

SEAREFICO CORPORATION

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

SEAREFICO CORPORATION

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

TABLE OF CONTENTS	PAGE
Corporate information	1
Statement of the Board of Management	3
Independent auditor's report	4
Separate balance sheet (Form B 01 – DN)	6
Separate income statement (Form B 02 – DN)	9
Separate cash flow statement (Form B 03 – DN)	10
Notes to the separate financial statements (Form B 09 – DN)	11

SEAREFICO CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate joint stock company

No. 0301825452 dated 18 September 1999 was initially issued by the Department of Planning and Investment of Ho Chi Minh City on and the latest 20th amendment dated 2 November 2021.

Board of Directors

Mr. Le Tan Phuoc	Chairman
Mr. Nguyen Huu Thinh	Member
Mr. Ryota Fukuda	Member
Mr. Nishi Masayuki	Member
Mr. Le Quang Phuc	Member
Mr. Pham Kyle Tuan Anh	Member (from 25 February 2022)
Mr. Lee Men Leng	Member (until 25 February 2022)

Board of Supervision (until 20 April 2021)

Mr. Nguyen Chau Tran	Chief Supervisor
Ms. Duong Thi Kim Thoa	Member
Mr. Bui Van Quyet	Member

Audit Committee

Mr. Pham Kyle Tuan Anh	Chairman
Mr. Nguyen Huu Thinh	Member

Compensation and Organisation Development Committee

Mr. Le Quang Phuc	Chairman
Mr. Nguyen Huu Thinh	Member

Board of Internal Audit under Board of Directors (from 14 April 2021)

Mr. Nguyen Chau Tran	Acting Chief Supervisor
----------------------	-------------------------

SEAREFICO CORPORATION

CORPORATE INFORMATION (continued)

Board of Management	Ms. Nguyen Thi Thanh Huong	Chief Executive Officer
	Mr. Nguyen Quoc Cuong	Deputy General Director
	Mr. Tran Dinh Muoi	Deputy General Director
	Mr. Pham Ngoc Son	Deputy General Director
	Mr. Huynh Khoi Binh	Deputy General Director (from 26 March 2022)
	Mr. Phan Thanh Long	Chief Financial Officer
	Mr. Vuong Tran Quoc Thanh	Chief Accountant
Legal representative	Mr. Le Tan Phuoc	Chairman
	Ms. Nguyen Thi Thanh Huong	Chief Executive Officer
Registered office	14th Floor, Centec Tower, 72-74 Nguyen Thi Minh Khai Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

SEAREFICO CORPORATION

STATEMENT OF THE BOARD OF MANAGEMENT

STATEMENT OF RESPONSIBILITY OF THE BOARD OF MANAGEMENT OF THE COMPANY IN RESPECT OF SEPARATE FINANCIAL STATEMENTS

The Board of Management of Searefico Corporation (“the Company”) is responsible for preparing the separate financial statements which give a true and fair view of the separate financial position of the Company as at 31 December 2021, and of the separate results of its operations and its separate cash flows for the year then ended. In preparing these separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the separate financial position of the Company and which enable the separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

We hereby approve the accompanying separate financial statements as set out on pages 6 to 49 which give a true and fair view of the separate financial position of the Company as at 31 December 2021, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2021 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

On behalf of the Board of Management



Nguyen Thi Thanh Huong
Chief Executive Officer

Ho Chi Minh City, Vietnam
26 March 2022



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF SEAREFICO CORPORATION

We have audited the accompanying separate financial statements of Searefico Corporation ("the Company") which were prepared on 31 December 2021 and approved by the Board of Management on 26 March 2022. The separate financial statements comprise the separate balance sheet as at 31 December 2021, the separate income statement and the separate cash flow statement for the year then ended, and explanatory notes to the separate financial statements including significant accounting policies, as set out on pages 6 to 49.

Responsibility of the Board of Management

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements and responsible for such internal control which the Board of Management determines as necessary to enable the preparation and fair presentation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Auditor's Opinion

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, its separate financial performance and separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements.

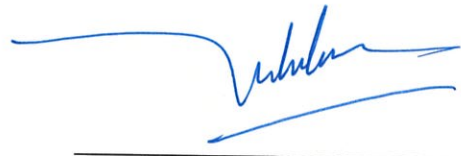
Other Matters

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Quach Thanh Chau
Audit Practising Licence No:
0875-2018-006-1
Authorised signatory



Tran Thi Cam Tu
Audit Practising Licence No:
2713-2018-006-1

Report reference number: HCM11840
Ho Chi Minh City, 26 March 2022

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2021 VND	2020 VND
100	CURRENT ASSETS		697,639,081,578	1,002,181,087,328
110	Cash	3	18,248,461,423	32,339,671,707
111	Cash		18,248,461,423	32,339,671,707
120	Short-term investment		110,000,000,000	120,000,000,000
123	Investment held to maturity	4(a)	110,000,000,000	120,000,000,000
130	Short-term receivables		510,560,203,220	806,519,911,832
131	Short-term trade accounts receivable	5	464,506,007,581	786,376,056,770
132	Short-term prepayments to suppliers	6(a)	14,510,474,258	14,836,302,582
135	Short-term lendings	36(b)	1,150,000,000	-
136	Other short-term receivables	7(a)	49,767,567,153	50,158,604,885
137	Provision for doubtful debts - short-term	8	(19,373,845,772)	(44,851,052,405)
140	Inventories	9	35,399,850,396	30,897,828,276
141	Inventories		35,399,850,396	30,916,985,319
149	Provision for decline in value of inventories		-	(19,157,043)
150	Other current assets		23,430,566,539	12,423,675,513
151	Short-term prepaid expenses	10(a)	376,351,597	409,692,117
152	Value added tax ("VAT") to be reclaimed	15(a)	23,054,214,942	12,013,983,396



The notes on pages 11 to 49 are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET
(continued)

Code	ASSETS (continued)	Note	As at 31 December	
			2021 VND	2020 VND
200	LONG-TERM ASSETS		403,013,121,277	341,381,753,742
210	Long-term receivable		4,373,260,000	1,530,901,840
212	Long-term prepayments to suppliers	36(b)	3,000,000,000	-
216	Other long-term receivables	7(b)	1,373,260,000	1,530,901,840
220	Fixed assets		1,024,186,697	1,844,556,596
221	Tangible fixed assets	11(a)	1,024,186,697	1,570,289,929
222	Historical cost		8,117,033,655	11,409,832,977
223	Accumulated depreciation		(7,092,846,958)	(9,839,543,048)
227	Intangible fixed assets	11(b)	-	274,266,667
228	Historical cost		2,011,626,260	2,011,626,260
229	Accumulated amortisation		(2,011,626,260)	(1,737,359,593)
240	Long-term asset in progress		29,803,503,417	29,803,503,417
242	Construction in progress	12	29,803,503,417	29,803,503,417
250	Long-term investments		364,203,786,116	304,383,786,116
251	Investments in subsidiaries	4(b)	308,354,188,754	248,534,188,754
252	Investments in associates	4(b)	51,392,880,000	51,392,880,000
253	Investments in other entities	4(b)	4,456,717,362	4,456,717,362
260	Other long-term assets		3,608,385,047	3,819,005,773
261	Long-term prepaid expenses	10(b)	500,911,491	1,354,813,323
262	Deferred income tax assets	22	3,107,473,556	2,464,192,450
270	TOTAL ASSETS		1,100,652,202,855	1,343,562,841,070

The notes on pages 11 to 49 are an integral part of these separate financial statements.

SEPARATE BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 December	
			2021 VND	2020 VND
300	LIABILITIES		702,247,108,110	957,613,947,254
310	Short-term liabilities		696,097,731,775	951,041,614,252
311	Short-term trade accounts payable	13	284,338,850,226	246,522,308,464
312	Short-term advances from customers	14	32,080,254,422	26,811,332,317
313	Tax and other payables to the State	15(b)	3,614,157,302	9,335,544,203
314	Payables to employees	16	1,352,598,009	1,274,087,061
315	Short-term accrued expenses	17	34,337,753,574	173,210,581,887
319	Other short-term payables	18(a)	14,004,157,905	10,309,054,087
320	Short-term borrowings	19	314,569,387,946	469,631,559,421
321	Provision for short-term liabilities	20(a)	606,161,130	742,134,517
322	Bonus and welfare funds	21	11,194,411,261	13,205,012,295
330	Long-term liability		6,149,376,335	6,572,333,002
337	Other long-term payables	18(b)	3,625,454,585	3,959,331,252
342	Provision for long-term liabilities	20(b)	2,523,921,750	2,613,001,750
400	OWNERS' EQUITY		398,405,094,745	385,948,893,816
410	Capital and reserves		398,405,094,745	385,948,893,816
411	Owners' capital	23, 24	355,667,800,000	324,953,970,000
411a	- Ordinary shares with voting rights		355,667,800,000	324,953,970,000
412	Share premium	24	284,019,059	284,019,059
415	Treasury shares	24	(29,238,407,099)	(29,238,407,099)
418	Investment and development funds	24	5,427,578,589	5,427,578,589
421	Undistributed earnings	24	66,264,104,196	84,521,733,267
421a	- Undistributed post-tax profits of previous years		48,722,798,863	33,670,689,228
421b	- Post-tax profits of current year		17,541,305,333	50,851,044,039
440	TOTAL RESOURCES		1,100,652,202,855	1,343,562,841,070



Nguyen Thi
Preparer



Vuong Tran Quoc Thanh
Chief Accountant



Nguyen Thi Thanh Huong
Chief Executive Officer
26 March 2022



The notes on pages 11 to 49 are an integral part of these separate financial statements.

SEPARATE INCOME STATEMENT

Code		Note	Year ended 31 December	
			2021 VND	2020 VND
01	Revenue from sales of goods and rendering of services		213,265,052,087	1,187,571,501,905
02	Less deductions	27	-	(1,432,873,129)
10	Net revenue from sales of goods and rendering of services	27	213,265,052,087	1,186,138,628,776
11	Cost of goods sold and services rendered	28	(196,313,008,433)	(1,116,455,726,796)
20	Gross profit from sales of goods and rendering of services		16,952,043,654	69,682,901,980
21	Financial income	29	30,678,531,227	63,037,311,411
22	Financial expenses	30	(20,847,715,923)	(37,232,470,344)
23	- Including: Interest expense	30	(20,835,503,660)	(33,020,044,488)
26	General and administration expenses	31	(13,993,500,051)	(38,756,018,996)
30	Net operating profit		12,789,358,907	56,731,724,051
31	Other income	32	7,316,099,872	2,635,085,014
32	Other expenses	32	(1,479,965,062)	(262,546,630)
40	Net other income		5,836,134,810	2,372,538,384
50	Net accounting profit before tax		18,625,493,717	59,104,262,435
51	Business income tax ("BIT") - current	33	(1,727,469,490)	(8,854,160,863)
52	BIT - deferred	33	643,281,106	600,942,467
60	Net profit after tax		17,541,305,333	50,851,044,039



Nguyen Thi
Preparer



Vuong Tran Quoc Thanh
Chief Accountant



Nguyen Thi Thanh Huong
Chief Executive Officer
26 March 2022

The notes on pages 11 to 49 are an integral part of these separate financial statements.

SEPARATE CASH FLOW STATEMENT
(Indirect method)

Code	Note	Year ended 31 December	
		2021 VND	2020 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		18,625,493,717	59,104,262,435
		Adjustments for:	
02	11	826,012,775	797,931,298
03		(9,053,667,365)	13,198,419,948
04		(2,890,032,809)	1,152,931,216
05	29, 30	(28,486,824,587)	(60,400,693,913)
06	30	20,835,503,660	33,020,044,488
08		(143,514,609)	46,872,895,472
09		299,208,313,591	(30,549,376,302)
10		(4,482,865,077)	216,347,490,239
11		(88,957,652,834)	(46,616,384,302)
12		887,242,352	1,896,992,173
14		(20,095,930,024)	(33,514,107,666)
15	15(b)	(7,760,451,257)	(1,467,159,958)
17		(7,187,730,438)	(10,665,194,441)
20		171,467,411,704	142,305,155,215
CASH FLOWS FROM INVESTING ACTIVITIES			
21		(48,500,000)	(383,200,000)
22		771,404,958	590,909,091
23		(2,450,000,000)	-
24		11,300,000,000	31,703,107,647
25		(96,670,000,000)	(142,800,000,000)
26		36,850,000,000	35,139,282,638
27		19,750,644,529	45,990,459,829
30		(30,496,450,513)	(29,759,440,795)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	19	881,749,363,381	1,215,924,207,962
34	19	(1,036,811,534,856)	(1,285,434,303,706)
36	25	-	(46,064,593,500)
40		(155,062,171,475)	(115,574,689,244)
50		(14,091,210,284)	(3,028,974,824)
60	3	32,339,671,707	35,368,646,531
61		-	-
70	3	18,248,461,423	32,339,671,707

Additional information relating to the separate cash flow statement are presented in Note 35.



Nguyen Thi
Preparer



Vuong Tran Quoc Thanh
Chief Accountant



Nguyen Thi Thanh Huong
Chief Executive Officer
26 March 2022

The notes on pages 11 to 49 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021****1 GENERAL INFORMATION**

Searefico Corporation (“the Company”) is a joint stock company established in SR Vietnam pursuant to enterprise registration certificate joint stock company (“ERCJSC”) No. 0301825452 which was issued by the Department of Planning and Investment (“DPI”) of Ho Chi Minh City, dated 18 September 1999 and the ERCJSC’s most recent amendment was on 2 November 2021.

The Company’s shares were listed on the Ho Chi Minh City Stock Exchange (“HOSE”) with the stock trading code “SRF” in accordance with License No. 117/QĐ-SGDHCM dated 29 September 2009, and the first trading date of the Company’s shares was on 21 October 2009.

The Company’s principal activities are to consult, survey, design, supply materials and equipment and provide installation services in relation to industrial refrigeration projects, air conditioning system, electricity system, fire prevention and fighting system, lift, water supply and drainage system, mechanics for industrial and household projects; produce and process, fabricate refrigeration machinery, equipment and materials; execute construction and interior, exterior decoration projects for civil works and industrial projects; provide maintenance and repair services of refrigeration equipment and transportation vehicles; trade materials and goods, machinery and equipment; execute construction of road and rail transportation infrastructures, public projects and houses.

The normal business cycle of the Company is 12 months.

The Company has one branch, Danang Refrigeration Electrical Engineering Branch – Searefico Refrigeration Industry Corporation (“the Branch”). The Branch is incorporated pursuant to the branch operation registration certificate No. 0301825452-001 initially issued by the DPI of Da Nang City on 17 January 2000, as amended. The Branch’s registered office is located at Street 10, Hoa Khanh Industry zone, Hoa Khanh Bac Ward, Lien Chieu District, Da Nang City, Vietnam.

As at 31 December 2021, the Company had 28 employees (as at 31 December 2020: 37 employees).

1 GENERAL INFORMATION (continued)

As at 31 December 2021, the Company had subsidiaries and associates as follows:

	Principal activities	Place of incorporation and operation	31.12.2021		31.12.2020	
			Ownership (%)	Voting rights (%)	Ownership (%)	Voting rights (%)
Direct subsidiaries						
Searefico Engineering and Construction Joint Stock Company ("Searefico E&C")	Installation of industrial refrigeration projects, air conditioning systems	District 3, Ho Chi Minh City, Vietnam	99.31	99.31	99.00	99.00
Seareal Real Estate Joint Stock Company ("Seareal")	Trading real estate	District 3, Ho Chi Minh City, Vietnam	98.40	98.40	98.40	98.40
Asia Refrigeration Industry Joint Stock Company ("Arico")	Execution of refrigeration electrical mechanical systems; producing insulated materials	Binh Tan District, Ho Chi Minh City, Vietnam	84.00	84.00	84.00	84.00
Indirect subsidiaries						
Searee Refrigeration Electrical Engineering Corporation ("Searee") (*)	Execution of refrigeration electrical mechanical systems	Lien Chieu District, Da Nang City, Vietnam	73.19	73.70	73.30	73.30
Phoenix Energy & Automation Joint Stock Company ("Phoenix")	Producing, transmitting and distributing electricity; installation of electrical systems	District 3, Ho Chi Minh City, Vietnam	37.80	75.00	37.80	75.00
Greenpan Joint Stock Company ("Greenpan")	Producing unburnt light materials, PIR fireproof panels (polyisocyanurate)	Binh Tan District, Ho Chi Minh City, Vietnam	48.64	52.50	48.64	52.50
Associate						
Thua Thien Hue Construction Joint Stock Corporation ("HCC")	Construction of civil and industrial projects	Hue City, Thua Thien – Hue Province, Vietnam	36.00	36.00	36.00	36.00

(*) According to the resolution of the Board of Directors No. 005A/NQ/HĐQT/21 dated 15 April 2021, the Company has transferred all the shares that the Company owns in Searee subsidiary to another subsidiary which is the Searefico E&C. This transfer was completed as at 23 June 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of separate financial statements

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements. The separate financial statements have been prepared under the historical cost convention.

The accompanying separate financial statements are not intended to present the financial position and results of separate operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The separate financial statements in the Vietnamese language are the official statutory separate financial statements of the Company. The separate financial statements in the English language have been translated from the Vietnamese version.

Separately, the Company has also prepared consolidated financial statements of the Company and its subsidiaries (together, “the Group”), in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated financial statements. In the consolidated financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2021 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

2.2 Fiscal year

The Company’s fiscal year is from 1 January to 31 December.

2.3 Currency

The separate financial statements are measured and presented in Vietnamese Dong (“VND”). The Company determines its accounting currency based on the currency which is mainly used in sales of goods and rendering of services, which has a significant impact on selling prices of goods and services, which is normally used for listing selling prices and receiving payments; which is mainly used in purchases of goods or services, which has a significant impact on cost of labor, materials and other production or operating costs and which is normally used as payments of those costs.

In addition, the Company also uses this currency to raise financial resources (such as via issuance of shares or bonds) and/or regularly collects this currency from business operations and savings.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are respectively translated at the buying and selling exchange rates at the separate balance sheet date of the commercial bank where the Company regularly transacts. Foreign currencies deposited in banks at the separate balance sheet date are translated at the buying exchange rate of the commercial bank where the Company opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the separate income statement.

2.5 Cash

Cash comprises cash on hand and cash in bank.

2.6 Receivables

Receivables represent trade receivables from customers arising from sales of goods and rendering of services or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Bad debts are written off when identified.

Receivables are classified into short-term and long-term receivables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost for each type of inventories is determined as follows:

Raw materials	- Cost of purchase on a weighted average basis.
Work in progress	- Cost of direct materials and labour plus manufacturing overheads directly attributable to specific projects.

Net realisable value is the estimated selling price of the materials and constructions in the normal course of business, less the estimated costs of completion and selling expenses.

The Company applies the perpetual system for inventories.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Inventories (continued)**

Provision is made, when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year are recognised as an increase or decrease of cost of goods sold and services rendered in the year.

2.8 Investments**(a) Investments held to maturity**

Investments held to maturity are investments which the Company has positive intention and ability to hold until maturity.

Investments held to maturity include bank term deposits. Those investments are initially accounted for at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investments are uncollectible in whole or in part. Changes in the provision balance during the accounting fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

(b) Investments in subsidiaries

Subsidiaries are all entities whose financial and operating policies the Company has the power to govern in order to gain future benefits from their activities, generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition including capital contribution value plus other expenditures directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

(c) Investment in associates

Associate is the investment that the Company has significant influence but not control over and the Company would generally have from 20% to less than 50% of the voting rights of the investee.

Investments in associates are accounted for at cost of acquisition including capital contribution value plus other expenditure directly attributable to the investment. Subsequently, the Board of Management reviews the outstanding investment to determine the amount of provision to recognise at the year end.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.8 Investments (continued)****(d) Investments in other entities**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

(e) Provision for investments in subsidiaries, associates and other entities

Provision for investments in subsidiaries, associate, and other entities is made when there is a diminution in value of the investments at the year end. Regarding investments in listed shares or those whose fair value can be determined reliably, the provision for diminution in value is made when cost is higher than market value. For other investments, provision for diminution in value is made when the investees make losses, except when the loss is anticipated by the Board of Management before the date of investment.

Changes in the provision balance during the accounting year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.9 Lendings

Lendings are lendings granted for interest the earning interest under agreements among parties but not for being traded as securities.

Lendings are initially recognised at cost. Subsequently, the Board of Management reviews all outstanding amounts to determine the amount of provision to recognise at the year end. Provision for doubtful lending is made for each lending based on overdue days in payment of principals according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. Changes in the provision balance during the accounting year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Lendings are classified into short-term and long-term lendings on the separate balance sheet based on the remaining term of the lendings as at the separate balance sheet date.

2.10 Construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of design, technology and functions or ultimate purpose of use.

When the outcome of a construction contract cannot be reliably estimated, contract revenue is recognised to the extent of contract costs incurred where it is probable those costs will be recoverable. Contract costs are only recognised when incurred during the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Construction contracts (continued)**

When the outcome of a contract can be estimated reliably, and the contractor is paid in accordance with the planned schedule, contract revenue and contract costs are recognised over the year of the contract as revenue and expenses, respectively. The Office uses the realized volume value method to determine the appropriate amounts of revenue and expenses to recognize during the year. The value of the executed volume is determined by the value of the completed construction work in the year confirmed by the customer.

2.11 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure which is incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the separate income statement when incurred in the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Plant and buildings	5 – 25 years
Machinery and equipment	5 – 20 years
Motor vehicles	6 – 10 years
Office equipment	3 – 8 years
Computer software	3 years
Others	5 – 20 years

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the separate income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.11 Fixed assets (continued)***Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to newly construct, repair and maintain, upgrade, renew or equip the projects with technologies as all necessary costs for new construction or repair, renovation, expansion or re-engineering of construction techniques such as construction costs; costs of tools and equipments; project management expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Company's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.12 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the separate income statement on a straight-line basis over the term of the lease.

2.13 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the separate balance sheet. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives or the period which economic benefits are generated in relation to these expenses.

2.14 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchases of goods and services; and
- Other payables are non-trade payables and payables not relating to purchases of goods and services.

Payables are classified into short-term and long-term payables on the separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

2.15 Borrowings

Borrowings include borrowings from banks and related parties.

Borrowings are classified into short-term and long-term borrowings on the separate balance sheet based on the remaining terms from the separate balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.15 Borrowings (continued)**

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the separate income statement when incurred.

2.16 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoice or insufficient records and documents; other payables to employees; accrued interest expenses and project costs in the reporting year. Accrued expenses are recorded as expenses in the reporting year.

2.17 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligations. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting year are recorded as an increase or decrease in operating expenses.

2.18 Provision for severance allowances

In accordance with Vietnamese labour laws, employees of the Company who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Company less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Company.

The severance allowance is accrued at the end of the reporting year on the basis that each employee is entitled half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee's contract's average salary for the six-month period prior to the separate balance sheet date.

This allowance will be paid as a lump sum when the employees terminate their labour contracts in according with current regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.19 Capital and reserves**

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares brought before the effective date of the Securities Law (i.e. 1 January 2021) are shares issued by the Company and bought-back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on securities.

Treasury shares brought after 1 January 2021 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Company's results (profits) after BIT at the reporting date.

2.20 Appropriation of profit

The Company's dividends are recognised as a liability in the Company's separate financial statements in the year in which the dividends are approved by the Company's General Meeting of shareholders.

Net profit after BIT could be distributed to shareholders after approval at a General Meeting of shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company maintains the following reserves which are appropriated from the Company's profit after BIT as proposed by the Board of Directors and subject to approval by the Company's shareholders at the General Meeting:

(a) Investment and development fund

Investment and development fund is appropriated for use in the Company's expansion or upgrading of its operation or in-depth investments.

(b) Bonus and welfare fund

Bonus and welfare fund is presented as a liability on the interim separate balance sheet. This fund is appropriated for the purpose of pecuniary rewarding and encouragement, common benefits and improvement of the employees' benefits.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Revenue recognition****(a) Revenue from sales of goods**

Revenue from sales of goods is recognised in the separate income statement when all five (5) following conditions are satisfied:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the “substance over form” principle and allocated to each sales obligation. If the Company gives promotional goods to customers associated with their purchases, the Company allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the separate income statement.

(b) Revenue from construction contracts

A construction contract is a contract specifically negotiated for the construction of an asset or a combination of assets that are closely interrelated or interdependent in terms of their design, technology and functions or their ultimate purpose of use.

When the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the amount of work completed and certified by customers. Claimable receivable and other receivable are included in revenue to the extent that they have been verified by the customers.

Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent that it is probable that contract costs incurred will be recoverable. Contract costs are only recognised when incurred during the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Revenue recognition (continued)****(c) Revenue from rendering of services**

Revenue from rendering of services is recognised in the separate income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided. Revenue from the rendering of services is only recognised when the four (4) of the following conditions are satisfied:

- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Office;
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

(d) Interest income

Interest income is recognised on an earned basis.

(e) Dividend income

Income from dividends is recognised when the Company has established the receiving right from investees.

2.22 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year.

Sales deductions for sales of products, goods or rendering of services which are sold/rendered in the year but are incurred after the separate balance sheet date but before the issuance of the separate financial statements are recorded as a deduction from the revenue of the year.

2.23 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold and services rendered during the year, and recorded on the basis of matching with revenue and on a prudent basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.24 Cost of construction contracts**

Cost of construction contracts is recognised based on amount of work completed of construction projects and the estimated gross profit of the projects and recorded on the basis of matching with revenue and on prudent basis. The Board of Management and Division Directors have the responsibility to follow up, update and adjust the gross profit periodically.

Where it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense.

2.25 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including interest expense and losses from foreign exchange differences.

2.26 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2.27 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim separate financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the separate balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors, the Board of Management and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationship with each related party, the Company considers the substance of the relationship not merely the legal form.

2.29 Segment reporting

A segment is a component which can be separated by the Company engaged in sales of goods or rendering of services (“business segment”), or sales of goods or rendering of services within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company’s business segment or the Company’s geographical segment.

2.30 Critical accounting estimates

The preparation of separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of separate financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- Provision for doubtful debts (Note 8);
- Provision for decline in value of inventories (Note 9);
- Estimated useful life of fixed assets (Note 11); and
- Accrued expenses and provisions (Note 17, 20).

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of Management to be reasonable under the circumstances.

SEAREFICO CORPORATION

Form B 09 – DN

3 CASH

	2021 VND	2020 VND
Cash on hand	202,256,980	114,079,148
Cash in bank	18,046,204,443	32,225,592,559
Total	<u>18,248,461,423</u>	<u>32,339,671,707</u>

4 INVESTMENTS

(a) Investment held to maturity

	2021		2020	
	Cost VND	Book value VND	Cost VND	Book value VND
Bank deposits with original maturities of more than 3 months and less than 12 months (*)	<u>110,000,000,000</u>	<u>110,000,000,000</u>	<u>120,000,000,000</u>	<u>120,000,000,000</u>

(*) Included in the balance as at 31 December 2021 and 31 December 2020 are VND110 billion and VND120 billion, respectively, at Bank for Investment and Development of Vietnam was pledged as security for the overdraft agreement granted from this bank.



4 INVESTMENTS (continued)

(b) Long-term investments

	2021		2020	
	Cost VND	% of ownership	Cost VND	% of ownership
(i) Investments in subsidiaries				
Asia Refrigeration Industry Joint Stock Company ("Arico") (*)	96,384,188,754	84.00	79,584,188,754	84.00
Searefico Engineering and Construction Joint Stock Company ("Searefico E&C") (**)	148,970,000,000	99.31	69,300,000,000	99.00
Seareal Real Estate Joint Stock Company ("Seareal")	63,000,000,000	98.40	63,000,000,000	98.40
Searee Refrigeration Electrical Engineering ("Searee") (**)	-	0.00	36,650,000,000	73.30
Total	<u>308,354,188,754</u>		<u>248,534,188,754</u>	
(ii) Investments in associates				
Thua Thien Hue Construction Joint Stock Corporation ("HCC") (***)	<u>51,392,880,000</u>	<u>36.00</u>	<u>51,392,880,000</u>	<u>36.00</u>
(iii) Investments in other entities				
International Investment and Water Technology Joint Stock Company ("Inwatek")	2,556,717,362	2.84	2,556,717,362	6.88
Formtek Engineering Joint Stock Company ("Formtek")	<u>1,900,000,000</u>	<u>19.00</u>	<u>1,900,000,000</u>	<u>19.00</u>
Total	<u>4,456,717,362</u>		<u>4,456,717,362</u>	

(*) According to the Shareholder's General Meeting Resolution No. 014/NQ/HĐQT/20 dated 23 December 2020, the Company approved to increase charter capital of Arico.

(**) According to the Shareholder's General Meeting Resolution 015/NQ/HĐQT/20 dated 23 December 2020, the Company approved to increase charter capital of Searefico E&C to VND100 billion. Thereafter, according to the resolution of the Board of Directors No. 005A/NQ/HĐQT/21 dated 15 April 2021, the Company has transferred all the shares that the Company owns in Searee subsidiary to another subsidiary which is the Searefico E&C and increase charter capital of Searefico E&C to VND150 billion. This transfer was completed as at 23 June 2021.

(***) The fair value of the investment in HCC as at 31 December 2021 is VND235,322,010,000 (as at 31 Decemeber 2020 is VND147,505,050,000).

For the investments in Searefico E&C, Seareal, Arico, Searee, Inwatek and Formtek, as at 31 December 2021 and 31 December 2020, the Company has not determined the fair value of these investments for disclose in the separate financial statements because they do not have listed prices.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2021 VND	2020 VND
Third parties	448,878,278,643	708,546,601,758
<i>Industrial Construction Corporation</i>	84,360,709,259	100,936,433,957
<i>Saigon Binh Chau Corporation</i>	54,552,933,668	65,786,192,101
<i>Hai Dang Real Estate Investment Joint Stock Company</i>	18,853,173,147	177,013,182,864
<i>Others</i>	291,111,462,569	364,810,792,836
Related parties (Note 36(b))	15,627,728,938	77,829,455,012
Total	<u>464,506,007,581</u>	<u>786,376,056,770</u>

As at 31 December 2021 and 31 December 2020, the balances of short-term trade accounts receivable which were past due, presented in Note 8.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2021 VND	2020 VND
Third parties	11,629,517,483	14,635,302,920
<i>Gia Hung Construction and Import Export Company Limited</i>	2,343,178,838	2,343,178,838
<i>Sao Phuong Nam Corporation</i>	1,416,571,310	-
<i>Phuc Minh Electronics and Trading Joint Stock Company</i>	-	1,811,597,759
<i>EDH Energy Solutions Joint Stock Company</i>	-	1,603,743,466
<i>Others`</i>	7,869,767,335	8,876,782,857
Related parties (Note 36(b))	2,880,956,775	200,999,662
Total	<u>14,510,474,258</u>	<u>14,836,302,582</u>

7 OTHER RECEIVABLES

(a) Short-term

	2021 VND	2020 VND
Third parties	12,364,130,538	12,296,382,624
<i>Other receivables from employees</i>	4,882,384,727	1,065,920,570
<i>Advances to employees</i>	3,562,244,439	2,243,839,836
<i>Interest income receivable from banks</i>	2,682,893,699	3,139,715,616
<i>Deposits</i>	771,865,334	858,099,844
<i>Others</i>	464,742,339	4,988,806,758
Related parties (Note 36(b))	37,403,436,615	37,862,222,261
Total	<u>49,767,567,153</u>	<u>50,158,604,885</u>

(b) Long-term

The balance represents long-term deposits and guarantees.

As at 31 December 2021 and 31 December 2020, there was no balance of other receivables that was past due or not past due but doubtful.

8 DOUBTFUL DEBTS

	2021		2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Receivables that were past due	<u>126,979,225,111</u>	<u>(19,373,845,772)</u>	<u>117,897,291,639</u>	<u>(44,851,052,405)</u>

Movements in provision for short-term doubtful debts during the year are as follows:

	2021 VND	2020 VND
Beginning of year	44,851,052,405	30,685,038,581
(Reversal of provision)/provision (Note 31)	(8,901,481,935)	14,166,013,824
Write-off	(16,575,724,698)	-
End of year	<u>19,373,845,772</u>	<u>44,851,052,405</u>

9 INVENTORIES

	2021		2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	-	-	440,414,536	-
Raw materials	2,931,299	-	2,055,389,780	(19,157,043)
Work in progress (*)	35,396,919,097	-	28,410,870,762	-
Finished goods	-	-	10,310,241	-
Total	<u>35,399,850,396</u>	<u>-</u>	<u>30,916,985,319</u>	<u>(19,157,043)</u>

(*) Details for work in progress by projects are as follows:

	2021 VND	2020 VND
Hon Thom Hon Thom - Water Park Project	8,609,627,054	8,493,224,632
Hai Dang City Project - Stage 2 (The Zei)	5,741,799,804	-
Binh Dinh Dry Warehouse Project	3,903,559,022	64,885,941
Kem Beach Resort Project	3,431,294,503	3,399,327,278
Kem Beach Infrastructure - Electromechanical Project	2,819,493,556	2,582,345,832
Petit Fairmont Hotel Project	2,348,326,220	1,797,599,651
Hon Thom - Interregional Infrastructure Project	1,412,532,895	4,657,131,637
Others	7,130,286,043	7,416,355,791
Total	<u>35,396,919,097</u>	<u>28,410,870,762</u>

SEAREFICO CORPORATION

Form B 09 – DN

10 PREPAID EXPENSES

(a) Short-term

	2021 VND	2020 VND
Tools and supplies	42,251,166	40,609,244
Others	334,100,431	369,082,873
Total	<u>376,351,597</u>	<u>409,692,117</u>

(b) Long-term

	2021 VND	2020 VND
Tools and supplies	42,613,226	149,247,705
Others	458,298,265	1,205,565,618
Total	<u>500,911,491</u>	<u>1,354,813,323</u>

Movements in prepaid expenses during the year are as follows:

	2021 VND	2020 VND
Beginning of year	1,764,505,440	3,673,070,673
Increase	4,599,889,605	7,979,516,019
Allocation	(4,798,256,957)	(8,796,506,642)
Others	(688,875,000)	(1,091,574,610)
End of year	<u>877,263,088</u>	<u>1,764,505,440</u>

SEAREFICO CORPORATION

Form B 09 – DN

11 FIXED ASSETS

(a) Tangible fixed assets

	Plant and buildings VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2021	67,000,000	2,446,009,559	5,886,845,660	2,703,936,007	306,041,751	11,409,832,977
New purchases	-	-	-	48,500,000	-	48,500,000
Disposals	(67,000,000)	(1,540,446,389)	(1,733,852,933)	-	-	(3,341,299,322)
As at 31 December 2021	-	905,563,170	4,152,992,727	2,752,436,007	306,041,751	8,117,033,655
Accumulated depreciation						
As at 1 January 2021	67,000,000	2,341,488,559	4,754,718,414	2,370,294,324	306,041,751	9,839,543,048
Charge for the year	-	31,386,072	332,959,272	187,400,764	-	551,746,108
Disposals	(67,000,000)	(1,497,589,265)	(1,733,852,933)	-	-	(3,298,442,198)
As at 31 December 2021	-	875,285,366	3,353,824,753	2,557,695,088	306,041,751	7,092,846,958
Net book value						
As at 1 January 2021	-	104,521,000	1,132,127,246	333,641,683	-	1,570,289,929
As at 31 December 2021	-	30,277,804	799,167,974	194,740,919	-	1,024,186,697

Historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2021 was VND3,822,269,055 (as at 31 December 2020: VND7,073,568,377).

11 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Computer software VND	Others VND	Total VND
Historical cost			
As at 1 January 2021	1,712,426,260	299,200,000	<u>2,011,626,260</u>
Accumulated amortisation			
As at 1 January 2021	1,712,426,260	24,933,333	<u>1,737,359,593</u>
Charge for the year	-	274,266,667	<u>274,266,667</u>
As at 31 December 2021	<u>1,712,426,260</u>	<u>299,200,000</u>	<u>2,011,626,260</u>
Net book value			
As at 1 January 2021	-	274,266,667	<u>274,266,667</u>
As at 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>

Historical cost of fully amortised intangible fixed assets but still in use as at 31 December 2021 was VND2,011,626,260 (as at 31 December 2020: VND1,497,866,260).

12 CONSTRUCTION IN PROGRESS

	2021 VND	2020 VND
Phu Quoc Office	13,704,464,512	13,704,464,512
Da Nang Apartment Building	13,065,337,500	13,065,337,500
ERP System	2,970,701,405	2,970,701,405
Others	63,000,000	63,000,000
Total	<u>29,803,503,417</u>	<u>29,803,503,417</u>

Movements in the construction in progress during the year are as follows:

	2021 VND	2020 VND
Beginning of year	29,803,503,417	3,022,128,345
Purchase	-	26,781,375,072
End of year	<u>29,803,503,417</u>	<u>29,803,503,417</u>

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2021		2020	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties	177,854,887,718	177,854,887,718	166,338,511,920	166,338,511,920
<i>Company Building and Construction</i>				
<i>Electrical The Minh</i>	17,827,619,781	17,827,619,781	9,282,447,128	9,282,447,128
<i>System Logistic Spa</i>	17,575,969,372	17,575,969,372	10,724,951,790	10,724,951,790
<i>Others</i>	142,451,298,565	142,451,298,565	146,331,113,002	146,331,113,002
Related parties (Note 36(b))	106,483,962,508	106,483,962,508	80,183,796,544	80,183,796,544
Total	<u>284,338,850,226</u>	<u>284,338,850,226</u>	<u>246,522,308,464</u>	<u>246,522,308,464</u>

As at 31 December 2021 and 31 December 2020, the Company was able to pay when these trade accounts payable are due and there was no balance of short-term trade payables that was past due.

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	2021 VND	2020 VND
Third parties	22,811,254,422	23,542,332,317
<i>Kien A Khanh Hoa Investment</i>		
<i>Joint Stock Company</i>	17,319,262,094	8,711,152,213
<i>Saigon - Cam Ranh Joint Stock Company</i>	4,758,953,650	4,758,953,650
<i>Vietnam Dairy Products Joint Stock Company</i>	-	7,275,000,000
<i>Others</i>	733,038,678	2,797,226,454
Related parties (Note 36(b))	9,269,000,000	3,269,000,000
Total	<u>32,080,254,422</u>	<u>26,811,332,317</u>

SEAREFICO CORPORATION

Form B 09 – DN

15 TAX AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE

Movements in taxes and other receivables from/payables to the State during the year are as follows:

	As at 1.1.2021 VND	Receivable/payable during the year VND	Payment during the year VND	Net-off during the year VND	As at 31.12.2021 VND
(a) Tax receivables					
VAT input deductible	12,013,983,396	33,820,176,331	-	(22,779,944,785)	23,054,214,942
(b) Tax payables					
BIT	8,515,535,748	1,727,469,490	(7,760,451,257)	-	2,482,553,981
VAT on domestic sales	674,091,133	30,802,457,484	(7,726,434,883)	(22,779,944,785)	970,168,949
Personal income tax	145,917,322	2,848,065,887	(2,832,548,837)	-	161,434,372
VAT on importation	-	3,722,922,370	(3,722,922,370)	-	-
Import tax	-	1,320,345,550	(1,320,345,550)	-	-
Foreign contractor tax	-	624,544,448	(624,544,448)	-	-
Business license tax	-	4,000,000	(4,000,000)	-	-
Total	9,335,544,203	41,049,805,229	(23,991,247,345)	(22,779,944,785)	3,614,157,302

16 PAYABLES TO EMPLOYEES

Payables to employees represent the amount payable to employees in relation to the remuneration as at 31 December 2021 and at 31 December 2020.

17 SHORT-TERM ACCRUED EXPENSES

	2021 VND	2020 VND
Accrued project costs	33,384,336,063	172,192,418,538
Interest expense	243,417,511	431,763,349
Others	710,000,000	586,400,000
Total	<u>34,337,753,574</u>	<u>173,210,581,887</u>

18 OTHER PAYABLES**(a) Short-term**

	2021 VND	2020 VND
Third parties	13,833,612,748	10,177,695,420
<i>Payables to construction teams</i>	9,771,962,586	7,461,699,562
<i>Social, health and unemployment insurance and trade union fees</i>	942,916,932	840,145,239
<i>Dividends payable (Note 25)</i>	596,400,800	596,400,800
<i>Others</i>	2,522,332,430	1,279,449,819
Related parties (Note 36(b))	170,545,157	131,358,667
Total	<u>14,004,157,905</u>	<u>10,309,054,087</u>

(b) Long-term

Other long-term payables represent the allowances for unemployment benefits for employees of the Branch as at 31 December 2021 and 31 December 2020.

19 SHORT-TERM BORROWINGS

	As at 1.1.2021 VND	Increase VND	Decrease VND	As at 31.12.2021 VND
Bank loans (i)	452,648,237,565	811,485,363,381	(954,624,213,000)	309,509,387,946
Borrowings from related parties (Note 36(b)) (ii)	16,983,321,856	70,264,000,000	(82,187,321,856)	5,060,000,000
Total	<u>469,631,559,421</u>	<u>881,749,363,381</u>	<u>(1,036,811,534,856)</u>	<u>314,569,387,946</u>

19 SHORT-TERM BORROWINGS (continued)

(i) Details of short-term borrowings are as follows:

	2021 VND	2020 VND
Bank for Investment and Development of Vietnam	184,518,548,687	17,908,965,240
Joint Stock Commercial Bank for Foreign Trade of Vietnam	94,184,698,047	227,876,703,121
Military Commercial Joint Stock Bank	29,259,530,818	18,402,664,890
Vietnam Maritime Commercial Joint Stock Bank	1,546,610,394	-
Vietnam Joint Stock Commercial Bank for Industry and Trade	-	187,001,874,109
Vietnam - Russia Joint Venture Bank	-	1,458,030,205
Total	<u>309,509,387,946</u>	<u>452,648,237,565</u>

The borrowings are unsecured and bear the floating interest rates in accordance with each draw-down. The purpose of borrowings is to support the working capital of the Company.

(ii) Borrowings from related parties are unsecured loans with interest rates agreed between the parties. The purpose of these borrowings is to support the working capital of the Company.

20 PROVISION FOR LIABILITIES**(a) Short-term**

	2021 VND	2020 VND
Beginning of year	742,134,517	212,161,483
Provision	84,180,022	703,922,247
Utilisation and reversal	(220,153,409)	(173,949,213)
End of year	<u>606,161,130</u>	<u>742,134,517</u>

Provision for short-term liabilities represents warranty for construction projects that have been completed and handed over at the separate balance sheet date.

(b) Long-term

Provision for long-term liabilities represents the provision for severance allowance as at 31 December 2021 and at 31 December 2020.

SEAREFICO CORPORATION

Form B 09 – DN

21 BONUS AND WELFARE FUND

	2021 VND	2020 VND
Beginning of year	13,205,012,295	12,805,549,810
Increase during the year (Note 24)	5,085,104,404	10,139,579,842
Utilisation during the year	(7,095,705,438)	(9,740,117,357)
End of year	<u>11,194,411,261</u>	<u>13,205,012,295</u>

22 DEFERRED INCOME TAX ASSETS

	2021 VND	2020 VND
Deferred tax assets to be recovered after more than 12 months	2,099,095,087	1,556,244,192
Deferred tax assets to be recovered within 12 months	1,008,378,469	907,948,258
Total	<u>3,107,473,556</u>	<u>2,464,192,450</u>

Movements in the deferred income tax assets during the year are as follows:

	2021 VND	2020 VND
Beginning of year	2,464,192,450	1,863,249,983
Income statement charge (Note 33)	643,281,106	600,942,467
End of year	<u>3,107,473,556</u>	<u>2,464,192,450</u>

Details of deferred tax assets are as follows:

	2021 VND	2020 VND
Deductible temporary differences in relation to accrued expenses and long-term provisions	1,537,217,879	2,464,192,450
Interest expenses excess of 30% EBITDA	1,570,255,677	-
Total	<u>3,107,473,556</u>	<u>2,464,192,450</u>

The Company uses tax rate of 20% in the year (2020: 20%) for determining deferred tax assets.

23 OWNERS' CAPITAL**(a) Number of shares**

	2021	2020
Number of shares registered	<u>35,566,780</u>	<u>32,495,397</u>
Number of shares issued	35,566,780	32,495,397
Number of shares repurchased	<u>(1,780,000)</u>	<u>(1,780,000)</u>
Number of existing shares in circulation	<u>33,786,780</u>	<u>30,715,397</u>

(b) Details of owners' shareholding

	2021		2020	
	Ordinary shares	%	Ordinary shares	%
Taisei Oncho Co., Ltd	8,909,456	25.05	8,099,506	24.93
Sanyo Engineering & Construction Vietnam Co., Ltd.	7,150,000	20.10	6,500,000	20.00
Vietnam Seaproducts Joint Stock Corporation	4,567,200	12.85	4,152,000	12.78
Mr. Nguyen Thanh Son	-	-	1,336,300	4.12
Other shareholders	13,160,240	37.00	10,627,591	32.69
Treasury shares	<u>1,780,000</u>	<u>5.00</u>	<u>1,780,000</u>	<u>5.48</u>
Number of shares	<u>35,566,896</u>	<u>100.00</u>	<u>32,495,397</u>	<u>100.00</u>

(c) Movement of owners' capital

	Ordinary shares	
	Shares	VND
As at 1 January 2020	<u>32,495,397</u>	<u>324,953,970,000</u>
As at 31 December 2020	32,495,397	324,953,970,000
New shares issued	<u>3,071,383</u>	<u>30,713,830,000</u>
As at 31 December 2021	<u>35,566,780</u>	<u>355,667,800,000</u>

Par value per share: VND10,000. Each ordinary share represents the voting right at the Company's Shareholders' General Meeting. The shareholders receive dividends at any time the Company noticed. All the ordinary shares have the same priority with the remaining assets of the Company.

SEAREFICO CORPORATION

Form B 09 – DN

24 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Treasury shares VND	Investment and development funds VND	Post-tax undistributed earnings VND	Total VND
As at 1 January 2020	324,953,970,000	284,019,059	(29,238,407,099)	5,427,578,589	68,382,586,670	369,809,747,219
Profit for the year	-	-	-	-	50,851,044,039	50,851,044,039
Appropriation to bonus and welfare funds	-	-	-	-	(10,139,579,842)	(10,139,579,842)
Dividends declared	-	-	-	-	(24,572,317,600)	(24,572,317,600)
As at 31 December 2020	324,953,970,000	284,019,059	(29,238,407,099)	5,427,578,589	84,521,733,267	385,948,893,816
Profit for the year	-	-	-	-	17,541,305,333	17,541,305,333
Appropriation to bonus and welfare funds (Note 21) (*)	-	-	-	-	(5,085,104,404)	(5,085,104,404)
Dividends declared (Note 25) (**)	30,713,830,000	-	-	-	(30,713,830,000)	-
As at 31 December 2021	355,667,800,000	284,019,059	(29,238,407,099)	5,427,578,589	66,264,104,196	398,405,094,745

(*) The Shareholder's General Meeting Resolution No. 01/ĐHĐCĐ/NQ/21 dated 20 April 2021, the Shareholder's General Meeting has approved the appropriation of profit to Bonus and welfare fund.

(**) The Board of Directors' Resolution No. 007/NQ/HĐQT/21 dated 15 July 2021 of the Company, the Board of Directors has approved the Implementation of the plan of issuing shares for 2020 dividend payment.

SEAREFICO CORPORATION

Form B 09 – DN

25 DIVIDENDS

	2021 VND	2020 VND
Beginning of year	596,400,800	22,088,676,700
Dividends payable during the year (Note 24)	30,713,830,000	24,572,317,600
<i>Dividend for year 2020</i>	30,713,830,000	-
<i>Second dividend for year 2019: VND800/share</i>	-	24,572,317,600
Dividends paid during the year	(30,713,830,000)	(46,064,593,500)
<i>By shares</i>	(30,713,830,000)	-
<i>By cash</i>	-	(46,064,593,500)
End of year (Note 18(a))	<u>596,400,800</u>	<u>596,400,800</u>

26 OFF BALANCE SHEET ITEMS

	2021	2020
Bad debts written-off (VND)	45,608,032,166	27,592,321,012
Foreign currencies		
<i>United States Dollar (USD)</i>	1,314.99	2,012.71
<i>Great British Pound (GBP)</i>	7.16	7.16
<i>Australian Dollar (AUD)</i>	0.67	0.67

27 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2021 VND	2020 VND
Revenue		
Revenue from construction contracts	201,683,844,681	1,133,998,225,552
Revenue from management services	8,742,915,195	6,862,350,333
Revenue from sales of goods	2,838,292,211	46,710,926,020
Total	<u>213,265,052,087</u>	<u>1,187,571,501,905</u>
Sales deductions		
Sales allowances	-	(1,432,873,129)
Net revenue		
Net revenue from construction contracts	201,683,844,681	1,133,998,225,552
Net revenue from management service	8,742,915,195	6,862,350,333
Net revenue from sales of goods	2,838,292,211	45,278,052,891
Total	<u>213,265,052,087</u>	<u>1,186,138,628,776</u>

SEAREFICO CORPORATION

Form B 09 – DN

28 COST OF GOODS SOLD AND SERVICES RENDERED

	2021 VND	2020 VND
Cost of construction contracts	192,435,874,322	1,077,098,404,697
Cost of goods sold	3,896,291,154	40,854,889,009
Reversal of decline in value of inventories	(19,157,043)	(1,497,566,910)
Total	<u>196,313,008,433</u>	<u>1,116,455,726,796</u>

29 FINANCIAL INCOME

	2021 VND	2020 VND
Dividends (Note 36(a))	10,291,050,000	8,232,840,000
Profit received from the subsidiary (Note 36(a))	8,568,000,000	10,080,000,000
Interest income from deposits	6,482,772,612	9,160,848,139
Net gain from foreign currency translation at year-end	2,890,032,809	-
Interest income from internal lendings (Note 36(a))	2,373,597,017	1,060,668,896
Realised foreign exchange gains	73,078,789	3,002,954,376
Income from divestment in subsidiary	-	31,500,000,000
Total	<u>30,678,531,227</u>	<u>63,037,311,411</u>

30 FINANCIAL EXPENSES

	2021 VND	2020 VND
Interest expense	20,835,503,660	33,020,044,488
Realised foreign exchange losses	12,212,263	3,059,494,640
Net loss from foreign currency translation at year-end	-	1,152,931,216
Total	<u>20,847,715,923</u>	<u>37,232,470,344</u>

SEAREFICO CORPORATION

Form B 09 – DN

31 GENERAL AND ADMINISTRATION EXPENSES

	2021 VND	2020 VND
Staff costs	14,361,938,613	14,907,511,085
Outside service expenses	7,565,436,614	9,628,704,531
Depreciation and amortisation	649,148,237	792,486,025
(Reversal of provision)/provision for doubtful debts (Note 8)	(8,901,481,935)	14,166,013,824
Reversal of accrued staff costs	-	(1,731,579,885)
Others	318,458,522	992,883,416
Total	<u>13,993,500,051</u>	<u>38,756,018,996</u>

32 OTHER INCOME AND OTHER EXPENSES

	2021 VND	2020 VND
Other income		
Written-off payables	4,968,959,213	-
Gains on disposal of fixed asset	771,404,958	590,909,091
Income from debts collection	-	823,780,546
Others	1,575,735,701	1,220,395,377
Total	<u>7,316,099,872</u>	<u>2,635,085,014</u>
Other expenses		
Fines	32,769,691	262,546,630
Others	1,447,195,371	-
Total	<u>1,479,965,062</u>	<u>262,546,630</u>
Net other income	<u>5,836,134,810</u>	<u>2,372,538,384</u>

33 BUSINESS INCOME TAX (“BIT”)

The BIT on the Company’s profit before tax differs from the theoretical amount that would arise using the applicable tax rate as follows:

	2021 VND	2020 VND
Net accounting profit before tax	18,625,493,717	59,104,262,435
Tax calculated at a rate of 20%	3,725,098,743	11,820,852,487
Effect of:		
Income not subject to tax	(3,771,810,000)	(3,662,568,000)
Expenses not deductible for tax purposes	586,905,178	464,901,984
Tax losses for which no deferred income tax asset was recognised	683,558,815	-
Tax deduction (*)	(571,930,153)	(493,703,904)
Under-provision for previous years	432,365,801	123,735,829
BIT charge (**)	<u>1,084,188,384</u>	<u>8,253,218,396</u>
Charged/(credited) to income statement:		
BIT – current	1,727,469,490	8,854,160,863
BIT – deferred (Note 22)	(643,281,106)	(600,942,467)
	<u>1,084,188,384</u>	<u>8,253,218,396</u>

(*) According to Decree No. 92/2021/ND-CP dated 27 October 2021 and Decree No. 114/2020/ND-CP dated 25 September 2020, the Company is entitled to a 30% deduction of BIT for the year ended 31 December 2021 and for the year ended 31 December 2020 respectively.

(**) The current BIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.



34 SEGMENT REPORTING

Business segment

	Year ended 31 December 2021			
	Constructions VND	Sales of goods VND	Management services VND	Total VND
Net sales	201,683,844,681	2,838,292,211	8,742,915,195	213,265,052,087
Cost of sales	192,435,874,322	3,877,134,111	-	196,313,008,433
Gross profit/(loss)	<u>9,247,970,359</u>	<u>(1,038,841,900)</u>	<u>8,742,915,195</u>	<u>16,952,043,654</u>
	Year ended 31 December 2020			
	Constructions VND	Sales of goods VND	Management services VND	Total VND
Net sales	1,131,895,058,054	46,710,926,020	7,532,644,702	1,186,138,628,776
Cost of sales	1,075,600,851,391	40,854,875,405	-	1,116,455,726,796
Gross profit	<u>56,294,206,663</u>	<u>5,856,050,615</u>	<u>7,532,644,702</u>	<u>69,682,901,980</u>

Geographical segment

The Company carries out all production and business activities mainly in the territory of Vietnam. Therefore, the Company does not present geographical segment.

35 ADDITIONAL INFORMATION FOR THE ITEMS OF THE STATEMENT OF CASH FLOWS

Non-cash transactions affect the statement of cash flows

	Year ended 31 December	
	2021 VND	2020 VND
Offset the divestment in subsidiary with lendings to related party	11,199,755,048	-
Offset the divestment in subsidiary with short-term intercompany receivables	21,300,244,952	-
Dividends paid by shares	<u>30,713,830,000</u>	<u>-</u>

36 RELATED PARTY DISCLOSURES

(a) Related party transactions

During the year, the following transactions were carried out with related parties:

Related party	Relationship	Nature of transaction	2021 VND	2020 VND
<i>i) Sales of goods and services</i>				
Arico	Subsidiary	Other services	4,962,814,164	3,803,903,710
Searee	Subsidiary	Construction services	740,250,443	3,168,340,950
		Other services	2,087,291,909	2,158,844,597
Searefico E&C	Subsidiary	Sales of goods	-	193,489,242,725
		Other services	1,692,809,122	-
Phoenix	Subsidiary	Sales of goods	-	22,688,758,771
		Total	<u>9,483,165,638</u>	<u>225,309,090,753</u>
<i>ii) Purchases of goods and services</i>				
Searefico E&C	Subsidiary	Construction services	72,855,376,288	102,548,772,437
Searee	Subsidiary	Construction services	8,672,175,939	58,197,722,741
		Other services	-	1,846,349,616
HCC	Associate	Construction services	3,786,555,830	23,150,062,311
Greenpan	Subsidiary	Purchases of goods	26,618,577	2,877,279,193
Arico	Subsidiary	Purchases of goods	2,040,000	144,144,480
Formtek	Related party	Construction services	-	4,888,352,355
		Purchases of goods	-	111,095,020
		Total	<u>85,342,766,634</u>	<u>193,763,778,153</u>
<i>iii) Compensation of key management</i>				
		Salaries and benefits of the Board of Management	2,003,505,970	2,380,531,371
		Allowance for the Board of Directors and Supervision	1,733,954,319	1,545,600,000
		Total	<u>3,737,460,289</u>	<u>3,926,131,371</u>

36 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

Related party	Relationship	Nature of transaction	2021 VND	2020 VND
<i>iv) Other transactions</i>				
HCC	Associate	Dividend received	10,291,050,000	8,232,840,000
Arico	Subsidiary	Borrowing	65,300,000,000	9,000,000,000
		Borrowing repayments	65,300,000,000	23,500,000,000
		Capital contribution	16,800,000,000	-
		Dividend received	8,568,000,000	10,080,000,000
		Interest expenses	513,883,693	259,497,223
Searee	Subsidiary	Capital withdrawn	36,850,000,000	-
		Lendings	1,450,000,000	-
		Lendings repayment	1,300,000,000	-
		Borrowing	404,000,000	16,495,230,990
		Borrowing repayments	16,887,321,856	19,476,909,134
		Interest expenses	412,636,548	1,724,872,527
		Capital contribution	200,000,000	-
Searefico E&C	Subsidiary	Capital contribution	79,670,000,000	69,300,000,000
		Transfer shares of Searee	36,850,000,000	-
		Interest income	2,373,597,017	1,060,668,896
		Lendings	1,000,000,000	18,700,000,000
		Sales of prepaid expenses	688,875,000	-
Seareal	Subsidiary	Capital contribution	-	63,000,000,000
Greenpan	Subsidiary	Borrowing	4,560,000,000	-
		Interest expenses	1,399,233	-
		Capital contribution	-	10,500,000,000
		Capital withdrawns	-	31,500,000,000
Phoenix	Subsidiary	Interest penalty for late payment	903,566,015	-
Inwatek	Related party	Capital withdrawn	-	3,639,282,638

36 RELATED PARTY DISCLOSURES (continued)

(b) Year end balances with related parties

Related party	Relationship	Nature of transaction	2021 VND	2020 VND
Short-term trade accounts receivable (Note 5)				
Phoenix	Subsidiary	Construction services	9,443,700,011	21,834,312,982
Searee	Subsidiary	Construction services	2,893,370,153	5,674,729,056
Arico	Subsidiary	Construction services	2,020,205,012	4,184,294,082
Searefico E&C	Subsidiary	Construction services	1,021,794,967	45,887,460,097
Greenpan	Subsidiary	Construction services	248,658,795	248,658,795
		Total	<u>15,627,728,938</u>	<u>77,829,455,012</u>
Short-term prepayments to suppliers (Note 6(a))				
Greenpan	Subsidiary	Construction services	2,679,957,113	-
Formtek	Related party	Construction services	200,999,662	200,999,662
		Total	<u>2,880,956,775</u>	<u>200,999,662</u>
Short-term lendings				
Searefico E&C	Subsidiary	Lending	1,000,000,000	-
Searee	Subsidiary	Lending	150,000,000	-
		Total	<u>1,150,000,000</u>	<u>-</u>
Other short-term receivables (Note 7(a))				
Seareal	Subsidiary	Other services	20,039,763,000	16,381,000
Arico	Subsidiary	Dividend received	6,048,000,000	-
		Other services	53,003,077	7,772,238,073
Searefico E&C	Subsidiary	Other services	8,249,168,612	27,092,947,811
Searee	Subsidiary	Dividend received	1,694,166,667	1,694,166,667
		Other services	225,855,475	400,926,889
Inwatek	Related party	Interest income	658,643,288	658,643,288
Phoenix	Subsidiary	Other services	239,059,085	226,918,533
Greenpan	Subsidiary	Other services	195,777,411	-
		Total	<u>37,403,436,615</u>	<u>37,862,222,261</u>
Long-term prepayments to suppliers				
Greenpan	Subsidiary	Construction services	<u>3,000,000,000</u>	<u>-</u>
Short-term trade accounts payable (Note 13)				
Searee	Subsidiary	Construction services	62,640,468,020	74,850,020,845
Searefico E&C	Subsidiary	Construction services	38,823,787,273	119,269,102
HCC	Associate	Construction services	5,019,707,215	5,214,506,597
		Total	<u>106,483,962,508</u>	<u>80,183,796,544</u>

36 RELATED PARTY DISCLOSURES (continued)

(c) Year end balances with related parties (continued)

Related party	Relationship	Nature of transaction	2021 VND	2020 VND
Short-term advances from customers (Note 14)				
Searefico E&C	Subsidiary	Construction services	<u>9,269,000,000</u>	<u>3,269,000,000</u>
Other short-term payables (Note 18(a))				
Arico	Subsidiary	Interest expenses	163,472,414	131,358,667
Searefico E&C	Subsidiary	Payment on behalf	5,673,510	-
Greepan	Subsidiary	Interest expenses	1,399,233	-
		Total	<u>170,545,157</u>	<u>131,358,667</u>
Short-term borrowings (Note 14)				
Greenpan	Subsidiary	Borrowing	4,560,000,000	-
Arico	Subsidiary	Borrowing	500,000,000	500,000,000
Searee	Subsidiary	Borrowing	-	16,483,321,856
		Total	<u>5,060,000,000</u>	<u>16,983,321,856</u>

37 COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases are as follows:

	2021 VND	2020 VND
Within one year	3,362,850,000	3,362,850,000
Between one and five years	373,650,000	3,736,500,000
Total minimum payments	<u>3,736,500,000</u>	<u>7,099,350,000</u>

38 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

39 EVENTS AFTER THE BALANCE SHEET DATE

Divestment from an associate

On 17 January 2022, the Board of Management of Searefico Corporation issued Decision No. 01/QD/SRF/HĐQT/22 on the divestment of all investment capital in Thua Thien Hue Construction Joint Stock Company and it was completed on 21 March 2022.

The separate financial statements were approved by the Board of Management on 26 March 2022.

Nguyen Thi
Preparer

Vuong Tran Quoc Thanh
Chief Accountant



Nguyen Thi Thanh Huong
Chief Executive Officer

