

**TAN TIEN PLASTIC PACKAGING JOINT STOCK COMPANY**

Lot II, Street No. 13, Tan Binh Industry Zone, Tan Phu District

**FINANCIAL STATEMENTS  
THIRD QUARTER, 2021**

Ho Chi Minh City, dated Jan 15th, 2022

**BALANCE SHEET**

As at 31 Dec 2021

Unit: VND

Item	Code	Note	31/12/2021	01/01/2021
<b>A . CURRENT ASSETS</b>	100		<b>1.168.040.152.894</b>	<b>1.139.222.397.326</b>
<b>I. Cash and cash equivalents</b>	110	V.1	<b>35.022.656.039</b>	<b>36.150.448.855</b>
1. Cash	111		35.022.656.039	36.150.448.855
2. Cash equivalents	112		-	-
<b>II. Short-term investments</b>	120	V.1	<b>381.400.000.000</b>	<b>460.000.000.000</b>
1. Held-to-maturity investments	123		381.400.000.000	460.000.000.000
<b>III. Short-term accounts receivable</b>	130		<b>370.480.616.204</b>	<b>385.078.042.242</b>
1. Short-term trade receivables	131	V.2	337.183.461.136	342.319.624.516
2. Short-term advances to suppliers	132		1.683.616.149	2.473.051.347
3. Other short-term receivables	136	V.3a	38.745.954.472	43.821.388.717
4. Provision for doubtful debts	137	V.4	(7.132.415.553)	(3.536.022.338)
<b>IV. Inventory</b>	140		<b>363.559.344.676</b>	<b>248.989.892.187</b>
1. Inventory	141	V.5	367.614.734.289	250.868.239.272
2. Provision for devaluation of inventory	149	V.5	(4.055.389.613)	(1.878.347.085)
<b>V. Other current assets</b>	150		<b>17.577.535.975</b>	<b>9.004.014.042</b>
1. Short-term prepaid expenses	151	V.6a	903.351.805	1.000.874.460
2. VAT deductibles	152	V.11c	9.940.942.497	8.003.139.582
3. Taxes and other receivables from State	153	V.11b	6.733.241.673	-
<b>B. NON- CURRENT ASSETS</b>	200		<b>341.795.923.791</b>	<b>377.450.410.886</b>
<b>I. Long-term receivables</b>	210		<b>10.000.000</b>	<b>10.000.000</b>
1. Other long-term receivables	216	V.3b	10.000.000	10.000.000
<b>II. Fixed assets</b>	220		<b>234.357.739.152</b>	<b>269.987.556.590</b>
1. Tangible fixed assets	221	V.7	213.000.814.129	247.600.779.458
- Cost	222		985.143.814.817	964.065.285.483
- Accumulated depreciation	223		(772.143.000.688)	(716.464.506.025)
2. Intangible fixed assets	227	V.8	21.356.925.023	22.386.777.132
- Cost	228		37.650.967.412	37.419.857.412
- Accumulated depreciation	229		(16.294.042.389)	(15.033.080.280)
<b>III. Unfinished long-term assets</b>	240		<b>95.867.616.168</b>	<b>95.867.616.168</b>
1. Construction in progress	242		95.867.616.168	95.867.616.168
<b>IV. Long-term investments</b>	250		-	-
1. Held-to-maturity investments	255	V.1	-	-
<b>V. Other long-term assets</b>	260		<b>11.560.568.471</b>	<b>11.585.238.128</b>
1. Long-term prepaid expenses	261	V.6b	2.958.559.615	4.212.509.739
2. Deferred tax asset	262	VI.13	8.602.008.856	7.372.728.389
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1.509.836.076.685</b>	<b>1.516.672.808.212</b>



**BALANCE SHEET (continued)**

As at 31 Dec 2021

Item	Cod e	Note	31/12/2021	01/01/2021
<b>C. LIABILITIES</b>	300		<b>532.357.350.533</b>	<b>507.735.332.191</b>
<b>I. Current liabilities</b>	310		<b>525.557.806.033</b>	<b>500.928.891.441</b>
1. Short-term trade payables	311	V.9	268.622.527.423	239.879.982.854
2. Short-term advances from customers	312		258.734.819	1.109.391.442
3. Tax payables and statutory obligations	313	V.11a	1.061.770.338	10.027.815.996
4. Payables to employees	314		27.286.359.735	26.170.695.458
5. Short-term accrued expenses	315	V.12	1.665.127.904	1.749.097.396
6. Other short-term payables	319	V.10	226.663.285.814	221.991.908.295
7. Short-term loans and finance lease liabilities	320		-	-
8. Bonus and welfare fund	322			
<b>II. Long-term liabilities</b>	330		<b>6.799.544.500</b>	<b>6.806.440.750</b>
1. Long-term provision	342	V.13	6.799.544.500	6.806.440.750
<b>D. OWNER'S EQUITY</b>	400		<b>977.478.726.152</b>	<b>1.008.937.476.021</b>
<b>I. Equity</b>	410	V.14	<b>977.478.726.152</b>	<b>1.008.937.476.021</b>
1. Contributed legal capital	411		149.999.980.000	149.999.980.000
- Common shares with voting rights	411a		149.999.980.000	149.999.980.000
- Preference shares	411b			
2. Share capital surplus	412		154.777.960.000	154.777.960.000
3. Treasury stocks	415		(45.918.033.800)	(45.918.033.800)
4. Investment and development fund	418		177.152.251.138	177.152.251.138
5. Profit after tax retained	421		541.466.568.814	572.925.318.683
- Profit after tax retained accumulated by the end of period	421a		552.648.663.683	427.761.120.223
- Profit after tax retained of current period	421b		(11.182.094.869)	145.164.198.460
<b>TOTAL RESOURCE</b>	<b>440</b>		<b>1.509.836.076.685</b>	<b>1.516.672.808.212</b>

Prepared by

Chief Accountant

General Director

Trần Thị Mộng Thu

Trần Thị Thủy Tiên

Koo Jae Young

Ho Chi Minh City, dated Jan 15th, 2022



# INCOME STATEMENT

Fourth quarter, 2021

Item	Code	Note	Q IV/2021	Q IV/2020	Y 2021	Y 2020
1. Revenue from sale of goods and rendering of	01	VI.1	505.470.020.148	510.487.513.793	1.906.486.380.596	1.787.026.147.849
2. Deductible items	02	VI.2	3.550.809.096	2.110.360.308	7.227.498.028	6.195.052.465
3. Net revenue from sale of goods and rendering of services	10	VI.3	501.919.211.052	508.377.153.485	1.899.258.882.568	1.780.831.095.384
4. Cost of goods sold	11	VI.4	473.662.926.636	439.460.223.806	1.823.362.888.742	1.533.095.074.559
5. Gross profit from sale of goods and rendering of services	20		28.256.284.416	68.916.929.679	75.895.993.826	247.736.020.825
6. Revenue from financial activities	21	VI.5	5.912.741.745	7.647.921.146	25.834.574.433	28.621.943.277
7. Financial expenses	22	VI.6	2.089.666.080	1.404.745.775	6.262.996.210	5.402.181.575
<i>In which: Interest expense</i>	23		234.192.806	212.733.561	625.231.059	761.428.689
8. Selling expenses	24	VI.7	12.692.567.135	10.997.523.568	55.041.925.552	44.740.732.416
9. Administrative expenses	25	VI.8	12.022.908.123	10.099.122.543	49.765.625.783	41.599.327.060
10. Net profit from operating activities	30		7.363.884.823	54.063.458.939	(9.339.979.286)	184.615.723.051
11. Other income	31	VI.9	9.090.909	40.909.091	177.272.728	300.909.093
12. Other expense	32	VI.10	1.602.847.584	1.441.990.817	3.248.668.778	2.926.955.243
13. Other profit	40		(1.593.756.675)	(1.401.081.726)	(3.071.396.050)	(2.626.046.150)
14. Total profit before tax	50		5.770.128.148	52.662.377.213	(12.411.375.336)	181.989.676.901
15. Current business income tax expenses	51	VI.12	-	9.765.025.144	-	37.135.243.314
16. Deferred business income tax expenses	52	VI.13	488.565.222	686.311.248	(1.229.280.467)	(309.764.873)
17. Profit after tax	60		5.281.562.926	42.211.040.821	(11.182.094.869)	145.164.198.460

Prepared by

Trần Thị Mộng Thu

Ho Chi Minh City, dated Jan 15th, 2022

Chief Accountant

Trần Thị Thủy Tiên

General Director

Kon Jae Young





## CASH FLOWS STATEMENT

Y 2021

Unit: VND

ITEM	COD E	Y 2021	Y 2020
<b>I. Cash flows from operating activities</b>			
1. Proceeds from sale of goods and rendering of services	01	2.081.787.687.907	1.965.352.138.542
2. Payments to suppliers of goods and services	02	(1.833.554.302.035)	(1.450.852.034.970)
3. Payments to employees	03	(155.082.201.533)	(146.903.644.621)
4. Interest payments	04	(625.231.059)	(761.428.689)
5. Payments to Business income tax	05	(15.555.334.508)	(38.495.578.426)
6. Other proceeds from operating activities	06	12.329.163.311	7.234.145.300
7. other payments for operating activities	07	(147.879.418.478)	(146.228.593.077)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>(58.579.636.395)</b>	<b>189.345.004.059</b>
<b>II. Cash flow from investing activities</b>			
1. Purchase of fixed assets and other long-term assets	21	(30.044.202.401)	(74.477.413.441)
2. Proceeds from disposals of fixed assets	22	168.181.819	298.181.820
3. Bank deposits	23	(381.400.000.000)	(595.000.000.000)
4. Collections from bank deposits	24	460.000.000.000	458.000.000.000
5. Investments in other entities	25	-	-
6. Investment returns from other entities	26	-	-
7. Interest, dividends and profit received	27	29.074.565.182	23.528.975.071
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>77.798.544.600</b>	<b>(187.650.256.550)</b>
<b>III. Cash flows from financing activities</b>			
1. Receipts from stocks issuing and capital contribution from equity owners	31	-	-
2. Fund returned to equity owners, issued stock redemption	32	-	-
3. Long-term and short-term borrowings received	33	253.765.145.635	60.841.104.367
4. Loan repayment	34	(253.765.145.635)	(60.841.104.367)
5. Finance lease principle paid	35	-	-
6. Dividends, profit paid to equity owners	36	(20.270.965.500)	(6.758.360.400)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>(20.270.965.500)</b>	<b>(6.758.360.400)</b>
<b>Net cash flows within the period</b>	<b>50</b>	<b>(1.052.057.295)</b>	<b>(5.063.612.891)</b>
<b>Cash and cash equivalents at the beginning of year</b>	<b>60</b>	<b>36.150.448.855</b>	<b>41.190.945.747</b>
Impact of foreign exchange fluctuation	61	(75.735.521)	23.115.999
<b>Cash and cash equivalents at the end of year</b>	<b>70</b>	<b>35.022.656.039</b>	<b>36.150.448.855</b>

Prepared by

Chief Accountant

General Director

Trần Thị Mộng Thu

Trần Thị Thủy Tiên

Koo Jae Young

Ho Chi Minh City, dated Jan 15th, 2022

## **NOTES TO THE FINANCIAL STATEMENTS**

*Fourth quarter, 2021*

### **I. BACKGROUND**

#### **1. Type of ownership**

Tan Tien Plastic Packaging Joint Stock Company was the state-owned company, the company was transformed into joint stock company under Decision No. 90/2004/QĐ-BCN dated 13 September 2004 by Minister of Ministry of Industry.

Business Registration Certificate No. 4103002999 issued by Ho Chi Minh Department of Planning and Investment dated 28 December 2004, amended 9th Business Registration Certificate dated 11 January 2016.

The company's head office is located at Lot II, Group 4, Street 13, Tan Binh Industry Zone, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City.

#### **2. Business sector**

The Company's business sectors are production and trade.

#### **3. Principal activities**

Principal activities of the Company are: Produce and trade of the packaging products; trade materials, accessories, equipments, printed shape, cooper pipe in production, real estate business.

#### **4. Operating period**

The normal operating period: 12 months.

#### **5. The operating characteristics**

The operating characteristics have not changed in the period

#### **6. Business Structure**

The Company's member entity is as follows:

Name	Address
Bac Ninh Branch	TS5 Street - Tien Son Industrial Zone – Dong Nguyen Ward – Tu Son Town – Bac Ninh Province.

#### **7. Declaration on the information comparative ability in the Financial statement**

From 01 January 2015, The Corporation applied the Circular No.200/2014/TT-BTC issued by Ministry of Finance dated 22 December 2014 ("Circular 200") on guidelines for accounting policies for enterprises replaced the Decision No.15/2006/QĐ-BTC dated 20 March 2006 and came into effect from 01 January 2015 and from financial year 2015.



**II. ACCOUNTING PERIOD AND ACCOUNTING MONETARY UNIT**

**1. Accounting period**

Annual accounting period commences from January 1st and ends on December 31st.

**2. Accounting monetary unit**

The Company maintains its accounting record in Vietnamese Dong (VND)

**III. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM**

**1. Accounting system**

The Company is applying Vietnamese Accounting System promulgated together with Circular No. 200/2014/TT/BTC dated 22/12/2014 issued by the Ministry of Finance.

**2. Announcement on compliance with Vietnamese accounting standards and accounting system**

The company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

**IV. ACCOUNTING POLICIES**

**1. The exchange rate applied in the accounting**

The effective exchanges rate in the transactions used foreign currencies:

- The effective exchange rate in purchasing foreign currency transactions was stated in the purchasing, selling contract between the Corporation and commercial banks;
- The effective exchange rate in capital contribution or receive capital is the purchasing exchange rate of commercial banks where the Corporation open account to receive the capital of the investors in the contribution date;
- The effective exchange rate of the receivables is purchasing exchange rate of commercial banks where the Corporation claim customer pay at the time of transaction;
- The effective exchange rate of the payables is the selling exchange rate of commercial banks where transaction perform in the future;
- The effective exchange rate when purchasing assets or payment immediately in foreign currencies is the exchange rate of commercial banks where the Corporation make a payment

The effective exchange rate when revalued of monetary items denominated in foreign currencies at the time of financial statements:

- To the items classified as the assets applied purchasing exchange rate;
- To the cash in banks is foreign currency applied the purchasing exchange rate of commercial banks where the Corporation open accounts in foreign currencies;
- To the items classified as the liability applied the selling exchange rate of commercial banks where the Corporation often transaction.

All of exchange differences arose and the differences of revalued the monetary items denominated in foreign currencies were accounted in the income statement.

**2. Recognition of cash and cash equivalents**

Cash and cash equivalents are short term, highly liquid investment with an original maturity of three months or less since the date of financial statements which are readily convertible into known amounts of cash without notice.

**3. Recognition of trade receivables and other receivables**

Trade receivables, advances to suppliers and other receivables at the balance sheet date, if:

- Having maturity or payment less than 1 year/1 operating cycle are recognised as short-term assets.
- Having maturity or payment over than 1 year/1 operating cycle are recognised as long-term assets.

**4. Recognition of inventory**

Inventories are stated at original cost. Where the net realizable value is lower than cost, inventories should be measured at the net realizable value. The cost of inventories should comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

The cost of inventory at the year-end is calculated by weighted average method.

The Company applies the perpetual method to record inventory.

Provisions for inventory obsolescence made at the end of the year are the excess of original cost of inventory over their net realizable value.

**5. Recognition and depreciation of fixed assets**

Fixed assets are stated at the original cost. During the using time, fixed assets are recorded at cost, accumulated depreciation and net book value.

Depreciation is provided on a straight-line basis. Annual rates calculated to write off the cost of each asset evenly over its expected useful life as follows:

- Buildings, structures	05 - 25 years
- Machine, equipment	05 years
- Transportation facilities	06 - 07 years
- Office equipment	03 - 05 years
- Other fixed assets	04 years
- Computer software	03 years
- Land use right is depreciated according to rent period to June 2049	



**6. Recognition of financial investment**

Securities investment at the balance sheet date, if:

- Having maturity not over than 3 months from the date of acquisition are recognised as “cash equivalents”
- Having maturity less than 1 year/1 operating cycle are recognised as short-term assets
- Having maturity over than 1 year/1 operating cycle are recognised as long-term assets;

Provisions for devaluation of investments are made based on the excess of original cost in accounting books over their market value at year-end.

**7. Accounting for BCC**

A BCC means a cooperation contract between two or more venturers in order to carry out specific business activities, but it does not require establishment of a new legal entity. When receiving money or assets from other entities in the BCC, they should be recorded to liabilities; assets which are contributed to BCC, they should be recorded to receivables.

**8. Recognition and allocation of prepaid expenses**

Prepaid expenses only related to present fiscal year are recognized as short-term prepaid expenses and are recorded into operating costs.

The calculation and allocation of long-term prepaid expenses to profit and loss account in the period should be based on nature of those expenses to choose reasonable method and allocated factor. Prepaid expenses are allocated to the operating expenses based on the straight-line method.

**9. Recognition of trade payables**

Trade payables and other payables at the balance sheet date, if:

- Having maturity or payment less than 1 year/1 operating cycle are recognised as short-term liabilities.
- Having maturity or payment over than 1 year/1 operating cycle are recognised as long-term liabilities.

**10. Recognition of accrued expenses**

Expenses not yet occurred may be charged in advance into production and operating costs in order to ensure when these expenses arise, they do not make material influence on production and operating costs on the basis of suitability between revenue and cost. When these expenses arise, if there is any difference with the amount charged, accountants additionally record or make decrease to cost equivalent to the difference.

**11. Recognition of owner's equity**

Owner's equity is recognized by the real contributed capital.

Premium reserve is recorded by the difference (over/under) between the selling price and the par value of treasury stocks when stocks are firstly or additionally issued or reissued.

Undistributed earnings is the profit of business operations after deduction (-) regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous year.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**12. Recognition of revenue**

*Revenue from sale of goods*

Revenue from sale of goods should be recognized when all the following conditions have been satisfied:

- The significant risks and rewards of ownership of the goods have been transferred to the buyer;
- The Corporation retains neither continuing managerial involvement as a neither owner nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- The economic benefits associated with the transaction of goods sold have flown or will flow to the Corporation;
- The costs incurred or to be incurred in respect of the transaction of goods sold can be measured reliably.

*Revenue from rendering of services*

Revenue from rendering of services is recognized when the outcome of that transaction can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, each period's revenue should be recognized by reference to the stage of completion at the balance sheet date. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The stage of completion of the transaction at the balance sheet date can be measured reliably;
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of completion of a transaction may be determined by surveys of work completed method.

*Financial income*

Income from interest, royalties and dividends and other financial income earned by the Corporation should be recognized when these two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Corporation;
- The amount of the income can be measured reliably.

Dividend income is recognized in the period in which the dividends are declared by the invested entities.

**13. Recognition of financial expenses**

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activities;
- Expenses of capital lending and borrowing;
- Loss due to foreign exchange differences arising from transactions relating to foreign currencies;
- Provision for devaluation of securities investment.

The above items are recorded by the total amount arising within the period without compensation to financial revenue.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**14. Recognition of current income tax expense, deferred income tax expense**

Current income tax expense is calculated basing on taxable profit and income tax rate applied in the current year.

Deferred income tax expense is calculated basing on deductible temporary differences, taxable temporary differences and income tax rate.

**15. Segment reporting**

Segment reporting include a business segment or a geographical segment.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of an enterprise that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

**16. Financial instruments**

**Initial recognition**

*Financial assets*

At the first date of recognition, a financial asset is measured at its fair value, plus transaction costs that are directly attributable to the acquisition of that financial asset.

The Company's financial assets include cash and short-term deposits, trade and other receivables, loan receivables and investments.

*Financial liabilities*

At the first date of recognition, a financial liability is measured at its fair value, minus transaction costs that are directly attributable to the issue of financial liability.

The Company's financial liabilities include trade and other payables and loans.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the balance sheet if and only if:

- There is a currently enforceable legal right to offset the recognised amounts; and
- There is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

**17. Related party**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

NOTES TO THE FINANCIAL STATEMENTS (continued)

V. ADDITIONAL INFORMATION TO ITEMS IN BALANCE SHEET

Unit: VND

	31/12/2021	01/01/2021
<b>1. Cash and cash equivalents</b>		
Cash on hand	146.968.246	193.288.888
Cash at bank	34.875.687.793	35.957.159.967
Cash equivalents	-	-
<b>Total</b>	<b>35.022.656.039</b>	<b>36.150.448.855</b>
<b>Held-to-maturity investments _ short term</b>	281.400.000.000	380.000.000.000
<b>Held-to-maturity investments _ long term</b>	-	-
<b>Bonds _short term</b>	100.000.000.000	80.000.000.000
<b>Total</b>	<b>381.400.000.000</b>	<b>460.000.000.000</b>
Short-term held-to-maturity investments represent short-term deposits at commercial banks with original maturities of 12 months and earn interest at the rates ranging from 4,8% to 5,1% per annum.		
Bonds _short term (12 months) at KIS Securities Corporation (Viet Nam) have interest rates 6,3%/year.		
<b>2. Short-term trade receivables</b>	<b>31/12/2021</b>	<b>01/01/2021</b>
Pepsico Foods, VN	32.050.021.449	19.944.539.985
Trung Nguyen Legend Corporation-Saigon coffee fac	50.399.029.466	43.005.759.621
UNILEVER EAC MYANMAR	35.781.552.365	16.339.722.224
Others	218.952.857.856	263.029.602.686
<b>Total</b>	<b>337.183.461.136</b>	<b>342.319.624.516</b>
<b>3. Other receivables</b>	<b>31/12/2021</b>	<b>01/01/2021</b>
<b>a. Short-term</b>	<b>38.745.954.472</b>	<b>43.821.388.717</b>
Project deposit	25.224.132.225	25.224.132.225
Bank interest receivable	11.647.142.466	17.559.753.424
House Rentals deposit	219.389.800	333.515.800
Others	1.655.289.981	703.987.268
<b>b. Long-term</b>	<b>10.000.000</b>	<b>10.000.000</b>
Deposit at Mai Linh company (taxi)	10.000.000	10.000.000
<b>Total</b>	<b>38.755.954.472</b>	<b>43.831.388.717</b>



NOTES TO THE FINANCIAL STATEMENTS (continued)

4. Provision for doubtful debts

	31/12/2021		01/01/2021	
	Original debt	Provision	Original debt	Provision
Nhiet Phat Loc Materials Co., Ltd	449.993.640	(449.993.640)	449.993.640	(449.993.640)
Co Viet Hung Co., Ltd	546.885.913	(546.885.913)	546.885.913	(546.885.913)
Phuong Nam Foodstuff Joint Stock Company	459.097.130	(459.097.130)	459.097.130	(459.097.130)
MINH VIET PACKAGING ONE MEMBER COMPANY	5.876.426.235	(2.938.213.118)	-	-
Others	4.247.882.337	(2.738.225.752)	2.436.634.977	(2.080.045.655)
<b>Total</b>	<b>11.580.285.255</b>	<b>(7.132.415.553)</b>	<b>3.892.611.660</b>	<b>(3.536.022.338)</b>

5. Inventories

	31/12/2021		01/01/2021	
	Original	Provision	Original	Provision
Goods in transit	38.568.750.249		26.177.614.050	
Raw material	186.090.619.366		153.300.257.614	
Tools, supplies	35.539.535		23.260.000	
Work in process	46.934.445.905		23.084.035.347	
Finished goods	95.985.379.234	(4.055.389.613)	48.283.072.261	(1.878.347.085)
Merchandise	-		-	
<b>Total</b>	<b>367.614.734.289</b>	<b>(4.055.389.613)</b>	<b>250.868.239.272</b>	<b>(1.878.347.085)</b>

6. Prepaid expenses

	31/12/2021	01/01/2021
<b>a. Short-term</b>	<b>903.351.805</b>	<b>1.000.874.460</b>
Fire insurance	754.281.005	757.835.685
Others	149.070.800	243.038.775
<b>b. Long-term</b>	<b>2.958.559.615</b>	<b>4.212.509.739</b>
Tool and equipment	2.958.559.615	4.212.509.739
<b>Total</b>	<b>3.861.911.420</b>	<b>5.213.384.199</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. Increase and decrease in tangible fixed assets

	Buildings, structures	Machinery, equipments	Transportation facilities	Office equipment	Other fixed assets	Total
<b>Original cost</b>						
Beginning balance	211.166.742.747	672.403.726.838	63.968.328.731	13.702.432.272	2.824.054.895	964.065.285.483
Increase	643.170.860	20.613.517.276	1.673.078.000	198.500.000	717.208.200	23.845.474.336
- Purchase in the year	643.170.860	20.613.517.276	1.673.078.000	198.500.000	717.208.200	23.845.474.336
Decrease	-	2.608.314.952	-	158.630.050	-	2.766.945.002
- Liquidating, disposing	-	2.608.314.952	-	158.630.050	-	2.766.945.002
Ending balance	211.809.913.607	690.408.929.162	65.641.406.731	13.742.302.222	3.541.263.095	985.143.814.817
<b>Accumulated depreciation</b>						
Beginning balance	115.608.057.123	528.665.709.836	58.111.528.068	11.991.346.249	2.087.864.749	716.464.506.025
Increase	11.102.414.016	44.225.415.064	2.020.440.006	713.482.078	383.688.501	58.445.439.665
- Depreciation within year	11.102.414.016	44.225.415.064	2.020.440.006	713.482.078	383.688.501	58.445.439.665
Decrease	-	2.608.314.952	-	158.630.050	-	2.766.945.002
- Liquidating, disposing	-	2.608.314.952	-	158.630.050	-	2.766.945.002
Ending balance	126.710.471.139	570.282.809.948	60.131.968.074	12.546.198.277	2.471.553.250	772.143.000.688
<b>Net book value</b>						
Beginning balance	95.558.685.624	143.738.017.002	5.856.800.663	1.711.086.023	736.190.146	247.600.779.458
Ending balance	85.099.442.468	120.126.119.214	5.509.438.657	1.196.103.945	1.069.709.845	213.000.814.129

	31/12/2021	01/01/2020
- Cost of fully depreciated tangible fixed assets but still in use (Tangible and intangible):	558.681.648.684	556.809.295.281



NOTES TO THE FINANCIAL STATEMENTS (continued)

8. Increase and decrease in intangible fixed assets

	Land use rights	Computer Software	Total
<b>Original cost</b>			
Beginning balance	31.394.484.385	6.025.373.027	37.419.857.412
Increase		231.110.000	231.110.000
Decrease			-
<b>Ending balance</b>	<b>31.394.484.385</b>	<b>6.256.483.027</b>	<b>37.650.967.412</b>
<b>Accumulated depreciation</b>			
Beginning balance	10.298.640.805	4.734.439.475	15.033.080.280
Increase	615.108.216	645.853.893	1.260.962.109
Decrease			-
<b>Ending balance</b>	<b>10.913.749.021</b>	<b>5.380.293.368</b>	<b>16.294.042.389</b>
<b>Net book value</b>			
Beginning balance	21.095.843.580	1.290.933.552	22.386.777.132
<b>Ending balance</b>	<b>20.480.735.364</b>	<b>876.189.659</b>	<b>21.356.925.023</b>

9. Short-term trade payable

	31/12/2021		01/01/2021	
	Liabilities	Ability to pay	Liabilities	Ability to pay
SAKATA INX VIETNAM CO., LTD	29.112.692.620	29.112.692.620	23.325.951.550	23.325.951.550
Stock Trading Services Kien Duc Plastic Packaging	28.030.611.097	28.030.611.097	26.919.367.807	26.919.367.807
Others	211.479.223.706	211.479.223.706	189.634.663.497	189.634.663.497
<b>Total</b>	<b>268.622.527.423</b>	<b>268.622.527.423</b>	<b>239.879.982.854</b>	<b>239.879.982.854</b>

10. Other short-term payables

	31/12/2021	01/01/2021
Union fund	123.118.220	181.897.830
Dividend payables	76.142.900	70.453.400
NNX paid to Tan Tien	96.652.597.842	94.178.164.936
NNX paid to Contractors	102.750.928.037	102.633.978.306
PK paid to Tan Tien	25.272.320.114	24.498.084.242
Other	1.788.178.701	429.329.581
<b>Total</b>	<b>226.663.285.814</b>	<b>221.991.908.295</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

11. Tax and statutory obligations

	01/01/2021	Payable	Paid	31/12/2021
<b>a. Payable</b>	<b>1.197.312.024</b>	<b>11.821.194.343</b>	<b>11.956.736.029</b>	<b>1.061.770.338</b>
Personal income tax	1.197.312.024	7.967.487.651	8.103.029.337	1.061.770.338
Environmental protection tax	-	598.871.365	598.871.365	-
Foreign contractors tax	-	4.000.000	4.000.000	-
Land rent	-	3.248.668.778	3.248.668.778	-
Others	-	2.166.549	2.166.549	-
	<b>01/01/2021</b>	<b>Payable</b>	<b>Paid</b>	<b>31/12/2021</b>
<b>b. Receivables</b>	<b>-</b>	<b>6.023.239.408</b>	<b>21.586.985.053</b>	<b>6.733.241.673</b>
Export, Import tax	-	6.023.239.408	6.031.650.545	8.411.137
Business income tax	8.830.503.972	-	15.555.334.508	6.724.830.536
<b>c. VAT</b>	<b>01/01/2021</b>	<b>Payable/ Deductible</b>	<b>Paid/ Deducted</b>	<b>31/12/2021</b>
VAT payable	1.583.622.034	177.789.162.927	179.372.784.961	-
VAT deductible	9.586.761.616	98.078.061.929	97.723.881.048	9.940.942.497
<b>VAT deductible</b>	<b>8.003.139.582</b>			<b>9.940.942.497</b>

12. Short-term accrued expenses

	31/12/2021	01/01/2021
Penalty for late tax payment	210.956.811	213.123.360
2020 audit expenses	-	383.360.000
2021 audit expenses	394.860.800	-
Others	1.059.310.293	1.152.614.036
<b>Total</b>	<b>1.665.127.904</b>	<b>1.749.097.396</b>

13. Other long-term provisions

Long-term provisions represents the accrual for severance allowance to employees.



NOTES TO THE FINANCIAL STATEMENTS (continued)

14. Owner's Equity

a. Increase and decrease in owner's equity

	Contributed legal capital	Share capital surplus	Treasury stocks	Investment and development fund	Profit after tax retained	Total
<b>Beginning balance of previous year</b>	<b>149.999.980.000</b>	<b>154.777.960.000</b>	<b>(45.918.033.800)</b>	<b>177.152.251.138</b>	<b>434.520.005.223</b>	<b>870.532.162.561</b>
Profit of the previous year	-	-	-	-	145.164.198.460	145.164.198.460
Increase	-	-	-	-	-	-
Decrease	-	-	-	-	-	-
Distributed profit of the year	-	-	-	-	-	-
- Dividends in 2019	-	-	-	-	(6.758.885.000)	(6.758.885.000)
<b>Ending balance of previous year</b>	<b>149.999.980.000</b>	<b>154.777.960.000</b>	<b>(45.918.033.800)</b>	<b>177.152.251.138</b>	<b>572.925.318.683</b>	<b>1.008.937.476.021</b>
<b>Beginning balance of current year</b>	<b>149.999.980.000</b>	<b>154.777.960.000</b>	<b>(45.918.033.800)</b>	<b>177.152.251.138</b>	<b>572.925.318.683</b>	<b>1.008.937.476.021</b>
Profit of the current period	-	-	-	-	(11.182.094.869)	(11.182.094.869)
Increase	-	-	-	-	-	-
Decrease	-	-	-	-	-	-
Distributed profit of the year	-	-	-	-	-	-
- Dividends in 2020	-	-	-	-	(20.276.655.000)	(20.276.655.000)
<b>Ending balance of current period</b>	<b>149.999.980.000</b>	<b>154.777.960.000</b>	<b>(45.918.033.800)</b>	<b>177.152.251.138</b>	<b>541.466.568.814</b>	<b>977.478.726.152</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

**b. Detail of owner's invested capital**  
 (According to the list date 25/03/2021)

	31/12/2021		01/01/2021
	Tỷ lệ	VND	VND
Dongwon Systems Corporation	88,16%	132.245.180.000	132.245.180.000
Others	11,84%	17.754.800.000	17.754.800.000
	100%	149.999.980.000	149.999.980.000

**c. Capital transactions with owners and distribution of dividends and profits**

	31/12/2021	01/01/2021
Owner's invested capital		
At the beginning of year	149.999.980.000	149.999.980.000
Increase in the year	-	-
Decrease in the year	-	-
At year end	149.999.980.000	149.999.980.000
Distributed dividends and profit	20.276.655.000	6.758.885.000

**d. Stock**

	31/12/2021	01/01/2021
Quantity of Authorized issuing stocks	15.000.000	15.000.000
Quantity of issued stocks	14.999.998	14.999.998
- Common stocks	14.999.998	14.999.998
Quantity of repurchased stocks	1.482.228	1.482.228
- Common stocks	1.482.228	1.482.228
Quantity of circulation stocks	13.517.770	13.517.770
- Common stocks	13.517.770	13.517.770
- Par value per stock: 10.000 VND		

**15. Off-balance sheet accounts**

	31/12/2021	01/01/2021
Foreign currencies		
- USD	48.395,06	88.512,05



NOTES TO THE FINANCIAL STATEMENTS (continued)

VI. ADDITIONAL INFORMATION TO ITEMS IN INCOME STATEMENT

	Y 2021	Unit: VND Y 2020
<b>1. Revenue from sale of goods and rendering of services</b>	<b>1.906.486.380.596</b>	<b>1.787.026.147.849</b>
In which:		
Revenue from sale of merchandise	22.408.324.383	14.828.400.530
Revenue from sale of finished goods	1.868.476.321.464	1.756.676.929.699
Revenue from others	15.601.734.749	15.520.817.620
<b>2. Deductible items</b>	<b>7.227.498.028</b>	<b>6.195.052.465</b>
Trade discounts	1.213.472.389	1.767.624.825
Sales allowances	3.042.000	4.896.252
Sales return	6.010.983.639	4.422.531.388
<b>3. Net revenue from sale of goods and rendering of services</b>	<b>1.899.258.882.568</b>	<b>1.780.831.095.384</b>
Net revenue from sale of merchandise	22.408.324.383	14.828.400.530
Net revenue from sale of finished goods	1.861.248.823.436	1.750.481.877.234
Net revenue from rendering of services	-	-
Net revenue from others	15.601.734.749	15.520.817.620
<b>4. Cost of goods sold</b>	<b>Y 2021</b>	<b>Y 2020</b>
Costs of merchandise	21.303.806.457	15.471.976.120
Costs of finished goods	1.802.059.082.285	1.517.623.098.439
<b>Total</b>	<b>1.823.362.888.742</b>	<b>1.533.095.074.559</b>
<b>5. Financial income</b>	<b>Y 2021</b>	<b>Y 2020</b>
Interest income	23.161.954.224	26.748.805.208
Gain from foreign exchange difference	2.672.620.209	1.873.138.069
<b>Total</b>	<b>25.834.574.433</b>	<b>28.621.943.277</b>
<b>6. Financial expenses</b>	<b>Y 2021</b>	<b>Y 2020</b>
Interest expenses	625.231.059	761.428.689
AR advance payment expenses	4.585.451.236	3.728.107.382
Loss from foreign exchange difference	1.052.313.915	903.737.337
Other	-	8.908.167
<b>Total</b>	<b>6.262.996.210</b>	<b>5.402.181.575</b>

NOTES TO THE FINANCIAL STATEMENTS (continued)

<b>7. Selling expenses</b>	<b>Y 2021</b>	<b>Y 2020</b>
Labor costs	17.161.240.811	17.965.833.367
Expenses of selling materials, tools	1.179.983.734	1.193.953.881
Depreciation expenses	443.450.659	314.513.451
Expenses for external services	33.733.078.566	23.449.894.306
Commission	767.041.577	626.474.648
Others	1.757.130.205	1.190.062.763
<b>Total</b>	<b>55.041.925.552</b>	<b>44.740.732.416</b>
<b>8. Administrative expenses</b>	<b>Y 2021</b>	<b>Y 2020</b>
Labor costs	32.130.795.435	27.027.737.287
Expenses of administrative materials, tools	804.003.714	678.147.368
Depreciation expenses	2.713.190.337	3.157.672.095
Expenses for external services	5.621.738.567	7.296.707.780
Others	8.495.897.730	3.439.062.530
<b>Total</b>	<b>49.765.625.783</b>	<b>41.599.327.060</b>
<b>9. Other income</b>	<b>Y 2021</b>	<b>Y 2020</b>
Profit from disposal of fixed assets	168.181.819	298.181.820
Profit from disposal of scrap	9.090.909	2.727.273
<b>Total</b>	<b>177.272.728</b>	<b>300.909.093</b>
<b>10. Other expenses</b>	<b>Y 2021</b>	<b>Y 2020</b>
Land rent, land tax	3.248.668.778	2.926.955.243
Others	-	-
<b>Total</b>	<b>3.248.668.778</b>	<b>2.926.955.243</b>
<b>11. Productions and operation costs by items</b>	<b>Y 2021</b>	<b>Y 2020</b>
Raw materials	1.595.324.153.043	1.262.809.232.832
Labour cost	208.765.433.012	191.768.856.911
Depreciation expenses	59.706.401.774	42.166.691.838
Expenses from external services	111.676.415.511	99.422.213.122
Other expenses	9.984.733.205	3.810.245.288
<b>Total</b>	<b>1.985.457.136.545</b>	<b>1.599.977.239.991</b>



## NOTES TO THE FINANCIAL STATEMENTS (continued)

## 12. Current business income tax expenses

Business income tax payable is determined at the rate of 20% of taxable profit.

Tax settlements of the Company and its subsidiaries are subject to examination by the tax authorities. Because the application of tax laws and regulations with many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

Current business income tax expenses are calculated as follows:

	Y 2021	Y 2020
Total profit before tax	(12.411.375.336)	181.989.676.901
Adjustments for	8.870.317.895	3.686.539.671
- Increases	8.870.317.895	3.686.539.671
+ Accrued expense	11.500.800	(772.816.339)
+ Non-deductible expenses	2.627.915.570	2.041.715.308
+ BOD 's remuneration	96.000.000	96.000.000
+ Provision of inventories	2.177.042.528	(624.631.851)
+ provision of severance allowance	(6.896.250)	(362.939.250)
+ LBB and PA project costs	3.248.668.778	2.926.955.243
+ Differentials from exchange rates (Trade receivables, cash)	141.687.568	17.107.116
+ Rebate	(40.006.362)	365.149.444
+ Provision for inventories bad debts	614.405.263	-
- Decreases	-	-
Total taxable profits	(3.541.057.441)	185.676.216.572
Income tax rate	20%	20%
Current business income tax expenses	-	37.135.243.314
Business income tax expenses of previous years has been made additional payment according to the tax decision	-	-
<b>Current business income tax expenses</b>	<b>-</b>	<b>37.135.243.314</b>

## 13. Deferred business income tax expenses

	Y 2021	Y 2020
Provision for severance allowance	1.379.250	72.587.850
Accrued expense	(2.300.160)	154.563.268
Provision for inventories	(435.408.505)	124.926.370
LBB and PA project costs	(649.733.756)	(585.391.049)
Rebate	8.001.272	(73.029.889)
Provision for inventories bad debts	(122.881.053)	-
Differentials from exchange rates (Trade receivables)	(28.337.514)	(3.421.423)
<b>Total</b>	<b>(1.229.280.467)</b>	<b>(309.764.873)</b>
Deferred tax asset (beginning)	7.372.728.389	7.062.963.516
Deferred tax asset (ending)	8.602.008.856	7.372.728.389

Prepared by

Chief Accountant

General Director

Trần Thị Mộng Thu

Trần Thị Thủy Tiên

Koo Jae Young

Ho Chi Minh City, dated Jan 15th, 2022

