

Dong Nai Plastic Joint Stock Company

Separate financial statements

For the year ended 31 December 2021



Dong Nai Plastic Joint Stock Company

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Dong Nai Plastic Joint Stock Company

GENERAL INFORMATION

THE COMPANY

Dong Nai Plastic Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 3600662561 issued by the Department of Planning and Investment ("DPI") of Dong Nai Province on 2 January 2004 and the latest 22nd amended ERC dated 14 January 2022.

The Company's shares are listed on the Hanoi Stock Exchange ("HNX") with ticker symbol of DNP.

The current principal activity of the Company is to manufacture plastic products.

The Company's head office is located at Bien Hoa 1 Industrial Zones, Street No 9, An Binh Ward Bien Hoa City, Dong Nai Province, Vietnam. The Company has a dependent accounting branch, which is Dong Nai Plastic Joint Stock Company in Ha Noi, address at Warehouse No. 6, left row, No. 780 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Ha Noi City.

MEMBERS' COUNCIL

Members of the Members' Council during the year and at the date of this report are:

Mr Vu Dinh Do	Chairman	
Mr Ngo Duc Vu	Vice Chairman	
Mr Nguyen Van Hieu	Member	
Mr Le Van Minh	Independent member	
Mr Ho Anh Dung	Independent member	
Mr Akhil Jain	Member	appointed on 17 July 2021
Ms Phan Thuy Giang	Member	appointed on 17 July 2021
Ms Phan Thi Thu Thao	Member	resigned on 17 July 2021
Mr Brandon Marc Courban	Independent member	resigned on 31 March 2021

AUDIT COMMITTEE UNDER THE MEMBERS' COUNCIL

The members of Audit committee under the Members' Council during the year and at the date of this report are:

Mr Le Van Minh	Head of Audit committee	
Mr Ho Anh Dung	Member	
Ms Nguyen Hong Oanh	Member	
Mr Brandon Marc Courban	Member	resigned on 31 March 2021

MANAGEMENT

The members of the Management during the year and at the date of this report are:

Mr Nguyen Van Hieu	General Director	
Mr Tran Huu Chuyen	Deputy General Director	
Mr Trinh Kien	Deputy General Director	appointed on 31 March 2021
Ms Phan Thuy Giang	Deputy General Director	appointed on 3 August 2021
Mr Nguyen Hong Chuong	Deputy General Director	resigned on 9 February 2022
Ms Phan Thi Thu Thao	Deputy General Director	resigned on 12 August 2021
Mr Nguyen The Minh	Deputy General Director	resigned on 12 August 2021

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Nguyen Van Hieu.

AUDITORS

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

Dong Nai Plastic Joint Stock Company

REPORT OF MANAGEMENT

Management of Dong Nai Plastic Joint Stock Company ("the Company") is pleased to present its report and the separate financial statements of the Company for the year ended 31 December 2021.

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

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

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

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and to ensure that the accounting records comply with the applied accounting system. Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that the Company has complied with the above requirements in preparing the accompanying separate financial statements.

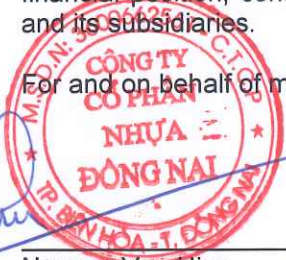
STATEMENT BY MANAGEMENT

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

The Company has subsidiaries as disclosed in the separate financial statements. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2021 ("the consolidated financial statements") dated 31 March 2022.

Users of these accompanying separate financial statements should read them together with the said consolidated financial statements of the Group in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries.

For and on behalf of management:



Nguyen Van Hieu
General Director

Dong Nai Province, Vietnam

31 March 2022

Reference: 61551842/23049723

INDEPENDENT AUDITORS' REPORT

To: The Shareholders and The Board of Directors of Dongnai Plastic Joint Stock Company

We have audited the accompanying separate financial statements of Dong Nai Plastic Joint Stock Company ("the Company") as prepared on 31 March 2022 and set out on pages 5 to 38, which comprise the separate balance sheet as at 31 December 2021, and the separate income statement and the separate cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

Our responsibility is to express an opinion on these 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the separate 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 management, as well as evaluating the overall presentation of the separate financial statements.

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

Opinion

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

Other Matter

The separate financial statements of the Company for the year ended 31 December 2020 were audited by another audit Firm which expressed an unmodified conclusion on those statements on 9 April 2021.

Ernst & Young Vietnam Company Limited



Tran Nam Dung
Deputy General Director
Audit Practicing Registration Certificate
No. 3021-2019-004-1



Dang Nguyen Huong
Auditor
Audit Practicing Registration Certificate
No. 5041-2019-004-1

Ho Chi Minh City, Vietnam

31 March 2022

SEPARATE BALANCE SHEET
as at 31 December 2021

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,023,311,497,802	1,354,985,299,373
110	I. Cash and cash equivalents	4	24,652,316,424	7,408,230,505
111	1. Cash		16,565,401,904	4,408,230,505
112	2. Cash equivalents		8,086,914,520	3,000,000,000
120	II. Short-term investments		124,275,799,836	523,770,745,722
121	1. Held-for-trading securities	5.1	37,591,090,000	48,257,760,000
123	2. Held- to-maturity investments	5.2	86,684,709,836	475,512,985,722
130	III. Current accounts receivables		537,659,635,350	543,820,943,579
131	1. Short-term trade receivables	6.1	543,901,410,238	495,787,331,593
132	2. Short-term advances to suppliers	6.2	31,922,891,433	87,953,919,462
135	3. Short-term loan receivables		19,560,000,000	3,200,000,000
136	4. Other short-term receivables	7	20,776,460,238	15,416,880,031
137	5. Provision for doubtful short-term receivables		(78,501,126,559)	(58,537,187,507)
140	IV. Inventories	8	307,426,528,531	256,491,221,195
141	1. Inventories		314,733,249,766	259,441,267,639
149	2. Provision for obsolete inventories		(7,306,721,235)	(2,950,046,444)
150	V. Other current assets		29,297,217,661	23,494,158,372
151	1. Short-term prepaid expenses	9	7,114,966,319	4,088,686,265
152	2. Value-added tax deductible	14	22,045,360,158	18,352,381,300
153	3. Tax and other receivables from the State	14	136,891,184	1,053,090,807
200	B. NON-CURRENT ASSETS		2,954,624,968,132	1,937,463,234,279
210	I. Non-current accounts receivable		14,742,150,835	22,083,116,841
216	1. Other long-term receivables	7	14,742,150,835	22,083,116,841
220	II. Fixed assets		254,936,843,859	262,835,905,448
221	1. Tangible fixed assets	10	139,496,806,031	89,729,680,825
222	Cost		339,628,957,947	240,129,042,778
223	Accumulated depreciation		(200,132,151,916)	(150,399,361,953)
224	2. Finance leases fixed assets	11	115,440,037,828	173,106,224,623
225	Cost		157,908,149,184	219,462,179,849
226	Accumulated depreciation		(42,468,111,356)	(46,355,955,226)
240	III. Long-term asset in progress		5,470,703,734	1,947,405,827
242	1. Construction in progress		5,470,703,734	1,947,405,827
250	IV. Long-term investments	12	2,657,834,504,238	1,617,605,726,054
251	1. Investments in subsidiaries		2,630,059,504,238	1,600,230,726,054
252	2. Investments in associates		9,675,000,000	4,275,000,000
255	3. Held-to-maturity investments		18,100,000,000	13,100,000,000
260	V. Other long-term asset		21,640,765,466	32,991,080,109
261	1. Long-term prepaid expenses	9	21,640,765,466	32,991,080,109
270	TOTAL ASSETS		3,977,936,465,934	3,292,448,533,652

SEPARATE BALANCE SHEET (continued)
as at 31 December 2021

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		2,414,299,666,662	1,941,301,381,067
310	I. Current liabilities		959,674,942,119	1,071,762,954,862
311	1. Short-term trade payables	13.1	176,947,502,698	126,809,504,015
312	2. Short-term advances from customers	13.2	24,304,799,445	88,574,615,044
313	3. Statutory obligations	14	1,299,340,383	972,662,109
314	4. Payables to employees		10,818,566,638	8,572,858,054
315	5. Short-term accrued expenses	15	35,825,113,757	28,390,461,053
319	6. Other short-term payables	16	2,324,514,794	607,127,791
320	7. Short-term loans and finance lease obligations	17	706,096,416,423	809,070,810,909
321	8. Provision for short-term payables		-	6,706,227,906
322	9. Bonus and welfare fund		2,058,687,981	2,058,687,981
330	II. Non-current liabilities		1,454,624,724,543	869,538,426,205
336	1. Long-term unearned revenues		407,674,193	640,630,901
337	2. Other long-term liabilities	16	620,384,787,795	37,273,090,000
338	3. Long-term loans and finance lease obligations	17	833,832,262,555	831,624,705,304
400	D. OWNERS' EQUITY		1,563,636,799,272	1,351,147,152,585
410	I. Capital	18.1	1,563,636,799,272	1,351,147,152,585
411	1. Share capital		1,189,099,130,000	1,091,544,930,000
411a	- Shares with voting rights		1,189,099,130,000	1,091,544,930,000
412	2. Share premium		270,847,905,480	166,623,522,320
415	3. Treasury share		(28,342,000)	(28,342,000)
418	4. Investment and development fund		725,180,292	725,180,292
421	5. Undistributed earnings		102,992,925,500	92,281,861,973
421a	- Undistributed earnings by the end of prior year		92,281,861,973	80,231,489,440
421b	- Undistributed earnings of current year		10,711,063,527	12,050,372,533
440	TOTAL LIABILITIES AND OWNERS' EQUITY		3,977,936,465,934	3,292,448,533,652



Pham Thi Ngoc Hue
Preparer



Tran Thai Son
Chief Accountant



Nguyen Van Hieu
General Director


31 March 2022

SEPARATE INCOME STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sale of goods and rendering of services		2,329,899,417,749	1,869,955,286,928
02	2. Deductions		(2,921,894,440)	(1,527,427,043)
10	3. Net revenues from sale of goods and rendering of services	19.1	2,326,977,523,309	1,868,427,859,885
11	4. Cost of goods sold and services rendered	20	(2,113,565,101,252)	(1,708,324,176,208)
20	5. Gross profit from sale of goods and rendering of services		213,412,422,057	160,103,683,677
21	6. Finance income	19.2	122,065,717,275	71,091,417,577
22	7. Finance expenses	21	(154,657,999,215)	(96,991,457,768)
23	- In which: Interest expenses		(143,120,439,812)	(89,528,790,120)
25	8. Selling expenses	22	(75,031,305,279)	(62,391,727,000)
26	9. General and administrative expenses	22	(92,180,301,338)	(57,921,170,679)
30	10. Operating profit		13,608,533,500	13,890,745,807
31	11. Other income		1,788,894,231	2,048,209,444
32	12. Other expenses		(3,270,665,762)	(3,888,582,718)
40	13. Other loss		(1,481,771,531)	(1,840,373,274)
50	14. Accounting profit before tax		12,126,761,969	12,050,372,533
51	15. Current corporate income tax expense	24.1	(1,415,698,442)	-
60	16. Net profit after tax		10,711,063,527	12,050,372,533


Pham Thi Ngoc Hue
Preparer

Tran Thai Son
Chief Accountant

 Nguyen Van Hieu
General Director

31 March 2022

SEPARATE CASH FLOW STATEMENT
for the year ended 31 December 2021

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		12,126,761,969	12,050,372,533
	<i>Adjustments for:</i>			
02	Depreciation of tangible fixed assets and finance lease assets	10, 11	46,781,278,641	45,617,341,074
03	Provisions		17,614,385,937	8,145,621,807
04	Foreign exchange losses arisen from revaluation of monetary accounts denominated in foreign currencies	21	452,348,660	443,139,368
05	Profits from investing activities		(116,400,702,822)	(41,960,428,663)
06	Interest expenses	21	143,120,439,812	89,528,790,120
08	Operating profit before changes in working capital		103,694,512,197	113,824,836,239
09	Decrease (increase) in receivables		48,508,173,751	(197,992,195,842)
10	(Increase) decrease in inventories		(55,291,982,127)	35,902,587,635
11	Increase (decrease) in payables		28,650,361,341	(7,243,656,406)
12	Decrease (increase) in prepaid expenses		11,186,222,523	(4,437,710,528)
13	Decrease in held-for-trading securities		10,666,670,000	52,651,330,000
14	Interest paid		(141,040,937,310)	(78,870,446,759)
15	Corporate income tax paid	14	(8,121,926,348)	(1,539,629,950)
20	Net cash flows used in operating activities		(1,748,905,973)	(87,704,885,611)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchase and construction of fixed assets		(53,784,811,835)	(41,802,104,447)
22	Proceeds from disposal of fixed assets and other long-term assets		5,039,295,164	26,663,140,812
23	Loans to other entities		(50,971,724,114)	(99,214,104,555)
24	Collections from borrowers		99,775,000,000	97,514,000,000
25	Payment for investment in other entities, payment for investment corporation contracts		(695,928,778,184)	(498,786,675,000)
26	Proceeds from disposal of investment in other entities, receive from investment corporation contracts		583,111,697,795	-
27	Interest and dividends received		67,286,156,581	34,211,034,668
30	Net cash flows used in investing activities		(45,473,164,593)	(481,414,708,522)

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

VND

Code	ITEMS	Notes	Current year	Previous year
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Issuance of shares	18.1	201,778,583,160	189,221,302,320
33	Drawdown of borrowings	17	2,049,645,302,493	1,991,871,163,776
34	Repayment of borrowings	17	(2,149,790,248,684)	(1,589,200,463,957)
35	Repayment of finance lease borrowings	17	(37,175,175,826)	(39,502,309,779)
40	Net cash flows from financing activities		64,458,461,143	552,389,692,360
50	Net increase (decrease) in cash and cash equivalents for the year		17,236,390,577	(16,729,901,773)
60	Cash and cash equivalents at beginning of year		7,408,230,505	24,140,575,641
61	Impact of exchange rate fluctuation		7,695,342	(2,443,363)
70	Cash and cash equivalents at end of year	4	24,652,316,424	7,408,230,505



Pham Thi Ngoc Hue
Preparer



Tran Thai Son
Chief Accountant



Nguyen Van Hieu
General Director

31 March 2022

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

1. CORPORATE INFORMATION

Dong Nai Plastic Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No.3600662561 issued by the Department of Planning and Investment ("DPI") of Dong Nai Province on 2 January 2004 and the latest 22nd amended ERC dated 14 January 2022.

The Company's shares are listed on the Hanoi Stock Exchange ("HNX") with ticker symbol of DNP.

The current principal activity of the Company is to manufacture plastic products.

The Company's head office is located at Bien Hoa 1 Industrial Zones, Street No 9, An Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam. The Company has a dependent accounting branch, which is Dong Nai Plastic Joint Stock Company in Ha Noi, address at Warehouse No. 6, left row, No. 780 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Ha Noi City.

The number of the Company's employees as at 31 December 2021 was 966 (31 December 2020: 857).

2. BASIS OF PREPARATION

2.1 *Applied accounting standards and system*

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

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

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

The Company has subsidiaries as disclosed in Note 12.1. The Company prepared these separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the Circular No. 96/2020/TT-BTC on disclosure of information on the securities market. In addition, as required by these regulations, the Company has also prepared the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2021 ("the consolidated financial statements") dated 31 March 2022.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company and its subsidiaries.



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

2. BASIS OF PREPARATION (continued)

2.2 Applied accounting documentation system

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

2.3 Fiscal year

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

2.4 Accounting currency

The separate financial statements are prepared in Vietnam dong ("VND") which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 Inventories

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

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

Raw materials, consumables and goods for resale - cost of purchase on a weighted average basis.

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

Provision for decline in value of inventories

An inventory provision is created for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the separate income statement.

3.3 Receivables

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use. Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the separate income statement as incurred.

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

3.5 *Depreciation*

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

Building and structure	2-12 years
Machinery and equipment	2-10 years
Means of transportation	6-10 years
Office equipment	2-10 years

3.6 *Finance lease assets*

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised in the separate balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the separate income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful life of the asset and the lease term, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term

Rentals under operating leases are charged to the separate income statement on a straight-line basis over the lease term.

3.7 *Borrowing costs*

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds and recorded as expense during the year in which they are incurred, except to the extent that they are capitalised as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.8 *Prepaid expenses*

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

The following types of expenses are recorded as long-term prepaid expenses and are amortised to the separate income statement:

- ▶ Tools and equipment;
- ▶ External Services;
- ▶ Maintenance and renovation fee; and
- ▶ Other operating expenses.

3.9 *Investments*

Investments in subsidiaries

Investment in subsidiaries over which the Company has control are carried at cost.

Distributions from accumulated net profits of the subsidiary arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investment in associates

Investments in associates over which the Company has significant influence are carried at cost.

Distributions from accumulated net profits of the associates arising subsequent to the date of acquisition are recognised in the separate income statement. Distributions from sources other than from such profits are considered a recovery of investment and are deducted to the cost of the investment.

Investment in another entity

Investment in another entity is stated at acquisition cost.

Held-to-maturity investments

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

Held-for-trading securities and investments in other entities

Held-for-trading securities and investments in other entities are stated at their acquisition costs.

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date. Increases or decreases to the provision balance are recorded as finance expense in the separate income statement.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.10 Payables and accruals

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

3.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the separate income statement net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a financial expense.

3.12 Foreign currency transactions

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

- ▶ Transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.
- ▶ Capital contributions are recorded at the buying exchange rates of the commercial banks designated for capital contribution; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments

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

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

All foreign exchange differences incurred are taken to the separate income statement.

3.13 Treasury shares

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.14 *Appropriation of net profits*

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

The Company maintains the following reserve funds which are appropriated from the Company's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting:

▶ *Investment and development fund*

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

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability on the separate balance sheet.

3.15 *Revenue recognition*

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

Sale of goods

Finished goods is regarded as sold when the significant risks and returns have been transferred to customers, which is normally on unconditional exchange of contracts. For conditional exchanges, sales are recognised only when all the significant conditions are satisfied.

Rendering of services

Revenue is recognised when rendering services is rendered and completed.

Interest income

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

3.16 *Taxation*

Current income tax

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

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 *Taxation* (continued)

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except :

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

3.17 *Related parties*

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

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

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	25,751,268	42,883,549
Cash in banks	16,539,650,636	4,365,346,956
Cash equivalents (*)	<u>8,086,914,520</u>	<u>3,000,000,000</u>
TOTAL	<u>24,652,316,424</u>	<u>7,408,230,505</u>

(*) Represent short-term deposits at Commercial Banks with original maturities of one month with the applicable interest rates. As at 31 December 2021, the Company has pledged a part of deposits at the bank with the amount of VND 3,000,000,000 to secure for the loans (Note 17).

5. SHORT-TERM INVESTMENTS

5.1 Held-for-trading securities

	VND					
	<u><i>Ending balance</i></u>			<u><i>Beginning balance</i></u>		
	<i>Cost</i>	<i>Fair Value</i>	<i>Provision</i>	<i>Cost</i>	<i>Fair Value</i>	<i>Provision</i>
Shares						
Thua Thien Hue Water Supply Joint Stock Company ("Huewaco") (UpCom)	<u>37,591,090,000</u>	<u>37,591,090,000</u>	<u>-</u>	<u>48,257,760,000</u>	<u>48,257,760,000</u>	<u>-</u>

5.2 Short-term held-to-maturity investments

	VND			
	<u><i>Ending balance</i></u>		<u><i>Beginning balance</i></u>	
	<i>Cost</i>	<i>Fair Value</i>	<i>Cost</i>	<i>Fair Value</i>
Term deposits (*)	86,684,709,836	86,684,709,836	42,712,985,722	42,712,985,722
Other investments	-	-	432,800,000,000	432,800,000,000
TOTAL	<u>86,684,709,836</u>	<u>86,684,709,836</u>	<u>475,512,985,722</u>	<u>475,512,985,722</u>

(*) Represent deposits at commercial banks with maturity from 3 months to 6 months with the applicable interest rates. As at 31 December 2021, the Company has pledged a part of deposits at the bank with the amount of VND 72,000,000,000 to secure for the loans (Note 17).

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

6. SHORT-TERM TRADE RECEIVABLES AND SHORT-TERM ADVANCES TO SUPPLIERS

6.1 Short-term trade receivables

	VND	
	Ending balance	Beginning balance
Receivables from customers trading pipes and accessory sector	506,271,206,729	447,301,347,818
Receivables from customers trading packaging products sector	37,630,203,509	48,485,983,775
TOTAL	543,901,410,238	495,787,331,593
Provision for doubtful short-term receivables	(73,633,815,629)	(58,537,187,507)
NET (*)	470,267,594,609	437,250,144,086

(*) As at 31 December 2021, the Company has pledged a part of short-term trade receivables with the amount of VND 240,000,000,000 to secure for the loans (Note 17).

6.2 Short-term advances to suppliers

	VND	
	Ending balance	Beginning balance
Advances to suppliers for business activities	22,095,238,188	84,337,663,421
Advances to suppliers for purchasing fixed assets	9,827,653,245	3,616,256,041
TOTAL	31,922,891,433	87,953,919,462
Provision for doubtful short-term advances to suppliers	(3,515,672,764)	-
NET	28,407,218,669	87,953,919,462

7. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short-term		
Deposits	4,240,865,899	2,354,992,721
Interest receivables	2,844,150,114	747,106,407
Advances to employee	2,279,136,380	2,973,248,835
Others	1,479,307,845	1,341,532,068
Related parties (Note 25)	9,933,000,000	8,000,000,000
TOTAL	20,776,460,238	15,416,880,031
Long-term		
Deposits	9,138,278,081	13,700,805,388
Value added tax of finance lease assets	5,603,872,754	8,382,311,453
TOTAL	14,742,150,835	22,083,116,841

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

8. INVENTORIES

	VND			
	Ending balance		Beginning balance	
	Cost	Provision	Cost	Provision
Raw materials	133,021,477,824	-	64,550,065,388	-
Finished goods	121,413,135,799	(7,245,721,074)	67,292,729,104	(2,564,712,029)
Goods in transit	23,966,923,200	-	75,538,328,636	-
Work in progress	20,565,835,089	-	16,853,598,210	-
Merchandised goods	13,537,306,759	(61,000,161)	14,000,803,998	(385,334,415)
Goods on consignment	2,190,169,536	-	21,205,742,303	-
Tools, equipment	38,401,559	-	-	-
TOTAL (*)	<u>314,733,249,766</u>	<u>(7,306,721,235)</u>	<u>259,441,267,639</u>	<u>(2,950,046,444)</u>

(*) As at 31 December 2021, the Company has pledged a part of inventories with the amount of VND 165,000,000,000 to secure for the loans (Note 17).

Details of provision for inventories are as follows:

	VND	
	Current year	Previous year
Beginning balane	(2,950,046,444)	(2,802,532,479)
Provision for the year	<u>(4,356,674,791)</u>	<u>(147,513,965)</u>
Ending balane	<u>(7,306,721,235)</u>	<u>(2,950,046,444)</u>

9. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
Short-term	7,114,966,319	4,088,686,265
Tools, equipment	3,910,341,212	1,248,517,218
Others	3,204,625,107	2,840,169,047
Long-term	21,640,765,466	32,991,080,109
Tools, equipment	8,985,234,897	23,746,823,449
Others	<u>12,655,530,569</u>	<u>9,244,256,660</u>
TOTAL	<u>28,755,731,785</u>	<u>37,079,766,374</u>

Dong Nai Plastic Joint Stock Company

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

10. TANGIBLE FIXED ASSETS

	Building and structure	Machinery and equipment	Means of transportation	Office equipment	Total
Cost:					
Beginning balance	38,613,568,222	181,580,582,078	16,733,748,206	3,201,144,272	240,129,042,778
Transfer of construction work in progress	-	35,340,879,287	3,341,833,274	-	38,682,712,561
Repurchase of finance lease assets (Note 11)	2,401,026,000	63,785,934,584	408,500,000	231,148,580	66,826,609,164
Disposal	-	(573,605,267)	(604,545,454)	-	(1,178,150,721)
Sale and lease back fixed assets	-	(4,592,038,840)	(550,000,000)	-	(5,142,038,840)
Other increase	1,712,400	304,201,939	2,434,333	2,434,333	310,783,005
Ending balance	41,016,306,622	275,845,953,781	19,331,970,359	3,434,727,185	339,628,957,947
<i>In which:</i>					
Fully depreciated	17,155,108,052	89,349,950,928	7,765,825,453	1,975,947,797	116,246,832,230
Accumulated depreciation:					
Beginning balance	(25,190,113,433)	(112,496,015,109)	(10,083,136,932)	(2,630,096,479)	(150,399,361,953)
Depreciation for the year	(2,834,771,557)	(18,696,467,659)	(1,979,306,693)	(258,740,585)	(23,769,286,494)
Repurchase of finance lease assets (Note 11)	(980,418,950)	(25,556,584,917)	(170,208,349)	(192,623,801)	(26,899,836,017)
Disposal	-	573,605,267	362,727,281	-	936,332,548
Ending balance	(29,005,303,940)	(156,175,462,418)	(11,869,924,693)	(3,081,460,865)	(200,132,151,916)
Net carrying amount					
Beginning balance	13,423,454,789	69,084,566,969	6,650,611,274	571,047,793	89,729,680,825
Ending balance	12,011,002,682	119,670,491,363	7,462,045,666	353,266,320	139,496,806,031

As at 31 December 2021, the Company has pledged a carrying amount of fixed assets with the amount of VND 35,462,597,953 to secure for the loans (31 December 2020: VND 49,730,052,740) (Note 17).

Dong Nai Plastic Joint Stock Company

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

11. FINANCE LEASE ASSETS

	Building and structure	Machinery and equipment	Means of transportation	Office equipment	Total
Cost:					
Beginning balance	2,401,026,000	215,717,703,186	1,112,302,083	231,148,580	219,462,179,849
New leases	-	5,272,578,499	-	-	5,272,578,499
Repurchase of finance lease assets (Note 10)	(2,401,026,000)	(63,785,934,584)	(408,500,000)	(231,148,580)	(66,826,609,164)
Ending balance	-	157,204,347,101	703,802,083	-	157,908,149,184
Accumulated depreciation:					
Beginning balance	(760,324,900)	(45,183,994,614)	(261,389,147)	(150,246,565)	(46,355,955,226)
Depreciation for the year	(220,094,050)	(22,609,173,716)	(140,347,145)	(42,377,236)	(23,011,992,147)
Repurchase of finance lease assets (Note 10)	980,418,950	25,556,584,917	170,208,349	192,623,801	26,899,836,017
Ending balance	-	(42,236,583,413)	(231,527,943)	-	(42,468,111,356)
Net carrying amount:					
Beginning balance	1,640,701,100	170,533,708,572	850,912,936	80,902,015	173,106,224,623
Ending balance	-	114,967,763,688	472,274,140	-	115,440,037,828

Dong Nai Plastic Joint Stock Company

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

12. LONG-TERM INVESTMENTS

	Ending balance		Beginning balance		VND	
	Cost	Provision	Book value (*)	Cost		Provision
Subsidiaries (Note 12.1)	2,630,059,504,238	-	2,630,059,504,238	1,600,230,726,054	-	1,600,230,726,054
Dong Nai Mien Trung Plastic Joint Stock Company	37,466,720,354	-	37,466,720,354	37,466,720,354	-	37,466,720,354
Tan Phu Vietnam Joint Stock Company (i)	209,273,160,700	-	209,273,160,700	158,260,330,700	-	158,260,330,700
DNP - Water Joint Stock Company	1,404,503,675,000	-	1,404,503,675,000	1,404,503,675,000	-	1,404,503,675,000
CMC Joint Stock Company (ii)	978,815,948,184	-	978,815,948,184	-	-	-
Associates (Note 12.2)	9,675,000,000	-	9,675,000,000	4,275,000,000	-	4,275,000,000
Son Thanh Water Supply and Sewerage Investment Construction Joint Stock Company (iii)	9,675,000,000	-	9,675,000,000	4,275,000,000	-	4,275,000,000
Held-to-maturity investments (Note 12.3)	18,100,000,000	-	18,100,000,000	13,100,000,000	-	13,100,000,000
Bond investment	18,100,000,000	-	18,100,000,000	13,100,000,000	-	13,100,000,000
TOTAL	2,657,834,504,238	-	2,657,834,504,238	1,617,605,726,054	-	1,617,605,726,054

(i) As at 3 December 2021, Tan Phu Vietnam Joint Stock Company increased its capital by issuing additional shares at the ratio of 2:1 par value of VND 10,000 per share, the number of additional shares bought by the Company is 5,101,283 with a total value of VND 51,012,830,000.

(ii) As at 25 March 2021, the Company increased its ownership rate in CMC Joint Stock Company ("CMC") to 51.14% of its equity, accordingly, CMC became the Company's subsidiary as of this date.

(iii) The Company has successfully contributed capital for the 4th phase to Son Thanh Water Supply and Sewerage Investment Construction Joint Stock Company with total amount of VND 5,400,000,000.

(*) As at 31 December 2021, the Company has pledged 18,761,964 investment shares in subsidiaries to secure for bank loans (Note 17).

Dong Nai Plastic Joint Stock Company

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

12. LONG-TERM INVESTMENTS (continued)

12.1 Investments in subsidiaries

Subsidiaries	Address	Principle activities		At 31 December 2021		At 31 December 2020	
		Interest (%)	Voting right (%)	Interest (%)	Voting right (%)		
Dong Nai Mien Trung Plastic Joint Stock Company	Lot 6 Dien Nam - Dien Ngoc Industrial Park, Dien Ngoc Ward, Dien Ban Town, Quang Nam Province, Vietnam	99.33%	99.33%	99.33%	99.33%	99.33%	99.33%
Tan Phu Vietnam Joint Stock Company	314 Luy Ban Bich Street, Hoa Thanh Ward, Tan Phu District, Ho Chi Minh City, Vietnam	51.01%	51.01%	51.01%	51.01%	51.01%	51.01%
DNP-Water Joint Stock Company	Can Village, Huong Son Commune, Lang Giang District, Bac Giang Province, Vietnam	68.24%	68.24%	68.24%	68.24%	68.24%	68.24%
CMC Joint Stock Company	Lot B10 - B11 Thuy Van Industrial Park, Thuy Van Commune, Viet Tri City, Phu Tho Province, Vietnam	51.14%	51.14%	-	-	-	-

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

12. LONG-TERM INVESTMENTS (continued)

12.2 Investments in associates

As at 31 December 2021, the Company has 1 associate as follows:

Associate	Address	Principle activities	Interest (%)	Voting right (%)
Son Thanh Water Supply and Sewerage Investment Construction Joint Stock Company	58 Yersin, Phuong Sai Ward, Nha Trang City, Khanh Hoa Province	To produce and supply clean water	45.00	45.00

12.3 Held-to-maturity investments

Issuer	Quantity	Par value (VND/share)	Amount	Maturity Date	Rate
Vietnam Joint Stock Commercial Bank for Industry and Trade	51,000	100,000	5,100,000,000	30 July 2028	Applicable rate + 0.9%/year
	70,000	100,000	7,000,000,000	18 November 2029	Applicable rate + 0.9%/year
	600	10,000,000	6,000,000,000	29 June 2028	Applicable rate + 0.8%/year
TOTAL	121,600		18,100,000,000		

13. SHORT-TERM TRADE PAYABLES AND SHORT-TERM ADVANCES FROM CUSTOMERS

13.1 Short-term trade payables

	Ending balance		Beginning balance	
	Amount	Payable amount	Amount	Payable amount
Payables to suppliers for business activities	175,196,354,576	175,196,354,576	124,482,771,610	124,482,771,610
Payables to suppliers for purchasing of fixed assets	1,751,148,122	1,751,148,122	2,326,732,405	2,326,732,405
TOTAL	176,947,502,698	176,947,502,698	126,809,504,015	126,809,504,015

13.2 Short-term advances from customers

	Ending balance		Beginning balance	
	Amount	Payable amount	Amount	Payable amount
Advances from customers trading pipes and accessories	24,216,941,013		88,167,729,583	
Others	87,858,432		406,885,461	
TOTAL	24,304,799,445		88,574,615,044	

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

14. TAX AND RECEIVABLES FROM THE STATE AND STATUTORY OBLIGATIONS

	VND			
	<i>Beginning balance</i>	<i>Payable for the year</i>	<i>Payment made in the year</i>	<i>Ending balance</i>
Payables				
Personal income tax	405,125,559	3,503,689,048	(3,175,730,274)	733,084,333
Corporate income tax	-	8,121,926,348	(8,121,926,348)	-
Others	567,536,550	1,245,593,856	(1,246,874,356)	566,256,050
TOTAL	972,662,109	12,871,209,252	(12,544,530,978)	1,299,340,383

	VND			
	<i>Beginning balance</i>	<i>Receivable for the year</i>	<i>Payment received in the year</i>	<i>Ending balance</i>
Receivables				
VAT deductible	18,352,381,300	-	3,692,978,858	22,045,360,158
VAT of imported goods	994,069,504	(46,643,459,871)	45,717,541,089	68,150,722
Import, export tax	59,021,303	(445,806,379)	455,525,538	68,740,462
TOTAL	19,405,472,107	(47,089,266,250)	49,866,045,485	22,182,251,342

15. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest expenses	17,351,114,035	15,271,611,533
Salary and bonus expenses	13,130,506,334	9,500,315,390
Freight charges	1,846,648,957	1,829,708,471
Others	3,496,844,431	1,788,825,659
TOTAL	35,825,113,757	28,390,461,053

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

16. OTHER SHORT-TERM PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	2,324,514,794	607,127,791
Social Insurance	1,846,529,376	603,930,451
Others	477,985,418	3,197,340
Long-term	620,384,787,795	37,273,090,000
Cooperation investment (*)	583,111,697,795	-
Deposit (**)	<u>37,273,090,000</u>	<u>37,273,090,000</u>
TOTAL	<u>622,709,302,589</u>	<u>37,880,217,791</u>

(*) The investment cooperation contract with other organisations in order to make investment in clean water industry and related industries. Profits are divided among the parties according to the term agreement at the time of contract termination.

(**) This is deposit amount from individuals to transfer shares in public company (Note 5.1).

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

17. LOANS

	Beginning balance	Drawdown during the year	Payment during the year	Foreign exchange differences	Current portion of long-term loans/financial lease liabilities	Ending balance
Short-term						
Bank loans (Note 17.1)	809,070,810,909	2,010,671,645,885	(2,148,763,200,765)	(621,891,044)	35,739,051,438	706,096,416,423
Current portion of long-term loans (Note 17.1)	766,495,533,004	2,010,671,645,885	(2,106,187,922,860)	(621,891,044)	-	670,357,364,985
Current portion of finance lease liabilities (Note 17.4)	6,267,350,020	-	(6,267,350,020)	-	6,559,599,996	6,559,599,996
	36,307,927,885	-	(36,307,927,885)	-	29,179,451,442	29,179,451,442
Long-term						
Bank loans (Note 17.2)	831,624,705,304	38,973,656,608	(1,027,047,919)	-	(35,739,051,438)	833,832,262,555
Others (Note 17.3)	8,016,402,277	1,598,000,020	(159,799,978)	-	(6,559,599,996)	2,895,002,323
Finance lease liabilities (Note 17.4)	10,000,000,000	29,600,000,000	-	-	-	39,600,000,000
Bonds (Note 17.5)	64,220,041,473	5,750,364,388	(867,247,941)	-	(29,179,451,442)	39,923,706,478
	749,388,261,554	2,025,292,200	-	-	-	751,413,553,754
TOTAL	1,640,695,516,213	2,049,645,302,493	(2,149,790,248,684)	(621,891,044)	-	1,539,928,678,978

VND

Dong Nai Plastic Joint Stock Company

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

17. LOANS (continued)

17.1 Short-term loan from bank

The Company has short-term bank loans to finance for working capital with interest rates ranging from 3.6% to 6.0% per annum. Details are as follows:

Banks	Ending balance	Original amount	Payment term	Collateral
	VND	USD		
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ha Thanh Branch	185,367,988,820	-	From 17 January 2022 to 30 September 2022	Term deposits, Means of transportation, Machinery and equipment, Production lines, Shares in subsidiaries
Vietnam Joint Stock Commercial Bank for Industry and Trade – Bien Hoa Industrial Zone Branch	283,598,304,256	-	From 1 April 2022 to 30 June 2022	Term deposits, Bonds, Account receivables, Inventories, Factory, Machinery and equipment, Shares in subsidiaries
Joint Stock Commercial Bank for Investment and Development of Vietnam – Truong Son Branch	112,977,065,215	-	From 6 April 2022 to 29 July 2022	Term deposits, The Company's shares
Ho Chi Minh City Development Joint Stock Commercial Bank – Dong Nai Branch	19,779,455,762	862,978	From 16 February 2022 to 29 March 2022	Unsecured
Tien Phong Commercial Joint Stock Bank – Ben Thanh Branch	34,979,189,875	-	From 7 April 2022 to 28 May 2022	Unsecured
Sinopac Bank – Ho Chi Minh City Branch	33,655,361,057	-	From 3 April 2022 to 14 June 2022	Unsecured
TOTAL	670,357,364,985	862,978		

Dong Nai Plastic Joint Stock Company

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

17. LOANS (continued)

17.2 Long-term loans from banks

The Company has long-term loans from banks for investing in machineries, equipment and means of transportation purpose with interest rates ranging from 8.0% to 8.2% per annum. Details are as follows:

Banks	Ending balance VND	Payment term	Collateral
Vietnam Joint Stock Commercial Bank for Industry and Trade – Bien Hoa Industrial Park Branch	8,016,402,277	10 April 2023	Term deposits, Bonds, Account receivables, Inventories, Factory and machinery and warehouse at Bien Hoa 1 Industrial Zones, Street No 9, An Binh Ward Bien Hoa City and Shares in subsidiaries
Tien Phong Commercial Joint Stock Bank – Dong Nai Branch	1,438,200,042	18 June 2026	Means of transportation are formed from loans

TOTAL

9,454,602,319

In which:

Current portion

2,895,002,323

Long-term loans

17.3 Long-term loans from other entities

Individuals	Ending balance VND	Manurity date	Interest %/year	Collaterals
Other individuals	39,600,000,000	13 – 18 months since drawdown date	According to each contract	Unsecured

Dong Nai Plastic Joint Stock Company

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

17. LOANS (continued)

17.4 Finance lease liabilities

	Ending balance			Beginning balance		
	Minimum lease payment	Interest expense	Principal	Minimum lease payment	Interest expense	Principal
Under 1 year	33,427,982,859	4,248,531,417	29,179,451,442	43,207,649,993	6,899,722,108	36,307,927,885
From 1 to 5 years	43,097,591,091	3,173,884,613	39,923,706,478	71,642,781,552	7,422,740,079	64,220,041,473
TOTAL	76,525,573,950	7,422,416,030	69,103,157,920	114,850,431,545	14,322,462,187	100,527,969,358

VND

17.5 Bonds

	Ending balance (VND)	Payment term	Interest rate %/year	Purpose	Collaterals
AEP II Holdings Pte, Ltd.,	454,293,553,754	2 November 2023	5	To finance for working capital	Shares of some shareholders at the Company and shares of the Company in subsidiaries
Military Commercial Joint Stock Bank – Dong Nai Branch	297,120,000,000	27 November 2025	9.5	To finance for working capital	Shares in subsidiaries
TOTAL	751,413,553,754				

Dong Nai Plastic Joint Stock Company

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

18. OWNERS' EQUITY

18.1 Increase and decrease in owners' equity

	Share capital	Share premium	Treasury shares	Investment and development fund	Undistributed earnings	Total
						VND
Previous year						
Beginning balance	1,000,085,350,000	68,861,800,000	(28,342,000)	725,180,292	80,231,489,440	1,149,875,477,732
Increase in the year	91,459,580,000	97,761,722,320	-	-	-	189,221,302,320
Net profit for the year	-	-	-	-	12,050,372,533	12,050,372,533
Ending balance	1,091,544,930,000	166,623,522,320	(28,342,000)	725,180,292	92,281,861,973	1,351,147,152,585
Current year						
Beginning balance	1,091,544,930,000	166,623,522,320	(28,342,000)	725,180,292	92,281,861,973	1,351,147,152,585
Increase in the year (*)	97,554,200,000	104,224,383,160	-	-	-	201,778,583,160
Net profit for the year	-	-	-	-	10,711,063,527	10,711,063,527
Ending balance	1,189,099,130,000	270,847,905,480	(28,342,000)	725,180,292	102,992,925,500	1,563,636,799,272

(*) As at 22 November 2021, the Company received the registration certificate No. 267/GCN-UBCK issued by the State Securities Commission agreed on the issuance of shares to the public. According to the Resolution No. 05/2021/NQ-HDQT dated 10 September 2021 and the meeting minutes dated 29 December 2021, the Member Council approved the Resolution No. 09/2021/NQ-HDQT dated 29 December 2021 on the results of the Company's shares offering sold from 8 December 2021 to 27 December 2021 is 9,755,420 shares with par value of VND 10,000 per share, accordingly, the Company's charter capital increased from VND 1,091,544,930,000 to VND 1,189,099,130,000.

As at 9 February 2022, the Hanoi Stock Exchange issued Decision No. 66/QDSGDHN approving the Company to be listed additional 9,755,420 shares with total value of VND 97,554,200,000.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)
as at 31 December 2021 and for the year then ended**18. OWNERS' EQUITY (continued)****18.2 Shares**

Movement of shares during the year:

	<i>Ending balance</i>	<i>Beginning balance</i>
Beginning balance	109,154,493	100,008,535
Share issued	9,755,420	9,145,958
Ending balance	118,909,913	109,154,493

Shares issuance

	<i>Ending balance</i>	<i>Beginning balance</i>
Shares authorised to be issued	118,909,913	109,154,493
Shares issued and fully paid	118,909,913	109,154,493
<i>Ordinary shares</i>	118,909,913	109,154,493
Treasury shares	8,810	8,810
<i>Ordinary shares</i>	8,810	8,810
Outstanding shares	118,901,103	109,145,683
<i>Ordinary shares</i>	118,901,103	109,145,683

Par value of the Company's shares is VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

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

19. REVENUES

19.1 Revenues from sale of goods and rendering of services

	VND	
	Current year	Previous year
Gross revenue	<u>2,329,899,417,749</u>	<u>1,869,955,286,928</u>
<i>In which:</i>		
Revenue from sale of of finished goods and merchandises	2,284,540,379,619	1,795,664,272,815
Revenue from rendering of service	29,741,264,999	79,683,847
Others	15,617,773,131	74,211,330,266
Less:	2,921,894,440	1,527,427,043
Sale returns	2,921,894,440	1,527,427,043
Net revenue	<u>2,326,977,523,309</u>	<u>1,868,427,859,885</u>
<i>In which:</i>		
Revenue from sale of of finished goods and merchandises	2,281,618,485,179	1,794,136,845,772
Revenue from rendering of service	29,741,264,999	79,683,847
Others	15,617,773,131	74,211,330,266

19.2 Finance income

	VND	
	Current year	Previous year
Gains from investment activities	82,334,405,500	26,325,670,000
Dividend received	21,331,243,511	26,219,601,141
Interest income from bank deposits	12,651,626,777	15,679,627,522
Foreign exchange gains	4,151,629,530	2,866,518,914
Others	1,596,811,957	-
TOTAL	<u>122,065,717,275</u>	<u>71,091,417,577</u>

20. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of goods sold and services rendered	2,109,208,426,461	1,708,176,662,243
Provision for decline in value of inventories	4,356,674,791	147,513,965
TOTAL	<u>2,113,565,101,252</u>	<u>1,708,324,176,208</u>

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

21. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expenses	143,120,439,812	89,528,790,120
Realised foreign exchange losses	7,412,489,331	4,290,522,071
Foreign exchange losses from revaluation of monetary accounts denominated in foreign currencies	452,348,660	443,139,368
Others	<u>3,672,721,412</u>	<u>2,729,006,209</u>
TOTAL	<u>154,657,999,215</u>	<u>96,991,457,768</u>

22. SELLING EXPENSES AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Selling expenses	75,031,305,279	62,391,727,000
External services	44,613,819,288	36,202,432,803
Labor costs	21,973,972,475	18,719,115,296
Office equipments	3,574,898,634	1,964,194,376
Others	2,550,969,650	2,929,082,412
Depreciation of fixed assets	2,317,645,232	2,576,902,113
General and administrative expenses	92,180,301,338	57,921,170,679
Labor costs	36,198,236,537	25,510,193,043
External services	24,294,236,497	12,301,218,116
Provision	19,963,939,052	7,998,107,842
Office equipment	5,183,672,180	6,370,332,276
Fees and charges	4,776,077,225	3,693,809,273
Depreciation of fixed assets	<u>1,764,139,847</u>	<u>2,047,510,129</u>
TOTAL	<u>167,211,606,617</u>	<u>120,312,897,679</u>

23. PRODUCTION AND OPERATING COST

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of raw materials and merchandised goods	1,876,818,530,648	1,517,670,125,323
Labor cost	162,202,852,114	131,316,085,922
External services	141,967,091,069	115,049,720,908
Depreciation expenses	46,781,278,641	44,427,184,908
Tools and equipment	25,289,392,169	8,334,526,652
Provision expenses	24,320,613,843	8,145,621,807
Others	<u>3,396,949,385</u>	<u>3,693,808,367</u>
TOTAL	<u>2,280,776,707,869</u>	<u>1,828,637,073,887</u>

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

24. CORPORATE INCOME TAX

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

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

24.1 CIT expense

	VND	
	Current year	Previous year
Current tax expense	-	-
Adjustment for under accrual of tax from prior year	1,415,698,442	-
TOTAL	1,415,698,442	-

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
Accounting profit before tax	12,126,761,969	12,050,372,533
At CIT rate of 20% applicable to the Company	2,425,352,394	2,410,074,507
<i>Adjustments:</i>		
Dividend	(4,266,248,702)	(5,243,920,228)
Non-deductible expenses	1,259,990,533	1,095,953,285
Unrecognised deferred tax asset for temporary differences	1,821,284,733	204,749,070
Adjustment for under accrual of tax from prior year	1,415,698,442	-
Tax loss carried forward	(1,240,378,958)	-
Unrecognised deferred tax asset for tax loss	-	1,533,143,366
CIT expenses	1,415,698,442	-

24.2 Current tax

The current tax payable is based on taxable profit for the current year. The taxable profit of the Company for the years differs from the profit as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the separate balance sheet date.

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

24. CORPORATE INCOME TAX (continued)

24.3 Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within 5 consecutive years subsequent to the year in which the loss was incurred. At the separate balance sheet date, the Company has aggregated accumulated tax losses of VND 1,463,822,042 (31 December 2020: VND 7,665,716,830) available for offset against future taxable income. Details are as follows:

Originating year	Can be utilized up to	Tax loss amount	Utilized up to 31 December 2021	Forfeited	VND
					Unutilized at 31 December 2021
2020	2025	7,665,716,830	(6,201,894,788)	-	1,463,822,042
TOTAL		7,665,716,830	(6,201,894,788)	-	1,463,822,042

(*) Tax loss is estimated according to the Company's tax returns has not been finalized by local tax authorities as at the date of these separate financial statements.

The Company has not recognized a deferred tax asset for the tax loss as future profits can not be foreseen at this time.

25. TRANSACTIONS WITH RELATED PARTIES

Significant transactions with related parties during the current and previous years were as follows:

Related parties	Relationship	Transaction	Current year	VND
				Previous year
Dong Nai Mien Trung Plastic Joint Stock Company	Subsidiary	Dividend	21,331,243,511	26,219,601,141

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

25. TRANSACTIONS WITH RELATED PARTIES (continued)

Transactions with other related parties

Income of Management and the Board of Directors (*):

	VND	
	<i>Current year</i>	<i>Previous year</i>
Management	4,312,003,371	5,448,482,733
General Director	804,181,062	1,378,303,865
Deputy General Director	1,031,297,287	1,080,271,342
Deputy General Director	973,117,256	1,208,899,438
Deputy General Director	941,510,796	883,899,755
Deputy General Director	411,896,970	897,108,333
Deputy General Director	150,000,000	-
Board of Director	120,000,000	120,000,000
Independent Member	120,000,000	120,000,000
TOTAL	<u>4,432,003,371</u>	<u>5,568,482,733</u>

(*). Including salaries, bonus, and other allowances.

Amounts due from related parties at the separate balance sheet dates were as follows:

				VND	
<i>Related parties</i>	<i>Relationship</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>	
<i>Other short-term receivables</i>					
Dong Nai Mien	Subsidiary	Dividend	<u>9,933,000,000</u>	<u>8,000,000,000</u>	
Trung Plastic					
Joint Stock					
Company					

26. COMMITMENTS

Capital commitments

The Company leases office under operating lease arrangements. The minimum lease commitments at the balance sheet date under the operating lease agreements were as follows:

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Under 1 year	6,300,100,000	5,965,090,908
From 1 to 5 years	7,611,000,000	12,351,864,508
TOTAL	<u>13,911,100,000</u>	<u>18,316,955,416</u>

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

27. RECLASSIFY OF CORRESPONDING FIGURES

Certain items in the previous year separate cash flow statement have been reclassified for the purpose of presenting separate financial statements in this year. Details are as follows:

	<i>As previously reported</i>	<i>Restatement adjustment</i>	VND <i>As restated</i>
Cashflow statement			
Loans to other entities	(438,514,104,555)	339,300,000,000	(99,214,104,555)
Payment for investment in other entities, payment for investment corporation contracts	(159,486,675,000)	(339,300,000,000)	(498,786,675,000)

28. COVID-19 PANDEMIC

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

29. EVENTS AFTER THE BALANCE SHEET DATE

There is no significant matter or circumstance that has arisen since the balance sheet date that requires adjustments or disclosures to be made in the separate financial statements of the Company.



Pham Thi Ngoc Hue
Prepare



Tran Thai Son
Chief Accountant



Nguyen Van Hieu
General Director

31 March 2022