

I. CONSOLIDATED BALANCE SHEET

ASSETS	Closing balance	Beginning Balance
A – SHORT-TERM ASSETS	1,524,764,960.813	1,412,998,560.904
I. Cash and cash equivalents	141,254,547.544	46,548,089.328
II. Short-term Financial Investments	240,625,754.419	198,663,624.959
III. Short-term Receivables	417,890,220.545	419,056,123.819
IV. Inventories	722,974,833.860	737,231,226.953
V. Other Short-term Assets	2,019,604.445	11,499,495.845
B – Long-term Assets	190,591,667.898	177,992,768.469
I. Long-term Receivables	2,167,151.526	2,281,160.820
II. Fixed Assets	94,609,208.062	102,807,476.706
1. Tangible Fixed Assets	88,113,069.115	96,442,324.418
2. Finance Lease Assets	-	-
3. Intangible Fixed Assets	6,496,138.947	6,365,152.288
III. Investment Properties	-	-
IV. Long-term Work-in-progress Assets	591,803.234	613,780.000
V. Long-term Financial Investments	64,134,609.114	35,904,790.933
VI. Other Long-term Assets	29,088,895.962	36,385,560.010
VII. Goodwill	19,906,013.498	23,178,234.895
TOTAL ASSETS	1,715,356,628.711	1,590,991,329.373

CAPITAL SOURCES	Year-end Balance	Beginning Balance
C - LIABILITIES	1,285,513,920.303	1,189,350,082.750
I. Short-term Liabilities	1,263,455,968.636	1,187,854,744.156
II. Long-term Liabilities	22,057,951.667	1,495,338.594
D – Owner's Equity	429,842,708.408	401,641,246.623
I. Equity Capital	429,842,708.408	401,641,246.623
1. Owner's Contributed Capital	341,777,690.000	316,465,410.000
2. Share Premium	5,348,010.000	5,348,010.000
3. Convertible Bond Options	-	-
4. Other Equity of the Owner	-	-
5. Treasury Stock (*)	(20,000)	(20,000)
6. Revaluation Surplus of Assets	-	-
7. Foreign Exchange Difference	-	-
8. Development Investment Fund	9,827,781.376	8,570,273.947
9. Enterprise Restructuring Support Fund	-	-
10. Other Funds under Owner's Equity	-	-
11. Undistributed After-tax Profit	53,078,021.293	52,365,799.875
12. Capital Sources for Construction Investment	-	-
13. Interests of Non-controlling Shareholders	19,811,225.739	18,891,772.801
II. Other Funds and Sources of Capital	-	-
1. Funding Sources	-	-
2. Funding Sources for Formed Fixed Assets	-	-

II. CONSOLIDATED INCOME STATEMENT

Indicators	Quarter 4 of this year	Cumulative from the beginning of the year
1. Revenue from Sales of Goods and Provision of Services	587.912.710.778	2.742.903.014.413
2. Revenue Deductions	7.359.605.878	20.533.806.823
3. Net Revenue from Sales of Goods and Provision of Services	580.553.104.900	2.722.369.207.590
4. Cost of Goods Sold	532.293.937.011	2.437.801.271.435
5. Gross Profit from Sales of Goods and Provision of Services	48.259.167.889	284.567.936.155
6. Financial Income	10.297.220.935	29.729.640.117
7. Financial Expenses	21.192.143.423	80.245.734.245
- Including Interest Expenses	18.102.167.941	66.485.256.716
8. Share of Profit or Loss from Joint Ventures and Associates	2.904.073.762	229.818.181
9. Selling Expenses	31.554.929.386	158.580.070.619
10. Administrative Expenses	2.924.759.671	37.915.793.032
11. Net Profit from Business Operations	5.788.630.106	37.785.796.557
12. Other Income	(2.790.142.403)	1.103.401.433
13. Other Expenses	390.411.142	2.394.840.764
14. Other revenue	(3.180.553.545)	(1.291.439.331)
15. Total Accounting Profit Before Tax	2.608.076.561	36.494.357.226
16. Current Corporate Income Tax Expenses	858.090.131	8.693.916.550
17. Deferred Corporate Income Tax Expenses	(591.619.977)	(4.024.081)
18. Net Profit After Corporate Income Tax	2.341.606.407	27.804.464.757
18.1. Net Profit After Tax Attributable to the Parent Company's Shareholders	1.887.879.627	27.785.011.819
18.2. Net Profit After Tax Attributable to Non-controlling Shareholders	453.726.780	19.452.938
19. Basic Earnings Per Share (*)	67	797
20. Diluted Earnings Per Share	-	-

Chief Accountant

KẾ TOÁN TRƯỞNG
Trinh Thị Phương

24 January 2025

General Director



TỔNG GIÁM ĐỐC
Nguyễn Thị Huyền Chương

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

The fiscal year ends on December 31, 2024

BALANCE SHEET

As of December 31, 2024

Unit of measurement: VND

ASSETS	Code	Note	Closing Balance	Beginning Balance
A - Short-term Assets	100		1.540.764.960.813	1.412.998.560.904
I. Cash and Cash Equivalents	110	V.1	141.254.547.544	46.548.089.328
1. Cash	111		21.254.547.544	16.548.089.328
2. Cash equivalents	112		120.000.000.000	30.000.000.000
II. Short-term Financial Investments	120		256.625.754.419	198.663.624.959
1. Trading Securities	121		-	-
2. Provision for Decline in Value of Trading Securities	122		-	-
3. Held-to-Maturity Investments	123	V.2 a	256.625.754.419	198.663.624.959
III. Short-term Receivables	130		417.890.220.545	419.056.123.819
1. Short-term Receivables from Customers	131	V.3	331.965.842.691	384.435.061.207
2. Short-term Prepayments to Suppliers	132	V.4	37.778.965.499	13.547.258.566
3. Short-term Intercompany Receivables	133		-	-
4. Receivables According to Progress of Construction	134		-	-
5. Short-term Receivables from Loans	135	V.5	35.096.000.000	20.600.000.000
6. Other Short-term Receivables	136	V.6	17.739.234.009	5.151.625.759
7. Provision for Doubtful Short-term Receivables	137		(4.689.821.654)	(4.677.821.713)
8. Unaccounted Assets Pending Resolution	139		-	-
IV. Inventory	140	V.7	722.974.833.860	737.231.226.953
1. Inventory	141		727.147.095.534	740.401.658.350
2. Provision for Decline in Inventory Value	149		(4.172.261.674)	(3.170.431.397)
V. Other Short-term Assets	150		2.019.604.445	11.499.495.845
1. Short-term Prepaid Expenses	151	V.8 a	1.978.526.654	5.424.438.603
2. Recoverable Value Added Tax	152		-	6.034.350.194
3. Taxes and Other Receivables from the State	153		41.077.791	40.707.048
4. Repurchase Agreements of Government Bonds	154		-	-
5. Other Short-term Assets	155		-	-

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

The fiscal year ends on December 31, 2024

Consolidated Balance Sheet (continued)

ASSETS	Code	Note	Closing Balance	Beginning Balance
B - Long-term Assets	200		174.591.667.898	177.992.768.469
I. Long-term Receivables	210		2.167.151.526	2.281.160.820
1. Long-term Receivables from Customers	211		-	-
2. Long-term Prepayments to Suppliers	212		-	-
3. Business Capital in Subsidiaries	213		-	-
4. Long-term Intercompany Receivables	214		-	-
5. Receivables from Long-term Loans	215		-	-
6. Other Long-term Receivables	216		2.167.151.526	2.281.160.820
7. Provision for Doubtful Long-term Receivables	219		-	-
II. Fixed Assets	220		94.609.208.062	102.807.476.706
1. Tangible Fixed Assets	221	V.9	88.113.069.115	96.442.324.418
<i>Original Cost</i>	222		179.098.245.872	177.184.240.888
<i>Accumulated Depreciation</i>	223		(90.985.176.757)	(80.741.916.470)
2. Finance Lease Assets	224		-	-
<i>Original Cost</i>	225		-	-
<i>Accumulated Depreciation</i>	226		-	-
3. Intangible Fixed Assets	227	V.10	6.496.138.947	6.365.152.288
<i>Original Cost</i>	228		8.687.008.519	7.987.008.519
<i>Accumulated Depreciation</i>	229		(2.190.869.572)	(1.621.856.231)
III. Investment Properties	230		-	-
Original Cost	231		-	-
Accumulated Depreciation	232		-	-
IV. Long-term Work-in-progress Assets	240		591.803.234	613.780.000
1. Long-term Work-in-progress Production and Busine	241		-	-
2. Unfinished Basic Construction Costs	242	V.11	591.803.234	613.780.000
V. Long-term Financial Investments	250	V.2 b	48.134.609.114	35.904.790.933
1. Investment in Subsidiaries	251		-	-
2. Investment in Joint Ventures and Associates	252		28.134.609.114	15.904.790.933
3. Investment in Other Entities	253		-	-
4. Provision for Long-term Financial Investments	254		-	-
5. Held-to-Maturity Investments	255		20.000.000.000	20.000.000.000
VI. Other Long-term Assets	260		29.088.895.962	36.385.560.010
1. Long-term Prepaid Expenses	261	V.8 b	5.534.832.560	9.352.031.088
2. Deferred Tax Assets	262		3.648.049.904	3.855.294.027
3. Long-term Equipment, Materials, and Spare Parts	263		-	-
4. Other Long-term Assets	268		-	-
5. Trade advantage	269	V.12	19.906.013.498	23.178.234.895
TOTAL ASSETS	270		1.715.356.628.711	1.590.991.329.373

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

The fiscal year ends on December 31, 2024

Consolidated Balance Sheet (continued)

CAPITAL SOURCES	Code	Note	Closing Balance	Beginning Balance
C - LIABILITIES	300		1.285.513.920.303	1.189.350.082.750
I. Short-term Liabilities	310		1.263.455.968.636	1.187.854.744.156
1. Short-term Payables to Suppliers	311	V.13	77.671.608.545	136.596.419.806
2. Short-term Advances from Customers	312	V.14	13.560.726.623	37.362.995.977
3. Taxes and Other Payables to the State	313	V.15	18.224.723.278	18.472.544.763
4. Payables to Employees	314		4.276.250.817	4.676.334.939
5. Short-term Accrued Expenses	315	V.16	7.234.496.823	3.284.778.959
6. Short-term Intercompany Payables	316		-	-
7. Payables According to the Progress of Construction	317		-	-
8. Unrealized Short-term Revenue	318		-	-
9. Other Short-term Payables	319	V.17	3.320.895.590	2.610.642.825
10. Short-term Loans and Finance Lease Liabilities	320	V.18	1.137.306.992.519	980.284.289.358
11. Short-term Provisions	321	V.19	556.431.820	3.661.552.972
12. Bonus and Welfare Fund	322	V.20	1.303.842.621	905.184.557
13. Price Stabilization Fund	323		-	-
14. Repurchase Agreements of Government Bonds	324		-	-
II. Long-term Liabilities	330		22.057.951.667	1.495.338.594
1. Long-term Payables to Suppliers	331	V.23	20.773.881.277	-
2. Long-term Advances from Customers	332		-	-
3. Long-term payable costs	333		-	-
4. Internal payables for business capital	334		-	-
5. Long-term internal payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term loans and financial lease liabilities	338		-	-
9. Convertible bonds	339		-	-
10. Preferred stock	340		-	-
11. Deferred income tax payable	341		1.284.070.390	1.495.338.594
12. Long-term provisions	342		-	-
13. Science and technology development fund	343		-	-

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

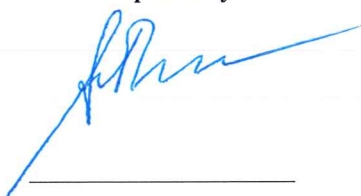
Consolidated Financial Statements

The fiscal year ends on December 31, 2024

Consolidated Balance Sheet (continued)

CAPITAL SOURCES	Code	Note	Closing Balance	Beginning Balance
D - OWNER'S EQUITY	400		429.842.708.408	401.641.246.623
I. Equity capital	410	V.21	429.842.708.408	401.641.246.623
1. Owner's contributed capital	411		341.777.690.000	316.465.410.000
- <i>Voting common stock</i>	411a		341.777.690.000	316.465.410.000
- <i>Preferred stock</i>	411b		-	-
2. Share premium	412		5.348.010.000	5.348.010.000
3. Convertible bond option	413		-	-
4. Other equity of the owner	414		-	-
5. Treasury stock	415		(20.000)	(20.000)
6. Revaluation surplus	416		-	-
7. Exchange rate difference	417		-	-
8. Development investment fund	418		9.827.781.376	8.570.273.947
9. Enterprise restructuring support fund	419		-	-
10. Other funds under owner's equity	420		-	-
11. Undistributed after-tax profit	421		53.078.021.293	52.365.799.875
- <i>Undistributed accumulated after-tax profit as of the</i>	421a		25.293.009.474	27.910.522.319
- <i>Undistributed after-tax profit for this period</i>	421b		27.785.011.819	24.455.277.556
12. Capital construction investment fund	422		-	-
13. Non-controlling shareholder interests	429		19.811.225.739	18.891.772.801
II. Other funds and sources	430		-	-
1. Funding source	431		-	-
2. The funding source that has formed fixed assets	432		-	-
TOTAL CAPITAL SOURCES	440		1.715.356.628.711	1.590.991.329.373

Prepared by



Truong Binh Duong

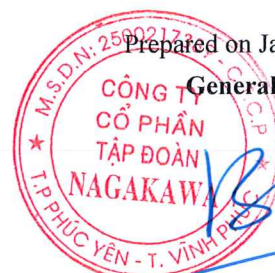
Chief Accountant



Trinh Thi Phuong

Prepared on January 24, 2025

General Director




Nguyen Thi Huyen Thuong

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

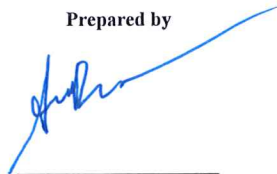
The fiscal year ends on December 31, 2024

CONSOLIDATED INCOME STATEMENT

Quarter 4 2024

TARGET	Code	Note	This quarter		Cumulative from the beginning of the year to the end of this period	
			This year	Previous year	This year	Previous year
1. Revenue from sales and service provision	1		587,912,710,778	550,074,449,642	2,742,903,014,413	2,140,625,746,499
2. Revenue deductions	2		7,359,605,878	10,539,119,635	20,533,806,823	22,490,122,188
3. Net revenue from sales and service provision	10	VI.1	580,553,104,900	539,535,330,007	2,722,369,207,590	2,118,135,624,311
4. Cost of goods sold	11	VI.2	532,293,937,011	461,993,880,312	2,437,801,271,435	1,809,730,124,663
5. Gross profit from sales and service provision	20		48,259,167,889	77,541,449,695	284,567,936,155	308,405,499,648
6. Financial income	21	VI.3	10,297,220,935	9,242,215,406	29,729,640,117	15,934,966,929
7. Financial Expenses	22	VI.4	21,192,143,423	22,839,353,669	80,245,734,245	81,927,246,233
Including: interest expenses	23		18,102,167,941	19,794,718,895	66,485,256,716	75,384,010,583
8. Share of profit or loss in joint ventures and associates	24		2,904,073,762	3,529,898,339	229,818,181	209,458,282
9. Selling expenses	25	VI.5	31,554,929,386	68,206,401,218	158,580,070,619	177,727,264,997
10. Administrative expenses	26	VI.6	2,924,759,671	13,325,524,341	37,915,793,032	48,861,083,290
11. Net profit from business activities	30		5,788,630,106	(14,057,715,788)	37,785,796,557	16,034,330,339
12. Other income	31	VI.7	(2,790,142,403)	14,457,811,075	1,103,401,433	17,747,935,208
13. Other expenses	32	VI.8	390,411,142	40,228,633	2,394,840,764	1,750,600,479
14. Other revenue	40		(3,180,553,545)	14,417,582,442	(1,291,439,331)	15,997,334,729
15. Total accounting profit before tax	50		2,608,076,561	359,866,654	36,494,357,226	32,031,665,068
16. Current corporate income tax expenses	51	VI.9	858,090,131	2,229,895,502	8,693,916,550	9,262,265,638
17. Deferred corporate income tax expenses	52		(591,619,977)	(2,753,103,431)	(4,024,081)	(2,380,749,159)
18. Net profit after corporate income tax	60		<u>2,341,606,407</u>	<u>883,074,583</u>	<u>27,804,464,757</u>	<u>25,150,148,589</u>
19. Net profit after tax of the parent company	61		<u>1,887,879,627</u>	<u>1,092,237,795</u>	<u>27,785,011,819</u>	<u>24,455,277,556</u>
20. Net profit after tax of non-controlling shareholders	62		<u>453,726,780</u>	<u>(209,163,212)</u>	<u>19,452,938</u>	<u>694,871,033</u>
21. Basic earnings per share	70	VI.10	<u>72</u>	<u>27</u>	<u>853</u>	<u>751</u>

Prepared by



Trương Bình Duong

Chief Accountant



Trịnh Thị Phương

Prepared on January 24, 2025
General Director

Nguyễn Thị Huyền Thương

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

The fiscal year ends on December 31, 2024

CASH FLOW STATEMENT

According to the direct method

Quarter 4 2024

TARGET	Code	Note	This quarter		Unit of measurement: VND Cumulative from the beginning of the year to the end of this period	
			This year	Previous year	This year	Previous year
I. Cash flow from operating activities						
Cash received from sales, service provision, and						
1. other revenue	01		740.484.841.961	997.668.334.518	2.940.863.061.163	3.111.162.334.511
2. Cash paid to suppliers of goods and services	02		(681.496.378.213)	(910.386.752.240)	(2.529.260.034.764)	(2.795.904.466.189)
3. Cash paid to employees	03		(10.351.217.367)	(10.441.472.103)	(43.171.926.154)	(47.586.612.600)
4. Interest paid on loans	04		(15.689.575.899)	(15.909.305.730)	(64.618.079.760)	(73.154.829.507)
5. Corporate income tax paid	05		-	(1.700.000.000)	(9.886.161.629)	(5.837.628.637)
6. Other cash receipts from operating activities	06		3.442.979.350	19.052.354.019	17.943.943.909	23.320.569.554
7. Other cash payments for operating activities	07		(50.954.126.502)	(173.322.559.245)	(299.482.486.428)	(332.405.945.543)
Net cash flow from operating activities	20		(14.563.476.670)	(95.039.400.781)	12.388.316.337	(120.406.578.411)
II. Cash flow from investing activities						
1. Cash paid for the purchase and construction of fixed assets, and other long-term assets	21		-	(1.007.500.000)	(1.572.623.963)	(20.675.422.568)
2. Cash received from the liquidation and sale of fixed assets, and other long-term assets	22		136.363.636	-	136.363.636	1.813.090.909
3. Cash paid for loans and the purchase of debt instruments of other entities	23		(207.735.000.000)	36.298.840.824	(334.443.115.745)	(58.041.641.343)
4. Cash received from loan repayments and the resale of debt instruments of other entities	24		214.490.000.000	-	256.914.366.245	97.354.441.343
5. Cash paid for investments and capital contributions to other entities	25		-	-	(12.000.000.000)	-
6. Investment recovery money, contributing capital to another entity	26		-	-	-	-
7. Interest income from loans, dividends, and profits shared	27		3.124.444.360	1.448.441.976	15.360.448.545	8.345.736.882
Net cash flow from investing activities	30		10.015.807.996	36.739.782.800	(75.604.561.282)	28.796.205.223

NAGAKAWA Group Joint Stock Company

Address: Xuan Thuong 1 Residential Area, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

Consolidated Financial Statements

The fiscal year ends on December 31, 2024

Consolidated cash flow statement between periods (next)

TARGET	Code	Note	This quarter		Cumulative from the beginning of the year to the end of this period	
			This year	Previous year	This year	Previous year
III. Cash flow from financing activities						
1. Money received from issuing shares, receiving capital contributions from the owner	31		-	-	900.000.000	-
2. Money returned to owners' capital contributions, repurchasing the company's issued shares	32		-	-	-	-
3. Money received from borrowing	33		707.176.424.871	709.438.919.361	2.616.068.927.093	2.112.935.375.206
4. Money paid for loan principal repayment	34		(597.912.254.673)	(631.639.053.792)	(2.459.046.223.932)	(2.003.702.933.643)
5. Money paid for finance lease principal repayment	35		-	-	-	-
6. Dividends, profits paid to owners	36		-	(13.639.755.272)	-	(15.160.242.000)
Net cash flow from financing activities	40		109.264.170.198	64.160.110.297	157.922.703.161	94.072.199.563
Net cash flow for the year	50		104.716.501.524	5.860.492.316	94.706.458.216	2.461.826.375
Cash and cash equivalents at the beginning of the year	60	V.1	36.538.046.020	11.339.552.989	46.548.089.328	14.738.218.930
The effect of exchange rate changes on foreign currency translation	61		-	-	-	-
Cash and cash equivalents at the end of the year	70	V.1	141.254.547.544	17.200.045.305	141.254.547.544	17.200.045.305

Prepared by



Trương Bình Dương

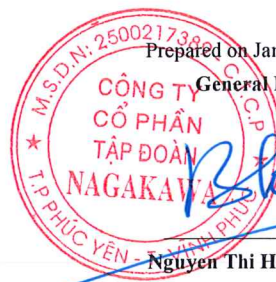
Chief Accountant



Trịnh Thị Phương

Prepared on January 24, 2025

General Director



Nguyễn Thị Huyền Thương

NAGAKAWA GROUP CORPORATION

Address: Xuan Thuong 1 Residential Group, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province

CONSOLIDATED FINANCIAL STATEMENTS

Fiscal year ending December 31, 2024

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fiscal year ending December 31, 2024

I. OPERATION FEATURES

1. Ownership form : Joint Stock Company

2. Operating field : Production, trade.

3. Business Line :

The Company's business lines include:

- Manufacture of consumer electronics products;
- Manufacture of household electrical appliances. Details: Manufacture of household electrical appliances, air conditioners;
- Real estate business, land use rights owned, used or leased;
- Consulting, brokerage, real estate auction, land use rights auction;
- Construction of all kinds of houses;
- Construction of railway and road works;
- Construction of public works;
- Construction of other civil engineering works;
- Demolition and site preparation;
- Wholesale of computers, peripheral equipment and software;
- Wholesale of electronic and telecommunications equipment and components;
- Wholesale of agricultural machinery, equipment and spare parts;
- Wholesale of other machinery, equipment and spare parts. Details: Buying and selling medical machinery and equipment; Buying and selling medical instruments; Wholesale of other machinery, equipment and spare parts;
- Wholesale of other construction materials and installation equipment;
- Installation of industrial machinery and equipment;
- Forging, stamping, pressing and roll-forming of metal; powder metallurgy;
- Mechanical processing, metal treatment and coating;
- Manufacture of metal components;
- Production of iron, steel, cast iron;
- Electrical installation;
- Installation of water supply, drainage, heating and air conditioning systems;
- Installation of other construction systems. Details: Design of ventilation, heating and air conditioning systems for construction works; Installation of other construction systems;
- Manufacture of medical, dental, orthopedic and rehabilitation equipment and instruments. Details: Manufacture of medical and dental equipment and instruments (except dentures and prescription glasses);
- Manufacture of other electrical equipment. Details: Manufacture and trade of electrical machinery, equipment and electrical materials;
- Iron ore mining (Enterprises only operate when they meet all conditions and are licensed by competent State agencies according to regulations);
- Exploitation and trading of stone, sand, gravel, clay;
- Warehousing and storage of goods. Details: warehouse rental; warehousing and storage of goods;

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- Mining of other non-ferrous metal ores (Enterprises only operate when they meet all conditions and are licensed by competent State agencies according to regulations);
- Transport of goods by road. Details: transport of goods by specialized vehicles;
- Buying and selling construction materials; Producing and buying and selling all kinds of refrigeration supplies; Buying and selling metals and metal ores; Producing garments; Producing knitted and crocheted clothing; Buying and selling fabrics, ready-made garments, footwear; Buying and selling garments, footwear, leather and imitation leather goods in specialized stores; Producing knitted fabrics, crocheted fabrics and other non-woven fabrics; Buying and selling scrap, metal and non-metal waste; Importing and exporting the Company's business items according to current regulations of the State./.

4. **Usual production and business cycle:** Within 12 months

5. **Specialpoint Business activities during the fiscal year that affect the interim consolidated financial statements:**
None.

6. **Business structure:**

Subsidiaries:

<i>Company name</i>	<i>Head office address</i>	<i>Main activities</i>	<i>Proporti on actual capital contribu tion</i>	<i>Rate according to Business Registrati on Certificate</i>
Nagakawa Technical Investment and Development Joint Stock Company	Xuan Thuong 1 Residential Group, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province	Retail, wholesale of electronic equipment and components, installation of air conditioning systems for projects	80%	80%
Nagakawa Joint Stock Company Danang	94 Nam Tran, Hoa Minh Ward, Lien Chieu District, Da Nang City, Vietnam	Retail, wholesale of electronic equipment, components, household appliances	52%	52%
Nagakawa Joint Stock Company Ho Chi Minh City	25 Doan Thi Diem, Ward 01, Phu Nhuan District, Ho Chi Minh City, Vietnam.	Retail, wholesale of electronic equipment, components, household appliances	51%	51%
Nagakawa Electronics Joint Stock Company	3rd Floor, Gold Tower Building, 275 Nguyen Trai, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi City, Vietnam	Retail, wholesale of electronic equipment, components, household appliances	51%	51 %
Viet Phuc Hung Yen Joint Stock Company	Thong Vinh Bao, Vinh Khuc commune, Van Giang district, Hung Yen province, Vietnam	Started operating and continued investment in construction	97%	97%
Nagakawa High Technology Joint Stock Company	No. 56, Alley 92, Cau Bui Street, Residential Group 15, Kien Hung Ward, Ha Dong District, Hanoi	Information technology services and other services related to computers	55%	55%

Joint ventures and associates:

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<i>Company name</i>	<i>Head office address</i>	<i>Main activities</i>	<i>Proporti on actual capital contribution</i>	<i>Rate according to Business Registrati on Certificate</i>
KLW Vietnam Garment Joint Stock Company	Xuan Thuong 1 Residential Group, Phuc Thang Ward, Phuc Yen City, Vinh Phuc Province, Vietnam	Garment processing	48%	48%

Affiliated units:

Unit name	Address	Main activities
Nagakawa Group Corporation Hanoi Branch	3rd Floor, Gold Tower Building, 275 Nguyen Trai, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi.	Retail, wholesale of electronic equipment, components, household appliances

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7. **Statement on comparability of information in financial statements:** The financial statements for the fiscal year ending December 31, 2024 are fully consistent and comparable with the financial statements for the fiscal year ending December 31, 2023.

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. Fiscal year

Fiscal year of the Company is from 1 January to 31 December annually.

2. Standard currency unit used in accounting

The currency used in accounting is the Vietnamese Dong (VND), as receipts and payments are primarily conducted in VND.

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

1. Applicable accounting regime

The Company applies the Vietnamese Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014 of the Minister of Finance and circulars guiding the implementation of accounting standards and regimes of the Ministry of Finance.

2. Statement of Compliance with Accounting Standards and Accounting System

The Board of Directors ensures that it has complied with the requirements of the Vietnamese accounting standards and the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014 of the Minister of Finance as well as the circulars guiding the implementation of accounting standards and systems of the Ministry of Finance in preparing the Financial Statements.

3. Accounting Method Applied

The company uses a computerized general journal accounting system.

IV. ACCOUNTING POLICIES APPLIED

1. Basis for preparing Consolidated Financial Statements

Financial statements are prepared on the accrual basis of accounting (except for information relating to cash flows).

The consolidated financial statements include the financial statements of the parent company and its subsidiaries. A subsidiary is an entity that is controlled by the parent company. Control exists when the parent company has the power, directly or indirectly, to govern the financial and operating policies of a subsidiary so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

The results of operations of subsidiaries acquired or sold during the year are presented in the Consolidated Statement of Income from the date of acquisition or up to the date of sale of the investment in that subsidiary.

In case the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of the subsidiary will be appropriately adjusted before being used for preparing the Consolidated Financial Statements.

Balances of accounts on the Balance Sheet between companies in the same Group, intra-group transactions, unrealized intra-group profits arising from these transactions are eliminated when

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preparing the Consolidated Financial Statements. Unrealized losses arising from intra-group transactions are also eliminated unless the costs creating such losses are unrecoverable.

Minority interests represent the portion of the profits and net assets of a subsidiary not held by the parent and are presented separately in the consolidated income statement and consolidated balance sheet. Minority interests consist of the amount of the minority interests at the date of the original business combination and the minority's share of changes in equity since the date of the combination. Losses attributable to the minority in excess of the minority's interest in the subsidiary's equity are allocated against the Group's interests except to the extent that the minority has a binding obligation and is able to make an Additional investment to cover the losses.

2. Cash and cash equivalents

Cash includes cash on hand, demand deposits, monetary gold used for value storage purposes, excluding gold classified as inventories used as raw materials for the production of products or goods for sale.

Cash equivalents are short-term investments with a maturity of no more than three months from the date of purchase, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

3. Types of exchange rates applied in accounting and principles of accounting for exchange rate differences

The company has transactions in foreign currencies: USD.

Exchange rate differences arising during the period and exchange rate differences due to revaluation of foreign currency items at the end of the period are recorded in income or expenses during the period. Exchange rate differences due to revaluation of foreign currency balances at the end of the period are implemented according to the guidance of Circular 200/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance.

Transactions in foreign currencies are translated at the exchange rate on the date of the transaction. Balances of foreign currency items at the end of the period are translated at the exchange rate on the balance sheet date.

Exchange rate differences arising during the period from foreign currency transactions of foreign currency items and exchange rate differences due to revaluation of foreign currency items at the end of the period after offsetting the increase and decrease are recorded in financial income or financial expenses.

Particularly in the construction investment phase to form fixed assets before the Company enters into production and business activities (pre-operation phase), the exchange rate difference arising when paying for foreign currency items to carry out construction investment and the exchange rate difference arising when re-evaluating foreign currency items at the end of the accounting period are reflected cumulatively on the Balance Sheet (index Exchange rate difference). This exchange rate difference is gradually allocated to financial revenue or financial expenses within a period of no more than 5 years from the date the project is put into operation.

The exchange rate used to convert transactions in foreign currencies is the actual exchange rate at the time of the transaction of the commercial bank where the Company transacts. The exchange rate used to re-evaluate the balance of foreign currency items at the end of the period is the buying rate of the commercial bank or the average buying rate of the commercial banks where the Company opens an account announced at the end of the accounting period.

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4. Principles of accounting for financial investments

Held to maturity investments

Investments are classified as held-to-maturity when the Company has the intention and ability to hold them until maturity. Held-to-maturity investments include: term deposits (including treasury bills and promissory notes), bonds, preference shares that the issuer must redeem at a certain time in the future, and loans held to maturity for the purpose of earning periodic interest and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost, which includes the purchase price and any costs associated with the transaction. After initial recognition, these investments are recognized at their recoverable amount. Interest income from investments held to maturity after the acquisition date is recognized in the Income Statement on an accrual basis. Interest earned before the Company holds the investment is deducted from the cost at the acquisition date.

When there is strong evidence that part or all of an investment may not be recovered and the amount of loss can be reliably determined, the loss is recorded in financial expenses in the year and the investment value is directly deducted.

Investments in subsidiaries, joint ventures and associates

Subsidiary

A subsidiary is an entity controlled by the Company. Control is achieved when the Company has the power to govern the financial and operating policies of an investee so as to obtain benefits from its activities.

Joint venture company

A joint venture is a company established on the basis of a contractual agreement under which the Company and the participating parties carry out economic activities on the basis of joint control. Joint control is understood as making strategic decisions related to the operating and financial policies of the joint venture company must have the consensus of the parties participating in the joint venture.

Affiliated companies

An associate is an entity in which the Company has significant influence but not control over the financial and operating policies. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control over those policies.

Investments in subsidiaries, joint ventures and associates are initially recorded at cost, including the purchase price or capital contribution plus costs directly related to the investment. In case of investment in non-monetary assets, the cost of the investment is recorded at the fair value of the non-monetary assets at the time of acquisition.

Dividends and profits from periods prior to the investment being purchased are recorded as a reduction in the value of the investment itself. Dividends and profits from periods subsequent to the investment being purchased are recorded as revenue. Dividends received in shares are only tracked by the number of shares increased, not the value of the shares received/recorded at par value.

Provision for losses on investments in subsidiaries, joint ventures and associates is made when the subsidiary, joint venture or associate suffers a loss, with the provision equal to the difference between the actual capital contributions of the parties in the subsidiary, joint venture or associate and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual

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capital contributions of the parties in the subsidiary, joint venture or associate. If the subsidiary, joint venture or associate is the subject of the Consolidated Financial Statement, the basis for determining the provision for losses is the Consolidated Financial Statement.

Increase or decrease in the provision for investment losses in subsidiaries, joint ventures and associates that must be set up at the end of the fiscal year is recorded in financial expenses.

5. Trade and other receivables

Trade receivables and other receivables are recorded on the basis of actual occurrence. Accounts receivable are stated at carrying amount less allowance for doubtful debts.

The classification of receivables as trade receivables, internal receivables and other receivables is carried out according to the following principles:

- Trade receivables reflect commercial receivables arising from purchase-sale transactions between The Company and the Buyer are independent entities from the Company, including receivables for export sales on consignment to other entities.
- Internal receivables reflect receivables from affiliated units without legal entity status that are dependent on accounting.
- Other receivables reflect non-commercial receivables not related to purchase and sale transactions.

Provision for doubtful debts is established for each doubtful debt based on the age of overdue debts or the expected level of loss that may occur, specifically as follows:

- For overdue receivables:
 - 30% of the value for overdue receivables from 6 months to less than 1 year.
 - 50% of the value for overdue receivables from 1 year to less than 2 years.
 - 70% of the value for receivables overdue from 2 years to less than 3 years.
 - 100% of the value for receivables 3 years or more old.

For receivables that are not overdue but are unlikely to be recovered: establish provisions based on expected loss level.

6. Principles of inventory recognition

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

The cost of inventories is determined as follows:

- Raw materials, goods: include purchase costs and other directly relevant costs incurred in bringing inventories to their present location and condition.
- Finished goods: includes the cost of raw materials, direct labor and related manufacturing overheads allocated based on normal levels of activity.
- Work in progress costs: only include costs of main raw materials, labor costs, depreciation costs of assets used for production activities and general production costs related to production activities.

Net realizable value is the estimated selling price of inventories in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

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Inventories are valued using the weighted average method and accounted for using the perpetual inventory method.

Provision for inventory devaluation is established for each inventory item whose original cost is greater than its net realizable value. For unfinished services, provision for devaluation is calculated for each type of service with a separate price. Increase or decrease in the balance of provision for inventory devaluation needed to set aside at the end of the financial year is recognized in cost of goods sold.

7. Original Fixed Assets Recognition and Depreciation Rules

a) Original rules for recognition and depreciation of tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all costs incurred by the Company to acquire tangible fixed assets up to the date when the asset is ready for use. Expenditures incurred after initial recognition are only recorded as an increase in the cost of tangible fixed assets if it is certain that these costs will increase future economic benefits from the use of the asset. Expenditures that do not satisfy the above conditions are recorded immediately as expenses.

When tangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in income or expenses for the year.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives. The depreciation years for various types of Tangible Fixed Assets are as follows:

<u>Type of fixed asset</u>	<u>Number of years</u>
Houses, buildings	10 – 25
Machinery and equipment	06 – 10
Means of transport, transmission	06 – 08
Management equipment and tools	03-05
Other fixed assets	05

8. Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated depreciation.

The original cost of intangible fixed assets includes all costs that Company costs incurred to acquire an intangible asset up to the date the asset is ready for use. Expenditures relating to intangible assets incurred after initial recognition are recognised as operating expenses in the period unless they are directly attributable to a specific intangible asset and result in an increase in the economic benefits derived from the asset.

When intangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is recognized as income or expense in the year.

Intangible fixed assets of Company include:

Land use rights

Land use rights are the total of actual costs. Company Expenditures directly related to land use, including: money spent to obtain land use rights, compensation costs, site clearance, leveling, registration fees, etc.

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Land use rights of Company Depreciation is as follows:

- Legal transfer: depreciated using the straight-line method over the land transfer period, indefinite land use rights are not depreciated.

Software program

Costs relating to computer software programs that are not an integral part of the related hardware are capitalized. The cost of computer software is the total cost incurred by the Company up to the date the software is put into use. Computer software is amortized on a straight-line basis over 5 years.

9. Principles of accounting for prepaid expenses

Prepaid expenses record actual expenses that have been incurred but are related to the business performance of many accounting periods and the transfer of these expenses to the business performance of the following accounting periods.

Tools, equipments

Tools and equipment put into use are allocated to expenses using the straight-line method with an allocation period of no more than 03 years.

Major repair costs

Factory repair costs are allocated to expenses using the straight-line method with an allocation period of no more than 03 years.

Commercial advantage

Goodwill arising in a business combination resulting in a parent-subsidiary relationship is amortized to expense on a straight-line basis over 10 years.

10. Principles of accounting for liabilities

Payables are tracked in detail by payment term, payable entity, original currency and other factors according to the management needs of the enterprise.

Payables that meet the definition of foreign currency monetary items are revalued at the end of the period when preparing the Financial Statements.

11. Principles of recording loans and financial lease liabilities

The company must monitor in detail the payment terms of loans and financial leases. For loans with a repayment period of more than 12 months from the date of the financial statements, accountants present them as long-term loans and financial leases. For loans due within the next 12 months from the date of the financial statements, accountants present them as short-term loans and financial leases to have a payment plan.

For finance lease liabilities, the total lease liability reflected on the credit side of account 341 is the total amount payable calculated by the present value of the minimum lease payments or the fair value of the leased asset.

Loans and debts in foreign currency must be converted into accounting currency at the actual transaction exchange rate at the time of occurrence;

- When paying debts or borrowing in foreign currency, the Debit side of account 341 is converted according to the actual accounting exchange rate for each subject;

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- When preparing the Financial Statements, the balance of loans and financial leases in foreign currencies must be re-evaluated at the actual transaction exchange rate at the time of preparing the Financial Statements.
- Exchange rate differences arising from the payment and end-of-period revaluation of loans and financial leases in foreign currencies are recorded in financial revenue or expenses.

12. Cost of unfinished basic construction

Construction in progress reflects directly related costs (including interest expenses related to the Company's accounting policies) to assets under construction, machinery and equipment being installed for production, leasing and management purposes as well as costs related to repairs of fixed assets in progress. These assets are recorded at original cost and not depreciated

13. Accounts Payable and Accrued Expenses

Liabilities and accruals are recognized for amounts to be paid in the future for goods and services received. Accruals are recognized based on reasonable estimates of the amounts to be paid.

The classification of payables as trade payables, accrued expenses, internal payables and other payables is carried out according to the following principles:

- Trade payables reflect commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity. Company, including amounts payable when importing through a consignee.
- Payable expenses reflect amounts payable for goods and services received from sellers or provided to buyers but not yet paid due to lack of invoices or insufficient accounting records and documents, and amounts payable to employees for leave wages, production and business expenses that must be accrued in advance.
- Internal payables reflect payables between a parent unit and a subordinate unit without legal entity status that is dependent on accounting.

Other payables reflect non-commercial payables not related to the purchase, sale or provision of goods and services.

14. Provisions for payables

Provisions are recognized when Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the passage of time is material, provisions are determined by discounting the expected future cash outflows required to settle the obligation at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as a finance expense.

Provisions for payables Company include:

Product and goods warranty reserve

Provision for product and goods warranty costs is established for each type of product and goods with warranty commitment.

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Warranty reserve level products, goods from 0.5% - 1% on the revenue of products and goods. This rate is estimated based on data on warranty costs in previous years and the weighted ratio of all possible consequences with corresponding probabilities. Increase, decrease the number product warranty reserve, goods must be set up at the end of the financial year is recorded into cost of sales.

Construction warranty reserve

Construction warranty reserve is established for each construction project with warranty commitment.

The warranty provision is equal to 5% of the revenue from construction works requiring warranty. This rate is estimated based on data on warranty costs in previous years and the weighted ratio of all possible consequences with corresponding probabilities. When the warranty period expires, the unused or unused construction warranty provision is recorded in other income.

15. Principle of equity recognition

Owner's equity

Owner's equity is recorded at the actual amount invested by shareholders.

Capital surplus

Share capital surplus is recorded as the difference between the issue price and the par value of shares when first issued, Additional issued or the difference between the reissue price and the book value of treasury shares. Direct costs related to the Additional issuance of shares and reissuance of treasury shares are recorded as a decrease in share capital surplus.

Other equity

Other capital is formed by supplementing from business results, revaluation of assets and the remaining value between the fair value of donated, presented, and sponsored assets after deducting taxes payable (if any) related to these assets.

Treasury stock

When buying back shares issued by the Company, the amount paid including transaction-related expenses is recorded as treasury shares and reflected as a deduction in equity. When reissuing, the difference between the reissue price and the book value of treasury shares is recorded in the Capital Surplus indicator.

Retained earnings

Record business results (profit, loss) after corporate income tax and the situation of profit distribution or loss handling of the enterprise.

Other funds

Funds are set aside and used in accordance with the Company Charter and the Resolution of the Annual Shareholders' Meeting.

16. Profit distribution

Profit after corporate income tax is distributed to shareholders after setting aside funds according to the Resolution of the General Meeting of Shareholders. Company as well as the provisions of law.

The distribution of profits to shareholders takes into account non-monetary items within undistributed after-tax profits, which may impact cash flow and the ability to pay dividends, such as

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gains from the revaluation of assets contributed as capital, gains from the revaluation of monetary items, financial instruments, and other non-monetary items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

17. Principles and methods of revenue recognition

Revenue from sales of goods and finished products

Revenue from the sale of goods and finished products is recognized when all of the following conditions are simultaneously satisfied:

- The enterprise has transferred the significant risks and rewards of ownership of the products or goods to the buyer.
- The enterprise no longer holds the right to manage the goods as the owner of the goods or the right to control the goods.
- Revenue is determined with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products or goods (except in cases where the customer has the right to return the goods in exchange for other goods or services).
- The enterprise has obtained or will obtain economic benefits from the sale transaction.
- Identify the costs associated with a sales transaction.

Service revenue

Revenue from a service transaction is recognised when the outcome of the transaction can be measured reliably. In cases where the service is performed over several periods, revenue is recognised in each period based on the results of the work completed at the end of the accounting period. The outcome of a service transaction is recognised when all of the following conditions are met:

- Revenue is measured reliably. When a contract provides that the buyer has the right to return the services purchased under specific conditions, revenue is recognized only when the specific conditions no longer exist and the buyer has no right to return the services provided.
- It is possible to obtain economic benefits from the transaction of providing that service.
- Determine the portion of work completed as of the end of the fiscal year.
- Identify the costs incurred for the transaction and the costs to complete the transaction to provide that service.

Interest

- Interest is recognized on an accrual basis, determined on the deposit account balance and the actual interest rate for each period.

18. Accounting principles for revenue deductions

Sales deductions include: Trade discounts, sales allowances and sales returns.

Trade discounts, sales discounts, and sales returns arising in the same period of product, goods, and service consumption are adjusted to reduce revenue of the period;

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In case products, goods and services have been consumed in previous periods, and trade discounts, sales discounts or returned goods arise in the following period, the enterprise is allowed to record a reduction in revenue according to the following principles:

- + If products, goods, and services have been consumed in previous periods, and must be discounted, discounted, or returned in the next period but occur before the issuance of the Financial Statement, the accountant must consider this an event that requires adjustment occurring after the date of the Balance Sheet and record a reduction in revenue on the Financial Statement of the reporting period (previous period).
- + In case products, goods, and services must be discounted, have trade discounts, or are returned after the issuance of the Financial Statement, the enterprise will record a decrease in revenue for the period in which they arise (the following period).

19. Principles of accounting for cost of goods sold.

Cost of goods sold during the year is recorded in accordance with revenue generated during the period and ensures compliance with the principle of prudence.

For direct material costs consumed in excess of normal levels, labor costs, and fixed general manufacturing costs not allocated to the value of products in stock, accountants must immediately calculate them into the cost of goods sold (after deducting compensation, if any), even when the products and goods have not been determined to be consumed.

The provision for inventory price reduction is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value being less than the original cost of inventory. When determining the volume of inventory with price reduction requiring provision, the accountant must exclude the volume of inventory for which a sales contract has been signed (with a net realizable value not lower than the book value) but has not been transferred to the customer if there is certain evidence that the customer will not abandon the contract.

20. Principles of financial cost accounting

Reflects financial operating expenses including expenses or losses related to financial investment activities, lending and borrowing costs, costs of capital contribution to joint ventures and associations, short-term securities transfer losses, securities transaction costs; Provision for devaluation of trading securities, provision for investment losses in other entities, losses arising from selling foreign currencies, exchange rate losses...

21. Principles of accounting for sales costs and business management costs

Selling expenses reflect actual costs incurred in the process of selling products, goods, and providing services, including costs of offering, introducing products, advertising products, sales commissions, product and goods warranty costs (except construction activities), preservation, packaging, transportation costs, etc.

Business management costs reflect the general management costs of the enterprise, including costs for salaries of employees in the business management department (salaries, wages, allowances, etc.); social insurance, health insurance, union fees, unemployment insurance for business management employees; costs of office materials, labor tools, depreciation of fixed assets used for business management; land rent, business license tax; provision for bad debts; outsourced services (electricity, water, telephone, fax, property insurance, fire and explosion insurance, etc.); other cash expenses (reception, customer conferences, etc.).

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22. Principles and methods of recording current corporate income tax expenses

Current corporate income tax expense

Corporate income tax expense is current income tax, calculated on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses as well as adjustments for non-taxable income and losses carried forward.

The company is obliged to pay corporate income tax at a rate of 20%.

Deferred corporate income tax expense

Deferred income tax is the income tax payable or recoverable in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax basis. Deferred income tax liabilities are recognised for all taxable temporary differences. Deferred income tax assets are recognised only when it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year 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 tax asset to be utilised. Previously unrecognised deferred tax assets are reviewed at the end of each financial year and recognised to the extent that it is probable that sufficient taxable profit will be available to utilise the unrecognised deferred tax assets.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is recognised in the income statement and, except when it relates to items charged or credited directly to equity, is dealt with in equity.

Deferred tax assets and deferred tax liabilities are offset when:

- CompanyHavelegal right to set off current income tax assets against current income tax liabilities.
- TheThis deferred tax asset and deferred tax liability relate to income taxes levied by the same tax authority.

The Company intends to settle its current income tax liabilities and current income tax assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred income tax liabilities or deferred income tax assets are expected to be settled or realised.

23. Financial instruments

i. Financial assets

Classification of financial assets

The Company classifies its financial assets into the following groups: financial assets at fair value through the Statement of Business Performance, investments held to maturity, loans and receivables, and available-for-sale financial assets. The classification of these financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recorded at fair value through the Statement of Business Performance

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Financial assets are classified as measured at fair value through the Statement of Income if they are held for trading or designated as such at fair value through the Statement of Income upon initial recognition.

Financial assets are classified as held for trading securities if:

- Purchased or created primarily for the purpose of resale in the short term;
- The Company intends to hold for the purpose of short-term profit;
- Derivative financial instruments (except for derivative financial instruments that are identified as a financial guarantee contract or a designated and effective hedging instrument).

Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the intention and ability to hold to maturity.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments and are not listed on an active market.

Financial assets available for sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or that are not classified as financial assets at fair value through profit or loss, held-to-maturity investments, or loans and receivables.

Initial book value of financial assets

Financial assets are recognised at the date of acquisition and derecognised at the date of sale. At the time of initial recognition, financial assets are measured at their purchase price/issuance costs plus any other costs directly attributable to the acquisition or issue of the financial asset.

ii. Financial liabilities

The Company classifies financial liabilities into groups: financial liabilities recorded at fair value through the Income Statement, financial liabilities determined at amortized cost. The classification of financial liabilities depends on the nature and purpose of the financial liability and is determined at the time of initial recognition.

Financial liabilities are recorded at fair value through the Statement of Income.

Financial liabilities are classified as measured at fair value through the Statement of Income if they are held for trading or designated as such at fair value through the Statement of Income upon initial recognition.

Financial liabilities are classified as held for trading securities if:

- Issued or created primarily for the purpose of repurchasing in the short term;
- The Company intends to hold for the purpose of short-term profit;
- Derivative financial instruments (except for derivative financial instruments that are identified as a financial guarantee contract or a designated and effective hedging instrument).

Financial liabilities are measured at amortized cost.

Financial liabilities are measured at amortised cost, which is the amount at which the financial liability is initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

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The effective interest method is a method of calculating the amortized cost of a financial liability or group of financial liabilities and allocating interest income or expense over the relevant period. The effective interest rate is the rate at which estimated future cash flows that will be paid or received over the expected life of the financial instrument or, if appropriate, shorter, are discounted to the net present carrying amount of the financial liability.

Initial book value of financial liability

At initial recognition, financial liabilities are measured at issue price plus any costs directly attributable to the issue of the financial liability.

iii. Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

24. Report by department

A business segment is a distinguishable component that is engaged in providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

25. Related parties

Parties are considered to be related 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. Parties are also considered to be related if they are subject to common control or common significant influence.

In considering a related party relationship, attention is paid to the substance of the relationship rather than to the legal form.

Transactions with related parties during the period are presented in note VIII.1

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CONSOLIDATED BALANCE SHEET**1. Cash and cash equivalents**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Cash	8,314,848,443	7,690,097,330
Bank deposit	12,939,699,101	8,857,991,998
Cash equivalents	120,000,000,000	30,000,000,000
Total	<u>141,254,547,544</u>	<u>46,548,089,328</u>

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Notes to the Consolidated Financial Statements(next)**2. Financial investment****a) Short-term financial investments**

	Ending Balance		Beginning Balance	
	Original price	Book value	Original price	Book value
Term Deposit (*)	256,625,754,419	256,625,754,419	198.663.624.959	198.663.624.959
Total	256,625,754,419	256,625,754,419	198.663.624.959	198.663.624.959

(*) These are savings books with terms from 3 months to less than 1 year at banks:

+ Joint Stock Commercial Bank for Investment and Development of Vietnam - Hanoi Branch: 34,735,000,000 VND.

+ Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch: 94,420,546,000 VND.

+ Military Commercial Joint Stock Bank - Thang Long Branch - Le Trong Tan Transaction Office: 37,800,000,000 VND.

+ Vietnam International Commercial Joint Stock Bank - Dong Da Branch: 33,512,115,745 VND.

+ Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hoang Mai Branch: 6,158,092,674 VND.

+Export-Import Commercial Joint Stock Bank: 50,000,000,000 VND

These deposits are being used as collateral for loans at the above banks. (See note V.18)

b) Long-term financial investment

	Ending Balance		Beginning Balance	
	Rate according to Business Registration Certificate	Value	Rate according to Business Registration Certificate	Value
Investment in joint ventures and associates		28,134,609,114		15,904,790,933
KLW Vietnam Garment Joint Stock Company (*)	48 %	28,134,609,114	48 %	15,904,790,933
Held to maturity investment		20,000,000,000		20,000,000,000
Bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (**)		20,000,000,000		20,000,000,000
Total		48.134.609.114		35,904,790,933

(*) Capital contribution to KLW Vietnam Garment Joint Stock Company with the ownership ratio according to the Business Registration Certificate is 48% equivalent to 12,000,000 shares, worth VND 12,000,000,000. As of March 31, 2023, the Company has fully contributed VND 12,000,000,000. In the third quarter of 2024, KLW Garment Joint Stock Company increased its charter capital from existing shareholders to VND 25 billion. The Company has completed its obligation to contribute an Additional VND 12 billion. This investment is adjusted to be recorded under the equity method as follows:

	This time	Last year
Original cost of investment	24,000,000,000	12,000,000,000
Ownership ratio	48%	48%

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Increase/decrease in value of investment due to consolidation under equity method	<u>4,134,609,114</u>	<u>3,904,790,933</u>
Investment value at the end of the financial year	<u>28,134,609,114</u>	<u>15,904,790,933</u>

(**) This is the purchase of bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch according to the bond ownership certificate No. CTG2232T2/01-1269, issued from July 20, 2023 to July 20, 2033. The number of bonds is 200,000 with a value of VND 20,000,000,000. These bonds are being pledged for a loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch.

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Notes to the Consolidated Financial Statements(next)**3. Short-term trade receivables**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
<i>Receivable from related parties</i>	-	-
KLW Vietnam Garment Joint Stock Company	-	-
<i>Receivables from other customers</i>	331.965.842.691	384.435.061.207
Anh Vu International Economic Development Company Limited	122,040,453,329	145,361,586,949
Project Management Board of civil and industrial construction investment in Hanoi city	3,113,328,000	3,113,328,000
MK Vietnam Investment Joint Stock Company	10,471,661,043	9,219,488,843
An Thinh Phat Trading and Import Export Company Limited	193,869,500	193,869,500
Management Board of Investment Project for Construction of Cultural and Social Works of Hanoi City	871,902,000	840,402,000
Huy Hung Trading Company Limited	-	14,776,637,834
Bay Loi Trading Development Joint Stock Company	12,087,636,197	8,271,093,697
Branch of BCA - Thang Long Company Limited in Hai Phong	8,827,553,000	-
Other customers	174.359.439.622	202.658.654.384
Total	331.965.842.691	384.435.061.207

(*) In which, prepayments are provisioned, see Appendix No. 01

4. Short-term seller advance

	<u>Ending Balance</u>	<u>Beginning Balance</u>
<i>Prepay to other sellers</i>	37,778,965,499	13,547,258,566
HC Global Refrigeration Electrical Engineering Co., Ltd.	6,528,221,900	7,589,479,100
PENSEUR INDUSTRIES SDN BHD (587108-T)	10,722,138,217	-
Other suppliers	20,528,605,382	5,957,779,466
Total	37,778,965,499	13,547,258,566

(**) In which, prepayments are provisioned, see Appendix No. 01

5. Short-term loan receivable

	<u>Ending Balance</u>	<u>Beginning Balance</u>
<i>Receivable from related parties</i>	22,996,000,000	-
KLW Vietnam Garment Joint Stock Company	22,996,000,000	-
<i>Receivables from other organizations and individuals</i>	12,100,000,000	20,600,000,000
Bui Van Tu	5,000,000,000	5,000,000,000
Bui Le Hang	-	8,500,000,000
Ngo Thi My Nhat	2,500,000,000	2,500,000,000
Other loans	4,600,000,000	4,600,000,000
Total	35,096,000,000	20,600,000,000

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Notes to the Consolidated Financial Statements(next)**6. Other short-term receivables**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
<i>Receivable from related parties</i>	<i>854,459,014</i>	-
<i>KLW Vietnam Garment Joint Stock Company</i>	<i>854,459,014</i>	-
<i>Receivables from other organizations and individuals</i>	<i>16,884,774,995</i>	<i>5,151,625,759</i>
Advance	117,147,504	341,625,930
Bet, deposit	828,271,335	114,377,642
Interest receivable from bank savings deposits	14,843,694,643	4,603,826,407
Other short-term receivables	1,095,661,513	53,538,714
Total	17,739,234,009	5,151,625,759

7. Inventory

	<u>Ending Balance</u>		<u>Beginning Balance</u>	
	<u>Original price</u>	<u>Provision</u>	<u>Original price</u>	<u>Provision</u>
Purchased goods are on the way	19,549,757,422	-	25,137,921,055	-
Raw materials	206,833,818,710	-	187,010,305,587	-
Tools, instruments	524,098,880	-	413,884,400	-
Work in progress	1,929,572,825	-	3,120,673,425	-
Finished product	3,197,141,782	-	3,188,731,782	-
Goods	476,137,124,849	(4,172,261,674)	505,488,149,404	(3,170,431,397)
Goods sent for sale	18,975,581,066	-	16,041,992,697	-
Total	727,147,095,534	(4,172,261,674)	740,401,658,350	(3,170,431,397)

8. Short-term prepaid expenses**a) Short-term prepaid expenses**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
Office and warehouse rental costs	-	-
Cost of used equipment	196,387,303	538,426,341
Product conformity certification	25,141,220	68,928,566
Property insurance costs	47,542,250	130,344,474
Advertising signs, shelves and product display walls	1,170,182,477	3,208,237,296
Software maintenance costs, taxes, customs	103,156,150	282,818,631
Land tax, land rent	-	-
Electrical and Electronic Testing Costs	120,158,445	329,433,068
Advertising costs	31,919,676	87,512,756
Other prepaid expenses	284,039,134	778,737,471
Total	1,978,526,654	5,424,438,603

b) Long-term prepaid expenses

	<u>Year-end balance</u>	<u>Beginning Balance</u>
Tools and equipment	980,511,148	1,656,738,598
Prepaid land rental costs	434,803,587	734,673,835
Cost of making advertising signs	3,969,400,770	6,706,970,627
Repair and renovation costs	62,083,884	104,901,171
Property insurance costs	-	-

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	<u>Year-end balance</u>	<u>Beginning Balance</u>
Software purchase cost	25,908,262	43,776,369
Other prepaid expenses	62,124,908	104,970,488
Total	<u>5,534,832,560</u>	<u>9,352,031,088</u>

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9. Increase or decrease in tangible fixed assets

	Home, structure	Machines device	Vehicle transport, transmission	Device, management tools	Asset other fixed	Total
Original price						
Beginning Balance	108,766,281,270	35,995,505,597	22,522,185,333	9,027,813,725	872,454,963	177,184,240,888
Purchase during the period	-	697,127,200	2,080,839,966	-	-	2,777,967,166
Liquidation	-	-	(863,962,182)	-	-	(863,962,182)
Ending Balance	108,766,281,270	36,692,632,797	23,739,063,117	9,027,813,725	872,454,963	179,098,245,872
<i>In there:</i>						
Fully depreciated but still in use	6,717,274,967	28,752,666,444	5,623,372,909	456,123,780	554,263,076	42,103,701,176
Depreciation value						
Beginning Balance	33,708,846,683	29,241,713,203	15,980,417,841	1,044,050,380	766,888,363	80,741,916,470
Depreciation during the period	6,774,130,080	857,257,543	2,507,936,181	901,774,416	66,124,249	11,107,222,469
Liquidation	-	-	(863,962,182)	-	-	(863,962,182)
Ending Balance	40,482,976,763	30,098,970,746	17,624,391,840	1,945,824,796	833,012,612	90,985,176,757

Residual value

Beginning Balance	75,057,434,587	6,753,792,394	6,541,767,492	7,983,763,345	105,566,600	96,442,324,418
Ending Balance	68,283,304,507	6,593,662,051	6,114,671,277	7,081,988,929	39,442,351	88,113,069,115

+ Some assets with original price and remaining value of VND 69,905,398,839 and VND 17,139,048,515 respectively are being mortgaged at the Bank for Investment and Development of Vietnam - Hanoi Branch, including the entire factory serving the production of air conditioners.

+ Fixed assets are Mercedes car, license plate 30F-840.98 and Mercedes-Benz car, license plate 30F-798.91 with original price and remaining value of VND 3,305,978,182 and VND 823,433,436 respectively and Mercedes car, license plate 30G-381.66 with original price and remaining value of VND 3,799,952,727 and VND 1,585,016,133 respectively, being mortgaged at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch to secure the loan limit of Nagakawa Group Joint Stock Company.

+ Fixed assets are Fortune - 88A 08438 vehicles with original price and remaining value of 958,627,273 VND respectively and fully depreciated, currently mortgaged at Joint Stock Commercial Bank for Investment and Development of Vietnam- Hanoi branch to guarantee the loan limit of Nagakawa Technical Investment and Development Joint Stock Company

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Notes to the Consolidated Financial Statements(next)**10. Increase or decrease of intangible fixed assets**

	Land use rights (*)	Computer software	Total
Original price			
Beginning Balance	4,614,795,919	3,372,212,600	7,987,008,519
Purchased during the year	-	700,000,000	700,000,000
Ending Balance	4,614,795,919	4,072,212,600	8,687,008,519
<i>In there:</i>			
Fully depreciated but still in use	-	133,962,600	133,962,600
Depreciation value			
Beginning Balance	-	1,621,856,231	1,621,856,231
Depreciation during the period	-	569,013,341	569,013,341
Ending Balance	-	2,190,869,572	2,190,869,572
Residual value			
Beginning Balance	4,614,795,919	1,750,356,369	6,365,152,288
Ending Balance	4,614,795,919	1,881,343,028	6,496,138,947

Long-term land use rights, house ownership rights and other assets attached to the land of public works in Trung Nghia Residential Area, Hoa Minh Ward, Liem Chieu District, Da Nang according to land plot No. 125, map sheet No. 101 according to Issue No. BG 952425; Certificate of Land Use Right Registration No. CT09311 issued by Da Nang City People's Committee on November 16, 2011. Original price 4,614,795,919 VND is being mortgaged at Asia Commercial Joint Stock Bank - Da Nang branch.

11. Cost of unfinished basic construction

	Beginning Balance	Costs incurred during the year	Transferred to fixed assets during the year	Year-end balance
Fixed asset purchases	573,780,000	319,453,886	(700,000,000)	193,233,886
NAHT Asset Purchase		39,453,886		39,453,886
Cost of making advertising films, brand recognition	153,780,000			153,780,000
Warranty management software	420,000,000	280,000,000	(700,000,000)	-
Construction in progress	40,000,000	668,696,548	(310,127,200)	398,569,348
Building chemical prevention measures	40,000,000	-		40,000,000
NAHT machinery and equipment		668,696,548	(310,127,200)	358,569,348
Total	613,780,000	988,150,434	(1,010,127,200)	591,803,234

12. Commercial advantage

Goodwill is amortized on a straight-line basis over 10 years.

	This time	Last year
Beginning Balance	23,178,234,895	26,450,456,292
Goodwill arising during the year	-	-
Allocate goodwill to expenses	(3,272,221,397)	(3,272,221,397)

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	<u>This time</u>	<u>Last year</u>
Total	<u>19,906,013,498</u>	<u>23,178,234,895</u>

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	Ending Balance	Beginning Balance
<i>Payable to other suppliers</i>	77,671,608,545	136,596,419,806
Minh Long Electronic Equipment Manufacturing and Trading Company Limited	1,500,000,000	5,661,458,850
TCL Air Conditioner (Zhongshan) Co., LTD.	4,613,360,805	2,673,819,405
CJ Century Technology SDN.BHD	18,919,436,481	6,208,657,674
Nanjing TICA Climate Solutions Co., Ltd	169,294,538	-
NINGBO AUX ELECTRIC CO., LTD (Naga - USD)	11,233,249,816	3,222,933,950
Other suppliers	41,236,266,905	118,829,549,927
Total	77,671,608,545	136,596,419,806

14. Short-term advance payment from buyer

	Ending Balance	Beginning Balance
<i>Advance payments from related parties</i>	3,385,166,449	1,038,468,411
KLW Vietnam Garment Joint Stock Company	3,385,166,449	1,038,468,411
<i>Prepayments from other customers</i>	10,175,560,174	36,324,527,566
Hai Ba Trung District Construction Investment Project Management Board	-	1,037,061,000
Cao Technical Consulting and Trading Company Limited	-	2,109,790,444
Other customers	10,175,560,174	33,177,676,122
Total	13,560,726,623	37,362,995,977

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	Beginning Balance		Number of occurrences during the period		Ending Balance	
	Must Pay	Receivables	Amount payable	Amount paid	Must Pay	Receivables
VAT on domestic sales	2,811,350,564		5,300,166,618	-	8,111,517,182	
VAT on imported goods	2,640,800,058		110,794,068,629	113,434,868,687	-	-
Special consumption tax	2,580,874,452		103,876,525,501	104,799,038,828	1,658,361,125	-
Import and export tax	-	1,344,099	33,280,204,850	33,278,860,751	-	-
Corporate income tax	8,955,489,656	39,362,949	9,049,510,922	10,241,756,001	7,763,244,577	39,362,949
Personal income tax	1,052,970,479		1,733,956,918	2,462,384,500	324,542,897	-
Land rent	-		660,773,930	662,488,772	-	1,714,842
Environmental protection tax			67,464,604	53,797,937	13,666,667	
Other taxes	431,059,554		85,335,071	163,003,795	353,390,830	
Total	18,472,544,763	40,707,048	264,848,007,043	265,096,199,271	18,224,723,278	41,077,791

Value-Added Tax

The company pays Value-Added Tax by the deduction method at a rate of 10%.

Import and export tax

The company declares and pays according to the Customs notice.

Special consumption tax

The company must pay special consumption tax on air conditioner business activities under 90,000 BTU at a tax rate of 10%.

Corporate income tax

The company must pay corporate income tax on taxable income at a rate of 20%.

Real estate tax

Land rent is paid according to the notice of the tax authority.

Other taxes

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The company declares and pays according to regulations.

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	Ending Balance	Beginning Balance
Interest expense payable	4,777,962,856	3,040,185,790
Sales discounts, promotions	2,407,500,000	225,219,010
Other short-term payable expenses	49,033,967	19,374,159
Total	7,234,496,823	3,284,778,959

17. Other short-term payables

	Ending Balance	Beginning Balance
<i>Payable to related parties</i>	<i>129,782,821</i>	<i>382,931</i>
KLW Vietnam Garment Joint Stock Company - Interest payable	129,782,821	382,931
<i>Payable to other entities and individuals</i>	<i>3,191,112,769</i>	<i>2,610,259,894</i>
Union dues	787,155,182	641,827,260
Dividends, profits payable	1,875,577,268	1,875,577,268
Other short-term payables	528,380,319	92,855,366
Total	3,320,895,590	2,610,642,825

18. Short-term loans and finance leases

	Ending Balance		Beginning Balance	
	Value	Ability to pay debt	Value	Ability to pay debt
<i>Short-term borrowings and finance lease liabilities payable to related parties</i>	-	-	6,002,000,000	6,002,000,000
KLW Vietnam Garment Joint Stock Company	-	-	6,002,000,000	6,002,000,000
<i>Short-term loans and financial leases payable to other organizations and individuals</i>	<i>1,137,306,992,519</i>	<i>1,137,306,992,519</i>	<i>974,282,289,358</i>	<i>974,282,289,358</i>
Short term bank loans				
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch (1)	385,276,762,665	385,276,762,665	387,313,009,352	387,313,009,352
Military Commercial Joint Stock Bank - Dien Bien Phu Branch (2)	79,963,217,714	79,963,217,714	79,739,506,428	79,739,506,428
Joint Stock Commercial Bank for Investment and Development - Hanoi Branch (3)	306,424,549,728	306,424,549,728	382,088,494,422	382,088,494,422
Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch	-	-	17,656,192,000	17,656,192,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch	-	-	33,745,501,839	33,745,501,839
Asia Commercial Joint Stock Bank - Da Nang Branch	-	-	7,000,000,000	7,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch	-	-	14,290,287,384	14,290,287,384
Vietnam International Commercial Joint Stock Bank - Dong Da Branch (4)	76,988,376,825	76,988,376,825	49,869,597,933	49,869,597,933

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KASIKORNBANK – HCM BRANCH (5)	187.337.034.666	187.337.034.666	-	-
VIETNAM EXPORT IMPORT				
COMMERCIAL JOINT STOCK BANK				
(6)	99.917.050.921	99.917.050.921	-	-
Short-term loans from individuals				
Mrs. Bui Le Hang	1,400,000,000	1,400,000,000	2,579,700,000	2,579,700,000
Total	1,137,306,992,519	1,137,306,992,519	980.284.289.358	980.284.289.358

(1) Is a loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Thanh An Branch under the loan limit contract No. 0103/2024-HDCVHM/NHCT320-NAG with the total outstanding loan balance and guaranteed balance, L/C issued at any time not exceeding VND 400,000,000,000. The limit maintenance period is 12 months from the date of signing the contract. The loan term of each debt is not more than 07 months. The purpose of the loan is to supplement working capital for production and business activities. The loan interest rate is specified on each debt receipt. The loan contract is secured by:

+ Land use rights at plot number 46, map sheet 20 in Lien Phuong Commune, Tien Lu District, Hung Yen Province according to Land Use Rights Certificate No. V930401 owned by Mr. Nguyen Manh Cuong and Ms. Nguyen Thi Huyen Thuong according to property mortgage contract No. 50/2018/HDBĐ/NHCT320-NAG-HungYen signed on June 18, 2018.

+ House ownership rights and Land use rights at number 10111071095, Original file number 6586 2003 2640. 203. Decision issued by Hanoi People's Committee on May 14, 2002 to Ms. Dao Thi Soi and Mr. Nguyen Duc Kha according to Decision No. 02/2019/HDBĐ/NHCT320-NAG dated December 3, 2019.

+ Land use rights for plot No. 99, map sheet No. 16 at Dai Kim Ward, Hoang Mai District, Hanoi City according to land use rights certificate No. AD537451, GCN number: 01674-2144 QD-UB issued by the People's Committee of Hoang Mai District, Hanoi City on December 21, 2005 to Mr. Do Quach Cuong. On April 17, 2015, the Hoang Mai District Land Use Rights Registration Office confirmed the transfer to Mr. Nguyen Duc Kha and Ms. Dao Thi Soi according to file No. 1181 dated April 14, 2015 according to mortgage contract No. 02/2020/HDBĐ/NHCT320-NAG dated November 2, 2020.

+ Bonds of Vietnam Joint Stock Commercial Bank for Industry and Trade issued by Vietnam Joint Stock Commercial Bank for Industry and Trade, bond code: CTG2232T2/01 with total bond value of VND 20,000,000,000 according to Bond mortgage contract No.: 2007/2023/HDBĐ/NHCT320-TP-NAGAKAWA dated July 20, 2023.

+ Shares of Nagakawa Group Joint Stock Company according to the valuable papers mortgage contract No. 02/2021/HDBĐ/NHCT/320-NAG dated February 25, 2021.

+ Machinery and equipment owned by KLV Vietnam Garment Joint Stock Company under real estate mortgage contract No. 2804/2021/HDBĐ/NHCT320-MAYMOCKLW dated April 28, 2021.

+ Mercedes car, license plate 30G-381.66, owned by Nagakawa Group Joint Stock Company, Hanoi Branch under mortgage contract No. 0309/2020/HDBĐ/NHCT320-NAGAKAWA signed on October 19, 2020.

+ The entire circulating inventory owned by Nagakawa Group Joint Stock Company is valued at VND 60,000,000,000 according to the minutes of collateral valuation dated January 30, 2018 and the goods mortgage contract No. 01/2018/HDTC/NHCT320-NAG-HTK signed on February 6, 2018. According to the document amending and supplementing the goods mortgage contract No. 01/2020/HDBĐ/NHCT320-NAG-HTK dated January 21, 2020, the parties agreed to value the mortgaged assets at VND 101,508,541,889.

+ Land use rights, house ownership rights and other assets attached to land No. DE 216785, Certificate of Land Use Right No. CS 31027 issued by the Department of Natural Resources and Environment of Hanoi City on June 11, 2022, owned by Mr. Nguyen Manh Cuong and Ms. Nguyen

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Thi Huyen Thuong according to Property Mortgage Contract No. 06/2022/HDBĐ/NHCT320-CANHOR1 signed on July 6, 2022. The value of the mortgaged assets is VND 8,815,000,000.

+ Land use rights and assets attached to the land at address No. 5, Alley 105, Xa Dan 2 Lane, Nam Dong Ward, Dong Da District, Hanoi according to the Certificate of House Ownership and Land Use Rights No. 3835/2009/QĐ-08 issued by Dong Da District People's Committee on November 10, 2009; owners: Mr. Nguyen Manh Cuong and Ms. Nguyen Thi Huyen Thuong

+ Real estate at: Plot 125, TBĐ 101, Public construction land in Trung Nghia Residential Area, Hoa Minh Ward, Lien Chieu District, Da Nang City, worth 8,199,200,000 VND.

+ Term deposit contract at Vietnam Joint Stock Commercial Bank for Industry and Trade with a total value of VND 94,420,546,000 is being mortgaged at the bank.

(2) Is a loan from the Military Commercial Joint Stock Bank - Dien Bien Phu Branch under the credit limit contract No. 198467.24.051.879737.TD dated April 1, 2024 with a credit limit value of 130 billion: loan limit of 80 billion, payment guarantee limit of 20 billion, guarantee limit outside payment guarantee of 50 billion, L/C issuance limit: 50 billion. Credit limit for: Total limit of limits is 80 billion; loan limit, payment guarantee for the field of importing components/equipment for assembly is up to 30 billion. The limit is granted until April 20, 2024 from the date of signing the contract, the loan term is stated on the debt receipt but not exceeding 7 months. The purpose of the loan is to supplement working capital for production and business activities of refrigeration, household electrical appliances, and kitchen equipment of customers. Interest rate, interest rate adjustment date, interest rate adjustment period according to the debt acknowledgment document of the Bank. Collateral includes:

+ Real estate according to Land Use Right Certificate No. AI 272273 issued by Hoang Mai District People's Committee on September 18, 2007 to Ms. Dao Thi Soi.

+ Debt claim rights are formed from Payment Requests, Debt Reconciliation Confirmation Minutes; Specific VAT Invoices according to Mortgage Contract No. 126540.23.051.879737.BD dated April 7, 2023.

+ Term deposit contract at Military Commercial Joint Stock Bank - Thang Long Branch - Le Trong Tan Transaction Office with a total value of 29,800,000,000 VND is being mortgaged at the bank.

(3) Is a loan from the Bank for Investment and Development of Vietnam - Hanoi Branch under credit limit contract No. 01/2024/367653/HDTĐ dated September 15, 2024, the total credit limit at any time does not exceed 400 billion VND, the limit includes all outstanding short-term loans under contract No. 01/2022/367653/HDTĐ dated August 30, 2022, the limit term is 12 months from the date of signing the contract, the loan interest rate is specifically stated in each debt acknowledgment contract, the overdue interest rate is 150% of the interest rate in the term. The loan principal is paid in full on the end date of the loan term according to each debt acknowledgment contract. The loan contract is secured by:

+ Real estate No. HD03-16, Vinhomes Riverside 2 Ecological Urban Area, Phuc Dong Ward, Long Bien District, Hanoi City according to the Certificate of Land Use Rights, House Ownership Rights and Other Assets Attached to Land No. CT274326, Certificate issuance registration number: CT-DA 00886 issued by the Department of Natural Resources and Environment of Hanoi City on August 30, 2019, owned by Anh Vu International Economic Development Company Limited (according to mortgage contract No. 02/2019//367653/HDBĐ dated September 18, 2019).

+ The entire factory on land plot No. 340, map sheet No. 26, Phuc Thang ward, Phuc Yen, Vinh Phuc is owned by the Company according to real estate mortgage contract No. 03/2019/367653/HDBĐ dated November 18, 2019.

+ Shares of Nagakawa Group Joint Stock Company owned by Mr. Nguyen Duc Kha according to Mortgage Contract No. 02/2020/367653/HDBĐ dated June 30, 2020.

+ Mortgage the entire factory at land plot No. 288, map sheet No. 10, Vinh Khuc Commune, Van Giang District, Hung Yen Province owned by Viet Phuc Hung Yen Joint Stock Company according to mortgage contract of assets attached to land No. 01/2021/367653/HDBĐ dated May 26, 2021.

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- + Term deposit contract at Vietnam Joint Stock Commercial Bank for Investment and Development - Hanoi Branch with a total value of VND 20,000,000,000 is being mortgaged at the bank.
- + Term deposit contract at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hanoi Branch with a total value of 4,000,000,000 VND is being mortgaged at the bank.

(4) Is a loan from Viet International Commercial Joint Stock Bank - Dong Da Vietnam Branch under contract No. 7256129.24 dated March 7, 2024 with a credit limit not exceeding VND 80,000,000,000. The credit term is 12 months from the effective date of the contract. The loan term of each debt is not more than 07 months. The purpose of the loan is to supplement working capital for business activities of air conditioners, air conditioner components, kitchen equipment, and household appliances. The loan contract is secured by:

- + Mortgage receivables formed from Nagakawa Joint Stock Company in Ho Chi Minh City and Anh Vu International Economic Joint Stock Company worth 46 billion VND.
- + Term deposit contract at Vietnam International Commercial Joint Stock Bank - Dong Da Branch with a total value of 25,000,000,000 VND is being mortgaged at the bank.

(5) Is a loan from Kasikornbank Public Bank Limited - Ho Chi Minh City Branch under contract No. 143/2023/FA.01 dated December 27, 2023 with a credit limit not exceeding VND 200,000,000,000. The credit term is 12 months from the effective date of the contract. The loan term of each debt is not more than 03 months. The purpose of the loan is to supplement working capital for business activities of air conditioners, air conditioner components, kitchen equipment, and household appliances. The loan contract is secured by:

- + Term deposit contract at Kasikornbank Public Bank Limited - Ho Chi Minh City Branch with a total value of 70,000,000,000 VND is being mortgaged at the bank.

(6) This is a loan from Vietnam Joint Stock Commercial Bank for Industry and Trade under contract No. 1703LAV240112981 dated October 10, 2024 with a credit limit of VND 200 billion. The contract term is 12 months from the date of signing. The loan term is not more than 06 months, the purpose of the loan is to supplement working capital for production and business activities. The collateral is term deposit contracts at the Bank.

Details of short-term loans and finance leases are as follows:

	Beginning Balance	Amount of loan incurred during the period	Loan amount paid during the period	Ending Balance
Short term bank loans	971.702.589.358	2,608,158,927,093	(2,443,954,523,932)	1,135,906,992,519
Related party short-term loans	6,002,000,000	5,000,000,000	(11,002,000,000)	-
Short-term loans from individuals	2,579,700,000	2,910,000,000	(4,089,700,000)	1,400,000,000
Total	980.284.289.358	2,616,068,927,093	(2,459,046,223,932)	1,137,306,992,519

19. Provision for short-term payables

	Beginning Balance	Increase due to provision during the period	Number used during the period	Amount of reversal during the period	Year-end balance
Product and goods warranty reserve	3,661,552,972	4,662,969,568	(7,768,090,720)	-	556,431,820
Construction warranty reserve	-	-	-	-	-

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Total	3,661,552,972	4,662,969,568	(7,768,090,720)	-	556,431,820
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20. Welfare reward fund

	Beginning Balance	Increase due to provision from profit	Fund disbursement during the period	Ending Balance
Reward Fund	666,514,771	251,501,486	-	918.016.257
Welfare fund	238,669,786	251,501,486	(104,344,908)	385,826,364
Total	905.184.557	503,002,972	(104,344,908)	1,303,842,621

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	Owner's equity	Capital surplus	Treasury stock	Development investment fund	Undistributed profit after tax	Non-Controlling Shareholder Interests	Total
Last year's opening number	316,465,410,000	5,348,010,000	(20,000)	7,113,479,352	45,741,564,871	19,119,327,544	393,787,771,767
Cash dividend	-	-	-	-	-	(902,588,662)	(902,588,662)
Issue shares for cash	-	-	-	-	(15,823,269,500)	-	(15,823,269,500)
Profit in the previous year	-	-	-	-	24,455,277,556	694,871,033	25,150,148,589
Fund allocation	-	-	-	1,456,794,595	(2,007,773,052)	(19,837,114)	(570,815,571)
Last year ending balance	316,465,410,000	5,348,010,000	(20,000)	8,570,273,947	52,365,799,875	18,891,772,801	401,641,246,623
Beginning balance of this year	316,465,410,000	5,348,010,000	(20,000)	8,570,273,947	52,365,799,875	18,891,772,801	401,641,246,623
Minority shareholders contribute capital	-	-	-	-	-	900,000,000	900,000,000
Stock dividend	25,312,280,000	-	-	-	(25,312,280,000)	-	-
Profit for this period	-	-	-	-	27,785,011,819	19,452,938	27,804,464,757
Fund allocation	-	-	-	1,257,507,429	(1,760,510,401)	-	(503,002,972)
Closing balance	341,777,690,000	5,348,010,000	(20,000)	9,827,781,376	53,078,021,293	19,811,225,739	429,842,708,408

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	<u>Ending Balance</u>	<u>Beginning Balance</u>
Number of shares registered for issuance	34,177,769	31,646,541
Number of shares issued/sold to the public	34,177,769	31,646,541
- <i>Common stock</i>	34,177,769	31,646,541
Number of shares bought back	(2)	(2)
- <i>Common stock</i>	(2)	(2)
Number of shares outstanding	34,177,767	31,646,539
- <i>Common stock</i>	34,177,767	31,646,539

Outstanding shares face value: 10,000 VND.

22. Items off the interim consolidated balance sheet**a, Foreign currencies of all kinds**

	<u>Ending Balance</u>	<u>Beginning Balance</u>
US Dollar (USD)	390.24	390.24

b, Bad debt has been handled

Object	<u>Ending Balance</u>	<u>Beginning Balance</u>	<u>Reason for deletion</u>
Tien Phong Newspaper Editorial Office	47,723,000	47,723,000	Overdue for too long, no possibility of recovery
Thuan An Company	525,607,000	525,607,000	Overdue for too long, no possibility of recovery
Phu Tai Private Enterprise	283,250,000	283,250,000	Overdue for too long, no possibility of recovery
Nhat Anh Store	125,087,382	125,087,382	Overdue for too long, no possibility of recovery
Zhe Jiang Phidas Electric Appliance Manu Company	104,612,027	104,612,027	Overdue for too long, no possibility of recovery
Trang An Trading Technology Joint Stock Company	30,000,000	30,000,000	Overdue for too long, no possibility of recovery
Total	<u>1,116,279,409</u>	<u>1,116,279,409</u>	

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	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Total revenue	2,742,903,014,413	2,140,625,746,499
<i>Revenue from sales of goods and finished products</i>	2,722,274,481,700	2,132,693,094,468
<i>Service revenue</i>	20,628,532,713	7,932,652,031
Revenue deductions:	(20,533,806,823)	(22,490,122,188)
<i>Trade discount</i>	(11,965,494,724)	(9,863,358,017)
<i>Returned goods</i>	(8,568,312,099)	(12,626,764,171)
Net revenue	2,722,369,207,590	2,118,135,624,311
<i>In there:</i>	-	-
<i>Net revenue from sales of goods and finished products</i>	2,701,740,674,877	2,110,202,972,280
<i>Net revenue from providing services</i>	20,628,532,713	7,932,652,031

b, Net revenue from sales and service provision for stakeholders

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
KLW Vietnam Garment Joint Stock Company	4,689,520,364	4,689,520,364
Total	4,689,520,364	4,689,520,364

2. Cost of goods sold

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Cost of finished products and goods sold	2,428,970,199,126	1,808,597,431,166
Cost of services provided	9,832,902,586	5,301,994,629
Provision/(Reversal) of provision for inventory write-down	(1,001,830,277)	(4,169,301,132)
Total	2,437,801,271,435	1,809,730,124,663

3. Financial revenue

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Interest on deposits and loans	25,600,316,781	13,835,267,916
Exchange rate difference profit	2,976,061,734	2,099,699,013
Revaluation difference	1,153,261,602	
Total	29,729,640,117	15,934,966,929

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	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Interest expense	66,485,256,716	75,384,010,583
Payment discount for buyers	10,341,881,902	3,098,969,331
Exchange rate difference loss incurred	3,418,595,627	3,034,414,486
Revaluation exchange loss	-	406,401,833
Other	-	3,450,000
Total	80,245,734,245	81,927,246,233

5. Cost of sales

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Employee costs	31,570,661,680	33,448,271,162
Cost of materials and packaging	101,492,000	62,033,771
Cost of tools and supplies	982,629,909	1,172,473,998
Fixed asset depreciation costs	3,260,720,486	3,431,867,771
Warranty costs	6,370,239,914	6,086,196,020
Outsourcing service costs	104,251,708,355	121,711,571,078
Other costs	12,042,618,275	11,814,851,197
Total	158,580,070,619	177,727,264,997

6. Business management costs

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Employee costs	23,365,749,344	27,183,990,884
Material cost management	207,467,158	236,869,889
Office supplies costs	567,408,911	870,123,894
Fixed asset depreciation costs	3,035,138,842	2,251,517,634
Taxes, fees and charges	24,713,544	49,933,333
Commercial advantage	3,272,221,397	3,272,221,397
Outsourcing service costs	2,339,210,996	7,241,291,540
Provision/reversal of doubtful debts	11,999,941	(597,721)
Other costs	5,091,882,899	7,755,732,440
Total	37,915,793,032	48,861,083,290

7. Other income

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Profit from liquidation and sale of fixed assets	136,363,636	5,149,676,909
Suppliers support market development	-	5,001,236,966
Penalty for breach of contract	12,453,500	
Insurance claim collection	83,552,868	

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	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Sponsorship	-	7,322,492,371
Other income	871,031,429	274,528,962
Total	1,103,401,433	17,747,935,208

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	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Penalty for breach of contract	13,412,737	196,980,000
Tax fines, tax arrears	1,846,798,383	610,219,572
Other costs	534,629,644	943,400,907
Total	2,394,840,764	1,750,600,479

9. Current corporate income tax expense

Corporate income tax payable for the period is estimated as follows:

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Total accounting profit before tax	36,494,357,226	32,031,665,068
Adjustments to increase or decrease accounting profit to determine profit subject to corporate income tax:		
- Increase adjustments	10,813,806,576	16,730,042,145
<i>Cars with original price over 1.6 billion VND</i>	384,321,816	384,321,816
<i>Unreasonable expenses</i>	2,225,592,421	461,902,171
<i>Losses are settled separately by subsidiaries.</i>	731,884,015	
<i>Remuneration of non-directly operating Board of Directors and Supervisory Board</i>	640,633,302	310,000,000
<i>Tax arrears penalties</i>	-	607,309,253
<i>Commercial advantage</i>	3,272,221,397	3,272,221,397
<i>Losses arising from the merger</i>	3,559,153,625	11,694,287,508
- Adjustments for reduction	-	-
<i>Interest arising during the consolidation</i>		
Taxable income	47,308,163,802	48,761,707,213
Losses from previous years are carried forward.	(4,478,147,125)	(3,386,382,468)
Taxable income	42,830,016,677	45,375,324,745
Corporate income tax rate	20%	20%
Corporate income tax payable	8,566,003,334	9,075,064,949
Corporate income tax of previous years	127,913,216	187,200,689
Total Corporate Income Tax Payable	8,693,916,550	9,262,265,638

Basic earnings per share

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Accounting profit after corporate income tax	27,785,011,819	24,455,277,556
Adjustments to increase or decrease accounting profit to determine profit attributable to common stockholders:		
- Deduction from reward and welfare fund (*)	(555,700,236)	(489,105,551)
Earnings per share	27,229,311,583	23,966,172,005

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	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Weighted average number of common shares outstanding during the period	31,930,871	31,930,871
Basic earnings per share	853	751

(*) The amount allocated to the bonus and welfare fund in this period is estimated at 2% of after-tax profit.

Average common shares outstanding during the period is calculated as follows:

	Accumulated from the beginning of the year to the end of this period	
	This year	Last year
Common shares outstanding at the beginning of the year	31,646,541	31,646,541
Effect of Additional common stock issued from earnings	284,330	284,330
Average common shares outstanding during the period	31,930,871	31,930,871

VII. OTHER INFORMATION**1. Information about related parties****A, Transactions with other related parties**

Other related parties to the Company include: subsidiaries, associates, jointly controlled entities, individuals with direct or indirect voting power in the Company and close members of their families, enterprises managed by key management personnel and individuals with direct or indirect voting power in the Company and close members of their families.

Other related parties to the Company include:

Other related parties	Relationship
KLW Vietnam Garment Joint Stock Company	Affiliated companies

The main transactions during the year between the Company and other related parties are as follows:

	Accumulated from the beginning of the year to the end of this period
	This year
KLW Vietnam Garment Joint Stock Company	
Receivables from sales of goods, finished products, warehouse rental	10,286,301,962
Collect money from selling goods, finished products, warehouse rental	12,633,000,000
Get a loan	5,000,000,000
Loan repayment	11,002,000,000
Loan	46,296,000,000
Loan collection	23,300,000,000
Loan interest	854.459.014

At the end of the accounting period, the liabilities with other related parties are presented in notes V.3; V.4; V.16; V.17; V.20; V.21; .

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2. Department information

Segment information is presented by geographical area. Segment reporting is primarily by geographical area based on the Company's internal organizational and management structure and internal financial reporting system.

Geographical area

The Company's operations are mainly distributed in the Northern region, the Central region and the Southern region.

Information on the operating results, fixed assets and other long-term assets and the value of major non-cash expenses of the segment by geographical area based on the location of the Company's customers is as follows:

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	Area		Area		The items exclude	Total
	North	Central region	Southern			
This year						
Net revenue from sales and services to outside	1,979,580,558,311	113,388,985,714	629,399,663,565	-	-	2,722,369,207,590
Net sales and service revenue between segments	1,842,729,304,924	4,791,026,048	20,195,433,512	(1,867,715,764,484)	(1,867,715,764,484)	-
Total net revenue from sales and services	3,822,309,863,235	118,180,011,762	649,595,097,077	(1,867,715,764,484)	(1,867,715,764,484)	2,722,369,207,590
Component cost	(3,589,375,706,406)	(110,564,159,137)	(592,658,253,873)	1,854,796,847,981	(2,437,801,271,435)	
Business results by division	232,934,156,829	7,615,852,625	56,936,843,204	(12,918,916,503)	284,567,936,155	
Costs not allocated by department					(196,495,863,651)	
Profit from business activities					88,072,072,504	
Financial revenue					29,729,640,117	
Financial costs					(80,245,734,245)	
Profit or loss in joint venture or associate					229,818,181	
Other income					1,103,401,433	
Other costs					(2,394,840,764)	
Current corporate income tax expense					(8,693,916,550)	
Deferred corporate income tax expense					4,024,081	
Profit after corporate income tax					27,804,464,757	

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Segment assets and liabilities by geographic area based on the location of the Company's customers as follows:

	Area North	Area Central region	Area Southern	The items exclude	Total
Ending Balance					
Direct assets of the department	2,275,235,961,150	26,797,283,673	116,375,328,525	(703,051,944,637)	1,715,356,628,711
Total assets					<u><u>1,715,356,628,711</u></u>
Direct liabilities of the department	1,688,051,073,306	26,623,866,337	123,801,786,831	(552,962,806,171)	1,285,513,920,303
Total liabilities					<u><u>1,285,513,920,303</u></u>
Beginning Balance					
Direct assets of the department	2,017,529,833,094	30,624,847,060	83,218,188,029	(540,381,538,810)	1,590,991,329,373
Total assets					<u><u>1,590,991,329,373</u></u>
Direct liabilities of the department	1,461,995,610,850	30,489,641,231	90,971,986,874	(394,107,156,205)	1,189,350,082,750
Total liabilities					<u><u>1,189,350,082,750</u></u>

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3. Financial Risk Management

The Company's operations expose it to the following financial risks: credit risk, liquidity risk and market risk. The Board of Directors is responsible for establishing policies and controls to minimize financial risks as well as monitoring the implementation of applied policies and controls.

A, Credit risk

Credit risk is the risk that a party to a contract is unable to fulfill its obligations, resulting in a financial loss to the Company.

The Company is exposed to credit risks primarily from its trade receivables, bank deposits and loans.

Accounts receivable

The company minimizes credit risk by only dealing with financially sound entities, requiring letters of credit or collateral for first-time entities or entities with no known financial capacity. In totalition, accounts receivable staff regularly monitor receivables to urge collection.

The Company's trade receivables are related to many entities and individuals, so the concentration of credit risk for trade receivables is low.

Bank deposit

The Company's term and non-term bank deposits are held in well-known banks in Vietnam, so the credit risk for bank deposits is low.

Loans

The Company lends money to its subsidiaries and key management members. These entities and individuals are all reputable and have good payment capacity, so the credit risk for the loans is low.

B, Liquidity risk

Liquidity risk is the risk that the Company will have difficulty meeting its financial obligations due to lack of funds.

The Company's liquidity risk arises mainly from the fact that its financial assets and financial liabilities have different maturities.

The Company manages liquidity risk through the following measures: regularly monitoring current and expected future payment requirements to maintain an appropriate amount of cash and loans, monitoring actual and expected cash flows to minimize the impact of fluctuations in cash flows. (presentation of liquidity risk management policy)

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The maturity of non-derivative financial liabilities (excluding interest payable) based on contractual maturity and undiscounted are as follows:

	From 1 year back down	Over 1 year to 5 years	Over 5 years	Total
Ending Balance				
Loans and Debts	1,137,306,992,519	-	-	1,137,306,992,519
Payable to seller	77,671,608,545	20,773,881,277	-	98,445,489,822
Other payables	15,388,075,050	-	-	15,388,075,050
Total	1,230,366,676,114	20,773,881,277	-	1,251,140,557,391
Beginning Balance				
Loans and Debts	980,284,289,358	-	-	980,284,289,358
Payable to seller	136,596,419,806	-	-	136,596,419,806
Other payables	14,233,309,695	-	-	14,233,309,695
Total	1,131,114,018,859	-	-	1,131,114,018,859

The Board of Directors considers that the risk of default is low. The Company is able to meet its debt obligations as they fall due from cash flows from operations and proceeds from maturing financial assets. The Company has access to sufficient sources of funding and loans maturing within 12 months can be rolled over with existing lenders.

C, Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

Market risks related to the Company's operations include: foreign currency risk, interest rate risk, stock price risk and commodity/raw material price risk.

Foreign exchange risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The company imports raw materials for production and exports products with the main transaction currencies being USD and EUR, so it is affected by fluctuations in exchange rates.

The Company manages risks related to exchange rate fluctuations by optimizing debt payment terms, forecasting foreign exchange rates, maintaining a reasonable loan and debt structure between foreign currencies and VND, choosing the time to buy and pay foreign currencies at low exchange rates, and optimally using existing cash resources to balance exchange rate risks and liquidity risks.

Commodity/raw material price risk

The Company is exposed to the risk of fluctuations in commodity/raw material prices. The Company manages its commodity/raw material price risk by closely monitoring relevant market information and situations to appropriately manage the timing of purchases, production plans and inventory levels.

The Company has not used derivative instruments to hedge against commodity/raw material price risks.

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Notes to the Consolidated Financial Statements(next)**4. Fair value of financial assets and liabilities**

	Book value		Fair value	
	Ending Balance	Beginning Balance	Ending Balance	Beginning Balance
Financial assets				
Cash and cash equivalents	141,254,547,544	46,548,089,328	141,254,547,544	46,548,089,328
Held to maturity investments	276,625,754,419	218,663,624,959	276,625,754,419	218,663,624,959
Accounts receivable	331.965.842.691	384.435.061.207	331.965.842.691	384.435.061.207
Loans	35,096,000,000	20,600,000,000	35,096,000,000	20,600,000,000
Other receivables	19,906,385,535	7,432,786,579	19,906,385,535	7,432,786,579
Financial assets available for sale	28,134,609,114	15,904,790,933	28,134,609,114	15,904,790,933
Total	832.983.139.303	693.584.353.006	832.983.139.303	693.584.353.006
Financial liabilities				
Loans and Debts	1,137,306,992,519	980.284.289.358	1,137,306,992,519	980.284.289.358
Payable to seller	77,671,608,545	136,596,419,806	77,671,608,545	136,596,419,806
Other payables	15,388,075,050	14,233,309,695	15,388,075,050	14,233,309,695
Total	1,230,366,676,114	1,131,114,018,859	1,230,366,676,114	1,131,114,018,859

The fair value of financial assets and financial liabilities is included at the amount at which they could be exchanged in a current transaction between knowledgeable, willing parties.

The Company uses the following methods and assumptions to estimate the fair value of its financial assets and financial liabilities:

- The fair value of cash and cash equivalents, trade receivables, loans, other receivables, borrowings, trade payables and other short-term payables is equivalent to the book value (net of provisions for estimated uncollectibility) of these items due to their short maturity.
- The fair value of held-to-maturity investments and available-for-sale financial assets listed on the stock exchange is the published transaction price at the end of the accounting period. For unlisted held-to-maturity investments and available-for-sale financial assets with transaction prices published by 3 securities companies at the end of the accounting period, the fair value of these investments is the average price based on the transaction prices published by 3 securities companies.
- The fair value of loans, trade receivables, other receivables, borrowings, trade payables and other long-term payables, held-to-maturity investments that are not listed on the stock market and do not have a trading price announced by 3 securities companies is estimated by discounting cash flows at the interest rate applicable to debts with similar characteristics and remaining maturity.

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The Company has not yet conducted an official valuation of unlisted available-for-sale financial assets and there are no published trading prices of the three securities companies. However, the Board of Directors assesses that the fair value of these financial assets is not materially different from the carrying value.

Established on January 24, 2025

Prepared by



Truong Binh Duong

Chief Accountant



Trinh Thi Phuong

General Director 



Nguyen Thi Huyen Thuong

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Appendix 01: Details of bad debts and provisions for short-term doubtful debts

	Ending Balance			Beginning Balance		
	Overdue time	Original price	Provision	Overdue time	Original price	Provision
<i>Short-term trade receivables</i>		2,199,403,158	2,031,769,159		2,199,403,158	2,019,769,218
Nagakawa Household Electrical Appliances Joint Stock Company	Hard to recover	86,925,000	86,925,000	Hard to recover	86,925,000	86,925,000
Investment and Construction Joint Stock Company No. 4	Hard to recover	355,675,942	355,675,942	Hard to recover	355,675,942	355,675,942
Thien Duc Electrical Appliance Business	Over 3 years	235,294,153	235,294,153	Over 3 years	235,294,153	235,294,153
Tuong Hung Electrical and Refrigeration Co., Ltd.	Over 3 years	444,688,013	444,688,013	Over 3 years	444,688,013	444,688,013
Phu Hoang Thanh General Company Limited	From 2 years to 3 years	39,540,493	39,540,493	From 2 years to 3 years	39,540,493	39,540,493
GRB Vietnam Joint Stock Company	Over 3 years	104,483,270	104,483,270	Over 3 years	104,483,270	104,483,270
VINAICON Investment Joint Stock Company	Over 3 years	195,550,000	195,550,000	Over 3 years	195,550,000	195,550,000
Minh Dung Technology and Trading Company Limited	From 1 year to 2 years	558,780,000	391,146,000	From 1 year to 2 years	558,780,000	391,146,000
Sunviet Company Limited	From 1 year to 2 years	39,999,799	39,999,800	Over 3 years	39,999,799	27,999,859
Minh Hien Trading Company Limited	Partially recovered	78,775,390	78,775,390	Partially recovered	78,775,390	78,775,390
Nguyen Van Thao Business Establishment	Partially recovered	59,691,098	59,691,098	Partially recovered	59,691,098	59,691,098
<i>Prepayment to seller</i>	-	2,666,667,695	2,658,052,495	-	2,666,667,695	2,658,052,495
Hoan Kiem Refrigeration Mechanical Joint Stock Company	Hard to recover	1,300,951,400	1,300,951,400	Hard to recover	1,300,951,400	1,300,951,400
Nagakawa Household Electrical Appliances Joint Stock Company	Hard to recover	154,815,000	154,815,000	Hard to recover	154,815,000	154,815,000
Viet Culture Architecture Joint Stock Company	Hard to recover	506,373,900	506,373,900	Hard to recover	506,373,900	506,373,900
Bach Khoa Refrigeration Technology Joint Stock Company	Hard to recover	56,700,000	56,700,000	Hard to recover	56,700,000	56,700,000
Vitech Automation Equipment Joint Stock Company	Hard to recover	156,765,699	156,765,699	Hard to recover	156,765,699	156,765,699
Guangdong Sky bright Group Co.,Ltd	Hard to recover	377,031,887	377,031,887	Hard to recover	377,031,887	377,031,887
Kelon International Inc	Hard to recover	96,799,409	96,799,409	Hard to recover	96,799,409	96,799,409

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	Ending Balance		Beginning Balance	
	Overdue time	Original price	Overdue time	Original price
	From 1 year to less than 2 years		From 1 year to less than 2 years	
		17,230,400		17,230,400
		8,615,200		8,615,200
		<u>4,866,070,853</u>		<u>4,866,070,853</u>
		<u>4,689,821,654</u>		<u>4,677,821,713</u>

VIETPICTURES AUTO Joint Stock Company

Total