

Số: 293A/PP-TCKT
No.: 293A /PP-TCKT

Thành phố Hồ Chí Minh, ngày 29 tháng 08 năm 2025
Ho Chi Minh City, 29 August 2025

CÔNG BỐ THÔNG TIN ĐỊNH KỲ BÁO CÁO TÀI CHÍNH
REGULAR DISCLOSURE OF INFORMATION ON FINANCIAL REPORTS

Kính gửi: Sở Giao dịch Chứng khoán Hà Nội (HNX)
To: Hanoi Stock Exchange (HNX)

Thực hiện quy định tại khoản 3, khoản 4 Điều 14 Thông tư số 96/2020/TT- BTC ngày 16/11/2020 của Bộ Tài chính hướng dẫn công bố thông tin trên thị trường chứng khoán, **Tổng Công Ty Cổ phần Phong Phú** (MCK: PPH) thực hiện công bố thông tin báo cáo tài chính (BCTC) bán niên soát xét năm 2025 với Sở Giao dịch Chứng khoán Hà Nội như sau:

Complying with the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16th, 2020 of the Ministry of Finance guiding information disclosure on the stock market, Phong Phu Corporation (Stock code: PPH) would like to disclose the reviewed interim financial statements for the first six months of fiscal year 2025 with Hanoi Stock Exchange as follows:

1. Tên tổ chức/ Name of Organization: TỔNG CÔNG TY CỔ PHẦN PHONG PHÚ/ Phong Phu Corporation

- Mã chứng khoán/ Stock code: PPH
- Địa chỉ/ Address: 48 Tầng Nhon Phú, Phường Tăng Nhon Phú, Tp. HCM/ No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City, Vietnam.
- Điện thoại liên hệ/ Tel: 02822101693
- Website: www.phongphucorp.com

2. Nội dung thông tin công bố/ Content of information disclosure:

- BCTC bán niên soát xét năm 2025** theo quy định tại khoản 3 Điều 14 Thông tư số 96/2020/TT-BTC gồm/ Reviewed interim financial statements for the first six months of fiscal year 2025 in accordance with Clause 3, Article 14 of Circular No. 96/2020/TT-BTC, including:

☐ BCTC riêng (Tổ chức không có công ty con và đơn vị kế toán cấp trên có đơn vị trực thuộc)/ Separate Interim Financial Statements (Listed organizations has no subsidiaries and superior accounting units have affiliated units);

☒ BCTC hợp nhất (Tổ chức có công ty con)/ Consolidated Interim Financial Statements (Listed organizations have subsidiaries);

☐ BCTC tổng hợp (Tổ chức có đơn vị kế toán trực thuộc tổ chức bộ máy kế toán riêng)/ Combined Interim Financial Statements (Listed organizations has an accounting units directly under its own accounting system).

- Các trường hợp thuộc diện phải giải trình nguyên nhân/ Cases in which the cause must be explained:**



+ Tổ chức kiểm toán đưa ra ý kiến không phải là ý kiến chấp nhận toàn phần đối với BCTC bán niên soát xét năm 2025 / *The auditing organization expresses an opinion that is not a fully accepted opinion for reviewed interim financial statements for the first six months of fiscal year 2025:*

☐ Có/ Yes

☒ Không/ No

Văn bản giải trình trong trường hợp tích có / *Explanatory documents in case of a "Yes" answer:*

☐ Có/ Yes

☐ Không/ No

+ Lợi nhuận sau thuế trong kỳ báo cáo có sự chênh lệch trước và sau kiểm toán từ 5% trở lên, chuyển từ lỗ sang lãi hoặc ngược lại (đối với BCTC bán niên soát xét năm 2025)/ *Profit after tax in the reporting period has a difference before and after the audit of 5% or more, converted from loss to profit or vice versa (for reviewed interim financial statements for the first six months of fiscal year 2025):*

☐ Có/ Yes

☒ Không/ No

Văn bản giải trình trong trường hợp tích có/ *Explanatory documents in case of a "Yes" answer:*

☐ Có/ Yes

☐ Không/ No

+ Lợi nhuận sau thuế thu nhập doanh nghiệp tại Báo cáo kết quả kinh doanh của kỳ báo cáo có thay đổi từ 10% trở lên so với báo cáo cùng kỳ năm trước?/ *The profit after corporate income tax in the business performance statement of the reporting period changes by 10% or more compared to the same period of the previous year?*

☒ Có/ Yes

☐ Không/ No

Văn bản giải trình trong trường hợp tích có/ *Explanatory documents in case of a "Yes" answer:*

☒ Có/ Yes

☐ Không/ No

+ Lợi nhuận sau thuế trong kỳ báo cáo có bị lỗ, chuyển từ lãi ở báo cáo cùng kỳ năm trước sang lỗ ở kỳ này hoặc ngược lại? / *The profit after tax in the reporting period suffered a loss, converted from profit in the same period last year to a loss in this period or vice versa?*

☐ Có/ Yes

☒ Không/ No

Văn bản giải trình trong trường hợp tích có/ *Explanatory documents in case of a "Yes" answer:*

☐ Có/ Yes

☐ Không/ No

Thông tin này được công bố trên trang thông tin điện tử của Công ty vào ngày: 29/08/2025 tại đường dẫn/ *This information was published on the Company's website on 29 August 2025 at the link: <http://www.phongphucorp.com/shareholder/bao-caoi-tai-chinh.html>.*

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung thông tin công bố./ *We hereby commit that the information published above is true and take full responsibility before the law for the content of the published information.*

Đại diện tổ chức/ Organization Representative

Người đại diện theo pháp luật/ *Legal Representative*

(Ký, ghi rõ họ tên, chức vụ, đóng dấu)

(Signature, full name, position, and company seal)

TỔNG GIÁM ĐỐC/ GENERAL DIRECTOR



ĐƯƠNG KHUÊ

**CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**
FOR THE FIRST 6 MONTHS OF
THE FISCAL YEAR ENDING 31 DECEMBER 2025

PHONG PHU CORPORATION

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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Phong Phu Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Consolidated Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2025, including the Combined Interim Financial Statements of the Corporation and Interim Financial Statements of its subsidiaries (hereinafter collectively referred to as “the Group”).

Business highlights

Phong Phu Corporation is a company formed by equitizing the former State-owned company in line with the Decision No. 06/2007/QĐ-BCN dated 11 January 2007 of the Minister of Industry (the Ministry of Industry and Trade now). The Corporation has been operating under the Business Registration Certificate No. 0301446006, initially registered on 20 February 2009 and 20th amended on 20 August 2025, granted by Ho Chi Minh City Department of Planning and Investment.

Head office

- Address : No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City
- Tel. : +84 (028) 35 147 340
- Fax : +84 (028) 38 406 790

The Corporation’s affiliates:

Affiliates	Address
Branch of Phong Phu Corporation	No. 378 Minh Khai Street, Vinh Tuy Ward, Hanoi City
Branch of Phong Phu Corporation in Nha Trang	Km1447, Bac Nha Trang Ward, Khanh Hoa Province
Branch of Phong Phu Corporation in Da Lat – Du Lys Hotel	No. 14 Nam Ky Khoi Nghia Street, Xuan Huong - Da Lat Ward, Lam Dong Province
Branch of Phong Phu Corporation in Ninh Thuan – Ninh Phu Fiber Factory	Hanh Tri Village, Ninh Son Commune, Khanh Hoa Province
Branch of Phong Phu Corporation in Da Nang	No. 34 Ong Ich Duong Street, Cam Le Ward, Da Nang City

Principal business activities of the Corporation are:

- Manufacturing fibers, sewing thread, embroidery thread, woven cloth, towels, fabric, fibers, garments, readymade garments (excluding clothes, bleaching, dyeing, starching, printing and processing second-hand goods), packages (excluding scrap recycling, pulp production at the head office);
- Trading machines, spare parts used in garment and textile industries. Trading office equipment, electrical materials, machinery and equipment serving industrial production, checking and measuring system serving environmental experiment. Wholesaling electrical machinery and equipment, electrical materials (generators, electric motors, electric wires, equipment used in electronic boards). Wholesaling machinery and equipment, spare parts of agricultural machinery;
- Providing services of scientific researches and technology transfer;
- Breeding pigs (not at the head office);
- Afforesting and tending forest;
- Exploiting and processing forestal products;
- Executing, consulting, designing and installing civil-industrial and refrigerant electric systems;
- Providing catering services (not providing food and beverage services and games at the head office);
- Constructing infrastructure, industrial and urban parks, developing houses;
- Giving consulting and brokerage services in real estate;
- Kindergarten and primary education;
- Mechanical processing;
- Producing, distributing steam, hot water, air-conditioning;
- Treating sewage;
- Providing interior decoration services;
- Providing advertising services;
- Retailing garments;

PHONG PHU CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

- Growing bulbs with starch content, sugar cane, tobacco including rustic tobacco, plants or crops in order to harvest thread or fiber, plants or crops with oil seeds or nuts containing oil, pepper, rubber, coffee, tea, bean of all types, ornamentals and flowers (not at the head office).

Board of Management and Executive Board

The Board of Management and the Executive Board of the Corporation during the period and as of the date of this statement include:

The Board of Management

Full name	Position	Appointing/Re-appointing date
Mr. Tran Quang Nghi	Chairman	Re-appointed on 23 May 2024
Mr. Duong Khue	Member	Re-appointed on 16 May 2024
Mr. Pham Phu Chung	Member	Re-appointed on 16 May 2024
Ms. Pham Minh Huong	Member	Re-appointed on 16 May 2024
Ms. Truong Thi Ngoc Phuong	Member	Appointed on 16 May 2024

The Supervisory Board

Full name	Position	Appointing/Re-appointing date
Ms. Nguyen Thi My Le	Head of the Board	Re-appointed on 23 May 2024
Ms. Vu Thi Thuy Duong	Member	Re-appointed on 16 May 2024
Mr. Le Hong Linh	Member	Appointed on 16 May 2024

The Executive Board

Full name	Position	Appointing/Re-appointing date
Mr. Duong Khue	General Director	Appointed on 06 October 2020
Ms. Le Thi Hoang Trang	Deputy General Director	Appointed on 15 July 2022
Mr. Pham Phu Chung	Deputy General Director	Appointed on 07 October 2022
Mr. Ly Anh Tai	Deputy General Director	Appointed on 07 October 2022
Mr. Nguyen Van Nhim	Chief Executive Officer	Re-appointed on 01 June 2019
Mr. Doan Kien	Chief Executive Officer	Appointed on 01 April 2021
Ms. Truong Thi Ngoc Phuong	Chief Executive Officer	Appointed on 15 July 2022

Legal representative

The legal representative of the Corporation during the period and as of the date of this statement is Mr. Duong Khue – General Director (appointed on 06 October 2020).

Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the review on the Group's Consolidated Interim Financial Statements for the first 6 months of the fiscal year ending 31 December 2025.

Responsibilities of the Board of Directors

The Board of Directors is responsible for the preparation of the Consolidated Interim Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the period. In order to prepare these Consolidated Interim Financial Statements, the Board of Directors must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates reasonably and prudently;
- state clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Interim Financial Statements;
- prepare the Consolidated Interim Financial Statements of the Group on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system to minimize the risks of material misstatements due to frauds or errors in the preparation and presentation of the Consolidated Interim Financial Statements.

PHONG PHU CORPORATION

STATEMENT OF THE BOARD OF DIRECTORS (cont.)

The Board of Directors hereby ensures that all the proper accounting books have been fully recorded and can fairly reflect the financial position of the Group at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for protecting the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Interim Financial Statements.

Approval of the Financial Statements

The Board of Directors of the Corporation hereby approves the accompanying Consolidated Interim Financial Statements, which give a true and fair view of the consolidated financial position as of 30 June 2025 of the Group, its consolidated financial performance and its consolidated cash flows for the first 6 months of the fiscal year ending 31 December 2025, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Interim Financial Statements.

For and on behalf of the Board of Directors,



Duong Khue
General Director

Date: 28 August 2025



No. 1.1419/25/TC-AC

REPORT ON THE INTERIM FINANCIAL INFORMATION REVIEW

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS
PHONG PHU CORPORATION**

We have reviewed the accompanying Consolidated Interim Financial Statements of Phong Phu Corporation (hereinafter referred to as "the Corporation") and its subsidiaries (hereinafter collectively referred to as "the Group"), which were prepared on 26 August 2025 (from page 07 to page 56), including the Consolidated Interim Balance Sheet as of 30 June 2025, the Consolidated Interim Income Statement, the Consolidated Interim Cash Flow Statement for the first 6 months of the fiscal year ending 31 December 2025 and the Notes to the Consolidated Interim Financial Statements.

Responsibility of the Board of Directors

The Corporation's Board of Directors is responsible for the preparation, true and fair presentation of the Consolidated Interim Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Interim Financial Statements; and responsible for the internal control as the Corporation's Board of Directors determines necessary to enable the preparation and presentation of the Consolidated Interim Financial Statements to be free from material misstatement due to fraud or error.

Responsibility of Auditors

Our responsibility is to express conclusion on these Consolidated Interim Financial Statements based on our review. We have conducted the review in accordance with the Vietnamese Standard on Review Engagements No. 2410 – Review on interim financial information performed by independent auditor of the entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion of Auditors

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Financial Statements have not given a true and fair view, in all material respects, of the consolidated financial position as of 30 June 2025 of the Group, its consolidated financial performance and its consolidated cash flows for the first 6 months of the fiscal year ending 31 December 2025, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Interim Financial Statements.

Emphasis of matter

Without qualifying our opinion above, we would like to draw the readers' attention to Note No. VIII.6 in the Notes to the Consolidated Interim Financial Statements regarding the transfer of Residence Area project in Phuoc Long Ward, Ho Chi Minh City between Saigon Agriculture Incorporation and the Corporation. The Corporation accordingly made provision for loss payable to Saigon Agriculture Incorporation on the basis of the loss determined at the transfer date under the Judgment dated 18 December 2021 and the Appellate Judgments dated 08, 09 and 15 June 2022 of the People's Court of Ho Chi Minh City, and handed over the project assets and relevant invoices to Saigon Agriculture Incorporation. Currently, the Corporation coordinates with Saigon Agriculture Incorporation to resolve civil issues (if any) due to the cancellation of the project transfer contract under the guidance of the authorities and relevant statutory requirements.

For and on behalf of
A&C Auditing and Consulting Co., Ltd.



Hoang Thai Vuong

Partner

Audit Practice Registration Certificate No. 2129-2023-008-1

Authorized Signatory

Ho Chi Minh City, 28 August 2025

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

CONSOLIDATED INTERIM BALANCE SHEET

(Full form)

As of 30 June 2025

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		1.791.764.163.296	1.766.586.086.522
I. Cash and cash equivalents	110	V.1	80.564.546.471	123.279.779.901
1. Cash	111		26.764.546.471	72.679.779.901
2. Cash equivalents	112		53.800.000.000	50.600.000.000
II. Short-term financial investments	120		505.205.002.468	546.189.593.362
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123	V.2a	505.205.002.468	546.189.593.362
III. Short-term receivables	130		683.731.735.333	489.715.825.856
1. Short-term trade receivables	131	V.3	525.181.233.465	437.727.287.214
2. Short-term prepayments to suppliers	132	V.4	23.501.197.129	21.623.063.707
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5a	178.764.742.102	54.837.551.162
7. Allowance for short-term doubtful debts	137	V.6	(44.104.180.598)	(24.486.403.454)
8. Deficit assets for treatment	139		388.743.235	14.327.227
IV. Inventories	140		504.310.330.947	601.007.721.345
1. Inventories	141	V.7	508.765.519.054	607.962.909.452
2. Allowance for devaluation of inventories	149	V.7	(4.455.188.107)	(6.955.188.107)
V. Other current assets	150		17.952.548.077	6.393.166.058
1. Short-term prepaid expenses	151	V.8a	4.221.172.363	1.467.153.797
2. Deductible VAT	152		13.523.606.699	4.718.243.246
3. Taxes and other receivables from the State	153	V.17	207.769.015	207.769.015
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		1.949.819.041.181	1.812.465.966.813
I. Long-term receivables	210		131.169.203.141	3.940.070.645
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	131.169.203.141	3.940.070.645
7. Allowance for long-term doubtful debts	219		-	-
II. Fixed assets	220		1.056.413.994.898	1.054.372.239.697
1. Tangible fixed assets	221	V.9	949.811.484.726	942.578.952.394
- Historical cost	222		2.356.199.976.033	2.287.317.961.521
- Accumulated depreciation	223		(1.406.388.491.307)	(1.344.739.009.127)
2. Financial leased assets	224	V.10	106.499.984.677	111.684.730.902
- Historical cost	225		122.118.650.662	122.118.650.662
- Accumulated depreciation	226		(15.618.665.985)	(10.433.919.760)
3. Intangible fixed assets	227	V.11	102.525.495	108.556.401
- Initial cost	228		583.927.273	583.927.273
- Accumulated amortization	229		(481.401.778)	(475.370.872)
III. Investment property	230		-	-
- Historical costs	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in process	240		63.862.093.908	6.882.372.470
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.12	63.862.093.908	6.882.372.470
V. Long-term financial investments	250		677.469.986.984	723.048.832.989
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252	V.2b	605.507.616.179	650.156.006.561
3. Investments in other entities	253	V.2c	105.929.737.637	105.929.737.637
4. Provisions for devaluation of long-term financial investments	254	V.2c	(33.967.366.832)	(33.036.911.209)
5. Held-to-maturity investments	255		-	-
VI. Other non-current assets	260		20.903.762.250	24.222.451.012
1. Long-term prepaid expenses	261	V.8b	15.982.949.149	17.333.312.671
2. Deferred income tax assets	262	V.13	-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill	269	V.14	4.920.813.101	6.889.138.341
TOTAL ASSETS	270		3.741.583.204.477	3.579.052.053.335

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		1.799.612.420.014	1.766.943.289.487
I. Current liabilities	310		1.139.164.738.008	1.144.765.766.632
1. Short-term trade payables	311	V.15	274.448.193.243	264.768.227.637
2. Short-term advances from customers	312	V.16	135.046.036.539	138.987.307.686
3. Taxes and other obligations to the State Budget	313	V.17	87.709.413.983	77.031.229.033
4. Payables to employees	314	V.18	34.422.821.855	68.112.150.907
5. Short-term accrued expenses	315	V.19	18.465.132.390	10.383.298.588
6. Short-term inter-company payables	316		-	-
7. Payables according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318	V.20a	4.104.189.803	4.029.941.115
9. Other short-term payables	319	V.21a,c	28.006.584.743	131.157.198.322
10. Short-term borrowings and financial leases	320	V.22a,c	464.193.518.809	374.262.338.235
11. Provisions for short-term payables	321	V.23	62.473.188.366	62.473.188.366
12. Bonus and welfare funds	322	V.24	30.295.658.277	13.560.886.743
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
II. Non-current liabilities	330		660.447.682.006	622.177.522.855
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336	V.20b	18.847.936.403	20.497.647.770
7. Other long-term payables	337	V.21b,c	13.891.296.000	13.891.296.000
8. Long-term borrowings and financial leases	338	V.22b,c	627.708.449.603	587.788.579.085
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Consolidated Interim Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		1.941.970.784.463	1.812.108.763.848
I. Owner's equity	410		1.941.970.784.463	1.812.108.763.848
1. Owner's capital	411	V.25	746.708.910.000	746.708.910.000
- Ordinary shares carrying voting rights	411a		746.708.910.000	746.708.910.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.25	32.368.276.001	32.368.276.001
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		-	-
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.25	547.292.291.709	512.396.290.709
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.25	575.635.268.385	482.987.825.801
- Retained earnings accumulated to the end of the previous period	421a		362.855.324.960	482.987.825.801
- Retained earnings of the current period	421b		212.779.943.425	-
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429	V.25	39.966.038.368	37.647.461.337
II. Other sources and funds	430		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		3.741.583.204.477	3.579.052.053.335

Ho Chi Minh City, 26 August 2025


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief AccountantDuong Khue
General Director

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

CONSOLIDATED INTERIM INCOME STATEMENT

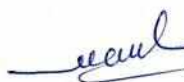
(Full form)

For the first 6 months of the fiscal year ending 31 December 2025

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
1. Revenue from sales of goods and provisions of services	01	VI.1	1.205.775.957.097	1.045.222.231.116
2. Revenue deductions	02	VI.2	1.299.533.042	3.349.180.723
3. Net revenue	10		1.204.476.424.055	1.041.873.050.393
4. Cost of sales	11	VI.3	966.750.806.282	834.832.530.155
5. Gross profit	20		237.725.617.773	207.040.520.238
6. Financial income	21	VI.4	26.742.303.469	27.703.982.023
7. Financial expenses	22	VI.5	49.055.755.023	70.352.070.879
In which: Interest expenses	23		30.482.635.225	27.757.370.021
8. Gain or loss in joint ventures, associates	24	V.2b	189.853.636.618	174.069.276.452
9. Selling expenses	25	VI.6	52.698.903.431	39.673.725.551
10. General and administration expenses	26	VI.7	134.080.147.535	114.382.603.118
11. Net operating profit	30		218.486.751.871	184.405.379.165
12. Other income	31	VI.8	486.058.403	1.196.568.828
13. Other expenses	32	VI.9	1.595.607.325	3.088.293.337
14. Other profit/(loss)	40		(1.109.548.922)	(1.891.724.509)
15. Total accounting profit before tax	50		217.377.202.949	182.513.654.656
16. Current income tax	51	V.17	1.719.015.826	1.789.936.788
17. Deferred income tax	52		-	-
18. Profit after tax	60		<u>215.658.187.123</u>	<u>180.723.717.868</u>
19. Profit after tax of the Parent Company	61		213.141.910.092	177.545.547.384
20. Profit after tax of non-controlling shareholders	62		2.516.277.031	3.178.170.484
21. Basic earnings per share	70	VI.10	<u>2.579</u>	<u>2.107</u>
22. Diluted earnings per share	71	VI.10	<u>2.579</u>	<u>2.107</u>

Ho Chi Minh City, 26 August 2025


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief AccountantDuong Khue
General Director

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

CONSOLIDATED INTERIM CASH FLOW STATEMENT

(Full form)

(Indirect method)

For the first 6 months of the fiscal year ending 31 December 2025

Unit: VND

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		217.377.202.949	182.513.654.656
2. Adjustments				
- Depreciation/(Amortization) of fixed assets and investment properties	02	V.9, V.10 V.11, V.14	68.808.584.551	73.031.477.128
- Provisions and allowances	03	V.2c, V.6 V.7	6.266.790.595	8.685.421.304
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04	VI.5	15.854.032.026	22.351.746.222
- Gain/(loss) from investing activities	05	V.2b, VI.4	(210.389.766.548)	(195.760.098.610)
- Interest expenses	06	VI.5	30.482.635.225	27.757.370.021
- Others	07		-	-
3. Operating profit before changes of working capital	08		128.399.478.798	118.579.570.721
- Increase/(decrease) of receivables	09		(291.784.040.082)	(22.730.408.470)
- Increase/(decrease) of inventories	10		99.197.390.398	(27.451.983.307)
- Increase/(decrease) of payables	11		(21.533.671.123)	(150.231.525.981)
- Increase/(decrease) of prepaid expenses	12		(1.403.655.044)	(172.152.148)
- Increase/(decrease) of trading securities	13		-	-
- Interest paid	14	V.19, V.21a, V.22, VI.5, VII	(32.168.861.949)	(29.458.633.930)
- Corporate income tax paid	15	V.17	(837.670.083)	(1.642.530.368)
- Other cash inflows	16		-	-
- Other cash outflows	17	V.24, V.25	(18.795.142.132)	(12.566.955.728)
Net cash flows from operating activities	20		<u>(138.926.171.217)</u>	<u>(125.674.619.211)</u>
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21	V.9, V.12, VII	(112.351.725.530)	(39.347.842.227)
2. Proceeds from disposals of fixed assets and other non-current assets	22		-	870.024.427
3. Cash outflow for lending, buying debt instruments of other entities	23	V.2a	(454.015.409.106)	(474.175.656.331)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.2a	495.000.000.000	530.656.983.597
5. Investments in other entities	25	V.2b	(4.972.572.000)	(21.591.240.000)
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	V.2b, V.5a, VI.4, VII	200.616.571.584	243.624.139.762
Net cash flows from investing activities	30		<u>124.276.864.948</u>	<u>240.036.409.228</u>

PHONG PHU CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

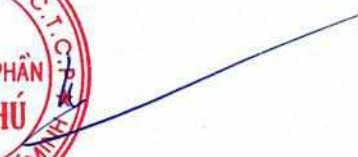
For the first 6 months of the fiscal year ending 31 December 2025

Consolidated Interim Cash Flow Statement (cont.)

ITEMS	Code	Note	Accumulated from the beginning of the year	
			Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	-
3. Proceeds from borrowings	33	V.22	655.104.099.497	487.349.512.782
4. Repayment for borrowing principal	34	V.22	(536.713.652.772)	(517.301.522.764)
5. Payments for financial lease principal	35	V.22	(5.282.526.316)	(5.701.537.226)
6. Dividends and profit paid to the owners	36	V.21, V.25	(141.111.854.775)	(111.813.028.125)
<i>Net cash flows from financing activities</i>	<i>40</i>		<u><i>(28.003.934.366)</i></u>	<u><i>(147.466.575.333)</i></u>
Net cash flows during the year	50		(42.653.240.635)	(33.104.785.316)
Beginning cash and cash equivalents	60	V.1	123.279.779.901	74.073.059.413
Effects of fluctuations in foreign exchange rates	61		(61.992.795)	1.731.064
Ending cash and cash equivalents	70	V.1	<u>80.564.546.471</u>	<u>40.970.005.161</u>

Ho Chi Minh City, 26 August 2025


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief Accountant

Duong Khue
General Director

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

I. GENERAL INFORMATION

1. Investment form

Phong Phu Corporation (hereinafter referred to as “the Corporation” or “the Parent Company”) is a joint stock company.

2. Operating fields

The Corporation operates in various fields.

3. Principal business activities

The principal business activities of the Corporation are manufacturing and trading fibers, cloth, towels, sewing thread, embroidery thread, garments and fashion clothes (excluding bleaching, dyeing, starching and printing on the textile, sewed, knitted products, processing second-hand goods); trading chemicals and dye (excluding chemicals of high toxicity); trading machines, equipment, materials and spare parts serving textile – dyeing – garment industries; trading silk, thread, textile fibers and garments, etc.

4. Normal operating cycle

The normal operating cycle of the Corporation is within 12 months.

5. Structure of the Group

The Group includes the Parent Company and 2 subsidiaries controlled by the Parent Company. These subsidiaries are consolidated in these Consolidated Interim Financial Statements.

5a. List of subsidiaries to be consolidated

Subsidiaries	Address	Principal business activities	Capital contribution rate	Benefit rate	Voting rate
Phong Phu Home Textile Joint Stock Company	Hanh Tri Village, Ninh Son Commune, Khanh Hoa Province	Manufacturing, trading cotton, fibers, fabric, garments; trading chemicals, dye, machinery and equipment of textile and garment industries	90%	90%	90%
Nam Duong Phu Joint Stock Company (*)	No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City	Manufacturing, trading cotton, fibers	97,27%	97,27%	98,98%

(*) According to the Charter of Nam Duong Phu Joint Stock Company, the Corporation invests in Nam Duong Phu Joint Stock Company at the voting rate and benefit rate of 48%, and Phong Phu Home Textile Joint Stock Company invests in Nam Duong Phu Joint Stock Company at the voting rate and benefit rate of 10%. As at the balance sheet date, the shareholders of Nam Duong Phu Joint Stock Company have not fully contributed the registered charter capital; therefore, the Group's voting rate and benefit rate, corresponding to its actual contribution rate, in Nam Duong Phu Joint Stock Company are 97,27% and 98,98% respectively.

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

5b. List of associates reflected in the Consolidated Interim Financial Statements using the equity method

Associates	Address	Principal business activities	Ownership rate		Voting rate	
			Ending balance	Beginning balance	Ending balance	Beginning balance
Coats Phong Phu Limited Liability Company	No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City	Manufacturing and trading cotton, fiber, yarn	35,65%	35,65%	35,65%	35,65%
HUD Saigon Housing and Urban Development Investment Joint Stock Company	No. 159 Dien Bien Phu Street, Gia Dinh Ward, Ho Chi Minh City	Investing, constructing and trading real estate	21,51%	21,51%	21,51%	21,51%
Dalat Garment Joint-Stock Company	No. 09 Phu Dong Thien Vuong Street, Lam Vien – Da Lat Ward, Lam Dong Province	Manufacturing and trading garments, materials, machinery and equipment used in garment and textile industries	40,00%	40,00%	40,00%	40,00%
Phong Phu - Daewon - Thu Duc Housing Development Corporation	No. 378 Minh Khai Street, Vinh Tuy Ward, Hanoi City	Trading real estate, land use right of owners, users or lessees	47,64%	47,64%	47,64%	47,64%
Phong Phu Trading & Investment Promotion Corporation	No. 117 Cong Quynh Street, Cau Ong Lanh Ward, Ho Chi Minh City	Manufacturing, trading cotton, imported materials; manufacturing and exporting towel of all kinds	31,71%	31,71%	31,71%	31,71%
Dong Nam Textile Joint Stock Company	No. 727 Au Co Street, Tan Phu Ward, Ho Chi Minh City	Manufacturing textile products	35,99%	35,99%	35,99%	35,99%
Nha Trang Textile & Garment Joint Stock Company	Km 1447, Highway 1A, Bac Nha Trang Ward, Khanh Hoa Province	Manufacturing textile products	23,89%	23,89%	23,89%	23,89%
Nhuan Phu Textile Company Limited	Room 8 ^E , 8 th Floor, Building at No. 42 Le Thanh Phuong Street, Tay Nha Trang Ward, Khanh Hoa Province	Trading cotton, fiber, yarn	30,56%	-	30,56%	-

6. Statement of information comparability on the Consolidated Interim Financial Statements

The corresponding figures in the previous period can be comparable with those in the current period.

7. Headcount

As of the balance sheet date, the Group's headcount is 1.991 (headcount at the beginning of the year: 1.983).

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Group is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) because transactions of the Group are primarily made in VND.

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Group companies apply the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 guiding the Vietnamese Enterprise Accounting System, the Circular No. 202/2014/TT-BTC dated 22 December 2014 guiding presentation and preparation of the Consolidated Financial Statements as well as other Circulars guiding implementation of the Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Interim Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding implementation of the Vietnamese Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Interim Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

The Consolidated Interim Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Consolidation bases

The Consolidated Interim Financial Statements include the Combined Interim Financial Statements of the Parent Company and the Interim Financial Statements of its subsidiaries. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent Company has the power to directly or indirectly govern the financial and operating policies of the subsidiaries to obtain economic benefits from their activities. In determining the control power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

The financial performance of subsidiaries, which are acquired or disposed during the period, is included in the Consolidated Interim Income Statement from the date of acquisition or disposal of investments in those subsidiaries.

The Combined Interim Financial Statements of the Parent Company and the Interim Financial Statements of subsidiaries used for consolidation are prepared in the same accounting period and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

Benefits of non-controlling shareholders reflect profit or loss and net assets of subsidiaries, which are not held by the Group and presented in a separate item of the Consolidated Interim Income Statement and the Consolidated Interim Balance Sheet (classified under owner's equity). Benefits of non-controlling shareholders include the values of their non-controlling benefit at the initial date of business combination and those arise within the ranges of changes in owner's equity from the date of business combination. The losses arising in the subsidiaries are attributed equally to the ownership rate of non-controlling shareholders, even if such losses are higher than the interest owned by these shareholders in net assets of the subsidiaries.

3. Foreign currency transactions

Transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arisen from foreign currency transactions during the period shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Group and the Bank.
- For capital contribution made or received: the buying rate ruling as at the date of capital contribution of the bank where the Group opens its account to receive capital contributed from investors.
- For receivables: the buying rate ruling as at the time of transactions of the commercial bank where the Group designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transactions of the commercial bank where the Group supposes to make payment.
- For acquisition of assets or immediate payments in foreign currency (not included into payable accounts): the buying rate of the commercial bank where the Group makes payments.

The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are determined according to the following principles:

- For foreign currency deposits: the buying rate of the bank where the Group opens its foreign currency account.
- For monetary items in foreign currencies classified as other assets: the buying rate of each bank.
- For monetary items in foreign currencies classified as liabilities: the selling rate of each bank.

4. Cash and cash equivalents

Cash includes cash on hand and cash in bank. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

PHONG PHU CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

5. Financial investments

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Group intends and is able to hold to maturity. The held-to-maturity investments include term deposits for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at costs including the acquisition costs and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in Income Statement on the basis of the interest income to be received. Interest incurred prior to the Group's acquisition of held-to-maturity investments is deducted into the costs at the acquisition time.

When there is reliable evidence proving that a part or the whole investment cannot be recovered and the loss is reliably measured, the loss is recognized as financial expenses during the period and directly deducted into the investment costs.

Investments in joint ventures and associates

Joint ventures

A joint venture is an entity which is established by a contractual arrangement whereby the Group and the involved parties undertake an economic activity that is subject to joint control. Joint control is the contractually agreed sharing of control over an economic activity, and exists only when the strategic financial and operating decisions relating to the activity require the unanimous consent of the venturers.

The Group recognizes its benefits in jointly-controlled entities in accordance with the equity method. Accordingly, contributed capital in joint ventures is initially recognized at cost and then adjusted for the changes in the Group's ownership rate of net assets of jointly-controlled entities. The Consolidated Income Statement reflects the Group's ownership in the financial performance of jointly-controlled entities. The Group stops using the equity method from the date it ceases to have the jointly-controlled right or significant influences on jointly-controlled entities.

The Financial Statements of the jointly-controlled entity are prepared for the accounting period that is the same with the Consolidated Interim Financial Statements of the Group. In the case that the accounting policy of a jointly-controlled entity is different from the accounting policy applied consistently in the Group, the Financial Statements of that jointly-controlled entity will be properly adjusted before being consolidated in the Consolidated Interim Financial Statements.

Unrealized profits/(losses) arising from transactions with jointly-controlled entities are eliminated in proportion to the amount under the Group's ownership in the preparation of the Consolidated Interim Financial Statements.

Associates

An associate is an entity which the Group has significant influence but not the control to govern the financial and operating policies. Significant influence is the right to participate in making the associate's financial and operating policies but not control those policies.

Investments in associates are recorded as in the owner's equity method. Accordingly, the investments in associates are initially recorded at costs on the Consolidated Financial Statements and then adjusted for the post acquisition change in the Group's share of net assets of the associates. If the Group's share of loss of an associate exceeds or equals the carrying amount of an investment, the investment is then reported at nil (0) value on the Consolidated Interim Financial Statements, except when the Group has obligations to pay on behalf of the associate to satisfy obligations of the associate.

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

The Financial Statements of the associate are prepared for the accounting period that is the same with that of the Group. In the case that the accounting policy of an associate is different from the accounting policy applied consistently in the Group, the Financial Statements of that associate will be suitably adjusted before being used for the preparation of the Consolidated Interim Financial Statements.

Unrealized profits/(losses) arising from transactions with associates are eliminated in proportion to the amount under the Group's ownership in the preparation of the Consolidated Interim Financial Statements.

Investments in equity instruments of other entities

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Group to have the control, joint control or significant influence on these entities.

Investments in equity instruments of other entities are initially recognized at costs, including costs of acquisition or capital contributions plus other directly attributable transaction costs. Dividends and profit incurred prior to the acquisition of investments are deducted into investment costs. Dividends and profit incurred after the acquisition of investments are recorded into the Group's financial income. Particularly, the dividends paid in form of shares are not recorded as an increase in costs, but the increases in quantity of shares is followed up.

Provisions for impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provision is made based on the losses suffered by investees, with the amount defined by the difference between owners' actual contributed capital and the total owners' equity as of the balance sheet date multiplied (x) by the Group's rate of charter capital owning in these investees.

Increases/decreases in the provisions for impairment of investments in equity instruments of other entities as of the balance sheet date are recorded into financial expenses.

6. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables or other receivables is made according to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of the ages of debts after offsetting against liabilities (if any) or estimated loss as follows:

- As for overdue debts:
 - 30% of the value of debts overdue between 6 months and less than 1 year.
 - 50% of the value of debts overdue between 1 year and less than 2 years.
 - 70% of the value of debts overdue between 2 years and less than 3 years.
 - 100% of the value of debts overdue more than 3 years.
- As for doubtful debts: Allowance is made on the basis of the estimated loss.

Allowance for other receivables is made for each doubtful debt on the basis of estimated loss.

Increases/decreases in the allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

7. Inventories

Inventories are recognized at the lower of cost or net realizable value.

Costs of inventories are determined as follows:

- For materials and merchandise: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- For work-in-process:
 - Construction of real estate project: Costs include construction costs, borrowing interest, land use right and other directly relevant expenses.
 - Production of products: Costs include costs of main materials, labors and other directly relevant expenses.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

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

Allowance for devaluation of inventories is recognized for each category of inventory when their costs are higher than their net realizable values. Increases/decreases in the obligatory allowance for devaluation of inventories as of the balance sheet date are recorded into costs of sales.

8. Prepaid expenses

Prepaid expenses comprise actual expenses incurred but relevant to financial performance in several accounting periods. Prepaid expenses of the Group mainly include expenses of tools, repair expenses and land use right. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

Expenses of tools

The expenses of tools being put into use are allocated into costs in accordance with the straight-line method for the maximum period of 3 years.

Repair expenses

The repair expenses include the actual expenses used to repair offices for lease, machinery and equipment. These expenses are allocated into the financial performance for the maximum period of 3 years.

Land use right

The expenses on transfer of land use right include the expenses paid for the transferred land being used by the Group. The expenses on transfer of definite land use right are allocated over the term specified in Land Use Right Certificate.

9. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Group's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

PHONG PHU CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Notes to the Consolidated Interim Financial Statements (cont.)

10. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Group to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation expenses during the period.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation period applied is as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	05 – 50
Machinery and equipment	05 – 20
Vehicles	06 – 10
Office equipment	03 – 08

11. Financial leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessee. Financial leased assets are determined by their historical costs less accumulated depreciation. Historical cost is the lower cost of the fair value of the leased asset at commencement of the lease term and the present value of the minimum lease payments. Discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease or else mentioned in the lease. If the interest rate implicit in the lease cannot be determined, the incremental borrowing rate at commencement of the lease term will be applied.

Financial leased assets are depreciated in accordance with the straight-line method over their estimated useful lives. If there is no reasonable certainty that the Group will obtain ownership at the end of the lease, the fixed asset shall be depreciated over the shorter of the lease term and the estimated useful life of the asset. The depreciation period of the financial leased assets is as follows:

<u>Fixed assets</u>	<u>Years</u>
Machinery and equipment	06 – 15
Vehicles	08

12. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Group to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the period.

The Group's intangible fixed asset only includes computer software.

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Group until the date the software is put into use. The computer software is amortized in accordance with the straight-line method in for the period from 2 years to 5 years.

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13. Construction-in-progress

Construction-in-progress reflects the expenses (including relevant interest expenses following the accounting policies of the Group) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

14. Business combination and goodwill

The business combination is accounted by applying acquisition method. The costs of business merging include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business merging are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business merging equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Interim Balance Sheet.

The excess of the cost of business combination over the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date obtaining the control of subsidiaries is recognized as goodwill. If the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date of obtaining the control of subsidiaries exceeds the cost of business combination, the difference will be included in the financial performance.

Goodwill is allocated in accordance with the straight-line method in 10 years. When there is evidence that loss of goodwill is larger than the allocation amount, the allocation amount during the period is the arisen loss.

The benefit of non-controlling shareholders as at the date of business combination is initially measured on the basis of the ownership share of non-controlling shareholders in the fair values of the assets, the liabilities and the inherent liabilities recognized.

15. Contractual arrangement

Jointly controlled operations

In respect of its interest in jointly controlled operations, the Group shall recognize in its Consolidated Interim Financial Statements:

- the assets that the Group controls.
- the liabilities that the Group incurs.
- the Group earns from the sale of goods or services by the joint venture.
- the expenses that the Group incurs.

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16. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recognized on the basis of reasonable estimates for the amount payable.

The classification of payables as trade payables, accrued expenses or other payables is made according to the following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Group.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Consolidated Interim Balance Sheet on the basis of their remaining term as of the balance sheet date.

17. Provisions for payables

Provisions are recorded when the Group has present obligations (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 time causes material effects, the provisions will be determined by deducting the amount to be spent in future to settle the liability at the pre-tax discount rate that reflects the assessments of the time value of money and the specific risks from this liability in the current market. The increase in provisions due to the effect of time will be recognized as a financial expense.

18. Owner's equity

Owner's capital

The owner's capital is recorded according to the actual amount invested by the Corporation's shareholders.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price, carrying value of treasury stocks and the equity component of convertible bonds upon maturity. Expenses directly related to the additional issue of stocks and the re-issuance of treasury stocks are recorded as a decrease in share premiums.

19. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Corporation as well as legal regulations and approved by voting of the General Meeting of Shareholders.

Profit distribution to shareholders is done under consideration to non-monetary items belonging to retained earnings which probably affects cash flows and dividend payment ability, including gains arisen from the revaluation of assets contributed as capital, interest due to the revaluation of monetary items, financial instruments and other non-monetary items.

The dividends are recorded as payables upon the approval by voting of the General Meeting of Shareholders and notification on dividend payment from the Board of Management.

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20. Recognition of revenue and income

Revenue from sales of merchandise and finished goods

Revenue from sales of merchandise and finished goods are recognized when the following conditions are satisfied:

- The Group transfers most of risks and benefits incident to the ownership of merchandise or products to customers.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise, products sold.
- The amount of revenue can be measured reliably. Where the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, the revenue is recorded only when those specific conditions are no longer exist and buyers retains no right to return merchandise, products (except for the case that such returns are in exchange for other goods or services).
- The Group received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Revenue from provisions of services

Revenue from provisions of services shall be recognized when all of the following conditions are satisfied:

- The amount of revenue can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, the revenue is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Group received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of revenue is done on the basis of the volume of work done as of the balance sheet date.

Revenue from operating lease

Revenue from operating lease is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

Interest

Interest is recorded based on the term and the actual interest rate applied in each particular period

Dividends and profit received

Dividends and profit received are recognized when the Group has the right to receive dividends or profit from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity of shares is followed up.

21. Revenue deductions

Revenue deductions include trade discounts, sales allowances, sales returns incurred in the same year of providing products, merchandise, services, in which revenues are derecognized.

In case of products, merchandise, services provided in the previous periods but trade discounts, sales allowances, sales returns incurred in the current period, revenues are derecognized as follows:

- If trade discounts, sales allowances, sales returns incur prior to the release of the Consolidated Interim Financial Statements, revenues are derecognized on the Consolidated Interim Financial Statements of the current period.

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Notes to the Consolidated Interim Financial Statements (cont.)

- If trade discounts, sales allowances, sales returns incur after the release of the Consolidated Interim Financial Statements, revenues are derecognized on the Consolidated Interim Financial Statements of the following period.

22. Borrowing costs

Borrowing costs include borrowing interest and other costs incurred directly relevant to borrowings.

Borrowing costs are recorded as an expense when they are incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as borrowings are recognized as a decrease in the costs of relevant assets.

23. Expenses

Expenses are those that result in outflows of the Group's economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

24. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the assessable income. The assessable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Consolidated Interim Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of assessable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough assessable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough assessable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Consolidated Interim Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

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The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

25. Related parties

A party is considered a related party of the Group in case that party is able to control the Group or to cause material effects on the financial decisions as well as the operations of the Group. A party is also considered a related party of the Group in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

26. Segment reporting

A business segment is a distinguishable component of the Group that is engaged in manufacturing or 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 of the Group that is engaged in manufacturing or 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.

The Group's segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Consolidated Interim Financial Statements of the Group.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM BALANCE SHEET

1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	2.402.441.505	2.640.733.697
Cash in bank	24.362.104.966	70.039.046.204
Cash equivalents – Bank deposit of which the principal maturity is from or under 3 months	53.800.000.000	50.600.000.000
Total	80.564.546.471	123.279.779.901

2. Financial investments

The financial investments of the Group include held-to-maturity investments and investments in other entities. The Group's financial investments are as follows:

2a. Held-to-maturity investments

This item reflects the bank deposits, of which the principal maturity is from 6 months to 1 year. The Contracts of Term Deposits at VietinBank with the total amount of VND 35.500.000.000 have been used to secure the L/C payment obligations and guarantees at the same bank (see Note No. V.22a).

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2b. Investments in joint ventures and associates

	Ending balance			Beginning balance		
	Profit incurred after the investment date			Profit incurred after the investment date		
	Original amount	investment date	Total	Original amount	investment date	Total
Coats Phong Phu Limited Liability Company	85.253.638.578	254.132.356.638	339.385.995.216	85.253.638.578	311.747.220.574	397.000.859.152
HUD Saigon Housing and Urban Development Investment Joint Stock Company	10.000.000.000	56.350.130	10.056.350.130	10.000.000.000	19.739.243	10.019.739.243
Dalat Garment Joint-Stock Company	6.769.616.000	(1.624.398.679)	5.145.217.321	6.769.616.000	(1.636.287.331)	5.133.328.669
Phong Phu - Daewon - Thu Duc Housing Development Corporation	144.586.200.608	(4.993.028.640)	139.593.171.968	144.586.200.608	(5.228.765.629)	139.357.434.979
Phong Phu Trading & Investment Promotion Corporation	6.800.516.237	(6.800.516.237)	-	6.800.516.237	(6.800.516.237)	-
Dong Nam Textile Joint Stock Company	46.888.561.208	14.248.563.596	61.137.124.804	46.888.561.208	13.394.805.154	60.283.366.362
Nha Trang Textile & Garment Joint Stock Company	70.968.627.165	(25.751.442.425)	45.217.184.740	70.968.627.165	(32.607.349.009)	38.361.278.156
Nhuan Phu Textile Company Limited	4.972.572.000	-	4.972.572.000	-	-	-
Total	376.239.731.796	229.267.884.383	605.507.616.179	371.267.159.796	278.888.846.765	650.156.006.561

Value of the Group's ownership in joint ventures and associates is as follows:

	Beginning balance of ownership value	Capital contribution during the period	Profit/(loss) during the period	Dividends received	Ending balance of ownership value
Coats Phong Phu Limited Liability Company	397.000.859.152	-	181.859.735.064	(239.474.599.000)	339.385.995.216
HUD Saigon Housing and Urban Development Investment Joint Stock Company	10.019.739.243	-	36.610.887	-	10.056.350.130
Dalat Garment Joint-Stock Company	5.133.328.669	-	11.888.652	-	5.145.217.321
Phong Phu - Daewon - Thu Duc Housing Development Corporation	139.357.434.979	-	235.736.989	-	139.593.171.968
Phong Phu Trading & Investment Promotion Corporation	-	-	-	-	-
Dong Nam Textile Joint Stock Company	60.283.366.362	-	853.758.442	-	61.137.124.804
Nha Trang Textile & Garment Joint Stock Company	38.361.278.156	-	6.855.906.584	-	45.217.184.740
Nhuan Phu Textile Company Limited	-	4.972.572.000	-	-	4.972.572.000
Total	650.156.006.561	4.972.572.000	189.853.636.618	(239.474.599.000)	605.507.616.179

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The joint ventures and associates are in normal operations without significant changes as compared to the previous period.

Transactions with the joint ventures and associates

Significant transactions between the Group and its joint ventures and associates are as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Coats Phong Phu Limited Liability Company</i>		
Profit received	239.474.599.000	232.261.242.562
Sales of finished goods and merchandise	412.604.223.874	341.339.941.978
Service provisions	6.782.408.061	6.168.364.388
Leasing factories	1.578.731.010	1.578.731.000
Purchase of materials	191.299.627.360	162.267.970.289
<i>Nha Trang Textile & Garment Joint Stock Company</i>		
Purchase of merchandise and materials	9.487.744.125	29.324.984
Factory rental	529.350.882	17.216.836.124
Sales of merchandise and finished goods	7.207.200.000	-
<i>Dong Nam Textile Joint Stock Company</i>		
Capital contribution	-	21.591.240.000
Sales of finished goods	17.625.450	-
<i>Nhuan Phu Textile Company Limited</i>		
Capital contribution	4.972.572.000	-

2c. Investments in other entities

	Ending balance		Beginning balance	
	Original amount	Provision	Original amount	Provision
Binh An Garment Textile Material Accessories Joint Stock Company	13.027.052.451	(2.291.612.358)	13.027.052.451	(1.423.365.164)
Lien Phuong Textile & Garment Corporation	32.288.540.334	(9.402.117.994)	32.288.540.334	(9.402.117.994)
Gia Dinh Development Corporation	12.533.634.095	-	12.533.634.095	-
Gia Dinh - Phong Phu Textile and Garment Corporation	5.852.355.319	(5.852.355.319)	5.852.355.319	(5.852.355.319)
Vietnam Wool Joint Stock Company	1.337.103.882	(877.928.858)	1.337.103.882	(877.928.858)
Vietnam Textile Garment Materials Trading and Manufacturing Company Limited	11.282.879.453	(10.745.490.152)	11.282.879.453	(10.683.281.723)
Saigon - Rach Gia Corporation	2.984.184.383	(2.984.184.383)	2.984.184.383	(2.984.184.382)
Hung Phu Joint Stock Company	1.813.677.769	(1.813.677.768)	1.813.677.769	(1.813.677.769)
Vinatex Nam Dinh City Development Joint Stock Company	7.500.000.000	-	7.500.000.000	-
Phuoc Loc Joint Stock Company	3.216.754.481	-	3.216.754.481	-
Phong Phu International Joint Stock Company	14.093.555.470	-	14.093.555.470	-
Total	105.929.737.637	(33.967.366.832)	105.929.737.637	(33.036.911.209)

Fair values

The Group has not measured the fair values of investments because there has been no specific guidance on measurement of fair values.

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Changes in provision for investments in other entities are as follows:

	<u>Current period</u>	<u>Previous period</u>
Beginning balance	33.036.911.209	22.175.445.134
Provision made	930.455.623	9.699.993.022
Ending balance	33.967.366.832	31.875.438.156

3. Short-term trade receivables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>330.384.982.262</i>	<i>292.403.764.727</i>
Coats Phong Phu Limited Liability Company	299.956.333.022	262.239.956.872
Phong Phu Trading & Investment Promotion Corporation	12.430.807.340	12.930.807.340
Phong Phu International Joint Stock Company	1.760.243.508	1.490.805.374
Hoa Tho Textile - Garment Joint Stock Corporation	-	274.347.052
Vietnam National Textile and Garment Group	26.131.949	82.425.600
Phuoc Loc Joint Stock Company	14.156.806.189	12.412.373.059
Nha Trang Textile & Garment Joint Stock Company	1.675.214.569	-
Vinatex International Fabric Company Limited	377.062.816	2.973.049.430
Lien Phuong Textile & Garment Corporation	2.382.869	-
<i>Receivables from other customers</i>	<i>194.796.251.203</i>	<i>145.323.522.487</i>
Total	525.181.233.465	437.727.287.214

The entire right to the receivables of VND 64.403.271.094 has been mortgaged to secure the borrowing of Phong Phu Home Textile Joint Stock Company from VietinBank and ACB – Saigon Branch respectively (see Note No. V.22a).

4. Short-term prepayments to suppliers

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Prepayments to related party</i>	<i>2.077.920</i>	<i>2.077.920</i>
Viet Thang Corporation	2.077.920	2.077.920
<i>Prepayments to other suppliers</i>	<i>23.499.119.209</i>	<i>21.620.985.787</i>
Dong Quang Spinning Corporation	-	127.464.624
Hoang Thi Loan Textile & Garment Joint Stock Company – Prepayment for processing services	8.933.503.199	10.000.000.000
Van Khoa Technical Services Trading Company Limited	-	2.360.897.266
Phong Phuoc Investment Development Joint Stock Company	3.421.520.000	-
Other suppliers	11.144.096.010	9.132.623.897
Total	23.501.197.129	21.623.063.707

5. Other receivables**5a. Other short-term receivables**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Value</u>	<u>Allowance</u>	<u>Value</u>	<u>Allowance</u>
<i>Receivables from related parties</i>	<i>63.323.026.407</i>	<i>-</i>	<i>2.006.193.539</i>	<i>-</i>
Coats Phong Phu Limited Liability Company – Profit received	62.990.958.333	-	-	-
Vinatex Nam Dinh City Development Joint Stock Company – Dividends received	-	-	1.651.686.000	-
Vinatex International Fabric Company Limited – Interest on asset rental	332.068.074	-	354.507.539	-

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	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
Receivables from other organizations and individuals	115.441.715.695	(27.275.446.849)	52.831.357.623	(19.534.309.268)
Saigon Agriculture Incorporation:	98.774.188.174	(24.032.895.759)	43.532.895.759	(16.291.758.178)
- Receivables for business cooperation in Lang Le – Bau Co project (*)	43.532.895.759	(24.032.895.759)	43.532.895.759	(16.291.758.178)
- Receivables incurring from the invoice revocation and cancellation of the transfer contract for the Residence Area project in Phuoc Long Ward, Ho Chi Minh City (see Note No. V.7).	55.241.292.415	-	-	-
Advance	8.441.091.292	-	5.341.881.094	-
Other short-term receivables	8.226.436.229	(3.242.551.090)	3.956.580.770	(3.242.551.090)
Total	178.764.742.102	(27.275.446.849)	54.837.551.162	(19.534.309.268)

- (*) On 09 April 2021, Ho Chi Minh City People's Committee Office issued the Notice No. 279/TB-VP on conclusion of Vo Van Hoan, Vice Chairman of the Municipal People's Committee agreeing the policy that Saigon Agriculture Incorporation would not continue the project implementation and it is assigned to enter into negotiation to terminate the business cooperation contract with the Corporation. On 26 May 2021, the Department of Natural Resources and Environment issued the Document No. 4046/STNMT-QLĐ to report to the Municipal People's Committee on taking back the project land and handing it over to the People's Committee of Binh Chanh District.

On 15 May 2023, the People's Committee of Ho Chi Minh City issued the Decision No. 1923/QĐ-UBND on recovery of land for Lang Le – Bau Co Industrial Cluster project. The Corporation and Saigon Agriculture Incorporation are working to reach an agreement on unfinished investment costs, shared capital and outstanding balances of the involved parties to report to the Municipal People's Committee for appraisal and direction toward handling.

5b. Other long-term receivables

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
VAT on financial leases	2.559.086.949	-	2.559.086.949	-
Saigon Agriculture Incorporation – Business cooperation amount for the Residence Area project in Phuoc Long Ward, Ho Chi Minh City (*)	127.550.998.510	-	307.066.666	-
Other long-term receivables	1.059.117.682	-	1.073.917.030	-
Total	131.169.203.141	-	3.940.070.645	-

- (*) This item reflects the business cooperation amount for the Residence Area project in Phuoc Long Ward, Ho Chi Minh City with Saigon Agriculture Incorporation under the Business Cooperation Contract No. 52/HĐHT-TCT dated 31 October 2008 (see Note No. V.7).

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Notes to the Consolidated Interim Financial Statements (cont.)**6. Doubtful debts**

	Ending balance		Beginning balance	
	Original amount	Recoverable value	Original amount	Recoverable value
Saigon Agriculture Incorporation	43.532.895.759	19.500.000.000	43.532.895.759	27.241.137.581
Tai Tin Company Limited	3.242.551.090	-	3.242.551.090	-
Receivables from other organizations and individuals	16.914.968.297	86.234.548	5.455.764.842	503.670.656
Total	63.690.415.146	19.586.234.548	52.231.211.691	27.744.808.237

Changes in allowances for doubtful debts are as follows:

	Current period	Previous period
Beginning balance	24.486.403.454	25.111.525.365
Allowances made	7.836.334.972	195.439.811
Writing off debts	(1.149.365.170)	-
Increase due to reversal of allowance for Phong Phu Trading & Investment Promotion Corporation	12.930.807.342	-
Ending balance	44.104.180.598	25.306.965.176

7. Inventories

	Ending balance		Beginning balance	
	Original cost	Allowance	Original cost	Allowance
Goods in transit	13.831.439.821	-	-	-
Materials and supplies	209.267.354.532	(2.145.908.883)	136.636.089.820	(2.069.136.181)
Work-in-process	155.855.349.678	(979.027.461)	142.647.829.387	(1.685.911.923)
Construction-in-progress costs of the project (*)	-	-	187.766.564.464	-
Finished goods	115.915.990.178	(1.330.251.763)	128.704.264.411	(3.200.140.003)
Merchandise	9.875.523.059	-	8.502.593.674	-
Goods on consignment	4.019.861.786	-	3.705.567.696	-
Total	508.765.519.054	(4.455.188.107)	607.962.909.452	(6.955.188.107)

- (*) The beginning balance is construction-in-progress costs of Residence Area project in Phuoc Long Ward, Ho Chi Minh City (see Note No. VIII.6). During the period, the two parties agreed to recall/return invoices and handle financial matters related to the cancellation of the transfer contract for the Residence Area project in Phuoc Long Ward, Ho Chi Minh City. The Corporation has reclassified the business cooperation amount and receivables from Saigon Agriculture Incorporation to item "Other short-term/long-term receivables" (see Notes No. V.5a and V.5b).

The rotating merchandise with the minimum mortgage values of VND 245.000.000.000 and VND 40.000.000.000 respectively have been mortgaged to secure the borrowings of Phong Phu Home Textile Joint Stock Company from Vietcombank and VietinBank (see Note No. V.22).

Changes in allowance for devaluation of inventories are as follows:

	Current period	Previous period
Beginning balance	6.955.188.107	9.274.342.496
Reversal of allowances	(2.500.000.000)	(1.210.011.528)
Ending balance	4.455.188.107	8.064.330.968

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Notes to the Consolidated Interim Financial Statements (cont.)**8. Prepaid expenses****8a. Short-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	876.062.809	592.917.089
Repair expenses	1.308.726.833	-
Insurance premiums	1.367.866.052	351.935.046
Other short-term prepaid expenses	668.516.669	522.301.662
Total	4.221.172.363	1.467.153.797

8b. Long-term prepaid expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	4.449.121.285	4.325.290.590
Repair expenses	7.150.783.649	7.315.584.492
Land use right	3.183.673.440	3.918.367.320
Other long-term prepaid expenses	1.199.370.775	1.774.070.269
Total	15.982.949.149	17.333.312.671

9. Tangible fixed assets

Increase, decrease in tangible fixed assets is presented in the attached Appendix 01.

Some tangible fixed assets, of which the carrying value is VND 507.492.664.609, have been mortgaged to secure the Group's borrowings from banks and Vietnam National Textile and Garment Group (see Note No. V.22).

10. Financial leased assets

	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Total</u>
Historical costs			
Beginning balance	119.047.676.419	3.070.974.243	122.118.650.662
Ending balance	119.047.676.419	3.070.974.243	122.118.650.662
Depreciation			
Beginning balance	9.955.066.424	478.853.336	10.433.919.760
Depreciation during the period	4.981.977.005	202.769.220	5.184.746.225
Ending balance	14.937.043.429	681.622.556	15.618.665.985
Carrying values			
Beginning balance	109.092.609.995	2.592.120.907	111.684.730.902
Ending balance	104.110.632.990	2.389.351.687	106.499.984.677

After the completion of lease term or premature payment for all leases and if the Group has fulfilled all obligations as in the agreement stipulated in financial lease contract, the lessor commits to selling these leased assets to the Group at the nominal price.

11. Intangible fixed assets

	<u>Initial costs</u>	<u>Amortization</u>	<u>Carrying values</u>
Beginning balance	583.927.273	475.370.872	108.556.401
Amortization during the period		6.030.906	
Ending balance (*)	583.927.273	481.401.778	102.525.495

(*) In which, the initial costs of intangible fixed assets fully amortized but still in use are VND 403.000.000.

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Notes to the Consolidated Interim Financial Statements (cont.)**12. Construction-in-progress**

	Beginning balance	Increases during the period	Inclusion into fixed assets during the period	Inclusion into prepaid expenses	Ending balance
<i>Acquisition of fixed assets</i>	<i>1.871.354.612</i>	<i>88.138.030.635</i>	<i>(67.943.332.608)</i>	<i>(343.602.742)</i>	<i>21.722.449.897</i>
<i>Construction-in-progress</i>	<i>5.011.017.858</i>	<i>38.145.493.057</i>	<i>(438.681.904)</i>	<i>(578.185.000)</i>	<i>42.139.644.011</i>
Vung Tau City new market project	1.407.780.001	-	-	-	1.407.780.001
Ninh Phu Factory project	1.074.604.835	7.138.520.447	(438.681.904)	-	7.774.443.378
Ninh Thuan 22.000-Spindle Fiber Factory	590.000.000	15.891.774.327	-	-	16.481.774.327
Fire protection and fighting system	213.288.000	8.459.869.476	-	-	8.673.157.476
Construction of Textile Factory	1.484.163.204	5.742.076.807	-	-	7.226.240.011
Other projects	241.181.818	913.252.000	-	(578.185.000)	576.248.818
Total	6.882.372.470	126.283.523.692	(68.382.014.512)	(921.787.742)	63.862.093.908

13. Deferred income tax assets***Unrecognized deferred income tax assets***

The Group has not recognized deferred income tax assets for the following items:

	Ending balance	Beginning balance
<i>Temporarily deductible difference</i>	<i>86.868.246.041</i>	<i>81.676.486.842</i>
Accrued expenses	9.281.581.578	4.089.822.379
Provisions for payables	62.473.188.366	62.473.188.366
Non-deductible interest expenses ⁽ⁱ⁾	15.113.476.097	15.113.476.097
<i>Taxable loss ⁽ⁱⁱ⁾</i>	<i>46.670.928.484</i>	<i>88.947.721.291</i>
Total	133.539.174.525	170.624.208.133

(i) According to the Government's Decree No. 132/2020/NĐ-CP dated 05 November 2020, from the taxable period of 2019 onwards, the non-deductible interest expense is carried forward to the next taxable period for the determination of total deductible interest expense if the total deductible interest expenses in the next taxable period is lower than the prescribed amount. The interest expense may be carried forward for a maximum consecutive period of 5 years, counting from the year following the year of incurring non-deductible interest expense. Deferred income tax assets are not recognized since there is little possibility to have future taxable income to use this interest expense.

(ii) According to the current Law on Corporate Income Tax, the loss of any tax year is brought forward to offset against the profit of the following years for the maximum period of 5 years from year after the loss incurring year and the temporary differences can be deducted without any limit on time. Deferred income tax assets are not recognized for these accounts since there is little possibility on the availability of taxable income in the future against which these accounts can be used.

14. Goodwill**Initial costs**

Beginning balance	39.366.504.802
Ending balance	39.366.504.802

Amount allocated

Beginning balance	32.477.366.461
Allocation during the period	1.968.325.240
Ending balance	34.445.691.701

Carrying value

Beginning balance	6.889.138.341
Ending balance	4.920.813.101

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Notes to the Consolidated Interim Financial Statements (cont.)**15. Short-term trade payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	<i>159.630.360.595</i>	<i>169.031.259.672</i>
Coats Phong Phu Limited Liability Company	143.282.265.574	160.984.769.508
Nha Trang Textile & Garment Joint Stock Company	4.685.502.663	1.465.953.176
Towel Woven Joint Stock Company - Nam Dinh Textile Garment	-	31.741.607
Vietnam National Textile and Garment Group	24.608.308	-
Phuoc Loc Joint Stock Company	11.637.984.050	6.548.795.381
<i>Payables to other suppliers</i>	<i>114.817.832.648</i>	<i>95.736.967.965</i>
Total	<u>274.448.193.243</u>	<u>264.768.227.637</u>

The Group has no overdue trade payables.

16. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Advances from related parties</i>	<i>9.984.020.760</i>	<i>9.984.020.760</i>
Vietnam National Textile and Garment Group	21.442.860	21.442.860
Vietnam Textile Garment Materials Trading and Manufacturing Joint Stock Company	9.962.577.900	9.962.577.900
<i>Advances from other customers</i>	<i>125.062.015.779</i>	<i>129.003.286.926</i>
Advances from customers with respect to the transfer of terrace houses of Residence Area project in Phuoc Long Ward, Ho Chi Minh City (see Note No. VIII.6)	115.401.827.748	115.401.827.748
Other customers	9.660.188.031	13.601.459.178
Total	<u>135.046.036.539</u>	<u>138.987.307.686</u>

17. Taxes and other obligations to the State Budget

Details of taxes and other obligations to the State Budget are presented in the attached Appendix 2.

Value added tax (VAT)

The Group companies have to pay VAT in accordance with the deduction method. The VAT rates applied are as follows:

- Leasing, trading fiber: (*) 10%
- Using water, trading cotton, scraps: 05%

- (*) From 01 January 2025 to 30 June 2025, the Group companies applied the VAT rate of 8% to goods and services according to the Decree No. 180/2024/NĐ-CP dated 31 December 2024 of the Government specifying the VAT reduction policy under the Resolution No. 174/2024/QH15 dated 30 November 2024 of the National Assembly.

Import-export duties

The Group companies have declared and paid these duties in line with the Customs' notices.

Corporate income tax

According to the Investment Incentive Certificate No. 43121000136 dated 26 April 2011 granted by the People's Committee of Ninh Thuan Province to Corporation's project in areas with special socio-economic difficulties and the Official Letter No. 979/CT-TTHT dated 25 March 2014 of the Tax Department of Ninh Thuan Province giving guidance on corporate income tax incentives, Phong Phu Home Textile Joint Stock Company is applied the preferential tax rate of 10% in 15 years (i.e. from 2012 to 2026), exempted from tax in 4 years (i.e. from 2013 to 2016) and reduced 50% of tax payable in 9 following years (i.e. from 2017 to 2025).

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Income from other activities is subject to the corporate income tax rate of 20%.

Other Group companies have to pay corporate income tax on assessable income at the rate of 20%.

The Group's corporate income tax payable during the period includes:

	Accumulated from the beginning of the year	
	Current year	Previous year
Phong Phu Home Textile Joint Stock Company	1.300.868.698	1.670.000.000
Nam Duong Phu Joint Stock Company	418.147.128	119.936.788
Total	1.719.015.826	1.789.936.788

Determination of corporate income tax liability of the Group companies is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Interim Financial Statements can be changed upon the inspection of tax authorities.

Natural resources tax

The Group companies have to pay the natural resource tax for the activity of exploiting underground water.

Land rental, property tax

The Group has to pay the land rental for land lots being used according to the notices of the tax department.

The payments of land rental are due to the State Budget on 28 July 2025 and 30 November 2025.

The Group retroactively adjusted the land rental to 2024 for the land lot No. 2, Truong Chinh Street, Tay Thanh Ward, Ho Chi Minh City according to the Notice No. 11911/TB-CCTKV02 dated 27 June 2025 of Zone II Tax Department (see Note No. VIII.4).

Other taxes

The Group companies have declared and paid these taxes in line with the prevailing regulations.

18. Payables to employees

This item reflects the salaries, bonuses, etc. to be paid to employees.

19. Short-term accrued expenses

	Ending balance	Beginning balance
Interest expenses	432.974.289	976.018.244
Utility expenses	4.267.681.323	3.552.006.566
Commission	1.780.415.124	1.302.331.245
Payment for reaching sales target, supermarket support	208.695.829	347.068.683
Advertising expenses	899.681.165	1.020.000.000
Processing and towel embroidery expenses	1.529.631.776	-
Other short-term accrued expenses	9.346.052.884	3.185.873.850
Total	18.465.132.390	10.383.298.588

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Notes to the Consolidated Interim Financial Statements (cont.)

20. Unearned revenues**20a. Short-term unearned revenues**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Unearned revenues earned from related party</i>	<i>3.157.462.000</i>	<i>3.157.462.000</i>
Coats Phong Phu Limited Liability Company – Prepayments for leasing fixed assets	3.157.462.000	3.157.462.000
<i>Unearned revenues earned from other organizations and individuals</i>	<i>946.727.803</i>	<i>872.479.115</i>
Total	4.104.189.803	4.029.941.115

20b. Long-term unearned revenues

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Unearned revenues earned from related party</i>	<i>15.787.309.996</i>	<i>17.366.041.000</i>
Coats Phong Phu Limited Liability Company – Prepayments for leasing fixed assets (*)	15.787.309.996	17.366.041.000
<i>Unearned revenues earned from other organizations and individuals</i>	<i>3.060.626.407</i>	<i>3.131.606.770</i>
Vinh Phuong Trading Production Company Limited – Expenses for investment and expansion of Denim Textile Factory 1	3.060.626.407	3.131.606.770
Total	18.847.936.403	20.497.647.770

(*) This item reflects the unearned revenues related to the prepaid factory rental of Coats Phong Phu Limited Liability Company to 30 June 2031.

21. Other payables**21a. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related party</i>	<i>2.749.203.669</i>	<i>55.166.499.398</i>
Vietnam National Textile and Garment Group - Interest expenses	2.749.203.669	2.794.184.998
Vietnam National Textile and Garment Group - Dividends payable	-	52.372.314.400
<i>Payables to other organizations and individuals</i>	<i>25.257.381.074</i>	<i>75.990.698.924</i>
An Tam Investment Development Joint Stock Company – Receipt of business cooperation capital	19.500.000.000	19.500.000.000
Dividends payable	1.889.594.985	53.293.689.860
Other short-term payables	3.867.786.089	3.197.009.064
Total	28.006.584.743	131.157.198.322

21b. Other long-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related party</i>	<i>5.226.000.000</i>	<i>5.226.000.000</i>
Lien Phuong Textile & Garment Corporation (a related party) – Receipt of long-term capital contribution	5.226.000.000	5.226.000.000
<i>Payables to other organizations and individuals</i>	<i>8.665.296.000</i>	<i>8.665.296.000</i>
Receipt of long-term deposits, mortgages	8.665.296.000	8.665.296.000
Total	13.891.296.000	13.891.296.000

21c. Overdue debts

The Group has no other overdue payables.

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Notes to the Consolidated Interim Financial Statements (cont.)**22. Borrowings and financial leases****22a. Short-term borrowings and financial leases**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Current portions of long-term borrowing payable to related party</i>	<i>17.766.763.279</i>	<i>16.438.837.322</i>
Vietnam National Textile and Garment Group (see Note No. V.22b)	17.766.763.279	16.438.837.322
<i>Short-term borrowings from banks ^(*)</i>	<i>377.509.713.486</i>	<i>281.070.539.960</i>
BIDV	5.034.978.872	8.980.019.302
VietinBank	82.842.789.081	94.654.835.424
Vietcombank	284.124.664.254	168.538.506.791
ACB	5.507.281.279	8.897.178.443
<i>Short-term borrowings from individuals</i>	<i>66.949.905.248</i>	<i>71.472.960.953</i>
<i>Current portions of long-term borrowings (see Note No. V.22b)</i>	<i>1.967.136.796</i>	-
<i>Current portions of financial leases (see Note No. V.22b)</i>	-	<i>5.280.000.000</i>
Total	<u>464.193.518.809</u>	<u>374.262.338.235</u>

(*) The short-term borrowings from banks are to supplement working capital and issue letters of guarantee (see Note No. V.2). In which:

- The borrowing of Phong Phu Home Textile Joint Stock Company from VietinBank as of 30 June 2025 for an amount of VND 82.842.789.081 (beginning balance: VND 91.684.173.464) is secured by mortgaging receivables and inventories with values of VND 60.000.000.000 and VND 40.000.000.000 respectively, and assets, including "Narrow horizontal cutting machine", "Yamato high-speed electronic catalog rotary overlock machine" and "Automatic dismantling stringing machine" (see Notes No. V.3, V.7 and V.9).
- The borrowing of Phong Phu Home Textile Joint Stock Company from Vietcombank as of 30 June 2025 for an amount of VND 278.323.122.170 (beginning balance: VND 163.522.094.367) is secured by mortgaging Quang Phu Towel Factory – Phase 1 in Ninh Son Commune, Khanh Hoa Province; Quang Phu Towel Factory – Phase 2 in Ninh Son Commune, Khanh Hoa Province; used machinery and equipment, i.e. 18 Tsudakoma air jet looms, compressed air system and electrical power system, 12 Toyota weaving machines, 1 Tumbler machine, 1 Texpa automatic horizontal sewing machine, 8 yarn spinning machines, 4 weaving machines; Wastewater treatment pond – Phase 2: 3.700 m³/day and night; Machinery and equipment system of "Quang Phu 1 Towel Factory" project; Machinery and equipment system of "Quang Phu 2 Towel Factory" project; Machinery and equipment system comprising 30 used ZA207TI air-jet looms; and rotating goods with the minimum mortgaged value of VND 245.000.000.000 (see Notes No. V.7 and V.9).
- The loan of Phong Phu Home Textile Joint Stock Company from ACB – Saigon Branch as of 30 June 2025 for an amount of VND 0 (beginning balance: VND 3.218.071.797) is secured by mortgaging the Group's claims on some trade receivables (see Notes No. V.3).

The Group is solvent over short-term borrowings and financial leases.

Details of increases/(decreases) of short-term borrowings and financial leases during the period are presented in the attached Appendix 3.

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Notes to the Consolidated Interim Financial Statements (cont.)**22b. Long-term borrowings and financial leases**

	Ending balance	Beginning balance
Long-term borrowings payable to related party	522.366.406.202	516.330.778.162
Vietnam National Textile and Garment Group ⁽ⁱ⁾	522.366.406.202	516.330.778.162
Long-term borrowing from bank	40.212.172.928	6.325.404.134
Vietcombank ⁽ⁱⁱ⁾	40.212.172.928	6.325.404.134
Financial leases	65.129.870.473	65.132.396.789
Vietcombank Financial Leasing Co., Ltd. ⁽ⁱⁱⁱ⁾	65.129.870.473	65.132.396.789
Total	627.708.449.603	587.788.579.085

(i) The borrowing from Vietnam National Textile and Garment Group is to restructure finance, pay non-current liabilities from credit institutions according to commitments of Vietnam National Textile and Garment Group with ADB and the Ministry of Finance. This borrowing is secured by mortgaging some fixed assets (see Note No. V.9).

(ii) The borrowing of Phong Phu Home Textile Joint Stock Company from Vietcombank according to the Contract No. 0312/NTH/2024/CD dated 05 June 2024 is to invest in machinery and equipment and to construct warehouse for towel production capacity. The maximum borrowing amount is VND 44.000.000.000 and the interest rate is specified in each borrowing disbursement (adjusted every 6 months). The borrowing term is 84 months, starting from the first disbursement date. This borrowing is secured by mortgaging assets, i.e. machinery and equipment formed from the borrowing capital for "Towel Production Capacity Investment" Project; Quang Phu Towel Factory - Phase 1 in Ninh Son Commune, Khanh Hoa Province; Quang Phu Towel Factory - Phase 2 in Ninh Son Commune, Khanh Hoa Province; system of machinery and equipment of "Quang Phu 1 Towel Factory" project; system of machinery and equipment of "Quang Phu 2 Towel Factory" project, and rotating goods with a minimum mortgage value of VND 245.000.000.000 (see Notes No. V.7 and V.9).

(iii) The financial leases from Vietcombank Financial Leasing Co., Ltd. are according to the following contracts:

- The financial lease of USD 512.960,00 according to the Contract No. 90.22.04/CTTC dated 07 June 2022 is to lease stenter machine, cross-sectioner and mold control system. The lease term is 84 months. The principal and interest are repaid on the monthly basis. The purchase value of assets upon expiry of the lease term is VND 16.000.000.
- The financial lease of USD 23.631,20 according to the Contract No. 90.22.12/CTTC dated 19 September 2022 is to lease cone excavator, vacuum system and pneumatic connector. The lease term is 84 months. The principal and interest are repaid on the monthly basis. The purchase value of assets upon expiry of the lease term is VND 800.000.
- The financial lease of USD 42.504,00 according to the Contract No. 90.22.13/CTTC dated 19 September 2022 is to lease colorimeter and Datacolor Match Textile software. The lease term is 84 months. The principal and interest are repaid monthly. The purchase value of assets upon expiry of the lease term is VND 1.400.000.
- The financial lease of EUR 340.080,00 according to the Contract No. 90.22.06/CTTC dated 05 August 2022 is to lease 2 high-pressure dyeing machines. The lease term is 84 months. The principal and interest are repaid monthly. The purchase value of assets upon expiry of the lease term is VND 11.000.000.
- The financial lease of VND 5.795.280.000 according to the Contract No. 90.22.07/CTTC dated 29 August 2022 is to lease Tumbler dryer, gas recycling system, humidity reader and control. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 7.500.000.
- The financial lease of USD 1.504.349,6 according to the Contract No. 90.22.11/CTTC dated 19 September 2022 is to lease Toyota air loom. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 47.500.000.

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- The financial lease of USD 34.400,00 according to the Contract No. 90.22.15/CTTC dated 18 November 2022 is to lease cotton transport truck. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 1.100.000.
- The financial lease of VND 664.549.983 according to the Contract No. 90.23.01/CTTC dated 27 February 2023 is to lease Knotmaster splicing machine and accompanying accessories. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 900.000.
- The financial lease of VND 978.160.000 according to the Contract No. 90.23.04/CTTC dated 05 April 2023 is to lease a Fortuner car. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 1.500.000.
- The financial lease of VND 989.600.000 according to the Contract No. 90.23.14/CTTC dated 15 December 2023 is to lease a Fortuner car. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 1.400.000.
- The financial lease of VND 375.374.580 according to the Contract No. 90.23.12/CTTC dated 15 November 2023 is to lease a centrifugal spinning machine. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 550.000.
- The financial lease of VND 3.628.800.000 according to the Contract No. 90.23.13/CTTC dated 27 December 2023 is to lease 2 Hengtai automatic cross cutters. The lease term is 84 months. The purchase value of assets upon expiry of the lease term is VND 5.000.000.
- The financial lease of VND 449.280.000 according to the Contract No. 90.24.02/CTTC dated 24 April 2024 is to lease a 3-ton diesel forklift. The lease term is 60 months. The purchase value of assets upon expiry of the lease term is VND 600.000.
- The financial lease of VND 26.240.000.000 according to the Contract No. 90.24.10/CTTC dated 12 August 2024 is to lease OE spinning production line. The lease term is 60 months. The purchase value of assets upon expiry of the lease term is VND 33.000.000.

The Group is solvent over long-term borrowings and financial leases.

Repayment schedule of long-term borrowings and financial leases is as follows:

	Total debts	1 year or less	More than 1 year to 5 years	More than 5 years
Ending balance				
Long-term borrowings from related parties	540.133.169.481	17.766.763.279	86.897.366.857	435.469.039.345
Long-term borrowings from banks	42.179.309.724	1.967.136.796	-	40.212.172.928
Financial leases	65.129.870.473	-	64.611.726.675	518.143.798
Total	647.442.349.678	19.733.900.075	151.509.093.532	476.199.356.071
Beginning balance				
Long-term borrowings from related parties	532.769.615.484	16.438.837.322	84.422.609.147	431.908.169.015
Long-term borrowings from banks	6.325.404.134	-	-	6.325.404.134
Financial leases	70.412.396.789	5.280.000.000	61.164.159.429	3.968.237.360
Total	609.507.416.407	21.718.837.322	145.586.768.576	442.201.810.509

Details of increases/(decreases) of long-term borrowings and financial lease during the period are presented in the attached Appendix 03.

22c. Overdue borrowings and financial leases

The Group has no overdue borrowings and financial leases.

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23. Provisions for short-term payables

In 2021, based on the judgement dated 18 December 2021 of the People's Court of Ho Chi Minh City on the violation of Saigon Agriculture Incorporation regarding the transfer of the Residence Area project in Phuoc Long Ward, Ho Chi Minh City, the Group made provision for loss payable to Saigon Agriculture Incorporation on the basis of the loss determined as at the transfer date for an amount of VND 62.473.188.366. Accordingly, the provision for loss is made on the basis of the land area of 9.568 m² (corresponding to the adjacent land area, for which capital was mobilized and signed the transfer contract) and the loss rate was determined at 28% of the capital contributed by Saigon Agriculture Incorporation.

24. Bonus and welfare funds

	Beginning balance	Increases due to extraction from profit	Disbursement during the period	Ending balance
Bonus fund	8.223.221.239	16.248.001.000	(10.147.435.429)	14.323.786.810
Welfare fund	1.916.424.285	3.000.000.000	(293.040.037)	4.623.384.248
Bonus fund for the Executive Board	3.421.241.219	15.902.246.000	(7.975.000.000)	11.348.487.219
Total	13.560.886.743	35.150.247.000	(18.415.475.466)	30.295.658.277

25. Owner's equity

25a. Statement of the changes in owner's equity

Information on the changes in owner's equity is presented in the attached Appendix 04.

25b. Details of owner's capital

	Ending balance	Beginning balance
Vietnam National Textile and Garment Group	374.087.960.000	374.087.960.000
Other shareholders	372.620.950.000	372.620.950.000
Total	746.708.910.000	746.708.910.000

25c. Shares

	Ending balance	Beginning balance
Number of shares registered to be issued	74.670.891	74.670.891
Number of shares sold to the public	74.670.891	74.670.891
- Common shares	74.670.891	74.670.891
- Preferred shares	-	-
Number of shares repurchased	-	-
- Common shares	-	-
- Preferred shares	-	-
Number of outstanding shares	74.670.891	74.670.891
- Common shares	74.670.891	74.670.891
- Preferred shares	-	-

Par value per outstanding share: VND 10.000.

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Notes to the Consolidated Interim Financial Statements (cont.)**25d. Profit distribution**

During the period, the Corporation distributed the 2024 profit in accordance with the Resolution No. 33/NQ-ĐHĐCĐ/2025 dated 15 May 2025 of 2025 Annual General Meeting of Shareholders as follows:

	<u>Amount to be distributed</u>	<u>Dividends advanced in the previous year</u>	<u>Amount distributed in the current period</u>
• Distribution of dividends to shareholders	186.677.227.500	149.341.782.000	37.335.445.500
• Appropriation for investment and development fund	34.896.001.000	-	34.896.001.000
• Appropriation for bonus and welfare funds	17.448.001.000	-	17.448.001.000
• Appropriation for bonus to the Board of Management, the Supervisory Board, the Executive Board and hospitality expenditure (3%)	10.468.800.000	-	10.468.800.000
• Appropriation for bonus for reaching over target (10% of extra-profit)	5.433.446.000	-	5.433.446.000

26. Off-Consolidated interim balance sheet items**26a. External leased assets**

The total minimum lease payments in the future for irrevocable leasing contracts are classified by terms as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	553.500.008	696.000.000
More than 1 year to 5 years	676.000.000	904.000.000
Total	1.229.500.008	1.600.000.000

26b. Foreign currencies

	<u>Ending balance</u>	<u>Beginning balance</u>
US Dollar (USD)	151.340,68	1.475.828,95
Euro (EUR)	741,81	751,64

26c. Treated doubtful debts

	<u>Ending balance</u>		<u>Beginning balance</u>		<u>Reasons for writing off</u>
	<u>Original currency (USD)</u>	<u>VND</u>	<u>Original currency (USD)</u>	<u>VND</u>	
G.F.G SRL	76.693,80	1.795.401.858	76.693,80	1.795.401.858	Irrecoverable
Sky Imports	46.947,60	1.099.043.316	46.947,60	1.099.043.316	Irrecoverable
Bach Viet Production Trading Service Co., Ltd.	-	591.750.229	-	591.750.229	Irrecoverable
Liberated Brands USA LLC	16.274	410.927.199	-	-	Irrecoverable
Volcom, LLC	29.244	738.437.971	-	-	Irrecoverable
Other customers	20.987,04	1.495.611.265	20.987,04	1.495.611.265	Irrecoverable
Total		6.131.171.838		4.981.806.668	

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VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM INCOME STATEMENT**1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

	Accumulated from the beginning of the year	
	Current year	Previous year
Revenue from sales of finished goods	917.377.231.853	870.816.467.193
Revenue from sales of merchandise, provisions of services	288.398.725.244	174.405.763.923
Total	1.205.775.957.097	1.045.222.231.116

1b. Revenue from sales of goods and provisions of services to related parties

Apart from sales of goods and service provisions to joint ventures and associates presented in Note No. V.2b, during the period, the Group has sales of goods and service provision to other related parties which are not joint ventures and associates as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
<i>Phong Phu International Joint Stock Company</i>		
Service provisions	8.616.246.205	7.961.507.149
Sales of finished goods	4.562.588	-
<i>Phuoc Loc Joint Stock Company</i>		
Sales of merchandise, finished goods	43.999.309.892	30.786.220.426
Service provisions	3.989.445.207	3.479.763.067
<i>Hoa Tho Textile - Garment Joint Stock Corporation</i>		
Service provisions	1.387.002.534	906.447.280
Sales of finished goods	2.100.010	-
<i>Vinatex International Fabric Company Limited</i>		
Service provisions	2.177.359.206	2.103.397.166
<i>Lien Phuong Textile & Garment Corporation</i>		
Sales of finished goods	7.790.446	-
<i>Vietnam National Textile and Garment Group</i>		
Sales of finished goods	182.268.824	178.749.928
<i>Viet Nam Textile Garment Materials Trading and Manufacturing Company Limited</i>		
Sales of finished goods	234.545	-

2. Revenue deductions

	Accumulated from the beginning of the year	
	Current year	Previous year
Trade discounts	630.257.020	666.635.453
Sales returns	669.276.022	2.682.545.270
Total	1.299.533.042	3.349.180.723

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Notes to the Consolidated Interim Financial Statements (cont.)**3. Costs of sales**

	Accumulated from the beginning of the year	
	Current year	Previous year
Costs of finished goods sold	741.108.524.132	731.646.587.314
Costs of merchandise, services provided	228.142.282.150	104.395.954.369
Reversal of allowance for devaluation of inventories	(2.500.000.000)	(1.210.011.528)
Total	966.750.806.282	834.832.530.155

4. Financial income

	Accumulated from the beginning of the year	
	Current year	Previous year
Demand deposit interest	36.558.213	41.819.070
Term deposit interest	12.286.129.930	13.652.696.708
Dividends and profit received	8.250.000.000	7.200.000.000
Exchange gain arising	5.991.002.392	6.759.645.800
Interest on deferred payment	178.612.934	-
Other financial income	-	49.820.445
Total	26.742.303.469	27.703.982.023

5. Financial expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Interest expenses	30.482.635.225	27.757.370.021
Exchange loss arising	1.788.632.149	1.127.199.802
Exchange loss due to the revaluation of monetary items in foreign currencies	15.854.032.026	22.351.746.222
Provisions for investment loss	930.455.623	9.699.993.022
Support for reducing interest on deferred payment	-	9.415.761.812
Total	49.055.755.023	70.352.070.879

6. Selling expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Expenses for employees	12.229.557.062	11.326.681.717
Materials and supplies	365.504.138	362.562.299
Export commission	7.654.696.644	3.812.115.212
Expenses for external services	25.420.239.051	15.602.061.964
Other expenses	7.028.906.536	8.570.304.359
Total	52.698.903.431	39.673.725.551

7. General and administration expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Expenses for employees	41.957.417.810	38.560.759.544
Office supplies	3.402.916.516	3.392.714.017
Depreciation/(amortization) of fixed assets	2.134.778.037	2.286.757.183
Allocation of goodwill	1.968.325.240	1.968.325.240
Taxes, fees and legal fees	42.788.961.395	39.805.601.365
Allowance for doubtful debts	7.836.334.972	195.439.811
Expenses for external services	27.405.505.711	23.833.078.236
Other expenses	6.585.907.854	4.339.927.722
Total	134.080.147.535	114.382.603.118

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Notes to the Consolidated Interim Financial Statements (cont.)**8. Other income**

	Accumulated from the beginning of the year	
	Current year	Previous year
Gain from liquidation and disposal of fixed assets	-	838.125.450
Compensation for land clearance	142.035.000	-
Fines for violation of the contract	111.591.545	73.379.414
Other income	232.431.858	285.063.964
Total	486.058.403	1.196.568.828

9. Other expenses

	Accumulated from the beginning of the year	
	Current year	Previous year
Demolition and construction costs for site clearance	1.285.921.754	-
Payment of fines	127.491.706	2.816.657.979
Other expenses	182.193.865	271.635.358
Total	1.595.607.325	3.088.293.337

10. Earnings per share**10a. Basic/diluted earnings per share**

	Accumulated from the beginning of the year	
	Current year	Previous year
Accounting profit after corporate income tax of the Parent Company	213.141.910.092	177.545.547.384
Appropriation for bonus and welfare funds	(12.368.511.743)	(12.143.810.499)
Appropriation for bonus to the Board of Management, the Supervisory Board and the Executive Board	(7.421.107.046)	(7.286.286.300)
Remuneration of the Board of Management and the Supervisory Board	(810.600.000)	(810.600.000)
Profit used to calculate basic/diluted earnings per share	192.541.691.303	157.304.850.585
The average number of ordinary shares outstanding during the period	74.670.891	74.670.891
Basic/diluted earnings per share	2.579	2.107

10b. Other information

There are no transactions over the common share or potential common share from the balance sheet date until the date of these Consolidated Interim Financial Statements.

11. Operating costs by factors

	Accumulated from the beginning of the year	
	Current year	Previous year
Materials and supplies	678.168.127.094	657.594.455.593
Labor	188.956.302.757	186.216.027.483
Depreciation/(amortization) of fixed assets and allocation of goodwill	68.808.584.551	73.031.477.128
Expenses for external services	202.536.001.820	172.322.222.357
Other expenses	65.247.694.833	55.190.645.384
Total	1.203.716.711.055	1.144.354.827.945

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Notes to the Consolidated Interim Financial Statements (cont.)**VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INTERIM CASH FLOW STATEMENT**

During the period, the Group has the following non-cash transactions:

	Accumulated from the beginning of the year	
	Current year	Previous year
Reduction of interest expenses corresponding to loan interest received	2.024.158.570	2.468.501.214
Offsetting loan interest against payables	101.483.048	-

As of the balance sheet date, balances relevant to acquisition, construction of fixed assets and other non-current assets are as follows:

	Ending balance	Beginning balance
Payables for acquisition of fixed assets	16.132.966.462	4.729.426.540
Prepayments for acquisition of fixed assets	1.463.031.320	3.569.501.818

VIII. OTHER DISCLOSURES**1. Operating leased assets**

As at the balance sheet date, the total minimum rental to be collected in the future from irrevocable operating leases is as follows:

	Ending balance	Beginning balance
1 year or less	70.062.828.885	71.370.791.069
More than 1 year to 5 years	258.679.225.486	252.192.968.973
More than 5 years	245.218.075.074	258.904.260.687
Total	573.960.129.445	582.468.020.729

2. Transactions and balances with related parties

Related parties of the Group include the key managers, individuals related to the key managers and other related parties.

2a. Transactions and balances with the key managers and their related individuals

The key managers include the Board of Management, the Supervisory Board and the Executive Board. The individuals related to the key managers are their close family members.

Transactions with the key managers and their related individuals

The Group has no sales of goods and service provisions and no other transactions with the key managers and their related individuals.

Balances with the key managers and their related individuals

The Group has no balances with the key managers and their related individuals.

Remuneration of the Board of Management, the Supervisory Board, salary and bonus of the General Director and other managers

	Current period	Previous period
The Board of Management and the Supervisory Board	492.000.000	412.000.000
The General Director and other managers	3.970.517.179	3.390.200.118
Total	4.462.517.179	3.802.200.118

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Notes to the Consolidated Interim Financial Statements (cont.)**2b. Transactions and balances with other related parties**

Other related parties of the Group include:

Other related parties	Relationship
Vietnam National Textile and Garment Group	Parent Company
Coats Phong Phu Limited Liability Company	Associate
HUD Saigon Housing and Urban Development Investment Joint Stock Company	Associate
Dalat Garment Joint-Stock Company	Associate
Phong Phu - Daewon - Thu Duc Housing Development Corporation	Associate
Phong Phu Trading & Investment Promotion Corporation	Associate
Dong Nam Textile Joint Stock Company	Associate
Nha Trang Textile & Garment Joint Stock Company	Associate
Nhuan Phu Textile Company Limited	Associate
Phong Phu International Joint Stock Company	Related company of the key managers
Hoa Tho Textile - Garment Joint Stock Corporation	Subsidiary of Vietnam National Textile and Garment Group
Hoa Tho Fashion Joint Stock Company	Subsidiary of Vietnam National Textile and Garment Group
Viet Nam Textile Garment Materials Trading and Manufacturing Company Limited	Subsidiary of Vietnam National Textile and Garment Group
Towel Woven Joint Stock Company - Nam Dinh Textile Garment	Subsidiary of Vietnam National Textile and Garment Group
Vinatex Nam Dinh City Development Joint Stock Company	Associate of Vietnam National Textile and Garment Group
Lien Phuong Textile & Garment Corporation	Associate of Vietnam National Textile and Garment Group
Garment 10 Corporation - Joint Stock Company	Associate of Vietnam National Textile and Garment Group
Viet Thang Corporation	Associate of Vietnam National Textile and Garment Group
Nha Be Garment Corporation - Joint Stock Company	Associate of Vietnam National Textile and Garment Group
Viet Tien Garment Corporation	Associate of Vietnam National Textile and Garment Group
Phuoc Loc Joint Stock Company	Related company of the key managers
Vinatex International Fabric Company Limited	Related company of the key managers of Vietnam National Textile and Garment Group

Transactions with other related parties

Apart from transactions with joint ventures and associates presented in Note No. V.2b, and sales of goods and service provisions to other related parties, which are not associates as presented in Note VI.1b, the Group also has other following transactions with other related parties:

	Accumulated from the beginning of the year	
	Current year	Previous year
Vietnam National Textile and Garment Group		
Dividend distribution	18.704.398.000	41.149.675.600
Borrowing interest payable	16.724.562.998	19.587.599.781
Service charges	492.326.686	91.695.238
Purchase of goods and materials	-	604.755.000

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	<u>Current year</u>	<u>Previous year</u>
<i>Phong Phu International Joint Stock Company</i>		
Dividends received	7.200.000.000	7.200.000.000
<i>Phuoc Loc Joint Stock Company</i>		
Dividends received	1.050.000.000	-
Purchase of goods and materials	58.037.519.738	38.568.115.784
<i>Vinatex International Fabric Company Limited</i>		
Interest on asset rental	2.024.158.570	2.468.501.214
<i>Nha Be Garment Corporation - Joint Stock Company</i>		
Service charges	-	196.326.000
<i>Lien Phuong Textile & Garment Corporation</i>		
Remittance of profit	4.928.359.333	6.155.287.500
<i>Viet Tien Garment Corporation</i>		
Purchase of goods and materials	332.101.820	-
<i>Hoa Tho Textile - Garment Joint Stock Corporation</i>		
Purchase of merchandise and materials	10.631.817	-

The prices of goods and services provided to other related parties are mutually agreed prices. The purchases of goods and services from other related parties are done at the agreed prices.

Balances with other related parties

The balances with other related parties are presented in Notes No. V.3, V.4, V.5a, V.15, V.16, V.20, V.21 and V.22.

The receivables from other related parties are not secured and will be paid in cash. There is no allowance for doubtful debt made for receivables from other related parties.

3. Segment information

The main segment report is business segment because the Group's business activities are organized and managed on the basis of the features of products and services provided by the Group. Each segment is a business unit which provides different products and serves different markets.

3a. Information on business segments

The Group's principal business activities:

- Manufacturing: manufacturing and consuming cloth, towels, sewing thread, embroidery thread, garments and fashion clothes.
- Others: trading fibers and other materials, providing kindergarten education service, trading real estate and performing industrial projects, resorts and complex buildings.

Segment information according to the business segment of the Group is presented in the attached Appendix 05.

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3b. Information on geographical segment

All of the plants of the Corporation are in Vietnam. The Corporation's market is mainly in Vietnam, other Asian countries (South Korea, Japan, Hong Kong, China, Thailand) and other European and American countries.

Details of net external revenue in respect of geographical segment based on the location of customers are as follows:

	Accumulated from the beginning of the year	
	Current year	Previous year
Vietnam	679.298.445.934	632.434.822.718
Other countries	525.177.978.121	409.438.227.675
Total	1.204.476.424.055	1.041.873.050.393

4. Comparative figures

The Group made retroactive adjustments in land rental of previous years according to the Notice No. 11911/TB-CCTKV02 dated 27 June 2025 of Zone II Tax Department, regarding the land lot No. 314 at No. 02 Truong Chinh Street, Tay Thanh Ward, Ho Chi Minh City.

Effects of this retroactive adjustment on comparative figures in the Consolidated Interim Financial Statements are as follows:

	Code	Unadjusted figures	Adjustments	Adjusted figures
Consolidated Interim Balance Sheet				
Taxes and other obligations to the State Budget	313	5.121.241.541	71.909.987.492	77.031.229.033
Retained earnings	421	554.897.813.293	(71.909.987.492)	482.987.825.801

5. Subsequent events

There are no other material subsequent events which are required adjustments or disclosures in the Consolidated Interim Financial Statements.

6. Other disclosures

On 22 June 2019, the People's Committee of Ho Chi Minh City issued the Decision No. 2649/QĐ-UBND on revoking and repealing the Decision No. 6077/QĐ-UBND dated 17 November 2017 of the People's Committee of Ho Chi Minh City approving the transfer of Residence Area project in Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City (Phuoc Long Ward, Ho Chi Minh City now) between Saigon Agriculture Incorporation and the Corporation. Accordingly, the two parties shall return and transfer whatever they agreed upon and commit not to making any complaints afterwards; notify the relevant parties of the cancellation of the contract for transferring Residence Area Project in Phuoc Long Ward, Ho Chi Minh City; handle any issues arising with organizations and individuals related to the cancellation of the project transfer contract previously signed by the two parties according to the applicable laws.

On 18 December 2021, the People's Court of Ho Chi Minh City made the judgement on the case in the first trial and appeal trial on 08, 09 and 15 June 2022 and released the judgement on violation of Saigon Agriculture Incorporation regarding the transfer of the Residence Area project in Phuoc Long Ward, Ho Chi Minh City as at the transfer date for an amount of VND 348.779.619.741. Accordingly, the Corporation made provision for loss payable to Saigon Agriculture Incorporation on the basis of the loss determined at the transfer date for an amount of VND 62.473.188.366 (see Note No. V.23).

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Notes to the Consolidated Interim Financial Statements (cont.)

On 17 January 2024, the Corporation handed over assets of Residence Area project in Phuoc Long Ward, Ho Chi Minh City to Saigon Agriculture Incorporation. On 22 and 24 January 2025, Saigon Agriculture Incorporation revoked invoices that had been issued to the Corporation related to the project transfer contract for cancellation as regulated at the Document No. 12867/CTTPHCM-TTHT dated 31 December 2024 of Ho Chi Minh City Tax Department (Ho Chi Minh City Tax Administration now). The two parties agreed to record the capital contribution value of the Corporation according to the Business Cooperation Contract No. 52/HĐHT-TCT dated 31 October 2008 (see Note No. V.5b) and the debt of Saigon Agriculture Incorporation due to the Corporation for an amount of VND 55.241.292.415 (see Note No. V.5a).

To date, the Business Cooperation Contract No. 52/HĐHT-TCT dated 31 October 2008 between Saigon Agriculture Incorporation and the Corporation has not been declared as void or invalid, and the concerned parties have not requested for termination, cancellation or change of capital contribution and profit distribution rates. The two parties have held a meeting with local departments, agencies and authorities to seek support and guidance on the project's difficulties and impediments. The People's Committee of Ho Chi Minh City and the Department of Construction also issued the official guidance in Document No. 228/SXD-PTĐT dated 07 July 2025. Currently, the Corporation and Saigon Agriculture Incorporation are coordinating to implement the instructions provided.

Ho Chi Minh City, 26 August 2025



Tran Lan Anh
Preparer



Le Thi Tu Anh
Chief Accountant



Duong Khue
General Director

PHONG PHU CORPORATION

Address: No. 48 Tang Nhon Phu Street, Tang Nhon Phu Ward, Ho Chi Minh City

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Appendix 01: Increase, decrease in tangible fixed assets

Unit: VND

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
Historical costs					
Beginning balance	677.853.624.328	1.541.297.829.954	55.322.740.786	12.843.766.453	2.287.317.961.521
Acquisition during the period	-	500.000.000	-	-	500.000.000
Completed construction	-	66.929.132.607	1.452.881.905	-	68.382.014.512
Ending balance	677.853.624.328	1.608.726.962.561	56.775.622.691	12.843.766.453	2.356.199.976.033
<i>In which:</i>					
Assets fully depreciated but still in use	69.659.477.189	439.761.127.365	13.202.750.203	3.776.420.879	526.399.775.636
Assets waiting for liquidation	-	-	-	-	-
Depreciation					
Beginning balance	269.510.294.495	1.034.717.655.218	33.351.799.105	7.159.260.309	1.344.739.009.127
Depreciation during the period	13.333.669.948	45.557.833.227	2.392.636.437	365.342.568	61.649.482.180
Ending balance	282.843.964.443	1.080.275.488.445	35.744.435.542	7.524.602.877	1.406.388.491.307
Carrying values					
Beginning balance	408.343.329.833	506.580.174.736	21.970.941.681	5.684.506.144	942.578.952.394
Ending balance	395.009.659.885	528.451.474.116	21.031.187.149	5.319.163.576	949.811.484.726
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief Accountant

Ho Chi Minh City, 26 August 2025

Duong Khue
General Director

PHONG PHU CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Appendix 02: Taxes and other obligations to the State Budget


Unit: VND

	Beginning balance		Increases during the period		Ending balance	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	2.400.564.140	-	12.559.502.074	(12.027.063.415)	2.933.002.799	-
VAT on imports	-	-	8.399.371.091	(8.399.371.091)	-	-
Export-import duties	-	-	199.680.179	(199.680.179)	-	-
Corporate income tax	637.670.083	207.769.015	1.719.015.826	(837.670.083)	1.519.015.826	207.769.015
Personal income tax	1.467.873.104	-	19.117.477.576	(17.670.257.573)	2.915.093.107	-
Natural resource tax	13.833.610	-	129.371.885	(130.964.375)	12.241.120	-
Property tax, land rental	72.511.288.096	-	114.131.152.929	(106.312.379.894)	80.330.061.131	-
Withholding tax	-	-	831.544.308	(831.544.308)	-	-
License duty	-	-	20.300.000	(20.300.000)	-	-
Fees, legal fees, and other duties	-	-	110.526.207	(110.526.207)	-	-
Total	77.031.229.033	207.769.015	157.217.942.075	(146.539.757.125)	87.709.413.983	207.769.015


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief Accountant

Ho Chi Minh City, 26 August 2025


Duong Khue
General Director

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Appendix 03: Increase, decrease in borrowings and financial leases

Unit: VND

Details of increases/(decreases) in short-term borrowings and financial leases during the period are as follows:

	Beginning balance	Increases during the period	Transfer from long-term borrowings	Principal-added interest	Exchange difference	Amount repaid during the period	Ending balance
<i>Current portions of long-term borrowings payable to related parties</i>	16.438.837.322	-	9.030.849.777	-	472.628.500	(8.175.552.320)	17.766.763.279
<i>Short-term borrowings and financial leases payable to other organizations and individuals</i>	357.823.500.913	617.941.800.210	3.278.056.809	925.957.130	278.067.236	(533.820.626.768)	446.426.755.530
Short-term borrowings from banks	281.070.539.960	617.214.800.210	-	-	278.067.236	(521.053.693.920)	377.509.713.486
Short-term borrowings from individuals	71.472.960.953	727.000.000	-	925.957.130	-	(6.176.012.835)	66.949.905.248
Current portions of long-term borrowings	-	-	3.275.530.493	-	-	(1.308.393.697)	1.967.136.796
Current portions of financial leases	5.280.000.000	-	2.526.316	-	-	(5.282.526.316)	-
Total	374.262.338.235	617.941.800.210	12.308.906.586	925.957.130	750.695.736	(541.996.179.088)	464.193.518.809

Details of increases/(decreases) in long-term borrowings and financial leases during the period are as follows:

	Beginning balance	Increases during the period	Transfer to current portions of long-term borrowings	Principal-added interest	Exchange difference	Amount repaid during the period	Ending balance
<i>Long-term borrowings from related parties</i>	516.330.778.162	-	(9.030.849.777)	-	15.066.477.817	-	522.366.406.202
<i>Long-term borrowings and financial leases payable to other organizations and individuals</i>	71.457.800.923	37.162.299.287	(3.278.056.809)	-	-	-	105.342.043.401
Long-term borrowings from banks	6.325.404.134	37.162.299.287	(3.275.530.493)	-	-	-	40.212.172.928
Financial leases	65.132.396.789	-	(2.526.316)	-	-	-	65.129.870.473
Total	587.788.579.085	37.162.299.287	(12.308.906.586)	-	15.066.477.817	-	627.708.449.603

Ho Chi Minh City, 26 August 2025


Tran Lan Anh
Preparer

Le Thi Tu Anh
Chief AccountantDuong Khue
General Director

PHONG PHU CORPORATION

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

For the first 6 months of the fiscal year ending 31 December 2025

Appendix 04: Statement of changes in owner's equity

Unit: VND

	Owner's capital	Share premiums	Investment and development fund	Retained earnings	Benefits of non-controlling shareholders	Total
Beginning balance of the previous year	746.708.910.000	32.368.276.001	471.023.935.263	424.786.792.618	30.330.332.729	1.705.218.246.611
Increase due to business combination in the previous period	-	-	-	-	260.000.000	260.000.000
Profit in the previous period	-	-	-	177.545.547.384	3.178.170.484	180.723.717.868
Appropriation for funds in the previous period	-	-	17.529.434.000	(51.675.662.000)	-	(34.146.228.000)
Dividend distribution in the previous period	-	-	-	(82.137.980.100)	-	(82.137.980.100)
Remuneration to the Board of Management, the Supervisory Board and the Executive Board	-	-	-	(486.377.778)	(35.400.000)	(521.777.778)
Other adjustments	-	-	-	99.702.196	-	99.702.196
Ending balance of the previous period	746.708.910.000	32.368.276.001	488.553.369.263	468.132.022.320	33.733.103.213	1.769.495.680.797
Beginning balance of the current year	746.708.910.000	32.368.276.001	512.396.290.709	482.987.825.802	37.647.461.337	1.812.108.763.849
Profit in the current period	-	-	-	213.141.910.092	2.516.277.031	215.658.187.123
Appropriation for funds in the current period	-	-	34.896.001.000	(69.866.248.000)	(180.000.000)	(35.150.247.000)
Dividend distribution in the current period	-	-	-	(37.335.445.500)	-	(37.335.445.500)
Remuneration to the Board of Management, the Supervisory Board and the Executive Board	-	-	-	(361.966.666)	(17.700.000)	(379.666.666)
Other decreases	-	-	-	(12.930.807.343)	-	(12.930.807.343)
Ending balance of the current period	746.708.910.000	32.368.276.001	547.292.291.709	575.635.268.385	39.966.038.368	1.941.970.784.463



Tran Lan Anh
Preparer



Le Thi Tu Anh
Chief Accountant



Ho Chi Minh City, 26 August 2025

Duong Khue
General Director

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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Appendix 05: Segment information according to the business segments

Unit: VND

Information on the Group's financial performance, fixed assets, other non-current assets and values of remarkable non-cash expenses according to the business segments is as follows:

	Manufacturing	Trading, servicing, others	Deductions	Total
Current period				
Net external revenue	916.077.698.811	288.398.725.244		1.204.476.424.055
Net inter-segment revenue	-	-	-	-
Total net revenue	916.077.698.811	288.398.725.244	-	1.204.476.424.055
Segment financial performance	177.469.174.679	60.256.443.094	-	237.725.617.773
Expenses not attributable to segments				(186.779.050.966)
Operating profit				50.946.566.807
Financial income				26.742.303.469
Financial expenses				(49.055.755.023)
Gain or loss in joint ventures, associates	188.727.530.300	1.126.106.318		189.853.636.618
Other income				486.058.403
Other expenses				(1.595.607.325)
Current income tax				(1.719.015.826)
Deferred income tax				-
Profit after tax				215.658.187.123
Total expenses on acquisition of fixed assets and other non-current assets	127.813.198.692	597.220.000	-	128.410.418.692
Total depreciation/(amortization) and allocation of long-term prepayments	53.665.674.939	19.041.955.876	-	72.707.630.815
Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)	595.197.391	7.241.137.581	-	7.836.334.972



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Appendix 05: Segment information according to the business segments (cont.)

	Manufacturing	Trading, servicing, others	Deductions	Total
Previous period				
Net external revenue	867.467.286.470	174.405.763.923	-	1.041.873.050.393
Net inter-segment revenue	-	-	-	-
Total net revenue	867.467.286.470	174.405.763.923	-	1.041.873.050.393
Segment financial performance	137.030.710.684	70.009.809.554	-	207.040.520.238
Expenses not attributable to segments				(154.056.328.669)
Operating profit				52.984.191.569
Financial income				27.703.982.023
Financial expenses				(70.352.070.879)
Gain or loss in joint ventures, associates	173.358.569.599	710.706.853		174.069.276.452
Other income				1.196.568.828
Other expenses				(3.088.293.337)
Current income tax				(1.789.936.788)
Deferred income tax				-
Profit after tax				180.723.717.868
Total expenses on acquisition of fixed assets and other non-current assets	10.740.312.556	-	-	10.740.312.556
Total depreciation/(amortization) and allocation of long-term prepayments	49.987.252.764	24.284.007.858	-	74.271.260.622
Total remarkable non-cash expenses (except depreciation/(amortization) and allocation of long-term prepayments)	(773.310.189)	(31.250.000)	-	(804.560.189)



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CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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Appendix 05: Segment information according to the business segments (cont.)

The Group's assets and liabilities according to the business segments are as follows:

	Manufacturing	Trading, servicing, others	Deductions	Total
Ending balance				
Direct assets of segment	1.513.989.209.391	630.564.496.698	-	2.144.553.706.089
Allocated assets	11.240.807.763	-	-	11.240.807.763
Unallocated assets				1.585.788.690.625
Total assets				3.741.583.204.477
Direct liabilities of segment	820.063.812.266	727.457.389.712	-	1.547.521.201.978
Allocated liabilities	1.015.075.518	84.843.042.737	-	85.858.118.255
Unallocated liabilities				166.233.099.781
Total liabilities				1.799.612.420.014
Beginning balance				
Direct assets of segment	1.272.685.899.604	843.240.847.843	-	2.115.926.747.447
Allocated assets	4.502.496.148	73.192.157	-	4.575.688.305
Unallocated assets				1.458.549.617.583
Total assets				3.579.052.053.335
Direct liabilities of segment	709.525.970.547	769.733.880.852	-	1.479.259.851.399
Allocated liabilities	3.486.165.985	793.306.616	-	4.279.472.601
Unallocated liabilities				283.403.965.487
Total liabilities				1.766.943.289.487



Tran Lan Anh
Preparer



Le Thi Tu Anh
Chief Accountant



Ho Chi Minh City, 26 August 2025

Duong Khue
General Director