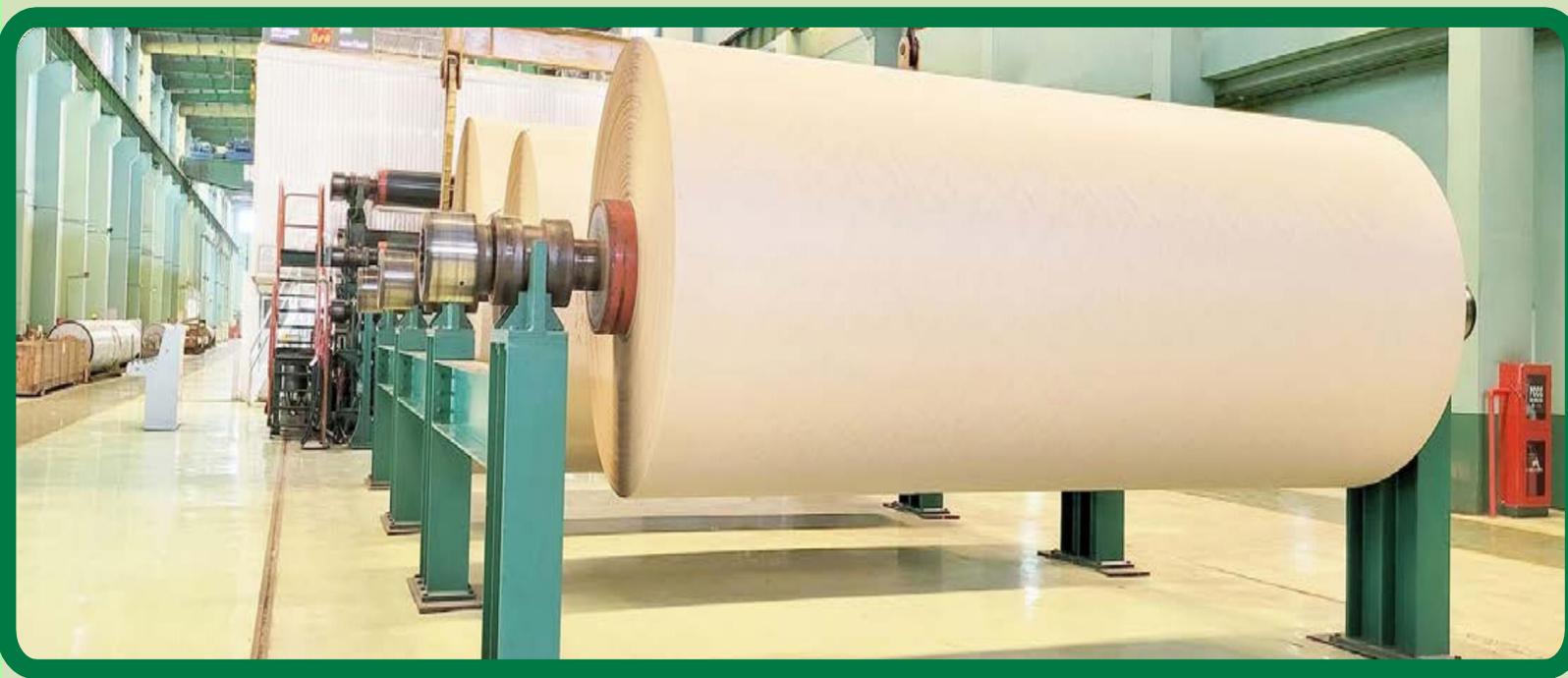




DONG HAI JOINT STOCK COMPANY OF BEN TRE

ANNUAL REPORT



2022

Lot AIII, Giao Long Industrial Zone, An Phuoc Ward, Chau Thanh District, Ben Tre Province

Tel : (0275) 3611 666 / (0275) 2470 655

Email: donghai@dohacobentre.com

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ĐÔNG HẢI

CÔNG TY CỔ PHẦN ĐÔNG HẢI BẾN TRÉ

LỘ SÁCH SANG LĨNH & AN PHƯỚC & THỦY THẠNH T. BẾN TRÉ

01

Introduce about DOHACO

General Information

The process of formation and development

Typical achievements

Local business and Industry

Management structure, business organization and management apparatus

Development orientations

Risks during operation

General Information

Company name: DONG HAI JOINT STOCK COMPANY OF BEN TRE

Abbreviated name: DOHACO

Address: Lot AIII, Giao Long Industrial Zone, An Phuoc Ward, Chau Thanh District, Ben Tre Province

Charter capital: 804.930.480.000 VND

Tel: (0275) 3611 666 / (0275) 2470 655

Fax: (0275) 3611 222 / (0275) 3635 222

Email: donghai@dohacobentre.com

Website: <http://www.dohacobentre.com.vn>

Main business: Producing and trading paper, carton packaging

Stock code: DHC

Certificate of Business Registration No. 1300358260 issued by the Department of Planning and Investment of Ben Tre province for the first time on April 2, 2003 and adjusted for the 20th time on January 10, 2023.





The Process of Formation and Development

2003

Converted to Dong Hai JSC of Ben Tre under Decision No. 4278/QD-UB of Ben Tre Provincial People's Committee dated 25/12/2002 in the form of equitization. Business registration certificate No. 1300358260 issued for the first time by the Department of Planning and Investment of Ben Tre Province on 02/04/2003.

2008

Dong Hai Ben Tre became public company according to the announcement of the State Securities Committee.

2011

Dong Hai Ben Tre conducted a formal ceremony to the operation of Giao Long Paper Factory - Phase I and Packaging Factory No. 2, signifying their official commencement of operations.

2007

Commencement of construction of Giao Long Paper Factory (phase I) in Giao Long Ward, Chau Thanh District, Ben Tre Province.

2009

Dong Hai Joint Stock Company of Ben Tre officially listed and traded shares on the HCMC Stock Exchange (HOSE) with the stock code DHC according to Decision No. 58/QD-SGDHCM of the HCMC Stock Exchange.

2016

The company is implementing the project of Giao Long phase 2 with a capacity of 660 tons per day.

2020

Established Subsidiary - Ben Tre Packaging One Member Ltd with total investment capital of 150 billion VND.

2022

04/2022: Ben Tre Packaging One Member Limited Liability Company officially came into operation.

06/2022: The AGM issued a policy to invest in Giao Long Paper JSC with a charter capital of 1,000 billion VND. Total investment capital of the project is 1,800 billion VND.

2015

Dong Hai Ben Tre moved the company's headquarters to Lot AIII, Giao Long Industrial Zone, An Phuoc Ward, Chau Thanh District, Ben Tre Province.

2019

Giao Long factory phase 2 came into official operation.

2021

The AGM issued an investment policy in Paper Production JSC.

Typical Achievements



Gold Cup for Vietnamese brand products into WTO

Gold Cup for leading brands in Vietnam - Vietnam Brand Magazine



Gold Cup Brand - Products - Prestige - Quality - 2008



Certificate of Vietnamese brand product integration into WTO

Certificate of top 100 leading brands in Vietnam - 2008



Trademark certificates of Dong Hai Joint Stock Company of Ben Tre



Certificate of Prestige Quality Brand - 2009
Certificate of trusted supplier in Vietnam - 2009



2022 Vietnam National Brand

Typical Achievements (continued)

Certificate SGSHK-COC-370179

The Organization

DONG HAI JOINT STOCK COMPANY OF BEN TRE

Lot All, Gioi Long Industrial Zone, An Phuoc Ward, Chau Thanh District, Ben Tre Province, Vietnam

has been assessed and certified as meeting the requirements of

FSC™ Chain-of-Custody

The company was assessed against the following standards:

FSC-STD-40-004 V3-1 - Chain of Custody Certification

FSC-STD-40-007 V2-0 Sourcing reclaimed material for use in FSC Product Groups or FSC Certified Projects – April 2011

FSC-STD-60-001 Requirements for use of the FSC trademarks by Certificate Holders

for the products detailed in the scope below:

Purchasing of FSC 100%, FSC Mix and FSC Recycled paper, paperboard, corrugated paper and paperboard, post-consumer reclaimed paper; Manufacture and Sales of FSC 100%, FSC Mix, FSC Recycled Wrapping and packaging paper, Linerboard or testliner, Fluting and Corrugated paper packaging (transfer system)

This certificate is valid from 18 October 2022 until 02 August 2023 and remains valid subject to satisfactory surveillance audits.

Issue 4, Certified since 03 August 2018.

Authorized by

Ben Tsang

SGS Hong Kong Limited

Units 303 & 305, 3/F., Building 22E, Phase 2, Hing Kong Science Park, New Territories, Hong Kong

T +8522334 4451 - www.sgs.com

The validity of this certificate shall be verified on clients.sgs.com. For the full list of product groups covered by the certificate see clients.sgs.com. This certificate shall show no certificate evidence that a particular product supplied by the certificate holder is FSC-certified (or FSC Controlled Wood). Products offered shipped or sold by the certificate holder can only be considered to occur by the scope of this certificate when the required FSC claim is clearly stated on sales and delivery documents. This certificate remains the property of SGS. The certificate and all copies or reproductions shall be returned or destroyed if requested by SGS.



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FSC Certificate in 2022



Top 50 best listed companies in Vietnam in 2022



Typical enterprises in 2022

Local Business and Industry

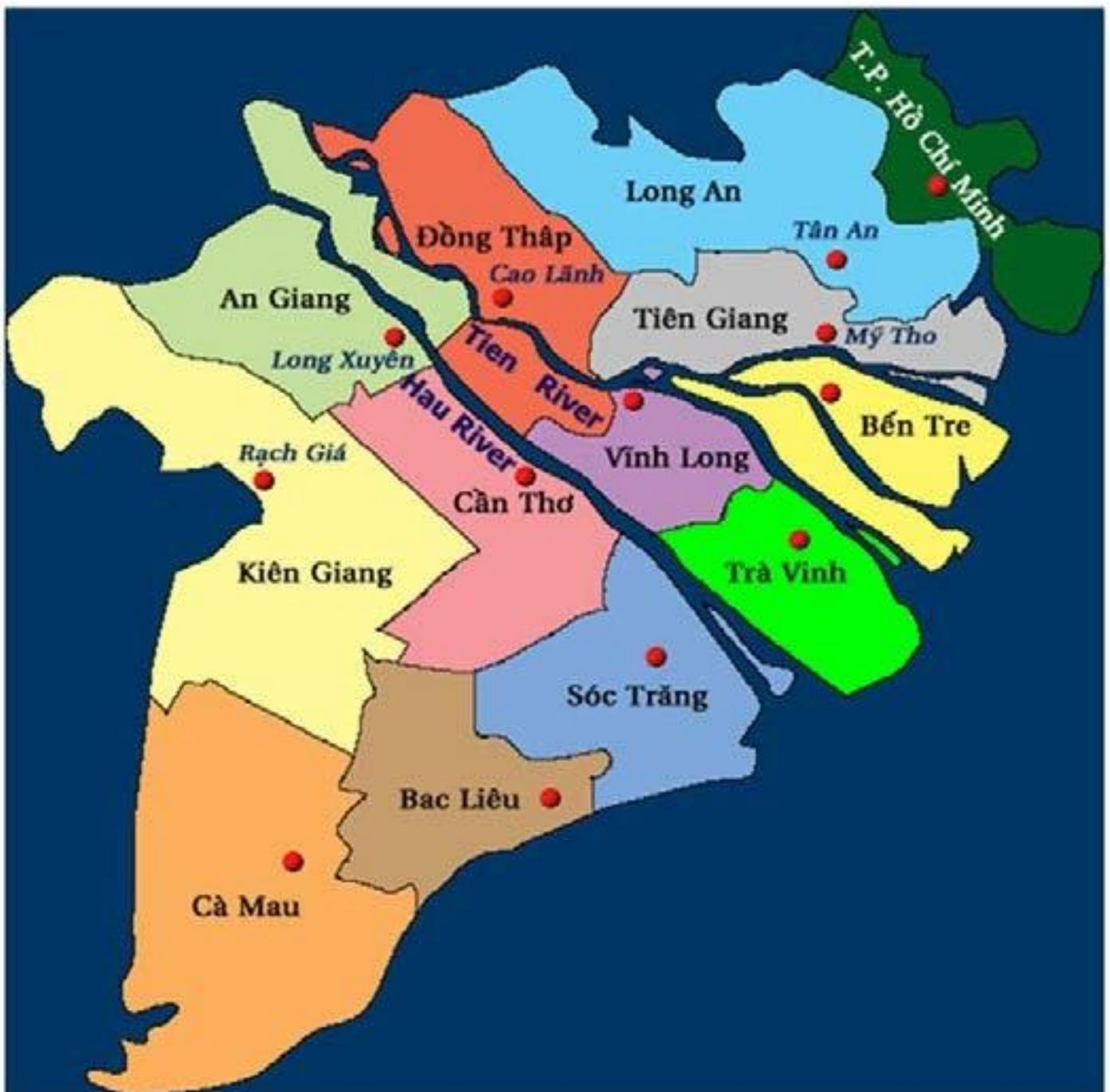
Lines of Business

Industry code	Business sectors
0322	Inland aquaculture
1020	Processing and preserving of fisheries and fishery products
1701 (Main)	Manufacture pulp, paper and paperboard
1702	Manufacture corrugated paper, corrugated paperboard, packaging from paper and paperboard
1811	Printing
1812	Service activities related to printing
2220	Manufacture of plastics products
4620	Wholesale of agricultural raw materials (except wood, bamboo) and live animals
4632	Wholesale of food
4659	Wholesale of other machinery and equipment
4662	Wholesale of metals and metal ores
4669	Other specialized wholesale n.e.c
4933	Freight transport by road
5022	Inland freight water transport

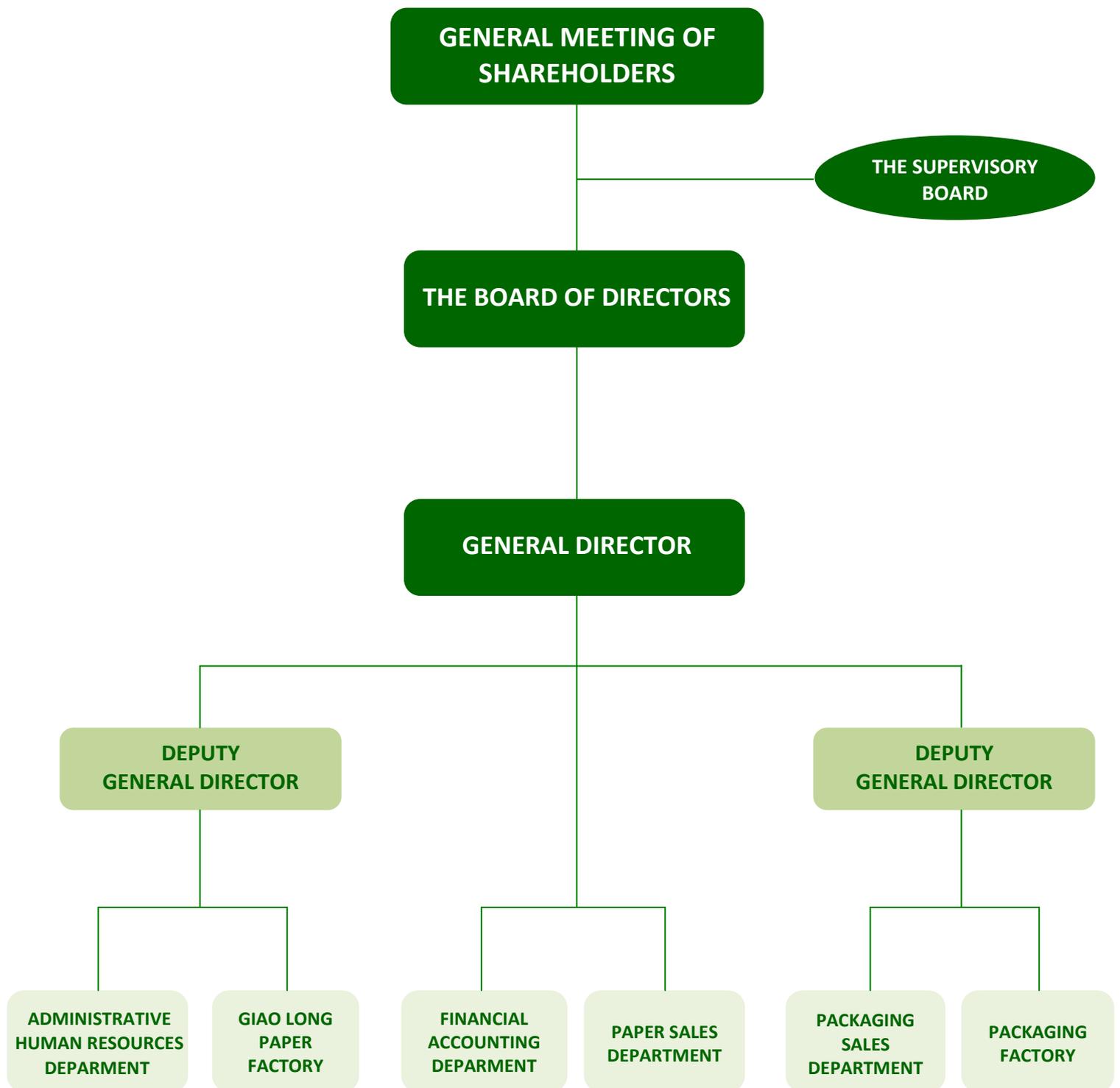


Business location

The company operates in the southern region, especially the two major key economic regions of the country, the Mekong Delta and the Southeast. This is an area with rapid economic growth, with many manufacturing and processing industries, leading to high demand for paper and packaging.



Management structure, business organization and management





Pursuant to Clause 1, Article 137 of the Enterprise Law 2020, DHC chooses an organizational structure:

- General Meeting of Shareholders
- The Board of Directors
- The Supervisor Board
- General Director



Management structure, business organization and management (continued)

Subsidiary, Associated Company

Subsidiary

Ben Tre Packaging One Member Company Limited



Address: Lot AIV-8, AIV-9, Giao Long Industrial Zone, An Phuoc Ward, Chau Thanh District, Ben Tre Province.

Fields of production and business: Producing and trading in carton packaging.

Charter capital: 180.000.000.000 VND

Rate: 100%

Giao Long Paper Joint Stock Company



Address: Lot CN01, CN02, CN03, CN04, Long Phuoc Industrial Cluster, An Phuoc Ward, Chau Thanh District, Ben Tre Province.

Fields of production and business: Producing and trading in industrial paper

Charter capital: 100.000.000.000 VND

Rate: 97%

Note: Giao Long Paper Joint Stock Company is in the process of implementing the project.

Associated Company

Giao Long New Port Joint Stock Company



Address: 126 Long Thanh Hamlet, Giao Long Commune, Chau Thanh District, Ben Tre Province.

Fields of production and business: Provide port operation and transportation services.

Charter capital: 10.000.000.000 VND

Rate: 26%

Development Orientations

Vision, Mission and Core Values

Vision



The efforts to mitigate plastic waste by reducing the usage of plastic bags and promoting the adoption of paper packaging have gained significant traction and are witnessing robust growth in Vietnam. The remarkable advantages offered by packaging paper, compared to plastic, metal, and wood packaging, have contributed to its increasing popularity worldwide. In line with its commitment to both fostering efficient product lines and preserving the environment, Dong Hai Joint Stock Company of Ben Tre has made a strategic decision to invest in and prioritize the manufacturing and trading of two primary product lines: industrial paper and carton packaging. Notably, GIAO LONG PAPER, the flagship product in the industrial paper segment, has been serving the market since 2011 and continues to earn high praise and trust from both domestic and international customers.

Promote and build the environmentally-friendly GIAO LONG paper brand, meet consumer trends and contribute to strengthening the development foundation of the Company.

With that ideal, Dong Hai constantly strives, devotes to innovation and shares values to its partners and staff. We are always ready and welcome every opportunity and challenge on the journey to realize our ideal.

Mission

"Let's action for a better life"

Dong Hai Joint Stock Company of Ben Tre is committed to the strong development of our company, taking into consideration the well-being of the local community and Vietnam as a whole. Aligned with the global trend, we recognize the urgent need to shift from environmentally harmful plastic products to eco-friendly paper alternatives, as plastic pollution poses a significant threat to our environment. By embracing this change, Dong Hai aim to contribute to a paradigm shift in people's mindset towards environmental protection, emphasizing the importance of safeguarding our green surroundings. To achieve this vision, we earnestly call upon all officers and employees of Dong Hai Company to enhance their sense of responsibility and engage in tangible actions in their work. This includes fostering a strong sense of awareness and taking concrete steps to prevent pollution and protect the environment.



Core Values

Core values serve as the foundation and essence of a company, encapsulating its fundamental principles and guiding its actions. In contrast to conventional values, the core values of a company delve deeper, emphasizing sustainability and long-term impact. At Dong Hai, we proudly exemplify and demonstrate the core values that define our organization: "Respect, Fairness, Commitment, Safety, Ethics, and Compliance."

Development Orientations (continued)

The main goals of the company

DOHACO operates under the guiding principle of "Commitment to delivering utmost benefits to our customers," reflecting our unwavering dedication to providing exceptional value to our clientele. Our primary objective is to develop into a robust business, with a focused emphasis on the two main product lines of industrial paper and carton packaging.

To achieve our goals, we proactively seek out new partnerships to expand our market reach and enhance our market share in the industrial paper segment. By forging strategic alliances with like-minded organizations, we aim to broaden our presence and strengthen our position in the industry..



Medium and long term development strategy

- In the long term, the Company is committed to enhancing production technology and improving product quality while concurrently reducing production costs. These efforts will result in cost reduction and increased competitiveness for businesses within the market.
- The Company places significant emphasis on research and development, particularly in the area of recycled and environmentally friendly products. By aligning with consumer trends and contributing to the development of our core values, we aim to meet the growing demand for sustainable solutions.
- Our strategic focus includes expanding our presence in the domestic market and establishing the GIAO LONG PAPER brand as a prominent force, enhancing the competitiveness of our products against both domestic and foreign competitors. Additionally, we actively seek opportunities to export to regional markets, thereby broadening our reach and tapping into new avenues for growth.
- A key aspect of our growth strategy involves the establishment of a comprehensive human resources development plan. This encompasses recruitment and training initiatives to enhance the skills of our workforce, ensuring their proficiency in their respective roles. Furthermore, we aim to cultivate strong management skills to effectively lead and steer the company towards success.

Sustainable development with environment and society

- The Board of Directors and Management Board of the Company demonstrate a strong commitment to environmental, social, and community matters, backed by practical ac
- As a paper and packaging manufacturer, we fully recognize the impact our business activities can have on the surrounding environment. Therefore, we prioritize investments in advanced wastewater treatment systems and conduct regular assessments to proactively address potential environmental concerns. By diligently reviewing all aspects of our operations, we ensure that we minimize any adverse effects on the environment.
- At Dong Hai Joint Stock Company of Ben Tre, we genuinely care about the well-being of our employees, placing a high value on their lives, health, and overall morale. To foster a supportive work environment, we actively organize mass organizations and social activities that aim to enhance solidarity and camaraderie among our workforces. Furthermore, we continuously refine our salary, bonus, remuneration, and social policies to improve the quality of life for our employees.



Risks during operation

Economic risks

The global landscape has been marked by significant challenges, including the ongoing conflicts such as the Russia-Ukraine war and the political tensions between China and Taiwan. These conflicts have disrupted the global supply chain and led to a surge in raw material prices. Moreover, the substantial increase in interest rates by the US Federal Reserve (FED) is expected to have a pronounced impact on job growth and consumer spending in the US and Europe, posing financial difficulties for the global economy as a whole.

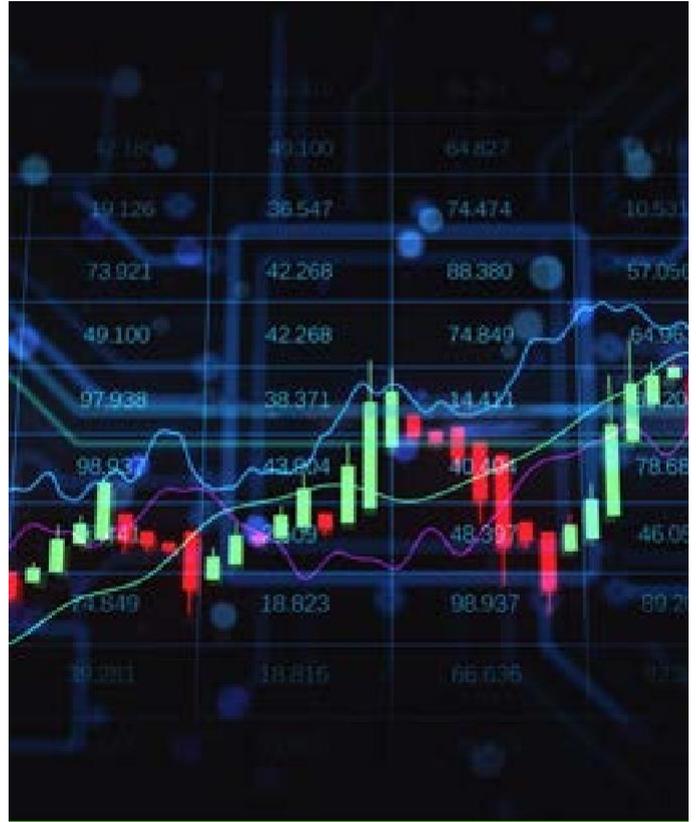
Amidst these global economic challenges, the Vietnamese economy has demonstrated resilience and successfully accomplished the goals set by the Government. According to the Government's report presented at the 4th session of the 15th National Assembly, Vietnam's economy has rebounded strongly, surpassing 14 out of 15 economic targets, with a remarkable GDP growth rate of 8.02% and inflation maintained at less than 4%. The recovery of Vietnam's economy has been driven by the post-pandemic economic revival and the implementation of policy measures among nations to stimulate growth. Additionally, the Government's emphasis on public investment policies has contributed to the promotion of GDP growth.

However, despite these achievements, the paper industry, including our Company, faces various challenges arising from the escalating input costs, transportation expenses, and interest rates. These factors have made operations in the industry and our company particularly challenging.



Currency risk

In The year 2022 witnessed a significant milestone in the United States as it experienced the highest inflation rate in 40 years. In response to this challenge, the US Federal Reserve (FED) raised the benchmark interest rate from 0.25% to 4.5% as a measure to control inflation. Similarly, many central banks worldwide, including Vietnam, increased their interest rates to manage exchange rates and stabilize the macroeconomy. The State Bank of Vietnam raised the operating interest rate in the latter months of the year, resulting in the rediscount and refinancing rates returning to pre-pandemic levels. Consequently, domestic commercial banks were compelled to increase deposit and lending rates. The higher costs associated with interest rates and exchange rates impacted our financial expenses in conducting business operations.



Competitive risks

The paper industry in Vietnam presents numerous opportunities for growth, and as a result, there will be a surge in investment projects for large-capacity paper factories in 2022. It is projected that the overall output of the paper industry will reach 2.31 million tons per year by 2026. Currently, there are over 300 enterprises operating in the paper industry, with approximately 20 of them possessing production capacities exceeding 100,000 tons per year. The remaining enterprises are small and medium-sized.

Given this competitive landscape, it is crucial for our company to develop a suitable business plan. By effectively leveraging our competitive advantages, we can optimize profitability and continue to grow our market share. It is essential to focus on customer-centric strategies and continually adapt to market demand.



Risks during operation (continued)

Risk of cost fluctuations

The company relies on OCC paper as a primary input material for its production and business operations. The cost of OCC paper constitutes more than 70% of the company's overall input material expenses. However, there has been a gradual shortage of OCC paper, leading to fierce competition among businesses to procure domestic scrap paper in order to sustain paper production. This scarcity of raw materials presents challenges in purchasing and affects the company's business and profit plans. Furthermore, transportation costs must also be taken into account. While freight rates have decreased in the latter half of 2022, they remain higher than pre-pandemic levels in 2019. This factor contributes to the overall increase in input costs. Additionally, the rising price of clean water in 2022 adds further pressure to input expenses. To mitigate the risks stemming from fluctuating input material prices, it is imperative for the company to implement an appropriate raw material procurement policy. This entails timely and strategic purchasing decisions and diversification of supply sources to ensure a steady and reliable stream of materials.

Environment risks

The company is committed to environmental sustainability and recycling, implementing a strategy to upgrade and improve its wastewater system in compliance with environmental regulations. This ensures responsible use of natural resources and reduces the company's environmental impact. By prioritizing greening and environmental protection, the company aligns its operations with societal concerns and contributes to a cleaner and healthier environment.



Other risks

The company acknowledges the existence of force majeure risks, including natural disasters, fires, wars, epidemics, and other unforeseen events. While these risks are unlikely, they have the potential to significantly impact the company's production, business operations, and product consumption. To mitigate these risks, the company proactively purchases disaster insurance, aiming to limit potential damages and create a pathway for recovery in the event of such incidents.



Legal risks

Dong Hai Joint Stock Company of Ben Tre operates in accordance with the Vietnamese legal framework, adhering to laws such as the Law on Enterprises, the Law on Securities, the Law on Investment, and the Law on Environmental Protection. As a listed company on the Ho Chi Minh City Stock Exchange, the company is also influenced by multilateral trade agreements signed between Vietnam and other countries. Political fluctuations in the country can impact various aspects of the company, including production, business operations, labor, and long-term plans and strategies. Therefore, it is essential for businesses to regularly monitor and stay updated on changes in laws and regulations to establish appropriate goals and measures that protect the company's reputation and image.





02

Yearly Operations

Situation of production and business operations

Organization and Human resource

Investment activities, project implementation

Financial situation

Structure of shareholders, changes of owner's investment capital

Report on environmental and social impact

Situation of production and business operations

Unit: Billion VND

Target	Result 2021	Plan 2022	Result 2022	% Result 2022/ Plan 2022	% Result 2022/ Result 2021
Revenue	4.164,3	3.900,0	3.934,7	100,89%	94,49%
Profit before tax	511,6	515,0	437,2	84,89%	85,46%
Profit after tax	481,3	450,0	379,5	84,33%	78,85%

Revenue structure

Unit: Billion VND

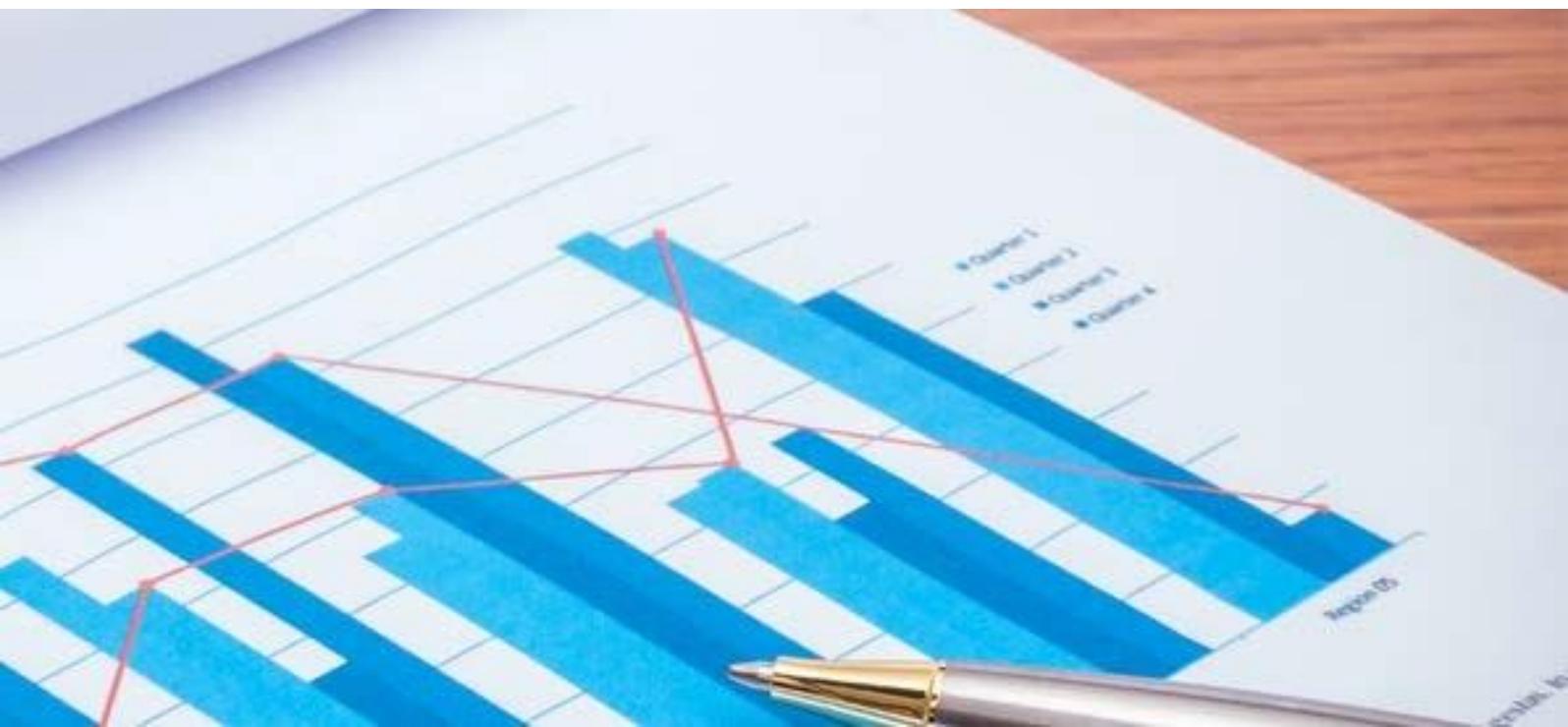
Target	Value in 2021	Value in 2022	% 2022/2021
Revenue from sales of goods	4.164,8	3.935,9	94,50%
Deductions	(0,5)	(1,1)	220,00%
Shares of profit of associates	0,4	0,3	75,00%
Financial income	14,7	20,6	140,14%
Other income	3,1	5,5	177,42%



Evaluate business performance

In 2022, the company experienced stable production and sales volumes. However, the unpredictable fluctuations in the global paper price had a negative impact, resulting in a 15% decrease in the selling price and a 5.5% decrease in net revenue. The subsidiary, Ben Tre Packaging One Member Limited Company, which commenced operations in April 2022, contributed limited revenue and profit to the company. Furthermore, the expiration of the tax exemption period for the Giao Long Paper Factory project - phase 2 led to an increase in corporate income tax, impacting the company's profitability.

Despite these challenges, the company achieved a revenue and after-tax profit of 94.49% and 78.85% respectively, compared to the previous year, which is a commendable accomplishment given the difficulties faced by the domestic and international paper industry. Looking ahead, the implementation of the Giao Long 3 Factory project holds the potential to further increase the company's paper production capacity by 2026, paving the way for future growth.



Organization and Human Resource

List of the Board of Directors

As of 31/12/2022

No.	Member	Position	Number of shares	Ratio
1	Mr. Luong Van Thanh	Chairman, Deputy General Director	3.966.450	5,67%
2	Mr. Le Ba Phuong	Vice Chairman, General Director	6.100.009	8,71%
3	Mr. Nguyen Thanh Nghia	Member of the BOD	6.689.083	9,56%
4	Mr. Marco Martinelli	Member of the BOD	162.500	0,23%
5	Mr. Duong Thanh Cong	Member of the BOD	395.000	0,56%

Profile of the Board of Directors

Mr. Luong Van Thanh - Chairman of the BOD/Deputy General Director

Date of birth: 12/11/1962

Qualification: Bachelor of Economics

Current position: Chairman of the BOD/Deputy General Director

Number of shares held: 3.966.450 shares

Position at another company/organization:

- Member of the BOD of Giao Long Newport JSC
- Chairman of the BOD of Giao Long Paper JSC

Working process:

- 2003 – 2012: Head of Management - District 2 Housing Development and Management Company, Ho Chi Minh City
- 2012 – 2014: Deputy General Director of Dong Hai Ben Tre
- 2014 – 2017: Member of the BOD/Deputy General Director of Dong Hai Ben Tre
- 2017 – 2020: : Vice Chairman of the Board of Directors / Deputy General Director of Dong Hai Ben Tre
- 2020 – Now: Chairman of the Board of Directors / Deputy General Director of Dong Hai Ben Tre



Mr. Le Ba Phuong – Vice Chairman of the BOD/ General Director

Date of birth: 20/11/1964

Qualification: Bachelor of Economics

Current position: Vice Chairman of the BOD/ General Director

Number of shares held: 6.100.009 shares

Position at another company/organization:

- Chairman of Ben Tre Packaging One Member Limited Company
- Member of the BOD of Thu Duc Steel JSC
- Member of the BOD of Giao Long Paper JSC

Working process:

- 2012 – 2013: Member of the Board of Directors / Deputy General Director of Dong Hai Ben Tre
- 2013 – 2014: Member of the Board of Directors / General Director of Dong Hai Ben Tre
- 2014 – 2020: Chairman of the Board of Directors / General Director of Dong Hai Ben Tre
- 2020 – Nay: Vice Chairman of the Board of Directors / General Director of Dong Hai Ben Tre

Organization and Human Resource (continued)

Profile of the Board of Directors (continued)

Mr. Nguyen Thanh Nghia - Member of the BOD

Date of birth: 27/11/1963

Qualification: Bachelor

Current position: Member of the Board of Directors

Number of shares held: 6.689.083 shares

Position at another company/organization:

- Chairman of Dai Thien Loc Steel One Member Co., Ltd
- Chairman of the Board of Directors of Dai Thien Loc Corporation
- Vice Chairman of the BOD of Giao Long Paper JSC

Working process:

- 1993 – 2001: Deputy Head, Head of Department of Ho Chi Minh City Seafood Import and Export Company
- 2001 – 2007: President of the BOM/Director of Dai Thien Loc Steel One Member Limited Company
- 2007 – Now: Chairman of the Board of Directors of Dai Thien Loc Corporation
- 2012 – 2013: Member of the Board of Directors of Ben Tre Seafood Import-Export Joint Stock Company
- 2012 – 2017: Vice Chairman of the Board of Directors of Dong Hai Ben Tre
- 2020 – 2022: Vice Chairman of the Board of Directors of Dai Thien Loc Corporation
- 2017 – Now: Member of the Board of Directors of Dong Hai Ben Tre
- 2022 - Now: Chairman of the Board of Directors of Dai Thien Loc Corporation

Mr. Marco Martinelli - Member of the BOD

Date of birth: 11/12/1978

Nationality: Switzerland

Qualification: Bachelor

Current position: Member of the Board of Directors

Number of shares held: 162.500 shares

Position at another company/organization:

- Member of the BOD of Turicum Investment Management AG
- Member of the BOD of Tim Vietnam JSC.
- Member of the BOD of Giao Long Paper JSC

Working process:

- 1998 – 1999: Officer of Credit Suisse Bank Switzerland
- 2000 – 2007: Asset Management of Turicum Investment Management AG
- 2007 – 2013: Fund management of T.I.M Vietnam Tiger Fund
- 2013 – 2016: Portfolio management of Dragon Capital Group
- 2016 – 2018: Director of Turicum Investment Management AG
- 2020 – Now: Member of the Board of Directors of Dong Hai Ben Tre

Profile of the Board of Directors (continued)

Mr. Duong Thanh Cong - Member of the BOD

Date of birth: 03/02/1989

Qualification: Bachelor

Current position: Member of the Board of Directors

Number of shares held: 395.000 shares

Position at another company/organization:

- Chairman of the Board of Directors, Deputy General Director of Thanh Cong Energy Service Corporation
- Deputy General Director of Thuan Hai Corporation

Working process:

- 2017 – Now: Deputy General Director of Thuan Hai Corporation
- 2017 – Now: Chairman of the Board of Directors, Deputy General Director of Thanh Cong Energy Service Corporation
- 2022 – Now: Member of the Board of Directors of Dong Hai Ben Tre



Organization and Human Resource (continued)

Changes in the Board of Directors

Name	Position at company	Starting time is the relevant person of the Company/Internal actors	Starting time isn't the relevant person of the Company/Internal actors
Mr. Le Quang Hiep	Member of the BOD	28/02/2007	17/06/2022
Mr. Duong Thanh Cong	Member of the BOD	17/06/2022	-

Note: Mr. Le Quang Hiep's term expires on June 17, 2022



List of the Board of Supervisory

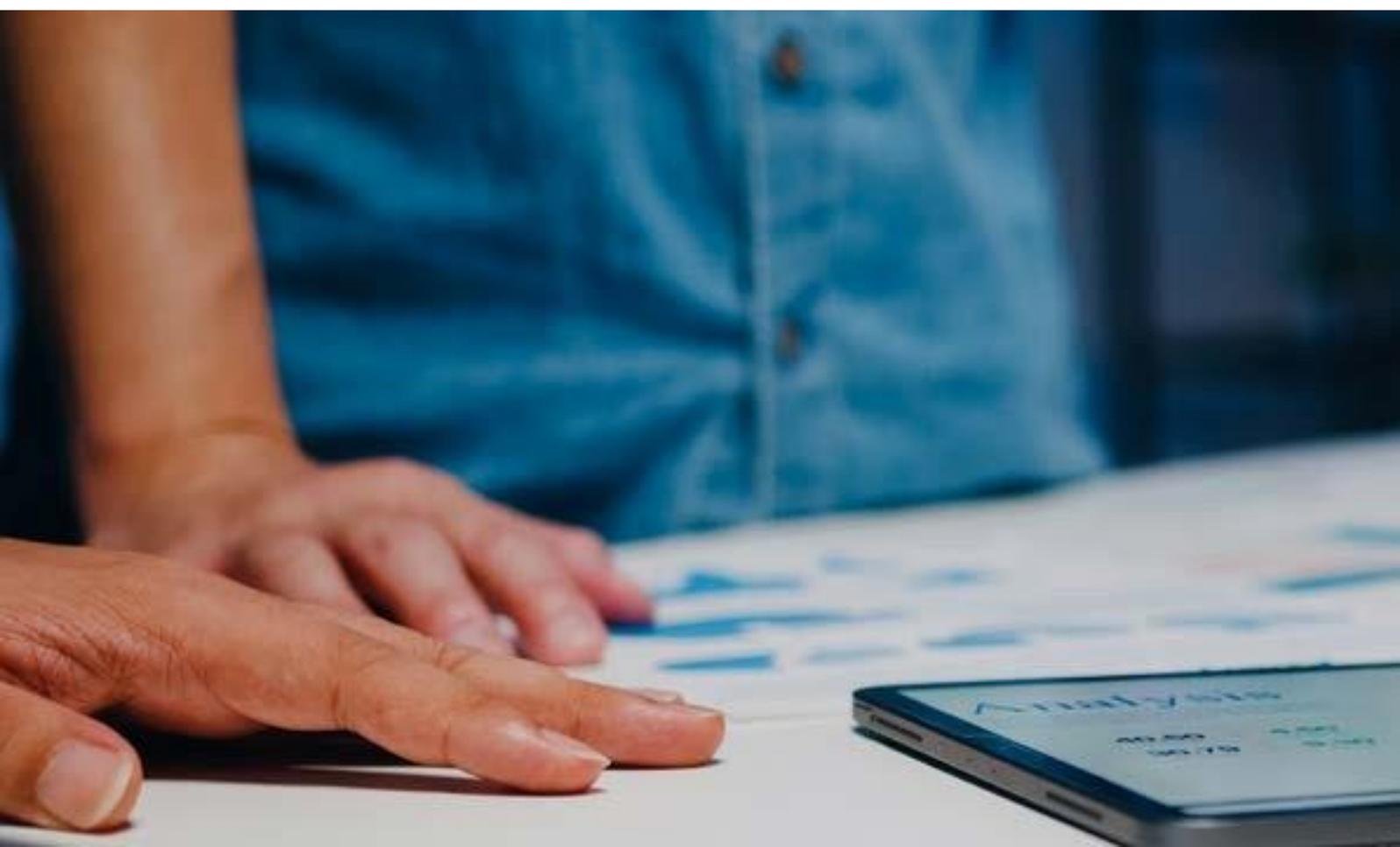
As of 31/12/2022

No.	Member	Position	Number of shares	Ratio
1	Ms. Doan Thi Bich Thuy	Head of Supervisory Board	19.350	0,03%
2	Ms. Doan Hong Lan	Member of Supervisory Board	400	0%
3	Mr. Nguyen Quoc Binh	Member of Supervisory Board	701.868	1,00%

Changes in the Board of Supervisory

Name	Position	Starting time is the relevant person of the Company/Internal actors	Starting time isn't the relevant person of the Company/Internal actors
Mr. Le Hoang Phong	Member of BOS	10/12/2020	17/06/2022
Mr. Nguyen Quoc Binh	Member of BOS	17/06/2022	-

Note: Mr. Le Hoang Phong's term expires on June 17, 2022



Organization and Human Resource (continued)

Profile of the Board of Supervisory

Ms. Doan Thi Bich Thuy - Head of Supervisory Board

Date of birth: 11/05/1985

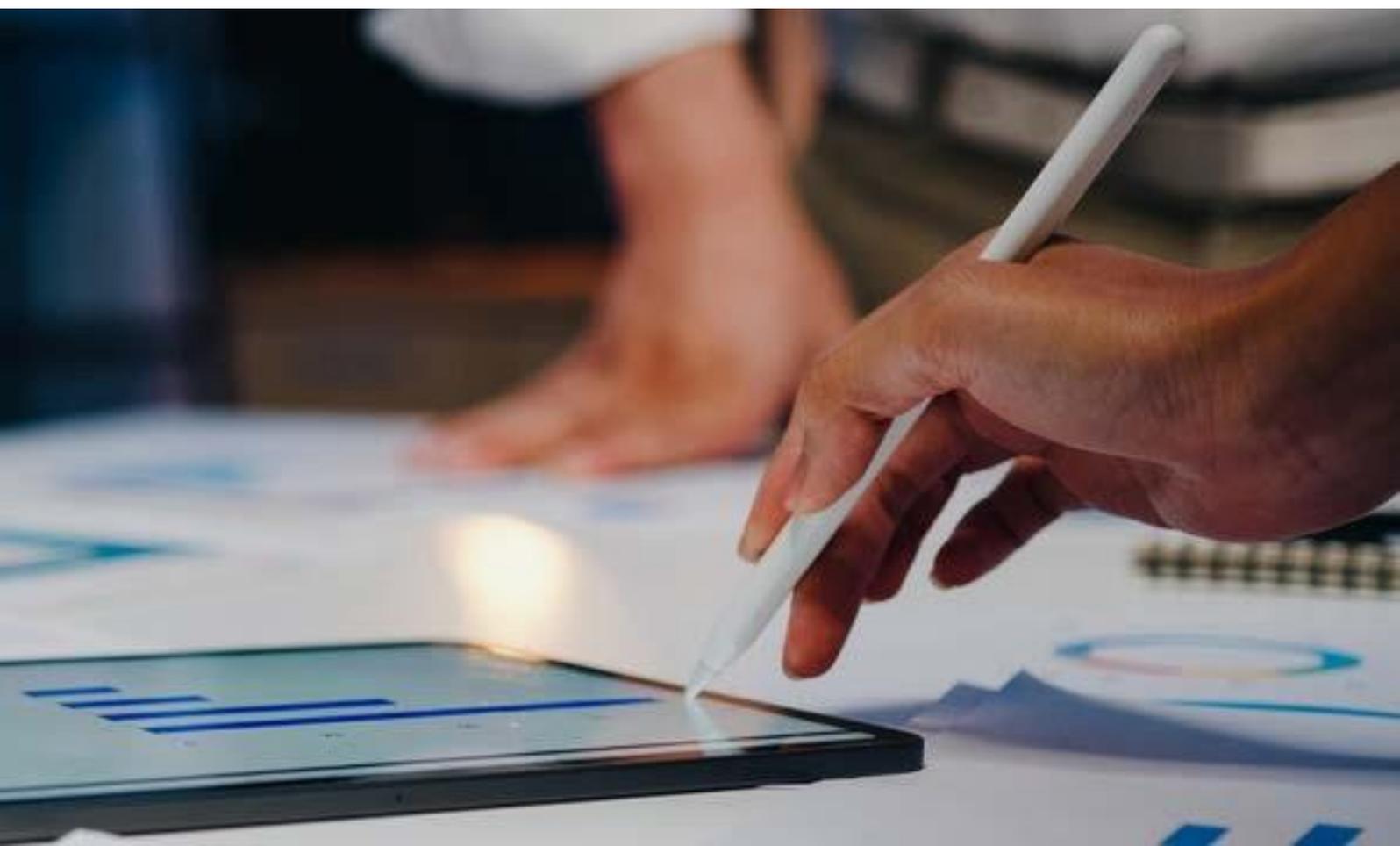
Qualification: Bachelor of Accounting

Current position: Head of Supervisory Board

Number of shares held: 19.350 shares

Working process:

- 2005 – 2007: Accountant of Dai Thien Loc Steel Limited Company
- 2007 – 2011: Accountant of Dai Thien Loc Corporation
- 2011 – 2018: Head of Supervisory Board of Dai Thien Loc Corporation
- 2017 – Now: Head of Supervisory Board of Dong Hai Ben Tre



Profile of the Board of Supervisory (continued)

Ms. Doan Hong Lan - Member of Supervisory Board

Date of birth: 17/04/1986

Qualification: Bachelor of Business Administration

Current position: Member of Supervisory Board

Number of shares held: 400 shares

Working process:

- 2006 – 2009: Officer of Planning Department of Dong Hai Joint Stock Company of Ben Tre
- 2009 – Now: Personnel officer of Dong Hai Joint Stock Company of Ben Tre
- 2012 – Now: Member of the Supervisory Board of Dong Hai Joint Stock Company of Ben Tre



Organization and Human Resource (continued)

Mr. Nguyen Quoc Binh - Member of Supervisory Board

Date of birth: 26/05/1977

Qualification: University of Economics

Current position: Member of Supervisory Board

Number of shares held: 701.868 shares

Working process:

- 01/2007 – 09/2007: Analyst at Viet Phat Investment Company
- 09/2007 – 2018: Senior investment specialist at SSI Fund Management Co., Ltd
- 06/2016 – 2018: Member of the Supervisory Board of Dong Hai Joint Stock Company of Ben Tre
- 06/2022 – Now: Member of the Supervisory Board of Dong Hai Joint Stock Company of Ben Tre



Organization and Human Resource (continued)

The Management Board

As of 31/12/2022

No.	Member	Position	Number of shares	Ratio
1	Mr. Luong Van Thanh	Chairman of the BOD / Deputy General Director	3.966.450	5,67%
2	Mr. Le Ba Phuong	Vice Chairman of the BOD / General Director	6.100.009	8,71%
3	Ms. Ho Thi Song Ngoc	Deputy General Director	440.010	0,63%
4	Ms. Nguyen Hong Thanh	Chief Accountant	-	-

Changes in The Management Board

Name	Position	Starting time is the relevant person of the Company/Internal actors	Starting time isn't the relevant person of the Company/Internal actors
Ms. Le Thi Hoang Hue	Chief Accountant	24/06/2013	01/01/2023
Ms. Nguyen Hong Thanh	Chief Accountant	01/01/2023	-

Profile of the Management Board

Mr. Luong Van Thanh - Chairman of the BOD / Deputy General Director

Please see the Board of Directors Profile

Mr. Le Ba Phuong - Vice Chairman of the BOD / General Director

Please see the Board of Directors Profile

Ms. Ho Thi Song Ngoc - Deputy General Director

Date of birth: 11/02/1983

Qualification: Bachelor of Economics

Current position: Deputy General Director

Number of shares held: 440.010 shares

Working process:

- 2005 – 2008: Receiving and deploying orders from the Department of Planning and Investment of Dong Hai Ben Tre
- 2008 – 2010: Vice Sales Director – Dong Hai Ben Tre
- 2010 – 2012: Sales Director – Dong Hai Ben Tre
- 2010 – 2017: Member of the BOD, Deputy General Director of Dong Hai Ben Tre
- 2017 – Now: Deputy General Director of Dong Hai Ben Tre
- 04/2020 - Now: Director – Ben Tre Packaging One Member Limited Company

Ms. Nguyen Hong Thanh - Chief Accountant

Date of birth: 06/01/1986

Qualification: Bachelor of Economics

Current position: Chief Accountant

Number of shares held: none

Working process:

- 07/2011 – 09/2014: Payment Accountant of Saigon Shipbuilding and Repairing Factory Co., Ltd
- 02/2014 – 09/2015: Accountant of Representative Office Allergan Singapore PTE LTD in HCMC
- 04/2017 – 08/2018: General Accountant of Stylish Distribution Co., Ltd
- 09/2018 – 03/2020: General Accountant of Marou Chocolate Co., Ltd
- 12/2021 – 12/2022: General Accountant of Dong Hai Ben Tre
- 01/2023 – Now: Chief Accountant of Dong Hai Ben Tre

Staff situation

Target	In 2022	
	Number (people)	Rate
By level	564	100%
Post-graduate	1	0,18%
University, college	180	31,91%
Intermediate	43	7,62%
Worker	18	3,19%
Unskilled labor	322	57,09%
By type of contract	564	100,00%
Short-term contract less than 1 year	5	0,89%
Definite-term labor contract	247	43,79%
Indefinite-term labor contract	312	55,32%
By gender	564	100%
Male	494	87,59%
Female	70	12,41%

Average Salary

Target	2020	2021	2022
Total number of employees (people)	540	532	564
Average salary (VND/person/month)	8.720.000	12.220.000	12.001.646



Staff situation (continued)

Policy for employees

About salary, bonus, benefits and compensation

Employees are afforded their rights as outlined in the relevant laws. The company recognizes and acknowledges exceptional performance and contributions by individuals and teams through periodic and spontaneous rewards. In 2022, the company distributed rewards totaling over 1.4 billion VND to honor outstanding individuals, excellent teams, and initiatives that brought efficiency to the company's overall development. The company also places importance on employee well-being by conducting regular health check-ups to monitor and provide timely support to individuals affected by the work environment. Deductions and payments for social insurance, health insurance, and unemployment insurance are made by the company in compliance with legal regulations. Furthermore, the company organizes annual employee trips, providing opportunities for relaxation and recreation. In 2022, the company arranged a visit and vacation in Vung Tau for employees, with a total expenditure of nearly 800 million VND.



About recruitment

Dong Hai Joint Stock company not only recruits based on departmental, and factory needs but also places special emphasis on filling positions left vacant by departing employees to maintain seamless operations. The company is dedicated to identifying qualified candidates who align with the specific job requirements and meet the company's standards. Moreover, the company ensures that the recruitment process is transparent and conducted professionally, prioritizing fairness and the selection of high-quality candidates.

About staff training and development

The company places significant importance on employee training and upskilling to ensure efficient operations and workplace safety. Through regular training programs on various topics such as occupational safety and health, crane and forklift operation, ISO standards, 5S methodology, first aid, and fire prevention drills for its staff. The company ensures that employees are updated and proficient in the latest skills relevant to their roles. By investing in staff training and development, the company aims to maintain a professional and dynamic workforce capable of meeting job requirements while prioritizing safety.



About safety policy, labor protection

In addition to investing in employee training and skill development, the company prioritizes the safety and health of its workforce. To ensure employee safety and professionalism, the company provides suitable uniforms and personal protective equipment for each job position. Furthermore, employees actively participate in training programs on occupational safety and health, first aid, and fire drills, equipping them with the necessary knowledge and skills to handle emergency situations and promote safety within the company.

Status of investment and implementation of projects

Investments

In 2022, the company invested capital to establish Giao Long Paper Joint Stock Company with a contributed capital of VND 97,000,000,000, accounting for 97% ownership. Giao Long Paper Joint Stock Company is located in the Long Phuoc Industrial Cluster, An Phuoc Commune, Chau Thanh District, Ben Tre Province. The construction of this factory is planned to take place from the fourth quarter of 2023 to the second quarter of 2026, with official operations commencing in the fourth quarter of 2026. The factory is anticipated to contribute a paper production capacity of 1,200 tons per day.

Additionally, in March 2023, Dong Hai Joint Stock Company of Ben Tre contributed VND 30,000,000,000 (Thirty billion Vietnamese Dong) to Ben Tre Packaging One Member Limited Company.

DOHACO
cam kết mang đến
lợi ích tối đa
cho khách hàng



Invest in Subsidiaries, Associated Company

Subsidiaries

Ben Tre Packaging One Member Limited Company: Since its official operation in April 2022, the company has achieved a total revenue of over 130 billion VND. The factory operates in a stable manner, actively expanding its market presence, and ensuring product quality to meet customer demands.

Giao Long Paper Joint Stock Company: The company is currently in the process of implementing the necessary legal procedures and setting up the paper mill project according to the planned schedule.

Associated Company

Giao Long New Port Joint Stock Company: In 2022, the company experienced a period of relative stability in its operations, achieving a total revenue of over 35 billion VND. The company is actively focusing on market development in Ben Tre and the surrounding provinces in the Mekong Delta region. The establishment and regular operation of Giao Long New Port Joint Stock Company, along with the connecting waterway transport route, have proven beneficial in reducing road traffic congestion, saving time and costs for customers, and providing an alternative to traditional transportation methods.



Financial situation

Unit: Billion dong

Goal	2021	2022	% 2022/2021
Total assets	2.401,3	2.882,5	120,04%
Net revenue	4.164,3	3.934,7	94,49%
Profit from business activity	508,5	432,4	85,03%
Other profit	3,0	4,8	160,00%
Profit before tax	511,6	437,2	85,46%
Profit after tax	481,3	379,5	78,85%
Dividend payout ratio	35% by cash; 15% by shares	≥ 30%	-

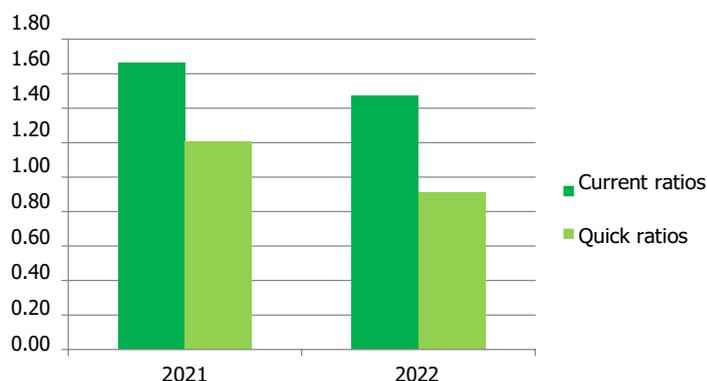
Financial situation

Goal	Unit	2021	2022
Liquidity ratio			
Short-term solvency ratio <i>Short-term assets/Current Liabilities</i>	Time	1,66	1,47
Quick ratio <i>(Short-term assets - inventory)/Current liabilities</i>	Time	1,21	0,91
Capital structure			
Debt/Total assets ratio <i>Total liabilities/ Total assets</i>	%	29,32	39,24
Debt/Owner's equity ratio <i>Total liabilities / Owner's equity</i>	%	41,49	64,59
Operational capacity			
Inventory turnover <i>Cost of goods sold/Average inventory</i>	Turn	11,01	7,01
Total assets turnover <i>Net revenue/Total average assets</i>	Turn	1,78	1,49
Profitability ratio			
Profit after tax/Net revenue	%	11,56	9,64
Profit after tax/Owner's equity	%	31,13	21,67
Profit after tax/Total assets	%	20,55	13,16
Profit from business activity/Net revenue	%	12,21	10,99



Comments to financial indicators

Liquidity indicators

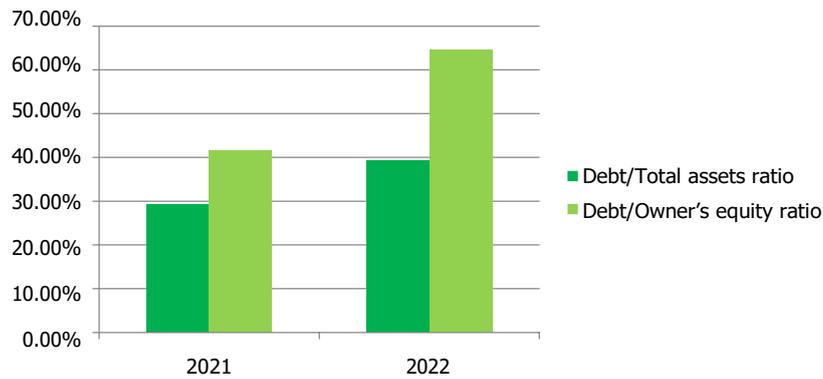


In 2022, both the short-term payment ratio and quick payment ratio of the company experienced a decrease compared to 2021. This decline can be attributed to the increase in total assets, which rose from 2,401.3 billion VND in 2021 to 2,882.5 billion VND in 2022. Notably, short-term assets witnessed an increase from 1,170.5 billion VND in 2021 to 1,662.8 billion VND in 2022, primarily driven by a significant rise in inventories and short-term receivables. The value of inventories increased from 320 billion VND in 2021 to 628.7 billion VND in 2022, as the company took advantage of lower raw material prices to stock up for future production and business operations. Additionally, advances to vendors increased from 11.2 billion VND in 2021 to 108.4 billion VND in 2022, supporting the company's production and business plans for 2023. As a result, short-term receivables rose from 666.6 billion VND in 2021 to 781.7 billion VND in 2022. On the other hand, long-term assets remained relatively stable, with a decrease of 11.1 billion VND, corresponding to a 0.90% decline compared to 2021.

Financial situation (next)

Comment to financial indicators (next)

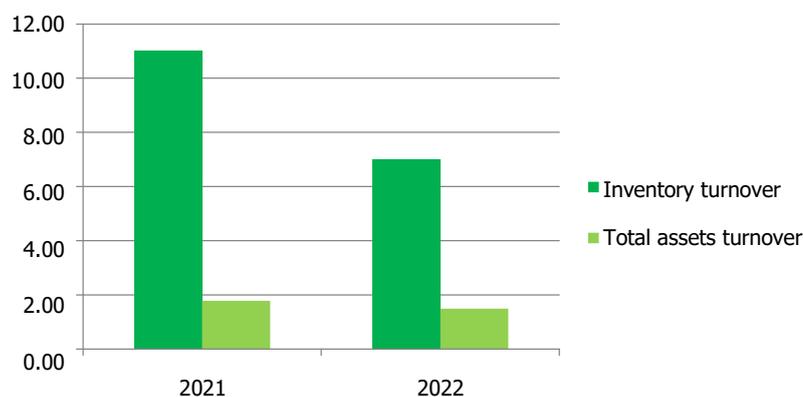
Capital structure indicators



In 2022, the debt-to-total assets ratio and debt-to-equity ratio of the company increased compared to 2021. This increase can be attributed primarily to the rise in short-term debt, which increased from 704.2 billion VND in 2021 to 1,131.1 billion VND in 2022. Notably, the increase in short-term borrowings and finance lease liabilities, as well as short-term trade payables, contributed to this trend. The company's short-term borrowings and finance lease liabilities in 2022 amounted to 518.4 billion VND, representing a significant increase of 139.81% compared to 2021. These funds were necessary to support liquidity, production, and business investments, and were obtained through borrowings from commercial banks at interest rates ranging from 4.85% to 7.60%. Additionally, short-term trade payables increased from 305.3 billion VND in 2021 to 532.6 billion VND in 2022, as the company had outstanding orders that were yet to be completed and delivered to customers in 2022. It is worth noting that the company did not have any long-term debts in both 2021 and 2022.

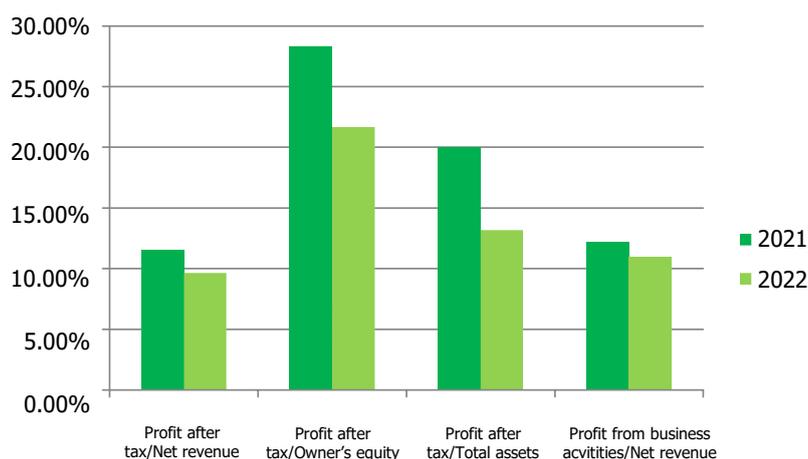


Operational capacity indicators



The inventory turnover of the Company decreased from 11.03 times in 2021 to 7.03 times in 2022. The reason was that the Company's inventory increased from 320 billion in 2021 to 628.7 billion in 2022. The total asset turnover of the Company decreased to 1.49 times in 2022 from 1.78 times in 2021, mainly due to the increase in total assets and a small part due to the Company's net revenue decreasing by 222.8 billion dong in 2022 compared to 2021.

Earnings Power indicator



The coefficients regarding the profit-making ability of the Company in 2022 have decreased compared to 2021. These coefficients have decreased because the Company's profit after tax has decreased from 481.3 billion dong in 2021 to 378.2 billion dong in 2022. The reason for this is due to the decrease in the selling price of the Company's products and the Company no longer enjoying tax incentives due to the Giao Long Paper project - phase 2 has expired.

Shareholder structure, changes in owner's investment capital

Shares

As of December 31st, 2022

Total number of issued shares: 69.994.423 shares

Number of outstanding shares: 69.994.423 shares

Number of treasury shares: None

Number of restricted shares: None

Par value of a share: 10.000 VND per share



List of major Shareholders

As of December 31st, 2022

No.	Name	Number of shares	Owner/Charter Capital (%)
1	KWE Beteiligungen AG	10.335.207	14,77%
2	Mr. Nguyen Thanh Nghia	6.683.583	9,55%
3	Mr. Le Ba Phuong	6.100.009	8,71%
4	Ms. Nguyen Thi Thuy	4.774.999	6,82%
5	Mr. Luong Van Thanh	3.996.450	5,67%

Status of changes in the investment capital of the owner

Year	The investment capital of the owner (don
2017	344.597.690.000
2018	413.515.490.000
2019	559.957.830.000
2020	559.957.830.000
2021	699.944.230.000
2022	699.944.230.000
January, 2023	804.930.480.000 (Charter capital has been increased by distributing stock dividend at the rate of 15% for the year 2021. These shares have been listed and deposited in January 2023)

Shareholder structure

As of December 31st, 2022

No	Shareholder type	Number of share	Value (dong)	Owner ratio
I	Government shareholder	-	-	-
II	Major shareholders (over 5%)	31.860.248	318.602.480.000	45,52%
1	Domestic	21.525.041	215.250.410.000	30,75%
2	Foreign	10.335.207	103.352.070.000	14,77%
III	Other shareholders	38.134.175	381.341.750.000	54,48%
1	Domestic	24.781.301	247.813.010.000	35,40%
2	Foreign	13.352.874	133.528.740.000	19,08%
IV	Treasury shares	-	-	-
Total (I + II + III + IV)		69.994.423	699.944.230.000	100,00%

The maximum foreign ownership ratio: 49%

Treasury share trading

No occurrence in 2022.

Other stocks

No occurrence in 2022.

Report related to environment and social

Impact on the environment

Dong Hai Joint Stock Company of Ben Tre is a company operating in the paper production industry. The factories owned by the company inevitably emit pollutants into the environment during the production process.

Therefore, waste management during the Company's operations are also given special attention. The company has signed contracts for waste management with third-party companies specializing in handling household waste such as Ben Tre Urban Construction Joint Stock Company, and hazardous waste collection units such as Chan Ly Environmental Technology Co., Ltd,... Additionally, the Company has constructed a wastewater treatment system with a designed capacity of 4,900 m³/day and night. The wastewater treatment system at the factory uses modern and synchronized equipment with a closed wastewater treatment technology to effectively treat wastewater and reuse a portion of the treated wastewater in the production process.

The company is required to regularly report to the regulatory authority on environmental issues in accordance with the regulations.



Impact report

Materials Management

Our company's primary source of raw material for paper production consists of recycled paper, sourced from a variety of channels including imported used carton boxes from Europe, Japan, and the United States, as well as domestically collected materials. This strategic utilization of waste materials has not only fostered business prospects but has also played a pivotal role in mitigating global environmental waste by reducing its release into the environment.



Consuming energy

Presently, our company relies on Thanh Cong Energy Service Joint Stock Company for the provision of electricity and steam, complemented by supplementary electricity sourced from Chau Thanh Ben Tre Power Company. This arrangement allows us to tailor our power usage to the specific requirements of our paper production operations, optimizing energy consumption effectively. Furthermore, we actively advocate for energy-saving practices among individuals to discourage wasteful consumption, recognizing that such practices yield suboptimal efficiency outcomes

Report related to environment and social (next)

Consuming water

Water plays a crucial role in facilitating the operations and production processes of our company, particularly within the paper production industry. Ensuring compliance with government regulations, our company diligently undertakes the recycling and treatment of wastewater. Additionally, we prioritize regular inspections of our water systems to promptly identify and address any water leaks, effectively minimizing water loss.



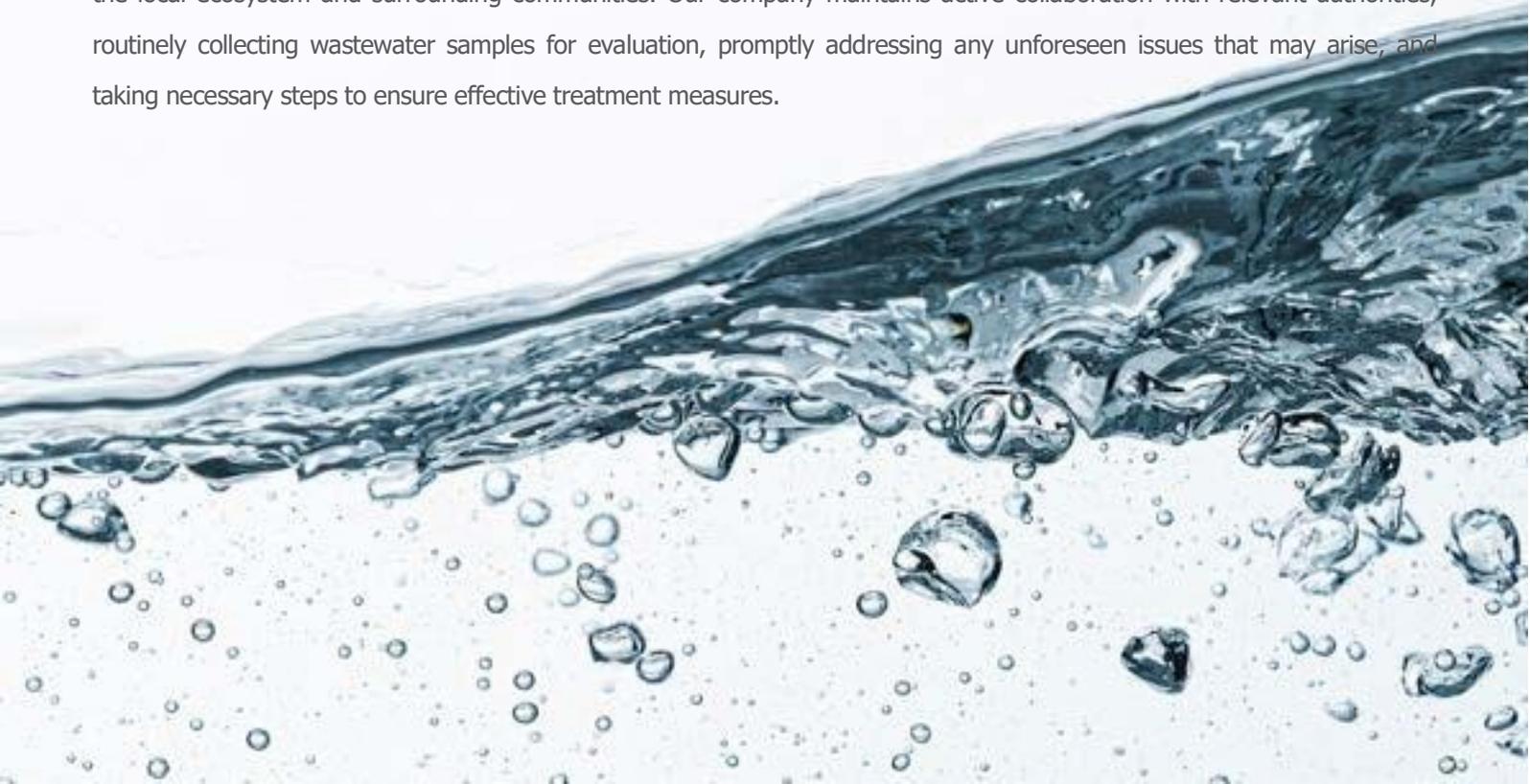
Impact report

Report on Local Community Responsibility

In 2022, our company exemplified its commitment to corporate social responsibility by engaging in a range of philanthropic initiatives, sponsorships, and support programs aimed at assisting underprivileged individuals and organizations within the local community. By leveraging local labor resources, we not only succeeded in reducing labor costs but also created job opportunities that contribute to the region's economic growth. Our active involvement in charitable endeavors encompassed activities such as providing gifts to disadvantaged families during the Tet holidays, sponsoring travel expenses for local residents, and extending financial support for events commemorating the 200th birth anniversary of the national hero Nguyen Dinh Chieu. Furthermore, our company collaborated closely with local authorities in organizing social and sporting events, fostering community engagement and cohesion.

Compliance with Environmental Protection Laws

Throughout the previous year, our company has demonstrated unwavering adherence to environmental protection laws and regulations. In addition to maintaining exemplary compliance, we have made substantial investments in a robust wastewater treatment system, ensuring its uninterrupted operation to safeguard a pristine and sustainable environment for the local ecosystem and surrounding communities. Our company maintains active collaboration with relevant authorities, routinely collecting wastewater samples for evaluation, promptly addressing any unforeseen issues that may arise, and taking necessary steps to ensure effective treatment measures.





03

Reports and Assessments of the Board of General Directors

The evaluation of business production and operations results

Financial Situation

The improvements in organizational structure and management policy

Future development plan

The Board of General Directors's explanation of the audit opinion

Report on assessment related to environmental and social responsibility

The evaluation of business production and operations results

Difficulty

In 2022, our company encountered significant challenges due to the nationwide outbreak of the pandemic in the early months of the year. This unfortunate circumstance not only posed difficulties for our workforce but also had an adverse impact on our overall business operations. Compounding the situation were factors such as exchange rate fluctuations, rising interest rates, and escalating input material costs. The volatility in input material prices added to the complexity by impeding our ability to accurately predict and mitigate cost-related risks. Moreover, the surge in oil prices resulted in higher transportation costs, while elevated interest rates and currency exchange rate fluctuations between the US dollar and Vietnamese dong led to increased payable amounts for the company. Furthermore, the continuous fluctuations in raw material prices, coupled with high coal prices, contributed to an escalation in steam prices. Consequently, some paper mills had to temporarily suspend operations or reduce shifts as a cautious measure, leading to an increase in inventory levels.



Achievements

Despite these difficulties, we persevered in striving to achieve our established goals. Notably, our product, Dong Hai, received esteemed recognition as a National Brand enterprise in 2022, highlighting its excellence. Additionally, our company was acknowledged as a prominent enterprise in Ben Tre province, affirming our commitment to the local community. We also earned accolades such as being ranked among the top 50 best-listed companies, the top 200 listed companies with revenue under a billion dollars in the Asia-Pacific region, and inclusion in the top 500 fastest-growing enterprises in Vietnam.

Advantages

Dong Hai experienced some favorable factors that provided opportunities during the difficult period. The initial complexity of the COVID-19 situation was effectively managed, with the government implementing measures to reopen the economy, enabling our company to operate more smoothly. Towards the end of the year, China's gradual elimination of its Zero-Covid policy allowed for the resumption of production and trade activities between Vietnam and China, positively impacting our business operations. Moreover, the continued growth of e-commerce presented a significant advantage for our company, opening up new avenues for sales and expansion.



Assessment of the main business areas of the Company and the development plan for the upcoming period

Paper production: Manufacturing 2 product lines of Medium and Test-liner, with stable production and consumption volume.

Packaging production: Our production of environmentally friendly boxes and carton paper relies on customers in the aquaculture, coconut processing, fruit, and electronics textile industries. However, production volume fluctuates when these industries are affected by changes in exports to the Chinese market.

Development plan: Currently, the factories are operating at full capacity, and Dong Hai is planning to build a new factory to produce new high-value products and increase the production volume of existing product lines according to customer demand. Specifically, Dong Hai will focus on investing in the Giao Long 3 Paper Factory project - Giao Long Paper Joint Stock Company.

Financial Situation

Assets Situation

Unit: Billion dong

Goal	2021	2021 Ratio	2022	2022 Ratio	% 2022/2021
Short-term Assets	1.170,5	48,74%	1.662,8	57,69%	142,06%
Long-term Assets	1.230,8	51,26%	1.219,7	42,31%	99,10%
Total Assets	2.401,3	100,00%	2.882,5	100,00%	120,04%

In 2022, the Company witnessed a substantial growth in total assets, reaching VND 2,882.5 billion, reflecting a remarkable growth rate of 120.04%. This growth was primarily driven by an increase in short-term assets. Dong Hai strategically capitalized on the period of reduced input material prices by acquiring them at a lower cost, ensuring a reliable supply for future production and business operations.

Liabilities Situation

Unit: Billion dong

Goal	2021	2021 Ratio	2022	2022 Ratio	%2022/2021
Short-term liabilities	704.2	100%	1.131,1	100%	160,62%
Long-term liabilities	-	-	-	-	-
Total liabilities	704,2	100%	1.131,1	100%	160,62%

In 2022, Dong Hai experienced a significant increase of 160.62% in short-term debts compared to the previous year. The primary cause for this surge is the Company's requirement for funds to support liquidity, facilitate production and business activities, and make short-term investments. To fulfill these financial needs, Dong Hai sought loans from commercial banks at interest rates ranging from 4.85% to 7.6%. It is worth noting that our company did not have any outstanding debts in either 2021 or 2022.



The improvements in organizational structure and management policy

Financial management

The Company employs Southsoft accounting software, which integrates data from various departments such as production, sales, and human resources. This accounting software is continuously upgraded and customized to align with the specific needs and requirements.

Customer relationship management

Each sales staff is responsible for a specific group of customers to ensure the best customer care and monitoring.

Human management

Updating and monitoring personnel based on the employee list and labor journal using modern programs to promptly and timely update any changes that occur

Quality relationship management

- The Company applies the ISO 9001:2015 quality management system to control the quality of products and services.
- The process follows the Process Control Diagram and the Quality Control Plan for Industrial Paper, Carton Paper, and Carton Box production.
- Effectiveness: Products meet customer quality requirements and have no customer complaints.
- Improvement plan: regularly inspect and maintain machinery and equipment to ensure that products meet quality requirements.



Future development plan

Unit: Billion dong

No.	Goal	Achieve in 2022	Plan in 2023	% Plan 2023 /Achieve2022
1	Owner's Equity	699,9	-	-
2	Revenue	3.934,7	3.240(*)	82,34%
3	Profit before tax	437,2	-	-
4	Profit after tax	379,5	300	79,05%

(*) The projected revenue for 2023 from Dong Hai Joint Stock Company in Ben Tre is expected to reach 3,000 billion dong. Similarly, the projected revenue from Ben Tre Packaging One Member Limited Liability Company is expected to amount to 240 billion dong. These estimates indicate the anticipated financial performance of the respective companies for the specified period..

The Board of General Directors's explanation of the audit opinion

The Board of General Directors expresses full agreement with both the results and the opinions provided by the Auditor. They have no further explanations or clarifications to provide at this time.



Report on assessment related to environmental and social responsibility

Assessment related to environmental indicators

The Board of General Directors has evaluated the waste treatment activities implemented by the company and confirms that they are in accordance with the company's policy. They have observed that the company has successfully maintained a green, clean, and aesthetically pleasing environment in and around its factories, ensuring minimal impact on the lives of local residents. The company continues to uphold its ISO 9001:2015 and ISO 14001:2015 certifications for environmental quality management, demonstrating its commitment to environmental sustainability. The wastewater treatment system operates effectively, meeting the company's operational requirements while ensuring no harm to the environment. Overall, the Board assesses that the company's environmental activities are executed commendably.



Assessment related to social responsibility

The Board of General Directors recognizes and commends the Company's exemplary performance in fulfilling its responsibilities towards the local community. Through charitable initiatives, support programs, and sponsorships for families and organizations facing challenging circumstances, the Company has not only cultivated a positive image but also actively shared in their hardships. This commitment to social welfare and support has not only showcased the Company's compassion but also contributed to fostering stronger ties with the community at large.



Assessment related to labor issues

The Board of General Directors acknowledges the Company's commendable performance in adhering to labor policies. The Company has established a safe and healthy work environment for its employees and workers. The Board assesses that the Company's recruitment activities effectively meet the required input factors, while the training and knowledge enhancement programs for workers are timely and comprehensive. Furthermore, the Company's handling of rights-related matters such as wages, bonuses, benefits, labor policies, and health insurance is highly regarded by the Board of Directors.





04

The Board of Directors' evaluation of the Company's operations

The Board of Directors' evaluation of the company's activities.

The Board of Directors' evaluation of the Board of General Directors activities

The plans and directions of the Board of Directors

The Board of Directors' evaluation of the Company's activities

Despite the challenges faced in 2022, the Board of Directors conducted a positive evaluation of the Company's performance in production and business activities. The Company successfully implemented its production plan while prioritizing the safety of its employees during and after the pandemic period. The management, production, and forecasting plans demonstrated appropriate flexibility and effectiveness. The Company exhibited good labor policies, ensuring the rights of all employees were upheld. In terms of waste management, the Company diligently collected and processed household waste and waste generated through its business activities in compliance with internal policies and government regulations. The Company's commitment to its social responsibility and contributions to the local community were highly regarded, further enhancing its positive image. The Board of Directors collaborated harmoniously with the Board of General Directors and the Board of Supervisors to develop sound business strategies and oversee operations. The organization of the General Meeting of Shareholders and other related events also received positive evaluations.



The plans and directions of the Board of Directors

The Board of Directors is committed to diligently upholding the Company's governance in accordance with applicable corporate governance regulations, the Company's Charter, and the Company's Governance Charter. Board members are entrusted with the responsibility to carry out their duties and exercise their powers in alignment with these charters, always acting in the best interests of the Company and its shareholders.

The Board of Directors assumes the role of leading and overseeing the operations of the Board of General Directors, working towards creating optimal conditions for the latter to effectively fulfill their assigned tasks as per resolutions from the General Meeting of Shareholders and the Board of Directors.

Continuous enhancement of the Company's governance activities remains a priority for the Board of Directors. This involves conducting more rigorous evaluations of the performance of board members and the Board of Supervisors to strengthen their roles and responsibilities within the organization.

Furthermore, the Board of Directors is dedicated to fostering strong relationships with investors and shareholders while ensuring compliance with disclosure requirements, prioritizing transparency and accountability.

The Board of Directors' evaluation of the Board of General Directors activities

In 2022 the Board of Directors evaluated that the Board of General Directors did not meet the profit plan set for the year. However, considering the challenging circumstances caused by the pandemic and the adverse effects on the Company's operations due to domestic and international market difficulties, we recognize and appreciate the efforts made by the Board of General Directors and the employees during this period. Furthermore, we acknowledge the effective execution of activities pertaining to energy consumption, labor policies, and social responsibility by the Board of General Directors.

Achievements

In its supervisory capacity, the Board of Directors ensures that the Company adheres to the proper direction and plans, aligning with the perspectives of the General Meeting of Shareholders and the Board of Directors in various operational areas.

The Board of Directors evaluates the compliance of the Board of General Directors and executives with laws, regulations, articles of incorporation, resolutions, and governance policies while conducting business operations, utilizing capital and assets, and expanding the market. The Board of General Directors displays a strong sense of responsibility, determination to fulfill assigned tasks, and diligently strives to overcome challenges.

Throughout the year, the CEO of the Company demonstrated effective management, maintained transparency, and fulfilled responsibilities in reporting the Company's activities.

Areas not accomplished & reasons

In 2022, the Packaging Factory faced challenges as its production output and revenue did not meet the set targets. This shortfall was primarily attributed to the impact of China's Zero-Covid policy, which resulted in industries reliant on packaging being unable to export their products. Consequently, this led to a temporary cessation in the production and consumption of carton packaging, affecting the factory's performance.

In April 2022, Ben Tre One Member Packaging Co., Ltd was established and commenced its operations. As part of the transition, some customers were transferred to Ben Tre One Member Packaging Co., Ltd with the aim of enabling the new company to concentrate on providing dedicated customer care and fostering its development.



05

Corporate governance

The Board of Directors' activities

The Board of Supervisors' activities

The transactions, remuneration, and benefits of the Board of Directors, Board of Supervisors, and Board of General Directors

Evaluation of compliance with corporate governance regulations

The Board of Directors' activities

The supervisory role of the Board of Directors in overseeing the operations of the Board of General Directors is an ongoing and consistent activity. The Board of Directors is dedicated to ensuring compliance with the regulations stipulated by the Enterprise Law, the Company's Charter, and the Company's governance regulations, particularly regarding the functioning of the Board of General Directors. They diligently monitor the achievement of plan targets established by the General Meeting of Shareholders and the Board of Directors. In 2022, the Company's operations demonstrated stability and continuous development.

The Meeting of the Board of Directors

No.	Member of the BOD	Number of board meetings attended	Meeting Attended ratio	Reason for not attending the meeting
1	Mr. Luong Van Thanh	18	18/18	-
2	Mr. Le Ba Phuong	18	18/18	-
3	Mr. Le Quang Hiep	6	6/18	Term ended at June 17 th , 2022
4	Mr. Nguyen Thanh Nghia	18	18/18	-
5	Mr. Marco Martinelli	18	18/18	-
6	Mr. Duong Thanh Cong	12	12/18	Assign at June 17 th , 2022



The Resolution/Decision of the Board of Directors

No.	Resolution or Decision Number	Date	Content
01	01/NQ-HĐQT	21/01/2022	The approval the report of the 4 th Quarter in 2021 business performance and the 1 st Quarter in 2022 plan
02	02/NQ-HĐQT	21/01/2022	Approved the agreement to sign a contract with Giao Long New Port Joint Stock Company
03	03/NQ-HĐQT	21/01/2022	Approved the agreement to sign a contract with Ben Tre One Member Packaging Co.,Ltd
04	04/NQ-HĐQT	21/01/2022	The approval of Resolution 01/TT-HĐQT dated 02/01/2022 regarding the unit price of salary for products from January 1 st , 2022
05	05/NQ-HĐQT	21/01/2022	- Approval of the bonus disbursement list for the Executive Board of the Company on 21/01/2022 - Approval of the bonus disbursement list for the Board of Directors and the Board of Supervisors
06	06/NQ-HĐQT	18/02/2022	Unified short-term borrowing at CTBC Bank - Ho Chi Minh City Branch.
07	07/NQ-HĐQT	18/02/2022	Unified borrowing at Joint Stock Commercial Bank for Foreign Trade of Viet Nam - Tien Giang Branch
08	08/NQ-HĐQT	18/02/2022	Unified borrowing at ShinHan Bank Co.,Ltd
09	09/NQ-HĐQT	17/03/2022	Through the implementation of capital contribution to establish Dong Hai Packaging Joint Stock Company
10	10/NQ-HĐQT	22/04/2022	Agreed on the approval of the first quarter of 2022 business performance report and the second quarter of 2022 plan targets.
11	11/NQ-HĐQT	22/04/2022	Agreed to extend the deadline for organizing the 2022 General Meeting of Shareholders to no later than June 30 th , 2022
12	12/NQ-HĐQT	22/04/2022	The 2022 Annual General Meeting of Shareholders 2022 will be organized through a plan.
13	13/NQ-HĐQT	22/04/2022	The decision has been made to temporarily advance the 2 nd dividend payment of 2021 in cash to Shareholders.
14	14/NQ-HĐQT	22/04/2022	The decision has been made to agree on a short-term loan plan to supplement working capital according to the 2022-2023 business plan at the Vietnam Investment and Development Bank - Ben Tre Branch
15	15/NQ-HĐQT	22/04/2022	Agreement has been reached on the credit limit at HSBC Vietnam Joint Stock Commercial Bank Limited
16	16/NQ-HĐQT	22/04/2022	Consolidation of the agenda items for the 2022 Annual General Meeting of Shareholders
17	16/NQ-HĐQT	25/05/2022	Agreement to adjust the investment plan in Dong Hai Packaging Joint Stock Company to implement the investment in a paper production line system.

No.	Resolution or Decision Number	Date	Content
18	17/NQ-HĐQT	25/05/2022	Agree to adjust the time for paying the second dividend advance in 2021 in cash to shareholders.
19	17/NQ-HĐQT	16/06/2022	Agreement on the deadline for the first capital contribution to Dong Hai Packaging Joint Stock Company.
20	18/NQ-HĐQT	16/06/2022	Uniformity regarding the amendment and supplementation of the 2022 Annual General Meeting of Shareholder documents
22	20/NQ-HĐQT	17/06/2022	It has been agreed to elect Mr. Luong Van Thanh as Chairman of the Board of Directors and Mr. Le Ba Phuong as Vice Chairman of the Board of Directors for the term 2022 - 2026
23	21/NQ-HĐQT	17/06/2022	It has been agreed to reappoint Mr. Le Ba Phuong as General Director, Mr. Luong Van Thanh and Ms. Ho Thi Song Ngoc as Deputy General Directors, and Ms. Le Thi Hoang Hue as Chief Accountant for the term 2022 - 2026.
24	22/NQ-HĐQT	17/06/2022	It has been agreed to distribute the 3 rd dividend payment of 2021 in cash to Shareholders.
25	23/NQ-HĐQT	24/06/2022	It has been agreed to approve the continuation of the implementation of Contract No. 12_DHC_THANHCONG2018 between Dong Hai Joint Stock Company of Ben Tre and internal stakeholder Mr. Duong Thanh Cong
26	24/NQ-HĐQT	24/06/2022	The unification has selected Ernst & Young Vietnam Limited Company as the audit firm for the 2022 financial report
27	25/NQ-HĐQT	29/06/2022	The unification agrees to dissolve Dong Hai Packaging Joint Stock Company
28	26/NQ-HĐQT	06/07/2022	Approval of the Credit Limit/Credit Line at Vietnam Technological and Commercial Joint Stock Bank (Techcombank)
29	27/NQ-HĐQT	06/07/2022	Approval of the Credit Limit/Credit Line of Ben Tre One Member Packaging Co,Ltd at Vietnam Technological and Commercial Joint Stock Bank (Techcombank)
30	28/NQ-HĐQT	15/07/2022	The establishment of Giao Long Paper Joint Stock Company through capital contribution.
31	29/NQ-HĐQT	28/07/2022	Approval of the second Quarter of 2022 business performance report and the third Quarter of 2023 plan objectives
32	30/NQ-HĐQT	28/07/2022	The decision to adjust the payment time of the 3 rd interim dividend in 2021 in cash to shareholders has been unanimously agreed
33	31/NQ-HĐQT	12/10/2022	Approval of the implementation of capital contribution by Giao Long Paper Joint Stock Company
34	32/NQ-HĐQT	12/10/2022	The resolution to temporarily postpone the stock offering to existing shareholders and the issuance of shares under the Employee Stock Ownership Plan (ESOP) was passed at the 2022 Annual General Meeting of Shareholders
35	33/NQ-HĐQT	12/10/2022	The implementation of the plan to issue shares for dividend payment in 2022 has been approved
36	34/NQ-HĐQT	26/10/2022	Approval of the third Quarter of 2022 business performance report and the four Quarter of 2023 plan objectives

No.	Resolution or Decision Number	Date	Content
37	35/NQ-HĐQT	26/10/2022	Agreed to borrow from Shinhan Vietnam Joint Stock Commercial Bank
38	36/NQ-HĐQT	26/10/2022	Agreed to establish an Internal Audit Committee under the Company's Board of Directors from November 1 st , 2022
39	37/NQ-HĐQT	26/10/2022	The final dividend payout for the year 2021 will be unified and paid in cash to the Shareholders
40	38/NQ-HĐQT	26/10/2022	The interim dividend payment for the 1st quarter of 2022 will be unified and paid in cash to Shareholders
42	40/NQ-HĐQT	15/11/2022	Authorize to adjust the authorized representative for the contributed capital portion of Giao Long Paper Joint Stock Company and appoint personnel to hold the position of the Company's CEO.
44	42/NQ-HĐQT	01/12/2022	Agree to make interim dividend payments for the second round of 2022 in cash to shareholders
45	43/NQ-HĐQT	30/12/2022	Agree to approve the signing of a contract with Ben Tre One Member Packaging Co., Ltd
46	44/NQ-HĐQT	30/12/2022	Agree to approve the signing of a contract with Giao Long New Port Joint Stock Company
47	45/NQ-HĐQT	30/12/2022	It has been agreed to approve the continuation of the implementation of Contract No. 12_DHC_THANHCONG2018 between Dong Hai Joint Stock Company of Ben Tre and internal stakeholder Mr. Duong Thanh Cong
48	46/NQ-HĐQT	30/12/2022	The decision to dismiss Ms. Le Thi Hoang Hue from the position of Chief Accountant, effective from January 1, 2023, has been approved
49	47/NQ-HĐQT	30/12/2022	It has been agreed to appoint Ms. Nguyen Hong Thanh as the Chief Accountant of the Company, effective from January 1 st , 2023.
50	48/NQ-HĐQT	30/12/2022	It has been agreed to change the authorized person for public disclosure of information, effective from January 1 st , 2023



The Board of Supervisors activities

Board of Supervisors' Meetings

No.	Member of the BOS	Number of board meetings attended	Meeting Attended ratio	Reason for not attending the meeting
1	Ms. Doan Thi Bich Thuy	4	4/4	-
2	Ms. Doan Hong Lan	4	4/4	-
3	Mr. Le Hoang Phong	2	2/4	Term ended at June 17 th , 2022
4	Mr. Nguyen Quoc Binh	2	2/4	Assign at June 17 th , 2022

In 2022, the Board of Supervisors held 04 official meetings to monitor and inspect the following major areas:

- Approve the Report of the Supervisory Board preparing for the Annual General Meeting of Shareholders. Audit plan for the first 06 months, the last 06 months, and fixed asset inventory.
- Monitor the activities of the Board of Directors, the operations of the Board of General Directors (CEO) and the Company's management apparatus during the relevant financial year regarding the implementation of the financial and operational plans for 2022 approved by the Annual General Meeting of Shareholders.
- Review the legality, procedures, and issuance of Resolutions and Decisions of the Board of Directors and the Board of General Directors in 2022, controlling compliance with the Company's information disclosure regulations according to the provisions of the law.
- Review the Company's 06-month and year-end financial reports; The report of Ernst & Young Vietnam Co., Ltd. examining the impact of significant accounting issues and financial reporting to assess the systematic, consistent, and appropriate accounting, statistical, and financial reporting work.

The Board of Supervisors's evaluation of the results of production and business operations and the financial situation

In 2022, the Company continued to face difficulties due to China's closure under the Zero Covid policy, as well as the conflict between Russia and Ukraine. Despite all the challenges, the leadership and all staff members have achieved certain accomplishments. Specifically, revenue reached 101.07% of the annual plan, and after-tax profit reached 84.04% of the annual plan.

The Board of Supervisors activities (next)

The Board of Supervisors monitoring results on the operations of the Board of Directors and the Company Management Board in 2022

The Board of Directors

The Board of Directors held regular quarterly and annual (and extraordinary) meetings in accordance with the Company's Articles of Association. The Board of Supervisors evaluated the Board of Directors' operations, which timely met the production and business requirements of the Company.

The Board of Directors issued Resolutions and Decisions related to the Company's activities within its scope of responsibility and authority. The Resolutions and Decisions issued by the Board of Directors were in the correct order, within the appropriate authority, and complied with legal provisions and the Company's Articles of Association. In 2022, the Board of Directors held 18 meetings and issued 48 Resolutions.

The Board of Directors directed the operations of the Board of General Directors (Director) in implementing the Resolutions of the General Meeting of Shareholders and the Company's production and business activities. It coordinated comprehensively with the Board of General Directors (Director) to manage all of the Company's operations.

The Board of General Directors

The Board of General Directors (or Director) has fully implemented the decisions and resolutions of the Board of Directors, and strictly fulfilled other responsibilities and duties according to the Company's bylaws and applicable laws.

Regarding the implementation of production and business plan targets: The Board of General Directors (or Director) and the Company management team have made efforts to manage the Company's production and business activities, and have exceeded the revenue target set by the Annual General Meeting of Shareholders.

Regarding personnel organization: The Board of General Directors has directed the recruitment, selection, and training of personnel suitable for the Company's production and business activities.

Assessing the coordination among the Board of Supervisors, Board of Directors, and the Board of General Directors in 2022

Frequently exchanging information with the Board of Directors and the Board of General Directors regarding production, business, fluctuations, and recruitment of management personnel.

Participating in the biannual inventory check for the first 6 months and the last 6 months of the year, and checking fixed assets.

Checking accounting entries; Checking financial books and reports; Checking operating costs and evaluating business performance for 2022. Reviewing the biannual audit report and the 2022 financial report.

All recommendations and proposals from the Board of Supervisors are considered and directed by the Board of Directors, the Board of General Directors, and other management personnel to be seriously implemented.

In 2022, the Board of Supervisors did not receive any shareholder complaints about misconduct by the Board of Directors, the Board of Supervisors, or Company management during the performance of their duties.

The Company's business activities ensure safety, compliance with the law, and adhere to the direction of the Shareholders' Meeting Resolution. The Board of Directors and the Board of General Directors have led all employees in the company to continuously strive to overcome difficulties and bring sustainable development value to the Company."

Recommendations and directions for the operations of the Control Board for 2023

Recommendation: Continue to enhance the operational capacity of the Company's departments to ensure compliance with regulations, minimize errors, and reduce potential risks in production and business.

Operational directions:

- The Board of Supervisors will continue to carry out inspection and supervision tasks in accordance with legal regulations and the company's documents (Enterprise Law; Charter of Organization and Operation; Company Governance Regulations; Control Board Operation Regulations).
- Perform other tasks in accordance with the functions and duties of the Control Board.

The transactions, remuneration, and benefits of the Board of Directors, Board of Supervisors, and Board of General Directors

The salary, bonus, remuneration and benefits

Unit: Dong

Name	Position	Income (*)
Mr. Luong Van Thanh	Chairman of the BOD, Vice General Director	1.571.018.234
Mr. Le Ba Phuong	Vice Chairman of the BOD, General Director	1.902.845.635
Mr. Nguyen Thanh Nghia	Member of the BOD	249.000.000
Mr. Marco Martinelli	Member of the BOD	249.000.000
Mr. Duong Thanh Cong	Member of the BOD	24.500.000
Mr. Le Quang Hiep	Member of the BOD	224.500.000
Ms. Doan Thi Bich Thuy	Chief of the BOS	87.000.000
Ms. Doan Hong Lan	Member of the BOS	216.317.797
Mr. Le Hoang Phong (**)	Member of the BOS	55.500.000
Mr. Nguyen Quoc Binh	Member of the BOS	10.500.000
Ms. Ho Thi Song Ngoc	Vice General Director	1.232.184.693
Ms. Le Thi Hoang Hue (***)	Chief Accountant	973.574.021
Ms. Nguyen Hong Thanh	Temporary Chief Accountant	260.487.868

(*) Due to not achieving the business plan set forth in 2022, bonuses will not be paid to the Board of Directors, Board of Supervisors, and Executive Board.

(**) Mr. Le Hoang Phong has completed his term as a member of the Board of Controllers since June 17th, 2022.

(***) Ms. Le Thi Hoang Hue has been relieved of the position of Chief Accountant since January 1st, 2023.

Transactions of stocks by insiders and persons related to insiders

Performer	Position	Ownership at the opening position		Ownership at the closing position		Reason for increase, decrease
		Number of Share	Ratio	Number of Share	Ratio	
Mr. Luong Van Thanh	Chairman of the BOD/ Vice General Director	6.679.800	9,54%	3.966.450	5,67%	Sell/Buy
Mr. Le Ba Phuong	Vice Chairman of the BOD/General Director	5.625.009	8,04%	6.100.009	8,71%	Buy

Performer	Position	Ownership at the opening position		Ownership at the closing position		Reason for increase, decrease
		Number of Share	Ratio	Number of Share	Ratio	
Ms. Nguyen Thi Thuy	Relate person to Mr. Le Ba Phuong	4.574.999	6,54%	4.774.999	6,82%	Buy
Mr. Le Ba Hung	Relate person to Mr. Le Ba Phuong	200	0%	111.600	0,16%	Buy
Mr. Nguyen Thanh Nghia	Member of the BOD	3.723.758	5,32%	6.689.083	9,56%	Buy
Mr. Duong Thanh Cong	Member of the BOD	93.100	0,13%	395.000	0,56%	Buy
Mr. Duong Thanh Sang	Relate person to Mr. Duong Thanh Cong	627.000	0,89%	670.000	0,95%	Buy
Ms. Doan Hong Lan	Member of the BOS	75	0%	400	0%	Buy
Mr. Le Minh Thanh	Relate person to Ms. Doan Hong Lan	21.750	0,03%	24.750	0,04%	Buy
Mr. Nguyen Quoc Binh	Member of the BOS	373.068	0,53%	701.868	1%	Buy
Ms. Ngo Thi Thu Hoe	Relate person to Mr. Nguyen Quoc Binh	0	0%	99.000	0,14%	Buy
Ms. Ho Thi Song Ngoc	Vice General Director	248.010	0,35%	440.010	0,63%	Buy
Ms. Ho Phuong Hai	Relate person to Ms. Ho Thi Song Ngoc	3.500	0,005%	13.800	0,02%	Buy
Ms. Nguyen Thi Ngoc Suong	Chief of Internal Audit Department	0	0%	1.700	0%	Buy
Mr. Nguyen Truong Thinh	Relate person to Ms. Nguyen Thi Ngoc Suong	42.550	0,06%	41.450	0,06%	Buy/Sell
Ms. Bui Thi Ngoc Diem	Member of Internal Audit Department	4.875	0,01%	5.075	0,01%	Buy
Ms. Nguyen Ngoc To Uyen	Administrator	23.050	0,03%	20.350	0,02%	Buy/Sell

The transactions, remuneration, and benefits of the Board of Directors, Board of Supervisors, and Board of General Directors (next)

Contract or transaction with insiders and persons related to insiders

Unit: Dong

No	Organization name	Transaction value	According to Resolution/Decision
Thanh Cong Energy Service Corporation			
1	Buy steam	311.844.466.141	23/NQ-HĐQT
Giao Long Paper Joint Stock Company			
1	Capital contribution	97.000.000.000	28/NQ-HĐQT 31/NQ-HĐQT
Ben Tre One Member Packaging Co., Ltd			
1	Selling paper	70.197.410.806	03/NQ-HĐQT
2	Buying waste paper + core tube	7.053.340.000	
Giao Long New Port Joint Stock Company			
1	Service	24.032.568.950	02/NQ-HĐQT
2	Renting fee	2.193.750.000	

Evaluation of compliance with regulations on company management

The Company always complies with relevant legal regulations regarding the management of the Company, including:

- Laws, decrees, circulars, and regulations on company management and guidance on disclosure of information on the securities market.
- Other related legal documents.

The company has specified regulations on management in internal regulations, including the Articles of Association, Internal Regulations on Company Management, Regulations on the Operation of the Board of Directors, and Regulations on the Operation of the Board of Controllers.

The Company always respects the rights of Shareholders by providing accurate and timely information.

Other related issues:

The Company has implemented the distribution of stock dividends for the year 2021 (at a rate of 15%) to its shareholders and has received Approval Letter No. 7777/UBCK-QLCB dated November 24, 2022 from the State Securities Commission regarding the report on the issuance of shares to pay dividends by DHC, and Approval Letter No. 8695/UBCK-QLCB dated December 30, 2022 from the State Securities Commission regarding the report on the issuance of shares to pay dividends by DHC. Currently, the company has completed the procedures for registration, deposit and listing of additional shares with the Ho Chi Minh City Stock Exchange and the Vietnam Securities Depository Center.



SIMPLE MONTHLY BUDGET

MONTHLY INCOME

Item	Amount
	\$2,500.00
	\$1,000.00
	\$250.00

PERCENT

SUMMARY

Total Monthly
\$3,750.00



EXPENSES

Item	Amount
	\$800.00
	\$1,000.00
	\$45.00
	\$500.00
	\$273.00
	\$120.00
	\$50.00
	\$100.00
	\$78.00
	\$50.00



06

Financial Report

The opinion of Audit

Audited Financial Report

DongHai Joint Stock Company of BenTre

GENERAL INFORMATION

THE COMPANY

DongHai Joint Stock Company of BenTre ("the Company"), is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 1300358260 issued by the Department of Planning and Investment ("DPI") of Ben Tre Province on 2 April 2003 and the 19th amendment ERC on 7 September 2021.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with the Decision No. 58/QĐ-SGDHCM issued by the HOSE on 18 June 2009.

The current principal activities of the Company are manufacturing and trading in pulp, kraft paper, paperboard, packaging made from paper and plastic.

The Company head office is located at Lot AIII, Giao Long Industrial Zone, An Phuoc Commune, Chau Thanh District, Ben Tre Province, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the year and at the date of this report are:

Mr. Luong Van Thanh	Chairman	
Mr. Le Ba Phuong	Vice Chairman	
Mr. Nguyen Thanh Nghia	Member	
Mr. Le Quang Hiep	Member	resigned on 17 June 2022
Mr. Marco Martinelli	Member	
Mr. Duong Thanh Cong	Member	appointed on 17 June 2022

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

Ms. Doan Thi Bich Thuy	Head	
Ms. Doan Hong Lan	Member	
Mr Le Hoang Phong	Member	resigned on 17 June 2022
Mr. Nguyen Quoc Binh	Member	appointed on 17 June 2022

MANAGEMENT

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

Mr. Le Ba Phuong	General Director
Mr. Luong Van Thanh	Deputy General Director
Ms. Ho Thi Song Ngoc	Deputy General Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Le Ba Phuong.

AUDITORS

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

DongHai Joint Stock Company of BenTre

REPORT OF THE MANAGEMENT

The Management of DongHai Joint Stock Company of BenTre ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2022.

THE MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

The 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 to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

STATEMENT BY THE MANAGEMENT

The management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2022 and of the consolidated results of its operations and its consolidated cash flows for the year ended then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

For and on behalf of management:



Le Ba Phuong
General Director

Ben Tre Province, Vietnam

30 March 2023



Ernst & Young Vietnam Limited
20th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

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ey.com

Reference: 12120343/22990393-FN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of DongHai Joint Stock Company of BenTre

We have audited the accompanying consolidated financial statements of DongHai Joint Stock Company of BenTre ("the Company") and its subsidiary ("the Group") as prepared on 30 March 2023 and set out on pages 5 to 33, which comprise the consolidated balance sheet as at 31 December 2022, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Group's preparation 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 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.



Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2022, and of the results of its consolidated operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Pham Pham Thi Cam Tu
Deputy General Director
Audit Practicing Registration Certificate
No. 2266-2023-004-1

Nguyen Minh Thanh
Auditor
Audit Practicing Registration Certificate
No. 5559-2020-004-1

Ho Chi Minh City, Vietnam

30 March 2023

DongHai Joint Stock Company of BenTre

B01-DN/HN

CONSOLIDATED BALANCE SHEET
as at 31 December 2022

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
100	A. CURRENT ASSETS		1,662,756,369,635	1,170,473,262,002
110	I. Cash and cash equivalents	4	189,178,341,116	98,169,465,231
111	1. Cash		134,178,341,116	58,169,465,231
112	2. Cash equivalents		55,000,000,000	40,000,000,000
120	II. Short-term investment		19,102,085,696	44,057,024,062
123	1. Held-to-maturity investment	5	19,102,085,696	44,057,024,062
130	III. Current accounts receivable		781,714,955,602	666,640,320,157
131	1. Short-term trade receivables	6	678,802,602,553	662,711,851,543
132	2. Short-term advances to suppliers	7	108,420,285,690	11,196,292,903
136	3. Other short-term receivables		2,119,331,542	266,410,498
137	4. Provision for doubtful short-term receivables	6	(7,627,264,183)	(7,534,234,787)
140	IV. Inventory		628,715,196,607	319,899,570,440
141	1. Inventories	8	628,715,196,607	319,899,570,440
150	V. Other current assets		44,045,790,614	41,706,882,112
151	1. Short-term prepaid expenses	9	13,378,897,647	4,348,622,483
152	2. Value-added tax deductible		30,666,892,967	37,358,259,629
200	B. NON-CURRENT ASSETS		1,219,726,803,729	1,230,793,805,534
210	I. Long-term receivable		7,276,430,000	2,870,638,109
211	1. Long-term trade receivables	6	7,276,430,000	2,870,638,109
220	II. Fixed assets		1,138,189,069,171	1,051,534,780,585
221	1. Tangible fixed assets	10	1,137,830,233,701	1,051,206,736,310
222	Cost		1,698,338,607,785	1,513,724,218,635
223	Accumulated depreciation		(560,508,374,084)	(462,517,482,325)
227	2. Intangible fixed assets	11	358,835,470	328,044,275
228	Cost		1,044,334,250	894,334,250
229	Accumulated amortisation		(685,498,780)	(566,289,975)
240	III. Long-term asset in progress		44,753,101,628	155,573,306,941
242	1. Construction in progress	12	44,753,101,628	155,573,306,941
250	IV. Long-term investment		5,296,159,450	4,966,796,824
252	1. Investment in an associate	13	5,296,159,450	4,966,796,824
260	V. Other long-term assets		24,212,043,480	15,848,283,075
261	1. Long-term prepaid expenses	9	23,577,973,496	15,737,906,752
262	2. Deferred tax asset	27.3	634,069,984	110,376,323
270	TOTAL ASSETS		2,882,483,173,364	2,401,267,067,536

DongHai Joint Stock Company of BenTre

B01-DN/HN

CONSOLIDATED BALANCE SHEET (continued)
as at 31 December 2022

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
300	C. LIABILITIES		1,131,127,570,739	704,171,341,216
310	I. Current liabilities		1,131,127,570,739	704,171,341,216
311	1. Short-term trade payables	14	532,623,989,424	305,301,684,878
312	2. Short-term advances from customers	15	27,284,420,722	821,102,852
313	3. Statutory obligations	16	16,478,940,206	1,865,398,942
314	4. Payables to employees		19,943,412,966	20,775,298,271
315	5. Short-term accrued expenses	17	8,350,042,877	975,359,409
318	6. Short-term unearned revenues		109,090,909	109,090,909
319	7. Other short-term payables	18	4,528,423,461	3,340,293,983
320	8. Short-term loans	19	518,363,300,196	370,769,353,807
322	9. Bonus and welfare fund		3,445,949,978	213,758,165
400	D. OWNERS' EQUITY		1,751,355,602,625	1,697,095,726,320
410	I. Equity	20	1,751,355,602,625	1,697,095,726,320
411	1. Share capital		699,944,230,000	699,944,230,000
411a	- Ordinary shares with voting rights		699,944,230,000	699,944,230,000
412	2. Share premium		235,247,935,803	235,247,935,803
418	3. Investment and development fund		82,904,331,993	58,837,320,462
421	4. Undistributed earnings		730,259,104,829	703,066,240,055
421a	- Undistributed earnings up to the end of prior year		455,792,154,911	249,723,900,940
421b	- Undistributed earnings of the year		274,466,949,918	453,342,339,115
429	5. Non-controlling interest		3,000,000,000	-
440	TOTAL LIABILITIES AND OWNERS' EQUITY		2,882,483,173,364	2,401,267,067,536

Phan Thi Truc Ly
Preparer

Nguyen Hong Thanh
Chief Accountant



Le Ba Phuong
General Director

Ben Tre Province, Vietnam

30 March 2023

DongHai Joint Stock Company of BenTre

B02-DN/HN

CONSOLIDATED INCOME STATEMENT
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenues from sale of goods	21.1	3,935,865,493,523	4,164,826,385,369
02	2. Deductions	21.1	(1,138,734,067)	(495,850,816)
10	3. Net revenues from sale of goods	21.1	3,934,726,759,456	4,164,330,534,553
11	4. Costs of goods sold	22	(3,323,855,691,165)	(3,491,679,314,664)
20	5. Gross profit from sale of goods		610,871,068,291	672,651,219,889
21	6. Finance income	21.2	20,631,569,074	14,732,993,119
22	7. Finance expenses	23	(42,009,199,350)	(17,141,484,680)
23	<i>In which: Interest expense</i>		(19,111,142,447)	(15,763,593,086)
24	8. Shares of profit of associate	13	329,362,626	435,165,538
25	9. Selling expenses	24	(119,423,890,402)	(120,440,937,631)
26	10. General and administrative expenses	24	(38,049,892,173)	(41,692,957,953)
30	11. Operating profit		432,349,018,066	508,543,998,282
31	12. Other income	25	5,480,525,221	3,119,005,663
32	13. Other expenses	25	(670,686,768)	(98,721,417)
40	14. Other profit		4,809,838,453	3,020,284,246
50	15. Accounting profit before tax		437,158,856,519	511,564,282,528
51	16. Current corporate income tax expense	27.1	(58,223,965,763)	(30,334,428,236)
52	17. Deferred income tax	27.3	523,693,661	110,376,323
60	18. Net profit after tax		379,458,584,417	481,340,230,615
61	19. Net profit after tax attributable to shareholders of the parent		379,458,584,417	481,340,230,615
70	20. Basic earnings per share	20.4	4,620	5,860
71	21. Diluted earnings per share	20.4	4,620	5,860

Phan Thi Truc Ly
Preparer

Nguyen Hong Thanh
Chief Accountant



Le Ba Phuong
General Director

Ben Tre Province, Vietnam

30 March 2023

DongHai Joint Stock Company of BenTre

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	Accounting profit before tax		437,158,856,519	511,564,282,528
	<i>Adjustments for:</i>			
02	Depreciation and amortisation	10, 11	101,042,171,871	102,514,672,239
03	Provisions		93,029,396	370,512,540
04	Foreign exchange (gain) losses arisen from revaluation of monetary accounts denominated in foreign currency		(9,037,979,746)	27,108,380
05	Profits from investing activities		(4,180,729,487)	(2,562,151,726)
06	Interest expenses	23	19,111,142,447	15,763,593,086
08	Operating profit before changes in working capital		544,186,491,000	627,678,017,047
09	Increase in receivables		(112,949,332,670)	(133,736,961,531)
10	Increase in inventories		(308,815,626,167)	(5,238,817,735)
11	Increase (decrease) in payables		267,577,756,199	(115,413,249,850)
12	(Increase) decrease in prepaid expenses		(16,870,341,908)	6,690,600,193
14	Interest paid		(17,296,105,682)	(15,268,751,201)
15	Corporate income tax paid	16	(45,661,468,684)	(36,393,881,691)
17	Other cash outflows for operating activities		(6,394,612,799)	(10,987,713,593)
20	Net cash flow from operating activities		303,776,759,289	317,329,241,639
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases and construction of fixed assets		(76,953,443,009)	(155,963,621,110)
22	Proceeds from disposals of fixed assets		217,893,926	122,921,818
23	Payment of term deposits		(5,045,061,634)	(35,034,250,796)
24	Collection of term deposits		30,000,000,000	-
27	Bank interest received		3,530,384,415	2,034,213,730
30	Net cash flow used in investing activities		(48,250,226,302)	(188,840,736,358)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
31	Capital contributions of non-controlling shareholders		3,000,000,000	-
33	Drawdown of borrowings	19	1,797,986,481,801	1,993,739,646,269
34	Repayment of borrowings	19	(1,650,392,535,412)	(2,058,152,047,584)
36	Dividends paid	20.2	(314,974,903,500)	(167,987,349,000)
40	Net cash flow used in financing activities		(164,380,957,111)	(232,399,750,315)

DongHai Joint Stock Company of BenTre

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2022

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net increase (decrease) in cash and cash equivalents for the year		91,145,575,876	(103,911,245,034)
60	Cash and cash equivalents at beginning of year		98,169,465,231	202,090,986,015
61	Impact of exchange rate fluctuation		(136,699,991)	(10,275,750)
70	Cash and cash equivalents at end of year	4	189,178,341,116	98,169,465,231



Phan Thi Truc Ly
Preparer



Nguyen Hong Thanh
Chief Accountant



Le Ba Phuong
General Director

Ben Tre Province, Vietnam

30 March 2023



DongHai Joint Stock Company of BenTre

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at 31 December 2022 and for the year ended then

1. CORPORATE INFORMATION

DongHai Joint Stock Company of BenTre ("the Company"), is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to the Enterprise Registration Certificate ("ERC") No. 1300358260 issued by the Department of Planning and Investment ("DPI") of Ben Tre Province on 2 April 2003 and the 19th amendment ERC on 7 September 2021.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") in accordance with the Decision No. 58/QĐ-SGDHCM issued by the HOSE on 18 June 2009.

The current principal activities of the Company are manufacturing and trading in pulp, kraft paper, paperboard, packaging made from paper and plastic.

The Company's head office is located at Lot AIII, Giao Long Industrial Zone, An Phuoc Commune, Chau Thanh District, Ben Tre Province, Vietnam.

The number of Group's employees as at 31 December 2022 was: 742 (31 December 2021: 532).

Corporate structure

The Company's corporate structure includes 2 subsidiaries and an associate. Details are as follows:

Names	Business activities	Status of December operation	% voting	
			As at 31 December 2022 (%)	As at 31 December 2021 (%)
Subsidiaries				
(1) Ben Tre Packaging One Member Company Limited ("Ben Tre Packaging")	Manufacturing and trading in carton packaging	Operating	100.00	100.00
(2) Giao Long Paper Joint Stock Company	Manufacturing and trading in kraft paper	Pre-Operating	97.00	-
Associate				
(1) Tan Cang Giao Long Joint Stock Company ("Tan Cang Giao Long")	Providing port operation and transportation services	Operating	26.00	26.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

2. BASIS OF PREPARATION

2.1 Accounting standards and system

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

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

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

2.2 Applied accounting documentation system

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

2.3 Accounting currency

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

2.4 Fiscal year

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

2.5 Basis of consolidation

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2022.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the parent company and subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 *Cash and cash equivalents*

Cash and cash equivalents comprise cash on hand, cash in banks and short-term deposits, highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

3.2 *Accounts receivable*

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

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

3.3 *Inventories*

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

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

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

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

Provision for obsolete inventories

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

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

3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of tangible fixed assets comprise its purchase prices and any directly attributable costs of bringing the tangible fixed assets to working condition for their intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, their cost and accumulated depreciation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortisation.

The costs of intangible fixed assets comprise its purchase prices and any directly attributable costs of bringing the intangible fixed assets to working condition for their intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, their cost and accumulated amortisation are removed from the consolidated balance sheet and any gain or loss resulting from their disposal is included in the consolidated income statement.

3.6 *Depreciation and amortisation*

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

Buildings and structures	5 - 35 years
Machinery and equipment	3 - 20 years
Means of transportation	5 - 10 years
Office equipment	5 - 8 years
Computer software	5 years
Others	8 years

3.7 *Borrowing costs*

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

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

3.8 *Construction in process*

Construction in progress represents costs that are directly attributable to the acquisition and construction to produce an asset in the course of construction at the balance sheet date.

3.9 *Prepaid expenses*

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

Prepaid for land rental

The prepaid land rental represents the unamortised balance of advance payment made in accordance with lease contracts signed after 2003. Such prepaid rental is classified as long-term prepaid expenses for allocation to the consolidated income statement over the remaining lease year, according to Circular 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance.

3.10 *Business combinations*

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued, and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.11 *Investments*

Investment in an associate

The Group's investment in its associate is accounted for using the equity method of accounting. An associate is an entity in which the Group has significant influence that is neither subsidiaries nor joint ventures. The Group generally deems they have significant influence if they have over 20% of the voting rights.

Under the equity method, the investment is carried in the consolidated balance sheet at cost plus post acquisition changes in the Group's share of net assets of an associate. Goodwill arising on acquisition of the associate is included in the carrying amount of the investment. Goodwill is not amortised and subject to annual review for impairment. The consolidated income statement reflects the share of the post-acquisition results of operation of an associate.

The share of post-acquisition profit of an associate is presented on face of the consolidated income statement and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividend receivable from an associate reduces the carrying amount of the investment.

The financial statements of an associate are prepared for the same reporting year and use the same accounting policies as the Group. Where necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Held-to-maturity investments

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

Provision for diminution in value of investments

Provision of the investment is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases and decreases to the provision balance are recorded as finance expense in the consolidated income statement.

3.12 *Payables and accrued expenses*

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

3.13 *Foreign currency transactions*

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

- Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection; and
- Transactions resulting in liabilities are recorded at the selling exchange rates of the transaction of commercial banks designated for payment.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.13 *Foreign currency transactions* (continued)

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

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

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

3.14 *Appropriation of net profit*

Net profit after tax is available for appropriation to shareholders after approval by the shareholders at the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

▶ *Investment and development fund*

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

▶ *Bonus and welfare fund*

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

▶ *Dividend*

Cash dividends are recognised as a liability in the consolidated balance sheet upon the approval by the shareholders at the Annual General Meeting and decision for implementation by the Company's Board of Directors.

Stock dividends are recognised in the consolidated balance sheet when the Group completes all required legal procedures as prevailing regulations.

3.15 *Revenue recognition*

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

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

Interest

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.16 Taxation

Current income tax

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

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

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

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

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

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

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or when the Group intends either settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.17 Earnings per share

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

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

3.18 Related parties

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

3.19 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The current principal activities of the Group are manufacturing and trading in pulp, kraft paper, paperboard, packaging made from paper and plastic. In addition, these activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, the Group's Management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

4. CASH AND CASH EQUIVALENTS

	<i>Ending balance</i>	<i>Beginning balance</i>
		VND
Cash on hand	122,183,900	181,025,163
Cash in banks	134,056,157,216	57,988,440,068
Cash equivalents (*)	<u>55,000,000,000</u>	<u>40,000,000,000</u>
TOTAL	<u>189,178,341,116</u>	<u>98,169,465,231</u>

(*) Cash equivalents represent term-deposits with original maturities of less than three months and earn interest at the rate from 4.6% to 5.5% p.a.

DongHai Joint Stock Company of BenTre

B09-DN/HN

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

5. HELD-TO-MATURITY INVESTMENT

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Held-to-maturity investment (*)	<u>19,102,085,696</u>	<u>44,057,024,062</u>

(*) Held-to-maturity investment represents short-term deposits at commercial banks with original maturity of more than three months and less than one year; and earns interest at the rates ranging from 4.6% to 6.4% p.a.

The Group pledged a part of its held-to-maturity investments to secure the short-term loans obtained from banks (Note 19).

6. SHORT-TERM TRADE RECEIVABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
- Box-Pak Vietnam Co., Ltd	192,806,399,305	133,873,584,119
- Phuc Hao Manufacturing - Trading Co., Ltd	55,073,045,664	55,410,818,980
- Hoang Long International Import Export Investment JSC	51,072,724,692	-
- Others	<u>379,850,432,892</u>	<u>473,427,448,444</u>
TOTAL	678,802,602,553	662,711,851,543
Provision for doubtful short-term receivables	<u>(7,627,264,183)</u>	<u>(7,534,234,787)</u>
NET	671,175,338,370	655,177,616,756
<i>In which:</i>		
<i>Receivable from third parties</i>	669,452,338,388	650,008,616,770
<i>Receivable from a related party (Note 28)</i>	1,722,999,982	5,168,999,986
Long-term		
- T&V Coconut Co., Ltd	4,301,500,000	-
- Truc Lan Vy Transportation Co., Ltd	2,974,930,000	947,145,000
- Others	-	1,923,493,109
TOTAL	7,276,430,000	2,870,638,109

(*) The Group pledged short-term trade receivables to secure the short-term loans obtained from banks (Note 19).

Details of movement of provision for doubtful short-term receivables are as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	(7,534,234,787)	(7,163,722,247)
Provision during the year	(324,069,823)	(516,867,047)
Utilisation and reversal during the year	231,040,427	146,354,507
Ending balance	<u>(7,627,264,183)</u>	<u>(7,534,234,787)</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

7. SHORT-TERM ADVANCE TO SUPPLIERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Duc Long Investment and Production One Member Co., Ltd	45,325,367,977	-
Minh Long Paper Production and Trading Co., Ltd	18,706,163,240	-
Mai Phuoc An Production and Trading Service One Member Co., Ltd	14,925,882,667	-
Others	29,462,871,806	11,196,292,903
TOTAL	<u>108,420,285,690</u>	<u>11,196,292,903</u>

8. INVENTORIES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Raw materials	324,350,665,623	202,649,321,434
Goods in transit	222,184,612,003	69,783,584,077
Finished goods	81,477,457,333	46,630,662,864
Work in process	448,428,844	525,512,695
Tools and supplies	254,032,804	310,489,370
TOTAL	<u>628,715,196,607</u>	<u>319,899,570,440</u>

9. PREPAID EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term	13,378,897,647	4,348,622,483
Tools and supplies	6,894,638,461	1,689,100,720
Repairing expenses	4,855,120,683	472,516,663
Insurance expenses	1,532,109,503	2,159,505,100
Others	97,029,000	27,500,000
Long-term	23,577,973,496	15,737,906,752
Tools and supplies	10,914,880,107	10,367,721,477
Land rental fee	3,217,290,030	3,306,452,790
Other	9,445,803,359	2,063,732,485
TOTAL	<u>36,956,871,143</u>	<u>20,086,529,235</u>

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10. TANGIBLE FIXED ASSETS	VND					Total
	Machinery and equipment	Buildings and structures	Means of transportation	Office equipment	Others	
Cost:						
Beginning balance	1,057,952,278,961	392,636,946,524	51,693,079,189	11,248,203,961	193,710,000	1,513,724,218,635
Transfer from construction in process	92,046,065,836	64,080,755,855	3,654,711,818	841,510,000	222,789,500	160,845,833,009
New purchases	3,814,980,444	10,370,733,710	12,182,046,262	410,054,896	-	26,777,815,312
Disposals	(1,182,967,736)	(1,167,200,526)	(659,090,909)	-	-	(3,009,259,171)
Ending balance	1,152,630,357,505	465,921,235,563	66,870,746,360	12,499,768,857	416,499,500	1,698,338,607,785
<i>In which:</i>						
Fully depreciated	176,846,501,933	30,886,302,621	14,064,902,597	1,871,165,857	193,710,000	223,862,583,008
Accumulated depreciation						
Beginning balance	(328,044,187,199)	(103,965,451,047)	(26,643,897,417)	(3,670,236,662)	(193,710,000)	(462,517,482,325)
Depreciation for the year	(66,332,722,502)	(25,263,666,168)	(7,331,687,386)	(1,966,911,260)	(27,975,750)	(100,922,963,066)
Disposals	1,182,967,736	1,090,012,662	659,090,909	-	-	2,932,071,307
Ending balance	(393,193,941,965)	(128,139,104,553)	(33,316,493,894)	(5,637,147,922)	(221,685,750)	(560,508,374,084)
Net carrying amount:						
Beginning balance	729,908,091,762	288,671,495,477	25,049,181,772	7,577,967,299	-	1,051,206,736,310
Ending balance	759,436,415,540	337,782,131,010	33,554,252,466	6,862,620,935	194,813,750	1,137,830,233,701
<i>In which:</i>						
Mortgaged as loan security (Note 19)	3,353,706,640	22,423,366,467	417,572,779	-	-	26,194,645,886

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11. INTANGIBLE FIXED ASSETS

			VND
	<i>Computer software</i>	<i>Others</i>	<i>Total</i>
Cost:			
Beginning balance	82,602,450	811,731,800	894,334,250
New purchases	150,000,000	-	150,000,000
Ending balance	<u>232,602,450</u>	<u>811,731,800</u>	<u>1,044,334,250</u>
<i>In which:</i>			
<i>Full amortised</i>	82,602,450	306,231,800	388,834,250
Accumulated amortisation:			
Beginning balance	(82,602,450)	(483,687,525)	(566,289,975)
Amortised for the year	(17,671,280)	(101,537,525)	(119,208,805)
Ending balance	<u>(100,273,730)</u>	<u>(585,225,050)</u>	<u>(685,498,780)</u>
Net carrying amount:			
Beginning balance	-	328,044,275	328,044,275
Ending balance	<u>132,328,720</u>	<u>226,506,750</u>	<u>358,835,470</u>

12. CONSTRUCTION IN PROGRESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Construction of Giao Long Paper Factory	44,575,268,901	-
Construction of Packaging Factory	-	131,672,602,582
Others	177,832,727	23,900,704,359
TOTAL	<u>44,753,101,628</u>	<u>155,573,306,941</u>

13. INVESTMENT IN AN ASSOCIATE

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Interest</i>	<i>Cost</i>	<i>Interest</i>	<i>Cost</i>
	(%)	VND	(%)	VND
Tan Cang Giao Long	26%	<u>5,296,159,450</u>	26%	<u>4,966,796,824</u>

(*) Tan Cang Giao Long Joint Stock Company, is incorporated the ERC No. 13009990134 issued by the DPI of Ben Tre Province on 12 August 2015. Its head office is located at No. 126, Long Thanh Hamlet, Giao Long Commune, Chau Thanh District, Ben Tre Province, Vietnam. The current principal activities of this company are providing port operation and transportation services.



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13. INVESTMENT IN AN ASSOCIATE (continue)

Details of this investment in an associate is as follows:

	VND
Cost of investment:	
Beginning and ending balances	2,600,000,000
Accumulated share in post-acquisition profit of the associate:	
Beginning balance	2,366,796,824
Share in post-acquisition profit of the associate for the year	<u>329,362,626</u>
Ending balance	<u>2,696,159,450</u>
Net carrying amount:	
Beginning balance	<u>4,966,796,824</u>
Ending balance	<u>5,296,159,450</u>

14. SHORT-TERM TRADE PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Payables to suppliers	495,826,317,273	279,756,522,097
- <i>Vipa Lausanne SA</i>	<i>181,812,643,601</i>	<i>73,071,164,446</i>
- <i>International Forest Products (UK)</i>	<i>39,362,989,644</i>	-
- <i>Midan Global Ltd</i>	<i>38,918,113,842</i>	<i>19,707,367,318</i>
- <i>Waste Paper Trade</i>	<i>29,610,850,469</i>	-
- <i>Others</i>	<i>206,121,719,717</i>	<i>186,977,990,333</i>
Related parties (<i>Note 28</i>)	<u>36,797,672,151</u>	<u>25,545,162,781</u>
TOTAL	<u>532,623,989,424</u>	<u>305,301,684,878</u>

15. SHORT-TERM ADVANCE FROM CUSTOMERS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Dongguan Hsinpu Paper Co., Ltd	7,213,903,967	-
Dongguan ZhenXing Paper Co., Ltd	6,396,644,457	-
Taicang Lingbo Paper Co., Ltd	3,672,271,208	-
Xiamen C&D Paper & Pulp Co.,Ltd.	2,835,295,132	-
Others	<u>7,166,305,958</u>	<u>821,102,852</u>
TOTAL	<u>27,284,420,722</u>	<u>821,102,852</u>

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16. STATUTORY OBLIGATION

	VND			
	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>Ending balance</i>
Corporate income tax	1,604,297,417	58,223,965,763	(45,661,468,684)	14,166,794,496
Personal income tax	261,101,525	16,609,121,995	(14,558,077,810)	2,312,145,710
Value-added tax	-	397,180,432,551	(397,180,432,551)	-
Others	-	1,316,588,081	(1,316,588,081)	-
TOTAL	<u>1,865,398,942</u>	<u>473,330,108,390</u>	<u>(458,716,567,126)</u>	<u>16,478,940,206</u>

17. SHORT-TERM ACCRUED EXPENSES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Utilities	6,535,006,112	480,517,524
Interest expenses	1,815,036,765	494,841,885
TOTAL	<u>8,350,042,877</u>	<u>975,359,409</u>

18. OTHER SHORT-TERM PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Commission fees	2,725,039,559	2,089,106,251
Bonus for the Boards of Directors and Supervision	480,717,287	480,717,287
Dividend payables	154,258,000	59,029,000
Others	1,168,408,615	711,441,445
TOTAL	<u>4,528,423,461</u>	<u>3,340,293,983</u>

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19. SHORT-TERM LOANS

	Beginning balance	Increase	Decrease	Ending balance
Short-term loan from banks	370,769,353,807	1,797,986,481,801	(1,650,392,535,412)	518,363,300,196

VND

Details of the short-term loans from banks are as follows:

Banks	Ending balance VND	Maturity date	Interest % p.a	Collaterals
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tien Giang Branch	290,551,375,876	From 28 February 2023 to 16 May 2023	6.00 - 7.60	Machinery and equipment and mean of transport
Hongkong and Shanghai Banking Corporation	162,508,606,975	From 25 January 2023 to 28 June 2023	4.00 - 6.90	Current trade receivables
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tien Giang Branch	29,850,039,194	25 February 2023	5.00 - 7.60	Unsecured
Joint Stock Commercial Bank for Investment and Development - Ben Tre Branch	21,806,396,941	30 May 2023	7.00	Deposits with the value of VND 1,000,000,000, machineries and equipment and means of transportation
Siam Commercial Bank Public Company Limited - Ho Chi Minh City branch	13,646,881,210	11 January 2023	4.85	Receivables with the value of USD 7,5 million

TOTAL

518,363,300,196

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20. OWNERS' EQUITY

20.1 Increase and decrease in owners' equity

	Share capital	Share premium	Investment and development fund	Undistributed earnings	VND Total
Previous year					
Beginning balance	559,957,830,000	235,247,935,803	39,241,141,068	560,497,409,592	1,394,944,316,463
Net profit for the year	-	-	-	481,340,230,615	481,340,230,615
Issuance of new shares for dividends	139,986,400,000	-	-	(139,986,400,000)	-
Dividends paid by cash	-	-	-	(167,987,349,000)	(167,987,349,000)
Investment and development fund appropriation	-	-	19,596,179,394	(19,596,179,394)	-
Transfer to bonus and welfare fund	-	-	-	(7,838,471,758)	(7,838,471,758)
Remuneration of the Board of Directors and Supervision	-	-	-	(3,363,000,000)	(3,363,000,000)
Ending balance	<u>699,944,230,000</u>	<u>235,247,935,803</u>	<u>58,837,320,462</u>	<u>703,066,240,055</u>	<u>1,697,095,726,320</u>
Current year					
Beginning balance	699,944,230,000	235,247,935,803	58,837,320,462	703,066,240,055	1,697,095,726,320
Net profit for the year	-	-	-	379,458,584,417	379,458,584,417
Dividends paid by cash	-	-	-	(314,974,903,500)	(314,974,903,500)
Investment and development fund appropriation	-	-	24,067,011,531	(24,067,011,531)	-
Transfer to bonus and welfare fund	-	-	-	(9,626,804,612)	(9,626,804,612)
Remuneration of the Boards of Directors and Supervision	-	-	-	(3,597,000,000)	(3,597,000,000)
Ending balance	<u>699,944,230,000</u>	<u>235,247,935,803</u>	<u>82,904,331,993</u>	<u>730,259,104,829</u>	<u>1,748,355,602,625</u>

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20. OWNERS' EQUITY (continued)

20.2 Capital transactions with owners and distribution of dividends

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Share capital		
Beginning and ending balances	<u>699,944,230,000</u>	<u>699,944,230,000</u>
Dividends		
Dividends declared (*)	314,974,903,500	307,973,749,000
Dividends paid by cash (*)	(314,974,903,500)	(167,987,349,000)
- <i>Dividends of 2021 paid by cash</i>	<i>(209,983,269,000)</i>	<i>(139,989,457,500)</i>
- <i>Advance dividends of 2022 by cash</i>	<i>(104,991,634,500)</i>	-
- <i>Advance dividends of 2021 by cash</i>	-	(27,997,891,500)
Issuance of new shares for dividends	-	(139,986,400,000)

(*) The Group declared dividends of 2021 in cash at 35% and shares at 15% of par value from 2021 undistributed earnings (with total amount of VND 342,972,634,500) according to the Resolution of Shareholders' Annual General Meeting ("AGM") No. 01/NQ-ĐHĐCĐ dated 17 June 2022.

In year, the Group has paid remaining dividends of 2021 by cash at the rate of 30% and with a total value of 209,983,269,000 VND according to the Resolution of the Board of Directors ("BOD") No. 13/NQ-HĐQT dated on 22 April 2022, the BOD Resolution No. 22/NQ-HĐQT dated 17 June 2022 and Board Resolution No. 37/NQ-HĐQT dated 26 October 2022.

Besides that, the Group also declared and paid in advance the 1st and 2nd dividend of 2022 by cash at the rate of 15% and with a total value of VND 104,991,634,500, according to BOD Resolution No. 38/NQ-HĐQT dated 26 October 2022 and BOD Resolution No. 42/NQ-HĐQT dated 1 December 2022, which is consistent with the AGM Resolution No.01/NQ-ĐHĐCĐ as mentioned above.

20.3 Shares

	<i>Number of shares</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Authorised shares	69,994,423	69,994,423
Issued and fully paid shares		
<i>Ordinary shares</i>	69,994,423	69,994,423
Shares in circulation		
<i>Ordinary shares</i>	69,994,423	69,994,423

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20. OWNERS' EQUITY (continued)

20.4 Earnings per share

The following reflects the income and share data used in the earnings per share computations:

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable to ordinary shareholders	379,458,584,417	481,340,230,615
Less: Bonus and welfare fund (i)	<u>(7,589,171,688)</u>	<u>(9,626,804,612)</u>
Net profit after tax attributable to ordinary shareholders for basic earnings (VND)	371,869,412,729	471,713,426,003
Weighted average number of ordinary shares for the year (shares) (ii)	80,493,048	80,493,048
Earnings per share (VND)		
<i>Basic earnings per share</i>	4,620	5,860
<i>Diluted earnings per share</i>	4,620	5,860

(i) Net profit used to compute earnings per share for the year ended 31 December 2022 was restated following the actual distribution to Bonus and welfare funds from 2021's undistributed earnings as approved in the AGM Resolution No.01/NQ-ĐHĐCĐ dated 17 June 2022.

Net profit used to compute earnings per share for the year ended 31 December 2022 was adjusted to decrease for Bonus and welfare funds with expected distribution rate at 2% on profit after tax of 2022 in accordance with the AGM Resolution No.01/NQ-ĐHĐCĐ as mentioned above.

(ii) The weighted average number of ordinary shares for the year ended 31 December 2022 was adjusted to reflect the additional issuance of dividend shares at 15% of par value according to the AGM Resolution No.01/NQ-ĐHĐCĐ dated 17 June 2022 (Note 30).

There have been no transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

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21. REVENUES

21.1 Revenue from sale of goods

	VND	
	Current year	Previous year
Gross revenue	3,935,865,493,523	4,164,826,385,369
<i>Of which:</i>		
Sale of finished goods	3,915,705,346,582	4,164,620,544,824
Sale of merchandises	14,604,454,545	-
Other sales	5,555,692,396	205,840,545
Sales reduction	(1,138,734,067)	(495,850,816)
<i>Of which:</i>		
Trade discounts	(542,294,144)	(425,708,116)
Sale allowances	(421,007,673)	
Sales returns	(175,432,250)	(70,142,700)
Net revenue	<u>3,934,726,759,456</u>	<u>4,164,330,534,553</u>
<i>Of which:</i>		
Sale of finished goods	3,914,566,612,515	4,164,124,694,008
Sale of merchandises	14,604,454,545	-
Other sales	5,555,692,396	205,840,545

21.2 Finance income

	VND	
	Current year	Previous year
Foreign exchange gains	15,791,906,229	12,121,171,958
Interest income	3,710,660,799	2,195,734,678
Trade discounts	1,129,002,046	416,086,483
TOTAL	<u>20,631,569,074</u>	<u>14,732,993,119</u>

22. COST OF GOODS SOLD

	VND	
	Current year	Previous year
Cost of finished goods sold	3,300,103,403,551	3,491,625,407,393
Cost of merchandises sold	18,397,562,770	-
Cost of others	5,354,724,844	53,907,271
TOTAL	<u>3,323,855,691,165</u>	<u>3,491,679,314,664</u>

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23. FINANCE EXPENSES

	VND	
	Current year	Previous year
Interest expense	19,111,142,447	15,763,593,086
Foreign exchange loss	22,898,056,903	1,377,891,594
TOTAL	42,009,199,350	17,141,484,680

24. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	VND	
	Current year	Previous year
Selling expenses	119,423,890,402	120,440,937,631
Expense for external services	92,735,220,107	96,757,679,348
Labour costs	17,356,170,814	17,268,947,521
Raw materials expense	5,164,856,556	3,278,300,193
Depreciation and amortisation	1,947,773,429	2,110,309,316
Others	2,219,869,496	1,025,701,253
General and administration expenses	38,049,892,173	41,692,957,953
Expense for external services	16,126,233,487	21,843,278,285
Labour costs	12,227,326,432	11,651,361,775
Depreciation and amortisation	3,331,486,638	2,926,984,494
Materials expenses	1,267,913,151	895,172,772
Other expenses	5,096,932,465	4,376,160,627
TOTAL	157,473,782,575	162,133,895,584

25. OTHER INCOME AND OTHER EXPENSES

	VND	
	Current year	Previous year
Other income	5,480,525,221	3,119,005,663
Compensation received	5,317,853,310	3,119,003,282
Others	162,671,911	2,381
Other expenses	(670,686,768)	(98,721,417)
Tax penalty	(7,272,170)	-
Others	(663,414,598)	(98,721,417)
OTHER NET PROFIT	4,809,838,453	3,020,284,246

26. PRODUCTION AND OPERATING COSTS

	VND	
	Current year	Previous year
Raw materials	2,975,860,316,157	2,817,570,433,302
Expense for external services	563,069,746,660	628,514,166,427
Labour costs	154,586,971,677	151,518,821,508
Depreciation and amortisation (Notes 10 and 11)	101,042,171,871	102,514,672,239
Others	37,402,084,722	22,367,494,633
TOTAL	3,831,961,291,087	3,722,485,588,109

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27. CORPORATE INCOME TAX

The Group is obliged to pay corporate income tax at the rate of 20% of taxable profit.

Expansion investment project of the Company: In respect of Giao Long Phase 2 Paper factory, the Company is entitled to corporate income tax exemption for two years from its first year having taxable income (2020 - 2021) and a reduction of 50% for the following four years (2022 - 2025).

Ben Tre Packaging: This Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable income as promulgated under Vietnamese tax regulations for 6 years commencing from the first year operated (2022). This Company is entitled to an exemption from CIT for two (2) years commencing from the first year of earning taxable income, and a 50% reduction for the following four (4) years.

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

27.1 CIT expense

	VND	
	<i>Current year</i>	<i>Previous year</i>
Current CIT expense	58,223,965,763	30,334,428,236
Deferred tax income	(523,693,661)	(110,376,323)
TOTAL	<u>57,700,272,102</u>	<u>30,224,051,913</u>

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	<u>437,158,856,519</u>	<u>511,564,282,528</u>
At CIT rate applicable:	87,431,771,304	102,312,856,506
<i>Adjustments:</i>		
Non-deductible expenses	649,905,663	632,373,766
Share profit in an associate	(65,872,525)	(87,033,108)
Tax loss of a subsidiary	1,108,889,635	-
CIT deduction	<u>(31,424,421,975)</u>	<u>(72,634,145,251)</u>
CIT expense	<u>57,700,272,102</u>	<u>30,224,051,913</u>

27.2 Current tax

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

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27. CORPORATE INCOME TAX (continued)

27.3 Deferred tax

The following are the deferred tax asset recognised by the Group, and the movement thereon, during the current and previous year:

	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>		VND
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>	
Deferred tax asset					
Unrealized profit	634,069,984	110,376,323	523,693,661	110,376,323	
Deferred tax asset	634,069,984	110,376,323			
Deferred income tax credit to consolidated income statement			523,693,661	110,376,323	

28. TRANSACTIONS WITH RELATED PARTIES

List of related parties that have significant transactions as at 31 December 2022 is as follows:

<i>Related parties</i>	<i>Relationship</i>
Tan Cang Giao Long	Associate
Thanh Cong Energy Service Corporation ("Thanh Cong Energy")	Common member of BOD
Mr. Le Ba Phuong	Deputy Chairman/ General Director
Mr. Luong Van Thanh	Chairman/Deputy General Director
Ms. Ho Thi Song Ngoc	Deputy General Director
Mr. Nguyen Thanh Nghia	Member of BOD
Mr. Le Quang Hiep	Member of BOD
Mr. Marco Martinelli	Member of BOD
Mr. Duong Thanh Cong	Member of BOD
Ms. Doan Thi Bich Thuy	Head of Board of Supervision ("BOS")
Mr. Doan Hong Lan	Member of BOS
Mr. Le Hoang Phong	Member of BOS
Mr. Nguyen Quoc Binh	Member of BOS

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

28. TRANSACTIONS WITH RELATED PARTIES (continued)

Significant transactions with related parties during the current and prior years were as follow:

Related parties	Relationship	Transactions	VND	
			Current year	Previous year
Thanh Cong Energy	The Company with the same member of BOD	Purchase of steam	311,844,466,141	233,319,387,209
		Purchase of electricity	-	127,750,376,720
Tan Cang Giao Long	Associate	Purchases of services	24,032,568,950	16,734,544,040
		Yard rental	2,193,750,000	2,175,000,000

As at balance sheet dates, amount due to and due from related parties was as follow:

Related parties	Relationship	Transactions	Ending balance	Beginning balance
Trade receivable				
Thanh Cong Energy	The Company with the same member of BOD	Sale of fixed assets	<u>1,722,999,982</u>	<u>5,168,999,986</u>
Short-term trade payables				
Thanh Cong Energy	The Company with the same member of BOD	Purchase of steam	29,145,915,351	25,371,660,781
Tan Cang Giao Long	Associate	Purchases of services	<u>7,651,756,800</u>	<u>173,502,000</u>
TOTAL			<u>36,797,672,151</u>	<u>25,545,162,781</u>

Remuneration to members of the Board of Directors, Management and Board of Supervision:

Individuals	Position	VND	
		Current year	Previous year
Mr Luong Van Thanh	Chairman/Deputy General Director	1,571,018,234	1,994,777,156
Mr Le Ba Phuong	Deputy Chairman/General Director	1,902,845,635	2,473,464,350
Ms Ho Thi Song Ngoc	Deputy General Director	1,232,184,693	1,366,873,900
Mr Nguyen Thanh Nghia	Member of BOD	249,000,000	342,000,000
Mr Le Quang Hiep	Member of BOD	224,500,000	342,000,000
Mr Marco Martinelli	Member of BOD	249,000,000	138,000,000
Mr Duong Thanh Cong	Member of BOD	24,500,000	-
Mr Nguyen Phan Dung	Member of BOD	-	75,000,000
Mr Tatsuyuki Ota	Member of BOD	-	75,000,000
Mrs Doan Thi Bich Thuy	Head of BOS	87,000,000	125,000,000
Mrs Doan Hong Lan	Member of BOS	216,317,797	246,187,106
Mr Le Hoang Phong	Member of BOS	55,500,000	63,000,000
Mr Nguyen Quoc Binh	Member of BOS	10,500,000	-
Mrs Mai Huyen Ngoc	Member of BOS	-	31,000,000
TOTAL		<u>5,822,366,359</u>	<u>7,272,302,512</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at 31 December 2022 and for the year ended then

29. OPERATING LEASE COMMITMENT

The Group rents its land use rights under operating lease arrangements. The minimum lease commitments as at the reporting dates under the operating lease agreements are as follows:

	VND	
	Ending balance	Beginning balance
Less than 1 year	995,239,204	1,000,906,328
From 1 to 5 years	3,980,956,814	4,003,625,313
Over 5 years	29,449,451,077	12,383,610,961
TOTAL	<u>34,425,647,095</u>	<u>17,388,142,602</u>

30. EVENTS AFTER THE BALANCE SHEET DATE

On 9 January 2023, the Company's BOD approved the payment of dividend 2021 by shares at 15% of the share's par value with amount of VND 104,986,480,000 in according with the AGM resolution No.01/NQ-ĐHĐCD dated 17 June 2022 and the BOD resolution No 01/NQ-HĐQT dated 9 January 2023. Accordingly, the Company's ordinary shares increased to 10,498,625 shares and the Company completed this additional issuance on 27 January 2023 which was approved by the DPI of Ben Tre Province through the issuance of the 20th amended ERC on 10 January 2023.

There is no other significant event occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements of the Group.



Phan Thi Truc Ly
Preparer



Nguyen Hong Thanh
Chief Accountant



Le Ba Phuong
General Director

Ben Tre Province, Vietnam

30 March 2023



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DONG HAI JOINT STOCK COMPANY OF BEN TRE

Ben Tre, 20 April, 2023

Legal representative
General Director



Mr. Lê Ba Phuong

