

**CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

PHU TAI JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2020

(Audited)

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Phu Tai Joint Stock Company (“the Company”) presents its report and the Company’s Consolidated Financial Statements for the fiscal year ended as at 31 December 2020.

THE COMPANY

Phu Tai Joint Stock Company was established under the Decision No. 150/QD-BQP dated 10 November 2004 by the Ministry of Defence on the transformation of Phu Tai Company under Military Zone 5 into Phu Tai Joint Stock Company.

The Company is operating under the Business Registration Certificate No. 4100259236, firstly issued on 30 December 2004 and amended for the 25th time on 25 July 2018.

The Company’s head office is located at No. 278, Nguyen Thi Dinh, Quy Nhon City, Binh Dinh Province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of the Board of Management during the fiscal year and to the reporting date are:

Mr. Le Vy	Chairman
Mr. Le Van Thao	Vice Chairman
Mr. Tran Thanh Cung	Member
Mr. Phan Quoc Hoai	Member
Mr. Nguyen Sy Hoe	Member
Mr. Le Van Loc	Member
Mr. Do Xuan Lap	Member
Mr. Tran Huu Duc	Member

The members of the Board of General Directors during the fiscal year and to the reporting date are:

Mr. Le Van Thao	General Director
Mr. Tran Thanh Cung	Deputy General Director
Mr. Phan Quoc Hoai	Deputy General Director
Mr. Nguyen Sy Hoe	Deputy General Director

The members of the Board of Supervision are:

Mr. Bui Thuc Hung	Head
Mr. Truong Cong Hoang	Member
Mrs. Dang Thi Tu Oanh	Member
Mr. Phan Minh Duong	Member

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the audit of Consolidated Financial statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Consolidated Financial Statements, which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the period. In preparing those Consolidated Financial Statements, the Board of General Directors is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- 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 Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of Consolidated Financial Statements;
- Prepare the Consolidated Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Consolidated Financial Statements comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, The Board of General Directors, confirm that the Consolidated Financial Statements give a true and fair view of the financial position at 31 December 2020, its operation results and cash flows in the year 2020 of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Financial Statements.

Other commitments

The Board of Directors pledges that the company complies with Decree No. 71/2017/ND-CP dated 06 June 2017 guiding on corporate governance of public companies and the company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 155/2015/TT-BTC dated 06 October 2015 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Dinh, 26 March 2021

On behalf of the Board of General Directors

General Director



**K.T. TỔNG GIÁM ĐỐC
PHÓ TỔNG GIÁM ĐỐC**

PHAN QUỐC HOÀI



No: 260321.008/BCTC.KT5

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, Board of Management and Board of General Directors
Phu Tai Joint Stock Company**

We have audited the accompanying Consolidated Financial Statements of Phu Tai Joint Stock Company prepared on 26 March 2021, as set out on pages 06 to 60, including: Consolidated Statement of Financial position as at 31 December 2020, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to Consolidated Financial Statements for the fiscal year ended as at 31 December 2020.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and presentation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporation Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as management determines is necessary to enable the preparation and presentation of Consolidated Financial Statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Consolidated Financial Statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

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



Auditor's Opinion

In our opinion, the Consolidated Financial Statements give a true and fair view, in all material respects, of the financial position of Phu Tai Joint Stock Company as at 31 December 2020, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Consolidated Financial Statements.

Emphasis of matter

As presented in Note 8 of the Notes to the consolidated financial statements, up to the time of these consolidated financial statements, the Independent Inspector has collected and evaluated information, but has not announced compensation estimation for the Company's loss related to the fire incident at the finished product warehouse of Thang Loi Enterprise. Therefore, as at 31/12/2020, the Company recorded the damaged assets due to the fire mentioned above in the item Shortage of assets awaiting resolution. The value of the loss or compensation will be recognized by the Company in the consolidated income statement when the inspection is completed with the agreement of the insurance agency. The Board of Management evaluates and believes that the compensation value from the insurance will fully compensate for the actual damage arising from the above incident.

Out opinion is not modified in respect of this matter.

AASC Auditing Firm Company Limited



Phạm Anh Tuấn

Deputy General Director

Registered Auditor No: 0777-2018-002-1

Hanoi, 26 March 2021

Hoang Thuy Nga

Auditor

Registered Auditor No:0762-2018-002-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 31 December 2020*

Code ASSETS	Note	<u>31/12/2020</u> VND	<u>01/01/2020</u> VND
100 A. CURRENT ASSETS		2,738,225,731,635	2,440,614,443,129
110 I. Cash and cash equivalents	3	167,783,353,561	126,518,814,646
111 1. Cash		167,783,353,561	126,518,814,646
120 II. Short-term investments	4	112,603,038,334	50,450,000,000
121 1. Trading securities		12,603,038,334	450,000,000
123 2. Held- to- maturity investments		100,000,000,000	50,000,000,000
130 III. Short-term receivables		824,191,590,657	739,104,591,208
131 1. Short-term trade receivables	5	634,932,182,611	690,232,957,345
132 2. Short-term prepayments to suppliers	6	116,473,342,562	40,765,431,102
136 3. Other short-term receivables	7	18,209,914,530	20,175,936,095
137 4. Provision for short-term doubtful debts		(11,616,180,648)	(12,069,733,334)
139 5. Shortage of assets awaiting resolution	8	66,192,331,602	-
140 IV. Inventories	10	1,440,420,340,899	1,321,758,658,038
141 1. Inventories		1,440,420,340,899	1,321,758,658,038
150 V. Other short-term assets		193,227,408,184	202,782,379,237
151 1. Short-term prepaid expenses	11	27,988,170,926	35,089,817,187
152 2. Deductible VAT		165,066,144,954	167,620,868,250
153 3. Taxes and other receivables from State budget	18	173,092,304	71,693,800

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 31 December 2020**(Continued)*

Code	ASSETS	Note	31/12/2020 VND	01/01/2020 VND
200	B. NON-CURRENT ASSETS		2,035,531,626,497	1,888,079,925,968
210	I. Long-term receivables		19,497,670,160	18,976,312,322
216	1. Other long-term receivables	7	19,497,670,160	18,976,312,322
220	II. Fixed assets		1,462,753,741,867	1,479,731,335,890
221	1. Tangible fixed assets	14	1,435,838,868,254	1,449,957,969,640
222	- Historical cost		2,583,621,977,758	2,452,786,879,379
223	- Accumulated depreciation		(1,147,783,109,504)	(1,002,828,909,739)
227	2. Intangible fixed assets	15	26,914,873,613	29,773,366,250
228	- Historical cost		49,104,846,868	49,104,846,868
229	- Accumulated depreciation		(22,189,973,255)	(19,331,480,618)
240	III. Long-term assets in progress		249,575,643,744	158,109,175,503
242	1. Construction in progress	16	249,575,643,744	158,109,175,503
250	IV. Long-term financial investments	4	10,400,000,000	4,800,000,000
253	1. Investments in equity of other entities		10,400,000,000	4,800,000,000
260	V. Other long-term assets		293,304,570,726	226,463,102,253
261	1. Long-term prepaid expenses	11	267,718,749,349	200,818,462,078
262	2. Deferred income tax assets	37	4,040,912,268	900,087,827
269	3. Goodwill	12	21,544,909,109	24,744,552,348
270	TOTAL ASSETS		4,773,757,358,132	4,328,694,369,097

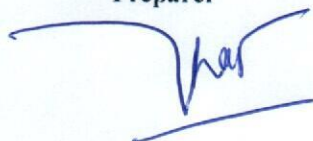
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

(Continued)

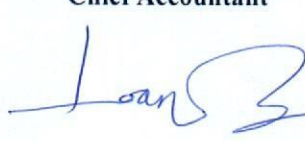
Code	CAPITAL	Note	31/12/2020 VND	01/01/2020 VND
300	C. LIABILITIES		2,783,132,013,476	2,483,177,333,340
310	I. Current liabilities		2,462,277,650,960	2,252,696,590,423
311	1. Short-term trade payables	17	528,592,885,619	444,108,623,443
312	2. Short-term prepayments from customers	13	270,983,735,608	28,408,044,984
313	3. Taxes and other payables to State budget	18	91,100,691,329	87,055,534,055
314	4. Payables to employees		89,697,502,187	52,489,253,713
315	5. Short-term accrued expenses	19	9,639,978,866	15,114,131,685
318	6. Short-term unearned revenue	20	191,475,000	207,000,000
319	7. Other short-term payables	21	32,010,210,468	17,160,897,244
320	8. Short-term borrowings and finance lease liability	22	1,397,405,569,666	1,568,696,574,136
321	9. Provisions for short-term payables	23	4,405,733,967	4,405,733,967
322	10. Bonus and welfare fund		38,249,868,250	35,050,797,196
330	II. Non-current liabilities		320,854,362,516	230,480,742,917
337	1. Other long-term payables	21	3,057,284,928	4,238,083,329
338	2. Long-term borrowings and finance lease liability	22	307,494,441,422	221,222,425,468
341	3. Deferred income tax liabilities	37	1,379,919,620	387,294,247
342	4. Provisions for long-term payables	23	8,922,716,546	4,632,939,873
400	D. OWNER'S EQUITY		1,990,625,344,656	1,845,517,035,757
410	I. Owner's equity	24	1,990,625,344,656	1,845,517,035,757
411	1. Owner's equity		485,994,410,000	485,994,410,000
411a	Ordinary shares with voting rights		485,994,410,000	485,994,410,000
412	2. Share Premium		162,128,986,832	162,128,986,832
414	3. Other capital		1,031,505,624,847	767,393,543,292
415	4. Treasury shares		(138,564,459,864)	(82,808,934,273)
418	5. Development and investment funds		1,755,382,169	6,068,006,808
421	6. Retained earnings		380,059,053,115	445,727,592,563
421a	Retained earnings accumulated till the end of the previous year		21,515,908,434	10,351,840,856
421b	Retained earnings of the current year		358,543,144,681	435,375,751,707
429	7. Non - Controlling Interest		67,746,347,557	61,013,430,535
440	TOTAL CAPITAL		4,773,757,358,132	4,328,694,369,097

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 26 March 2021



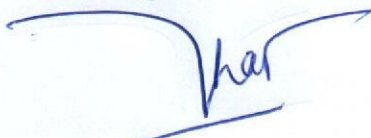
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CONSOLIDATED STATEMENT OF INCOME

Year 2020

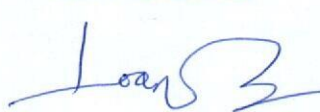
Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
01	1. Revenues from sales of goods and rendering of services	26	5,602,248,622,302	5,549,170,322,998
02	2. Revenue deductions	27	1,011,852,605	32,967,894
10	3. Net revenues from sales of goods and rendering of services	28	5,601,236,769,697	5,549,137,355,104
11	4. Cost of goods sold	29	4,460,347,423,722	4,458,429,874,592
20	5. Gross profit from sales of goods and rendering of services		1,140,889,345,975	1,090,707,480,512
21	6. Financial income	30	23,788,280,335	16,310,654,727
22	7. Financial expense	31	106,384,856,872	96,546,972,037
23	<i>In which : Interest expense</i>		89,239,816,660	92,311,437,775
25	8. Selling expense	32	422,107,833,423	283,120,076,095
26	9. General and administrative expense	33	196,699,532,812	185,443,262,020
30	10. Net profit from operating activities		439,485,403,203	541,907,825,087
31	11. Other income	34	28,957,758,454	11,990,814,263
32	12. Other expense	35	6,135,203,996	3,863,178,858
40	13. Other profit		22,822,554,458	8,127,635,405
50	14. Total net profit before tax		462,307,957,661	550,035,460,492
51	15. Current corporate income tax expense	36	82,688,054,491	92,969,984,325
52	16. Deferred corporate income tax expense	37	314,454,090	262,506,647
60	17. Profit after corporate income tax		379,305,449,080	456,802,969,520
61	18. Profit after corporate income tax of holding company		358,501,244,681	435,375,751,707
62	19. Profit after corporate income tax of the non-controlling shareholders		20,804,204,399	21,427,217,813
70	20. Basic earnings per share	38	7,709	9,132

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 26 March 2021

General Director



CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2020

(Indirect method)

Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
01	1. Profit before tax		462,307,957,661	550,035,460,492
	2. Adjustment for:		287,475,336,350	267,898,818,910
02	- Depreciation of fixed assets and amortization investment properties		220,745,107,634	190,925,459,553
03	- Provisions		3,836,223,987	(1,100,064,851)
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currencies		(3,021,644,480)	(1,154,754,778)
05	- Gains / losses from investment		(23,324,167,451)	(13,083,258,789)
06	- Interest expense		89,239,816,660	92,311,437,775
08	3. Operating profit before changes in working capital		749,783,294,011	817,934,279,402
09	- Increase or decrease in receivables		(2,221,528,522)	(121,073,241,743)
10	- Increase or decrease in inventories		(118,661,682,861)	(299,194,029,828)
11	- Increase or decrease in payables (excluding interest payable, corporate income tax payable)		357,212,172,749	103,199,160,926
12	- Increase or decrease in prepaid expenses		46,906,118,239	(103,128,063,898)
13	- Increase or decrease held- to- maturity		(12,153,038,334)	-
14	- Interest paid		(89,656,963,889)	(91,975,750,855)
15	- Corporate income tax paid		(77,791,635,217)	(59,080,607,908)
16	- Other receipts from operating activities		-	665,950,623
17	- Other payments on operating activities		(23,689,043,434)	(24,056,273,687)
20	Net cash flow from operating activities		829,727,692,742	223,291,423,032
II. CASH FLOWS FROM INVESTING ACTIVITIES				
21	1. Purchase or construction of fixed assets and other long-term assets		(479,978,606,735)	(612,788,961,065)
22	2. Proceeds from disposals of fixed assets and other long-term assets		33,478,706,695	19,350,403,092
23	3. Loans and purchase of debt instruments from other entities		(50,000,000,000)	(951,862,141)
24	4. Collection of loans and resale of debt instrument of other entities		-	125,847,151,307
25	5. Equity investments in other entities		(5,600,000,000)	(41,624,851,856)
27	6. Interest and dividend received		4,527,349,856	9,346,413,926
30	Net cash flow from investing activities		(497,572,550,184)	(500,821,706,737)

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2020

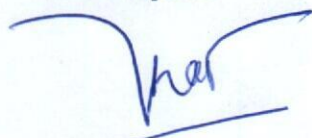
(Indirect method)

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Code	ITEMS	Note	Year 2020	Year 2019
			VND	VND
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
32	1. Repayment of capital contributions and repurchase of stock issued		(55,755,525,591)	(82,808,934,273)
33	2. Proceeds from borrowings		3,906,067,730,529	4,559,949,317,408
34	3. Repayment of principal		(3,990,643,123,670)	(3,975,185,340,930)
36	4. Dividends or profits paid to owners		(150,635,987,374)	(165,014,889,400)
40	<i>Net cash flow from financing activities</i>		<i>(290,966,906,106)</i>	<i>336,940,152,805</i>
50	Net cash flows in the year		41,188,236,452	59,409,869,100
60	Cash and cash equivalents at the beginning of the year		126,518,814,646	67,039,272,068
61	Effect of exchange rate fluctuations		76,302,463	69,673,478
70	Cash and cash equivalents at the end of the year	3	167,783,353,561	126,518,814,646

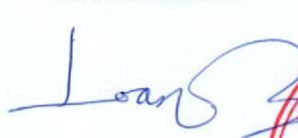
Binh Dinh, 26 March 2021

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

General Director



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS*Year 2020***1. GENERAL INFORMATION OF THE COMPANY**

Phu Tai Joint Stock Company was established under the Decision No. 150/QD-BQP dated 10 November 2004 by the Ministry of Defence on the transformation of Phu Tai Company under Military Zone 5 into Phu Tai Joint Stock Company.

The Company is operating under the Business Registration Certificate No. 4100259236, firstly issued on 30 December 2004 and amended for the 25th time on 25 July 2018.

The Company's charter capital is VND 485,994,410,000; equivalent to 48,599,441 shares, with the par value of VND 10,000

The total number of employees of the Company as at 31 December 2020: 7,408 employees (31 December 2019 6,317 employees)

Business field: Industrial manufacturing, trading and services.

Business activities

Main business activities of the Company include:

- Cutting, shaping and finishing granite, basalt, marble;
- Exploiting granite, basalt; exploiting stone, sand and gravel for use as construction materials;
- Manufacturing beds, wardrobes, tables, chairs and other products of wood;
- Purchasing and selling cars and spare parts; maintaining and repairing cars and other motor vehicles;
- Producing crushed stone, lime and similar products;
- Office leasing;
- Purchasing and selling products from granite, basalt, marble;
- Wholesaling automobiles and other motor vehicles;
- Maintenance and repair of cars and other motor vehicles;
- Sale of spare parts and accessories of cars and other motor vehicles.

Group structure:

The Group's subsidiaries consolidated in Consolidated Financial Statements as at 31 December 2020 include:

Name of Company	Head office	Proportion of ownership	Proportion of voting rights	Principal activities
- Phu Yen Construction Materials JSC	Tuy Hoa - Phu Yen	50.65%	50.65%	Mining and processing paving stones, construction stone, construction sand
- Tuan Dat Minerals One-member Company Limited	Quy Nhon - Binh Dinh	100%	100%	Exploiting and processing stone
- Universal Stone Joint Stock Company	Ho Chi Minh City	60%	60%	Manufacturing and trading stone products
- Vina G7 Joint Stock Company	Bien Hoa - Dong Nai	75%	75%	Manufacturing and trading wood products
- Toyota Binh Dinh One-member Company Limited	Quy Nhon - Binh Dinh	100%	100%	Trading and repairing cars
- Toyota Da Nang One-member Company Limited	Da Nang City	100%	100%	Trading and repairing cars
- Phu Tai Dong Nai One-member Company Limited	Bien Hoa - Dong Nai	100%	100%	Manufacturing and trading wood products

Name of Company	Head office	Proportion of ownership	Proportion of voting rights	Principal activities
- Granite Manufacturing Company Limited	Ho Chi Minh city	70%	70%	Manufacturing and trading stone products
- Phu Tai Real Estate Company Limited	Quy Nhon - Binh Dinh	100%	100%	Trading real estate
- Thanh Chau Phu Yen Granite Company Limited	Dong Xuan - Phu Yen	100%	100%	Exploiting and processing stone
- Son Phat Production and Trading Company Limited ⁽ⁱ⁾	Van Ninh - Khanh Hoa	99%	99%	Exploiting and processing stone
- Phu Tai Ninh Thuan Stone Joint Stock Company ⁽ⁱ⁾	Phan Rang City - Thap Cham - Ninh Thuan	98%	98%	Manufacturing and processing stone
- Phu Tai Quartz Stone One Member Company Limited ⁽ⁱⁱ⁾	Nhon Trach - Dong Nai	100%	100%	Manufacturing and processing stone
- Phu Tai Binh Dinh Wood Company Limited	Phu Cat - Binh Dinh	100%	100%	Manufacturing beds, wardrobes, tables and chairs

The Company's operation in the year that affects the Consolidated Financial Statements

As for the production and trading of stone products: Although the exploitation and consumption of stone products of the parent company and its subsidiaries was interrupted due to the implementation of the social separation to prevent and fight against Covid-19 epidemic, however, during the year the company focused on the production and consumption of lower value inventory stones, and at the same time applied measures to reduce selling prices to boost consumption so revenue from trading stone products during the year slightly decreased but the gross profit of this activity decreased significantly compared to the previous year.

As for the production and trading of wood products: production and consumption were also disrupted due to social disruption, but the government's good disease control helped production activities quickly recover, Exports of the parent company and subsidiaries have surged, especially for wooden furniture products. Therefore, revenue from wood production and trading activities for export increased significantly, but this activity led to a sharp increase in selling expenses due to increased export costs and packaging costs.

For the sale of Toyota cars and car repair services: these business activities have been greatly affected by the Covid-19 epidemic especially during the implementation of the social exclusion order in the metropolitan area. Da Nang, the epidemic has also affected customers' demand for new cars, in addition to increasing competition among car manufacturers. These reasons have led to a sharp decrease in revenue and operating results of this business activity in the year compared to the previous year.

During the year there was a fire at the Finished Product Warehouse of Thang Loi Enterprise, but the Company quickly fixed it, so the problem did not have a significant impact on the production and business activities of the Enterprise and the whole a set of assets affected by the fire was previously fully insured by the Company. Up to now, the Company is in the process of working with insurers and an assessment organization on compensation value (see Note 8).

During the year, the Company issued a decision to terminate the operation of the branch - paving stone processing factory in Hung Yen province and transferred all land use rights, assets attached to land and other assets of the House led to a sharp increase in other income this year compared to the previous year (Note 34).

2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1. Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in VND.

2.2. Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3. Basis for preparation of Consolidated Financial Statements

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control as at 31 December annually. Control right is achieved when the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Company. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Company and its subsidiaries.

The operating results of subsidiaries acquired or disposed during the year are included in the Consolidated financial statements from the effective date of acquisition or up to the effective date of disposal.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Consolidated financial statements.

Non- controlling interests represents the portion of profit or loss and net assets of subsidiaries not held by the Company.

2.4. Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent *measurement after initial recognition*

There are currently no regulations on revaluation of financial instruments after initial recognition.

2.5. Foreign currency transactions

The foreign currency transactions during the year are equivalent into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When buying or selling foreign currency, applying the exchange rates specified in the contracts of foreign exchange sale between Company and commercial banks;
- When recording receivables, applying the bid rate of commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;
- When purchasing assets or paying immediately in foreign currency, applying the bid rate of the commercial bank where the Company make payments;

Real exchange rate when retranslating monetary items denominated in foreign currencies at the date of the Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting year.

2.6. Cash

Cash comprises cash on hand and demand deposits.

2.7. Business combination and goodwill

All business combinations shall be accounted for by applying the purchase method. The cost of a business combination includes the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree plus any costs directly attributable to the business combination. The acquiree's identifiable assets, liabilities and contingent liabilities in business combination are measured at their fair values at the at the acquisition date.

Goodwill arises on the business consolidation is initially measured at its cost, being the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. If the excess is negative (gain from bargain purchase), it is recognised immediately in the consolidated statement of income. After initial recognition, goodwill is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis during its estimated useful life over 10 years. Annually, the Group shall assess impairment loss of goodwill at subsidiaries, whether there is any indication that impaired loss

of goodwill is higher than the goodwill allocated, the Group shall recognise the impaired loss immediately in year that incurred.

2.8. Financial investments

Trading securities are initially recognized at original cost, which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities. Upon the liquidation or transfer, cost of trading securities is determined using weighted average method.

Investments held to maturity comprise term deposits (including treasury bills and promissory notes), bonds, preference shares which the issuer is required to repurchase at a certain time in the future and loans, etc. held to maturity to earn profits periodically and other held to maturity investments.

Equity Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for the devaluation of investments is made at the end of the period as follows:

- With regard to investments in trading securities, the provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date; if the fair value of the investment is not determined at the reporting date, the provision shall be made based on the Financial Statements at the provision date of the investee.
- With regard to long-term investments (other than trading securities) without significant influence on the investee: the provision shall be made based on the Financial Statements at the provision date of the investee.
- With regard to investments held to maturity, the provisions for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.9. Receivables

The receivables shall be recorded in details in terms of maturity date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.10. Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Method for valuation of work in process at the end of the year:

- The value of work in progress is recorded based on actual cost incurred for each unfinished product.
 - The value of work in progress is recorded for each construction project that is incomplete or of which revenue is unrecognised, corresponding to the amount of work in progress at the end of the year.
- Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.11. Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight - line method over their estimated useful lives as follows:

- Buildings and structures	06 - 30 years
- Machinery, equipment	04 - 10 years
- Vehicles, transportation equipment	06 - 12 years
- Office equipment	03 - 08 years
- Others tangible fixed assets	05 - 08 years
- Site preparation expenses	10 - 25 years
- Land use rights	50 years
- Mining rights	10 - 25 years
- Accounting software	05 years
- Others intangible fixed assets	02 - 20 years

2.12. Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.13. Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.14. Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable method and criteria. Prepaid expenses are allocated gradually into operating expenses on a straight-line basis.

2.15. Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.16. Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings. In case of borrowings denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.17. Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.18. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as interest expenses, land rental, transportation expense etc. which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.19. Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Company have a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the accounting year.

Only expenses related to the previously recorded provision for payable shall be offset by that provision for payable.

Cost of environmental restoration for the mines is recorded based on total estimated cost of environmental restoration which has been approved by the authorized authorities. This method is aimed to ensure the matching convention between revenues and expenses and to avoid a large fluctuation in expenses for the period when the environmental restoration is carried out.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses. The excess of the provision for payables relating to construction warranty is recorded as other income in the fiscal year.

2.20. Unearned revenues

Unearned revenues include prepayment from customers for one or many accounting periods relating to asset leasing.

Unearned revenues are transferred to revenue from sale of goods and rendering of services with the amount corresponding to each accounting period.

2.21. Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing and asset revaluation.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. The distribution of net profits is made when the net profit of the Company does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

The Company's retained earnings is distributed to other funds according to recommendation of the Board of Management and approval of shareholders at annual General Meeting of Shareholders:

- Investment and development fund: The fund is reserved for the purpose of business expansion or in depth investment.
- Bonus and welfare fund and bonus for the Board of General Directors: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Consolidated Statement of Financial Position.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.22. Revenues

Sales of goods

Revenue from the sale of goods shall be recognised when all of the following conditions have been satisfied:

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

Rendering of services

Revenue from rendering of services shall be recognised when all the following conditions have been satisfied:

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

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

Financial income

Revenue arising from the use by the others of the Company's assets yielding interest, royalties and dividends shall be recognised when:

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

Dividend income shall be recognised when the company's right to receive dividend is established.

2.23. Revenue deductions

Revenue deductions from sales and service provisions arising in the year include: Sales returns.

Sales return incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Separate Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Separate Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.24. Cost of goods sold

The recognition of cost of goods sold is matched against revenue in the year and complies with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.25. Financial expenses

Items recorded into financial expenses consist of:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the period without offsetting against financial income.

2.26. Corporate income tax**a) Deferred income tax asset and Deferred income tax liability**

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is recognized for taxable temporary differences.

Deferred income tax asset and Deferred income tax liability are determined based on prevailing corporate income tax rate, tax rates and tax laws enacted at the end of the reporting period.

b) Current corporate income tax expenses and Deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the accounting period and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary difference, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses cannot be offset against deferred corporate income tax expenses.

c) Tax incentives

According to the Investment Certificates No. 47221001231 dated 05 May 2015 of Department of Planning and Investment of Dong Nai Province, No. 0421432406 dated 25 April 2016 of Department of Planning and Investment of Binh Dinh province and No. 4766305247 dated 29 August 2016 of Department of Planning and Investment of Hung Yen province, the Company is exempt from corporate income tax in 2 years since there is taxable income and is subject to 50% reduction of tax payable in the next 4 years for the taxable income of Granite Processing Plant in Dong Nai province, Binh Dinh province and Hung Yen province. 2016 was the first year when Granite Processing Plant in Dong Nai province is exempt from corporate income tax. 2017 was the first year when Granite Processing Plant in Binh Dinh province and Hung Yen province are exempt from corporate income tax; and 2018 was the first year when Wood Processing Factory is exempt from corporate income tax.

d) - Current corporate income tax rate

For the fiscal year ended on 31 December 2020, the Company is entitled to the following CIT rates:

- Exemption of corporate income tax from the Wood Processing Factory in Binh Dinh Province;
- Tax rate of 10% for production and business activities at stone processing factory in Dong Nai, Wood Processing Factory in Binh Dinh Province, Binh Dinh and Hung Yen.
- Tax rate of 10% for the remaining activities.

2.27. Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to common shareholders of the Company (after appropriation to bonus and welfare fund and allowance for Board of Directors) by the weighted average number of outstanding common shares in circulation in the year.

2.28. Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent and subsidiaries;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence over the Company.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated financial statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.29. Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3. CASH

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
Cash on hand	9,722,510,849	8,613,179,523
Demand deposits	158,060,842,712	117,905,635,123
	<u>167,783,353,561</u>	<u>126,518,814,646</u>

4. SHORT TERM FINANCIAL INVESTMENTS**a) Held-to-maturity investments**

	<u>31/12/2020</u>		<u>01/01/2020</u>	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments				
- Term-deposits ^(4.1)	100,000,000,000	-	50,000,000,000	-
	<u>100,000,000,000</u>	<u>-</u>	<u>50,000,000,000</u>	<u>-</u>

^(4.1) As at 31 December 2020, the Company has 6-month term deposits with the total amount VND 100,000,000,000 at Sai Gon Joint Stock Commercial Bank - Binh Dinh Branch at the interest rate of 8% per year.

b) Trading securities

	Stock symbol	31/12/2020			01/01/2020		
		Original cost	Fair value	Provision	Original cost	Fair value	Provision
		VND	VND	VND	VND	VND	VND
Investment in stock							
-	Petro Vietnam Gas Joint Stock Company	GAS	5,134,595,510	5,196,000,000	-	-	-
-	Vinhomes Joint Stock Company	VHM	3,197,555,055	3,580,000,000	-	-	-
-	Vietnam Joint Stock Commercial Bank for Industry and Trade	CTG	2,791,180,500	2,764,000,000	-	-	-
-	Military Commercial Joint Stock Bank	MBB	1,029,707,269	1,170,700,000	-	-	-
-	MB Property Joint Stock Company (4.2)		450,000,000		-	450,000,000	-
			12,603,038,334	12,710,700,000	-	450,000,000	-

Fair value of trading securities is determined at closing price at the financial statement date on HOSE at 31 December 2020.

(4.2) The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

c) Equity investments in other entities

	31/12/2020		01/01/2020	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
- Chanh Phu Hoa Construction Investment Joint Stock Company	9,800,000,000	-	4,200,000,000	-
- Lao Cai Chemical Industry Joint Stock Company ^(4.3)	600,000,000	-	600,000,000	-
	10,400,000,000	-	4,800,000,000	-

^(4.3) This is an investment of Phu Tai Ninh Thuan Stone Joint Stock Company (a subsidiary) in Lao Cai Chemical Industry Investment Joint Stock Company.

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

Investments in equity of other entities

Name of companies	Place of establishment and operation	Rate of interest	Rate of voting	Principal activities
Chanh Phu Hoa Construction Investment	Thu Dau Mot City, Binh Duong Province	1.98%	0.85%	Constructing and trading real estate
Lao Cai Chemical Industry Joint Stock Company	Lao Cai City, Lao Cai Province	4.00%	4.00%	Mining of non- ferrous metal ores

5. SHORT-TERM TRADE RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Masterbrand Cabinets INC	121,751,506,615	-	31,809,765,046	-
- Noble House Home Furnishings LLC	35,777,813,030	-	576,551,053	-
- Yaraghi LLC	27,286,101,093	-	28,746,048,543	-
- Autonomous Inc	27,328,159,634	-	7,602,904,129	-
- Carrefour Imports SAS	25,181,254,643	-	34,121,173,400	-
- Hung Thinh Company Limited	23,000,000,000	-	-	-
- Ashley	20,196,440,043	-	16,270,566,150	-
- Melissa & Doug LLC	17,332,101,509	-	19,879,488,227	-
- Forest Products Distributors	15,520,437,531	-	-	-
- Anavil Company LTD	13,686,808,047	-	30,612,478,469	-
- Castorama France SAS	5,941,773,008	-	32,368,060,586	-
- B and Q PLC	6,558,005,987	-	14,713,829,868	-
- The Anh Transportation Service Trading Company Limited	6,983,849,216	-	13,900,921,383	-
- Advance Furniture (VIC) PTY	8,644,641,761	-	2,965,752,449	-
- Anh Kim Company Limited	3,637,727,473	-	9,795,477,973	-
- Innocent Inc	1,343,045,970	-	10,168,627,171	-
- Others	274,762,517,051	(10,247,919,508)	436,701,312,898	(10,215,045,611)
	634,932,182,611	(10,247,919,508)	690,232,957,345	(10,215,045,611)

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
- Kim Hung Thinh Consultant Design Building Construction Company Limited	54,108,967,399	-	-	-
- Do Thanh Aluminium Joint Stock Company	2,943,299,534	-	-	-
- An Cuong Wood - Working Manufacturing Company Limited	6,763,741,749	-	-	-
- Schindler Vietnam Company Limited	2,400,000,000	-	-	-
- Muradir	2,772,467,552	-	1,029,010,769	-
- Jaf Globle	1,594,770,352	-	1,175,078,571	-
- Others	45,890,095,976	(1,150,161,140)	38,561,341,762	(1,636,587,723)
	116,473,342,562	(1,150,161,140)	40,765,431,102	(1,636,587,723)

7. OTHER RECEIVABLES

	31/12/2020		01/01/2020	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Collateral, deposits	339,581,620	-	2,194,181,116	-
Advances to employees	7,496,576,935	-	15,472,931,735	-
Other receivables	10,373,755,975	(218,100,000)	2,508,823,244	(218,100,000)
- <i>Deposit interest receivable</i>	1,238,118,282	-	350,684,932	-
- <i>Receivables from sale of securities (7.1)</i>	7,219,604,000	-	-	-
- <i>Receivables from social insurance, health</i>	991,117,673	-	905,958,555	-
- <i>Receivable on dividends</i>	-	-	210,000,000	-
- <i>Purchase of property Advance receivable</i>	218,100,000	(218,100,000)	218,100,000	(218,100,000)
- <i>Others</i>	706,816,020	-	824,079,757	-
	18,209,914,530	(218,100,000)	20,175,936,095	(218,100,000)
b) Long-term				
Receivables from employees	490,669,695	-	1,213,150,000	-
Collateral, deposits	16,096,373,676	-	14,607,126,733	-
- <i>Environmental restoration deposits (7.2)</i>	15,131,394,176	-	13,642,147,233	-
- <i>Contract deposits</i>	964,979,500	-	964,979,500	-
Other receivables	2,910,626,789	-	3,156,035,589	-
- <i>Receivables from site clearance which are offset against land rental at Thang Loi Enterprise (7.3)</i>	2,910,626,789	-	3,156,035,589	-
	19,497,670,160	-	18,976,312,322	-

(7.1) This is the amount from the sale of shares of Agribank Securities Joint Stock Company (AGR) as at 31/12/2020.

(7.2) These are deposits for environmental rehabilitation and restoration for mineral extraction that the Company has paid into the environmental protection fund. This amount will be refunded after the Company completes partly or all of the environmental rehabilitation and restoration contents according to the approved plan and confirmation of completion by the competent authority.

(7.3) During the year, the Company has offset the payable land rent according to notice about the 2020 land rental with cash clearance compensation.

8. SHORTAGE OF ASSETS AWAITING RESOLUTION

As at 31/12/2020, Shortage of assets awaiting resolution are inventories with an estimated cost of VND 61.9 billion and the residual value of finished good warehouse worth VND 4.3 billion related to a fire incident at 9:00 p.m on September 4, 2020 at Thang Loi Enterprise, Phuoc Thanh Commune, Tuy Phuoc District, Binh Dinh Province. This event caused damage to the above assets to the Company, information about the cause, damages and compensation is as follows:

- According to the investigation results report of the Investigation Police Agency on 21 September 2020, the cause of the fire was determined to be due to electrical problems at branching locations on the roof-down pillar power line, pillars T2, T4, T7; excluding the possibility of burning from outside, no criminal detection.
- Before the fire event happened, the Company signed a contract of risk insurance for all assets, including compulsory fire insurance, number 0000007 / HD / 011-04 / PHH.TS.2.1 / 2020 dated 17 July 2020 with Binh Dinh Post Insurance Company. Total value of insured property is VND 297,779,910,472. Immediately after the fire incident occurred, the Insurance Company cooperated with the Company to unify to appoint VRS VietAdjusters Joint Stock Company as an independent assessor to conduct a scene inspection, assess the cause and extent of the damages as well as liability insurance for damages.
- According to the on-site inspection report dated September 13, 2020 of the VRS VietAdjusters surveyor, the fire caused damage to groups of assets, including:
 - + Factory and fire protection system: The finished product warehouse and the fire protection system in this warehouse are completely lost, the garage, the fence wall, the warehouse for oil, ... are negligible;
 - + Machinery and equipment: forklift, pallet system (in finished product warehouse) completely damaged;
 - + Materials: mattresses, assembly instructions, hanging tags, color pictures, copper mark, barcode, fire mark, packaging, foam;
 - + Semi-finished products awaiting packaging and packaged finished products awaiting shipment;
 - + The mattress of Saigon house will be packed with the Enterprise's products into the same carton and container for export as one customer, Pacific Trends Far.
- Based on the results of site inspection, the Company has made an estimate of the value of losses caused by fire is VND 66,192,331,602 in which: Residual value of fixed assets is VND 4,282,566,170, the raw material with an estimated value of VND 6,078,261,701, the finished product with an estimated value of VND 30,164,284,529 and the semi-finished product with an estimated value of VND 25,667,219,202.
- On 8 October 2020, Binh Dinh Post Insurance Company has transferred in advance the compensation to the Company in the amount of VND 10,000,000,000 (Note 21).

Up to the time of this report, the Independent Inspection Agency has collected and evaluated information, but has not announced the assessment results, thus the insurance liability as well as compensation estimation for the Company's losses have not been made. Therefore, as at 31 December 2020, the Company recorded the damaged assets due to the fire mentioned above in the item Shortage of assets awaiting resolution. The value of the loss or indemnity will be recognized by the Company in the income statement when the inspection is completed with the agreement of the insurance agency. The Board of Management evaluates and believes that the compensation value from the insurance will fully compensate for the actual damage arising from the above incident.

9. DOUBTFUL DEBTS

Total value of receivables and debts that are overdue or not due but difficult to be recovered:

	31/12/2020		01/01/2020	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
13 Licogi JSC	1,361,966,771	-	2,861,966,771	1,204,833,406
Tan Cuong Co., Ltd	1,175,007,342	235,001,595	1,175,007,342	235,001,595
Global Home Sro	-	-	1,071,012,417	1,071,012,417
Cattie Europa S.L	724,304,767	-	839,879,767	-
Ha Binh Co., Ltd	668,552,930	-	668,552,930	-
Chinh Truong Stone Quarry Co., Ltd	-	-	586,717,023	-
Binh Dinh Granite Co., Ltd	507,016,559	-	507,016,559	-
SAVI Furniture JSC	-	-	242,998,562	242,998,562
Dong Gia Viet Service Trade Manufacturing Co., Ltd	-	-	108,089,204	108,089,204
Vuong Minh Production and Trading Company Limited	1,465,605,000	-	1,485,605,000	1,039,923,500
Trung Nam Construction Investment JSC	-	-	548,933,015	-
Others	6,929,175,995	980,447,121	6,494,638,943	618,825,515
	12,831,629,364	1,215,448,716	16,590,417,533	4,520,684,199

10. INVENTORIES

	31/12/2020		01/01/2020	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Goods in transit	-	-	1,041,594,319	-
Raw materials	402,646,869,006	-	415,513,085,578	-
Tools, supplies	686,425,881	-	1,026,746,037	-
Work in process	776,733,706,725	-	533,018,530,609	-
- Stone products	156,586,845,981	-	212,692,182,464	-
- Wood products	121,307,497,258	-	178,290,491,093	-
- Real estate ⁽ⁱ⁾	498,391,343,870	-	141,226,630,442	-
- Repair services	448,019,616	-	809,226,610	-
Finished goods	204,379,204,302	-	128,338,881,358	-
Goods	54,879,515,276	-	242,819,820,137	-
Consignments	1,094,619,709	-	-	-
	1,440,420,340,899	-	1,321,758,658,038	-

⁽ⁱ⁾ This is the cost of construction investment in apartment building in Dong Da ecological lake project implemented by Phu Tai Real Estate One Member Limited Company (subsidiary) under Decision No. 15 / QD-HDQT dated 18 January 2019 of the Chairman of Phu Tai Joint Stock Company, details are as follows:

- Project name: Apartment building in Dong Da ecological lake Project;
- Owner: Phu Tai Real Estate One Member Limited Company;
- Location: Le Duc Tho Street, Hai Cang Ward, Quy Nhon City, Binh Dinh Province;
- Project scale: Land area: 5,830 m²; Total construction area: 2,332 m²; Number of floating floors

(excluding basements, technical floors and roofs): 33 floors;

- Total investment of the project: VND 876,435,576,752;
- Investment capital sources: Investment capital from the parent company and mobilized capital;
- Project implementation period: Expected from Quarter II of 2019 to Quarter I of 2022;
- As at 31 December 2020, the project has completed the raw construction, the completion and installation of equipment have been in progress.

11. PREPAID EXPENSES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
- Mining expenses	2,322,697,674	6,602,081,194
- Tools and supplies awaiting for allocation	11,560,561,853	17,434,132,778
- Expenditure on fixing machinery, equipment, factories	6,936,688,646	3,994,644,040
- Insurance expenses	3,808,682,008	4,811,461,005
- Other short-term prepaid expenses	3,359,540,745	2,247,498,170
	27,988,170,926	35,089,817,187
b) Long-term		
- Land and infrastructure rental expenses of Granite Processing Plant in Hung Yen Province ^(11.1)	-	30,203,301,329
- Land and infrastructure rental expenses of Phu Cat Wood Processing Plant in Binh Dinh Province ^(11.2)	15,630,858,137	16,064,013,317
- Land and infrastructure rental expenses of Granite Processing Plant in Binh Dinh Province ^(11.3)	12,014,779,366	12,343,301,201
- Expenses for the right to use leased land in Dien Tan, Dien Khanh, Khanh Hoa province ^(11.4)	10,543,838,384	10,958,585,859
- Land rental expenses and maintenance of Phu Cat Industrial Park ^(11.5)	11,542,229,734	9,919,007,556
- Infrastructure rental expenses of Long My Factory, Binh Dinh Province ^(11.6)	12,557,400,616	8,333,333,762
- The land transfer fee of Son Phat Factory awaiting allocation ^(11.7)	37,394,902,248	37,962,178,248
- Land rental in Dak Nong factory	1,017,140,625	1,287,828,125
- Money for transferring land from Da Loc, Thanh Chau, Phu Yen province ^(11.8)	13,174,891,962	-
- Land rental and infrastructure costs Nhon Trach Textile Industrial Park, Dong Nai province ^(11.9)	89,696,966,245	-
- Expenses for operating the artificial quartz stone factory in Nhon Trach, Dong Nai ^(11.10)	7,376,047,532	-
- Land and infrastructure rental expenses of Tuan Dat factory	3,874,650,731	3,352,612,021
- Mining expenses	11,872,853,306	23,680,722,519
- Tools and supplies awaiting for allocation	23,282,306,882	21,303,583,992
- Expenditure on overhaul of machinery, equipment, factories	13,286,690,758	16,001,967,075
- Other long-term prepaid expenses	4,453,192,823	9,408,027,074
	267,718,749,349	200,818,462,078

^(11.1) This is the rental of land use right accompanying with infrastructure in Pho Noi A Industrial Zone, Yen My District, Hung Yen Province with the total area of 21,062 m², until 15 January 2054 for the construction of Granite Processing Plant in Hung Yen Province. During the year, the Company had a decision to close the operation of

Hung Yen paving stone processing factory. The Company transferred the land use rights associated with the factory's infrastructure and workshop (Note 33).

(11.2) This is 50% of infrastructure rental in Cat Nhon industrial zone, Phu Cat District, Binh Dinh Province with the total area of 91,375.5 m², until 11 July 2057 for the construction of Phu Cat Wood Processing Factory..

(11.3) This is the rental of land and infrastructure in Cat Nhon Industrial Zone, Phu Cat District, Binh Dinh Province with the areas of 39,426.5 m² and 32,439 m², respectively, the rental period is 41 years from 2017 and 38 years from 2019 to serve the construction of Binh Dinh paving stone processing factory.

(11.4) This is the cost to obtain the right to use the leased land to serve the mining and stone production in Dien Tan commune, Dien Khanh district, Khanh Hoa province, the allocation time is 50 years from January 2019.

(11.5) This is the value of land and infrastructure rental in Cat Nhon Industrial Zone, Phu Cat district, Binh Dinh province for an area of 38,245.5 m², the rental period is 39 years from 2018 serving the expansion of the wood factory.

(11.6) This is the value of infrastructure rental in Long My Industrial Zone, Quy Nhon City, Binh Dinh Province for an area of 30,075.8 m², the rental period until the end of December 31, 2048 serving the construction of Long My stone processing factory.

(11.7) This is the value of land transfer that Son Phat Trading and Production Co., Ltd paid to households to serve the quarrying work in Van Da commune, Van Ninh district, Khanh Hoa province. The allocation is 30 years from July 2019.

(11.8) This is the amount that Thanh Chau Phu Yen Granite Co., Ltd. has paid to households under land transfer contracts to serve the quarrying work in Da Loc commune, Thanh Chau district, Phu Yen province. The allocation period is 30 years from June 2020.

(11.9) This is the rent of land use rights and infrastructure of Nhon Trach Textile Industrial Park, Nhon Trach district, Dong Nai province with the leased area of 44,231 m², the lease period is until September 12, 2020. implementing the expansion of investment in Phu Tai high-class Thach Anh artificial stone factory.

(11.10) These are the costs incurred prior to the operation of the Quartz Stone Factory, which will be allocated for a period of 3 years when the factory comes into operation.

12. GOODWILL

	31/12/2020	01/01/2020
	VND	VND
Beginning balance	24,744,552,348	15,557,327,791
The value of goodwill arising from acquisition of subsidiary	-	11,845,413,179
Goodwill amortized during the year	3,199,643,239	2,658,188,622
Ending balance	21,544,909,109	24,744,552,348

13. PREPAYMENTS FROM CUSTOMERS

	31/12/2020	01/01/2020
	VND	VND
- Customers pay in advance to buy a real estate project ⁽ⁱ⁾	246,265,315,775	-
- Dat Phuong Company Limited	1,587,335,244	1,521,306,744
- Rang Dong Commercial Electrical Construction Company Limi	4,112,961,398	-
- Granit Trading	-	1,039,950,000
- Vietnam Mechanical Service Company Limited	-	1,390,618,193
- Others	19,018,123,191	24,456,170,047
	<u>270,983,735,608</u>	<u>28,408,044,984</u>

⁽ⁱ⁾ These are prepayments from customers relating to the high-rise apartment building project in Dong Da Ecology lake implemented by Phu Tai Real Estate One Member Limited Company (subsidiary) (Note 10).

14. TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation	Office equipment	Other tangibles fixed assets	Total
	VND	VND	VND	VND	VND	VND
Original cost						
Opening balance	926,575,120,162	1,210,101,887,948	310,697,497,468	5,255,371,737	157,002,064	2,452,786,879,379
- Purchase in the year	2,247,154,177	59,870,973,495	13,323,289,643	126,560,000	-	75,567,977,315
- Completed construction investment	70,417,757,498	72,931,413,101	22,544,846,306	-	-	165,894,016,905
- Liquidation, disposal ⁽ⁱ⁾	(25,973,953,146)	(53,333,438,104)	(20,244,883,281)	-	-	(99,552,274,531)
- Reduced shortage of assets awaiting resolution	(7,350,957,724)	(3,723,663,586)	-	-	-	(11,074,621,310)
Ending balance	965,915,120,967	1,285,847,172,854	326,320,750,136	5,381,931,737	157,002,064	2,583,621,977,758
Accumulated depreciation						
Opening balance	329,327,758,806	524,747,667,910	143,660,039,955	4,936,441,004	157,002,064	1,002,828,909,739
- Depreciation for the year	73,333,059,402	115,468,067,466	23,076,254,358	199,964,416	-	212,077,345,642
- Liquidation, disposal ⁽ⁱ⁾	(12,875,852,265)	(37,329,815,931)	(10,125,422,541)	-	-	(60,331,090,737)
- Reduced shortage of assets awaiting resolution	(4,727,540,816)	(2,064,514,324)	-	-	-	(6,792,055,140)
Ending balance	385,057,425,127	600,821,405,121	156,610,871,772	5,136,405,420	157,002,064	1,147,783,109,504
Net carrying amount						
Opening balance	597,247,361,356	685,354,220,038	167,037,457,513	318,930,733	-	1,449,957,969,640
Ending balance	580,857,695,840	685,025,767,733	169,709,878,364	245,526,317	-	1,435,838,868,254

At the end of period, the carrying amount of tangible assets used as mortgages and collateral for loans is: VND 737,662,637,885;

Original cost of fully depreciated tangible fixed assets at the end of the period but still in use is: VND 339,605,623,632.

⁽ⁱ⁾ This includes liquidation assets of Hung Yen Factory (Note 33).

15. INTANGIBLE FIXED ASSETS

	Site preparation expenses	Land use rights	Mining rights	Accounting software	Other intangible fixed assets	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
Opening balance	15,579,099,436	12,303,892,946	20,403,912,568	86,416,000	731,525,918	49,104,846,868
Ending balance	15,579,099,436	12,303,892,946	20,403,912,568	86,416,000	731,525,918	49,104,846,868
Accumulated amortization						
Opening balance	9,722,029,801	3,259,956,119	5,531,552,780	86,416,000	731,525,918	19,331,480,618
- Depreciation for the year	1,346,769,373	436,462,173	1,075,261,091	-	-	2,858,492,637
Ending balance	11,068,799,174	3,696,418,292	6,606,813,871	86,416,000	731,525,918	22,189,973,255
Net carrying amount						
Opening balance	5,857,069,635	9,043,936,827	14,872,359,788	-	-	29,773,366,250
Ending balance	4,510,300,262	8,607,474,654	13,797,098,697	-	-	26,914,873,613

Original cost of fully depreciated tangible fixed assets at the end of the period but still in use is: VND 1,204,097,065.

16. CONSTRUCTION IN PROGRESS

	31/12/2020	01/01/2020
	VND	VND
Construction in progress	246,901,011,470	144,420,170,294
- Project of expanding Long My 2 stone processing factory in Quy Nhon, Binh Dinh province ^(16.1)	-	6,250,193,169
- Project of constructing the Quartz stone factory in Nhon Trach, Dong Nai province ^(16.2)	233,698,840,961	124,976,204,306
- Project Wood Factory Phu Tai Binh Dinh ^(16.3)	983,134,632	-
- Construction expense of Da Du quarry	7,467,150,230	7,368,968,442
- Construction expense of Song Hinh quarry	1,039,964,500	1,039,964,500
- Others	3,711,921,147	4,784,839,877
Purchase of fixed assets	2,674,632,274	13,689,005,209
- Machinery and equipment for wood	623,192,550	2,881,003,283
- Machinery and equipment for stone	2,051,439,724	10,808,001,926
	<u>249,575,643,744</u>	<u>158,109,175,503</u>

^(16.1) The project of expanding Granite processing factory - Long My 2 factory was approved under Decision No. 107A/QD-CTHDQT dated 30/10/2019 of the Chairman with total investment of VND 23.9 billion on the project scale of 30,075 m²; The investment purpose is to build Granite processing factory to expand production scale, increase capacity from 3,600 m³ / year to 18,000 m³ / year in Long My Industrial Park, Phuoc My district, Quy Nhon city, Binh Dinh province; Project implementation period started from November 2019. During the year, the project has completed the construction and put into operation.

^(16.2) The project of artificial quartz stone processing factory was approved under Decision No. 79/QD-HDQT dated June 6, 2019 of the Board of Management with total investment of VND 273,976 billion on the project scale of 4.4 ha; the investment purpose is to build an artificial quartz stone processing factory with an estimated capacity of 40,000m² / month, equivalent to 450,000m² / year in Nhon Trach Industrial Park, Nhon Trach District, Dong Nai Province; The project implemented from June 2019. As at December 31, 2020, the project has been in the testing phase, and is expected to come into operation by January 2021.

^(16.3) The project of Phu Tai Binh Dinh Furniture and Wood Processing Factory was approved under Decision No. 80/QD-HDQT dated August 20, 2020 of the Chairman with total investment of VND 429.19 billion on the project scale of 52,149 m² which is divided into 3 phases; The purpose is to build a factory specializing in manufacturing furniture products, especially the kitchen cabinet to ensure the successful completion of the Company's orientation and development on the wood industry in the period 2020 - 2024. On December 31, 2020, the project has started building the factory.

17. SHORT-TERM TRADE PAYABLES

	31/12/2020		01/01/2020	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
- An Phong Construction Joint Stock Company	58,334,387,999	58,334,387,999	14,869,546,188	14,869,546,188
- Hoang Giang Co., Ltd	25,997,189,374	25,997,189,374	17,777,389,841	17,777,389,841
- Vu Tin International Trading Co., Ltd	22,154,358,738	22,154,358,738	26,494,363,855	26,494,363,855
- Thanh Danh Co., Ltd	19,908,028,529	19,908,028,529	15,840,230,538	15,840,230,538
- Sudima Panels Co., Ltd	17,329,441,501	17,329,441,501	-	-
- Xincheng International	16,784,644,240	16,784,644,240	-	-
- Giang Dat Thanh Production and Trade Co., Ltd	9,047,714,400	9,047,714,400	13,160,117,950	13,160,117,950
- Lundhs Labrador A/S	8,489,288,897	8,489,288,897	9,922,547,925	9,922,547,925
- Binh Thanh Acacia Chemical Production and Trade Co., Ltd	6,101,260,250	6,101,260,250	8,166,125,600	8,166,125,600
- Quy Nhon Cushion Joint Stock Company	7,926,911,740	7,926,911,740	10,863,869,390	10,863,869,390
- Phuoc Long Imex Co., Ltd	5,904,220,612	5,904,220,612	7,004,290,271	7,004,290,271
- Binh Dinh Construction Co., Ltd	5,326,230,126	5,326,230,126	14,200,661,166	14,200,661,166
- Hoang Tam Co., Ltd	3,480,450,387	3,480,450,387	2,998,620,386	2,998,620,386
- Quang Trung Mechanical Construction Joint Stock Company	378,682,707	378,682,707	3,109,385,994	3,109,385,994
- Kim Hung Thinh Construction Design Consultancy Co., Ltd	-	-	19,756,498,960	19,756,498,960
- Others	321,430,076,119	321,430,076,119	279,944,975,379	279,944,975,379
	528,592,885,619	528,592,885,619	444,108,623,443	444,108,623,443

18. TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of	Tax payable at the beginning of year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of	Tax payable at the end of
	VND	VND	VND	VND	VND	VND
Value-added tax	-	10,535,179,449	130,001,058,385	133,000,579,483	-	7,535,658,351
Export, import duties	-	-	3,282,307,440	3,282,307,440	-	-
Corporate income tax	-	65,703,316,924	85,151,806,451	77,791,635,217	49,844,844	73,113,333,002
Personal income tax	-	562,076,455	9,459,330,176	9,317,355,988	46,061,344	750,111,987
Natural resource tax	-	3,588,607,491	27,568,582,281	28,512,538,046	-	2,644,651,726
Land tax and land rental	71,693,800	66,975,866	8,760,763,136	8,766,255,452	77,186,116	66,975,866
Other taxes	-	-	54,000,000	54,000,000	-	-
Fees, charges and other payables	-	6,599,377,870	20,963,318,599	20,572,736,072	-	6,989,960,397
	71,693,800	87,055,534,055	285,241,166,468	281,297,407,698	173,092,304	91,100,691,329

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

19. SHORT-TERM ACCRUED EXPENSES

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
- Accrued land rental	1,399,436,598	4,454,557,113
- Accrued interest expenses	2,820,259,943	2,209,640,962
- Accrued electricity expenses	416,560,593	734,962,848
- Accrued commission expenses	1,818,829,900	2,532,447,209
- Accrued transportation expenses	1,109,866,430	965,879,365
- Accrued design and material expenses	687,544,437	1,163,075,691
- Accrued expenses of import and export processing	69,724,662	56,493,520
- Accrued of promotional expenses for car sales	88,350,000	940,145,616
- Others	1,229,406,303	2,056,929,361
	<u>9,639,978,866</u>	<u>15,114,131,685</u>

20. SHORT-TERM UNEARNED REVENUE

	<u>31/12/2020</u>	<u>01/01/2020</u>
	VND	VND
- Revenue from office rental	191,475,000	207,000,000
	<u>191,475,000</u>	<u>207,000,000</u>

21. OTHER PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
Trade union fee	5,493,392,749	4,005,939,869
Social insurance	443,535,323	408,963,480
Health insurance	87,039,172	69,893,218
Unemployment insurance	37,119,485	153,159,355
Short-term deposits, collateral received	6,587,006,615	1,890,000,000
Other payables	19,362,117,124	10,632,941,322
- Interest of Vinacam Joint Stock Company	548,455,998	2,828,455,998
- Land rent must be paid to the Finance Department - Ministry of Defense	3,261,351,300	3,261,351,000
- Interest of personal loans	1,276,402,761	24,168,971
- Payables to Military zone No. 05	122,000,000	122,000,000
- Donation funds	386,461,577	421,985,144
- Benefits payable to employees	16,119,700	29,445,928
- Party fee, union fee	1,557,492,641	1,341,626,900
- Dividends payable to Owners	1,037,092,000	77,682,200
- Advances payable to employees	342,453,299	452,092,057
- Trade discount payable to Toyota Vietnam	-	632,645,455
- Insurance indemnity advance ⁽ⁱ⁾	10,000,000,000	-
- Others	814,287,848	1,441,487,669
	32,010,210,468	17,160,897,244
b) Long-term		
Long-term deposits, collateral received	3,057,284,928	4,238,083,329
	3,057,284,928	4,238,083,329

⁽ⁱ⁾ This is an advance payment by Binh Dinh Post Insurance Company to compensate for the fire incident at Thang Loi Enterprise (details in Note 8).

22. BORROWINGS

	01/01/2020 (Adjusted)		During the year		31/12/2020	
	Outstanding balance VND	Amount can be paid VND	Increase VND	Decrease VND	Outstanding balance VND	Amount can be paid VND
a) Short-term borrowings						
Short-term borrowings	1,484,009,916,680	1,484,009,916,680	3,597,024,434,184	3,839,822,812,978	1,241,211,537,886	1,241,211,537,886
Current portion of long-term borrowings	84,686,657,456	84,686,657,456	175,478,373,140	103,970,998,816	156,194,031,780	156,194,031,780
	1,568,696,574,136	1,568,696,574,136	3,772,502,807,324	3,943,793,811,794	1,397,405,569,666	1,397,405,569,666
b) Long-term borrowings						
Long-term borrowings	226,070,424,587	226,070,424,587	98,983,890,627	76,675,906,064	248,378,409,150	248,378,409,150
Common bonds	79,838,658,337	79,838,658,337	210,059,405,718	74,588,000,003	215,310,064,052	215,310,064,052
	305,909,082,924	305,909,082,924	309,043,296,345	151,263,906,067	463,688,473,202	463,688,473,202
Amount due for settlement within 12 months	(84,686,657,456)	(84,686,657,456)	(175,478,373,140)	(103,970,998,816)	(156,194,031,780)	(156,194,031,780)
Amount due for settlement after 12 months	221,222,425,468	221,222,425,468			307,494,441,422	307,494,441,422



Detailed information on short-term borrowings from banks and other credit institutions is as follows:

	Currency	Interest rate/ year	Loan purpose	Loan guarantee	31/12/2020		01/01/2020	
					Original currency	VND	Original currency	VND
Short-term loans (VND)						436,011,339,619		881,060,434,334
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		250,564,702,609		340,271,434,048
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		64,716,108,011		306,061,686,196
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		52,336,077,979		175,974,323,430
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Phu Tai Industrial Zone Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		-		26,219,876,000
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		10,756,590,470		6,263,612,592
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Phu Yen Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾		-		2,626,949,768
- Short-term Personal loans	VND	Specified in each loan	Serving business activities	Unsecured loan		57,637,860,550		23,642,552,300



	Currency	Interest rate/ year	Loan purpose	Loan guarantee	31/12/2020		01/01/2020	
					Original currency	VND	Original currency	VND
Short-term loans (USD)					34,709,291.92	805,200,198,267	23,371,880.92	602,949,482,346
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	1,682,406.00	39,023,407,170	2,382,495.25	55,357,277,134
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	2,693,966.41	62,473,081,048	1,350,238.38	31,366,037,567
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	12,803,007.17	297,221,811,452	3,573,045.21	83,001,840,228
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	1,796,546.00	41,706,815,390	3,887,863.82	90,315,076,539
- Sai Gon Joint Stock Commercial Bank - Binh Dinh Branch	USD	4,5%/year	Serving business activities	Collateral asset ⁽ⁱ⁾	-	-	1,900,000.00	44,137,000,000
- Viet Nam Technological and Commercial Joint Stock Company - Quy Nhon Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	10,915,540.86	253,131,392,543	5,724,095.00	193,071,007,686
- The Viet Nam Bank for Agriculture Rural Development - Tam Phuoc Dong Nai Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	3,525,711.48	81,673,106,434	3,426,154.26	79,486,778,832
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	1,292,114.00	29,970,584,230	1,127,989.00	26,214,464,360
						<u>1,241,211,537,886</u>		<u>1,484,009,916,680</u>

Detailed information on long-term borrowings

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

	Currency	Interest rate/ year	Loan purpose	Year of maturity	Loan guarantee	31/12/2020 VND	01/01/2020 VND
Long-term loans							
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai	VND	Floating rate	Serve the project	2022	Collateral asset ⁽ⁱ⁾	13,586,000,000	18,786,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	Serve the project	2023	Collateral asset ⁽ⁱ⁾	50,590,395,060	70,590,395,060
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Phu Yen Branch	VND	Floating rate	Serving business activities	2022	Collateral asset ⁽ⁱ⁾	5,284,443,750	-
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	Serving business activities	2022	Collateral asset ⁽ⁱ⁾	20,352,061,786	8,129,103,716
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Phu Yen Branch	VND	Floating rate	Serve the project	2020	Collateral asset ⁽ⁱ⁾	-	7,546,193,750
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	VND	Floating rate	Serving business activities	2024	Collateral asset ⁽ⁱ⁾	75,764,009,003	95,666,854,307
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serving business activities	2022	Collateral asset ⁽ⁱ⁾	1,857,065,924	3,022,715,502
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	Serving business activities	2024	Collateral asset ⁽ⁱ⁾	17,075,241,740	22,329,162,252
- Vietnam Technological and Commercial Joint Stock Bank - Ho Chi Minh Branch	VND	Floating rate	Serve the project	2023	Collateral asset ⁽ⁱ⁾	63,869,191,887	-
- Bonds issued ⁽ⁱⁱ⁾						215,310,064,052	79,838,658,337
						463,688,473,202	305,909,082,924
Amount due for settlement within 12 months						(156,194,031,780)	(84,686,657,456)
Amount due for settlement after 12 months						307,494,441,422	221,222,425,468

⁽ⁱ⁾ Collateral asset: The loans are secured by assets under mortgage contracts which were fully registered as secured transactions.

(ii) The Company has carried out the private offering as follows:

- According to the plan of private offering 650 bonds with par value of VND 100,000,000 per bond under Resolution No. 62/NQ-HDQT dated 17 May 2019 through issuance agents for less than 100 investors with the purpose of paying the transfer cost of 99% of the capital contribution in Son Phat Trading and Production Co., Ltd (Son Phat) and the cost of BCC contract between Phu Tai and Son Phat to pay for the transfer of 25 hectares of forest land in Dien Tan, Khanh Hoa. On 10 June 2019, the Company successfully issued 650 individual bonds (par value of VND 100 million per bond, accounting for 100% of bonds issued) to Military Commercial Joint Stock Bank - Binh Dinh Branch; issue price is equal to 100% of par value; bond type is a certificate; Bond term is 36 months from the date of issue; The bond interest rate for the first 4 interest periods is 9% per year, the next period will be adjusted according to the medium and long term interest rate with tenor of 24 months of the Military Commercial Joint Stock Bank - Binh Dinh Branch. Secured assets are: Factories, machinery and equipment owned by Son Phat Trading and Production Company Limited; quarrying rights in Cay Sung 3 area, Dien Tan commune, Dien Khanh district, Khanh Hoa province.
- According to the plan of private offering 1,500 bonds with face value of VND 100,000,000/bond under Resolution No. 105/NQ-HDQT dated 22 October 2019 through issuing agents for less than 100 investors with the purpose of implementation of quartz factory in Nhon Trach Textile Industrial Park - Dong Nai. The Company has successfully issued 1060 individual bonds to one investor, Military Commercial Joint Stock Bank - Binh Dinh Branch through 3 issuance phases: phase 1 on 12 November 2019 with 204 bonds, phase 2 on 17 December 2019 with 256 bonds, phase 3 on 16 January 2020 with 600 bonds and phase 4 on 21 August 2020 with 440 bonds; issue price is equal to 100% of the bond value; bond type is certificate; Bond term is 60 months from the date of issue; The bond interest rate for the first 4 periods is 9%/year, subsequent periods are calculated based on the medium and long term interest rate at Military Commercial Joint Stock Bank - Binh Dinh branch at each time, term is 24 months; The collateral is: Property rights arising from the land lease contract between Phu Tai Quartz Stone One Member Company Limited and Vinatex Tan Tao Joint Stock Company under the Land Lease Contract No. 43/HDTLQSDD-VNT/KD-2019 dated 8 August 2019; Assets formed in the future include all factories, offices and other properties associated with the land and all machinery, production lines under the quartz factory in Nhon Trach Textile Industrial Park - Dong Nai.
- According to the plan of private offering 348 bonds with par value of VND 100,000,000/bond under Resolution No. 108/NQ-HDQT dated 18 November 2020 through issuance agents for less than 100 investors with the purpose of payment for the cost to implement the project of artificial quartz factory in Nhon Trach Textile Industrial Park - Dong Nai. On 30 November 2020, the Company successfully issued 348 individual bonds (par value of VND 100 million/bond, accounting for 100% of bonds issued) to Military Commercial Joint Stock Bank - Binh Dinh Branch; issue price is equal to 100% of par value; bond type is certificate; The term is 1443 days from the date of issue; The bond interest rate is calculated by 2.7%/year plus the reference interest rate, in which the reference interest rate for each interest period is calculated by 2.7% plus the interest rate of flexible medium and long term savings products with tenor of 24-month of Military Commercial Joint Stock Bank; The collateral is: Property rights arising from the land lease contract between Phu Tai Quartz Stone Company Limited and Vinatex - Tan Tao Investment Corporation under the land lease contract No. 42/HDTLQSDD-VNT/KD - 2019 dated 8 August 2019; all factories, offices and other assets attached to the land formed in the future and production lines under the Artificial Quartz Factory Project in Nhon Trach Textile Industrial Park - Dong Nai.

In each issuance phases, the Company signed with Military Commercial Joint Stock Bank - Binh Dinh Branch the bond purchase and sale contracts. Besides, the Company also signed with this Bank the account management contracts, under which the Company appoints the account management organization as Military Commercial Joint Stock Bank - Binh Dinh Branch to provide related services in one account to keep the proceeds from the bond issue and make payment for the right purpose of using bond capital as specified in the Information Disclosure (referred as Bond Account); and one account to keep the amount used to pay the principal, interest and other obligations of the Company related to the bonds (referred the Loan Provision Account).

According to Appendix 1 of the Account Management Contract No. 01/HD-MB dated 12 November 2019, the Company has agreed with the Military Commercial Joint Stock Bank - Binh Dinh Branch on the schedule to buy

back bonds at the purchase price plus accrued interest up to the time of redemption. In 2019 and 2020, the Company bought back 324 bonds, equivalent to the amount of VND 32,400,000,000.

As at 31 December 2020, bond principal balance is VND 215,310,064,052 (including issuance fee awaiting allocation of VND 1,797,489,018) corresponding to 2.174 bonds; The number of bonds will be repurchased within the next 12 months is 683,8 bonds; corresponding to the principal balance of VND 68,380,000,000 which is classified as short-term debt.

23. PROVISIONS FOR PAYABLES

	31/12/2020	01/01/2020
	VND	VND
a) Short-term		
- Cost of mineral mining right ^(23.1)	4,405,733,967	4,405,733,967
	<u>4,405,733,967</u>	<u>4,405,733,967</u>
b) Long-term		
- Cost of environmental restoration ^(23.2)	6,100,316,546	4,632,939,873
- Land rental without contract	2,822,400,000	-
	<u>8,922,716,546</u>	<u>4,632,939,873</u>

^(23.1) Regarding the cost of Mineral mining rights of stone mines in Binh Dinh, there is no notification from Binh Dinh Department of Tax so the Company has temporarily recognized it as accrued expenses in accordance with the regulations of the Decree No. 203/2013/ND-CP dated 28 November 2013 of the Government and the document No. 1014/DCKS - KTDCKS dated 09 July 2014 of the General Department of Geology and Minerals of Vietnam.

^(23.2) The cost of environmental restoration is recorded annually and determined by dividing the total estimated costs of environmental restoration under the mining permit by the exploitation duration under the permit.

24. OWNERS' EQUITY

a) Changes in owners' equity

	Contributed capital	Share premium	Other capital	Treasury shares	Development and investment	Retained earnings	Non – Controlling	Total
	VND	VND	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	485,994,410,000	162,128,986,832	566,683,450,074	-	5,266,263,893	385,458,429,987	53,654,546,193	1,659,186,086,979
Profit of the previous year	-	-	-	-	-	435,375,751,707	21,427,217,813	456,802,969,520
Dividends distributed in form of cash	-	-	-	-	-	(151,358,211,200)	(13,658,265,400)	(165,016,476,600)
Dividends paid in stock	-	-	-	-	-	-	-	-
Transfer to other capital	-	-	200,710,093,218	-	-	(200,710,093,218)	-	-
Investment and development funds	-	-	-	-	801,742,915	(801,742,915)	-	-
Bonus and welfare fund	-	-	-	-	-	(22,236,541,798)	(410,068,071)	(22,646,609,869)
Redemption of treasury shares ⁽ⁱ⁾	-	-	-	(82,808,934,273)	-	-	-	(82,808,934,273)
Ending balance of previous year	485,994,410,000	162,128,986,832	767,393,543,292	(82,808,934,273)	6,068,006,808	445,727,592,563	61,013,430,535	1,845,517,035,757
Profit of the this year	-	-	-	-	-	358,501,244,681	20,804,204,399	379,305,449,080
Dividends distributed in the form of cash	-	-	-	-	-	(139,412,803,000)	(12,182,594,174)	(151,595,397,174)
Transfer to other capital	-	-	258,920,172,915	-	-	(258,920,172,915)	-	-
Shares bonus of Subsidiary	-	-	5,191,908,640	-	(5,191,908,640)	-	-	-
Investment and development funds	-	-	-	-	879,284,001	(879,284,001)	-	-
Bonus and welfare fund	-	-	-	-	-	(24,999,421,286)	(1,888,693,203)	(26,888,114,489)
Redemption of treasury shares ⁽ⁱ⁾	-	-	-	(55,755,525,591)	-	-	-	(55,755,525,591)
Other increase	-	-	-	-	-	41,897,073	-	41,897,073
Ending balance of this year	485,994,410,000	162,128,986,832	1,031,505,624,847	(138,564,459,864)	1,755,382,169	380,059,053,115	67,746,347,557	1,990,625,344,656

⁽ⁱ⁾ During the year, according to Resolution No. 27/NQ-HDQT and the plan to repurchase stocks for treasury stocks No. 25/PA-HDQT dated 25 March 2020, registered to buy back 1,500,000 shares for treasury shares that reduce the number of outstanding shares in circulation, increase the transaction value through order matching or agreement trading. Due to changes in stock prices, the Company successfully purchased 1,240,260 shares with the average trading price of VND 44,955/share.

The company's profit distribution is as follows:

	At the		Total
	Parent Company ⁽¹⁾	At the Subsidiaries	
	VND	VND	VND
Appropriation to Bonus and welfare fund	20,647,662,435	6,240,452,053	26,888,114,488
Transfer to the other capital	252,892,783,261	6,027,389,654	258,920,172,915
Shares bonus of Subsidiary	-	5,191,908,640	5,191,908,640
Investment and development funds	-	879,284,001	879,284,001
Dividends distributed in form of cash	139,412,803,000	12,182,594,174	151,595,397,174

⁽¹⁾ At the Parent Company: Profit in 2019 is distributed according to the Resolution No. 02/NQ-ĐHĐCĐ dated 19 June 2020 of the Company's Annual General Shareholders' Meeting in 2020.

b) Details of contributed capital

	31/12/2020	Rate	01/01/2020	Rate
	VND	%	VND	%
Mr. Le Vy	59,624,850,000	12.27%	57,624,580,000	11.86%
Mr. Le Van Thao	38,008,330,000	7.82%	35,573,330,000	7.32%
Mr. Le Van Loc	27,986,020,000	5.76%	27,986,020,000	5.76%
Mr. Nguyen Sy Hoe	26,996,980,000	5.55%	24,496,980,000	5.04%
Others	333,378,230,000	68.60%	340,313,500,000	70.02%
Total	485,994,410,000	100%	485,994,410,000	100%

c) Capital transactions with owners and distribution of dividends and profit

	Year 2020	Year 2019
	VND	VND
Owners' contributed capital		
- At the beginning of the year	485,994,410,000	485,994,410,000
- Increase during the year	-	-
- At the end of the year	<u>485,994,410,000</u>	<u>485,994,410,000</u>
Distributed dividends and profits		
- Dividends, profit payable at the beginning of the year	77,682,200	76,095,000
- Dividends, profit payable in the year	151,595,397,174	165,016,476,600
+ Dividends and profits distributed from the previous year profit	151,595,397,174	165,016,476,600
- Dividends distributed in form of cash	150,635,987,374	165,014,889,400
+ Dividends and profits distributed from the previous year profit	140,176,067,097	156,028,114,493
+ Dividends and profits distributed from this year profit	10,459,920,277	8,986,774,907
- Ending balance of the year	<u>1,037,092,000</u>	<u>77,682,200</u>

d) Shares

	31/12/2020	01/01/2020
Quantity of Authorized issuing shares	48,599,441	48,599,441
Quantity of issued shares and fully contributed	48,599,441	48,599,441
- <i>Common shares</i>	48,599,441	48,599,441
Number of redeemed shares (treasury shares)	2,540,260	1,300,000
- <i>Common shares</i>	2,540,260	1,300,000
Quantity of outstanding shares in circulation	46,059,181	47,299,441
- <i>Common shares</i>	46,059,181	47,299,441
Par value per share: VND 10,000		

25. OFF STATEMENT OF FINANCIAL POSITION ITEMS

a) Operating leased assets

The Company and its subsidiaries signed land leasing contracts with the State for the purpose of serving the production and business activities in the localities where the Company and its subsidiaries have production and business establishments. Under such contracts, the Company and its subsidiaries have to pay leasing cost annually until contract expiry date complying with the current legal regulations of the State.

The Company signs contracts to lease land and industrial park infrastructure (details are in Note 11.1, 11.2, 11.3, 11.4, 11.5, 11.6, 11.7, 11.8, 11.9) for the purpose of serving production and business activities in industrial parks where the Company has production and business establishment. The company has paid the rent in lump sum for the entire lease term.

b) Assets held under trust

Goods received on consignment for sale as at 31/12/2020 are 466 sets of tables and chairs of Anavil Company LTD at Thang Loi Enterprise with total value of VND 4,059,959,296

c) Foreign currencies

	31/12/2020	01/01/2020
USD	1,930,408.44	898,852.63
EUR	12,138.08	1,680.89

d) Doubtful debts written-offs

	31/12/2020	01/01/2020
	VND	VND
	3,917,387,584	2,387,287,401

26. TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Year 2020	Year 2019
	VND	VND
Revenue from sale of goods	5,502,864,608,749	5,403,341,834,531
- <i>Wood products</i>	2,988,527,835,690	2,090,653,257,501
- <i>Toyota Car</i>	1,050,200,514,252	1,805,079,211,214
- <i>Stone products</i>	1,435,563,869,427	1,495,823,438,309
- <i>Others</i>	28,572,389,380	11,785,927,507
Revenue from rendering of services	99,384,013,553	145,828,488,467
- <i>Car repair service</i>	97,131,356,417	144,035,431,550
- <i>Office and factory for lease service</i>	2,252,657,136	1,793,056,917
	<u>5,602,248,622,302</u>	<u>5,549,170,322,998</u>

27. REVENUE DEDUCTIONS

	Year 2020	Year 2019
	VND	VND
Sales returns	429,727,605	32,967,894
Devaluation of sale	582,125,000	-
	<u>1,011,852,605</u>	<u>32,967,894</u>

28. NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Year 2020	Year 2019
	VND	VND
Revenue from sale of goods	5,501,852,756,144	5,403,308,866,637
- <i>Wood products</i>	2,988,098,108,085	2,090,620,289,607
- <i>Toyota Car</i>	1,050,200,514,252	1,805,079,211,214
- <i>Stone products</i>	1,434,981,744,427	1,495,823,438,309
- <i>Others</i>	28,572,389,380	11,785,927,507
Revenue from rendering of services	99,384,013,553	145,828,488,467
- <i>Car repair service</i>	97,131,356,417	144,035,431,550
- <i>Office and factory for lease service</i>	2,252,657,136	1,793,056,917
	<u>5,601,236,769,697</u>	<u>5,549,137,355,104</u>

29. COST OF GOODS SOLD

	Year 2020	Year 2019
	VND	VND
Cost of goods sold	4,383,786,575,998	4,348,011,053,421
- Wood products	2,314,123,951,588	1,639,554,529,171
- Toyota Car	1,035,343,189,338	1,757,418,121,469
- Stone products	1,013,678,720,533	939,720,565,681
- Others	20,640,714,539	11,317,837,100
Cost of services rendered	76,560,847,724	110,418,821,171
- Car repair service	76,500,007,724	110,366,431,171
- Office and factory for lease service	60,840,000	52,390,000
	4,460,347,423,722	4,458,429,874,592

30. FINANCIAL INCOME

	Year 2020	Year 2019
	VND	VND
Interest income	4,994,886,133	8,256,427,841
Interest from selling trading securities	2,352,267,596	-
Dividends or profits received	168,000,000	239,457,534
Gains from exchange rate difference arising during the year	13,011,647,806	4,552,357,649
Foreign exchange gains due to revaluation of year-end balance	3,186,814,340	1,453,341,651
Deferred sales interest, discount payment	74,664,460	1,809,070,052
	23,788,280,335	16,310,654,727

31. FINANCIAL EXPENSES

	Year 2020	Year 2019
	VND	VND
Interest expenses	89,239,816,660	92,311,437,775
Realised exchange losses	16,723,274,312	3,936,947,389
Unrealised exchange losses	197,279,808	298,586,873
Others	224,486,092	-
	106,384,856,872	96,546,972,037

32. SELLING EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	232,619,335,954	122,994,080,242
Labour expenses	15,673,822,931	15,502,305,077
Tools and supplies	35,596,870	79,536,155
Depreciation expenses	2,474,985,801	2,361,665,362
Tax, Charge, Fee	14,992,416,992	15,794,911,842
Expenses of outsourcing services	147,217,634,272	119,716,318,405
Other expenses in cash	9,094,040,603	6,671,259,012
	422,107,833,423	283,120,076,095

33. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2020	Year 2019
	VND	VND
Raw materials	600,477,889	312,456,862
Labour expenses	126,217,507,853	108,140,124,858
Tools and supplies	5,440,632,295	6,983,028,046
Depreciation expenses	11,936,796,900	12,158,299,941
Tax, Charge, Fee	6,024,902,241	6,334,947,779
Provision expenses	1,076,547,497	(1,038,190,013)
Expenses of outsourcing services	22,857,784,877	24,479,305,954
Other expenses in cash	19,345,240,021	25,415,099,971
Goodwill	3,199,643,239	2,658,188,622
	196,699,532,812	185,443,262,020

34. OTHER INCOME

	Year 2020	Year 2019
	VND	VND
Gain from liquidating, disposing fixed assets ⁽ⁱ⁾	18,296,316,561	4,587,373,414
Gain from Toyota car sale promotion	6,066,402,957	3,781,646,339
Gain from wood sale promotion	241,392,990	308,005,592
Gain from penalty	21,305,970	876,223,386
Gain from debt collection	2,326,962,692	171,244,161
Gain from other services	1,409,390,250	1,147,808,347
Thu nhập khác	595,987,034	1,118,513,024
	28,957,758,454	11,990,814,263

⁽ⁱ⁾ In which, income from transferring Hung Yen factory is VND 14,391,663,212. During the year, the Company issued a decision to terminate the operation of the branch - paving stone processing factory in Hung Yen province and transferred the right to use leased land, assets attached to land and other assets of the factory to Hung Thinh Production and Import-Export Trading Joint Stock Company. Transfer price under the contract is VND 85,000,000,000 (VAT included). At the transfer date, unallocated residual value of Land rental and Factory infrastructure is VND 29,538,681,006 net residual value of tangible fixed assets is VND 33,164,343,596 other liquidation expenses is VND 178,039,459.

35. OTHER EXPENSES

	Year 2020	Year 2019
	VND	VND
Penalty due to late delivery	2,226,090,526	1,845,973,740
Local support costs	-	329,400,001
Residual value and expenses from liquidating, disposing fixed assets	135,035,243	-
Amounts fined, late payment interest	2,209,938,432	796,836,266
Debt settlement	456,222,542	23,555,274
Other expenses	1,107,917,253	867,413,577
	6,135,203,996	3,863,178,858

36. CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2020	Year 2019
	VND	VND
Current corporate income tax expense in parent company	58,110,019,697	64,421,430,253
Current corporate income tax expense in subsidiary	24,578,034,794	28,548,554,072
- Phu Yen Construction Materials JSC	4,543,487,373	7,562,398,166
- Tuan Dat Minerals One-member Company Limited	761,017,176	1,711,787,552
- Universal Stone Joint Stock Company	-	-
- Toyota Binh Dinh One-member Company Limited	1,373,285,789	1,935,975,366
- Toyota Da Nang One-member Company Limited	-	5,439,369,525
- Phu Tai Dong Nai One-member Company Limited	7,909,835,804	2,685,008,436
- Vina G7 Joint Stock Company	6,460,820,152	4,902,595,778
- Granite Manufacturing Company Limited	875,764,089	2,549,405,366
- Thanh Chau Phu Yen Granite Company Limited	1,620,216,993	1,334,924,335
- Son Phat Production and Trading Company Limited	1,033,607,418	427,089,548
	82,688,054,491	92,969,984,325

37. DEFERRED INCOME TAX**a) Deferred income tax assets**

	31/12/2020	01/01/2020
	VND	VND
Deferred income tax assets related to deductible temporary differences (CIT rate 20%)	1,578,259,110	900,087,827
Assets Deferred income tax arises from temporary payment of corporate income tax on real estate activities (CIT rate of 1%)	2,462,653,158	-
Deferred income tax assets	4,040,912,268	900,087,827

b) Deferred income tax liabilities

	31/12/2020	01/01/2020
	VND	VND
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax liabilities arising from deductible temporary difference	1,379,919,620	387,294,247
Deferred income tax liabilities	1,379,919,620	387,294,247

c) Deferred corporate income tax expense

	Year 2020	Year 2019
	VND	VND
Deferred CIT expense relating to taxable temporary difference	992,625,373	367,261,154
Deferred CIT income arising from deductible temporary difference	(1,578,259,110)	(900,087,827)
Deferred CIT expense relating to reversal of deferred income tax assets	900,087,827	795,333,320
	314,454,090	262,506,647

38. BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the company are calculated as follows:

	Year 2020	Năm 2019
	VND	VND
Net profit after tax	358,501,244,681	435,375,751,707
Profit distributed for common shares	358,501,244,681	435,375,751,707
Average number of outstanding common shares in circulation in the year	46,506,488	47,676,975
Basic earnings per share	7,709	9,132

The Company has not planned to provision Bonus and Welfare Funds and Bonus Fund for the Board of Management on Profit after tax at the time of preparing the Financial Statements.

39. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2020	Year 2019
	VND	VND
Raw materials	1,851,394,729,240	1,672,801,290,421
Labour expenses	542,366,194,067	447,196,993,196
Tools and supplies	76,331,705,601	60,754,499,424
Depreciation expenses	214,935,838,281	186,390,286,240
Tax, Charge, Fee	68,916,066,311	41,840,783,918
Provision expenses/ Reversal of provision expenses	1,072,417,376	(987,715,899)
Expenses from outsourcing services	912,999,691,009	594,288,223,899
Other expenses in cash	63,999,306,749	52,737,924,372
	3,732,015,948,634	3,055,022,285,571

40. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2020		01/01/2020	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	167,783,353,561	-	126,518,814,646	-
Trade and other receivables	672,639,767,301	(10,466,019,508)	729,385,205,762	(10,433,145,611)
Loans	100,000,000,000	-	50,000,000,000	-
Short term investment	12,153,038,334	-	-	-
	952,576,159,196	(10,466,019,508)	905,904,020,408	(10,433,145,611)

	Carrying amount	
	31/12/2020	01/01/2020
	VND	VND
Financial Liabilities		
Borrowings and debts	1,704,900,011,088	1,789,918,999,604
Trade and other payables	563,660,381,015	465,507,604,016
Accrued expenses	9,639,978,866	15,114,131,685
	2,278,200,370,969	2,270,540,735,305

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes for financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of General Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes in exchange rates and interest rates.

Price risk:

The Company is exposed to equity risk price risks arising from short-term and long-term equity investments due to the uncertainty of the future price of its investment. Long-term equity investments are held for long-term strategic purposes. At the end of the accounting period, the Company has no plan to sell these investments.

	Under 1 year	From more than 1 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Short term investment	12,153,038,334	-	-	12,153,038,334
	12,153,038,334	-	-	12,153,038,334

Exchange rate risk:

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments).

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Cash and cash equivalents	167,783,353,561	-	-	167,783,353,561
Trade and other receivables	642,676,077,633	19,497,670,160	-	662,173,747,793
Loans	100,000,000,000	-	-	100,000,000,000
	910,459,431,194	19,497,670,160	-	929,957,101,354
As at 01/01/2020				
Cash and cash equivalents	126,518,814,646	-	-	126,518,814,646
Trade and other receivables	699,975,747,829	18,976,312,322	-	718,952,060,151
Loans	50,000,000,000	-	-	50,000,000,000
	876,494,562,475	18,976,312,322	-	895,470,874,797

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2020				
Borrowings and debts	1,397,405,569,666	307,494,441,422	-	1,704,900,011,088
Trade and other payables	560,603,096,087	3,057,284,928	-	563,660,381,015
Accrued expenses	9,639,978,866	-	-	9,639,978,866
	1,967,648,644,619	310,551,726,350	-	2,278,200,370,969
As at 01/01/2020				
Borrowings and debts	1,568,696,574,136	221,222,425,468	-	1,789,918,999,604
Trade and other payables	461,269,520,687	4,238,083,329	-	465,507,604,016
Accrued expenses	15,114,131,685	-	-	15,114,131,685
	2,045,080,226,508	225,460,508,797	-	2,270,540,735,305

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

41. ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

a) Proceeds from borrowings during the year

	Year 2020	Year 2019
	VND	VND
Proceeds from ordinary contracts	3,696,008,324,811	4,469,310,659,071
Proceeds from ordinary bond issues	210,059,405,718	90,638,658,337

b) Actual repayment on principal during the year

	Year 2020	Year 2019
	VND	VND
Repayment of Principal under a regular contract	3,915,611,528,292	3,964,236,219,831
Realised exchange gain	443,595,375	149,121,099
Repayment of Principal Regular bond	74,588,000,003	10,800,000,000

42. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Separate financial statements.

43. SEGMENT REPORTING

Under business fields

	Stone business	Wood business	Real estate	Trading and Other Services	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	1,434,981,744,427	2,988,098,108,085	-	1,178,156,917,185	5,601,236,769,697	-	5,601,236,769,697
- Domestic	940,492,738,458	327,526,742,119	-	1,178,156,917,185	2,446,176,397,762	-	2,446,176,397,762
- Export	494,489,005,969	2,660,571,365,966	-	-	3,155,060,371,935	-	3,155,060,371,935
Cost of goods sold	1,013,678,720,533	2,314,123,951,588	-	1,132,544,751,601	4,460,347,423,722	-	4,460,347,423,722
Net profit from business activities	421,303,023,894	673,974,156,497	-	45,612,165,584	1,140,889,345,975	-	1,140,889,345,975
Total cost of acquisition of fixed assets	216,611,531,968	112,407,864,938	-	3,909,065,555	332,928,462,461	-	332,928,462,461
Segment assets	1,190,350,751,457	3,068,685,166,021	552,449,509,856	115,072,401,211	4,926,557,828,545	(167,241,382,681)	4,759,316,445,864
Assets not allocated	-	-	-	-	14,440,912,268	-	14,440,912,268
Total assets	1,190,350,751,457	3,068,685,166,021	552,449,509,856	115,072,401,211	4,940,998,740,813	(167,241,382,681)	4,773,757,358,132
Segment liabilities	321,279,571,829	2,212,435,904,477	392,852,386,355	22,425,613,876	2,948,993,476,537	(167,241,382,681)	2,781,752,093,856
Liabilities are not allocated	-	-	-	-	1,379,919,620	-	1,379,919,620
Total liabilities	321,279,571,829	2,212,435,904,477	392,852,386,355	22,425,613,876	2,950,373,396,157	(167,241,382,681)	2,783,132,013,476

Under geographical areas

	Phu Yen	Binh Dinh	Dong Nai	Ho Chi Minh City	Da Nang	Exclusion	Grand Total
	VND	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	140,010,488,858	3,561,807,664,995	1,033,200,354,516	389,670,538,391	753,053,516,743	(276,505,793,806)	5,601,236,769,697
- Domestic	140,010,488,858	1,431,124,329,862	8,823,317,714	389,670,538,391	753,053,516,743	(276,505,793,806)	2,446,176,397,762
- Export	-	2,130,683,335,133	1,024,377,036,802	-	-	-	3,155,060,371,935
Total cost of acquisition of fixed assets	12,396,555,280	256,700,744,119	46,599,147,623	15,332,101,429	1,899,914,010	-	332,928,462,461
Segment assets	156,184,546,814	4,141,951,288,438	589,628,775,007	277,624,251,364	79,632,304,532	(485,704,720,291)	4,759,316,445,864
Assets not allocated	-	14,440,912,268	-	-	-	-	14,440,912,268
Total assets	156,184,546,814	4,156,392,200,706	589,628,775,007	277,624,251,364	79,632,304,532	(485,704,720,291)	4,773,757,358,132
Segment liabilities	78,885,811,812	2,559,035,951,074	404,097,313,503	211,681,761,131	13,821,867,994	(485,704,720,291)	2,781,817,985,223
Liabilities are not allocated	-	1,379,919,620	-	-	-	-	1,379,919,620
Total liabilities	78,885,811,812	2,560,415,870,694	404,097,313,503	211,681,761,131	13,821,867,994	(485,704,720,291)	2,783,197,904,843

The geographical area is determined based on the management decentralization between enterprises and branches (dependent accounting units) of the Company.

44. TRANSACTION AND BALANCES WITH RELATED PARTIES

Remuneration, salaries and other income of the members of the Board of Directors, General Director and other managers:

First and last name	Position	Year 2020 VND	Year 2019 VND
- Mr.Le Vy	Chairman of the board	1,411,700,000	1,220,710,000
- Mr.Le Van Thao	Vice Chairman of the Board of Directors cum General	1,475,249,805	1,107,784,000
- Mr.Phan Quoc Hoai	Member of the Board of Directors cum Deputy General Director	845,485,042	731,631,650
- Mr.Tran Thanh Cung	Member of the Board of Directors cum Deputy General Director	738,086,172	630,875,120
- Mr.Nguyen Sy Hoe	Member of the Board of Directors cum Deputy General Director	939,575,009	899,379,438
- Mr.Le Van Loc	Member of the Board of Directors	758,004,248	564,541,682
- Mr.Do Xuan Lap	Member of the Board of Directors	141,540,672	131,231,650
- Mr.Tran Huu Duc	Member of the Board of Directors	141,540,672	131,231,650
- Mrs. Nguyen Thi My Loan	Chief accountant	625,829,840	485,599,000

45. COMPARATIVE FIGURES

The comparative figures are figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2019, which was audited by AASC Auditing Firm.

The Company decided to reclassify some items of the Consolidated Financial Statements for the fiscal year ended December 31, 2019 in order to compare with this year's figures, specifically:

Phu Tai Joint Stock Company

No. 278 Nguyen Thi Dinh - Quy Nhon City - Binh Dinh Province For the fiscal year ended as at 31 December 2020

Consolidated Financial Statements

	Code	Figures in financial statements of the VND	Re-adjust VND	Difference	Note
a/ Consolidated interim statement of financial position					
- Short-term borrowings and finance lease	320	1,519,416,149,287	1,568,696,574,136	49,280,424,849	(1)
- long-term borrowings and finance lease liabilities	338	270,502,850,317	221,222,425,468	(49,280,424,849)	(1)
b) Income Statement					
- Cost of goods sold	11	4,517,926,967,318	4,458,429,874,592	(59,497,092,726)	(2)
- Selling expenses	25	223,622,983,369	283,120,076,095	59,497,092,726	(2)
c) Notes to the financial statements					
- Notes 10 - Inventories					
Work in progress		617,341,372,622	533,018,530,609	(84,322,842,013)	(3)
Finished goods		44,016,039,345	128,338,881,358	84,322,842,013	(3)
- Notes 39 - Business and productions cost by items					
Labour expenses		444,603,537,862	447,196,993,196	(2,593,455,334)	(4)
Depreciation expenses		186,373,789,240	186,390,286,240	(16,497,000)	(4)
Expenses from outsourcing services		500,323,510,356	594,288,223,899	(93,964,713,543)	(4)
Other expenses in cash		52,013,410,831	52,737,924,372	(724,513,541)	(4)

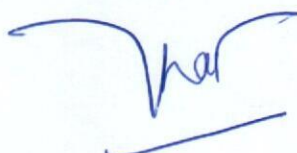
(1) The Company reclassified Long-term borrowings which come due according to the Bank's repayment schedule.

(2) Reclassification Cost of packaging materials for products at Thang Loi Enterprise in previous year is recorded into Selling expenses instead of in cost of goods sold.

(3) Product classification of the orders with the completed packaging at Thang Loi Enterprise last year was recorded in Work in progress.

(4) The Company presented production and business costs of Phu Tai Luxury Apartment Project at Phu Tai Real Estate One Member Limited Company.

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 26 March 2021

General Director



K.T. TỔNG GIÁM ĐỐC
PHÓ TỔNG GIÁM ĐỐC
PHAN QUỐC HOÀI