

SEAREFICO CORPORATION

**SEPARATE FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022**



SEPERATE FINANCIAL STATEMENTS of 2022

SEPERATE FINANCIAL STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2022

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SEAREFICO CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate joint stock company No. 0301825452 was initially issued by the Department of Planning and Investment of Ho Chi Minh City on 18 September 1999 and the latest 21th amendment dated 28 September 2022.

Board of Directors	Mr. Le Tan Phuoc	Chairman
	Mr. Nguyen Huu Thinh	Member
	Mr. Ryota Fukuda	Member
	Mr. Nishi Masayuki	Member
	Mr. Le Quang Phuc	Member
	Mr. Pham Kyle Anh Tuan	Member (from 25 February 2022)
	Mr. Lee Men Leng	Member (to 24 February 2022)
Audit Committee	Mr. Pham Kyle Anh Tuan	Chairman
	Mr. Nguyen Huu Thinh	Member
Science and technology Committee	Mr. Le Tan Phuoc	Chairman
	Mr. Nishi Masayuki	Member
Compensation and Organisation Development Committee	Mr. Le Quang Phuc	Chairman
	Mr. Nguyen Huu Thinh	Member
Board of Internal Audit under Board of Directors	Ms. Huynh Nhu Phuong	Chief Supervisor (from 1 July 2022)
	Mr. Nguyen Chau Tran	Acting Chief Supervisor (to 30 June 2022)

SEAREFICO CORPORATION

CORPORATE INFORMATION (continued)

Board of Management	Mr. Vu Xuan Thuc	Chief Executive Officer (from 1 September 2022)
	Ms. Nguyen Thi Thanh Huong	Chief Executive Officer (to 4 July 2022)
	Mr. Tran Dinh Muoi	Deputy General Director
	Mr. Pham Ngoc Son	Deputy General Director
	Mr. Huynh Khoi Binh	Deputy General Director
	Mr. Nguyen Quoc Cuong	Deputy General Director (to 1 July 2022)
	Mr. Phan Thanh Long	Chief Financial Officer
	Mr. Dinh Ngoc Trien	Chief Accountant (from 12 September 2022)
	Mr. Vuong Tran Quoc Thanh	Chief Accountant (to 11 September 2022)
Legal representative	Mr. Vu Xuan Thuc	Chief Executive Officer
Registered office	14th Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street, Vo Thi Sau Ward , District 3, Ho Chi Minh City, Vietnam	

SEAREFICO CORPORATION

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of responsibility of the Board of Management of the Company in respect of the nine-month period separate financial statements

The Board of Management of Searefico Corporation (“the Company”) is responsible for preparing the nine-month separate financial statements of the Company which give a true and fair view of the nine-month separate financial position of the Company as at 30 September 2022, and the nine-month separate results of its operations and cash flows for the nine-month period then ended. In preparing these nine-month separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the nine-month separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and which enable the nine-month separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the nine-month separate financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and error.

Approval of the nine-month separate financial statements

We hereby, approve the accompanying 3rd Quarter separate financial statements as set out on pages 4 to 39 which give a true and fair view of the 3rd Quarter separate financial position of the Company as at 30 September 2022, and of the 3rd Quarter separate results of its operations and its 3rd Quarter separate cash flows for the nine-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of 3rd Quarter separate financial statements.

On behalf of the Board of Management



Vu Xuan Thuc

Chief Executive Officer

Authorised signatory authorised by Legal Representative

Ho Chi Minh City, SR Vietnam 29 October 2022

SEAREFICO CORPORATION

Form: B01-DN

SEPARATE BALANCE SHEET
as at 30 September 2022

Unit: VND

Code	ASSETS	Notes	Ending period	Beginning period
100	CURRENT ASSETS		663,014,682,059	697,639,081,578
110	Cash and cash equivalents	4	172,878,799,699	18,248,461,423
111	Cash		2,878,799,699	18,248,461,423
112	Cash equivalents		170,000,000,000	-
120	Short-term investments		110,000,000,000	110,000,000,000
123	Investment held-to-maturity	5.1	110,000,000,000	110,000,000,000
130	Current accounts receivable		333,364,416,720	510,560,203,220
131	Short-term trade receivables	6.1	338,168,278,061	464,506,007,581
132	Short-term prepayments to suppliers	6.2	11,082,638,853	14,510,474,258
135	Short-term lendings		4,188,000,000	1,150,000,000
136	Other short-term receivables	7.1	17,542,651,939	49,767,567,153
139	Provision for doubtful debts	6.1	(37,617,152,133)	(19,373,845,772)
140	Inventories	8	43,950,311,550	35,399,850,396
141	Inventories		43,950,311,550	35,399,850,396
149	Provision for obsolete inventories		-	-
150	Other current assets		2,821,154,090	23,430,566,539
151	Short-term prepaid expenses	14	1,460,393,719	376,351,597
152	Value-added tax deductible		1,194,740,500	23,054,214,942
153	Tax and other receivables from the State	19	166,019,871	
200	LONG-TERM ASSETS		351,961,169,273	403,013,121,277
210	Long-term receivable		4,285,057,608	4,373,260,000
212	Long-term prepayments to suppliers	6.2	2,911,797,608	3,000,000,000
216	Other long-term receivables	7.2	1,373,260,000	1,373,260,000
220	Fixed assets		667,993,534	1,024,186,697
221	Tangible fixed assets	9	667,993,534	1,024,186,697
222	<i>Historical Cost</i>		<i>8,154,533,655</i>	<i>8,117,033,655</i>
223	<i>Accumulated depreciation</i>		<i>(7,486,540,121)</i>	<i>(7,092,846,958)</i>
227	Intangible assets	11	-	-
228	<i>Historical Cost</i>		<i>2,011,626,260</i>	<i>2,011,626,260</i>
229	<i>Accumulated depreciation</i>		<i>(2,011,626,260)</i>	<i>(2,011,626,260)</i>
240	Long-term assets in progress		29,803,503,417	29,803,503,417
242	Construction in progress	12	29,803,503,417	29,803,503,417
250	Long-term investments	13	311,810,906,116	364,203,786,116
251	Investment in a subsidiary	13.1	308,354,188,754	308,354,188,754
252	Investment in an associate	13.2	-	51,392,880,000
253	Investment in other entity	13.3	3,456,717,362	4,456,717,362
260	Other long-term assets		5,393,708,598	3,608,385,047
261	Long-term prepaid expenses	14	2,310,973,042	500,911,491
262	Deferred tax assets	15	3,082,735,556	3,107,473,556
270	TOTAL ASSETS		1,014,975,851,332	1,100,652,202,855

SEAREFICO CORPORATION

Form: B01-DN

SEPARATE BALANCE SHEET (continued)
As at 30 September 2022

			Unit: VND	
Code	RESOURCES	Note	Ending period	Beginning period
300	LIABILITIES		510,171,933,525	702,247,108,110
310	Short-term liabilities		505,829,890,126	696,097,731,775
311	Short-term trade payables	16	185,390,951,988	284,338,850,226
312	Short-term advances from customers	17	50,743,309,015	32,080,254,422
313	Tax and other payables to the State Budget	19	34,867,590,598	3,614,157,302
314	Payables to employees		1,329,148,770	1,352,598,009
315	Short-term accrued expenses	20.1	34,644,667,084	34,337,753,574
319	Other short-term payables	21.1	12,971,503,719	14,004,157,905
320	Short-term loans	18	179,859,447,894	314,569,387,946
321	Short-term provision	22	564,830,348	606,161,130
322	Bonus and welfare fund	23	5,458,440,710	11,194,411,261
330	Long-term liabilities		4,342,043,399	6,149,376,335
337	Other long-term liabilities		2,229,631,649	3,625,454,585
342	Long-term provision	24	2,112,411,750	2,523,921,750
400	OWNERS' EQUITY		504,803,917,807	398,405,094,745
410	Capital	25	504,803,917,807	398,405,094,745
411	Share capital		355,667,800,000	355,667,800,000
411.1	Shares with voting rights		355,667,800,000	355,667,800,000
412	Share premium		284,019,059	284,019,059
415	Treasury shares		(29,238,407,099)	(29,238,407,099)
418	Investment and development fund		5,427,578,589	5,427,578,589
421	Undistributed earnings		172,662,927,258	66,264,104,196
421.1	Undistributed earnings up to prior year-end		64,509,973,663	48,722,798,863
421.2	Undistributed earnings of current year		108,152,953,595	17,541,305,333
600	TOTAL RESOURCES		1,014,975,851,332	1,100,652,202,855

Preparer



Nguyen Thanh Tam

Chief Accountant



Dinh Ngoc Trien

Ho Chi Minh, October 29 2022

Chief Executive Officer



Vu Xuan Thuc

SEAREFICO CORPORATION

Form: B 02-DN

SEPARATE INCOME STATEMENT
For the period 3th Quarter 2022

Code	Items	Notes	This period	Previous period	Current year	Unit: VND	
						Previous year	
01	Revenues from sale of goods and rendering of services	26.1	8,917,921,863	55,789,834,792	26,618,386,667	170,165,951,042	
02	Deductions	26.1	-	-	-	-	
10	Net revenues from sale of goods and rendering of services	26.1	8,917,921,863	55,789,834,792	26,618,386,667	170,165,951,042	
11	Costs of goods sold and services rendered	27	8,646,206,805	50,874,262,889	18,368,139,338	149,185,020,680	
20	Gross profit from sale of goods and rendering of services		271,715,058	4,915,571,903	8,250,247,329	20,980,930,362	
21	Finance income	26.2	3,057,611,878	2,518,055,201	207,729,093,534	21,831,308,483	
22	Finance expenses	29	3,063,818,205	4,811,721,933	19,669,351,712	16,872,793,317	
23	In which: interest expense		3,153,656,686	4,810,140,363	11,962,403,876	16,867,492,547	
26	General and administrative expenses	28	19,521,644	1,602,365,878	53,720,883,820	17,519,205,643	
30	Operating profit		245,987,087	1,019,539,293	142,589,105,331	8,420,239,885	
31	Other income	30	1,391,472,873	150,680,720	2,155,717,430	2,302,080,647	
32	Other expenses	30	1,314,796,625	-	2,097,507,601	1,479,965,062	
40	Other profit	30	76,676,248	150,680,720	58,209,829	822,115,585	
50	Accounting profit before tax		322,663,335	1,170,220,013	142,647,315,160	9,242,355,470	
51	Current corporate income tax expense	31	127,811,381	-	34,469,623,565	629,319,200	
52	Deferred tax income (expense)	31	-	-	24,738,000	109,906,221	
60	Net profit after tax		194,851,954	1,170,220,013	108,152,953,595	8,503,130,049	

Preparer

Nguyễn Thanh Tam

Chief Accountant

Đinh Ngọc Trien

Hà Chí Minh, October 29 2022

Chief Executive Officer



SEPARATE CASH FLOW STATEMENT
For the period 3th quarter 2022

Code	ITEMS	Note	Current period	Unit: VND
				Previous period
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	Profit before tax		142,647,315,160	9,242,355,470
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	9	393,693,163	637,365,816
03	(Reversal of) provisions	28	18,267,306,361	2,082,033,161
04	Foreign exchange losses (gains) arising from revaluation of monetary accounts	26.2; 29	49,048,224	(1,764,625,586)
05	Profits from investing activities	26.2; 29	(198,996,455,676)	(20,214,514,802)
06	Interest expense	29	11,962,403,876	16,867,492,547
07	Other Adjustments		-	-
08	Operating profit before changes in working capital		(25,676,688,892)	6,850,106,606
09	Increase (decrease) in receivables		176,993,658,809	305,807,282,200
10	Decrease (increase) in inventories		(8,550,461,154)	(10,153,870,840)
11	Increase (decrease) in payables		(91,213,569,102)	(104,198,699,876)
12	(Increase) decrease in prepaid expenses		(2,894,103,673)	137,060,604
13	Decrease (increase) in held-for-trading securities		-	-
14	Interest paid		(11,234,510,657)	(16,273,514,566)
15	Corporate income tax paid	19	(2,867,318,718)	(7,760,451,257)
16	Other cash inflows from operating activities		-	-
17	Other cash outflows for operating activities		(7,901,611,084)	(7,333,391,827)
20	Net cash flows from (used in) operating activities		26,655,395,529	167,074,521,044
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase of fixed assets		(37,500,000)	-
22	Proceeds from disposals of fixed assets		-	214,090,909
23	Loans and purchases of debt instruments of other entities		(264,491,878,384)	(10,000,000,000)
24	Collections of bank deposits		259,593,878,384	20,000,000,000
25	Payments for investments in other entities		52,392,880,000	(96,670,000,000)
26	Receives from investments in other entities		-	36,850,000,000
27	Interest and dividends received		207,227,502,799	17,108,908,950
30	Net cash flows used in investing activities		254,684,882,799	(32,497,000,141)

SEPARATE CASH FLOW STATEMENT (continued)
For the period 3th quarter 2022

Code	ITEMS	Note	Unit: VND	
			Current period	Previous period
	CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contribution and issuance of shares		-	-
32	Capital redemption		-	-
33	Drawdown of borrowings		132,642,789,650	774,969,211,636
34	Repayment of borrowings		(259,352,729,702)	(939,417,343,305)
35	Payment of principal of finance lease liabilities		-	-
36	Dividends paid	25.4	-	-
40	Net cash flows from financing activities		(126,709,940,052)	(164,448,131,669)
50	Net decrease in cash and cash equivalents		154,630,338,276	(29,870,610,766)
60	Cash and cash equivalents at beginning of period	4	18,248,461,423	32,339,671,707
61	Impact of exchange rate fluctuation		-	-
70	Cash and cash equivalents at end of period	4	172,878,799,699	2,469,060,941

Preparer


Nguyen Thanh Tam

Chief Accountant


Dinh Ngoc Trien

Ho Chi Minh, October 29 2022

Chief Executive Officer




Vu Xuan Thuc

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

For the period ended 30 September 2022

1 GENERAL INFORMATION

Searefico Corporation (“the Company”) is a joint stock company established in SR Vietnam pursuant to enterprise registration certificate joint stock company (“ERCJSC”) No. 0301825452 initially issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City on 18 September 1999, as the latest amended on 28 September 2022.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with the symbol SRF in accordance with License No. 117/QĐ-SGDHCM dated 29 September 2009, and the first trading date of the Company’s shares was on 21 October 2009.

The Company’s registered activities are to consult, survey, design, supply materials and equipment and provide installation services in relation to industrial refrigeration projects, air conditioning system, electricity system, fire prevention and fighting system, lift, water supply and drainage system, mechanics for industrial and household projects; produce and process, fabricate refrigeration machinery, equipment and materials; execute construction and interior decoration projects for civil works and industrial projects; provide maintenance and repair services of refrigeration equipment and transportation vehicles; trade materials and goods, machinery and equipment; execute construction of road and rail transportation infrastructures, public projects and houses.

The normal business cycle of the Company is 12 months.

The Company has one branch as follows:

- Danang Refrigeration Electrical Engineering Company – Searefico Corporation (“Searee”) incorporated pursuant to the ERC No. 3213000275 issued by the DPI of Da Nang City on 17 January 2000 and the amendments. Searee’s registered office is located at Road 10, Hoa Khanh Industrial Zone, Lien Chieu District, Da Nang City.

The Company has three direct subsidiaries, Asia Refrigeration Industry Joint Stock Company (“Arico”), Seareal Real Estate Joint Stock Company (“Seareal”) and SEAREFICO Engineering and Construction Joint Stock Company (“SEAREFICO E&C”); three indirect subsidiaries, Greenpan Joint Stock Company (“Greenpan”); Searee Refrigeration Electrical Engineering Corporation (“Searee Corporation”), Phoenix Energy & Automation Joint Stock Company.

As at 30 September 2022, the Company had 29 employees (As at 30 June 2022: 30 employees).

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
For the period ended 30 September 2022

1 GENERAL INFORMATION (continued)

As at 30 September 2022 and 31 December 2021, the Company had subsidiaries and associates as follows:

	Principal activities	Place of incorporation and operation	30.9.2022		31.12.2021	
			Owner-ship (%)	Voting Rights (%)	Owner-ship (%)	Voting Rights (%)
Direct subsidiaries						
Searefico Engineering and Construction Joint Stock Company (“Searefico E&C”)	Installation of industrial refrigeration projects, air conditioning systems	District 3, Ho Chi Minh City, Vietnam	99.31	99.31	99.31	99.31
Seareal Real Estate Joint Stock Company (“Seareal”)	Trading real estate	District 3, Ho Chi Minh City, Vietnam	98.40	98.40	98.40	98.40
Asia Refrigeration Industry Joint Stock Company (“Arico”)	Execution of refrigeration electrical mechanical systems; producing insulated materials	Binh Tan District, Ho Chi Minh City, Vietnam	84.00	84.00	84.00	84.00
Indirect subsidiaries						
Searee Refrigeration Electrical Engineering Corporation (“Searee”)	Execution of refrigeration electrical mechanical systems	Lien Chieu District, Da Nang City, Vietnam	73.19	73.19	73.19	73.19
Phoenix Energy & Automation Joint Stock Company (“Phoenix”)	Producing, transmitting and distributing electricity; installation of electrical systems	Binh Tan District, Ho Chi Minh City, Vietnam	37.80	37.80	37.80	37.80
Greenpan Joint Stock Company (“Greenpan”)	Producing unburnt light materials, PIR fireproof panels (polyisocyanurate)	Binh Tan District, Ho Chi Minh City, Vietnam	48.64	48.64	48.64	48.64
Associate						
Thua Thien Hue Construction Joint Stock Corporation (“HCC”) (*)	Construction of civil and industrial projects	Hue City, Thua Thien – Hue Province, Vietnam	0.00	0.00	36.00	36.00

(*) According to the resolution of the Board of Directors No. 01/QĐ/SRF/HĐQT/22 dated 17 January 2022, the Company has divested all the shares that the Company owned in Thua Thien Hue Construction Joint Stock Corporation. This divestment was completed on 21 March 2022.

2. BASES OF PREPARATION

For the period ended 30 September 2022

2.1 Basis of preparation of separate financial statements

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements. The separate financial statements have been prepared under the historical cost convention.

The accompanying separate financial statements are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

Separately, the Company has also prepared the consolidated financial statements for the Company and its subsidiary ("the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings – which is company over which the Group has the power to govern the financial and operating policies – have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the nine-month period ended 30 June 2016 in order to obtain full information of the financial position and results of operations and cash flows of the Group as a whole.

2.2 Fiscal year

The Company's fiscal year is from 1 January to 31 December.

2.3 Currency

The separate financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"). The Company determines its accounting currency based on the currency which is mainly used in sales of goods and rendering of services, which has a significant impact on selling prices of goods and services, which is normally used for listing selling prices and receiving payments; which is mainly used in purchases of goods or services, which has a significant impact on cost of labor, materials and other production or operating costs and normally used as payments of those costs.

In addition, the Company also uses this currency to raise financial resources (such as via issuance of shares or bonds) and/or regularly collects this currency from business operations and savings.

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised as income or expenses in the 3rd Quarter separate income statement.

2. BASES OF PREPARATION (continued)

2.3 Currency (continued)

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are respectively translated at the buying and selling exchange rates at the 3rd Quarter separate balance sheet date of the commercial banks with which the Company regularly transacts. Foreign currencies deposited in banks at the 3rd Quarter separate balance sheet date are translated at the buying exchange rate of the commercial banks where the Company opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised as income or expenses in the 3rd Quarter separate income statement.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, cash in transit, demand deposits and other short-term investments with an original maturity of three months or less.

3.2 Trade receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off after 100% provisioning and approval by the Board of Management.

Receivables are classified into short-term and long-term receivables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

3.3 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost for each type of inventories is determined as follows:

Raw materials, tools and supplies	- cost of purchase on a weighted average basis.
Finished goods and work in progress	- cost of direct materials and labour plus attributable manufacturing overheads for specific projects.

Net realisable value represents the estimated selling price in the normal course of business less the estimated costs of completion and costs necessary to make the sale.

Provision for decline in value of inventories

An inventory provision is created for the estimated loss arising due to the impairment (through diminution, damage, deficiency, obsolescence, etc.) of inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 Investments

(a) Trading securities

Trading securities are securities, which are held for trading purpose to earn profit. Trading securities are initially recorded at cost of acquisition. They are subsequently measured at cost less provision. The provision for diminution in value of trading securities is made when the cost is higher than its fair value. Profit or loss from liquidation or disposal of trading securities is recorded in the separate income statement. The costs of trading securities disposed are determined by using the moving weighted average method.

(b) Investments held-to-maturity

Investments held-to-maturity are investments which the Company has positive intention and ability to hold until maturity.

Investments held-to-maturity include bank term deposits. Those investments are initially accounted for at cost less provision. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held-to-maturity is made when there is evidence that the investments are uncollectible in whole or in part. Changes in the provision balance during the accounting year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

(c) Investment in subsidiary

Subsidiary is entity over which the Company has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investment in subsidiary is accounted for at cost less provision for diminution in value. Provision for diminution in value is made when there is an impairment of the investments.

(d) Investment in associate

Associate is the investment that the Company has significant influence but not control and would generally have from 20% to less than 50% of the voting rights of the investee.

Investments in associates are accounted for at cost of acquisition including capital contribution value plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews the outstanding investment to determine the amount of provision to recognise at the year end.

(e) Investments in equity of other entities

Investments in equity of other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are initially recorded at cost. Provision for diminution in value of these investments is made when the entities make losses, except when the loss was anticipated in their business plan before the date of investment.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Fixed assets

Tangible and intangible fixed assets

Fixed assets are depreciated and amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the cost of the assets over their estimated useful lives as follows:

Buildings and structures	5 – 25 years
Machinery and equipment	5 – 20 years
Motor vehicles	6 – 10 years
Office equipment	3 – 8 years
Computer software	3 years
Others	5 – 20 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount and are recognised as income or expense in the separate income statement.

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, are carried at cost. Cost includes construction costs, machinery, equipment and professional fees. For qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Construction in progress only transfers to fixed assets and depreciation of these assets commences when the assets are ready for their intended use.

3.6 Leased assets

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the separate income statement on a straight-line basis over the period of the lease.

3.7 Prepaid expenses

Prepaid expenses include short-term or long-term prepayments on the separate balance sheet, mainly comprise of prepaid land rental, office rental, tools and supplies put in use. Prepaid expenses are recorded at historical cost and allocated using the straight line method over estimated useful lives or the period which economic benefits are generated in relation to these expenses.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services.
- Other payables are non-trade payables and not relating to purchase of goods and services.

Payables are classified into long-term and short-term payables on the separate balance sheet based on remaining period from the separate balance sheet date to the maturity date.

3.9 Borrowing costs

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. Other borrowing costs are recognised in the separate income statement when incurred.

3.10 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoice or insufficient records and documents; other payables to employees; accrued interest expenses and project costs in the reporting period. Accrued expenses are recorded as expenses in the reporting period.

3.11 Provisions

Provisions are recognised when: the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provision is not recognised for future operating losses.

3.12 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Company who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Company less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's average salary for the nine-month period prior to the balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in according with current regulations.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 Share capital

Contributed capital of the shareholders is recorded according to actual amount contributed. Contributions from owners are recorded according to par value of the share.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares are shares issued by the Company and bought-back by itself, but these are not cancelled and shall be re-issued in the period in accordance with the Law on securities.

Undistributed earnings record the Company's results after business income tax and the appropriation of profit at the reporting date.

3.14 Appropriation of net profit

Net profit after income tax could be distributed to shareholders after approval at Shareholders' General Meeting, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

Dividend distribution: Dividend of the Company is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's Shareholders' General Meeting.

The Company maintains the following reserves which are appropriated from the Company's net profit as proposed by the Board of Management and subject to approval by the Shareholders' General Meeting.

(a) Development and investment fund

This fund is set aside for use in the Company's expansion or upgrading of its operation or in-depth investments.

(b) Bonus and welfare fund

This fund is set aside for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits and presented as a liability on the separate balance sheet.

3.15 Revenue recognition

(a) Sales of goods

Revenue from the sales of goods is recognised in the separate income statement when all five (5) following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition (continued)

(b) Revenue from construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose of use.

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the amount of work completed and certified by customers at the balance sheet date. Claimable receivable and other receivable are included in revenue to the extent that they have been agreed with customers, verified by the customers and issued invoices.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that it is probable that contract costs incurred will be recoverable. Contract costs are only recognised when incurred during the period.

(c) Interest income

Interest income is recognised on an earned basis.

(d) Dividends and appropriation of profits

Income from dividend and profit sharing is recognised when the Company's entitlement as an investor to receive the dividend or profit is established.

3.16 Sales deduction

Sales deduction is allowance. Sales deduction incurred in the same period of the related sales of products, goods and services are recorded as deduction of revenue of that accounting period.

Sales deduction for products, goods or services which are sold in the period but are incurred after the separate balance sheet date but before the issuance of the separate financial statements are recorded as deduction from revenue of the period.

3.17 Cost of construction contracts

Cost of construction contracts is recognised based on amount of work completed of construction projects at the balance sheet date and the estimated gross profit of the projects, and recorded on the basis of matching with revenue and on prudent concept. The Board of Directors and Directors of the Company's Divisions have the responsibility to follow up, update and adjust the gross profit periodically.

Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

3.18 Financial expenses

Finance expenses are expenses incurred in the period for financial activities including expenses of borrowing, losses from securities selling transactions; provision for diminution in value of trading security and losses from foreign exchange differences.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.19 General and administration expenses

General and administration expenses represent expenses for administrative purposes which mainly include salary expenses of administrative staffs (salaries, wages, allowances...); social insurance, medical insurance, labour union fees, unemployment insurance of administrative staff, depreciation of fixed assets used for administration, provision for doubtful debts, outside services and other cash expenses.

3.20 Current and deferred income tax

Income taxes include all income taxes which are based on taxable profits including profits generated from production and trading activities in other countries with which the Socialist Republic of Vietnam has not signed any double taxation agreement. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

3.21 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering the related party relationship, the Company considers the substance of the relationship not merely the legal form.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

4. CASH AND CASH EQUIVALENTS

	Unit: VND	
	Ending balance	Beginning balance
Cash on hand	-	202,256,980
Cash at banks	2,878,799,699	18,046,204,443
Cash equivalents (*)	170,000,000,000	-
TOTAL	172,878,799,699	18,248,461,423

(*) Cash equivalents represent term deposits with the original maturity of less than three months.

5. SHORT-TERM INVESTMENTS

5.1 Held-to-maturity securities

Investment held-to-maturity include deposits, bonds with original maturity of more than three months and less than one year as follows:

	Unit: VND		
	Ending balance		Beginning balance
	Cost	Fair value	Cost
Short- term			
Bank deposits with original maturities of more than 3 months and less than 12 month	110,000,000,000	110,000,000,000	110,000,000,000
Bonds	-	-	-
TOTAL	110,000,000,000	110,000,000,000	110,000,000,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

6. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCE TO SUPPLIERS

6.1 Short-term trade receivables

Unit: VND

	Ending balance	Beginning balance
Third parties	321,273,919,927	448,878,278,643
- Hai Dang Real Estate Joint Stock Company	11,179,844,838	18,853,173,147
- Construction Joint Stock Company (DESCON)	84,360,709,259	84,360,709,259
- Construction Joint Stock Company No. 1 (COFICO)	21,975,604,712	31,975,604,712
- Saigon Binh Chau Corporation	26,888,743,960	54,552,933,668
- Vietnam Dairy Products Joint Stock Company - Tien Son Dairy Factory	-	33,298,150,377
Related parties (Note 32)	16,894,358,134	15,627,728,938
TOTAL	338,168,278,061	464,506,007,581
Provision for doubtful short-term receivables	(37,617,152,133)	(19,373,845,772)
NET	300,551,125,928	445,132,161,809

Movements in provision for doubtful short-term receivables:

	Ending balance	Beginning balance
Beginning balance	19,373,845,772	44,851,052,405
Provision	25,188,035,009	(8,901,481,935)
Utilisation and reversal	(6,944,728,648)	(16,575,724,698)
Ending balance	37,617,152,133	19,373,845,772

6.2 Short-term advance to suppliers

Unit: VND

	Ending balance	Beginning balance
Advances to suppliers	10,113,632,078	11,629,517,483
In which		
- Gia Hung Construction and Import-Export Company Limited	2,343,178,838	2,343,178,838
Advances to related parties (Note 32)	969,006,775	2,880,956,775
TOTAL	11,082,638,853	14,510,474,258

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

7. OTHER SHORT-TERM RECEIVABLES

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
7.1 Other short - term receivables		
- Advance to employees	2,582,308,863	3,562,244,439
- Other receivables from construction teams	1,362,164,252	1,312,164,252
- Other receivables from employees	1,650,205,048	3,570,220,475
- Short-term deposit	820,723,376	771,865,334
- Interest income receivables	1,101,523,836	2,682,893,699
- Distributed profit	-	-
- Dividend receivables	2,702,166,667	7,742,166,667
- Others	7,323,559,897	30,126,012,287
TOTAL	17,542,651,939	49,767,567,153

In which:

- Other receivables from related parties	7,645,327,981	37,403,436,615
- Other receivables from other parties	9,897,323,958	12,364,130,538

7. OTHER RECEIVABLES (continued)

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
7.2 Other long - term receivables		
- Long-term deposit	1,373,260,000	1,373,260,000
TOTAL	1,373,260,000	1,373,260,000

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

8. INVENTORIES

Unit: VND

	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
- Work in process	43,941,220,641	-	35,396,919,097	-
- Raw materials	9,090,909	-	2,931,299	-
- Goods in transit	-	-	-	-
- Finished goods	-	-	-	-
- Goods;	-	-	-	-
TOTAL	43,950,311,550	-	35,399,850,396	-

Details of movements of provision for obsolete inventories are as follows:

Unit: VND

	Ending balance	Beginning Balance
Beginning balance	-	19,157,043
Add: Provision created during the year	-	-
Less: Utilisation and reversal of provision during the year	-	(19,157,043)
Ending balance	-	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

9. TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Other assets	Unit: VND TOTAL
Cost						
Beginning balance	-	905,563,170	4,152,992,727	2,752,436,007	306,041,751	8,117,033,655
- New purchase	-	-	-	37,500,000	-	37,500,000
- Disposal	-	-	-	-	-	-
Ending balance	-	905,563,170	4,152,992,727	2,789,936,007	306,041,751	8,154,533,655
Accumulated depreciation:						
Beginning balance	-	875,285,366	3,353,824,753	2,557,695,088	306,041,751	7,092,846,958
- Depreciation for the period	-	13,896,693	249,719,454	130,077,016	-	393,693,163
- Disposal	-	-	-	-	-	-
Ending balance	-	889,182,059	3,603,544,207	2,687,772,104	306,041,751	7,486,540,121
Net carrying amount:						
Beginning balance	-	30,277,804	799,167,974	194,740,919	-	1,024,186,697
Ending balance	-	16,381,111	549,448,520	102,163,903	-	667,993,534

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

10. FIXED ASSETS OF FINANCIAL LEASING

The Company has no fixed assets of financial leasing in the period.

11. INTANGIBLE ASSETS*Unit: VND*

	Computer software	Total
Cost:		
Beginning balance	2,011,626,260	2,011,626,260
- New purchase	-	-
Ending balance	<u>2,011,626,260</u>	<u>2,011,626,260</u>
Accumulated amortisation:		
Beginning balance	2,011,626,260	2,011,626,260
- Amortisation for the year	-	-
Ending balance	<u>2,011,626,260</u>	<u>2,011,626,260</u>
Net carrying amount:		
Beginning balance	-	-
Ending balance	<u>-</u>	<u>-</u>

12. CONSTRUCTION IN PROGRESS*Unit: VND*

	Ending balance	Beginning balance
ERP System and orther	29,740,503,417	29,740,503,417
<i>In which:</i>		
ERP System	2,970,701,405	2,970,701,405
Phu Quoc Office	13,704,464,512	13,704,464,512
Hilton Da Nang Apartment	13,065,337,500	13,065,337,500
Other	63,000,000	63,000,000
TOTAL	<u>29,803,503,417</u>	<u>29,803,503,417</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

12. CONSTRUCTION IN PROGRESS (continued)

Movements in the construction in progress during the period/year are as follows:

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
Opening balance	29,803,503,417	29,803,503,417
Purchases	-	-
Closing balance	29,803,503,417	29,803,503,417

13. LONG-TERM INVESTMENTS

13.1 Investment in a subsidiary

	Ending balance		Beginning balance	
	<i>Cost of investment</i>	<i>% of ownership</i>	<i>Cost of investment</i>	<i>% of ownership</i>
Asia Refrigeration Industry Joint Stock Company	96,384,188,754	84.00%	96,384,188,754	84.00%
SEAREFICO Engineering and Construction Joint Stock Company	148,970,000,000	99.31%	148,970,000,000	99.31%
Seareal Real Estate Joint Stock Company	63,000,000,000	98.40%	63,000,000,000	98.40%
Total	308,354,188,754		308,354,188,754	

(a) Asia Refrigeration Industry Joint Stock Company (“Arico”) was granted the Enterprise registration certification joint stock company (“ERCJSC”) No. 0305429178 dated 22 October 2007 by the DPI of Ho Chi Minh City to transform Arico into a joint stock company. Arico’s registered office is located at Lot No. 25-27, Trung Tam Street, Tan Tao Industrial Park, Tan Tao A Ward, Binh Tan District, Ho Chi Minh City, Vietnam.

(b) Seareal Real Estate Joint Stock Company (“Seareal”) was incorporated pursuant to the ERCJSC No. 0315917167 dated 21 September 2019 issued by the DPI of Ho Chi Minh City. Seareal’s registered office is located at 72-74 Nguyen Thi Minh Khai, District 3, Ho Chi Minh City, Vietnam. The charter capital of Seareal is VND 100 billion, in which, the Company owns 98.4% of the charter capital. As at 30 June 2022, the Company is being process of capital contribution VND 63 billion.

(c) SEAREFICO Engineering and Construction Joint Stock Company was incorporated pursuant to the ERCJSC No. 0315937244 dated 10 October 2019 issued by the DPI of Ho Chi Minh City, registered office is located at 72-74 Nguyen Thi Minh Khai, District 3, Ho Chi Minh City, Vietnam.

13.2 Investment in an associate

13.2 Investment in an associate	Unit: VND			
	Ending balance		Beginning balance	
	Cost of investment	% of ownership	Cost of investment	% of ownership
Thua Thien Hue Construction Joint Stock Corporation (“HCC”)	-	0.00%	51,392,880,000	36.00%

On 17 January 2022, the Board of Management of Searefico Corporation issued Decision No. 01/QD/SRF/HĐQT/22 on the divestment of all investment capital in Thua Thien Hue Construction Joint Stock Company and it was completed on 21 March 2022.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

13. LONG-TERM INVESTMENTS (continued)

13.2 Investment in an associate (continued)

The current principal activities of HCC are to construct civil, industrial, public, sport, traffic, irrigation and infrastructure projects; to provide services of consulting and supervision for the civil, industrial, traffic and irrigation projects; to engage in real estate trading, infrastructure of industrial zones and residential areas; to produce construction materials, and trade and exploit stones, sands and gravel; and to produce other wooden products.

13.3 Investment in other entity

Unit: VND

	Ending balance		Beginning balance	
	Cost of investment	% of ownership	Cost of investment	% of ownership
International Investment and Water Technology Joint Stock Company ("Inwatek")	1,556,717,362	1.73%	2,556,717,362	2.84%
Formtek Engineering Joint Stock Company ("Formtek")	1,900,000,000	19.00%	1,900,000,000	19.00%
	3,456,717,362		4,456,717,362	

(a) Inwatek is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 0313029247 issued by the DPI of Ho Chi Minh City on 26 November 2014, with its office located at Room No.802, 8th Floor, Area B, Waseco building, No. 10 Pho Quang, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam. The current major business lines of Inwatek are trading machinery and equipment to be used for water production, installing water processing and exploiting systems.

(b) Formtek is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the ERC No. 0314622964 issued by the DPI of Ho Chi Minh City on 13 September 2017, with its office located at the 8th Floor, Area B, Waseco building, No. 10 Pho Quang, Ward 2, Tan Binh District, Ho Chi Minh City, Vietnam. The current major business lines of Formtek are manufacturing metal tools and domestic appliances, installation of the system water supply and other construction.

14. PREPAID EXPENSES

Unit: VND

	Ending balance	Beginning balance
Short-term		
- Tools and supplies	89,087,273	42,251,166
- Others	1,371,306,446	334,100,431
Total	1,460,393,719	376,351,597
Long-term		
- Tools and supplies	681,822	42,613,226
- Others	2,310,291,220	458,298,265
Total	2,310,973,042	500,911,491

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

15- SHORT-TERM TRADE PAYABLES

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
Third parties	132,195,226,993	177,854,887,718
Related parties (<i>Note 32</i>)	53,195,724,995	106,483,962,508
TOTAL	185,390,951,988	284,338,850,226

16- SHORT-TERM ADVANCES FROM CUSTOMERS

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
Third parties	41,474,309,015	22,811,254,422
<i>Kien A Khanh Hoa Investment Joint Stock Company</i>	17,967,583,007	17,319,262,094
<i>Saigon Cam Ranh Joint Stock Company</i>	4,758,953,650	4,758,953,650
Related parties (<i>Note 32</i>)	9,269,000,000	9,269,000,000
TOTAL	50,743,309,015	32,080,254,422

17. LOANS

17.1 Short-term Loans from banks

	<i>Unit: VND</i>			
	Increase in year	Payment in year	Beginning balance	Ending balance
Short-term loans from banks	309,509,387,946	63,904,431,330	229,911,548,745	143,502,270,531
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ho Chi Minh Branch	94,184,698,047	-	87,717,409,442	6,467,288,605
- Military Commercial Joint Stock Bank - Saigon Branch	29,259,530,818	19,337,317,229	46,596,848,047	2,000,000,000
- Vietnam Maritime Commercial Stock Bank - Ho Chi Minh Branch	1,546,610,394	12,820,223,612	1,546,610,395	12,820,223,611
- Bank for Investment and Development of Vietnam Joint Stock Company - HCM Branch	184,518,548,687	31,746,890,489	94,050,680,861	122,214,758,315
- Vietnam - Russia Joint Venture Bank - Da Nang Branch	-	-	-	-
Short-term loans from related parties (<i>Note 32</i>)	5,060,000,000	68,738,358,320	37,441,180,957	36,357,177,363
- Asia Refrigeration Industry Joint Stock Company	500,000,000	7,000,000,000	7,500,000,000	-
- Greenpan Joint Stock Company	4,560,000,000	-	-	4,560,000,000
- SEAREE Refrigeration Electrical Mechanical Joint Stock Company	-	1,987,000,000	1,975,000,000	12,000,000
- SEAREFICO Engineering and Construction JSC	-	59,751,358,320	27,966,180,957	31,785,177,363
TOTAL	314,569,387,946	132,642,789,650	267,352,729,702	179,859,447,894

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

18. STATUTORY OBLIGATIONS

	<i>Unit: VND</i>			
	Beginning balance	Increase in year	Payment in year	Ending balance
- Domestic value-added tax	970,168,949	1,076,764,787	1,348,305,223	698,628,513
- Import value-added tax	-	1,537,930,294	1,537,930,294	-
- Special sales tax	-	-	-	-
- Import, export duties	-	-	-	-
- Corporate income tax	2,482,553,981	34,469,623,565	2,867,318,718	34,084,858,828
- Others	161,434,372	3,945,757,716	4,023,088,831	84,103,257
- <i>Personal income tax</i>	<i>161,434,372</i>	<i>3,941,757,716</i>	<i>4,019,088,831</i>	<i>84,103,257</i>
- <i>Withholding taxes</i>	-	-	-	-
- <i>Business tax</i>	-	<i>4,000,000</i>	<i>4,000,000</i>	-
TOTAL	3,614,157,302	41,030,076,362	9,776,643,066	34,867,590,598
Receivables				
- Corporate income tax	-	-	-	-
- Others	-	-	166,019,871	166,019,871
TOTAL	-	-	166,019,871	166,019,871

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

19. ACCRUED EXPENSES**19.1 Short-term accrued expenses***Unit: VND*

	Ending balance	Beginning balance
- Accrued project costs	33,064,928,652	33,384,336,063
- Interest expense	846,983,802	243,417,511
- Others	732,754,630	710,000,000
TOTAL	34,644,667,084	34,337,753,574

20. OTHER PAYABLES**20.1 Other short-term payables***Unit: VND*

	Ending balance	Beginning balance
- Other payables to employees	1,562,317,421	1,443,684,925
- Social insurance, health insurance and trade union fees	992,749,950	942,916,932
- Dividends payable (Note 25.4)	596,400,800	596,400,800
- Others	9,791,156,842	11,021,155,248
TOTAL	12,971,503,719	14,004,157,905

20.2 Other long-term payables*Unit: VND*

	Ending balance	Beginning balance
- Allowances for unemployment benefits for employees	2,229,631,649	3,625,454,585
TOTAL	2,229,631,649	3,625,454,585

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

21. SHORT-TERM PROVISION*Unit: VND*

	Ending balance	Beginning balance
- Beginning balance	606,161,130	742,134,517
- Provision during the year	113,806,757	84,180,022
- Utilised and reversed during the year	(155,137,539)	(220,153,409)
- Ending balance	564,830,348	606,161,130

Short-term provision represents warranty for projects that have been completed and handed over at the balance sheet date.

22. BONUS AND WELFARE FUND*Unit: VND*

	Ending balance	Beginning balance
- Beginning balance	11,194,411,261	13,205,012,295
- Appropriation during the year	1,754,130,533	5,085,104,404
- Utilised during the year	(7,490,101,084)	(7,095,705,438)
- Ending balance	5,458,440,710	11,194,411,261

23. LONG-TERM PROVISION

Long-term provision mainly represents provision for severance allowance.

Unit: VND

	Ending balance	Beginning balance
- Beginning balance	2,523,921,750	2,613,001,750
- Provision during the year	-	2,945,000
- Utilised and reversed during the year	(411,510,000)	(92,025,000)
- Transfer to employee payables	-	-
- Ending balance	2,112,411,750	2,523,921,750

24. DEFERRED TAX ASSETS

Deferred income tax asset mainly arises from deductible temporary differences in relation to accrual expense and provisions. The movement of deferred income tax asset during the period is as follows:

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
Opening balance	3,107,473,556	2,464,192,450
Income statement credit	(24,738,000)	643,281,106
Closing balance	3,082,735,556	3,107,473,556

Movements in the deferred income tax assets during the period are as follows:

	<i>Unit: VND</i>	
	Ending balance	Beginning balance
Deductible temporary differences in relation to accrued expenses and long-term provisions	1,635,593,329	1,537,217,879
Interest expenses excess of 30% EBITDA	1,447,142,227	1,570,255,677
	3,082,735,556	3,107,473,556

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
For the period ended 30 September 2022

25. OWNERS' EQUITY

25.1 Increase and decrease in owners' equity

	Contributed share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
						Unit: VND
For period ended 31 December 2021						
Beginning balance	324,953,970,000	284,019,059	(29,238,407,099)	5,427,578,589	84,521,733,267	385,948,893,816
- Net profit for the year	-	-	-	-	17,541,305,333	17,541,305,333
- Profit appropriation to bonus fund	-	-	-	-	(5,085,104,404)	(5,085,104,404)
- Dividends declared	30,713,830,000	-	-	-	(30,713,830,000)	-
- Re-purchase of shares	-	-	-	-	-	-
Ending balance	355,667,800,000	284,019,059	(29,238,407,099)	5,427,578,589	66,264,104,196	398,405,094,745
For the period ended 30 June 2022						
Beginning balance	355,667,800,000	284,019,059	(29,238,407,099)	5,427,578,589	66,264,104,196	398,405,094,745
- Net profit for the year	-	-	-	-	108,152,953,595	108,152,953,595
- Profit appropriation to bonus fund	-	-	-	-	(1,754,130,533)	(1,754,130,533)
- Dividends declared	-	-	-	-	-	-
Ending balance	355,667,800,000	284,019,059	(29,238,407,099)	5,427,578,589	172,662,927,258	504,803,917,807

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

25. OWNERS' EQUITY (continued)

25.2 Details of contributed share capital

	Ending balance		
	<i>Shares</i>	<i>VND</i>	<i>%</i>
Taisei Oncho Co., Ltd	8,909,456	89,094,560,000	25.05
SANYO Engineering & Construction Vietnam Co., Ltd	7,150,000	71,500,000,000	20.10
Vietnam Seaproducts Joint Stock Corporation	4,567,200	45,672,000,000	12.84
Other shareholders	13,160,124	131,601,240,000	37.00
Treasury shares	1,780,000	17,800,000,000	5.00
TOTAL	35,566,780	355,667,800,000	100.00

25.3 Shares

	Ending balance	Beginning balance
	<i>Quantity</i>	<i>Quantity</i>
Authorized shares	35,566,780	35,566,780
Issued shares		
Issued and paid-up shares	35,566,780	35,566,780
<i>Ordinary shares</i>	<i>35,566,780</i>	<i>35,566,780</i>
Treasury shares		
<i>Ordinary shares</i>	<i>(1,780,000)</i>	<i>(1,780,000)</i>
Shares in circulation		
<i>Ordinary shares</i>	<i>33,786,780</i>	<i>33,786,780</i>

The par value is VND 10.000/share (previous year: VND 10.000/share)

25.4 Dividends

	VND	
	Current period	Previous period
Beginning balance	596,400,800	596,400,800
Dividends declared during the period	-	30,713,830,000
<i>Dividends payment for 20120 FY: 10% by common stock</i>		<i>30,713,830,000</i>
Dividends paid during the period	-	(30,713,830,000)
Ending balance	596,400,800	596,400,800

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

26. REVENUES

26.1 Revenues from sale of goods and rendering of services

Unit: VND

	This period	Previous period	Current year	Previous year
Gross revenues	8,917,921,863	55,789,834,792	26,618,386,667	170,165,951,042
<i>Of which:</i>				
- Revenue from construction contracts	5,294,885,475	54,594,880,593	18,142,894,416	164,742,588,889
- Revenue from lease	-	-	-	-
- Revenue from sale of goods	74,900,000	-	120,136,849	1,143,243,961
- Revenue from other services	3,548,136,388	1,194,954,199	8,355,355,402	4,280,118,192
Revenue deduction	-	-	-	-
Net revenues	8,917,921,863	55,789,834,792	26,618,386,667	170,165,951,042

Of which:

- Revenue from other parties	5,294,885,475	54,497,895,281	18,188,131,265	165,168,685,574
- Revenue from related parties (Note 32)	3,623,036,388	1,291,939,511	8,430,255,402	4,997,265,468

26.2 Finance income

Unit: VND

	This period	Previous period	Current year	Previous year
- Interest income	2,805,571,091	1,457,114,253	6,292,796,739	4,919,283,608
- Gain on disposal of investment	-	-	195,592,320,000	-
- Dividends earned	-	-	-	10,291,050,000
- Profit shared from subsidiary	-	-	1,008,000,000	2,520,000,000
- Foreign exchange gains incurred during the period	-	65,613,698	1,074,738,246	66,259,004
- Foreign exchange gains from revaluation	-	805,318,939	-	1,764,625,586
- Bond interest received	252,040,787	-	3,761,238,549	-
- Others	-	190,008,311	-	2,270,090,285
TOTAL	3,057,611,878	2,518,055,201	207,729,093,534	21,831,308,483

27. COSTS OF GOODS SOLD AND SERVICES RENDERED

Unit: VND

	This period	Previous period	Current year	Previous year
- Cost of construction contracts	8,571,306,805	50,874,262,889	18,248,002,489	148,041,835,075
- Cost of lease				
- Cost of goods sold	74,900,000	-	120,136,849	1,143,243,910
- (Reversal of) provision for obsolete inventories				(58,305)
TOTAL	8,646,206,805	50,874,262,889	18,368,139,338	149,185,020,680



NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

28. GENERAL AND ADMINISTRATIVE EXPENSES

	Unit: VND			
	This period	Previous period	Current year	Previous year
- Staff costs	4,577,332,813	3,432,753,120	28,018,960,865	10,043,644,578
- Tools and equipment costs	29,571,551	39,125,107	73,921,111	108,460,302
- Depreciation and amortisation	126,431,483	204,608,754	379,796,470	464,226,264
- (Reversal of provision) provisions	(6,944,728,648)	(3,348,372,806)	18,243,306,361	2,248,981,239
- External service expenses	2,207,630,627	1,245,511,710	6,945,407,576	4,496,310,367
- Others	23,283,818	28,739,993	59,491,437	158,082,893
- Reversal of accrued staff costs	-	-	-	(500,000)
TOTAL	19,521,644	1,602,365,878	53,720,883,820	17,519,205,643

29. FINANCE EXPENSES

	Unit: VND			
	This period	Previous period	Current year	Previous year
- Loan interest	3,153,656,686	4,810,140,363	11,962,403,876	16,867,492,547
- Foreign exchange losses incurred	-	1,581,570	-	5,300,770
- Foreign exchange losses from revaluation	(89,838,481)	-	49,048,224	-
- Divestment costs	-	-	7,657,899,612	-
TOTAL	3,063,818,205	4,811,721,933	19,669,351,712	16,872,793,317

30. OTHER INCOME AND EXPENSES

	Unit: VND			
	This period	Previous period	Current year	Previous year
Other income	1,391,472,873	150,680,720	2,155,717,430	2,302,080,647
- Income from disposal	-	-	-	902,965,909
- Others	1,391,472,873	150,680,720	2,155,717,430	1,399,114,738
Other expenses	1,314,796,625	-	2,097,507,601	1,479,965,062
- The carrying value of fixed assets from liquidation and selling	-	-	-	688,875,000
- Penalties	-	-	81,000,000	32,769,691
- Others	1,314,796,625	-	2,016,507,601	758,320,371
NET OTHER PROFIT	76,676,248	150,680,720	58,209,829	822,115,585

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

31. CORPORATE INCOME TAX

31.1 CIT expenses

	Unit: VND			
	This period	Previous period	Current year	Previous year
- Current CIT expense	(785,182,524)	-	33,556,629,660	236,353,399
- Adjustment for CIT from prior year	912,993,905	-	912,993,905	392,965,801
- Deferred CIT (income) expense	-	-	24,738,000	109,906,221
TOTAL	127,811,381	-	34,494,361,565	739,225,421

31.2 Current CIT

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

A reconciliation between the accounting profit before tax as reported in the separate income statement and the taxable profit is presented below:

	Unit: VND			
	This period	Previous period	Current year	Previous year
Net profit before tax	142,647,315,160	1,170,220,013	142,647,315,160	9,242,355,470
<i>Adjustments:</i>				
Non-deductible expenses	-	-	1,027,904,126	1,201,501,483
Temporary differences	-	-	(123,690,000)	(352,531,105)
Non-taxable income	-	-	(1,008,000,000)	(2,520,000,000)
Shares of profit of an associate	-	-	-	(10,291,050,000)
Estimated taxable profit	142,647,315,160	1,170,220,013	142,543,529,286	(2,719,724,152)
Estimated CIT payable	322,663,335	3,553,291,017	142,543,529,286	(336,653,148)
CIT Exemption	-	-	33,556,629,660	-
Estimated CIT payable at end of period after exemption	-	-	33,556,629,660	-
Adjustment of CIT from prior period	127,811,381	-	912,993,905	629,319,200
Current corporate income tax expense	127,811,381	-	34,469,623,565	629,319,200
Deferred tax income expense	-	-	24,738,000	109,906,221
Total corporate income tax expense	127,811,381	-	34,494,361,565	739,225,421

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

32. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties in the current year and previous year were as follows:

Unit: VND

Related party	Relationship	Transaction	Ending balance	Beginning balance
Purchase Good, services and other transactions				
Asia Refrigeration Industry Joint Stock Company	Subsidiary	Dividend received	1,008,000,000	2,520,000,000
		Interest expenses	91,972,603	413,310,047
		Purchases of goods		2,040,000
		Capital contribution		16,800,000,000
SEAREFICO Engineering and Construction Joint Stock Company	Subsidiary	Purchases of construction services		41,642,028,466
		Interest income		2,270,090,285
		Interest expenses	760,384,067	
		Transfer stock of Searee		36,850,000,000
Phoenix Energy & Automation Joint Stock Company	Subsidiary	Capital contribution		79,670,000,000
		Other income	296,447,939	751,247,461
Greenpan Joint Stock Company	Subsidiary	Interest expenses	126,630,575	-
		Purchases of goods	-	26,618,577
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Purchase of construction services	9,029,745,926	5,362,413,877
		Capital withdrawns		36,850,000,000
		Interest expenses	22,064,215	412,636,548
Seareal Joint Stock Company	Subsidiary	Interest income	102,272,727	
Thua Thien Hue Construction Joint Stock Corporation	Associate (Divesment on 21 March 2022)	Dividend received		10,291,050,000
		Purchase of construction services		2,474,630,910
International Investment and Water Technology Joint Stock Company	Related party	Capital Recovery	1,000,000,000	
			12,437,518,052	236,336,066,171
Revenues from sale of goods and rendering of services (No 26.1)				
Asia Refrigeration Industry Joint Stock Company	Subsidiary	Other service	2,672,616,808	2,295,612,156
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Purchase of construction services	-	717,147,276
		Other service	976,194,183	1,313,491,881
SEAREFICO Engineering and Construction JSC	Subsidiary	Other service	4,781,444,411	671,014,155
			8,430,255,402	4,997,265,468

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

32. TRANSACTIONS WITH RELATED PARTIES (continued)

Amounts due from and due to related parties at the balance sheet dates were as follows:

Short-term trade receivables (Note 6.1)

Asia Refrigeration Industry Joint Stock Company	Subsidiary	Other service	3,008,380,357	2,020,205,012
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Other service	3,664,100,312	2,893,370,153
Greenpan Joint Stock Company	Subsidiary	Other service	248,658,795	248,658,795
Phoenix Energy & Automation Joint Stock Company	Subsidiary	Selling	9,890,828,670	9,443,700,011
SEAREFICO Engineering and Construction JSC	Subsidiary	Other service	82,390,000	1,021,794,967
			16,894,358,134	15,627,728,938

Short-term prepayments to suppliers (Note 6.2)

Greenpan Joint Stock Company	Subsidiary	Purchases of goods	768,007,113	2,679,957,113
Formtek Engineering Joint Stock Company	Related party	Purchase of construction services	200,999,662	200,999,662
			969,006,775	2,880,956,775

Long-term prepayments to suppliers (Note 6.2)

Greenpan Joint Stock Company	Subsidiary	Purchases of goods	2,911,797,608	3,000,000,000
			2,911,797,608	3,000,000,000

Other short-term receivables (Note 7)

Asia Refrigeration Industry Joint Stock Company	Subsidiary	Dividend received	1,008,000,000	6,048,000,000
		Other services	53,003,077	53,003,077
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Dividend received	1,694,166,667	1,694,166,667
		Other services	278,858,552	225,855,475
Greenpan Joint Stock Company	Subsidiary	Other services	214,914,093	195,777,411
Phoenix Energy & Automation Joint Stock Company	Subsidiary	Other services	246,172,885	239,059,085
Seareal Real Estate Joint Stock Company	Subsidiary	Other services	18,413,527	20,039,763,000
SEAREFICO Engineering and Construction Joint Stock Company	Subsidiary	Other services	3,473,155,892	8,249,168,612
International Investment and Water Technology Joint Stock Company	Related party	Interest income	658,643,288	658,643,288
			7,645,327,981	37,403,436,615

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

32. TRANSACTIONS WITH RELATED PARTIES (continued)
Short-term trade payables (Note 16)

Thua Thien Hue Construction Joint Stock Corporation		Purchased of construction contracts	-	5,019,707,215
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Purchased of construction contracts	47,446,896,224	62,640,468,020
SEAREFICO Engineering and Construction Joint Stock Company	Subsidiary	Purchased of construction contracts	5,748,828,771	38,823,787,273
			53,195,724,995	106,483,962,508

Short-term advances from customer (Note 17)

SEAREFICO Engineering and Construction JSC	Subsidiary	Purchased of construction contracts	9,269,000,000	9,269,000,000
			9,269,000,000	9,269,000,000

Other short-term payable

Asia Refrigeration Industry Joint Stock Company	Subsidiary	Interest expenses	166,842,277	419,212,587
Greenpan Joint Stock Company	Subsidiary	Interest expenses	146,219,835	
			313,062,112	419,212,587

Short-term loans (Note 18)

Asia Refrigeration Industry Joint Stock Company	Subsidiary	Short-term loans	-	500,000,000
Greenpan Joint Stock Company	Subsidiary	Short-term loans	4,560,000,000	4,560,000,000
Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Short-term loans	12,000,000	
SEAREFICO Engineering and Construction JSC	Subsidiary	Short-term loans	31,785,177,363	
			36,357,177,363	5,060,000,000

Short-term lendings

Searee Refrigeration Electrical Engineering Corporation	Subsidiary	Short-term lendings	4,188,000,000	
			4,188,000,000	-

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

For the period ended 30 September 2022

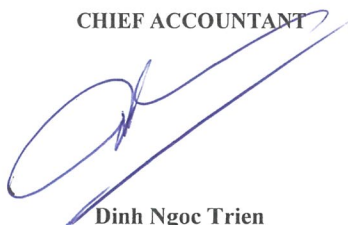
Remuneration to members of the Boards of Directors and Supervision, salaries and benefits of management and key executives were as follows:

	<i>Unit: VND</i>			
	<u>This period</u>	<u>Previous period</u>	<u>Current year</u>	<u>Previous year</u>
Allowance for the Boards of Directors	480,000,000	483,000,000	1,440,000,000	1,449,000,000
Salaries and benefits of the Board of Directors, management and key executives	966,409,769	532,210,392	4,097,397,872	2,365,653,597
TOTAL	1,446,409,769	1,015,210,392	5,537,397,872	3,814,653,597

33. SEGMENT REPORT

Segment information is presented in respect of business activity or geography. The Company is not operating in more than one segment of business activity nor geographic area other than mainly operating in the only activity to consult, supply and provide installation services in relation to industrial refrigeration projects, and in Vietnam only. Therefore, The Company does not present segmental information.

PREPARER

Nguyen Thanh Tam**CHIEF ACCOUNTANT**

Dinh Ngoc Trien

Ho Chi Minh City, October 29, 2022

CHIEF EXECUTIVE OFFICER**Vu Xuan Thuc**