

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**



PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021**

TABLE OF CONTENTS	PAGE
Corporate information	1
Statement of the Board of Management	2
Independent auditor's report	3
Consolidated balance sheet (Form B 01 – DN/HN)	5
Consolidated income statement (Form B 02 – DN/HN)	7
Consolidated cash flow statement (Form B 03 – DN/HN)	8
Notes to the consolidated financial statements (Form B 09 – DN/HN)	10

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise registration certificate

No. 2001012298 dated 24 March 2011 which was initially issued by the Department of Planning and Investment of Ca Mau Province with the latest 6th amendment dated 14 June 2018.

Board of Directors

Mr. Tran Ngoc Nguyen	Chairman
Mr. Nguyen Duc Hanh	Member
Mr. Van Tien Thanh	Member
Mr. Tran My	Member
Mr. Truong Hong	Member
	(Appointed on 28 April 2021)
Ms. Do Thi Hoa	Member
	(Appointed on 28 April 2021)
Mr. Le Duc Quang	Member
	(Appointed on 28 April 2021)
Ms. Nguyen Minh Phuong	Member
	(Resigned on 28 April 2021)

Board of Supervision

Ms. Phan Thi Cam Huong	Head
Mr. Do Minh Duong	Member
	(Appointed on 28 April 2021)
Mr. Tran Van Binh	Member
	(Appointed on 28 April 2021)
Mr. Nguyen Quoc Huy	Member
	(Resigned on 7 April 2021)

Board of Management

Mr. Van Tien Thanh	General Director
Mr. Le Ngoc Minh Tri	Deputy General Director
Mr. Nguyen Tuan Anh	Deputy General Director
Ms. Nguyen Thi Hien	Deputy General Director
Mr. Tran Chi Nguyen	Deputy General Director
Mr. Nguyen Thanh Tung	Deputy General Director

Legal representative

Mr. Van Tien Thanh	General Director
--------------------	------------------

Registered office

Plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Ca Mau City, Ca Mau Province, Vietnam.

Auditor

PwC (Vietnam) Limited

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

STATEMENT OF THE BOARD OF MANAGEMENT

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

The Board of Management of PetroVietnam Ca Mau Fertilizer Joint Stock Company ("the Company") is responsible for preparing consolidated financial statements of the Company and its subsidiary (together, "the Group") which give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated cash flows for the year then ended. In preparing these consolidated 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 consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group 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 consolidated financial position of the Group and which enable consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

The legal representative has authorized Mr. Le Ngoc Minh Tri – Deputy General Director of the Company to sign the consolidated financial statements for the year ended 31 December 2021 as per Power of Attorney No.106/UQ-PVCFC dated 29 December 2021.

APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

We hereby approve the accompanying consolidated financial statements as set out on pages 5 to 59 which give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of the consolidated results of its operations and its consolidated 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 consolidated financial statements.

On behalf of the Board of Management



Le Ngoc Minh Tri
Deputy General Director
Authorised signatory

Ca Mau Province, SR of Vietnam
15 March 2022



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

We have audited the accompanying consolidated financial statements of PetroVietnam Ca Mau Fertilizer Joint Stock Company ("the Company") and its subsidiaries (together, "the Group") which were prepared on 31 December 2021 and approved by the Board of Management on 15 March 2022. The consolidated financial statements comprise the consolidated balance sheet as at 31 December 2021, the consolidated income statement and consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 59.

The Board of Management's Responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements and for such internal control which the Board of Management determines as necessary to enable the preparation and fair 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 the consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to 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 judgement, including an 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 Group's preparation and true and fair presentation of the consolidated 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 Group'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 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 present fairly, in all material respects, the consolidated financial position of the Company as at 31 December 2021, its consolidated financial performance and consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of consolidated financial statements.

Emphasis of Matter

As presented in Note 41 of Note to the consolidated financial statements, as at the approval date of these consolidated financial statements, the Government Inspectorate has not issued the final conclusion for the equitization finalisation. Our opinion is not modified in respect of this matter.

Other Matters

The consolidated financial statements of the Group for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 12 March 2021.

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



Mai Viet Hung Tran
Audit Practising Licence No.
0048-2018-006-1
Authorised signatory

Report reference number: HCM11556
Ho Chi Minh City, 15 March 2022



Tram Tu Mai Anh
Audit Practising Licence No.
3546-2021-006-1

CONSOLIDATED BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2021 VND	2020 VND
100	CURRENT ASSETS		7,276,291,649,429	3,978,192,126,939
110	Cash and cash equivalents	3	427,652,730,904	509,995,350,873
111	Cash		427,652,730,904	289,995,350,873
112	Cash equivalents		-	220,000,000,000
120	Short-term investment		4,362,000,000,000	2,302,000,000,000
123	Investments held to maturity	4	4,362,000,000,000	2,302,000,000,000
130	Short-term receivables		187,458,077,176	217,396,300,223
131	Short-term trade accounts receivable	5	44,653,507,005	44,753,555,075
132	Short-term prepayments to suppliers	6	86,006,714,411	15,505,616,232
136	Other short-term receivables	7	94,287,650,528	157,278,122,406
137	Provision for doubtful debts – short-term		(37,489,794,768)	(140,993,490)
140	Inventories	8	2,204,077,707,734	834,134,886,038
141	Inventories		2,204,077,707,734	834,430,472,995
149	Provision for decline in value of inventories		-	(295,586,957)
150	Other current assets		95,103,133,615	114,665,589,805
151	Short-term prepaid expenses	9(a)	41,798,660,110	39,702,860,677
152	Value added tax ("VAT") to be reclaimed	14(a)	52,802,271,176	74,460,526,799
153	Tax and other receivables from the State	14(a)	502,202,329	502,202,329
200	LONG-TERM ASSETS		3,795,829,685,496	4,739,288,564,672
210	Long-term receivable		3,000,000	3,000,000
216	Other long-term receivables		3,000,000	3,000,000
220	Fixed assets		3,405,623,289,945	3,955,428,596,723
221	Tangible fixed assets	10(a)	3,366,688,086,806	3,899,631,024,527
222	Historical cost		15,104,050,606,596	14,272,460,795,228
223	Accumulated depreciation		(11,737,362,519,790)	(10,372,829,770,701)
227	Intangible fixed assets	10(b)	38,935,203,139	55,797,572,196
228	Historical cost		153,100,963,527	146,711,262,372
229	Accumulated amortisation		(114,165,760,388)	(90,913,690,176)
240	Long-term asset in progress		66,117,926,735	760,955,297,273
242	Construction in progress	11	66,117,926,735	760,955,297,273
260	Other long-term assets		324,085,468,816	22,901,670,676
261	Long-term prepaid expenses	9(b)	310,558,758,401	17,258,713,922
262	Deferred income tax assets	18	13,526,710,415	5,642,956,754
270	TOTAL ASSETS		11,072,121,334,925	8,717,480,691,611

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET
(continued)

Code	RESOURCES	Note	As at 31 December	
			2021 VND	2020 VND
300	LIABILITIES		3,594,024,059,539	2,391,033,021,663
310	Short-term liabilities		3,186,610,542,693	2,050,151,784,755
311	Short-term trade accounts payable	12	794,797,289,361	709,126,800,176
312	Short-term advances from customers	13	285,547,357,483	118,183,078,862
313	Tax and other payables to the State	14(b)	94,738,342,896	31,066,794,231
314	Payable to employees		187,588,949,913	98,041,055,868
315	Short-term accrued expenses	15	553,156,963,463	126,023,426,538
319	Other short-term payables	16	386,497,523,838	127,381,799,366
320	Short-term borrowings	17(a)	689,162,951,336	685,406,563,747
322	Bonus and welfare fund	19	195,121,164,403	154,922,265,967
330	Long-term liabilities		407,413,516,846	340,881,236,908
338	Long-term borrowings	17(b)	2,676,343,532	137,062,222,093
343	Fund for scientific and technological development	20	404,737,173,314	203,819,014,815
400	OWNERS' EQUITY		7,478,097,275,386	6,326,447,669,948
410	Capital and reserves		7,478,097,275,386	6,326,447,669,948
411	Owners' capital	21, 22	5,294,000,000,000	5,294,000,000,000
411a	- Ordinary shares with voting rights		5,294,000,000,000	5,294,000,000,000
414	Owners' other capital	22	3,665,420,000	3,665,420,000
418	Investment and development fund	22	965,858,273,232	418,967,418,595
421	Undistributed earnings	22	1,187,985,397,644	583,467,405,249
421a	- Undistributed post-tax profits of previous years		106,429,344,547	110,778,820,045
421b	- Post-tax profits of current year		1,081,556,053,097	472,688,585,204
429	Non-controlling interests	23	26,588,184,510	26,347,426,104
440	TOTAL RESOURCES		11,072,121,334,925	8,717,480,691,611

 Huynh Thi Ngoc Ha
Preparer

 Dinh Nhu Cuong
Chief Accountant


 Le Ngoc Minh Tri
Deputy General Director
Authorised signatory
15 March 2022

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT

Code	Note	Year ended 31 December	
		2021 VND	2020 VND
01	Revenue from sales of goods and rendering of services	10,088,157,082,401	7,716,890,477,631
02	Less deductions	(218,394,177,764)	(155,615,377,213)
10	Net revenue from sales of goods and rendering of services	9,869,762,904,637	7,561,275,100,418
11	Cost of goods sold and services rendered	(7,088,825,980,325)	(6,244,427,300,529)
20	Gross profit from sales of goods and rendering of services	2,780,936,924,312	1,316,847,799,889
21	Financial income	167,531,907,804	128,316,681,426
22	Financial expenses	(45,072,929,624)	(63,234,525,222)
23	- Including: Interest expense	(18,580,201,013)	(43,301,059,166)
25	Selling expenses	(420,401,252,844)	(369,000,315,151)
26	General and administration expenses	(528,491,737,615)	(304,406,663,012)
30	Net operating profit	1,954,502,912,033	708,522,977,930
31	Other income	4,371,195,381	10,735,344,253
32	Other expenses	(2,604,118,573)	(2,724,517,878)
40	Net other income	1,767,076,808	8,010,826,375
50	Net accounting profit before tax	1,956,269,988,841	716,533,804,305
51	Business income tax ("BIT") - current	(138,029,455,566)	(52,561,609,356)
52	BIT - deferred	7,883,753,661	(1,525,860,678)
60	Net profit after tax	1,826,124,286,936	662,446,334,271
Attributable to:			
61	Owners of the parent company	1,823,459,057,715	661,046,074,192
62	Non-controlling interests	2,665,229,221	1,400,260,079
70	Basic earnings per share	3,073	1,017
71	Diluted earnings per share	3,073	1,017



Huynh Thi Ngoc Ha
Preparer



Dinh Nhu Cuong
Chief Accountant




Le Ngoc Minh Tri
Deputy General Director
Authorised signatory
15 March 2022

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

Code		Note	Year ended 31 December	
			2021 VND	2020 VND
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax		1,956,269,988,841	716,533,804,305
	Adjustments for:			
02	Depreciation and amortisation	35	1,385,810,943,875	1,318,152,452,706
03	Provisions/(reversal of provisions)		37,053,214,321	(8,481,678,247)
04	Unrealised foreign exchange gains		(7,009,326,758)	(1,535,037,700)
05	Profits from investing activities	30	(130,835,723,223)	(111,927,584,745)
06	Interest expense	31	18,580,201,013	43,301,059,166
07	Other adjustments		216,728,275,492	79,425,415,134
08	Operating profit before changes in working capital		3,476,597,573,561	2,035,468,430,619
09	Decrease in receivables		30,360,921,226	135,339,605,619
10	(Increase)/decrease in inventories		(1,369,647,234,739)	475,406,863,546
11	Increase/(decrease) in payables		988,217,378,299	(702,525,303,443)
12	(Increase)/decrease in prepaid expenses		(283,790,994,898)	20,815,133,774
14	Interest paid		(22,321,007,371)	(57,259,768,947)
15	BIT paid		(78,860,458,512)	(42,053,571,588)
17	Other payments on operating activities		(171,728,350,922)	(84,561,387,710)
20	Net cash inflows from operating activities		2,568,827,826,644	1,780,630,001,870
	CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets		(156,948,169,088)	(272,862,033,943)
23	Term deposits placed		(6,530,000,000,000)	(3,290,000,000,000)
24	Collection of term deposits		4,470,000,000,000	2,990,000,000,000
27	Interest received		114,722,479,389	111,385,557,350
30	Net cash outflows from investing activities		(2,102,225,689,699)	(461,476,476,593)
	CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	37	1,381,261,865,566	1,722,884,692,677
34	Repayments of borrowings	37	(1,504,930,606,538)	(2,683,435,949,507)
36	Dividends distributed to shareholders		(425,324,592,700)	(319,485,623,200)
40	Net cash outflows from financing activities		(548,993,333,672)	(1,280,036,880,030)
50	Net (decrease)/increase in cash and cash equivalents		(82,391,196,727)	39,116,645,247
60	Cash and cash equivalents at beginning of year	3	509,995,350,873	471,173,323,541
61	Effect of foreign exchange differences		48,576,758	(294,617,915)
70	Cash and cash equivalents at end of year	3	427,652,730,904	509,995,350,873

The notes on pages 10 to 59 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (continued)
(Indirect method)

Additional information relating to the consolidated cash flow statement is presented in Note 37.



Huynh Thi Ngoc Ha
Preparer



Dinh Nhu Cuong
Chief Accountant



Le Ngoc Minh Tri
Deputy General Director
Authorised signatory
15 March 2022

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

1 GENERAL INFORMATION

PetroVietnam Ca Mau Fertilizer Joint Stock Company (the "Company"), formerly known as PetroVietnam Camau Fertilizer One Member Limited Liability Company - a subsidiary of Vietnam Oil and Gas Group ("PVN"), was established in SR Vietnam pursuant to Enterprise registration certificate No. 2001012298 which was initially issued by the Department of Planning and Investment of Ca Mau Province on 24 March 2011.

On 4 December 2012, the Company received Investment registration certificate No. 61101000153 which was issued by the People's Committee of Ca Mau Province to construct "Ca Mau Fertilizer factory" project at An Khanh Commune, U Minh District, Ca Mau Province, for a period of 20 years from the date of this Investment registration certificate. The total charter capital of this project is VND19,658.46 billion. As at 13 November 2018, the Department of Planning and Investment of Ca Mau Province issued Investment registration certificate No. 8568610502 as a replacement of Investment registration certificate No. 61101000153 issued by the People's Committee of Ca Mau Province.

PetroVietnam Camau Fertilizer One Member Limited Liability Company was officially transformed into a joint stock company, named PetroVietnam Camau Fertilizer Joint Stock Company pursuant to the sixth amended Enterprise registration certificate No. 2001012298 issued by the Department of Planning and Investment of Ca Mau Province on 14 June 2018. The Company's charter capital is VND5,294 billion, equivalent to 529,400,000 shares with par value of VND10,000 per share.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange on 31 March 2015 with the stock code "DCM" according to Notice No. 342/TB-SGDHCM dated 20 March 2015 of the Ho Chi Minh Stock Exchange.

The principal activities of the Company include:

- Production of fertilizers, nitrogen compounds and basic chemicals;
- Wholesale of fertilizers, chemicals used in industry – agriculture;
- Retail of fertilizers, chemicals used in industry – agriculture;
- Architectural activities and consultancy on techniques using fertilizers and chemicals;
- Warehousing, storage and handling cargo;
- Research and experiment of development of natural science and engineering technical testing and analysing;
- Machinery and equipment repair and maintenance;
- Website establishment, process data, rental and other related activities;
- Trade of agriculture products and materials; and
- Trade of real estate, land use right belong to owners, users or renters.

As at 31 December 2021 and 31 December 2020, the Company had 1 subsidiary - PetroVietnam Packaging Joint Stock Company ("subsidiary"). General information of the subsidiary is as below:

Subsidiary	Principal activities	Place of incorporation and operation	% of ownership	% of voting rights
PetroVietnam Packaging Joint Stock	Package manufacturing	Bac Lieu	51.03	51.03

1 GENERAL INFORMATION (continued)

As at 31 December 2021 and 31 December 2020, the Company had 2 branches that are dependent accounting units, located in plot D, Ward 1 Industrial Zone, Ngo Quyen Street, Ward 1, Ca Mau City, Ca Mau Province, Vietnam. The two branches are granted with branch stamps for transaction and allowed to open accounts at banks in accordance with Vietnamese laws. Details of the Company's branches are as follows:

- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company - Project Management Unit established under Decision No. 1109/QD-PVCFC dated 1 June 2016 of the Board of Management: is responsible for managing the Company's construction projects.
- Branch of PetroVietnam Ca Mau Fertilizer Joint Stock Company – Research and Development Center established under Decision No. 442/QD-PVCFC dated 27 March 2017 of the Board of Management: is responsible for researching and developing new products.

The normal business cycle of the Company and its subsidiary (together, "the Group") is 12 months.

As at 31 December 2021, the Group had 1,241 employees (as at 31 December 2020: 1,203 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of consolidated financial statements**

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

The accompanying consolidated financial statements are not intended to present the consolidated financial position and consolidated results of operations and consolidated 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 consolidated financial statements in the Vietnamese language are the official statutory consolidated financial statements of the Company. The consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.3 Currency**

The consolidated financial statements are measured and presented in Vietnamese Dong ("VND" or "Dong"), which is the Group's accounting currency. The Group determines their accounting currencies based on the currencies which are mainly used in sales of goods and rendering of services, which have a significant impact on selling prices of goods and services, which are normally used to list selling prices and receive payments; which are mainly used in purchases of goods or services, which have a significant impact on costs of labor, materials and other production or operating costs and which is normally used as payments for those costs.

In addition, the Group also uses these currencies to raise financial resources and regularly collect these currencies from business operations and savings.

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 consolidated income statement.

According to Official Letter No. 4360/DKVN-TCKT dated 30 June 2015 issued by Vietnam Oil and Gas Group and Official Letter No. 7526/BTC-TCDN dated 8 June 2015 issued by the Ministry of Finance on the exchange rates of foreign currencies ("Official Letter 4360 and Official Letter 7526"), the Group applies the buying rates announced by Joint Stock Commercial Bank for Foreign Trade of Vietnam to translate monetary items denominated in foreign currencies when preparing consolidated financial statements. These exchange rates differ from those stipulated in the Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance guiding the accounting regime for enterprises. The Board of Management assesses that exchange differences arising from using the different exchange rates are not material.

The exchange differences arising from using the exchange rates stipulated in the Official Letter 4360 and Official Letter 7526 are recognized as income or expense in the consolidated income statement.

2.5 Basis of consolidation**Subsidiary**

Subsidiary is entity over which the Group has the power to govern the financial and operating policies 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 Group controls another entity. Subsidiary is fully consolidated from the date on which control is transferred to the Group. It is de-consolidated from the date that control ceases.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.5 Basis of consolidation (continue)****Subsidiary (continue)**

The purchase method of accounting is used to account for the acquisition of subsidiary by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement.

In a multi-phase acquisition, when determining goodwill or bargain purchase, the consideration is the sum of the total consideration on the date of acquiring control and previous considerations remeasured to fair value on the date of control acquisition.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated.

Accounting policies of subsidiary have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling transactions and interests

The Group applies a policy for transactions with non-controlling interests ("NCI") as transactions with external parties to the Group.

NCI are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Group's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Group's share of net assets of the subsidiary and any consideration paid or received from divestment of the Group's interest in the subsidiary is recorded directly in the undistributed earnings under equity.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.5 Basis of consolidation (continue)

Non-controlling transactions and interests (Continue)

In a divestment of the Group's interest in a subsidiary that results in a loss of control, the difference between the Group's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or investment to be equity accounted for since the divestment date.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, demand deposits and other short-term investments with an original maturity of three months or less.

2.7 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 long-term and short-term receivables on the consolidated balance sheet based on the remaining period from the consolidated balance sheet date to the maturity date.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the specific identification method and includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual system for inventories.

Provision is made, when necessary, for obsoleted, 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 in the year.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Investments held to maturity**

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

Investment held to maturity include term deposits and bonds held to maturity for interest earning. 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 the value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period 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 consolidated balance sheet based on remaining period from the consolidated balance sheet date to the maturity date.

2.10 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or 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 and 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 consolidated income statement when incurred.

The Company's tangible and intangible fixed assets were revalued when the state-owned enterprise was equitized. Historical cost and accumulated depreciation are adjusted according to the valuation results which were approved by the competent authority in accordance with regulations, adjusted depreciation commenced when the Company officially becomes a joint stock company.

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. The estimated useful lives of each asset class are as follows:

Land use rights	20 – 43 years
Plant, buildings and structures	5 – 25 years
Machinery and equipment	5 – 12 years
Motor vehicles and transmission equipment	5 – 6 years
Office equipment	3 – 6 years
Patents	3 years
Computer software	3 – 6 years
Others	3 – 6 years

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Fixed assets (continued)***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 consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction or production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment 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.

2.11 Leased assets

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 consolidated income statement on a straight-line basis over the term of the lease.

2.12 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the consolidated balance sheet. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.13 Payables

Classifications of payables are based on their nature as follows:

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

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Borrowings**

Borrowings include borrowings from banks.

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

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 is used for the purpose of construction or production of any qualifying assets, the Group 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 Group's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the consolidated income statement when incurred.

2.15 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.16 Provisions

Provisions are recognised when the Group 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 obligation. 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 the passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.17 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.

Undistributed earnings record the Group's results after BIT at the reporting date.

2.18 Appropriation of profit

The Group's results after BIT is appropriated in accordance with the Resolution of the General Meeting of shareholders, including: dividend distribution and fund appropriation according to the Company's charter and Vietnamese regulations.

According to the Company's charter, dividend is recognised as a liability in the consolidated financial statements of the accounting period based on the closing date of shareholder list following the Resolution of the Board of Directors after the dividend distribution plan is approved at the General Meeting of shareholders.

The Group's fund is as below:

(a) Investment and development fund

Investment and development fund is appropriated at a rate of no more than 30% of profit after BIT of the Group and approved at the General Meeting of shareholders. This fund is used for expanding the production scale, business or in-depth investment.

(b) Science and Technology Development Fund

The science and technology development fund is appropriated at a rate of no more than 10% of taxable profit of the Group and approved at the General Meeting of shareholders, in order to build investment fund for science and technology activities of the Group. This fund is developed upon on the Group's development and technology innovation demand and recognised to the consolidated operation results of the year. This fund is presented as a liability on the consolidated balance sheet.

(c) Bonus and welfare fund

Bonus and welfare fund is appropriated of profit after BIT of the Group and approved at the General Meeting of shareholders, and used for bonus and welfare payment for employees. This fund is presented as a liability on the consolidated balance sheet.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.19 Revenue recognition

(a) Revenue from sales of goods

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

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group 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 Group; 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..

(b) Revenue from rendering of services

Revenue from rendering of services is recognised in the consolidated 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 rendering of services is only recognised when all 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 Group;
- The percentage of completion of the transaction at the consolidated 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.

(c) Interest income

Interest income is recognised on an earned basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Sales deductions**

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

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

2.21 Cost of goods sold and services rendered

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

2.22 Financial expenses

Financial expenses are expenses incurred in the year for financial activities mainly including interest expenses, losses from foreign exchange rate, guarantee fees and payment discounts.

2.23 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, merchandises, and providing services.

2.24 General and administration expenses

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

2.25 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 and the current year tax rates. Current and deferred 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.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.25 Current and deferred income tax (continued)**

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 consolidated 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 period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated 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.

2.26 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 Group, including holding companies, subsidiary and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the Board of Directors, the Board of Management of the Group, close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering a related party relationship, the Group considers the substance of the relationship but not merely the legal form.

2.27 Segment reporting

A segment is a component which can be separated by the Group engaged in providing 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 those of other segments. A reportable segment is the Group's business segment or the Group's geographical segment.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Critical accounting estimates**

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the year.

The areas involving significant estimates and assumptions are as follows:

- Estimated useful lives of fixed assets; and
- Estimated short-term provision (Note 7).

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 Group and that are assessed by the Board of Management to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	2021 VND	2020 VND
Cash on hand	1,440,926,639	1,012,932,449
Cash at bank	426,211,804,265	288,982,418,424
Cash equivalents (*)	-	220,000,000,000
	<u>427,652,730,904</u>	<u>509,995,350,873</u>

(*) Cash equivalents represent the bank term deposits in VND with original maturities of three months or less and earn interest at the interest rate from 2.9% per annum to 3.3% per annum (as at 31 December 2020: 3.65% per annum).

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

4 INVESTMENTS HELDS TO MATURITY

	2021		2020	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits over 3 months	4,362,000,000,000	4,362,000,000,000	2,302,000,000,000	2,302,000,000,000

(*) As at 31 December 2021, short-term investment held to maturity represents the bank deposits in VND with original maturities of more than three months and the remaining period of less than 12 months, and earns interest at the interest rate of 3.5% per annum to 5.35% per annum (as at 31 December 2020: 3.6% per annum to 5.35% per annum).

As at 31 December 2021, a deposit with amount of VND200 billion at Joint Stock Commercial Bank for Foreign Trade of Vietnam – Thu Thiem Branch was used as a collateral asset for the loan at this bank (Note 17).

As at 31 December 2021, the Company had a deposit of VND332 billion at Ocean Commercial Joint Stock Bank – Ca Mau Branch ("OceanBank"). According to Official Letter No. 17/2015/CV-GDCNCM dated 14 May 2015 of OceanBank, under the instruction of the State Bank of Vietnam ("SBV"), OceanBank has been temporarily suspending payment to institutional customers who had deposits at OceanBank from 11 February 2015. On 23 February 2021, the Company sent its Official Letter No. 233/PVCFCT to the SBV and OceanBank on the payment of this deposit and has not received the response yet. This deposit is currently applied the interest rate of 4% per annum and periodic interest is transferred to the Company's account opened at OceanBank. Because the SBV has taken over OceanBank and transformed the operational model of OceanBank into Ocean Commercial One Member Limited Liability Bank owned by the State since 8 May 2015, the Board of Management assesses that the mentioned above deposit is still collectible and there is no risk of loss, and therefore no provision for loss of asset has been recognised.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	2021 VND	2020 VND
Third parties		
Truong Hai Agriculture Joint Stock Company	26,494,200,000	
Phu My Chemical and Construction Co.,Ltd	13,485,171,197	-
Nguyen Khoa Trading Co., Ltd	-	7,960,000,000
Baconco Co., Ltd	-	7,225,255,750
Tuong Dung An Giang One Member Company Limited	-	6,393,500,000
Hiep Loan Import and Export Company Limited	-	5,974,450,000
Others	4,674,135,808	16,662,368,925
Related parties (Note 38(b))	-	537,980,400
	<u>44,653,507,005</u>	<u>44,753,555,075</u>

As at 31 December 2021 and 31 December 2020, the balances of short-term trade accounts receivable which were past due, amounted to VND40,717,380 and VND281,986,980, respectively.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	2021 VND	2020 VND
Third parties		
Hung Thanh Agricultural Equipments Co.,Ltd	41,220,000,000	-
Hong Van Trading Service Transportation Company Limited	6,675,000,000	-
Viet Farm Trading Company Limited	5,000,000,000	-
PVD Technical Training and Certification Joint Stock Company	3,625,959,690	-
Tuong Nguyen Import-Export Trading Service Company Limited	3,195,137,850	-
Bateco Vietnam Joint Stock Company	2,838,903,210	2,853,160,182
Others	23,057,445,961	11,843,790,147
Related parties (Note 38(b))	394,267,700	808,665,903
	<u>86,006,714,411</u>	<u>15,505,616,232</u>

7 OTHER SHORT-TERM RECEIVABLES

	2021		2020	
	Book value	Provision	Book value	Provision
Third parties				
Withholding tax on payment of foreign loan interest (i)	43,228,523,461	(37,461,292,602)	42,851,089,549	-
Interest receivables from term deposits	34,651,095,889	-	18,537,852,055	-
Discounts on goods purchased	13,048,564,000	-	13,439,746,830	-
Advances from employee	1,637,232,000	-	2,505,620,800	-
Deposits	115,000,000	-	335,000,000	-
Others	1,607,235,178	-	2,184,323,359	-
Related parties (Note 38(b))				
Receivables from PVN (ii)	-	-	77,424,489,813	-
	<u>94,287,650,528</u>	<u>(37,461,292,602)</u>	<u>157,278,122,406</u>	<u>-</u>

- (i) The balance as at 31 December 2021 represents the withholding tax paid by the Company following the working minutes dated 26 April 2018 of the Department of Finance Inspectorate, the Department of Tax of Ca Mau Province and Company. The Company is working with the Department of Tax to claim the refund for this withholding tax.
- (ii) The balance at 31 December 2020 represents profits of the period from 1 January 2014 to 14 January 2015, which was overpaid to PVN due to gas price adjustments that the Company purchased from PVN during that period.

In 2021, according to the Examination Minutes No. 4287/BB-DKVN dated 29 July 2021 on the equitization settlement of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company and Decision No. 4825 /QD-DKVN dated 28 August 2021 on determination of enterprise value and approval of the equitization finalisation of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company by the time that the Company officially became a joint stock company on 15 January 2015 issued by PVN, the Company offset these receivables with other payables to PVN (Notes 16 and 41).

8 INVENTORIES

	2021		2020	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	257,175,000,000	-	-	-
Raw materials	552,533,261,985	-	514,156,735,209	-
Tools and supplies	27,062,487,559	-	22,005,575,983	-
Work in progress	160,079,078,793	-	46,951,110,161	-
Finished goods	745,954,663,375	-	138,886,900,543	(295,586,957)
Merchandise	461,273,216,022	-	112,430,151,099	-
	<u>2,204,077,707,734</u>	<u>-</u>	<u>834,430,472,995</u>	<u>(295,586,957)</u>

Movements in the provision for decline in value of inventories during the year are as follows:

	2021 VND	2020 VND
Beginning of year	295,586,957	-
Increase	-	295,586,957
Reversal	(295,586,957)	-
End of year	<u>-</u>	<u>295,586,957</u>

9 PREPAID EXPENSES
(a) Short-term

	2021 VND	2020 VND
Insurance	13,324,792,803	5,942,721,832
Software warranty costs	10,537,220,024	5,411,686,281
Others	17,936,647,283	28,348,452,564
	<u>41,798,660,110</u>	<u>39,702,860,677</u>

9 PREPAID EXPENSES (continued)

(b) Long-term

	2021 VND	2020 VND
Potential development value (i)	261,059,472,455	-
Repair and maintenance	2,591,739,928	10,970,158,182
Tools and supplies	45,048,667,541	4,368,403,878
Others	1,858,878,477	1,920,151,862
	<u>310,558,758,401</u>	<u>17,258,713,922</u>

Movement in long-term prepaid expenses during the year are as follows:

	2021 VND	2020 VND
Beginning of year	56,961,574,599	77,776,708,373
Increase from equitization finalisation (i)	261,059,472,455	-
Increase	126,223,093,631	98,134,748,084
Allocation	(91,886,722,174)	(118,949,881,858)
End of year	<u>352,357,418,511</u>	<u>56,961,574,599</u>

- (i) This is the difference between the business advantage of Petrovietnam Ca Mau Fertiliser One Member Limited Company as of 1 January 2014 in the Inspection minutes No. 379/QD-TTCT – Restructuring state-owned enterprise dated 30 July 2018 at Petrovietnam Ca Mau Fertiliser One Member Limited Company issued by the Government inspection team and the valuation certificate of Ban Viet Securities Joint Stock Company signed on 9 July 2014.

According to the Examination Minutes No. 4287/BB-DKVN dated 29 July 2021 on the equitization settlement of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company and Decision No. 4825 /QD-DKVN dated 28 August 2021 on determination of enterprise value and approval of the equitization finalisation of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company by the time that the Company officially became a joint stock company on 15 January 2015 issued by PVN, the Company has temporarily recognised an increase in assets (goodwill) and other payables; and neither recognised the increase in State capital nor submitted this amount to the Enterprise support and arrangement fund. This matter will be resolved (including accounting treatment) when the Government Inspectorate issues the final conclusion (Note 16 and Note 41).

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

10 FIXED ASSETS

(a) Tangible fixed assets

	Plant, buildings and structures VND	Machinery and equipment VND	Motor vehicles and transmission equipment VND	Office equipment VND	Others VND	Total VND
Historical cost						
As at 1 January 2021	3,553,580,528,138	10,501,077,536,795	73,539,495,539	84,893,260,941	59,369,973,815	14,272,460,795,228
New purchases	688,889,850	25,310,354,585	6,788,788,139	14,090,455,726	-	46,878,488,300
Transfers from construction in progress (Note 11)	316,714,497,628	473,786,856,811	-	-	-	790,501,354,439
Others	-	-	-	(5,790,031,371)	-	(5,790,031,371)
As at 31 December 2021	3,870,983,915,616	11,000,174,748,191	80,328,283,678	93,193,685,296	59,369,973,815	15,104,050,606,596
Accumulated depreciation						
As at 1 January 2021	2,558,205,899,076	7,677,936,193,359	58,390,810,688	59,794,428,551	18,502,439,027	10,372,829,770,701
Charge for the year	336,014,941,671	1,018,707,983,074	4,220,016,788	5,400,900,452	188,907,104	1,364,532,749,089
As at 31 December 2021	2,894,220,840,747	8,696,644,176,433	62,610,827,476	65,195,329,003	18,691,346,131	11,737,362,519,790
Net book value						
As at 1 January 2021	995,374,629,062	2,823,141,343,436	15,148,684,851	25,098,832,390	40,867,534,788	3,899,631,024,527
As at 31 December 2021	976,763,074,869	2,303,530,571,758	17,717,456,202	27,998,356,293	40,678,627,684	3,366,688,086,806

10 FIXED ASSETS (continued)**(a) Tangible fixed assets (continued)**

The Company has pledged the fixed assets built from projects including Camau Fertilizer Production Factory, Material import port with capacity of 500,000 tons/year of Ca Mau Fertilizer Production Factory and Factory producing Complex Fertilizer from Molten Urea as collaterals for the Company's bank loans. The carrying value of these assets at 31 December 2021 was VND3,269,371,536,727 (as at 31 December 2020: VND3,579,716,861,942) (Note 17).

PetroVietnam Packaging Joint Stock Company ("the subsidiary") has pledged the fixed assets built from Bac Lieu Petroleum Packaging Factory Project and assets formed from loans at Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Lieu Branch with carrying value of VND20,335,241,414 as at 31 December 2021 (as at 31 December 2020: VND23,319,884,656) as collaterals for the Group's bank loans (Note 17).

The historical cost of fully depreciated tangible fixed assets but still in use as at 31 December 2021 was VND378,418,409,808 (as at 31 December 2020: VND317,917,027,708).

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

10 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Patents VND	Computer software VND	Total VND
Historical cost				
As at 1 January 2021	22,194,885,567	14,080,000,000	110,436,376,805	146,711,262,372
New purchases	-	-	6,389,701,155	6,389,701,155
As at 31 December 2021	22,194,885,567	14,080,000,000	116,826,077,960	153,100,963,527
Accumulated amortisation				
As at 1 January 2021	7,573,890,220	14,080,000,000	69,259,799,956	90,913,690,176
Charge for the year	1,286,648,162	-	21,965,422,050	23,252,070,212
As at 31 December 2021	8,860,538,382	14,080,000,000	91,225,222,006	114,165,760,388
Net book value				
As at 1 January 2021	14,620,995,347	-	41,176,576,849	55,797,572,196
As at 31 December 2021	13,334,347,185	-	25,600,855,954	38,935,203,139

The historical cost of fully amortized intangible fixed assets but still in use as at 31 December 2021 was VND74,003,851,676 (as at 31 December 2020: VND63,853,494,341).

11 CONSTRUCTION IN PROGRESS

Details of construction in progress by projects are as follows:

	2021 VND	2020 VND
Factory producing Complex Fertilizer from Molten Urea (*)	13,369,078,535	748,149,371,686
CO2 filter System	35,991,722,935	2,745,101,039
MB vent gas recovery system	4,515,487,702	3,953,884,558
Packaging warehouse - Production	-	3,871,758,521
Others	12,241,637,563	2,235,181,469
	<u>66,117,926,735</u>	<u>760,955,297,273</u>

(*) The Company has pledged the assets built from Factory producing Complex Fertilizer from Molten Urea Project with carrying value of VND13,369,078,535 as at 31 December 2021 (as at 31 December 2020: VND748,149,371,686) as collaterals for the Company's bank loans (Note 17).

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

	2021 VND	2020 VND
Beginning of year	760,955,297,273	698,579,632,340
Purchase	101,478,801,544	81,384,243,694
Transfers to fixed assets (Note (10a))	(790,501,354,439)	(19,008,578,761)
Transfers to prepaid expenses	(5,814,817,643)	-
End of year	<u>66,117,926,735</u>	<u>760,955,297,273</u>

12 SHORT-TERM TRADE ACCOUNTS PAYABLE

	2021		2020	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties				
Tri Viet Trading and Engineering Co., Ltd	12,536,986,000	12,536,986,000	1,262,501,900	1,262,501,900
Dandelion Saigon Company Limited	9,129,793,000	9,129,793,000	-	-
Thuan Phat Logistic Joint Stock Company	8,506,084,068	8,506,084,068	7,133,603,065	7,133,603,065
Thanh An Development And Investment Services Trading Co., Ltd	-	-	7,815,959,250	7,815,959,250
Sun Life Vietnam Company Limited	4,859,500,000	4,859,500,000	40,000,000,000	40,000,000,000
Others	244,258,705,698	244,258,705,698	178,497,586,258	178,497,586,258
Related parties (Note 38(b))	515,506,220,595	515,506,220,595	474,417,149,703	474,417,149,703
	<u>794,797,289,361</u>	<u>794,797,289,361</u>	<u>709,126,800,176</u>	<u>709,126,800,176</u>

13 SHORT-TERM ADVANCES FROM CUSTOMERS

	2021 VND	2020 VND
Yetak Group Co., Ltd	-	27,676,624,079
Sayimex Ta Mchas Sre Co., Ltd	-	16,999,189,280
Hung Thanh Co., Ltd	161,449,115,240	16,138,922,240
Nguyen Khoa Trading Co., Ltd	29,706,589,514	5,158,729,999
Hour Sarin Aphivath Kasekem Co., Ltd	10,946,234,396	-
Huu Thanh I Co., Ltd	8,976,989,100	6,013,629,100
Others	74,468,429,233	46,195,984,164
	<u>285,547,357,483</u>	<u>118,183,078,862</u>

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

14 TAX AND PAYABLES TO/RECEIVABLES FROM THE STATE

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

	As at 1.1.2021 VND	Receivable/payable during the year VND	Net-off VND	Payment/refund during the year VND	As at 31.12.2021 VND
a) Receivables					
VAT to be reclaimed	74,460,526,799	106,821,371,518	(25,344,667,283)	(103,134,959,858)	52,802,271,176
VAT overpaid	104,855,724	-	-	-	104,855,724
Land rental	397,346,605	80,190,633	-	(80,190,633)	397,346,605
Import tax	-	1,186,326,724	-	(1,186,326,724)	-
	<u>74,962,729,128</u>	<u>108,087,888,875</u>	<u>(25,344,667,283)</u>	<u>(104,401,477,215)</u>	<u>53,304,473,505</u>
b) Payables					
BIT	26,953,732,461	138,029,455,566	-	(78,860,458,512)	86,122,729,515
Personal income tax	2,072,002,963	44,728,091,793	-	(38,798,596,955)	8,001,497,801
VAT payable	1,795,381,607	29,446,851,841	(25,344,667,283)	(5,503,861,035)	393,705,130
VAT import tax	-	5,493,158,143	-	(5,493,158,143)	-
Natural resource taxes	229,003,200	2,533,187,850	-	(2,545,884,600)	216,306,450
Other taxes	16,674,000	915,313,922	-	(927,883,922)	4,104,000
	<u>31,066,794,231</u>	<u>221,146,059,115</u>	<u>(25,344,667,283)</u>	<u>(132,129,843,167)</u>	<u>94,738,342,896</u>

15 SHORT-TERM ACCRUED EXPENSES

	2021 VND	2020 VND
Third parties		
Cost of purchasing goods and services	295,317,116,756	21,346,111,775
Trade discount payable	199,515,410,195	56,512,371,793
Sales promotion expense	26,693,725,725	16,479,670,013
Interest expense	1,287,604,929	5,035,488,008
Guarantee fees	-	500,143,854
Others	11,323,449,583	11,775,417,440
Related party (Note 38(b))		
Non-deductible VAT payable	19,019,656,275	14,374,223,655
	<u>553,156,963,463</u>	<u>126,023,426,538</u>

16 OTHER SHORT-TERM PAYABLES

	2021 VND	2020 VND
Third parties		
Equitization payable - Potential development value (Note 9)	261,059,472,455	-
Social security expenses	15,000,000,000	-
Sales commission	13,241,390,131	5,993,809,535
Safety bonus fund	6,572,097,546	5,182,233,141
Short-term deposits	1,773,807,531	1,145,292,000
Union fund	1,084,145,917	2,620,361,383
Dividend payables	555,560,000	479,873,500
Others	18,075,962,917	10,252,027,093
Related parties (Note 38(b))		
Payable to Camau Gas-Power-Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
- Input VAT on gas purchased in the period before officially commercial operation	49,897,065,571	49,897,065,571
- Others	5,954,347,858	5,954,347,858
Payable to PVN (i)	13,283,673,912	45,856,789,285
- Equitization payable	12,219,608,894	46,019,574,601
+ Profit payable for the period from 1 January 2014 to 14 January 2015	12,219,608,894	12,219,608,894
+ Overpaid the CIT in 2014	-	32,375,616,667
+ CIT payable for the period from 1 January 2015 to 14 January 2015	-	1,176,849,040
+ Others	-	247,500,000
- Other payables	1,064,065,018	(162,785,316)
	<u>386,497,523,838</u>	<u>127,381,799,366</u>

- (i) According to the Examination Minutes No. 4287/BB-DKVN dated 29 July 2021 about the equitization settlement of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company and Decision No. 4825 /QD-DKVN dated 28 August 2021 about determination of enterprise value and approval of the equitization finalisation of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company by the time that the Company officially became a joint stock company on 15 January 2015 issued by PVN, the Company has temporarily recognised an increase in assets (goodwill) and other payables; and neither recognised the increase in State capital nor submitted this amount to the Enterprise support and arrangement fund. This matter will be resolved (including accounting treatment) when the Government Inspectorate issues the final conclusion (Notes 7 and 41).

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

17 BORROWINGS

(a) Short-term

	As at 1.1.2021 VND	Increase VND	Decrease VND	Revaluation	As at 31.12.2021 VND
Borrowing from banks (i)	155,758,063,000	1,380,601,265,566	(975,284,578,566)	(6,960,750,000)	554,114,000,000
Current portion of long-term borrowings	529,648,500,747	135,046,478,561	(529,646,027,972)	-	135,048,951,336
	<u>685,406,563,747</u>	<u>1,515,647,744,127</u>	<u>(1,504,930,606,538)</u>	<u>(6,960,750,000)</u>	<u>689,162,951,336</u>

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

	Maturity year	31.12.2021 VND	31.12.2020 VND
Joint Stock Commercial Bank For Foreign Trade Of Vietnam - Thu Thiem Branch	2022	554,114,000,000	155,758,063,000

Including short-term loan in United States Dollar ("USD") from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thu Thiem branch with the term of 2 months to support the Company's working capital, bearing interest rate of 1.3% per annum. As at 31 December 2021, the outstanding principal balance is USD24,475,000, equivalent to VND554,114,000,000. The security of this loan is term deposit of VND200 billion at this bank (Note 4).

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

17 BORROWINGS (continued)

(b) Long-term

	As at 1.1.2021 VND	Increase VND	Decrease VND	Revaluation VND	As at 31.12.2021 VND
Borrowing from banks (ii)	666,710,722,840	660,600,000	(529,646,027,972)	-	137,725,294,868
Current portion of long-term borrowings	(529,648,500,747)	(135,046,478,561)	529,646,027,972	-	(135,048,951,336)
	<u>137,062,222,093</u>	<u>(134,385,878,561)</u>	<u>-</u>	<u>-</u>	<u>2,676,343,532</u>

(ii) Details of the borrowings are as follows:

	Maturity date	31.12.2021 VND	31.12.2020 VND
Saigon Hanoi Commercial Joint Stock Bank (*)	25/11/2022	131,787,453,586	263,566,281,586
Group of banks BNP, Paribas, Credit Agricole and Chinese Export Import Bank (*)	21/07/2021	-	368,559,999,997
Ho Chi Minh City Development Joint Stock Commercial Bank - Ca Mau branch (*)	30/08/2021	-	25,312,520,589
Vietnam Joint Stock Commercial Bank For Industry And Trade - Bac Lieu Branch (**)	06/09/2024	5,937,841,282	9,271,920,668
		<u>137,725,294,868</u>	<u>666,710,722,840</u>

17 BORROWINGS (continued)

(b) Long-term

(*) These are long-term loans in USD and VND to finance purchases and constructions of fixed assets of the Company. These loans are secured by assets formed from the loans. Floating interest rate is applied in accordance with the lender's regulations, interest rates range from 1.8% to 4% per annum for loans in USD and from 7.84% to 9.1% per annum for loans in VND.

(**) This is a long-term loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Lieu Branch of the subsidiary under credit facility contracts of 3 to 7 years to finance purchases and constructions of fixed assets of the subsidiary. The loan is secured by assets built from Bac Lieu Petroleum Packaging Factory Project and other assets formed from the loan. The loan is applied floating interest rate.

18 DEFERRED TAX ASSET

The gross movement in deferred income tax is as follows:

	2021 VND	2020 VND
Beginning of year	5,642,956,754	7,168,817,432
Income statement credit/(charge) (Note 34)	7,883,753,661	(1,525,860,678)
End of year	<u>13,526,710,415</u>	<u>5,642,956,754</u>

Details of deferred tax assets:

	2021 VND	2020 VND
Trade discount not yet invoiced	11,736,144,678	4,156,620,880
Unrealized profit	1,790,565,737	1,486,335,874
	<u>13,526,710,415</u>	<u>5,642,956,754</u>

19 BONUS AND WELFARE FUND

	2021 VND	2020 VND
Beginning of year	154,922,265,967	104,358,451,427
Fund appropriation during the year (Note 22)	197,335,805,505	123,120,879,530
Adjusted appropriation to bonus and welfare fund from 2020 profit (Note 22)	(528,642,500)	(315,244,328)
Utilisation during the year	(156,608,264,569)	(72,241,820,662)
End of year	<u>195,121,164,403</u>	<u>154,922,265,967</u>

Bonus and welfare fund was appropriated in the financial year ended 31 December 2021 according to Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the Company's General Meeting of Shareholders and to Resolution No. 01/NQ-PVCFC dated 22 April 2021 of the subsidiary's General Meeting of Shareholders.

20 SCIENTIFIC AND TECHNOLOGICAL DEVELOPMENT FUND

	2021 VND	2020 VND
Beginning of year	203,819,014,815	137,797,154,046
Fund appropriation during the year	216,728,275,492	79,425,415,134
Utilisation during the year	(15,810,116,993)	(13,403,554,365)
End of year	<u>404,737,173,314</u>	<u>203,819,014,815</u>

The scientific and technological development fund was appropriated in the year ended 31 December 2021 at the rate of 10% of the Company's taxable profit according to the Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the Company's General Meeting of Shareholders.

21 OWNERS' CAPITAL

(a) Number of shares

	2021		2020	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	529,400,000	-	529,400,000	-
Number of shares issued	529,400,000	-	529,400,000	-
Number of existing shares in circulation	529,400,000	-	529,400,000	-

(b) Details of owners' shareholding

	2021		2020	
	Ordinary shares	%	Ordinary shares	%
Vietnam Oil and Gas Group	400,023,057	75.56	400,023,057	75.56
Other shareholders	129,376,943	24.44	129,376,943	24.44
Number of shares	529,400,000	100	529,400,000	100

(c) Movement of share capital

As at the years ended 31 December 2021 and 31 December 2020, the Company had no changes in the total share value.

Par value per share: VND10,000.

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Investment and development fund VND	Owners' other capital VND	Post-tax undistributed earnings VND	Minority interests VND	Total VND
As at 1 January 2020	5,294,000,000,000	352,538,306,337	3,665,420,000	428,845,630,394	27,277,893,348	6,106,327,250,079
Net profit for the year	-	-	-	661,046,074,192	1,400,260,079	662,446,334,271
Appropriation to investment and development fund from 2020 profit	-	66,429,112,258	-	(66,429,112,258)	-	-
Appropriation to bonus and welfare fund from 2020 profit	-	-	-	(122,670,431,407)	(450,448,123)	(123,120,879,530)
Adjusted appropriation to bonus and welfare fund from 2019 profit	-	-	-	315,244,328	-	315,244,328
Dividend distribution from 2019 profit (Note 24)	-	-	-	(317,640,000,000)	(1,880,279,200)	(319,520,279,200)
As at 31 December 2020	5,294,000,000,000	418,967,418,595	3,665,420,000	583,467,405,249	26,347,426,104	6,326,447,669,948
Adjustment related to equityization (i)	-	-	-	(52,267,239,293)	-	(52,267,239,293)
Net profit for the year	-	-	-	1,823,459,057,715	2,665,229,221	1,826,124,286,936
Appropriation to investment and development fund from 2021 profit (ii)	-	546,890,854,637	-	(546,890,854,637)	-	-
Appropriation to bonus and welfare fund from 2021 profit (ii)	-	-	-	(196,791,613,890)	(544,191,615)	(197,335,805,505)
Adjustment of bonus and welfare fund from profit in 2020	-	-	-	528,642,500	-	528,642,500
Dividend distribution from 2020 profit (Note 24)	-	-	-	(423,520,000,000)	(1,880,279,200)	(425,400,279,200)
As at 31 December 2021	5,294,000,000,000	965,858,273,232	3,665,420,000	1,187,985,397,644	26,588,184,510	7,478,097,275,386

(i) This is the adjustment profit of the Company's undistributed profit according to the Examination Minutes No. 4287/BB-DKVN dated 29 July 2021 on the equityization settlement of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company and Decision No. 4825 /QD-DKVN dated 28 August 2021 on determination of enterprise value and approval of the equityization finalisation of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company by the time that the Company officially became a joint stock company on 15 January 2015 issued by PVN (Note 41).

22 MOVEMENTS IN OWNERS' EQUITY (continued)

- (ii) During the year, the Company appropriated the investment and development fund and bonus and welfare fund from the 2021 profit in accordance with the Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the General Meeting of Shareholders of the Company and the Resolution No. 01/NQ-PVCFC dated 22 April 2021 of the subsidiary's General Meeting of Shareholders.

23 NON-CONTROLLING INTEREST

	2021 VND	2020 VND
Share capital	23,503,490,000	23,503,490,000
Other funds	4,573,285,409	4,246,073,548
Undistributed earnings	(1,488,590,899)	(1,402,137,444)
	<u>26,588,184,510</u>	<u>26,347,426,104</u>

Movements in non-controlling interests during the year are as follows:

	2021 VND	2020 VND
Beginning of year	26,347,426,104	27,277,893,348
Net profit for the year	2,665,229,221	1,400,260,079
Appropriation to bonus and welfare fund	(544,191,615)	(450,448,123)
Dividends paid	(1,880,279,200)	(1,880,279,200)
Ending of year	<u>26,588,184,510</u>	<u>26,347,426,104</u>

24 DIVIDENDS

	2021 VND	2020 VND
Beginning of year	479,873,500	445,217,500
Dividends payable during the year	425,400,279,200	319,520,279,200
Dividends paid by cash	(425,324,592,700)	(319,485,623,200)
End of year	<u>555,560,000</u>	<u>479,873,500</u>

- (*) According to the Resolution No. 854/NQ-PVCFC dated 27 April 2021 of the Company's General Meeting of Shareholders, the payment of the 2020 dividends in cash to existing shareholders at the rate of 8% charter capital, equivalent to VND423,520,000,000, was approved.

At PetroVietnam Packaging Joint Stock Company, according to the Resolution No. 01/NQ-ĐHCD dated 22 April 2021 of the subsidiary's General Meeting of Shareholders, the payment of the 2020 dividends in cash to existing shareholders at the rate of 8% charter capital, equivalent to VND3,839,612,800, was approved.

25 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year, excluding treasury shares. Details are as follows:

	For the year ended	
	31.12.2021	31.12.2020
Net profit attributable to shareholders (VND)	1,823,459,057,715	661,046,074,192
Less amount allocated to bonus and welfare fund (VND) (*)	(196,791,613,890)	(122,670,431,407)
	<u>1,626,667,443,825</u>	<u>538,375,642,785</u>
Weighted average number of ordinary shares in issue (shares)	529,400,000	529,400,000
Basic earnings per share (VND)	<u>3,073</u>	<u>1,017</u>

(*) The bonus and welfare fund appropriation for the year ended 31 December 2021 is based on the Group's 2021 profit distribution plan according to the Resolution No. 854/NQ- PVCFC dated 27 April 2021 of the Annual General Meeting of Shareholders of the Company, and Resolution of the Board of Directors No. 02/NQ-PPC-HD dated 21 January 2021 and Resolution No. 01/NQ-DHCD dated 22 April 2021 of the General Meeting of Shareholders of the subsidiary.

The bonus and welfare fund appropriation for the year ended 30 December 2020 was based on the Group's 2020 profit distribution plan according to the Resolution No. 1161/NQ-PVCFC dated 25 June 2020 of the Annual General Meeting of Shareholders of the Company and Resolution No. 01/NQ-DHCD dated 24 June 2020 of the General Meeting of Shareholders of subsidiary.

(b) Diluted earnings per share

The Company did not have any ordinary shares potentially diluted during the year and up to the date of this consolidated financial statements. Therefore, the diluted earnings per share is equal to the basic earnings per share.

26 OFF BALANCE SHEET ITEMS**(a) Asset held under trust**

As at 31 December 2021, third parties' materials are held under trust by the Group as follows:

Name of materials	Name of third parties	Amount Kg
N.Humate+Te 28-5 (50kg)	Be Tu Agriculture Company Limited	53,700
N.Humate+Te 28-5 (50kg)	Nguyen Khoa Trading Co., Ltd	10,000
N.Humate+Te 28-5 (50kg)	Hung Thanh Agricultural Van Load Co., Ltd	67,200
N.Humate+Te 28-5 (50kg)	Trong Tin Co., Ltd	16,000
N.Humate+Te 28-5 (25kg)	Trong Tin Co., Ltd	3,000

(b) Foreign currencies

As at 31 December 2021 and 31 December 2020, included in cash and cash equivalents were balances held in foreign currencies of USD and EUR as follows:

	2021	2020
Foreign currencies		
USD	489,747	5,996,442
EUR	1,280	1,280

(c) Operating Leases

The future minimum lease payments under non-cancellable operating leases are presented in Note 39.

27 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2021 VND	2020 VND
Revenue from sales of goods and rendering of services		
Revenue from sales of finished goods - Urea	7,280,394,927,590	6,073,425,382,360
-Domestic	5,378,953,779,000	4,394,765,571,328
-Export	1,901,441,148,590	1,678,659,811,032
Revenue from sales of finished goods Amoniac	24,014,972,941	-
Revenue from sales of finished goods NPK	391,249,025,000	-
Revenue from sales of merchandises - Fertilizer	1,638,158,931,515	1,331,323,910,380
-Domestic	1,514,083,655,476	1,305,540,380,330
-Export	124,075,276,039	25,783,530,050
Revenue from sales of substandard products and other finished goods	752,683,326,938	311,306,671,150
Revenue from rendering of services	1,655,898,417	834,513,741
	10,088,157,082,401	7,716,890,477,631
Sales deductions		
Trade discounts	(218,382,350,196)	(155,400,777,213)
Sales allowances	(11,827,568)	-
Sales returns	-	(214,600,000)
	(218,394,177,764)	(155,615,377,213)
Net revenue from sales of goods and rendering of services		
Net revenue from sales of finished goods	8,251,712,550,823	6,229,116,676,297
Net revenue from sales of merchandises	1,616,394,455,397	1,331,323,910,380
Net revenue from rendering of services	1,655,898,417	834,513,741
	9,869,762,904,637	7,561,275,100,418

28 COST OF GOODS SOLD AND SERVICES RENDERED

	2021 VND	2020 VND
Cost of finished goods Urea	4,786,064,054,966	4,868,626,033,251
Cost of merchandises sold - Fertilizer	1,483,980,402,380	1,232,744,382,350
Cost of finished goods NPK	392,883,682,341	-
Cost of finished goods Amoniac	13,466,273,668	-
Cost of substandard products and other finished goods	412,431,566,970	143,056,884,928
	7,088,825,980,325	6,244,427,300,529

29 FINANCIAL INCOME

	2021 VND	2020 VND
Interest income from deposits	130,835,723,223	111,939,246,447
Realised foreign exchange gains	29,686,857,823	16,377,434,979
Net gain from foreign currency translation at year-end	7,009,326,758	-
	<u>167,531,907,804</u>	<u>128,316,681,426</u>

30 FINANCIAL EXPENSES

	2021 VND	2020 VND
Interest expense	18,580,201,013	43,301,059,166
Payment discounts	2,319,050,000	244,250,000
Guarantee fee	197,673,181	2,137,728,584
Realised foreign exchange losses	23,976,005,430	17,436,037,472
Others	-	115,450,000
	<u>45,072,929,624</u>	<u>63,234,525,222</u>

31 SELLING EXPENSES

	2021 VND	2020 VND
Marketing fees	106,443,848,845	52,317,514,367
Transportation and warehouse fees	86,281,217,917	159,809,238,978
Social security expenses	57,412,538,334	13,037,400,790
Staff costs	53,627,510,921	37,148,455,458
Self-employed sales expenses	18,826,047,196	42,039,658,914
Depreciation and amortisation	5,713,708,158	3,536,378,703
Others	92,096,381,473	61,111,667,941
	<u>420,401,252,844</u>	<u>369,000,315,151</u>

32 GENERAL AND ADMINISTRATION EXPENSES

	2021 VND	2020 VND
Science and technology fund appropriation	216,728,275,492	79,425,415,134
Staff costs	143,105,770,233	97,257,123,787
Provision for receivable from withholding tax on interest of foreign borrowings (Note 7)	37,461,292,602	-
Outsource services expenses	46,432,261,142	46,238,682,293
Depreciation and amortisation	18,451,388,503	16,560,992,525
Others	66,312,749,643	64,924,449,273
	<u>528,491,737,615</u>	<u>304,406,663,012</u>

33 OTHER INCOME AND EXPENSES

	2021 VND	2020 VND
Other income		
Penalty for breach of contract terms	-	342,753,170
Disposal of tools and supplies	552,260,727	-
Compensation and bonus	101,323,309	7,924,957,313
Others	3,717,611,345	2,467,633,770
	<u>4,371,195,381</u>	<u>10,735,344,253</u>
Other expenses		
Tax penalties	-	(315,143,150)
Product handling expenses	-	(2,071,393,187)
Others	(2,604,118,573)	(337,981,541)
	<u>(2,604,118,573)</u>	<u>(2,724,517,878)</u>
	<u>1,767,076,808</u>	<u>8,010,826,375</u>

34 BIT

The BIT on the Group's accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20%, as follows:

	2021 VND	2020 VND
Net accounting profit before tax	1,956,269,988,841	716,533,804,305
Tax calculated at a rate of 20%	34,468,105,814	21,530,183,387
Tax calculated at a rate of 17%	-	532,283,607
Tax calculated at a rate of 5%	87,950,804,059	30,334,402,555
Effect of:		-
Expenses not deductible for tax purposes	6,361,738,708	2,749,861,482
Tax losses for which no deferred income tax asset was recognised	-	(1,648,774,800)
Under-provision in previous years	1,646,691,782	828,429,759
Others	(281,638,458)	(238,915,956)
BIT charge (*)	130,145,701,905	54,087,470,034
Charged/(credited) to consolidated income statement:		
BIT – current	138,029,455,566	52,561,609,356
BIT – deferred (Note 18)	(7,883,753,661)	1,525,860,678
	130,145,701,905	54,087,470,034

34 BIT (continued)

(i) BIT rate of the Company

According to Investment Certificate No. 61101000153 dated 4 December 2012 issued by the People's Committee of Camau province, the Company is entitled to tax incentives with regard to Camau Fertilizer Production Plant project as follows:

- BIT: the Company is entitled to preferential tax rates, tax exemption and reduction in accordance with provisions of the prevailing law on BIT.
- Land: exempted, reduced land use tax, land use fees, land rental and water rental comply with the current land law and tax law.
- Import tax: exempt from import tax on equipment, supplies, means of transport and other goods to carry out the Project in accordance with the Law on Import Tax and Export Tax.

According to Official Letter No. 4641/TCT-CS issued by the General Department of Taxation on 2 December 2018 responding to PVN on tax incentives for Camau Fertilizer Factory Project, the Company is entitled to BIT incentives at the rate of 10% for 15 years since the commencement of production and business activities, BIT exemption for 4 years from year of having taxable profit and 50% reduction in tax payable for 9 consecutive years thereafter. The year 2017 is the second year the Company is entitled to 50% reduction in tax payable regarding profit generated by the main operating activities of Camau Fertilizer Factory Project.

For business activities other than Camau Fertilizer Factory Project, the Company is obliged to pay BIT at the normal tax rate for taxable profit from other activities.

(ii) BIT rate of the subsidiary

- For packaging production and trading activities: According to Decision No. 22/2010/QĐ-UBND dated 1 September 2010 from the People's Committee of Bac Lieu Province and Investment Certificate No. 60221000003 issued by the Industrial Park Authority of Bac Lieu Province on 23 June 2013 and the current regulations, the subsidiary is entitled to BIT incentives as follows: The preferential tax rate of 20% for a period of 10 years and the preferential tax rate of 17% from 1 January 2016; BIT exemption for 2 years from year of having taxable profit (2012) and 50% reduction in BIT payable for 4 consecutive years thereafter applicable to enterprises newly established in areas having difficult social-economic conditions.
- For fertilizer production and trading activities: According to Official Letter No. 380/CT-TTHT dated 2 April 2018 of the Department of Tax of Bac Lieu province, the project of Bac Lieu Petroleum Fertilizer Factory has been identified as a new investment project. Therefore the subsidiary is entitled to BIT incentives as follows: The preferential tax rate of 17% for a period of 10 years; BIT exemption for 2 years from year of having taxable profit and 50% reduction in tax payable for the 4 consecutive years thereafter applicable to enterprises newly established in areas having difficult social-economic conditions.

(*) The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

35 COSTS OF OPERATIONS BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Group's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	2021 VND	2020 VND
Raw materials	4,548,981,056,080	2,729,909,573,228
Depreciation and amortisation	1,385,810,943,875	1,318,152,452,706
Staff costs	581,277,166,109	438,270,715,626
Outside service expenses	363,746,182,692	408,220,209,653
Science and technology fund appropriation	216,728,275,492	79,425,415,134
Provision for receivable from withholding tax on interest of foreign borrowings (Note 7)	37,461,292,602	-
Others	489,661,474,441	284,919,995,750
	<u>7,623,666,391,291</u>	<u>5,258,898,362,097</u>

36 SEGMENT REPORTING

The Board of Management of the Company determines that the decisions of the Group are based primarily on the geographic areas in which the Group supplies products and services. As a result, the primary segment reporting of the Group is presented in respect of the Group's geographical segments.

	Year ended 31 December 2021		
	Domestic VND	Export VND	Total VND
Net revenue from sales of goods and rendering services	8,222,359,021,812	1,647,403,882,825	9,869,762,904,637
Cost of goods sold and services rendered	(5,587,228,520,064)	(1,501,597,460,261)	(7,088,825,980,325)
Net operating profit by division	<u>2,635,130,501,748</u>	<u>145,806,422,564</u>	<u>2,780,936,924,312</u>
General operating expenses			(948,892,990,459)
Financial incomes			167,531,907,804
Financial expenses			(45,072,929,624)
Other incomes			4,371,195,381
Other expenses			(2,604,118,573)
Profit before tax			<u>1,956,269,988,841</u>
BIT – current			(138,029,455,566)
BIT – deferred			7,883,753,661
Net profit after tax			<u><u>1,826,124,286,936</u></u>

36 SEGMENT REPORTING (continue)

	Year ended 31 December 2020		Total VND
	Domestic VND	Export VND	
Net revenue from sales of goods and rendering services	5,911,587,327,593	1,649,687,772,825	7,561,275,100,418
Cost of goods sold and services rendered	(4,728,796,474,668)	(1,515,630,825,861)	(6,244,427,300,529)
Net operating profit by division	1,182,790,852,925	134,056,946,964	1,316,847,799,889
General operating expenses			(673,406,978,163)
Financial incomes			128,316,681,426
Financial expenses			(63,234,525,222)
Other incomes			10,735,344,253
Other expenses			(2,724,517,878)
Profit before tax			716,533,804,305
BIT – current			(52,561,609,356)
BIT – deferred			(1,525,860,678)
Net profit after tax			662,446,334,271

37 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Non-cash transactions affect the consolidated statement of cash flows

	Year ended 31 December	
	2021 VND	2020 VND
Purchase assets under form of receiving debts directly	5,571,626,452	8,656,285,691

(b) Amount of loan actually withdrawn during the year

	Year ended 31 December	
	2021 VND	2020 VND
Proceeds from borrowings following normal borrowing contracts	1,381,261,865,566	1,722,884,692,677

37 ADDITIONAL INFORMATION FOR THE ITEMS OF THE CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(c) Amount of loan principal actually paid during the year

	Year ended 31 December	
	2021 VND	2020 VND
Repayments for borrowings following normal borrowing contracts	1,504,930,606,538	2,683,435,949,507

38 RELATED PARTY DISCLOSURES

During the year, the Group has transactions and balances with related parties as below:

Related parties	Relationship
PVN	Parent Company
PetroVietnam Packaging Joint Stock Company	Subsidiary
Binh Son Refining and Petrochemical Joint Stock Company	Associates of PVN
Petrovietnam Transportation Vung Tau Joint Stock Company	Associates of PVN
PetroVietnam Power Corporation	Associates of PVN
PetroVietnam Fertilizer and Chemicals Corporation - Petrochemicals Trading Branch	Associates of PVN
Vietnam PVI insurance Co.,Ltd	Associates of PVN
Ca Mau PVI insurance Co.,Ltd	Associates of PVN
PV Gas - Ca Mau	Associates of PVN
PV Security Corp	Associates of PVN
Saigon Petro Vietnam Oil Joint Stock Company	Associates of PVN
South-East Petrovietnam Fertilizer And Chemicals JSC	Associates of PVN
Petroleum Pipeline and Tank Construction Joint Stock Company	Associates of PVN
PVD Trading and Technical Services Joint Stock Company	Associates of PVN

38 RELATED PARTY DISCLOSURES (continued)

Related parties	Relationship
Vietnam Petroleum Institute – VPI	Associates of PVN
Petroleum Urban and Infrastructure Investment Joint Stock Company	Associates of PVN
South-West PetroVietnam Fertilizer and Chemicals JSC	Associates of PVN
Indochina Petroleum Transportation Joint Stock Company	Associates of PVN
PetroVietnam Technical Safety Registration Company Limited	Associates of PVN
Branch of Petrovietnam Fertilizer and Chemicals Corporation - Phu My Urea Plant	Associates of PVN
PetroVietnam Manpower Training College	Associates of PVN
Middle Petroleum Chemicals Joint Stock Company	Associates of PVN
Petroleum Transport Investment Joint Stock Company	Associates of PVN
Petrovietnam Manpower Training College (PVMTC)	Associates of PVN
Petroleum Trading Joint Stock Company	Associates of PVN
PVD Technical Training And Certification Joint Stock Company	Associates of PVN
CaMau Gas Power Fertilizer Project Management Board	Economic Unit of PVN

(a) Related party transactions

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

	2021 VND	2020 VND
i) Sales of goods and services		
Binh Son Refining and Petrochemical Joint Stock Company	-	489,073,091
Petrovietnam Transportation Vung Tau Joint Stock Company	-	48,444,950
	-	
	-	537,518,041
	=	=

38 RELATED PARTY DISCLOSURES (continued)

(a) Related party transactions (continued)

	2021 VND	2020 VND
ii) <i>Purchases of goods and services</i>		
PVN	2,718,010,730,255	1,890,701,731,577
PetroVietnam Power Corporation	370,284,960,714	283,885,575,273
PetroVietnam Fertilizer and Chemicals Corporation - Petrochemicals Trading Branch	130,304,620,974	108,988,050,225
PVI South Company	37,401,876,454	17,875,376,006
PetroVietnam Security Service Corporation	20,404,796,326	15,280,363,666
PV Gas - Ca Mau	11,513,116,586	19,641,297,301
Ca Mau PVI Insurance Co.,Ltd	8,829,391,660	10,036,023,178
PVD Trading and Technical Services Joint Stock Company	8,260,968,008	1,993,665,692
PetroVietnam Manpower Training College	6,233,484,210	222,100,000
Saigon Petro Vietnam Oil Joint Stock Company	5,892,294,542	5,201,505,433
Vietnam Petroleum Institute	2,930,614,400	4,592,970,461
Mekong Petroleum Joint Stock Company	2,402,560,908	1,464,480,000
Petrovietnam Infrastructure and Urban Investment Joint Stock Company	1,652,464,800	1,600,005,600
PetroVietnam Technical Safety Registration Company Limited	624,479,140	458,060,500
Petrovietnam Transportation Vung Tau Joint Stock Company	-	6,630,329,307
South-East Petrovietnam Fertilizer and Chemicals Joint Stock Company	-	3,380,362,775
Petroleum Pipeline and Tank Construction Joint Stock Company	-	3,130,272,074
South-West PetroVietnam Fertilizer and Chemicals Joint Stock Company	-	1,975,458,903
Indochina Petroleum Transportation Joint Stock Company	-	642,930,496
Branch of Petrovietnam Fertilizer and Chemicals Corporation - Phu My Urea Plant	-	359,730,535
Mekong Petroleum Joint Stock Company - Bac Lieu Branch - Petrol Station No. 17	-	254,563,150
Petrovietnam Securities Joint Stock Company	-	200,000,000
	<u>3,324,746,358,977</u>	<u>2,378,514,852,152</u>

38 RELATED PARTY DISCLOSURES (continued)
(a) Related party transactions (continued)

	2021 VND	2020 VND
iii) Divident paid		
PVN	320,018,445,600	240,013,834,200

iv) Compensation of key management

Name	Position		
Tran Ngoc Nguyen	Chairman of the Board of Director ("BOD")	2,071,625,452	1,601,181,892
Van Tien Thanh	Member of the BOD - General Director	2,080,269,308	1,568,027,574
Le Duc Quang	Member of the BOD	1,528,064,086	434,038,246
Tran My	Member of the BOD	1,727,709,646	1,290,253,393
Nguyen Duc Hanh	Member of the BOD	1,727,709,646	1,290,253,393
Nguyen Minh Phuong	Independent member of the BOD	152,727,273	280,000,000
Truong Hong	Independent member of the BOD	327,272,727	-
Do Thi Hoa	Independent member of the BOD	327,272,727	-
Tran Chi Nguyen	Deputy General Director	1,727,709,646	1,354,407,239
Le Ngoc Minh Tri	Deputy General Director	1,727,709,646	1,290,253,393
Nguyen Tuan Anh	Deputy General Director	1,708,688,882	1,242,212,998
Nguyen Thi Hien	Deputy General Director	1,689,473,346	1,206,270,443
Nguyen Thanh Tung	Deputy General Director	1,463,257,287	1,246,542,176
Dinh Nhu Cuong	Chief Accountant	1,606,409,553	1,211,884,781
Phan Thi Cam Huong	Head of the Board of Supervision	1,609,762,844	1,226,428,846
Do Minh Duong	Member of the Board of Supervision	1,297,319,751	939,469,952
Tran Van Binh	Member of the Board of Supervision	525,079,260	-
		23,298,061,080	16,181,224,326

(b) Year-end balances with related parties

	2021 VND	2020 VND
i) Short-term trade accounts receivable (Note 5)		
Binh Son Refining and Petrochemical Joint Stock Company	-	537,980,400

38 RELATED PARTY DISCLOSURES (continued)

(b) Year-end balances with related parties (continued)

	2021 VND	2020 VND
ii) Prepayments to suppliers (Note 6)		
Vietnam Petroleum Institute	-	161,825,875
Saigon Petro Vietnam Oil Joint Stock Company	-	222,520,700
Ca Mau PVI Insurance Co.,Ltd	200,000,000	230,000,000
PetroVietnam Manpower Training College	194,267,700	-
Petroleum Trading Joint Stock Company	-	194,319,328
	<u>394,267,700</u>	<u>808,665,903</u>
iii) Other short-term receivables (Note 7)		
PVN	-	77,424,489,813
	=	=
iv) Short-term trade accounts payable (Note 12)		
PVN	423,982,939,595	378,769,809,435
PetroVietnam Power Corporation	55,878,041,576	60,286,586,665
PetroVietnam Fertilizer and Chemicals Corporation - Petrochemicals Trading Branch	19,494,639,698	22,613,229,726
PetroVietnam Manpower Training College	4,887,397,469	-
Vietnam Petroleum Institute	2,334,727,086	1,577,398,316
Petrovietnam Infrastructure and Urban Investment Joint Stock Company	1,780,020,360	1,780,020,360
PetroVietnam Security Service Corporation	2,198,578,740	1,404,272,470
PVD Technical Training and Certification Joint Stock Company	2,064,372,418	1,807,487,581
Petroleum Trading Joint Stock Company	826,927,766	745,860,994
PV Gas - Ca Mau	745,907,105	1,521,325,380
Saigon Petro Vietnam Oil Joint Stock Company	646,391,590	519,869,390
PetroVietnam Technical Safety Registration Company Limited	476,953,452	381,019,328
Ca Mau PVI Insurance Co.,Ltd	189,323,740	205,970,093
Petrovietnam Transportation Vung Tau Joint Stock Company	-	1,343,662,100
South-West PetroVietnam Fertilizer and Chemicals Joint Stock Company	-	658,706,602
Branch Of Petrovietnam Fertilizer And Chemicals Corporation - Phu My Urea Plant	-	395,703,589
South-East Petrovietnam Fertilizer and Chemicals Joint Stock Company	-	332,277,754
Indochina Petroleum Transportation Joint Stock Company	-	73,949,920
	<u>515,506,220,595</u>	<u>474,417,149,703</u>

38 RELATED PARTY DISCLOSURES (continued)
(b) Year-end balances with related parties (continued)

	2021 VND	2020 VND
v) Short-term accrued expense (Note 15)		
PVN	19,019,656,275	14,374,223,655
vi) Other short-term payables (Note 16)		
PVN	13,283,673,912	45,856,789,285
Camau Gas-Power-Fertilizer Project Management Unit	55,851,413,429	55,851,413,429
	69,135,087,341	101,708,202,714

39 OTHER COMMITMENTS
(a) Operating commitment

- (i) According to Gas Sales Agreement No. 3918/HD-DKVN dated 23 May 2012 between PVN and the Company and the 7th amendment dated 13 December 2018, the Company shall purchase natural gas of Block PM3 CAA and Block 46 - Cai Nuoc from PVN in 20 years from the official operation date at the standard gas volume of 495 million m³ per annum.

New natural gas price is applied from 1 January 2019 to 31 December 2031 according to the Appendix dated 27 May 2020 of the Gas Sales Agreement No.3918/HDD-DKVN dated 23 May 2012.

- (ii) Under non-cancellable operating leases, the Group is required to pay the future minimum as follows:

	2021 VND	2020 VND
Within one year	816,137,176	356,400,000
Between one and five years	3,048,548,703	534,600,000
Over five years	13,930,309,704	15,756,126,995
Total minimum payments	17,794,995,583	16,647,126,995

39 OTHER COMMITMENTS (continued)

(b) Capital commitment

Capital expenditure contracted for at the balance sheet date but not recognised in the financial statements is as follows:

	2021 VND	2020 VND
Property, plant and equipment	96,336,814,617	67,710,338,185

40 CONTINGENT LIABILITIES

Currently, the Group has land lease contracts to support the Group's production and business activities. As at the date of these consolidated financial statements, the lessors and the Group have not yet determined how to treat the assets built on the leased land upon the termination of the leases due to long lease terms (which is up to 50 years) and therefore, the Group cannot determine the dismantling and restoring costs that will incur when the lease term ends. Therefore, the Group has not recognised the provision for dismantling and restoring costs related to these leases in the consolidated financial statements.

41 OTHER MATTER

According to the Inspection minutes – Restructuring state-owned enterprise dated 30 July 2018 at Petrovietnam Ca Mau Fertiliser One Member Limited Company issued by the Government inspection team, the Government inspection team reviewed and verified valuation report, charter capital of the joint stock company, finalisation of the State capital and divestment, and exploring strategic investors. Accordingly, PVN issued Examination Minutes No. 4287/BB-DKVN on 29 July 2021 about the equitization settlement of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company and Decision No. 4825/QD-DKVN on 28 August 2021 about determination of enterprise value and approval of the equitization finalisation of PetroVietnam Ca Mau Fertiliser One Member Limited Liability Company by the time that the Company officially became a joint stock company on 15 January 2015; the Company has taken in to account the recommendations to the consolidated financial statements for the year ended 31 December 2021 by recording the undistributed profit which shall be distributed to the PVN, offsetting receivables and other payables relating to equitization with the PVN and temporarily recording an increase in assets (goodwill) and other payables (Notes 7, 9, 16 and 22).

At the date of these consolidated financial statements, prepaid expenses, fixed assets, other receivables and other payables related to equitization were approved by PVN, but have not yet been received the final conclusion for the equitization finalisation from the Government Inspectorate.

PETROVIETNAM CA MAU FERTILIZER JOINT STOCK COMPANY

Form B 09 – DN/HN

The consolidated financial statements were approved by the Board of Management on 15 March 2022.



Huynh Thi Ngoc Ha
Preparer



Dinh Nhu Cuong
Chief Accountant



Le Ngoc Minh Tri
Deputy General Director
Authorised signatory
15 March 2022

