



**PHU TAI JOINT STOCK
COMPANY**

2021



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**ANNUAL
REPORT**

CREATIVITY

SPEED

SUSTAINABILITY



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CHAPTER 1

GENERAL INFORMATION

- » Overview
- » Incorporation and development process
- » Business lines and location
- » Corporate Governance model and Organizational structure
- » Risk factors



PHU TAI JOINT STOCK COMPANY

Trading	: PHU TAI JOINT STOCK COMPANY.
Enterprise registration certificate	: No.4100259236, issued by the Department of Planning and Investment of Binh Dinh province for the first time on December 30, 2004, and amended for the 25th time on July 25, 2018.
Charter capital	: VND485,994,410,000
Address	: 278 Nguyen Thi Dinh St., Nguyen Van Cu Ward, Qui Nhon City, Binh Dinh Province.
Telephone	: (0256) 3847 668.
Fax	: (0256) 3847 556.
Website	: http://phutai.com.vn/
Ticker	: PTB
Stock exchange	: HOSE

INCORPORATION AND DEVELOPMENT PROCESS

2007

Investing and constructing Phu Tai Branch - Bazal granite stone processing factory in Dak Nong province.

Investing and constructing and relocating Thang Loi Enterprise - A branch of Phu Tai Joint Stock Company.

Quy Nhon branch - Toyota Da Nang Enterprise of Phu Tai Joint Stock Company was established.

Acquiring controlling shares of Phu Yen Construction Materials Joint Stock Company

2008

Investing and constructing Phu Tai Branch - granite stone processing factory in Khanh Hoa province.

2011

The Company was officially listed - a new landmark - May 20, 2021. Phu Tai Joint Stock Company shares were officially listed and traded on Ho Chi Minh City Stock Exchanges (HOSE) with the ticker of PTB.

2012

Toyota Da Nang Enterprise, Phu Tai Joint Stock Company was enlarged.

2007 - 2014

2013

Acquiring 100% Charter Capital of Tuan Dat Minerals Company Limited.

2014

Enterprise 380's Office Building was built. Thang Loi Wood processing factory - a branch of Phu Tai Joint Stock Company was expanded

2015

Universal Stone Joint Stock Company was established.

Stone processing factory in Dong Nai province was founded - Branch of Phu Tai Joint Stock Company

2016

Acquiring controlling shares of ViNa G7 Joint Stock Company.

Stone processing factory in Binh Dinh - A branch of Phu Tai Joint Stock Company was formed.

Stone processing factory in Hung Yen - A branch of Phu Tai Joint Stock Company was founded.

2015 - 2017

2017

Phu Cat Wood processing factory - a branch of Phu Tai Joint Stock Company was founded.

Acquiring land and properties attached to land from Binh Dinh VRG Joint Stock Company.

01 branch was transformed into a subsidiary with 100% Charter Capital owned by Phu Tai Dong Nai Company Limited.

Acquiring 70% Charter Capital of Granida Company Limited.

2018

Phu Tai Real Estate Company Limited was established.

Receiving the transfer of stake from Thanh Chau Phu Yen Granite Co., Ltd (100% charter capital).

Phu Tai Ninh Thuan Stone JSC was established.

Khanh Hoa Stone Exploiting Enterprise - a Branch of Phu Tai Joint Stock Company was established.

Binh Dinh Stone Exploiting Enterprise - a Branch of Phu Tai Joint Stock Company was established.

Long My Stone processing factory - a branch of Phu Tai Joint Stock Company was founded.

Phu Tai High-end Quart Company Limited was established

2018-2020

2019 - 2020

Phu Tai High-end Quart Company Limited was established.

Receiving the stake transfer from Son Phat Trading and Manufacturing Co., Ltd (99% charter capital).

2021

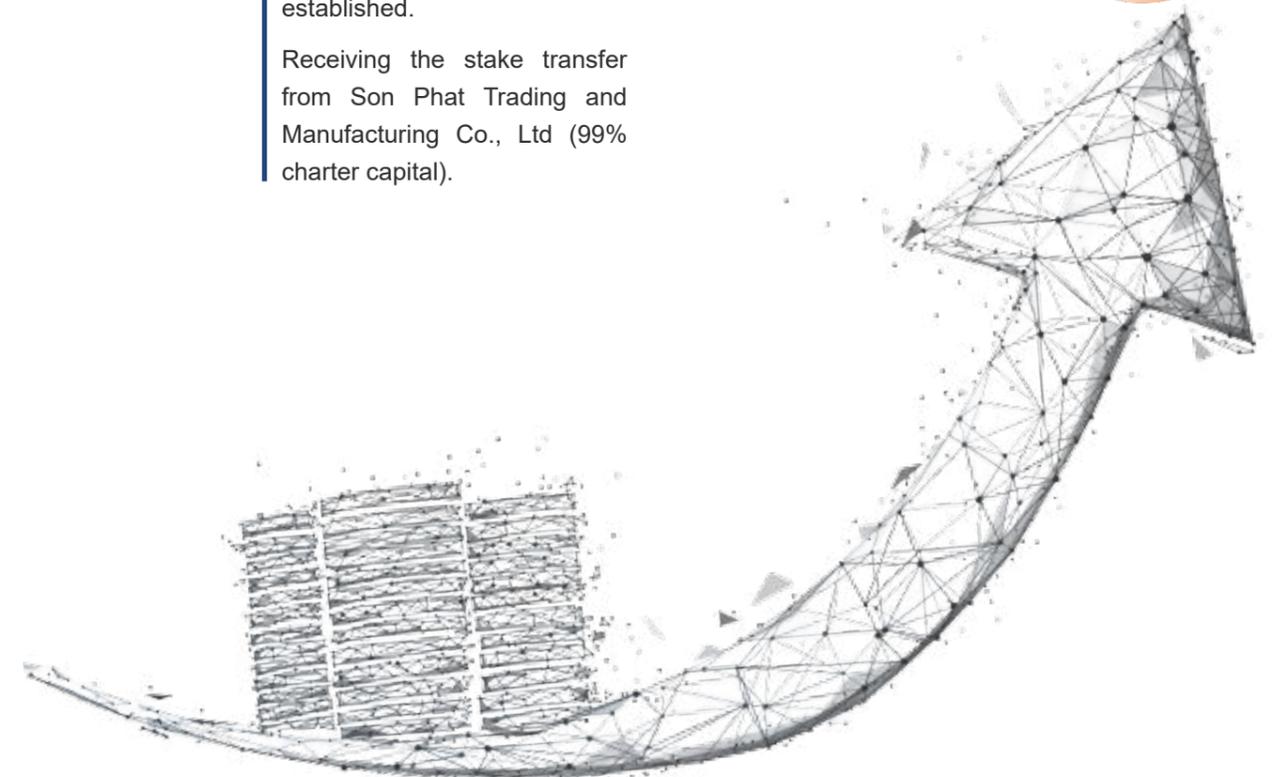
Phu Tai Yen Bai Stone Company Limited was established. This is Phu Tai Joint Stock Company's subsidiary with 100% charter capital contributed by Phu Tai Joint Stock Company.

Phu Cat Wood Processing factory - a branch of Phu Tai Joint Stock Company was merged into Phu Tai Wood

Joint Stock Company in its status quo.

Binh Dinh Stone processing factory was founded in Binh Dinh.

2021



OUTSTANDING AWARDS



BUSINESS LINES AND LOCATION

Main business lines



Trading and manufacturing and processing wooden products

- Manufacturing beds, cabinets, tables and chairs; other types of products made of wood

Trading and manufacturing and processing stone products

- Cutting, shaping and finishing granite, bazal, marble stone;
- Exploiting granite, bazal, exploiting stone, sand, gravel as construction materials
- Manufacturing crushed stone, stone powder, and other equivalents;
- Purchasing and selling products made of granite, bazal, marble stone;

Trading and rendering services to TOYOTA Vietnam

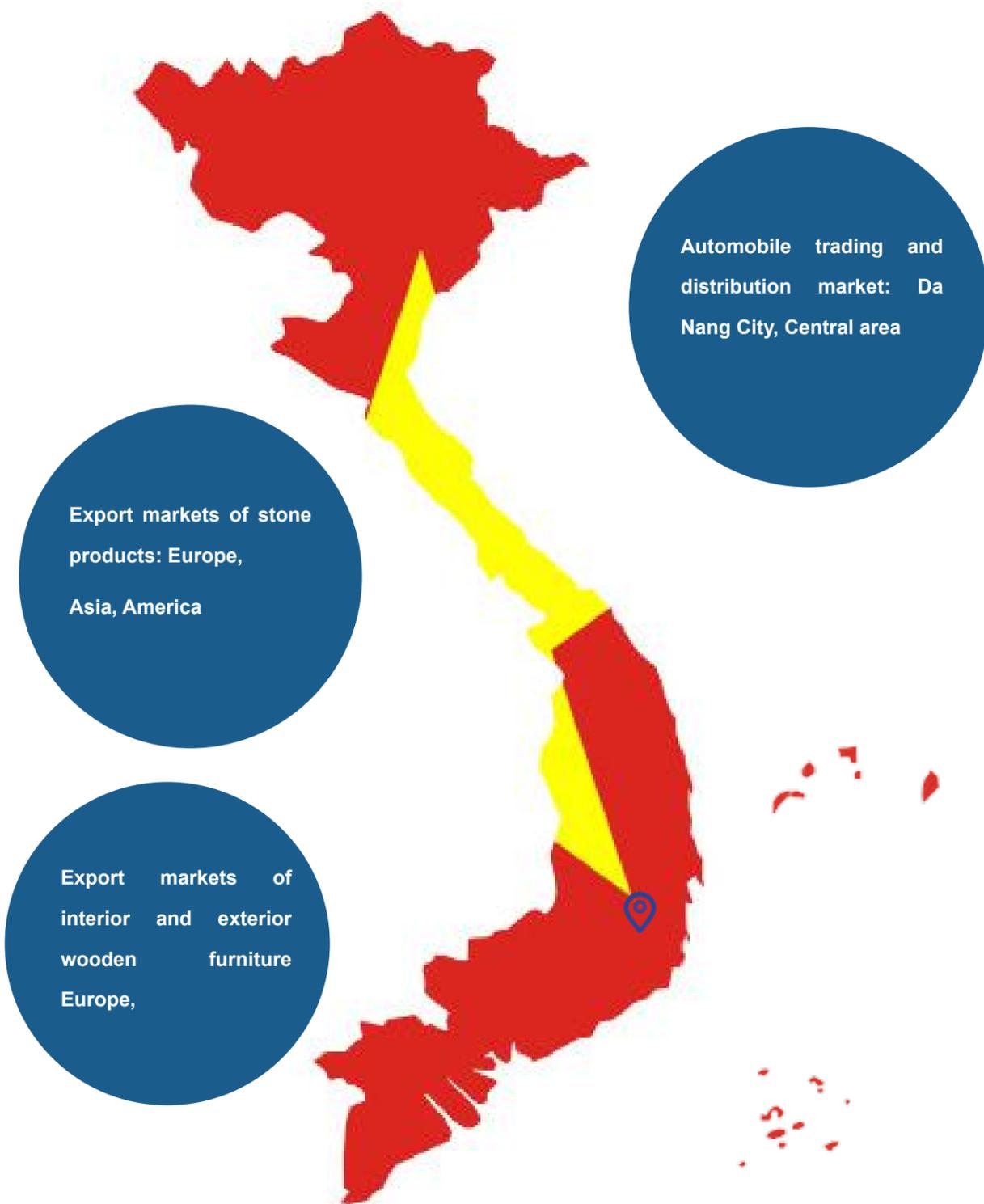
- Buying and selling auto, spare parts; maintenance, repairing auto and other motor vehicles

Constructing civil works, doing real estate business

- Lease office;
- Real estate trading and investment, leasing plants, warehouses, office, house.



Business location



CORPORATE GOVERNANCE MODEL AND ORGANIZATIONAL STRUCTURE

Governance model

GENERAL MEETING OF SHAREHOLDERS

This is the supreme regulatory body of Phu Tai Joint Stock Company. The General Meeting of Shareholders has rights and duties to adopt development orientation, decide production and business plans; to decide amendments to and supplementation of the Company's Charter, to elect, dismiss or remove members of the Board of Directors and the Supervisory Board; and decide to reorganize, dissolve the Company and other rights and duties in accordance with the Company's Charter.

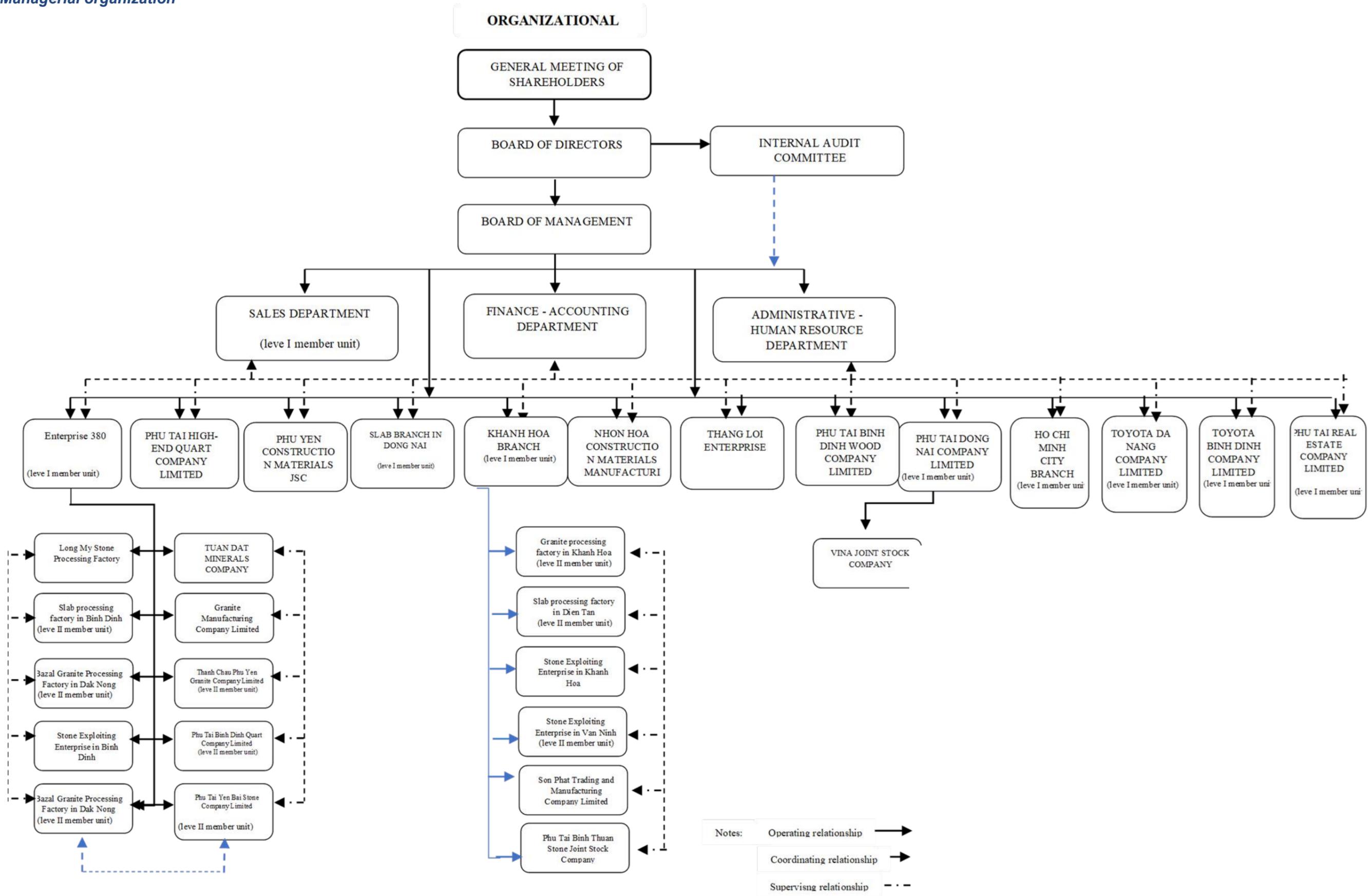
BOARD OF MANAGEMENT

The General Director has following rights and obligations: To implement the resolutions of the Board of Directors and the General Meeting of Shareholders, the Company's business plans and investment plans approved by the Board of Directors and the General Meeting of Shareholders; to decide the matters that are not mandatorily decided by the Board of Directors, including signing financial and commercial contracts on behalf of the Company, organizing and running the Company's daily business operations in accordance with the best management practices; to propose to the Board of Directors the organizational structure plan, the Company's internal rules and regulations; to propose measures to improve the Company's operations and management; to propose the number of and the enterprise executives that the Company needs to recruit for the Board of Directors to appoint or dismiss in accordance with the internal regulations and recommend remuneration, salaries and other benefits applied to the Company's executives to the Board of Directors for their approval; to consult the Board of Directors to decide the number of employees, the appointment, dismissal, salaries, allowances, benefits, and other provisions related to their labor contracts; to regularly exchange information on production and business activities, investment and other necessary issues with the Board of Directors. Additionally, the Board of Management also has to report on the business results, investing, to develop monthly and quarterly operation plans as required by the Board of Directors; Other rights and obligations in accordance with the laws, this Charter, the internal regulations of the Company, resolutions of the Board of Directors, the labor contract signed with the Company.

THE BOARD OF DIRECTORS

The Board of Directors currently includes eight members; with six executive members and two independent members. The Board of Directors' meetings are held to discuss issues related to the company's development strategy, production and business plans, dividend payment policy and other important issues. The Board of Directors holds regular meetings on quarterly basis to assess operational performance of each quarter and discuss the issues under the authority of the Board of Directors. Irregular meetings of the Board of Directors will be held where necessary. The Board of Directors will be promptly and accurately kept informed about the Company's business and production in the meetings. Such information will be prepared by the Board of Management and Secretary of the Board of Directors along with the Company's information

Managerial organization





Subsidiaries, Dependent units

No.	Company name	Address	Main business scope	Paid-in charter capital	PERCENTAGE OF INTERESTS	PERCENTAGE OF HOLDING
PERCENTAGE OF INTERESTS						
1	Phu Yen Construction Materials JSC	172 Tran Hung Dao, Tuy Hoa, Phu Yen	Exploiting, processing construction stones.	9,620,700,000	50.65%	50.65%
2	Tuan Dat Minerals Company Limited.	Group 4, Area 4, Tran Quang Dieu ward, Quy Nhon, Binh Dinh	Exploiting stone	10,700,000,000	100%	100%
3	Universal Stone JSC	120/2 Tran Huy Lieu, ward 15, Phu Nhuan District, HCMC	Manufacturing, supply and installation of tile products; Civil and industrial construction, traffic works; Construction consultancy, design	6,000,000,000	60%	60%
4	Granite Manufacturing Company Limited	10 Tan Lap 1, Hiep Phu ward, District 9, Ho Chi Minh City	Exploiting, processing construction stones.	34,650,000,000	70%	70%
5	Thanh Chau Phu Yen Granite Company Limited	Lanh Truong hamlet, Xuan Lanh commune, Dong Xuan district, Phu Yen province	Lanh Truong hamlet, Xuan Lanh commune, Dong Xuan district, Phu Yen province	30,000,000,000	100%	100%
6	Phu Tai High-end Quart Company Limited	Lot B112-114, Nhon Trach textile and garment IP, Hiep Phuoc town, Nhon Trach commune, Dong Nai, Vietnam	Manufacturing products from non-metal minerals, plastic	100,000,000,000	100%	100%
7	Son Phat Trading and Manufacturing Company Limited	Tan Dan hamlet, Van Thang commune, Van Ninh district, Khanh Hoa province	Exploiting, processing construction stones.	39,600,000,000	99%	99%
8	VINA G7 JSC	Tam Phuoc Industrial Park, Dong Nai province	Producing and trading, processing wooden items.	41,877,750,000	75%	75%
9	Phu Tai Dong Nai Company Limited	Tam Phuoc Industrial Park, Dong Nai province	Producing and trading, processing wooden items.	45,000,000,000	100%	100%
10	Toyota Da Nang Company Limited	69 – 71 Duy Tan – Da Nang	Trading and rendering automobile services	70,000,000,000	100%	100%
11	Toyota Binh Dinh Company Limited	278 Nguyen Thi Dinh St., Qui Nhon, Binh Dinh Province	Trading and rendering automobile services	25,309,025,243	100%	100%

Subsidiaries, Dependent units

No.	Company name	Address	Main business scope	Paid-in charter capital	PERCENTAGE OF INTERESTS	PERCENTAGE OF HOLDING
12	Phu Tai Real Estate Company Limited	278 Nguyen Thi Dinh St., Qui Nhon, Binh Dinh Province	Trading real estate, investing and trading residential, apartments, office projects, leasing factory	160,000,000,000	100%	100%
13	Phu Tai Binh Dinh Wood Company Limited	Phu Cat District, Binh Dinh	Manufacturing beds, cabinets, tables and chairs.	60,000,000,000	100%	100%
14	Phu Tai Ninh Thuan Stone Joint Stock Company	Thap Cham, Ninh Thuan	Producing and processing stones	5,000,000,000	98%	98%
15	Phu Tai High-end Quart Company Limited Binh Dinh	Quy Nhon City, Binh Dinh province	Producing and processing stones and stone powder	50,000,000,000	100%	100%
16	Phu Tai Yen Bai Stone Company Limited	Luc Yen district, Yen Bai province	Exploiting, processing stones.	9,100,000,000	100%	100%
17	Quart Powder Company	Long My Industrial Park, Qui Nhon, Binh Dinh Province	Producing quart materials	90,000,000,000	100%	100%
Dependent units						
1	Enterprise 380	Area 5, Tran Quang Dieu street, Quy Nhon, Binh Dinh	Trading and manufacturing stone products			
2	Granite - Basalt processing factory in Dak Nong province	Hamlet 13, Dak Wer commune, Dak R'Lap district, Dak Nong province	Exploiting, processing stones.			
3	Stone processing factory in Dong Nai province	Road No. 7, Nhon Trach 2 Industrial Park, Nhon Phu, Nhon Trach District, Dong Nai Province	Processing and trading stone			
4	Granite processing factory in Khanh Hoa province	Ninh Lam hamlet, Van Khanh commune, Van Ninh district, Khanh Hoa province	Exploiting, processing stones.			
5	Khanh Hoa stone processing enterprise	Dien Tan, Khanh Hoa	Exploiting, processing stones			

Subsidiaries, Dependent units

No.	Company name	Address	Main business scope	Paid-in charter capital	PERCENTAGE OF INTERESTS	PERCENTAGE OF HOLDING
6	Stone processing factory	Cay Sung hamlet, Dien Tan, Dien Khanh, Khanh Hoa province.	Exploiting, processing Granite			
7	Long My Stone processing factory	Phu Tai Industrial Park, Bui Thi Xuan ward, Quy Nhon City, Binh Dinh	Exploiting, processing Granite			
8	Nhon Hoa Construction Materials Manufacturing Enterprise	Nhon Hoa commune, An Nhon district, Binh Dinh province	Exploiting, processing stones			
9	Thang Loi Enterprise	Phuoc Thanh Factory, Phuoc Thanh Commune, Tuy Phuoc district, Binh Dinh province	Trading and manufacturing wooden products			
10	Phu Cat Wood processing factory	Cat Nhon Industrial Cluster, Phu Cat district, Binh Dinh province	Trading and manufacturing wooden products			
11	Ho Chi Minh City Branch	14E Phan Van Tri, Ward 7, Go Vap District, Ho Chi Minh City	Trading and manufacturing wooden products			
12	Stone processing factory in Binh Dinh.	Phu Cat district, Binh Dinh province	Processing and trading stone.			
13	Binh Dinh stone processing enterprise	Phu Cat District, Binh Dinh	Exploiting, processing stones			
14	Dak Nong stone exploitation enterprise	DakR'lap, Dak Nong province	Exploiting, processing stones			
15	Van Ninh stone exploitation enterprise	Tan Dan hamlet, Van Thang commune, Van Ninh district, Khanh Hoa province, Vietnam	Exploiting, processing stones			

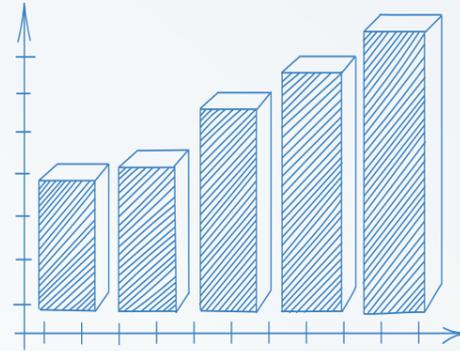


DEVELOPMENT ORIENTATION

Main objectives of the Company

With the motto of “CREATIVITY - SPEED - SUSTAINABILITY”, the Company gathers all of its resources to achieve 3 key tasks as follows:

- To develop a joint stock company with an appropriate and effective business model with stable and sustainable development.
- To conserve and improve the Company’s values, ensuring the benefits for the Shareholders and the employees;
- To exploit and make efficient use of the resources for the Company’s business and manufacturing activities.



Medium and long-term development strategies

- To improve the management of receivables and payables limit, inventories at the most economical level. To manage by regulations on working capital limit in member entities to ensure better use of capital. It is the crucial goal in 2022 to maintain the Company’s financial security and minimize abnormal issues during the course of its business and manufacturing which aims to ensure the resources to develop in case the epidemic is under control and new opportunities are grasped.
- To structure management apparatus with focus, improve the efficiency of corporate governance, the administration quality of the management apparatus. To focus on exploiting the elements of intensive growth: improving labor productivity, applying scientific and technological advances, changing new products to increase the products’ competitiveness, limit the use of unskilled workers.

➤ Processing and exploiting stone:

In addition to developing artificial stone products, it is necessary to ensure effective conservation of natural stone products. To make investment to improve long-term competitiveness. To balance an appropriate proportion between the domestic and export markets. To maintain the top position in Vietnam’s natural stone industry.

➤ Processing wooden furniture:

Under a tough condition due to the impacts caused by the Covid-19 and the complicated developments of geopolitics in the world, it is required to review market performance in customer segments, payment security and potential risks. One important task is to expand the market, attract enough human resources to ensure efficient exploitation of the capacity of both old and newly invested factories. Additionally, the Company will also pay attention to invest in product development, technological innovation, improving labor productivity, limiting intensive use of labor.

➤ Trading and rendering automobile services:

To review and evaluate quality of sales team. To revise salary and bonus regime in the direction of streamlining, while still ensuring labor productivity, increasing employee’s income; To effectively manage expenses to improve the business efficiency; To satisfactorily fulfill the targets of revenues and market share set out.



RISK FACTORS

Economic risk

Vietnam economy slowed down due to the Covid 19 and prolonged lockdown, downgrading consumption and investment; limiting its growth prospect. However, the situation became more positive in the second half of the year 2021 when the economy recovered and the epidemic situation was under better control and the proportion of the country's population vaccinated was at high level.

Despite a series of difficulties and challenges due to the Covid-19 epidemic, Vietnam's full-year 2021 economic picture still showed many bright points. Average consumer price index for the whole year increased by 1.84%. GDP increased by 2.58%, of which Q4 GDP increased sharply, reaching 5.22% after a decrease of 6.02% in Q3. In addition, Vietnam has been in the period of extensive integration, many important trade agreements have been signed and taken effect recently such as the EU-Vietnam Free Trade Agreement (EVFTA), EU-Vietnam Free Trade Agreement (EVFTA), or Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). These agreements all contain subject matters related to the forestry, automotive and import-export sectors in general.

Among the three segments of the Company's production and business, the wood industry has been directly affected by some certain changes in the financial market and the macro-economic situation. Therefore, adverse developments of the economy may result in downgraded competitiveness and market expansion as well as negative impacts on the selling price of wooden products.

In order to minimize the risk as well as take advantage of opportunities from the economy, the Company constantly updates the fluctuations of the economic situation in the world, thereby develop suitable business strategies.



Foreign exchange rate risk

Demand for materials and auxiliary and products used for the Company's manufacturing activities are mainly imported from overseas and its finished products are exported to the international markets. Therefore, it is exposed to the foreign exchange risk.

Specifically, when the USD/VND exchange rate fluctuates in either upward or downward direction, it will affect the Company's revenues and expenses, as well as its receivables and payables in foreign currencies.

That is the reason why the Company will not ignore but regularly keep the changes in the exchange rate on track to take effective measures to protect against this risk.

Moreover, it is also important for the Company to pay attention to the inflation factor. High inflation rate may make input and output prices fluctuate, causing price instability, resulting in higher interest rates, depreciated currency which will all greatly affect the Company's business activities.

Legal risk

When companies are listed on the stock exchange, all of their business activities are governed by the Law on Enterprises and other legal documents on securities, the stock market, etc. So, in case there is a change in relation to the law and regulations on corporate governance, the company's business and management activities will be more or less affected. Besides, the Company operates in the real estate sector, so it will also be governed by the Land Law, the Law on Construction, and so on; and these laws will affect the liquidity of the market as well as the time of procedures and method to raise fund. In addition, the law and subordinate laws, industry regulations, the guidelines on regimes and policies which have not yet been synchronized have partly affected the Company's business activities and development orientation. There is a likelihood that the Company may expose to the risk of lawsuits, disputes, compensation... due to objective factors.

The Company undertakes to comply with prevailing regulations; to establish a standard internal management system. The Company also regularly updates changes in policies and regulations applicable to the Company's production and business activities, thereby making appropriate business development plans to minimize adverse risks of the Laws affecting the Company.

Interest rate

In 2021, Federal Reserves (FED) maintained low base interest rate at 0-0.25%. In Vietnam, the State Bank of Vietnam did not cut its operating interest rates for three times as what it had done in 2020 while flexibly taking various measures to support the market liquidity. Some actions like open market operation, buying foreign currencies, increasing the supply of VND to the market were hardly taken.

The Company is exposed to the interest rate risk because the fair value of future cash flows of a financial instrument will fluctuate due to any changes in the market interest rates when the Company has term or demand deposits, obtains loans and owes debt bearing a floating interest rate.

Currently, PTB's liabilities account for the highest proportion of its total capital with approximately 48.1% of total liabilities and owner's equity, which meant not much change since 2016. PTB's liabilities were mostly short-term liabilities, accounting for about 94.4% of total liabilities in 2021. With the company's debt ratio, any fluctuations in lending interest rates applied by the commercial banks will have a direct impact on the Company's business activities. If the interest rates increase, the interest expense incurred by the Company will increase, thereby the Company's net profit will be lower.

Therefore, it is necessary that the Company has to manage the risks by analyzing the competitive situation in the market to obtain more favorable interest rates.

INDUSTRY SPECIFIC RISK

Wood producing and processing

Wood processing industry is subject to regular control over the legal origin of wood put it into use. Typically, Lacey and Flegt laws may be the examples. The purpose of such kinds of laws is to strengthen the roles of the laws and trade management in terms of forest products when being exported to the US and European countries.

The requirements for quality control and safety on the products are increasingly strict, so if the Company fails to maintain and invest in product quality management, information management systems delivered to the customers and the suppliers, the risk of goods being returned, the order cancelled, and compensation... may occur. In addition, some wooden products exported to the US by the Company are at risk of being considered by the US as trade fraud, leading to being imposed of anti-dumping and anti-subsidy taxes.

Accordingly, PTB keeps and makes regular investment into the quality control and safety of the products, the management of the information system to minimize the occurrence of the goods being returned, the order cancelled, and compensation. Moreover, the Company also pays more attention to expanding market in association with restructuring the customers, grasping opportunities to move suppliers from China to Southeast Asian countries, taking advantages of the trade agreements between Europe and Vietnam... to expand the market size.

Wood processing business contributed about 52.84% of the Company's net revenue in 2021. Regardless of increasingly high timber demand, wood is a limited resource, in the long run, natural wood resources will become scarce, then input costs will increase.

Toyota automobile trading and rendering

Toyota automobile trading and distributing is a segment that made significant contribution to the Company's net revenue with approximately 15.61%.

Although Toyota is the car brand with the largest sales volume in Vietnam in recent years, with the market participation of new car manufacturers and up-scaling of existing car manufacturers, the competition will increase.

In order to strengthen its business and rendering services to Toyota automobiles in the domestic and international markets, the Company continues to strive to modernize and deliver products and services that exceed the customers' expectations; to actively develop flexible sales policies, invest in improving service quality, attracting more customers, and maintain market share.



Stone exploiting and trading

This segment normally contributed about 22.39% the Company's net revenue in 2021. Its inputs are mainly exploited by the Company itself with diverse nature and plentiful colors. Therefore, the Company should be careful in deciding on which products should be offered to the market.

Exploitation costs are always a concern for most of the businesses in general and Phu Tai in particular. They may increase due to many impacts such as inflation, the Government policies related to construction investment and resource exploitation, geopolitical uncertainties or protectionist policies of the countries that import the Company's stone products. This will influence the Company's goals of growth set out.

To limit this risk, the Company regularly monitors the fluctuations of socio-economic - political factors in order to save the exploitation costs. At the same time, the Company also develops and penetrates into new markets, to avoid the risk exposed due to relying too much on one market. Moreover, the Company also takes initiative in ensuring the supply for its long-term growth. PTB's existing quarries are of large reserves with about 53 million m3 most of which are color stone quarries and their exploitation term remains longer than 20 years. This enables the Company to be in proactive position and its supply of inputs are guaranteed.



Other risks

Some other types of risks of which the occurrence goes beyond human control such as earthquake, drought, flooding, war or epidemic

Hence, in order to minimize possible effects, the Company always takes proactive measures by covering its employees and assets with insurance; renovating its infrastructure facilities, equipping safety protection equipment as prescribed and organizing training sessions for its employees on the necessary knowledge to ensure safety when such risks occur, to always promptly respond and be poised to prevention.



CHAPTER 2

BUSINESS PERFORMANCE

- » Business and manufacturing activities
- » Facts and figures of investment and project implementation
- » Organization and Human Resources
- » Financial situation
- » Shareholders structure and change in Owner's equity

BUSINESS AND MANUFACTURING ACTIVITIES

INDUSTRY CONTEXT IN 2021



Wood sector

According to statistics of the General Department of Vietnam Customs, the value of Vietnam’s wood and wooden products in 2021 exported to the America reached USD9.3 billion, 22% higher year over year, the US market alone accounted for USD8.7 billion, equivalent to an increase of more than 22% compared to 2021. Asia was the second market with USD4.4 billion, or 16% higher. Especially, the fast growth rate of the amount exported to the America market contributed to promoting Vietnam’s wood processing and export industry with impressive results.

In general, in 2021, the wood industry still enjoyed a good growth rate thanks to the efforts of the enterprises to maintain

their manufacturing activities regardless of the epidemic outbreak in many provinces and cities across the country; and the production recovered quickly after the policy of social distancing being eased. Despite the negative impacts of the Covid-19 pandemic, Vietnam’s W&WP were still exported to 160 countries and territories around the world.

This outcome was also supported by the free trade agreements that our country had signed such as EVFTA, UKVFTA, CPTPP, etc. The US-China trade tension created a wave of shifting orders from China to Vietnam, thereby creating favorable conditions for PTB’s wood business segment in particular and the industry in general. In the event that the US continues to impose high import taxes on wooden products from China (especially the HS 94 commodity category), for the period of 2021 - 2025, PTB’s orders from the US market are expected to increase as its major customers in the US have to continue to shift orders from China to FSC certified wood manufacturers and processors in Vietnam.

The growth driver of the wood industry focuses on the category of wooden furniture. The export value of this category accounted for 69% of the total export value of wood and wooden products in 2021, reaching USD9.7 billion, equivalent to an increase of 21.7% year over year. The global wooden furniture market size is very large and is expected to further increase in the near future when the demand continues to remain high, the global economy will gradually recover.



Construction materials sector

In 2021, despite the negative impact of the COVID-19 pandemic, the productivity and output of the construction materials sector thus suffered from many “troubles” because of the lack of a consumption markets, the companies’ business operations still recorded positive results, stable manufacturing performance, positive growth thanks to pent-up demand from 2020. As a result, the first 6 months of the year recorded a remarkable growth.

As reported by the Ministry of Construction, the construction price index in 2021 increased by 5.39% year over year. Moreover, on August 18, 2020, by issuing the Decision 1266/QĐ-TTg, the Prime Minister officially approved the Strategy to develop the Construction Materials in Vietnam for the period of 2021-2030, with orientation to 2050. This will create a favorable condition for stone production enterprises like PTB to develop from the beginning of 2021.



Automobile sector



Vietnam automobile market experienced the year of 2021 with so much volatility. The 4th wave of the Covid-19 epidemic outbreak in many provinces and cities, together with the emerging of electric cars, partly affected the consumers' tastes and choices, along with a series of vehicle recalls to fix manufacturers' faults.

Under a tough context of the automobile industry due to the impact of the Covid-19 pandemic, the Government issued a

policy to reduce registration fees by 50% applied to locally assembled and manufactured cars.

Accordingly, Decree no. 103/2021/ND-CP was issued by the Government, effective from December 1, 2021 to May 31, 2022, stipulated that the first registration fee for cars, trailers or semi-trailers towed by automobiles and similar vehicles manufactured and assembled domestically would be equal to 50% of the registration fee for these vehicles specified in Decree No. 20 /2019/ND-CP and decisions of the People's Committees of provinces and central cities

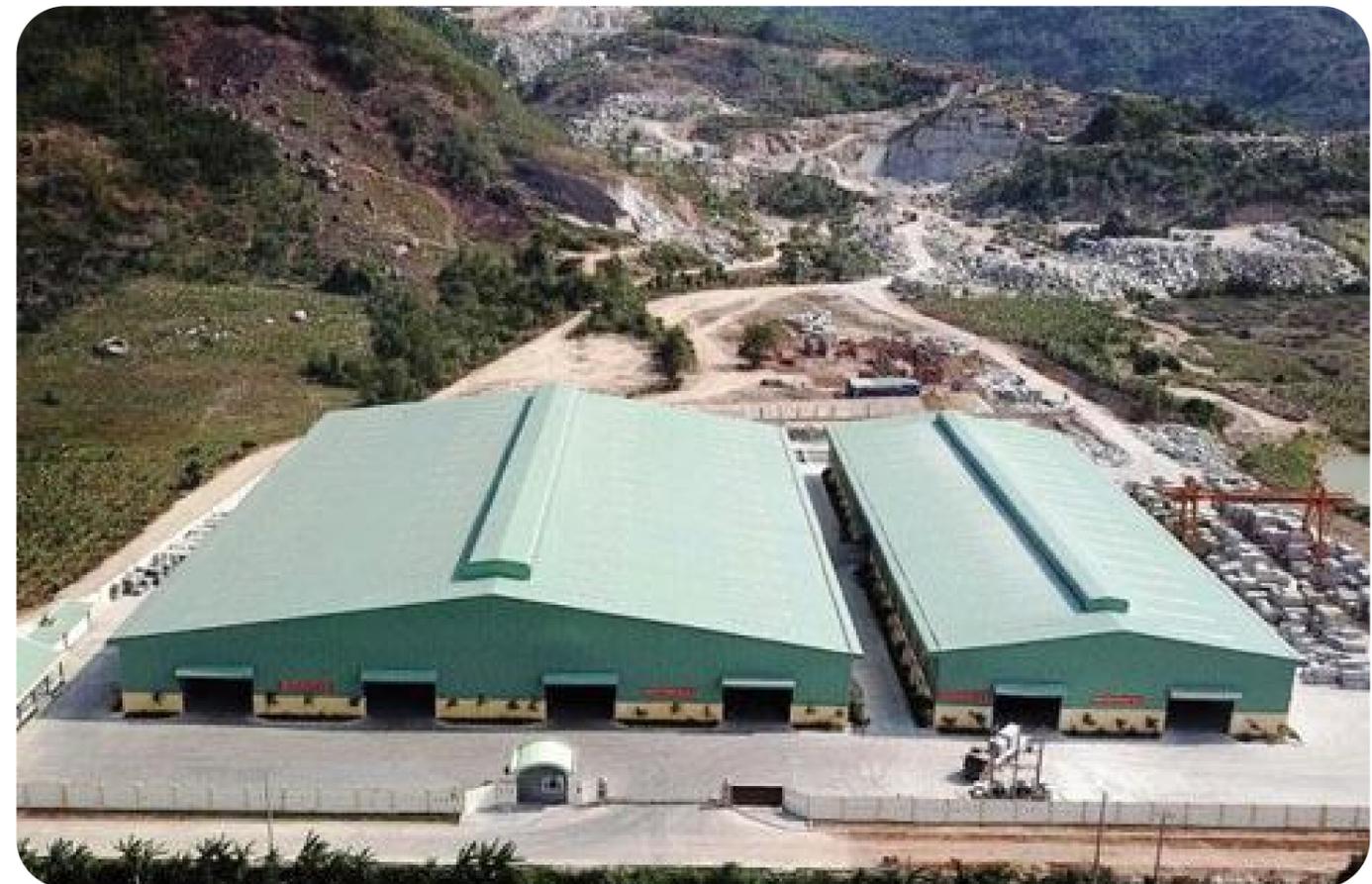
This was the second time within latest 2 years, the Government approved a policy to reduce registration fees by 50% applied to locally assembled and manufactured cars. Previously, from June 28, 2020 to the end of December 31, 2020, the policy of 50% reduction in the registration fees was also applied, helping the Vietnamese automobile market have a strong momentum of recovery.

So, for the whole year of 2021, there were 304,149 vehicles sold in Vietnam in total, or 2.5% higher than in 2020 (296,634 vehicles). This indicated that the “four-wheeler” market has been gradually recovering, overcoming the difficulties caused by the Covid-19 outbreak that disrupted the business activities many times last year. According to the statistics of VAMA, 2019 which was pre-Covid time, our country's automobile sales volume was approximately 322.3 thousands of items



PTB condition in 2021

- The trade war between the US and China created great opportunities for the wood industry to develop its export markets due to the market trend of being increasingly shifted from China to other countries, including Vietnam.
- In 2021, the complicated developments of the Covid-19 epidemic caused negative impacts on the socio-economic situation, affecting the domestic and internationally economic growth and business environment. However, the effects of the free trade agreements such as EVFTA, UKVFTA, ... became good bases for the sub-sectors of Vietnamese agriculture to develop, with more advantages added in accessing hard markets as well as enhancing the competitiveness for many products of the same types from other countries. In these categories, the wood processing and exporting sector is not an exception.
- Consumption market of stone, real estate declined, product prices faced a fierce competition as well as the higher price of raw materials leading to a decrease in industry profit margin. The market segment of the slabs, a key product of the stone field encountered many difficulties due to price competition in the domestic market and competition from the imported goods. The automobile consumption market was not favorable due to the fact that handling the inventories of vehicles in 2020 were prioritized in various ways such as lowering selling prices; as a result, some product lines suffered loss. The real estate market was seriously affected by the COVID-19 pandemic which interrupted the handover progress.
- Transportation activities, trade transactions were interrupted, transportation costs increased which all caused an increase in the production and business costs and shipping charges.

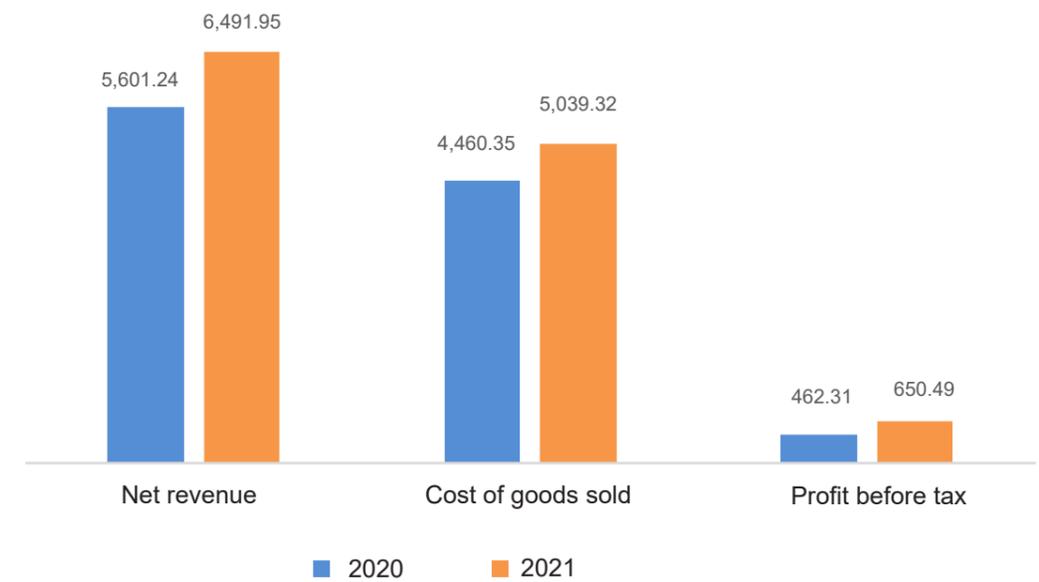


BUSINESS PERFORMANCE IN 2021

Unit: Billion dong

No.	Parameter	2020	2021	% Change
1	Net Revenue	5,601.24	6,491.95	15.90%
2	Cost of Goods Sold	4,460.35	5,039.32	12.98%
3	Gross Profit	1,140.89	1,452.62	27.32%
4	Income from financial activities	23.79	61.22	157.34%
5	Other Profit	22.82	12.37	-45.79%
6	Profit before tax	462.31	650.49	40.70%
7	Profit after tax	379.31	525.89	38.65%
8	EPS (VND/share)	7.709	11.079	43.72%

Unit: Billion dong



Unit: Billion dong

No.	Target	Target 2021	Actual 2021	% completion
1	Total revenue	VND7,000 billion	VND6,580 billion	94.00%
2	Profit before tax	VND650 billion	VND650.5 billion	100.08%



In general, in 2021, the Company still maintained stable business operations despite being affected by the epidemic. Specifically, its net revenue still grew to VND 6,491.95 million, 15.90% higher year over year. Income from financial activities in 2021 underwent a strong increase, with an increase of 157.36% year over year thanks to the company's stock investments. The company's total revenue and profit before tax in 2021 successfully completed the set targets, specifically, the former reached 94% of the target, and the latter reached 100.08% compared to the set target.

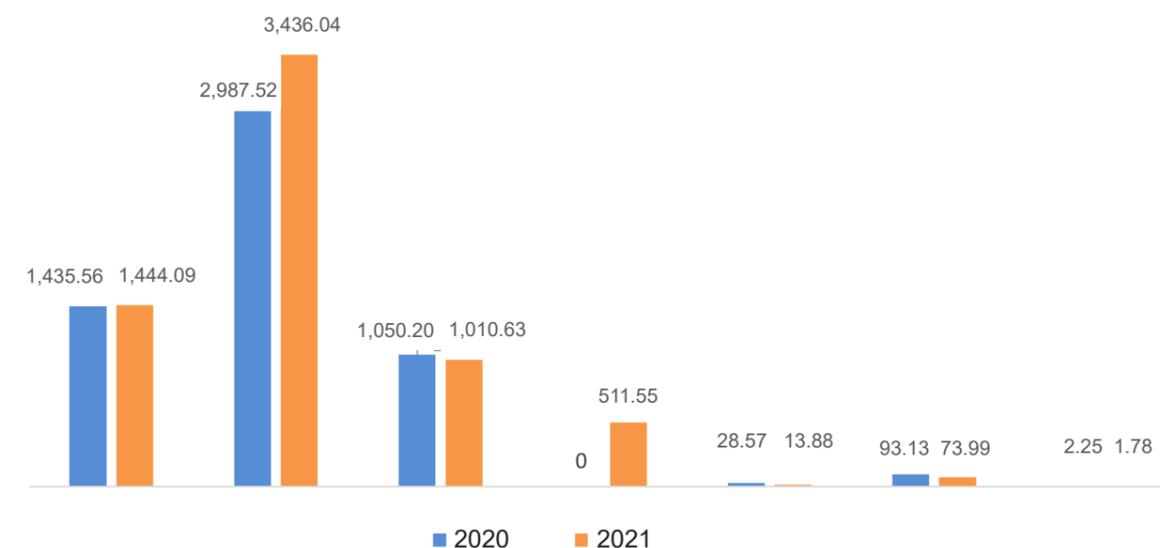
REVENUE STRUCTURE BY SEGMENT

Unit: Billion dong

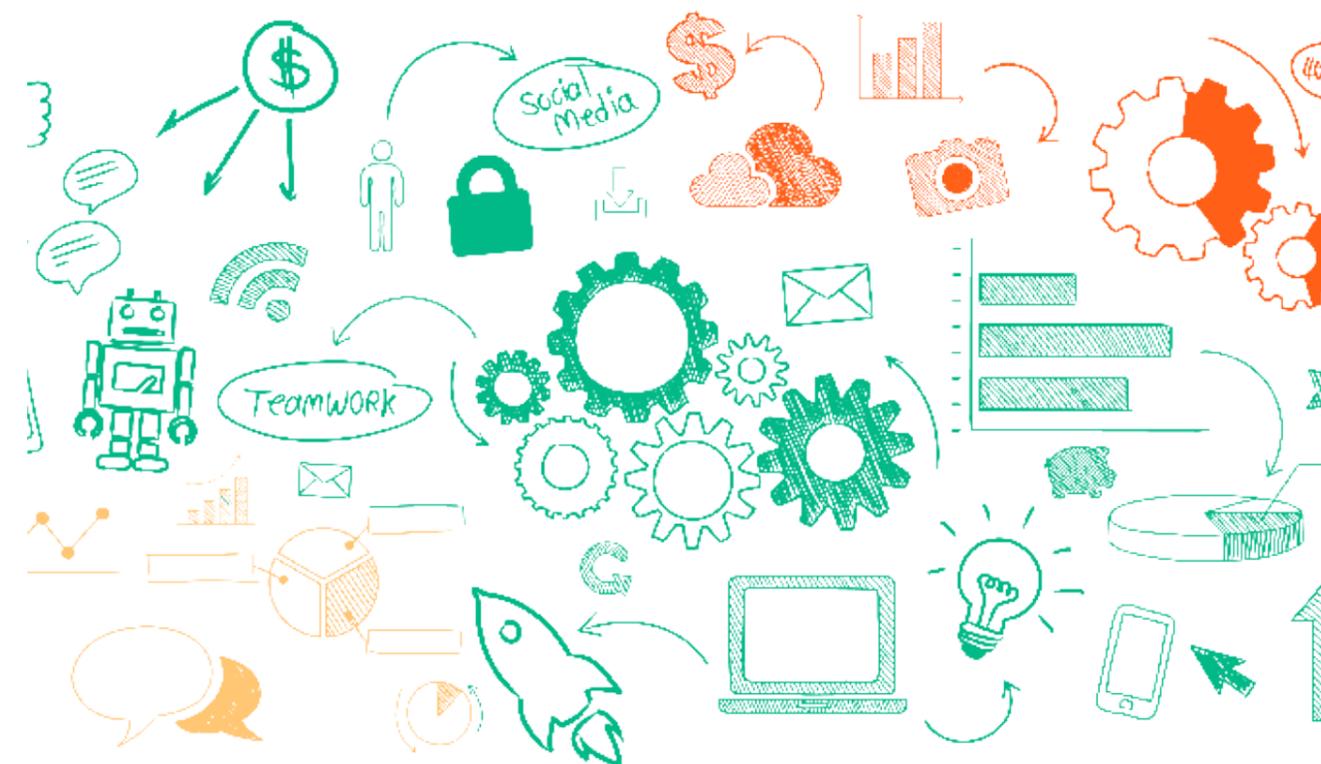
Unit: Billion dong

Target	2020	Proportion	2021	Proportion
REVENUE FROM THE SALE OF GOODS, FINISHED PRODUCTS	5,501.85	98.21%	6,416.19	98.83%
Stone products	1,435.56	25.67%	1,444.09	22.24%
Wooden products	2,987.52	53.57%	3,436.04	52.93%
Toyota automobiles	1,050.20	18.73%	1,010.63	15.57%
Real estate	-	-	511.55	7.88%
Others	28.57	0.24%	13.88	0.21%
REVENUE FROM SERVICES RENDERED	99.38	1.79%	75.77	1.17%
Repair of TOYOTA automobiles	97.13	1.73%	73.99	1.14%
Office and plants lease	2.25	0.06%	1.78	0.03%
TOTAL	5,601.23	100%	6,491.95	100%

REVENUE STRUCTURE BY SEGMENTS



In 2021, Phu Tai Company’s net revenue grew to VND6,491.95 billion, 15.90% higher year over year, which was mainly contributed by its main business segments with 98.83 %. The revenue from services rendered accounted for only 1.17%. In general, the Company took effective measures to cope with the difficult situation due to the epidemic, which was proven when PTB maintained its stable growth over the years.



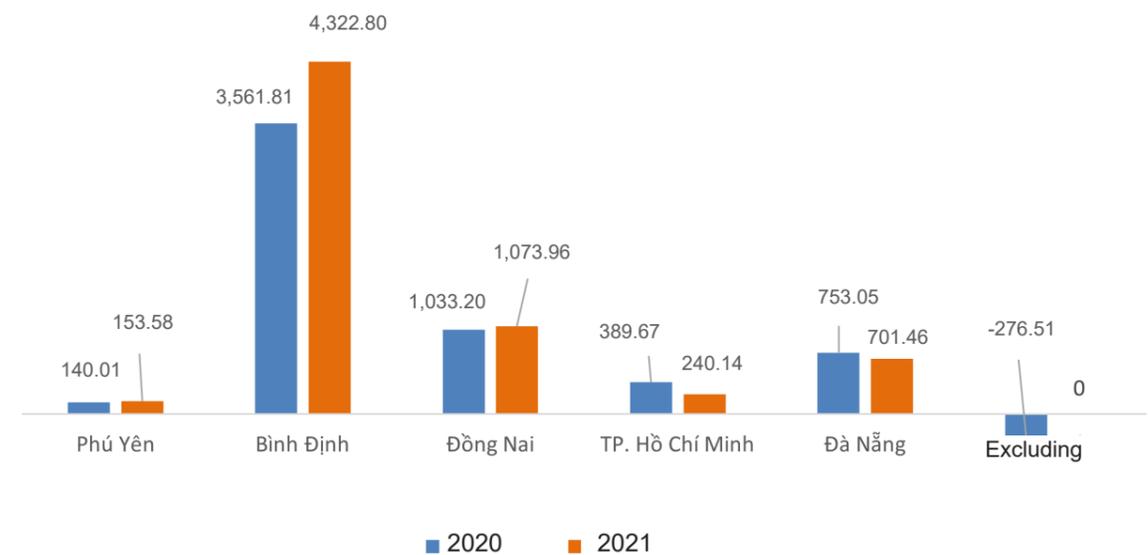
REVENUE STRUCTURE BY GEOGRAPHIC REGION

Unit: Billion dong

Target	2020	Proportion	2021	Proportion
Phu Yen	140.01	2.50%	153.58	2.37%
Binh Dinh	3,561.81	63.59%	4,322.80	66.59%
Dong Nai	1,033.20	18.45%	1,073.96	16.54%
Ho Chi Minh City	389.67	7.00%	240.14	3.70%
Da Nang	753.05	13.44%	701.46	10.81%
Excluding	(276.51)	(4.98%)	-	-
Whole company	5,601.24	100%	6,491.94	100%

Unit: Billion dong

REVENUE STRUCTURE BY GEOGRAPHIC REGION



PTB's main business areas are in Phu Yen, Binh Dinh, Dong Nai, Ho Chi Minh City and Da Nang. In which, Binh Dinh is the biggest contributor with 66.59% of the total revenue on the whole market. Dong Nai and Da Nang ranked the second and the third with proportions of 16.54% and 10.81% of total market revenue, respectively.

The Revenue contributed by Binh Dinh province in 2021 apparently rose by 21.37% year over year, the remaining provinces were also in the downward trend of revenue growth mainly because they were directly affected by the Covid-19 epidemic, the business activities across these provinces were disrupted regularly, which thereby indirectly affected the Company's sales in these areas.



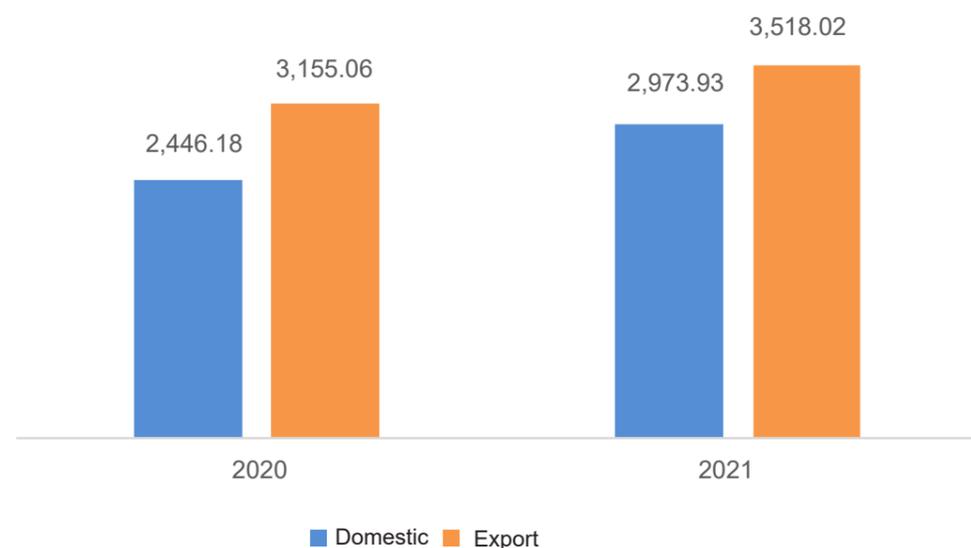
NET REVENUE STRUCTURE BY MARKETS

Unit: Billion dong

MARKETS	2020	Proportion	2021	Proportion
Domestic	2,446.18	43.67%	2,973.93	45.79%
Export	3,155.06	56.33%	3,518.02	54.21%
Total	5,601.24	100%	6,491.95	100%

Unit: Billion dong

NET REVENUE STRUCTURE BY MARKETS



Generally, in 2021, the domestic and overseas markets were maintained at stable level. In domestic market, the revenue reached VND2,973.93 billion, or 21.49% higher than in 2020, contributing more than 45% of the total revenue. The Company’s export market generated revenue of VND3,518.02 billion, or 11.50% higher year over year, contributing more than 54% of the total revenue. The revenue from the export activities last year was maintained satisfactorily because the Company took advantage of opportunities from the free trade agreements coming into force, giving it the opportunities to increase sale volumes and profit of wooden furniture in the Japanese and EU markets, especially the US.

ORGANIZATION AND HUMAN RESOURCES

MEMBERS OF BOARD OF MANAGEMENT

No.	Full name	Position	Number of Shares held	Percentage of holding
1	Mr. Le Van Thao	General Director	4,010,258	8.25%
2	Mr. Tran Thanh Cung	Deputy General Director	2,073,930	4.27%
3	Mr. Phan Quoc Hoai	Deputy General Director	928,774	1.91%
4	Mr. Nguyen Sy Hoe	Deputy General Director	2,848,450	5.86%
5	Mrs. Nguyen Thi My Loan	Chief Accountant	218	0.00%

INTRODUCTION TO BOARD OF MANAGEMENT

Mr. LE VAN THAO - GENERAL DIRECTOR

Date of birth : 10/10/1971
 Place of birth : Duy Tri - Tieu Phuoc - Binh Dinh
 Nationality : Vietnam
 Permanent address : Nguyen Van Cu Ward, Qui Nhon, Binh Dinh
 Educational level : Bachelor of Economics, major in Business

Mr. TRAN THANH CUNG – DEPUTY GENERAL DIRECTOR

Date of birth : 02/05/1957
 Place of birth : Tinh Son - Son Tinh - Quang Ngai
 Nationality : Vietnam
 Permanent address : 262A Nguyen Thai Hoc - Quy Nhon
 Educational level : Political theory intermediate

INTRODUCTION TO BOARD OF MANAGEMENT (Cont'd)

Mr. PHAN QUOC HOAI – DEPUTY GENERAL DIRECTOR

Date of birth : 17/05/1967
 Place of birth : Bac Giang
 Nationality : Vietnam
 Permanent address : Tran Quang Dieu ward, Quy Nhon
 Educational level : Forestry Engineer

Mr. NGUYEN SY HOE - DEPUTY GENERAL DIRECTOR

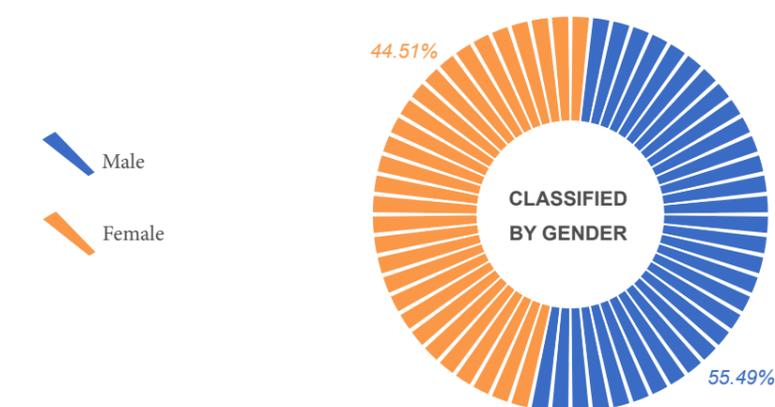
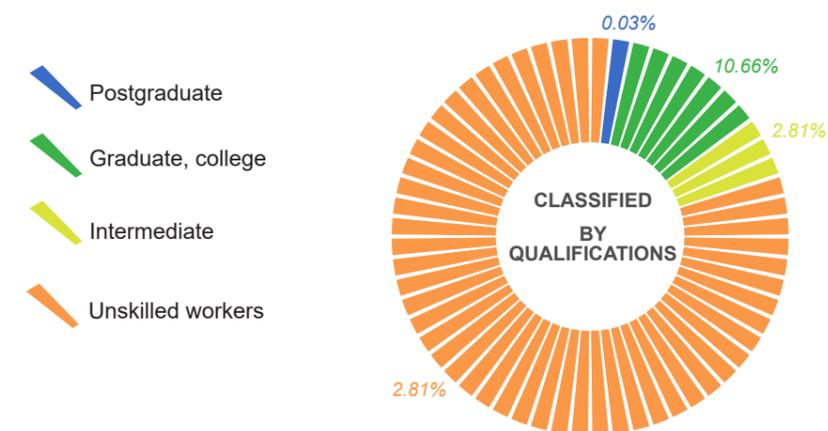
Date of birth : 02/09/1970
 Place of birth : Dien Hai - Dien Chau - Nghe An.
 Nationality : Vietnam
 Permanent address : 102 Vu Bao, Ngo May ward, Quy Nhon, Binh Dinh
 Educational level : Forestry Engineer

Mr. NGUYEN THI MY LOAN - CHIEF ACCOUNTANT

Date of birth : 02/02/1976
 Place of birth : Quy Nhon, Binh Dinh
 Nationality : Vietnam
 Permanent address : 556 Nguyen Thai Hoc, Quy Nhon, Binh Dinh
 Educational level : Bachelor of Accounting - Auditing

STATISTICS OF THE COMPANY'S EMPLOYEES

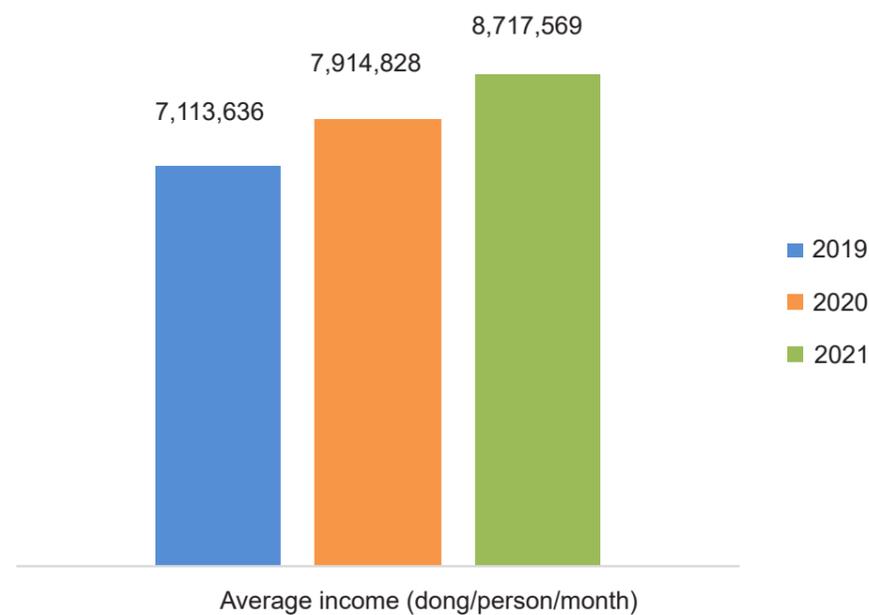
No.	Criteria	2020		2021	
		Number (Person)	Proportion (%)	Number (Person)	Proportion (%)
I	Classified by qualification	7,408	100,00%	7,019	100,00%
1	Postgraduate	1	0.01%	2	0.03%
2	Graduate, college	682	9.21%	748	10.66%
3	Intermediate	200	2.70%	197	2.81%
4	Unskilled workers	6,525	88.08%	6,072	86.51%
II	Classified by gender	7,408	100.00%	7,109	100.00%
1	Male	4,249	57.36%	3,945	55.49%
2	Female	3,159	42.64%	3,164	44.51%



AVERAGE INCOME

Criteria	2019	2020	2021
Total number of employees (person)	6,317	7,408	7,019
Average income (dong/person/month)	7,113,636	7,914,828	8,717,569
Growth rate	2.1%	11.3%	10.14%

Unit: Dong/person/month



HUMAN RESOURCE POLICIES

Training policy

The company's training policy is always maintained on an annual basis to improve the expertise of its workforce. Training activities are mainly conducted in the form of on-the-job training and in-depth training. With the above training methods, the employees are always given conditions to promote their own capacity and working skills. In addition, the Company also arranges its human resources in accordance with the development condition of the Company for better labor quality. Every year, the Company maintains training activities to improve the direct workforce's working skills, its managers and staffs are allowed to participate in the training courses on managerial knowledge and expertise.



Recruitment policy

The company always attaches importance to recruiting and training human resources to meet the professional requirements and skills to ensure the Company's prosperity. Subject to the job requirements of each department and division, the Company develops specific recruitment criteria to satisfy the general requirements of professionalism, honesty, creativity.

Benefit and welfare policy

The salary regime is built on the basis of applying prevailing regulations of the State and based on its business performance, combined with value of the work, product, roles and responsibilities of the employees, socio-economic factors such as market level in each locality, indexation, growth rate of average income. The salary policy is fairly, transparently implemented to really encourage the employees to promote their working capacity.

The employees' income has been always improving year by year.

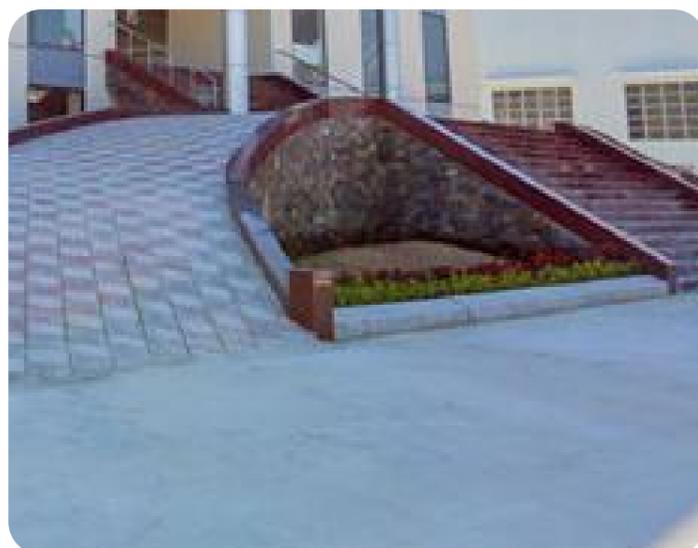
Reward - Discipline policy is promptly and reasonably applied to encourage the employees to improve their working productivity. The employees are entitled to enter into labor contracts, social insurance, health insurance, unemployment insurance, sickness and maternity benefits in accordance with current laws, and equipped with labor protection equipment, and annual medical examination.



FACTS AND FIGURES OF INVESTMENT AND PROJECT IMPLEMENTATION

No.	Project name	Total amount approved	Total actual amount	Added amount changes (+/-)	Remarks
	Projects approved	363,437,799,669	344,327,079,185		
1	Quart Powder Factory	90,000,000,000	67,283,848,117		The project in progress, Total amount of investment up to now
2	Wooden furniture processing factory (Phase 1)	236,832,449,669	240,545,281,780	3,712,832,111	
3	Two storey warehouse of finished goods (Thang Loi Enterprise)	36,605,350,000	36,497,949,288	-107,400,712	

Investment project in 2021	Value of final settlement (Million dong)	Description
1	74,056	Expanding scale, supplementing machines and equipment to upgrade capacity of stone factories
2	24,924	Building warehouse of finished products in Thang Loi Enterprise.
3	254,077	Implementing the investment in wood processing factory & some auxiliary items - Phu Tai Binh Dinh Wood Company
4	49,807	Expanding scale, supplementing machines and equipment to upgrade capacity for wood processing factories.
5	3,072	Procurement of vehicles serving customers testing automobiles.
Total	405,936	



FINANCIAL SITUATION

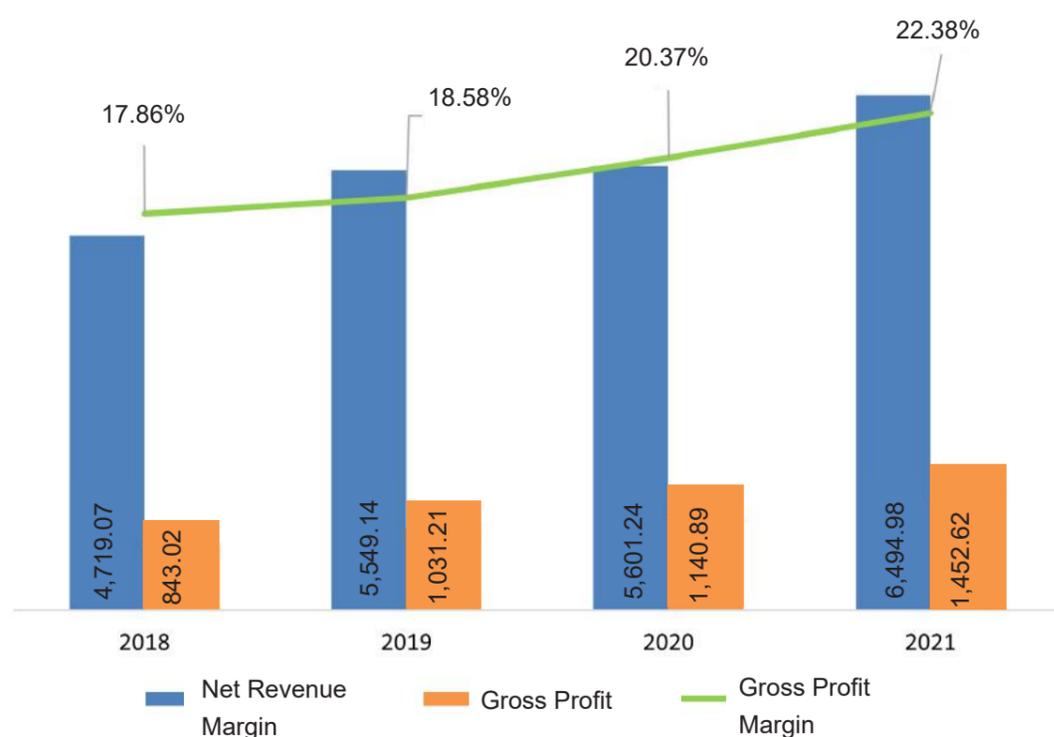
REVENUE AND GROSS PROFIT MARGIN 2017 – 2021

Unit: Billion dong

PARAMETER	2018	2019	2020	2021
Net Revenue	4,719.07	5,549.14	5,601.24	6,491.95
Gross Profit	843.02	1,031.21	1,140.89	1,452.62
Gross Profit Margin	17.86%	18.58%	20.37%	22.38%

Unit: Billion dong

REVENUE AND GROSS PROFIT MARGIN 2018 – 2021



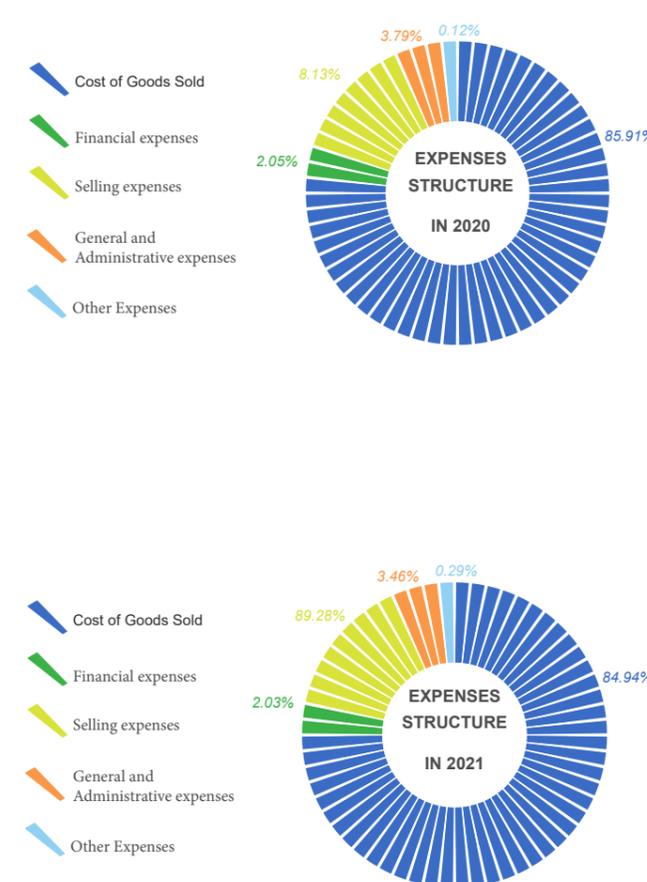
In 2021, despite being affected directly by the Covid-19, the Company still made strides to generate the biggest amount of revenues for 5 recent years to the all-time highs of VND6,491.95 billion. Accordingly, the gross profit rocketed to a record high of VND1,452.62 billion.

Thanks to meeting demand as well as grasping opportunities to expand markets domestically and overseas, especially the US market. Additionally, the revenue from the Dong Da ecological lagoon storey apartments project was partially recorded.

BUSINESS EXPENSES

Unit: Billion dong

PARAMETER	2020	Proportion in 2020	2021	Proportion in 2021	%2021/2020
Cost of Goods Sold	4,460.35	85.91%	5,039.32	84.94%	112.98%
Financial expenses	106.38	2.05%	120.10	2.03%	112.92%
Selling expenses	422.11	8.13%	550.49	9.28%	130.42%
General and Administrative expenses	196.70	3.79%	205.12	3.46%	104.28%
Other expenses	6.14	0.12%	11.13	0.29%	181.39%



Amid the complicated developments of the epidemic, APTB expense items tended to increase sharply. In which: materials prices continued to significantly grow up, especially prices of common materials of acacia, eucalyptus and rubber all increased by 15-20% year over year. Regarding rubber wood, the increase in rubber latex was the reason for the sharp decrease in the number of rubber trees chopped down and liquidated resulting in a scarcity of this type of wood. Imported wood also increased by about 13% year over year due to a sharp increase in demand for wooden furniture because most of the world's population worked from home; meanwhile, the supply of wood decreased due to lockdown and the exploitation areas were used for epidemic prevention. Therefore, the Cost of goods sold in 2021 soared to VND5,039.39 billion, or 12.93% higher than in 2020. Selling expenses increased by 30.41% to VND 550.50 billion in 2021 due to an increase in the cost of raw materials by more than VND 35 billion, outside service costs increased by more than VND 25 billion mainly because of higher transportation costs, and so on.

FINANCIAL INDICATORS

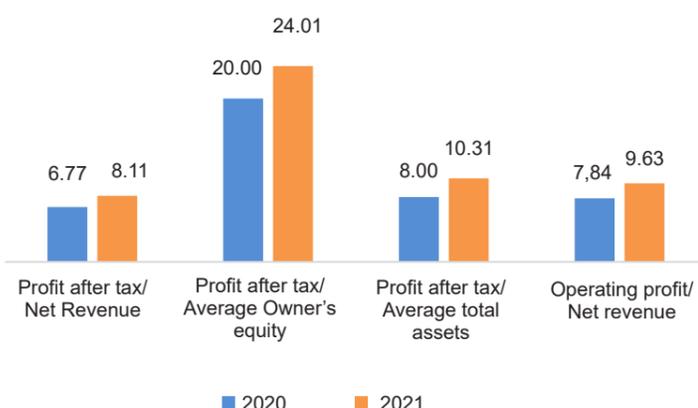
Indicator	Unit	2020	2021
Solvency indicators			
Current ratio	Time	1.11	1.17
Quick ratio	Time	0.53	0.50
Capital structure indicators			
Total Liabilities/ Total asset	%	58.29	55.96
Total Liabilities/ Owner's equity	%	139.73	127.04
Operational capability indicators			
Inventory turnover	Time	5.75	3.12
Total asset turnover	Time	1.94	1.27
Chỉ tiêu về khả năng sinh lời			
Profit after tax/ Net Revenue	%	6.77	8.11
Profit after tax/ Average Owner's equity	%	20.00	24.01
Profit after tax/ Average total assets	%	8.00	10.31
Operating profit/ Net Revenue	%	7.84	9.63

Profitability indicators

In general, in 2021, PTB seized the opportunity to boost its growth in the wood segment, especially the US market. PTB stone sector also benefited from the demand for residential construction after the occurrence of the epidemic in 2020. However, there was still not clear growth because of the impacts of the epidemic at the end of 2021. In terms of the real estate sector, PTB started recording revenue from Dong Da ecological lagoon storey PTB profitability was sharply higher. Specifically, two key ratios, ROE and

ROA, increased significantly to 24.01% and 10.31%, respectively. Operating profit/Net Revenue reached 9.63% last year. This indicated that PTB still maintained and seized the opportunities from overseas markets to ensure its growth in medium and longer term.

PROFITABILITY INDICATORS

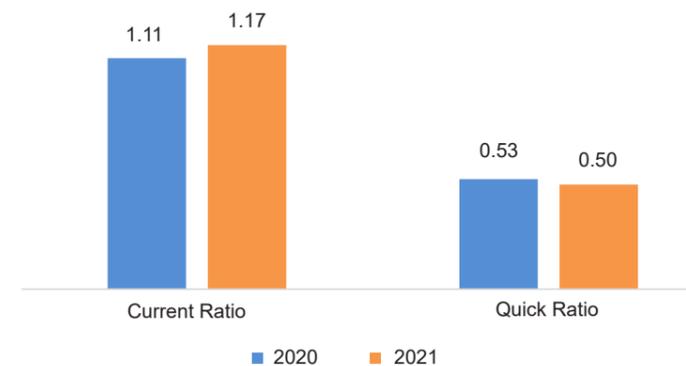


Unit: %

Solvency indicators

Unit: time

SOLVENCY INDICATORS

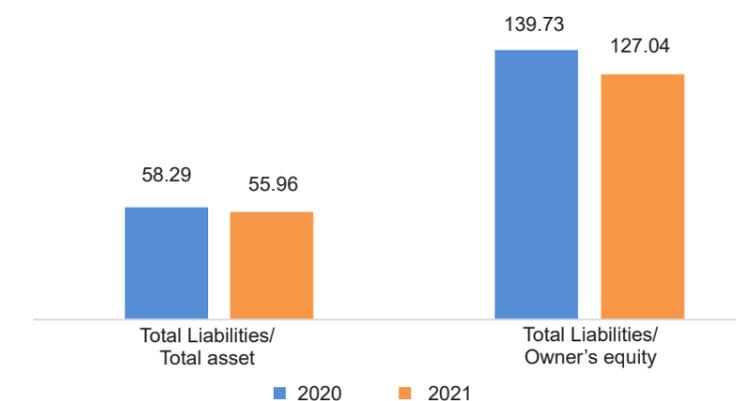


The Company's solvency indicators were at stable levels. Specifically, current ratio increased from 1.11 times to 1.17 times thanks to a sharp increase in short-term assets of PTB which was contributed by the increase in account receivables to VND929.48 billion, or 12.77% higher year over year. In addition, the inventory also increased by 24.24% compared to the beginning balance in relation to the Dong Da ecological lagoon storey apartments project. Nonetheless, the sharp increase in the inventories led to a slight decrease in PTB's quick ratio to 0.50 times from 0.53 times.

Capital structure indicators

In 2021, there was a downward tendency in the capital structure indicators, specifically, the total liabilities/total assets ratio decreased from 58.29% to 55.96% and total liabilities/owners' equity ratio decreased by 139.73% to 127.04%. Even though there was a new loan obtained to fund the Company's business activities in the year PTB completed the Dong Da ecological lagoon storey apartments project. Additionally in the year, PTB's Charter Capital was increased and the source of funds here of was the Company's owners equity which enabled PTB to lessen its reliance on loan, so, there was an improvement in the capital structure, helping PTB financial capacity upgrade.

CAPITAL STRUCTURE INDICATORS

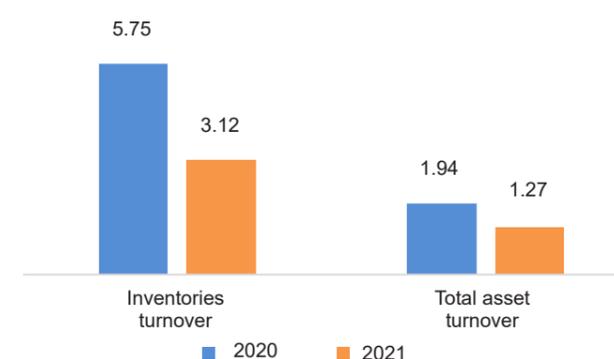


Unit: %

Operational capability indicators

Unit: time

OPERATIONAL CAPABILITY INDICATORS



Considering operational capacity, the year 2021 witnessed the relentless effort of PTB to overcome the Covid-19 epidemic. However, in 2021, Phu Tai Residence - Dong Da ecological lagoon storey apartments project had only just been completed and was being handed over to the customers. However, due to the epidemic, the handover process got many difficulties, resulting in higher inventories and lower inventory turnover from 5.75 to 3.12 times. Also PTB's strengths were promoted in its export market, so, its account receivables from major customers increased in comparison with 2020.

SHAREHOLDER STRUCTURE, CHANGE IN OWNER'S EQUITY

SHARE INFORMATION



Share name	Phu Tai Joint Stock Company
Type of share	Common shares
Ticker	PTB
Share's par value	VND10,000/share
Total Number of outstanding shares	48,599,441 shares
Total number of treasury shares	0 shares

SHAREHOLDERS STRUCTURE

No.	Type of Shareholder	Number of Shares	Amount (dong)	Percentage of holdings (%)
I	Domestic shareholders	38,150,173	381,501,730,000	78.50
1	Individuals	36,117,469	361,174,690,000	74.32
	Mr. Le Vy	6,309,188	63,091,880,000	12.98
	Mr. Le Van Thao	4,010,258	40,102,580,000	8.25
	Mr. Le Van Loc	2,969,604	29,696,040,000	6.11
	Mr. Nguyen Sy Hoe	2,848,450	28,484,500,000	5.86
	Other shareholders	19,979,969	199,799,690,000	41.11
2	Institution	2,032,704	20,327,040,000	4.18
II	Foreign shareholders	10,449,268	104,492,680,000	21.50
1	Individuals	993,807	9,938,070,000	2.04
2	Institution	9,455,461	94,554,610,000	19.46
Total		48,599,441	485,994,410,000	100

* Maximum ownership percentage of foreign investors: 49%

CHANGE IN OWNER'S EQUITY

In 2021, Phu Tai Joint Stock Company did not make any change in its owner's equity.





CHAPTER 3

REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

- » Assessment on business and manufacturing activities
- » Progress in respect of organizational structure, policies, management
- » Financial situation
- » Future development plan

ASSESSMENT ON BUSINESS AND MANUFACTURING ACTIVITIES

WOOD SEGMENT

The wood segment continued to grow strongly, especially in the US market which contributed to a big amount of trade surplus of Vietnamese goods to this market. However, there existed a risk of the US applying trade remedies to Vietnamese goods (including wood products), which may cause unfavorable effects on the export of wood products and investment in and development of the wood industry in the near future.



STONE SEGMENT

In 2021, the stone segment underwent an upward trend with an artificial quartz stone factory starting its operation; the revenues were mainly from export markets. Phu Tai has continuously bought, accumulated quarries, expanded factories to upgrade capacity through M&A deals. With a weight of a crude stone block of about 2.75 tons, normally, the cost of stone transportation has been so high. PTB's factories are located very close to its quarries, hence PTB can reduce transportation costs in its manufacturing costs.

PTB can control over and ensure the supply for its long term development. As a matter of fact, its existing quarries are of large reserves with about 53 million m3 most of which are color stone quarries and their exploitation term remains longer than 20 years. This enables the Company to be in proactive position and its supply of inputs are guaranteed.

The company has been conducting the assessment on the feasibility of its investment in a quartz powder to control over its domestic source of raw material, limiting imported materials.

PROGRESS IN ORGANIZATIONAL STRUCTURE, POLICIES, MANAGEMENT

- » In the context of fierce competition from domestic and foreign competitors. The Company and its members made a huge effort to maintain its traditional market and attract new customers; To conduct market review as well as establish solutions to change the way to access.
- » Developing flexible sales policies from time to time that be suited to each group of the customer; To focus on developing new products with high added value aiming to control over the supply to the market.
- » The Company's market of real estate started active and generated the revenue of VND511.5 billion in 2021.
- » The Company took various measures to: Control its business and manufacturing activities in systematic and regular basis.
- » Systems of economic and technical norms, processes of costs management were regularly evaluated and improved to be suited to the Company's manufacturing scale and applied technologies.
- » Apply product quality control process to each manufacturing division; Maximize the ability to timely detect and correct product defects; Maintain the assessment, improvement and practical application of quality management systems ISO9001:2008, COC, FSC.



FINANCIAL CONDITION

ASSETS STATUS

Unit: Billion dong

Parameter	2017	2018	2019	2020	2021	%2021/2020
Current assets	1,415.41	2,096.12	2,440.61	2,738.23	3,179.84	116.13%
Cash and cash equivalents	55.42	67.04	126.52	167.78	135.87	80.97%
Short-term Financial investments	49.30	157.55	50.45	112.60	53.65	47.64%
Inventories	720.51	1,020.17	1,321.76	1,440.42	1,859.25	129.08%
Short-term receivables		441.23	254.12	824.19	929.14	112.73%
Other current assets	72.281	120.40	202.78	193.23	201.92	104.5%
Non-current assets	1,166.02	1,303.12	1,888.08	2,035.53	2,251.04	110.59%
Fixed assets	994.50	1,081.39	1,479.73	1,462.75	1,780.22	121.70%
Non-current asset in progress	66.28	93.46	158.11	249.58	113.45	45.46%%
Other non-current assets	95.96	113.35	226.46	293.30	319.07	108.76%
Total assets	2,581.43	3,399.24	4,328.69	4,773.76	5,430.88	113.77%

As of December 31, 2021, there was a big change in PTB's asset value to VND5,430.88 billion, or 13.77% higher compared to the beginning balance of the year which has been the highest figure for about 5 recent years. Regarding the asset structure, the contribution of the non-current assets did not change so much as the contribution of current assets.

In terms of current assets, their value was VND3,179.84 billion, accounting for 58.55% of the total assets. This growth was contributed by inventory with an amount of VND1,859.25 billion, equivalent to an increase of 29.08%

year over year, i.e. the completed Dong Da ecological lagoon storey apartments project.

In addition, account receivables reached VND929.14 billion, equivalent to +12.73% compared to 2020 which were related to the customers such as Masterbrand Cabinets INC, Yaraghi LLC, etc.

Non-current assets, with slight fluctuations, increased by only 10.59% year over year to reach VND2,251.04 billion thanks to the additional purchase of machinery and equipment along with the item of Construction in progress in the period being completed and accounted under non-current assets reached.

FINANCIAL CONDITION

LIABILITIES AND OWNER'S EQUITY STATUS

Unit: Billion dong

Parameter	2017	2018	2019	2020	2021	%2021/2020
Liabilities	1,484.94	1,740.06	2,483.18	2,783.13	3,040.14	109.23%
Short-term liabilities	1,379.86	1,657.27	2,252.70	2,462.28	2,664.56	108.21%
Long-term liabilities	105.09	82.79	230.48	320.85	375.58	117.06%
Owner's equity	1,096.48	1,659.19	1,845.52	1,990.63	2,390.73	120.10%
Owner's equity	259.20	485.99	485.99	485.99	485.99	100.00%
Undistributed profit	337.74	385.46	445.73	380.06	535.48	140.89%
Total liabilities and Owner's equity	2,581.43	3,399.24	4,328.69	4,773.76	5,430.88	113.77%

In General, there was a sharp increase in PTB's liabilities and owner's equity in 2021 in comparison with 2019, 2020 by 13.77% to VND5,430.88 billion

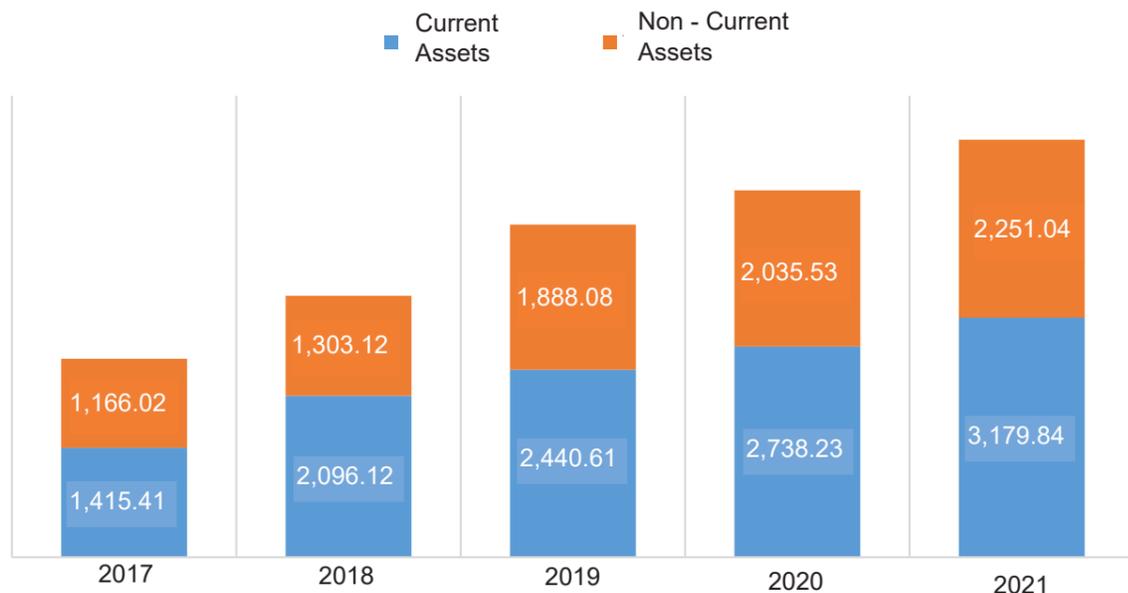
For the five recent years, PTB liabilities were in an upward trend over the years. In 2021, the liabilities increased by 9.23% compared to 2020 to VND3,040.14 billion because of the increase in the short-term liabilities and long-term liabilities. In 2021, short-term liabilities reached VND 2,664.56 billion, equivalent to an increase of 9.23% year over year which were mainly the payables to by Hoang Giang Co., Ltd., Thanh Danh Co., Ltd. and short-term loans and financial leases to fund the Company's business activities such as the purchase of machinery and equipment. Long-term liabilities increased to 375.59

billion dong, equivalent to an increase of 17.06% year over year because in the year, the Company obtained a new loan to fund its expanding the factories.

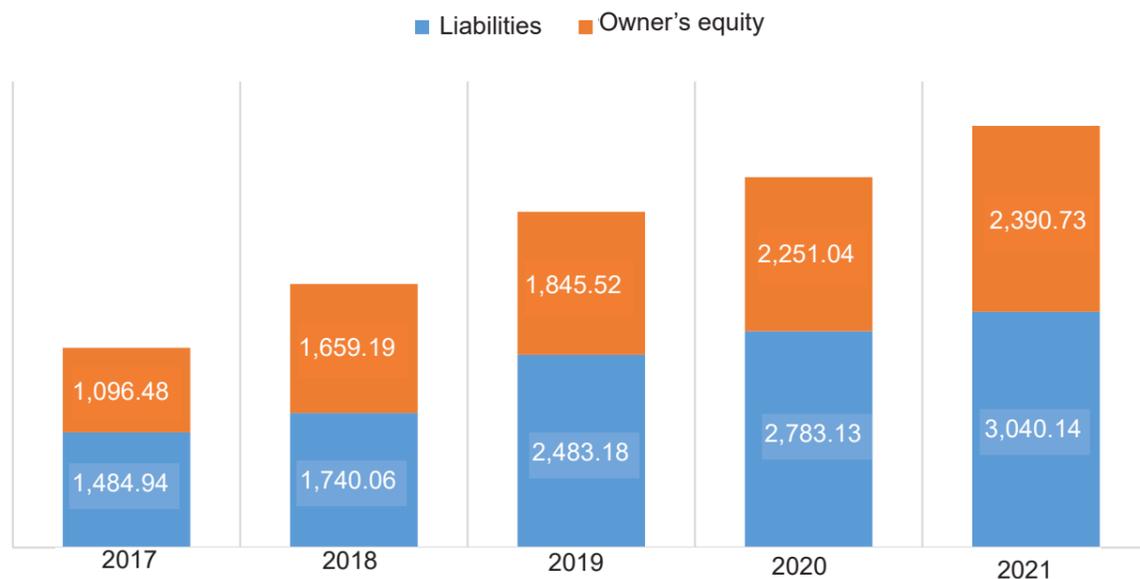
In terms of the owner's equity, there was an upward trend too, to VND2,390.73 billion, equivalent to an increase of 20.10% year over year thanks to the impressive growth that PTB achieved in the year when the revenue peaked in the last 5 years. This helped the undistributed profit after tax also increase sharply to VND 535.47 billion, or 40.89% higher than in 2020. Additionally, VND 241.93 billion was additionally appropriated to the item of other owner's equity.

FINANCIAL CONDITION

ASSET STRUCTURE (BILLION DONG)



CAPITAL STRUCTURE (BILLION DONG)



FUTURE DEVELOPMENT PLAN

BUSINESS AND MANUFACTURING PLAN FOR THE YEAR 2022

- » Promote in-depth investment in research and development of new products in the stone and wood processing segments.
- » The additional investment in existing as well as new manufacturing segments intensively, using advanced technologies to improve competitiveness and reduce environmental impacts.
- » Strictly manage and control the supply chain of materials in the context of increasingly strict quantity and quality requirements by the domestic and export markets.
- » Ensure the quality of senior management personnel as well as creating an adjacent resource to meet the requirements of the Company's development in the coming time.





CHAPTER 4

ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S BUSINESS AND MANUFACTURING PERFORMANCE

- » Assessment of the Board of Directors on the Company's operation aspects
- » Assessing the performance of the Board of Management
- » Future development plan and the Board of Directors' orientation

ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION ASPECTS



- The company were so well prepared and highly determined, flexible in implementing the business and manufacturing tasks in 2021, adapting to the rapid change of the business environment. Reasonably using the resources and advantages, well seizing the business opportunities. Under unfavorable conditions of the business environment as forecasted at the beginning of the year, the Company completed its business plan for the year 2021 with the Group's consolidated revenue increasing by 16.42% year over year.

- Well performing development and investment plans
- Completing investment projects to ensure the progress and quality, promptly putting them into operation effectively, contributing to the scale-up and efficiency of the Company's business and manufacturing in 2021.

ASSESSMENT ON THE BOARD OF MANAGEMENT'S PERFORMANCE

- Supervising the performance of the General Director and other managers was carried out in accordance with laws and the Company's Charter. The Board of Directors inspected and supervised the Company's business and manufacturing performance by directly monitoring the member units on monthly, quarterly and irregularly basis, timely issuing decisions on corporate governance.
- Checking and supervising the capital construction and investment of the member units through the Project Management Board and directly at the projects.
- The Board of Directors well performed the assigned tasks, ensuring the business efficiency as proposed, complying with the law and transparent in the management.
- The General Director ran the company to achieve the business and manufacturing targets assigned by the General Meeting of Shareholders and the Board of Directors; Well implemented the company's governance regulations, was transparent in his management, protected the interests of the company, did not abuse his position and powers for his personal purposes. Organizing the implementation of investment projects in accordance with the law and the guidelines of the Board of Directors.
- For the managers, there was no sign of violation detected against the company's governance regulations and relevant legal documents. Most of the managers in the company performed well their assigned responsibilities and duties, the Deputies General Directors fulfilled the tasks assigned by the General Director, sharing with the General Director in managing and operating the company to complete the business and manufacturing targets. Well promoting capacity, quality, responsibility, upholding the spirit of solidarity and discipline, always protecting the interests of the company, did not abuse their positions, powers and business opportunities for their personal purposes



FUTURE DEVELOPMENT PLAN AND THE BOARD OF DIRECTORS' ORIENTATION

- Challenging goals will be pursued in directing and administering, be drastically flexible in operating; goals will be associated with their implementation time. Improving the quality of planning the targets for business and manufacturing and financial plan on monthly, quarterly and annual basis. Implementing timely and accurate communication and reporting; Continuing to invest in market development for the company's product lines, ensuring smooth operation of the company's business and manufacturing activities.
- Closely monitoring macroeconomic developments, domestic and international currency markets to promptly take measures to adjust the business, manufacturing and investment activities of the Company and its members to adapt to the changing business environment.
- Gathering enough resources for investments to achieve the objective of development. Ensuring adequate capital, low capital costs for the business and manufacturing and development investment.
- Building a team of managers with a high sense of responsibility and determination, setting out short and long-term challenging manufacturing and business goals and making efforts to complete such goals.
- Focusing on training and recruiting (domestic and foreign experts) to improve the quality of human resources, implement a reasonable remuneration regime to attract high-quality personnel to meet development needs, step by step integrate in terms of salary expenses.
- Ensuring the interests of the shareholders so that they feel secured to be committed to the Company for long term; and attracting new investors to the company; Directing the business segments to have environmental sustainable solutions, solutions to treat industrial waste and hazardous waste in accordance with regulations. Strictly following requirements to ensure occupational safety in business and manufacturing activities; Strengthening financial management, closely keeping track on quarterly financial plans, economically using capital in manufacturing and business activities, strictly controlling inventories and account payables and receivables.



STONE EXPLOITING AND PROCESSING

Synchronously implementing various solutions to enlarge and develop market size. Paying close attention to the export markets, developing and expanding new markets, not relying too much on a single market to minimize the risks when the market is subjected to abnormal economic, political or trade defense policies;

Selectively participating in domestic and international trade fairs to promote brands and introduce stone products. Seizing the opportunity to shift the supply market from China to other countries including Vietnam. Restructuring products with intensive processing and finishing such as products of cut stone, lavabo, tombstone, etc. serving export and domestic markets, aiming to increase the value of the products to gradually increase their profit margin, contributing to a higher efficiency of the segment;

Focusing on investing in quality human resources, including hiring foreign experts for new product manufacturing segments; Continuing to invest in searching and acquiring more raw material mines with good reserves and quality, various types of stones and colors with high profit margins. Building exploitation enterprises in the direction of becoming professional units with advanced capacity of exploitation management, the key units in implementing the material supply security strategy for stone processing factories. Ensuring that exploitation activities fully satisfy legal documents as prescribed by law

WOOD PROCESSING



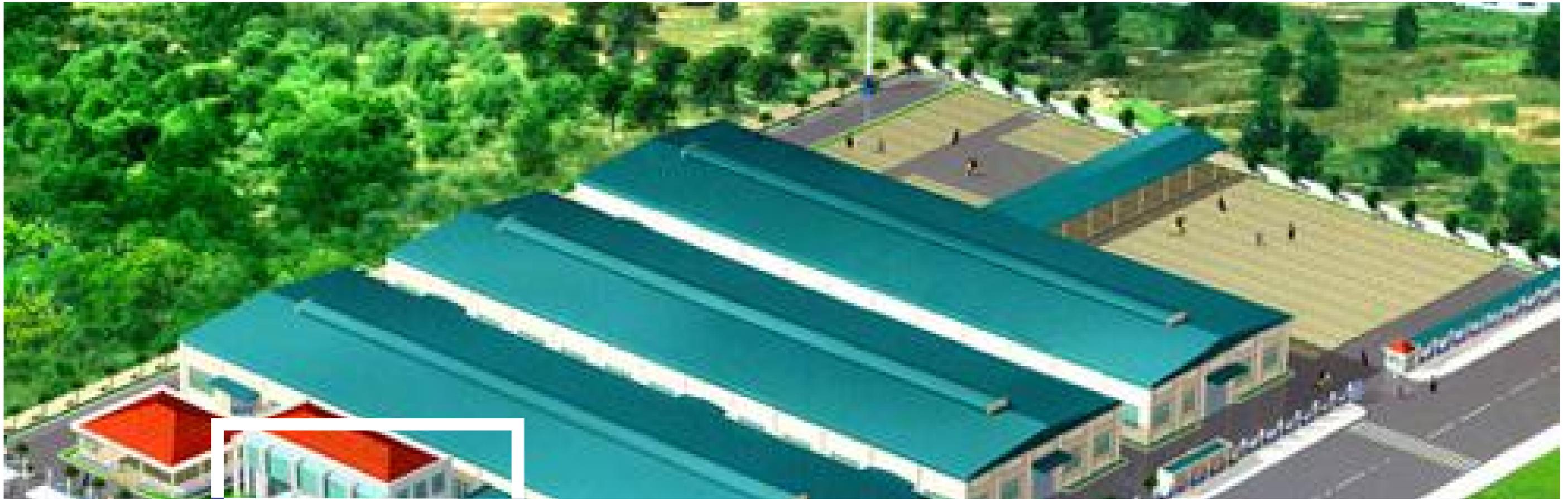
Continued to enlarge market in association with the customer restructuring. Grasping effectively opportunities to shift suppliers from China to Southeast Asian countries, taking advantages of the trade agreements between Europe and Vietnam, etc. to expand the market size and fully exploit the technology capacity of the factories that the Company has been investing

Upgrading management capacity, focusing on internal governance to create a breakthrough in managing input materials. Scientifically arranging the production line, controlling the production progress on daily basis, well controlling product quality, and striving to achieve the efficiency targets of the segment set out; Strictly implementing the directives of the Board of Directors on the development of the wood industry.

AUTOMOBILE SERVICES AND REAL ESTATES SEGMENTS

Actively developing flexible sales policies, investing resources to enhance the service quality, attract customers, and maintain market share; continuing to pursue the plans for acquiring land bank for new projects in the years to come.





CHAPTER 5

CORPORATE GOVERNANCE

- » Board of Directors
- » Internal Audit Committee
- » Transactions, remuneration and benefits of the Board of Directors, the Board of Management and the Internal Audit Committee

BOARD OF DIRECTORS

MEMBERS OF THE BOARD OF DIRECTORS

No.	Member	Position	Number of shares held	Percentage of holdings
1	Le Vy	Chairman of the Board of Directors	6,290,988	12.95%
2	Le Van Thao	Vice-chairman of the Board of Directors	4,010,258	8.25%
3	Phan Quoc Hoai	Vice-chairman of the Board of Directors	928,774	1.91%
4	Tran Thanh Cung	Member of the Board of Directors	2,073,930	4.27%
5	Nguyen Sy Hoe	Member of the Board of Directors	2,848,450	5.86%
6	Le Van Loc	Member of the Board of Directors	2,952,804	6.08%
7	Do Xuan Lap	Independent Member of the Board of Directors	225,140	0.46%
8	Tran Huu Duc	Independent Member of the Board of Directors	62,108	0.13%



INTRODUCTION TO THE BOARD OF DIRECTORS

Mr. LE VY - Chairman of the Board of Directors

Date of birth : 20/12/1958

Place of birth : Nghi Van - Nghi Loc - Nghe An

Nationality : Vietnam

Permanent Address : 120 Nguyen Thi Dinh St.,
Qui Nhon City

Educational level : Bachelor of Economics

Mr. DO XUAN LAP - Independent member of the Board of Directors

Date of birth : 1958

Place of birth : Binh Dinh

Nationality : Vietnam

Permanent Address : 96 Pham Hung, Quy Nhon,
Binh Dinh.

Educational level : Advanced Politics Theory

Mr. LE VAN LOC - Member of the Board of Directors

Date of birth : 29/12/1973

Place of birth : Nghi Van - Nghi Loc - Nghe An

Nationality : Vietnam

Permanent Address : 12/2 Ly Thuong Kiet, Ward 15,
District 11, HCMC.

Educational level : Bachelor of Economics, major
in Business Administration

Mr. TRAN VIET DUC - Independent member of the Board of Directors

Date of birth : 1950

Place of birth : Binh Dinh

Nationality : Vietnam

Permanent Address : 25 Y Lan, Quy Nhon City,
Binh Dinh.

Educational level : Banking University Ho Chi
Minh

Mr. LE VAN THAO - Vice-chairman of the Board of Directors *As mentioned in the Board of Management information*

Mr. PHAN QUOC HOAI - Member of the Board of Directors *As mentioned in the Board of Management information*

Mr. TRAN THANH CUNG - Member of the Board of Directors *As mentioned in the Board of Management information*

Mr. NGUYEN SY HOE - Member of the Board of Directors *As mentioned in the Board of Management information*

PERFORMANCE OF THE BOARD OF DIRECTORS

Assessment of the Board of Directors' performance in the year

The Board of Directors regularly supervised, inspected and evaluated the performance of the Board of Management in:

- Its compliance with the laws, the Company's Charter, internal regulations on corporate governance, Resolutions of the General Meeting of Shareholders, Resolutions and Decisions of the Board of Directors.
- Implementing investment projects, orienting to expand the company's manufacturing and business scale and developing plans for the projects of development potential.
- Carrying out financial and final settlement work in the company's members and with the state management agencies.
- Applying the best governance practices of the Board of Management to ensure the rights and interests of the shareholders and the Company's employees.
- Strengthening the exchange of information between the Board of Directors and the Board of Management to make reasonable and timely decisions

No.	Member of BoD	Position	Number of meetings of the Board of Directors attending	Percentage of attendance
1	Le Vy	Chairman of the Board of Directors	06/06	100%
2	Le Van Thao	Vice-chairman of the Board of Directors	06/06	100%
3	Phan Quoc Hoai	Member of the Board of Directors	06/06	100%
4	TranThanh Cung	Member of the Board of Directors	06/06	100%
5	Nguyen Sy Hoe	Member of the Board of Directors	06/06	100%
6	Le Van Loc	Member of the Board of Directors	06/06	100%
7	Do Xuan Lap	Independent Member of the Board of Directors	06/06	100%
8	Tran Huu Duc	Independent Member of the Board of Directors	06/06	100%



Contents and Results of the meetings

The Board of Directors held 13 meetings. The details of the meetings and their Resolutions are listed as follows:

No.	Number of Resolution	Date	Contents
1	02/NQ-HĐQT	19/01/2021	Business performance in 2020; business plan for the year 2021
2	06/NQ-HĐQT	19/02/2021	Approving the record date of the list of shareholders to participate the Meeting
3	25/NQ-HĐQT	19/04/2021	Approving the record date of the list of shareholders to participate the Meeting
4	26/NQ-HĐQT	23/04/2021	Approving plan to issue shares to existing shareholders from treasury shares
5	32/NQ-HĐQT	14/05/2021	Resolution to approve the record date of the list of shareholders to participate the Meeting to make cash dividend and bonus shares to the existing shareholders.
6	38/NQ-HĐQT	27/05/2021	Resolution to approve the record date of the list of shareholders to participate the Meeting to make cash dividend and bonus shares to the existing shareholders (changing the record date in the Resolution no.32/NQ-HĐQT)
7	46/QĐ-HĐQT	15/06/2021	Establishing Phu Tai Quart Company Limited in Binh Dinh
8	50/QĐ-HĐQT	21/06/2021	Dismissal of internal persons
9	52/NQ-HĐQT	21/06/2021	Results of the implementation of the issuance shares to existing shareholders from treasury shares.
10	64/NQ-HĐQT	17/07/2021	Business results of 6 months of the year 2021; business plan for Q3/2021
11	80/NQ-HĐQT	16/10/2021	Business results of 9 months of the year 2021; business plan for Q4/2021
12	342/CBTT-PT	9/12/2021	Disclosing information about the establishment of Phu Tai Yen Bai Stone Company Limited
13	103/QĐ-HĐQT	28/12/2021	Merging branch - Phu Cat Wood processing factory into Phu Tai Binh Dinh Wood Company

INTERNAL AUDIT COMMITTEE

MEMBERS OF INTERNAL AUDIT COMMITTEE

No.	Member	Position	Number of shares held	Percentage of holdings
1	Bui Duc Hung	Head of Internal Audit Committee	215,548	0.44%
2	Truong Cong Hoang	Member of Internal Audit Committee	84	0.00%
3	Dang Thi Tu Oanh	Member of Internal Audit Committee	8,752	0.02%

INTRODUCTION TO INTERNAL AUDIT COMMITTEE

Mr. BUI DUC HUNG - Head of the Internal Audit

Date of birth	: 10/08/1963
Place of birth	: Huong Thuy - Huong Khe - Ha Tinh.
Nationality	: Vietnam
Permanent Address	: Nguyen Van Cu Ward, Quy Nhon, Binh Dinh
Educational level:	: Bachelor of Economics

Mr. TRUONG CONG HOANG - Member of Internal Audit Committee

Date of birth	: 08/07/1974
Place of birth	: Quy Nhon, Binh Dinh
Nationality	: Vietnam
Permanent Address	: Dong Da ward, Quy Nhon City, Binh Dinh
Educational level:	: Bachelor of Information Technology, Business Administration

Mr. DANG THI TU OANH - Member of Internal Audit Committee

Date of birth	: 23/10/1979
Place of birth	: Quy Nhon, Binh Dinh
Nationality	: Vietnam
Permanent Address	: 42 Dang Thi Tram, Ghenh Rang ward, Quy Nhon, Binh Dinh
Educational level:	: Bachelor of Finance - Accounting

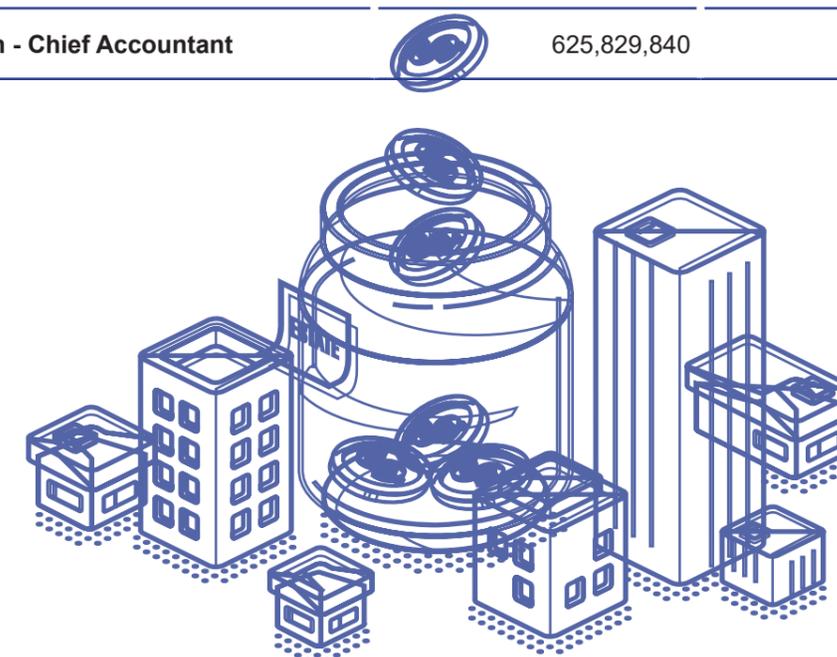
MEETINGS OF THE INTERNAL AUDIT COMMITTEE

No.	Member	Position	Number of meetings attended by the member of the Internal Audit Committee	Percentage of attendance
1	Bui Duc Hung	Head of Internal Audit Committee	04/04	100%
2	Truong Cong Hoang	Member of Internal Audit Committee	04/04	100%
3	Dang Thi Tu Oanh	Member of Internal Audit Committee	04/04	100%

SALARY, BONUSES, REMUNERATIONS, AND BENEFITS

Unit: Dong

Full name	2020	2021
Le Vy - Chairman of the Board of Directors	1,411,700,000	1,540,400,000
Le Van Thao - Vice-chairman of the Board of Directors	1,475,249,805	1,449,778,970
Tran Thanh Cung - Member of the Board of Directors	738,086,172	879,050,000
Phan Quoc Hoai - Member of the Board of Directors	917,000,000	845,485,042
Nguyen Sy Hoe - Member of the Board of Directors	939,575,009	1,246,171,420
Mr. Le Van Loc - Member of the Board of Directors	758,004,248	948,653,245
Do Xuyen Lap - Independent Member of the Board of Directors	141,540,672	170,400,000
Tran Huu Duc - Independent Member of the Board of Directors	141,540,672	170,400,000
Nguyen Thi My Loan - Chief Accountant	625,829,840	529,199,000





*REPORT ON
SUSTAINABLE
DEVELOPMENT*

ENERGY CONSUMPTION

ENERGY SOURCES	OF CONSUMPTION			
	2018	2019	2020	2021
Electricity (Million kWh/year)	84.146	96.112	105.934	104.838
Gas (Kg/year)	99.852	133.561	297.014	230.481

The Company’s main sources of energy are: Electricity and Gas. Consumption in 2021:

Electricity: 104.838 million kWh were 1.03% lower than in 2020); Gas: 230,481 kg/year (22% lower than in 2020).

Energy saving policies of the Company include:

- (i) Using modern production lines and technologies with low energy consumption without impact on the environment; (ii) Building the awareness of saving electricity among the employees in production and daily life

+ WATER CONSUMPTION

ENERGY SOURCES	OF CONSUMPTION			
	2018	2019	2020	2021
Water (m3)	88.463	100.836	110.711	126.169

The water source used by the Company was supplied by the water supply companies and mainly used for the domestic activities. In 2021, the entire Company consumed 126.169 m3 (or 13.96% higher than in 2020).

In order to minimize negative impacts on the environment, the Company always strictly complies with the law on environmental protection, builds and upgrades the wastewater treatment system by standards, encourages the employees to effectively use the water.

+ COMPLYING WITH THE LAWS ON ENVIRONMENTAL PROTECTION

The units well performed the task of make a report of the environmental impact assessment once every 3 months and submitted every 6 months to the authorities. The units developed their plans of non-hazardous industrial waste treatment, established production and daily-life wastewater treatment system before being discharged into the environment, set up hazardous solid waste storage house, equipped with bins to store hazardous waste and signed contracts with the relevant entities that were eligible for collecting and treating in accordance with the regulations.

Environment in the factories were ensured.



EMPLOYEES RELATED POLICIES

Collective kitchen:

- Food safety and hygiene (Input materials, preliminary processing, processing, storing food samples), etc. were under strict control of the units. Therefore, there was no case of food poisoning
- Meal rates were guaranteed; dishes were regularly updated.
- Sanitation of the kitchen, the canteen, and food containers was guaranteed.
- Dining culture in the kitchen has been improved step by step.
- Implementing labor protection in 2021 included the followings: periodic health check-ups, occupational diseases, working environment testing, verifying and re-verifying machinery and equipment with serious requirements on labor safety, protective equipment, firefighting and explosion prevention equipment, and so on.
- Currently there were 415 equipment in total with strict requirements on occupational safety in the entire company (Boiler: 6, Air compressor 125, forklift 105, tower crane 174, blasting machine 3, elevator 2), 100% of the equipment had been tested; 380 persons got their occupational health examined, environmental observation was organized on 424 samples, with all 424 samples met the requirements).
- Procurement of all qualified personal protective equipment to equip the employees, and time norms were issued for various types of personal protective equipment to be managed and allocated. Various management measures were taken (as reminded by the group leaders or higher) and administrative measures also taken too (supervised when passing the gate to work); the workers were forced to wear and use full personal protective equipment when going to work to ensure occupational health and safety and avoid accidents.



Employees training activities:

- Training objectives: to supplement new knowledge, improve professional qualifications, meeting job requirements.
- Encouraging all the employees throughout the company to actively participate in the “Technical Innovation Initiative”, contributing to improving production and business efficiency. In 2021, the Company gave a certificate of merit to Mr. Le Hoang Cuong - Head of Technical Department - Thang Loi Factory accompanied with in kind award with value of VND 6,000,000, for his Initiative to improve “*Machine inspecting the quality of use, wooden products*” in 2020.

Labor safety

• Education and propaganda:

Labor regulation, Collective Labor Agreement, relevant rules and regulations were propagated. Safe operating procedure boards and occupational accident warning visuals were displayed at the machines in use so that the workers should pay attention to avoid accidents.



• Education and propaganda::

Periodically reporting on the labor protection every 6 months and every year to the Department of Labor, War Invalids and Social Affairs. Periodic organizing health check-up, annual occupational disease. Measuring, testing working environment, verifying and re-verifying machinery and equipment with serious requirements on labor safety, protective equipment, firefighting and exploration prevention equipment, and so on.

The employees were fully provided with personal protective equipment. Time to use norms were issued for each type of personal protective equipment to be managed and allocated. Various measures were taken to encourage the workers to voluntarily wear and use adequately their personal protective equipment when working to minimize the likelihood of accidents.

• Education and propaganda:

Fully implementing the process and regulations on occupational safety and health in production. Organizing the measurement of the working environment, verifying and re-verifying the machines with strict requirements on labor safety; arranging the materials, products and maintaining a continuous cleaning system during and after production hours to ensure a well-ventilated and safe working environment. Assigning officers in charge of occupational safety to supervise the implementation of the occupational safety and sanitation in the workshops and factories. Attending training classes to ensure the employees' professional propaganda qualifications.

REPORTS RELATING TO THE COMPANY'S RESPONSIBILITIES TO THE LOCAL COMMUNITY

Community investments and other community development activities, including financial support to serve the community.

In 2021 the Company make contribution in total amount of cash of VND1,950 million.

• Popular organizations: Party, Trade Union, Youth Union still maintained their good performance. The trade union coordinated with the Company's Board of Management to organize the Employees Conference.

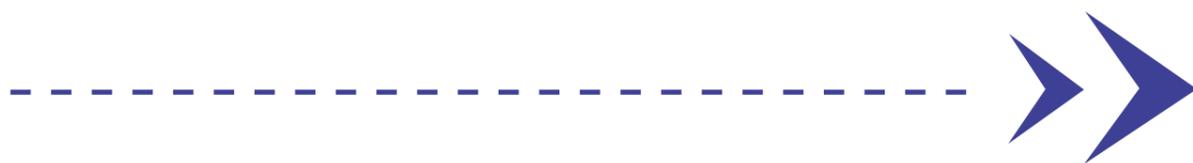
• Performing the activities of gratitude, taking care of Vietnamese Heroic Mother, always keeping good relationship with the local authorities where the units reside





CHAPTER 7

FINANCIAL STATEMENTS



CONSOLIDATED FINANCIAL STATEMENTS

PHU TAI JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2021
(Audited)

Phu Tai Joint Stock Company

Address: No. 278 Nguyen Thi Dinh - Quy Nhon City - Binh Dinh Province

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Independent Auditors' Report

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Consolidated Statement of Income

Consolidated Statement of Cash flows

Notes to the Consolidated Financial Statements

Phu Tai Joint Stock Company
Address: No. 278 Nguyen Thi Dinh - Quy Nhon City - Binh Dinh Province

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 2021.

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

(Resigned on July 1, 2021)

AUDITORS

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

Phu Tai Joint Stock Company
Address: No. 278 Nguyen Thi Dinh - Quy Nhon City - Binh Dinh Province

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 2021, its operation results and cash flows in the year 2021 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 General Directors pledges that the Company complies with Decree 155/2020/ND-CP dated December 31, 2020 of the Government detailing the implementation of a number of articles of the Securities Law and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Dinh, 21 March 2022

On behalf of the Board of General Directors
General Director



LÊ VĂN THẢO



No: 210322.007/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 21 March 2022, as set out on pages 06 to 59, including: Consolidated Statement of Financial position as at 31 December 2021, Consolidated Statement of Income, Consolidated Statement of Cash flows and Notes to Consolidated Financial Statements for the fiscal year ended as at 31 December 2021.

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 2021, 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 stated by the Company in Note 8, Notes to the financial statements, up to the time of these consolidated financial statements, the Independent Inspection Agency is still in the process of collecting and assessing information, has not yet announced the compensation reserve estimate for the Company's loss related to the fire incident at the finished product warehouse of Thang Loi Enterprise. Therefore, as at 31 December 2021, the Company is monitoring the assets that are lost due to the fire mentioned above in 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.

This emphasis does not change our full acceptance.

AASC Auditing Firm Company Limited

 Do Thị Ngọc Dung
 Deputy General Director
 Registered Auditor No: 0659-2018-002-1
 Hanoi, 21 March 2022


 Nguyen Truong Minh
 Auditor
 Registered Auditor No: 2290-2018-002-1

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

Cod e	ASSETS	Note	31/12/2021 VND	01/01/2021 VND
100	A. CURRENT ASSETS		3,179,837,356,156	2,738,225,731,635
110	I. Cash and cash equivalents	3	135,866,626,171	167,783,353,561
111	1. Cash		135,866,626,171	167,783,353,561
120	II. Short-term investments	4	53,657,072,970	112,603,038,334
121	1. Trading securities		55,710,082,595	12,603,038,334
122	2. Provision for devaluation of held for trading securities		(2,053,009,625)	-
123	3. Held- to- maturiry investments		-	100,000,000,000
130	III. Short-term receivables		929,138,668,983	824,191,590,657
131	1. Short-term trade receivables	5	768,275,999,626	634,932,182,611
132	2. Short-term prepayments to suppliers	6	71,071,802,199	116,473,342,562
136	3. Other short-term receivables	7	34,350,372,159	18,209,914,530
137	4. Provision for short-term doubtful debts		(10,785,927,512)	(11,616,180,648)
139	5. Shortage of assets awaiting resolution	8	66,226,422,511	66,192,331,602
140	IV. Inventories	10	1,859,252,166,279	1,440,420,340,899
141	1. Inventories		1,859,252,166,279	1,440,420,340,899
150	V. Other short-term assets		201,922,821,753	193,227,408,184
151	1. Short-term prepaid expenses	11	35,847,518,969	27,988,170,926
152	2. Deductible VAT		165,336,805,175	165,066,144,954
153	3. Taxes and other receivables from State budget	18	738,497,609	173,092,304

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

(Continued)

Cod e	ASSETS	Note	31/12/2021 VND	01/01/2021 VND
200	B. NON-CURRENT ASSETS		2,251,040,930,921	2,035,531,626,497
210	I. Long-term receivables		23,691,219,646	19,497,670,160
216	1. Other long-term receivables	7	23,691,219,646	19,497,670,160
220	II. Fixed assets		1,780,223,920,710	1,462,753,741,867
221	1. Tangible fixed assets	13	1,754,213,996,198	1,435,838,868,254
222	- Historical cost		3,134,234,704,714	2,583,621,977,758
223	- Accumulated depreciation		(1,380,020,708,516)	(1,147,783,109,504)
227	2. Intangible fixed assets	14	26,009,924,512	26,914,873,613
228	- Historical cost		49,497,748,324	49,104,846,868
229	- Accumulated depreciation		(23,487,823,812)	(22,189,973,255)
240	III. Long-term assets in progress		113,453,387,496	249,575,643,744
242	1. Construction in progress	15	113,453,387,496	249,575,643,744
250	IV. Long-term financial investments	4	14,600,000,000	10,400,000,000
253	1. Investments in equity of other entities		14,600,000,000	10,400,000,000
260	V. Other long-term assets		319,072,403,069	293,304,570,726
261	1. Long-term prepaid expenses	11	298,903,021,128	267,718,749,349
262	2. Deferred income tax assets	36	1,824,116,071	4,040,912,268
269	3. Goodwill	12	18,345,265,870	21,544,909,109
270	TOTAL ASSETS		5,430,878,287,077	4,773,757,358,132

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

(Continued)

Cod e	CAPITAL	Note	31/12/2021	01/01/2021
			VND	VND
300	C. LIABILITIES		3,040,144,336,070	2,783,132,013,476
310	I. Current liabilities		2,664,558,119,123	2,462,277,650,960
311	1. Short-term trade payables	17	619,833,330,657	528,592,885,619
312	2. Short-term prepayments from customers	16	110,020,786,422	270,983,735,608
313	3. Taxes and other payables to State budget	18	111,284,282,969	91,100,691,329
314	4. Payables to employees		91,522,501,357	89,697,502,187
315	5. Short-term accrued expenses	19	18,199,874,070	9,639,978,866
318	6. Short-term unearned revenue		194,062,500	191,475,000
319	7. Other short-term payables	20	45,204,365,916	32,010,210,468
320	8. Short-term borrowings and finance lease liabilities	21	1,619,914,955,628	1,397,405,569,666
321	9. Provisions for short-term payables	22	6,755,733,967	4,405,733,967
322	10. Bonus and welfare fund		41,628,225,637	38,249,868,250
330	II. Non-current liabilities		375,586,216,947	320,854,362,516
337	1. Other long-term payables	20	695,939,200	3,057,284,928
338	2. Long-term borrowings and finance lease liabilities	21	358,183,170,674	307,494,441,422
341	3. Deferred income tax liabilities	36	5,599,112,454	1,379,919,620
342	4. Provisions for long-term payables	22	11,107,994,619	8,922,716,546
400	D. OWNER'S EQUITY		2,390,733,951,007	1,990,625,344,656
410	I. Owner's equity	23	2,390,733,951,007	1,990,625,344,656
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		23,695,822,439	162,128,986,832
414	3. Other capital		1,273,435,879,605	1,031,505,624,847
415	4. Treasury shares		(131,295,471)	(138,564,459,864)
418	5. Development and investment funds		1,963,762,278	1,755,382,169
421	6. Retained earnings		535,471,768,415	380,059,053,115
421a	Retained earnings accumulated till the end of the previous year		31,424,435,409	21,515,908,434
421b	Retained earnings of the current year		504,047,333,006	358,543,144,681
429	7. Non - Controlling Interest		70,303,603,741	67,746,347,557
440	TOTAL CAPITAL		5,430,878,287,077	4,773,757,358,132

Preparer

Vo Phuong Thao

Chief Accountant

Nguyen Thi My Loan

Binh Dinh, 21 March 2022

General Director



LÊ VĂN THẢO

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF INCOME

Year 2021

Cod e	ITEMS	Note	Year 2021	Year 2020
			VND	VND
01	1. Revenues from sales of goods and rendering of services	25	6,494,977,231,279	5,602,248,622,302
02	2. Revenue deductions	26	3,028,190,548	1,011,852,605
10	3. Net revenues from sales of goods and rendering of services	27	6,491,949,040,731	5,601,236,769,697
11	4. Cost of goods sold	28	5,039,328,586,591	4,460,347,423,722
20	5. Gross profit from sales of goods and rendering of services		1,452,620,454,140	1,140,889,345,975
21	6. Financial income	29	61,222,443,240	23,788,280,335
22	7. Financial expense	30	120,103,570,782	106,384,856,872
23	In which : Interest expense		98,746,277,603	89,239,816,660
25	8. Selling expense	31	550,495,885,631	422,107,833,423
26	9. General and administrative expense	32	205,122,950,138	196,699,532,812
30	10. Net profit from operating activities		638,120,490,829	439,485,403,203
31	11. Other income	33	23,501,073,172	28,957,758,454
32	12. Other expense	34	11,128,379,691	6,135,203,996
40	13. Other profit		12,372,693,481	22,822,554,458
50	14. Total net profit before tax		650,493,184,310	462,307,957,661
51	15. Current corporate income tax expense	35	120,625,234,655	82,688,054,491
52	16. Deferred corporate income tax expense	36	3,973,335,873	314,454,090
60	17. Profit after corporate income tax		525,894,613,782	379,305,449,080
61	18. Profit after tax of the parent company		511,840,640,986	358,501,244,681
62	19. Profit after tax of non-controlling shareholders		14,053,972,796	20,804,204,399
70	20. Basic earnings per share	37	11,079	7,709

Preparer

Vo Phuong Thao

Chief Accountant

Nguyen Thi My Loan

Binh Dinh, 21 March 2022

General Director



LÊ VĂN THẢO

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2021
(Indirect method)

Cod e	ITEMS	Note	Year 2021 VND	Year 2020 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		650,493,184,310	462,307,957,661
	2. Adjustment for:		366,132,628,866	287,475,336,350
02	- Depreciation of fixed assets and amortization investment properties		275,694,666,801	220,745,107,634
03	- Provisions		5,758,034,562	3,836,223,987
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currencies		631,514,790	(3,021,644,480)
05	- Gains / losses from investment		(14,697,864,890)	(23,324,167,451)
06	- Interest expense		98,746,277,603	89,239,816,660
08	3. Operating profit before changes in working capital		1,016,625,813,176	749,783,294,011
09	- Increase or decrease in receivables		(112,175,227,898)	(2,221,528,522)
10	- Increase or decrease in inventories		(418,831,825,380)	(118,661,682,861)
11	- Increase or decrease in payables (excluding interest payable, corporate income tax payable)		(23,038,173,648)	357,212,172,749
12	- Increase or decrease in prepaid expenses		(41,651,951,423)	46,906,118,239
13	- Increase or decrease trading securities		(43,107,044,261)	(12,153,038,334)
14	- Interest paid		(100,713,828,413)	(89,656,963,889)
15	- Corporate income tax paid		(97,780,486,924)	(77,791,635,217)
17	- Other payments on operating activities		(19,792,333,953)	(23,689,043,434)
20	Net cash flow from operating activities		159,534,941,276	829,727,692,742
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(517,698,904,725)	(479,978,606,735)
22	2. Proceeds from disposals of fixed assets and other long-term assets		49,820,452,747	33,478,706,695
23	3. Loans and purchase of debt instruments from other entities		-	(50,000,000,000)
24	4. Collection of loans and resale of debt instrument of other entities		100,000,000,000	-
25	5. Equity investments in other entities		(4,200,000,000)	(5,600,000,000)
27	6. Interest and dividend received		9,046,966,557	4,527,349,856
30	Net cash flow from investing activities		(363,031,485,421)	(497,572,550,184)

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 2021

Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS

Year 2021
(Indirect method)
(Continued)

Cod e	ITEMS	Note	Year 2021 VND	Year 2020 VND
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
32	1. Repayment of capital contributions and repurchase of stock issued		-	(55,755,525,591)
33	2. Proceeds from borrowings		5,475,935,984,508	3,906,067,730,529
34	3. Repayment of principal		(5,203,965,113,446)	(3,990,643,123,670)
36	4. Dividends or profits paid to owners		(100,291,516,250)	(150,635,987,374)
40	Net cash flow from financing activities		171,679,354,812	(290,966,906,106)
50	Net cash flows in the year		(31,817,189,333)	41,188,236,452
60	Cash and cash equivalents at the beginning of the year		167,783,353,561	126,518,814,646
61	Effect of exchange rate fluctuations		(99,538,057)	76,302,463
70	Cash and cash equivalents at the end of the	3	135,866,626,171	167,783,353,561

Preparer

Vo Phuong Thao

Chief Accountant

Nguyen Thi My Loan

Binh Dinh, 21 March 2022

General Director



LÊ VĂN THẢO

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year 2021

1. GENERAL INFORMATION OF THE COMPANY

Form of ownership

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 2021 : 7,109 employees (31 December 2020 7,408 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.

The operating characteristics of the Company during the fiscal year that have an effect on the Consolidated Financial Statements

For real estate business: During the year, the Phu Tai Residence apartment project completed the investment phase and handed over part of the apartments in the project to customers, so Phu Tai Real Estate One Member Co., Ltd (subsidiary) has incurred revenue recognition for real estate business. The completion and handover of the Phu Tai Residence apartment project has significantly contributed to the increase of the Company's consolidated business results this year compared to the previous year.

For production and trading of stone products: Due to the company's consumption of stone products is still difficult due to the Covid-19 epidemic in the export market and the South, leading to sales revenue and business results of stone products in the year decreased compared to the previous year.

For the production and trading of wood products: Due to the high demand in the overseas wooden furniture market, the Company's export orders for wood products increased sharply, especially for furniture wooden products. During the year, the Company has also focused on promoting production activities of the wood industry, promoting the production capacity of new investment projects and equipment renovation projects recently to meet the needs of export demands. Therefore, revenue from export wood production and trading

activities increased significantly, but this increase has led to a sharp increase in selling costs due to increased export costs and costs in product packaging compared to last year.

For Toyota car sales and auto repair services: During the year, the Covid-19 pandemic still affected the economy in general and the commercial service industry in particular, in which business activities of car sales and repair services of the Subsidiary continued to be affected, leading to a slight decrease in vehicle sales. However, because this year's consumption market has a lot of new car models with higher profit margins and the need to sell at discounts to limit inventory decreases, operating profit increased slightly compared to the previous year (despite decreased sales).

The Company's structure:

The Company's subsidiaries consolidated in the Consolidated Financial Statements as at 31 December 2021 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
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	Van Ninh, Khanh Hoa	99%	99%	Exploiting and processing stone
Phu Tai Ninh Thuan Stone Joint Stock Company	Phan Rang City - Thap Cham, Ninh Thuan	98%	98%	Manufacturing and processing stone
Phu Tai Quartz Stone One Member Company Limited	Nhon Trach, Dong Nai	100%	100%	Manufacturing and processing stone
Phu Tai Binh Dinh Wood Company Limited	Phu Cat, Binh Dinh	100%	100%	Manufacture of beds, cabinets, tables and chairs
Phu Tai Binh Dinh Quartz Company Limited ⁽ⁱ⁾	Quy Nhon, Binh Dinh	100%	100%	Production and processing of stone and stone powder
Phu Tai Yen Bai Stone Company Limited ⁽ⁱⁱ⁾	Luc Yen, Yen Bai	100%	100%	Mining and processing stone

(i) Implementing Decision No. 46/QĐ-HĐQT dated June 15, 2021 of the Board of Management, the Company established a subsidiary company, Phu Tai Binh Dinh Quartz Company Limited with charter capital of VND 50,000,000,000 (100% owned by the Company). On June 17, 2021, Phu Tai Binh Dinh Quartz Company Limited was granted the first business registration certificate by the Department of Planning and Investment of Binh Dinh province with enterprise code 4101599556, company is located at: Lot C1-5, Long My Industrial Park, Phuoc My Commune, Quy Nhon City, Binh Dinh Province; with main business lines: producing ultra-fine quartz stone powder and other stone powders for industry; production of grinding stones, polishing stones of all kinds. As of December 31, 2021, the Company has fully contributed capital to the subsidiary.

(ii) Implementing Decision No. 342/CBTT-PT dated December 9, 2021, the Company established a subsidiary company Phu Tai Yen Bai Stone Company Limited with charter capital of VND 30,000,000,000 (wholly-owned by the Company). On December 6, 2021, Phu Tai Yen Bai Stone Company Limited was granted the first business registration certificate by the Department of Planning and Investment of Yen Bai province with enterprise code 5200928771, the subsidiary is located at: Trung Tam village, Vinh Lac commune, Luc Yen district, Yen Bai province, Vietnam; with the main business lines are: mining and processing granite, basalt, marble; mining sand and gravel as building materials. As of December 31, 2021, the Company has contributed capital to the subsidiary with the value of VND 9,100,000,000, up to now the Company is still in the process of contributing charter capital to the subsidiary according to regulations.

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 translated 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 receivables shall be classified into short-term receivables or long-term receivables on the consolidated financial statements according to their remaining terms at the reporting date.

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 allocation method and criteria.

Types of prepaid expenses include:

- Prepaid land expenses include prepaid land rental, including those related to leased land for which the Company has received certificate of land use right but not eligible for recording as intangible fixed asset in accordance with the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the consolidated statement of income on a straight-line basis according to the lease term of the contract.
- Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years.
- Other prepaid expenses are recorded according to their historical costs and allocated on the straight-line basis from 01 to 03 years.

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. The payables shall be classified into short-term payables or long-term payables on the consolidated financial statements according to their remaining terms at the reporting date.

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.

Treasury shares are shares issued and bought-back by the issuing company itself. Treasury shares shall be recorded at the actual buyback price and must be recorded as a decrease in charter capital within 10 days from the day on which payment for the repurchased shares is fully made as prescribed in Article 134 of the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020 and Article 36 of the Law on Securities No. 54/2019/QH14 dated December 6, 2019, except for the following cases:

- a) The Company must sell the shares right after they are repurchased for the following shares:
- The repurchase is meant to fix a transaction error or is an odd lot buyback;
 - The public company repurchases odd lot shares under a scrip issue or plan for share issue from equity;
 - The share repurchase is requested by the company's shareholders.
- b) The Company must not repurchase its own shares until it completes the handling of treasury shares purchased before the effective date of the Law on Securities No. 54/2019/QH14 on 01/01/2021. The Company may sell or use such shares as bonus shares in accordance with the Law on Securities No. 70/2006/QH11, which is amended by the Law on Securities No. 62/2010/QH12 and their elaborating documents.

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 discounts.

Sales return and sales discounts 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;

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- 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 and No. 4421721746 dated 23 January 2017 of Department of Planning and Investment of Binh Dinh 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 Wood Processing Factory in Binh Dinh province. Year 2016 was the first year that Granite Processing Plant in Dong Nai province is exempt from corporate income tax, 2017 was the first year that Granite Processing Plant in Binh Dinh province is exempt from corporate income tax; and 2018 was the first year that Wood Processing Factory is exempt from corporate income tax.

d) Current corporate income tax rate

For the fiscal year ended as at December 31 2021, the Company is subject to the CIT rate of 20% for production and business activities with taxable income.

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

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- 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

	31/12/2021	01/01/2021
	VND	VND
Cash on hand	11,147,953,920	9,722,510,849
Demand deposits	124,718,672,251	158,060,842,712
	135,866,626,171	167,783,353,561

4. SHORT TERM FINANCIAL INVESTMENTS

a) Held-to-maturity investments

	31/12/2021		01/01/2021	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term investments				
- Term-deposits	-	-	100,000,000,000	-
	-	-	100,000,000,000	-

	Code	31/12/2021			01/01/2021		
		Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
b) Trading securities							
Investment in stock							
- Vietnam Technological and Commercial Joint Stock Bank	TCB	3,949,916,000	4,000,000,000	-	-	-	-
- Duc Giang Chemical Group Joint Stock Company	DGC	5,634,128,500	5,596,500,000	(37,628,500)	-	-	-
- Gemadept Joint Stock Company	GMD	7,764,980,000	7,095,000,000	(669,980,000)	-	-	-
- Ho Chi Minh City Securities Corporation	HCM	3,664,860,000	4,095,000,000	-	-	-	-
- Asia Commercial Bank	ACB	4,062,558,500	4,140,000,000	-	-	-	-
- FPT Telecom Joint Stock	FPT	7,021,644,630	6,510,000,000	(511,644,630)	-	-	-
- PetroVietnam Gas Joint Stock Corporation	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	2,304,668,970	2,343,616,600	-	1,029,707,269	1,170,700,000	-
- Mbland Holdings Joint Stock Company ^(4.1)		450,000,000	-	-	450,000,000	-	-
- Securities and other financial instruments		20,857,325,995	20,287,857,600	(833,756,495)	-	-	-
		55,710,082,595	54,067,974,200	(2,053,009,625)	12,603,038,334	12,710,700,000	-

Fair value of trading securities is determined at closing price at the financial statement date on HOSE at 31 December 2021 and 31 December 2020.

^(4.1) 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

	31/12/2021		01/01/2021	
	Original cost VND	Provision VND	Original cost VND	Provision VND
	Investments in equity of other entities			
- Chanh Phu Hoa Construction Investment Joint Stock Company ^(4.2)	14,000,000,000	-	9,800,000,000	-
- Lao Cai Chemical Industry Joint Stock Company ^(4.3)	600,000,000	-	600,000,000	-
	14,600,000,000	-	10,400,000,000	-

^(4.2) During the year, the Company purchased additional shares issued by Chanh Phu Hoa Construction Investment Joint Stock Company, amount: VND 4,200,000,000, equivalent to VND 20,000/share.

^(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 Joint Stock	Thu Dau Mot City, Binh Duong Province	2.83%	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

	31/12/2021		01/01/2021	
	Value VND	Provision VND	Value VND	Provision VND
Masterbrand Cabinets INC	104,667,371,173	-	121,751,506,615	-
Noble House Home Furnishings LLC	4,880,700,636	-	35,777,813,030	-
Yaraghi LLC	35,704,085,531	-	27,286,101,093	-
Autonomous Inc	10,219,622,662	-	27,328,159,634	-
Carrefour Imports SAS	18,962,188,600	-	25,181,254,643	-
Hung Thinh Company Limited	-	-	23,000,000,000	-
Ashley	29,689,521,850	-	20,196,440,043	-
Melissa & Doug LLC	28,894,096,281	-	17,332,101,509	-
Forest Products Distributors	9,729,381,330	-	15,520,437,531	-
Anavil Company Ltd	33,261,525,436	-	13,686,808,047	-
Castorama Polska SP.ZO.O	9,610,604,382	-	-	-
Lionbridge	8,542,186,558	-	1,614,277,555	-
B and Q PLC	18,053,977,529	-	6,558,005,987	-
Castorama France SAS	13,484,601,344	-	5,941,773,008	-
The Anh Transportation Service Trading Company Limited	-	-	6,983,849,216	-
Advance Furniture (VIC) PTY	1,742,847,576	-	8,644,641,761	-
Anh Kim Company Limited	15,747,851,900	-	3,637,727,473	-
Algabeth Com Srl	7,625,313,108	-	5,326,989,657	-
Jb Global Ltd	9,018,809,725	-	6,146,296,005	-
Leadvision international Ltd	4,892,952,272	-	5,117,872,650	-
Viet Ha Rock Joint Stock Company	13,905,601,397	-	6,816,070,497	-
Others	389,642,760,336	(10,467,537,512)	251,084,056,657	(10,247,919,508)
	768,275,999,626	(10,467,537,512)	634,932,182,611	(10,247,919,508)

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2021		01/01/2021	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Kim Hung Thinh Consultant Designt Building Construction Company Limited	-	-	54,108,967,399	-
Mr Le Van Vien	22,000,000,000	-	-	-
Yingmu AB	6,337,816,895	-	-	-
An Cuong Wood - Working Manufacturing	-	-	6,763,741,749	-
Others	42,733,985,304	(100,290,000)	55,600,633,414	(1,150,161,140)
	71,071,802,199	(100,290,000)	116,473,342,562	(1,150,161,140)

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7. OTHER RECEIVABLES

	31/12/2021		01/01/2021	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Collateral, deposits	2,205,364,000	-	339,581,620	-
Advances to employees	8,961,046,216	-	7,496,576,935	-
Other receivables	23,183,961,943	(218,100,000)	10,373,755,975	(218,100,000)
- Deposit interest receivable	-	-	1,238,118,282	-
- Receivables from sale of securities ^(7.1)	20,168,183,656	-	7,219,604,000	-
- Receivables from social insurance, health insurance, unemployment insurance	2,029,123,515	-	991,117,673	-
- Receivable on dividends	90,000,000	-	-	-
- Purchase of property Advance receivable	218,100,000	(218,100,000)	218,100,000	(218,100,000)
- Others	678,554,772	-	706,816,020	-
	34,350,372,159	(218,100,000)	18,209,914,530	(218,100,000)
b) Long-term				
Receivables from employees	1,694,669,695	-	490,669,695	-
Collateral, deposits	19,252,323,088	-	16,096,373,676	-
- Environmental restoration deposits ^(7.2)	18,290,043,588	-	15,131,394,176	-
- Contract deposits	962,279,500	-	964,979,500	-
Other receivables	2,744,226,863	-	2,910,626,789	-
- Receivables from site clearance which are offset against land rental at Thang Loi Enterprise ^(7.3)	2,744,226,863	-	2,910,626,789	-
	23,691,219,646	-	19,497,670,160	-

^(7.1) This is the proceeds from the sale of securities that have not yet been returned to the Company's accounts opened at securities companies as of December 31, 2021.

^(7.2) These are the deposits for environmental restoration for quarrying activities paid by the Company according to the notices of the competent authority.

^(7.3) During the year, the Company has offset the payable land rent according to notice about the 2021 land rental with cash clearance compensation.

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8. SHORTAGE OF ASSETS AWAITING RESOLUTION

	31/12/2021		01/01/2021	
	Value		Value	
	VND	VND	VND	VND
Inventory burned	61,909,765,432	-	61,909,765,432	-
Fixed assets burned	4,282,566,170	-	4,282,566,170	-
Other assets	34,090,909	-	-	-
	66,226,422,511	-	66,192,331,602	-

As at 31 December 2021, deficient assets awaiting resolution are inventories with an estimated cost of VND 61.9 billion and the residual value of finished warehouse with a value of VND 4.3 billion, related to a fire incident that caused a fire of finished product warehouse at 9:00 p.m on 4 September 2020 occurred at Thang Loi Enterprise, Phuoc Thanh Commue, Tuy Phuoc District, Binh Dinh Province. Based on the results of the site inspection, the Company has prepared an estimated value of fire loss at VND 66,192,331,602, of which: Residual value of Fixed assets is VND 4,282,566,170, raw materials estimate is VND 6,078,261,701, finished products with an estimated value of VND 30,164,284,529, semi-finished products with an estimated value of VND 25,667,219,202.

On February 28, 2021, the Company sold scrap for Binh Dinh Postal Insurance Company, amount: VND 340,909,091 (VAT excluded) to Thai Hung Consulting and Trading Service Co., Ltd and declare and pay tax on behalf of Binh Dinh Postal Insurance Company with the tax amount of VND 34,909,091.

As of December 31, 2021, the amount that Binh Dinh Postal Insurance Company has transferred to advance compensation to the Company is VND 12,000,000,000 (Note 20).

During the year, the Company has worked with related parties many times, but up to the time of preparing these consolidated financial statements, the Independent Assessor has not yet announced the assessment results, as well as the amount of provision for compensation for the loss of the Company. Therefore, the Company continues to monitor the assets lost due to the fire mentioned above under the item Shortage of assets awaiting resolution as of December 31, 2021. The value of losses or compensation will be recognized in the income statement by the Company when the assessment is completed with the agreement of the insurance agency. The Board of Directors of the Company evaluates and believes that the insurance will pay fair value for actual damages 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:

	31/12/2021		01/01/2021	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Tan Cuong Co., Ltd	1,083,152,301	-	1,175,007,342	235,001,595
Vuong Minh Production and Trading Company	1,365,605,000	-	1,465,605,000	-
Cattie Europa S.L	724,304,767	-	724,304,767	-
Ha Binh Co., Ltd	668,552,930	-	668,552,930	-
Binh Dinh Granite Co., Ltd	507,016,559	-	507,016,559	-
13 Licogi JSC	361,966,771	-	1,361,966,771	-
Others	7,189,190,675	1,113,861,491	6,929,175,995	980,447,121
	11,899,789,003	1,113,861,491	12,831,629,364	1,215,448,716

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10. INVENTORIES

	31/12/2021		01/01/2021	
	Original Cost VND	Provision VND	Original Cost VND	Provision VND
Raw materials	524,259,720,220	-	402,646,869,006	-
Tools, supplies	1,021,364,535	-	686,425,881	-
Work in process	475,217,107,094	-	776,733,706,725	-
- Stone products	228,159,394,034	-	156,586,845,981	-
- Wood products	162,145,537,666	-	121,307,497,258	-
- Real estate ⁽ⁱ⁾	84,352,202,043	-	498,391,343,870	-
- Repair services	559,973,351	-	448,019,616	-
Finished goods	756,013,625,477	-	204,379,204,302	-
- Real estate ⁽ⁱⁱ⁾	490,890,864,317	-	-	-
- Finished products in stock	265,122,761,160	-	204,379,204,302	-
Goods	102,740,348,953	-	54,879,515,276	-
Consignments	-	-	1,094,619,709	-
	1,859,252,166,279	-	1,440,420,340,899	-

⁽ⁱ⁾ As of December 31, 2021, the cost of unfinished business in real estate activities is mainly auction winning money that Phu Tai Real Estate One Member Limited Company (subsidiary) has paid for the land use right of the land area of 2,920 m² at the old warehouse of Viet tooth, Quang Trung ward, Quy Nhon city; approved land area for the purpose of implementing high-rise apartment buildings. Currently, the subsidiary is in the process of drawing up a detailed planning adjustment project to submit to the competent authorities for approval and developing plans to implement the project.

⁽ⁱⁱ⁾ This is the value of completed apartments that are waiting for handover and sale of Dong Da ecological lake project (Phu Tai Residence) 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;
- As of 31 December 2021, the project has been completed and is in the process of handing over and selling the remaining apartments.

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11. PREPAID EXPENSES

	31/12/2021	01/01/2021
	VND	VND
a) Short-term		
- Mining expenses	408,413,833	2,322,697,674
- Tools and supplies awaiting for allocation	16,371,742,014	11,560,561,853
- Expenditure on fixing machinery, equipment, factories	10,682,026,450	6,936,688,646
- Insurance expenses	5,619,654,352	3,808,682,008
- Land rental expenses	36,987,855	-
- Other short-term prepaid expenses	2,728,694,465	3,359,540,745
	35,847,518,969	27,988,170,926
b) Long-term		
- Land and infrastructure rental expenses of Phu Cat Wood Processing Plant in Binh Dinh Province ^(11.1)	15,720,946,923	15,630,858,137
- Land and infrastructure rental expenses of Binh Dinh paving stone processing factory ^(11.2)	11,686,257,534	12,014,779,366
- Expenses for the right to use leased land in Dien Tan, Dien Khanh, Khanh Hoa province ^(11.3)	10,265,757,575	10,543,838,384
- Land rental expenses and maintenance of Phu Cat Industrial Park	-	11,542,229,734
- Infrastructure rental expenses of Long My Factory, Binh Dinh Province ^(11.4)	16,374,373,737	12,557,400,616
- The land transfer fee of Son Phat Factory awaiting allocation ^(11.5)	36,827,626,248	37,394,902,248
- Land rental in Dak Nong factory	1,605,400,493	1,017,140,625
- Money for transferring land from Da Loc, Thanh Chau, Phu Yen province ^(11.6)	12,448,906,911	13,174,891,962
- Land rental and infrastructure costs Nhon Trach Textile Industrial Park, Dong Nai province ^(11.7)	86,958,127,585	89,696,966,245
- Expenses for operating the artificial quartz stone factory in Nhon Trach, Dong Nai ^(11.8)	4,826,812,772	7,376,047,532
- Land and infrastructure rental expenses of Tuan Dat factory	3,738,170,639	3,874,650,731
- Land rental and infrastructure costs Binh Dinh Wood Company	12,325,317,586	-
- Renting Binh Dinh Quartz stone infrastructure ^(11.9)	6,018,533,984	-
- Mining expenses	12,563,065,212	11,872,853,306
- Tools and supplies awaiting for allocation	31,542,112,770	23,282,306,882
- Expenditure on overhaul of machinery, equipment, factories	21,392,280,547	13,286,690,758
- Other long-term prepaid expenses	14,609,330,612	4,453,192,823
	298,903,021,128	267,718,749,349

^(11.1) 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.

^(11.2) 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.

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(11.3) 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.

(11.4) 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.

(11.5) 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.

(11.6) 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.

(11.7) 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.

(11.8) 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 (01 January 2021).

(11.9) This is the one-time land rental cost of the factory project Quartz stone raw material processing factory is performed at Lot CI-5, Long My Industrial Park, Quy Nhon city, Binh Dinh province, this cost is amortized over a period of 3 years from the time the factory comes into operation.

12. GOODWILL

	Year 2021	Year 2020
	VND	VND
Beginning balance	21,544,909,109	24,744,552,348
Goodwill amortized during the year	3,199,643,239	3,199,643,239
Ending balance	18,345,265,870	21,544,909,109

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13. TANGIBLE FIXED ASSETS

	Buildings, structures		Machinery, equipment		Vehicles, transportation		Office equipment		Other tangibles fixed assets		Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Original cost												
Opening balance	965,915,120,967	1,285,847,172,854	326,320,750,136	5,381,931,737	326,320,750,136	5,381,931,737	157,002,064	2,583,621,977,758				
- Purchase in the year	389,717,863	10,991,797,929	6,086,004,184	-	6,086,004,184	-	-	17,467,519,976				
- Completed construction investment	288,253,663,055	255,179,780,096	66,625,553,241	860,654,204	66,625,553,241	860,654,204	-	610,919,650,596				
- Due to reclassification	2,423,769,765	76,199,905,588	(78,444,237,626)	(179,437,727)	(78,444,237,626)	(179,437,727)	-	-				
- Liquidation, disposal	(24,147,515,423)	(49,449,101,410)	(4,177,826,783)	-	(4,177,826,783)	-	-	(77,774,443,616)				
Ending balance	1,232,834,756,227	1,578,769,555,057	316,410,243,152	6,063,148,214	316,410,243,152	6,063,148,214	157,002,064	3,134,234,704,714				
Accumulated depreciation												
Opening balance	385,057,425,127	600,821,405,121	156,610,871,772	5,136,405,420	156,610,871,772	5,136,405,420	157,002,064	1,147,783,109,504				
- Depreciation for the year	78,908,366,579	157,940,839,119	30,328,933,700	156,087,602	30,328,933,700	156,087,602	-	267,334,227,000				
- Due to reclassification	(5,361,406,329)	45,996,772,693	(40,568,589,544)	(66,776,820)	(40,568,589,544)	(66,776,820)	-	-				
- Liquidation, disposal	(4,039,259,568)	(27,978,542,126)	(3,078,826,294)	-	(3,078,826,294)	-	-	(35,096,627,988)				
Ending balance	454,565,125,809	776,780,474,807	143,292,389,634	5,225,716,202	143,292,389,634	5,225,716,202	157,002,064	1,380,020,708,516				
Net carrying amount												
Opening balance	580,857,695,840	685,025,767,733	169,709,878,364	245,526,317	169,709,878,364	245,526,317	-	1,435,838,868,254				
Ending balance	778,269,630,417	801,989,080,251	173,117,853,518	837,432,012	173,117,853,518	837,432,012	-	1,754,213,996,198				

- The carrying amount of tangible fixed assets pledged as collaterals for borrowings at the end of the year: VND 737,662,637,885;
- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 339,605,623,632.

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14. INTANGIBLE FIXED ASSETS

	Site preparation expenses	Land use rights	Mining rights	Softwares	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
- Increase due to being granted mining rights	-	-	1,991,136,364	-	-	1,991,136,364
- Reduced due to transfer	(1,598,234,908)	-	-	-	-	(1,598,234,908)
Ending balance	13,980,864,528	12,303,892,946	22,395,048,932	86,416,000	731,525,918	49,497,748,324
Accumulated amortization						
Opening balance	11,068,799,174	3,696,418,292	6,606,813,871	86,416,000	731,525,918	22,189,973,255
- Depreciation for the year	1,059,497,937	359,631,121	1,133,335,904	-	-	2,552,464,961
- Reduced due to transfer	(1,254,614,404)	-	-	-	-	(1,254,614,404)
Ending balance	10,873,682,707	4,056,049,413	7,740,149,775	86,416,000	731,525,918	23,487,823,812
Net carrying amount						
Opening balance	4,510,300,262	8,607,474,654	13,797,098,697	-	-	26,914,873,613
Ending balance	3,107,181,821	8,247,843,533	14,654,899,157	-	-	26,009,924,512

- Cost of fully amortized intangible fixed assets but still in use at the end of the year: VND 1,204,097,065.

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15. CONSTRUCTION IN PROGRESS

	31/12/2021	01/01/2021
	VND	VND
Construction in progress	101,820,635,872	246,901,011,470
- Project of constructing the Quartz stone factory in Nhon Trach, Dong Nai province	-	233,698,840,961
- Project Wood Factory Phu Tai Binh Dinh	-	983,134,632
- Construction expense of Da Du quarry	7,467,150,230	7,467,150,230
- Quartz stone raw material processing factory project ^(15.1)	67,367,537,143	-
- Construction expense of Song Hinh quarry	1,039,964,500	1,039,964,500
- Phu Tai Yen Bai Factory Project ^(15.2)	9,441,273,546	-
- Others	16,504,710,453	3,711,921,147
Purchase of fixed assets	11,632,751,624	2,674,632,274
- Machinery and equipment for wood	9,891,486,074	623,192,550
- Machinery and equipment for stone	829,696,459	2,051,439,724
- Buy car	911,569,091	-
	113,453,387,496	249,575,643,744

^(15.1) The project of processing quartz stone materials factory was approved by the Management Board of Binh Dinh Economic Zone under Decision No. 340/QD-BQL dated October 1, 2021 and approved for Phu Tai Quartz Stone Co., Ltd (subsidiary) is the investor of the project. The project is implemented at Lot CI-5, Long My Industrial Park, Quy Nhon city, Binh Dinh province with the goal of producing quartz materials with a scale of 65,000 tons of quartz powder/year (equivalent to 46,500 m3 of quartz powder/ year), the project implementation land area is 30,075.8 m2 with the investment capital of the project is 90 billion VND. The project is currently in the construction phase, it is expected to be completed and put into operation in 2022.

^(15.2) Phu Tai Yen Bai Factory Project was approved under Decision No. 342/HĐQT-PT dated December 9, 2021 of the Board of Directors of Phu Tai Joint Stock Company with a total investment of 273.976 billion VND; land area for project implementation is 4.4 ha; The investment purpose is to build a stone processing factory with an expected capacity of 40,000m2/month (equivalent to 450,000 m2/year) in Trung Tam village, Vinh Lac commune, Luc Yen district, Yen Bai province. The project started in December 2021 and is expected to be completed in 2022.

16. PREPAYMENTS FROM CUSTOMERS

	31/12/2021	01/01/2021
	VND	VND
Customers pay in advance to buy a real estate project ^(16.1)	81,830,821,722	246,265,315,775
Dat Phuong Company Limited	1,521,306,744	1,587,335,244
Rang Dong Commercial Electrical Construction Company Limited	1,104,850,150	4,112,961,398
Others	25,563,807,806	19,018,123,191
	110,020,786,422	270,983,735,608

^(16.1) These are prepayments of customers for the Dong Da lagoon ecological lake high-rise apartment project (Phu Tai Residence) by Phu Tai Real Estate One Member Limited Liability Company (subsidiary). (See project details in Note 10).

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17. SHORT-TERM TRADE PAYABLES

	31/12/2021		01/01/2021	
	Outstanding balance VND	Amount can be paid VND	Outstanding balance VND	Amount can be paid VND
An Phong Construction Joint Stock Company	53,789,078,883	53,789,078,883	58,334,387,999	58,334,387,999
Hoang Giang Co., Ltd	59,926,253,805	59,926,253,805	25,997,189,374	25,997,189,374
Thanh Danh Co., Ltd	21,859,762,937	21,859,762,937	19,908,028,529	19,908,028,529
Vu Tin International Trading Co., Ltd	5,622,149,048	5,622,149,048	22,154,358,738	22,154,358,738
Giang Dat Thanh Production and Trade Co., Ltd	8,530,419,600	8,530,419,600	9,047,714,400	9,047,714,400
Sudima Panels Co., Ltd	-	-	17,329,441,501	17,329,441,501
Lundhs Labrador A/S	-	-	8,489,288,897	8,489,288,897
Quy Nhon Cushion Joint Stock Company	11,095,649,180	11,095,649,180	7,926,911,740	7,926,911,740
Binh Thanh Acacia Chemical Production and Trade Co., Ltd	1,753,691,500	1,753,691,500	6,101,260,250	6,101,260,250
Phuoc Long Imex Co., Ltd	6,474,965,333	6,474,965,333	5,904,220,612	5,904,220,612
Hoang Tam Co., Ltd	5,178,278,637	5,178,278,637	3,480,450,387	3,480,450,387
Tan Dat Packaging Co., Ltd	12,549,352,412	12,549,352,412	-	-
Binh Dinh Construction Co., Ltd	1,990,774,009	1,990,774,009	5,326,230,126	5,326,230,126
Hawee Electromechanical Joint Stock Company	11,092,639,615	11,092,639,615	5,276,794,508	5,276,794,508
Quang Trung Mechanical Construction Joint Stock Company	123,339,021	123,339,021	378,682,707	378,682,707
Xin Cheng International	-	-	16,784,644,240	16,784,644,240
Others	419,846,976,677	419,846,976,677	316,153,281,611	316,153,281,611
	619,833,330,657	619,833,330,657	528,592,885,619	528,592,885,619

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18. TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of year		Tax payable in the year		Tax paid in the year		Tax receivable at the end of year		Tax payable at the end of year	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Value-added tax	-	7,535,658,351	96,836,882,114	95,565,326,623	-	-	-	-	8,807,213,842	-
Export, import duties	-	-	668,047,766	668,047,766	-	-	-	-	-	-
Corporate income tax	49,844,844	73,113,333,002	117,511,286,760	97,780,486,924	-	-	-	-	92,794,287,994	-
Personal income tax	46,061,344	750,111,987	6,877,330,952	7,343,339,008	-	-	76,610,609	-	314,653,196	-
Natural resource tax	-	2,644,651,726	106,694,702,615	107,307,554,834	-	-	-	-	2,031,799,507	-
Land tax and land rental	77,186,116	66,975,866	1,529,158,056	2,083,986,540	-	-	661,887,000	-	96,848,266	-
Other taxes	-	-	54,000,000	54,000,000	-	-	-	-	-	-
Fees, charges and other payables	-	6,989,960,397	22,395,891,671	22,146,371,904	-	-	-	-	7,239,480,164	-
	173,092,304	91,100,691,329	352,567,299,934	332,949,113,599	738,497,609	111,284,282,969	738,497,609	111,284,282,969		

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.

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19. SHORT-TERM ACCRUED EXPENSES

	31/12/2021	01/01/2021
	VND	VND
Accrued land rental	1,146,273,009	1,399,436,598
Accrued interest expenses	2,128,878,769	2,820,259,943
Accrued electricity expenses	313,246,744	416,560,593
Accrued commission expenses	2,096,306,320	1,818,829,900
Accrued transportation expenses	3,032,017,790	1,109,866,430
Accrued design and material expenses	2,022,606,566	687,544,437
Accrued expenses of import and export processing	379,544,400	69,724,662
Accrued of promotional expenses for car sales	923,584,086	88,350,000
Others	6,157,416,386	1,229,406,303
	18,199,874,070	9,639,978,866

20. OTHER PAYABLES

	31/12/2021	01/01/2021
	VND	VND
a) Short-term		
Trade union fee	7,603,245,323	5,493,392,749
Social insurance	1,419,037,949	443,535,323
Health insurance	256,872,711	87,039,172
Unemployment insurance	88,177,222	37,119,485
Short-term deposits, collateral received	4,049,166,188	6,587,006,615
Other payables	31,787,866,523	19,362,117,124
- Interest of Vinacam Joint Stock Company	200,000,000	548,455,998
- Land rent must be paid to the Finance Department - Ministry of Defense	5,330,096,750	3,261,351,300
- Interest of personal loans	233,125	1,276,402,761
- Payables to Military zone No. 05	-	122,000,000
- Donation funds	321,921,685	386,461,577
- Benefits payable to employees	76,033,800	16,119,700
- Party fee, union fee	1,940,634,610	1,557,492,641
- Dividends payable to Owners	3,543,655,750	1,037,092,000
- Advances payable to employees	400,229,499	342,453,299
- Insurance indemnity advance ^(20.1)	12,000,000,000	10,000,000,000
- Others	7,975,061,304	814,287,848
	45,204,365,916	32,010,210,468
b) Long-term		
Long-term deposits, collateral received	695,939,200	3,057,284,928
	695,939,200	3,057,284,928

(20.1) 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).

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21. BORROWINGS

	01/01/2021		During the year		31/12/2021	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings						
Short-term borrowings	1,241,211,537,886	1,241,211,537,886	5,064,362,401,374	4,925,993,500,768	1,379,580,438,492	1,379,580,438,492
Current portion of long-term borrowings	156,194,031,780	156,194,031,780	379,738,774,631	295,598,289,275	240,334,517,136	240,334,517,136
	1,397,405,569,666	1,397,405,569,666	5,444,101,176,005	5,221,591,790,043	1,619,914,955,628	1,619,914,955,628
b) Long-term borrowings						
Long-term borrowings	248,378,409,150	248,378,409,150	411,903,932,070	216,071,612,678	444,210,728,542	444,210,728,542
Common bonds	215,310,064,052	215,310,064,052	896,895,216	61,900,000,000	154,306,959,268	154,306,959,268
	463,688,473,202	463,688,473,202	412,800,827,286	277,971,612,678	598,517,687,810	598,517,687,810
Amount due for settlement within 12 months	(156,194,031,780)	(156,194,031,780)	(379,738,774,631)	(295,598,289,275)	(240,334,517,136)	(240,334,517,136)
Amount due for settlement after 12 months	307,494,441,422	307,494,441,422	307,494,441,422	307,494,441,422	358,183,170,674	358,183,170,674

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Detailed information on short-term borrowings:

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

	Currency	Interest rate/ year	Loan purpose	Loan guarantee	31/12/2021		01/01/2021	
					Original currency	VND	Original currency	VND
Short-term loans (VND)								
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	566,675,668,910	436,011,339,619	291,671,658,092	250,564,702,609
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	128,168,156,446	64,716,108,011		
- Military Commercial Joint Stock Bank - Binh Dinh	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	33,237,000,000	52,336,077,979		
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	11,102,124,520	10,756,590,470		
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	39,088,106,187	-		
- Funna Securities Joint Stock Company	VND	Specified in each loan	Serving business activities	Unsecured loan	1,314,302,249	-		
- Mirae Asset Bank	VND	Specified in each loan	Serving business activities	Unsecured loan	175,971,106	-		
- Short-term Personal loans	VND	Specified in each loan	Serving business activities	Unsecured loan	61,918,350,310	57,637,860,550		

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	Currency	Interest rate/ year	Loan purpose	Loan guarantee	31/12/2021		01/01/2021	
					Original currency	VND	Original currency	VND
Short-term loans (USD)								
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	34,010,369.40	805,200,198,267	812,904,769,582	34,709,291.92
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	9,619,736.32	39,023,407,170	220,724,849,862	1,682,406.00
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	-	62,473,081,048	-	2,693,966.41
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	11,849,527.87	297,221,811,452	271,591,178,780	12,803,007.17
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	963,820.00	41,706,815,390	22,090,754,400	1,796,546.00
- Viet Nam Technological and Commercial Joint Stock Company - Quy Nhon	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	7,605,725.55	253,131,392,543	207,543,716,798	10,915,540.86
- The Viet Nam Bank for Agriculture Rural Development - Tam Phuoc Dong Nai Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	3,148,484.66	81,673,106,434	72,068,813,867	3,525,711.48
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serving business activities	Collateral asset ⁽ⁱ⁾	823,075.00	29,970,584,230	18,885,455,875	1,292,114.00
					<u>1,379,580,438,492</u>	<u>1,241,211,537,886</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	VND	
						31/12/2021	01/01/2021
Long-term loans							
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	VND	Floating rate	Serve the project	2022	Collateral asset ⁽ⁱ⁾	8,386,000,000	13,586,000,000
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	Serve the project	2023	Collateral asset ⁽ⁱ⁾	179,390,416,365	50,590,395,060
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Phu Yen Branch	VND	Floating rate	Serving business activities	2022	Collateral asset ⁽ⁱ⁾	3,793,256,250	5,284,443,750
- Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	Serve the project	2022	Collateral asset ⁽ⁱ⁾	11,344,642,318	-
- Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	VND	Floating rate	Serving business activities	2023	Collateral asset ⁽ⁱ⁾	53,141,163,699	1,857,065,924
- Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	Serve the project	2022	Collateral asset ⁽ⁱ⁾	12,051,257,662	17,075,241,740
- Vietnam Technological and Commercial Joint Stock Bank - Ho Chi Minh Branch	USD	Floating rate	Serve the project	2023	Collateral asset ⁽ⁱ⁾	176,103,992,248	63,869,191,887
- Bonds issued ⁽ⁱⁱ⁾						154,306,959,268	215,310,064,052
						598,517,687,810	463,688,473,202
						(240,334,517,136)	(156,194,031,780)
Amount due for settlement within 12 months						358,183,170,674	307,494,441,422

Amount due for settlement after 12 months

⁽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 a private placement of bonds as follows:

- According to the plan of private placement of 650 bonds with par value of VND 100,000,000 per bond of Resolution 62 / NQ-HĐQT dated May 17, 2019 through issuance agents for less than 100 investors.
 - + Purpose: Paying the transfer cost of 99% of the capital contribution in Son Phat Trading and Production Co., Ltd. and the cost of BCC contract between Phu Tai and Son Phat to pay for the transfer of a minimum of 25 hectares of forest land in Dien Tan, Khanh Hoa.
 - + Number of bonds issued: On June 10, 2019, the Company successfully issued 650 individual bonds (par value of VND 100 million per bond, accounting for 100% of the planned number of bonds to be issued) to an investor, which is Military Commercial Joint Stock Company - Binh Dinh Branch; issue price is equal to 100% of par value;
 - + Bond 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, the 24 month term of Military Commercial Joint Stock Bank - Binh Dinh Branch.
 - + The collaterals are: Factories, machinery and equipment owned by Son Phat Trading and Production Company Limited; quarrying rights in the area of Cay Sung 3, Dien Tan commune, Dien Khanh district, Khanh Hoa province.
 - + Use of capital from bond issuance: as of December 31, 2021, the Company has used 100% of the above bond issuance money for the right purpose.
- According to the plan of private placement of 1,500 bonds with par value of VND 100,000,000 per bond of Resolution 105 / NQ-HĐQT dated October 22, 2019 through issuing agents for less than 100 investors.
 - + Purpose: Paying the cost to implement the project of Artificial Thach Anh Factory in Textile and Garment Industrial Park - Nhon Trach, Dong Nai.
 - + Number of bonds issued: The Company has successfully issued 1060 individual bonds to 01 investor, which is Military Commercial Bank - Binh Dinh Branch with 4 issuance phases: phase 1 on November 12, 2019 with the number of 204 bonds, phase 2 on December 17, 2019 with the number of 256 bonds and phase 3 on January 16, 2020 with the number of 600 bonds; phase 4 on August 21, 2020 with the number of 440 bonds; issue price is equal to 100% of par value;
 - + Bond is a certificate; Bond term is 60 months from the date of issue; The bond interest rate for the first 4 interest periods is 9% / year, the next period will be adjusted according to the medium and long term interest rate, the 24 month term of Military Commercial Joint Stock Bank - Binh Dinh Branch.
 - + The collateral is property rights arising from the land lease contract between Phu Tai Premium Stone Company Limited and Tan Tao Vinatex Joint Stock Company under the land lease contract No. 43 / HDTLQSDD-VNT / KD- 2019 August 8, 2019; all factories, offices and other assets attached to the land to be formed in the future under the Artificial Thach Anh Factory Project in Nhon Trach Textile Industrial Park - Dong Nai and all machinery, equipment, production lines under the Project of Artificial Thach Anh Factory in Nhon Trach Textile Industrial Park - Dong Nai.
 - + Use of capital from bond issuance: as of December 31, 2021, the Company has used 100% of the above bond issuance money for the right purpose.
- According to the private placement plan of 348 bonds with par value of VND 100,000,000 / bond of Resolution 108 / NQ-HĐQT dated November 18, 2020 through an issue agent for less than 100 investors.
 - + Purpose: Paying the cost to implement the project of Thach Anh Artificial Factory in Textile and Garment Industrial Park - Nhon Trach, Dong Nai.
 - + Number of bonds issued: On November 30, 2020, the Company successfully issued 348 individual bonds (par value of VND 100 million / bond, accounting for 100% of the planned number of bonds to be issued) to 01 investor, the Bank. Military Commercial Joint Stock Company - Binh Dinh Branch; issue price is equal to 100% of par value;
 - + Bond is a 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

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calculated by 2.7% plus the interest rate of flexible medium and long term savings products with 24-month term of Military Commercial Joint Stock Bank;

- + The collateral is: Property rights arising from the land lease contract between Phu Tai Premium Quartz Stone Company Limited and Tan Tao Vinatex Joint Stock Company under the land lease contract No. 42 / HDTLQSDD-VNT / KD- 2019 8 August 2019; all factories, offices and other assets attached to the land to be formed in the future under the Thach Anh Artificial Factory Project in Nhon Trach Textile Industrial Park - Dong Nai and all machinery, equipment, production lines under the Project of Thach Anh Artificial Factory in Nhon Trach Textile Industrial Park - Dong Nai.
- + Capital use situation: as of December 31, 2021, the Company has used 100% of the above bond issuance for the right purpose

At the issuance sessions, the Company signed with Military Commercial Joint Stock Bank - Binh Dinh Branch the bond purchase and sale contracts. At the same time, the Company also signs 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 up to 01 account to keep the proceeds from the bond issue and be allowed to transfer for payment in accordance with the bond capital use purpose specified in the Information Disclosure (called the Bond Account); and 01 account to keep the amount used to pay the principal, interest and other obligations of the Company related to the bonds (called the Debt Repayment Reserve Account).

According to Appendix 1 of the Account Management Contract No. 01/HD-MB dated November 12, 2019, the Company has agreed with Military Commercial Joint Stock Bank - Binh Dinh Branch on a schedule to buy back bonds at the purchase price, equal to par value plus accrued interest up to the time of redemption. From 2019 to now, the Company has repurchased 943 bonds, equivalent to an amount of VND 94,300,000,000.

As of December 31, 2021, the principal outstanding balance of bonds is VND 155,500,000,000 (value including issuance fee pending allocation is VND 1,193,040,732) corresponding to 1,555 bonds; the number of bonds to be redeemed within the next 12 months is 594 bonds; equivalent to the principal debt of VND 59,400,000,000 which is classified as short-term debt by the Company.

22. PROVISIONS FOR PAYABLES

	31/12/2021	01/01/2021
	VND	VND
a) Short-term		
- Cost of mineral mining right ^(22.1)	4,405,733,967	4,405,733,967
- Construction project warranty reserve	2,350,000,000	-
	6,755,733,967	4,405,733,967
b) Long-term		
- Cost of environmental restoration ^(22.2)	7,579,994,619	6,100,316,546
- Land rental without contract	3,528,000,000	2,822,400,000
	11,107,994,619	8,922,716,546

^(22.1) Expenses for granting mineral mining rights of some quarries in Binh Dinh province. Because there has been no notice from the Tax Department of Binh Dinh province, the Company has temporarily calculated it to advance into production and business expenses for the years based on the provisions of Decree 67/2019/ND-CP dated 31/07/2019 of the Government.

^(22.2) 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.

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	Contributed capital		Share premium	Other capital	Treasury shares	Development and investment funds	Retained earnings	Non - Controlling Interest		Total
	VND	VND						VND	VND	
a) Changes in owners' equity										
Beginning 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 previous year	-	-	-	-	-	358,501,244,681	20,804,204,399	379,305,449,080		
Dividends distributed in form of cash	-	-	-	-	-	(139,412,803,000)	(12,182,594,174)	(151,595,397,174)		
Dividends paid in stock	-	-	258,920,172,915	-	-	(258,920,172,915)	-	-		
Subsidiaries distribute bonus shares	-	-	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	-	-	-	(55,755,525,591)	-	-	-	(55,755,525,591)		
Other increase	-	-	-	-	-	41,897,073	-	41,897,073		
Ending balance of previous 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		
Profit of the this year	-	-	-	-	-	511,840,640,986	14,053,972,796	525,894,613,782		
Dividends distributed in the form of cash	-	-	-	-	-	(92,118,362,000)	(10,679,718,000)	(102,798,080,000)		
Transfer to other capital	-	-	241,930,254,758	-	-	(241,930,254,758)	-	-		
Investment and development funds	-	-	-	-	208,380,109	(208,380,109)	-	-		
Bonus and welfare fund	-	-	-	-	-	(22,101,029,607)	(1,069,661,656)	(23,170,691,263)		
Redemption of treasury shares ^(22.1)	-	-	-	138,433,164,393	-	-	-	-		
Other increase	-	-	-	-	-	9,024,775	173,739,057	182,763,832		
Ending balance of this year	485,994,410,000	23,695,822,439	1,273,435,879,605	(131,295,471)	1,963,762,278	535,550,692,402	70,224,679,754	2,390,733,951,007		

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(23.1) At Resolution No. 02/NQ-HDQT dated April 17, 2021 of the Annual General Meeting of Shareholders in 2021 and Resolution No. 26/NQ-HDQT dated April 23, 2021 of the Board of Management approved the plan: dividing 2,540,260 shares at the rate of 5.51% treasury shares for existing shareholders; using share surplus capital as a source of capital for implementation; the odd number of shares, shares that are not distributed all will be distributed to the Company's Trade Union. The distribution plan was approved by the Securities Commission in Document No. 3366/UBCK-QLCB dated July 5, 2021. The results are as follows:

- The number of treasury shares distributed to existing shareholders is 2,536,688 shares;
- The number of odd shares arising from the distribution to effective shareholders is 1,165 shares that have been distributed to the Company's Trade Union;
- The remaining shares that have not been distributed are 2,407 shares currently located in the Company's securities account opened at Agribank Securities Company - Central Branch.

The company's profit distribution is as follows:

	At the Parent Company		Distribution at subsidiaries		Total (3)= (2)+ (1)
	(1)	(1)	Parent Company (2)	At the non-controlling shareholders	
	VND	VND	VND	VND	VND
Appropriation to Bonus and welfare fund	15,272,610,106	7,898,081,157	6,828,419,501	1,069,661,656	22,101,029,607
Transfer to the other capital	198,061,230,020	43,869,024,738	43,869,024,738	-	241,930,254,758
Investment and development	-	208,380,109	208,380,110	-	208,380,110
Dividends distributed in form of cash	92,118,362,000	10,679,718,000		10,679,718,000	92,118,362,000

b) Details of contributed capital

	31/12/2021		01/01/2021	
	VND	Rate %	VND	Rate %
Mr. Le Vy	59,624,850,000	12.27%	59,624,850,000	12.27%
Mr. Le Van Thao	38,008,330,000	7.82%	38,008,330,000	7.82%
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%	26,996,980,000	5.55%
Others	333,378,230,000	68.60%	333,378,230,000	68.60%
Total	485,994,410,000	100%	485,994,410,000	100%

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

	Year 2021	Year 2020
	VND	VND
Owners' contributed capital		
- At the beginning of the year	485,994,410,000	485,994,410,000
- At the end of the year	485,994,410,000	485,994,410,000
Distributed dividends and profits		
- Dividends, profit payable at the beginning of the year	1,037,092,000	77,682,200
- Dividends, profit payable in the year	102,798,080,000	151,595,397,174
+ Dividends and profits distributed from the previous year profit	95,210,544,002	151,595,397,174
+ Dividends, temporary profits on this year's profits	7,587,535,998	-
- Dividends distributed in form of cash	100,291,516,250	150,635,987,374
+ Dividends and profits distributed from the previous year profit	93,582,726,700	140,176,067,097
+ Dividends and profits distributed from this year profit	6,708,789,550	10,459,920,277
- Ending balance of the year	3,543,655,750	1,037,092,000

d) Shares

	31/12/2021	01/01/2021
Quantity of Authorized issuing shares	48,599,441	48,599,441
Quantity of issued shares and fully contributed	48,599,441	48,599,441
- Common shares	48,599,441	48,599,441
Number of redeemed shares (treasury shares)	2,407	2,540,260
- Common shares	2,407	2,540,260
Quantity of outstanding shares in circulation	48,597,034	46,059,181
- Common shares	48,597,034	46,059,181
Par value per share: VND 10,000		

e) Company funds

	31/12/2021	01/01/2021
	VND	VND
- Investment and development funds	1,963,762,278	1,755,382,169
- Other capital	1,273,435,879,605	1,031,505,624,847
	1,275,399,641,883	1,033,261,007,016

24. 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 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 zones where the Company has production and business establishment. The company has paid the rent in lump sum for the entire lease term.

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b) Foreign currencies

	31/12/2021	01/01/2021
USD	385,443.40	1,930,408.44
EUR	7,001.13	12,138.08

c) Doubtful debts written-offs

	31/12/2021	01/01/2021
VND		
	4,305,301,433	3,917,387,584

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

	Year 2021	Year 2020
	VND	VND
Revenue from sale of goods	6,419,203,847,681	5,502,864,608,749
- Wood products	3,437,179,588,636	2,988,527,835,690
- Toyota Car	1,010,674,031,041	1,050,200,514,252
- Stone products	1,445,744,739,568	1,435,563,869,427
- Real estate	511,545,845,234	-
- Others	14,059,643,202	28,572,389,380
Revenue from rendering of services	75,773,383,598	99,384,013,553
- Car repair service	73,990,021,570	97,131,356,417
- Office and factory for lease service	1,783,362,028	2,252,657,136
	6,494,977,231,279	5,602,248,622,302

26. REVENUE DEDUCTIONS

	Year 2021	Year 2020
	VND	VND
Trade discounts	44,553,454	-
Sales returns	1,805,706,731	1,011,852,605
Devaluation of sale	1,177,930,363	-
	3,028,190,548	1,011,852,605

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

	Year 2021	Year 2020
	VND	VND
Revenue from sale of goods	6,416,175,657,133	5,501,852,756,144
- Wood products	3,436,036,235,410	2,987,515,983,085
- Toyota Car	1,010,629,477,587	1,050,200,514,252
- Stone products	1,444,087,618,189	1,435,563,869,427
- Real estate	511,545,845,234	-
- Others	13,876,480,713	28,572,389,380
Revenue from rendering of services	75,773,383,598	99,384,013,553
- Car repair service	73,990,021,570	97,131,356,417
- Office and factory for lease service	1,783,362,028	2,252,657,136
	6,491,949,040,731	5,601,236,769,697

28. COST OF GOODS SOLD

	Year 2021	Year 2020
	VND	VND
Cost of goods sold	4,971,939,062,653	4,383,786,575,998
- Wood products	2,635,063,260,099	2,314,123,951,588
- Toyota Car	968,848,723,424	1,035,343,189,338
- Stone products	1,055,932,087,353	1,013,678,720,533
- Real estate	303,803,179,243	-
- Others	8,291,812,534	20,640,714,539
Cost of services rendered	67,389,523,938	76,560,847,724
- Car repair service	67,328,683,938	76,500,007,724
- Office and factory for lease service	60,840,000	60,840,000
	5,039,328,586,591	4,460,347,423,722

29. FINANCIAL INCOME

	Year 2021	Year 2020
	VND	VND
Interest income	6,056,790,375	4,994,886,133
Interest from selling trading securities	31,189,096,616	2,352,267,596
Dividends or profits received	1,842,057,900	168,000,000
Gains from exchange rate difference arising during the year	21,686,049,986	13,011,647,806
Foreign exchange gains due to revaluation of year-end balance	375,958,678	3,186,814,340
Deferred sales interest, discount payment	72,489,685	74,664,460
	61,222,443,240	23,788,280,335

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30. FINANCIAL EXPENSES

	Year 2021	Year 2020
	VND	VND
Interest expenses	98,746,277,603	89,239,816,660
Realised exchange losses	10,235,429,766	16,723,274,312
Loss on exchange rate difference due to revaluation of year-end balance	1,007,473,468	197,279,808
Provision for devaluation of trading securities	2,053,009,625	-
Loss of trading securities	5,484,062,913	-
Securities trading expenses	2,577,317,407	224,486,092
	120,103,570,782	106,384,856,872

31. SELLING EXPENSES

	Year 2021	Year 2020
	VND	VND
Raw materials	257,175,304,768	232,619,335,954
Labour expenses	19,240,731,231	15,673,822,931
Tools and supplies	1,806,543,393	35,596,870
Depreciation expenses	2,031,897,104	2,474,985,801
Tax, Charge, Fee	21,949,415,123	14,992,416,992
Expenses of outsourcing services	233,439,572,827	147,217,634,272
Other expenses in cash	14,852,421,185	9,094,040,603
	550,495,885,631	422,107,833,423

32. GENERAL AND ADMINISTRATIVE EXPENSES

	Year 2021	Year 2020
	VND	VND
Raw materials	440,047,902	600,477,889
Labour expenses	128,434,416,005	126,217,507,853
Tools and supplies	8,357,412,736	5,440,632,295
Depreciation expenses	14,275,454,241	11,936,796,900
Tax, Charge, Fee	6,775,233,316	6,024,902,241
Provision expenses	(442,339,287)	1,076,547,497
Expenses of outsourcing services	26,440,151,301	22,857,784,877
Other expenses in cash	17,642,930,685	19,345,240,021
Goodwill	3,199,643,239	3,199,643,239
	205,122,950,138	196,699,532,812

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33. OTHER INCOME

	Year 2021	Year 2020
	VND	VND
Gain from liquidating, disposing fixed assets	10,616,959,325	18,296,316,561
Gain from Toyota car sale promotion	1,902,405,069	6,066,402,957
Gain from wood sale promotion	7,893,212,059	241,392,990
Gain from penalty	-	21,305,970
Gain from debt collection	947,970,244	2,326,962,692
Gain from other services	-	1,409,390,250
Other incomes	2,140,526,475	595,987,034
	23,501,073,172	28,957,758,454

34. OTHER EXPENSES

	Year 2021	Year 2020
	VND	VND
Penalty due to late delivery	3,791,424,678	2,226,090,526
Residual value and expenses from liquidating, disposing fixed assets	3,817,942,710	135,035,243
Amounts fined, late payment interest	602,196,430	2,209,938,432
Debt settlement	296,959,767	456,222,542
Other expenses	2,619,856,106	1,107,917,253
	11,128,379,691	6,135,203,996

35. CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2021	Year 2020
	VND	VND
Current corporate income tax expense in parent company	68,614,258,535	58,110,019,697
Current corporate income tax expense in subsidiary	23,789,053,461	24,578,034,794
- Phu Yen Construction Materials JSC	2,854,726,371	4,543,487,373
- Tuan Dat Minerals One-member Company Limited	820,617,619	761,017,176
- Toyota Binh Dinh One-member Company Limited	1,421,443,663	1,373,285,789
- Toyota Da Nang One-member Company Limited	547,928,601	-
- Phu Tai Dong Nai One-member Company Limited	9,550,938,679	7,909,835,804
- Vina G7 Joint Stock Company	6,345,712,459	6,460,820,152
- Granite Manufacturing Company Limited	-	875,764,089
- Thanh Chau Phu Yen Granite Company Limited	851,068,807	1,620,216,993
- Son Phat Production and Trading Company Limited	1,396,617,262	1,033,607,418
- Phu Tai Real Estate One Member Co., Ltd	28,221,922,659	-
	120,625,234,655	82,688,054,491

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36. DEFERRED INCOME TAX

a) Deferred income tax assets

	31/12/2021	01/01/2021
	VND	VND
Deferred income tax assets related to deductible temporary differences (CIT rate 20%)	1,824,116,071	1,578,259,110
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	1,824,116,071	4,040,912,268

b) Deferred income tax liabilities

	31/12/2021	01/01/2021
	VND	VND
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax liabilities arising from deductible temporary difference	5,599,112,454	1,379,919,620
Deferred income tax liabilities	5,599,112,454	1,379,919,620

c) Deferred corporate income tax expense

	Year 2021	Year 2020
	VND	VND
Deferred CIT expense relating to taxable temporary difference	4,219,192,834	992,625,373
Deferred CIT income arising from deductible temporary difference	(1,824,116,071)	(1,578,259,110)
Deferred CIT expense relating to reversal of deferred income tax assets	1,578,259,110	900,087,827
	3,973,335,873	314,454,090

37. BASIC EARNINGS PER SHARE

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

	Year 2021	Year 2020
	VND	VND
Net profit after tax	511,840,640,986	358,501,244,681
Profit distributed for common shares	511,840,640,986	358,501,244,681
Average number of outstanding common shares in circulation in the year	46,199,394	46,506,488
Basic earnings per share	11,079	7,709

The company has not planned to make any distribution to Bonus and welfare fund, bonus for the Board of Directors from the net profit after tax at the date of preparing Consolidated Financial Statements.

As at 31 December 2021, the Company did not have shares with dilutive potential for earnings per share.

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38. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2021	Year 2020
	VND	VND
Raw materials	2,512,105,168,904	1,851,394,729,240
Labour expenses	576,918,866,491	542,366,194,067
Tools and supplies	82,953,342,098	76,331,705,601
Depreciation expenses	268,048,226,389	214,935,838,281
Tax, Charge, Fee	145,471,214,816	68,916,066,311
Provision expenses/ Reversal of provision expenses	(442,339,287)	1,072,417,376
Expenses from outsourcing services	1,069,252,711,334	912,999,691,009
Other expenses in cash	68,174,111,958	63,999,306,749
	4,722,481,302,702	3,732,015,948,634

39. FINANCIAL INSTRUMENTS

The types of financial instruments of the Company:

	Carrying amount			
	31/12/2021		01/01/2021	
	Original Cost	Provision	Original Cost	Provision
	VND	VND	VND	VND
Financial Assets				
Cash and cash equivalents	135,866,626,171	-	167,783,353,561	-
Trade and other receivables	826,317,591,431	(10,685,637,512)	672,639,767,301	(10,466,019,508)
Loans	-	-	100,000,000,000	-
Short term investment	55,260,082,595	(2,053,009,625)	12,153,038,334	-
	1,017,444,300,197	(12,738,647,137)	952,576,159,196	(10,466,019,508)

	Carrying amount	
	31/12/2021	01/01/2021
	VND	VND
Financial Liabilities		
Borrowings and debts	1,978,098,126,302	1,704,900,011,088
Trade and other payables	665,733,635,773	563,660,381,015
Accrued expenses	18,199,874,070	9,639,978,866
	2,662,031,636,145	2,278,200,370,969

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

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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 bears price risk of equity instruments from short-term and long-term investments in securities due to the uncertainty of future prices of the securities. As regards, long-term securities held for long-term strategies, at the end of the fiscal year, the Company has no plan to sell these investments.

	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2021				
Short term investment	53,207,072,970	-	-	53,207,072,970
	<u>53,207,072,970</u>	<u>-</u>	<u>-</u>	<u>53,207,072,970</u>
As at 01/01/2021				
Short term investment	12,153,038,334	-	-	12,153,038,334
	<u>12,153,038,334</u>	<u>-</u>	<u>-</u>	<u>12,153,038,334</u>

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).

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	Under 1 year	From 1 to 5 years	From more than 5 years	Total
	VND	VND	VND	VND
As at 31/12/2021				
Cash and cash equivalents	135,866,626,171	-	-	135,866,626,171
Trade and other receivables	791,940,734,273	2,656,949,195	21,034,270,451	815,631,953,919
Loans	-	-	-	-
	<u>927,807,360,444</u>	<u>2,656,949,195</u>	<u>21,034,270,451</u>	<u>951,498,580,090</u>
As at 01/01/2021				
Cash and cash equivalents	167,783,353,561	-	-	167,783,353,561
Trade and other receivables	642,676,077,633	1,455,649,195	18,042,020,965	662,173,747,793
Loans	100,000,000,000	-	-	100,000,000,000
	<u>910,459,431,194</u>	<u>1,455,649,195</u>	<u>18,042,020,965</u>	<u>929,957,101,354</u>

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 31/12/2021				
Borrowings and	1,619,914,955,628	358,183,170,674	-	1,978,098,126,302
Trade and other payables	665,037,696,573	695,939,200	-	665,733,635,773
Accrued expenses	18,199,874,070	-	-	18,199,874,070
	<u>2,303,152,526,271</u>	<u>358,879,109,874</u>	<u>-</u>	<u>2,662,031,636,145</u>
As at 01/01/2021				
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
	<u>1,967,648,644,619</u>	<u>310,551,726,350</u>	<u>-</u>	<u>2,278,200,370,969</u>

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.

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 2021

Consolidated Financial Statements

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

a) Proceeds from borrowings during the year

	Year 2021	Year 2020
	VND	VND
Proceeds from ordinary contracts	5,475,039,089,292	3,696,008,324,811
Proceeds from ordinary bond issues	896,895,216	210,059,405,718

b) Actual repayment on principal during the year

	Year 2021	Year 2020
	VND	VND
Repayment of Principal under a regular contract	5,140,837,869,294	3,915,611,528,292
Realised exchange gain	1,227,244,152	443,595,375
Repayment of Principal Regular bond	61,900,000,000	74,588,000,003

41. 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 Consolidated Financial Statements.

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For the fiscal year ended as at 31 December 2021

42. SEGMENT REPORTING

Under business fields

	Stone business		Wood business		Real estate		Trading and Services		Total from all segments		Elimination		Grand Total	
	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND	VND
Net revenue from	1,444,087,618,189	3,436,036,235,410	511,545,845,234	1,100,279,341,898	6,491,949,040,731	-	6,491,949,040,731	-	6,491,949,040,731	-	-	-	-	6,491,949,040,731
- Domestic	887,151,352,135	474,956,243,783	511,545,845,234	1,100,279,341,898	2,973,932,783,050	-	2,973,932,783,050	-	2,973,932,783,050	-	-	-	-	2,973,932,783,050
- Export	556,936,266,054	2,961,079,991,627	-	-	3,518,016,257,681	-	3,518,016,257,681	-	3,518,016,257,681	-	-	-	-	3,518,016,257,681
Cost of goods sold	1,055,932,087,353	2,635,063,260,099	303,803,179,243	1,044,530,059,896	5,039,328,586,591	-	5,039,328,586,591	-	5,039,328,586,591	-	-	-	-	5,039,328,586,591
Net profit from business activities	388,155,530,836	800,972,975,311	207,742,665,991	55,749,282,002	1,452,620,454,140	-	1,452,620,454,140	-	1,452,620,454,140	-	-	-	-	1,452,620,454,140
Total cost of acquisition of fixed assets	156,513,162,109	336,569,037,270	-	1,173,851,309	494,256,050,688	-	494,256,050,688	-	494,256,050,688	-	-	-	-	494,256,050,688
Segment assets	2,559,038,416,276	2,818,149,276,110	748,511,392,097	159,932,575,603	6,285,631,660,086	(871,177,489,080)	5,414,454,171,006	-	5,414,454,171,006	-	-	-	-	5,414,454,171,006
Assets not allocated	-	-	-	-	16,424,116,071	-	16,424,116,071	-	16,424,116,071	-	-	-	-	16,424,116,071
Total assets	2,559,038,416,276	2,818,149,276,110	748,511,392,097	159,932,575,603	6,302,055,776,157	(871,177,489,080)	5,430,878,287,077	-	5,430,878,287,077	-	-	-	-	5,430,878,287,077
Segment liabilities	1,496,808,308,805	1,745,615,705,029	569,074,753,056	60,697,909,407	3,872,196,676,297	(871,177,489,080)	3,001,019,187,217	-	3,001,019,187,217	-	-	-	-	3,001,019,187,217
Liabilities are not allocated	-	-	-	-	39,125,148,853	-	39,125,148,853	-	39,125,148,853	-	-	-	-	39,125,148,853
Total liabilities	1,496,808,308,805	1,745,615,705,029	569,074,753,056	60,697,909,407	3,911,321,825,150	(871,177,489,080)	3,040,144,336,070	-	3,040,144,336,070	-	-	-	-	3,040,144,336,070

43. TRANSACTION AND BALANCES WITH RELATED PARTIES

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

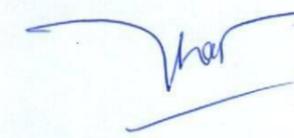
First and last name	Position	Year 2021		Year 2020	
		VND		VND	
- Mr.Le Vy	Chairman of the Board of Directors	1,540,400,000		1,411,700,000	
- Mr.Le Van Thao	Vice Chairman of the Board of Directors cum General Director	1,449,778,970		1,475,249,805	
- Mr.Phan Quoc Hoai	Member of the Board of Directors cum Deputy General Director	917,000,000		845,485,042	
- Mr.Tran Thanh Cung	Member of the Board of Directors cum Deputy General Director	879,050,000		738,086,172	
- Mr.Nguyen Sy Hoe	Member of the Board of Directors cum Deputy General Director	1,246,171,420		939,575,009	
- Mr.Le Van Loc	Member of the Board of Directors	948,653,245		758,004,248	
- Mr.Do Xuan Lap	Member of the Board of Directors	170,400,000		141,540,672	
- Mr.Tran Huu Duc	Member of the Board of Directors	170,400,000		141,540,672	
- Mrs. Nguyen Thi My Loan	Chief accountant	529,199,000		625,829,840	

In addition to the related parties with transactions and balances as mentioned above, other related parties did not have any transactions during the year and balance at the end of the financial year with the Company.

44. COMPARATIVE FIGURES

The comparative figures are figures in the Consolidated Financial Statements for the fiscal year ended as at 31 December 2020, which was audited by AASC Auditing Firm.

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 21 March 2022

General Director



LÊ VĂN THẢO

Under geographical areas	Binh Dinh		Dong Nai		Ho Chi Minh City		Da Nang		Phu Yen and Ninh Thuan		Exclusion		Grand Total	
	VND		VND		VND		VND		VND		VND		VND	
Net revenue from	4,322,796,396,562	1,073,962,956,949	240,143,597,429	701,462,386,495	153,583,703,296	6,491,949,040,731	-	-	-	-	-	-	-	-
- Domestic	1,857,285,020,846	21,458,074,984	240,143,597,429	701,462,386,495	153,583,703,296	2,973,932,783,050	-	-	-	-	-	-	-	-
- Export	2,465,511,375,716	1,052,504,881,965	-	-	-	3,518,016,257,681	-	-	-	-	-	-	-	-
Total cost of acquisition of fixed assets	469,450,634,596	5,949,496,472	-	1,173,851,309	17,682,068,311	494,256,050,688	-	-	-	-	-	-	-	-
Segment assets	4,372,445,211,083	854,793,274,083	5,670,084,080	86,596,032,717	248,433,990,043	5,414,454,171,006	(153,484,421,000)	-	-	-	-	-	-	-
Assets not allocated	-	-	-	-	-	16,424,116,071	-	-	-	-	-	-	-	-
Total assets	4,372,445,211,083	854,793,274,083	5,670,084,080	86,596,032,717	248,433,990,043	5,430,878,287,077	(153,484,421,000)	-	-	-	-	-	-	-
Segment liabilities	2,416,635,128,232	555,025,514,033	956,268,711	14,197,717,318	167,688,979,923	3,001,019,187,217	(153,484,421,000)	-	-	-	-	-	-	-
Liabilities are not allocated	-	-	-	-	-	39,125,148,853	-	-	-	-	-	-	-	-
Total liabilities	2,416,635,128,232	555,025,514,033	956,268,711	14,197,717,318	167,688,979,923	3,040,144,336,070	(153,484,421,000)	-	-	-	-	-	-	-

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



PHU TAI JOINT STOCK COMPANY

ANNUAL REPORT 2021

Bình Định, April 12, 2022

**CONFIRMATION OF THE LEGAL REPRESENTATIVE
CHAIRMAN OF THE BOARD OF DIRECTORS**

LE VY