

**CONSTRUCTION JOINT STOCK
COMPANY NO.6**

Audited Separate Financial Statements
for the fiscal year ended
December 31, 2021

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CONSTRUCTION JOINT STOCK COMPANY NO.6

CORPORATE INFORMATION

General Information

Construction Joint Stock Company No.6 is a joint stock company converted from a state-owned enterprise under Decision No. 4446/QĐ – BGTVT dated December 31, 2002 of the Minister of Transport. The company operates under the Business Registration Certificate No. 0103002966 issued by the Department of Planning and Investment of Hanoi, changed from the 1st to the 12th time on April 01, 2021.

The Company's shares are registered for trading at UPCoM Exchange with the stock trading code "CT6" according to the listing registration certificate No. 203/QĐ-SGDHN issued by the Hanoi Stock Exchange on April 02, 2010.

BOARD OF DIRECTORS

- Mr Pham Van Thuy	Chairman	<i>Appointed on March 19, 2021</i>
- Mr Lai Van Quan	Chairman	<i>Dismissed on March 19, 2021</i>
- Mr Phan Hong Ngoc	Member	<i>Appointed on November 30, 2021</i>
- Mr Pham Xuan Huy	Member	<i>Dismissed on November 30, 2021</i>
- Mr Trinh Van Thuy	Member	
- Mr Luong Ba Minh	Member	
- Mr Phan Anh Tuan	Member	

BOARD OF MANAGEMENT

- Mr Phan Hong Ngoc	General Director	<i>Appointed on April 01, 2021</i>
- Mr Pham Xuan Huy	General Director	<i>Dismissed on April 01, 2021</i>
	Vice General Director	<i>Appointed on April 01, 2021</i>
- Mr Nguyen Duy Duong	Vice General Director	<i>Appointed on April 12, 2021</i>
- Mr Trinh Van Thuy	Vice General Director	
- Mr Luong Ba Minh	Vice General Director	
- Mr Phan Anh Tuan	Chief Accountant	

BOARD OF SUPERVISOR

- Mr Pham Anh Tu	Chief Supervisor
- Mr To Van Tuyen	Member
- Mr Nguyen Van Hoan	Member

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Phan Hong Ngoc - title: General Director.

BUSINESS REGISTRATION OFFICE

The Company's head office is at Group 36, Dong Anh town, Dong Anh district, Hanoi.

AUDITORS

BDO Audit Services Company Limited has audited the Company's separate financial statements for the fiscal year ended December 31, 2021.

CONSTRUCTION JOINT STOCK COMPANY NO.6

REPORT OF THE BOARD OF MANAGEMENT

On separate financial statements for fiscal year ended December 31, 2021

The Board of Management of Construction Joint Stock Company No.6 ('the company') presents this report together with the Company's Financial Statements for the fiscal year ended December 31, 2021 which were audited by independent auditors.

RESPONSIBILITIES OF BOARD OF MANAGEMENT

Board of Management is responsible for the preparation of the separate financial statements of the Company which give a true and fair view of the financial position of the Company as at December 31, 2021, as well as of its results of operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese accounting system and prevailing legal regulations relating to the preparation and presentation of financial statements.

In preparing the separate financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State applicable accounting principles that have been followed, any material deviations (if any) discovered and explained in separate financial statements;
- Prepare separate financial statements on going concern basis unless it is inappropriate to presume that the Company will continue in business;

Board of Management is responsible for ensuring that accounting records are kept adequately to give a fair and true view of the financial position of the Company at any time and to ensure that the accompanying separate financial statements of the Company were prepared in accordance with Vietnamese Accounting Standards, current Enterprise Accounting Law of Vietnam and relevant legal regulations. The Board of Management is also responsible for safeguarding the Company's assets and hence for taking reasonable for the prevention and detection of fraud and other irregularities.

Board of Management confirms that it has complied with the above requirements in preparing the accompanying separate financial statements.

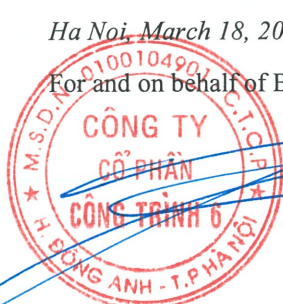
APPROVAL OF SEPARATE FINANCIAL STATEMENTS

Board of Management approves the accompanying financial statements for the fiscal year ended December 31, 2021 from page 05 to page 33. In our opinion, these separate financial statements give a true and fair view, in material respects, of the financial position of the Company, as at December 31, 2021 the separate results of operations and separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese accounting system and prevailing legal regulations relating to the preparation and presentation of financial statements.

As presented in Notes to the financial statements No I.5 of the financial statements, the Company is the parent company of its subsidiaries and the consolidated financial statements of the Company and its subsidiaries for the fiscal year ended December 31, 2021 which have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese corporate accounting system and prevailing legal regulations relating to the preparation and presentation of consolidated financial statements has been issued separately. Users of the separate financial statements should read these statements in conjunction with the aforementioned consolidated financial statements in order to obtain complete information about the consolidated financial position, consolidated results of operations and the Company's consolidated cash flows.

Ha Noi, March 18, 2022

For and on behalf of Board of Management



General Director
Phan Hong Ngoc

No: BCKT/BDO/2022. 093.

Hanoi, March 18, 2022

INDEPENDENT AUDITORS' REPORT

*On the Separate Financial Statements of Construction Joint Stock Company No.6
for the fiscal year ended December 31, 2021*

**To: SHAREHOLDERS, BOARD OF DIRECTORS, BOARD OF MANAGEMENT
CONSTRUCTION JOINT STOCK COMPANY NO.6**

We have audited the accompanying separate financial statements of dated March 18, 2022, which are set out on pages 05 to 33 including: Separate Balance Sheet as at December 31, 2021, Separate Income statement, Separate Cash Flow statement and Notes to the combined separate financial statements for the year then ended.

Board of Management's Responsibilities

The Board of Management is responsible for the preparation and fair presentation of the Company's separate financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of separate financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of separate financial statements that are free from material misstatement, whether due to fraud or errors.

Auditors' Responsibilities

Our responsibility is to express an opinion on the separate financial statements based on our audit. We have 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 separate financial statements are free from material misstatement.

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

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

Auditor's Opinion

In our opinion, in all material respects, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at December 31, 2021, its separate operation results and its separate cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other prevailing legal regulations relevant to the preparation and presentation of separate financial statements.

BDO Audit Services Company Limited



Bui Van Vuong - Deputy General Director
Certificate for Audit application registry:
10780-2018-038-1



Nguyen Tuan Anh - Auditor
Certificate for Audit application registry:
1906-2018-038-1

CONSTRUCTION JOINT STOCK COMPANY NO.6
SEPARATE BALANCE SHEET

B01-DN

As at December 31, 2021

Unit: VND

ASSETS	Code	Note	Closing balance	Opening balance
A - CURRENT ASSETS	100		127,473,388,038	123,195,908,967
I. Cash and cash equivalents	110	V.1	6,158,500,629	3,337,060,834
1. Cash	111		6,158,500,629	3,337,060,834
2. Cash equivalents	112		-	-
II. Short-term financial investments	120		1,183,793,000	-
1. Investment held to maturity	123	V.2.1	1,183,793,000	-
III. Current receivables	130		76,701,786,070	71,303,002,589
1. Current trade receivables	131	V.3	86,848,154,705	75,454,059,729
2. Current prepayment to suppliers	132	V.4	2,285,619,375	2,986,638,819
3. Other current receivables	136	V.5	3,389,777,734	4,206,338,424
4. Provision for current doubtful debts	137	V.6	(15,821,765,744)	(11,344,034,383)
IV. Inventories	140	V.7	42,909,232,373	48,165,082,746
1. Inventories	141		43,901,507,037	49,157,357,410
2. Provision for diminution in value of inventories	149		(992,274,664)	(992,274,664)
V. Other current assets	150		520,075,966	390,762,798
1. Current prepaid expenses	151	V.8.1	320,075,966	190,762,798
2. Taxes and other receivables from the State	153	V.14.2	200,000,000	200,000,000
B - NON-CURRENT ASSETS	200		21,005,075,023	20,843,181,507
I. Non-current receivables	210		-	-
II. Fixed assets	220		7,425,777,854	7,013,288,770
1. Tangible fixed assets	221	V.9	6,152,997,927	5,698,428,839
Cost	222		72,543,293,434	70,313,247,526
Accumulated depreciation	223		(66,390,295,507)	(64,614,818,687)
2. Intangible fixed assets	227	V.10	1,272,779,927	1,314,859,931
Cost	228		2,235,294,981	2,235,294,981
Accumulated amortization	229		(962,515,054)	(920,435,050)
IV. Long-term unfinished assets	240		11,628,751,493	11,628,751,493
1. Work in progress	241		-	-
2. Construction in progress	242	V.11	11,628,751,493	11,628,751,493
V. Long-term financial investments	250	V.2.2	1,157,000,000	1,157,000,000
1. Investment in subsidiaries	251		1,157,000,000	1,157,000,000
VI. Other non-current assets	260		793,545,676	1,044,141,244
1. Non-current prepaid expenses	261	V.8.2	793,545,676	1,044,141,244
TOTAL ASSETS	270		148,478,463,061	144,039,090,474

CONSTRUCTION JOINT STOCK COMPANY NO.6

SEPARATE BALANCE SHEET (continued)

B01-DN

As at December 31, 2021

RESOURCES	Code	Note	Closing balance	Opening balance
C - LIABILITIES	300		100,355,284,774	106,232,870,311
I. Current liabilities	310		97,000,113,189	105,410,408,311
1. Current trade payables	311	V.12	54,588,857,668	56,267,970,896
2. Current prepayments from customers	312	V.13	9,712,864,400	11,269,243,423
3. Tax and other payables to the State	313	V.14.1	2,463,481,459	2,134,075,911
4. Payable to employees	314		6,059,011,507	4,580,396,751
5. Current accrued expenses	315	V.15	230,871,945	1,616,856,407
6. Short-term unrealized revenue	318	V.16	147,272,727	220,909,090
7. Other current payables	319	V.17	675,480,488	3,531,076,927
8. Short-term loans and financial lease liabilities	320	V.19	23,031,100,695	25,673,111,606
9. Bonus and welfare fund	322		91,172,300	116,767,300
II. Non-current liabilities	330		3,355,171,585	822,462,000
1. Long-term unrealized revenue	336	V.16	190,000,000	-
2. Provision for non-current payables	342	V.18	3,165,171,585	822,462,000
D - OWNER'S EQUITY	400		48,123,178,287	37,806,220,163
I. Owner's equity	410	V.20	48,123,178,287	37,806,220,163
1. Contributions from owners	411		61,080,780,000	61,080,780,000
- Ordinary shares with voting rights	411a		61,080,780,000	61,080,780,000
- Preference shares	411b		-	-
2. Treasury shares	415		(23,190,000)	(23,190,000)
3. Development investment funds	418		5,370,231,737	5,370,231,737
4. Undistributed profits after tax	421		(18,304,643,450)	(28,621,601,574)
- Previous year undistributed profit after tax	421a		(28,621,601,574)	(29,028,622,960)
- Current year undistributed profit after tax	421b		10,316,958,124	407,021,386
TOTAL RESOURCES	440		148,478,463,061	144,039,090,474

Prepared on March 18, 2022

Preparer

Chief Accountant

General Director



Lai Hoai Trang



Phan Anh Tuan



Phan Hong Ngoc

CONSTRUCTION JOINT STOCK COMPANY NO.6
SEPARATE INCOME STATEMENT

B02-DN

For the fiscal year ended December 31, 2021

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Revenue from sales of goods and rendering of services	01	VI.1	171,000,638,335	125,107,893,644
2. Revenue deductions	02	VI.2	837,289,147	287,226,593
3. Net revenues from sales of goods and rendering of services	10		170,163,349,188	124,820,667,051
4. Costs of goods sold	11	VI.3	148,841,351,738	109,825,025,512
5. Gross revenue from sales of goods and rendering of services	20		21,321,997,450	14,995,641,539
6. Financial income	21	VI.4	6,868,649	544,543,931
7. Financial expenses	22	VI.5	2,406,897,544	14,812,340,667
<i>In which: Interest expenses</i>	23		2,406,897,544	3,647,054,952
8. Selling expenses	25		-	-
9. Administrative expenses	26	VI.6	9,207,100,231	6,794,231,351
10. Net profit operations	30		9,714,868,324	(6,066,386,548)
11. Other income	31	VI.7	654,089,800	7,047,183,303
12. Other expenses	32	VI.8	52,000,000	16,500,000
13. Other profit	40		602,089,800	7,030,683,303
14. Accounting profit before tax	50		10,316,958,124	964,296,755
15. Current corporate income tax expense	51	VI.9	-	557,275,369
16. Deferred corporate income tax expense	52		-	-
17. Net profit after corporate income tax	60		10,316,958,124	407,021,386

Prepared on March 18, 2022

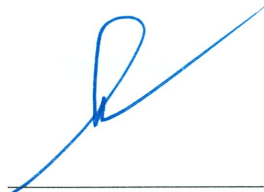
Preparer

Chief Accountant

General Director



Lai Hoai Trang



Phan Anh Tuan



Phan Hong Ngoc

CONSTRUCTION JOINT STOCK COMPANY NO.6**SEPARATE CASH FLOW STATEMENT****B03-DN***For the fiscal year ended December 31, 2021***(Indirect method)**

Unit: VND

ITEMS	Code	Note	Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		10,316,958,124	964,296,755
2. Adjusted for:				
- Depreciation of fixed assets and investment properties	02		1,817,556,824	2,322,922,577
- Provisions	03		6,820,440,946	9,194,602,784
- Foreign exchange gains/losses from reevaluation of monetary items denominated in foreign currencies	04		-	5,865
- Gains/(losses) from investment activities	05		(6,868,649)	4,000,142,201
- Interest expenses	06		2,406,897,544	3,647,054,952
- Other adjustments	07		-	-
3. Operating profit before changes in working capital	08		21,354,984,789	20,129,025,134
- Increase/decrease in receivables	09		(9,920,604,642)	2,916,704,652
- Increase/decrease in inventories	10		5,255,850,373	(2,135,818,875)
- Increase/decrease in payables (excluding interest payable, corporate income tax payable)	11		(5,672,793,476)	5,185,172,371
- Increase/decrease in prepaid expenses	12		121,282,400	(42,963,306)
- Increase/decrease in trading securities	13		-	-
- Interest paid	14		(2,286,793,279)	(3,679,304,353)
- Corporate income tax paid	15		-	(557,275,369)
- Other receipts from operating activities	16		44,089,800	262,381,660
- Other payments for operating activities	17		(25,595,000)	(329,069,600)
Net cash flows from operating activities	20		8,870,420,965	21,748,852,314
II. Cash flows from investing activities				
1. Acquisition of fixed assets and other non-current assets	21		(2,230,045,908)	(7,450,352,189)
2. Proceed from disposal of fixed assets and other non-current assets	22		-	7,200,000,000
3. Loan to other entities and payment for purchase of debt instruments of other entities	23		(1,183,793,000)	-
4. Collections from borrowers and proceeds from sale of debt instruments of other entities	24		-	-
5. Payment for investments in other entities	25		-	-
6. Proceed from sale of investments in other entities	26		-	3,000,000,000
7. Interests, dividends and distributed profit received	27		6,868,649	53,146,330
Net cash flows from investing activities	30		(3,406,970,259)	2,802,794,141

CONSTRUCTION JOINT STOCK COMPANY NO.6

SEPARATE CASH FLOW STATEMENT (continued)

B03-DN

For the fiscal year ended December 31, 2021

(Indirect method)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing shares, capital contribution	31		-	-
2. Returned capital to owners payment, repurchase shares of the issued enterprise	32		-	-
3. Drawdown of borrowings	33		39,610,684,089	53,276,167,609
4. Repayment of borrowings principal	34		(42,252,695,000)	(76,345,801,542)
5. Repayment of finance lease principal	35		-	-
6. Dividend, profit distributed to shareholders	36		-	-
<i>Net cash flows from financing activities</i>	<i>40</i>		<i>(2,642,010,911)</i>	<i>(23,069,633,933)</i>
Net cash flows during the year	50		2,821,439,795	1,482,012,522
Cash and cash equivalents at the beginning of the year	60	V.1	3,337,060,834	1,855,054,177
Impacts of foreign exchange differences	61		-	(5,865)
Cash and cash equivalents at the end of the year	70	V.1	6,158,500,629	3,337,060,834

Prepared on March 18, 2022

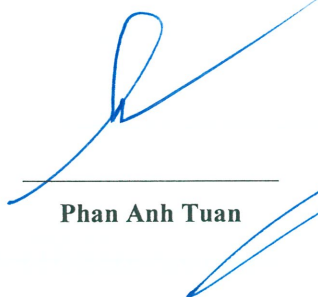
Preparer

Chief Accountant

General Director



Lai Hoai Trang



Phan Anh Tuan



Phan Hong Ngoc

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

B09-DN

For the fiscal year ended December 31, 2021

I. GENERAL INFORMATION

1. Structure of ownership

Construction Joint Stock Company No.6 is a joint stock company converted from a state-owned enterprise under Decision No. 4446/QĐ – BGTVT dated December 31, 2002 of the Minister of Transport. The company operates under the Business Registration Certificate No. 0103002966 issued by the Department of Planning and Investment of Hanoi on September 29, 2003. During the operation, changes in business functions, charter capital, and branch information of the Company have also been approved by the Hanoi Department of Planning and Investment in the business registration certificates. changed from the 1st to the 12th time on April 01, 2021.

The Company's shares are registered for trading at UPCoM Exchange with the stock trading code "CT6" according to the listing registration certificate No. 203/QĐ-SGDHN issued by the Hanoi Stock Exchange on April 02, 2010.

2. Business sector

- Synthesize many business fields, including: production, construction, trade and service.

3. Business activities

The principal activities of the Company:

- Construction of railways and road projects;
- Warehouse and factory for rent;
- Testing building materials;
- Production of precast concrete structures.

4. Normal operating cycle

The Company's operating cycle is the period from purchase of raw materials used in the production process to its conversion into cash or other easily convertible assets, which is usually no more than 12 months, for works often depends on construction contract and project.

5. Business structure

List of subsidiaries

Name of subsidiaries	Address	Voting right	Capital contribution	Benefit rate
- Construction No.6 Myanmar Co., Ltd	Thanmini, PaTha57, Penwagon, Bago, Myanmar	100%	100%	100%

List of dependent accounting enterprises

Name	Address
- 601 Construction Enterprise	Group 36, Dong Anh town, Dong Anh district, Hanoi.
- 605 Construction Enterprise	Group 36, Dong Anh town, Dong Anh district, Hanoi.
- Materials and construction enterprise	Group 38, Dong Anh town, Dong Anh district, Hanoi.
- Thap Cham Materials and construction enterprise	Do Vinh Ward, Phan Rang - Thap Cham city, Ninh Thuan Province.

6. Employees

Total number of employees of the Company with contracts of indefinite term as of December 31, 2021 was 100 persons (As at December 31, 2020 was 106 persons). In addition, to serve the construction of works and production and business activities of the company, according to the actual requirements from time to time, the company hires more short-term workers.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

II. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

1. **Accounting period:** starts on 01 January and ends on 31 December of the calendar year.

2. **Accounting currency**

The accounting currency is Vietnam dong (VND).

III. APPLIED ACCOUNTING SYSTEM AND ACCOUNTING STANDARDS

1. **Applied accounting system**

The Company applies Vietnamese Corporate Accounting System issued in conjunction with Circular No. 200/2014/TT- BTC dated December 22, 2014 by the Ministry of Vietnam and Circular No. 53/2016/TT - BTC dated March 21, 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC.

The financial statements are prepared under the historical cost principle and in accordance with Vietnamese Accounting Standards. The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

The Company has also prepared the consolidated financial statements of the Company and its subsidiaries (collectively the "Group") for the year ended December 31, 2021 ("Consolidated Financial Statements") in accordance with Vietnamese Accounting Standards, Vietnamese accounting system and prevailing legal regulations relating to the preparation and presentation of the consolidated financial statements.

Users of the separate financial statements should read these statements in conjunction with the aforementioned consolidated financial statements to obtain complete information about the consolidated financial position, consolidated results of operations and consolidated cash flows of the Group.

2. **Declaration on compliance with Accounting Standards and Accounting System**

Board of Management has prepared and presented the Company's financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing legal regulations guiding the preparation and presentation of separate financial statements.

IV. APPLICABLE ACCOUNTING POLICIES

The following are the significant accounting policies adopted by the Company in the preparation of these financial statements. The accounting policies adopted by the Company in preparing these separate financial statements are consistent with the accounting policies applied in preparing the financial statements for the most recent financial year.

1. **Types of exchange rates applied in accounting**

Commercial bank that the Company chooses the exchange rate to apply in accounting: Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch.

Types of exchange rates applied when recording transactions:

- *Real exchange rate at the time of transactions:*

Used to convert into accounting currency for transactions that increase: Advance to suppliers, Accounts payable.

In case of selling goods or rendering services related to unearned revenue, or advance from customers: Revenue and income corresponding to the amount received in advance are applied the real exchange rate at the time of receiving advance from customers.

In case of asset procurement related to a advance transaction to suppliers: The asset value corresponding to the advance amount is applied the actual exchange rate at the time of prepayment to the suppliers.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

- Nominal exchange rate:

Used to convert into accounting currency for transactions that decrease: Accounts payable, Advances to sellers for receiving products, goods, and fixed assets.

In case many receivables or payables in foreign currencies arise in a period with the same object, the actual nominal bookkeeping rate for each object is determined on the basis of mobile weighted average of transactions with that object.

- Mobile weighted average bookkeeping exchange rate:

Used to convert into the accounting currency on the Credit side of the cash accounts, when making payments in foreign currencies.

Types of exchange rates applied when re-evaluating at the end of the period

For foreign currencies deposited in banks, the actual exchange rate when re-evaluating is the buying rate of the bank where the Company opens a foreign currency account.

2. Recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposit and term deposit, cash in transit and short-term investments with maturity of less than three months that can be easily transferred to cash without any risks in transferring at the date of the report. The identification of cash and cash equivalents is in accordance with Vietnamese Accounting Standard No. 24 "Cash Flow Statement".

3. Recognition of financial investments

Investment in subsidiaries

Principles of determining subsidiaries: Based on the percentage of voting rights.

The carrying amount of the investment in the subsidiary: is measured at cost, whereby the cost of the investment is determined by the purchase price plus all costs related to the purchase. In subsequent accounting periods, investments are recorded at their original value less allowance for diminution in investment value.

Basis for making provision for loss of investments in subsidiaries: The Company makes provision for loss of investments in subsidiaries based on the data recorded in the Subsidiary's financial statements for the fiscal year 2021 according to Circular No. 48/2019/TT-BTC dated August 08, 2019.

Summary of the subsidiary's operations during the year is as follows:

Construction No.6 Myanmar Co., Ltd: was established in Myanmar, has the function of railway construction activities in Myanmar according to the laws of the host country, with a 100% charter capital of USD 50,000 invested by Construction Joint Stock Company No.6. The company operates under the business registration certificate number 111947392 issued by Myanmar authorities on December 20, 2018.

The main activity of Construction No.6 Myanmar Co., Ltd during the year is to repair and replace rails.

In 2021, due to the Covid-19 epidemic situation and the influence of the coup on February 1, 2021 in Myanmar, the Board of Directors of Construction Joint Stock Company No.6 has withdrew all Vietnamese employees and suspended railway construction in Myanmar from March 4, 2021.

4. Recognition of receivables

Receivables from customers and other receivables are classified upon following principles:

- Receivables from customers: comprise commercial receivables arising from purchase-sale transactions.

- Other receivables: comprise non-commercial receivables that are not related to purchase - sale transactions (including: money for collective kitchen, advance for ground clearance, ...).

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

Receivables monitoring

Receivables shall be recorded specifically to original terms and remaining recovery terms as at the reporting date, original currencies and each object. At the financial statements' preparation date, receivables which have remaining recovery terms of less than 12 months or a business cycle are classified as current receivables, receivables which have remaining recovery terms of over 12 months or a business cycle are classified as non-current receivables.

Receivables are recorded not exceeding the recoverable amount.

Provision for doubtful debts

- Provision for doubtful debts represents the amount of receivables that the Company does not expect to be able to collect at the balance sheet date. An increase or decrease in the provision account balance is recognized in general and administrative expenses during the period.
- Receivables that are not yet due for payment but the debtor has fallen into bankruptcy or is undergoing procedures for dissolution, missing or absconding: Provision is made on the basis of the expected level of irrecoverable loss.
- As for the receivables of State entities, the Board of Directors determines that these debts will be recovered when the State can regulate capital between projects. Therefore, the Company does not make provision for doubtful debts for these receivables.

5. Recognition of inventory

Inventory is determined at the lower of cost or net realizable value. The determination follows Vietnamese Accounting Standards 02 - "Inventory". The costs of inventory comprise of all costs of purchase, costs of conversion and other costs incurred bringing the inventory to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to sale.

Method of inventory value calculation: Weighted average

Method of inventory accounting: Perpetual inventory

Method of determining the cost of production in progress at the end of the period: The cost in progress at the end of the period is determined as the total cost of works related to construction, renovation, reinforcement and upgrading of works. railway, road has been implemented but has not been accepted by the investor for payment and the unfinished value of unfinished construction material products at the end of the fiscal year.

Provision for diminution in value of inventories: is made for the value of expected losses due to impairment of value through discounts, obsolete, poor quality, inferior, etc of raw materials and finished goods owned by the Company based on the reasonable evidence of impairment at the end of the fiscal year. Increases and decreases in the provision balance are recorded in cost of goods sold in the period.

6. Recognition and Depreciation of Fixed assets

Tangible fixed assets (TFA)

TFA are stated at cost less accumulated depreciation.

Historical cost of TFA means all the costs incurred by the Company to acquire TFA as of the time of putting such assets into the ready-for-use state. The determination of historical cost of TFA for each type of assets is in accordance with Vietnamese Accounting Standard No. 03 on TFA.

Expenses incurred after initial recognition (expenses for upgrading, renovating, maintaining, repairing...) are recorded in operating expenses in the period. In cases where it can be clearly proved that these expenses increase the future economic benefits expected to be obtained from the use of the TFA in excess of the initially assessed standard of performance, such these expenses are capitalized as an additional cost of the fixed asset.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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When TFA are sold or disposal, their historical cost and accumulated depreciation are written-off from the balance sheet and any gain or loss arising from the disposal of the fixed assets is recognized in the income statement.

TFA are depreciated on a straight-line basis over their estimated useful lives as follows:

<u>Type of assets</u>	<u>Current year</u>
Buildings, structure	06 - 50 years
Machinery and equipment	03 - 10 years
Means of transportation and transmission	06 - 10 years
Management instrument and tools	04 - 08 years
Others TFA	06 - 10 years

Intangible fixed assets (IFA)

IFA are stated at cost less accumulated amortization.

Land use right

Land use right is recognized as an intangible fixed asset when the Company is granted a land use right certificate. The cost of land use rights includes all costs directly attributable to bringing the land to a ready-for-use state. Land use rights are amortized on a straight-line basis over the useful life of the parcel.

7. Recognition of prepaid expenses

Prepaid expenses are expenses actually incurred but related to operating results of many accounting periods and the transfer of these expenses to operating expenses of the following accounting periods.

Prepaid expenses mainly include the value of tools, rental costs and other expenses incurred in the course of business activities of the Company and are considered likely to bring future economic benefits to the Company. These costs are allocated to the separate income statement on a straight-line basis, over the Company's estimated useful lives or time to recovery.

Prepaid expenses are monitored by period. At the balance sheet date, prepaid expenses with a period of no more than 12 months or a business cycle from the time of prepayment are classified as current prepaid expenses, prepaid expenses with a period of more than 12 months or more than one business cycle from the time of prepayment are classified as non-current prepaid expenses.

8. Recognition of payables

Payables are stated at cost. The classification of payables as trade payable, intra-company payable and other payable is according to the following principles:

- **Trade payables:** Including trade payables arising from the purchase of goods, services, assets, or expenses of subcontractors, joint venture contractors paid by the Company leading the joint venture and the investor Company account.

- **Other payables:** Including non-commercial payables, non-related to the purchase, sale and provision of goods and services (such as payment of social insurance and health insurance, voluntary insurance, union fee, severance allowance,...)

Payables monitoring

Payables are monitored in detail by original term, remaining term at the reporting time, original currency and each object. At the balance sheet date, payables with a remaining repayment period of not more than 12 months or a business cycle are classified as current liabilities, payables with a remaining repayment period of more than 12 months or more than a business cycle are classified as non-current liabilities.

Liabilities are recognized at no less than the amount payable.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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9. Recognition of accrued expenses

Expenses payable include the value of expenses that have been included in operating expenses during the period, but have not been actually paid at the end of the financial period on the basis of ensuring the matching principle between revenue and expenses. cost. Accrued expenses are recognized based on reasonable estimates of payable amounts for used goods and services, including: interest expenses, expenses for construction works...

Basis for determining types of accrued expenses

- *Accrued interest expense in case of borrowing:* Based on principal, term, and applicable interest rate.

10. Recognition of provision for payables

Provisions are recorded when the Company has a present obligation (legal or constructive) as a result of a past event; there is an outflow of economic benefits that may result in the payment of the obligation; and provide a reliable estimate of the amount of the obligation. Provisions for payables are recorded to satisfy the conditions specified in VAS 18 "Provisions, allowance and contingencies".

Provision for warranty payments for products, goods and construction works

Provisions for payables for product warranty obligations are made for each type of product, goods, and construction works with warranty commitments with the amount set aside according to commitments with customers.

Provisions for product warranties are made for each type of product, goods, and construction works in accordance with regulations TT48/2019/TT-BTC dated August 08, 2019 guiding the setting up of provisions and estimates. the company's implementation costs. Contracts for construction and sale of concrete sleepers have a warranty period of 1 year from the date of acceptance and handover of products. The company is estimating the warranty provision ratio as follows:

- For construction and installation works: 1%-2% of the final settlement value of the works, based on the contract commitment.

- For products and goods, sleepers: 1%-2% of the value of products and goods.

11. Recognition of unrealized revenue

Unrealized revenue is recognized when the Company receives prepayments from customers relating to the following: Prepayment of rentals from customers.

Method of allocation of unrealized revenue: unrealized revenue is allocated and recorded in the income statement during the period, based on the time and term of the amount received in advance.

12. Recognition of loans

Loans are tracked in detail by object and term. At the time of the separate financial statements, loans that are due within 12 months or the next business cycle are classified as short-term loans, with repayment periods exceeding 12 months or more than a business cycle are recognized as a long-term loan.

13. Recognition and capitalization of borrowing costs

Recognition of borrowing costs

Borrowing costs include interest expenses and costs directly related to the loan.

Borrowing costs are recorded as financial expenses in the period when they are incurred (except for cases where they are capitalized in accordance with Vietnamese Accounting Standard No.16 "Borrowing costs").

14. Recognition of owners' equity

Owners' equity

Owner's contributed capital: Reflects the actual amount invested by shareholders.

Treasury shares: As shares issued and repurchased by the Company, these shares cannot be canceled and re-issued in accordance with the law on securities.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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For the fiscal year ended December 31, 2021

Recognition of investment and development fund.

The deduction and use of the Development Investment Fund shall comply with the resolution of the Annual General Meeting of Shareholders.

Recognition of undistributed profit

Undistributed profit reflects the operating results (profit and loss) after CIT and the distribution of profits or handling of losses of the Company. Undistributed profits are monitored in detail according to the operating results of each financial year (previous year, current year), and monitored in detail according to each type of profit distribution (distribution of funds, supplement the owners' investment capital, distribution of dividends and profits to shareholders and investors).

15. Recognition of revenue

Revenue from sale of goods, finished products

Revenue from sale of goods and finished products is recorded when the results of the transaction can be reliably measured and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue from sale of goods is recorded when the significant risks and rewards of ownership have passed to the buyer. Revenue is not recorded when there are material uncertainties about the recoverability of sale proceeds or the possibility of return outwards.

Revenue from rendering of services

Revenue from the provision of laboratory services is recognized when the outcome of the transaction can be measured reliably. Revenue is recognized in the income statement for the period in proportion to the portion of services completed during the period.

If the contract outcome cannot be determined with certainty, revenue will be recognized only to the recoverable extent of the recognized costs.

Construction contract revenue

Revenue from construction activities is recognized when there is a record of acceptance and settlement and is accepted for payment by the customer. When the outcome of a construction contract can be estimated reliably, revenue and costs associated with a construction contract are recognized proportionally to the portion of the work completed at the balance sheet date main.

Financial income

Financial income includes: interest from deposits.

Interest on deposits: Recorded on the basis of time and real interest rate each period, unless the recoverability of interest is uncertain.

16. Recognition of revenue deductions

Revenue deductions include reductions in the settlement value of construction works due to the settlement approval process by a competent management agency or an audit, which are recognized on the following principles: Revenue arising in the same period from construction and installation activities is adjusted to decrease the revenue of the arising period.

In the case of construction works that have recognized revenue from previous periods, a reduction in revenue will be incurred until the following period, and this event occurs before the time of issuing the separate financial statements: The Company records a decrease in revenue. revenue in the separate financial statements in accordance with the provisions of Vietnamese Accounting Standard No. 23 "Events arising after the balance sheet date".

In the case of construction and installation works, revenue has been recognized from previous periods, and after the issue of separate financial statements of the following period, a revenue deduction will be incurred: The Company records a decrease in revenue of the arising period.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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For the fiscal year ended December 31, 2021

17. Recognition of cost of goods sold

Cost of goods sold is recorded on the matching basis with revenue.

In order to ensure prudence concept, costs exceeding the normal level of inventories are immediately recorded as expenses in the period (after deducting compensation, if any), including: abnormal waste of direct raw materials, labor costs, fixed production overhead costs not allocated to the value of products, inventory loss,...

The entries for deduction in cost of goods sold is the value of works that are reduced by subcontractors or contractors in the joint venture when the investor finalizes the works.

18. Recognition of financial expenses

Financial expenses include: Interest expense.

Interest expense (including accruals) of the reporting period is fully recognized in the period.

19. General Administrative expenses

General Administrative expenses: including the cost of salaries for employees of the management department (salaries, allowances,...); social insurance, health insurance, union fees, unemployment insurance of management staff; expenses for office materials, labor tools, depreciation of fixed assets used for enterprise management; land rent, license tax; provision for doubtful debts; outsourced services (electricity, water, telephone, fax, property insurance, fire and explosion insurance...); other monetary expenses (reception, customer conference...).

The Company did not record any general administrative expense deductions during the year.

20. Tax accounting principle

a) Current corporate income tax expense

Current income tax expense is determined on the basis of taxable income and corporate income tax rate in the current year (20%).

b) Land rental expenses

Annual land rental expenses of the company being managed and used are recorded according to the notice of the tax authority.

c) Other taxes

Other taxes are applied in accordance with applicable tax laws in Vietnam.

The Company's tax reports will be subject to inspection by the tax authorities. Because the application of tax laws and regulations to different types of transactions can be interpreted in different ways, the tax amounts presented in the financial statements are subject to change at the final discretion by the tax authorities.

21. Related parties

Parties are considered to be related if one party has the ability to control or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered related if they are subject to common control or common significant influence. Related parties can be companies or individuals, including close members of the family of the individual considered to be related.

In considering the relationship of related parties, the substance of the relationship is focused more than the legal form.

Transactions and balances with related parties during the year are presented in Note VIII.2.

22. Other accounting principles

Construction-in-progress

Construction in progress including: investment project of Suoi Kiet quarry - Binh Thuan, recorded according to actual costs incurred up to the reporting time.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

V. ADDITIONAL INFORMATION ABOUT ITEMS ON SEPARATE BALANCE SHEET

1. Cash and cash equivalents

	Closing balance	Opening balance
Cash on hand	27,428,802	20,245,958
Cash at bank	6,131,071,827	3,316,814,876
Total	6,158,500,629	3,337,060,834

2. Financial investments

2.1 Investment held to maturity

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Short-term				
Term deposit (*)	1,183,793,000	1,183,793,000	-	-
Total	1,183,793,000	1,183,793,000	-	-

(*) Deposit contract No. 01/2021/153713/HDTG with Joint Stock Commercial Bank for Investment and Development of Vietnam - Eastern Hanoi Branch is valued at VND 1,183,793,000 with a term of 12 months, interest rate is 4,9%/year.

2.2 Investment in subsidiaries

	Closing balance		Opening balance	
	Cost	Fair value	Cost	Fair value
Construction No.6 Myanmar Co., Ltd	1,157,000,000	1,157,000,000	1,157,000,000	1,157,000,000
Total	1,157,000,000	1,157,000,000	1,157,000,000	1,157,000,000

Details of holding capital ratio and voting rights in each Company are as follows:

	Closing balance			Opening balance		
	Owners' equity	Holding ratio	Voting right	Owners' equity	Holding ratio	Voting right
Construction No.6 Myanmar Co., Ltd	1,157,000,000	100%	100%	1,157,000,000	100%	100%

3. Current trade receivables

	Closing balance	Opening balance
Receivables from other customers	35,412,345,981	75,417,633,126
Railway Project Management Board, Ministry of Transport (Project Package No. 11: Upgrading the railway section of Bieu Nghi - Ha Long (Km105+200-Km124+483))	13,584,800,689	13,584,800,689
Vietnam Railways Corporation (Construction of XL package VNR-WB4-12: Renovating drainage system of Hue station)	6,743,041,606	6,743,041,606
Cua Ong Coal Company - Quang Ninh (Package No. 03: Repairing railway pile 4-Coal furnace 13/52)	5,672,129,144	-
NHP Tien Loc Commercial JSC	4,348,108,082	4,348,108,082
Sai Gon Railway JSC	5,064,266,460	2,643,620,433
China Railway Sixth Group Co., Ltd (Construction package of Cat Linh - Ha Dong railway)	3,617,258,421	4,232,881,200
Phu Khanh Railway JSC	2,673,573,000	3,220,333,300
Ha Hai Railway JSC	4,919,461,728	3,958,411,380

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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For the fiscal year ended December 31, 2021

Railway Project Management unit 1	1,516,497,670	6,414,582,801
Other customers	38,709,017,905	30,271,853,635
Receivables from related parties	-	36,426,603

(Details of receivables from customers who are related parties are disclosed in Note No VIII.2)

Total	86,848,154,705	75,454,059,729
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4. Current prepayment to suppliers

	<u>Closing balance</u>	<u>Opening balance</u>
Receivables from other customers	2,285,619,375	2,986,638,819
Railway Project Management unit 1	-	217,474,000
Branch of Transport Investment and Construction JSC - Transport Construction and Investment Consulting Enterprise	171,000,000	171,000,000
Vinh Thai Lao Cai JSC	184,026,800	184,026,800
Tien Truong Private Enterprise	165,801,555	165,801,555
Viet Nam TH Equipments & material JSC	826,188,000	-
Bac Trung Nam Construction Investment Railway Project JSC	-	1,487,640,000
Other suppliers	938,603,020	760,696,464
Receivables from related parties	-	-
Total	2,285,619,375	2,986,638,819

5. Other current receivables

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Value</u>	<u>Provision</u>	<u>Value</u>	<u>Provision</u>
Receivables from employees	1,156,485,063	-	1,176,936,747	-
Phan Anh Phuong	729,080,000	729,080,000	820,000,000	-
Truong Duy Ha	713,910,850	713,910,850	750,000,000	-
Ta Viet Anh	301,512,500	-	301,512,500	-
Bui Manh Hai	-	-	593,750,000	-
Other current receivables	488,789,321	-	564,139,177	-
Total	3,389,777,734	1,442,990,850	4,206,338,424	-

6. Provision for current doubtful debts

6.1 Receivables that are past due, or not past due but difficult to collect

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Value</u>	<u>Recoverable amount</u>	<u>Value</u>	<u>Recoverable amount</u>
Mr Phan Anh Phuong	729,080,000	-	820,000,000	820,000,000
Mr Truong Duy Ha	713,910,850	-	750,000,000	750,000,000
Truong Phuoc Loc Co., Ltd	566,381,835	-	566,381,835	-
Road Management and Repair Co., Ltd 715	299,368,000	-	299,368,000	-
Construction investment JSC 120	3,579,130,833	-	3,579,130,833	-
DAP JSC No. 2	1,281,441,974	408,937,987	1,745,007,974	872,503,987
NHP Tien Loc Commercial JSC	4,348,108,082	-	4,348,108,082	2,174,054,041
Xuan Loc Phat Trading and Service Co., Ltd	1,346,651,400	-	1,346,651,400	-

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021*

230 Build Construction invest JSC	503,033,000	-	503,033,000	-
Kien Khe Mining Co., Ltd	551,331,750	-	551,331,750	-
Hien Minh Co., Ltd	386,890,460	-	386,890,460	-
Anh Binh An Construction JSC	922,314,516	-	922,314,516	461,157,258
Other customers	1,003,061,031	-	603,531,819	-
Total	16,230,703,731	408,937,987	16,421,749,669	5,077,715,286

6.2 Assessment of the Company on the ability to recover overdue debts

The Company has assessed and made provision for overdue debts and irrecoverable debts with appropriate caution.

The Company will continue to take measures to ensure the recovery of overdue debts.

7. Inventories

	Closing balance		Opening balance	
	Value	Provision	Value	Provision
Raw materials	7,811,586,730	-	12,037,562,850	-
Instrument and tools	66,901,382	-	133,628,292	-
Work-in-progress	22,643,171,986	(992,274,664)	25,424,714,081	(992,274,664)
Finished products	13,379,846,939	-	11,561,452,187	-
Total	43,901,507,037	(992,274,664)	49,157,357,410	(992,274,664)

Details of movement in provision for diminution in value of inventories:

	Current year	Previous year
Opening balance	992,274,664	-
Add: Provision made in the year	-	992,274,664
Minus: Provision utilized and reversed in the year	-	-
Closing balance	992,274,664	992,274,664

8. Prepaid expenses**8.1 Current prepaid expenses**

	Closing balance	Opening balance
- Instrument and tools	320,075,966	190,762,798
Total	320,075,966	190,762,798

8.2 Non-current prepaid expenses

	Current year	Previous year
- Instrument and tools	793,545,676	982,585,208
- Fixed asset repair costs	-	61,556,037
Total	793,545,676	1,044,141,244

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

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For the fiscal year ended December 31, 2021

9. Increase or decrease in tangible fixed assets

	<i>Buildings, structure</i>	<i>Machinery and equipment</i>	<i>Means of transportation and transmission</i>	<i>Management instrument and tools</i>	<i>Others TFA</i>	<i>Total</i>
Historical cost						
Opening balance	19,033,328,742	35,095,267,895	12,033,116,008	427,526,363	3,724,008,518	70,313,247,526
Purchase in the year	30,016,690	1,775,677,273	-	168,984,545	-	1,974,678,508
Conversion to investment property	214,970,059	-	-	-	40,397,341	255,367,400
Sale and disposal	-	-	-	-	-	-
Other decrease	-	-	-	-	-	-
Closing balance	19,278,315,491	36,870,945,168	12,033,116,008	596,510,908	3,764,405,859	72,543,293,434
Accumulated depreciation						
Opening balance	16,509,055,609	33,424,724,085	11,153,909,893	422,935,678	3,104,193,422	64,614,818,687
Depreciation in the year	662,595,458	640,048,442	375,953,929	21,202,470	75,676,521	1,775,476,820
Other increase	-	-	-	-	-	-
Conversion to investment property	-	-	-	-	-	-
Sale and disposal	-	-	-	-	-	-
Other decrease	-	-	-	-	-	-
Closing balance	17,171,651,067	34,064,772,527	11,529,863,822	444,138,148	3,179,869,943	66,390,295,507
Carrying amount						
As at January 01, 2021	2,524,273,133	1,670,543,810	879,206,115	4,590,685	619,815,096	5,698,428,839
As at December 31, 2021	2,106,664,424	2,806,172,641	503,252,186	152,372,760	584,535,916	6,152,997,927

In which:

- The cost of the company's intangible fixed assets as at 31 December 2021 fully depreciated but still in use is VND 47,514,631,941 (as at 31 December 2020 is VND 47,645,926,922).

- The carrying amount of the company's intangible fixed assets as at 31 December 2021 used as collateral for loans from BIDV is VND 2,748,221,260 (as at 31 December 2020 is VND 3,056,596,028). Details are set out at Note No V.19.

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021***10. Intangible fixed assets**

	<i>Land use right</i>	<i>Computer software</i>	<i>Total</i>
Historical cost			
Opening balance	2,235,294,981	-	2,235,294,981
Sale and disposal	-	-	-
Closing balance	2,235,294,981	-	2,235,294,981
Accumulated amortization			
Opening balance	920,435,050	-	920,435,050
Amortization in the year	42,080,004	-	42,080,004
Closing balance	962,515,054	-	962,515,054
Carrying amount			
Opening balance	1,314,859,931	-	1,314,859,931
Closing balance	1,272,779,927	-	1,272,779,927

In which:

- The cost of the company's intangible fixed assets as at 31 December 2021 fully depreciated but still in use is VND 131,294,981 (as at 31 December 2020 is VND 131,294,981).

- The carrying amount of the company's intangible fixed assets as at 31 December 2021 used as collateral for loans from is VND 0 (as at 31 December 2020 is VND 0).

11. Long-term construction on progress

	Closing balance	Opening balance
Suoi Kiet quarry investment project - Binh Thuan (*)	11,628,751,493	11,628,751,493
Total	11,628,751,493	11,628,751,493

(*) Suoi Kiet quarry project is a project of mining and processing stone quarry for Nui Kiet construction, Suoi Kiet commune, Tanh Linh district, Binh Thuan province and has been granted mineral mining license by Binh Thuan province No. 1105/GP - People's Committee on May 06, 2019. The project is implemented by the Company with a total land area of 41,436 hectares with a total reserve of monolithic building stone of 20,197,127 m³, and 2,745,553 m³ of covered land, with a mining capacity of 500,000 m³ of monolithic stone/year. The estimated time for exploiting all mine reserves is 30 years.

Due to insufficient resources to continue implementing the project, the Company is looking for an object to transfer the project so that it can continue to deploy and exploit the project.

12. Current trade payables

	Closing balance		Opening balance	
	Value	Repayable value	Value	Repayable value
Payables to third party	54,588,857,668	54,588,857,668	56,267,970,896	56,267,970,896
Construction JSC No3	19,127,538,336	19,127,538,336	19,127,538,336	19,127,538,336
Railway Construction Corporation JSC	7,054,464,933	7,054,464,933	5,862,540,820	5,862,540,820
Tan Co Consulting and Trading JSC	-	-	4,559,434,489	4,559,434,489
Other suppliers	28,406,854,399	28,406,854,399	26,718,457,251	26,718,457,251
Payables to related party	-	-	-	-
Total	54,588,857,668	54,588,857,668	56,267,970,896	56,267,970,896

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021***13. Current prepayments from customers**

	Closing balance	Opening balance
Phan Thiet Hoa Xa Co., Ltd	6,900,000,000	5,400,000,000
Ms Nguyen Thi Nga	-	2,000,000,000
Railway project management Board	-	1,403,776,800
Japan Vietnam Medical Instrument JSC	1,092,528,300	1,092,528,300
Thanh Phat Construction Work JSC	27,453,100	826,321,500
Mr Nguyen Van Son	800,000,000	-
Other customers	892,883,000	546,616,823
Total	9,712,864,400	11,269,243,423

14. Tax and other payables to the State**14.1 Tax payables**

	Opening balance	Payable in year	Paid amount in year	Closing balance
VAT on domestic goods sold	2,134,075,911	4,526,869,288	4,657,949,122	2,002,996,077
VAT on imported goods	-	420,208,620	420,208,620	-
Personal Income Tax	-	66,357,679	64,131,679	2,226,000
Real estate tax, land rental fee	-	2,259,737,505	1,801,478,123	458,259,382
Charges, fees and other payables	-	5,000,000	5,000,000	-
Total	2,134,075,911	7,278,173,092	6,948,767,544	2,463,481,459

14.2 Tax receivables

	Opening balance	Payable in year	Paid amount in year	Closing balance
Corporate Income Tax	200,000,000	-	-	200,000,000
Total	200,000,000	-	-	200,000,000

Value Added tax

The company pays VAT by deduction. VAT rates are 10%.

Land rental fee

The company must pay land rent for the area located at Group 36, Dong Anh town, Dong Anh district, Hanoi. The tax rate shall comply with the notice of the tax authority.

Other taxes

The company declares and submits according to regulations.

15. Current accrued expenses

	Closing balance	Opening balance
Interest expense payable	230,871,945	110,767,680
Expenses to pay for the Myanmar project	-	1,506,088,727
Total	230,871,945	1,616,856,407

16. Unrealized revenue**Short-term unrealized revenue**

	Closing balance	Opening balance
Petroleum retail enterprise	147,272,727	220,909,090
Total	147,272,727	220,909,090

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021*

Long-term unrealized revenue		Closing balance	Opening balance
TST . Construction JSC - Rent a machine		190,000,000	-
Total		190,000,000	-

17. Other current payables		Closing balance	Opening balance
Trade Union fee		74,604,260	41,840,516
Payable due to termination of labor contract		76,760,913	1,136,869,344
Ms Dam Thi Kim Cuc		-	1,777,605,955
Other payables		524,115,315	574,761,112
Total		675,480,488	3,531,076,927

18. Provision for non-current payables		Closing balance	Opening balance
Product warranty backup		1,704,950,329	649,071,915
Construction works warranty reserve		1,460,221,256	173,390,085
Total		3,165,171,585	822,462,000

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

19. Short-term loans

	Opening balance		During the year		Closing balance	
	Value	Recoverable amount	Increase	Decrease	Value	Recoverable amount
Bank loan (i)	21,300,416,606	21,300,416,606	31,630,684,089	36,487,000,000	16,444,100,695	16,444,100,695
Joint Stock Commercial Bank for Investment and Development of Vietnam - Dong Anh Branch	21,300,416,606	21,300,416,606	31,630,684,089	36,487,000,000	16,444,100,695	16,444,100,695
Personal loan (ii)	4,372,695,000	4,372,695,000	7,980,000,000	5,765,695,000	6,587,000,000	6,587,000,000
Mr Nguyen Van Phong	180,000,000	180,000,000	430,000,000	180,000,000	430,000,000	430,000,000
Mr Lai Van Quan	2,007,000,000	2,007,000,000	700,000,000	1,400,000,000	1,307,000,000	1,307,000,000
Ms Le Thi Ngoc	2,000,000,000	2,000,000,000	-	2,000,000,000	-	-
Mr Le Quang Phu	185,695,000	185,695,000	-	185,695,000	-	-
Ms Dam Thi Kim Cuc	-	-	3,200,000,000	2,000,000,000	1,200,000,000	1,200,000,000
Ms Nguyen Thi Hanh	-	-	350,000,000	-	350,000,000	350,000,000
Mr Bui Manh Hai	-	-	300,000,000	-	300,000,000	300,000,000
Ms Le Thi Hai Yen	-	-	1,000,000,000	-	1,000,000,000	1,000,000,000
Ms Phan Thi Thanh Hai	-	-	2,000,000,000	-	2,000,000,000	2,000,000,000
Total	25,673,111,606	25,673,111,606	39,610,684,089	42,252,695,000	23,031,100,695	23,031,100,695

Details of short-term loans:

(i): Line credit contract No. 01/2021/153713/HDTD dated August 31, 2021 to supplement working capital. Loan term: 12 months. The interest rate is determined depending on the time of receiving the debt receipt. This loan is secured by mortgaging movable and immovable property according to the mortgage contract No. 02/2017/153713/HDBD dated August 28, 2017 and the addendum to the mortgage contract No. 01/2019/PLHD dated August 04. November 11, 2019, as amended according to the mortgage contract appendix No. 01/2021/PLHD dated June 7, 2021.

(ii): Loans to individuals are based on loan contracts and the Board of Directors Resolution No. 08/2020/NQ-HĐQT dated July 20, 2020, Resolution of the 30th meeting of the Board of Directors for the 2017-2022 term to additional working capital. Loan term: has a term of more than 3-12 months. Interest rate: adjusted according to the lending company's commercial bank's interest rate at the end of the year is 10%/year (not exceeding the interest rate of the bank borrowing company). This loan is an unsecured loan.

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS *(continued)*

B09-DN

For the fiscal year ended December 31, 2021

20. Owner's equity

a. Table of changes in equity

	Owner's equity	Share premium	Foreign exchange difference	Investment Development fund	Treasury Shares	Undistributed profit after tax	Total
Opening balance of previous year	61,080,780,000	-	-	5,370,231,737	(23,190,000)	(29,028,622,960)	37,399,198,777
Increase capital of previous year	-	-	-	-	-	-	-
Domestic profit in previous year	-	-	-	-	-	407,021,386	407,021,386
Profit distribution	-	-	-	-	-	-	-
Closing balance of previous year	61,080,780,000	-	-	5,370,231,737	(23,190,000)	(28,621,601,574)	37,806,220,163
Opening balance of current year	61,080,780,000	-	-	5,370,231,737	(23,190,000)	(28,621,601,574)	37,806,220,163
Capital increase in current year	-	-	-	-	-	-	-
Profit in current year	-	-	-	-	-	10,316,958,124	10,316,958,124
Profit distribution	-	-	-	-	-	-	-
Closing balance of current year	61,080,780,000	-	-	5,370,231,737	(23,190,000)	(18,304,643,450)	48,123,178,287

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021***b. Details of contributed capital**

	<u>Current year</u>	<u>Previous year</u>
Contributed capital of State	9,704,330,000	9,704,330,000
Contributed capital of other shareholders	51,376,450,000	51,376,450,000
Treasury Shares	(23,190,000)	(23,190,000)
Total	61,057,590,000	61,057,590,000

Capital transactions with owners and distribution of dividends and profits

	<u>Closing balance</u>	<u>Opening balance</u>
Contributed capital	-	-
+ At the beginning of the year	61,080,780,000	61,080,780,000
+ Increase in the year	-	-
+ Decrease in the year	-	-
+ At the end of year	61,080,780,000	61,080,780,000
Dividends	-	-

c. Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Authorized shares		
Issued shares	6,108,078	6,108,078
- Common shares	6,108,078	6,108,078
- Preferred shares	-	-
Repurchased shares	2,319	2,319
- Common shares	2,319	2,319
- Preferred shares	-	-
Shares in circulation	6,105,759	6,105,759
- Common shares	6,105,759	6,105,759
- Preferred shares	-	-

Par value of outstanding shares: VND 10,000

d. Other owners' equity fund

	<u>Opening balance</u>	<u>Additional fund</u>	<u>Used amount</u>	<u>Closing balance</u>
Development investment funds	5,370,231,737	-	-	5,370,231,737
Total	5,370,231,737	-	-	5,370,231,737

Purpose of fund distribution

Investment and development fund: used in accordance with state regulations and resolutions of the general meeting of shareholders.

21. Off-balance sheet items separate**a. Foreign currencies**

Details of the amount of each type of foreign currency that the Company holds in original currency is as follows:

<u>Foreign currencies</u>	<u>Closing balance</u>	<u>Opening balance</u>
USD	101.34	101.34

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021***b. Doubtful debts**

Details of bad debts handled in 10 years are as follows:

Subjects	Amount (VND)	Written-off year	Reason for settlement
Youth volunteer team	1,000,699,356	2020	Irrecoverable debt
Bao Quan .,Co Ltd	283,532,774	2020	Irrecoverable debt
Civil Engineering Construction corporation No.5 JSC	404,810,607	2020	Irrecoverable debt

VI. ADDITIONAL INFORMATION ABOUT ITEMS ON SEPARATE INCOME STATEMENT**1. Revenue from sales of goods and rendering of services***Revenue from sales of goods and rendering of services*

	Current year	Previous year
Revenue from sale of finished products	89,901,527,829	76,214,485,851
Revenue from providing laboratory services	42,140,000	126,630,000
Revenue from construction contract	81,056,970,506	48,766,777,793
Total	171,000,638,335	125,107,893,644
In which		
Revenue from third parties	171,000,638,335	125,107,893,644
Revenue from related parties	-	-
Total	171,000,638,335	125,107,893,644

2. Revenue deductions

	Current year	Previous year
Trade discount	837,289,147	287,226,593
Total	837,289,147	287,226,593

3. Costs of goods sold

	Current year	Previous year
Cost of merchandise and finished products sold	73,262,544,530	62,239,816,945
Cost of service rendered	32,232,200	36,556,549
Cost of construction contract (*)	75,546,575,008	47,548,652,018
Total	148,841,351,738	109,825,025,512
(*) Cost of construction contract include:		
Costs of items and works actually incurred	75,546,575,008	47,548,652,018
Deducting costs in advance to the value of the work	-	-
Total	75,546,575,008	47,548,652,018

4. Financial income

	Current year	Previous year
Deposit, loan interests	6,868,649	386,126,126
Other financial income	-	158,417,805
Total	6,868,649	544,543,931

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021***5. Financial expenses**

	Current year	Previous year
Borrowing interests	2,406,897,544	3,647,054,952
Losses on disposal of investments	-	16,440,717,115
Provision for impairment of trading securities and investments	-	(5,340,295,271)
Losses of unrealized foreign exchange differences	-	5,865
Other financial expenses	-	64,858,006
Total	2,406,897,544	14,812,340,667

6. General administrative expenses

	Current year	Previous year
Administrative labor cost	4,388,275,374	3,933,362,515
Depreciation expenses	493,073,670	935,895,363
Other expenses	4,325,751,187	1,924,973,473
Total	9,207,100,231	6,794,231,351

7. Other income

	Current year	Previous year
Sale and disposal of fixed assets	-	7,047,183,303
Revenue from contract fines	650,000,000	-
Other income	4,089,800	-
Total	654,089,800	7,047,183,303

8. Other expenses

	Current year	Previous year
Other expenses	52,000,000	16,500,000
Total	52,000,000	16,500,000

9. Current corporate income tax

The Company is obliged to pay corporate income tax ("CIT") at the rate of 20% of taxable income from all operating activities.

Tax reports of the Company is subject to the examination of tax agency. Due to the various explanation of tax law and regulations application for different transactions, tax amount in the Financial Statements will be adjusted according to final decision of the tax agency.

Corporate income tax (CIT)

	Current year	Previous year
CIT expense calculated on income from real estate transfer	-	557,275,369
Adjustment of CIT expense of previous years to current income tax expense	-	-
Total current CIT	-	557,275,369

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021*

The current tax payable is based on the taxable profit for the year. The taxable profit of the Company for the year is different from the profit as reported in the income statement because it excludes items of income or expenses that are taxable or deductible in other years and it further excludes the items that are not taxable or deductible for tax calculation purposes. The Company's liability for current tax is calculated at the tax rates that have been enacted at the balance sheet date.

The detailed table of current corporate income tax expenses and profit before tax in the year is as follows:

	<u>Current year</u>	<u>Previous year</u>
Net profit/ (losses) before tax	10,316,958,124	964,296,755
<u>Adjustments to increase/(decrease) accounting profit/(losses)</u>		
Pre-tax adjusted profit/(loss) excluding previous year's loss	10,316,958,124	964,296,755
Previous year's losses carried forward	10,316,958,124	964,296,755
Current year's estimated taxable income	-	2,786,376,847
Main activities	-	-
Real estate	-	2,786,376,847
CIT rate	20%	20%
Current year's estimated CIT payable	<u>-</u>	<u>557,275,369</u>

10. Operating expenses

	<u>Current year</u>	<u>Previous year</u>
Raw materials	95,310,834,339	70,846,885,048
Labor costs	38,773,788,378	26,672,641,840
Depreciation expenses	1,817,556,824	2,322,922,577
Outsourced service expenses	40,995,878,715	29,972,648,672
Total	<u>176,898,058,256</u>	<u>129,815,098,137</u>

VII. ADDITIONAL INFORMATION ABOUT ITEMS ON SEPARATE CASH FLOW STATEMENT**1. Borrowing principal actually received in the year**

	<u>Current year</u>	<u>Previous year</u>
Proceeds from borrowing under a conventional contract	31,630,684,089	46,886,167,609
Proceeds from borrowing under other forms	7,980,000,000	6,390,000,000
Total	<u>39,610,684,089</u>	<u>53,276,167,609</u>

2. Borrowing principal actually paid in the year:

	<u>Current year</u>	<u>Previous year</u>
Borrowing principal payments under a conventional contract	36,487,000,000	70,262,801,542
Payments for borrowing under other forms	5,765,695,000	6,083,000,000
Total	<u>42,252,695,000</u>	<u>76,345,801,542</u>

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

VIII. OTHER INFORMATION

1. Contingent liabilities

As at December 31, 2021, Construction Joint Stock Company No.6 does not reflect the payable amount of Vietnam Railways Corporation in the amount of VND 457,937,671 which is being debited by Vietnam Railways Corporation (hereinafter referred to as: is the amount the Railway Corporation charges the superior management fee according to the proportion of the revenue of the subcontractors and joint venture contractors arising before transferring to the Joint Stock Company). In the handover file from Construction Company 6 to Construction Joint Stock Company No.6, signed and witnessed by Vietnam Railways Corporation and the capital handover document to Construction Joint Stock Company No.6 does not have this payable. The company reported to the Vietnam Railway Corporation and proposed to handle this difference.

2. Events after balance sheet date

There have been no events occurring after the balance sheet date that have a material effect or are likely to have a material effect on the operations of the Company and its results of operations in the periods following the balance sheet date.

3. Transactions with related parties

3.1 List of related parties

List of related parties with significant transactions and number of transactions in the period/year:

Related parties	Relationship
Construction No.6 Myanmar Co., Ltd	Subsidiaries
Mr Pham Van Thuy	Chairman of Board of Directors
Mr Lai Van Quan	Chairman of Board of Directors (Dismissed on March 19, 2021)
Mr Phan Hong Ngoc	General Director and member of Board of Directors
Mr Pham Xuan Huy	Vice General Director and member of Board of Directors
Mr Trinh Van Thuy	Vice General Director and member of Board of Directors
Mr Luong Ba Minh	Vice General Director and member of Board of Directors
Mr Nguyen Duy Duong	Vice General Director
Mr Phan Anh Tuan	Chief Accountant and member of the Board of Directors
Mr Pham Anh Tu	Chief Supervisor
Mr To Van Tuyen	Member of Board of supervisor
Mr Nguyen Van Hoan	Member of Board of supervisor
Ms Le Thi Ngoc	Mr Pham Xuan Huy's wife (Vice General Director)
Ms Nguyen Thi Hanh	Mr Phan Anh Tuan's wife (Chief Accountant)
Ms Dam Thi Kim Cuc	Mr Luong Ba Minh (Vice General Director)
Ms Le Thi Hai Yen	Mr Pham Van Thuy's sister-in-law (Chairman of Board of Directors)
Ms Phan Thi Thanh Hai	Mr Phan Hong Ngoc's mother (General Director)

CONSTRUCTION JOINT STOCK COMPANY NO.6

NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)

B09-DN

For the fiscal year ended December 31, 2021

3.2 Transactions with related parties

a. Transactions with key management members are as follows:

Related parties	Income	Transaction value	
		Current year	Previous year
Mr Pham Van Thuy	Bonus, Allowance, Salary	182,421,310	-
Mr Lai Van Quan	Bonus, Allowance, Salary	138,675,946	252,373,272
Mr Phan Hong Ngoc	Bonus, Allowance, Salary	159,028,410	-
Mr Pham Xuan Huy	Bonus, Allowance, Salary	291,851,892	246,531,140
Mr Luong Ba Minh	Bonus, Allowance, Salary	267,596,176	179,960,522
Mr Nguyen Duy Duong	Bonus, Allowance, Salary	117,923,018	-
Mr Trinh Van Thuy	Bonus, Allowance, Salary	329,308,616	173,078,423
Mr Phan Anh Tuan	Bonus, Allowance, Salary	244,917,285	179,205,195
Mr Pham Anh Tu	Bonus, Allowance, Salary	199,068,451	141,692,006
Mr To Van Tuyen	Bonus, Allowance, Salary	192,582,379	131,551,262
Mr Nguyen Van Hoan	Bonus, Allowance, Salary	151,157,073	114,977,353
Total		2,274,530,555	1,419,369,173

b. Transactions with related parties

During the year, the Company had the following major transactions with related parties:

Related parties	Transaction nature	Transaction value	
		Current year	Previous year
Mr Lai Van Quan	Borrowing	700,000,000	2,007,000,000
	Loan payment	1,400,000,000	-
Ms Le Thi Ngoc	Borrowing	-	4,000,000,000
	Loan payment	2,000,000,000	4,000,000,000
Ms Nguyen Thi Hanh	Borrowing	350,000,000	4,000,000,000
	Loan payment	-	700,000,000
Ms Dam Thi Kim Cuc	Debt transferred from Phu Ly Stone One Member Co., Ltd	-	1,777,605,955
	Borrowing	3,200,000,000	4,000,000,000
	Loan payment	2,000,000,000	1,000,000,000
Ms Le Thi Hai Yen	Borrowing	1,000,000,000	-
Ms Phan Thi Thanh Hai	Borrowing	2,000,000,000	-
Construction No.6 Myanmar Co., Ltd	Supply of construction employee	-	9,090,206,350

c. Balance with related parties

As at 31 December 2021, the Company had the following balances with related parties.

	Closing balance	Opening balance
<u>Payables</u>		
<i>Mr Lai Van Quan</i>		
Loan payable	1,307,000,000	2,007,000,000
<i>Ms Le Thi Ngoc</i>		
Loan payable	-	2,000,000,000
<i>Ms Nguyen Thi Hanh</i>		
Loan payable	350,000,000	-

CONSTRUCTION JOINT STOCK COMPANY NO.6**NOTES TO THE SEPARATE FINANCIAL STATEMENTS (continued)****B09-DN***For the fiscal year ended December 31, 2021****Ms Dam Thi Kim Cuc***

Loan payable	1,200,000,000	-
Other payable	-	1,777,605,955

Ms Le Thi Hai Yen

Loan payable	1,000,000,000	-
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Ms Phan Thi Thanh Hai

Loan payable	2,000,000,000	-
Total	5,857,000,000	5,784,605,955

Receivables***Construction No.6 Myanmar Co., Ltd***

Receivables for machinery supply	-	36,426,603
Total	-	36,426,603

Pricing policy for transactions between the Company and other related parties

The prices of goods and services provided to related parties are agreed upon in the contract. Purchases of goods and services from related parties are made at market prices.

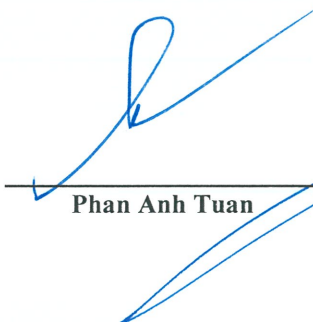
Receivables are unsecured and will be paid in cash. No allowance for bad debts has been made for receivables from related parties.

4. Comparative information

Comparative figures are those of the Financial Statements for the fiscal year ended on December 31, 2020 audited by BDO Audit Services Co., Ltd.

Prepared on March 18, 2022

Preparer

Lai Hoai Trang**Chief Accountant**

Phan Anh Tuan**General Director****Phan Hong Ngoc**