



**Tien Phong Plastic Joint Stock Company**

Separate Financial Statements  
for the year ended 31 December 2021



## **Tien Phong Plastic Joint Stock Company**

### **Corporate Information**

#### **Enterprise Registration Certificate No.**

0200167782

30 December 2004

The Company's Enterprise Registration Certificate has been amended several times, the most recent of which is dated 29 July 2020. The Enterprise Registration Certificate was issued by Hai Phong Department of Planning and Investment.

#### **Board of Management**

Mr. Dang Quoc Dung	Chairman
Mr. Noboru Kobayashi	Vice Chairman
Mr. Chu Van Phuong	Member
Mr. Tran Ngoc Bao	Member
Mr. Nguyen Viet Phuong	Member
Mr. Dao Anh Thang	Independent Member

#### **Board of General Directors**

Mr. Chu Van Phuong	General Director
Mr. Tran Nhat Ninh	Deputy General Director
Ms. Ngo Thi Thu Thuy	Deputy General Director
Mr. Nguyen Van Thuc	Deputy General Director
Mr. Tran Ngoc Bao	Chief Accountant

#### **Audit Committee** *(from 14/4/2021)*

Mr. Dao Anh Thang	Chairman of the Committee
Mr. Nguyen Viet Phuong	Member

#### **Registered Office**

No. 2 An Da Road  
Lach Tray Ward, Ngo Quyen District  
Hai Phong City  
Vietnam

#### **Auditors**

KPMG Limited  
Vietnam

## **Tien Phong Plastic Joint Stock Company**

### **Statement of the Board of General Directors**

The Board of General Directors of Tien Phong Plastic Joint Stock Company (“the Company”) presents this statement and the accompanying separate financial statements of the Company for the year ended 31 December 2021.

The Company’s Board of General Directors is responsible for the preparation and fair presentation of the separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Company’s Board of General Directors:

- (a) the separate financial statements set out on pages 5 to 41 give a true and fair view of the unconsolidated financial position of the Company as at 31 December 2021, and of its unconsolidated results of operations and unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there is no reason to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of General Directors has, on the date of this statement, authorised the accompanying separate financial statements for issue.

On behalf of the Board of General Directors,



Hai Phong, **22 MAR 2022**



KPMG Limited  
46<sup>th</sup> Floor, Keangnam Landmark 72  
E6 Pham Hung Road, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
+84 (24) 3946 1600 | kpmg.com.vn

## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders and Board of Management Tien Phong Plastic Joint Stock Company**

We have audited the accompanying separate financial statements of Tien Phong Plastic Joint Stock Company ("the Company"), which comprise the separate balance sheet as at 31 December 2021, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of General Directors on 22 MAR 2022, as set out on pages 5 to 41.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

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



## Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Tien Phong Plastic Joint Stock Company as at 31 December 2021 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

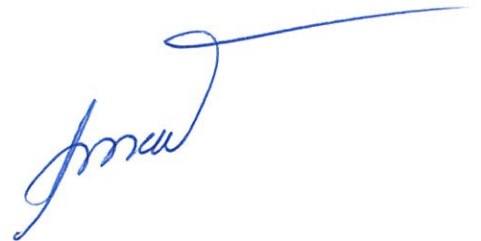
### KPMG Limited

Vietnam  
Audit Report No. 21-02-00211-22-1



Wang Toon Kim  
Practicing Auditor Registration  
Certificate No. 0557-2018-007-1  
*Deputy General Director*

Hanoi, **22 MAR 2022**



Truong Tuyet Mai  
Practicing Auditor Registration  
Certificate No. 2594-2019-007-1

**Tien Phong Plastic Joint Stock Company**  
**Separate balance sheet as at 31 December 2021**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	<b>Code</b>	<b>Note</b>	<b>31/12/2021 VND</b>	<b>1/1/2021 VND</b>
<b>ASSETS</b>				
<b>Current assets</b> (100 = 110 + 120 + 130 + 140 + 150)	<b>100</b>		<b>2,557,691,594,169</b>	<b>1,550,910,874,602</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>132,976,715,364</b>	<b>194,084,404,609</b>
Cash	111		132,976,715,364	194,084,404,609
<b>Short-term financial investments</b>	<b>120</b>		<b>700,000,000,000</b>	<b>-</b>
Held-to-maturity investments	123	5	700,000,000,000	-
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>772,993,167,178</b>	<b>783,425,964,128</b>
Accounts receivable from customers	131	6	780,774,759,010	810,969,815,615
Prepayments to suppliers	132	7	38,170,501,214	30,224,105,372
Loans receivable – short-term	135	8	15,461,572,866	15,461,572,866
Other receivables	136	9	18,780,555,519	6,964,691,706
Allowance for doubtful debts	137	10	(80,194,221,431)	(80,194,221,431)
<b>Inventories</b>	<b>140</b>	<b>11</b>	<b>946,172,372,471</b>	<b>564,783,249,113</b>
Inventories	141		949,618,731,591	568,257,274,664
Allowance for inventories	149		(3,446,359,120)	(3,474,025,551)
<b>Other current assets</b>	<b>150</b>		<b>5,549,339,156</b>	<b>8,617,256,752</b>
Short-term prepaid expenses	151		5,128,289,932	8,172,206,333
Taxes and others receivable from State Treasury	153		421,049,224	445,050,419

*The accompanying notes are an integral part of these separate financial statements*

**Tien Phong Plastic Joint Stock Company**  
**Separate balance sheet as at 31 December 2021 (continued)**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2021 VND	1/1/2021 VND
<b>Long-term assets</b> (200 = 220 + 240 + 250 + 260)	<b>200</b>		<b>1,990,408,684,413</b>	<b>2,043,927,267,314</b>
<b>Fixed assets</b>	<b>220</b>		<b>1,369,979,099,015</b>	<b>1,433,735,361,195</b>
Tangible fixed assets	221	12	1,369,979,099,015	1,365,035,367,602
Cost	222		2,714,083,194,536	2,589,796,335,207
Accumulated depreciation	223		(1,344,104,095,521)	(1,224,760,967,605)
Intangible fixed assets	227	13	-	68,699,993,593
Cost	228		2,501,022,223	80,625,862,950
Accumulated amortisation	229		(2,501,022,223)	(11,925,869,357)
<b>Long-term work in progress</b>	<b>240</b>		<b>32,881,860,391</b>	<b>85,526,863,328</b>
Construction in progress	242	14	32,881,860,391	85,526,863,328
<b>Long-term financial investments</b>	<b>250</b>	<b>5</b>	<b>465,272,188,600</b>	<b>465,272,188,600</b>
Investments in subsidiaries	251		131,100,000,000	131,100,000,000
Investments in associates	252		113,345,883,000	113,345,883,000
Equity investments in other entities	253		95,960,188,600	95,960,188,600
Allowance for diminution in the value of long-term financial investments	254		(25,133,883,000)	(25,133,883,000)
Held-to-maturity investments	255		150,000,000,000	150,000,000,000
<b>Other long-term assets</b>	<b>260</b>		<b>122,275,536,407</b>	<b>59,392,854,191</b>
Long-term prepaid expenses	261	15	122,275,536,407	59,392,854,191
<b>TOTAL ASSETS</b> (270 = 100 + 200)	<b>270</b>		<b>4,548,100,278,582</b>	<b>3,594,838,141,916</b>

*The accompanying notes are an integral part of these separate financial statements*

**Tien Phong Plastic Joint Stock Company**  
**Separate balance sheet as at 31 December 2021 (continued)**

**Form B 01 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	31/12/2021 VND	1/1/2021 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>2,049,647,494,613</b>	<b>1,192,723,874,038</b>
<b>Current liabilities</b>	<b>310</b>		<b>2,032,926,897,090</b>	<b>1,157,266,672,887</b>
Accounts payable to suppliers	311	16	232,898,460,035	180,271,339,717
Advances from customers	312	17	75,700,465,109	3,081,619,337
Taxes and others payable to State Treasury	313	18	61,151,218,653	26,276,720,508
Payables to employees	314		64,105,637,449	53,090,661,288
Accrued expenses	315	19	98,801,972,765	111,382,075,598
Other payables – short-term	319	20	109,330,985,919	10,447,034,963
Short-term borrowings	320	21(a)	1,389,623,502,334	772,022,512,413
Bonus and welfare fund	322	22	1,314,654,826	694,709,063
<b>Long-term liabilities</b>	<b>330</b>		<b>16,720,597,523</b>	<b>35,457,201,151</b>
Long-term borrowings	338	21(b)	16,720,597,523	35,457,201,151
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>2,498,452,783,969</b>	<b>2,402,114,267,878</b>
<b>Owners' equity</b>	<b>410</b>	<b>23</b>	<b>2,498,452,783,969</b>	<b>2,402,114,267,878</b>
Share capital	411	24	1,177,961,830,000	1,177,961,830,000
- Ordinary shares with voting rights	411a		1,177,961,830,000	1,177,961,830,000
Investment and development fund	418	26	1,034,576,932,192	941,847,178,493
Retained profits	421		285,914,021,777	282,305,259,385
- Retained profits brought forward	421a		47,199,299,220	47,199,299,220
- Profit for the current year	421b		238,714,722,557	235,105,960,165
<b>TOTAL RESOURCES</b>				
<b>(440 = 300 + 400)</b>	<b>440</b>		<b>4,548,100,278,582</b>	<b>3,594,838,141,916</b>

**22 MAR 2022**

Prepared by:

  
**Luu Thi Mai**  
 Deputy Head of Finance and  
 Accounting Department

Approved by:

  
**Tran Ngoc Bao**  
 Chief Accountant

  
**Chu Van Phuong**  
 General Director

*The accompanying notes are an integral part of these separate financial statements*



**Tien Phong Plastic Joint Stock Company**  
**Separate statement of income for the year ended 31 December 2021**

**Form B 02- DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2021 VND	2020 VND
Revenue from sales of goods	01	28	4,478,735,277,381	4,138,975,544,021
Revenue deductions	02	28	171,360,337,823	160,098,462,870
Net revenue (10 = 01 - 02)	10	28	4,307,374,939,558	3,978,877,081,151
Cost of sales	11	29	3,400,178,830,499	2,829,821,829,287
Gross profit (20 = 10 - 11)	20		907,196,109,059	1,149,055,251,864
Financial income	21	30	183,416,292,057	176,632,251,961
Financial expenses	22	31	71,226,691,511	105,234,206,103
<i>In which: Interest expense</i>	23		37,809,926,367	61,259,577,369
Selling expenses	25	32	366,984,642,228	516,073,662,597
General and administration expenses	26	33	124,760,140,619	201,740,072,833
Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		527,640,926,758	502,639,562,292
Other income	31		12,962,095,342	6,001,177,890
Other expenses	32		19,186,304,171	3,458,523,889
Results of other activities (40 = 31 - 32)	40		(6,224,208,829)	2,542,654,001
Accounting profit before tax (50 = 30 + 40)	50		521,416,717,929	505,182,216,293
Income tax expense – current	51	35	76,007,720,872	69,381,981,628
Net profit after tax (60 = 50 - 51)	60		445,408,997,057	435,800,234,665

**22 MAR 2022**

Prepared by:

  
Luu Thi Mai  
Deputy Head of Finance and  
Accounting Department

Approved by:

  
Tran Ngoc Bao  
Chief Accountant



  
Chu Van Phuong  
General Director

*The accompanying notes are an integral part of these separate financial statements*

**Tien Phong Plastic Joint Stock Company**  
**Separate statement of cash flows for the year ended 31 December 2021**  
**(Indirect method)**

**Form B 03 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	<b>Code</b>	<b>2021 VND</b>	<b>2020 VND</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Profit before tax</b>	<b>01</b>	<b>521,416,717,929</b>	<b>505,182,216,293</b>
<b>Adjustments for</b>			
Depreciation and amortisation	02	143,460,768,660	138,266,387,688
Allowances	03	(27,666,431)	77,552,270,807
Exchange losses arising from revaluation of monetary items denominated in foreign currencies	04	929,513,027	27,831,188
Profits from investing activities	05	(184,995,537,554)	(176,630,708,695)
Interest expense	06	37,809,926,367	61,259,577,369
<b>Operating profit before changes in working capital</b>	<b>08</b>	<b>518,593,721,998</b>	<b>605,657,574,650</b>
Change in receivables	09	21,522,436,388	77,055,984,531
Change in inventories	10	(381,361,456,927)	472,462,692,153
Change in payables and other liabilities	11	239,173,107,501	(104,613,090,588)
Change in prepaid expenses	12	3,862,782,788	(1,663,326,366)
		<b>401,790,591,748</b>	<b>1,048,899,834,380</b>
Interest paid	14	(37,273,392,196)	(64,708,363,307)
Income tax paid	15	(61,820,483,072)	(72,164,203,994)
Other payments for operating activities	17	(53,960,077,703)	(55,768,245,994)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>248,736,638,777</b>	<b>856,259,021,085</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for additions to fixed assets	21	(90,556,981,441)	(128,205,227,222)
Proceeds from disposals of fixed assets	22	5,813,018,637	1,001,232,373
Payments for granting loans and placement of deposits with terms of more than 3 months	23	(1,303,000,000,000)	-
Receipts from collecting loans and withdrawal of deposits with terms of more than 3 months	24	603,000,000,000	-
Receipts of interests, dividends and distributed profits	27	171,561,394,441	235,212,019,550
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(613,182,568,363)</b>	<b>108,008,024,701</b>

*The accompanying notes are an integral part of these separate financial statements*



**Tien Phong Plastic Joint Stock Company**  
**Separate statement of cash flows for the year ended 31 December 2021**  
**(Indirect method - continued)**

**Form B 03 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	2021 VND	2020 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from borrowings	33	3,236,002,041,577	2,680,269,187,647
Payments to settle loan principals	34	(2,638,173,307,749)	(3,366,191,437,173)
Payments of dividends	36	(294,490,457,500)	(373,021,980,500)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>303,338,276,328</b>	<b>(1,058,944,230,026)</b>
<b>Net cash flows during the year</b> (50 = 20 + 30 + 40)	<b>50</b>	<b>(61,107,653,258)</b>	<b>(94,677,184,240)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>194,084,404,609</b>	<b>288,767,838,171</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>	<b>(35,987)</b>	<b>(6,249,322)</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61) (Note 4)</b>	<b>70</b>	<b>132,976,715,364</b>	<b>194,084,404,609</b>

**22 MAR 2022**

Prepared by:

  
**Luu Thi Mai**  
Deputy Head of Finance and  
Accounting Department

Approved by:

  
**Tran Ngoc Bao**  
Chief Accountant

  
**Chu Van Phuong**  
General Director



*The accompanying notes are an integral part of these separate financial statements*



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

These notes form an integral part of and should be read in conjunction with the accompanying separate financial statements.

**1. Reporting entity**

**(a) Ownership structure**

Tien Phong Plastic Joint Stock Company (“the Company”) was formerly a State-owned enterprise which was equitised pursuant to Decree No. 64/2002/ND-CP dated 19 June 2002 issued by the Government on promulgating the restructuring of State-owned enterprises to joint stock companies. The equitisation of the Company was implemented in accordance with Decision No. 80/2004/QĐ-BCN dated 17 August 2004 issued by the Minister of Industry and Trade.

After equitisation, the Company is a joint stock company incorporated under the Law on Enterprise of Vietnam in pursuant to the Enterprise Registration Certificate No. 0200167782 issued by the Hai Phong Department of Planning and Investment on 30 December 2004. The Company’s Enterprise Registration Certificate has been amended several times, the most recent of which is dated 29 July 2020.

**(b) Principal activities**

The licensed activities of the Company are as follows:

- Manufacturing and trading plastic products for civil consumption, usage in construction, industry, agriculture, fisheries and transportation;
- Construction of apartment buildings, infrastructures, high quality housing, offices for lease, trade centres and market buildings;
- Construction of other civil engineering works;
- Providing warehouse and storage services, road transportation and other supporting services for transportation; and
- Trading of real estate and land use rights.

During the year, the principal activities of the Company are to manufacture and trade plastic products for civil consumption and usage in construction, industrials, agriculture, fisheries and transportation.

**(c) Normal operating cycle**

The normal operating cycle of the Company is generally within 12 months.

**(d) Company structure**

As at 31 December 2021 and 1 January 2021, the Company had 2 subsidiaries, 3 associates as listed in Note 5.

As at 31 December 2021, the Company had 1,257 employees (1/1/2021: 1,250 employees).

120.  
NG  
HIỆM  
PM  
LIÊM



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**2. Basis of preparation**

**(a) Statement of compliance**

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. The Company prepares and issues its consolidated financial statements separately. For a comprehensive understanding of the Company's consolidated financial position, its consolidated results of operations and its consolidated cash flows, these separate financial statements should be read in conjunction with the Company's consolidated financial statements.

**(b) Basis of measurement**

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the indirect method.

**(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Company's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

**3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Company in the preparation of these separate financial statements.

**(a) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rates and account transfer selling rates, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the separate statement of income.

**(b) Cash**

Cash comprises cash balances and call deposits.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(c) Investments**

**(i) *Held-to-maturity investments***

Held-to-maturity investments are those that the Company's Board of General Directors has the intention and ability to hold until maturity. Held-to-maturity investments include term deposits at bank, bonds and loans receivable held to maturity. These investments are stated at costs less allowance for doubtful debts.

**(ii) *Investments in subsidiaries and associates***

For the purpose of these separate financial statements, investments in subsidiaries and associates are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value. An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**(iii) *Equity investments in other entities***

Equity investments in other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

An allowance is made for diminution in investment values if fair value of this investment is less than its carrying amount. For the investments of which the fair value cannot be determined at the reporting date, allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**(d) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Company applies the perpetual method of accounting for inventories.





**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(f) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the separate statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 – 25 years
▪ plant and equipment	3 – 20 years
▪ motor vehicles	3 – 12 years
▪ office equipment	3 – 8 years

**(g) Intangible fixed assets**

**(i) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use rights comprises any directly attributable costs incurred in conjunction with securing the land use rights. Amortisation is computed on a straight-line basis over a period ranging from 27 to 45 years.

**(ii) Technology license**

Technology license comprises the expenses incurred up to the date of putting technology license into use. Technology license is amortised on a straight-line basis over 2 years.

**(h) Construction in progress**

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(i) Long-term prepaid expenses**

**(i) *Prepaid land costs***

Prepaid land costs comprise prepaid land lease rentals, including those for which the Company obtained land use rights certificate but are not qualified as intangible fixed assets under the prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the separate statement of income on a straight-line basis over the term of the lease from 27 to 44 years.

**(ii) *Tools and instruments***

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 2 to 3 years.

**(iii) *Other long-term prepaid expenses***

Other long-term prepaid expenses comprise expenses for periodic renovation, repair, billboards rental which are recognised at cost and amortised on a straight-line basis over a period ranging from 2 to 5 years.

**(j) Trade and other payables**

Trade and other payables are stated at their cost.

**(k) Provision**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(l) Share capital**

***Ordinary shares***

Ordinary shares are stated at issue price less any costs directly attributable to the issue of shares, net of tax effects. These costs are recognised as a deduction from share premium.

2017  
CÔ  
ÁCH I  
K  
M N



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(m) Taxation**

Income tax on the unconsolidated profit for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Revenue and other income**

**(i) Goods sold**

Revenue from the sale of goods is recognised in the separate statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts.

**(ii) Interest income**

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**(iii) Dividend income**

Dividend income is recognised when the right to receive dividend is established.

**(o) Leases**

**(i) Leased assets**

Leases in terms of which the Company, as lessee, assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets held under other leases are classified as operating leases and are not recognised in the Company's separate balance sheet. All of the Company's leases are operating leases.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(ii) Lease payments**

Payments made under operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the separate statement of income as an integral part of the total lease expense, over the term of the lease.

**(p) Borrowing costs**

Borrowing costs are recognised as an expense in the year in which they are incurred.

**(q) Related parties**

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

**(r) Comparative information**

Comparative information in these separate financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current year's financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these separate financial statements is not intended to present the Company's unconsolidated financial position, results of operation or cash flows for the prior year.

**4. Cash and cash equivalents**

	<b>31/12/2021</b>	<b>1/1/2021</b>
	<b>VND</b>	<b>VND</b>
Cash on hand	269,134,613	183,600,554
Cash in banks	132,707,580,751	193,900,804,055
	<hr/>	<hr/>
	132,976,715,364	194,084,404,609
	<hr/>	<hr/>

**Tien Phong Plastic Joint Stock Company**

**Notes to the separate financial statements for the year ended 31 December 2021 (continued)**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

**5. Investments**

**(a) Held-to-maturity investments**

	Quantity	31/12/2021 Cost VND	Fair value VND	Quantity	1/1/2021 Cost VND	Fair value VND
Held-to-maturity investments – short-term						
▪ Term deposits (i)	-	700,000,000,000	700,000,000,000	-	-	-
Held-to-maturity investments – long-term						
▪ Bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade (ii)	15,000	150,000,000,000	(*)	15,000	150,000,000,000	(*)

(i) Held-to-maturity investments – short-term represented the deposits with a term of 6 months at local banks, which earned interest at annual rates ranging from 4.9% to 5.4%. The costs of these deposits approximate their fair values due to the short-term nature of the investments.

(ii) These bonds earned interest at the rate of 7% per annum. In which, 10,000 bonds will be due on 14 November 2027 and 5,000 bonds will be due on 14 December 2027.



**Tien Phong Plastic Joint Stock Company**

**Notes to the separate financial statements for the year ended 31 December 2021 (continued)**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

**(b) Equity investments in other entities**

	Quantity	% of equity owned	% of voting rights	31/12/2021			1/1/2021		
				Cost VND	Allowance for diminution in value VND	Fair value VND	Cost VND	Allowance for diminution in value VND	Fair value VND
<b>Equity investments in:</b>									
<b>Subsidiaries</b>									
▪ Tien Phong Central Plastic Company Limited (iii)	100.00%	100.00%	100.00%	120,000,000,000	-	(*)	120,000,000,000	-	(*)
▪ Tien Phong Land Company Limited (iv)	100.00%	100.00%	100.00%	11,100,000,000	-	(*)	11,100,000,000	-	(*)
				131,100,000,000	-		131,100,000,000	-	
<b>Associates</b>									
▪ Tien Phong South Plastic Joint Stock Company (v)	8,415,000	27.39%	27.39%	84,150,000,000	-	(*)	84,150,000,000	-	(*)
▪ Tien Phong Packaging Joint Stock Company (vi)	499,775	49.98%	49.98%	5,397,000,000	-	(*)	5,397,000,000	-	(*)
▪ Tien Phong - SMP Plastic Joint Venture Company Limited (vii)		51.00%	51.00%	23,798,883,000	(23,798,883,000)	(*)	23,798,883,000	(23,798,883,000)	(*)
				113,345,883,000	(23,798,883,000)		113,345,883,000	(23,798,883,000)	
<b>Other entities</b>									
▪ Nam Dinh Water Supply Joint Stock Company (viii)	4,632,086	13.50%	13.50%	46,784,068,600	-	(*)	46,784,068,600	-	(*)
▪ Thu Dau Mot Water Joint Stock Company	1,800,000	1.80%	1.80%	41,400,000,000	-	(*)	41,400,000,000	-	(*)
▪ Tien Phong Technology Equipment Joint Stock Company	396,000	17.39%	17.39%	5,148,000,000	-	(*)	5,148,000,000	-	(*)
▪ Ha Giang Water Supply and Drainage Joint Stock Company	56,406	4.80%	4.80%	1,128,120,000	-	(*)	1,128,120,000	-	(*)
▪ Golden Bridge Vietnam Securities Joint Stock Company	150,000	1.11%	1.11%	1,500,000,000	(1,335,000,000)	(*)	1,500,000,000	(1,335,000,000)	(*)
				95,960,188,600	(1,335,000,000)		95,960,188,600	(1,335,000,000)	
				340,406,071,600	(25,133,883,000)		340,406,071,600	(25,133,883,000)	



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

- (iii) Tien Phong Central Plastic Company Limited was incorporated on 19 March 2012 and is located in Lot C, Nam Cam Industrial Park, Nghi Xa Commune, Nghi Loc District, Nghe An Province. The principal activities of this subsidiary are to produce and trade civil and industrial plastic products.
- (iv) Tien Phong Land Company Limited (“Tien Phong Land”) was incorporated on 18 May 2015 and is located at No. 2 An Da Road, Lach Tray Ward, Ngo Quyen District, Hai Phong City. Under its Enterprise Registration Certificate, the Company shall contribute VND20,000 million to the charter capital of Tien Phong Land. Up to 31 December 2021, the Company has contributed VND11,100 million in Tien Phong Land’s charter capital.
- (v) Tien Phong South Plastic Joint Stock Company was incorporated on 24 September 2007 and is located at Lot C2, Dong An II Industrial Park, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province. The principal activities of this associate are to produce and trade civil and industrial plastic products.
- (vi) Tien Phong Packaging Joint Stock Company was incorporated on 1 July 2004 and is located at No. 2 An Da Road, Lach Tray Ward, Ngo Quyen District, Hai Phong City. The principal activities of this associate are to produce PP packages, cement packages, papers of different types, multilayer films and other plastic products.
- (vii) Tien Phong - SMP Plastic Joint Venture Company Limited (“Tien Phong - SMP”) was established under Overseas Investment Certificate No. 222/BKH-DTRNN issued by the Ministry of Planning and Investment on 5 March 2009 and Investment Certificate No. 032/IB.VC issued by Vientiane Department of Domestic and Foreign Investment on 17 April 2008 between SMP Commerce Import - Export Company Limited and Tien Phong Plastic Joint Stock Company.  
  
Tien Phong – SMP has ceased operation for many years, and this has affected the ability to transfer fund from Tien Phong – SMP to the Company. Therefore, though the Company owns 51% of the charter capital of Tien Phong – SMP, the Board of General Directors assessed that the Company does not have control over Tien Phong – SMP and presents this investment as investments in associates. Under the prudence principle, the Company made allowance for diminution in value of long-term investments for the whole cost of this investment in the separate financial statements in previous years.
- (viii) At 31 December 2021 and 1 January 2021, this investment was pledged with banks as security for loans granted to the Company (Note 21).
- (\*) The Company has not determined fair values of these investments for disclosure in the separate financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under the Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. There fair values of these investments may differ from their carrying amounts.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**6. Accounts receivable from customers**

**Accounts receivable from customers detailed by significant customers and related parties**

	<b>31/12/2021</b>	<b>1/1/2021</b>
	<b>VND</b>	<b>VND</b>
<b>Related parties</b>		
Tien Phong South Plastic Joint Stock Company – an associate (i)	507,775,042,229	337,778,296,999
Minh Hai Import - Export Trading Limited Company – a company whose key management member being a related individual of the Company (i)	98,249,573,848	243,936,102,107
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members (i)	-	3,885,581,879
Tien Phong Packaging Joint Stock Company – an associate (i)	12,562,000	-
Sekisui Vietnam Company Limited – a company with common key management members (ii)	1,264,458,136	1,650,366,250
<b>Other parties</b>		
Hong Phuoc Investment and Trading Joint Stock Company	97,208,674,112	32,476,824,252
Thai Hoa Trading Company Limited	68,276,461,099	123,288,793,047
Nam Phuong Trading Company Limited	-	37,731,349,888
Tam Phuoc Company Limited	-	26,400,255,823
Other customers	7,987,987,586	3,822,245,370
	<b>780,774,759,010</b>	<b>810,969,815,615</b>

- (i) These receivables were unsecured, interest free and are receivable upon demand.
- (ii) The trade related amounts due from Sekisui Vietnam Company Limited were unsecured, interest free and are due in 30 to 90 days from invoice date.

At 31 December 2021, receivables with a carrying value of VND701,869 million (1/1/2021: VND732,065 million) were pledged with banks as security for loans granted to the Company (Note 21).

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**7. Prepayments to suppliers**

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
<b>Related parties</b>		
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members with the Company	5,940,080,065	2,105,295,193
<b>Other parties</b>		
Lotus Chemical Technology Company Limited	9,375,659,443	6,977,720,635
Anh Quan Electric Water and Trading Service Company Limited	4,181,100,000	-
Van Vina Joint Stock Company	3,256,193,160	1,443,435,940
PNT Technology and Equipment Company Limited	2,964,483,848	2,331,359,518
Minh Khang Advertising Media Company Limited	2,356,640,000	1,412,516,288
Other suppliers	10,096,344,698	15,953,777,798
	<hr/> 38,170,501,214	<hr/> 30,224,105,372 <hr/>

**8. Loans receivable – short-term**

As at 31 December 2021 and 1 January 2021, loans receivable – short-term represented the loans granted to Tien Phong Packaging Joint Stock Company – an associate of the Company. These loans were unsecured, interest free and are payable upon demand.

**9. Other receivables**

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
Accrued interest from deposits and bonds	10,833,561,647	1,262,465,753
Advances	5,300,636,207	2,817,667,095
Security deposits	2,378,000,000	2,308,000,000
Other receivables	268,357,665	576,558,858
	<hr/> 18,780,555,519	<hr/> 6,964,691,706 <hr/>



**Tien Phong Plastic Joint Stock Company**

**Notes to the separate financial statements for the year ended 31 December 2021 (continued)**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

**10. Bad and doubtful debts**

	Overdue period	31/12/2021			Overdue period	1/1/2021		
		Cost VND	Allowance VND	Recoverable amount VND		Cost VND	Allowance VND	Recoverable amount VND
<i>Overdue debts</i>								
Dai Phat Construction and Trading Services Company Limited	Over 3 years	583,902,600	583,902,600	-	Over 3 years	583,902,600	583,902,600	-
Vi Nam Company Limited	Over 3 years	501,480,953	501,480,953	-	Over 3 years	501,480,953	501,480,953	-
Sekisui Vietnam Company Limited – a company with common key management members	Over 1 year to over 3 years	1,264,458,136	1,060,039,175	204,418,961	Below 6 months to over 3 years	1,650,366,250	1,060,039,175	590,327,075
Minh Hai Import - Export Trading Limited Company – a company with key management member being a related individual of the Company	2 years to below 3 years	98,249,573,848	77,845,262,227	20,404,311,621	1 year to below 2 years	243,936,102,107	77,845,262,227	166,090,839,880
Others	Over 3 years	203,536,476	203,536,476	-	Over 3 years	203,536,476	203,536,476	-
		100,802,952,013	80,194,221,431	20,608,730,582		246,875,388,386	80,194,221,431	166,681,166,955
<i>Of which:</i>								
Allowance for doubtful debts – short-term			80,194,221,431				80,194,221,431	



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**11. Inventories**

	<b>31/12/2021</b>		<b>1/1/2021</b>	
	<b>Cost VND</b>	<b>Allowance VND</b>	<b>Cost VND</b>	<b>Allowance VND</b>
Goods in transit	70,112,842,476	-	55,283,899,516	-
Raw materials	560,882,839,863	(3,446,359,120)	339,834,011,616	(3,474,025,551)
Tools and supplies	9,038,098,070	-	8,061,336,157	-
Work in progress	59,868,617,771	-	37,113,688,720	-
Finished goods	249,716,333,411	-	127,964,338,655	-
	<hr/>		<hr/>	
	949,618,731,591	(3,446,359,120)	568,257,274,664	(3,474,025,551)
	<hr/>		<hr/>	

**Tien Phong Plastic Joint Stock Company**

**Notes to the separate financial statements for the year ended 31 December 2021 (continued)**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

**12. Tangible fixed assets**

<b>Cost</b>	<b>Buildings and structures VND</b>	<b>Plant and equipment VND</b>	<b>Motor vehicles VND</b>	<b>Office equipment VND</b>	<b>Total VND</b>
Opening balance	1,357,729,493,558	1,061,884,088,660	152,721,030,098	17,461,722,891	2,589,796,335,207
Additions	5,302,621,539	3,965,192,788	2,638,463,818	-	11,906,278,145
Transfer from construction in progress	130,735,946,745	2,644,263,134	-	-	133,380,209,879
Disposals	(627,067,922)	(4,938,395,499)	(1,691,614,286)	-	(7,257,077,707)
Transfer to long-term prepaid expenses	-	(13,675,935,289)	-	(66,615,699)	(13,742,550,988)
Closing balance	1,493,140,993,920	1,049,879,213,794	153,667,879,630	17,395,107,192	2,714,083,194,536
<b>Accumulated depreciation</b>					
Opening balance	456,125,565,091	659,671,947,424	92,595,653,516	16,367,801,574	1,224,760,967,605
Charge for the year	69,305,737,250	58,735,356,064	11,302,148,802	394,821,316	139,738,063,432
Disposals	(423,270,846)	(4,537,499,396)	(1,691,614,286)	-	(6,652,384,528)
Transfer to long-term prepaid expenses	-	(13,675,935,289)	-	(66,615,699)	(13,742,550,988)
Closing balance	525,008,031,495	700,193,868,803	102,206,188,032	16,696,007,191	1,344,104,095,521
<b>Net book value</b>					
Opening balance	901,603,928,467	402,212,141,236	60,125,376,582	1,093,921,317	1,365,035,367,602
Closing balance	968,132,962,425	349,685,344,991	51,461,691,598	699,100,001	1,369,979,099,015

Included in tangible fixed assets were assets costing VND563,185 million which were fully depreciated as of 31 December 2021 (1/1/2021: VND528,636 million), but which are still in active use.

As at 31 December 2021, tangible fixed assets with a net book value of VND748,165 million (1/1/2021: VND839,689 million) were pledged with banks as security for loans granted to the Company (Note 21).

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**13. Intangible fixed assets**

	<b>Land use rights VND</b>	<b>Technology licences VND</b>	<b>Total VND</b>
<b>Cost</b>			
Opening balance	78,124,840,727	2,501,022,223	80,625,862,950
Transfer to long-term prepaid expenses	(76,393,133,097)	-	(76,393,133,097)
Disposals	(1,731,707,630)	-	(1,731,707,630)
Closing balance	-	2,501,022,223	2,501,022,223
<b>Accumulated amortisation</b>			
Opening balance	9,424,847,134	2,501,022,223	11,925,869,357
Charge for the year	451,172,686	-	451,172,686
Transfer to long-term prepaid expenses	(9,420,051,952)	-	(9,420,051,952)
Disposals	(455,967,868)	-	(455,967,868)
Closing balance	-	2,501,022,223	2,501,022,223
<b>Net book value</b>			
Opening balance	68,699,993,593	-	68,699,993,593
Closing balance	-	-	-

Included in intangible fixed assets were assets costing VND2,501 million which were fully amortised as of 31 December 2021 and 1 January 2021, but which are still in use.

2011  
CÔT  
CH NH  
KI  
TƯ L



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**14. Construction in progress**

	<b>2021 VND</b>	<b>2020 VND</b>
Opening balance	85,526,863,328	127,135,624,483
Additions	80,804,745,419	71,243,810,497
Transfer to tangible fixed assets	(133,380,209,879)	(110,852,571,652)
Transfer to long-term prepaid expenses	-	(2,000,000,000)
Others	(69,538,477)	-
Closing balance	32,881,860,391	85,526,863,328

Major constructions in progress were as follows:

	<b>31/12/2021 VND</b>	<b>1/1/2021 VND</b>
New factory in Duong Kinh	23,850,632,324	76,495,635,261
Project No. 2 An Da	9,031,228,067	9,031,228,067
	32,881,860,391	85,526,863,328

**15. Long-term prepaid expenses**

	<b>Prepaid land costs VND</b>	<b>Tools and instruments VND</b>	<b>Others VND</b>	<b>Total VND</b>
Opening balance	47,537,665,966	2,935,852,034	8,919,336,191	59,392,854,191
Additions	-	1,245,564,000	5,777,408,846	7,022,972,846
Transfer from intangible fixed assets	66,973,081,145	-	-	66,973,081,145
Amortisation for the year	(3,271,532,542)	(1,620,088,180)	(6,221,751,053)	(11,113,371,775)
Closing balance	111,239,214,569	2,561,327,854	8,474,993,984	122,275,536,407

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**16. Accounts payable to suppliers**

**Accounts payable to suppliers detailed by significant suppliers and related parties**

	<b>Cost and amount within payment capacity</b>	
	<b>31/12/2021</b>	<b>1/1/2021</b>
	<b>VND</b>	<b>VND</b>
<b>Related parties</b>		
Sekisui Vietnam Company Limited – a company with common key management members	90,829,495,680	58,041,296,500
Tien Phong South Plastic Joint Stock Company – an associate	43,722,349,648	1,123,173,758
Tien Phong Packaging Joint Stock Company – an associate	1,997,604,554	2,023,997,019
Tien Phong Technology Equipment Joint Stock Company – a company with common key management members	205,906,250	-
Tien Phong Central Plastic Company Limited – a subsidiary	-	54,429,093,592
<b>Other parties</b>		
Huyen Trang Investment Company Limited	8,021,597,200	-
Tin Kim Plastic Joint Stock Company	3,192,395,448	15,011,101,227
Borouge Pte Ltd.	8,274,494,250	16,717,100,400
Marubeni Corporation	24,600,591,540	-
SCG Chemicals Co., Ltd.	17,729,250,000	-
Other suppliers	34,324,775,465	32,925,577,221
	<b>232,898,460,035</b>	<b>180,271,339,717</b>

The amounts due to the related parties were unsecured, interest free and are payable within 30 - 180 days from invoice date.

As at 31 December 2021, the Company had no overdue debts (1/1/2021: Nil).

**17. Advances from customers**

	<b>31/12/2021</b>	<b>1/1/2021</b>
	<b>VND</b>	<b>VND</b>
Nam Phuong Trading Company Limited	16,555,985,810	-
Tam Phuoc Company Limited	58,203,602,728	-
Ha Dung Trading Company Limited	938,132,491	3,081,619,337
Other customers	2,744,080	-
	<b>75,700,465,109</b>	<b>3,081,619,337</b>

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**18. Taxes and others payable to State Treasury**

	<b>1/1/2021 VND</b>	<b>Incurred VND</b>	<b>Paid/offset VND</b>	<b>31/12/2021 VND</b>
Value added tax	12,093,293,514	449,008,172,821	(431,130,336,332)	29,971,130,003
Value added tax of imported goods	-	165,151,573,162	(165,151,573,162)	-
Corporate income tax	5,575,547,258	76,007,720,872	(61,820,483,072)	19,762,785,058
Personal income tax	8,252,443,560	20,014,043,691	(17,204,619,835)	11,061,867,416
Land rental	-	7,803,520,000	(7,803,520,000)	-
Import tax	355,436,176	21,844,514,469	(21,844,514,469)	355,436,176
	<b>26,276,720,508</b>	<b>739,829,545,015</b>	<b>(704,955,046,870)</b>	<b>61,151,218,653</b>

**19. Accrued expenses**

	<b>31/12/2021 VND</b>	<b>1/1/2021 VND</b>
Interests payable	1,623,147,748	1,086,613,577
Discounts payable to distributors and retailers	68,135,046,662	80,470,538,547
Transportation expenses	7,611,859,008	5,900,967,861
Land rental	9,443,036,249	6,273,082,125
Advertising and marketing expenses	2,678,000,000	13,391,033,600
Others	9,310,883,098	4,259,839,888
	<b>98,801,972,765</b>	<b>111,382,075,598</b>



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**20. Other short-term payables**

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
<b>Related parties</b>		
Payments made on behalf from Tien Phong Central Plastic Company Limited – a subsidiary	100,756,235,584	-
<b>Other parties</b>		
Short-term deposits received	6,298,984,177	7,414,000,177
Trade union fees	1,293,995,672	1,801,194,049
Others	981,770,486	1,231,840,737
	<hr/>	<hr/>
	109,330,985,919	10,447,034,963
	<hr/>	<hr/>

The non-trade amounts due to the related party were unsecured, bore interest at 3.7% per annum and are payable upon demand.

TR  
NAM

**Tien Phong Plastic Joint Stock Company**

**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

## 21. Borrowings

**(a) Short-term borrowings**

	1/1/2021	Movements in the year			31/12/2021
	Carrying amount and amount within payment capacity VND	Addition VND	Decrease VND	Foreign exchange differences VND	Carrying amount and amount within payment capacity VND
Short-term borrowings					
Current portion of long-term borrowings (Note 21(b))	753,285,908,830	3,236,002,041,577	(2,619,436,704,166)	1,035,652,465	1,370,886,898,706
	18,736,603,583	18,736,603,628	(18,736,603,583)	-	18,736,603,628
	772,022,512,413	3,254,738,645,205	(2,638,173,307,749)	1,035,652,465	1,389,623,502,334

Short-term borrowings include:

- bank loans in Vietnamese Dong, which bore interest at annual rates ranging from 2.9% to 4.1% (2020: from 3.1% to 5.0%); and
- bank loans in United States Dollar, which bore interest at the annual rates ranging from 2.0% to 3.2% (2020: from 2.0% to 3.2%).

At the reporting date, the short-term borrowings with a carrying amount of VND959,856 million were secured over assets as described in Note 21(b) short-term loans were unsecured.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

**(b) Long-term borrowings**

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
Long-term borrowings	35,457,201,151	54,193,804,734
Repayable within twelve months (Note 21(a))	(18,736,603,628)	(18,736,603,583)
Repayable after twelve months	16,720,597,523	35,457,201,151

Long-term borrowings include bank loans in Vietnamese Dong which bore interest at annual rates ranging from 4.0% to 5.45% (2020: from 5.43% to 9.14%) and with maturities in the years from 2022 to 2024.

Outstanding short-term and long-term borrowings were secured over the following assets:

- investment in Nam Dinh Water Supply Joint Stock Company with a carrying amount of VND46,784 million as at 31 December 2021 and 1 January 2021 (Note 5);
- receivables with carrying amount of VND701,869 million (1/1/2021: VND732,065 million) (Note 6); and
- tangible fixed assets of the Company with a net book value of VND748,165 million as at 31 December 2021 (1/1/2021: VND839,689 million) (Note 12).

**22. Bonus and welfare fund**

This fund is established by appropriating from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Company's employees in accordance with its bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	<b>2021</b> <b>VND</b>	<b>2020</b> <b>VND</b>
Opening balance	694,709,063	4,165,196,620
Appropriation	23,580,023,466	28,297,758,437
Advances from retained profit of 2021 (*)	30,000,000,000	20,000,000,000
Utilisation	(52,960,077,703)	(51,768,245,994)
Closing balance	1,314,654,826	694,709,063

- (\*) The Board of Management of the Company on 20 October 2021 resolved to appropriate an advance to the bonus and welfare fund amounting to VND30,000 million to be used for the Company's Trade union activities.



**Form B 09 – DN**  
(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Share capital VND	Investment and development fund VND	Retained profits VND	Total VND
<b>Balance at 1/1/2020</b>	981,638,530,000	962,542,250,971	447,452,991,179	2,391,633,772,150
Net profit for the year	-	-	435,800,234,665	435,800,234,665
Appropriation to investment and development fund	-	175,628,227,522	(175,628,227,522)	-
Issuance of shares	196,323,300,000	(196,323,300,000)	-	-
Dividends from retained profit of 2019 (Note 25)	-	-	(196,327,706,000)	(196,327,706,000)
Advance of dividends from retained profit of 2020 (Note 25)	-	-	(176,694,274,500)	(176,694,274,500)
Appropriation to bonus and welfare fund from retained profit of 2019 (Note 22)	-	-	(28,297,758,437)	(28,297,758,437)
Advance to bonus and welfare fund from retained profit of 2020 (Note 22)	-	-	(20,000,000,000)	(20,000,000,000)
Compensation to Board of Management and Supervisory Board	-	-	(4,000,000,000)	(4,000,000,000)
<b>Balance at 1/1/2021</b>	1,177,961,830,000	941,847,178,493	282,305,259,385	2,402,114,267,878
Net profit for the year	-	-	445,408,997,057	445,408,997,057
Appropriation to investment and development fund	-	92,729,753,699	(92,729,753,699)	-
Dividends from retained profit of 2020 (Note 25)	-	-	(117,796,183,000)	(117,796,183,000)
Advance of dividends from retained profit of 2021 (Note 25)	-	-	(176,694,274,500)	(176,694,274,500)
Appropriation to bonus and welfare fund from retained profit of 2020 (Note 22)	-	-	(23,580,023,466)	(23,580,023,466)
Advance to bonus and welfare fund from retained profit of 2021 (Note 22)	-	-	(30,000,000,000)	(30,000,000,000)
Compensation to Board of Management	-	-	(1,000,000,000)	(1,000,000,000)
<b>Balance at 31/12/2021</b>	1,177,961,830,000	1,034,576,932,192	285,914,021,777	2,498,452,783,969

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**24. Share capital**

The Company's authorised and issued share capital are:

	31/12/2021		1/1/2021	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000
<b>Issued share capital</b>				
Ordinary shares	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000
<b>Shares in circulation</b>				
Ordinary shares	117,796,183	1,177,961,830,000	117,796,183	1,177,961,830,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

**25. Dividends**

The General Meeting of Shareholders of the Company on 19 April 2021 resolved to distribute dividends in cash for 2020 amounting to VND117,796 million (VND1,000 per share, equivalent to 10% of charter capital) (2020: VND196,328 million (VND2,000 per share, equivalent to 20% of charter capital)).

On 21 October 2021, the Company's Board of Management passed a resolution on first advance of dividends in cash for 2021 amounting to VND176,694 million (VND1,500 per share, equivalent to 15% of charter capital) (2020: VND176,694 million (VND1,500 per share, equivalent to 15% of charter capital)).

**26. Investment and development fund**

Investment and development fund was appropriated from retained profits in accordance with the resolution of General Meeting of Shareholders. This fund was established for the purpose of future business expansion.

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**27. Off balance sheet items**

**(a) Land lease commitments**

The future minimum lease payments under non-cancellable land leases were:

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
Within one year	10,861,998,125	10,638,903,125
Within two to five years	43,447,992,500	42,555,612,500
More than five years	238,883,820,688	241,584,587,563
	<hr/>	<hr/>
	293,193,811,313	294,779,103,188
	<hr/>	<hr/>

**(b) Foreign currency**

	<b>31/12/2021</b>		<b>1/1/2021</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	96,398	2,177,137,763	105,146	2,417,827,441
		<hr/>		<hr/>

**(c) Capital expenditure commitments**

As at 31 December 2021, the Company had the following outstanding capital commitments approved but not provided for in the separate balance sheet:

	<b>31/12/2021</b> <b>VND</b>	<b>1/1/2021</b> <b>VND</b>
Approved and not contracted	21,607,267,431	12,087,583,773
	<hr/>	<hr/>



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)*

**28. Revenue from sales of goods**

Total revenue represents the gross value of goods sold exclusive of value added tax.

Net revenue comprised:

	<b>2021 VND</b>	<b>2020 VND</b>
Total revenue		
▪ Sales of goods	4,260,761,768,234	3,898,377,581,675
▪ Others	217,973,509,147	240,597,962,346
	<hr/> 4,478,735,277,381	<hr/> 4,138,975,544,021
Less revenue deductions		
▪ Sales discounts	(157,045,561,595)	(143,584,555,652)
▪ Sales returns	(11,637,016,296)	(16,513,907,218)
▪ Sales allowances	(2,677,759,932)	-
	<hr/> (171,360,337,823)	<hr/> (160,098,462,870)
Net revenue	<hr/> 4,307,374,939,558	<hr/> 3,978,877,081,151

**29. Cost of sales**

	<b>2021 VND</b>	<b>2020 VND</b>
Total cost of sales:		
▪ Goods sold	3,190,091,540,813	2,629,730,188,608
▪ Others	210,114,956,117	201,422,671,274
Allowance for inventories	(27,666,431)	(1,331,030,595)
	<hr/> 3,400,178,830,499	<hr/> 2,829,821,829,287

**30. Financial income**

	<b>2021 VND</b>	<b>2020 VND</b>
Interest income from deposits and bonds	36,327,858,792	13,358,552,994
Foreign exchange gains	2,283,801,722	881,852,266
Dividends and distributed profits	144,804,631,543	162,391,846,701
	<hr/> 183,416,292,057	<hr/> 176,632,251,961

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**31. Financial expenses**

	<b>2021 VND</b>	<b>2020 VND</b>
Interest expense	37,809,926,367	61,259,577,369
Payment discounts	28,805,484,055	37,017,649,714
Foreign exchange losses	1,371,869,517	272,265,935
Other financial expenses	3,239,411,572	6,684,713,085
	<b>71,226,691,511</b>	<b>105,234,206,103</b>

**32. Selling expenses**

	<b>2021 VND</b>	<b>2020 VND</b>
Staff costs	31,735,385,439	32,988,703,207
Discounts paid to distributors and retailers	166,741,718,646	273,260,101,300
Depreciation	15,978,738,748	12,524,888,059
Transportation expenses	77,348,592,718	76,982,349,388
Advertising and marketing expenses	38,251,833,220	64,469,042,899
Other selling expenses	36,928,373,457	55,848,577,744
	<b>366,984,642,228</b>	<b>516,073,662,597</b>

**33. General and administration expenses**

	<b>2021 VND</b>	<b>2020 VND</b>
Staff costs	59,118,615,109	51,270,707,850
Depreciation and amortisation	21,521,602,429	19,289,137,584
Allowance for doubtful debts	-	78,883,301,402
Other general and administration expenses	44,119,923,081	52,296,925,997
	<b>124,760,140,619</b>	<b>201,740,072,833</b>

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**34. Production and business costs by element**

	<b>2021 VND</b>	<b>2020 VND</b>
Raw material costs included in production costs	3,101,737,554,461	2,365,306,103,056
Discounts paid to distributors and retailers	166,741,718,646	273,260,101,300
Labour costs and staff costs	337,223,285,170	307,123,078,521
Depreciation and amortisation	143,460,768,660	138,266,387,688
Allowance for doubtful debts	-	78,883,301,402
Outside services	238,319,030,206	230,813,275,215
Other expenses	48,975,846,441	93,342,669,625

**35. Income tax**

**(a) Recognised in the separate statement of income**

	<b>2021 VND</b>	<b>2020 VND</b>
<b>Current tax expense</b>		
Current year	76,007,720,872	69,381,981,628

**(b) Reconciliation of effective tax rate**

	<b>2021 VND</b>	<b>2020 VND</b>
Accounting profit before tax	521,416,717,929	505,182,216,293
Tax at the Company's tax rate	104,283,343,586	101,036,443,259
Non-deductible expenses	685,303,595	823,907,709
Tax exempt income	(28,960,926,309)	(32,478,369,340)
	76,007,720,872	69,381,981,628

**(c) Applicable tax rates**

According to the current Law on Corporate Income Tax, the Company has obligations to pay the Government income tax at 20% of taxable profits.



**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**36. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to the separate financial statements, the Company had the following significant transactions with related parties during the year:

	<b>Transaction value</b>	
	<b>2021</b>	<b>2020</b>
	<b>VND</b>	<b>VND</b>
<b>Subsidiary</b>		
<i><b>Tien Phong Central Plastic Company Limited</b></i>		
Sales of goods	118,765,506,927	4,731,563,381
Purchase of goods	-	154,509,510,626
Profit distribution	139,000,202,043	157,273,335,901
Purchase of tangible fixed assets	418,295,740	11,302,344,856
Disposal of tangible fixed assets	928,473,182	-
Purchase of services	853,312,998	1,273,584,615
Late payment interest expenses	3,239,411,572	6,684,713,085
Materials loaned	98,546,079,000	-
Collection of materials loaned	98,546,079,000	-
Management expenses	-	349,421,432
<b>Associates</b>		
<i><b>Tien Phong South Plastic Joint Stock Company</b></i>		
Sales of goods	224,483,847,013	266,557,067,351
Purchase of goods and services	104,701,830,415	177,391,756,829
Sales returns	1,259,471,661	2,662,184,272
Royalty fee (*)	3,400,000,000	3,400,000,000
<i><b>Tien Phong Packaging Joint Stock Company</b></i>		
Purchase of goods and services	25,430,381,626	19,110,958,344
Dividends received	599,730,000	499,775,000
Revenue from sales of goods	16,630,000	-
<b>Other related companies</b>		
<i><b>Minh Hai Import - Export Trading Limited Company</b></i>		
Discounts	12,082,471,544	-
Sales returns	240,987,550	4,126,339,239
<i><b>Tien Phong Technology Equipment Joint Stock Company</b></i>		
Sales of goods	30,150,000	32,920,000
Purchase of goods and services	66,408,240,080	50,645,564,270
Purchase of tangible fixed assets	933,335,000	-
Loans granted	3,000,000,000	-
Collection of loans	3,000,000,000	-
Interest income from loans	63,013,066	-

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	<b>Transaction value</b>	
	<b>2021</b>	<b>2020</b>
	<b>VND</b>	<b>VND</b>
<b><i>Sekisui Vietnam Company Limited</i></b>		
Sales of goods	3,577,727,273	3,333,073,129
Purchase of goods	515,035,349,164	165,322,032,105
Sales returns	12,518,950	-

- (\*) According to the sub-license agreement dated 1 August 2018 between the Company and Tien Phong South Plastic Joint Stock Company (an associate), Tien Phong South Plastic Joint Stock Company has the right and transferred sub-licenses, received from Sekisui Chemical Co., Ltd., to the Company for the Company to manufacture, use and sale of a number of products based on this technological know-how. The Company pays a royalty fee of VND3,400 million per year to Tien Phong South Plastic Joint Stock Company.

**Key management personnel compensation**

	<b>2021</b>	<b>2020</b>
	<b>VND</b>	<b>VND</b>
<b>Board of Management members</b>		
Fees, bonus and other benefits		
Mr Dang Quoc Dung – Chairman	3,352,341,875	2,600,016,572
Mr Noboru Kobayashi – Vice Chairman	884,500,000	588,980,000
Mr Tran Ngoc Bao – Member	2,698,561,261	2,030,000,412
Mr Nguyen Viet Phuong – Member	177,000,000	66,590,000
Mr Dao Anh Thang – Member	918,630,000	864,000,000
Mr Nguyen Quoc Truong – Member (until 18/5/2020)	-	249,000,000
Mr Tran Ba Phuc – Member (until 18/5/2020)	-	254,500,000
Mr Nguyen Anh Tuan – Member (until 18/5/2020)	-	50,000,000
<b>General Director cum Member of Board of Management</b>		
Salaries, bonus and other benefits	3,387,176,659	2,632,900,304
<b>Other management personnel</b>		
Salary, bonus and other benefits (excluding all the items disclosed above)	5,192,609,115	5,018,688,033

**Tien Phong Plastic Joint Stock Company**  
**Notes to the separate financial statements for the year ended 31 December 2021**  
**(continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**37. Comparative information**

Comparative information as at 1 January 2021 was derived from the balances and amounts reported in the Company's separate financial statements as at and for the year ended 31 December 2020.

**22 MAR 2022**

Prepared by:

  
**Luu Thi Mai**  
*Deputy Head of Finance and  
Accounting Department*

Approved by:

  
**Tran Ngoc Bao**  
*Chief Accountant*

  
**Chu Van Phuong**  
*General Director*

