,006)
<b>Other long-term assets</b>	<b>260</b>		<b>33,512,690,550</b>	<b>27,543,575,823</b>
Long-term prepaid expenses	261	18(b)	33,512,690,550	27,543,575,823
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>2,512,247,269,233</b>	<b>2,340,764,632,271</b>

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



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated balance sheet as at 30 June 2022 (continued)**

**Form B 01a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	30/6/2022 VND	1/1/2022 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>1,754,596,872,699</b>	<b>1,686,965,963,589</b>
<b>Current liabilities</b>	<b>310</b>		<b>1,461,559,046,214</b>	<b>1,374,869,345,296</b>
Accounts payable to suppliers	311	19	321,250,706,786	334,619,044,523
Advances from customers	312		5,523,573,253	41,751,907,473
Taxes and others payable to State Treasury	313	20(b)	30,996,898,798	17,503,233,969
Payables to employees	314		397,942,728,394	328,122,204,212
Accrued expenses	315	21	10,951,803,943	4,609,214,726
Unearned revenue – short-term	318		627,655,050	85,280,315
Other short-term payables	319	22	27,431,357,190	25,932,598,543
Short-term borrowings	320	23(a)	596,119,197,909	553,070,761,077
Bonus and welfare fund	322	24	70,715,124,891	69,175,100,458
<b>Long-term liabilities</b>	<b>330</b>		<b>293,037,826,485</b>	<b>312,096,618,293</b>
Long-term advances from customers	332		6,856,178,224	10,740,759,952
Long-term borrowings	338	23(b)	286,181,648,261	301,355,858,341
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>757,650,396,534</b>	<b>653,798,668,682</b>
<b>Owners' equity</b>	<b>410</b>	<b>25</b>	<b>757,650,396,534</b>	<b>653,798,668,682</b>
Share capital	411	25	300,030,750,000	236,250,000,000
- Ordinary shares with voting rights	411a		300,030,750,000	236,250,000,000
Other capital	414		1,752,940,000	1,176,340,000
Investment and development fund	418	27	178,026,784,321	140,963,518,580
Retained profits	421		232,129,613,960	234,646,810,143
- Retained profits brought forward	421a		98,761,374,269	46,452,467,056
- Retained profit for the current period/ year	421b		133,368,239,691	188,194,343,087
Non-controlling interest	429		45,710,308,253	40,761,999,959
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>2,512,247,269,233</b>	<b>2,340,764,632,271</b>

16 August 2022

Prepared by:



Pham Anh Thao  
Specialist

Approved by:



Nguyen Thi Tuong Long  
Chief Accountant



Nguyen Van Hai  
General Director

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



**Hoa Tho Textile-Garment Joint Stock Corporation**
**Consolidated statement of income for the six-month period ended 30 June 2022**
**Form B 02a – DN/HN**
*(Issued under Circular No. 202/2014/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
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>30</b>	<b>2,587,796,919,620</b>	<b>1,549,737,625,126</b>
<b>Revenue deductions</b>	<b>02</b>		<b>110,489,859</b>	<b>333,695,004</b>
<b>Net revenue (10 = 01 - 02)</b>	<b>10</b>		<b>2,587,686,429,761</b>	<b>1,549,403,930,122</b>
<b>Cost of sales</b>	<b>11</b>		<b>2,283,767,335,413</b>	<b>1,395,427,989,501</b>
<b>Gross profit (20 = 10 - 11)</b>	<b>20</b>		<b>303,919,094,348</b>	<b>153,975,940,621</b>
Financial income	21	31	30,455,489,943	11,219,440,049
Financial expenses	22	32	24,144,268,735	11,551,666,467
<i>In which: Interest expense</i>	23		9,768,444,608	8,588,108,270
Share of profit in associates	24		910,306,519	1,732,424,713
Selling expenses	25	33	70,043,777,500	45,515,729,259
General and administration expenses	26	34	74,297,849,648	58,710,317,070
<b>Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}</b>	<b>30</b>		<b>166,798,994,927</b>	<b>51,150,092,587</b>
Other income	31	35	3,960,621,321	1,016,027,493
Other expenses	32		708,857,422	811,591,606
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>3,251,763,899</b>	<b>204,435,887</b>
<b>Accounting profit before tax (50 = 30 + 40)</b>	<b>50</b>		<b>170,050,758,826</b>	<b>51,354,528,474</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>37</b>	<b>28,852,814,612</b>	<b>4,087,042,356</b>
<b>Net profit after tax (60 = 50 - 51) (carried forward to next page)</b>	<b>60</b>		<b>141,197,944,214</b>	<b>47,267,486,118</b>

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of income for the six-month period ended 30 June 2022**  
**(continued)**

**Form B 02a – DN/HN**  
*(Issued under Circular No. 202/2014/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
<b>Net profit after tax (60 = 50 - 51)</b> <b>(brought forward from previous page)</b>	<b>60</b>		<b>141,197,944,214</b>	<b>47,267,486,118</b>
<b>Attributable to:</b>				
Equity holders of the Company	61		133,368,239,691	41,122,834,344
Non-controlling interest	62		7,829,704,523	6,144,651,774
<b>Earnings per share</b>				<b>Restated</b>
Basic earnings per share	70	38	4,279	1,356

16 August 2022

Prepared by:



Pham Anh Thao  
Specialist

Approved by:



Nguyen Thi Tuong Long  
Chief Accountant



Nguyen Van Hai  
General Director

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

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of cash flows for the six-month period ended 30 June 2022**  
**(Indirect method)**

**Form B 03a – DN/HN**  
*(Issued under Circular No. 202/2014/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
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit before tax</b>	<b>01</b>		<b>170,050,758,826</b>	<b>51,354,528,474</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		62,948,909,906	65,228,731,731
Allowances and provisions	03		258,054,048	(3,022,616,989)
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04		8,206,591,988	977,103,222
Profits from investing activities	05		(3,784,661,859)	(3,670,208,285)
Interest expense	06		9,768,444,608	8,588,108,270
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>247,448,097,517</b>	<b>119,455,646,423</b>
Change in receivables	09		(51,341,094,196)	(44,636,179,340)
Change in inventories	10		(15,878,123,808)	(126,179,211,528)
Change in payables and other liabilities	11		11,244,058,969	25,013,397,929
Change in prepaid expenses	12		(3,395,231,415)	(1,319,537,755)
			<b>188,077,707,067</b>	<b>(27,665,884,271)</b>
Interest paid	14		(10,003,157,174)	(8,751,301,838)
Corporate income tax paid	15	20(b)	(23,435,311,104)	(2,800,450,665)
Other receipts from operating activities	16		56,290,577	206,719,141
Other payments for operating activities	17	24	(9,686,482,506)	(5,377,621,982)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>145,009,046,860</b>	<b>(44,388,539,615)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(61,809,550,421)	(28,747,365,333)
Proceeds from disposals of fixed assets and other long-term assets	22		646,852,693	317,272,728
Payments for granting loans, purchase of debt instruments of other entities	23		(140,066,440,000)	(61,310,000,000)
Receipts from collecting loans, sales of debt instruments of other entities	24		35,480,000,000	7,916,800,000
Receipts of interests and dividends	27		2,230,307,539	1,620,510,844
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(163,518,830,189)</b>	<b>(80,202,781,761)</b>

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



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Consolidated statement of cash flows for the six-month period ended 30 June 2022**  
**(Indirect method - continued)**

**Form B 03a – DN/HN**  
*(Issued under Circular No. 202/2014/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
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from borrowings	33		1,970,446,054,130	1,355,602,301,783
Payments to settle loan principals	34		(1,952,567,292,823)	(1,207,462,128,015)
Payments of dividends	36		(26,100,728,500)	(11,789,005,000)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(8,221,967,193)</b>	<b>136,351,168,768</b>
<b>Net cash flows during the period (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>(26,731,750,522)</b>	<b>11,759,847,392</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>60</b>		<b>58,586,417,754</b>	<b>44,218,004,444</b>
<b>Cash and cash equivalents at the end of the period (70 = 50 + 60)</b>	<b>70</b>	<b>9</b>	<b>31,854,667,232</b>	<b>55,977,851,836</b>

16 August 2022

Prepared by:



Pham Anh Thao  
Specialist



Nguyen Thi Tuong Long  
Chief Accountant

Approved by:



Nguyen Van Hai  
General Director

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



**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated interim financial statements for the six-month period**  
**ended 30 June 2022**

**Form B 09a – DN/HN**  
*(Issued under Circular No. 202/2014/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 consolidated interim financial statements.

**1. Reporting entity**

**(a) Ownership structure**

Hoa Tho Textile-Garment Joint Stock Corporation (“the Corporation”) is incorporated as a joint stock company in Vietnam. The consolidated interim financial statements of the Corporation for the six-month period ended 30 June 2022 comprise the Corporation and its subsidiaries and their interests in associates.

**(b) Principal activities**

The principal activities of the Corporation and its subsidiaries are to produce, trade, import and export clothes, fabric, fibre, equipment, and raw materials for the garment and textile industry.

**(c) Normal operating cycle**

The normal operating cycle of the Corporation and its subsidiaries is generally within 12 months.

**Hoa Tho Textile-Garment Joint Stock Corporation**  
**Notes to the consolidated interim financial statements for the six-month period**  
**ended 30 June 2022 (continued)**

**Form B 09a – DN/HN**  
*(Issued under Circular No. 202/2014/TT-BTC*  
*dated 22 December 2014 of the Ministry of Finance)*

**(d) Corporation structure**

As at 30 June 2022, the Corporation had the following subsidiaries and associates:

No.		The Corporation's % of equity owned and voting rights	
		30/6/2022	1/1/2022
	<b>Subsidiaries</b>		
1	Hoa Tho Fashion Joint Stock Company	76.88%	76.88%
2	Hoa Tho - Hoi An Garment Joint Stock Company	54.18%	54.18%
3	Hoa Tho - Duy Xuyen Garment Joint Stock Company	81.73%	81.73%
4	Hoa Tho - Thang Binh Spinning Joint Stock Company	74.49%	74.49%
5	Hoa Tho Construction Mechanics Company Limited	100%	100%
	<b>Associates</b>		
1	Hoa Tho Quang Nam Garment Joint Stock Company	32.14%	32.14%
2	Hoa Tho - Phu Ninh Garment Joint Stock Company	20.00%	20.00%

As at 30 June 2022, the Corporation and its subsidiaries had 10,334 employees (1/1/2022: 9,807 employees).

**2. Basis of preparation**

**(a) Statement of compliance**

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

**(c) Annual accounting period**

The annual accounting period of the Corporation and its subsidiaries is from 1 January to 31 December. The interim financial statements are prepared for the six-month period ended 30 June.

**(d) Accounting and presentation currency**

The Corporation's and its subsidiaries' accounting currency is Vietnam Dong ("VND"), which is also the currency used for consolidated interim financial statement presentation purpose. For the segment reporting, the amounts have been rounded to the nearest thousand described in Note 8.

### **3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Corporation and its subsidiaries in the preparation of these consolidated interim financial statements.

The accounting policies that have been adopted by the Corporation and its subsidiaries in the preparation of these consolidated interim financial statements are consistent with those adopted in the preparation of the latest consolidated annual financial statements.

#### **(a) Basis of consolidation**

##### **(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

##### **(ii) Non-controlling interests**

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Corporation's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Corporation's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

##### **(iii) Loss of control**

When the Corporation loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated income statement. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the consolidated financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

##### **(iv) Associates**

Associates are those entities in which the Corporation has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method (equity accounted investees). They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Corporation's share of the profit or loss of the equity accounted investees, after adjustments to align the accounting policies with those of the Corporation, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in equity accounted investees is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the income statement (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).



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When the Corporation's share of losses exceeds its interest in an associate, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Corporation has an obligation or has made payments on behalf of the associate.

**(v) *Transactions eliminated on consolidation***

Intra-group transactions, balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates are eliminated against the investment to the extent of the Corporation's interest in the associates.

**(vi) *Business combination***

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Corporation. Control exists when the Corporation has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

**(b) *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 average of the account transfer buying rates and selling rates at the end of the accounting period quoted by the commercial bank where the Corporation or its subsidiaries most frequently conduct transactions.

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

**(c) *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.



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**(d) Investments**

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

Held-to-maturity investments are those that the Corporation's and its subsidiaries' management has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank and loans receivable held to maturity. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Investments in equity instruments of 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 value if the investee has suffered a loss which may cause the Corporation 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.

**(e) Accounts receivable**

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

**(f) 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 Corporation and its subsidiaries apply the perpetual method of accounting for inventories.

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**(g) 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 consolidated 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	10 - 25 years
▪ machinery and equipment	5 - 15 years
▪ motor vehicles	5 - 10 years
▪ office equipment	3 - 5 years
▪ others	2 - 5 years

**(h) Intangible fixed assets**

**Software**

Cost of acquiring of new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software is amortised on a straight-line basis over 3 to 5 years.

**(i) 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.

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

**(i) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Corporation and its subsidiaries obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of the lease of 50 years.



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**(ii) Tools and instruments**

Tools and instruments include assets held for use by the Corporation and its subsidiaries 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 regulation. 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 mainly comprise rental and asset improvement expenses. Other long-term prepaid expenses are initially stated at cost and are amortised on a straight-line basis over a period ranging from 2 to 3 years

**(k) Trade and other payables**

Trade and other payables are stated at their cost.

**(l) Provisions**

Except for the provisions described in other notes, a provision is recognised if, as a result of a past event, the Corporation and its subsidiaries 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.

**(m) Share capital**

***Ordinary shares***

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

**(n) Taxation**

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

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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 differences 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.

**(o) Revenue and other incomes**

**(i) Goods sold**

Revenue from the sales of goods is recognised in the consolidated 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 consolidated statement of income when the goods have been processed and accepted by the buyer. 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.

**(p) Leases**

**(i) Leased assets**

Assets held under Corporation's leases are classified as operating leases and are not recognised in the Corporation's consolidated balance sheet.

**(ii) Lease payments**

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



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**(q) Borrowing costs**

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

**(r) Earnings per share**

The Corporation presents basic earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders after deducting any amounts appropriated to bonus and welfare fund for the accounting period of the Corporation by the weighted average number of ordinary shares outstanding during the period. At reporting date and for the six-month period then ended, the Corporation had no potential ordinary shares and therefore does not present diluted EPS.

**(s) Segment reporting**

A segment is a distinguishable component of the Corporation and its subsidiaries 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 Management believes that the Corporation and its subsidiaries operate mainly in textile industry (including yarn and garment production).

Geographical segment of the Corporation and its subsidiaries is defined based on market locations and customers of the Corporation and its subsidiaries. The Board of Directors consider the areas generating more than 10% of revenue as a segment need to be reported.

**(t) Related parties**

Parties are considered to be related to the Corporation and its subsidiaries 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 Corporation and its subsidiaries 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 ultimate parent company and its subsidiaries and associates.

**(u) Comparative information**

Comparative information in these consolidated interim financial statements is presented as corresponding figures. Under this method, comparative information for the prior period are included as an integral part of the current period consolidated financial statements and are 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 consolidated interim financial statements is not intended to present the Corporation’s consolidated financial position, consolidated results of operation or consolidated cash flows for the prior period.

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**4. Seasonality of operations**

The Corporation and its subsidiaries do not have any business segments, the seasonality of which may affect the Corporation's consolidated operating results for the six-month period ended 30 June 2022.

**5. Changes in accounting estimates**

In preparing annual and interim financial statements, the Board of Directors has made several accounting estimates. Actual results may differ from these estimates. There are no significant changes in accounting estimates compared to the end of the most recent annual accounting period.

**6. Unusual items**

The Corporation and its subsidiaries do not have any unusual items which may affect the Corporation's consolidated financial statements for the six-month period ended 30 June 2022.

**7. Changes in the composition of the entity**

There are no significant changes in the composition of the Corporation for the six-month period ended 30 June 2022.

**Hoa Tho Textile-Garment Joint Stock Corporation****Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)****Form B 09a – DN/HN***(Issued under Circular No. 202/2014/TT-BTC  
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The Corporation and its subsidiaries have the following geographical segments based on the location of their customers:

- China
- United States
- Japan
- The Africa
- Vietnam
- Sweden
- United Kingdom
- Other regions

	China VND'000	USA VND'000	Japan VND'000	The Africa VND'000	Vietnam VND'000	Sweden VND'000	Others VND'000	Consolidated VND'000
<b>For the six-month period ended 30 June 2022</b>								
Total segment revenue	729,349,243	573,722,155	214,108,199	217,285,660	225,162,052	231,926,531	396,243,080	2,587,796,920
Segment results	47,623,147	56,119,917	14,432,893	47,421,172	72,846,679	10,208,690	55,266,596	303,919,094
<hr/>								
Unallocated income								31,365,796
Unallocated expenses								168,485,895
<hr/>								
Results from operating activities								166,798,995
<hr/>								
Other income								3,960,621
Other expenses								708,857
Income tax								28,852,815
<hr/>								
Net profit after tax								141,197,944
<hr/>								

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	China VND'000	USA VND'000	Japan VND'000	The Africa VND'000	Vietnam VND'000	Sweden VND'000	Others VND'000	Consolidated VND'000
<b>At 30 June 2022</b>								
Segment assets	180,740,000	174,896,000	39,517,000	60,825,000	16,938,194	22,760,000	62,038,000	557,714,194
Unallocated assets								1,954,533,075
Total assets								2,512,247,269
Segment liabilities	7,667,000	-	-	-	684,751	-	4,028,000	12,379,751
Unallocated liabilities								1,742,217,122
Total liabilities								1,754,596,873
<b>For the six-month period ended 30 June 2022</b>								
Capital expenditure								61,809,550
Depreciation of tangible fixed assets								62,543,058
Amortization of intangible fixed assets								362,047



**Hoa Tho Textile-Garment Joint Stock Corporation**

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	<b>China VND'000</b>	<b>USA VND'000</b>	<b>Japan VND'000</b>	<b>The Africa VND'000</b>	<b>Vietnam VND'000</b>	<b>Sweden VND'000</b>	<b>Others VND'000</b>	<b>Consolidated VND'000</b>
<b>For the six-month period ended 30 June 2021</b>								
Total segment revenue	377,465,678	213,418,179	214,580,597	110,153,585	217,376,653	151,839,827	264,903,106	1,549,737,625
Segment results	22,576,671	25,836,073	14,635,759	24,218,847	14,187,529	8,521,611	43,999,451	153,975,941
<hr/>								
Unallocated income								12,951,865
Unallocated expenses								115,777,713
<hr/>								
Results from operating activities								51,150,093
<hr/>								
Other income								1,016,027
Other expenses								811,592
Income tax								4,087,042
<hr/>								
Net profit after tax								47,267,486
<hr/>								

# Hoa Tho Textile-Garment Joint Stock Corporation

## Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

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	China VND'000	USA VND'000	Japan VND'000	The Africa VND'000	Vietnam VND'000	Sweden VND'000	Others VND'000	Consolidated VND'000
<b>At 1 January 2022</b>								
Segment assets	157,101,000	164,967,000	16,244,000	29,728,000	22,927,364	9,140,000	85,815,000	485,922,364
Unallocated assets								1,854,842,268
Total assets								<u>2,340,764,632</u>
Segment liabilities	16,119,000	25,452,000	-	-	8,060,667	-	2,861,000	52,492,667
Unallocated liabilities								1,634,473,297
Total liabilities								<u>1,686,965,964</u>
<b>For the six-month period ended 30 June 2021</b>								
Capital expenditure								28,747,365
Depreciation of tangible fixed assets								64,742,659
Amortization of intangible fixed assets								372,224

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**9. Cash and cash equivalents**

	<b>30/6/2022</b>	<b>1/1/2022</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	241,582,523	117,040,289
Cash in banks	28,590,116,659	50,446,409,415
Cash equivalents	3,022,968,050	8,022,968,050
	<hr/>	<hr/>
	31,854,667,232	58,586,417,754
	<hr/>	<hr/>

Cash equivalents include banks deposits with terms not exceeding 3 months and an annual interest rate of 3% at commercial banks (1/1/2022: 3%).

**10. Investments**

**(a) Held-to-maturity investments – short-term**

	<b>30/6/2022</b>		<b>1/1/2022</b>	
	<b>Cost</b>	<b>Fair value</b>	<b>Cost</b>	<b>Fair value</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Term deposits	219,755,000,000	219,755,000,000	119,955,000,000	119,955,000,000
	<hr/>			

Held-to-maturity investments – short-term include bank deposits with terms from more than 3 months and remaining terms to maturity from 1 month to 8 months from the end of the annual accounting period and annual interest rates ranging from 4.9% to 6.5% (1/1/2022: from 3.3% to 5.55%).

As at 30 June 2022 term deposit contracts with a carrying amount of VND93,000 million (1/1/2022: VND30,000 million) were pledged with banks as security for short-term and long-term borrowings granted to the Corporation (Note 23(b)).



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**(b) Equity investments in other entities**

		30/6/2022					1/1/2022				
	Address	Number of shares	% of equity owned	% of voting rights	Carrying value VND	Allowance for diminution in value VND	Number of shares	% of equity owned	% of voting rights	Carrying value VND	Allowance for diminution in value VND
Equity investments in:											
<i>Associates</i>											
Hoa Tho – Quang Nam Garment Joint Stock Company	Quang Nam	642,800	32.14%	32.14%	14,816,828,808	-	642,800	32.14%	32.14%	15,192,122,289	-
Hoa Tho – Phu Ninh Garment Joint Stock Company	Quang Nam	400,000	20.00%	20.00%	-	-	400,000	20.00%	20.00%	-	-
					14,816,828,808	-				15,192,122,289	-
<i>Other companies</i>											
The Central Cotton Joint Stock Company	Khanh Hoa	65,000	7.12%	7.12%	855,702,000	(505,853,528)	65,000	7.12%	7.12%	855,702,000	(209,144,006)
Hoa Tho Quang Da Packaging Joint Stock Company	Quang Nam	60,000	10.91%	10.91%	600,000,000	-	60,000	10.91%	10.91%	600,000,000	-
Ho Chi Minh City Textile Garment Commercial Joint Stock Company	Ho Chi Minh	630,000	14.00%	14.00%	6,300,000,000	(6,300,000,000)	630,000	14.00%	14.00%	6,300,000,000	(6,300,000,000)
					7,755,702,000	(6,805,853,528)				7,755,702,000	(6,509,144,006)
					22,572,530,808	(6,805,853,528)				22,947,824,289	(6,509,144,006)

The Corporation has not determined fair values of these equity investments in other entities for disclosure in the consolidated interim financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under 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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**11. Accounts receivable from customers**

**(a) Accounts receivable from customers detailed by significant customer**

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Haggar Clothing Co.	123,633,472,620	126,145,167,202
Motives International (Hong Kong) Limited	155,616,257,186	139,699,775,309
Other customers	278,464,464,113	220,077,421,375
	<hr/> 557,714,193,919	<hr/> 485,922,363,886 <hr/>

At 30 June 2022 accounts receivable from customers with a carrying value of VND32,251 million (1/1/2022: VND24,373 million) were pledged with banks as security for short-term borrowings granted to the subsidiaries (Note 23(a)).

**(b) Accounts receivable from customers who are related parties**

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
<b>The parent company</b>		
Vietnam National Textile and Garment Group	166,189,960	131,545,680
<b>Associate</b>		
Hoa Tho – Phu Ninh Garment Joint Stock Company	238,327,063	99,706,524
	<hr/> 404,517,023	<hr/> 231,252,204 <hr/>

The trade related amounts due from related parties were unsecured, interest free and are due in 30 days from invoice date.

**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**12. Other receivables**

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Short-term deposits	157,896,000	228,866,300
Advances to employees	956,463,385	1,218,142,241
Provisionally paid import tax	1,006,306,691	1,190,743,899
Others	1,717,738,495	2,976,415,596
	<hr/> 3,838,404,571	<hr/> 5,614,168,036 <hr/>



**Hoa Tho Textile-Garment Joint Stock Corporation**

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**13. Bad and doubtful debts**

	Overdue period	30/6/2022			Overdue period	1/1/2022		
		Cost VND	Allowance VND	Recoverable amount VND		Cost VND	Allowance VND	Recoverable amount VND
Overdue debts								
Duyen Dat Trading Services Co., Ltd.	Over 3 years	5,709,989,346	(5,709,989,346)	-	Over 3 years	5,709,989,346	(5,709,989,346)	-
Phu Tuong Garment Company Limited	1 year to less than 3 years	2,880,547,450	(1,616,570,725)	1,263,976,725	1 year to less than 2 years	2,880,547,450	(1,440,273,725)	1,440,273,725
Others (*)	Over 3 years	-	-	-	Over 3 years	60,716,615	(60,716,615)	-
		<u>8,590,536,796</u>	<u>(7,326,560,071)</u>	<u>1,263,976,725</u>		<u>8,651,253,411</u>	<u>(7,210,979,686)</u>	<u>1,440,273,725</u>

*Of which:*

Allowance for doubtful debts	<u>(7,326,560,071)</u>	<u>(7,210,979,686)</u>
------------------------------	------------------------	------------------------

(\*) As at 30 June 2022, doubtful debts from certain customers were written off due to irrecoverability in accordance with the Board of Directors' assessment.

**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**14. Inventories**

	<b>30/6/2022</b>		<b>1/1/2022</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	111,144,725,198	-	143,046,172,229	-
Raw materials	312,119,076,952	-	249,105,703,724	-
Tools and supplies	756,037,502	-	1,045,994,692	-
Work in progress	358,016,777,966	-	373,904,283,135	-
Finished goods	50,750,774,606	(570,323,071)	38,848,313,457	(708,667,048)
Merchandise inventories	7,141,879,355	(186,488,182)	5,264,115,298	(202,380,064)
Goods on consignment	34,008,081,984	-	46,844,647,220	-
	<b>873,937,353,563</b>	<b>(756,811,253)</b>	<b>858,059,229,755</b>	<b>(911,047,112)</b>

Included in inventories at 30 June 2022 was VND1,972 million (1/1/2022: VND2,778 million) of finished goods, merchandise inventories and goods on consignment carried at net realisable value.

As at 30 June 2022, inventories with a carrying value of VND590,313 million (1/1/2022: VND642,813 million) were pledged with banks as security for short-term borrowings granted to the Corporation and its subsidiaries (Note 23(a)).

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**15. Tangible fixed assets**

	<b>Buildings and structures VND</b>	<b>Machinery and equipment VND</b>	<b>Motor vehicles VND</b>	<b>Office equipment VND</b>	<b>Others VND</b>	<b>Total VND</b>
<b>Cost</b>						
Opening balance	425,963,448,531	1,249,268,643,283	70,175,602,659	8,619,762,098	95,432,577,681	1,849,460,034,252
Additions	520,101,007	11,295,609,044	3,447,529,673	530,694,000	331,380,000	16,125,313,724
Transfer from construction in progress	25,411,434,831	31,668,603,129	4,148,632,182	-	5,281,543,518	66,510,213,660
Reclassification	-	(3,406,316,277)	3,406,316,277	-	-	-
Disposals	-	(14,889,957,510)	(36,845,454)	(84,131,818)	(31,000,000)	(15,041,934,782)
Closing balance	451,894,984,369	1,273,936,581,669	81,141,235,337	9,066,324,280	101,014,501,199	1,917,053,626,854
<b>Accumulated depreciation</b>						
Opening balance	175,181,540,103	876,940,683,908	39,275,834,241	7,269,482,029	79,802,799,494	1,178,470,339,775
Charge for the period	11,221,614,695	43,570,153,780	3,671,861,672	296,911,847	3,782,515,956	62,543,057,950
Reclassification	-	(908,635,388)	908,635,388	-	-	-
Disposals	-	(14,889,945,739)	(34,052,333)	(84,131,818)	(31,000,000)	(15,039,129,890)
Closing balance	186,403,154,798	904,712,256,561	43,822,278,968	7,482,262,058	83,554,315,450	1,225,974,267,835
<b>Net book value</b>						
Opening balance	250,781,908,428	372,327,959,375	30,899,768,418	1,350,280,069	15,629,778,187	670,989,694,477
Closing balance	265,491,829,571	369,224,325,108	37,318,956,369	1,584,062,222	17,460,185,749	691,079,359,019

Included in tangible fixed assets were assets costing VND695,565 million which were fully depreciated as at 30 June 2022 (1/1/2022: VND675,332 million), but which are still in active use.

At 30 June 2022, tangible fixed assets with a carrying value of VND373,508 million (1/1/2022: VND404,751 million) were pledged with banks as security for some short-term and long-term borrowings granted to the Corporation and its subsidiaries (Note 23).



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**16. Intangible fixed assets**

	<b>Software VND</b>
<b>Cost</b>	
Opening balance	11,203,228,209
Additions	903,474,000
	<hr/>
Closing balance	12,106,702,209
	<hr/>
<b>Accumulated amortisation</b>	
Opening balance	9,337,804,795
Charge for the period	362,046,730
	<hr/>
Closing balance	9,699,851,525
	<hr/>
<b>Net book value</b>	
Opening balance	1,865,423,414
Closing balance	2,406,850,684
	<hr/>

Included in intangible fixed assets were assets costing VND7,138 million which were fully amortised as at 30 June 2022 (1/1/2022: VND7,138 million), but which are still in use.

**Hoa Tho Textile-Garment Joint Stock Corporation**  
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**17. Construction in progress**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Opening balance	14,352,120,576	4,180,723,801
Additions during the period	67,161,285,778	21,970,316,118
Transfer to tangible fixed assets	(66,510,213,660)	(23,839,438,164)
Transfer to intangible fixed assets	-	(377,311,147)
Closing balance	15,003,192,694	1,934,290,608

Major constructions in progress were as follows:

	<b>30/6/2022</b>	<b>1/1/2022</b>
	<b>VND</b>	<b>VND</b>
Spinning machines and equipment	4,483,230,196	12,685,845,477
Trieu Phong Garment Factory	8,267,550,070	1,333,000
Others	2,252,412,428	1,664,942,099
	15,003,192,694	14,352,120,576

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**18. Prepaid expenses**

**(a) Short-term prepaid expenses**

	<b>30/6/2022 VND</b>	<b>1/1/2022 VND</b>
Prepaid insurance expenses	598,106,155	2,551,628,353
Tools and supplies	2,070,315,047	2,985,481,637
Prepaid operating lease expenses	-	592,958,334
Other short-term prepaid expenses	4,368,981,590	3,525,023,006
	<b>7,037,402,792</b>	<b>9,655,091,330</b>

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

	<b>Prepaid land costs VND</b>	<b>Tools and supplies VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	3,927,868,824	11,417,697,668	12,198,009,331	27,543,575,823
Additions	-	5,806,415,379	8,049,172,571	13,855,587,950
Amortisation for the period	(43,805,226)	(4,378,615,601)	(3,439,753,603)	(7,862,174,430)
Disposals	-	(24,298,793)	-	(24,298,793)
Closing balance	<b>3,884,063,598</b>	<b>12,821,198,653</b>	<b>16,807,428,299</b>	<b>33,512,690,550</b>



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**19. Accounts payable to suppliers**

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

	<b>Cost and amount within payment capacity</b>	
	<b>30/6/2022</b>	<b>1/1/2022</b>
	<b>VND</b>	<b>VND</b>
Hultafors Group AB	41,997,882,352	44,776,318,875
Louis Dreyfus Company Suisse Sa	34,869,199,109	25,899,927
Kwong Lung Enterprise Co., Ltd	6,699,653,363	36,430,638,305
Other suppliers	237,683,971,962	253,386,187,416
	<hr/>	<hr/>
	321,250,706,786	334,619,044,523
	<hr/>	<hr/>

**(b) Accounts payable to suppliers who are related parties**

	<b>30/6/2022</b>	<b>1/1/2022</b>
	<b>VND</b>	<b>VND</b>
<b>The parent company</b>		
Vietnam National Textile and Garment Group	12,592,557,881	16,103,745,493
<b>Associate</b>		
Hoa Tho - Quang Nam Garment Joint Stock Company	7,484,273,992	8,334,074,082
Hoa Tho - Phu Ninh Garment Joint Stock Company	-	12,025,365
<b>Other related parties in Vietnam National Textile and Garment Group</b>		
Coats Phong Phu Co., Ltd.	3,251,221,158	2,430,308,000
Hue Textile Garment Joint Stock Company	6,432,873	14,783,300
	<hr/>	<hr/>
	23,334,485,904	26,894,936,240
	<hr/>	<hr/>

The trade related amounts due to the related parties were unsecured, interest free and are payable within 60 days from invoice date.

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

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

	<b>1/1/2022 VND</b>	<b>Incurred VND</b>	<b>Net-off VND</b>	<b>30/6/2022 VND</b>
Foreign contractor tax	-	3,555,457	-	3,555,457

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

	<b>1/1/2022 VND</b>	<b>Incurred VND</b>	<b>Paid/Net-off VND</b>	<b>30/6/2022 VND</b>
Value added tax	8,023,760,896	77,728,366,710	(76,166,736,704)	9,585,390,902
Import tax	207,330,386	3,794,815,819	(3,984,732,277)	17,413,928
Corporate income tax	9,080,213,740	28,852,814,612	(23,435,311,104)	14,497,717,248
Personal income tax	188,574,250	4,226,555,738	(3,872,058,228)	543,071,760
Other taxes	3,354,697	7,245,882,573	(895,932,310)	6,353,304,960
	<b>17,503,233,969</b>	<b>121,848,435,452</b>	<b>(108,354,770,623)</b>	<b>30,996,898,798</b>

**21. Accrued expenses**

	<b>30/6/2022 VND</b>	<b>1/1/2022 VND</b>
Operating costs	9,596,661,555	2,418,190,333
Interest expense	141,399,227	376,111,793
Others	1,213,743,161	1,814,912,600
	<b>10,951,803,943</b>	<b>4,609,214,726</b>

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**22. Other short-term payables**

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Trade union fees	16,970,612,571	17,404,033,529
Social, health and unemployment insurance	-	14,475,299
Short-term deposits and collaterals received	160,000,000	165,000,000
Payments on behalf	1,401,733,493	2,703,517,178
Dividend payables	1,059,468,100	984,196,600
Charity fund	832,771,781	832,771,781
Others	7,006,771,245	3,828,604,156
	<hr/> 27,431,357,190	<hr/> 25,932,598,543 <hr/>



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**23. Borrowings**

**(a) Short-term borrowings**

	<b>1/1/2022</b> <b>Carrying amount and</b> <b>amount within</b> <b>repayment capacity</b> <b>VND</b>	<b>Movements during the period</b>			<b>30/6/2022</b> <b>Carrying amount and</b> <b>amount within</b> <b>repayment capacity</b> <b>VND</b>
		<b>Increase</b> <b>VND</b>	<b>Decrease</b> <b>VND</b>	<b>Unrealised foreign</b> <b>exchange differences</b> <b>VND</b>	
Short-term borrowings	506,899,307,014	1,970,446,054,130	(1,926,741,125,710)	4,192,794,477	554,797,029,911
Current portion of long-term borrowings (b)	46,171,454,063	20,668,609,941	(25,826,167,113)	308,271,107	41,322,167,998
	<b>553,070,761,077</b>	<b>1,991,114,664,071</b>	<b>(1,952,567,292,823)</b>	<b>4,501,065,584</b>	<b>596,119,197,909</b>

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

	<b>Currency</b>	<b>Annual</b> <b>interest rate</b>	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Bank borrowing 1 (i)	USD	1.30% - 1.70%	287,820,302,944	205,675,587,086
Bank borrowing 2 (i)	USD	2.70%	8,922,894,540	-
Bank borrowing 3 (i)	USD	1.50%	147,586,711,720	77,942,926,642
Bank borrowing 4 (i)	VND	1.56%	-	37,633,249,507
Bank borrowing 5 (i)	USD	3% - 3.30%	6,422,455,149	18,266,492,510
Bank borrowing 6 (i)	USD	1.40%	-	167,132,051,269
Bank borrowing 7 (i)	USD	4.53%	57,000,000,000	-
Bank borrowing 8 (i)	VND	1.40%	46,774,459,558	-
Borrowing from Retirement Board (ii)	VND	8.40%	270,206,000	249,000,000
			<b>554,797,029,911</b>	<b>506,899,307,014</b>

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- (i) These borrowings are secured over term deposit contracts (Note 10(a)), certain accounts receivable (Note 11), inventories (Note 14) and fixed asset of the Corporation and its subsidiaries (Note 15).
- (ii) These borrowings are unsecured.

**(b) Long-term borrowings**

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Long-term borrowings	327,503,816,259	347,527,312,404
Repayable within twelve months	(41,322,167,998)	(46,171,454,063)
Repayable after twelve months	286,181,648,261	301,355,858,341

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

	Currency	Annual interest rate	Year of maturity	30/6/2022 VND	1/1/2022 VND
Bank borrowing 1 (i)	USD	5.0%	2022	-	5,588,879,756
Bank borrowing 2 (i)	USD	4.8%	2024	25,000,000,000	30,000,000,000
Bank borrowing 3 (i)	VND	5.4%	2025	88,671,808,829	99,659,602,309
Environmental Protection Fund (ii)	VND	2.6%	2025	4,650,000,000	5,270,000,000
Vietnam National Textile and Garment Group – the parent company (iii)	USD	LIBOR + 0.7%	2039	209,182,007,430	207,008,830,339
				<hr/> 327,503,816,259	<hr/> 347,527,312,404 <hr/>

- (i) Borrowings are from banks and secured over some tangible fixed assets and term deposit contracts of the Corporation and the subsidiaries (Note 15 and Note 10(a)).
- (ii) These borrowings are unsecured.
- (iii) These are re-lent by Vietnam National Textile and Garment Group from the borrowings granted by Asia Development Bank (“ADB”) with a credit limit of USD9,042,587.



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**24. Bonus and welfare fund**

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

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Opening balance	69,175,100,458	72,523,791,358
Appropriation	11,170,216,362	3,063,076,395
Other additions	56,290,577	206,719,141
Other decreases	-	(50,000,000)
Utilisation	(9,686,482,506)	(5,377,621,982)
Closing balance	70,715,124,891	70,365,964,912

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**25. Changes in owners' equity**

	Share capital VND	Other capital VND	Investment and development fund VND	Retained profits VND	Non-controlling interests VND	Total VND
<b>Balance at 1 January 2021</b>	225,000,000,000	-	131,581,249,354	93,703,298,049	27,705,259,573	477,989,806,976
Net profit for the period	-	-	-	41,122,834,344	6,144,651,774	47,267,486,118
Appropriation to investment and development fund	-	-	9,382,269,226	(9,382,269,226)	-	-
Dividends (Note 28)	-	-	-	(33,750,000,000)	(80,210,000)	(33,830,210,000)
Stock dividend in subsidiaries	-	1,176,340,000	-	(1,176,340,000)	-	-
Appropriation to bonus and welfare fund	-	-	-	(2,942,221,767)	(120,854,628)	(3,063,076,395)
<b>Balance at 30 June 2021</b>	225,000,000,000	1,176,340,000	140,963,518,580	87,575,301,400	33,648,846,719	488,364,006,699
<b>Balance at 1 January 2022</b>	236,250,000,000	1,176,340,000	140,963,518,580	234,646,810,143	40,761,999,959	653,798,668,682
Net profit for the period	-	-	-	133,368,239,691	7,829,704,523	141,197,944,214
Appropriation to investment and development fund	-	-	37,063,265,741	(37,063,265,741)	-	-
Dividends (Note 28)	-	-	-	(23,625,000,000)	(2,551,000,000)	(26,176,000,000)
Stock dividend in subsidiaries	-	576,600,000	-	(576,600,000)	-	-
Stock dividend (Note 28)	63,780,750,000	-	-	(63,780,750,000)	-	-
Appropriation to bonus and welfare fund	-	-	-	(10,839,820,133)	(330,396,229)	(11,170,216,362)
<b>Balance at 30 June 2022</b>	300,030,750,000	1,752,940,000	178,026,784,321	232,129,613,960	45,710,308,253	757,650,396,534

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**26. Share capital**

The Corporation's authorised and issued share capital are:

	30/6/2022		1/1/2022	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	30,003,075	300,030,750,000	23,625,000	236,250,000,000
<b>Issued share capital</b>				
Ordinary shares	30,003,075	300,030,750,000	23,625,000	236,250,000,000
<b>Shares in circulation</b>				
Ordinary shares	30,003,075	300,030,750,000	23,625,000	236,250,000,000

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



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Share capital issued and in circulation of shareholders is as follows:

	<b>30/6/2022</b>			<b>1/1/2022</b>		
	<b>Issued and in circulation</b>			<b>Issued and in circulation</b>		
	<b>Number of shares</b>	<b>VND</b>	<b>%</b>	<b>Number of shares</b>	<b>VND</b>	<b>%</b>
Vietnam National Textile and Garment Group	18,561,838	185,618,380,000	61.87%	14,615,621	146,156,210,000	61.87%
Other shareholders	11,441,237	114,412,370,000	38.13%	9,009,379	90,093,790,000	38.13%
	30,003,075	300,030,750,000	100%	23,625,000	236,250,000,000	100%

Movements in share capital during the period were as follows:

	<b>Six-month period ended</b>			
	<b>30/6/2022</b>		<b>30/6/2021</b>	
	<b>Number of shares</b>	<b>VND</b>	<b>Number of shares</b>	<b>VND</b>
Balance at the beginning of the period	23,625,000	236,250,000,000	22,500,000	225,000,000,000
Shares issued during the period	6,378,075	63,780,750,000	-	-
Balance at the end of the period	30,003,075	300,030,750,000	22,500,000	225,000,000,000

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**27. 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.

**28. Dividends**

The General Meeting of Shareholders of the Corporation on 16 April 2022 resolved to distribute dividends in cash amounting to VND23,625 million (equivalent to a dividend rate of 10%) and stock dividend amounting to VND63,780 million (equivalent to a dividend rate of 27%) for 2021 (the six-month period ended 30 June 2021: VND33,750 million for 2020, equivalent to 15% of the charter capital as at 31 December 2020).

**29. Off balance sheet items**

**(a) Lease**

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

	30/6/2022 VND	1/1/2022 VND
Within one year	13,092,302,578	20,540,730,148
Within two to five years	52,309,784,279	77,343,171,463
More than five years	154,488,700,283	96,420,735,773
	219,890,787,140	194,304,637,384

**(b) Foreign currencies**

	30/6/2022		1/1/2022	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	484,141	11,199,474,566	436,015	9,853,729,499
EUR	-	-	221	5,616,408
		11,199,474,566		9,859,345,907

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**(c) Capital expenditure commitments**

At the reporting date, the Corporation had the following outstanding investment projects approved but not provided for in the consolidated balance sheet:

	<b>30/6/2022</b> <b>VND</b>	<b>1/1/2022</b> <b>VND</b>
Approved but not contracted	35,590,000,000	31,020,000,000
Approved and contracted	37,719,000,000	27,417,600,000
	<hr/> 73,309,000,000	<hr/> 58,437,600,000 <hr/>

**30. Revenue from sales of goods and provision of services**

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

**31. Financial income**

	<b>Six-month period ended</b> <b>30/6/2022</b> <b>VND</b>	<b>30/6/2021</b> <b>VND</b>
Interest income from deposits and loans	2,062,307,539	1,452,510,844
Dividends	168,000,000	168,000,000
Realised foreign exchange gains	28,221,549,390	9,593,344,201
Other financial income	3,633,014	5,585,004
	<hr/> 30,455,489,943	<hr/> 11,219,440,049 <hr/>

**32. Financial expenses**

	<b>Six-month period ended</b> <b>30/6/2022</b> <b>VND</b>	<b>30/6/2021</b> <b>VND</b>
Interest expense	9,768,444,608	8,588,108,270
Realised foreign exchange losses	5,872,522,617	1,986,454,975
Unrealised foreign exchange losses	8,206,591,988	977,103,222
Allowance made for diminution in the value of long-term investments	296,709,522	-
	<hr/> 24,144,268,735	<hr/> 11,551,666,467 <hr/>



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**33. Selling expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Staff costs	2,543,308,280	2,468,290,846
Supplies and packages	318,104,990	346,285,379
Depreciation charges	490,255,248	488,667,862
Outside services	59,264,975,225	37,008,664,271
Other expenses	7,427,133,757	5,203,820,901
	<hr/>	<hr/>
	70,043,777,500	45,515,729,259
	<hr/>	<hr/>

**34. General and administration expenses**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Staff costs	36,170,100,769	30,679,833,019
Depreciation charges	4,829,233,183	5,686,845,040
Taxes, fees and charges	6,573,102,587	2,709,395,939
Outside services	10,788,910,811	6,254,792,629
Allowance for doubtful debts	176,297,000	764,003,735
Others	15,760,205,298	12,615,446,708
	<hr/>	<hr/>
	74,297,849,648	58,710,317,070
	<hr/>	<hr/>

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**35. Other income**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Gain from disposals of fixed assets	644,047,801	317,272,728
Others	3,316,573,520	698,754,765
	<hr/>	<hr/>
	3,960,621,321	1,016,027,493
	<hr/>	<hr/>

**36. Production and business costs by element**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Raw material costs included in production costs	1,257,236,801,046	731,658,254,695
Staff costs	723,801,647,342	515,308,829,021
Depreciation and amortisation	62,948,909,906	65,228,731,731
Outside services and other expenses	351,225,039,774	243,993,417,574
	<hr/>	<hr/>

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**37. Income tax**

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

	<b>Six-month period ended</b>	<b>Six-month period ended</b>
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
<b>Current tax expense</b>		
Current period	28,852,814,612	4,087,042,356

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

	<b>Six-month period ended</b>	<b>Six-month period ended</b>
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
Accounting profit before tax	170,050,758,826	51,354,528,474
Tax at the Corporation's tax rate	34,010,151,765	5,135,452,847
Effect of different tax rate applied in subsidiaries	(2,859,131,943)	70,855,188
Effect of different tax rate applied to other income	-	286,194,083
Non-deductible expenses	352,889,112	122,976,945
Tax exempt income	(33,600,000)	(16,800,000)
Changes in unrecognised temporary differences	(1,039,548,416)	967,631,395
Tax losses utilised	(13,979,934)	(685,082,202)
Tax incentives in subsidiaries	(1,429,565,972)	(1,693,881,744)
Other changes	-	(100,304,156)
	28,852,814,612	4,087,042,356

**(c) Applicable tax rates**

**(i) To the Corporation**

Under the provisions of the current Income Tax Law, the Corporation has an obligation to pay the Government corporate income tax at the rate of 20% of taxable profits.

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**(ii) To the subsidiaries**

Hoa Tho - Thang Binh Garment Joint Stock Company has an obligation to pay the Government income tax at the rate of 20%. The current income tax regulations allow these subsidiaries to have corporation income tax at the rate of 10% for 15 years (from 2016 to 2030), be exempt from income tax for 4 years starting from the first year it generates a taxable profit (from 2018 to 2021) and entitled to a 50% reduction in CIT for the 9 succeeding years (2022 - 2030).

Other subsidiaries have an obligation to pay the Government income tax at the rate of 20%.

**38. Basic earnings per share**

The calculation of basic earnings per share for the six-month period ended 30 June 2022 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding at the time of reporting, calculated as follows:

**(a) Weighted average number of ordinary shares**

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>(Shares)</b>	<b>(Shares)</b>
		<b>Restated</b>
Issued ordinary shares at the beginning of the period	23,625,000	22,500,000
Effect of payment of stock dividends for the six-month period ended 30 June 2022 (Note 28)	6,378,075	6,075,000
Weighted average number of ordinary shares for the period	30,003,075	28,575,000



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**(b) Basic earnings per share**

The calculation of basic earnings per share for the six-month period ended 30 June 2022 was based on the profit attributable to ordinary shareholders after deducting the amounts appropriated to bonus and welfare fund for the accounting period and a weighted average number, calculated as follows:

	<b>Six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
		<b>Restated</b>
Net profit for the period (VND)	133,368,239,691	41,122,834,344
Appropriation to Bonus and welfare funds (VND)	(5,000,000,000)	(2,368,637,231)
Net profit attributable to ordinary shareholders (VND)	128,368,239,691	38,754,197,113
Weighted average number of ordinary shares for the period (shares)	30,003,075	28,575,000
Basic earnings per share (VND/share)	4,279	1,356

**(c) Restatements of weighted average number of ordinary shares and basic earnings per share for the six-month period ended 30 June 2021**

Weighted average number of ordinary shares and basic earnings per share for the six-month period ended 30 June 2021 have been restated due to effects of payment of stock dividends (Note 28) in accordance with Item 24 of Vietnamese Accounting Standard No. 30 – Earnings per share and appropriation of profit after tax to bonus and welfare fund (Note 25) as follows:

	<b>Weighted average number of ordinary shares</b>	<b>Basic earnings per share VND</b>
As previously reported	22,500,000	1,828
Effect of payment of stock dividends	6,075,000	(389)
Effect of appropriation of profit after tax to bonus and welfare fund	-	(83)
As restated	28,575,000	1,356

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**39. Significant transactions with related parties**

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

	<b>Transaction value</b>	
	<b>for six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
<b>The Parent Company - Vietnam National Textile and Garment Group</b>		
Dividends declared	14,615,621,000	21,923,431,500
Sales of goods and services	1,194,684,759	1,131,480,455
Purchase of goods and services	8,300,451,170	10,740,257,306
Interest expenses	1,855,039,474	1,801,607,235
<b>Associates</b>		
<b>Hoa Tho Phu Ninh Garment Joint Stock Company</b>		
Sales of goods and services	800,093,448	583,243,696
Purchase of goods and services	45,639,919,086	25,201,702,425
Loans granted	5,055,440,000	-
<b>Hoa Tho - Quang Nam Garment Joint Stock Company</b>		
Sales of goods and services	282,518,169	465,756,938
Purchase of goods and services	48,819,297,093	35,301,173,308
Dividends received through offsetting with liabilities	1,285,600,000	1,285,600,000
Dividends declared and paid	520,000,000	-
<b>Other related parties in Vietnam National Textile and Garment Group</b>		
<b>Nha Be Garment Corporation - Joint Stock Company</b>		
Sales of goods and services	-	492,718,317
Purchase of goods and services	18,660,326	-
<b>Coats Phong Phu Co., Ltd</b>		
Purchase of goods and services	9,474,009,385	10,532,520,305
<b>Hue Textile Garment Joint Stock Company</b>		
Sales of goods and services	129,818,201	232,383,836
Purchase of goods and services	63,411,820	156,124,545

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	<b>Transaction value</b>	
	<b>for six-month period ended</b>	
	<b>30/6/2022</b>	<b>30/6/2021</b>
	<b>VND</b>	<b>VND</b>
<b>Key management personnel compensation</b>		
<i>General Director</i>		
Salary and bonus	1,109,489,264	783,834,551
<i>Other members of Board of Directors</i>		
Salary and bonus	7,432,404,581	5,806,868,313
<i>Members of Supervisory Board</i>		
Salary, bonus and compensation	286,578,510	261,494,526
<i>Chairman of Board of Management</i>		
Salary, bonus and compensation	1,454,485,507	1,336,054,261
<i>Member No.1 of Board of Management</i>		
Compensation and bonus	133,333,333	133,333,333
<i>Member No.2 of Board of Management</i>		
Compensation	66,666,668	66,666,666
<i>Member No. 3 of Board of Management</i>		
Compensation	66,666,668	66,666,666
<i>Member No.4 of Board of Management</i>		
Compensation and bonus	188,888,887	166,666,665
<i>Member No.5 of Board of Management</i>		
Compensation	66,666,668	66,666,666

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**40. Comparative information**

Comparative information were derived from the balances and amounts reported in the Corporation's consolidated financial statements for the year ended 31 December 2021 for balances and amounts reported in the consolidated balance sheet and the explanatory notes thereto, and information for the six-month period ended 30 June 2021 presented in the Corporation's consolidated interim financial statements for the six-month period ended 30 June 2021 for balances and amounts reported in the consolidated statement of income, the consolidated statement of cash flows and the explanatory notes thereto.

16 August 2022

Prepared by:



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*Chief Accountant*

Approved by:



Nguyen Van Hai  
*General Director*