

Tan Tien Plastic Packaging Joint Stock Company

Financial statements

For the year ended 31 December 2021



Tan Tien Plastic Packaging Joint Stock Company

CONTENTS

	<i>Pages</i>
General information	1
Report of the General Director	2
Independent auditors' report	3 - 4
Balance sheet	5 - 6
Income statement	7
Cash flow statement	8 - 9
Notes to the financial statements	10 - 29

Tan Tien Plastic Packaging Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Tan Tien Plastic Packaging Joint Stock Company ("the Company") was formerly a State-owned enterprise established in accordance with the Decision No. 451/CNn/TCLD issued by the Ministry of Industry on 7 May 1993 and the Business Registration Certificate ("BRC") No. 103022 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 May 1994.

On 23 October 2002, the Company was equitized as a shareholding company in accordance with the Decision No. 624/QĐ-TCCB issued by the Ministry of Industry. This equalization was formalized by the DPI of Ho Chi Minh City through the issuance of the BRC No. 4103002999 on 28 December 2004 and the subsequent amended BRCs.

On 4 May 2021, the Company obtained the latest Enterprise Registration Certificate No. 0300391040 issued by the DPI of Ho Chi Minh City.

The Company's shares was trading on the Ha Noi Stock Exchange ("HNX") in accordance with License No. 140/QĐ-SGDHN issued by the HNX on 15 March 2017.

The Company's current principal activities are to manufacture plastic packaging used for food, consumer products and real estates.

The Company's registered head office is located at Lot II, Group 4, Street 13, Tan Binh Industrial Park, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr Cho Jum Kun	Chairman	
Mr Park Moonsu	Member	
Mr Song Jongsun	Member	
Mr Lee Sehoon	Member	
Mr Koo Jae Young	Member	appointed on 23 April 2021
Mr Jo Jeong Kook	Member	resigned on 23 April 2021

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Mr Le Van Nhan	Head
Mr Choi Sang Woo	Member
Mr Cho Hyonwoo	Member

GENERAL DIRECTOR

The General Director during the year and at the date of this report are:

Mr Koo Jae Young	General Director	appointed on 23 April 2021
Mr Jo Jeong Kook	General Director	resigned on 23 April 2021

LEGAL REPRESENTATIVE

The legal representatives of the Company during the year and at the date of this report are:

Mr Koo Jae Young	appointed on 23 April 2021
Mr Jo Jeong Kook	resigned on 23 April 2021

AUDITORS

The auditor of the Company is Ernst & Young Vietnam Limited.

Tan Tien Plastic Packaging Joint Stock Company

REPORT OF THE GENERAL DIRECTOR

The General Director of Tan Tien Plastic Packaging Joint Stock Company ("the Company") is pleased to present this report and the financial statements of the Company for the year ended 31 December 2021.

THE GENERAL DIRECTOR'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The General Director is responsible for the financial statements of each financial year which give a true and fair view of the financial position of the Company and of the results of its operations and its cash flows. In preparing those financial statements, the General Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue its business.

The General Director 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 to ensure that the accounting records comply with the applied accounting system. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The General Director confirmed that he has complied with the above requirements in preparing the accompanying financial statements.

STATEMENT BY THE GENERAL DIRECTOR

The General Director does hereby state that, in his opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2021 and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of financial statements.



Koo Jae Young
General Director

Ho Chi Minh City, Vietnam

16 March 2022

Reference: 61277151/22632398

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Tan Tien Plastic Packaging Joint Stock Company

We have audited the accompanying financial statements of Tan Tien Plastic Packaging Joint Stock Company ("the Company"), as prepared on 16 March 2022 and set out on pages 5 to 29 which comprise the balance sheet as at 31 December 2021, the income statement and the cash flow statement for the year then ended and the notes thereto.

The General Director's responsibility

The Company's General Director is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of financial statements, and for such internal control as General Director determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the General Director, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2021, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements.

Ernst & Young Vietnam Limited



Nguyễn Thị Nhu Quỳnh
Deputy General Director
Audit Practicing Registration Certificate
No. 3040-2019-004-1



Pham Xuan Tuan
Auditor
Audit Practicing Registration Certificate
No. 4639-2018-004-1

Ho Chi Minh City, Vietnam

16 March 2022

BALANCE SHEET
as at 31 December 2021

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,167,500,485,460	1,139,222,397,326
110	I. Cash	4	35,022,656,039	36,150,448,855
111	1. Cash		35,022,656,039	36,150,448,855
120	II. Short-term investment		381,400,000,000	460,000,000,000
123	1. Held-to-maturity investments	5	381,400,000,000	460,000,000,000
130	III. Current accounts receivable		369,914,132,370	385,078,042,242
131	1. Short-term trade receivables	6	337,183,461,136	342,319,624,516
132	2. Short-term advances to suppliers		1,683,616,149	2,473,051,347
136	3. Other short-term receivables	7	38,179,470,638	43,821,388,717
137	4. Provision for doubtful short-term receivables	6	(7,132,415,553)	(3,536,022,338)
140	IV. Inventories	8	363,586,161,076	248,989,892,187
141	1. Inventories		367,641,550,689	250,868,239,272
149	2. Provision for obsolete inventories		(4,055,389,613)	(1,878,347,085)
150	V. Other current assets		17,577,535,975	9,004,014,042
151	1. Short-term prepaid expenses	12	903,351,805	1,000,874,460
152	2. Value-added tax deductible	14	9,940,942,497	8,003,139,582
153	3. Tax and other receivables from the State	14	6,733,241,673	-
200	B. NON-CURRENT ASSETS		341,795,923,791	377,450,410,886
210	I. Long-term receivable		10,000,000	10,000,000
216	1. Other long-term receivable		10,000,000	10,000,000
220	II. Fixed assets		234,357,739,152	269,987,556,590
221	1. Tangible fixed assets	9	213,000,814,129	247,600,779,458
222	Cost		985,143,814,817	964,065,285,483
223	Accumulated depreciation		(772,143,000,688)	(716,464,506,025)
227	2. Intangible fixed assets	10	21,356,925,023	22,386,777,132
228	Cost		37,650,967,412	37,419,857,412
229	Accumulated amortization		(16,294,042,389)	(15,033,080,280)
240	III. Long-term asset in progress		95,867,616,168	95,867,616,168
242	1. Construction in progress	11	95,867,616,168	95,867,616,168
260	IV. Other long-term assets		11,560,568,471	11,585,238,128
261	1. Long-term prepaid expenses	12	2,958,559,615	4,212,509,739
262	2. Deferred tax asset	24.3	8,602,008,856	7,372,728,389
270	TOTAL ASSETS		1,509,296,409,251	1,516,672,808,212

BALANCE SHEET (continued)
as at 31 December 2021

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		531,817,683,099	507,735,332,191
310	I. Current liabilities		525,018,138,599	500,928,891,441
311	1. Short-term trade payables	13	268,649,343,823	239,879,982,854
312	2. Short-term advances from customers		258,734,819	1,109,391,442
313	3. Statutory obligations	14	1,061,770,338	10,027,815,996
314	4. Payables to employees		26,258,767,226	26,170,695,458
315	5. Short-term accrued expenses		1,665,127,904	1,749,097,396
319	6. Other short-term payables	15	227,124,394,489	221,991,908,295
330	II. Non-current liability		6,799,544,500	6,806,440,750
342	1. Long-term provision	16	6,799,544,500	6,806,440,750
400	D. OWNERS' EQUITY		977,478,726,152	1,008,937,476,021
410	I. Capital	17.1	977,478,726,152	1,008,937,476,021
411	1. Share capital		149,999,980,000	149,999,980,000
411a	- Shares with voting rights		149,999,980,000	149,999,980,000
412	2. Share premium		154,777,960,000	154,777,960,000
415	3. Treasury shares		(45,918,033,800)	(45,918,033,800)
418	4. Investment and development fund		177,152,251,138	177,152,251,138
421	5. Undistributed earnings		541,466,568,814	572,925,318,683
421a	- Undistributed earnings by the end of prior years		552,648,663,683	427,761,120,223
421b	- (Losses) undistributed earnings of the current year		(11,182,094,869)	145,164,198,460
440	TOTAL LIABILITIES AND OWNERS' EQUITY		1,509,296,409,251	1,516,672,808,212

Tran Thi Thuy Tien
Chief Accountant

Lee Sehoon
Chief Financial Officer

Koo Jae Young
General Director



16 March 2022

INCOME STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	18.1	1,905,272,908,207	1,787,026,147,849
02	2. Deductions	18.1	(6,014,025,639)	(6,195,052,465)
10	3. Net revenue from sale of goods and rendering of services	18.1	1,899,258,882,568	1,780,831,095,384
11	4. Cost of goods sold and services rendered	19	(1,823,362,888,742)	(1,533,095,074,559)
20	5. Gross profit from sale of goods and rendering of services		75,895,993,826	247,736,020,825
21	6. Finance income	18.2	25,834,574,433	28,621,943,277
22	7. Finance expenses	21	(6,262,996,210)	(5,402,181,575)
23	In which: Interest expense		(625,231,059)	(761,428,689)
25	8. Selling expenses	20	(55,041,925,552)	(44,740,732,416)
26	9. General and administrative expenses	20	(49,765,625,783)	(41,599,327,060)
30	10. Operating (loss) profit		(9,339,979,286)	184,615,723,051
31	11. Other income		177,272,728	300,909,093
32	12. Other expenses	22	(3,248,668,778)	(2,926,955,243)
40	13. Other loss		(3,071,396,050)	(2,626,046,150)
50	14. Accounting (loss) profit before tax		(12,411,375,336)	181,989,676,901
51	15. Current corporate income tax expense	24.1	-	(37,135,243,314)
52	16. Deferred tax income	24.3	1,229,280,467	309,764,873
60	17. Net (loss) profit after tax		(11,182,094,869)	145,164,198,460
70	18. (Loss) profit basic earnings per share	17.3	(827)	10,739
71	19. (Loss) profit diluted earnings per share	17.3	(827)	10,739

Tran Thi Thuy Tien
Chief Accountant

Lee Sehoon
Chief Financial Officer

Koo Jae Young
General Director

16 March 2022

CASH FLOW STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting (loss) profit before tax		(12,411,375,336)	181,989,676,901
	<i>Adjustments for:</i>			
02	Depreciation and amortization	9, 10	59,706,401,774	42,166,691,838
03	Provisions (reversal of provision)		5,773,435,743	(632,264,745)
04	Foreign exchange (profit) loss arising from revaluation of monetary accounts denominated in foreign currency		(51,180,316)	204,083,792
05	Profits from investing activities		(23,330,136,043)	(27,046,987,028)
06	Interest expense	21	625,231,059	761,428,689
08	Operating profit before changes in working capital		30,312,376,881	197,442,629,447
09	(Increase) decrease in receivables		(3,160,752,667)	15,378,457,870
10	Increase in inventories		(116,773,311,417)	(2,854,133,805)
11	Increase in payables		46,781,269,390	24,509,822,995
12	Decrease (increase) in prepaid expenses		1,351,472,779	(789,308,754)
14	Interest paid		(625,231,059)	(761,428,689)
15	Corporate income tax paid		(15,555,334,508)	(38,495,578,426)
20	Net cash flows (used in) from operating activities		(57,669,510,601)	194,430,460,638
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(31,013,043,310)	(79,532,692,418)
22	Proceeds from disposals of fixed assets		168,181,819	298,181,820
23	Cash out for bank deposit and payments for purchase of debt instruments of other entities		(381,400,000,000)	(595,000,000,000)
24	Collections from bank deposits and bonds		460,000,000,000	458,000,000,000
27	Interest received		29,074,565,182	23,528,975,071
30	Net cash flows from (used in) investing activities		76,829,703,691	(192,705,535,527)


CASH FLOW STATEMENT (continued)
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	Drawdown of borrowings		253,765,145,635	60,841,104,367
34	Repayment of borrowings		(253,765,145,635)	(60,841,104,367)
36	Dividends paid	17.4	(20,270,965,500)	(6,758,232,400)
40	Net cash flows used in financing activities		(20,270,965,500)	(6,758,232,400)
50	Net decrease in cash		(1,110,772,410)	(5,033,307,289)
60	Cash at beginning of year		36,150,448,855	41,190,945,747
61	Impact of exchange rate fluctuation		(17,020,406)	(7,189,603)
70	Cash at end of year	4	35,022,656,039	36,150,448,855


 Tran Thi Thuy Tien
 Chief Accountant


 Lee Sehoon
 Chief Financial Officer


 Koo Jae Young
 General Director


16 March 2022

NOTES TO THE FINANCIAL STATEMENTS
as at 31 December 2021 and for the year then ended

1. CORPORATE INFORMATION

Tan Tien Plastic Packaging Joint Stock Company ("the Company") was formerly a State-owned enterprise established in accordance with the Decision No. 451/CNn/TCLD issued by the Ministry of Industry on 7 May 1993 and the Business Registration Certificate ("BRC") No. 103022 issued by the Department of Planning and Investment ("DPI") of Ho Chi Minh City on 18 May 1994.

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The Company's shares was trading on the Ha Noi Stock Exchange ("HNX") in accordance with License No. 140/QD-SGDHN issued by the HNX on 15 March 2017.

The Company's current principal activities are to manufacture plastic packaging used for food, consumer products and real estates.

The Company's registered head office is located at Lot II, Group 4, Street 13, Tan Binh Industrial Park, Tay Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam.

The number of the Company's employees as at 31 December 2021 was 819 (31 December 2020: 847).

2. BASIS OF PREPARATION

2.1 Accounting standards and system

The financial statements of the Company, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System, Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and the results of its operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.2 Applied accounting documentation system

The Company's applied accounting documentation system is the General Journal system.

2.3 Fiscal year

The Company's fiscal year applicable for the preparation of its financial statements starts on 1 January and ends on 31 December.

2.4 Accounting currency

The financial statements are prepared in VND which is also the Company's accounting currency.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash

Cash comprise cash on hand and cash in banks.

3.2 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realizable value. Net realizable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials	- cost of purchase on a weighted average basis.
Finished goods and work-in-process	- cost of direct materials and labor plus attributable manufacturing overheads based on the normal operating capacity on a weighted average basis.

Provision for obsolete inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other 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 income statement.

3.3 Receivables

Receivables are presented in the financial statements at the carrying amounts due from customers and other debtors, after provision for doubtful receivables.

The provision for doubtful receivables represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expense in the income statement.

3.4 Fixed assets

Tangible fixed assets and intangible fixed assets are stated at cost less accumulated depreciation and amortization.

The cost of a fixed asset comprises its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the income statement as incurred.

When fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the income statement.

Land use rights

Land use rights are recorded as intangible fixed assets representing the value of the right to use the lands acquired by the Company. The useful lives of land use rights are assessed as either definite or indefinite. Accordingly, the land use rights with definite useful lives representing the land lease is amortized over the lease term while the land use rights with indefinite useful lives is not amortized.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 Depreciation and amortization

Depreciation of tangible fixed assets and amortization of intangible fixed assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 25 years
Machinery and equipment	5 years
Means of transportation	6- 7 years
Office equipment	3 - 5 years
Computer software	3 years
Land use rights	43 - 46 years
Others	4 years

3.6 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the balance sheet and amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

3.7 Investment

Held-to-maturity investments

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognized as expense in the financial statements and deducted against the value of such investments.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the income statement.

3.8 Borrowing costs

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are recorded as expense during the year in which they are incurred.

3.9 Payables and accruals

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

3.10 Accrual for severance pay

The severance pay to employee is accrued at the end of each reporting year for all employees who have been in service for more than 12 months up to the balance sheet date at the rate of one-half of the average monthly salary for each year of service up to 31 December 2008 in accordance with the Labor Code, the Law on Social Insurance and related implementing guidance. The average monthly salary used in this calculation will be revised at the end of each reporting period following the average monthly salary of the 6-month period up to the reporting date. Increases or decreases to the accrued amount other than actual payment to employees will be taken to the income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labor contract following Article 49 of the Labor Code.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 Foreign currency transactions

Transactions in currencies other than the Company's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at transaction dates which are determined as follows:

- Monetary assets are translated at buying exchange rate of the commercial bank where the Company conducts transactions regularly; and
- Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conducts transactions regularly.

All foreign exchange differences incurred during the year and arising from the revaluation of monetary accounts denominated in foreign currency at year-end are taken to the income statement.

3.12 Treasury shares

Own equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit (loss) upon purchase, sale, issue or cancellation of the Company's own equity instruments.

3.13 Earnings per share

Basic earnings per share amounts are calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit (loss) after tax attributable to ordinary equity holders of the Company (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.14 Appropriation of net profits

Net profit after tax is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnam's regulatory requirements.

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

Investment and development fund

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

Dividends

Final dividends proposed by the Company's Board of Directors are classified as an allocation of undistributed earnings within the equity section of the balance sheet, until they have been approved by the Company's shareholders at the Annual General Meeting. When these dividends have been approved by the shareholders and declared, they are recognized as a liability in the balance sheet.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.15 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Rendering of services

Revenue from rendering of services is recognized when the services have been rendered and completed.

Interest income

Revenue is recognized as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

3.16 Taxation

Current income tax

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted by the balance sheet date.

Current income tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred income tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Previously unrecognized deferred tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred income tax is charged or credited to the income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also dealt with in the equity account.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation (continued)

Deferred tax (continued)

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority or when the Company intends either to settle current tax liabilities and assets on a net basis or to realize the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

3.17 Related parties

Parties are considered to be related parties of the Company if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of their families.

4. CASH

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	146,968,246	193,288,888
Cash at banks	34,875,687,793	35,957,159,967
TOTAL	35,022,656,039	36,150,448,855

5. SHORT-TERM HELD-TO-MATURITY INVESTMENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Term deposits (i)	281,400,000,000	380,000,000,000
Bonds (ii)	100,000,000,000	80,000,000,000
TOTAL	381,400,000,000	460,000,000,000

(i) This balance represents bank deposits at commercial banks with remaining maturities less than 12 months and earn interest at the rates ranging from 4.8% to 5.1% per annum.

(ii) This balance represents 1,000 bonds at KIS Vietnam Securities Corporation with remaining maturity of 10 months and earn interest at the rate 6.3% per annum.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended**6. SHORT-TERM TRADE RECEIVABLES**

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Due from other parties	328,578,442,462	334,281,846,276
<i>Trung Nguyen Coffee Joint Stock Company</i>	<i>50,399,029,466</i>	<i>43,005,759,621</i>
<i>Unilever Eac Myanmar Company Limited</i>	<i>35,781,552,365</i>	<i>16,339,722,224</i>
<i>Pepsico Foods Vietnam Company</i>	<i>32,050,021,449</i>	<i>19,944,539,985</i>
<i>Unilever Vietnam International</i>		
<i>Company Limited</i>	<i>10,706,281,345</i>	<i>76,989,336,510</i>
<i>Other customers</i>	<i>199,641,557,837</i>	<i>178,002,487,936</i>
Due from a related party (Note 25)	8,605,018,674	8,037,778,240
TOTAL	337,183,461,136	342,319,624,516
Provision for doubtful short-term receivables	(7,132,415,553)	(3,536,022,338)
NET	330,051,045,583	338,783,602,178

Movements of provision for doubtful short-term receivables are as follows:

		VND
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	3,536,022,338	3,543,655,232
Add: Provision made during the year	3,646,821,053	238,716,403
Less: Utilization and reversal of provision during the year	(50,427,838)	(246,349,297)
Ending balance	7,132,415,553	3,536,022,338

7. OTHER SHORT-TERM RECEIVABLES

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Project deposit (*)	25,224,132,225	25,224,132,225
Banks and bond interest receivables	11,647,142,466	17,559,753,424
Others	1,308,195,947	1,037,503,068
TOTAL	38,179,470,638	43,821,388,717

(*) This amount represents the deposit at Department of Planning and Investment of Ho Chi Minh City to execute the Exim Plaza Shopping Center.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

8. INVENTORIES

		VND
	<i>Ending balance</i>	<i>Beginning balance</i>
Raw materials	186,090,619,366	153,300,257,614
Finished goods	95,985,379,234	48,283,072,261
Work in process	46,934,445,905	23,084,035,347
Goods in transit	38,595,566,649	26,177,614,050
Tools and supplies	35,539,535	23,260,000
TOTAL	367,641,550,689	250,868,239,272
Provision for obsolete inventories	(4,055,389,613)	(1,878,347,085)
NET	363,586,161,076	248,989,892,187

Movements of provision for obsolete inventories are as follows:

		VND
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	1,878,347,085	2,502,978,936
Add: Provision made during the year	7,871,535,812	-
Less: Utilization and reversal of provision during the year	(5,694,493,284)	(624,631,851)
Ending balance	4,055,389,613	1,878,347,085

Tan Tien Plastic Packaging Joint Stock Company

B09-DN

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

9. TANGIBLE FIXED ASSETS

		Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Other assets	Total
	VND						
Cost							
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
New purchases		643,170,860	20,613,517,276	1,673,078,000	198,500,000	717,208,200	23,845,474,336
Disposal		-	(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
<i>In which:</i>							
<i>Fully depreciated</i>		27,657,808,524	454,298,187,900	55,620,992,949	10,673,361,520	1,647,904,990	549,898,255,883
Accumulated depreciation							
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
Depreciation for the year		11,102,414,016	44,225,415,064	2,020,440,006	713,482,078	383,688,501	58,445,439,665
Disposal		-	(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
Net carrying amount							
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

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

10. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Computer software</i>	<i>VND Total</i>
Cost			
Beginning balance	31,394,484,385	6,025,373,027	37,419,857,412
New purchases	-	231,110,000	231,110,000
Ending balance	31,394,484,385	6,256,483,027	37,650,967,412
<i>In which:</i>			
<i>Fully amortized</i>	4,356,025,551	4,427,367,250	8,783,392,801
Accumulated amortization			
Beginning balance	10,298,640,805	4,734,439,475	15,033,080,280
Amortization for the year	615,108,216	645,853,893	1,260,962,109
Ending balance	10,913,749,021	5,380,293,368	16,294,042,389
Net carrying amount			
Beginning balance	21,095,843,580	1,290,933,552	22,386,777,132
Ending balance	20,480,735,364	876,189,659	21,356,925,023

11. CONSTRUCTION IN PROCESS

	<i>VND Ending balance</i>	<i>Beginning balance</i>
Construction cost of Luy Ban Bich Project (*)	95,867,616,168	95,867,616,168

(*) This comprises construction cost on existing leasehold land, located at 96 Luy Ban Bich Street, Tan Thoi Hoa Ward, Tan Phu District, Ho Chi Minh City, Vietnam. The project comprising leasehold land and construction cost which will be transferred to Ngoi Nha Xanh Company Limited when the project's legal documentation of the transfer is completed (Note 15).

12. PREPAID EXPENSES

	<i>VND Ending balance</i>	<i>Beginning balance</i>
Short-term	903,351,805	1,000,874,460
Insurance	754,281,005	757,835,685
Tools and equipment	-	123,939,375
Others	149,070,800	119,099,400
Long-term	2,958,559,615	4,212,509,739
Repairing fee	1,134,679,687	956,429,171
Tools and equipment	415,122,238	1,794,162,218
Others	1,408,757,690	1,461,918,350
TOTAL	3,861,911,420	5,213,384,199

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

13. SHORT-TERM TRADE PAYABLES

	<i>Ending balance</i>	<i>Beginning balance</i>
Sakata Inx Vietnam Company Limited	29,112,692,620	23,325,951,550
Kien Duc Trading and Services Plastic Packaging Joint Stock Company	28,030,611,097	26,919,367,807
Others	211,506,040,106	189,634,663,497
TOTAL	268,649,343,823	239,879,982,854

14. TAX

	<i>Beginning balance</i>	<i>Payable for the year</i>	<i>Payment made in the year</i>	<i>Ending balance</i>
Payables				
Personal income tax	1,197,312,024	7,967,487,651	(8,103,029,337)	1,061,770,338
Corporate income tax	8,830,503,972	-	(8,830,503,972)	-
Others	-	3,853,706,692	(3,853,706,692)	-
TOTAL	10,027,815,996	11,821,194,343	(20,787,240,001)	1,061,770,338

	<i>Beginning balance</i>	<i>Receivable for the year</i>	<i>Payment received in the year</i>	<i>Ending balance</i>
Receivables				
Value-added tax deductibles	8,003,139,582	99,661,683,963	(97,723,881,048)	9,940,942,497
Corporate income tax	-	6,724,830,536	-	6,724,830,536
Import tax	-	6,031,650,545	(6,023,239,408)	8,411,137
TOTAL	8,003,139,582	112,418,165,044	(103,747,120,456)	16,674,184,170

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

15. OTHER SHORT-TERM PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Payment on behalf for implementing Luy Ban Bich Project (***)	102,750,928,037	102,633,978,306
Deposit received from Ngoi Nha Xanh Co., Ltd. (*)	96,652,597,842	94,178,164,936
Deposit received from Phuc Khang Development Co., Ltd. (**)	25,272,320,114	24,498,084,242
Dividend payables	76,142,900	70,453,400
Others	2,372,405,596	611,227,411
TOTAL	<u>227,124,394,489</u>	<u>221,991,908,295</u>
<i>In which:</i>		
<i>Payables to others</i>	225,642,988,389	221,674,992,449
<i>Payables to a related party (Note 25)</i>	1,481,406,100	316,915,846

(*) This amount related to the event on 20 August 2015, the Company and Ngoi Nha Xanh Co., Ltd. entered into a contract amounting to VND 115,165,164,000 plus costs of payments for project implementation contracts and land use fees to transfer the project in cumulative years located at 96 Luy Ban Bich Street, Tan Thoi Hoa Ward, Tan Phu District, Ho Chi Minh City, Vietnam. As the date of this report, the Company received in advance such amount and is still in the process of finalizing the legal documentation of the project transfer.

(**) This amount related to the event on 30 July 2016, the Company and Phuc Khang Development Co., Ltd. entered into a contract amounting to VND 26,796,000,000 plus land use fees to transfer of the project in cumulative years located at 38/24 Phan Anh Street, Tan Thoi Hoa Ward, Tan Phu District, Ho Chi Minh City, Vietnam. As the date of this report, the Company received in advance such amount and is still in the process of finalizing the legal documentation of the project transfer.

(***) This amount represented the cost of construction was paid on behalf by Ngoi Nha Xanh Co., Ltd. of project located at located at 96 Luy Ban Bich Street, Tan Thoi Hoa Ward, Tan Phu District, Ho Chi Minh City, Vietnam. This amount will be net off with proceed from transfer this project as mentioned above.

16. LONG-TERM PROVISION

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

Tan Tien Plastic Packaging Joint Stock Company

B09-DN

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

17. OWNERS' EQUITY

17.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	VND Total
Previous year						
Beginning balance	149,999,980,000	154,777,960,000	(45,918,033,800)	177,152,251,138	434,520,005,223	870,532,162,561
Net profit for the year	-	-	-	-	145,164,198,460	145,164,198,460
Dividend declared	-	-	-	-	(6,758,885,000)	(6,758,885,000)
Ending balance	149,999,980,000	154,777,960,000	(45,918,033,800)	177,152,251,138	572,925,318,683	1,008,937,476,021
Current year						
Beginning balance	149,999,980,000	154,777,960,000	(45,918,033,800)	177,152,251,138	572,925,318,683	1,008,937,476,021
Net loss for the year	-	-	-	-	(11,182,094,869)	(11,182,094,869)
Dividend declared	-	-	-	-	(20,276,655,000)	(20,276,655,000)
Ending balance	149,999,980,000	154,777,960,000	(45,918,033,800)	177,152,251,138	541,466,568,814	977,478,726,152

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

17. OWNERS' EQUITY (continued)

17.2 Shares

	<i>Ending balance</i> <i>Quantity</i>	<i>Beginning balance</i> <i>Quantity</i>
Authorized shares	15,000,000	15,000,000
Issued shares		
Issued and paid-up shares	14,999,998	14,999,998
<i>Ordinary shares</i>	14,999,998	14,999,998
Treasury shares		
<i>Ordinary shares</i>	1,482,228	1,482,228
Shares in circulation		
<i>Ordinary shares</i>	13,517,770	13,517,770

Par value of outstanding share: 10,000VND/share (31 December 2020: 10,000 VND/share)

17.3 (Loss) earnings per share

	<i>Current year</i>	<i>Previous year</i>
Net (loss) profit attributable to ordinary shareholders of the Company (VND)	(11,182,094,869)	145,164,198,460
Weighted average number of ordinary shares (shares)	13,517,770	13,517,770
Basic (loss) earnings per share (VND) <i>(par value: VND 10,000 per share)</i>	(827)	10,739
Diluted (loss) earnings per share (VND)	(827)	10,739

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these financial statements.

17.4 Dividend

	<i>Current year</i>	<i>Previous year</i>
Dividend declared	20,276,655,000	6,758,885,000
Dividend paid	20,270,965,500	6,758,232,400

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended**18. REVENUES****18.1 Revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Gross revenues	1,905,272,908,207	1,787,026,147,849
<i>Of which:</i>		
<i>Sale of finished goods</i>	1,865,984,999,833	1,756,233,756,949
<i>Sale of merchandise goods</i>	23,460,571,110	14,908,200,530
<i>Processing services</i>	1,439,074,904	363,372,750
<i>Others</i>	14,388,262,360	15,520,817,620
Less:	(6,014,025,639)	(6,195,052,465)
<i>Sales returns</i>	(6,010,983,639)	(4,422,531,388)
<i>Sales allowances</i>	(3,042,000)	(4,896,252)
<i>Sales discounts</i>	-	(1,767,624,825)
NET REVENUES	<u>1,899,258,882,568</u>	<u>1,780,831,095,384</u>
<i>In which:</i>		
<i>Sale of finished goods</i>	1,861,023,220,921	1,750,118,504,484
<i>Sale of merchandise goods</i>	22,408,324,383	14,828,400,530
<i>Processing services</i>	1,439,074,904	363,372,750
<i>Others</i>	14,388,262,360	15,520,817,620

18.2 Finance income

	VND	
	Current year	Previous year
Interest income	23,161,954,224	26,748,805,208
Foreign exchange gain	2,672,620,209	1,873,138,069
TOTAL	<u>25,834,574,433</u>	<u>28,621,943,277</u>

19. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of finished goods	1,796,954,044,740	1,515,797,120,668
Cost of merchandise goods	21,303,806,457	13,688,074,741
Cost of processing services	1,531,446,071	422,073,496
Cost of others	1,396,548,946	3,812,437,505
Provision (reversal) obsolete for inventories	2,177,042,528	(624,631,851)
TOTAL	<u>1,823,362,888,742</u>	<u>1,533,095,074,559</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended**20. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	55,041,925,552	44,740,732,416
Expenses for external services	33,733,078,566	23,449,894,306
Labor costs	17,161,240,811	17,965,833,367
Depreciation and amortization	443,450,659	314,513,451
Others	3,704,155,516	3,010,491,292
General and administrative expenses	49,765,625,783	41,599,327,060
Labor costs	32,130,795,435	27,027,737,287
Expenses for external services	5,621,738,567	7,296,707,780
Depreciation and amortization	2,713,190,337	3,157,672,095
Provisions (reversal of provision)	3,589,496,965	(370,572,144)
Others	5,710,404,479	4,487,782,042
TOTAL	104,807,551,335	86,340,059,476

21. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Settlement discounts	4,585,451,236	3,728,107,382
Foreign exchange loss	1,052,313,915	903,737,337
Interest expense	625,231,059	761,428,689
Others	-	8,908,167
TOTAL	6,262,996,210	5,402,181,575

22. OTHER EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Land rental expense	3,248,668,778	2,926,955,243

23. PRODUCTION AND OPERATING COSTS

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of materials	1,606,019,904,880	1,276,921,423,438
Labor costs	208,765,433,012	191,768,856,911
Expenses for external services	107,522,036,469	94,447,312,736
Depreciation and amortization (Notes 9 and 10)	59,706,401,774	42,166,691,838
Others	17,709,381,473	7,674,352,529
TOTAL	1,999,723,157,608	1,612,978,637,452

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

24. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

The Company's tax returns are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements could change at a later date upon final determination by the tax authorities.

24.1 CIT expenses

	VND	
	Current year	Previous year
Current CIT expense	-	37,135,243,314
Deferred tax income	(1,229,280,467)	(309,764,873)
TOTAL	(1,229,280,467)	36,825,478,441

Reconciliation between CIT expenses and the accounting profit multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
Accounting (loss) profit before tax	(12,411,375,336)	181,989,676,901
At CIT rate of 20%	(2,482,275,067)	36,397,935,380
<i>Adjustments:</i>		
Non-deductible expenses	544,783,114	427,543,061
Tax losses not yet recognised deferred tax	708,211,486	-
CIT expenses	(1,229,280,467)	36,825,478,441

24.2 Current CIT

The current tax payable is based on taxable (loss) profit for the year. Taxable (loss) profit differs from (loss) profit as reported in the 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 tax is calculated using tax rates that have been enacted at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

24. CORPORATE INCOME TAX (continued)

24.3 Deferred CIT

The following is deferred tax assets recognized by the Company, and the movements thereon, during the current and previous years:

	<i>Balance sheet</i>		<i>Income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Expenses of transfer real estates	6,126,289,048	5,476,555,292	649,733,756	585,391,048
Severance allowance	1,359,908,900	1,361,288,150	(1,379,250)	(72,587,850)
Provision for obsolete inventories	811,077,922	375,669,417	435,408,505	(124,926,370)
Provision for doubtful receivables	122,881,053	-	122,881,053	(51,815,547)
Accrued expenses	78,972,164	76,672,004	2,300,160	-
Sales rebates	65,028,617	73,029,889	(8,001,272)	(29,717,831)
Foreign exchange gain arising from revaluation of foreign currencies accounts	37,851,152	9,513,637	28,337,515	3,421,423
Deferred tax assets	8,602,008,856	7,372,728,389		
Deferred tax credit to income statement			1,229,280,467	309,764,873

24.4 Tax loss carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. Details of estimated tax losses carried forward are as follows:

<i>Originating year</i>	<i>Can be utilized up to</i>	<i>Tax loss amount</i>	<i>Utilized up to 31 December 2021</i>	<i>Forfeited</i>	<i>Unutilized as at 31 December 2021</i>
2021	2026	3,541,057,441	-	-	3,541,057,441

The Company has not recognized deferred tax assets in respect of the said losses carried forward due to uncertainty of future taxable profits.

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

25. TRANSACTIONS WITH RELATED PARTIES

Significant transactions of the Company with related parties in current year and prior year was as follows:

Related parties	Relationship	Transactions	VND	
			Current year	Previous year
Minh Viet Packaging Co., Ltd.	Affiliate	Sale of raw materials	12,903,007,639	11,893,492,838
		Purchase of raw materials	5,845,004,376	2,405,008,413
		Borrowing of raw materials	4,477,580,000	557,238,774
		Lending of raw materials	1,448,962,661	1,044,342,784
		Sale of goods	256,512,000	16,349,939,482
		Disposal Fixed assets	100,000,000	-
		Processing service	-	363,372,750
Dongwons System Corporation	Major shareholder	Purchase of raw materials	-	221,097,881

Amounts due to related parties at the balance sheet dates was as follows:

				VND
<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<i>Short-term trade receivable</i>				
Minh Viet Packaging Co., Ltd.	Affiliate	Sale of raw material	<u>8,605,018,674</u>	<u>8,037,778,240</u>
<i>Other short-term payable</i>				
Minh Viet Packaging Co., Ltd.	Affiliate	Borrowing of raw material	<u>1,481,406,100</u>	<u>316,915,846</u>

Remuneration of members of the Board of Directors ("BOD") and the General Director during the year was as follows:

Individuals	Position	VND	
		Current year	Previous year
Mr Jo Jeong Kook	Member of BOD and General Director (resigned on 23 April 2021)	3,443,701,255	7,621,812,105
Mr Lee Sehoon	Member of BOD and Chief Financial Officer	4,761,004,711	4,363,545,811
Mr Koo Jae Young	Member of BOD and General Director (assigned on 23 April 2021)	<u>3,990,463,700</u>	-
TOTAL		<u>12,195,169,666</u>	<u>11,985,357,916</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended

26. OPERATING LEASE COMMITMENTS

The Company leases houses under operating lease arrangements. The minimum lease commitment as at the balance sheet date is as follows:

	VND	
	Ending balance	Beginning balance
Less than 1 year	1,023,377,800	888,370,433
From 1-5 years	88,020,800	-
TOTAL	1,111,398,600	888,370,433

27. SEGMENT REPORTING

A segment is a component determined separately by the Company which is engaged in providing products or related services (business segment), or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments. As the Company's revenue and profit are derived mainly from manufacturing plastic packaging used for food and consumer products in Vietnam while other sources of revenue are not material as a whole, the General Director accordingly believes that the Company operates in a sole business segment of manufacturing plastic packaging used for food and consumer products within a single geographical segment. Therefore, no further segmental information is required to be presented.

28. COVID-19 PANDEMIC

The Covid-19 pandemic is resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's General Director has continuously monitored ongoing developments and assessed the financial impact in respects of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved, using the best information obtained up to the date of this financial statements.

29. EVENTS AFTER THE BALANCE SHEET DATE

There has been no significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements of the Company.

Tran Thi Thuy Tien
Chief Accountant

Lee Sehoon
Chief Financial Officer

Koo Jae Young
General Director

16 March 2022