



CONSOLIDATED FINANCIAL STATEMENTS

SEA & AIR FREIGHT INTERNATIONAL (SAFI)

For the fiscal year ended as at 31/12/2021

(Audited)



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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Sea & Air Freight International (SAFI) (“the Company”) presents its report and the Company’s Consolidated Financial Statements for the fiscal year ended as at 31 December 2021.

THE COMPANY

Sea & Air Freight International (SAFI) was transformed from a state-owned enterprise to a joint stock company in accordance with Decision No. 1247/1998/QĐ - BGTVT dated May 25, 1998 by the Ministry of Transport and operated under Business Registration Certificate of joint stock company No. 0301471330 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on August 31, 1998, 36th re-registered on June 22, 2021.

The Company’s head office is located at: No. 209, Nguyen Van Thu Street, Da Kao Ward, District 1, Ho Chi Minh City.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND BOARD OF SUPERVISION

The members of The Board of Management during the fiscal year and to the reporting date are:

| | |
|-----------------------|---------------|
| Mr. Nguyen Hoang Dung | Chairman |
| Mr. Nguyen Hoang Anh | Vice Chairman |
| Mr. Vu Van Truc | Member |
| Mr. Dang Tran Phuc | Member |
| Mr. Nguyen Truong Nam | Member |

The members of The Board of General Directors during the fiscal year and to the reporting date are:

| | |
|-----------------------|-------------------------|
| Mr. Nguyen Hoang Anh | General Director |
| Mr. Nguyen Hoang Dung | Chief Executive Officer |

The members of the Board of Supervision are:

| | |
|---------------------------|----------------------------|
| Mr. Nhu Dinh Thien | Head of Control Department |
| Ms. Nguyen Thi Huyen Linh | Member |
| Ms. Tran Thi Ngoc Dao | Member |

AUDITORS

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

No.: 280222.017/BCTC.KT2

INDEPENDENT AUDITORS' REPORT

**To: Shareholders, The Board of Management and The Board of General Directors
Sea & Air Freight International (SAFI)**

We have audited the Consolidated Financial Statements of Sea & Air Freight International (SAFI) prepared on 20 February 2022, as set out on pages 06 to 38, including: Consolidated statement of financial position as at 31/12/2021, Consolidated statement of comprehensive income, Consolidated statement of cash flows and Notes to Consolidated financial statements for the fiscal year ended as at 31 December 2021.

The Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation of Consolidated Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Consolidated Financial Statements and for such internal control as management determines is necessary to enable the preparation and presentation of Consolidated Financial Statements that are free from material 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 standards, ethical requirements; plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

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

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

Auditor's opinion

In our opinion, the Consolidated Financial Statements give a true and fair view, in all material respects, of the financial position of Sea & Air Freight International (SAFI) as at 31 December 2021, and of the results of its operations and its cash flows for the fiscal year ended as at 31 December 2021 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial statements.

AASC Auditing Firm Company Limited



Vu Xuan Bien

Deputy General Director

Certificate of registration to audit practice

No: 0743-2018-002-1

Hanoi, 28 February 2022

A blue ink signature of Nguyen Tuan Anh, written over a horizontal line.

Nguyen Tuan Anh

Auditor

Certificate of registration to audit practice

No: 1369-2018-002-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION*As at 31 December 2021*



| Code | ASSETS | Note | 31/12/2021 | 01/01/2021 |
|------|--|------|------------------------|------------------------|
| | | | VND | VND |
| 100 | A. CURRENT ASSETS | | 689,908,573,929 | 385,066,003,926 |
| 110 | I. Cash and cash equivalents | 3 | 231,546,309,493 | 136,330,512,608 |
| 111 | 1. Cash | | 196,416,309,493 | 129,830,512,608 |
| 112 | 2. Cash equivalents | | 35,130,000,000 | 6,500,000,000 |
| 120 | II. Short-term investments | 4 | 46,142,961,628 | 3,921,608,618 |
| 121 | 1. Trading securities | | 46,986,925,913 | 3,921,608,618 |
| 122 | 2. Provision for diminution in value of trading securities | | (843,964,285) | - |
| 130 | III. Short-term receivables | | 402,341,122,947 | 236,123,872,787 |
| 131 | 1. Short-term trade receivables | 5 | 321,377,165,247 | 206,782,797,970 |
| 132 | 2. Short-term prepayments to suppliers | | 1,722,236,279 | 3,972,939,963 |
| 136 | 3. Other short-term receivables | 7 | 79,241,721,421 | 25,368,134,854 |
| 140 | IV. Inventories | 8 | 762,777,306 | 274,089,186 |
| 141 | 1. Inventories | | 762,777,306 | 274,089,186 |
| 150 | V. Other short-term assets | | 9,115,402,555 | 8,415,920,727 |
| 151 | 1. Short-term prepaid expenses | | 569,084,250 | 1,920,626,200 |
| 152 | 2. Deductible VAT | | 8,160,653,834 | 6,360,984,069 |
| 153 | 3. Taxes and other receivables from State budget | 14 | 385,664,471 | 134,310,458 |
| 200 | B. NON-CURRENT ASSETS | | 243,739,919,104 | 316,975,362,147 |
| 210 | I. Long-term receivables | | 250,473,600 | 250,473,600 |
| 216 | 1. Other long-term receivables | 7 | 250,473,600 | 250,473,600 |
| 220 | II. Fixed assets | | 74,310,518,982 | 80,143,009,463 |
| 221 | 1. Tangible fixed assets | 10 | 69,160,025,558 | 74,663,742,443 |
| 222 | - Historical costs | | 193,845,123,928 | 181,387,736,199 |
| 223 | - Accumulated depreciation | | (124,685,098,370) | (106,723,993,756) |
| 227 | 2. Intangible fixed assets | 11 | 5,150,493,424 | 5,479,267,020 |
| 228 | - Historical costs | | 9,114,819,453 | 9,114,819,453 |
| 229 | - Accumulated amortization | | (3,964,326,029) | (3,635,552,433) |
| 230 | III. Investment properties | 12 | 66,140,792,692 | 68,224,380,838 |
| 231 | - Historical costs | | 99,465,396,767 | 98,875,436,767 |
| 232 | - Accumulated depreciation | | (33,324,604,075) | (30,651,055,929) |
| 240 | IV. Long-term assets in progress | 9 | 7,858,118,199 | 850,000,000 |
| 242 | 1. Construction in progress | | 7,858,118,199 | 850,000,000 |
| 250 | V. Long-term investments | 4 | 94,725,470,176 | 167,507,498,246 |
| 252 | 1. Investments in joint ventures and associates | | 9,511,861,176 | 9,300,583,400 |
| 253 | 2. Equity investments in other entities | | 85,213,609,000 | 159,136,914,846 |
| 254 | 3. Provision for devaluation of long-term investments | | - | (930,000,000) |
| 260 | VI. Other long-term assets | | 454,545,455 | - |
| 261 | 1. Long-term prepaid expenses | | 454,545,455 | - |
| 270 | TOTAL ASSETS | | 933,648,493,033 | 702,041,366,073 |

CONSOLIDATED STATEMENT OF FINANCIAL POSITION


As at 31 December 2021

(continue)

| Code | CAPITAL | Note | 31/12/2021 | 01/01/2021 |
|------------|--|-----------|------------------------|------------------------|
| | | | VND | VND |
| 300 | C. LIABILITIES | | 313,536,769,338 | 219,659,988,553 |
| 310 | I. Current liabilities | | 313,536,769,338 | 218,229,638,113 |
| 311 | 1. Short-term trade payables | 13 | 263,185,430,749 | 200,826,214,849 |
| 312 | 2. Short-term prepayments from customers | | 1,971,200 | 375,798,581 |
| 313 | 3. Taxes and other payables to State budget | 14 | 24,051,331,666 | 3,232,515,482 |
| 314 | 4. Payables to employees | | 9,321,920,200 | 8,401,318,300 |
| 319 | 5. Other short-term payments | 15 | 12,880,773,935 | 3,059,425,107 |
| 322 | 6. Bonus and welfare fund | | 4,095,341,588 | 2,334,365,794 |
| 330 | II. Non-current liabilities | | - | 1,430,350,440 |
| 337 | 1. Other long-term payables | 15 | - | 1,430,350,440 |
| 400 | D. OWNER'S EQUITY | | 620,111,723,695 | 482,381,377,520 |
| 410 | I. Owner's equity | 16 | 620,111,723,695 | 482,381,377,520 |
| 411 | 1. Contributed capital | | 157,530,690,000 | 150,853,050,000 |
| 411a | 0 Ordinary shares with voting rights | | 157,530,690,000 | 150,853,050,000 |
| 412 | 2. Share Premium | | 26,882,847,992 | 26,882,847,992 |
| 415 | 3. Treasury shares | | (17,300,120,000) | (17,300,120,000) |
| 418 | 4. Development investment funds | | 54,564,335,341 | 46,369,119,082 |
| 420 | 5. Other reserves | | 203,271,078,186 | 152,005,636,236 |
| 421 | 6. Retained earnings | | 191,336,991,829 | 121,714,867,858 |
| | <i>Retained earnings accumulated till the end of the</i> | | | |
| 421a | <i>previous year</i> | | 39,303,862,608 | 39,594,379,840 |
| 421b | <i>Retained earnings of the current year</i> | | 152,033,129,221 | 82,120,488,018 |
| 429 | 8. Non controlling interest | | 3,825,900,347 | 1,855,976,352 |
| 440 | TOTAL CAPITAL | | 933,648,493,033 | 702,041,366,073 |


Doan Thu Ha
Preparer


Nguyen Thanh Tuyen
Chief Accountant




Nguyen Hoang Anh
General Director


Ho Chi Minh City, 20 February 2022


CONSOLIDATED STATEMENT OF INCOME

Year 2021

| Code ITEM | Note | Year 2021 | Year 2020 | |
|-----------|---|-----------|-------------------|-------------------|
| | | VND | VND | |
| 01 | 1. Revenue from sales of goods and rendering of | 18 | 1,851,648,593,740 | 1,203,172,731,199 |
| 02 | 2. Revenue deductions | | - | - |
| | Net revenue from sales of goods and | | | |
| 10 | 3. rendering of services | | 1,851,648,593,740 | 1,203,172,731,199 |
| 11 | 4. Cost of goods sold | 19 | 1,618,128,700,750 | 1,031,388,937,137 |
| | Gross profit from sales of goods and | | | |
| 20 | 5. rendering of services | | 233,519,892,990 | 171,783,794,062 |
| 21 | 6. Financial income | 20 | 76,521,743,354 | 16,919,585,665 |
| 22 | 7. Financial expense | 21 | 915,220,222 | (5,073,801,005) |
| 23 | <i>In which: Interest expenses</i> | | 7,501,887 | 38,927 |
| 24 | 8. Share of joint ventures and associates' profit or loss | | 211,277,776 | 738,724,304 |
| 25 | 9. Selling expenses | 22 | 76,037,359,744 | 77,664,429,853 |
| 26 | 10. General and administrative expense | 23 | 19,342,291,259 | 19,294,401,906 |
| 30 | 11. Net profit from operating activities | | 213,958,042,895 | 97,557,073,277 |
| 31 | 12. Other income | 24 | 2,194,463,133 | 933,525,029 |
| 32 | 13. Other expense | | 69,608,773 | 80,662,438 |
| 40 | 14. Other profit | | 2,124,854,360 | 852,862,591 |
| 50 | 15. Total net profit before tax | | 216,082,897,255 | 98,409,935,868 |
| 51 | 16. Current corporate income tax expenses | 25 | 41,045,258,539 | 16,077,290,870 |
| 52 | 17. Deferred corporate income tax expenses | | - | - |
| 60 | 18. Profit after corporate income tax | | 175,037,638,716 | 82,332,644,998 |
| 61 | 19. Profit after tax attributable to owners of the parent | | 173,067,714,721 | 82,120,488,018 |
| 62 | 20. Profit after tax attributable to non-controlling interest | | 1,969,923,995 | 212,156,980 |
| 70 | 21. Basic earnings per share | 26 | 12,567 | 5,763 |


Doan Thu Ha
Preparer


Nguyen Thanh Tuyen
Chief Accountant



Nguyen Hoang Anh
General Director

Ho Chi Minh City, 20 February 2022



CONSOLIDATED STATEMENT OF CASH FLOWSYear 2021
(Indirect method)


| Code | ITEM | Note | Year 2021 | Year 2020 |
|---|--|------|-------------------|------------------|
| | | | VND | VND |
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| 01 | 1. Profit before tax | | 216,082,897,255 | 98,409,935,868 |
| | 2. Adjustments for | | | |
| 02 | - Depreciation and amortization of fixed assets and investment properties | | 21,334,296,186 | 22,332,653,544 |
| 03 | - Provisions | | (86,035,715) | (7,031,533,346) |
| 04 | - Exchange gains / losses from retranslation of monetary items denominated in foreign currency | | (157,856,349) | (823,628,908) |
| 05 | - Gains / losses from investment | | (73,839,713,893) | (16,115,295,176) |
| 06 | - Interest expense | | 7,501,887 | 38,927 |
| 08 | 3. Operating profit before changes in working capital | | 163,341,089,371 | 96,772,170,909 |
| 09 | - Increase or decrease in receivables | | (168,016,919,925) | (52,238,586,687) |
| 10 | - Increase or decrease in inventories | | (488,688,120) | 6,723,600,678 |
| 11 | - Increase or decrease in payables (excluding interest payable/ corporate income tax payable) | | 71,335,285,469 | 125,502,156,576 |
| 12 | - Increase or decrease in prepaid expenses | | (240,808,104) | (1,845,246,200) |
| 13 | - Increase or decrease in trading securities | | (43,065,317,295) | (3,921,608,618) |
| 14 | - Interest paid | | (7,501,887) | (38,927) |
| 15 | - Corporate income tax paid | | (20,653,521,018) | (14,707,533,164) |
| 17 | - Other payments on operating activities | | (594,613,460) | (1,111,465,842) |
| 20 | Net cash flows from operating activities | | 1,609,005,031 | 155,173,448,725 |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| 21 | 1. Purchase or construction of fixed assets and other long-term assets | | (19,391,506,783) | (12,144,789,005) |
| 22 | 2. Proceeds from disposals of fixed assets and other long-term assets | | 19,000,000 | 466,363,636 |
| 25 | 3. Equity investments in other entities | | - | (59,747,131,500) |
| 26 | 4. Proceeds from equity investment in other entities | | 139,262,402,585 | - |
| 27 | 5. Interest and dividend received | | 8,270,339,378 | 15,336,787,505 |
| 30 | Net cash flows from investing activities | | 128,160,235,180 | (56,088,769,364) |
| III CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| 31 | 1. Proceeds from issuance of shares and receipt of contributed capital | | 6,677,640,000 | 7,107,280,000 |
| 32 | 2. Repayment of contributions capital and repurchase of stock issued | | - | (30,633,272,662) |
| 33 | 3. Proceeds from borrowings | | 6,621,330,432 | 52,052,514,483 |
| 34 | 4. Repayment of principal | | (6,621,330,432) | (52,052,514,483) |
| 36 | 5. Dividends or profits paid to owners | | (41,388,939,675) | (20,022,576,900) |
| 40 | Net cash flows from financing activities | | (34,711,299,675) | (43,548,569,562) |

CONSOLIDATED STATEMENT OF CASH FLOWS*Year 2021*
(Indirect method)

| Code | ITEM | Note | Year 2021 | Year 2020 |
|------|--|------|------------------------|------------------------|
| | | | VND | VND |
| 50 | Net cash flows in the year | | 95,057,940,536 | 55,536,109,799 |
| 60 | Cash and cash equivalents at the beginning of the year | | 136,330,512,608 | 79,970,773,901 |
| 61 | Effect of exchange rate fluctuations | | 157,856,349 | 823,628,908 |
| 70 | Cash and cash equivalents at the end of the year | 3 | <u>231,546,309,493</u> | <u>136,330,512,608</u> |



Doan Thu Ha
Preparer



Nguyen Thanh Tuyen
Chief Accountant




Nguyen Hoang Anh
General Director

Ho Chi Minh City, 20 February 2022

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Year 2021

1 . GENERAL INFORMATION OF THE COMPANY

Form of Ownership

Sea & Air Freight International (SAFI) was transformed from a state-owned enterprise to a joint stock company in accordance with Decision No. 1247/1998/QĐ - BGTVT dated May 25, 1998 by the Ministry of Transport and operated under Business Registration Certificate of joint stock company No. 0301471330 issued by Department of Planning and Investment of Ho Chi Minh City for the first time on August 31, 1998, 36th re-registered on June 22, 2021.

The Company's head office is located at: No. 209, Nguyen Van Thu Street, Da Kao Ward, District 1, Ho Chi Minh City.

The registered charter capital of the Company is VND 157,530,690,000; the actual charter capital contributed to December 31, 2021 is VND 157,530,690,000; Equivalent to 15,753,069 shares with the price of VND 10,000 per share.

The total number of employees in the Company as at 31 December 2021 is 387 people (as at 01 January 2021 was 375 people).

Business field

The company operates in the field of transport services business and transport agents.

Business activities

Main business activities of the Company include:

- Support services related to transportation. Details: Transport agency. Authorized agency for container management and freight forwarding. Exploiting, collecting goods and domestic transportation. Shipping agent. Delivery of imported and exported goods. Marine services and supply ships. Plane ticket agency;
- Agency, broker, auction. Detail: Ship broker;
- Warehousing and storage of goods. Detail: warehouse business;
- Goods transport by land. Details: Transit goods to Laos, Cambodia and contrary (only when fully transit goods procedures). Multimodal international transport.

The Company's operation in the year that affects the Consolidated Financial Statements

In 2021, although the general market is heavily affected by the Covid-19 epidemic, with its position as a reputable transport agent and long experience in the industry along with strong financial potential, the Company still maintains a stable customer base, even attracting more customers of smaller, uncompetitive agents. In addition, the restriction on trade leads to the tightening of the number of air routes and sea routes, leading to an increase in international freight rates. This makes the Company's revenue increase sharply compared to the previous year.

During the year, the Company sold 2,490,000 VSC shares and recorded a book value of 65.3 billion dong. Therefore, this year's financial income increased sharply compared to the previous year.

Group structure

- The Group's subsidiaries have consolidated in Consolidated Financial Statements as at 31/12/2021 include :

| <u>Name of company</u> | <u>Head office</u> | <u>Proportion of ownership</u> | <u>Proportion of voting rights</u> | <u>Principle activities</u> |
|--|--------------------|--------------------------------|------------------------------------|---------------------------------------|
| Cosfi Transport Agent Joint Stock Company | Ho Chi Minh City | 69.00% | 69.00% | Forwarding and shipping agents |
| Safi Infrastructure Investment Company Limited | Ho Chi Minh City | 100.00% | 100.00% | Real estate business, office for rent |

2 . ACCOUNTING SYSTEM AND ACCOUNTING POLICY**2.1 . Accounting period and accounting currency**

Annual accounting period commences from 1st January and ends as at 31st December.

The Company maintains its accounting records in VND.

2.2 . Standards and Applicable Accounting Policies*Applicable Accounting Policies*

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance, the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC and the Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of Consolidated Financial Statements.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 . Basis for preparation of consolidated financial statements

Consolidated Financial Statements are prepared based on consolidating Separate Financial Statements of the Company and Financial Statements of its subsidiaries under its control as at 31 December annually. Control right is achieved when the company has power to govern the financial and operating policies of invested companies to obtain benefits from their activities.

Consistent accounting policies are applied in Financial Statements of subsidiaries and the Company. If necessary, adjustments are made to the Financial Statements of subsidiaries to ensure the consistency of application of accounting policies among the Company and its subsidiaries.

Balance, main incomes and expenses, including unrealized profits from intra-group transactions are eliminated in full from Consolidated financial statements.

Non – controlling interests

Non – controlling interests represents the portion of profit or loss and net assets of subsidiaries not held by the Company.

2.4 . Financial Instruments

Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

Subsequent measurement after initial recognition

There are currently no regulations on revaluation of financial instruments after initial recognition.

2.5 . Foreign currency transactions

The foreign currency transactions during the year are translated into Vietnam Dong using the real exchange rate ruling at the transaction date. Real exchange rates are determined under the following principles:

- When buying or selling foreign currency, applying the exchange rates specified in the contracts of foreign exchange sale between Company and commercial banks;
- When recording receivables, applying the bid rate of the commercial bank stipulated by the Company for customers to make payment at the transaction time;
- When recording payables, applying the offer rate of the commercial bank where the Company expects to conduct transactions at the transaction time;

Real exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Consolidated Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For foreign currency deposited in bank, applying the bid rate of the bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transaction.

All exchange differences arising from foreign currency transactions in the year and from revaluation of remaining foreign currency monetary items at the end of the year are recorded immediately to operating results of the accounting year.

2.6 . Cash and cash equivalents

Cash comprises cash on hand and demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 . Financial investments

Trading securities are initially recognized at original cost which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities. Upon the liquidation or transfer, cost of trading securities is determined using first in first out method or weighted average method.

In the Consolidated Financial Statements, investments in joint ventures and associates are accounted for using equity method. Under this method, the investments are initially recognised at cost and adjusted thereafter for the post acquisition change in the Group's share in net assets of the associate after acquisition date. Goodwill incurred from the investment in the associates is reflected in the carrying amount of the investment in the associate. The Group will not allocate such goodwill but assess annually to determine whether the goodwill is under impaired loss or not.

The share of investor in post-acquisition profits or losses of the associate is recognised in the consolidated income statement, and the share of investor in post-acquisition movements in equity of the associate is recognised in equity. The post-acquisition accumulated changes are adjusted to carrying amount of investments. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

Financial Statements of associates are prepared in the same period with the Group's consolidated financial statements and use the consistent accounting policies with the Group's policies. Adjustment shall be made if necessary to ensure the consistence with the Group's accounting policies.

Investments in equity of other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Dividends received in the form of shares only monitor the number of shares received but do not record the increase in the value of the investment and financial income.

Provision for devaluation of investments is made at the end of the year as follows:

- With regard to investments in trading securities, the provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date.
- With regard to investments held long-term (other than trading securities) without significant influence on the investee: If the investment is made in listed shares or the fair value of the investment is determined reliably, the provisions shall be made on the basis of the market value of the shares; if the fair value of the investment is not determined at the reporting date, the provision shall be made based on the Financial Statements at the provision date of the investee.
- With regard to investments held to maturity, the provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.8 . Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.9 . Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated by weighted average method.

Inventory is recorded by perpetual.

Method for valuation of work in process at the end of the year: Cost of work in progress is aggregated according to actual costs incurred for each type of services not yet completed.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.10 . Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

| | |
|--------------------------------------|-----------------|
| - Buildings, structures | 05 - 30 years |
| - Machinery, equipment | 05 - 10 years |
| - Vehicles, Transportation equipment | 06 - 10 years |
| - Office equipment and furniture | 03 - 05 years |
| - Other fixed assets | 35 years |
| - Land use rights | No depreciation |
| - Management software | 03 years |

2.11 . Investment properties

Investment property is recognised at historical cost.

Investment properties held for operating lease are recorded at cost, accumulated depreciation and carrying amount. Investment properties are depreciated using the straight-line method with expected useful life as follows:

- | | |
|-------------------|-----------------|
| - Buildings | 05 - 30 year |
| - Land use rights | No depreciation |

2.12 . Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs. Construction in progress is not depreciated until the relevant assets are completed and put into use.

2.13 . Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting year should be based on the nature of those expenses to select a reasonable allocation method and criteria. Prepaid expenses are allocated gradually into operating expenses on the straight-line basis.

Types of prepaid expenses include:

Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dongs and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 03 to 36 months.

Other prepaid expenses are recorded according to their historical costs and allocated on the straight-line basis from 03 to 36 months.

2.14 . Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company.

2.15 . Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings and finance lease liabilities. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16 . Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.17 . Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, but the payments for such goods or services have not been made which are recorded as operating expenses of the reporting period.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18 . Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

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

a) The Company must sell the shares right after they are repurchased for the following shares:

- The repurchase is meant to fix a transaction error or is an odd lot buyback;
- The public company repurchases odd lot shares under a scrip issue or plan for share issue from equity;
- The share repurchase is requested by the company's shareholders.

b) The Company must not repurchase its own shares until it completes the handling of treasury shares purchased before the effective date of the Law on Securities No. 54/2019/QH14 on 01/01/2021. The Company may sell or use such shares as bonus shares in accordance with the Law on Securities No. 70/2006/QH11, which is amended by the Law on Securities No. 62/2010/QH12 and their elaborating documents.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company. The distribution of net profits is made when the net profit of the company does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. In case dividend payment or profit distribution for the owners exceeds the net profit, the difference shall be recorded as a decrease in contributed capital. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Company's Articles of Incorporation and Vietnamese statutory requirements.

The Company's retained earnings is distributed to other funds according to recommendation of the Board of Management and approval of shareholders at annual General Meeting of Shareholders:

- Development and investment funds: The fund is reserved for the purpose of business expansion or in depth investment.
- Bonus and welfare fund and bonus for the Board of Directors: The fund is reserved for the purpose of bonus, material incentives, common benefit and increasing welfare for employees and presented as a liability on the Consolidated Statement of Financial Position.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository Center.

2.19 . Revenue

Rendering of services

Revenue from rendering of services shall be recognised when all the following conditions have been

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably;
and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

The stage of the completion of the transaction may be determined by evaluating the volume of work performed.

In case the customer entrusts the Company to handle all Customs procedures and transports import and export consignments at ports/Border gate to the locations specified by the customer and vice versa, revenue is recognized as all services directly performed by the Company and the expenses entrusted by the customer.

Financial income

Revenue arising from the used by the others of entity assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.20 . Cost of goods sold

The recognition of cost of goods sold is matched against the revenue in the period and complies with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.21 . Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Losses from the disposal and transfer of short-term securities, transaction cost of selling securities;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income

2.22 . Corporate income tax

a) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during period, and current corporate income tax rate.

b) Current corporate income tax rate

The Company applies the corporate income tax rate of 20% for the production and business activities which has taxable income for the fiscal year ended as at 31 December 2021.

2.23 . Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the year.

2.24 . Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Consolidated Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.25 . Segment information

A segment is a distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3 . CASH AND CASH EQUIVALENTS

| | 31/12/2021 | 01/01/2021 |
|----------------------|------------------------|------------------------|
| | VND | VND |
| Cash on hand | 2,363,839,688 | 1,913,127,081 |
| Demand deposits | 194,052,469,805 | 127,917,385,527 |
| Cash equivalents (*) | 35,130,000,000 | 6,500,000,000 |
| | <u>231,546,309,493</u> | <u>136,330,512,608</u> |

(*) As at 31/12/2021, the cash equivalents are deposits with term of from 01 to 03 months with the amount of VND 35,130,000,000 at SSI Securities Corporation (SSI) at the interest rate of 6.1% /year.

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| | 31/12/2021 | | 01/01/2021 | |
|--|-----------------------|-----------------------|----------------------|----------------------|
| | Original cost VND | Fair value VND | Provision VND | Original cost VND |
| - Investment in stock | | | | |
| <i>Dinh Vu Petroleum Services Port Joint Stock Company (PSP)</i> | 16,140,364,285 | 15,296,400,000 | (843,964,285) | 3,921,608,618 |
| <i>Viet Nam Dairy Products Joint Stock Company (VNM) (*)</i> | 16,140,364,285 | 15,296,400,000 | (843,964,285) | - |
| - Investment in bond | 30,846,561,628 | - | - | - |
| <i>Bonds of Nui Phao Mining Company Ltd</i> | 13,574,484,243 | - | - | 3,921,608,618 |
| | | | | |
| <i>Bonds of MASAN Group Coporation</i> | 11,923,232,372 | - | - | - |
| <i>Others</i> | 5,348,845,013 | - | - | - |
| | <u>46,986,925,913</u> | <u>15,296,400,000</u> | <u>(843,964,285)</u> | <u>3,921,608,618</u> |
| | | | | <u>4,884,000,000</u> |

(*) The fair value of trading securities are closing price listed on HNX and HOSE on 01/01/2021 and 31/12/2021.

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

The reasons for changes in each investment/stocks, bonds:

- Transaction of selling 660,000 shares of Dinh Vu Petroleum Service Port Joint Stock Company to other investors, equivalent to a total par value of VND 6,600,000,000, cost price of VND 3,921,608,618;
- Transaction of buying 180,000 shares of Vietnam Dairy Products Joint Stock Company from other investors, equivalent to a total par value of VND 1,800,000,000, fee of VND 16,140,364,285;
- The transaction of buying 134,184 Bonds of Nui Phao Mining Company Ltd from other investors, equivalent to a total par value of 13,418,000,000 VND, cost 13,574,484,243 VND. Bond term is 5 years, bond interest rate is from 7.88%/year to 8.71%/year;
- The transaction of buying 119,146 bonds of MASAN Group Joint Stock Company from other investors, equivalent to the total par value of 11,914.6 million VND, the fee is 11,923,232,272 VND. The bond term is 5 years, the bond interest rate is from 8.21%/year to 8.5%/year.

After the above transactions, as of December 31, 2021, the Company owns:

- 180,000 shares of Vietnam Dairy Products Joint Stock Company (Stock code: VNM);
- 134,184 bonds of Nui Phao Mining Company Ltd; and 119,146 bonds of MASAN Group JSC.

4. FINANCIAL INVESTMENTS (continue)

c) Equity investments in other entities

| | 31/12/2021 | | | 01/01/2021 | | |
|--|-----------------------|------------------------|------------------|------------------------|------------------------|----------------------|
| | Original cost VND | Fair value VND | Provision VND | Original cost VND | Fair value VND | Provision VND |
| Investments in other entities | 85,213,609,000 | 123,345,000,000 | - | 159,136,914,846 | 292,049,000,000 | (930,000,000) |
| Stocks of Vinalines Logistic - Vietnam., JSC (VLG) (*) | 1,500,000,000 | 1,545,000,000 | - | 1,500,000,000 | 570,000,000 | (930,000,000) |
| Shipping Corporation .,JSC (VSC) (*) | 83,126,609,000 | 121,800,000,000 | - | 157,049,914,846 | 291,479,000,000 | - |
| New SITC Containers Vietnam Company Limited | 467,000,000 | - | - | 467,000,000 | - | - |
| SITC Bondex Vietnam Logistics Company Limited | 120,000,000 | - | - | 120,000,000 | - | - |
| | 85,213,609,000 | 123,345,000,000 | - | 159,136,914,846 | 292,049,000,000 | (930,000,000) |

During the year, the Company sold 2,490,000 VSC shares to other investors by method of order matching and put-through on HOSE, profit from selling this investment was 65.3 billion (Note 20).

(*) Fair value of long-term investments in Stocks of Vinalines Logistic - Vietnam., JSC (VLG) and Stocks of Vietnam Container Shipping Corporation .,JSC (VSC) is determined by the closing prices of these securities on UPCOM and HOSE on December 31, 2020 and December 31, 2021.

The Company has not determined the fair value of financial investments since Vietnam Accounting Standards and Vietnam Corporate Accounting System has not had any detailed guidance on the determination of the fair value.

At the end of the year, the Company owned 2,800,000 shares of Vietnam Container Shipping Joint Stock Corporation. The company will hold more than 10% of VSC's shares in order to become a major shareholder of VSC, thereby achieving orders and increasing business efficiency with VSC.

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| Name of entities received capital | Place of establishment and operation | Number of shares hold/ Rate of interest | Principle activities |
|--|--------------------------------------|---|--------------------------------|
| Vinalines Logistic - Vietnam Joint Stock Company (*) | Ha Noi | 150,000 shares | Transport service |
| Vietnam Container Shipping Corporation Joint Stock Company (*) | Hai Phong | 2,800,000 shares | Maritime service |
| New SITC Containers Vietnam Company Limited (3) | Hai Phong | 20.00% | Freight agency services |
| SITC Bondex Vietnam Logistics Company Limited (4) | Hai Phong | 1.00% | Forwarding and shipping agents |

(3), (4): According to the resolution of the Board of Management of the Company No. 08 - 2019/NQ - HDQT dated September 16, 2019, the Company decided to contribute capital to establish companies, including: New SITC Containers Vietnam Company Limited and SITC Bondex Vietnam Logistics Company Limited with charter capital of 2,335,000,000 VND and 12,000,000,000 VND respectively. As for New SITC Containers Vietnam Company Limited, although the rate of interest is 20%, but the Company doesn't participate in operating so this investment is classified as other long-term investments.

5 . TRADE RECEIVABLES

| | 31/12/2018 | | 01/01/2018 | |
|---|------------------------|-----------|------------------------|-----------|
| | Value | Provision | Value | Provision |
| | VND | VND | VND | VND |
| a) Trade receivables detailed by type of service | | | | |
| - Receivables from customers of shipping lines | 11,713,866,763 | - | 29,828,455,273 | - |
| - Receivables from customers of forwarding | 126,362,630,194 | - | 74,992,737,278 | - |
| - Receivables from customers of sea and air freight | 182,536,868,918 | - | 97,103,098,496 | - |
| -Other trade receivables | 763,799,372 | - | 4,858,506,923 | - |
| | <u>321,377,165,247</u> | <u>-</u> | <u>206,782,797,970</u> | <u>-</u> |
| b) Trade receivables detailed by customers with large account balances | | | | |
| - Truong Giang International Transport Co., Ltd | 42,055,917,768 | - | 117,761,267 | - |
| - Cart Tire CO., LTD | 33,152,124,529 | - | - | - |
| - Others | 246,169,122,950 | - | 206,665,036,703 | - |
| | <u>321,377,165,247</u> | <u>-</u> | <u>206,782,797,970</u> | <u>-</u> |
| c) Trade receivables from related parties | | | | |
| | <u>1,569,071,884</u> | <u>-</u> | <u>2,857,040,360</u> | <u>-</u> |

details as in Notes 31.

6 . PREPAYMENTS TO SUPPLIERS

| | 31/12/2021 | | 01/01/2021 | |
|---------------------------------|----------------------|------------------|----------------------|------------------|
| | Value VND | Provision VND | Value VND | Provision VND |
| - Prepayments to shipping lines | 451,058,757 | - | 3,660,773,911 | - |
| - Others | 1,271,177,522 | - | 312,166,052 | - |
| | 1,722,236,279 | - | 3,972,939,963 | - |

7 . OTHER RECEIVABLES

| | 31/12/2021 | | 01/01/2021 | |
|--|-----------------------|------------------|-----------------------|------------------|
| | Value VND | Provision VND | Value VND | Provision VND |
| a) Short-term | | | | |
| Receivables from social insurance | 108,997,344 | - | 100,281,300 | - |
| Advances | 20,781,201,688 | - | 16,502,972,300 | - |
| Deposits | 18,111,866,086 | - | 2,362,546,837 | - |
| Vietnam Container Shipping Joint Stock Corporation (*) | 36,000,000,000 | - | - | - |
| Others | 4,239,656,303 | - | 6,402,334,417 | - |
| | 79,241,721,421 | - | 25,368,134,854 | - |
| b) Long-term | | | | |
| Deposits | 250,473,600 | - | 250,473,600 | - |
| | 250,473,600 | - | 250,473,600 | - |

*) According to Resolution No. 138/2021/VSC/HĐQT-NQ dated October 6, 2021 of Vietnam Container Shipping Joint Stock Corporation, the Company is entitled to 3,600,000 right to buy shares, each right to buy 01 share New VSC; Issuing price is 10,000 VND/share. On December 16, 2021, the Company made a payment to buy 3,600,000 VSC shares. As of December 31, 2021, Vietnam Container Joint Stock Company has not issued shares to the public.

8 . INVENTORIES

| | 31/12/2021 | | 01/01/2021 | |
|-----------------|----------------------|------------------|----------------------|------------------|
| | Original cost VND | Provision VND | Original cost VND | Provision VND |
| Raw materials | 149,963,371 | - | 74,421,746 | - |
| Tools, supplies | 121,658,222 | - | - | - |
| Work in process | 491,155,713 | - | 199,667,440 | - |
| | 762,777,306 | - | 274,089,186 | - |

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9 . CONSTRUCTION IN PROGRESS

| | 31/12/2021 | 01/01/2021 |
|--------------------------------------|----------------------|--------------------|
| | VND | VND |
| Procurement of fixed assets | | |
| - Vehicles, transportation equipment | 5,870,313,600 | - |
| Major repairs of fixed assets | 5,870,313,600 | - |
| - Repair office | 1,987,804,599 | 850,000,000 |
| | 1,987,804,599 | 850,000,000 |
| | <u>7,858,118,199</u> | <u>850,000,000</u> |

10 . TANGIBLE FIXED ASSETS

| | Buildings, structures | Machinery, equipment | Vehicles, transportation equipment | Management equipment | Others | Total |
|-----------------------------------|-----------------------|----------------------|------------------------------------|----------------------|----------|------------------------|
| | VND | VND | VND | VND | VND | VND |
| Original cost | | | | | | |
| Beginning balance | 52,511,173,037 | 611,090,534 | 126,240,219,816 | 2,025,252,812 | - | 181,387,736,199 |
| - Purchase in the year | - | 5,015,369,545 | 7,915,863,638 | - | - | 12,931,233,183 |
| - Liquidation, disposal | - | - | (473,845,454) | - | - | (473,845,454) |
| Ending balance of the year | <u>52,511,173,037</u> | <u>5,626,460,079</u> | <u>133,682,238,000</u> | <u>2,025,252,812</u> | <u>-</u> | <u>193,845,123,928</u> |
| Accumulated depreciation | | | | | | |
| Beginning balance | 22,565,991,440 | 487,713,443 | 82,355,952,433 | 1,314,336,440 | - | 106,723,993,756 |
| - Depreciation for the year | 1,722,124,404 | 213,976,397 | 16,186,357,047 | 209,516,596 | - | 18,331,974,444 |
| - Liquidation, disposal | - | - | (370,869,830) | - | - | (370,869,830) |
| Ending balance of the year | <u>24,288,115,844</u> | <u>701,689,840</u> | <u>98,171,439,650</u> | <u>1,523,853,036</u> | <u>-</u> | <u>124,685,098,370</u> |
| Net carrying amount | | | | | | |
| Beginning balance | 29,945,181,597 | 123,377,091 | 43,884,267,383 | 710,916,372 | - | 74,663,742,443 |
| Ending balance | <u>28,223,057,193</u> | <u>4,924,770,239</u> | <u>35,510,798,350</u> | <u>501,399,776</u> | <u>-</u> | <u>69,160,025,558</u> |

In which:

- Cost of fully depreciated tangible fixed assets but still in use at the end of the year: VND 27,839,072,685.

11 . INTANGIBLE FIXED ASSETS

| | Land use rights VND | Computer software VND | Cộng VND |
|-----------------------------------|------------------------|--------------------------|----------------------|
| Historical cost | | | |
| Beginning balance | 6,762,324,453 | 2,352,495,000 | 9,114,819,453 |
| Ending balance of the year | <u>6,762,324,453</u> | <u>2,352,495,000</u> | <u>9,114,819,453</u> |
| Accumulated depreciation | | | |
| Beginning balance | 1,527,918,533 | 2,107,633,900 | 3,635,552,433 |
| - Depreciation for the year | 132,862,488 | 195,911,108 | 328,773,596 |
| Ending balance of the year | <u>1,660,781,021</u> | <u>2,303,545,008</u> | <u>3,964,326,029</u> |
| Net carrying amount | | | |
| Beginning balance | 5,234,405,920 | 244,861,100 | 5,479,267,020 |
| Ending balance | <u>5,101,543,432</u> | <u>48,949,992</u> | <u>5,150,493,424</u> |

In which:

- Cost of fully depreciated intangible fixed assets but still in use at the end of the year: VND 1,502,545,000.

As of December 31, 2021, the company's land use rights include:

- + Land lot number 52-53 Le Duc Tho, Tran Hung Dao ward, Quy Nhon with a value of 1,845 billion VND is land use right with indefinite term;
- + Lot 39, Road No. 2, Da Nang Industrial Park, An Hai Bac Ward, Son Tra District, Da Nang City has the original price of 4,517 Billion VND which is the land use right with a definite term, the land lease term is 35 years;
- + Land use right with indefinite term Sealink villa, Mui Ne with the value of 400 million VND.

12 . INVESTMENT PROPERTIES**a) Investment properties for lease**

| | Land use rights VND | Buildings VND | Others VND | Total VND |
|---------------------------------|------------------------|-----------------------|----------------------|-----------------------|
| Original cost | | | | |
| As at opening year | 21,684,350,000 | 73,053,236,092 | 4,137,850,675 | 98,875,436,767 |
| - Purchase | - | - | 589,960,000 | 589,960,000 |
| As at closing year | <u>21,684,350,000</u> | <u>73,053,236,092</u> | <u>4,727,810,675</u> | <u>99,465,396,767</u> |
| Accumulated depreciation | | | | |
| As at opening year | - | 26,513,205,254 | 4,137,850,675 | 30,651,055,929 |
| - Depreciation | - | 2,646,641,664 | 26,906,482 | 2,673,548,146 |
| As at closing year | <u>-</u> | <u>29,159,846,918</u> | <u>4,164,757,157</u> | <u>33,324,604,075</u> |
| Net carrying amount | | | | |
| As at opening year | 21,684,350,000 | 46,540,030,838 | - | 68,224,380,838 |
| As at closing year | <u>21,684,350,000</u> | <u>43,893,389,174</u> | <u>563,053,518</u> | <u>66,140,792,692</u> |

The investment property is the land use right and Safi Tower building at address 209, Nguyen Van Thu street, Da Kao ward, district 1, Ho Chi Minh City owned by a subsidiary - Safi Infrastructure Co., Ltd. used for rental purposes.

13 . TRADE PAYABLES

| | 31/12/2021 | | 01/01/2021 | |
|--|------------------------|------------------------|------------------------|------------------------|
| | Outstanding balance | Amount can be paid | Outstanding balance | Amount can be paid |
| | VND | VND | VND | VND |
| a) Trade payables detailed by type of service | | | | |
| Payables to air service companies | 197,876,815,315 | 197,876,815,315 | 66,784,217,195 | 66,784,217,195 |
| Payables to sea service companies | 12,892,109,902 | 12,892,109,902 | 88,996,817,143 | 88,996,817,143 |
| Payables to logistic service companies | 50,272,678,196 | 50,272,678,196 | 41,528,292,060 | 41,528,292,060 |
| Payables for ship agency service | 964,523,146 | 964,523,146 | 1,770,218,119 | 1,770,218,119 |
| Others | 1,179,304,190 | 1,179,304,190 | 1,746,670,332 | 1,746,670,332 |
| | <u>263,185,430,749</u> | <u>263,185,430,749</u> | <u>200,826,214,849</u> | <u>200,826,214,849</u> |
| b) Trade payables detailed by suppliers with large account balances | | | | |
| Sky Cargo Services Company Limited | 58,471,526,713 | 58,471,526,713 | 30,417,029,193 | 30,417,029,193 |
| WEN PARKER BANGKOK | 38,293,234,817 | 38,293,234,817 | 334,266,437 | 334,266,437 |
| Others | 166,420,669,219 | 166,420,669,219 | 170,074,919,219 | 170,074,919,219 |
| | <u>263,185,430,749</u> | <u>263,185,430,749</u> | <u>200,826,214,849</u> | <u>200,826,214,849</u> |
| d) Trade payables to related parties | | | | |
| | <u>120,920,000</u> | <u>120,920,000</u> | <u>359,253,400</u> | <u>359,253,400</u> |

details as in Notes 31.

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14 . TAX AND PAYABLES FROM STATE BUDGET

| | Receivable at the opening year | Payable at the opening year | Payable arise in the year | Amount paid in the year | Receivable at the closing year | Payable at the closing year |
|------------------------------|-----------------------------------|--------------------------------|------------------------------|----------------------------|-----------------------------------|--------------------------------|
| | VND | VND | VND | VND | VND | VND |
| Value added tax | - | 586,129,674 | 4,841,114,095 | 5,141,697,701 | - | 285,546,068 |
| Business income tax | 134,310,458 | 2,191,641,570 | 41,045,258,539 | 20,653,521,018 | 385,664,471 | 22,834,733,104 |
| Personal income tax | - | 454,744,238 | 6,436,759,177 | 5,960,450,921 | - | 931,052,494 |
| Property tax and land rental | - | - | 178,289,000 | 178,289,000 | - | - |
| Fees and other obligations | - | - | 77,952,751 | 77,952,751 | - | - |
| | 134,310,458 | 3,232,515,482 | 52,579,373,562 | 32,011,911,391 | 385,664,471 | 24,051,331,666 |

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

15 . OTHER PAYABLES

| | 31/12/2021 | 01/01/2021 |
|--|-----------------------|----------------------|
| | VND | VND |
| - Trade union fund | 452,461,117 | 218,106,385 |
| - Short-term deposits, collateral received | 10,324,012,841 | 430,012,841 |
| - Dividend, profit payables | 178,017,730 | 165,550,405 |
| - Advance prepayments of fare | 140,433,146 | 112,417,770 |
| - Others | 1,785,849,101 | 2,133,337,706 |
| | 12,880,773,935 | 3,059,425,107 |

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16 . OWNER'S EQUITY

a) Increase and decrease in owner's equity

| | Contributed capital | | Share premium | Treasury shares | Investment and development funds | Other reserves | Retained earnings | Non controlling interest | Total |
|---|------------------------|-----------------------|-------------------------|-----------------------|----------------------------------|------------------------|----------------------|--------------------------|-------|
| | VND | VND | | | | | | | |
| Beginning balance of previous year | 143,745,770,000 | 41,816,120,654 | (1,600,120,000) | 42,344,656,047 | 137,025,747,333 | 80,008,968,270 | 1,663,922,421 | 445,005,064,725 | |
| Increase in capital of previous year | 7,107,280,000 | - | - | - | - | - | - | 7,107,280,000 | |
| Profit for previous year | - | - | - | - | - | 82,120,488,018 | 212,156,980 | 82,332,644,998 | |
| Profit distribution | - | - | - | 4,024,463,035 | 14,979,888,903 | (40,244,630,348) | - | (21,240,278,410) | |
| Buying treasury stock | - | (14,933,272,662) | (15,700,000,000) | - | - | - | - | (30,633,272,662) | |
| Other decrease | - | - | - | - | - | (169,958,082) | (20,103,049) | (190,061,131) | |
| Ending balance of previous year | 150,853,050,000 | 26,882,847,992 | (17,300,120,000) | 46,369,119,082 | 152,005,636,236 | 121,714,867,858 | 1,855,976,352 | 482,381,377,520 | |
| Beginning balance of current year | 150,853,050,000 | 26,882,847,992 | (17,300,120,000) | 46,369,119,082 | 152,005,636,236 | 121,714,867,858 | 1,855,976,352 | 482,381,377,520 | |
| Increase in capital of this year (*) | 6,677,640,000 | - | - | - | - | - | - | 6,677,640,000 | |
| Profit for current year | - | - | - | - | - | 173,067,714,721 | 1,969,923,995 | 175,037,638,716 | |
| Profit distribution (**) | - | - | - | 8,195,216,259 | 51,265,441,950 | (103,320,630,087) | - | (43,859,971,878) | |
| Decrease taxes arrears | - | - | - | - | - | (124,960,663) | - | (124,960,663) | |
| Ending balance of current year | 157,530,690,000 | 26,882,847,992 | (17,300,120,000) | 54,564,335,341 | 203,271,078,186 | 191,336,991,829 | 3,825,900,347 | 620,111,723,695 | |

(*) According to the report on the results of stock issuance under the employee selection program in the Company dated May 20, 2021:

- Purpose of issuance: To properly recognize and reward employees in the Company when they have outstanding achievements, encourage their attachment and enhance the employees' rights and responsibilities towards the Company.
- Release date: May 18, 2021; Expected trading date: 22/05/2023; Issuing price: 10,000 VND/share;
- Number of shares distributed: 667,764 shares; Number of employees to be distributed: 12 people;
- Total number of shares at the issuance date: 15,753,069 shares, of which the number of outstanding shares is 14,023,057 shares, the number of treasury shares is 1,730,012 shares.

(**) According to the Resolution of the General Meeting of Shareholders No. 01/NQ-ĐHĐCD-SAFI 2021 dated April 23, 2021, the Company announced the distribution of 2020 profit and the 2021 dividend advance as follows:

| Profit distribution | At the parent company |
|--|-----------------------|
| Investment and development funds | 8,195,216,259 |
| Other funds belonging to owner's equity | 51,265,441,950 |
| Operating budget of the Board of Directors and Supervisory Board | 2,458,564,878 |
| Dividend payment in 2020 (equivalent to 15% of charter capital) | 20,366,821,500 |
| Advance dividend in 2021 (equivalent to 15% of charter capital) | 21,034,585,500 |
| Retain Earnings | 69,616,490,151 |

b) Details of owner's invested capital

| | Rate | 31/12/2021 | Rate | 01/01/2021 |
|-------------------------------------|-------------|------------------------|-------------|------------------------|
| | (%) | VND | (%) | VND |
| Mr. Nguyen Hoang Anh | 6.16% | 9,700,000,000 | 6.63% | 10,000,000,000 |
| Samarang Ucits | 5.68% | 8,950,100,000 | 5.93% | 8,950,100,000 |
| NMVT Investment Joint Stock Company | 42.46% | 66,888,880,000 | 40.01% | 60,350,080,000 |
| Mr. Nguyen Hoang Dung | 5.22% | 8,230,000,000 | 0.00% | - |
| Others | 29.49% | 46,461,590,000 | 35.96% | 54,252,750,000 |
| Treasury stock | 10.98% | 17,300,120,000 | 11.47% | 17,300,120,000 |
| | 100% | 157,530,690,000 | 100% | 150,853,050,000 |

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

| | Year 2021 | Year 2020 |
|--|--------------------|--------------------|
| | VND | VND |
| Owner's contributed capital | 157,530,690,000 | 150,853,050,000 |
| - At the beginning of year | 150,853,050,000 | 143,745,770,000 |
| - Increase in the year | 6,677,640,000 | 7,107,280,000 |
| - At the ending of year | 157,530,690,000 | 150,853,050,000 |
| Distributed dividends and profit: | 178,017,730 | 165,550,405 |
| - Dividend payable at the beginning of the year | 165,550,405 | 155,187,805 |
| - Dividend payable in the year: | 41,401,407,000 | 20,032,939,500 |
| + Dividend payable from last year's profit | 20,366,821,500 | 20,032,939,500 |
| + Estimated dividend payable from this year's profit | 21,034,585,500 | - |
| - Dividend paid in cash during the year | (41,388,939,675) | (20,022,576,900) |
| + Dividend paid from last year's profit | (20,532,371,905) | (20,022,576,900) |
| + Provisional dividend paid from this year's profit | (20,856,567,770) | - |
| - Dividend payable at the end of the year | <u>178,017,730</u> | <u>165,550,405</u> |

d) Stock

| | 31/12/2021 | 01/01/2021 |
|---|------------|------------|
| Quantity of Authorized issuing stocks | 15,753,069 | 15,085,305 |
| Quantity of issued shares and full capital contribution | 15,753,069 | 15,085,305 |
| - Common stocks | 15,753,069 | 15,085,305 |
| Quantity of shares repurchased | 1,730,012 | 1,730,012 |
| - Common stocks | 1,730,012 | 1,730,012 |
| Quantity of outstanding shares in circulation | 14,023,057 | 13,355,293 |
| - Common stocks | 14,023,057 | 13,355,293 |
| Par value per stock (VND) | 10,000 | 10,000 |

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e) Company's funds

| | 31/12/2021 | 01/01/2021 |
|---|------------------------|------------------------|
| | VND | VND |
| Investment and development fund | 54,564,335,341 | 46,369,119,082 |
| Other funds belonging to owners' equity | 203,271,078,186 | 152,005,636,236 |
| | <u>257,835,413,527</u> | <u>198,374,755,318</u> |

17 . OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT
a) Operating leased assets

The company signs land lease contracts at a number of locations to use for production and business purposes. Under these contracts, the Company must pay the annual land rent until the contract term as prescribed by the State. As follows:

| <u>Location</u> | <u>Acreage</u> | <u>Rental period</u> |
|--|-------------------------|---|
| 1 No. 28 Dao Tri Street, Quarter 3, Phu Nhuan Ward, District 7, Ho Chi Minh City | 10,000 m ² | 50 years, from 18/01/2000 to 18/01/2050 |
| 2 Lot NM6 Phu Thi Small and Medium Industrial Park, Gia Lam, Hanoi | 4,800 m ² | 50 years, from January 20, 2003 to January 20, 2053 |
| 3 No. 2, Da Nang Industrial Park, An Don, An Hai Bac Ward, Son Tra District, Da Nang City | 9,488.40 m ² | 36 years and 4 months, from 11/05/2007 to 21/09/2043 |

b) Foreign currencies

| | 31/12/2021 | 01/01/2021 |
|-------|--------------|--------------|
| - USD | 5,034,298.94 | 3,245,569.99 |
| - EUR | 433.68 | 444.60 |

18 . TOTAL REVENUE FROM SALE OF GOODS AND RENDERING OF SERVICES

| | Year 2021 | Year 2020 |
|--|-----------------------|-----------------------|
| | VND | VND |
| Revenue from Logistics operations | 689,661,018,099 | 394,666,568,285 |
| Revenue from Forwarding operations | 1,151,742,521,678 | 786,790,393,607 |
| Revenue from shipping agency services and other activities | 10,245,053,963 | 21,715,769,307 |
| | <u>10,245,053,963</u> | <u>21,715,769,307</u> |
| Revenue from related parties <i>details as in Notes 31.</i> | <u>52,492,000</u> | <u>1,252,400,000</u> |

19 . COSTS OF GOODS SOLD

| | Year 2021 | Year 2020 |
|---|--------------------------|--------------------------|
| | VND | VND |
| Cost of logistics operations | 560,238,075,937 | 301,226,459,272 |
| Cost of forwarding operations | 1,052,348,746,400 | 723,344,019,748 |
| Cost of shipping agency services and other activities | 5,541,878,413 | 6,818,458,117 |
| | <u>1,618,128,700,750</u> | <u>1,031,388,937,137</u> |

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| | Year 2021 | Year 2020 |
|---|------------------------------|------------------------------|
| | VND | VND |
| Interest income, interest from loans | 711,832,590 | 112,620,897 |
| Gain from selling investments | 65,339,096,739 | - |
| Dividends, profits earned | 7,558,506,788 | 15,224,166,608 |
| Realized gain from foreign exchange difference | 808,519,551 | 692,499,019 |
| Unrealized gain from foreign exchange difference | 195,743,919 | 823,628,908 |
| Profit from selling securities | 1,908,043,767 | 66,670,233 |
| | <u>76,521,743,354</u> | <u>16,919,585,665</u> |
| Finance income from related parties <i>details as in Notes 31.</i> | <u>2,098,934,944</u> | <u>1,448,121,608</u> |

21 . FINANCIAL EXPENSES

| | Year 2021 | Year 2020 |
|--|---------------------------|-------------------------------|
| | VND | VND |
| Interest expenses | 7,501,887 | 38,927 |
| Realized loss from foreign exchange difference | 949,928,517 | 1,945,258,414 |
| Unrealized loss from foreign exchange difference | 37,887,570 | - |
| Provisions for devaluation of trading securities and investments | (86,035,715) | (7,031,533,346) |
| Others | 5,937,963 | 12,435,000 |
| | <u>915,220,222</u> | <u>(5,073,801,005)</u> |

22 . SELLING EXPENSES

| | Year 2021 | Year 2020 |
|---------------------------------|------------------------------|------------------------------|
| | VND | VND |
| Labor | 59,403,074,472 | 60,224,753,359 |
| Depreciation and amortisation | 3,117,502,117 | 2,751,094,919 |
| Expenses from external services | 11,416,818,978 | 11,779,621,920 |
| Other expenses by cash | 2,099,964,177 | 2,908,959,655 |
| | <u>76,037,359,744</u> | <u>77,664,429,853</u> |

23 . GENERAL ADMINISTRATIVE EXPENSES

| | Year 2021 | Year 2020 |
|---------------------------------|------------------------------|------------------------------|
| | VND | VND |
| Raw materials | 4,319,091 | - |
| Labor | 8,500,964,258 | 8,362,290,877 |
| Depreciation and amortisation | 1,589,624,550 | 2,413,589,806 |
| Tax, Charge, Fee | 6,000,000 | 20,155,832 |
| Expenses from external services | 7,800,722,498 | 7,748,742,428 |
| Other expenses by cash | 1,440,660,862 | 749,622,963 |
| | <u>19,342,291,259</u> | <u>19,294,401,906</u> |

24 . OTHER INCOME

| | Year 2021 | Year 2020 |
|---|----------------------|--------------------|
| | VND | VND |
| Gain from liquidation, disposal of fixed assets | 19,000,000 | 39,783,367 |
| Collected fines | 2,160,606,060 | - |
| Others | 14,857,073 | 893,741,662 |
| | <u>2,194,463,133</u> | <u>933,525,029</u> |

25 . CURRENT BUSINESS INCOME TAX EXPENSE

| | Year 2021 | Year 2020 |
|--|-----------------------|-----------------------|
| | VND | VND |
| <i>Corporate income tax from main business activities</i> | | |
| - Current corporate income tax expense in parent company | 39,645,764,219 | 14,941,078,889 |
| - Current corporate income tax expense in Cosfi Transport Agent Joint Stock Company | 1,041,008,399 | 83,571,989 |
| - Current corporate income tax expense in Safi Infrastructure Investment Company Limited | 358,485,921 | 1,052,639,992 |
| Current corporate income tax expense | <u>41,045,258,539</u> | <u>16,077,290,870</u> |

26 . BASIC EARNINGS PER SHARE

Earning per share distributed to common shareholders of the company is calculated as follows :

| | Year 2021 | Year 2020 |
|--|-----------------|----------------|
| | VND | VND |
| Net profit after tax | 173,067,714,721 | 82,120,488,018 |
| Profit distributed for common stocks | 173,067,714,721 | 82,120,488,018 |
| Average number of outstanding common shares in circulation in the year | 13,771,728 | 14,250,415 |
| Basic earnings per share | <u>12,567</u> | <u>5,763</u> |

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

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

27 . BUSINESS AND PRODUCTIONS COST BY ITEMS

| | Year 2021 | Year 2020 |
|---------------------------------|--------------------------|--------------------------|
| | VND | VND |
| Raw materials | 31,889,078,382 | 22,023,006,705 |
| Labour | 73,649,322,094 | 74,865,731,464 |
| Depreciation and amortisation | 21,334,296,186 | 22,332,653,544 |
| Expenses from external services | 1,477,834,334,121 | 952,102,145,039 |
| Other expenses by cash | 109,092,809,243 | 50,311,486,536 |
| | <u>1,713,799,840,026</u> | <u>1,121,635,023,288</u> |

28 . FINANCIAL INSTRUMENTS

The types of financial instruments of the Company include:

| | Carrying amount | | | |
|--------------------------------------|------------------------|----------------------|------------------------|----------------------|
| | 31/12/2021 | | 01/01/2021 | |
| | Original Cost | Provision | Original Cost | Provision |
| | VND | VND | VND | VND |
| Financial Assets | | | | |
| Cash and cash equivalents | 231,546,309,493 | - | 136,330,512,608 | - |
| Trade receivables, other receivables | 400,872,110,268 | - | 232,401,406,424 | - |
| Short term investments | 16,140,364,285 | (843,964,285) | 3,921,608,618 | - |
| Long term investments | 85,213,609,000 | - | 158,549,914,846 | (930,000,000) |
| | <u>733,772,393,046</u> | <u>(843,964,285)</u> | <u>531,203,442,496</u> | <u>(930,000,000)</u> |

| | Carrying amount | |
|--------------------------------|------------------------|------------------------|
| | 31/12/2021 | 01/01/2021 |
| | VND | VND |
| Financial Liabilities | | |
| Trade payables, other payables | 276,066,204,684 | 205,315,990,396 |
| | <u>276,066,204,684</u> | <u>205,315,990,396</u> |

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No. 210/2009/TT-BTC and prevailing statutory regulations require to present Financial Statements and Notes to financial instruments but do not provide any relevant instruction for assessment and recognition of fair value of financial assets and liabilities, excluding provision for doubtful debts and provision for diminution in value of trading securities which are presented in relevant notes.

Financial risk management

The Company's financial risks including market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of General Directors of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

Market risk

The Company's business operations will bear the risks of changes on prices, exchange rates and interest rates.

Price Risk

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

| | Under 1 year VND | From 1 to 5 years VND | From more than 5 years VND | Total VND |
|-------------------------|-----------------------|--------------------------|----------------------------------|------------------------|
| As at 31/12/2021 | | | | |
| Short term investments | 15,296,400,000 | - | - | 15,296,400,000 |
| Long term investments | - | 85,213,609,000 | - | 85,213,609,000 |
| | <u>15,296,400,000</u> | <u>85,213,609,000</u> | <u>-</u> | <u>100,510,009,000</u> |
| As at 01/01/2021 | | | | |
| Short term investments | 3,921,608,618 | - | - | 3,921,608,618 |
| Long term investments | - | 157,619,914,846 | - | 157,619,914,846 |
| | <u>3,921,608,618</u> | <u>157,619,914,846</u> | <u>-</u> | <u>161,541,523,464</u> |

Exchange rate risk

The Company bears the risk of exchange rate due to the fluctuation in fair value of future cash flows of a financial instrument in line with changes in exchange rates if loans, revenues and expenses of the Company are denominated in foreign currencies other than VND.

Interest rate risk

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

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| | Under 1 year | From 1 to 5 years | From more than 5 | Total |
|--------------------------------------|------------------------|--------------------|------------------|------------------------|
| | VND | VND | years | VND |
| | VND | VND | VND | VND |
| As at 31/12/2021 | | | | |
| Cash and cash equivalents | 231,546,309,493 | - | - | 231,546,309,493 |
| Trade receivables, other receivables | 400,621,636,668 | 250,473,600 | - | 400,872,110,268 |
| | <u>632,167,946,161</u> | <u>250,473,600</u> | <u>-</u> | <u>632,418,419,761</u> |
| As at 01/01/2021 | | | | |
| Cash and cash equivalents | 136,330,512,608 | - | - | 136,330,512,608 |
| Trade receivables, other receivables | 232,150,932,824 | 250,473,600 | - | 232,401,406,424 |
| | <u>368,481,445,432</u> | <u>250,473,600</u> | <u>-</u> | <u>368,731,919,032</u> |

Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its financial obligations due to the lack of funds. Liquidity risk of the Company is mainly from different maturity of its financial assets and

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

| | Under 1 year | From 1 to 5 years | From more than 5 | Total |
|--------------------------------|------------------------|----------------------|------------------|------------------------|
| | VND | VND | years | VND |
| | VND | VND | VND | VND |
| As at 31/12/2021 | | | | |
| Trade payables, other payables | 276,066,204,684 | - | - | 276,066,204,684 |
| | <u>276,066,204,684</u> | <u>-</u> | <u>-</u> | <u>276,066,204,684</u> |
| As at 01/01/2021 | | | | |
| Trade payables, other payables | 203,885,639,956 | 1,430,350,440 | - | 205,315,990,396 |
| | <u>203,885,639,956</u> | <u>1,430,350,440</u> | <u>-</u> | <u>205,315,990,396</u> |

The Company believes that risk level of loan repayment is low (or controllable). The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

29 . EVENTS AFTER BALANCE SHEET DATE

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Consolidated Financial Statements.

30 . SEGMENT REPORTING**Under business fields**

| | Logistic Activities | Forwarding activities | Shipping agent services and other activities | Grant total |
|---|------------------------|------------------------|--|------------------------|
| Net revenue from sales to external customers | 689,661,018,099 | 1,151,742,521,678 | 10,245,053,963 | 1,851,648,593,740 |
| Net revenue from transactions with other segments | 560,238,075,937 | 1,052,348,746,400 | 5,541,878,413 | 1,618,128,700,750 |
| Profit from business activities | 129,422,942,162 | 99,393,775,278 | 4,703,175,550 | 233,519,892,990 |
| The total cost of acquisition of fixed assets | - | - | 19,391,506,783 | 19,391,506,783 |
| Segment assets | 312,463,449,062 | 521,817,866,039 | 4,641,707,757 | 838,923,022,857 |
| Unallocated assets | - | - | - | 94,725,470,176 |
| Total assets | 312,463,449,062 | 521,817,866,039 | 4,641,707,757 | 933,648,493,033 |
| Segment liabilities | 107,136,638,771 | 201,244,992,704 | 1,059,796,274 | 309,441,427,750 |
| Unallocated liabilities | - | - | - | 4,095,341,588 |
| Total liabilities | 107,136,638,771 | 201,244,992,704 | 1,059,796,274 | 313,536,769,338 |

Under geographical areas

All activities of the Company take place in the territory of Vietnam, so the Company doesn't prepare and present segment reports by geographical area.

31 . TRANSACTION AND BALANCES WITH RELATED PARTIES

List and relation between related parties and the Company detail as follows:

| Related parties | Relation |
|---|---|
| SITC Vietnam Company Limited | Associate company |
| Yusen Logistics International (Vietnam) Company Limited | Associate company |
| Mr. Nguyen Hoang Anh | Vice Chairman of the Board of Management and General Director |
| Mr. Nguyen Hoang Dung | Chairman of the Board of Management and Chief Executive Officer |
| Mr. Dang Tran Phuc | Member of the Board of Management and Director's Branch |
| Mr. Nguyen Truong Nam | Member of the Board of Management |
| Mr. Vu Van Truc | Member of the Board of Management |

During the fiscal year, the Company has the transactions and balances with related parties as follows:

SEA & AIR FREIGHT INTERNATIONAL (SAFI)No. 209, Nguyen Van Thu Street, Da Kao Ward,
District 1, Ho Chi Minh City**Consolidated Financial Statements**
For the fiscal year ended as at 31/12/2021

Transactions during the year:

| | Year 2021 | Year 2020 |
|------------------------------|-----------------------|----------------------|
| | VND | VND |
| Revenue | 52,492,000 | 1,252,400,000 |
| SITC Vietnam Company Limited | 52,492,000 | 1,252,400,000 |
| Purchases | 10,706,175,885 | 8,062,603,854 |
| SITC Vietnam Company Limited | 10,706,175,885 | 8,062,603,854 |
| Dividends distributed | 2,098,934,944 | 1,448,121,608 |
| SITC Vietnam Company Limited | 2,098,934,944 | 1,448,121,608 |

Outstanding balances up to the reporting date are as follows:

| | 31/12/2021 | 01/01/2021 |
|-------------------------------------|----------------------|----------------------|
| | VND | VND |
| Short-term trade receivables | 1,569,071,884 | 2,857,040,360 |
| SITC Vietnam Company Limited | 1,569,071,884 | 2,857,040,360 |
| Other receivables | - | 677,100,000 |
| SITC Vietnam Company Limited | - | 677,100,000 |
| Short-term trade payables | 120,920,000 | 359,253,400 |
| SITC Vietnam Company Limited | 120,920,000 | 359,253,400 |

Income of members of the Board of General Directors, Board of Management and Board of Supervision as follow:

| | Year 2021 | Year 2020 |
|-----------------------|---------------|-------------|
| | VND | VND |
| Mr. Nguyen Hoang Anh | 1,011,500,000 | 935,300,000 |
| Mr. Nguyen Hoang Dung | 848,800,000 | 848,800,000 |
| Mr. Dang Tran Phuc | 733,800,000 | 733,800,000 |
| Mr. Vu Van Truc | - | - |
| Mr. Nguyen Truong Nam | - | - |

32 . COMPARATIVE FIGURES

The corresponding figures are those taken from the accounts for the fiscal year ended as at 31 December 2021 which was audited by AASC Auditing Firm Company Limited.







| | | |
|-------------------------|--|--------------------------------------|
| Doan Thu Ha Preparer | Nguyen Thanh Tuyen Chief Accountant | Nguyen Hoang Anh General Director |
|-------------------------|--|--------------------------------------|

Ho Chi Minh City, 20 February 2022