



PHU TAI JOINT STOCK COMPANY



ANNUAL
REPORT

2022

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OPERATIONAL MOTTO

CREATIVE

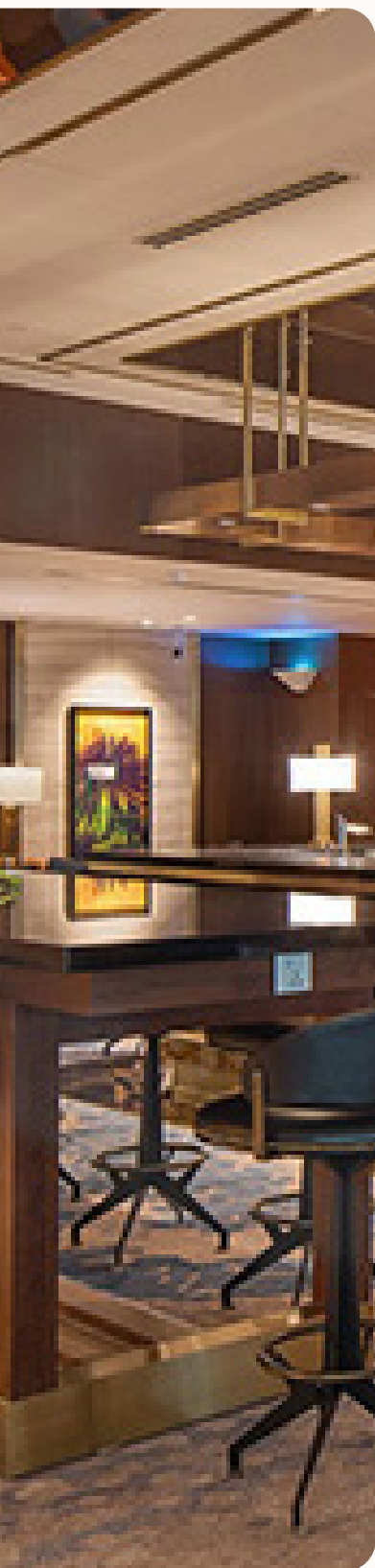
SPEED

SUSTAINABLE

PHU TAI JOINT STOCK COMPANY

Trading name in Vietnamese	: Công ty Cổ phần Phú Tài.
Certificate of Enterprise registration no	: 4100259236 issued by Binh Dinh Department of Planning and Investment for the first time on December 30, 2004, amended for the 26th time on June 15, 2022
Charter capital	: 680,384,030,000 VND.
Owner's Equity	: 2,761,260,561,125 VND.
Address	: No. 278 Nguyen Thi Dinh, Nguyen Van Cu ward, Quy Nhon, Binh Dinh province.
Telephone	: (0256) 3847 668.
Fax	: (0256) 3847 668.
Website	: http://phutai.com.vn/
Stock ticker	: PTB.
Trading exchange	: HOSE.
LOGO	:





1996 The Ministry of Defense officially established Phu Tai Company directly under the Military Region High Command (Decision No. 482/QD-QP) by consolidating enterprises and production units: Enterprise 380; Enterprise 224; An Truong construction material production enterprise; Fleet; Representative Office of Da Nang; Ho Chi Minh City Representative Office.

2000 -The Military Region High Command revised the organizational structure of the staff of Phu Tai Company (Decision 125/QD-QK), including the Company's body and 08 member units: Enterprise 380, Enterprise 224, Enterprise 991, Thang Loi Enterprise, Construction stone production and agro-industrial plantation team, Transport and mechanical repair team, Representative office in Ho Chi Minh City, Branch in Thanh Hoa.
- Contributing capital to establish Toyota Da Nang - Phu Tai Company.

2004 -The Minister of Defense decided to transform Phu Tai Company directly under Military Region 5 into Phu Tai Joint Stock Company (Decision No. 150/2004/QD-BQP). Contributing capital to establish Wood Processing Factory Company's branch in Dong Nai province.
- Establishing stone production team in Dinh Binh

2005 - The Minister of Defense decided that Phu Tai Joint Stock Company officially operated in the form of a Joint Stock Company from January 1, 2005 (Decision No. 150/2004/QD-BQP). Phu Tai Joint Stock Company included the Company body and 06 member units: Enterprise 380, Enterprise Toyota Da Nang, Thang Loi Enterprise, Company's branch in Dong Nai province, Nhon Hoa construction stone production and agro-industrial plantation team, Representative office in Ho Chi Minh City.
- Constructing Tiling Stone Processing Factory in Quy Nhon.
- Constructing Office buildings of Phu Tai Joint Stock Company

2006 Contributing capital to establish a Branch of Phu Tai Joint Stock Company in Gia Lai.

2007 - Building a branch of Phu Tai Joint Stock Company - Bazal and granite processing factory in Dak Nong province.
- Constructing and relocating Thang Loi Enterprise - A branch of Phu Tai Joint Stock Company.
- Contributing capital to establish Quy Nhon Branch – Toyota Da Nang Enterprise - Phu Tai Joint Stock Company.
- Acquiring controlling shares of Phu Yen Construction Materials Joint Stock Company



2017 - Contributing capital to establish Phu Cat Wood Processing Factory - Branch of Phu Tai Joint Stock Company.
- Acquiring land and land-attached assets from VRG Binh Dinh Stone Granite Joint Stock Company.
- Contributing capital to establish Dien Tan Tiling Stone Processing Factory - Branch of Phu Tai Joint Stock Company.
- Transforming 01 branch into a subsidiary with 100% charter capital owned by the Parent Company: Phu Tai Dong Nai Company Limited.
- Acquiring 70% stake of Granite Production Company - Granida Company Limited.

2016 - Acquiring controlling shares of ViNa G7 Joint Stock Company.
- Contributing capital to establish Tiling Stone Processing Factory in Binh Dinh province - Branch of Phu Tai Joint Stock Company.
- Contributing capital to establish Tiling Stone Processing Factory in Hung Yen province - Branch of Phu Tai Joint Stock Company.

2015 - Contributing capital to establish Universal Stone Joint Stock Company
- Contributing capital to establish Tiling Stone Processing Factory in Dong Nai province - Branch of Phu Tai Joint Stock Company.

2014 - Constructing Office buildings of Enterprise 380.
- Expanding Wood Processing Factory of Thang Loi Enterprise - Phu Tai Joint Stock Company.

2013 Acquiring 100% Charter capital of Tuan Dat Minerals Company Limited.

2012 Expanding Toyota Da Nang Enterprise - Phu Tai Joint Stock Company.

2011 Officially becoming a listed company - a new step to develop - May 20, 2011. Shares of Phu Tai Joint Stock Company were officially listed and traded on Ho Chi Minh City Stock Exchange with PTB as a stock sticker.

2008 Building a branch of Phu Tai Joint Stock Company - granite processing Enterprise in Khanh Hoa province.

Journey of development

2018

- Establishing Phu Tai Real Estates Company Limited.
- Acquiring 100% Charter capital of Thanh Chau Phu Yen Granite Company Limited.
- Establishing Phu Tai Ninh Thuan Stone Joint Stock Company.
- Establishing a Branch of Phu Tai Joint Stock Company - Khanh Hoa Stone Exploiting Enterprise.
- Establishing a Branch of Phu Tai Joint Stock Company - Binh Dinh Stone Exploiting Enterprise.
- Establishing a Branch of Phu Tai Joint Stock Company - Long My Stone Processing Factory.
- Establishing Phu Tai Quartz Company Limited.

2019-2020

- Establishing Phu Tai Quartz Company Limited.
- Acquiring 99% Charter capital of Son Phat Trading and Manufacturing Company Limited.

2021

- Establishing Phu Tai Yen Bai Stone Company Limited – A subsidiary with 100% charter capital owned by Phu Tai Joint Stock Company. (As disclosed on 09/12/21).
- Merging the status quo of Phu Tai Joint Stock Company Branch - Phu Cat Wood Processing Factory into Phu Tai Binh Dinh Wood Company Limited. (As disclosed on 28/12/21).

2022

Announcement to increase the maximum foreign ownership to 25%; On April 16, 2022, Phu Tai Company (PTB) issued nearly 19.44 million shares to pay dividends for the year 2021. The issuance rate was 40%, i.e., each shareholder owning 100 shares would receive 40 new shares. Total par value was VND194.4 billion. Then, the Owner's equity increased to VND680,384,030,000, equivalent to 68,038,403 shares.



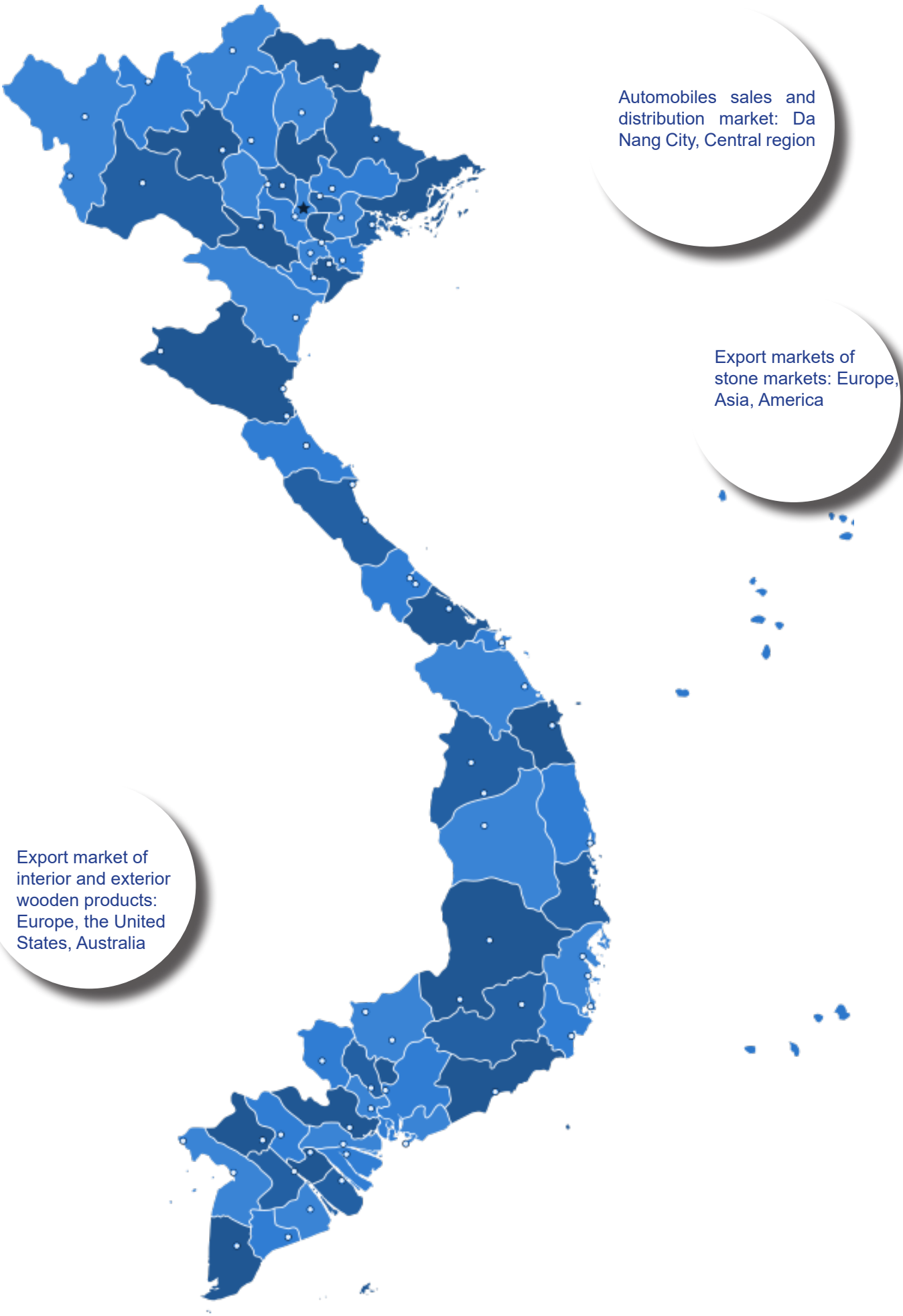
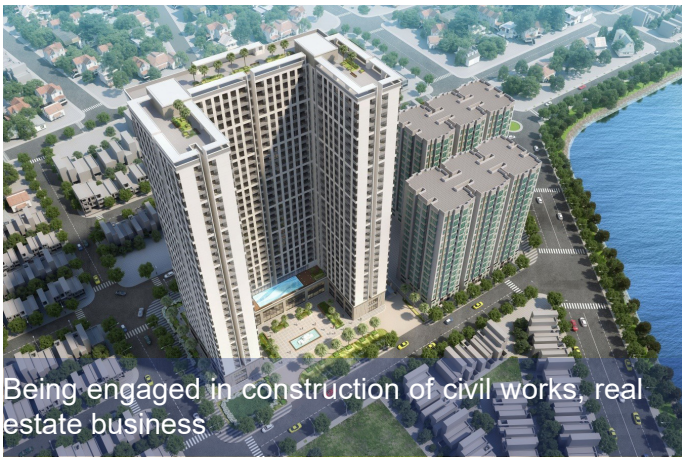
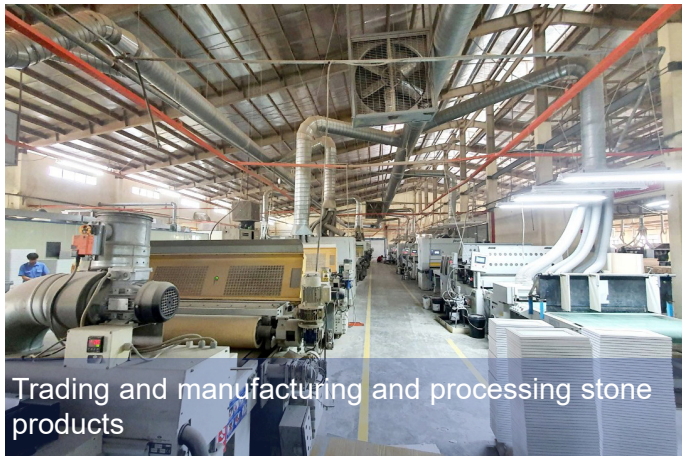
Outstanding achievements

Outstanding achievements: With the achievements obtained after more than 10 years after the equitization, the Company was awarded many prizes by the Government, departments and ministries, Military Region 5 High Command, and the local government where the Company's units resided such as the Emulation Flag, Certificate of Merit for production and business activities and social contribution.

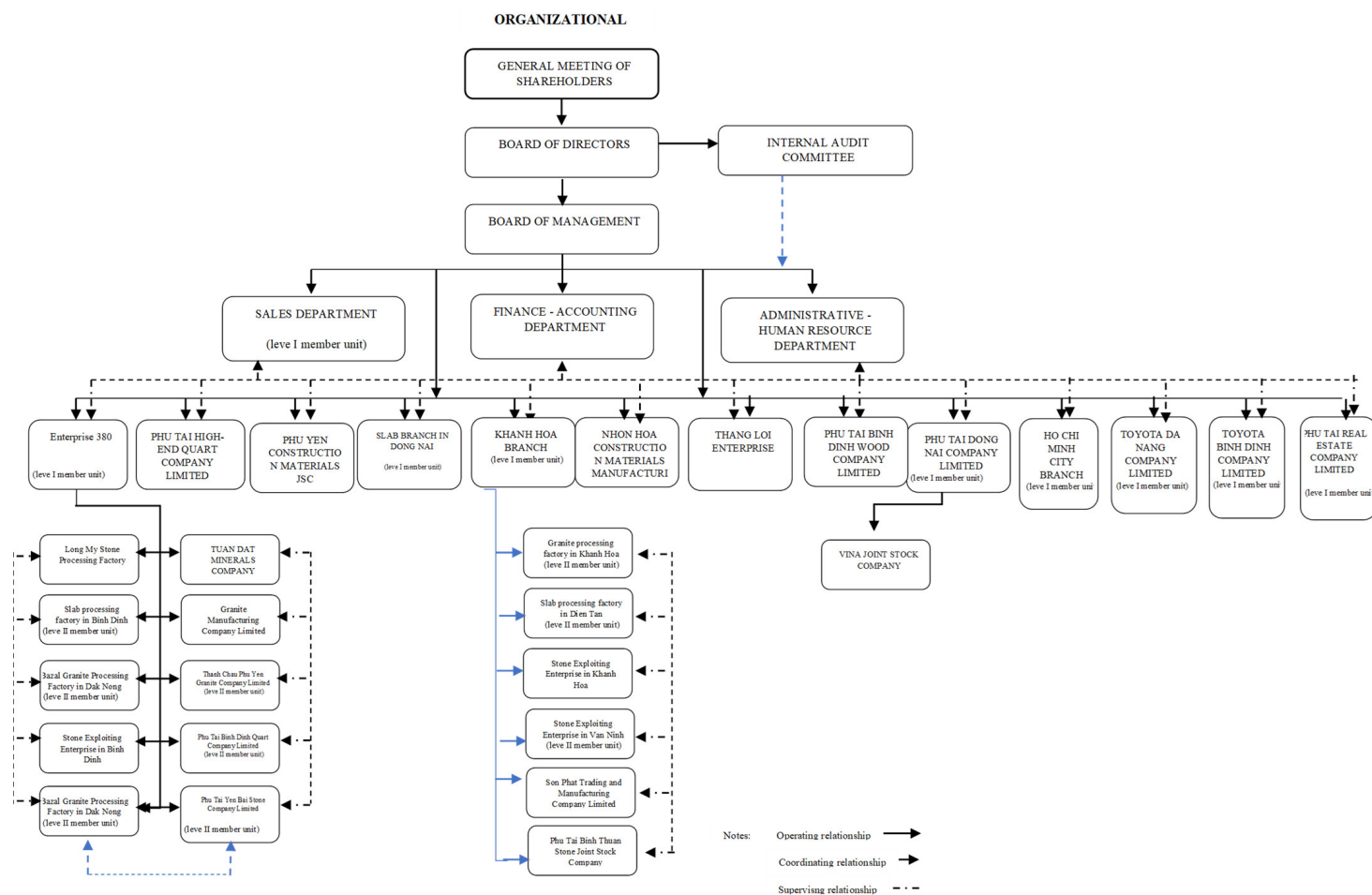
Year	Awards
2007 – 2020	Top 500 largest enterprises in Vietnam.
2011 – 2020	Top 1000 corporate income taxpayers in Vietnam.
2004 – 2020	Reliable export enterprise in Vietnam.
2022	On December 1, Top 500 largest enterprises in Vietnam in 2022, ranked 199th, operating in construction materials production and trading;



Business lines and location



Governance model
business organization and management



General meeting of shareholders

The supreme body with the highest competence of Phu Tai JSC. The General Meeting of Shareholders' rights and duties are to approve development orientations, decide on production and business plans; on amendment and supplementation to the Company's charter capital; election, and dismissal of members of the Board of Directors and the Board of Supervisors from duty; and on the reorganization and dissolution of the Company, and other rights and duties in accordance with the Company's Charter.

The Board of Directors

The Board of Directors consists of 08 members; with 04 executive members and 02 independent members. The Board of Directors convened meetings to discuss issues related to the Company's development strategies, production and business plans, dividend payment policy, and other important issues. The Board of Directors held quarterly meetings to review the Company's quarterly performance and discuss issues within the authority of the Board of Directors. Irregular meetings of the Board of Directors will be convened where necessary. The Board of Directors is always kept updated in an accurate and timely manner about the Company's production and business performance in the meetings. This information is prepared by the Board of Management and the Secretary of the Board of Directors.

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 plan and investment plans approved by the Board of Directors and the General Meeting of Shareholders; To make decisions on what fails to require a decision of the Board of Directors, including signing financial and commercial contracts on behalf of the Company, and organizing and operating the Company's day-to-day business activities in accordance with the best management practices; To propose to the Board of Directors the organizational structure plan, and internal regulations of the Company management; To propose measures to improve the Company's operation and management; To recommend the quantity and Enterprise executive that the Company needs to recruit for the Board of Directors to appoint or dismiss in accordance with the internal regulations and recommend the remuneration, salary and other benefits granted to the enterprise executives for the Board of Directors to make decision;

To consult with the Board of Directors before making decision on the number of employees, salaries, allowances, benefits, appointment, dismissal and other terms and conditions relating to their labor contracts; frequently exchange information with the Board of Directors about the Company's production, trading, investment and other necessary issues. To report the Company's business and production and investment outcomes; To formulate monthly, quarterly action plans at the request of the Board of Directors; Other rights and obligations in accordance with laws, this Charter, internal regulations of the Company, the resolutions of the Board of Directors, and labor contracts signed with the Company.

Subsidiaries and affiliates & dependent units:

Subsidiaries

No.	Company name	Main business lines	Percentage of holding
1	Phu Yen Construction Materials Joint Stock Company	Khai thác, chế biến đá ốp lát, đá xây dựng, cát xay.	50.65%
2	Tuan Dat Minerals Company Limited	Khai thác, chế biến đá.	100%
3	Universal Stone JSC	Kinh doanh, chế biến đá.	60%
4	Granite Producing Company Limited	Exploiting and processing stones	70%
4	Granite Producing Company Limited	Exploiting and processing stones	100%
6	Công ty TNHH MTV Đá Thạch anh cao cấp Phú Tài	Producing, processing stones	100%
7	Son Phat Trading and Producing Company Limited	Exploiting and processing stones	99%
8	Vina G7 JSC	Exploiting, trading, process wood	75%
9	Phu Tai Dong Nai Company Limited	Exploiting, trading, processing, wood	100%
10	Toyota Da Nang Company Limited automobiles.	Buying and Selling, repairing	100%
11	Toyota Binh Dinh Company Limited	Buying and Selling, repairing automobiles.	100%
12	Phu Tai Real Estates Company Limited	Trading Real estates	100%
13	Phu Tai Binh Dinh Wood Company Limited	Producing beds, wardrobe, chairs.	100%
14	Phu Tai Ninh Thuan Stone Joint Stock Company	Producing, processing stones	98%
15	Phu Tai Binh Dinh Quartz Company Limited	Producing, processing stones, and stone powder	100%
16	Phu Tai Yen Bai Stone Company Limited	Exploiting and processing stones.	100%

Dependent units

No.	Company name	Main business lines
1	Enterprise 380	Producing and Trading stone products.
2	Granite – Basalt processing factory in Dak Nong	Exploiting and processing stones.
3	Tiling Stone Processing Factory in Dong Nai province	Stone processing and trading.
4	Phu Cat tiling stone processing factory	Stone processing and trading.
5	Granite processing factory in Khanh Hoa province	Exploiting and processing stones.
6	Dien Tan Tiling Stone Processing Factory	Exploiting and processing Granite.
7	Tiling Stone Processing Factory in Hung Yen	Processing and trading stones.
8	Long My Stone Processing Factory	Processing Granite
9	Nhon Hoa Construction materials producing enterprise	Exploiting and processing stones
10	Thang Loi Enterprise	Producing and Trading wooden products.
11	Phu Cat Wood Processing Factory	Producing and Trading wooden products.
12	Ho Chi Minh Branch	Producing and Trading wooden products.
13	Binh Duong Branch	Producing and Trading stone products.
14	Tiling Stone Processing Factory in Binh Dinh	Stone processing and trading.
15	Binh Dinh Exploiting Enterprise	Exploiting and processing stones.
16	Khanh Hoa Exploiting Enterprise	Exploiting and processing stones.
17	Dak Nong Exploiting Enterprise	Exploiting and processing stones.

Development orientation

Company's main objectives

With the action motto of being “**CREATIVE - SPEED - SUSTAINABLE**”.

The immediate goal is to focus on successfully implementing production and business tasks set out for the year 2023, creating a favorable premise for the following years. On annual basis, the Company will revise its production and business targets in consistency with the Company's situation and the overall business environment.

- 1 Developing a Joint Stock Company with a suitable and effective business apparatus to grow stably and sustainably.
- 2 Preserving and strengthening the value of the Company, guaranteeing the interests of shareholders, and stabilizing jobs and incomes for its employees.
- 3 Exploiting and making effective use of the resources for production and business, improving business performance.

Medium and long-term development strategies

Thoroughly implementing medium and long-term development plans in a synchronous and timely manner among all levels of management of member units and employees throughout the Company, ensuring consistency in the policy of implementing the goals to build: “the Company of sustainable development” in any situation when there is any adverse impact from the business environment.

Focusing and prioritizing the shift from investment to scale up to investment to in-depth exploit by investing in market activities, improving the quality of human resources, and applying in-depth business and production management solutions, thereby speeding up the effective exploitation of invested projects.

Complying with laws on business activities, finance - accounting, and fully implementing social insurance regime for the employees across the Company.

Making proper investments in human resources through recruitment, training, improving the quality of the human resources, and implementing reasonable remuneration to attract high-quality personnel to meet developmental requirements. Ensuring the interests of the shareholders to make long-term investments and attract new investors to the Company.

Implementing environmentally sustainable solutions, treating industrial waste in accordance with regulations, strictly implementing occupational safety, fire and explosion prevention, and safety in the management and use of explosives.



Development orientation

The Company's sustainable development goals (to the environment, society, and community)

Environmental objective:

The Company's Leaders and Managers have always shown their special interest in environmental protection and is committed to minimizing the environmental impacts caused by the Company's operations with the aim of pollution prevention, complying with the law, and making its best efforts to improve the Company's environment and the whole community's, which are demonstrated through the following objectives:

- 1 Making efficient use of the resources and implementing the solutions to save energies such as electricity and water to minimize the environmental impacts.
- 2 Taking the best measures in waste management and treatment, limiting all impacts of production and business activities on the surrounding environment through the classification and treatment of each type of waste.
- 3 Fully complying with regulations on environmental protection as well as the State's environmental standards by environmental monitoring reports, reports of environmental permit compliance, and reports of the implementation of groundwater use to send to the Department of Natural Resources and Environment in accordance with the regulations.
- 4 In 2022, hazardous waste was collected, classified, and stored in a covered hazardous waste warehouse where different types of waste were kept in labeled different containers with warning signs and equipment in response to incidents, and their structure complying with the regulations issued by the Ministry of Natural Resources and Environment on hazardous waste management.



Societal and Community objectives:

- The Company understands that the success of the business today is not only to achieve the goal of maximizing profits and shareholders' interests but also to create and bring sustainable values to the community and society. Sustainable business development is an important foundation to contribute to the national prosperity.
- In pursuit of the sustainable development goal for the benefit of the community, the Company is aware that the fulfillment of corporate social responsibilities is not only an extra thing to contribute to society and the community but also plays a role as a strategy to develop, meet the needs of customers in the new era. Therefore, it is committed by the Company to continuing to maintain and promote the implementation of responsibilities towards society, the community, and the employees through regular and practical activities.
- The Company always focuses on performing social responsibility, and community-oriented activities such as giving houses of gratitude, caring family under a preferential treatment policy, returning the favor, and helping disadvantaged people in the area where the Company resides.

Economic risk

Our country's socio-economic development in 2022 took place in the context of the world economy encountering many rapid and unpredictable changes, increasing risks to the financial market, currency, energy security, and global food security. However, Vietnam's GDP in 2022 still recorded a high increase of 8.02% year over year which is the highest increase in the period 2011-2022. In particular, the agricultural, forestry, and fishery sector increased by 8.02% year over year, contributing 5.11%; the industry and construction sector increased by 7.78%, contributing 38.42%; The rest of the indexes of other industries all grew at a stable rate, besides, the industry in 2022 was estimated to increase by 7.8% year over year with many of the key components enjoyed high growth points.

The rapid weakening of world aggregate demand put direct impacts on the domestic production and business activities. Specifically, as a highly open economy, as a matter of fact, Vietnam, has been facing pressure to control prices, interest rates, and exchange rates in the tendency of global escalating inflation and tight monetary policies of the central banks around the world. In addition, micro-stability and ensuring large domestic balances also made it exposed to many risks in the world economic trend experiencing a time of slow growth. Even, some major economies even fell into a short-term local recession.

As a large-scale business with the ability to export goods accounting for more than half of its net revenue, the stability of the world economy in general and Vietnam's economy, in particular, will affect PTB revenue.

Currently, many trade agreements were signed and come into effect, such as the EU-Vietnam Free Trade Agreement (EVFTA) or the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). These are all related to forestry, automobile, and import and export in general. For the whole year of 2022, the total export and import turnover reached USD371.85 billion and USD360.65 billion, respectively, equivalent to an increase of 10.6% and an increase of 8.4% year over year, which could be seen as the impressive figure in recent years.

Specifically, the main export markets of Vietnam's wooden furniture and forest products have shown positive signs of recovery and continued to grow: The US, Japan, China, EU, and South Korea with a total export value of USD15.48 billion, accounting for 91% of the total export value of this group of products. Besides, the index of industrial production (IIP) in 2022 increased by 7.8% year over year, the index of industrial production increased again, showing that the recovery trend is becoming clearer day by day.

In the three core business areas of the Company. The wood industry currently accounts for the majority of revenue and is also the industry directly affected by changes in the financial market and the macroeconomic situation. Amid such complicated developments in the world economy, it is forecasted that Vietnam's economy in 2023 should be influenced by more factors, the degree of monetary and political tightening in the world, etc. To new challenges, the Company will take the initiative to adapt, along with the experiences in 2022 to ensure sustainable development of production and business activities for the year 2023.

Interest rate risks

The current USD loan interest rate ranges from 6% - 6.5%/year depending on the term. By the end of 2022, deposit interest rates for terms from 6 months to less than 12 months mostly fluctuated at 6.1% - 8.3%/year, with some banks mobilizing deposits with an amount of VND1 billion or more at interest rates up to 11%/year. By and large, compared to the end of 2021, the current deposit interest rate level of the banking system increased by about 3% - 4% for terms longer than 6 months and longer than 12 months. Banks' lending interest rates tended to increase by the end of the year. As a matter of fact, the Company is exposed to interest rate risk because the fair value of future cash flows of a financial instrument will fluctuate when the market interest rates change if the Company mobilizes term or demand deposits, is engaged in loans, and debt bearing floating interest rates. As at December 31, 2022, the Company's loans accounted for more than 47% of its total resources with mainly short-term borrowings, so in the short term, any fluctuations in lending interest rates imposed by the commercial banks will put direct effect on its production and business. If the interest rate increases, the Company's interest expenses will increase, thereby reducing its net profit. Hence, it always pays attention to risk management by monitoring and analyzing the competitive situation in the market to enjoy interest rates that is favorable for the Company.



Term deposit rate

6.1%-8.3%

/ Year

Foreign exchange rate risk

In 2022, there was a time when the VND/USD exchange rate depreciated by 7-8% year over year, due to the non-stop interest rate hikes since the end of the first quarter of 2022 applied by the US Federal Reserve (US Federal Reserve) which triggered the green paper's biggest rally over years, causing the USD Index to a two-decade high. Under continuously increasing pressure, in order to maintain the stability of the exchange rates, the State Bank of Vietnam (SBV) adopted synchronously and flexibly tools such as: Foreign exchange reserves, interest rate increase, etc.

The demand for raw materials and products servicing a manufacturing company is always attached importance to, finding solutions for cost optimization is also a way to increase its profits. In addition, most of the input materials are imported, so exchange rate volatility will directly affect the Company's business outcomes. However, the Company is also engaged in export activities, so its inflows of foreign currencies help it balance, prevent and minimize risks from exchange rate fluctuations. Besides, the Company has kept regular track of the changes in the exchange rate to take effective measures to protect against this risk.



USD/VND exchange rate

7%-8%

year over year

Industry specific risk

1 Trading, processing wood

Vietnam’s wood processing industry enjoyed a prosperous start when the export value of wood increased in the first half of 2022. However, the gloomy picture covered the industry in the last months of the year when the furniture industry and export in the last 6 months of the year were more negatively affected than other wooden products, which was due to the inflationary influence in many countries including the US and Europe, the main export market of Vietnam in general and Phu Tai in particular. However, the businesses in Vietnam’s wooden furniture manufacturing industry have been making constant endeavors to find markets for the products, taking initiative to exploit and expand their export markets. In addition, Vietnam seized the opportunity to increase its export market share while China’s wood production and export activities were interrupted due to the prolonged Covid-19 epidemic and the implementation of “Zero Covid” policy.

In addition, the wood processing industry in the current period is still subject to regular control over the use of illegally logged timber such as the Lacey Act of the United States; EU Timber Regulation (EUTR); The FLEGT Voluntary Partnership Agreement (VPA) in order to strengthen the management and law enforcement on imported and exported wooden products, focusing on the forestry trading safety when being exported to the US and European countries. This requires wood production Companies to strictly control the source of exploited timber, ensure product quality, and provide their customers and suppliers with adequate information, documents, and related permits, otherwise, they will be exposed to the risk of orders return, stoppage, and compensation.

Wood processing and business activities still made up the highest proportion in the structure of the Company’s net revenue from selling goods and finished products, with nearly 50% in 2022. Accordingly, PTB maintained and regularly invested in its product quality management, and information management system to limit the possibility of order stoppage and compensation. Additionally, the Company also paid more information on market expansion associated with the customer restructuring process, seizing the opportunities to switch the suppliers from China to Southeast Asian countries, trade agreements between Europe and Vietnam, etc. to expand the market size.

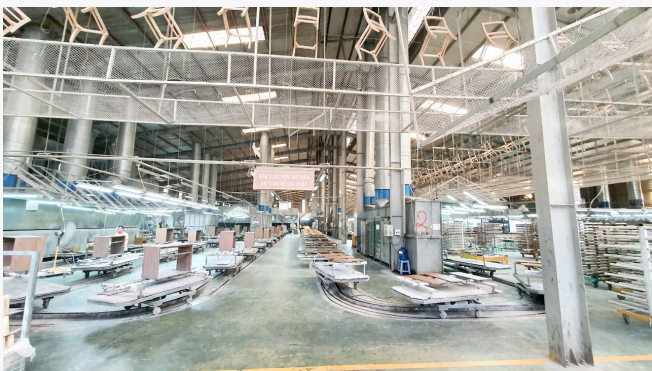
Moreover, wood processing industry has been closely connected to the forestry. The preservation of forests, especially upstream protection forests, is a matter of vital importance to the area itself. Illegal logging, making full use of forests, fire, etc. which narrowed the forest area will cause flash floods, soil erosion, and environmental pollution; additionally, caused difficulties for the Company’s production and business activities. Therefore, PTB has been always concerned with and supported, encouraged the forest enlargement.



2 Exploiting, trading construction stones, tiling stones

The mining industry is directly affected by national resource management in general and businesses in particular. Vietnam has always been on the list of the countries with a relatively low resource governance index, leading to an inefficient mining industry.

The stone mining and processing contribute more than 25% of the structure of the Company’s net revenue from selling goods and finished products in 2022. The input materials are mainly stones that are exploited by the Company. They are diverse, rich in colors, and limited, so the Company always attaches importance to selecting products to market.



Mining costs are always a great concern for most businesses in stone mining in general and Phu Tai in particular. Mining costs may increase due to many impacts such as: inflation, government policies related to capital construction investment and resource exploitation, geo-political uncertainty, or the trade remedy policy adopted by the countries importing the Company’s stone products...which all affect the growth target set out.

In order to mitigate this kind of risk, the Company regularly monitors the economic - social - political developments in order to save mining costs. At the same time, the Company also develops and penetrates new markets, instead of relying too much on one market, by which it could overcome the risk when the market is affected by abnormal economic - political impacts or trade remedies. Moreover, the Company has also taken initiative to ensure the supply for long-term development and guarantee the exploitation ability. PTB’s quarries currently have a very large reserve of about 53 million m3, mainly colored stone quarries of which the exploitation permits are still valid for more than 20 years. This helps the Company to be proactive and ensure the supply of raw materials for production.



3 Trading and supplying car services for Toyota

Regarding the auto industry, the competitive pressure from other brands, direct competitors, garages, and professional service chains have been increasing, which directly affects car sales and repair and maintenance service. Moreover, the development of a network of auto dealers is also becoming competitive as many new players enter the market.

In the automobile industry in Vietnam, the competition between imported cars and locally assembled cars is becoming increasingly fierce. This leads to product diversification, competitive prices, and increasingly diverse choices available to consumers, from product quality to brands. It is forecasted that the competitive pressure among the brands will become fiercer and fiercer to keep market share.



Simultaneously, it is required by the changing habits and behavior of consumers, the inevitable development of e-commerce as well as technology, and the trend of integration that the Companies in the industry must make appropriate adjustments to the size of showrooms and factories; innovate the method of approaching customers; renovate management tools; properly restructure the apparatus and implement cost management so that it can continue to operate effectively.

In the structure of the Company's net revenue from selling goods and finished products, trading and distribution of Toyota cars rank the third with more than 18%. Although Toyota is the car brand with the leading car sales volume in Vietnam in recent years, with the market penetration of new car manufacturers and the scale expansion of existing car manufacturers, the competition will become increasingly fierce.

In order to strengthen the business and provide Toyota services in the domestic and international markets, the Company further strives to modernize and deliver products and services that exceed customers' expectations; actively develops flexible sales policies, invests in improving service quality in pursuit of attracting new customers, and maintaining its market share.



Legal risk

With the operational model of a Joint Stock Company, the Company's share, as PTB ticker, has been traded on the Stock Exchange, so PTB's production and business activities are governed by Vietnamese legislation, including Enterprise Law, Investment Law, Securities Law, etc. What is more, the Company is also engaged in the real estate sector, so it will also be governed by the Land Law, the Construction Law, and so on, which will affect the market liquidity as well as the procedure time and method of capital mobilization taken by the Company.

In addition, there exists a shortage of synchronization among laws and sub-law documents, industry regulations, guidelines on regimes and policies, which has some how affected the Company's production and business activities and development orientation. The Company is exposed to the risk of lawsuits, disputes, compensation, etc. due to objective factors in the future. Therefore, it is committed by the Company to comply with current regulations; develop a standard internal management system. Not only by regularly updating changes in policies and regulations related to production and business activities, does the Company also make appropriate business development plans to minimize negative risks from the legal effects incurred by the Company.

Other risk

Besides the afore-mentioned risks, there are many other force majeure factors such as fire, natural disaster, epidemic, war, etc. These kinds of risk, when occurs, will adversely affect the Company's production and business activities and profits. Hence, the Company always take initiative to prevent and develop various measures to respond in any circumstances.



2

YEARLY BUSINESS OPERATIONAL PERFORMANCE

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Yearly Business Operational Performance:

Overall picture of the industry in 2022

Wood industry

According to the General Department of Vietnam Customs, in 2022, wood and forestry product export was estimated to reach USD16.928 Billion, 3.8% better than the targets set out, and 6.1% higher increase year over year. In which, the export of wood and wooden products was estimated at USD15.85 billion, 7% higher (the export of wooden products was estimated at USD10.9 billion, 1.3% lower year over year). Especially, the United States, China, Japan, South Korea, and EU were the five largest export markets of Vietnam wood and wooden products with total export value of approximately USD 15.5 billion, or 91% of the total value of forestry products export. Along with deep and wide integration into today's world market, Vietnam wood industry has been experiencing direct effects of these markets' volatility and downtrend.

So far, wooden furniture has always been the main export item with a high proportion, the export value of this item in the first 11 months of 2022 reached USD9.2 billion, 1.6% higher year over year. This item was mainly exported to the US market, however, the demand for importing this item in this market slowed down because of the high inflationary effect, causing consumers to tighten their spending, as a result, the overall export value of wooden furniture increased slightly in 11 months of 2022 (the export value of wooden furniture increased by 17.8% for the first 11 months of the year 2022).

In general, 2022 was considered a very difficult year for export industries in general and wood and forestry products in particular. Together with that, The technical standards, the certificate standards of wood origin, the green consumption trend set by the partners so far have been still challenges for the whole industry.



Toyota leading the market with
more than 16%
of market share

Construction Materials

The general data of the construction materials sector demonstrated a sharp increase early 2022, due to real estate projects in progress from the previous year that needed to be completed, close to the handover deadline due to a suspension in 2021 due to the epidemics, and the positive influence of real estate in 2021, by the end of the year 2022, the market was gloomy due to the shortage of finished projects, limited appearance of new projects as a consequence of the legal shortcomings and credit tightening in connection with the real estate. Especially, the construction materials "price storm" emerged, consequently, many projects fell into a state of "silently waiting".



In addition, competition in the construction materials market became more and more fierce as Vietnam has increasingly integrated deeply into the region and the world with commitments to remove taxes and cut down tax rates while there are more and more domestic material products has been suppressed by foreign ones in the home market, besides, the financial potential of businesses in the construction materials industry was not strong enough with a high ratio of loan to total investment, so the construction materials businesses were very easily hit when the financial market fluctuated. Moreover, because they lacked the financial resources to invest in modern and advanced equipment, technology, and machinery, the output and quality of products have been less competitive, especially when they integrated into the global arena, many countries with excess supply of construction materials such as Thailand, Japan, China... would boost their exports to reduce inventories, making domestic construction materials suffer from more intense competitive pressure.

Automobile industry

The Vietnamese automobile market in 2022 was extremely exciting with the sales race of the top auto brands. Entering a new normal time, the Vietnamese auto market got more exciting with a sales race among brands, with various new models launched, fiercer competition, and automobile manufacturers in need of making constant improvement and innovation.

According to sales reports of the Vietnam Automobile Manufacturers Association (VAMA), TC Motor, and Vin-Fast, in 2022, automakers sold nearly 330,000 cars of all kinds in total, demonstrating a sharp increase in comparison with the same period in 2021. Specifically, Toyota, Hyundai, and Kia made up more than one third of the total. In particular, Toyota led the market with more than 55,000 cars sold, or 16% of the market share,

followed by Hyundai with approximately 48,000 cars, or 14% of the market share. Another South Korean brand, KIA, accounted for 13% of the total market share with more than 43,000 cars sold in 2022. Although Toyota is currently leading the market, with the participation of many new car manufacturers and the extremely fast expansion of these automakers, for example, KIA grew by 73% year over year, Mazda also grew significantly by 61%, and so on, which indicated that the competition in the industry is now at a high level and may continue to be higher in the coming time.

Overall picture of PTB in 2022



In 2022, the world economic-political situation was complicated due to the tense war between Russia - Ukraine; China maintained the “Zero Covid” campaign, which negatively affected global trade, and major importers of the Company’s products, which subsequently directly affected its business performance in the year.

In which, the wood processing and export industry was at most affected due to the slowing demand. Furthermore, the consumption market of the tiling stone industry also encountered more difficulties when the cost of goods sold increased due to fluctuations in raw material prices, fuel, quality of raw materials, and so on. Moreover, the market segment of stone products faced many difficulties due to the high price competition in the domestic market and competed with imported goods. Trade and circulation were interrupted, transportation costs increased, causing production and business costs and shipping charges to go up. The real estate industry also tended to decline sharply, and the financial market’s unfavorable developments partly affected the Company’s revenue and operating expenses in the year.

However, thanks to timely policies, serious determination along with proactive flexibility, and close supervision in management, in addition to making good use of the effect of free trade agreements such as EVFTA, UKVFTA, ... subsequently created many advantages in approaching difficult markets, as well as better competed with many similar products of other countries. As a result, the Company still recognized a revenue growth in the year.



Business and production outcomes obtained in the year:

Unit: Billion dong

Targets	Năm 2021	Năm 2022	% change
Net Revenue	6,492	6,887	6.08%
Cost of Goods Sold	5.039,33	5,346.47	6.09%
Gross profit	1,453	1,540	6.02%
Operating profit	638	619	-3.05%
Other profit	12	-5	-137.48%
Earnings before tax	650	614	-5.61%
Earnings after tax	526	502	-4.46%

6.887
NET REVENUE
(UNIT: Billion dong)
Increasing by 6.08% year over year

In general, in 2022, PTB enjoyed a quite positive business year, specifically, the Company recorded an increase in its net revenue year over year, reaching VND6,887 billion, a slight increase of 6% year over year. Besides, gross profit was also VND1,540 billion, the same trend as net revenue with more than 6% year over year. However, the Company’s operating profit recorded a decrease, specifically VND619 billion, 3.05% lower than in 2021, a reverse tendency of net revenue which came from the Company suffering directly from the exchange rate volatility incurred by its import and export activities during the year; another reason was the merger of Phu Cat wood processing factory into Binh Dinh Wood Company Limited, hence, no revenue and profit were recorded for the parent company. What’s more, the Company had to recognize an expense item in connection the fired inventory on September 04, 2020; as a result, a loss was accounted for under other profit item. As a result, profit pre-tax and after-tax were VND614 billion and VND502 billion, respectively, down 5.61% and 4.46% respectively year over year.

Net Revenue structure by category

Unit: Billion dong

Components	2021	Proportion	2022	Proportion
Sale of goods, finished products	6,416	98.83%	6,775	98.39%
Stone Products	1,444	22.51%	1,711	25.25%
Wooden Products	3,436	53.55%	3,383	49.92%
Toyota	1,011	15.75%	1,261	18.62%
Sold Real estates	512	7.97%	406	5.99%
Others	14	0.22%	15	0.22%
Service Rendered	76	1.17%	111	1.61%
Toyota repairs	74	97.65%	109	98.43%
Others	2	2.35%	2	1.57%
TOTAL	6,492	100.00%	6,887	100.00%

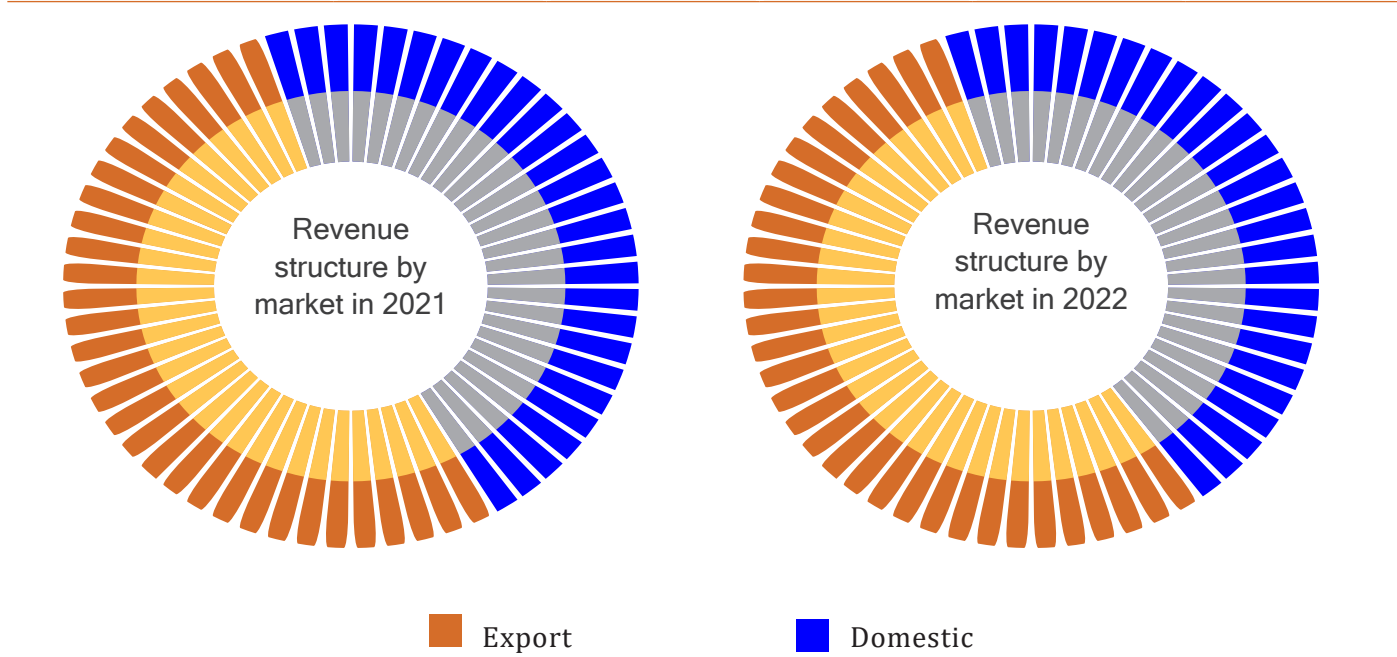
By breaking down PTB revenue in 2022, main contributor was wooden products category with the largest proportion of more than 49%, followed by stone products and the third ranking was Toyota. The remainder made up a minor proportion and maintained a stable value in the year.

The revenue generated from wooden products in the year recorded VND3,383 billion, slightly down by 1.56% year over year, which was specifically explained by the wood consumption market showing signs of slowing down during the year and the merger of Phu Cat wood factory into Binh Dinh Wood Company Limited resulting in no revenue recognized to the parent company. In contrast, revenue generated from stone products business in the year recorded VND1,711 billion, an increase of 18.47% year over year which was mainly explained by the quartz consumption market enjoying many favorable and positive changes from the third quarter of 2022, when the Company expanded its customer base through trade fairs in the US. Toyota automobile segment in the year also enjoyed many good outcomes with revenue of VND1,261 billion, an increase of 24.81% year over year thanks to the fact that in the year TOYOTA Vietnam launched new and improved products, and was well received by customers.

Revenue structure by market

Unit: Billion dong

Targets	2021	Proportion	2022	Proportion	% change
Domestic	2,973.93	45.81%	3,099.00	45.00%	4.21%
Export	3,518.02	54.19%	3,787.00	55.00%	7.65%
Total	6,491.95	100.00%	6,886.00	100.00%	6.07%



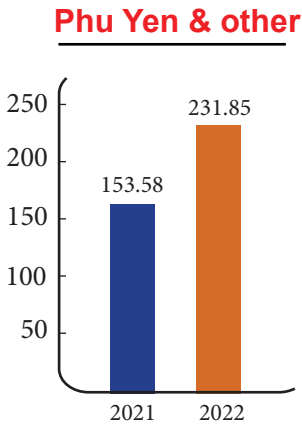
As can be seen from the above figure, the domestic-export proportion was kept at a stable level. The domestic market generated a revenue of VND3,099 billion in 2022, more than 4% higher than 2021, which was a consequence of inflation, high competition in construction materials segment, gloomy condition of real estates, and so on, hence, domestic revenue slowed down. Regarding export activities with two main items of stone and wooden products. On the one hand, the wooden product category was affected by the slowdown in consumption of wood products in major markets, and revenue and profit not being recognized due to the merger. On the other hand, the consumption market of quartz had many positive and favorable changes in the third quarter, contributing to an increase in revenue generated from stone export with a growth of more than 7%.



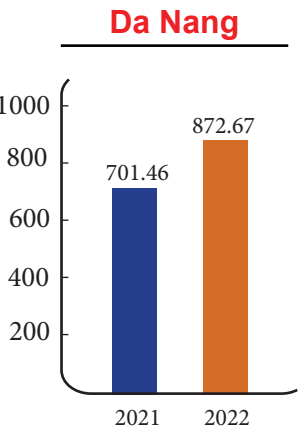
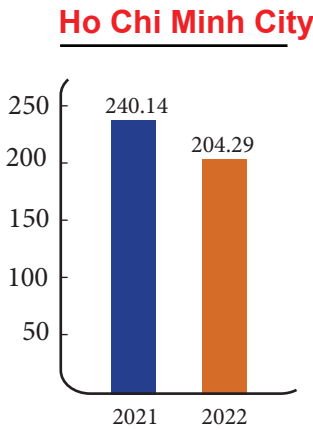
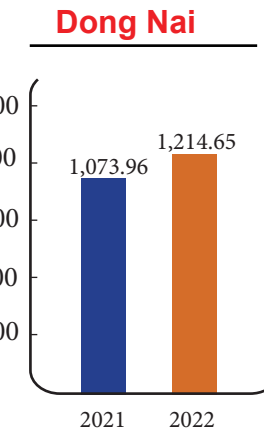
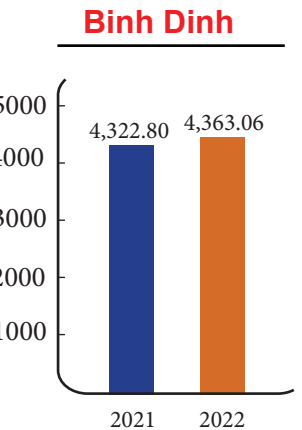
Revenue structure by geographic region

Unit: Billion dong

Targets	2021	Proportion	2022	Proportion	% change
Phu Yen & others	153.58	2.37%	231.85	3.37%	51%
Binh Dinh	4,322.80	66.59%	4,363.06	63.36%	1%
Dong Nai	1,073.96	16.54%	1,214.65	17.64%	13%
Ho Chi Minh City	240.14	3.70%	204.29	2.97%	-15%
Da Nang	701.46	10.81%	872.67	12.67%	24%
Total	6,491.94	100.00%	6,886.52	100.00%	6%



PTB's main business areas are located in provinces such as Phu Yen, Binh Dinh, Dong Nai, Ho Chi Minh City and Da Nang. In which, Binh Dinh is the leading province with the highest proportion of 63.36% of total revenue in the whole market. Followed by Dong Nai and Da Nang in 2nd and 3rd place respectively with the proportions are 17.64% and 12.67% of total market revenue, respectively. Revenues of provinces in 2022 have a slight increase, only revenue from Ho Chi Minh City decreased (however, it only accounts for a small proportion of the business structure). The main reason is that the trade activities of these provinces have returned to normal, since then the revenue of these areas has grown again.



Organization and Human Resources

List of personnel

List of the Board of Directors' members

No.	Member	Position	No. of shares individually held	Percentage of holding
1	Mr. Le Vy	Chairman	9,016,623	13.25%
2	Mr. Le Van Thao	Vice - Chairman of BoD cum General Director	5,814,860	8.55%
3	Mr. Phan Quoc Hoai	Member of BoD cum Deputy General Directors	1,186,643	1.74%
4	Mr. Tran Thanh Cung	Member of BoD cum Deputy General Directors	2,903,501	4.27%
5	Mr. Nguyen Sy Hoe	Member of BoD cum Deputy General Directors	4,187,829	6.16%
6	Mr. Le Van Loc	Member of BoD	4,168,505	6.13%
7	Mr. Do Xuan Lap	Independent Member of BoD	332,563	0.49%
8	Mr. Tran Huu Duc	Independent Member of the Board of Directors cum President of	86,951	0.13%

Changes in the Board of Directors in 2022: None

Mr. LE VY - The Board of Directors

Date of Birth	December 20, 1958
Date of Birth	December 20, 1958
Date of Birth	December 20, 1958.
Current positions in other organizations:	Vice-President of Binh Dinh Wood Association; Military rank: Colonel

Time	Organization	Position
From 2/1975	Joining Army - College of Officer - Military Region 4	
9/1979– 4/1984	Ha Noi National Economics University	
	Enterprise 378	Planning Assistant
5/1984 – 3/2000	Enterprise 230	Director
	Thang Loi Company - Military Region 5	Director
4/2000 - 5/2017	Phu Tai Joint Stock Company	Deputy Director, Chairman of The Board of Directors cum General Director
5/2017 – Present	Phu Tai Joint Stock Company	Chairman of the Board of Directors

Total number of shares held:	9,016,623	shares, accounting for	13.25%
Individual holding	9,016,623	shares, accounting for	13.25%
Representative holding	-	shares, accounting for	0%

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

Date of Birth	December 29, 1973.
Place of Birth	Nghi Van - Nghi Loc - Nghe An
Qualification	Bachelor degree of Economics - Major: Business Administration
Current positions in other organizations	Director of Phu Tai Dong Nai Company Limited

Time	Organization	Position
01/1996 – 6/1996	Enterprise 230 – Department of Logistics of Military Region 5	Planning staff
7/1996 – 8/2002	Thang Loi Enterprise – Phu Tai	Planning Assistant
9/2002 – 9/2004	HCMC Branch – Phu Tai Company	Deputy Director
10/2004 – 3/2017	Dong Nai – Phu Tai Joint Stock Company	Branch Director
3/2017 - Present	Phu Tai Dong Nai Company Limited	Director

Total number of shares held:	4,168,505	shares, accounting for	6.13%
Individual holding	4,168,505	shares, accounting for	6.13%
Representative holding	-	shares, accounting for	0%

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

Date of Birth	1958
Date of Birth	Binh Dinh
Date of Birth	Political Theory
Current positions in other organizations:	The Chairman cum General Director Tien Dat Furniture Corporation

Time	Organization	Position
1977 – 1989	Air and Air Defense Force	Company commander
1990 – 1995	Phu Yen Agricultural Materials Company	Supervisor
1996 – 1999	Dai Thanh Company Limited	Deputy
2000 – present	Tien Dat Furniture Corporation	Chairman of the Board of Directors

Total number of shares held:	332,563	shares, accounting for	0.49%
Individual holding	332,563	shares, accounting for	0.49%
Representative holding	-	shares, accounting for	0%

Mr. TRAN HUU DUC - The independent member of the Board of Directors and President of the Audit Committee

Date of birth	1950
Place of Birth	Binh Dinh.
Qualification	Banking University
Current positions in other organizations:	None

Time	Organization	Position
1989 – 1998	Binh Dinh Agribank	Chief Accountant
1999 – 2005	Quy Nhon City Agribank	Deputy Director
	Quy Nhon City Agribank	cum Director
2006 – 2011	Binh Dinh Agribank	Deputy Director
2011 - present	Retiree	

Total number of shares held:	86,951	shares, accounting for	0.13%
Individual holding	86,951	shares, accounting for	0.13%
Representative holding	-	shares, accounting for	0%

Mr. LE VAN THAO - Vice-chairman of the Board of Directors cum the General Director

Date of Birth	October 10, 1971
Place of Birth	Dieu Tri - Tuy Phuoc - Binh Dinh
Qualification	Bachelor degree of Economics - Major: Business Administration.
Current positions in other organizations	Chairman of the Board of Directors of Phu Yen Construction Materials Joint Stock Company

Time	Organization	Position
1989 – 7/1994	Graduated from Danang University of Science and Technology	
8/1994 - 12/2004	Enterprise 380	Planning Assistant, Deputy Director
	Enterprise 380	Director
01/2005 - 2017	Deputy General Director	Phu Tai Joint Stock Company
2017 - Present	Phu Tai Joint Stock Company	General Director

Total number of shares held:	5,814,860	shares, accounting for	8.55%
Individual holding	5,814,860	shares, accounting for	8.55%
Representative holding	-	shares, accounting for	0%

Mr. TRAN THANH CUNG - Member of the Board of Directors, cum Deputy of the General Director

Date of Birth	May 2, 1957
Place of Birth	Tinh Son - Son Tinh - Quang Ngai
Qualification	Political Theory Intermediate level
Current positions in other organizations:	None

Time	Organization	Position
10/1976 – 01/1982	Joining army force, then delegated to join political theory course Military Region 5	
	Company commander	
	Deputy Battalion	
02/1982 - 3/2000	Enterprise 230	Deputy Director
	Thang Loi Company	DeputyDirector
	Phu Tai Joint Stock Company	Deputy General Director
4/2000 - present:	Phu Tai Joint Stock Company	Member of the Board of Directors

Total number of shares held:	2,903,501	shares, accounting for	4.27%
Individual holding	2,903,501	shares, accounting for	4.27%
Representative holding	-	shares, accounting for	0%

**Mr. NGUYEN SY HOE - Member of the Board of Directors,
cum Deputy General Director**

Date of Birth	September 2, 1970
Place of Birth	Dien Hai - Dien Chau - Nghe An.
Qualification	Bachelor degree of Economics.
Current positions in other organizations	Director of Thang Loi Enterprise

Time	Organization	Position
Từ tháng 7/1993 – 8/2002	Thang Loi Enterprise	Deputy Supervisor, workshop, Supervisor ;Deputy Director
9/2002 – 11/2016	Thang Loi - Phu Tai Joint Stock Company	Enterprise Director
	Phu Tai Joint Stock Company	Deputy General Director
11/2016 - present	Thang Loi Enterprise	Director

Total number of shares held:	4,187,829	shares, accounting for	6.16%
Individual holding	4,187,829	shares, accounting for	6.16%
Representative holding	-	shares, accounting for	0%

**Mr. PHAN QUOC HOAI - Member of the Board of Directors,
cum Deputy General Director**

Date of Birth	May 17, 1967
Place of Birth	Huong Thai - Huong Tra - Thua Thien Hue
Qualification	Bachelor degree of Economics
Current positions in other organizations:	None

Time	Organization	Position
Be trained at: Financial Officers College, Da Nang Economics University		
8/1988 - 12/2004	Phu Tai Company - Military Region 5	Chief Accountant
	Phu Tai Joint Stock Company - Military Region 5	Chief Accountant
01/2005 - Present	Phu Tai Joint Stock Company	Deputy General Director

Total number of shares held:	1,186,643	shares, accounting for	1.74%
Individual holding	1,186,643	shares, accounting for	1.74%
Representative holding	-	shares, accounting for	0%

Internal Audit Committee members

No.	Member	Position	No. of shares individually held	Percentage of holding
1	Mr. Tran Huu Duc	President	86,951	0.13%
2	Mr. Bui Thuc Hung	Member	215,767	0.32%
3	Mr. Truong Cong Hoang	Member	20,000	0.03%
4	Ms. Dang Thi Tu Oanh	Member	12,752	0.02%

Changes in the Internal Audit Committee Internal in 2022:

- Ms. Dang Thi Tu Oanh was dismissed on May 27, 2022

- Mr. Tran Huu Duc was appointed on April 27, 2022

Mr. TRAN HUU DUC - Independent Member of the Board of Directors cum President of Audit Committee

Date of birth	1950
Place of Birth	Binh Dinh.
Qualification	Banking University
Current positions in other organizations:	None

As presented in the profile of the Board of Directors

Mr. BUI THUC HUNG - Member of the Audit Committee cum Head of Internal Audit Committee

Date of Birth	August 10, 1963
Place of Birth	Huong Thuy - Huong Khe - Ha Tinh
Qualification	Bachelor degree of Economics.
Current positions in other organizations	None

Time	Organization	Position
From April 18, 2013 of Supervisors	Phu Tai Joint Stock Company	Head of the Board of Supervisors
From June 26, 2018 - present	Phu Tai Joint Stock Company	Head of Internal Audit Committee

Total number of shares held:	215,767	shares, accounting for	0.32%
Individual holding	215,767	shares, accounting for	0.32%
Representative holding	-	shares, accounting for	0%

Mr. TRUONG CONG HOANG - Member of the Audit Committee

Date of Birth July 08, 1974

Nơi sinh

Trình độ chuyên môn Bachelor degree of Informatics

Chức vụ hiện nay tại tổ chức khác None

Time	Organization	Position
07/1998 - 12/2005	Labor and Salaries Department, Phu Tai Company	Employee
07/1998 - 12/2005	Administrative and Human Resource Department, Phu Tai Company	Employee
07/2017 - Present	Administrative and Human Resource Department, Phu Tai Company	Employee

Total number of shares held:	20,000	shares, accounting for	0.03%
Individual holding	20,000	shares, accounting for	0.03%
Representative holding	-	shares, accounting for	0.00%

List of Board of Management members

No.	Member	Position	No. of shares individually held	Percentage of holding
1	Mr. Le Van Thao	General Director cum Vice-Chairman of the Board of Directors	5,814,860	8.55%
2	Mr. Tran Thanh Cung	Deputy General Director	2,903,501	4.27%
3	Mr. Nguyen Sy Hoe	Deputy General Director cum member of the Board of Directors	1,186,643	1.74%
4	Mr. Nguyen Sy Hoe	Deputy General Director cum member of the Board of Directors	4,187,829	6.16%
5	Ms. Nguyen Thi My Loan	Chief Accountant	25,613	0.02%

Changes in Board of Management in 2022: None



Mr. LE VAN THAO - Vice-chairman of the Board of Directors cum the General Director

Date of Birth	October 10, 1971
Place of Birth	Dieu Tri - Tuy Phuoc - Binh Dinh
Qualification	Bachelor degree of Economics - Major: Business Administration.
Current positions in other organizations	Chairman of the Board of Directors of Phu Yen Construction Materials Joint Stock Company

As presented in the profile of the Board of Directors

Mr. PHAN QUOC HOAI - Member of the Board of Directors, cum Deputy General Director

Date of Birth	May 17, 1967
Place of Birth	Huong Thai - Huong Tra - Thua Thien Hue
Qualification	Bachelor degree of Economics
Current positions in other organizations:	None

As presented in the profile of the Board of Directors

Mr. TRAN THANH CUNG - Member of the Board of Directors, cum Deputy of the General Director

Date of Birth	May 2, 1957
Place of Birth	Tinh Son - Son Tinh - Quang Ngai
Qualification	Political Theory Intermediate level
Current positions in other organizations:	None

As presented in the profile of the Board of Directors

Mr. NGUYEN SY HOE - Member of the Board of Directors, cum Deputy General Director

Date of Birth	September 2, 1970
Place of Birth	Dien Hai - Dien Chau - Nghe An.
Qualification	Bachelor degree of Economics.
Current positions in other organizations	Director of Thang Loi Enterprise

As presented in the profile of the Board of Directors

Ms. NGUYEN THI MY LOAN - Chief Accountant

Date of Birth	February 02, 1976
Date of Birth	February 02, 1976
Qualifications	Bachelor degree of Accounting - Auditing
Current positions in other organizations:	None

Time	Organization	Position
2000 - 3/2007	Phu Tai Joint Stock Company	Accountant
3/2007 - 9/1016	Phu Tai Joint Stock Company	Deputy head of Finance - Accounting Department
10/2016 - nay	Phu Tai Joint Stock Company	Chief Accountant Head of Finance - Accounting Department

Total number of shares held:	25,613	shares, accounting for	0.02%
Individual holding	25,613	shares, accounting for	0.02%
Representative holding	-	shares, accounting for	0.00%

Statistics of the Company's employees

No.	Criteria	2021		2022	
		Number (person)	Percentage (%)	Number (person)	Percentage (%)
I	Classified by qualification	7,019	101.46%	6,918	100.00%
1	Classified by qualification	2	0.03%	5	0.07%
2	Graduate, College	748	10.81%	872	12.60%
3	Intermediate level	197	2.85%	346	5.00%
4	Technical workers	0	0.00%	0	0.00%
5	Unskilled workers	6,072	87.77%	5,695	82.32%
II	Classified by gender	7,109	102.76%	6,918	100.00%
1	Male	3,945	57.03%	3,921	56.68%
2	Female	3,164	45.74%	2,997	43.32%

Average income per employee over the period of 2019 - 2022

Year	2019	2020	2021	2022
Average income per employee (dong/person/month)	7,113,636	7,914,828	8,787,569	8,930,314

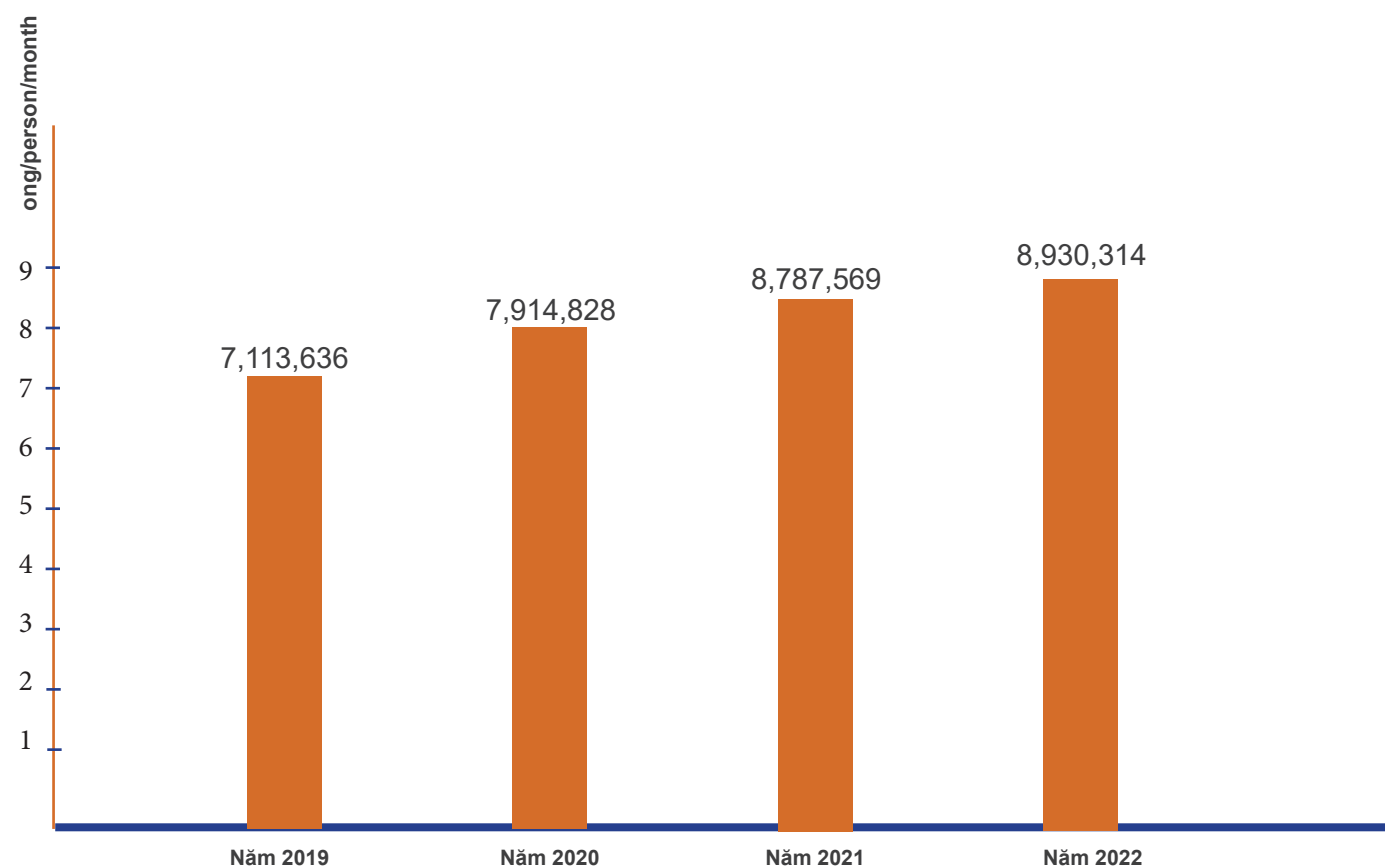


Chart of average income

Training

The Company always maintains its annual training policy to improve the employees' qualifications. The training is mainly conducted in the form of on-the-job training and in-depth training. With the above training forms, the Company facilitates its employees to promote their own capacity and working skills. Besides, the Company also arranges its personnel in accordance with its development situation for better quality of labor. On annual basis, the Company maintains training activities to improve skills for the direct workforce, and lets its managerial employees to participate in courses on management knowledge and expertise.



Recruitment

The Company is always concerned with recruiting and training human resources to meet the professional requirements and skills to ensure its developmental requirements. Depending on the job requirements of each department, the Company develops specific recruitment criteria which imply that meeting the general requirements means meeting the requirements of professionalism, honesty, and creativity.



Salary, bonus and welfare and compensation

The salary regime is set on the basis of following the State current regulations and the Company's business performance, combined with work value, product value, roles, and responsibilities of the employees, factors affecting the economy and society such as market level in each locality, price slippage coefficient, average income growth. PTB implements a salary payment policy to ensure equity, and transparency, and really encourages its employees to promote their working capacity. The employees' income has been always better over time.

The reward and discipline policy timely and reasonably encourages 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 law, equipped with labor protective equipment, and annual medical examination.

Investment and Project Implementation

Capital investments

No.	Project name	Total amount as approved	Total amount as implemented	Increase (+) / Decrease (-)	Remark
A	Approved projects	163,565,062,687	244,241,097,981	80,676,035,294	
1	Binh Dinh Quartz Company	90,000,000,000	117,050,534,542	27,050,534,542	Settled
2	Binh Dinh Exploiting Factory	9,964,000,000	25,157,097,240	15,193,097,240	Settled
3	Phu Yen Construction Materials Company	5,046,000,000	6,639,993,413	1,593,993,413	Settled
4	Phu Tai Yen Bai Company	28,285,062,687	37,493,696,765	9,208,634,078	Settled
5	Chau Thanh Phu Yen Company	2,286,000,000	5,280,895,695	2,994,895,695	Settled
6	Granida Company	9,984,000,000	18,370,298,136	8,386,298,136	Settled
7	Phu Tai Binh Dinh Wood Company	18,000,000,000	34,248,582,190	16,248,582,190	Settled
B	Machinery and equipment procurement		100,029,313,565		
1	Enterprise 380		11,421,615,730		Settled
2	Thang Loi Enterprise		14,463,469,049		Settled

No.	Project name	Total amount as approved	Total amount as implemented	Increase (+) / Decrease (-)	Remark
3	Nhon Hoa Enterprise		440,000,000		Settled
4	Ho Chi Minh City Branch		555,000,000		Settled
5	Khanh Hoa Branch		16,107,734,187		Settled
6	Long My Branch		1,954,087,581		Settled
7	Binh Dinh Stone Processing Factory		6,996,793,317		Settled
9	Tuan Dat Company		404,817,816		Settled
10	VINA G7 Company		11,601,246,894		Settled
11	Toyota Binh Dinh Company		2,668,434,182		Settled
12	Toyota Da Nang Company		3,135,649,084		Settled
13	Phu Tai Dong Nai Company		12,302,420,402		Settled
14	Phu Tai Real Estates Company		5,717,451,215		Settled
15	Son Phat Company		1,683,095,523		Settled
16	Dong Nai Quartz Company		10,577,498,585		Settled
	Total: (A+B)	163,565,062,687	344,270,411,546		

Operation of Subsidiaries and Affiliates

Phu Yen Construction Materials Company

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	58,920,320,956	60,648,239,792	103%
2	Net Revenue	75,655,991,929	109,762,995,818	145%
3	Financial income	41,292,826	25,065,059	61%
4	Earnings before tax	20,031,515,969	28,802,623,204	144%
5	Earnings after tax	17,176,789,598	22,954,905,823	134%

Tuan Dat Minerals Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	46,837,252,683	36,537,900,303	78%
2	Net Revenue	57,352,466,970	51,590,321,424	90%
3	Financial income	1,730,619	1,970,126	114%
4	Earnings before tax	5,861,046,860	9,073,249,268	155%
5	Earnings after tax	5,040,429,241	7,253,884,202	144%

Vina G7 Joint Stock Company

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	307,033,273,633	236,343,286,023	77%
2	Net Revenue	417,783,137,026	328,362,160,353	79%
3	Financial income	1,744,892,472	1,318,320,033	76%
4	Earnings before tax	31,557,059,611	7,800,702,563	25%
5	Earnings after tax	25,211,347,152	6,164,394,591	24%

Universal Joint Stock Company

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	9,999,300,250	9,861,129,396	99%
2	Net Revenue	1,696,919,540	-	-
3	Financial income	168,589	15,168	9%
4	Earnings before tax	(769,460,227)	(106,004,894)	14%
5	Earnings after tax	(769,460,227)	(106,004,894)	14%

Operation of Subsidiaries and Affiliates

Toyota Binh Dinh Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	70,263,377,923	67,984,711,131	97%
2	Net Revenue	385,647,466,336	503,038,811,161	130%
3	Financial income	27,818,429	115,576,268	415%
4	Earnings before tax	7,107,218,316	17,498,582,443	246%
5	Earnings after tax	5,685,774,653	13,998,865,954	246%

Toyota Da Nang Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	89,669,197,680	125,608,973,718	140%
2	Net Revenue	703,626,136,844	875,094,136,925	124%
3	Financial income	143,714,781	12,231,844	9%
4	Earnings before tax	7,135,807,462	17,962,550,253	252%
5	Earnings after tax	6,587,878,861	14,296,593,851	217%

Phu Tai Dong Nai Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	296,077,350,444	237,015,111,712	80%
2	Net Revenue	778,521,633,553	709,230,961,019	91%
3	Financial income	2,066,853,049	10,062,016,011	487%
4	Earnings before tax	47,731,509,457	62,510,550,770	131%
5	Earnings after tax	38,180,570,778	50,003,840,616	131%

Granite Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	177,554,678,092	186,506,651,052	105%
2	Net Revenue	61,069,034,035	92,624,491,189	152%
3	Financial income	5,341,577	6,028,944	113%
4	Earnings before tax	(1,578,706,628)	8,813,084,593	-558%
5	Earnings after tax	(1,578,706,628)	7,310,794,869	-463%

Operation of Subsidiaries and Affiliates

Phu Tai Real estates Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	748,511,392,097	503,301,695,291	67%
2	Net Revenue	511,545,845,234	405,861,205,558	79%
3	Financial income	30,833,466	38,476,303	125%
4	Earnings before tax	140,875,535,957	96,261,836,112	68%
5	Earnings after tax	112,653,613,298	76,993,949,994	68%

Thanh Chau Phu Yen Granite Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	91,600,850,376	86,722,374,261	95%
2	Net Revenue	55,547,299,351	58,385,026,868	105%
3	Financial income	80,385,104	1,591,882	2%
4	Earnings before tax	4,242,029,128	3,048,607,710	72%
5	Earnings after tax	3,390,960,321	2,412,265,586	71%

Son Phat Trading and Manufacturing Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	88,623,110,678	90,124,399,091	102%
2	Net Revenue	48,557,008,030	70,410,624,561	145%
3	Financial income	729,836	1,610,912	221%
4	Earnings before tax	6,983,086,310	15,849,903,660	227%
5	Earnings after tax	5,586,469,048	12,672,122,548	227%

Phu Tai Ninh Thuan Stone Joint Stock Company

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	8,015,802,881	9,666,564,355	121%
2	Net Revenue	-	-	-
3	Financial income	10,503	22,457	214%
4	Earnings before tax	(3,913,497)	(7,528,922)	192%
5	Earnings after tax	(3,913,497)	(7,528,922)	192%

Operation of Subsidiaries and Affiliates

Phu Tai Quartz Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	439,975,890,080	492,384,407,256	112%
2	Net Revenue	197,785,115,376	404,842,402,369	205%
3	Financial income	525,655,845	2,175,996,127	414%
4	Earnings before tax	(15,652,795,809)	27,094,685,351	-173%
5	Earnings after tax	(15,652,795,809)	27,094,685,351	-173%

Binh Dinh Wood Joint Stock Company

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	350,396,511,285	1,029,893,017,866	294%
2	Net Revenue	142,039,434,038	912,547,499,020	642%
3	Financial income	72,738,248	7,186,633,127	9880%
4	Earnings before tax	(9,196,502,076)	46,008,472,145	-500%
5	Earnings after tax	(9,196,502,076)	44,057,961,704	-479%

Phu Tai Binh Dinh Quartz Company Limited

UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	90,459,794,773	172,266,138,474	190%
2	Net Revenue	-	73,767,463,020	-
3	Financial income	485,313	150,447,127	31000%
4	Earnings before tax	317,613	5,691,590,251	1791989%
5	Earnings after tax	317,613	4,553,197,438	1433568%

Phu Tai Yen Bai Company Limited

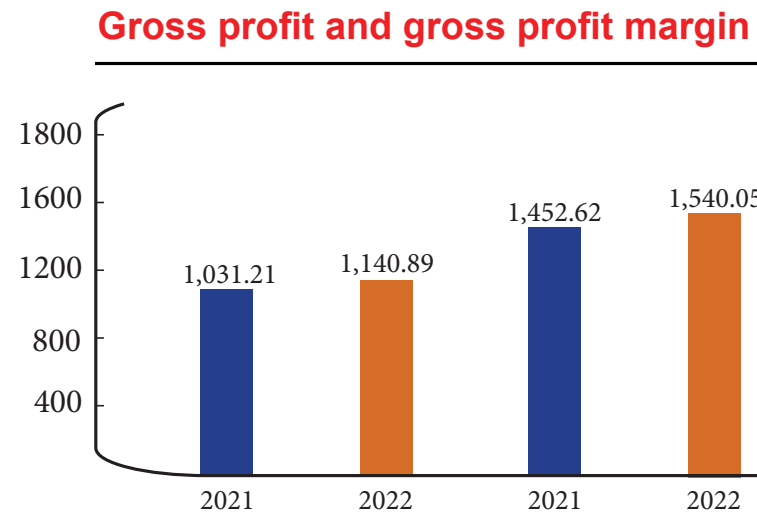
UNIT: dong

No.	Targets	Actual 2021	Actual 2022	%2022/2021
1	Total assets	14,217,924,046	52,201,416,090	-
2	Net Revenue	-	10,726,179,056	-
3	Financial income	-	7,888,987	-
4	Earnings before tax	-	(7,097,519,489)	-
5	Earnings after tax	-	(7,097,519,489)	-

Financial situation

Unit: Billion dong

Targets	2019	2020	2021	2022
Net Revenue	5,549.14	5,601.24	6,491.95	6,886.52
Gross profit	1,031.21	1,140.89	1,452.62	1,540.05
Gross profit margin	18.58%	20.37%	22.38%	22.36%



In terms of the Company's gross profit margin during the year, it recorded 22.36%, a slight decrease of 0.02% year over year, a reverse trend from the growth rate enjoyed during the period of 2019-2021, mainly due to the following reasons:

- Revenue from Toyota business recorded an increase of 24.81% from the figure in 2021, however, this segment's gross profit margin was extremely small, unable to contribute to improving the total gross profit margin of the year.
- Meanwhile, the main revenue from the wood business decreased by 1.56% year over year, a hindrance to the growth of the total profit margin as before. In addition, the real estate segment also recorded a decrease in revenue because of the downward trend of the overall industry, resulting in a decrease in gross profit margin.
- Besides, revenue from the stone segment in the year, despite an increase of 18.47% year over year, PTB's stone was affected by the increase in the input prices. Nonetheless, the quality of mining raw materials declines, causing higher costs, that was why the gross profit margin from this segment reached 29.21%, only a slight increase of 2%, incapable of driving the total gross profit margin of the year to grow.

Unit: Billion dong

Targets	Năm 2021	Năm 2022	% change
Raw materials costs	2,512	2,928	16.57%
Labor costs	577	706	22.39%
Instruments and tools costs	83	92	11.28%
Depreciation of fixed assets	268	273	1.83%
Taxes, fees	145	55	-62.16%
Provisions	(0)	0	-
Outside service cost	1,069	815	-23.74%
Other cash costs	68	85	25.02%
Total	4,722	4,956	4.94%



In terms of production and business cost structure by factors, the total cost was VND 4,956 billion, an increase of 4.94% year over year, this increase mainly came from the items with a large proportion, of which the largest item was the cost of raw materials; followed by the labor costs and finally the outside services costs which tended to go against the tendency of the total cost of production and business by factors.

In terms of the raw materials costs, in the year they were recorded at VND2,928 billion, 16.57% higher year over year, the increase was mainly due to the input material pressure. The labor costs in the year were VND706 billion, an increase of 22.39% from the figure recorded in 2021. The increase mainly came from growth of the stone business activities in the year along with an increase in production labor costs due to the decline in the quality of mining raw materials from the stone business, resulting in higher costs.

No.	Targets	UNIT	2021	2022
I	Solvency indicators			
-	Short-term solvency	Time	1.19	1.32
-	Quick ratio	Time	0.50	0.56
II	Capital structure indicators			
-	Debt/total asset	%	55.96%	47.29%
-	Debt/Owner's equity	%	127.04%	89.71%
III	Operational capability indicators			
-	Vòng quay hàng tồn kho	Time	3.12	2.96
-	Vòng quay tổng tài sản	Time	1.27	1.29
IV	Profitability indicators			
-	Earnings after tax/Net Revenue	%	8.11%	7.30%
-	Earnings after tax/Average Owner's equity	%	24.01%	19.50%
-	Earnings after tax/Average Total asset	%	10.31%	9.42%
-	Operating profit/Net Revenue	%	9.63%	8.98%

● Solvency indicators:

By and large, the two ratios of the Company's solvency were better than those in 2021, showing that the Company's financial situation seems to be more positive, and more solvent than previous year. In particular, short-term debt was the main factor to drive the Company's solvency better. As at the ending date of the year, it was recorded at VND2,310 billion, 13.30% lower than in the previous year. The decrease was mainly due to the fact that the Company properly performed the contracts, specifically, the trade payables at the end of the year were recorded at VND418 billion, more than 32% lower than in 2021. Besides, short-term loans were paid on time by the Company, which partly improved these two indicators.

● Capital structure indicators

At the end of the year, the Company's liabilities were recorded at VND 2,477 billion, more than 18% lower than those in 2021, which came from both short-term debt and long-term debt, both of which were paid on time. In addition, the short-term debt also decreased thanks to the good and timely performance of contracts with the customers. Total debt decreased, subsequently making the Company's capital structure more and more healthy, specifically the Debt/Total Assets ratio decreased from 55.96% to 47.29%; Debt/Equity ratio decreased from 127.04% to 89.71%.

● Operational capability indicators

There was a mixed movements of the operational capability indicators: Specifically, the inventory turnover decreased from 3.12 times to 2.96 times, which came from the Company's inventory in the last 2 years higher than the previous years. As a matter of fact, the increase in the last 2 years was due to the construction of the Phu Tai Central Life high-rise apartment project which has been in the process of handing over to customers. In addition, hoarding aimed to minimize the risk exposure of input material prices which were highly volatile. With good net sales in the year, total asset turnover recorded 1.29 times, a slight increase of 0.02 times compared to 2021.

● Profitability indicators

With a difficult year for the wood business segment as revenue generated from wooden products slowed down in both domestic and export markets. Moreover, it was also affected by higher selling, administrative expenses, and raw materials and fuel costs. As a result, the Company's earnings after tax reached VND502 billion, down 4.46% year over year, subsequently ROS, ROE, ROA went down to 7.30%; 19.50%; 9.42%, and Operating Profit/Net Revenue decreased to 8.98%.

Shareholders structure, change in owner's equity.

SHARE INFORMATION

Stock ticker: PTB (HOSE)
 The Company's Charter Capital:
 VND680,384,030,000
 Number of outstanding shares: 68,038,403 shares
 Number of freely transferred shares:
 68,038,403 shares
 Number of locked shares: 0 share
 Number of treasury shares:
 0 share
 Type of share: Common
 Share's par value:
 VND10,000
 Maximum foreign ownership: 25%

SHAREHOLDERS STRUCTURE

Name	Percentage of holding
Le Vy	13.25%
Le Van Thao	8.55%
Le Van Loc	6.13%
Nguyen Sy Hoe	6.16%

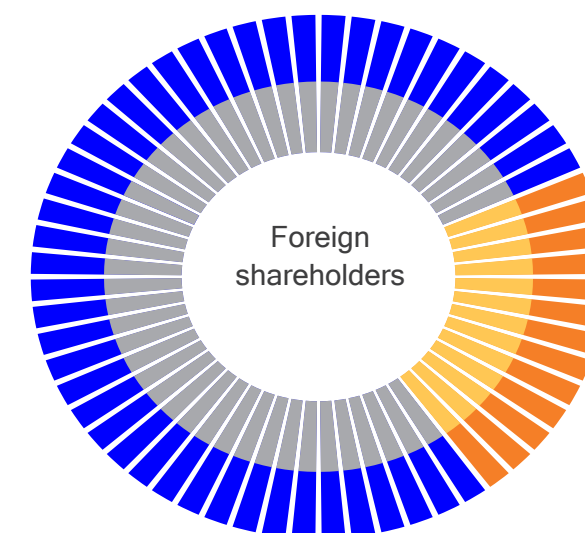
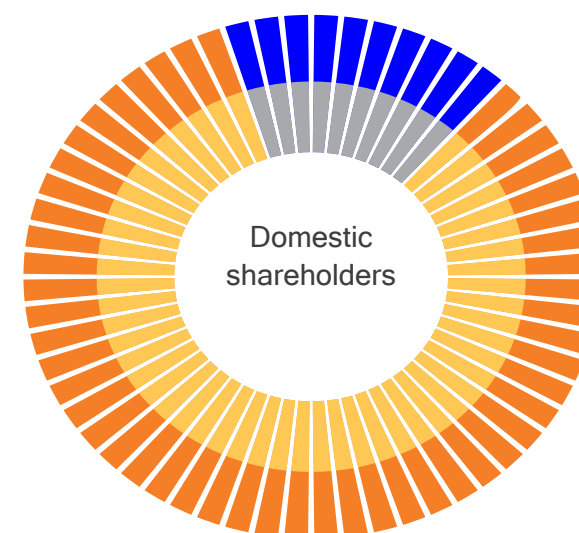
Change in investment capital of owner's

On April 16, 2022, Phu Tai Company (PTB) issued nearly 19.44 million shares to pay dividends for the year 2021. The issuance rate was 40%, i.e., each shareholder owning 100 shares would receive 40 new shares. Total par value was VND194.4 billion.

Then, the Owner's equity increased to VND680,384,030,000, equivalent to 68,038,403 shares

As of 10/03/2023

STT	Subject	Number of shareholders	Number of shares	Percentage of holding (%)
	Domestic shareholders	3,681	59,004,531	86.7
1	Individuals	3,656	56,013,128	82.3
	Institutions	25	2,991,403	4.4
	Foreign shareholders	136	9,033,872	13.3
2	Individuals	106	1,634,498	2.4
	Institutions	30	7,399,374	10.9



Individuals

Institutions



3

REPORT OF THE BOARD OF MANAGEMENT

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Assessment on business and production outcomes

Unit: Billion dong

No.	Targets	Expected 2022	Actual 2022	Actual 2021	Actual 2022/ Expected 2022	Actual 2022/ Actual 2021
1	Total revenue	7,250	6,889	6,495	95.02%	106.07%
2	Earnings before tax	790	614	650	77.72%	94.39%
3	Earnings after tax	632	502	526	79.50%	95.54%

614

Earnings before tax
(UNIT: Billion dong)
Completing 77.72% of the plan



Generally, in 2022, PTB got lots of difficult and challenging factors, and production activities were adversely affected by the risk of inflation pushing up the price of raw materials, and rising costs. Regarding business performance, the main export market experienced signs of slowing down due to the possibility of the global crisis. Despite such unfavorable factors, thanks to the drastic leadership of the Board of Directors at the beginning of the year, the Management operated with high determination and efforts delivered by the whole employees to overcome difficult times. As a result, the Company's total revenue still recorded an increase and completed 95.02% of its plan, or an increase of 106.07%, besides, earnings before tax and after tax achieved 77.72% and 79.05% of the plan, respectively.



Advantages

- Domestic macroeconomic factors (exchange rate, interest rates, inflation, etc.) were controlled and maintained stably in the first 6 months of the year.
- In 2022, despite many challenges due to the economic context, consumption showed signs of slowing down, some segments still recorded many positive results, specifically the Company's stone business. In the third quarter, there was some positive movement in the quartz consumption market, contributing to a significant increase in revenue from the stone segment. Besides, Toyota's automobile business also recorded positive figures thanks to the launch of many new and improved products.
- In 2022, the customer base of PTB's quartz segment increased through trade fairs in the US in the third quarter of 2022.
- The Company's new investment in recent years helped it improve its position, and prestige, and brought about more resources to develop its business scale.
- PTB always received consensus and support from the shareholders along with solidarity and efforts to complete the business and production tasks of all the employees.



Difficulties

- The world economic - political situation was complicated by the tense war between Russia and Ukraine. China maintained the "Zero Covid" campaign, which negatively affected global trade.
- In the last 6 months of 2022, negative developments of the macroeconomic factors (high interest rates, tightened credit, sharp exchange rate fluctuations, high inflation, etc.) increased financial costs and decreased.
- From Quarter 3/2022, wood, real estate segments tended to decline sharply, and the financial market's unfavorable developments, the Company's financial investment was not profitable.
- Stone industry experienced rising fuel prices (petroleum), higher input materials and transportation costs, the quality of mining input materials was downgraded, causing higher costs, subsequently negatively affecting the business performance.

Progress obtained by the Company:

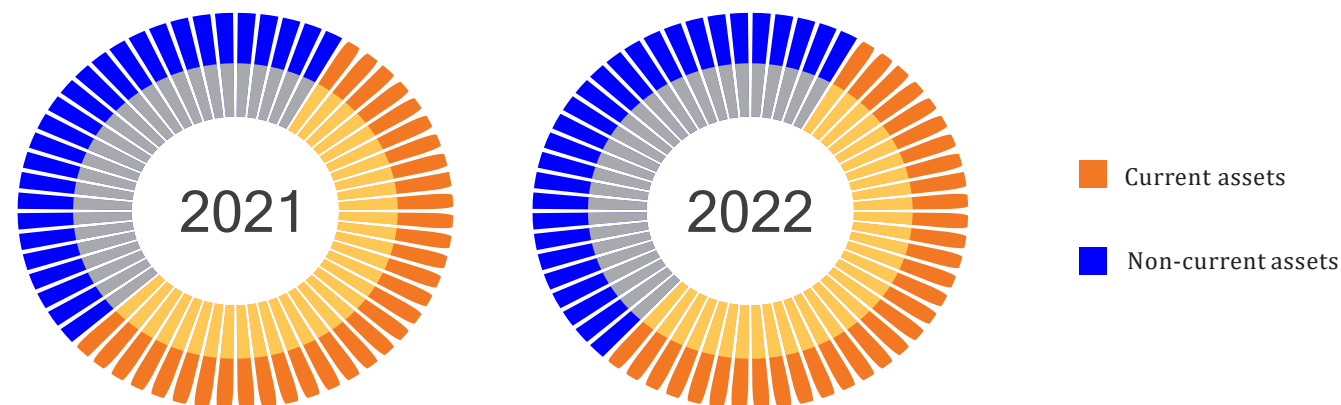
- 1 In the condition of fierce competition from domestic and foreign competitors, the company and its subsidiaries made great efforts to maintain their traditional market and develop new customers. The markets were reviewed, and possible solutions were proposed to. Developing flexible sales policies from time to time, suitable for each customer group;
- 2 focusing on investment and development of new products with high added value in order to controlling over the supply of goods to the market.
- 3 There was a sharp increase in TOYOTA sales in the year.
- 4 The Company took control measures: Controlling production and business activities systematically and regularly.
- 5 Assessing and preparing to find resources to maintain stable production and business situation; implementing limitations on investment to expand and shift into in-depth investment and development;
- 6 The systems of economic and technical norms, and the process of production costs management are regularly reviewed and improved to suit the production scale and applied technology
- 7 Applying product quality control process to each production department; Maximizing the ability to detect and promptly correct product defects; Maintaining the assessment, improvement, and practical application of quality management systems ISO9001:2008,
- 8 Despite many difficulties and challenges, the Company was ranked 199th in the Top 500 largest enterprises in Vietnam by reputable independent assessing organizations, 105th in the Top 500 Private Enterprises in Vietnam, 184th in the Top 500 Most Profitable Enterprises in Vietnam, 98th in the Top 500 Most Profitable Private Enterprises in Vietnam.



Financial situation

Unit: Billion dong

No.	Targets	31/12/2021	31/12/2022	% change	Proportion in 2021	Proportion in 2022
1	Current assets	3,180	3,055	-3.92%	58.55%	58.33%
2	Non-current assets	2,251	2,183	-3.02%	41.45%	41.67%
3	Total assets	5,431	5,238	-3.55%	100%	100%



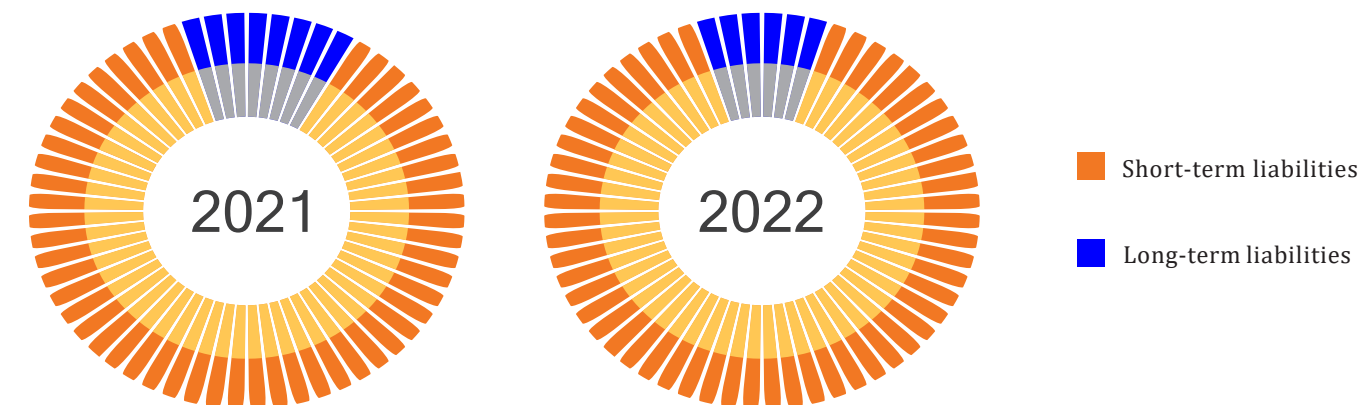
Overall, at the end of 2022, the total size of the Company recorded VND 5,238 billion, down 3.55% from the beginning of the year, in which current assets accounted for the majority of total assets, specifically more than 58%, the remainder was non-current assets.

Current assets Regarding the Company's current assets, at the end of 2022, they were amounted at VND 3,055 billion, down nearly 4% from the beginning of the year, which came from the Company's short-term receivables. Specifically, in the year, there was a decrease of more than 14% from the beginning of the year, equivalent to a decrease of VND 136 billion, and maintained at VND 793 billion at the end of the year which was explained by the Company's official recording the loss from the finished product warehouse being on fire in 2020, while in 2022, there was no figure recorded to this item. Besides, the inventory in the year was lower year over year because the Company completed its .Construction of apartments at Dong Da lagoon ecological lake high-end apartment project (Phu Tai Residence) including 272 apartments, of which 198 apartments were handed over, the remaining balance came from the value of the other 74 apartments, specifically, VND 1,757 billion was recorded under the inventory item, down 5.48% from the beginning of the year.

Non-current assets Non-current assets at the end of 2022 were recorded at VND 2,183 billion, down 3.02% from the beginning of the year, with the decrease mainly coming from fixed assets in the year which were, in particular, recorded at VND1,834 billion, down 3.13% from the beginning of the year, due to the depreciation of fixed assets used for the Company's business and production in the year.

Unit: Billion dong

No.	Targets	31/12/2021	31/12/2022	% change	Proportion in 2021	Proportion in 2022
1	Short-term liabilities	2,665	2,310	-13.30%	87.65%	93.26%
2	Long-term liabilities	376	167	-55.55%	12.35%	6.74%
3	Total liabilities	3,040	2,477	-18.52%	100%	100%



Generally, at the end of 2022, the total liabilities of the Company recorded VND 2,477 billion, down 18.52% year over year, in which short-term liabilities accounted for a large part of the total with more than 93%, the remainder was long-term liabilities.

Short-term liabilities The Company's short-term debt as of December 31, 2022 was VND 2,310 billion, down 13.30% from the beginning of the year. The decrease mainly came from trade payables which were recorded at VND 418 billion, down 32.59% from the beginning of the year which was explained by the Company's implementation and completion of contracts with customers during the year, additionally, short-term and long-term loans were repaid on time. Specifically, short-term loans at the end of the year were VND1,476 billion, down 8.89% from the beginning of the year.

Long-term liabilities The Company's long-term debt at the end of the year was VND 167 billion, a sharp decrease of more than 50% compared to the beginning of the year which mainly came from the Company's long-term loans being repaid on time.



Operating with the motto: Creative - Speed - Sustainable

Progress in organizational structure, policies, management

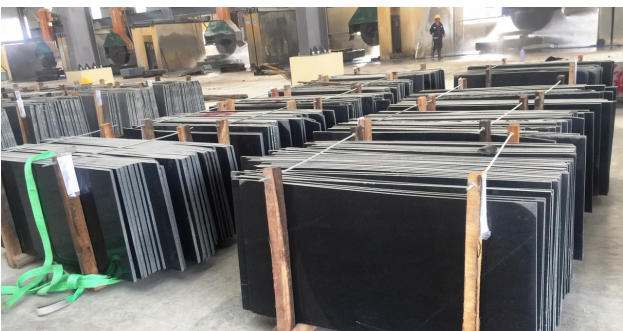
Regular tasks during the year:

- Progress in the organizational structure.
- To improve management, production organization, labor management, production cost management, well deploying labor policies.
- To amend and supplement regulations on salary, bonus, economic and technical norms, collective labor agreement, production operating regulations, etc.
- To change policies on recruitment, training, and arranging human resources at all levels in accordance with actual conditions of production and business.
- To allocate resources to improve the performance of business and production.

Future development plan

Business and production plan for the year 2023:

Stone segment



- In-depth production restructuring, product portfolio diversification should be combined with prioritizing all resources to be focused on investment and market and customer development.
- Making investment to expand exploitation scale
- Further developing project market segment
- Forming strong workforce to develop markets

Wood



- Making investments to boost demand stimulus plans, subsequently expanding new markets in addition to maintaining the traditional market size.
- Following the policy of focusing on in-depth development
- Concentrating resources to exploit the items

Automobile industry



Enhancing competitiveness through the implementation of appropriate and flexible sales policies and improving service quality.



Real estates



- Further investing to develop and improve the quality of market activities in a professional manner, catching up with the tastes of consumers.
- Speeding up the construction progress as planned.
- Expanding scale and seeking for partners to implement
- Taking initiative to mobilize adequate capital to meet the investment and development needs of the segment in addition to preparing the land bank for the next projects.

Business and production targets for the year 2023:

1.	Revenues:	VND7,000 billion	100% year over year.
	- Stone segment:	VND2,326 billion	136% year over year.
	- Wood segment:	VND3,053 billion	90% year over year.
	+ Production:	VND2,819 billion	92% year over year.
	+ Trading:	VND234 billion	71% year over year.
	- Automobile segment:	VND1,356 billion	99% year over year.
	- Real estate segment:	VND245 billion	60% year over year.
	- Others:	VND20 billion	
2.	Earnings before tax: VND500 billion = 81% year over year.		
	- Stone segment:	VND255 billion	102% year over year.
	- Wood segment:	VND190 billion	83% year over year.
	+ Production:	VND184.5 billion	85% year over year.
	+ Trading:	VND5.5 billion	51% year over year.
	- Automobile segment:	VND24 billion	68% year over year.
	- Real estate segment:	VND30 billion	31% year over year.
	- Other profit:	VND1 billion	
3.	Earnings before tax: VND400 billion = 80% year over year.		
4.	Capital construction investment:	VND183 billion	53% year over year.

* Dividend payment: It is expected to pay 20%-30% of Charter capital.

Plan for the year 2023

Revenues

Unit: Billion dong

7,000

Wood segment

Unit: Billion dong

3,053

Stone segment

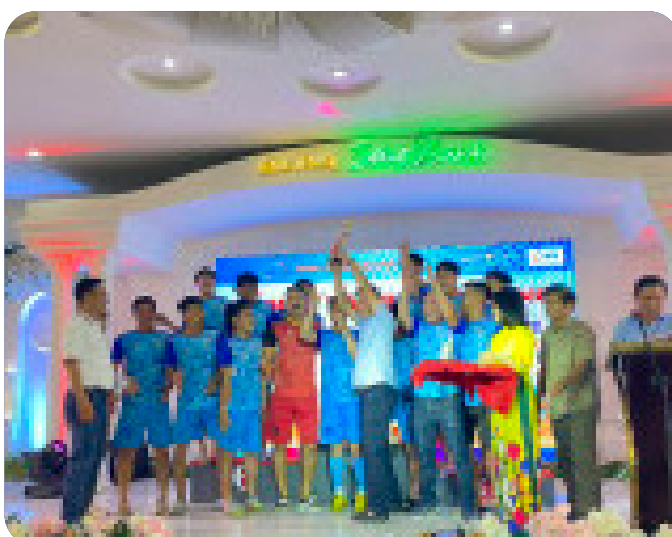
Unit: Billion dong

2,326

Assessment report on the Company's environmental and social responsibility

Employees-related assessment

In 2022, amid the circumstances of the world's socio-economic volatility, a business environment full of difficulties, PTB always had to deal with unpredictable challenges. However, with the appropriate business strategy established by the Board of Management and the Company's employees, under the direction and concomitance of the Board of Directors, a great deal of efforts were made to minimize risks, and handle difficulties, besides, it was still necessary to ensure sufficient salary, bonus, and welfare for the employees during the year. In 2022, the Company organized different activities to connect and contribute to the mental enhancement of the employees through many entertainment activities and travel in addition to developing a corporate culture of solidarity - responsibility - interest harmony.



Assessment relating to the Company's responsibility to the local community

The Company also demonstrated its responsibility to the community and society through community investment and other community development activities which all contributed to helping people overcome difficult times, improving their lives, and ensuring social security.



Assessment on the environmental indicators (water consumption, energy, emissions, etc.)

The Company always performed well its saving by controlling energy sources, water, etc. Furthermore, it always attached significance to the emission management in order to minimize environmental impacts, looking towards the sustainable development: the assessment of the impact on the environment was conducted every 3 months and every 6 months to be submitted to the authorities. The member units developed a non-hazardous industrial waste treatment plan, built a production and domestic wastewater treatment system before being discharged into the environment, and hazardous solid waste containing houses, equipped with bins to keep hazardous waste and signed contracts with contractors with function of collecting and treating according to regulations. The environment in production factories are always ensured.



The development of the Company must always go with the development of the social community, closely associated with sustainable development, green environment protection.



4

ASSESSMENT OF THE BOARD OF DIRECTORS

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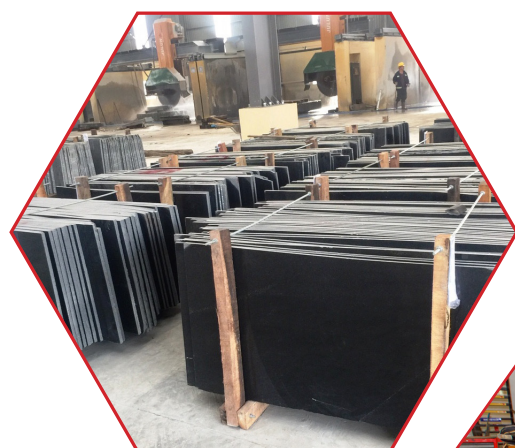


Assessment of the Board of Directors on the Company's Business performance, including the assessment relating to the environment and society

Overall assessment of the Board of Directors on the economic conditions



The Covid-19 was under good control but there existed a lot of consequence. Additionally, the world economic - political situation was complicated by the tense war between Russia and Ukraine. China maintained the "Zero Covid" campaign, which negatively affected global trade. Besides, the input material prices were highly volatile, which directly affected the Company's business performance. Therefore, right from the beginning of the year, the Company gathered its resources, closely monitored the changing business environment to promptly identify and gave appropriate management, maintained stable production and business activities in difficult circumstances.



Creative



Speed



Sustainable



Assessment of the Board of Directors on the Company's Business performance:

- Maintaining stability in the new and more difficult situation, while still ensuring jobs and income for the employees. In addition to supervision, and production management, the Company's circulation and transportation were in safe mode, and the product were marketed with good quality.
- Investments to develop and expand the Company's resources over the years were actively implemented, facilitating the Company's products to grow in size and efficiency: Phu Tai Residence apartment project, The project of artificial quartz factory in Dong Nai, the wood processing factory project of Phu Tai Binh Dinh wood company, Binh Dinh quartz powder factory, and so on. PTB supplemented and replaced machinery, equipment, and technological lines to improve labor productivity, and increase production and business efficiency.
- The Company's regulations on salary, bonus and welfare were perfected to harmonize the employees' benefits.
- In the context of the business environment in 2022 with many unfavorable factors, the Company's business activities were still maintained, sales growth was still maintained despite difficulties.
- In addition to production and business responsibilities, the Company attaches serious importance to showing its gratitude and social charity and community-oriented activities with profound humanistic meanings, partly helping the employees, local authorities, etc. overcome difficulties caused by the Covid-19 pandemic, enter a new normal, improve people lives, ensure social security, implement programs to help people, giving gifts to them, giving houses of gratitude to difficult households.

Shortcomings and causes impacting the Company's business and production efficiency:

Beside achievements, there existed shortcomings and limitations, and causes impacting the Company's business and production efficiency. Except for the objective factors coming from the unfavorable business environment, the subjective ones affected the Company's operation and business efficiency:



- The in-depth investment and development of some member units did not meet the set requirements.
- The personnel recruitment and training activities for the direct managers and indirect employees were still limited, not satisfactory in quality, failed to keep up with the Company's expansion and investment pace and some member units, which affected the efficiency of new investment projects.
- The business planning was not qualified; the assessment, market forecast, and business plan development were not closely consistent with reality, causing difficulties for management and administration.
- In the management and administration, there were some departments, divisions, agencies, and member units not to closely follow the Company's motto of action "Creative-Speed-Sustainable", the creativity was still limited; tasks were performed at quite low speed.

Assessment of the Board of Directors on the Board of Management performance

Surveillance on the General Director and the managerial officers:

- In order to ensure the management of production activities be well-organized in accordance with the decisions and directions of the Board of Directors, the Board of Directors regularly supervised, inspected, and evaluated the Board of Management's performance in their implementation of legal regulations, laws, the Company's charter, internal rules and regulations, resolutions of the General Meeting of Shareholders, Resolutions
- Decisions of the Board of Directors. The surveillance of the performance of the General Director and other managers was carried out in accordance with the law and the Company's charter. The Board of Directors supervised the production and business through direct surveillance at member units on monthly, quarterly and irregularly basis. The General Director regularly shared information about the Company's situation with the Chairman of the Board of Directors, ensuring that the Board of Directors issued decisions on management and administration in a timely manner. The General Director prepared monthly and quarterly reports on business results, financial situation, and management and administration to the Board of Directors.



Surveillance outcomes in 2022:

- + The General Director led the company to complete 97% of revenue targets and 78% of earnings before tax targets assigned by the General Meeting of Shareholders and the Board of Directors; well pursued the company's governance regulations, managed the Company in an open and transparent manner, protected the interests of the Company without taking advantage of his positions and powers for personal purposes. The implementation of investment projects was conducted in accordance with the laws and the guidelines of the Board of Directors.
- + For the managers, there were no signs of violation of the Company's governance regulations and applicable legal documents detected. Most of the managers in the company successfully achieved their assigned responsibilities and duties, the Deputy General Directors well performed the tasks assigned by the General Director; closely coordinating with the General Director in managing and operating the Company's production and business activities. They promoted positively their capabilities, quality, and responsibility, upholding their spirit of solidarity and discipline, always protecting the interests of the Company without taking advantage of positions, powers, and business opportunities for personal purposes.

PHU TAI
The Company completed
97%
Revenues target

PHU TAI
And
78%
Earnings target

Plan and direction of the Board of Directors

Specific goal:

Targets set out for the year 2023: VND7,000 billion revenues and VND500 billion of earnings before tax, dividend payout of 20-30%. When the business environment is stable, the key targets (revenue, earning before tax) set out annually at an average growth target of at least 5%. Dividend payout: 20-30%.

Solutions to achieve the targets:

Wood segment With the market forecast full of uncertainties due to high inflation, it is required that the wood segment will further focus on promoting market solutions for both maintaining the traditional market size and expanding new markets in order to hinder the declining pace of the industry. Market expansion will be associated with the process of restructuring customers and product categories in line with the large production model of the Company's wood segment.



Following the policy of focusing on in-depth development: Improving the quality of administrative management in tandem with risk management, focusing on internal management to formulate a breakthrough in the management of input materials and supplies for production, scientifically arranging production lines, controlling production progress by day, setting reasonably higher labor productivity targets, well-controlling product quality and production costs in the pursuit of achieving the efficiency targets of the segment.

Concentrating resources to exploit the items that the Company has invested into the segment to maintain its business and production under the upcoming tough time.

Automobile segment:

It is forecast that the production and business environment will suffer from many complicated developments, the market of the automobile segment will be narrowed and the price competition among dealers in the region will become increasingly fierce. The Segment is required to take initiative to enhance its competitiveness through the implementation of appropriate and flexible sales policies and improving service quality in order to maintain and develop its scale.



Stone segment:



It is much difficult to forecast domestic market and export. There is a need of in-depth production restructuring, product portfolio diversification should be combined with prioritizing all resources to be focused on investment and market and customer development, organizing the synchronous implementation of various solutions on marketing, promotion, flexible sales policies, actively attending international trade fairs. Then, the Company strives to restore and expand its export market for natural stone in tandem with expanding artificial quartz market so that full capacity of exploitation will be the target for the year 2023.

The Company will attach importance to the solutions to expand mining scale in the direction of overcoming limitations in raw material quality and improving the rate and quality of stone collecting, in order to reduce product costs, and subsequently improving production efficiency.

For natural stone products, it is necessary to properly invest in resources to further develop the project market segment, thereby promoting the advantages of manufacturers with the potential to control the materials because of its own capacity of exploitation in order to save costs and improve the efficiency of using raw materials, contributing to better competitiveness for its products and hence, higher business and production efficiency.

PTB will pay close attention to building a strong enough human resource to develop the market to reduce the serious imbalance of interests between the production stage and the distribution system in the supply chain.

Real estates segment:

The real estate category plays an increasingly important role and occupies a significant position in the development strategy of the whole company, so it is necessary to actively implement various solutions in the management of investment and business activities. Further investing to develop and improve the quality of market activities in a professional manner, catching up with the tastes of consumers. Quickly speeding up the construction progress as planned. Expanding scale and seeking for partners to establish joint ventures and associates in the near future to form a premise for the segment growth in particular and the Company in general in the years to come. Taking initiative to mobilize adequate capital to meet the investment and development needs of the segment, at the same time, preparing the land bank for the next projects.



5

CORPORATE GOVERNANCE

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Board of Directors

List of the Board of Directors members (as at December 30, 2022)

TT	Member	Position	No. of shares individually held	Percentage of holding
1	Mr. Le Vy	Chairman of the Board of Directors	9,016,623	13.25%
2	Mr. Le Van Thao	Vice-chairman of Board of Directors	5,814,860	8.55%
3	Mr. Phan Quoc Hoai	Member of the Board of Directors	1,186,643	1.74%
4	Mr. Tran Thanh Cung	Member of the Board of Directors	2,903,501	4.27%
5	Mr. Nguyen Sy Hoe	Member of the Board of Directors	4,187,829	6.16%
6	Mr. Le Van Loc	Member of the Board of Directors	4,168,505	6.13%
7	Mr. Do Xuan Lap	Independent Member of BoD	332,563	0.49%
8	Mr. Tran Huu Duc	Independent Member of BoD	86,951	0.13%

Sub-committees under the Board of Directors: None.

Activities of the Board of Directors

The Board of Directors regularly surveil, examine, and assess the performance of the Board of Management in:

- Following legal regulations, the Company's charter, internal governance regulations, resolutions of the General Meeting of Shareholders, and Resolutions/Decisions of the Board of Directors of the Company.
- Implementing investment projects, orienting the expansion of production and business scale of the Company, and developing investment plans for potential development projects.
- Performing financial and settlement work in the Company's member units and state management agencies.
- Applying the governance practices of the Board of Directors in the best ways to ensure the rights and interests of the shareholders and the Company's employees.
- Strengthening the information sharing between the Board of Directors and the Board of Management to make reasonable and timely decisions.

Number of the meetings of the the Board of Directors during the year

TT	Member	Position	Number of attendance	Tỷ lệ tham dự họp
1	Mr. Le Vy	Chairman of the Board of Directors	08/08	100%
2	Mr. Le Van Thao	Vice - chairman of Board of Directors	08/08	100%
3	Mr. Phan Quoc Hoai	Member of the Board of Directors	08/08	100%
4	Mr. Tran Thanh Cung	Member of the Board of Directors	08/08	100%
5	Mr. Nguyen Sy Hoe	Member of the Board of Directors	08/08	100%
6	Mr. Le Van Loc	Member of the Board of Directors	08/08	100%
7	Mr. Do Xuan Lap	Independent Member of BoD	08/08	100%
8	Mr. Tran Huu Duc	Independent Member of BoD	08/08	100%

No.	Number of Resolution/	Date	Content	Percentage of ratification
1	05/NQ-HDQT	18/01/2022	Business results of full year 2021 and business plan for the year 2022	100%
2	08/NQ-HDQT	08/02/2022	Ratifying transactions with related companies for the year 2022	100%
3	09/NQ-HDQT	08/02/2022	Ratifying the AGM contents 2022	100%
4	14/BC-HDQT	31/03/2022	Report of new outstanding shares with voting rights	100%
5	21/NQ-HDQT	16/04/2022	Business result for first three months of 2022 and plan for second quarter 2022	100%
6	22/QD-HDQT	25/04/2022	Decision on issuing dividend stocks for the year 2021	100%
7	29/QD-HDQT	27/04/2022	Appointing Mr. Tran Huu Duc - Independent Member Serving as the President of the Company's Audit Committee	100%

No.	Number of Resolution/	Date	Content	Percentage of ratification
8	44/QD-HDQT	27/05/2022	Removing Ms. Dang Thi Tu Oanh - from the member of the Audit Committee	100%
9	191/CBTT-PT	16/06/2022	Amending the CER for the 26th time	100%
10	68/NQ-HDQT	16/07/2022	Business result for first half of 2022 and plan for third quarter 2022	100%
11	70/NQ-HDQT	19/07/2022	Resolution to ratify contents of convening the General Meetings of Shareholders in the form of absentee voting	100%
12	71/TB-HDQT	19/07/2022	Announcement on the record date of the list of shareholders to exercise the entitlement to the absentee voting	100%
13	89/NQ-HDQT	17/10/2022	Business result for first nine months of 2022 and plan for the fourth quarter 2022	100%
14	98/NQ-HDQT	10/11/2022	Resolution to ratify contents of convening the General Meetings of Shareholders in the form of absentee voting	100%
15	100/NQ-HDQT	10/11/2022	Resolution on suspending the issuance of shares to the existing shareholders and employee stock ownership plan to the Employees	100%
16	104/NQ-HDQT	06/12/2022	Ratifying first dividend advance 2022	100%
17	119/QD-HDQT	31/12/2022	Decision on appointing Mr. Le Chi as Member of Internal Audit Committee of the Company	100%

Audit Committee

List of the Audit Committee members (as at December 30, 2022)

No.	Member	Position	No. of shares individually held	Per-centage of holding
1	Mr. Tran Huu Duc	President of the Audit Committee	5,814,860	0.091%
2	Mr. Bui Thuc Hung	Member	215,767	0.317%
3	Mr. Truong Cong Hoang	Member	9,609	0.014%

Change in the Audit Committee in 2022:

- Appointing Mr. Tran Huu Duc on April 27, 2022
- Removing Ms. Dang Thi Tu Oanh on May 27, 2022

Number of meetings of the Audit Committee

No.	Member	Statistics of attendance	Percentage of attendance	Reason for not attending
1	Mr. Tran Huu Duc	03/04	75%	Personal health problem
2	Mr. Bui Thuc Hung	04/04	100%	
3	Mr. Truong Cong Hoang	04/04	100%	
4	Ms. Dang Thi Tu Oanh	02/04	50%	Since 27/05/2022, not being a member of the Committee

Activities of the Audit Committee

Assessment on the performance of the Internal Audit Committee

- ❖ In 2022, the Internal Audit Committee performed its responsibilities and duties in accordance with Law on Enterprise 2020, the Charter of Phu Tai Joint Stock Company, the Operational Regulation of the Internal Audit Committee issued by the Board of Directors, under the supervision of the President of the Company's Audit Committee.
- ❖ Regularly monitoring and updating information, directly inspecting member units on their law enforcement, the administrative management of their production and business activities, subsequently detecting errors and potential risks. Working closely with the Board of Directors and functional departments of the Company to strengthen the entire Company's management in production and business activities.
- ❖ Appraising quarterly and annual financial statements of member units, separate and consolidated statements.
- ❖ The internal audit committee directly inspected a number of member units under the Company based on the action plan.
- ❖ Business results in 2022 were audited by AASC Auditing Co., Ltd.
- ❖ By such direct inspection, the production and business administration was gradually improved, highly responsive to the actual situation. The targets set out for monthly, quarterly, yearly time frame were closely followed. Cost management was closely monitored in accordance with the established economic and technical norms with a focus on risk management such as inventory and receivables.
- ❖ In some units, labor productivity was still low, product quality control on the production line was still limited, hence, there was still defective and poor-quality products that were difficult to be marketed. Additionally, due to unfavorable volatility of the market, some units did not guarantee orders for their production, leading to failure to meet the planned targets.
- ❖ In some units, there occurred a few of production and business administration errors which were concluded by the Internal Audit Committee and well understood as well as remedied by the relevant units.
- ❖ Business results in 2022 were audited by AASC Auditing Co., Ltd.
- ❖ The Company paid deeper attention to its capital construction investment in terms of the order of legal procedures. Project management boards were formed to closely monitor the progress and quality of the projects and works so that they would be completed on time with quality ensured

The Audit Committee's surveillance of the Board of Management and other managers

- ❖ In 2022, despite so many difficulties in production and business, the General Director and managers throughout the company raised their sense of responsibility in administering and managing production and business, complying with the regulations the laws, resolutions of the General Meeting of Shareholders, the Charter of the Company, resolutions and decisions of the Board of Directors, following the Company's regulations.
- ❖ Internally united, publicity, and transparency in task performance.
- ❖ The Board of Directors managed the Company's production and business activities, closely followed the targets set out by the General Meeting of Shareholders and the Board of Directors.
- ❖ The management of production and business costs, inventory, and receivables were still exposed to financial risks due to some certain limitations.
- ❖ The implementation of public administration has not been done smoothly and comprehensively throughout the company.

The operational coordination between the Audit Committee and the Board of Directors, the General Director, and the shareholders

- ❖ The Board of Directors of the Company always facilitated the Audit Committee and the Internal Audit Committee to operate and perform their duties, to fully participate in the Company’s meetings.
- ❖ The Board of Directors, the General Director and shareholders: all information was disclosed transparently, reported and updated timely and fully to the shareholders and to the State Securities Commission in accordance with regulations.
- ❖ The Board of Directors, the General Director of the Company always attached importance to risk prevention, the Company’s functional departments inspected and supervised all activities of the member units in order to detect and timely prevent loss and waste during the production and business. Any managerial errors detected were timely corrected to minimize risks in business, in order to improve efficiency in corporate governance.

Transactions, remuneration and interests of the Board of Directors, Board of Management and the Audited Committee

Salaries, bonuses, remunerations, and other benefits

Full name	Position	Amount (dong)
Mr. Le Vy	Chairman of the Board of Directors	1,560,508,000
Mr. Le Van Thao	Vice-chairman of Board of Directors cum General Director	1,645,233,000
Mr. Phan Quoc Hoai	Member of the Board of Directors cum Deputy General Director	997,501,000
Mr. Tran Thanh Cung	Member of the Board of Directors cum Deputy General Director	822,129,000
Mr. Nguyen Sy Hoe	Member of the Board of Directors cum Deputy General Director	1,137,303,084
Mr. Le Van Loc	Member of the Board of Directors	910,020,970
Mr. Do Xuan Lap	Independent Member of the Board of Directors	186,892,000
Mr. Tran Huu Duc	The independent member of the Board of Directors and President of the Audit Committee	186,892,000
Ms. Nguyen Thi My Loan	Chief Accountant	913,968,000

Giao dịch cổ phiếu của người nội bộ

No.	Persons involved	Relationships with Internal person	Number of shares at the beginning of the period		Number of shares at the beginning of the period		Notes
			Number of shares	Per-cent-age	Number of shares	Percent-age	
1	Huỳnh Thị Huệ	Person in charge of corporate gov-ernance	4,208	0.01	13,000	0.02	Trading and receiving PTB stock dividends
2	Trương Công Hoàng	Member of Audit Committee	84	0.00	20,000	0.03	Trading and receiving PTB stock dividends
3	Phan Quốc Hoài	Member of the Board of Directors	928,774	1.37	1,186,643	1.74	Trading and receiving PTB stock dividends
4	Nguyễn Thị Mỹ Hòa	Secretary of the Company	258	0.00	81	0.00	Trading and receiving PTB stock dividends
5	Nguyễn Thị Mỹ Loan	Chief Accountant	218	0.00	25,613	0.04	Trading and receiving PTB stock dividends
6	Lê Vỹ	Chairman The Board of Directors	6,290,988	9.25	9,016,623	13.25	Trading and receiving PTB stock dividends
7	Lê Văn Lộc	Member of the Board of Directors	2,952,804	4.34	4,168,505	6.13	Trading and receiving PTB stock dividends
8	Võ Thị Hoài Châu	Wife of Mr. Le Vy	1,309,155	1.92	1,881,176	2.76	Trading and receiving PTB stock dividends
9	Lê Thực Trinh	Daughter of Mr. Le Vy	-	-	143,160	0.21	Trading and receiving PTB stock dividends
10	Lê Thị Kim Sang	Wife of Mr. Le Van Thao	529,874	0.78	587,823	0.86	Trading and receiving PTB stock dividends
11	Mr. Le Anh Van	Son of Mr. Le Vy	109,150	0.16	180,210	0.26	Trading and receiving PTB stock dividends
12	Đỗ Xuân Lập	Member of the Board of Directors	225,140	0.33	332,563	0.49	Trading and receiving PTB stock dividends
13	Bùi Thức Hùng	Internal Audit Committee	215,548	0.32	215,767	0.32	Trading and receiving PTB stock dividends
14	Mr. Le Van Thao	General Director	4,011,258	5.90	5,814,860	8.55	Trading and receiving PTB stock dividends
15	Nguyen Sy Hoe	Member of the Board of Directors	2,848,450	4.19	4,187,829	6.16	Trading and receiving PTB stock dividends

Contracts or transactions with the internal persons

Transactions between the Company and related persons of the company; or between the company with major shareholders, internal persons, related persons of internal persons.

Total value of the transactions between the Company and related persons of the company; or between the company with major shareholders, internal persons, related persons of internal persons was VND1,234,265,755,090.

No.	Name of organizations/individuals	Relationship with the Company
I	Capital Contribution	
1	Phu Tai Real estates Company Limited	Subsidiary
2	Phu Tai Binh Dinh Wood Company Limited	Subsidiary
3	Phu Tai Binh Dinh Quartz Company Limited	Subsidiary
4	Phu Tai Yen Bai Stone Company Limited	Subsidiary
II	Revenue from the sale of goods	
1	Phu Yen Construction Materials Company	Subsidiary
2	Tuan Dat Minerals Company Limited	Subsidiary
3	VINA G7 Joint Stock Company	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
4	Phu Tai Quartz Company Limited	Subsidiary
5	Phu Tai Dong Nai Company Limited.	Subsidiary
6	Granite Company Limited	Subsidiary
7	Son Phat Trading and Manufacturing Company Limited	Subsidiary
8	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
9	Phu Tai Real estates Company Limited	Subsidiary
10	Phu Tai Binh Dinh Wood Company Limited	Subsidiary
11	Phu Tai Binh Dinh Quartz Company Limited	Subsidiary
12	Phu Tai Yen Bai Stone Company Limited	Subsidiary
13	Toyota Da Nang Company Limited	Subsidiary
14	Toyota Binh Dinh Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
III	Buying materials, goods	
1	Phu Yen Construction Materials Company	Subsidiary
2	Tuan Dat Minerals Company Limited	Subsidiary
3	Granite Company Limited	Subsidiary
4	Son Phat Trading and Manufacturing Company Limited	Subsidiary
5	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
6	Phu Tai Binh Dinh Quartz Company Limited	Subsidiary
7	Phu Tai Quartz Company Limited	Subsidiary
8	Toyota Binh Dinh Company Limited	Subsidiary
IV	Dividend received, profits shared by subsidiaries	
1	Phu Yen Construction Materials Company	Subsidiary
2	Toyota Binh Dinh Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
3	Phu Tai Real estates Company Limited	Subsidiary
4	Son Phat Trading and Manufacturing Company Limited	Subsidiary
5	Phu Tai Dong Nai Company Limited.	Subsidiary
6	Tuan Dat Minerals Company Limited	Subsidiary
7	Toyota Da Nang Company Limited	Subsidiary
V.	Trade receivables	
1	Phu Yen Construction Materials Company	Subsidiary
2	VINA G7 Joint Stock Company	Subsidiary
3	Tuan Dat Minerals Company Limited	Subsidiary
4	Son Phat Trading and Manufacturing Company Limited	Subsidiary
5	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
6	Phu Tai Quartz Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
VI	Long-term Payables to Suppliers	
1	Tuan Dat Minerals Company Limited	Subsidiary
2	Universal Stone JSC	Subsidiary
3	Phu Yen Construction Materials Company	Subsidiary
4	Granite Company Limited	Subsidiary
5	Toyota Binh Dinh Company Limited	Subsidiary
6	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
7	Son Phat Trading and Manufacturing Company Limited	Subsidiary
VII	short-term loan receivables	
1	Tuan Dat Minerals Company Limited	Subsidiary
2	Universal Stone JSC	Subsidiary
3	Toyota Da Nang Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
4	Phu Tai Dong Nai Company Limited.	Subsidiary
5	Granite Company Limited	Subsidiary
6	VINA G7 Joint Stock Company	Subsidiary
7	Son Phat Trading and Manufacturing Company Limited	Subsidiary
8	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
9	Phu Tai Ninh Thuan Stone JSC	Subsidiary
10	Phu Tai Real estates Company Limited	Subsidiary
11	Phu Tai Quartz Company Limited	Subsidiary
VIII	Interests	
1	Tuan Dat Minerals Company Limited	Subsidiary
3	Toyota Da Nang Company Limited	Subsidiary
3	Granite Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
4	Toyota Binh Dinh Company Limited	Subsidiary
5	Son Phat Trading and Manufacturing Company Limited	Subsidiary
6	Phu Tai Real estates Company Limited	Subsidiary
7	Phu Tai Quartz Company Limited	Subsidiary
8	Phu Tai Binh Dinh Quartz Company Limited	Subsidiary
9	Phu Tai Binh Dinh Wood Company Limited	Subsidiary
10	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
11	Phu Tai Ninh Thuan Stone JSC	Subsidiary
12	Phu Tai Yen Bai Stone Company Limited	Subsidiary
XI	Selling fixed assets	
1	Granite Company Limited	Subsidiary
2	Tuan Dat Minerals Company Limited	Subsidiary

No.	Name of organizations/individuals	Relationship with the Company
3	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
4	Phu Tai Binh Dinh Quartz Company Limited	Subsidiary
5	Son Phat Trading and Manufacturing Company Limited	Subsidiary
6	Phu Tai Yen Bai Stone Company Limited	Subsidiary
XII	Buying fixed assets	
1	Thanh Chau Phu Yen Granite Company Limited	Subsidiary
2	Tuan Dat Minerals Company Limited	Subsidiary
3	Son Phat Trading and Manufacturing Company Limited	Subsidiary
4	Granite Company Limited	Subsidiary

Assessment of Corporate Governance

The Company's corporate governance is always in compliance with laws, the Charter, internal regulations, and criteria to ensure the smoothest operation of the Company; it pursues objectives for the Company's interests and its shareholders, and facilitates effective supervision of the Company's operations, thereby encouraging the Company to use its resources in the best way.

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AUDITED FINANCIAL STATEMENTS

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Auditor's Opinion

In our opinion, the audited financial statements for the year 2022 truthfully and reasonably reflected the material aspects of the Company financial position as of December 31, 2022, as well as the income statement, and cash flow situation for the financial year ending on the same day, in accordance with Vietnamese accounting standards, corporate accounting regimes and legal provisions related to the preparation and presentation of the financial statements

Audited Financial Statements

The audited financial statements for the year 2022 of Phu Tai Joint Stock Company have been disclosed in accordance with regulations and posted on the Company's website at: <http://phutai.com.vn/>

Quy Nhon, April 15, 2023

**PHU TAI JOINT STOCK COMPANY
LEGAL REPRESENTATIVE**

General Director

LE VAN THAO



PHU TAI JOINT STOCK COMPANY



No. 278 Nguyen Thi Dinh, Nguyen Van Cu ward, Quy Nhon, Binh Dinh province



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