



NHỰA BÌNH MINH®



ANNUAL REPORT 2021



ASPIRATIONS FOR **SUSTAINABILITY**



Vision

Maintaining the status as a leading enterprise in plastic building.

Materials industry in Vietnam. Actively improving capacity for competition in the region and in the world.

Mission

Providing products and services to meet the increasing demands of the market. Ensuring harmonization of interests of customers, employees, shareholders and the society.

Core value

High consensus.
Respect of the past.
Strong development at the present.
Confidence for the future.



Chairman's Foreword

Dear our esteemed Shareholders, Customers, Partners, and all Employees,

In the year 2021, Binh Minh Plastics Joint Stock Company (BMP) continued to keep up market share and market leadership amid challenges. The industry faced various challenges and was disrupted by the COVID-19 pandemic including new variant outbreaks that significantly affected over the whole year and raw materials price surged at record highs. In 2021, Vietnam's GDP grew marginally around 2.6% showing a shrink compared with that of last year. Despite having pressure from economic slowdown, current and new competition, market uncertainty, lockdown, raw material price rise, and supply chain disruption, BMP was able to maintain leading market share in Vietnam and keep exploring market opportunities with key strategic partners.

In the face of the inevitable COVID-19 pandemic, 2021 was another remarkable year of achievements through our intensive marketing activities and consistent improvements, not only in competitive edge but also organization and manpower in accordance with strategic directions. BMP has strived to accelerate R&D processes and apply new technologies, especially automation, to our organization for reliable and sustainable long-term competitiveness. Innovations of various high value added (HVA) products for serving customers have also been concentrated by BMP. As a result, launching new HVA products during market slowdown was continuously implemented. In another aspect, BMP has continuously improved process management, and adapted the Integrated Business Excellence (IBE) concept from DuPont, a world-renowned management system, in our organization as a core business development ideology, raising our performance, business reliability, and sustainability in key areas:

- Develop stream process flow, parallelly, eliminate unnecessary steps.
- Improve employee empowerment.
- Enhance both internal and external communication.
- Increase speed to market and synchronize actions across supply chain efficiently.

For year 2022, the economy is expected to recover from COVID-19 allowing all businesses to perform as normal operation back to pre-pandemic levels. Nevertheless, even under fierce competition and unpredictability, BMP will remain ready to handle any uncertainties of both internal and external factors. BMP is committed to our solid and clear vision, being market leader in integrated PVC products in Vietnam, uplift our products' standard corresponding to regional standard and apply world-class management processes, ensuring long term success of the company.

Lastly, on behalf of Binh Minh Plastics JSC's Board of Directors, I wish to express tremendous gratitude to all shareholders, partners, employees, together with our trusted customers for your contribution to our achievements over the years. We will continue to keep high competitiveness and focus on new innovations that help deliver outstanding quality products and services to satisfy our customers.

Sincerely and thank you.

Chairman – Board Of Directors

SAKCHAI PATIPARNPREECHAVUD



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Abbreviations

AGM:	Annual General Meeting of Shareholders
GMS:	General Meeting of Shareholders
BOD:	Board of Directors
BOM:	Board of Management
CB:	Control Board
BMP:	Binh Minh Plastics Joint Stock Company

Ltd.:	Limited liability
NBM:	North Binh Minh Plastics Limited Company
DPC:	Da Nang Plastic Joint Stock Company
SCIC:	State Capital Investment Corporation
HCMC:	Ho Chi Minh City
ERP:	Enterprise Resource Planning

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1. General information



Business registration certificate

& Tax code:

0301464823

Charter capital:

VND 818,609,380,000

Head office:

240 Hau Giang Street, Ward 9,

District 6, Ho Chi Minh City

Telephone: (84-28) 39 690 973

Fax: (84-28) 39 606 814

Website: www.binhminhplastic.com.vn

Ticker symbol: BMP

Company name:
**BINH MINH PLASTICS
JOINT STOCK COMPANY**

Abbreviated name:

BM PLASCO



2. Milestone

1977-1986: Stabilization of production

In the context of economic embargo in the early 1980s, the Plant operated modestly using inventory materials retained from the former government. The Management Board decided to focus on production of technical plastic products to meet imperative needs of the society with minimum costs of materials. Products such as infusion sets, Karman cannula, plastic parts for textile industry, agricultural sprayers, and labour safety helmets for miners were introduced in this period. This is also an important start-up phase for the Company to become the first supplier of 220mm-uPVC pipe in Vietnam for water supply and drainage, electricity, telecommunications, etc.

1977

- On the 16th of November, Binh Minh Plastic Partnership Plant under the Industrial Goods Corporation - Ministry of Light Industry was established by merging Vietnam Chemical Plastic Pipe Company (Kepivi) and Kieu Tinh Technology and Industry Company, focusing on production of domestic plastic products, pipes and fittings spare parts of pipes.

1986

- The year saw a historical turning point of Binh Minh Plastic as it was selected by UNICEF to be the first and main supplier of uPVC pipes for the project "Rural Water Program", marking an entire change of product structure of Binh Minh Plastic to industrial and technical plastic products, paving the way for development of plastic pipe industry in Vietnam.

2. Milestone (continued)

1987 - 1996: Investment on science and technology - Development orientation

BMP made a critical diversion in its major field of production, moving away from household plastic appliances to focus on industrial plastics, especially plastic pipes complying with international standards. In addition, the company invested in expanding the working site of its factory in HCMC, as well as constructing the second factory well-equipped with cutting-edge, European-made machineries, covering a total area of 20,000 m² at Song Than 1 Industrial Park, Binh Duong province.

1990

- Renamed as Binh Minh Plastic Science and Technology Enterprise, a state-owned enterprise under the Ministry of Light Industry.
- Officially registered for protection of merchandise mark, trademark and logo of Binh Minh Plastic in Vietnam, a start for establishment and development of the brand.
- Officially registered for protection of merchandise mark, trademark and logo of Binh Minh Plastic in Vietnam, a start for establishment and development of the brand.

1994

- Changed its name to Binh Minh Plastics Company, a state-owned enterprise under the Ministry of Light Industry.
- The first enterprise to apply the advanced technology of Dry-Blend to produce the largest 400mm diameter uPVC pipes in Vietnam, directly from compound materials.

2. Milestone (continued)

1997 - 2006: Reform for development

In the spirit of “Innovation and Development”, BMP made effective use of its own financial resources to continually invest in upgrading technical infrastructure, thus diversifying the range and improving the quality of products. This laid a concrete foundation for producing internationally-standardized plastic pipes largest in diameter in Vietnam such as uPVC pipes 630 mm and HDPE pipes 1.200 mm, along with the trademark PE double pipes and PP-R pipes, creating more choices for customers.

1999

- Inauguration of the Plant No.2 – with total area of 20,000 m² in Binh Duong province and modern equipment from European countries – marking a development stage in terms of production scale and capacity of the Company.



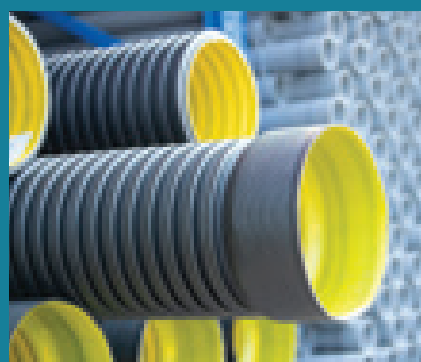
2000

- Obtained ISO 9001 Certificate for quality management system.

2. Milestone (continued)

2002

- Pure HDPE pipes and double-edge PE pipes were introduced for the first time.
- Completed expansion of warehouses and the Plant No. 2 with total area of 30,000 m².



2004

- On the 2nd of January, after equitization, Binh Minh Plastic Joint Stock Company officially went into operation under the name of Binh Minh Plastics Joint Stock Company, abbreviated as BM PLASCO.
- The Company invested in equipment and expanded the area of the Plant No. 2 to 50,000 m².

2006

- On the 11th of July, the Company's shares were officially listed on the Vietnamese stock market as "BMP".

BMP PRICE MONTHLY CHART

Unit 1,000 VND



2. Milestone (continued)

2007- Present: Sustainable development

With the strategic orientation of sustainable development and balance of benefits between the company and other parties such as stockholders, customers, workers and the community, in this stage, BMP focused on expanding markets, developing human resources, synchronizing databases through automation solutions, improving labor productivity, saving raw materials, fuel and protecting the environment.

2007

- On the 21st of December, the North Binh Minh Plastics Limited Company was inaugurated in Hung Yen, officially introducing Binh Minh Plastics brand in the northern market.



2008

- The Company purchased 29% shares of Da Nang Plastic Joint Stock Company with the aim of developing the Binh Minh Plastics brand in the Central Vietnam and highland areas.

2. Milestone (continued)

2009



- Heat-resistant PP-R pipes were officially introduced into the market.
- Production of uPVC pipes with diameter up to 630 mm.



2010



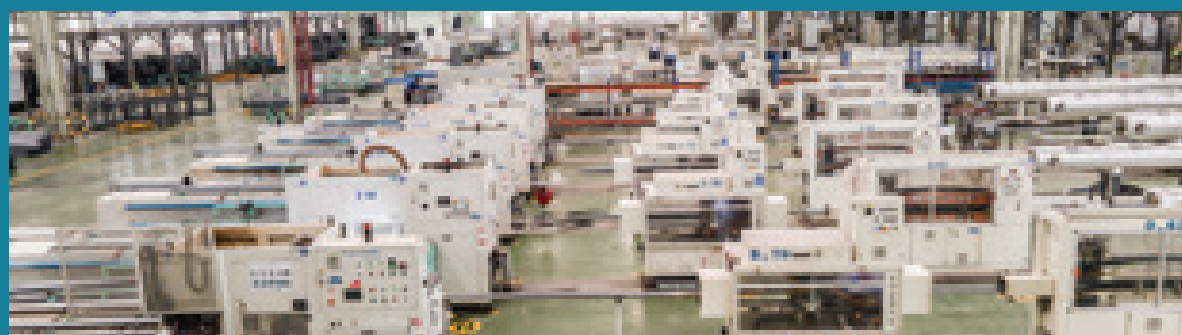
- BMP was the first company in Vietnam successfully producing the largest HDPE pipes with diameter up to 1,200 mm.
- Signed a land lease contract for 155,000 m² at Vinh Loc 2 Industrial Park, Ben Luc District, Long An Province for construction of Long An Plant.



2. Milestone (continued)

2012

- Applied the ISO 14001 Environmental Management System.
- Implemented the information technology project “Enterprise Resource Planning (ERP) - Oracle E-Business Suite”.



2013

- Received the Certificate of Conformity for products in compliance with standards and codes of the Ministry of Construction.
- Increased the charter capital to **454,784,800,000 VND.**

2015

- On the 18th of November, Long An Plant was inaugurated.
- Successfully deployed 05 ERP modules at the Company, its branches and subsidiaries.



2. Milestone (continued)

2016

- Began Phase II of construction of Long An Plant.
- Increased 50% of production capacity of pipe fittings.
- Participated in the 5th National Brand program continuously from 2008 to 2016.
- Achieved the Vietnam High Quality Goods Award for 20 consecutive years from 1997 to 2016.

2017

- Awarded the First Class Labor Medal (2nd).
- Inaugurated the second phase of Long An Plant.
- Successfully applied the non-heavy metal additive system in the production of uPVC pipes and fittings.
- Launched a new product line of PP-R fittings.
- Successfully converted to the newer versions of ISO 9000 - 2015 Quality Management Systems and ISO 14000 - 015 Environmental Management Systems.



- Acceptance of ERP management system.
- Increased the charter capital to 818,609,380,000 VND.

2. Milestone (continued)

2018

- Became a member company of SCG Thailand - a leading industrial group in Southeast Asia. Joining a large corporation with extensive experience and modern management technology, Binh Minh Plastics has a great chance to exchange, cooperate and improve its management of the business in Vietnam.
- Received the Asia-Pacific International Quality Award.

2019

- Conducted the restructuring of the Company's organization and distribution system in a more dynamic and appropriate manner to cope with the competitive environment.



2. Milestone (continued)

2020



- Promoted automation of production; Launched a continuous improvement program to improve labor productivity and save costs.



2021



- Successfully applied and officially formed a Supply Chain Management Department (SCM), promoting the solidity of current management system to help the Company overcome the COVID-19 pandemic.



3. Businesses and markets

Businesses

Binh Minh Plastics is a leading company in Vietnam manufacturing and trading plastic pipes and fittings for water supply and drainage, telecommunication, electricity, industrial and civil construction.



3. Businesses and markets (continued)

Markets

Binh Minh Plastics has nationwide markets, accounting for 43% and 28% plastic pipe in the South Vietnam and the whole country respectively.



SAIGON PLANT



BINH DUONG PLANT



NORTH BINH MINH PLASTICS LIMITED COMPANY



LONG AN PLANT

Plants

The Company has 4 plants in HCMC, Binh Duong, Long An and Hung Yen with total capacity of 150,000 tons/year, meeting the needs of goods supply to the nationwide market, promoting research and development, diversifying types and sizes of products.

Distribution network

After over 44 years of establishment and development, the distribution network of BMP has been expanding. By the end of 2021, the Company has owned nearly 1,930 distributors. As a result, products have been timely delivered to customers. Additionally, the Company has provided plastic pipes to water supply and construction businesses as well as participated in major national projects.

3. Businesses and markets (continued)

Product portfolio



uPVC pipes and fittings

Hard uPVC pipes and fittings with diameters from 20 mm to 630 mm for water sector and underground cable in compliance with ISO 1452-2:2009 (TCVN 8491:2011) standard and the National Technical Regulations: QCVN 16:2017/BXD, specifically:

- ▶ uPVC pipes and fittings inch and metre series made from un-plasticized PVC.
- ▶ uPVC pipes and fittings with CIOD series and exterior diameter compatible with pressure cast iron pipes.

These types are suitable for water systems as follows:

- Domestic water system.
- Irrigation and watering in agriculture sector.
- Industrial process pipe lines.
- Rain-water, waste-water drainage systems, etc.
- ▶ uPVC pipes and fittings for protection of underground cable systems, specifically:
 - Telecommunication underground cable system (fibre optic cable, copper cable,...).
 - Electric underground cable system (electric cable,...).

HDPE pipes and fittings

- ▶ HDPE pipes and fittings with diameters from 16 mm to 1,200 mm made from high density polyethylene – PE100 in compliance with ISO 4427:2007 (TCVN 7305:2008), certified in compliance with QCVN16:2017/BXD, suitable for the following systems:
 - Domestic water system.
 - Irrigation and watering in agriculture sector.
 - Industrial process pipe lines.
 - Rain-water, waste-water drainage systems, etc.
- ▶ HDPE double-wall corrugated pipes and fittings with diameters from 110 mm to 500 mm made from high density polyethylene (HDPE), suitable for the following systems:
 - Highway drainage system.
 - Golf-court drainage system.
 - Domestic drainage system.
 - Industrial drainage and waste-water treatment system.
 - Waste-water filter system.
 - Underground cable protection system.



3. Businesses and markets (continued)

Product portfolio

PP-R pipes and fittings

PP-R pipes and fittings with diameters from 20 mm to 160 mm made from Polypropylene Copolymer, PP-R80 in compliance with standard DIN 8077:2008-9 & DIN 8078:2008-09 and TCVN10097-3:2013/ISO15874-3:2013, certified in compliance with QCVN16:2017/BXD, suitable for the following systems:

- Industrial and domestic under 95°C hot water and cold water systems.
- Low and high temperature liquid food system.
- Floor heating system.



Other products

Agricultural sprayers with the capacities of 1 liter, 5 liters and 10 liters in accordance with TCVN 5931:1995 for bonsai watering or pesticide spraying. In particular, the 10-liter sprayer has been certified to conform to National Technical Regulation of QCVN 01-182:2015/BNNPTNT and suitable for agricultural pesticide spraying.

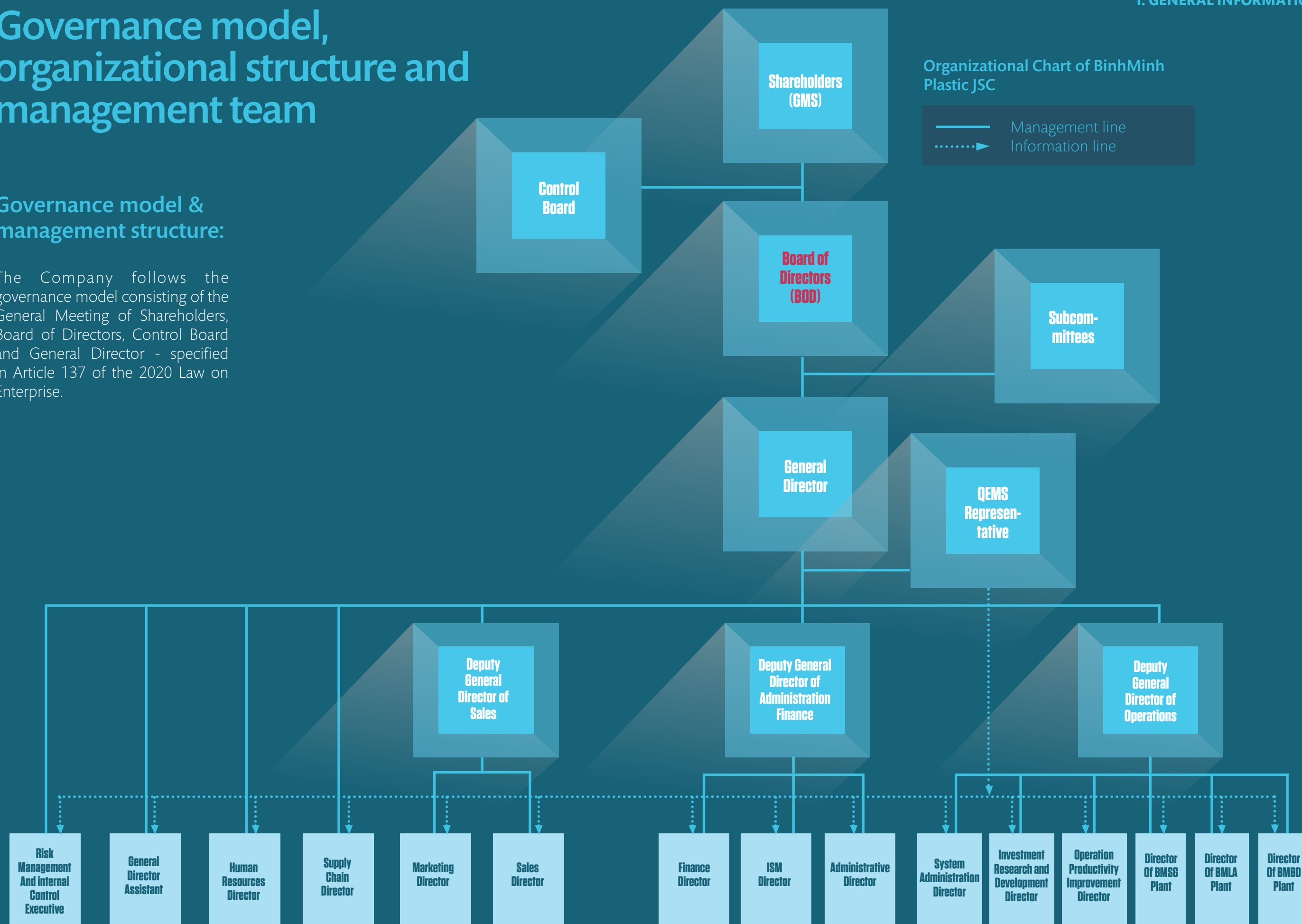
4. Governance model, organizational structure and management team

Governance model & management structure:

The Company follows the governance model consisting of the General Meeting of Shareholders, Board of Directors, Control Board and General Director - specified in Article 137 of the 2020 Law on Enterprise.

Organizational Chart of BinhMinh Plastic JSC

— Management line
▶ Information line



4. Governance model, organizational structure and management team (continued)

Subsidiary companies and Associated companies

Charter capital
155 Billion VND
Capital contribution
Of BMP
100%

North Binh Minh Plastics Limited Company (NBM) SUBSIDIARY COMPANY

NBM was established under Business Registration Certificate No. 0504000211 on 18 September, 2006 and located at D1 road, D complex, Pho Noi A Industrial Zone, Van Lam district, Hung Yen province with 100% capital from BMP. The Company focuses on production and sales of uPVC, HDPE, PPR plastic pipes and fittings.

NBM has officially begun operations since 21 December, 2007. Total current charter capital is 155 Billion VND. The Company has modern equipment and newly-built workshops with total area of 40,000 m² and capacity of 40,000 tons/year.

D1 road, D complex, Pho Noi A Industrial Zone, Van Lam district, Hung Yen province.



Charter capital
210 Billion VND
Capital contribution
Of BMP
26%



Da Nang Plastic Joint Stock Company (DPC) ASSOCIATED COMPANIES

Charter capital
22.4 Billion VND
Capital contribution
Of BMP
29%

Da Nang Plastic Joint Stock Company was established in 1976, equitized in 2000 and listed as of 2001. Presently, DPC shares are listed on Hanoi Stock Exchange. The Company has the head office and production plant at No. 371 Tran Cao Van, Thanh Khe district, Da Nang city. The Company focuses on production and sales of uPVC, HDPE, PPR plastic pipes and packing papers.

In 2008, BMP purchased and held 29% of shares over the total charter capital of 22.4 Billion VND and became a strategic partner

of DPC aiming to jointly develop the “Binh Minh Plastics” brand in the Central Vietnam and highlands.

DPC is currently a business partner in distribution of Binh Minh Plastics products to the markets of Central Vietnam and highlands.

DPC is searching for a new location and preparing for the Company’s relocation investment project in accordance with the planning and requirements of Da Nang City People’s Committee.

371 Tran Cao Van, Thanh Khe district, Danang city.

Binh Minh Real Estate Investment and Trading Joint Stock Company (BMV) ASSOCIATED COMPANIES

In case Plant No. 1 of BMP is relocated in accordance with the Government’s directions, the Company was established with a charter capital of 6 billion VND to implement the project of land function transformation at 240 Hau Giang Street. On December 2016, Binh Minh Viet raised the investment capital to 210 Billion VND, to which BMP contributed 53,040,000,000 VND, equivalent to the ownership ratio of 26%. Negotiation with other shareholders on the termination of the project is still ongoing.

No. 240 Hau Giang, Ward 9, District 6, Hochiminh city.

5. Development orientation and strategy 2022-2026:



Main objectives:

- Maintain the leading position in market share in Vietnam.
- Apply Operational Excellence in Manufacturing, coupled with Supply Chain Management.

Medium- and long-term development strategies:

- Grasp domestic demands and infrastructure development opportunities in localities:
 - ▶ Strengthen relationships with existing customers and business partners.
 - ▶ Improve the efficiency of the Supply Chain.
- Improve production capacity and equipment utilization rate through supply chain management:
 - ▶ Continuously promote automation to reduce costs and improve product quality
 - ▶ Implement Focused Improvement activities and the Business Development Subcommittee model for Operational Excellence.
 - ▶ Implement sales and operations planning (S&OP) with clear data visualization.
 - ▶ Expand production capacity.
- Focus on New Product Development (NPD) to drive solid business growth in:
 - ▶ New product development and commercialization processes.
 - ▶ Product diversification.



5. Development orientation and strategy 2022-2026:

Sustainable development goals (in terms of environment, society and community) and main programs related to the short- and medium-term strategies:

For operations

- ▶ Strengthen measures to save energy, save water and treat wastewater.
- ▶ Improve production processes, install modern equipment to increase productivity, save raw materials and reduce environmental pollution.
- ▶ Adhere to business ethics rules.
- ▶ Promote anti-counterfeiting.

For employees

- ▶ Evaluate the working environment annually to take timely improvement measures.
- ▶ Maintain and improve the quality of health care activities for employees.
- ▶ Send employees to domestic and foreign training courses to improve their expertise and meet the Company's development needs.
- ▶ Raise employees' awareness about energy saving and environmental preservation.

For the environment

- ▶ Apply the environmental management system following the latest standards.
- ▶ Fully comply with the provisions of law and other requirements on the environment.
- ▶ Establish an environmental monitoring and management system, assessing the impact on the environment.
- ▶ Identify and evaluate the risks of environmental pollution to take measures to control pollution, and apply waste separation at source.
- ▶ Build teams and processes to readily respond to emergencies.

For community

- ▶ Actively participate in community activities to build a friendly and environmentally responsible corporate image.
- ▶ Maintain regular charity activities such as blood donation, taking care of Vietnamese heroic mothers, parents of martyrs and disabled former soldiers, donating wages to charitable funds, etc.
- ▶ Raise employees' awareness of humanitarian and charity activities.

6. Potential risks

➤ Risks of the environment and internal management system



The Company's management system is maintained in accordance with ISO 9001:2015, ISO 14001:2015 and expanded to apply ISO 17025:2017 in 2021.

In addition, the Company has deployed more advanced management software/tools such as ERP, CRM, HRM, SCM, Power BI, 5S, LEAN, etc. and gradually integrated them into the existing management system.

However, early integration activities can adversely affect the operation because the new

components are not fully compatible with the existing infrastructure. Thus, it takes time for the integrated system to gradually improve and achieve the desired effect.

The legal regulations on Safety - Environment - Health are regularly updated and implemented. Late updates on legislative changes can lead to delayed responses to the requirements of the relevant authorities, and corrections of such non-conformity may disrupt the operation process.

➤ Business risks



Risks of raw material prices:

Prices of the main raw materials have increased to the highest level in history (an average increase of 160%), leading the Company to adjust selling prices four times in 2021. However, this still could not cover production and sales costs, resulting in lower profits than the 2021 targets

Risks of inflation:

The ongoing war in Europe has caused social unrest and worldwide inflation. High oil prices led to increased prices of raw materials and semi-finished products, which in turn drove up production costs and resulted in overpriced

and/or stagnated projects. Difficulties in daily life led to decreases in the demand for civil construction. The Company had to depend on public investment and government projects, but admittedly this is not BMP's area of strength.

Risks of competition:

Other businesses in the same industry have intensified marketing and competing for customers in order to survive. Weak businesses will have to quit the market, while strong businesses will strengthen internal resources and increase their market shares. BMP must guard against the competition in its own Distribution System.

➤ Financial risks



Binh Minh Plastics consists of only one subsidiary and two associated companies, so financial investment activities, cash flow budget management, etc. do not run major risks. However, the raw material price crisis did strongly affect the business results in 2021. Financial risk management measures implemented by BMP include:

- Perform administration and control procedures according to implementation guidelines.
- Develop a budget planning process through management reports.
- Strictly control costs and cash flow to improve financial efficiency.

➤ Risks of diseases



Due to impacts of the COVID-19 pandemic, there have been disruptions in the supply chain, shortage of raw materials and mandatory social distancing, which halted production and reduced the supply of products to the market. This led to increased raw material prices and production costs while consumption volume decreased significantly, culminating in losses in production and business in the third quarter of 2021.

➤ Legal and compliance risks



Legal regulations are regularly updated for compliance purposes, which is also an important part of BMP's management.

However, as these documents and directives changed constantly, especially during the pandemic control efforts of 2021, businesses may not be able to update and implement them in time, which could lead to risks of violation.



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1. Review of business results



In 2021, there are two prominent factors that have negatively affected BMP's business results:

- ▶ The COVID-19 pandemic lasted all year, most potently in the third quarter disrupting production and business. COVID-19 disrupted production and business, creating great uncertainties and anxiety for employees.
- ▶ Instability in sourcing raw materials: Prices increased steeply and the supply was interrupted at times due to impacts of the pandemic.

These are the two objective reasons why the production and business in 2021 did not achieve the targets and have less favorable results than those in 2020.

Consolidated business performance in 2021

No	Item	Unit	Operational Plan 2021	Performed		Percentage %	
				2021	2020	2021/OP	2021/2020
1	Revenue	Billion VND	5,200	4,565	4,700	88	97
2	Sales volume	Ton	115,000	92,565	110,574	81	84
3	Profit before tax	Billion VND	657	268	657	41	41
4	Profit after tax	Billion VND	523	214	523	41	41

2. Organization structure and human resources

List of Senior Executives in the Board of Management



“

BMP was able to maintain leading market share in Vietnam and expanding its market to other ASEAN by relationships with strategic partners of the Company.

“

BMP is committed to our solid and clear vision, being market leader in integrated PVC products in Vietnam.



MR. NGUYEN HOANG NGAN

Vice Chairman of the Board of Directors – General Director
Year of birth: 1962
Qualification:
Mechanical Engineer,
Master of Management

Employment history:

- 1988: Technical staff of Binh Minh Plastics Partnership Plant.
- 1992: Head of Technical Department of Binh Minh Plastic Partnership Plant.
- 1997: Deputy Director of Binh Minh Plastic Company.
- 2004: Vice Chairman of the Board of Directors – BMP Deputy General Director.
- 2007 - 2010: Vice Chairman of the Board of Directors
- BMP Deputy General Director; Vice Chairman of the Board of Members – NBM Director.
- 2010 - February 2012: Vice Chairman of the Board of Directors - BMP Deputy General Director; Chairman of the Board of Members of NBM.
- March 2012: Vice Chairman of the Board of Directors of BMP- BMP Deputy General Director; Chairman of the Board of Members of NBM; Chairman of the Board of Directors of DPC.
- November 2012 - 2014: Vice Chairman of the Board of Directors of NBM - General Director; Chairman of the Board of Members of NBM; Chairman of the Board of Directors of DPC.
- 2014 - present: Vice Chairman of the Board of Directors - General Director of BMP, Chairman of NBM.

Ownership of voting shares and other securities issued by the Company: **618,550 shares.**

MR. NGUYEN THANH HAI

Deputy General Director of Sales
Year of birth: 1971
Educational qualifications:
Mechanical Engineer, MBA

Employment history:

- 1995 - 2000: Member of Technical Department - Binh Minh Plastic Company.
- 2001 - 2002: Deputy Manager of Factory 1 - Binh Minh Plastic Company.
- 2002 - 2005: Deputy Manager of Human Resources & Administration Department - BMP.
- 2006 - 2010: Manager of Human Resources Department - BMP.
- 2011 - 2014: Member of the Board of Members - Director of BMP.
- 2015 - 2016: Manager of Marketing Department - BMP.
- 2017 - present: Deputy General Director of Sales - BMP.

Ownership of voting shares and other securities issued by the Company: **0 shares.**

2. Organization structure and human resources (continued)

List of Senior Executives in the Board of Management



“

Continuously promote automation to reduce costs and improve product quality.

In 2021, there was a significant change in senior personnel. Deputy General Director, Mr. Wisit Rechaipichitgool, was summoned back to Thailand by SCG. Thus, the BMP Board of Directors elected a new member, Mr. Chaowalit Treejak, to the position of Deputy General Director in charge of Finance - Administration.



MR. NGUYEN THANH QUAN

Deputy General Director of Operations.
Year of birth: 1968
Qualification:
Chemical Engineer, MBA

Employment history:

- 1994: Technical Staff of Binh Minh Plastic Company.
- 1997: Deputy Manager of Technical Department of Binh Minh Plastic Company.
- 2000: Supervisor of Workshop 1 of Binh Minh Plastic Company.
- 2007: Director of BMP Plant No. 1.
- 2010: Director of BMP Plant No. 2.
- 2013 - present: BMP Deputy General Technical Director of Operations.

Ownership of voting shares and other securities issue by the Company: **11.709 shares.**

MR. WISIT RECHAIPICHITGOOL

Deputy General Director of Finance - Administration
Year of birth: 1961
Nationality: Thai
Educational level: Master of Science

Employment history:

- 1988: Analysis Executive of SCC Company.
- 1994: Head of Production Planning Department of SFCC Company.
- 1996: Head of Sales - Marketing Department of SFC Company.
- 1997: Head of Planning Department of TPC Company.
- 2001: Head of Sales Department of TPC Company.
- 2003: Head of Pipe Industry Sales Department of NPI Company.
- 2005: Assistant Director of Riken - Thai Company.
- 2006: Director of Sales - Marketing of TPC Company.
- 2010: Director of Trade of TPC Company.
- 2011: Director of Export of SCG Company.
- 2017: Chairman Assistant of SCG - Vietnam Company.
- August 2018: Deputy General Director of Finance - Administration of Binh Minh Plastics Joint Stock Company.

Holding of voting shares and other securities issued by the Company: **0 shares.**

2. Organization structure and human resources (continued)

List of Senior Executives in the Board of Management



“

BMP could control financial risks and overcome pandemic difficulties.

“

BMP strictly control costs and cash flow to improve financial efficiency.



MR. CHAOWALIT TREEJAK

Deputy General Director of Finance and Administration
Year of birth: 1966
Nationality: Thailand
Qualification: Bachelor of Science in Chemistry

Employment history:

- 1998: Head of Export Sales Department, Thai Plastics and Chemicals PLC Company.
- 2002: Head of Supply Department, Thai Plastics and Chemicals PLC Company.
- 2003: Head of Sales - Marketing Department of Siam Maspion Polymers PT.
- 2006: Marketing Manager of Thai Plastics and Chemicals PLC Company.
- 2007: CEO of TPC Indoplastic and Chemical
- 2010: Domestic Sales Manager of SCG Chemicals Co., Ltd.
- 2017: Export Sales Manager of SCG Chemicals Co., Ltd.
- 2018: CEO of Thai Plastic and Chemicals PLC Company.
- From July 2021: Deputy General Director of Finance and Administration of Binh Minh Plastics Joint Stock Company

Ownership of voting shares and other securities issued by the Company: **0 shares**

MR. HONG LE VIET

Chief Accountant
Director of DPC
Year of birth: 1966
Qualification: Bachelor of Economics

Employment history:

- 1993: Staff of Finance and Accounting Division of Binh Minh Plastic Company.
- 2002: Deputy Head of Finance and Accounting Division of Binh Minh Plastic Company.
- 2007 - 2013: Deputy Head of BMP Finance and Accounting Division; Chief Accountant of NBM - Member of the Board of Members of NBM.
- 2014 - 2016: Chief Accountant cum Head of BMP Finance and Accounting Division - Member of the Board of Members of NBM.
- 2017 - present: Chief Accountant cum Head of BMP Finance and Accounting Division - Director of DPC.

Ownership of voting shares and other securities issued by the Company: **03 shares.**

2. Organization structure and human resources (continued)

Changes in functional departments:

In 2021, the Company established two new functional departments:

- Supply Chain Management (SCM): responsible for planning and coordinating resources throughout the Company, from input to output.
- Operation Productivity Improvement (OPI): responsible for researching and applying innovations, methods and equipment to increase labor productivity and improve other necessary issues in production operations.

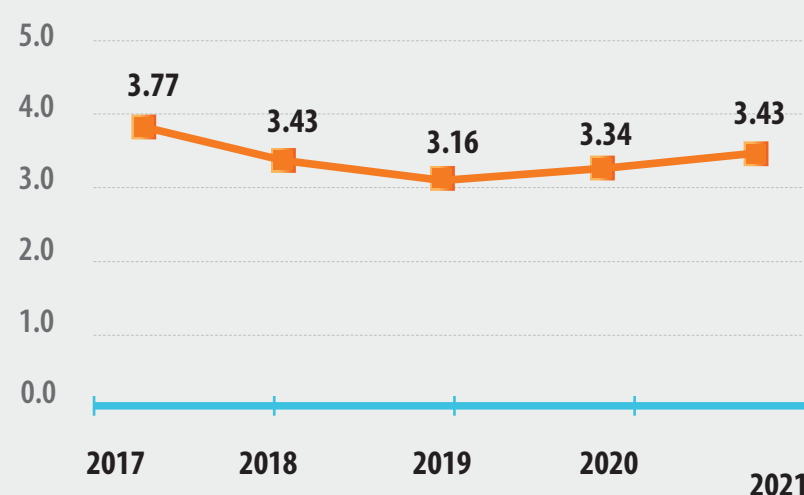
Headcount:

2019 (official) average headcount: 1.374
2020 (official) average headcount: 1.407
2021 (official) average headcount: 1.395

Labor productivity:

AVERAGE LABOR PRODUCTIVITY

Unit: billion VND/person/year

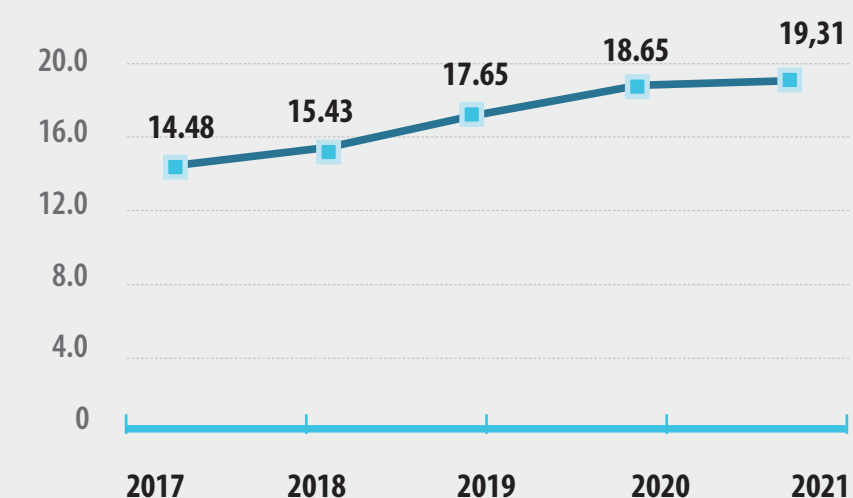


In 2021, the COVID-19 pandemic inflicted heavy impacts on all economic and social aspects. Its complications caused continuous and unusual changes, which in turn posed major challenges to businesses, including negative economic growth, broken supply chain, and a serious labor shortage. Given the context, Binh Minh Plastics flexibly applied advanced management tools and made timely adjustments, thus able to maintain the same level of labor productivity as in 2020.

Average salary of employees:

AVERAGE EMPLOYEE SALARY

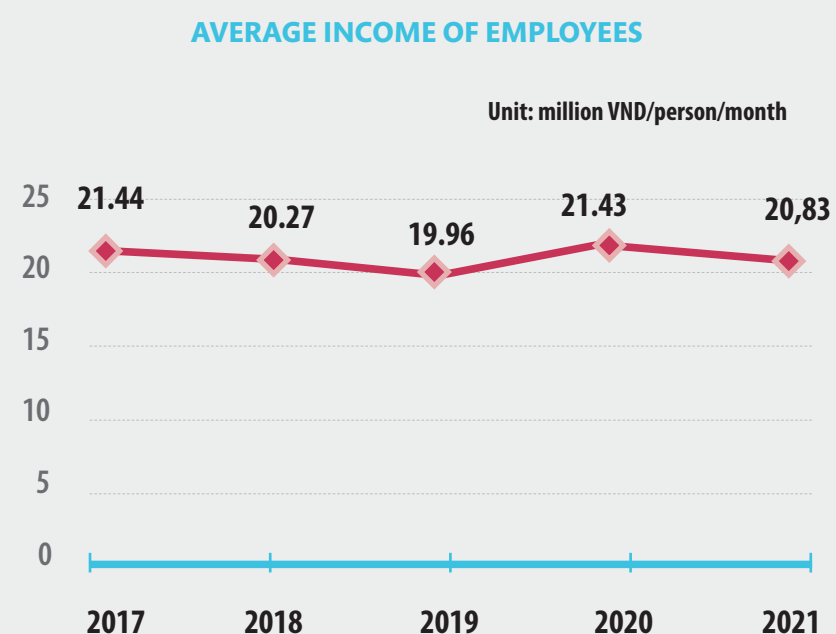
Unit: million VND/person/month



2. Organization structure and human resources (continued)

Although production and business were interrupted in the third quarter, BMP still tried to balance financial sources and keep employee salary at a year-on-year comparable level. This is to share difficulties with the employees and to preserve the human resources for when production activities return to normal.

Average income of employees:



Maintaining the same salaries as 2020 for employees took the maximum effort of the Company, so the bonuses had to be reduced and thus the average income in 2021 is lower than in 2020.



3. Investment review

a. Major investments in machinery and equipment

No	Item	Unit	Plan	Implementation	Explanation
a	<ul style="list-style-type: none"> Feeding system Material mixing system Equipment 	Billion VND	161	123	Transferred from the 2020 plan
b	<ul style="list-style-type: none"> Equipment and machinery Production automated robots hardware & software for information technology 	Billion VND	96	74	According to the 2021 plan
Total:			257	197	Completed 77%

b. Subsidiaries And Associates:

North Binh Minh Plastics Company Limited (NBM):

No	Item	Year		Comparison (%)
		2021	2020	
1	Revenue (Billion VND)	405	346	117%
2	Profit before tax (Billion VND)	32	67	48%

In 2021, the double impact of a long-lasting pandemic and sharply increasing prices of raw materials created a lot of difficulties for NMB business activities. Although Northern Binh Minh sales increased by 117%, the profit was only 48% of that in 2020. Although the average selling price increased, it could not make up for the sudden increase in raw material costs. As a result, gross profit margin dropped sharply, reaching only 15%.

Da Nang Plastic Joint Stock Company (DPC):

No	Item	Year		(%) Comparison
		2021	2020	
1	Revenue (Billion VND)	49	67	73%
2	Profit before tax (Billion VND)	6	10	60%



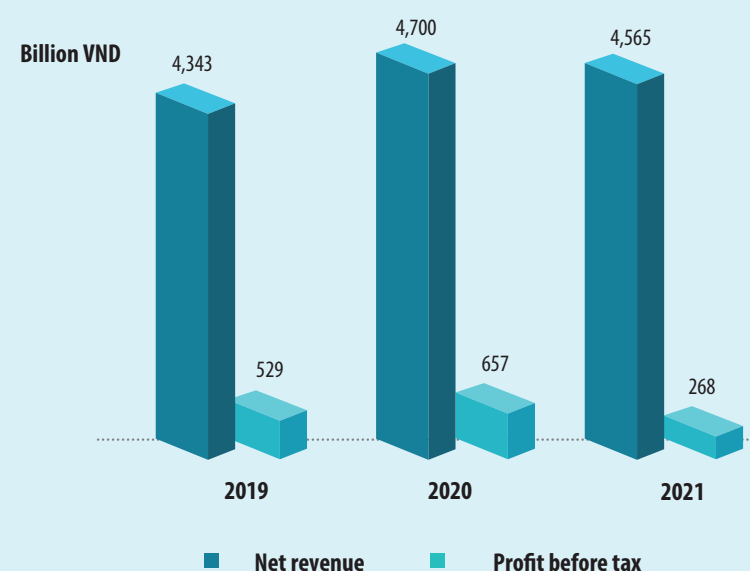
In 2021, Da Nang Plastics was also seriously affected by the pandemic, as social distancing policies halted most business activities. Moreover, the impact of high raw material prices reduced pre-tax profit margin to only 60% of 2020's level. Besides, DPC's relocation to a new factory also affected its business activities.

Binh Minh Viet Real Estate Investment Trading Joint Stock Company (BMV):

The Company is currently in the process of negotiating with shareholders to terminate its operation according to the Resolution of the 2017 General Meeting of Shareholders.

4. Financial overview

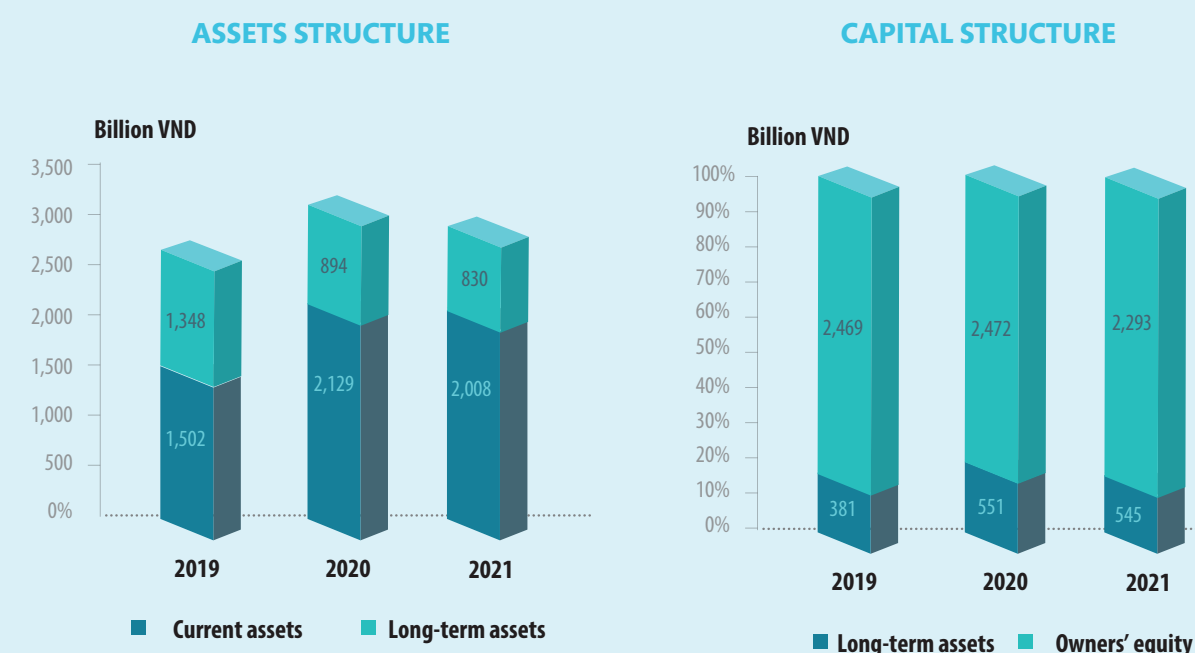
a. Revenue and profit



Source: Audited Consolidated Financial Statements 2019-2021

2021 was a year full of difficulties due to complicated status of the pandemic. Binh Minh Plastics' revenue reached 4,565 Billion VND, equivalent to 88% of the plan; its profit reached 268 Billion VND, equivalent to 41% of the plan. This is the year that Binh Minh Plastics suffered a double impact of pandemic control restrictions and sudden increases in raw material prices. At times, the peak average price was 2.1 times higher than that in 2020 and the Government's blockade orders to control the COVID-19 pandemic made business operations extremely difficult. In the context of stagnation in the construction industry in particular and the national economy in general, Binh Minh Plastics still achieved good results thanks to many factors, including the brand power solidified over the past 44 years and the perseverance of the whole business apparatus.

b. Assets and liabilities



Source: Audited Consolidated Financial Statements 2019-2021

BMP's total assets as of December 31, 2021 recorded 2,838 Billion VND, down 6% from the previous year. In terms of asset structure, working capital in the form of cash and term deposits (with maturity of 12 months or less) decreased by 30%, while inventories increased 1.6 times compared to 2021.

Owner's equity at the end of 2021 reached 2,293 Billion VND, down 178 Billion VND, equivalent to 7% year-on-year, mainly because all 2020 profits were paid as dividends to shareholders instead of reinvestment. As the time to make payments stretched throughout 2021, the owner's equity during the year was affected.

However, BMP could control financial risks and overcome pandemic difficulties because it operated on its own capital, without external funding. This is also the foundation for its sustainable growth in the future.

4. Financial overview (continued)

Profitability

Indicator	2021	2020	2019
Gross profit margin	15,5%	26,6%	22,8%
Before-tax profit margin	5,9%	14,0%	12,2%
After-tax profit margin	4,7%	11,2%	9,7%
ROA	7,3%	17,8%	14,9%
ROE	9,0%	21,2%	17,2%

Source: Audited Consolidated Financial Statements 2019-2021

Profit before tax was only 41% of the 2020 level, so all figures fell sharply. In 2021, although BMP applied three price increases, production costs could not be fully covered due to steeper price hikes for raw materials. In addition, the Company paid additional costs for pandemic control and workers’ benefits for sickness, lay-off, etc., resulting in more decreases in profits.

Operational performance

Indicator	Unit	2021	2020	2019
Average collection period	Days	20	23	33
Average payment period	Days	17	14	13
Days in inventory	Days	48	45	56
Fixed asset turnover	Times	10,0	7,9	5,6
Total asset turnover	Times	1,6	1,6	1,5

Source: Audited Consolidated Financial Statements 2019-2021



Along with the application of modern management models, Binh Minh Plastics is gradually controlling operations through significantly improved performance indicators. Lean, 5S, and supply chain management projects have been implemented, showing positive points in management. Currently, BMP has been implementing other projects to improve operational efficiency and maximize corporate value.

4. Financial overview (continued)

a. Key financial indicators:

Item	2019	2020	2021
Income statement (Billion VND)			
Revenue (Billion VND)	4,343	4,700	4,565
Net revenue	4,337	4,686	4,553
Gross profit	988	1,247	704
Operating costs	387	549	369
Net profit from operating activities	601	698	335
Net profit from financial activities	(73.8)	(45.6)	(65.4)
Net profit from other activities	0.7	2.3	(3.6)
Profit distributed from associates	1.5	1.7	2.3
Profit before tax (Billion VND)	529	657	268
Profit after tax	423	523	214
Balance sheet (Billion VND)			
Total assets (Billion VND)	2850	3023	2838
Charter capital	819	819	819
Owner's equity (Billion VND)	2469	2472	2293
Key financial indicators			
Gross profit margin	22.8%	26.6%	15.5%
Profit margin before tax	12.2%	14.0%	5.9%
ROS	9.8%	11.2%	4.7%
ROA	14.9%	17.8%	7.3%
ROE	17.2%	21.2%	9.0%
Target per share			
Number of outstanding shares at the end of the period	81,860,938	81,860,938	81.860,938
Basic earnings per share - VND	5,109	6,384	2,619
Book value per share - VND	30,164	30,192	28,017
Dividend - VND	5,000	6,320	1,250
Market price at the end of the year - VND	45,200	62,600	59,900

Source: Audited Consolidated Financial Statements 2019-2021



5. Shareholder structure, change in owners' equity

a. Shares

	31 Dec 2020	31 Dec 2021
Total number of shares and types of outstanding shares	81,860,938	81,860,938
Freely transferred shares	81,848,968	81,860,938
Preferred shares	0	0



b. Shareholder structure

Shareholder structure	31 Dec 2020		31 Dec 2021	
	Holding share	%	Holding share	%
State Shareholders	19,983	0.024%	19,983	0.024%
Board of Directors	618,550	0.756%	618,550	0.756%
Control Board	14,040	0.017%	14,040	0.017%
Domestic individuals	12,928,024	15.793%	10,916,877	13.335%
Domestic organizations	1,397,841	1.708%	1,045,733	1.277%
Foreign individuals	918,604	1.122%	1,144,249	1.398%
Foreign organizations	65,963,896	80.580%	68,101,506	83.192%
Total	81,860,938	100.00%	81,860,938	100.00%

Information about major shareholders owning 5% or more as of December 31, 2021:

No	Fullname	Type of share holders		Holdingshare	%
1	KWE BETEILIGUNGEN AG	Organization	Foreign	8,604,408	10.511%
2	NAWAPLASTIC INDUSTRIES CO., LTD.	Organization	Foreign	44,525,911	54.392%

c. Changes in owner’s equity: None

d. Treasury shares transactions: None

e. Other securities: None

6. Report on environmental and social impacts

6.1. Environmental impact

a. Direct and indirect greenhouse gas (GHG) emissions:

With modern equipment and technology, combined with a highly automated production model, Binh Minh Plastics has no direct greenhouse gas emissions.

However, emissions at national power plants that supply power for the Company's operation can be considered as the Company's indirect emissions.

b. Initiatives and measures to reduce greenhouse gas emissions:

Understanding the indirect sources of greenhouse gas emissions due to the Company's use of electricity in production and business, in order to achieve sustainable development, the Company has issued and maintained an environmental policy focusing on energy-saving initiatives. This policy has been turned into KPIs and implemented for many years with positive effects.

Accordingly, Binh Minh Plastics has implemented and maintained the following activities:

- Organize training sessions to raise awareness on energy saving for all employees..
- Audit use of energy.
- Continue to implement technical improvements to save electricity, such as installing inverters and servos for main motors of production equipment, installing insulation for cooling tanks, controlling water chillers at moderation lakes, etc.
- Prioritize investment in production equipment using power-saving servo technology.



6. Report on environmental and social impacts (continued)



6.2. Raw material management:

a. Total amount of raw materials used in production:

In 2021, the total amount of materials used by the Company is 98,145 tons.

Specifically, BMP used 89,723 tons and NBM used 8,422 tons.

The main materials used include PVC, HDPE and PP plastics, purchased from renowned manufacturers in the world such as TPC Vina, AGC VN, Borouge, Sabic and Basell. These suppliers all comply with ISO 9001 quality management and ISO 14001 environmental management.

b. Recycled materials in production:

All kinds of Binh Minh Plastics products are only manufactured from primary materials, only a small percentage of recycled materials from defective products and by-products are put back into production. Recycled materials from external sources are not used.

This contributes to minimizing the generation of scrap during the production process at Binh Minh Plastics.

All Binh Minh Plastics products are made with a new additive system that does not contain heavy metals, ensuring safety to consumers' health and being environmentally friendly.

Binh Minh Plastics pipes are certified by WRAS (UK): Products are manufactured from materials suitable for drinking water and domestic water with international standards, confirmed by the Center for conformity certification (QUACERT) as complying with the QCVN 16:2019/BXD standard.

6. Report on environmental and social impacts (continued)

6.3. Energy consumption:

a. Direct and indirect energy consumption:

The type of energy used directly at Binh Minh Plastics in production and business activities is electricity purchased from the National Power Companies.

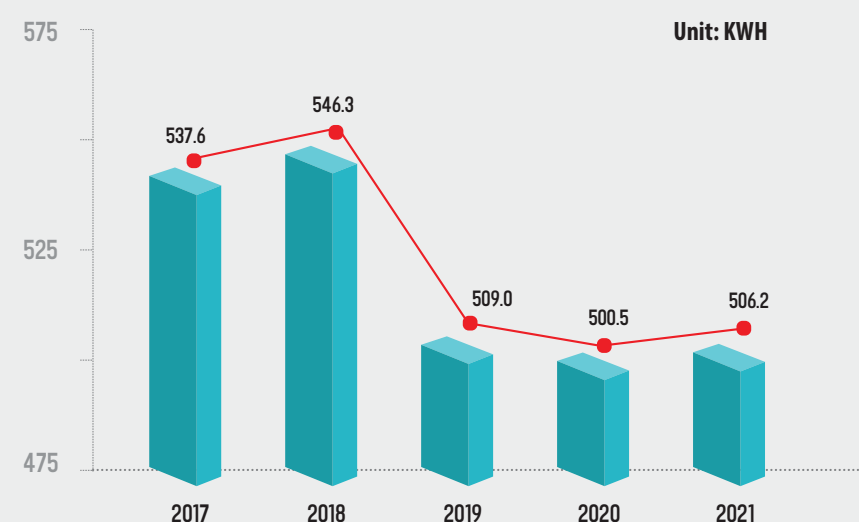
The Company does not use indirect energy sources.

b. Energy savings through energy-efficiency initiatives:

In order to achieve sustainable development, the Company has issued and maintained an environmental policy focusing on energy-saving initiatives. This policy has been turned into KPIs and implemented for many years with positive effects.

However, during the social distancing period in 2021, according to the government's regulations, the Company had to temporarily suspend production and then deploy the "three on-site" working scheme, which did not follow the goal of reducing power consumption.

The results, compared to previous years, are as follows:



Power consumption in 2021: 506.2 KWH per ton of product, up 1.1% compared to 2020.

Cause: The activities of turning on and off equipment at high frequency, changing product categories continuously in "three on-sites" period, maintaining lighting equipment, fire protection, etc. consumed a large amount of electricity during the social distancing period, thus increasing the electricity consumption rate by 1.1% year-on-year.

c. Energy-saving initiatives:

In 2021, the Company recorded 50 energy-saving initiatives to gain a total benefit of more than 17 Billion VND.

These initiatives are directly or indirectly related to electrical energy saving activities such as installing Servo, shortening the initial heating time for molding, streamlining processes to be more compact, etc. Direct and indirect energy-saving values in these initiatives contribute to the total benefit mentioned above.

d. Renewable energy use:

Due to the unique characteristics of the production technology, the energy consumed at the Company (electricity) is not renewable.

However, the Company has applied initiatives to optimize energy consumption.

6. Report on environmetal and social impacts (continued)

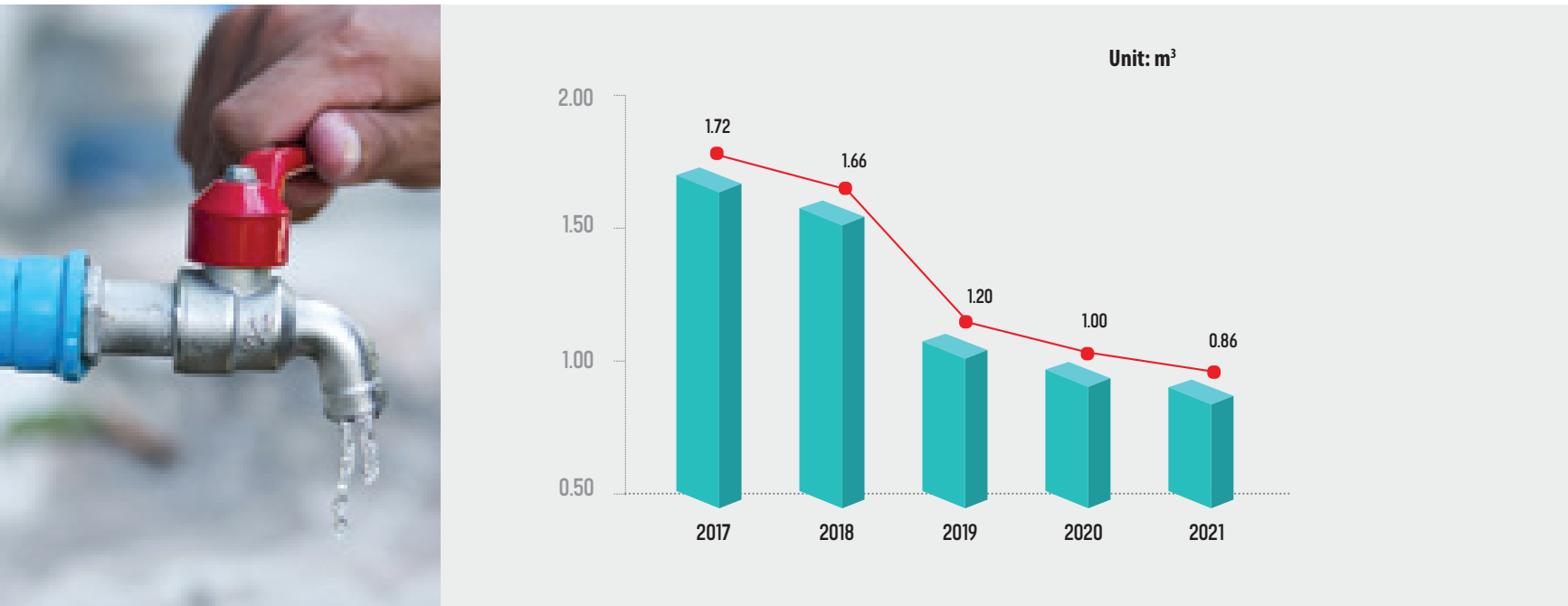
6.4. Water consumption:

a. Water supply and water usage:

For many years, the Company has not used underground water and only used water provided by suppliers such as Sawaco and Biwase.

Furthermore, with the awareness that clean water is finite, Binh Minh Plastics continues to implement solutions to save maximum water.

In 2021, the records of water consumption are as follows:



Water consumption in 2021 decreased to only 0.86 m³ per ton of product, the lowest value in the years of 2017-2021. Accordingly:

Reduction of water consumption in 2021 compared to 2020:	14,6	%
The reduced amount of water in 2021 is equivalent to:	13.679	m³
Average water price in 2020 at the Company:	15,197	VND/m³
Total savings:	207.880.000	VND

In addition to water-saving solutions implemented in 2021, the Company underwent periods of production shutdown and re-organization into the “three on-sites” model (only producing about 20-50% of the previous year’s output). Water consumption for domestic and industrial purposes significantly decreased in these periods, contributing to the overall reduction in 2021.

b. Percentage and total amount of recycled and reused water:

For many years, the Company has not used groundwater and only used water from trusted suppliers.

Water is used by the Company for the following purposes:

- Domestic use: accounting for a small proportion of water consumption at the Company. All wastewater generated from this activity is treated in accordance with the provisions of law.
- Industrial use: accounted for a large proportion of water consumption at the Company.

However, all wastewater generated from this activity is recycled and reused to lower the rate of consumption.

6. Report on environmental and social impacts (continued)

6.5. Compliance with environmental protection regulations

The Company pays great attention to environmental protection activities, working conditions improvement and compliance with environmental regulations.

BMP has applied and maintained an environmental management system according to the ISO 14001:2015 standard, periodically assessed, monitored and certified by Quacert. With this management system, the control of environmental indicators has brought many benefits and complied well with the law on environmental protection.

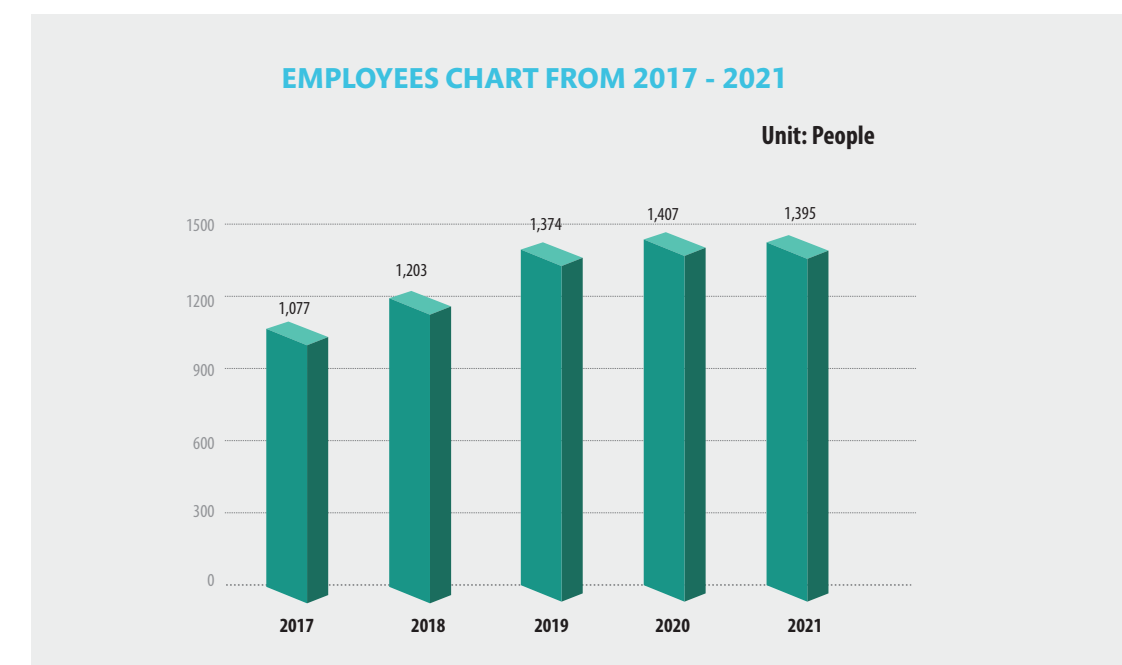
Accordingly: Environmental monitoring and microclimate measurement of the working environment in accordance with the law are carried out by competent units. All indicators have results within legal limits and the Company has not recorded any violations of environmental regulations in 2021.

As a result:

- Number of fines for non-compliance with environmental laws and regulations: None
- Total amount of fines for non-compliance with environmental laws and regulations: None

6.6. Labor policies:

a. Number of employees



Binh Minh Plastics focuses on research and development activities, promoting automation and distributing the workforce sensibly to optimize production activities. As a result, the Company has kept a workforce of reasonable size



6. Report on environmental and social impacts (continued)

b. Policies to ensure the health, safety and welfare of employees

In response to the life-threatening and fast-spreading COVID-19 pandemic, with the goal of ensuring health and safety of employees, the Company applied many urgent and drastic measures of disease control never seen before.

- Set up a Steering Committee for COVID-19 Prevention and Control to raise the employees' awareness about the pandemic and closely follow developments of national response directives so that work adjustments were timely made such as medical declaration, travel report, shift re-scheduling and work-from-home or online/offline hybrid arrangements.
- The Company also immediately provided employees with medical facilities and equipment for disease control such as disinfectant sprayers, hand sanitizers, anti-droplet masks and plastic partitions for social distancing at work.
- The Company's healthcare task force regularly monitored the health of employees and performed rapid tests with a higher frequency than prescribed to promptly detect infected cases so that appropriate measures could be timely taken.
- The Company's management actively worked with governmental agencies so that employees could be vaccinated as soon as possible. In Ho Chi Minh City, Binh Minh Plastics was among the first enterprises to get its workforce vaccinated, with the percentage of current triple-vaxxed employees higher than 96%.



6. Report on environmental and social impacts (continued)



In parallel with pandemic prevention, the Company worked on maintaining benefits for the employees, supporting them to overcome difficulties, stabilize their lives, and cooperate with the Company towards the dual goal of safe adaptation and effective disease control. Specifically:

- When the Company halted production and business according to the Government's directives, only 30% of the workforce was allowed to work. The remaining 70% had to stop working but the Company still tried to maintain their base salaries, preventing an economic crisis. In addition, the Company provided subsidies for the employees in difficult times. On average, each employee received 40% more than their base salary.
- With the active part of the workforce, the Company ensured the same salaries as in normal conditions, especially for "three on-sites" workers. The Company provided daily allowances (including holidays) and favorable conditions for the workers to stay on-site comfortably for extended periods to resume production.
- The Company was decisive in covering all costs of testing, medicine and subsidies for infected or affected employees.
- The Company's Human Resources Department cooperated with the Trade Union to provide new benefits for employees, extracted from the support packages of the Government and the Trade Union, as soon as possible.

The Company is well aware that the most important factor to ensure sustainable development is human resources, so improving health, safety and welfare policies for employees is a priority. This has enabled the Company to mobilize 100% of its human resources when resuming production and business after the pandemic.

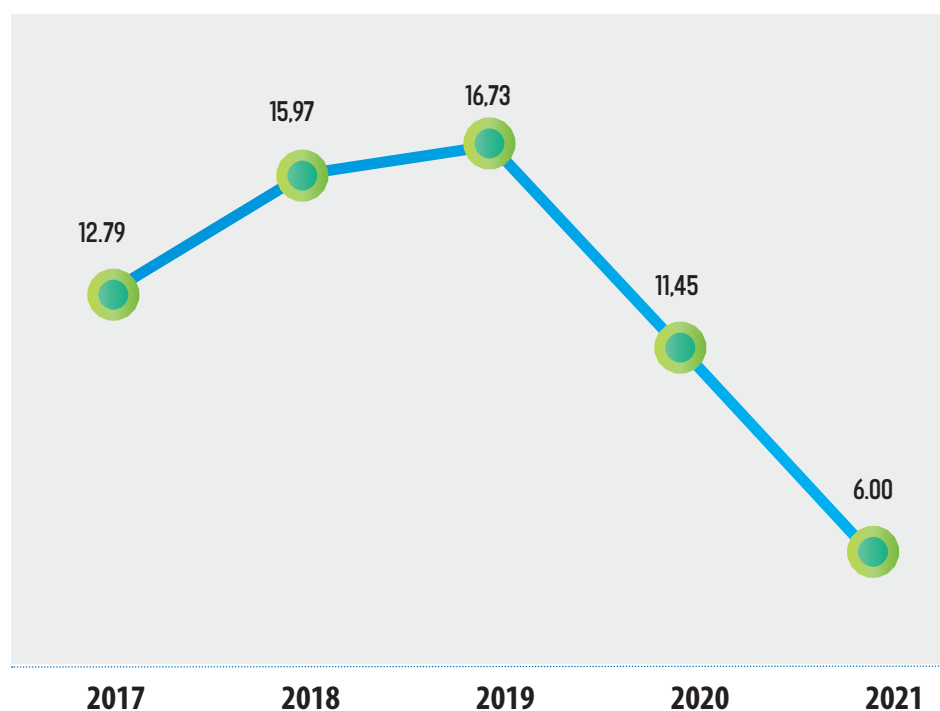
6. Report on environmental and social impacts (continued)

c. Employee training activities

In the face of complicated pandemic developments and also according to the Government's regulations on social distancing, to adhere to pandemic control, training activities were carefully considered. The Company switched from centralized face-to-face training to online training for maintenance and improvement of the quality of human resources. Nevertheless, training activities were still greatly affected.

AVERAGE TRAINING TIME

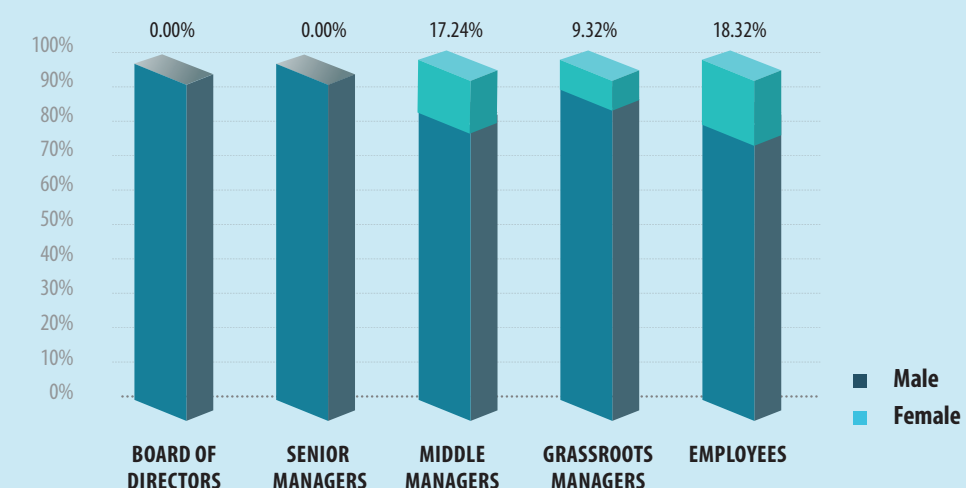
Unit: Hour/Person



d. Equality reinforcement policies

Gender Ratio data in the Board of Directors, in executives of all levels, in the staff:

GENDER RATIO 2021

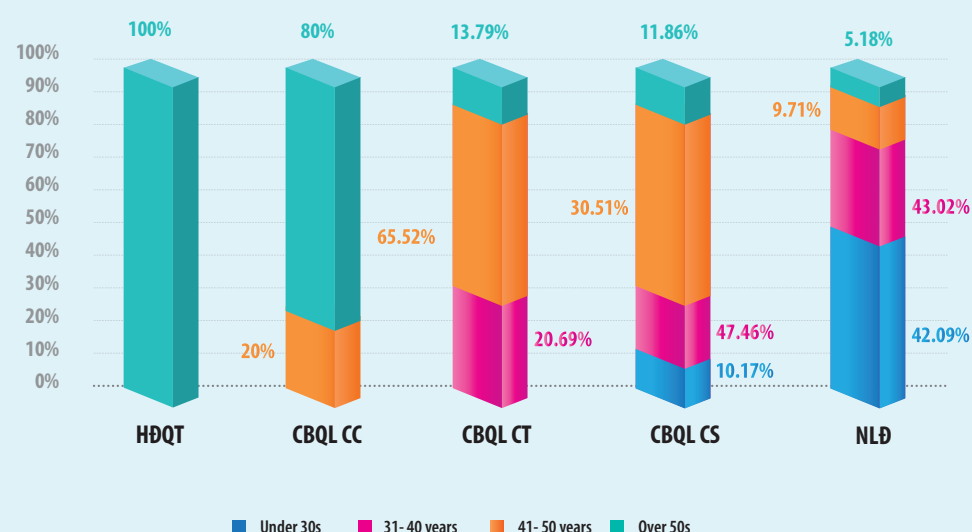


The unique characteristic of Binh Minh Plastics is that it operates in the manufacturing sector, so the percentage of women in the workforce in general and management in particular is quite modest, but gender equality has always been paid special attention by leaders at all levels. This is reflected in the participation of women in middle and junior management. Activities to pay tribute to women are well maintained by the Company, such as annual March 8 and October 20 celebrations.

6. Report on environmental and social impacts (continued)

- Age Distribution data in the Board of Directors, in executives of all levels, and in the staff:

AGE DISTRIBUTION 2021



With a view to creating and rejuvenating managerial personnel, the Company has increased the number of young personnel in junior management as part of succession planning for middle and senior management.

The vast majority of BMP's human resources is within 18-40 years of age, accounting for 85%, which shows that BMP is having a robust, dynamic young workforce as the foundation for future development.

- Equality reinforcement policies and affirmative actions:

At BMP, gender equality goals receive close attention from the Company's management and mass organizations. Policies in this matter are constantly improved in order to ensure equality between men and women in terms of opportunities, participation and benefits for contributing to the rapid and sustainable development of the Company.

- ▶ In recruiting, training and appointing managers, the Company focuses on work standards and individual capacities as criteria of assessment.
- ▶ In other policies and benefits, both male and female employees are treated equally in terms of employment, salary, bonus, social insurance and other working conditions.
- ▶ Organizing communication and training on gender equality, prevention of domestic violence, sexual harassment, etc. so that employees can raise awareness about the implementation of the Company's related policies.

6. Report on environmental and social impacts (continued)

6.6. Report on social responsibility to local communities:

Under very difficult conditions of production and business and complicated pandemic developments, the Company managed to organize a number of new social responsibility initiatives, such as:

No	Social activities in 2021	Value of contribution (VND)
1	The Company supported the City to fight against the COVID-19 pandemic (Implemented with the Ho Chi Minh City Business Association - HUBA).	300.000.000
2	Supplied food for local citizens in COVID-19 quarantine in areas where factories are located.	154.000.000
3	Donated 200 disinfectant sprays to medical units.	39.000.000
4	Provided lifelong support for 2 Vietnamese heroic mothers and 1 severely disabled former soldier at the rate of 12,000,000 VND/person/year.	36.000.000
5	Provided extended support for 4 orphans until the age of 18 (whose father and mother died due to COVID-19 or accidents): 8,400,000 VND/child/year.	33.600.000
6	Donated to local charities during public holidays.	50.000.000
7	Supported workers' families in difficulty.	1.170.000.000
Total		1.782.600.000

In addition, the Company organized meaningful activities to support the local communities during the time of social distancing against COVID-19, such as:

- Provided labor force and equipments resources and equipment for loading, unloading and preserving local relief goods, totaling nearly 30 tons.
- Provided human resources and vehicles to help local authorities deliver relief goods to isolated households: 6 trucks distributed relief goods to more than 1000 households.



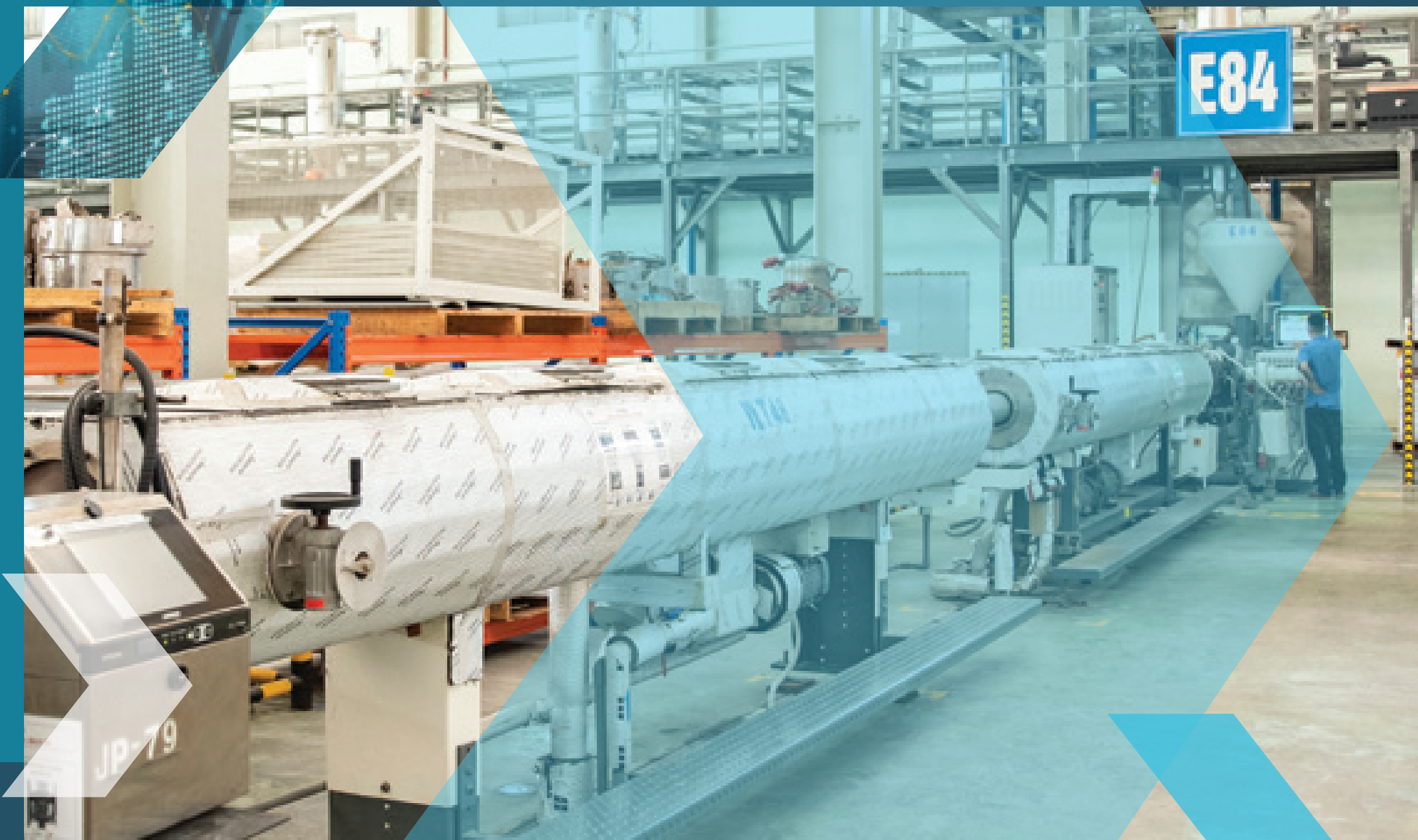
- Provided masks, disinfectant solutions and personal medicine packages to treat and prevent COVID-19, as well as other quarantine supplies for households in need around the Company's premises.

6.7. Report on green capital market activities under the guidance of the State Securities Commission:

Not applicable.

III. THE BOARD OF MANAGEMENT'S ASSESSMENT

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1. Assessment of business results

1.1. Overview

➤ ADVANTAGES:

- ▶ The Company's products and brand are highly trusted, so the Company still maintained better sales opportunities than competitors despite pandemic-induced difficulties.
- ▶ The Company reinforced consistent policies and made maximum efforts in customer support, so the Distribution System maintained stable operations.
- ▶ In difficult circumstances, the workforce showed a strong sense of responsibility, solidarity and sharing to overcome the hardships with the Company.



➤ DISADVANTAGES:

- ▶ The prolonged and severe COVID-19 pandemic caused great anxiety, reducing the efficiency of the Company's production and business.
- ▶ Raw material prices increased sharply and unusually during the year.
- ▶ Logistics operations were disrupted, causing difficulties for both supply and consumption.



1. Assessment of business results

(continued)

1.2. Production and business results in 2021

- ▶ See also the tables of consolidated business results in 2021 on page 53.
- ▶ From the analysis of the business situation above, it can be seen that 2021 has been an extremely difficult year for the Vietnamese economy in general and for the Company in particular. Production and business results, in terms of Revenue, Output and Profit, all failed to meet the targets (specifically, Revenue was 88%, Output was 81% and Profit was only 41% year-on-year).
- ▶ The BOM tried best to implement many programs, promote advantages and overcome difficulties such as:



EXCELLENT PERFORMANCE on:

- ▶ Safety during the COVID-19 pandemic, preserving 100% of the workforce. Up to now, 100% of the employees have been vaccinated with the 3rd dose.
- ▶ Improving the efficiency of internal administration through tools such as 5S, OPI, SCM, LEAN, SHE. Especially Digitalization, SCM and Automation applications.
- ▶ Highly effective innovations and cost-saving initiatives.



GOOD PERFORMANCE on:

- ▶ Progress of machinery and equipment upgrade, which has been affected by the pandemic but is still basically in line with the schedule.
- ▶ Review and improvement of internal management and organizational restructuring in a more reasonable and effective direction.
- ▶ Maintenance of the distribution system and effective business operations when trade resumed.



- However, there are still issues that need IMPROVEMENT: The price adjustment policy is still too cautious, which has affected the Company's profits despite positive effects on sales volume and revenue.
- As for profits, the achievement was 59% lower than the 2021 targets. The Board of Management assessed that the impact was mainly due to the following reasons:
 - Raw material prices increased abnormally.
 - The pandemic caused sharp decreases in market demand.
 - The Company had to maintain reasonable selling prices to increase consumption and maintain market share, thus slow price adjustments may affect profits.

2. Financial situation

BMP could control financial risks and overcome pandemic difficulties because it operated on its own capital, without external funding. This is also the foundation for sustainable growth in the current period. (See more financial data and analyses on pages 66 to 71).

a. Assets:

BMP's total assets as of December 31, 2021 reached 2,838 Billion VND, down 6% from the previous year. In the very difficult business conditions of 2021, there are good reasons for this reduction.

b. Liabilities:

At the end of 2021, the Company's debt-to-equity ratio is still at safe level (545 Billion VND / 2293 Billion VND), unchanged compared to the end of 2020.

3. Improvements on organizational structure, policy and management

In 2021, the Company established two new functional departments:

- Supply Chain Management (SCM): responsible for planning and coordinating resources throughout the Company, from input to output.
- Operation Productivity Improvement (OPI): responsible for researching and applying innovations, methods and equipment to increase labor productivity and improve other necessary issues in production operations.

These are the two new divisions to serve strategic goals: Applying operational excellence in production, coupled with supply chain management.



4. Future development plans:



Priority should be given to the following issues:

- Strengthen business relationships.
- Improve the efficiency of Supply Chain Management (SCM).
- Apply the lean manufacturing model (Lean) & automation in production (Automation).
- Implement focused improvement projects (FI projects).
- Research and implement new product development processes (NPD processes).
- Strengthen the supportive departments (Human Resources - HR, Safety - Health - Environment - SHE, Information Technology, Risk Management).

5. The BOM's comments in response to the auditors' opinions: None.

6. Report on environmental and social responsibility

a. Assessment of environmental indicators:

With the environmental management system in compliance with the ISO 14001:2015 standard, environmental indicators at the Company are strictly controlled in order to improve the working conditions of employees and meet legal requirements. Some notes:

Waste: All types of waste are classified at source, making it convenient for management and transfer to licensed waste treatment agencies. All hazardous waste has been handed over to relevant treatment units.

Wastewater: All water used in production activities at the Company is recycled and reused (except for domestic wastewater by employees). All of this wastewater is treated by factories and member units before being discharged into local or designated sewage systems.

Gas emissions: Production activities at the Company do not emit harmful gases nor affect the ecological environment and the working environment.

Dust emissions: : The Company has equipped dust emissions control devices which are put into operation with high effectiveness. The results of microclimate environmental measurement are much lower (better) than permitted by current laws.



6. Report on environmental and social responsibility (continued)

b. Assessment of employee issues:



Environmental and social responsibility has become an increasingly important factor for companies to consider in their sustainability strategy. The establishment, implementation and compliance with standards of environmental and social responsibility are thus necessary conditions for Binh Minh Plastics for future development.

Human resources is an important factor in the solid development of the business, so the Company pays close attention to issues such as working hours, salaries and benefits, team-building, career development as well as creating favorable working conditions for employees to stay with the Company.

- ▶ Working hours: the Company is committed to applying a 40-hour to maximum 48-hour workweek, with one to two complete days off a week. BMP also arranges many short breaks in a shift or reduces active time of the day to lower work intensity for employees.

- ▶ **Salaries:** The Company has open, transparently, constantly improving policies and regulations on salaries to ensure competitiveness and compatibility with the employees' needs. This is most evident in 2021: despite many difficulties due to impacts of the COVID-19 pandemic, the Company made great efforts to keep the same salaries for all employees.
- ▶ **Benefits:** The Company is committed to ensuring the health and welfare of all employees.
 - The Company organizes its own medical department to take care of the health of employees. Strengthen inspection to ensure occupational and food safety and hygiene; implement disease prevention and control, and periodically assess environmental impacts to take remedial measures and improve working conditions
 - Implement policies to support workers affected by the pandemic such as additional monthly allowances, medical subsidies for infected/affected employees or their families and flexible adjustments to the annual leave policy in the context of prolonged social distancing
- ▶ **Cohesion:** Empathy toward employees will help the employer to take the best actions that can maximize the employees' capacities and foster a sense of commitment to the common goals, as well as loyalty to the Company. Therefore, the Company has organized activities such as anniversaries, contests, sports events, travel tours, recognition and celebration of outstanding achievements by employees.
- ▶ **Career development:** The Company creates many opportunities for employees to promote their potential and develop their careers. In addition to professional training, the Company has developed a succession plan for managerial personnel so that candidates can be trained in practical management skills and develop the desired competencies for the Company's future development.

6. Report on environmental and social responsibility (continued)

c. Assessment of corporate responsibility to the local community:



Corporate social responsibility programs concerning local communities this year had a lower financial value than last year (only 31% compared to 2020). This is understandable, as the difficult pandemic situation significantly reduced the profits (falling to 40% year-on-year), thus limiting the budget for other activities. The BOM deliberated the decision to reduce social work very carefully when regulating the Company's financial resources, in order to ensure the harmony of interests for other stakeholders

The Company's social activities during the year were thus selective and focused on individuals closely related to the Company's stability and directly affected the pandemic. It can be said that the Company's activities were urgent and practical in social support. These thus received great appreciation by the local communities, as well as the enthusiastic support of the Company's members.

Though limited in financial value, the Company's social activities this year directly contributed to other specific resources, especially human resources, to ease the burden of sustaining disease prevention and control for a very long time. Through the practice of maneuvering its own resources for local support, the Company was highly appreciated by the local communities and in turn, received their valuable support in various vaccination campaigns for the entire workforce to keep up with production demands after the critical phase of the pandemic. This is the immediate benefit for the Company from the social activities that the Company previously implemented.

IV. BOARD OF DIRECTORS EVALUATIONS ON BUSINESS OPERATIONS

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1. The Board of Directors' assessment of business operation



- ▶ Compared to the 2020 results, the main indicators are sales revenue of 4,565 Billion VND (-3%), sales volume of 92,565 tons (-16%) and profit before tax of 268 Billion VND (-59%). They all failed to meet the 2021 targets assigned by the General Meeting of Shareholders (GMS).
- ▶ Although targets were not met, to ensure the shareholders' interests, the Company made the first advance payment of 2021 dividends, totaling about 102 Billion VND, in February 2022. Expected dividends for the whole year of 2021 will be about 214 Billion VND in total, equivalent to almost 100% of profit after tax and about 26% of charter capital.
- ▶ With the above results, 2021 is considered a particularly difficult year for the Company for two main reasons:
 - Unusually high prices of raw materials made the Company's profits drop sharply.
 - COVID-19 outbreaks and strict social distancing measures (especially in Q3/2021) severely affected the Company's sales revenue and volume.
 - However, the above factors also affected the competitors, so the Company could maintain its market share and the leading position.
- ▶ The Company actively maintained high-impact environmental and social responsibility initiatives despite economic hardships.

2. The Board of Directors' self-assessment



- ▶ The BOD successfully organized the 2021 Annual General Meeting of Shareholders (face-to-face meeting) in April 2021.
- ▶ Due to the COVID-19 pandemic, in 2021, all BOD meetings must be held online, yet the regularity and participation rates were well maintained and fully in accordance with the requirements of the Company's charter. The BOD monitored the Company's operations well through monthly reports of the General Director, complied with good governance principles and performed duties in accordance with the AGM resolution.
- ▶ The BOD supported the CEO's proposals to maintain the employees' income and implement support initiatives during the prolonged pandemic.

3. Assessment of independent BOD members

- ▶ Despite many pandemic-induced difficulties, the BOD maintained stable operations and always showed support for the General Director's proposals to promote the Company's development.
- ▶ The BOD and the BOM appreciate the great responsibility and efforts of the employees to comply with regulations and ensure safety during the pandemic.
- ▶ The independent BOD members highly appreciate the BOD's consideration of the employees' interests. It is suggested that the BOD continue to support the development of salary, bonus and remuneration policies proportionate to the size and status of the Company, ensuring higher average income for employees and improving the quality of human resources for long-term and sustainable development.



4. The Board of Directors' assessment of the Board of Management

- ▶ The BOM was resolute in applying strict measures of disease control to ensure the safety of employees and preserve the Company's workforce, thus promptly resuming operations right after the pandemic.
- ▶ The BOM maintained a good relationship with the workforce, encouraging the employees to cooperate and overcome difficult conditions for production and business.
- ▶ The BOM enhanced the practice of internal governance and achieved good results, thus improving the Company's governance capacity as a premise for long-term development.

5. The Board of Directors' directives on development orientation and strategy

- ▶ Affirm the Company's capacity and leading position in the Vietnamese market. Committed to the priority of developing market share and flexibly applying policies to improve business results.
- ▶ Strengthen general competitiveness through product diversification, customer expansion, application of advanced management models and tools along with investment in modern production technology.
- ▶ Prepare to establish an advanced governance structure based on digitalization and optimization of the Company's resources.
- ▶ Build a Distribution Network following a proactive business model to increase the initiative when planning and implementing market development activities.
- ▶ Concentrate on developing the quality of human resources, building a safe, friendly working environment and improving benefits for employees. Strengthen remuneration policies to retain talents, building a high-quality managerial and operational workforce.





V. CORPORATE GOVERNANCE

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1. The Board of Directors

a. Members and organizational structure of the Board of Directors:



No	Fullname	Position	Holding of Voting shares	Holding Percentage
01	Mr. Sakchai Patiparnpreechavud	Chairman	0	0
02	Mr. Nguyen Hoang Ngan	Vice Chairman	618,550	0.756%
03	Mr. Wisit Rechaipichitgool (The General Meeting of Shareholders approved the resignation letter on April 27, 2021.)	Member	0	0
04	Mr. Chaowalit Treejak (The General Meeting of Shareholders elected to be a member of the Board of Directors from April 27, 2021)	Member	0	0
05	Mr. Poramate Larnroongroj	Member	0	0
06	Mr. Phan Khac Long	Independent Member	0	0

“

BMP has strived to accelerate R&D processes and apply new technologies, especially automation, to our organization for reliable and sustainable long-term competitiveness.



MR. SAKCHAI PATIPARNPREECHAVUD

Chairman of the BOD
(Non-executive member)
Year of birth: 1967
Qualification: Master of Business Administration.

Employment history:

- 2005: Managing Director of Petrochemical Company - Iran.
- 2009: Managing Director of SCG Plastics Ltd. - Thailand.
- 2015: Managing Director of SCG Chemicals Co. Ltd - Thailand.
- 2017: Vice President of Polyolefin & Vinyl of SCG - Thailand.
- April 20, 2018: Chairman of the BOD of Binh Minh Plastics Joint Stock Company.

1. The Board of Directors (continued)

a. Members and organizational structure of the Board of Directors:



“

BMP has maintained the employees' income and implement support initiatives during the prolonged pandemic.

“

BMP has applied operational excellence in production, coupled with supply chain management.



➤ MR. NGUYEN HOANG NGAN

Vice Chairman of the Board of Directors – General Director

(details in the Board of Management introduction)

➤ MR. WISIT RECHAI PICHITGOOL

BOD Member – Head of Development Strategy
Subcommittee – Deputy General Director of Finance – Administration

(details in the Board of Management introduction)

1. The Board of Directors (continued)

a. Members and organizational structure of the Board of Directors:



“

BMP has strengthened its internal governance activities and improved the governance capacity as a premise for long-term development.

”

BMP is prepare to establish an advanced governance structure based on digitalization and optimization of the Company's resources.



MR. PORAMATE LARNROONGROJ

Member of the BOD
(non-executive member),
Year of birth: 1963
Qualification: Master of Industry

Employment history:

- 2004: Head of Planning - Procurement of Thai CRT Co., Ltd.
- 2005: Managing Director of Siam Forestry Co., Ltd.
- 2008: Managing Director of Thai Cane Paper Public Co., Ltd.
- 2010: Managing Director of Thai Container Group Co., Ltd.
- 2018 - present: Managing Director of Nawaplastic Industries Co., Ltd.

MR. CHAOWALIT TREEJAK

Member of the Board of Directors
cum Deputy General Director of Finance
and Administration

The General Meeting of Shareholders elected to be a member of the Board of Directors from April 27, 2021. Mentioned in the Introduction of Board of Directors.

1. The Board of Directors (continued)

a. Members and organizational structure of the Board of Directors:



“
BMP actively
maintained high-impact
environmental and
social responsibility
initiatives.”

MR. PHAN KHAC LONG

Independent member of the BOD

Year of birth: 1961

Qualifications: Mechanical Engineer

Employment history:

- 1983: Engineer of Transportation Mechanical Associated Enterprise No. 2.
- 1990: Owner of Dai Viet Phat Private Enterprise.
- 1996: Director of Phan Vu Manufacturing & Construction Co., Ltd.
- 2001: Chairman of the BOD cum General Director of Phan Vu Investment Joint Stock Company.
- 2013: Member of the BOD of Japan Pile Corporation - Japan.
- 2015: Member of the BOD of Asia Pile Holding Corporation (listed on Tokyo Stock Exchange).
- 2018: Chairman of the BOD of Phan Vu Investment Joint Stock Company.
- April 20, 2018: Member of the BOD of Binh Minh Plastics Joint Stock Company.

b. Subcommittees under the Board of Directors

No	Subcommittee	Member	Position
1	HUMAN RESOURCES – POLICY – REMUNERATION	Mr. Phan Khac Long	Independent member of the BOD, Committee Head.
		Ms. Nguyen Ngoc Linh	Head of Human Resources Committee Deputy Head
		Ms. Nguyen Thi Chuc Quynh	Legal Officer Committee Member
		Mr. Pham Hai Dang	BMBD Warehouse-keeper Committee Member
		Ms. Nguyen Thi Yen Nhi	Accounting Staff Committee Member
2	INVESTOR RELATIONS	Mr. Nguyen Hoang Ngan	Vice Chairman/General Director Committee Head
		Mr. Bong Hoa Viet	BOD Secretary CEO Assistant Committee Deputy Head
		Mr. Phung Huu Luan	Director of Accounting and Finance Committee Member
		Ms. Vy Thi Hong Loan	Head of Sales Department Committee Member
		Mr. Nguyen Viet Anh	Deputy Head of Research and Development Department Committee Member
3	DEVELOPMENT STRATEGY	Mr. Chaowalit Treejak (replaced Mr. Wisit Rechaipichitgool)	BOD Member cum Deputy General Director of Finance and Administration - Head of the Committee
		Mr. Nguyen Thanh Quan	Deputy General Director of Operations Deputy Head of the Committee
		Mr. Nguyen Thanh Hai	Deputy General Director of Sales Committee Member
		Mr. Hong Le Viet	Head of Finance and Accounting Department Committee Member
		Mr. Pham Hoang Anh	Head of Research and Development Department Committee Member
4	RISK MANAGEMENT AND INTERNAL CONTROL	Mr. Poramate Larnroongroj	BOD Member Head of the Committee
		Ms. Nguyen Luu Thuy Minh	CB Member - Deputy Head of the Committee
		Mr. Le Anh Huy	Head of System Management Department Committee Member
		Mr. Bui Van Hieu	Head of Information System Management Committee Member
		Mr. Nguyen Tuan Van	Construction and Investment Officer Committee Member

1. The Board of Directors (continued)

c. Activities of the Board of Directors:

From January 1, 2021 to December 31, 2021, there were a total of 8 meetings of the Board of Directors, in which the attendance of members was as follows:

No	Full name	Attendance in BOD meetings	Percent-age attendance	Reason absence
01	Mr. Sakchai Patiparnpreechavud	8/8	100%	
02	Mr. Nguyen Hoang Ngan	8/8	100%	
03	Mr. Wisit Rechaipichitgool	4/8	50%	Resigned
04	Mr. Chaowalit Treejak	5/8	63%	Newly appointed
05	Mr. Poramate Larnroongroj	8/8	100%	
06	Mr. Phan Khac Long	8/8	100%	



From the above BOD meetings, the following resolutions and decisions were issued:

No	RESOLUTION NO.	Date	Content
1	01/NQ-BM/HĐQT/2021	January 20, 2021	Resolution on the 2 nd advance payment of dividends in 2020 for Shareholders.
2	02/NQ-BM/HĐQT/2021	February 22, 2021	Resolution on setting the 2021 bonus budget for employees.
3	03/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on authorizing the General Director to perform credit transactions with limits and mortgages of common assets.
4	04/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on authorizing the CEO to perform credit transactions with limits and mortgages of common assets with Vietinbank.
5	05/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on authorizing the CEO to perform credit transactions with limits and mortgages of common assets with Sacombank.
6	06/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on authorizing the General Director to perform credit transactions with limits and mortgages of common assets with ACB.
7	07/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on approving resignation letters of BOD members submitted to the GMS.
8	08/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on the first additional bonus for employees based on 2020 business results
9	09/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on the appointment of the Chairman to run the 2021 AGM in place of the BOD Chairman
10	10/NQ-BM/HĐQT/2021	April 1, 2021	Resolution on additional compensation for employees in 2021
11	11/NQ-BM/HĐQT/2021	April 27, 2021	Resolution on the payment of remaining cash dividends for 2020
12	12/NQ-BM/HĐQT/2021	April 27, 2021	Resolution on approving the resignation letter of the Deputy General Director - Mr. Wisit Rechaipichitgool
13	13/NQ-BM/HĐQT/2021	April 27, 2021	Resolution on the appointment of the Deputy General Director - Mr. Chaowalit Treejak
14	14/NQ-BM/HĐQT/2021	December 24, 2021	Resolution on the advance payment of cash dividend in 2021
15	01/QĐ-BM/HĐQT/2021	January 02, 2021	Decision to appoint new members of the Human Resources and Remuneration Policies Subcommittee
16	02/QĐ-BM/HĐQT/2021	April 27, 2021	Decision to appoint new Head of Development Strategy Subcommittee
17	03/QĐ-BM/HĐQT/2021	April 27, 2021	Decision to appoint new Head of Development Strategy Subcommittee
18	04/QĐ-BM/HĐQT/2021	October 18, 2021	Decision on special salary coefficients for Q3/2021
19	05/QĐ-BM/HĐQT/2021	November 12, 2021	Decision on organizational restructuring

1. The Board of Directors (continued)

d. Activities of independent BOD members:

Independent BOD members attended 8 out of 8 Board meetings. As in-charges of the Human Resources - Policy - Remuneration Subcommittee under the BOD, the independent members provided many valuable insights for the proposed selection of personnel for senior management in the Company.

In addition, when the BOM carried out the restructuring program of the Company, the independent members provided constructive criticisms, explanations and advice for the BOD to better understand the nature and the purpose of the Project, as well as the income distribution mechanism within the Company.

e. Training for BOD members:

List of BOD members with training certificates in corporate governance:

No	Full name	Place of certification
01	Mr. Sakchai Patiparnpreechavud	Thailand
02	Mr. Chaowalit Treejak	Thailand
03	Mr. Poramate Larnroongroj	Thailand

List of BOD members participating in corporate governance programs during the year: Due to the COVID-19 pandemic, in the past year, there were no members participating in corporate governance programs.



2. Control board

a. Members and structure of the Control board:

No	Fullname	Title	Owner-ship of voting shares	Atten-dance In the CB's Meetings	Atten-dancer-ate	Note
01	Mr. Nguyen Thanh Thuan	Head of the CB	0	2/2	100%	Indepen- dent member
02	Mr. Praween Wirotpan	Member of the CB	0	2/2	100%	From SCG
03	Ms. Nguyen Luu Thuy Minh	Member of the CB	14.040	2/2	100%	Employ- ees' represen- tative



2. Control board (continued)

a. Members and structure of the Control board:



“

BMP has strictly complied with current regulations on information disclosure on the stock market.

“

BMP implemented pandemic control measures well, ensuring safety for production and business activities.



MR. NGUYEN THANH THUAN

Head of the Control Board
Year of birth: 1987
Qualification: Master of Economics

Employment history:

- 2009: Credit offi of Corporate Customer Department - Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank).
- 2012: Deputy Head of Corporate Customer Department - Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank), Ho Chi Minh City Branch No. 3.
- 2015: Head of Corporate Customer Department - Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank), Ho Chi Minh City Branch No. 3.
- 2016: Head of Credit Support Department - Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank) Ho Chi Minh City Branch No. 3.
- 2018: Head of Financial Department - An Gia Real Estate Investment and Development Joint Stock Company.
- April 20,2018: Head of Control Board - Binh Minh Plastics Joint Stock Company.

MR. PRAWEEN WIROTPAN

Member of the Control Board
Year of birth: 1968
Qualification: Master of Finance and Accounting.

Employment history:

- 1991: Auditor at Siem Cement Public Co. Ltd.- Thailand.
- 1998: Administration Manager of CEMENTHAI Plastic & Product Co., Ltd - Thailand.
- 2000: Director of Purchasing Accounting at TPC Vina Plastic & Chemical Co., Ltd - Thailand.
- 2002: Head of Human Resources at Thai Plastic & Chemicals Public Co., Ltd. - Thailand.
- 2006: Director of Purchasing Accounting at TPC Vina Plastic & Chemical Co., Ltd.
- 2015: General Director of SCG Vietnam.
- April 20, 2018: Member of the Control Board at Binh Minh Plastics Joint Stock Company.

2. Control board (continued)

a. Members and structure of the Control board:



“

BMP still tried to balance financial sources and keep employee salary at a year-on-year comparable level.

➤ MS. NGUYEN LUU THUY MINH

Member of the Control Board
Year of birth: 1983
Qualifications: Bachelor of Accounting, Master of Finance

Employment history:

- 2006: Staff of BMP's Finance and Accounting Department.
- 2013 to present: Member of the Control Board, Member of Risk

b. The Control Board's activities

In 2021, the CB held 02 meetings to monitor the financial situation, business activities, internal processes/regulations, and at the same time to check compliance with the Enterprise Law, the Company's Charter and GMS resolutions. Specific contents are as follows:

No	Date	Number of participants	Main content
1	April 26, 2021	3/3	<ul style="list-style-type: none"> ▶ Updates on business results Q1/2021 ▶ Review of financial statements Q1/2021 ▶ Considering IA SCG's recommendations and the Company's explanations for remedial/prevention.
2	December 17, 2021	3/3	<ul style="list-style-type: none"> ▶ Updates on business results for 11 months of 2021 ▶ Review of financial statements Q3/2021 ▶ Updates on plans to deal with overdue debts ▶ Updates on IA SCG's recommendations and the Company's explanations ▶ Review of CB's operational regulations in accordance with the new Enterprise Law

In addition, the CB participated in all BOD meetings in order to keep up with production and business situations, and to comment on matters related to finance and accounting.

2. Control board (continued)

CB's inspection and monitoring results:

➤ Monitoring the implementation of 2021 GSM resolutions

- ◆ The CB and the BOM fully implemented the contents approved in the Resolution of the General Meeting of Shareholders in 2021.
- ◆ Due to unusually high prices of raw materials as well as various impacts of the COVID-19 pandemic, revenue and profit did not reach the assigned targets.

➤ CB's monitoring of the BOD, BOM and shareholders

- ◆ The CB noted that there was nothing unusual in the activities of the members of the Board of Directors and the Board of Management.
 - The BOD operated in accordance with current laws and the Company's Charter to direct and supervise the BOM's activities.
 - The BOM performed well the disease control duties and closely monitored the market situation as well as competitors, thereby proposing appropriate business policies.
- ◆ In 2021, the BOD held 08 meetings, issued 14 resolutions and 05 decisions in accordance with the Charter, closely followed the actual business situation and promptly resolved any arising problems of the Company
- ◆ The activities of 04 sub-committees under the BOD were well maintained and proved effective, thereby successfully advising both the BOD and the BOM on practical issues related to production, business and income policies for employees.

➤ Coordination among the CB, the BOD and the BOM:

- ◆ The CB recognized the coordination between the BOD and the BOM. Information on the Company's plans and implementation of plans were frequently updated.
- ◆ The CB's meetings were thoughtfully supported by the BOM; all documents to be checked were fully provided to the CB in a timely manner, which supported supervisory activities well.

➤ Reviewing financial statements and other activities:

- ◆ After reviewing the audit report, the CB agreed with the data and conclusions of the auditor KPMG.
- ◆ The Company has strictly complied with current regulations on information disclosure on the stock market.
- ◆ The Company implemented pandemic control measures well, ensuring safety for production and business activities.

CB's 2022 operational plan:

In 2022, the CB will continue activities in monitoring compliance and transparency in the Company's production and business, specifically:

- ◆ Supervise the observance of the Charter and GMS/BOD resolutions.
- ◆ Supervise management and administration activities by the BOD and the BOM
- ◆ Scrutinize the truthfulness and transparency of the Company's quarterly and annual financial statements.
- ◆ Review and comment on internal processes/regulations. .
- ◆ Provide the BOD and the BOM with professional opinions to further improve business performance.

3. Transactions, remuneration, and benefits of the Board of Directors, the Board of Management and the Control board

a. Remuneration and other benefits:

No	Fullname	Title	Salary for Management (VND)	Bonus for Management (VND)	Pay and Bonus for corporate governance (VND)	Personal income tax (VND)	Income after tax at BMP (VND)
1	Sakchai Patiparnpreechawud	- BOD Chairman	-	-	2,194,619,737	438,923,947	1,755,695,790
2	Nguyen Hoang Ngan	- BOD Vice-Chairman - General Director	2,289,558,001	1,043,281,013	1,563,633,816	1,515,711,312	3,380,761,518
3	Wisit Rechaipichitgool	- BOD Member - Deputy General Director	938,121,669	658,057,488	881,857,639	715,624,992	1,762,411,804
4	Chaowalit Treejak	- BOD Member - Deputy General Director	608,869,612	2,000,000	461,814,203	295,707,588	776,976,227
5	Phan Khac Long	- BOD Independent Member	-	-	1,336,771,842	133,677,185	1,203,094,657
6	Poramate Larnroongroj	- BOD Member	-	-	1,336,771,842	267,354,368	1,069,417,474
7	Bong Hoa Viet	- BOD Secretary -- Assistant to General Director	872,167,526	352,798,402	685,285,921	500,163,305	1,410,088,544
8	Nguyen Thanh Thuan	- Head of CB	-	-	947,676,712	94,767,671	852,909,041
9	Nguyen Luu Thuy Minh	- CB Member - Risk management & internal audit specialist	334,210,896	153,193,348	595,506,029	209,780,915	873,129,358
10	Praween Wirotpan	- CB Member	-	-	568,606,029	56,860,603	511,745,426
11	Nguyen Thanh Quan	- Deputy General Director	1,690,969,972	788,872,106	29,900,000	680,135,824	1,829,606,254
12	Nguyen Thanh Hai	- Deputy General Director	1,409,228,567	781,005,968	26,900,000	600,499,293	1,616,635,242
13	Hong Le Viet	- Chief accountant	861,667,575	346,633,770	26,900,000	227,634,308	1,007,567,037
Total			9,004,793,818	4,125,842,095	10,656,243,770	5,736,841,311	18,050,038,372

3. Transactions, remuneration, and benefits of the Board of Directors, the Board of Management and the Control board (continued)



b. Share transactions of individuals

No	Fullname	Position	Share- holding before tran- saction	Tran- saction		Share- holding after tran- saction	Hold- ing ratio
				Buy	Sell		
1	Sakchai Patiparnpreechawud	- Chairman of the BOD	0			0	0%
2	Nguyen Hoang Ngan	- Vice Chairman of the BOD/General Director	618,550			618,550	0.756%
3	Wisit Rechaipichitgool	- BOD Member - Deputy General Manager	0			0	0%
4	Chaowalit Treejak	- BOD Member - Deputy General Manager	0			0	0%
5	Poramate Larnroongroj	- BOD Member	0			0	0%
6	Phan Khac Long	- Independent Director	0			0	0%
7	Bong Hoa Viet	- General Secretary	105,600			105,600	0.129%
8	Nguyen Thanh Thuan	- Head of Control Board Member	0			0	0%
9	Nguyen Luu Thuy Minh	- CB Member	14,040			14,040	0.017%
10	Praween Wirotpan	- CB Member	0			0	0%
11	Nguyen Thanh Quan	- Deputy General Manager	11,709			11,709	0.014%
12	Nguyen Thanh Hai	- Deputy General Manager	21,600		21,600	0	0%
13	Hong Le Viet	- Chief accountant	03			03	0.00%
Total			761,499		21,600	739,899	0.9%

Transactions of shareholders holding 5% or more:

Organization	Share- holding before tran- saction	Tran- saction		Share- holding after tran- saction	Holding ratio
		Buy	Sell		
Nawaplastic Industries Co., Ltd.	44,525,911			44,525,911	54.39%
KWE Beteiligungen AG	4,283,708	4,321,700		8,605,408	10.51%
Total	48,809,619	4,321,700		53,131,319	64.90%

3. Transactions, remuneration, and benefits of the Board of Directors, the Board of Management and the Control board (continued)

c. **Contracts or transactions with insiders and related parties:**
None.

d. **Assessment of the implementation of corporate governance regulations**

Achievements:

- ◆ Conducted periodic as well as extraordinary information disclosure in 2021.
- ◆ Despite the difficult pandemic situation, the Company adapted to successfully organize the 2021 General Meeting of Shareholders in accordance with regulations. All BOD meetings were conducted online. There were even 8 meetings, all of which were attended by 100% of the BOD members, the highest rate of participation ever, showing a strong sense of responsibility and determination among the BOD members.
- ◆ Both the BOD and the CB held regular meetings in accordance with the working regulations. Demonstrated the spirit of democracy and respect towards criticisms. Through the meetings, timely and correct decisions and resolutions were made in accordance with the principles of corporate governance.
- ◆ The BOD sub-committees stabilized their operations and provided useful insights, suggestions and advice to the BOD.
- ◆ Studied well and complied strictly with the 2020 Enterprise Law and the 2019 Securities Law when dealing with arising issues.

Limitations:

- ◆ In 2021, the State Securities Commission decided to impose penalties for violations regarding the delayed publication of the Annual Report and 1 BOD Resolution in 2020, with the extenuating circumstance of “extremely difficult objective conditions” in the first year of the pandemic.
- ◆ The prolonged COVID-19 pandemic made it difficult to organize face-to-face meetings among the BOD and CB. Online meetings were the solution but admittedly with certain weaknesses for discussion.

VI. ENVIRONMENT - SOCIAL - GOVERNANCE (ESG) REPORT

Environment - Social -
Governance (ESG) report

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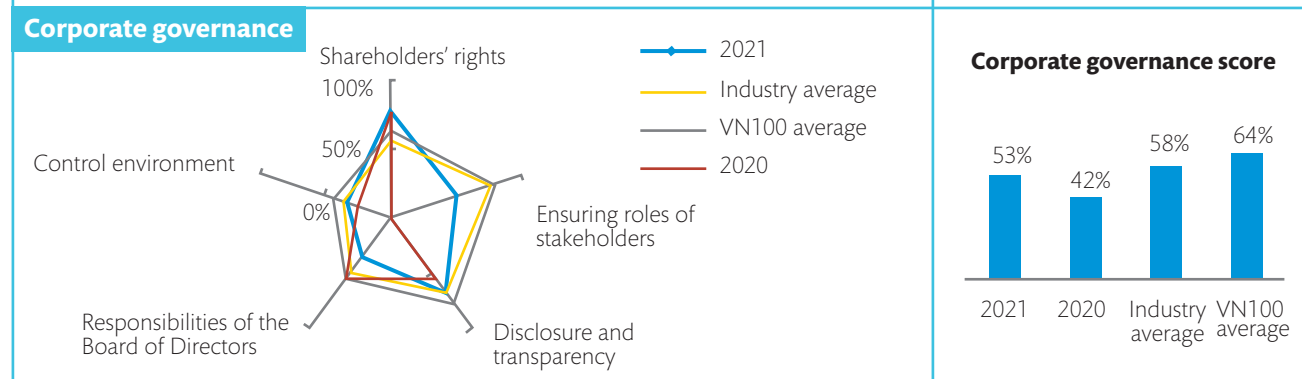
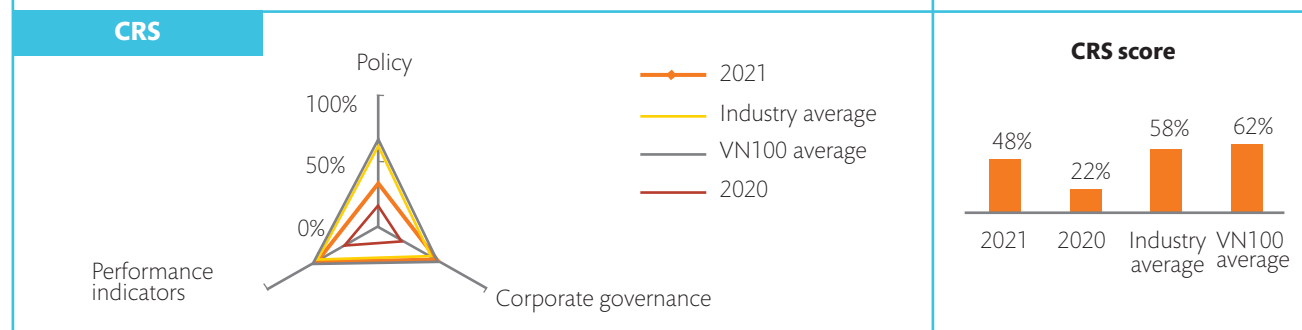
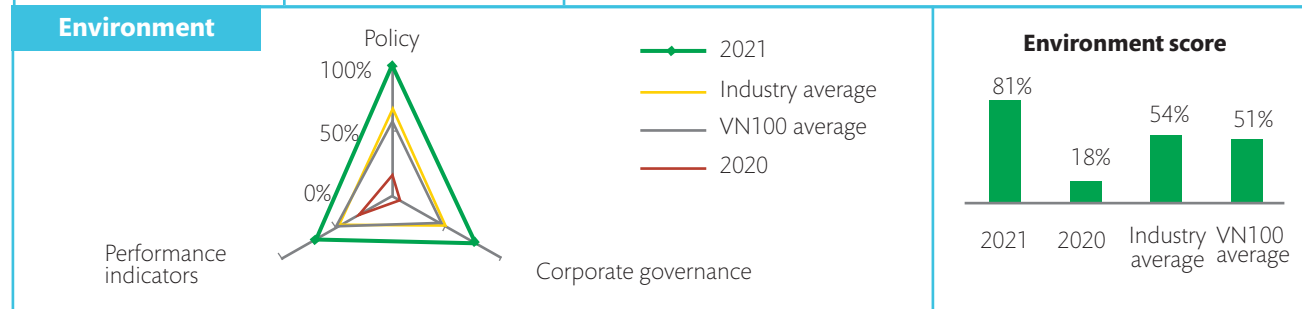
For specific activities, please see section III.6 Report on environmental and social responsibility (page104) and section V. Corporate governance (page 118).



In 2021, the Ho Chi Minh Stock Exchange continued to evaluate the implementation of sustainable development activities (ESG) at listed companies, thus evaluating businesses according to sustainable development criteria (ESG) and measuring sustainable investment performance in the stock market through the Vietnam Sustainability Index (VNSI). Binh Minh Plastics JSC actively participated in the evaluation for a more thorough and comprehensive perspective. After synthesizing and analyzing data, the Ho Chi Minh Stock Exchange released the 2021 report for Binh Minh Plastics to monitor itself and serve as a basis for improving sustainable development activities for the next period. You can refer to the evaluation results as below:

Rated stock	BMP	ESG Score	
		63%	81% Environment
			48% Social Responsibility
			53% Governance

Company information	Binh Minh Plastics JSC	General introduction
ISIN code	VN000000BMP5	Sustainable development evaluation: <ul style="list-style-type: none"> - The sustainable development evaluation is developed by the Ho Chi Minh City Stock Exchange with the goal of promoting responsible and sustainable investment in the Vietnamese stock market. - The evaluation includes more than 100 evaluation criteria on Environmental Protection, Social Responsibility and Corporate Governance of listed companies under VN100. These criteria are built upon the GRI Standards of the Global Reporting Initiative, the G20/OECD Corporate Governance Principles in 2015, the Code of Conduct based on Best Practices of Corporate Governance in 2019 and some legal regulations on securities in Vietnam. - The source of evaluation data is information disclosure on the market and results of the survey sent to the Company by the Ho Chi Minh Stock Exchange annually. - The source of evaluation data is information disclosure on the market and results of the survey sent to the Company by the Ho Chi Minh Stock Exchange annually. Sustainability Index - VNSI: is a price index consisting of 20 stocks of VN100 with the best sustainable development potentials that are selected through the following conditions: <ul style="list-style-type: none"> + Being part of VN100 (meeting the requirements of stock status, liquidity, free transfer rate and capitalization). + Not belonging to the 'unsustainable' industries as specified in the Building and Management Rules of the HOSE-Index – Sustainable Development Index. + Having the highest results in the Sustainable Development Evaluation conducted by HOSE.
GICS Sector	Industrials	
GICS Industry Group	Capital Goods	
Market capitalization (November 30, 2021)	4,911.66 Billion VND	
Rate of free transfer	50%	
Number of listed shares	81,860,938	
Foreign ownership limit	100%	
Home page	www.binhminhplastic.com	



Rated stock	BMP	ESG Score	
		63%	81% Environment
			48% Social Responsibility
			53% Governance

Criteria	Categories	Specifications	Results	Evaluation
Environment	Policies	- Presence of environmental policy. - Contents of the environmental policy: + Aspects to cover + Scales of application + Specificity levels of policy contents.	100%	The Company performs well and has reliable statistics/ reports.
	Management systems	- Responsibilities of the management. - Environmental management system. - Environmental research and development.	75%	The Company performs well and has reliable statistics/ reports.
	Performance Indices	- Raw materials. - Energy. - Water. - Biodiversity. - Treatment of solid waste, wastewater, exhaust gas. - Assessment of supplier's environmental impact. - Compliance with environmental laws.	69%	The Company performs well, however there are factors to improve on: Environmental Performance Index.
Social Responsibility	Policies	- Policy on relations with workers. - Policy on ensuring human rights, equality and anti-discrimination. - Policy on local communities. - Policy for customers.	35%	The Company has a number of factors to improve on or the information provided is incomplete about: Social responsibility policies.
	Management systems	- Management factors in worker relations. - Management factors in ensuring human rights, equality and anti-discrimination. - Management factors in local community relations. - Management factors in customer relations.	53%	The Company performs well, however there are factors to improve on: Management practices on social responsibility.
	Performance Indices	- Measurement indices for worker relations. - Measurement indices for ensuring human rights, equality and anti-discrimination. - Measurement indices for local community relations. - Measurement indices for customer relations.	56%	The Company performs well, however there are factors to improve on: Social indicators of the Company.
Governance	Shareholders' rights	- The process of organizing the general meeting of shareholders. - Policy regarding complaints of shareholders. - Policy on determining the remuneration of the Board of Directors. - Making dividend payments on time.	78%	The Company performs well and has reliable statistics/ reports.
	Ensuring the roles of stakeholders	- Identification of the Company's stakeholders. - Having policy, method and frequency of interaction with stakeholders.	50%	The Company performs well, however there are factors to improve on: Ensuring the roles of stakeholders.
	Disclosure and transparency of information	- Having a designated department responsible for external communication and information storage according to regulations. - Disclosure of information on the independence of the members of the Board of Directors. - Disclosure of information on remuneration of each member of the Board of Directors, Board of Management and Board of Supervisors.	67%	The Company performs well, however there are factors to improve on: Disclosure and transparency.
	Responsibilities of the Board of Directors	- Multi-roles issues. - BOD structure in terms of independence, diversity in knowledge, experience and gender. - Establishment of sub-committees and allocation of independent BOD members to those sub-committees.	36%	The Company has a number of factors to improve on or the information provided is incomplete about: Responsibilities of the Board of Directors.
	Control of work environment	- Establishing an effective internal control system and risk management framework. - Establishing an Audit Committee to assist the Board of Directors in periodically reviewing the effectiveness of the Company's internal control system. - Establishing criteria for selecting an independent auditing company.	33%	The Company has a number of factors to improve on or the information provided is incomplete about: Control of work environment



VII. THE CONSOLIDATED FINANCIAL STATEMENTS

1.	Auditor's opinions.	154
2.	Audited financial statements.	158

BINH MINH PLASTICS JOINT STOCK COMPANY

CORPORATE INFORMATION

Business Registration Certificate No.	4103002023 2004	2 January
	The Company's Business Registration Certificate has been amended several times, the most recent of which is by Enterprise Registration Certificate No. 0301464823 dated 22 August 2017. The initial Business Registration Certificate and its updates were issued by the Department of Planning and Investment of Ho Chi Minh City.	
Board of Directors	Mr. Sakchai Patiparnpreechavud	Chairman
	Mr. Nguyen Hoang Ngan	Vice Chairman
	Mr. Poramate Larnroongroj	Member
	Mr. Chaowalit Treejak	Member (from 27 April 2021)
	Mr. Wisit Rechaipichitgool	Member (until 27 April 2021)
	Mr. Phan Khac Long	Member
Board of Supervision	Mr. Nguyen Thanh Thuan	Head of Board of Supervision
	Ms. Nguyen Luu Thuy Minh	Member
	Mr. Praween Wirotpan	Member
Board of Management	Mr. Nguyen Hoang Ngan	General Director
	Mr. Nguyen Thanh Quan	Deputy General Director
	Mr. Nguyen Thanh Hai	Deputy General Director
	Mr. Chaowalit Treejak	Deputy General Director (from 1 July 2021)
	Mr. Wisit Rechaipichitgool	Deputy General Director (until 1 July 2021)
	Mr. Hong Le Viet	Chief Accountant
Legal Representative	Mr. Nguyen Hoang Ngan	Vice Chairman cum General Director
Registered Office	240 Hau Giang, Ward 9, District 6, Ho Chi Minh City, Vietnam	
Auditor	KPMG Limited, Vietnam	

BINH MINH PLASTICS JOINT STOCK COMPANY AND ITS SUBSIDIARY

STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

The Board of Directors and Board of Management of Binh Minh Plastics Joint Stock Company ("the Company") present this statement and the accompanying consolidated financial statements of the Company and its subsidiary (collectively referred to as "the Group") for the year ended 31 December 2021.

The Company's Board of Directors and Board of Management are responsible for the preparation and fair presentation of the consolidated 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 Directors and Board of Management:

- the consolidated financial statements set out on pages 158 to 204 give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of operations and the consolidated cash flows of the Group 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
- at the date of this statement, there are no reasons to believe that the Group will not be able to pay its debts as and when they fall due.

The Company's Board of Directors and Board of Management have, on the date of this statement, authorised these accompanying consolidated financial statements for issue.

On behalf of the Board of Directors and Board of Management.



Nguyen Hoang Ngan
Vice Chairman cum General Director

Ho Chi Minh City, 25 March 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders
Binh Minh Plastics Joint Stock Company

We have audited the accompanying consolidated financial statements of Binh Minh Plastics Joint Stock Company ("the Company") and its subsidiary (collectively referred to as "the Group"), which comprise the consolidated balance sheet as at 31 December 2021, the consolidated 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 Directors and Board of Management on 25 March 2022, as set out on pages 158 to 204.

Management's Responsibility

The Company's Board of Directors and Board of Management are responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting, and for such internal control as the Board of Directors and Board of Management determine is necessary to enable the preparation of consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated 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 Directors and Board of Management, 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 consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Binh Minh Plastics Joint Stock Company and its subsidiary as at 31 December 2021 and of their consolidated results of operations and their consolidated 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's Branch in Ho Chi Minh City
Vietnam
Audit Report No.: 21-01-00314-22-2



Nelson Rodriguez Casihan

Auditor Registration Certificate No.
2225-2018-007-1
Deputy General Director

Truong Vinh Phuc

Practicing Auditor Registration
Certificate No. 1901-2018-007-1

Ho Chi Minh City, 25 March 2022

CONSOLIDATED BALANCE SHEET

as at 31 December 2021

Assets	Code	Note	31/12/2021 VND	1/1/2021 VND
Current assets (100 = 110 + 120 + 130 + 140 + 150)	100		2,008,034,358,172	2,128,869,195,093
Cash and cash equivalents	110	4	172,938,679,946	195,737,830,491
Cash	111		40,438,679,946	75,737,830,491
Cash equivalents	112		132,500,000,000	120,000,000,000
Short-term financial investments	120		815,000,000,000	1,210,000,000,000
Held-to-maturity investments	123	5(a)	815,000,000,000	1,210,000,000,000
Accounts receivable – short-term	130		369,689,155,082	322,587,526,693
Accounts receivable from customers	131	6	237,206,911,153	256,066,747,734
Prepayments to suppliers	132	7	165,693,034,033	70,107,251,275
Loans receivable	135	8	5,000,000,000	10,000,000,000
Other short-term receivables	136	9	20,651,911,912	53,226,197,857
Allowance for doubtful debts	137	10	(59,352,881,098)	(67,302,849,255)
Shortage of assets awaiting resolution	139		490,179,082	490,179,082
Inventories	140	11	618,888,600,745	396,479,953,684
Inventories	141		621,534,471,497	397,946,476,726
Allowance for inventories	149		(2,645,870,752)	(1,466,523,042)
Other current assets	150		31,517,922,399	4,063,884,225
Short-term prepaid expenses	151	15(a)	1,951,109,213	4,063,884,225
Deductible value added tax	152	20(b)	29,566,813,186	-

The accompanying notes are an integral part of these consolidated financial statements

VII. THE CONSOLIDATED FINANCIAL STATEMENTS

Form B 01 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC
dated 22 December 2014 of the Ministry of Finance)

Assets	Code	Note	31/12/2021 VND	1/1/2021 VND
Long-term assets (200 = 220 + 240 + 250 + 260)	200		829,986,645,605	893,876,360,089
Fixed assets	220		381,994,407,065	497,828,944,252
Tangible fixed assets	221	12	372,660,409,996	486,576,464,056
Cost	222		1,881,825,515,176	1,809,855,508,408
Accumulated depreciation	223		(1,509,165,105,180)	(1,323,279,044,352)
Intangible fixed assets	227	13	9,333,997,069	11,252,480,196
Cost	228		39,045,177,078	35,913,685,828
Accumulated amortisation	229		(29,711,180,009)	(24,661,205,632)
Long-term work in progress	240		20,422,985,140	14,553,656,580
Construction in progress	242	14	20,422,985,140	14,553,656,580
Đầu tư tài chính dài hạn	250		111,681,452,347	70,026,350,993
Investments in associates	252	5(b)	69,681,452,347	68,026,350,993
Equity investments in other entities	253	5(c)	4,000,000,000	4,000,000,000
Allowance for diminution in the value of long-term financial investments	254	5(c)	(2,000,000,000)	(2,000,000,000)
Held-to-maturity investments	255	5(a)	40,000,000,000	-
Other long-term assets	260		315,887,801,053	311,467,408,264
Long-term prepaid expenses	261	15(b)	280,628,040,852	281,130,520,682
Deferred tax assets	262	16	6,016,425,321	11,697,166,303
Long-term tools, supplies and spare parts	263	17	29,243,334,880	18,639,721,279
TOTAL ASSETS (270 = 100 + 200)	270		2,838,021,003,777	3,022,745,555,182

CONSOLIDATED BALANCE SHEET

as at 31 December 2021 (continued)

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

Resources	Code	Note	31/12/2021 VND	1/1/2021 VND
LIABILITIES (300 = 310 + 330)			544,546,223,660	551,220,912,521
Current liabilities	310		522,694,582,284	527,728,036,413
Accounts payable to suppliers	311	18	199,607,476,356	150,288,522,992
Advances from customers	312	19	13,429,339,201	26,729,785,320
Taxes payable to State Treasury	313	20(a)	20,705,176,081	38,265,789,302
Payables to employees	314		73,715,623,406	45,517,309,181
Accrued expenses	315	21	39,486,861,618	192,506,802,772
Other payables – short-term	319	22	107,529,031,224	8,163,547,746
Short-term borrowings	320	23	57,274,254,298	55,310,000,000
Bonus and welfare fund	322	24	10,946,820,100	10,946,279,100
Long-term liabilities	330		21,851,641,376	23,492,876,108
Provisions – long-term	342	25	21,851,641,376	23,492,876,108
EQUITY (400 = 410)	400		2,293,474,780,117	2,471,524,642,661
Owners' equity	410	26	2,293,474,780,117	2,471,524,642,661
Share capital	411	27	818,609,380,000	818,609,380,000
- Ordinary shares with voting rights	411a		818,609,380,000	818,609,380,000
Share premium	412		1,592,782,700	1,592,782,700
Investment and development fund	418		1,157,256,738,050	1,157,256,738,050
Other equity funds	420		44,983,552,000	44,983,552,000
Retained profits	421		271,032,327,367	449,082,189,911
- Retained profits brought forward	421a		158,981,681,901	3,981,681,901
- Retained profit for the current year	421b		112,050,645,466	445,100,508,010
TOTAL RESOURCES (440 = 300 + 400)	440		2,838,021,003,777	3,022,745,555,182

25 March 2022

Prepared by:


Pham Manh Tuan
General Accountant

Approved by:


Hong Le Viet
Chief AccountantNguyen Hoang Ngan
General Director

The accompanying notes are an integral part of these consolidated financial statements

VII. THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME
FOR THE YEAR ENDED


31 December 2021

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2021 VND	2020 VND
Revenue from sales of goods and provision of services	01	30	4,564,938,031,907	4,700,439,808,827
Revenue deductions	02	30	12,181,427,790	14,799,482,422
Net revenue from sales of goods and provision of services (10 = 01 - 02)	10	30	4,552,756,604,117	4,685,640,326,405
Cost of goods sold and services provided	11	31	3,848,837,736,824	3,438,658,560,035
Gross profit (20 = 10 - 11)	20		703,918,867,293	1,246,981,766,370
Financial income	21	32	59,568,491,727	78,259,660,907
Financial expenses	22	33	124,995,428,345	123,875,152,159
<i>In which: Interest expense</i>	23		39,575,792	50,844,435
Share of profit in associates	24	5(b)	2,305,101,354	1,672,608,076
Selling expenses	25	34	281,415,832,067	485,053,580,341
General and administration expenses	26	35	87,569,890,551	63,737,864,888
Net operating profit {30 = 20 + (21 - 22) + 24 - (25 + 26)}	30		271,811,309,411	654,247,437,965
Other income	31		2,490,248,377	2,407,627,504
Other expenses	32	36	6,100,661,043	115,030,214
Result of other activities (40 = 31 - 32)	40		(3,610,412,666)	2,292,597,290
Accounting profit before tax (50 = 30 + 40)	50		268,200,896,745	656,540,035,255
Income tax expense – current	51	38	48,143,337,797	127,770,009,264
Income tax expense – deferred	52	38	5,680,740,982	6,184,454,061
Net profit after tax (60 = 50 - 51 - 52)	60		214,376,817,966	522,585,571,930
Earnings per share				
Basic earnings per share	70	39	2,619	6,384

25 March 2022

Prepared by:


Pham Manh Tuan
General Accountant

Approved by:


Hong Le Viet
Chief AccountantNguyen Hoang Ngan
General Director

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED

31 December 2021 (Indirect method)

	Code	2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Adjustments for	01	268,200,896,745	656,540,035,255
Điều chỉnh cho các khoản			
Depreciation and amortisation	02	190,936,035,205	208,499,822,335
Allowances and provisions	03	(5,042,561,724)	(24,344,145,777)
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	04	36,237,785	(106,552,568)
Profits from investing activities	05	(60,989,699,898)	(80,017,185,703)
Interest expense	06	39,575,792	50,844,435
Operating profit before changes in working capital	08	393,180,483,905	760,622,817,977
Change in receivables and other assets	09	(26,177,109,279)	108,167,504,843
Change in inventories	10	(234,191,608,372)	69,432,568,870
Change in payables and other liabilities	11	(102,271,761,491)	175,120,962,736
Change in prepaid expenses	12	2,615,254,842	(20,196,706,851)
		33,155,259,605	1,093,147,147,575
Interest paid	14	(43,688,792)	(171,664,569)
Corporate income tax paid	15	(55,207,394,793)	(121,475,125,396)
Other payments for operating activities	17	(8,593,196,225)	(52,922,111,923)
Net cash flows from operating activities	20	(30,689,020,205)	918,578,245,687

The accompanying notes are an integral part of these consolidated financial statements

VII. THE CONSOLIDATED FINANCIAL STATEMENTS

Form B 03 – DN/HN

(Issued under Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance)

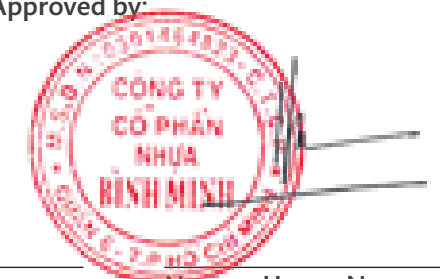
	Code	2021 VND	2020 VND
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for additions to fixed assets and other long-term assets	21	(159,331,973,839)	(96,053,114,754)
Proceeds from disposals of fixed assets	22	-	668,095,202
Payments for loans and term deposits at banks	23	(1,390,000,000,000)	(1,820,000,000,000)
Receipts from term deposits at banks and collecting loans	24	1,750,000,000,000	1,306,000,000,000
Receipts of interest and loans and dividends	27	90,154,381,666	51,456,576,463
Net cash flows from investing activities	30	290,822,407,827	(557,928,443,089)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	33	2,154,254,298	220,000,000
Payments to settle loan principals	34	(190,000,000)	(680,000,000)
Payments of dividends	36	(284,876,064,240)	(478,067,877,920)
Net cash flows from financing activities	40	(282,911,809,942)	(478,527,877,920)
Net cash flows during the year (50 = 20 + 30 + 40)	50	(22,778,422,320)	(117,878,075,322)
Cash and cash equivalents at the beginning of the year	60	195,737,830,491	313,509,353,245
Effect of exchange rate fluctuations	61	(20,728,225)	106,552,568
Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)	70	172,938,679,946	195,737,830,491

25 March 2022

Prepared by:


Pham Manh Tuan
General Accountant

Approved by:


Hong Le Viet
Chief AccountantNguyen Hoang Ngan
General Director

The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED

31 December 2021

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

1. REPORTING ENTITY

(a) Ownership structure

Binh Minh Plastics Joint Stock Company ("the Company") was converted from a State-owned Enterprise into a Joint Stock Company in accordance with Decision No. 209/2003/QĐ-BCN dated 4 December 2003 of the Ministry of Industry.

The Company's shares have been officially traded on the Vietnam stock exchange since 11 July 2006 with the code of BMP.

The consolidated financial statements of the Company comprise the Company and its subsidiary (collectively referred to as "the Group") and the Group's interest in associates.

(b) Principal activities

The principal activities of the Company are to manufacture and trade civil and industrial products from plastics and rubber; design, manufacture and trade molds for plastic and casting industry; manufacture and trade machinery and equipment, supplies and sanitary equipment for construction and interior decoration industry; consult and execute water supply and drainage works, yards and services of chemical inspection, analysis and testing; trade, import and export raw materials, chemicals, supplies, machinery and equipment for plastic, engineering, construction, water supply and drainage and laboratory equipment.

(c) Normal operating cycle

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

(d) Group structure

As at 31 December 2021 and 1 January 2021, the Company had 2 dependent branches as follows:

No.	Name	Address
1	Binh Minh Plastics Joint Stock Company - Binh Duong Binh Minh Plastics Branch	No. 7 Street No. 2, Song Than 1 Industrial Zone, Di An City, Binh Duong Province, Vietnam.
2	Binh Minh Plastics Joint Stock Company - Long An Binh Minh Plastics Branch	Lot C1-6 to C1-30, Vinh Loc 2 Industrial Zone, Vinh Loc 2 Street, Voi La Hamlet, Long Hiep Commune, Ben Luc District, Long An Province, Vietnam.

As at 31 December 2021 and 1 January 2021, the Company had 1 subsidiary and 2 associates as follows:

No.	Subsidiary	Principal activities	Address	Percentage of equity owned and voting rights	
				31/12/2021	1/1/2021
1	Northern Binh Minh Plastics One Member Limited Company	Manufacturing and trading civil and industrial products from plastics and rubber.	Street D1, Zone D, Pho Noi A Industrial Zone, Van Lam District, Hung Yen Province, Vietnam.	100%	100%

No.	Associates	Principal activities	Address	Percentage of equity owned and voting rights	
				31/12/2021	1/1/2021
1	Danang Plastics Joint Stock Company	Manufacturing and trading, import and export plastic products, materials and equipment.	Lot Q, Streets No.4 and No.7, Lien Chieu Industrial Park, Hoa Hiep Bac Ward, Lien Chieu District, Da Nang City, Vietnam.	29.05%	29.05%
2	Binh Minh Viet Real Estate Investment and Trading Joint Stock Company	Trading real estate, trading materials and other installation equipment in construction.	240 Hau Giang, Ward 9, District 6, Ho Chi Minh City, Vietnam	26%	26%

All subsidiary and associates are incorporated in Vietnam.

As at 31 December 2021, the Group had 1,382 employees (1/1/2021:1,409 employees).

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2. BASIS OF PREPARATION**(a) Statement of compliance**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to interim financial reporting.

(b) Basis of measurement

prepared on the accrual basis using the historical cost concept. The consolidated statement of cash flows is prepared using the indirect method.

(c) Annual accounting period

The annual accounting period of the Group are 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 statements presentation purpose.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of consolidation**(i) Subsidiaries**

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are consolidated in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Non-controlling interests

Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received is recorded directly in retained profits under equity.

(iii) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in the consolidated statement of income. Any interest retained in the former subsidiary when control is lost is stated at the carrying amount of the retained investment in the financial statements adjusted for appropriate shares of changes in equity of the investee since the acquisition date, if significant influence in the investee is maintained, or otherwise stated at cost.

(iv) Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Associates are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss of the associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases. The carrying amount of investments in associates is also adjusted for the alterations in the investor's proportionate interest in the investees arising from changes in the investee's equity that have not been included in the statement of income (such as revaluation of fixed assets, or foreign exchange translation differences, etc.).

When the Group's share of losses exceeds its interest in an associate the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

(v) Transactions eliminated on consolidation

Intra-group transactions, balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains and losses arising from transactions with associates are eliminated against the investment to the extent of the Group's interest in the associates.

(vi) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Under the acquisition method, the assets and liabilities of the acquiree are consolidated using their fair values. Cost of business combination consists of the aggregate fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree and any costs directly attributable to the business combination. Goodwill represents the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree. When the excess is negative, it is recognised immediately in the consolidated statement of income.

(b) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at 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 rate and account transfer selling rate, respectively, at the end of the annual accounting period quoted by the commercial bank where the Company or its subsidiary most frequently conduct transactions.

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

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(c) Cash and cash equivalents

Cash comprises cash on hand and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

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

Held-to-maturity investments are those that the Company's Board of Management have the intention and ability to hold until maturity. Held-to-maturity investments comprise term deposits at banks and loans receivable held-to-maturity. These investments are stated at cost less allowance for doubtful debts.

(ii) Investments in equity instruments of other entities

Investments in equity instruments of 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 the investee has suffered a loss which may cause the Group to lose their 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.

(e) Accounts receivable

Accounts receivable from customers and other receivables are stated at cost less allowance for doubtful debts.

Allowance for doubtful debts are made based on the overdue status of receivables or expected losses on undue debts which may occur when an economic organisation is bankrupted or liquidated; or debtor is missing, running away, being prosecuted, in prison, under a trial or pending execution of sentences or deceased.

Allowance for doubtful debts based on overdue status are made as follows:

Overdue status	Allowance rate
From over 6 months to less than 1 year	30%
From 1 to less than 2 years	50%
From 2 to less than 3 years	70%
From 3 years and above	100%

For overdue debts, the Company's Board of Management also assesses the expected recovery of these debts to determine the allowance level.

Allowance for doubtful debts based on the expected losses of undue debts is determined by the Company's Board of Management after giving consideration to the recovery of these debts.

(f) 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 Group applies the perpetual method of accounting for inventories.

(g) 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 consolidated 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 – 10 years
- machinery and equipment 3 – 8 years
- motor vehicles 6 – 8 years
- office equipment 3 – 8 years

(h) Intangible fixed assets**(i) Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of a land use right comprises its lease price and any directly attributable costs incurred in conjunction with securing the land use right. Amortisation is computed on a straight-line basis over a period ranging from 45 to 50 years. Land use rights with indefinite term are not amortised.

(ii) Software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 to 7 years.

(i) 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.

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(j) Long-term prepaid expenses**(i) Prepaid land costs**

Prepaid land costs comprise prepaid land lease rentals, including those for which the Group obtained land use rights certificate but are not qualified as intangible fixed assets under prevailing laws and regulations, and other costs incurred in conjunction with securing the use of leased land. These costs are recognised in the consolidated statement of income on a straight-line basis over the term of lease from 41 to 46 years.

(ii) Tools and instruments

Tools and instruments include assets held for use by the Group in the normal course of business, not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over 2 to 3 years.

(iii) Overhaul expenditure

Overhaul expenditure represents repair expenses of factories and machinery, which are stated at their cost and amortised on a straight-line basis over 3 years.

(k) Accounts payable to suppliers and other payables

Accounts payable to suppliers and other payables are stated at their cost.

(l) Provisions

A provision is recognised if, as a result of a past event, the Group have 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.

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more (“the eligible employees”) voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee’s compensation at termination. Provision for severance allowance has been provided based on employees’ years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.

(m) Share capital**(i) Ordinary shares**

Ordinary shares are recognised at par value. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

(ii) Share premium

The difference between the issuance price and the par value of ordinary share is recorded in share premium under equity.

(n) Bonus and welfare fund

This fund is established by appropriating from retained profits as approved by shareholders at Annual General Meeting of Shareholders. This fund is used to pay bonus and welfare to the Group’s employees.

(o) Equity funds**(i) Investment and development fund**

Investment and development fund is established by appropriating from retained profits at the rate approved by the shareholders at Annual General Meeting of Shareholders. This fund is established for the purpose of future business expansion.

(ii) Other equity funds

Other equity funds are appropriated from retained profits in accordance with the resolution of shareholders at Annual General Meeting of Shareholders. These funds are established for the purpose of supplementing share capital in the future.

(p) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the consolidated 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.

(q) Revenue and other income**(i) Goods sold**

Revenue from the sale of goods is recognised in the consolidated 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 stated on the invoice.

(ii) Services rendered

Revenue from services rendered is recognised in the consolidated statement of income when the services are rendered to customers. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

(iii) Interest income

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

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(iv) Dividend income

Dividend income is recognised when the right to receive dividend is established. Share dividends are not recognised as income. Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(r) Operating lease payments

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

(s) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

(t) Earnings per share

The Group presents basic earnings per share (“EPS”) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders (after deducting any amounts appropriated to bonus and welfare fund for the annual accounting period) of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options. During the year, the Company had no potential ordinary shares and therefore does not present diluted EPS.

(u) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Board of Management assessed that the Group only operates in one main business segment, which is manufacturing and trading civil and industrial products from plastics and rubber, and in one main geographical segment, which is Vietnam.

(v) Related parties

Parties are considered to be related to the Group 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 Group 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.

(w) Comparative information

Comparative information in these consolidated financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and is 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 consolidated financial statements is not intended to present the consolidated financial position, consolidated results of operations or consolidated cash flows of the Group for the prior year.

4. CASH AND CASH EQUIVALENTS

	31/12/2021 VND	1/1/2021 VND
Cash on hand	1,068,260,032	586,146,585
Cash in banks	39,370,419,914	75,151,683,906
Cash equivalents	132,500,000,000	120,000,000,000
	172,938,679,946	195,737,830,491

As at 31 December 2021, cash equivalents represent term deposits at banks with original term to maturity of not more than 3 months and earn annual interest rates ranging from 3% to 3.4% as at 31 December 2021. (1/1/2021: 3% to 4.3%).



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5. INVESTMENTS

(a) Held-to-maturity investments

	31/12/2021			1/1/2021		
	Annual interest rate	Cost VND	Fair value VND	Annual interest rate	Cost VND	Fair value VND
Held-to-maturity investments – short-term						
• Term deposits with original term to maturity of more than 3 months to 12 months	3.6 - 7%	815,000,000,000	815,000,000,000	6.2% - 9%	1,210,000,000,000	1,210,000,000,000
Held-to-maturity investments – long-term						
• Term deposits with original term to maturity of more than 12 months	4.5 - 6.7%	40,000,000,000	40,000,000,000	-	-	-

(b) Investments in associates

Equity investments in associates:	31/12/2021							01/01/2021					
	Quantity Shares	% equity owned	% voting rights	Cost VND	Cumulative share of profit/(loss)	Carrying amount VND		Quantity shares	% equity owned	% of voting rights	Cost VND	Cumulative share of profit/(loss)	Carrying amount VND
• Danang Plastics Joint Stock Company	650,000	29.05%	29.05%	8,125,000,000	6,956,452,347	15,081,452,347		650,000	29.05%	29.05%	8,125,000,000	5,301,350,993	13,426,350,993
• Binh Minh Viet Real Estate Investment and Trading Joint Stock Company	5,460,000	26%	26%	54,600,000,000	-	54,600,000,000		5,460,000	26%	26%	54,600,000,000	-	54,600,000,000
				62,725,000,000	6,956,452,347	69,681,452,347					62,725,000,000	5,301,350,993	68,026,350,993

Movements of the carrying amount of investments in associates during the year were as follows:

	2021 VND	2020 VND
Opening balance	68,026,350,993	66,743,742,917
Share of profit in associates	2,305,101,354	1,672,608,076
Dividend received from associates	(650,000,000)	(390,000,000)
Closing balance	69,681,452,347	68,026,350,993

c. Equity investments in other entities

	As at 31/12/2021 and 1/1/2021				
	Quantity shares	% of equity owned and voting rights	Cost VND	Allowance for diminution in value VND	Fair value
Tan Tien Plastics Joint Stock Company (i)	20,000	3.00%	4,000,000,000	(2,000,000,000)	(*)

(i) Tan Tien Plastics Joint Stock Company is a joint stock company established under the Business Registration Certificate No. 0302706634 issued by the Department of Planning and Investment of Ho Chi Minh City and changed for the 13th time on 8 April 2013. The principal activities are to produce and trade consumer products from plastics, engineering plastics, plastic plating, high quality and large-sized plastic products for technical businesses and investment projects.

(*) At the reporting date, fair value of this investment was not available.

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6. ACCOUNTS RECEIVABLE FROM CUSTOMERS – SHORT-TERM

Accounts receivable from customers detailed by significant customer

	31/12/2021 VND	1/1/2021 VND
Duc Tuong Group Joint Stock Company	89,807,755,069	97,147,720,675
Phuong Hoang Trading Manufacturing Co., Ltd	29,923,968,400	32,605,841,390
Thep Moi Co., Ltd	-	9,180,981,436
Other customers	117,475,187,684	117,132,204,233
	237,206,911,153	256,066,747,734

7. PREPAYMENTS TO SUPPLIERS – SHORT-TERM

	31/12/2021 VND	1/1/2021 VND
Eplas Company Limited	120,009,071,778	35,039,747,073
Bong Sen Plastic Chemical Technology Co., Ltd	15,126,321,237	10,624,748,472
Other suppliers	30,557,641,018	24,442,755,730
	165,693,034,033	70,107,251,275

8. LOANS RECEIVABLE – SHORT-TERM

	Term	Annual interest rate	31/12/2021 VND	1/1/2021 VND
Loans to Danang Plastics Joint Stock Company – an associate	9 months	6%	5,000,000,000	10,000,000,000

These loans are unsecured.

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9. OTHER SHORT-TERM RECEIVABLES

	31/12/2021 VND	1/1/2021 VND
Short-term deposits	9,168,638,476	10,768,331,720
Interest receivables from term deposits at banks	10,649,776,251	41,469,559,373
Advances to employees	355,000,000	842,500,000
Others	478,497,185	145,806,764
	20,651,911,912	53,226,197,857



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10. ALLOWANCE FOR DOUBTFUL DEBTS

	31/12/2021				1/1/2021			
	Overdue days	Cost VND	Allowance VND	Recoverable amount VND	Overdue days	Cost VND	Allowance VND	Recoverable amount VND
Overdue debts								
Duc Thanh Plastic Trading Co., Ltd	Over 6 years	34,844,128,351	(34,844,128,351)	-	Over 5 years	34,844,128,351	(34,844,128,351)	-
Thanh Tuyet Private enterprise	Over 6 years	20,992,959,002	(20,992,959,002)	-	Over 5 years	20,992,959,002	(20,992,959,002)	-
New Steel Construction - Consulting - Investment Co., Ltd		-	-	-	From 1 year to 2 years	9,180,981,436	(6,333,117,353)	2,847,864,083
Others	Over 3 years	3,530,235,865	(3,515,793,745)	14,442,120	From 1 year to 3 years	6,049,621,460	(5,132,644,549)	916,976,911
		59,367,323,218	(59,352,881,098)	14,442,120		71,067,690,249	(67,302,849,255)	3,764,840,994

Movements of allowance for doubtful debts during the year were as follows:

	2021 VND	2020 VND
Opening balance	67,302,849,255	92,052,916,048
Allowance made during the year	1,911,770,388	24,257,770,054
Allowance reversed during the year	(9,861,738,545)	(48,002,887,887)
Allowance utilised during the year	-	(1,004,948,960)
Closing balance	59,352,881,098	67,302,849,255



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11. INVENTORIES

	31/12/2021		1/1/2021	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	52,745,702,137	-	24,960,367,300	-
Raw materials	223,891,754,963	-	130,743,004,526	-
Tools and supplies	2,533,883,782	-	1,977,309,190	-
Work in progress	29,855,366,068	-	31,516,172,427	-
Finished goods	272,350,091,664	(1,677,322,917)	179,417,020,007	(704,980,176)
Merchandise inventories	40,157,672,883	(968,547,835)	29,332,603,276	(761,542,866)
	621,534,471,497	(2,645,870,752)	397,946,476,726	(1,466,523,042)

Included in inventories as at 31 December 2021 were VND16,008 million of finished goods and VND9,471 million of merchandise inventories (1/1/2021: VND3,262 million of finished goods and VND7,709 million of merchandise inventories) carried at net realisable value.

Movements of allowance for inventories during the year were as follows:

	2021 VND	2020 VND
Opening balance	1,466,523,042	2,473,349,255
Allowance made during the year	1,179,347,710	-
Allowance reversed during the year	-	(1,006,826,213)
Closing balance	2,645,870,752	1,466,523,042

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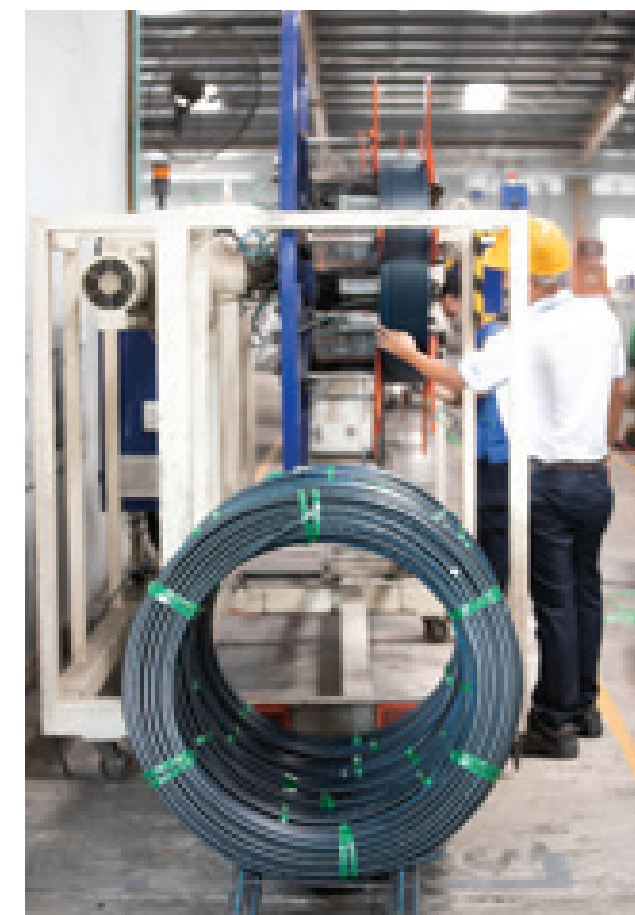
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12. TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
Cost					
Opening balance	507,946,939,493	1,251,310,978,295	38,855,694,753	11,741,895,867	1,809,855,508,408
Additions	-	25,227,159,312	1,248,826,000	-	26,475,985,312
Transfer from construction in progress	3,642,087,818	41,851,933,638	-	-	45,494,021,456
Closing balance	511,589,027,311	1,318,390,071,245	40,104,520,753	11,741,895,867	1,881,825,515,176
Accumulated depreciation					
Opening balance	331,541,174,875	954,865,236,204	30,612,909,080	6,259,724,193	1,323,279,044,352
Charge for the year	68,023,463,695	113,290,969,173	3,368,999,750	1,202,628,210	185,886,060,828
Closing balance	399,564,638,570	1,068,156,205,377	33,981,908,830	7,462,352,403	1,509,165,105,180
Net book value					
Opening balance	176,405,764,618	296,445,742,091	8,242,785,673	5,482,171,674	486,576,464,056
Closing balance	112,024,388,741	250,233,865,868	6,122,611,923	4,279,543,464	372,660,409,996

Included in tangible fixed assets were assets costing VND939,461 million which were fully depreciated as at 31 December 2021 (1/1/2021: VND682,915 million), but which are still in active use.



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31 December 2021 (continued)

13. INTANGIBLE FIXED ASSETS

	Land use rights VND	Software VND	Total VND
Cost			
Opening balance	9,570,664,750	26,343,021,078	35,913,685,828
Additions	-	260,000,000	260,000,000
Transfer from construction in progress	-	2,871,491,250	2,871,491,250
Closing balance	9,570,664,750	29,474,512,328	39,045,177,078
Accumulated amortisation			
Opening balance	3,624,641,941	21,036,563,691	24,661,205,632
Charge for the year	157,908,437	4,892,065,940	5,049,974,377
Closing balance	3,782,550,378	25,928,629,631	29,711,180,009
Net book value			
Opening balance	5,946,022,809	5,306,457,387	11,252,480,196
Closing balance	5,788,114,372	3,545,882,697	9,333,997,069

Included in intangible fixed assets were assets costing VND22,540 million which were fully depreciated as at 31 December 2021 (1/1/2021: VND10,898 million), but which are still in active use.

14. CONSTRUCTION IN PROGRESS

	2021 VND	2020 VND
Opening balance	14,553,656,580	27,925,505,552
Additions	54,234,841,266	34,102,006,657
Transfer to tangible fixed assets	(45,494,021,456)	(46,761,537,448)
Transfer to intangible fixed assets	(2,871,491,250)	(712,318,181)
Closing balance	20,422,985,140	14,553,656,580

Major constructions in progress were as follows:

	31/12/2021 VND	1/1/2021 VND
Machinery and equipment	20,422,985,140	12,189,172,268
Software	-	2,364,484,312
	20,422,985,140	14,553,656,580

15. PREPAID EXPENSES

(a) Short-term prepaid expenses

	31/12/2021 VND	1/1/2021 VND
Tools and instruments	1,180,845,768	3,530,129,515
Others	770,263,445	533,754,710
	1,951,109,213	4,063,884,225



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(b) Long-term prepaid expenses

	Prepaid land costs VND	Tools and instruments VND	Overhaul expenditure VND	Total VND
Opening balance	222,430,091,339	49,084,460,108	9,615,969,235	281,130,520,682
Additions	-	40,882,324,583	1,338,697,931	42,221,022,514
Amortisation for the year	(5,646,884,728)	(29,608,304,416)	(7,468,313,200)	(42,723,502,344)
Closing balance	216,783,206,611	60,358,480,275	3,486,353,966	280,628,040,852

16. DEFERRED TAX ASSETS

	Tax rate	31/12/2021 VND	1/1/2021 VND
Accrued expenses and provisions	20%	6,016,425,321	11,697,166,303

17. LONG-TERM TOOLS, SUPPLIES AND SPARE PARTS

Long-term tools, supplies and spare parts are related to tools, supplies and spare parts not qualified for recognition as fixed assets used for production and business activities of the Group. Cost of long-term tools, supplies and spare parts when being issued for use are recorded in production and business costs for the year.

18. ACCOUNTS PAYABLE TO SUPPLIERS – SHORT-TERM

(a) Accounts payable to suppliers detailed by significant supplier

	Cost and amount within payment capacity	
	31/12/2021 VND	1/1/2021 VND
TPC Vina Plastic and Chemical Corporation Ltd.	87,266,553,000	56,271,072,000
AGC Chemicals Vietnam Co., Ltd.	44,164,885,600	33,517,440,000
Hoa Thinh Trading Production and Service Co., Ltd	-	2,253,460,000
Other suppliers	68,176,037,756	58,246,550,992
	199,607,476,356	150,288,522,992



(b) Accounts payable to suppliers who are related parties

	Cost and amount within payment capacity	
	31/12/2021 VND	1/1/2021 VND
Associate		
Da Nang Plastics Joint Stock Company	811,452,359	1,265,833,177
Other related companies		
TPC Vina Plastic and Chemical Corporation Ltd.	87,266,553,000	56,271,072,000
SCG Performance Chemicals Co., Ltd	1,563,142,350	3,816,548,280
SCG Plastics Co., Ltd	24,599,196,120	455,241,870

The trade related amounts due to related parties were unsecured, interest free and are payable from 14 to 30 days from invoice date.

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19. ADVANCES FROM CUSTOMERS

	31/12/2021 VND	1/1/2021 VND
Lan Thanh Construction - Production - Trading & Services Co., Ltd	2,839,655,258	8,171,673,824
Van Nhi Minh Liem Co., Ltd	3,459,302,009	-
To Minh Liem Trading - Service Co., Ltd	-	1,156,484,509
Tuong Van Production and Trading Joint Stock Company	1,928,986	7,322,929,855
Truong Minh Hai Co., Ltd	18,880,475	2,723,550,441
Other customers	7,109,572,473	7,355,146,691
	13,429,339,201	26,729,785,320

20. TAXES PAYABLE TO/RECEIVABLE FROM STATE TREASURY

(a) Taxes payable to State Treasury

	1/1/2021 VND	Incurred VND	Paid VND	Net-off VND	31/12/2021 VND
Value added tax	11,636,063,399	680,379,011,865	(140,888,036,258)	(549,397,237,764)	1,729,801,242
Import-export tax	-	378,739,889	(378,739,889)	-	-
Corporate income tax	23,926,570,391	48,143,337,797	(55,207,394,793)	-	16,862,513,395
Personal income tax	2,703,155,512	24,245,990,342	(24,836,284,410)	-	2,112,861,444
Other taxes	-	941,139,283	(941,139,283)	-	-
	38,265,789,302	754,088,219,176	(222,251,594,633)	(549,397,237,764)	20,705,176,081

(b) Tax receivable from State Treasury

	1/1/2021 VND	Incurred VND	Net-off VND	31/12/2021 VND
Deductible value added tax	-	578,964,050,950	(549,397,237,764)	29,566,813,186

21. ACCRUED EXPENSES

	31/12/2021 VND	1/1/2021 VND
Payment discounts	14,933,475,985	15,209,242,274
Selling expenses for distribution network	14,495,762,169	126,755,131,591
Bonus for employees	6,724,102,507	46,904,000,000
Interest expense	-	4,113,000
Other expenses	3,333,520,957	3,634,315,907
	39,486,861,618	192,506,802,772

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31 December 2021 (continued)

22. OTHER PAYABLES – SHORT-TERM

	31/12/2021 VND	1/1/2021 VND
Dividends payable	102,676,586,800	350,414,300
Deposits and collaterals received	1,103,030,450	913,233,670
Surplus assets awaiting resolution	393,273,928	393,273,928
Trade union fee	290,007,960	279,425,180
Others	3,066,132,086	6,227,200,668
	107,529,031,224	8,163,547,746

23. SHORT-TERM BORROWINGS

	1/1/2021 VND		Movements during the year		31/12/2021 VND	
	Carrying amount VND	Amount within repayment capacity VND	Increase VND	(Decrease) VND	Carrying amount VND	Amount within repayment capacity VND
Short-term borrowings	55,310,000,000	55,310,000,000	2,154,254,298	(190,000,000)	57,274,254,298	57,274,254,298

Terms and conditions of outstanding short-term borrowings were as follows:

	Currency	Annual interest rate	31/12/2021 VND	1/1/2021 VND
Loans from:				
Binh Minh Viet Real Estate Investment and Trading Joint Stock Company – an associate (i)	VND	0%	54,600,000,000	54,600,000,000
Other customers (ii)	VND	7.15%	2,674,254,298	710,000,000
			57,274,254,298	55,310,000,000

(i) This loan has original term of 12 months and is unsecured.

(ii) This balance represents deposits received from customers for fulfilment of sales contracts signed between the Group and customers.

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24. BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the year were as follows:

	Năm kết thúc kết thúc ngày	
	31/12/2021 VND	1/1/2019 VND
Opening balance	10,946,279,100	21,591,761,023
Appropriation during the year (Note 26)	-	38,048,967,000
Other increase	541,000	-
Utilisation during the year	-	(48,694,448,923)
Closing balance	10,946,820,100	10,946,279,100

25. PROVISIONS – LONG-TERM

Long-term provisions represent the provision for severance allowance made for the employees eligible for this severance allowance of the Group. Movements of provision for severance allowance during the year were as follows:

	2021 VND	2020 VND
Opening balance	23,492,876,108	23,085,077,839
Provision made during the year	1,728,058,723	508,303,144
Provision used during the year	(3,369,293,455)	(100,504,875)
Closing balance	21,851,641,376	23,492,876,108



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26. CHANGES IN OWNERS' EQUITY

	Share capital VND	Share premium VND	Investment and development fund VND	Other equity funds VND	Retained profits VND	Total VND
Balance at 1 January 2020	818,609,380,000	1,592,782,700	1,341,071,761,133	44,983,552,000	263,026,102,818	2,469,283,578,651
Net profit for the year	-	-	-	-	522,585,571,930	522,585,571,930
Supplement retained profits from investment and development fund	-	-	-	-	183,815,023,083	-
Appropriation to bonus and welfare fund	-	-	(183,815,023,083)	-	(38,048,967,000)	(38,048,967,000)
Bonus for the Board of Directors and Board of Supervision	-	-	-	-	(4,227,663,000)	(4,227,663,000)
Dividends of 2019 (Note 28)	-	-	-	-	(245,582,814,000)	(245,582,814,000)
Interim dividends of 2020 (Note 28)	-	-	-	-	(232,485,063,920)	(232,485,063,920)
Balance at 1 January 2021	818,609,380,000	1,592,782,700	1,157,256,738,050	44,983,552,000	449,082,189,911	2,471,524,642,661
Net profit for the year	-	-	-	-	214,376,817,966	214,376,817,966
Bonus for the Board of Directors and Board of Supervision	-	-	-	-	(5,224,443,770)	(5,224,443,770)
Dividends of 2020 (Note 28)	-	-	-	-	(284,876,064,240)	(284,876,064,240)
Interim dividends in 2021 (Note 28)	-	-	-	-	(102,326,172,500)	(102,326,172,500)
Balance at 31 December 2021	818,609,380,000	1,592,782,700	1,157,256,738,050	44,983,552,000	271,032,327,367	2,293,474,780,117



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27. 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
Authorised and issued share capital				
Ordinary shares	81,860,938	818,609,380,000	81,860,938	818,609,380,000
Shares in circulation				
Ordinary shares	81,860,938	818,609,380,000	81,860,938	818,609,380,000

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 dividends as declared by the Company from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets. For repurchased shares, all rights above shall be withheld until they are reissued.

There was no movement in share capital during the year.

Details of shareholders at the reporting date were as follows:

	At 31/12/2021		At 1/1/2021	
	Share capital VND	% equity owned	Share capital VND	% equity owned
The Nawaplastic Industries Co., Ltd,	445,259,110,000	54.4%	445,259,110,000	54.4%
Other shareholders	373,350,270,000	45.6%	373,350,270,000	45.6%
	818,609,380,000	100%	818,609,380,000	100%

The parent company, Nawaplastic Industries Co., Ltd. is incorporated in Thailand.

28. DIVIDENDS

The Annual General Meeting of Shareholders of the Company on 27 April 2021 resolved to distribute dividends amounting to VND517,361 million in cash, equivalent to 99% profit after tax of 2020, in which the interim dividends amounting to VND232,485 million were paid in 2020 and the Board of Directors of the Company on 24 December 2021 resolved to distribute the first interim dividend of 2021 amounting to VND102,326 million in 2021 equivalent VND1,250/share. (2020: The Annual General Meeting of Shareholders of the Company on 24 June 20 resolved to distribute dividends amounting to VND409,305 million from profit after tax of 2019 in cash, equivalent to 50% charter capital; in which the interim dividends amounting to VND163,722 million were paid in 2019).

29. OFF BALANCE SHEET ITEMS

(a) Foreign currencies

	31/12/2021		1/1/2021	
	Original currency	VND equivalent	Original currency	VND equivalent
USD	30,205	682,209,835	31,446	725,217,018
THB	93,920	63,302,080	93,920	72,600,160
		745,511,915		797,817,178

(b) Capital expenditure commitments

At the reporting date, the Group had the following outstanding capital commitments approved but not provided for in the consolidated balance sheet :

	31/12/2021 VND	1/1/2021 VND
Approved and contracted	16,431,510,289	14,631,295,262

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30. REVENUE FROM SALES OF GOODS AND PROVISION OF SERVICES

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

Net revenue comprised of:

	2021 VND	2020 VND
Total revenue		
• Sales of finished goods	4,359,772,893,128	4,484,458,023,220
• Sales of supplies and merchandise goods	205,145,273,779	215,971,208,789
• Transportation service	19,865,000	10,576,818
	4,564,938,031,907	4,700,439,808,827
Less revenue deductions		
• Sales discounts	(10,840,122,724)	(8,149,146,965)
• Sales returns	(1,341,305,066)	(6,650,335,457)
	(12,181,427,790)	(14,799,482,422)
Net revenue	4,552,756,604,117	4,685,640,326,405

31. COST OF GOODS SOLD AND SERVICES PROVIDED

	2021 VND	2020 VND
Total cost of sales:		
• Finished goods sold	3,645,126,125,321	3,226,463,529,433
• Supplies and merchandise goods sold	202,526,928,793	213,196,690,264
• Transportation service provided	5,335,000	5,166,551
• Allowance for inventories	1,179,347,710	(1,006,826,213)
	3,848,837,736,824	3,438,658,560,035



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32. FINANCIAL INCOME

	2021 VND	2020 VND
Interest income from deposits at banks and loans	58,210,598,544	77,723,127,603
Dividends	474,000,000	-
Realised foreign exchange gains	211,972,920	275,664,463
Unrealised foreign exchange gains	-	240,118,924
Other financial income	671,920,263	20,749,917
	59,568,491,727	78,259,660,907

33. FINANCIAL EXPENSES

	2021 VND	2020 VND
Payment discounts	124,352,677,716	123,740,754,798
Interest expense	39,575,792	50,844,435
Realised foreign exchange losses	566,937,052	76,912,293
Unrealised foreign exchange losses	36,237,785	-
Other financial expenses	-	6,640,633
	124,995,428,345	123,875,152,159

34. SELLING EXPENSES

	2021 VND	2020 VND
Selling expenses for distribution network	150,015,652,223	318,046,303,365
Staff costs	59,832,395,462	47,824,492,806
Costs of materials, packaging	11,640,332,095	15,667,630,657
Depreciation expense	3,373,994,249	3,598,153,086
Transportation costs	28,209,594,010	32,626,855,684
Customers conference expenses	460,600,000	27,706,225,249
Advertising and promotion expenses	3,579,537,653	7,851,123,690
Outside service expenses	8,797,350,940	4,016,453,788
Other selling expenses	15,506,375,435	27,716,342,016
	281,415,832,067	485,053,580,341

35. GENERAL AND ADMINISTRATION EXPENSES

	2021 VND	2020 VND
Staff costs	52,540,716,086	26,509,225,525
Costs of management materials	4,418,226,056	4,536,723,108
Depreciation expense	4,197,236,050	7,334,803,963
Taxes, charges and fees	7,162,346,421	7,403,072,617
Allowance for doubtful debts	(7,949,968,157)	(23,745,117,833)
Outside service expenses	13,385,441,620	16,188,549,050
Others	13,815,892,475	25,510,608,458
	87,569,890,551	63,737,864,888

36. OTHER EXPENSES

	2021 VND	2020 VND
Expenses incurring during the temporary closure period due to the Covid-19 pandemic	6,092,683,919	-
Others	7,977,124	115,030,214
	6,100,661,043	115,030,214

37. PRODUCTION AND BUSINESS COSTS BY ELEMENT

	2021 VND	2020 VND
Raw material costs included in production costs and cost of merchandise goods purchased	3,393,562,807,592	2,830,236,704,128
Labour costs and staff costs	348,104,637,321	336,238,028,968
Depreciation and amortisation	190,936,035,205	208,499,822,335
Outside services	171,244,313,980	209,372,167,158
Other expenses	203,894,870,614	404,866,206,799

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38. INCOME TAX

(a) Recognised in the consolidated statement of income

	2021 VND	2020 VND
Current tax expense		
Current year	48,143,337,797	127,770,009,264
Deferred tax expense		
Origination and reversal of temporary differences	5,680,740,982	6,184,454,061
Income tax expense	53,824,078,779	133,954,463,325

(b) Reconciliation of effective tax rate

	2021 VND	2020 VND
Accounting profit before tax	268,200,896,745	656,540,035,255
Tax at the Company's tax rate	53,640,179,349	131,308,007,051
Non-deductible expenses	739,719,701	2,980,977,889
Non-taxable income	(555,820,271)	(334,521,615)
	53,824,078,779	133,954,463,325

(c) Applicable tax rates

The Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

Northern Binh Minh Plastics One Member Limited Company – the subsidiary: Under the terms of its Investment Certificate, the subsidiary has an obligation to pay the income tax at the rate of 15% of taxable profits for the first 12 years starting from the first year of operation (from 2007 to 2018) and the usual income tax rate for the succeeding years for manufacturing plastic pipes and fittings of uPVC, PE, PP. The current tax regulations allow the subsidiary to be exempt from income tax for 3 years starting from the first year it generates a taxable profit (from 2009 to 2011) and entitled to a 50% reduction in income tax for the 7 succeeding years (from 2012 to 2018). All the above tax exemption and reduction are not applicable to other income which is taxed at the usual income tax rate of 20%.

39. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share for the year was based on the profit attributable to ordinary shareholders after deducting amount appropriated to bonus and welfare fund and a weighted average number of ordinary shares outstanding for the year, calculated as follows:

(i) Net profit attributable to ordinary shareholders

	2021 VND	2020 VND
Net profit for the year	214,376,817,966	522,585,571,930
Appropriation to bonus and welfare fund (*)	-	-
Net profit attributable to ordinary shareholders	214,376,817,966	522,585,571,930

(*) The employees' bonus from 2020 is recorded as an expense before corporate income tax instead of being appropriated from profit after tax in the years prior to 2020. Accordingly, the amount appropriated to bonus and welfare fund for the year ended 31 December 2021 and 31 December 2020 was nil.

(ii) Weighted average number of ordinary shares

	2021 Cổ phiếu	2020 Cổ phiếu
Issued ordinary shares at the beginning of the year	81,860,938	81,860,938
Effect of shares issued during the year	-	-
Weighted average number of ordinary shares for the year ended 31 December	81,860,938	81,860,938

(iii) Basic earnings per share

	2021 VND	2020 VND
Basic earnings per share	2,619	6,384

(b) Diluted earnings per share

As at 31 December 2021 and 1 January 2021, the Company did not have potential ordinary shares, therefore the presentation of diluted earnings per share is not applicable.

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40. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

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

	Transaction value	
	2021 VND	2020 VND
Associates		
Danang Plastics Joint Stock Company		
Sales of goods	7,117,500	50,869,040
Commission expense	8,981,572,534	6,674,644,151
Warehouse rental cost	1,090,909,092	1,090,909,091
Loan granted	-	10,000,000,000
Loan collected	5,000,000,000	30,000,000,000
Transportation cost	2,660,000,000	3,180,770,000
Interest income	562,499,999	1,602,965,754
Other related companies		
TPC Vina Plastic and Chemical Corporation Ltd.		
Purchase of materials	1,368,590,830,000	978,756,200,000
SCG Performance Chemicals Co., Ltd		
Purchase of materials	99,730,450,970	39,673,450,880
SCG Plastics Company Limited		
Purchase of materials	71,580,888,780	13,077,612,760
Nawa Intertech Company Limited		
Purchase of materials	2,833,530,820	-
Purchase of fixed assets	-	1,499,074,882
Nawaplastic Industries Co., Ltd		
Sales of finished goods and merchandises	71,794,576	1,411,275,874
Alcamax Vietnam Packaging Production Company Limited		
Purchase of materials	53,118,504	540,741,500

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	Transaction value	
	2021 VND	2020 VND
Salary, bonus and allowance for Members of the Board of Directors, Board of Management and Board of Supervision		
Members of the Board of Directors		
Mr. Sakchai Patiparnpreechawud	2,194,619,737	2,347,928,948
Mr. Nguyen Hoang Ngan	4,896,472,830	4,757,067,753
Mr. Wisit Rechaipichitgool	2,478,036,796	3,615,118,903
Mr. Chaowalit Treejak	1,072,683,815	
Mr. Poramate Larnroongroj	1,336,771,842	1,241,313,218
Mr. Phan Khac Long	1,336,771,842	1,418,757,369



BINH MINH PLASTICS JOINT STOCK COMPANY AND ITS SUBSIDIARY

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	Transaction value	
	2021 VND	2020 VND
Other members of the Board of Management		
Salary, bonus and allowance	5,962,077,958	5,889,677,348
Members of the Board of Supervision		
Remuneration	2,599,193,014	2,698,550,257

41. COMPARATIVE INFORMATION

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

25 March 2022

Prepared by:

Approved by:



Pham Manh Tuan
General Accountant



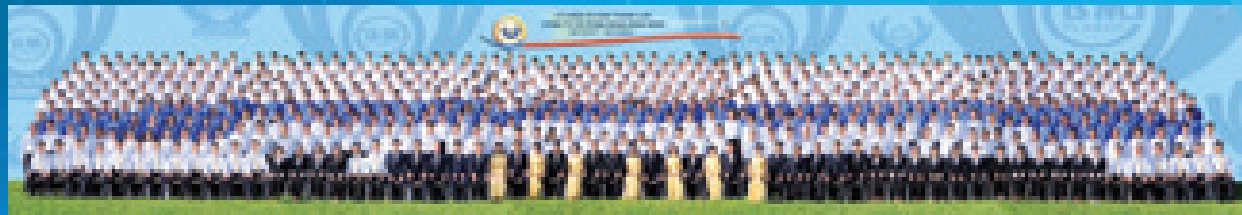
Hong Le Viet
Chief Accountant



Nguyen Hoang Ngan
General Director



RESPECTING THE PAST - CREATING THE FUTURE






393.096:
TOTAL COMPANY
HOURS OF OPERATION
AS OF NOV 16TH, 2022

BINH MINH PLASTICS JOINT - STOCK COMPANY

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