

MBG GROUP JOINT STOCK COMPANY

Audited separate financial statements
For the year ended 31 December 2024



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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of MBG Group Joint Stock Company (hereinafter called "the Company") presents this report together with the separate financial statements of the Company for the year ended 31 December 2024.

GENERAL INFORMATION

MBG Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No. 0102382580 for the first time on date 23 month 02 year 2009, and the 22nd amendment dated date 17 month 11 year 2022 issued by the Hanoi Department of Planning and Investment.

THE MEMBERS OF THE BOARD OF MANAGEMENT, THE BOARD OF SUPERVISORS, AND THE BOARD OF GENERAL DIRECTORS

The members of the Board of Management, the Board of Supervisors, and the Board of General Directors of the Company during the year and to the date of this statement are as follows:

The Board of Management

| <u>Full name</u> | <u>Position</u> | |
|-------------------------|-----------------|-------------------------------|
| Mr. Pham Huy Thanh | Chairman | |
| Mrs. Dang Thi Tuyet Lan | Member | |
| Mr. Duong Quang Dong | Member | |
| Ms. Vuong Bao Yen | Member | |
| Ms. Tran Thi Thuy Loan | Member | Dismissed on 03 month 06 2024 |

The Board of Supervisors

| <u>Full name</u> | <u>Position</u> |
|-----------------------|-----------------|
| Mrs. Pham Tuyet Nhung | Head of BOS |
| Mrs. Pham Thi Hanh | Member |
| Mrs. Nguyen Thi Quynh | Member |

The Board of General Directors

| <u>Full name</u> | <u>Position</u> |
|-------------------------|-------------------------|
| Mr. Duong Quang Dong | Deputy General Director |
| Mrs. Dang Thi Tuyet Lan | Deputy General Director |

Legal representatives

The legal representative of the Company during the year and to the date of this statement is Mr. Pham Huy Thanh – Chairman.

AUDITORS

International Auditing and Valuation Company Limited has been appointed to audit the separate financial statements of the Company for the year ended 31 December 2024.

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS
(Continue)**

DISCLOSURE OF THE BOARD OF GENERAL DIRECTORS 'S RESPONSIBILITIES FOR THE SEPARATE FINANCIAL STATEMENTS

The Board of General Directors of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the separate financial position of the Company as at 31 December 2024, and its separate financial performance and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, The Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- Prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

The Board of General Directors of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing these separate financial statements.

COMMITMENT ON INFORMATION DISCLOSURE

The Board of General Directors confirms to have complied with Decree 155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market.

On behalf of The Board of of General Directors



Mr. Pham Huy Thanh

Chairman

Hanoi, date 27 month 02 2025

No: 0512/2024/BCTC/IAV

INDEPENDENT AUDITORS' REPORT

**To: The shareholders
The Board of Management, the Board of Supervisors,
and the Board of General Directors
of MBG Group Joint Stock Company**

We have audited the accompanying separate financial statements of MBG Group Joint Stock Company (hereinafter called "the Company"), prepared on date 27 month 02 2025, as set out from page 05 to page 37, which comprise the separate statement of financial position as at 31 December 2024, the separate statement of income, and separate statement of cash flows for the year then ended, and the notes to the separate financial statements.

The Board of General Directors 's Responsibility

The Board of General Directors of the Company is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as The Board of General Directors determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free from material misstatement.

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

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

Auditors' Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the results of its separate operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

INDEPENDENT AUDITORS' REPORT (Continue)

Other Matter

The separate financial statements of the Company for the year ended 31 December 2023 were audited by another independent audit firm. The auditor expressed an unmodified opinion on those statements in Independent Auditors' Report No. 349/2024/UHY-HN/BCKT dated 26 month 03 year 2024.



TRAN THI THANH TU
Deputy Director
Audit Practising Registration Certificate
No. 3372-2025-283-1

NGUYEN HAI PHUONG
Auditor
Audit Practising Registration Certificate
No. 1329-2023-283-1

INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED

Hanoi, date month 02 2025

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

| ASSETS | Code | Note | Closing balance VND | Opening balance VND |
|---|------------|-------------|--------------------------|--------------------------|
| A. SHORT-TERM ASSETS | 100 | | 946,867,816,381 | 955,078,818,541 |
| I. Cash and cash equivalents | 110 | 4.1 | 89,989,430,618 | 71,646,180,152 |
| 1. Cash | 111 | | 25,989,430,618 | 71,646,180,152 |
| 2. Cash equivalents | 112 | | 64,000,000,000 | - |
| II. Short-term financial investments | 120 | 4.2 | 1,100,000,000 | 1,450,000,000 |
| 1. Held-to-maturity investments | 123 | | 1,100,000,000 | 1,450,000,000 |
| III. Short-term receivables | 130 | | 432,284,381,285 | 598,461,816,170 |
| 1. Short-term trade receivables | 131 | 4.3 | 330,504,867,712 | 397,620,593,323 |
| 2. Short-term advances to suppliers | 132 | 4.4 | 114,537,488,848 | 214,163,485,975 |
| 3. Other short-term receivables | 136 | 4.5 | 91,958,824 | 17,116,786 |
| 4. Short-term allowance for doubtful debts | 137 | 4.6 | (12,849,934,099) | (13,339,379,914) |
| IV. Inventories | 140 | 4.7 | 412,500,662,250 | 280,472,846,318 |
| 1. Inventories | 141 | | 412,500,662,250 | 336,808,139,390 |
| 2. Allowances for devaluation of inventories | 149 | | - | (56,335,293,072) |
| V. Other short-term assets | 150 | | 10,993,342,228 | 3,047,975,901 |
| 1. Short-term prepaid expenses | 151 | 4.8 | - | 645,737 |
| 2. Value added tax deductibles | 152 | | 10,345,730,440 | 2,807,334,187 |
| 3. Taxes and other receivables from the State budget | 153 | 4.16 | 647,611,788 | 239,995,977 |
| B. LONG-TERM ASSETS | 200 | | 422,960,225,233 | 356,801,460,674 |
| I. Long-term receivables | 210 | | - | - |
| II. Fixed assets | 220 | | 27,265,481,727 | 38,161,996,256 |
| 1. Tangible fixed assets | 221 | 4.9 | 27,184,771,275 | 38,027,861,804 |
| - Cost | 222 | | 90,151,444,798 | 89,738,504,798 |
| - Accumulated depreciation | 223 | | (62,966,673,523) | (51,710,642,994) |
| 2. Intangible fixed assets | 227 | 4.10 | 80,710,452 | 134,134,452 |
| - Cost | 228 | | 200,340,000 | 200,340,000 |
| - Accumulated amortisation | 229 | | (119,629,548) | (66,205,548) |
| III. Investment properties | 230 | 4.11 | 46,761,550,716 | 47,983,780,156 |
| - Cost | 231 | | 49,217,297,239 | 48,806,255,950 |
| - Accumulated depreciation | 232 | | (2,455,746,523) | (822,475,794) |
| IV. Long-term assets in progress | 240 | | 1,928,385,779 | 1,928,385,779 |
| 1. Construction in progress | 242 | | 1,928,385,779 | 1,928,385,779 |
| V. Long-term financial investments | 250 | 4.2 | 346,976,724,900 | 265,625,721,285 |
| 1. Investments in subsidiaries | 251 | | 96,805,721,285 | 7,625,721,285 |
| 2. Investments in joint-ventures, associates | 252 | | 258,000,000,000 | 258,000,000,000 |
| 3. Allowances for impairment of long-term financial investments | 254 | | (7,828,996,385) | - |
| VI. Other long-term assets | 260 | | 28,082,111 | 3,101,577,198 |
| 1. Long-term prepaid expenses | 261 | 4.8 | 28,082,111 | 3,101,577,198 |
| TOTAL ASSETS (270 = 100 + 200) | 270 | | 1,369,828,041,614 | 1,311,880,279,215 |

SEPARATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

| RESOURCES | Code | Note | Closing balance VND | Opening balance VND |
|--|------------|------|--------------------------|--------------------------|
| C. LIABILITIES | 300 | | 83,381,541,097 | 47,277,841,437 |
| I. Short-term liabilities | 310 | | 82,981,541,097 | 46,877,841,437 |
| 1. Short-term trade payables | 311 | 4.12 | 3,402,147,615 | 6,891,945,245 |
| 2. Short-term advances from customers | 312 | | - | 906,871,853 |
| 3. Taxes and amounts payable to the State budget | 313 | 4.16 | 7,706,610 | 42,277,386 |
| 4. Short-term accrued expenses | 315 | 4.13 | 368,118,333 | 856,595,024 |
| 5. Short-term unearned revenue | 318 | 4.14 | 300,000,000 | 300,000,000 |
| 6. Other short-term payables | 319 | 4.15 | 480,222,653 | 465,532,463 |
| 7. Short-term borrowings and finance lease liabilities | 320 | 4.17 | 76,008,726,420 | 35,000,000,000 |
| 8. Bonus and welfare fund | 322 | | 2,414,619,466 | 2,414,619,466 |
| II. Long-term liabilities | 330 | | 400,000,000 | 400,000,000 |
| 1. Other long-term payables | 337 | 4.15 | 400,000,000 | 400,000,000 |
| D. EQUITY | 400 | | 1,286,446,500,517 | 1,264,602,437,778 |
| I. Owner's equity | 410 | 4.18 | 1,286,446,500,517 | 1,264,602,437,778 |
| 1. Owner's contributed capital | 411 | | 1,202,185,400,000 | 1,202,185,400,000 |
| - Ordinary shares with voting rights | 411a | | 1,202,185,400,000 | 1,202,185,400,000 |
| 2. Share premium | 412 | | (238,202,140) | (238,202,140) |
| 3. Investment and development fund | 418 | | 8,423,689,821 | 8,423,689,821 |
| 4. Retained earnings | 421 | | 76,075,612,836 | 54,231,550,097 |
| - Retained earnings accumulated to the prior year end | 421a | | 54,231,550,097 | 103,469,634,528 |
| - Retained earnings/(losses) of the current year | 421b | | 21,844,062,739 | (49,238,084,431) |
| II. Other resources and funds | 430 | | - | - |
| TOTAL RESOURCES (440=300+400) | 440 | | 1,369,828,041,614 | 1,311,880,279,215 |



Preparer
Nguyen Thi Quyen

Chief Accountant
Nguyen Thi Tuyet

Chairman
Pham Huy Thanh
Hanoi, Vietnam
Date 27 month 02 2025

SEPARATE STATEMENT OF INCOME

For the year ended 31 December 2024

| ITEMS | Code | Note | Current year VND | Prior year VND |
|--|------|------|---------------------|-------------------|
| 1. Gross revenue from goods sold and services rendered | 01 | 5.1 | 311,186,580,224 | 508,437,481,623 |
| 2. Deductions | 02 | | - | - |
| 3. Net revenue from goods sold and services rendered (10=01-02) | 10 | | 311,186,580,224 | 508,437,481,623 |
| 4. Cost of goods sold and services rendered | 11 | 5.2 | 268,512,338,034 | 537,186,669,087 |
| 5. Gross profit/ (losses) from goods sold and services rendered (20=10-11) | 20 | | 42,674,242,190 | (28,749,187,464) |
| 6. Financial income | 21 | 5.3 | 1,097,092,044 | 5,958,663,622 |
| 7. Financial expenses | 22 | 5.4 | 11,603,306,711 | 2,839,540,821 |
| - In which: Interest expense | 23 | | 3,774,310,326 | 2,839,540,821 |
| 8. Selling expenses | 25 | | 112,308,025 | 1,381,050,737 |
| 9. General and administration expenses | 26 | 5.5 | 9,614,384,719 | 22,671,083,863 |
| 10. Net operating profit/ (losses) (30=20+(21-22)-(25+26)) | 30 | | 22,441,334,779 | (49,682,199,263) |
| 11. Other income | 31 | 5.6 | 960,484,510 | 454,116,372 |
| 12. Other expenses | 32 | 5.7 | 903,398,407 | 10,001,540 |
| 13. Other profit/ (losses) (40=31-32) | 40 | | 57,086,103 | 444,114,832 |
| 14. Accounting profit/ (losses) before tax (50=30+40) | 50 | | 22,498,420,882 | (49,238,084,431) |
| 15. Current corporate income tax expense | 51 | 5.8 | 654,358,143 | - |
| 16. Deferred corporate tax (income)/ expense | 52 | | - | - |
| 17. Net profit/ (losses) after corporate income tax (60=50-51-52) | 60 | | 21,844,062,739 | (49,238,084,431) |

Preparer
Nguyen Thi Quyen

Chief Accountant
Nguyen Thi Tuyet



Chairman
Pham Huy Thanh
Hanoi, Vietnam
Date 27 month 02 2025

SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Indirect method)

| ITEMS | Code | Note | Current year VND | Prior year VND |
|---|------|------|---------------------|-------------------|
| I. CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| 1. <i>(Losses)/Profit before tax</i> | 01 | | 22,498,420,882 | (49,238,084,431) |
| 2. <i>Adjustments for:</i> | | | | |
| Depreciation and amortisation of fixed assets and investment properties | 02 | | 12,942,725,258 | 13,668,841,931 |
| Allowances and provisions | 03 | | (48,995,742,502) | 67,694,891,414 |
| (Gains)/losses from investing activities | 05 | | (1,097,092,044) | (5,958,663,622) |
| Interest expense | 06 | | 3,774,310,326 | 2,839,540,821 |
| 3. <i>Operating profit before changes in working capital</i> | 08 | | (10,877,378,080) | 29,006,526,113 |
| Change in receivables | 09 | | 158,976,624,173 | (7,940,342,385) |
| Change in inventories | 10 | | (75,692,522,860) | (6,271,948,717) |
| Change in payables (excluding accrued loan interest and corporate income tax payable) | 11 | | (4,944,325,649) | (89,117,123,322) |
| Change in prepaid expenses | 12 | | 3,074,140,824 | 1,940,119,139 |
| Interest paid | 14 | | (3,735,011,437) | (2,885,474,803) |
| Corporate income tax paid | 15 | | (839,015,598) | (23,224,572,455) |
| <i>Net cash flows from operating activities</i> | 20 | | 65,962,511,373 | (98,492,816,430) |
| II. CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| 1. Acquisition and construction of fixed assets and other long-term assets | 21 | | (823,981,289) | (5,762,640,000) |
| 2. Cash outflow for lending, buying debt instruments of other entities | 23 | | 350,000,000 | (350,000,000) |
| 3. Cash recovered from lending, selling debt instruments of other entities | 24 | | - | 105,000,000,000 |
| 4. Equity investments in other entities | 25 | | (89,180,000,000) | (64,000,000,000) |
| 5. Cash recovered from equity investment in other entities | 26 | | - | 80,000,000,000 |
| 6. Interest earned, dividends and profits received | 27 | | 1,025,993,962 | 9,882,528,826 |
| <i>Net cash flows from investing activities</i> | 30 | | (88,627,987,327) | 124,769,888,826 |
| CASH FLOWS FROM FINANCING | | | | |
| III. ACTIVITIES | | | | |
| 1. Proceeds from borrowings | 33 | | 161,008,726,420 | 70,000,000,000 |
| 2. Repayment of borrowings | 34 | | (120,000,000,000) | (91,140,508,308) |
| <i>Net cash flows from financing activities</i> | 40 | | 41,008,726,420 | (21,140,508,308) |

SEPARATE STATEMENT OF CASH FLOWS (Continued)

For the year ended 31 December 2024
(Indirect method)

| ITEMS | Code | Note | Current year VND | Prior year VND |
|---|------|------|---------------------|-------------------|
| Net increase/(decrease) in cash for the year (50=20+30+40) | 50 | | 18,343,250,466 | 5,136,564,088 |
| Cash and cash equivalents at the beginning of the year | 60 | | 71,646,180,152 | 66,509,616,064 |
| Effects of changes in foreign exchange rates | 61 | | - | - |
| Cash and cash equivalents at the end of the year (70=50+60+61) | 70 | | 89,989,430,618 | 71,646,180,152 |

Preparer
Nguyen Thi Quyen

Chief Accountant
Nguyen Thi Tuyet



Chairman
Pham Huy Thanh
Hanoi, Vietnam
Date 27 month 02 2025

NOTES TO THE SPARATE FINANCIAL STATEMENTS*For the year ended 31 December 2024*

These notes are an integral part of and should be read in conjunction with the accompanying separate financial statements.

1. GENERAL INFORMATION**1.1. Structure of ownership**

MBG Joint Stock Company (hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No. 0102382580 for the first time on date 23 month 02 year 2009, and the 22nd amendment dated date 17 month 11 year 2022 issued by the Hanoi Department of Planning and Investment.

The Company's charter capital is VND 1,202,185,400,000 (*In words: One thousand two hundred and two billion, two hundred and eighteen million, five hundred and forty thousand dong*). The total number of shares is 120,218,540 shares.

The Company's head office is at 906 Nguyen Khoai, 10 Cluster, Thanh Tri Ward, Hoang Mai District, Hanoi.

The Company's factory is located in Ao Kenh village, Lien Son commune, Luong Son district, Hoa Binh province.

The Company's shares are listed on the Hanoi Stock Exchange (HNX) with the ticket symbol is MBG.

The number of employees as at 31 December 2024 was 31 people (31 December 2023: 31 people).

1.2. Business area

The Company's main business area are manufacturing, commercial and construction.

1.3. Business activities

During the year, the Company's main business activities are:

- Manufacturing and trading of lighting equipment, decorative lights and household electrical appliances;
- Manufacturing and trading in construction materials;
- Construction and finishing of residential interiors;
- Investment and real estate business.

1.4. Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months.

1.5. Characteristics of the business activities in the year which have impact on the separate financial statements

During the year, the Company liquidated all poor quality inventory at the beginning of the year and due to the positive real estate market in the Hanoi - Hung Yen area, the Company reversed all inventory price reduction provisions made at the beginning of the year.

1.6. The Company's structure

| Name | Place of incorporation and operation | Proportion of ownership interest | Proportion of voting power held | Principal activities |
|---|--------------------------------------|----------------------------------|---------------------------------|---|
| Subsidiaries | | | | |
| MBG - Confittech Investment Company Limited | Phu Tho | 80% | 80% | Real estate investment and business |
| Home Eco Group Joint Stock Company | Hung Yen | 98% | 98% | Real estate business, commercial service business |
| Associates | | | | |
| Vcado Global Joint Stock Company | Hanoi | 40% | 40% | Real estate business, commercial service business |
| MBG Lac Sanh Phu Yen Joint Stock Company | Phu Yen | 48% | 48% | Resort tourism services, commercial service business |
| Mien Trung Industrial Joint Stock Company | Phu Yen | 41.67% | 41.67% | Construction of all types of houses, commercial service business |
| PJACA Phu Yen Joint Stock Company | Phu Yen | 48% | 48% | Manufacturing of products from plastic, commercial service business |
| Quoc Bao Van Ninh Joint Stock Company | Khanh Hoa | 32% | 32% | Activities of sports clubs, commercial service business |

1.7. Disclosure of information comparability in the separate financial statements

The data presented in the separate financial statements for the year ended 31 December, 2024 are comparable to the corresponding figures of the prior year.

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

2.1. Accounting convention

The accompanying separate financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2.2. Going concern assumption

There have been no events that cast significant doubt on its ability to continue as a going concern. The company neither intends nor is forced to cease operations, or significantly scale back its operations.

2.3. Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Estimates

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires The Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on The Board of General Directors's best knowledge, actual results may differ from those estimates.

3.2. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

3.3. Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the separate statement of income on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

Allowance for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Investments in subsidiaries, joint ventures

Investment in subsidiaries

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in subsidiaries, joint ventures and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the separate statement of income. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures and associates are carried in the Separate Statement of Financial Position at cost less allowance for impairment of such investments (if any). Allowance for impairment of investments in subsidiaries, joint ventures and associates are made when there is reliable evidence for declining in value of these investments at the atatement of financial position date.

3.4. Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

3.5. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

G Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary allowance for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the statement of financial position date.

3.6. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

Tangible fixed assets are depreciated using the straight-line method over their following estimated useful lives:

| | |
|--------------------------|---------------|
| Buildings and structures | 06 - 10 years |
| Machinery and equipment | 05 - 07 years |
| Office equipment | 03 years |
| Motor vehicles | 05 - 07 years |

3.7. Intangible assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of intangible fixed assets comprises all the expenses incurred to obtain this asset put into use. Costs incurred after the initial recognition are recognized to increase the cost of intangible fixed assets if these costs certainly increase economic benefits in the future due to using this asset.

When intangible fixed assets are sold or retired, their cost and accumulated amortisation are removed from the statement of financial position and any profit or loss resulting from its disposal is included in the income or expense in the year.

The Company's intangible fixed assets include:

Computer software

The buying expenses of computer software which are not an integral part of related hardware are capitalized. Initial cost of computer software includes all the expenses paid until the date the software is put into use. Computer software is amortized in line with the straight-line method in 04 years.

3.8. Investment properties

Investment properties including land use right, a building or a part of building, infrastructure held by the company or by the lessee under a financial lease are used to earn rental or for capital appreciation. Investment properties are determined by their historical costs less accumulated depreciation. Historical cost of investment properties includes all the expenses paid by the company or the fair value of other consideration given to acquire the assets at the time of its acquisition or construction.

Subsequent expenses relating to investment properties that have already been recognized should be added to the net book value of the investment properties when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment properties, will flow to the company.

When the investment properties are sold, its historical cost and accumulated depreciation are write off, the any profit or loss arisen are posted into the income or the expenses.

The transfer from properties owners or inventory using a real estate investment only when owners cease using the properties and begin operating lease to another party or at the end of the construction phase. The transfer from investment properties to properties owners or inventory used only when the owner began to use this asset or initiated for the purpose of sale. The transfer from investment properties to properties for owner's using or inventories do not change the cost or value of the properties remaining at the date of conversion.

Investment properties are depreciated in accordance with the straight-line method over their estimated useful live. Investment properties are depreciated as follows:

| | |
|-------------------------------|----------|
| Buildings and land use rights | 30 years |
|-------------------------------|----------|

3.9. Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

3.10. Prepaid expenses

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

Tools and equipment

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation not too 03 years.

3.11. Accounts payable and accrued expenses

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue.

- Internal payables reflect the payable between superior and subordinate units have no legal with dependent accounting.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

3.12. Borrowings and finance lease liabilities

Borrowings are tracked according to each object, each contract and the repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

3.13. Borrowing costs

Borrowing costs are recognised in the statement of income in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

3.14. Unearned revenue

Unearned revenue is defined as revenue that is received ahead of schedule for one or more accounting periods. This primarily consists of client prepayments for lengthy asset rentals. The Company records unearned revenues corresponding to the obligations that the Company will have to perform in the future. When the conditions for revenue recognition are satisfied, unearned revenue will be shown in the statement of income for the year that corresponds to the portion that satisfies the requirements for revenue recognition.

3.15. Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

3.16. Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

3.30 Revenue and earnings

Revenue from sales of finished goods and merchandise goods

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company; and.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from sales from construction contract

When the results of the construction contract were estimated reliably as follows:

- For construction contract that the contractors are paid according to the progress of the plan, revenues and expenses related to these contracts are recognized in proportion to the work completed by the Company determined in fiscal year end.
- For construction contract that the contractors are paid according to the value of the mass execution, revenue and expenses related to these contracts are recognized in proportion to the work completed by customers confirm and is reflected on the invoices made.

The increases, decreases of volume of construction, compensation and other income are recorded only when revenue has been agreed with the customer.

When the results of a construction contract cannot be estimated reliable, present as follow:

- Revenue is recognized only equivalent to the cost of the contract incurred that reimbursement is relatively certain.
- The cost of the contract is recognized only for the costs has incurred.

The difference between the total accumulated revenue of construction contracts recorded and accumulated amounts invoiced in accordance with progress in payment are recorded as accounts receivable or payable under the progress of the construction contract.

Revenue from leasing operations

Revenue from leasing operation are recognized on a straight-line basis during the leasing period. Rentals received in advance of several periods are allocated to revenue consistent with the lease period.

Financial income

Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

3.17. Cost of goods sold and service rendered

Cost of goods sold includes the cost of products, goods and service rendered during the year and is recorded in accordance with revenue during the year. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.

3.18. Selling expenses

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered. Mainly includes sales staff salaries, sales promotion expenses, product introduction expenses, advertising expenses and sales commissions.

3.19. General and administration expenses

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

3.20. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the statement of income because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using statement of financial position liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

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

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

3.21. Related parties

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE SEPARATE STATEMENT OF FINANCIAL POSITION

4.1. Cash and cash equivalents

| | Closing balance VND | Opening balance VND |
|--------------------------|------------------------|------------------------|
| Cash on hand | 1,402,858,747 | 235,271,621 |
| Demand deposits in banks | 24,586,571,871 | 71,410,908,531 |
| Cash equivalents (i) | 64,000,000,000 | - |
| | <u>89,989,430,618</u> | <u>71,646,180,152</u> |

(i) Term deposits with a term of 1 month at Saigon - Hanoi Commercial Joint Stock Bank with an interest rate of 4%/year.

4.2. Financial investments

4.2.1. Held-to-maturity investments

| | Closing balance | | Opening balance | |
|-------------------|----------------------|----------------------|----------------------|----------------------|
| | Cost VND | Book value VND | Cost VND | Book value VND |
| <i>Short-term</i> | | | | |
| Term deposits (i) | 1,100,000,000 | 1,100,000,000 | 1,450,000,000 | 1,450,000,000 |
| | <u>1,100,000,000</u> | <u>1,100,000,000</u> | <u>1,450,000,000</u> | <u>1,450,000,000</u> |

(i) As at 31 December 2024, the 12-month term deposit at Military Commercial Joint Stock Bank with an interest rate of 5%/year. This deposit is being mortgaged to secure the Company's loans.

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4.2.2. Investments in other entities

| | Closing balance | | Opening balance | |
|--|------------------------|------------------------|------------------------|------------------|
| | Cost VND | Allowance VND | Cost VND | Allowance VND |
| <i>Investments in subsidiaries</i> | 96,805,721,285 | - | 7,625,721,285 | - |
| MBG - Confitech Investment Company Limited | 7,625,721,285 | (i) | 7,625,721,285 | (i) |
| Home Eco Group Joint Stock Company | 89,180,000,000 | (i) | - | - |
| <i>Investments in joint ventures, associates</i> | 258,000,000,000 | (7,828,996,385) | 258,000,000,000 | - |
| Vcado Global Joint Stock Company | 48,000,000,000 | (2,727,260,178) | 48,000,000,000 | (i) |
| MBG Lac Sanh Phu Yen Joint Stock Company | 48,000,000,000 | (579,273,700) | 48,000,000,000 | (i) |
| Mien Trung Industrial Joint Stock Company | 50,000,000,000 | - | 50,000,000,000 | (i) |
| PJACA Phu Yen Joint Stock Company | 48,000,000,000 | - | 48,000,000,000 | (i) |
| Quoc Bao Van Ninh Joint Stock Company | 64,000,000,000 | (4,522,462,507) | 64,000,000,000 | (i) |
| | 354,805,721,285 | (7,828,996,385) | 354,805,721,285 | - |

(i) The Company has not determined the fair value of these investments because do not have specific guidance on determining.

(ii) According to Resolution No. 1212/2024/QĐ-HĐQT of the Board of Management, the Company purchased 3,430,000 shares, equivalent to 98% of the charter capital of Home Eco Group Joint Stock Company at the price of VND 26,000/share, with a total value of VND 89,180,000,000.

4.3. Short-term trade receivables

| | Closing balance VND | Opening balance VND |
|--|------------------------|------------------------|
| C.H Consulting Trading Company Limited | 34,745,778,741 | 4,856,275,031 |
| Dai Phat Consulting and Trading Company Limited | 38,570,885,845 | 36,894,510,055 |
| Nam Thang Long Consulting and Trading Company Limited | 75,584,273,668 | 68,269,215,238 |
| Dong Do Architecture and Construction Consulting Joint Stock Company | 78,414,564,858 | 49,136,846,828 |
| Dai An Consulting and Trading Company Limited | 13,374,967,384 | 78,029,385,724 |
| Others | 89,814,397,216 | 160,434,360,447 |
| | 330,504,867,712 | 397,620,593,323 |
| Short-term trade receivables from related parties (Details stated in Note 6.2) | 17,451,503,716 | 68,476,694,340 |

4.4. Short-term advances to suppliers

| | Closing balance VND | Opening balance VND |
|--|------------------------|------------------------|
| Thang Long Real Estate Investment and Construction Company Limited | 16,888,545,231 | 10,000,000,000 |
| Zone Viet Joint Stock Company | 22,237,680,500 | - |
| PJACA Group Joint Stock Company | 49,820,173,183 | 76,250,730,156 |
| Van Phong Holding Company Limited | 7,579,919,914 | 41,835,538,417 |
| Quang Ngan Vietnam Company Limited | - | 40,940,000,000 |
| SSTECH Vietnam Solution Joint Stock Company | 5,881,821,390 | 20,000,000,000 |
| Others | 12,129,348,630 | 25,137,217,402 |
| | 114,537,488,848 | 214,163,485,975 |

4.5. Short-term other receivables

| | Closing balance | | Opening balance | |
|---------------------|-------------------|------------------|-------------------|------------------|
| | Value VND | Allowance VND | Value VND | Allowance VND |
| Interest receivable | 86,890,411 | - | 15,792,329 | - |
| Others | 5,068,413 | - | 1,324,457 | - |
| | 91,958,824 | - | 17,116,786 | - |

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4.6. Bad debts

| | Closing balance | | | Opening balance | | |
|--|-------------------------|-----------------------|------------------------------|-------------------------|-----------------------|------------------------------|
| | Overdue | Cost VND | Recoverable amount VND | Overdue | Cost VND | Recoverable amount VND |
| Vu Anh Import - Export and Construction Trading JSC | From 2 years to 3 years | 2,605,880,000 | 781,764,000 | From 1 years to 2 years | 2,605,880,000 | 1,302,940,000 |
| TMT Construction Architecture JSC | From 2 years to 3 years | 1,506,389,400 | 451,916,820 | From 1 years to 2 years | 1,506,389,400 | 753,194,700 |
| Willy Sports Import - Export Joint Stock Company | From 2 years to 3 years | 411,000,000 | 123,300,000 | From 1 years to 2 years | 411,000,000 | 205,500,000 |
| HTV Trading and Investment JSC | | - | - | From 1 years to 2 years | 20,894,224,220 | 10,447,112,110 |
| An Duong Electrical Construction and Trading JSC | Trên 3 năm | 191,612,365 | - | More than 3 years | 191,612,365 | - |
| Cuong Kien Investment Trade and Construction Company Limited | From 2 years to 3 years | 289,398,403 | 86,819,520 | From 1 years to 2 years | 289,398,403 | 144,699,201 |
| Phuong Bac Construction Management Company Limited | From 2 years to 3 years | 359,788,574 | 107,936,572 | From 1 years to 2 years | 359,788,574 | 179,894,287 |
| Tran Anh Digital World Joint Stock Company | More than 3 years | 61,283,500 | - | More than 3 years | 61,283,500 | - |
| Cuong Phat International JSC | From 2 years to 3 years | 106,287,500 | 31,886,250 | From 1 years to 2 years | 106,287,500 | 53,143,750 |
| Hung Loc Phat Construction Investment and Development JSC | From 1 years to 2 years | 88,330,000 | 44,165,000 | | - | - |
| Quang Minh Architecture Construction and Interior JSC | From 6 months to 1 year | 5,161,172,135 | 3,612,820,494 | | - | - |
| P&L Industrial Construction Investment JSC | From 1 years to 2 years | 11,819,863,660 | 5,909,931,830 | | - | - |
| Dong Do Architecture and Construction Consulting JSC | From 6 months to 1 year | 4,664,896,828 | 3,265,427,780 | | - | - |
| | | 27,265,902,365 | 14,415,968,266 | | 26,425,863,962 | 13,086,484,048 |

4.7. Inventories

| | Closing balance | | Opening balance | |
|---------------------------|------------------------|------------------|------------------------|-------------------------|
| | Cost VND | Allowance VND | Cost VND | Allowance VND |
| Raw materials | 26,326,021,471 | - | 22,579,249,129 | (6,642,086,743) |
| Work in progress | 16,742,703,776 | - | 8,190,260,580 | - |
| Finished goods | 10,177,435,251 | - | 30,387,177,411 | (1,388,775,602) |
| Real estate inventory (i) | 111,784,940,927 | - | 133,963,841,139 | (32,994,335,727) |
| Goods | 247,469,560,825 | - | 141,687,611,131 | (15,310,095,000) |
| | 412,500,662,250 | - | 336,808,139,390 | (56,335,293,072) |

(i) As at 31 December 2024, the cost of real estate inventory being mortgaged at Banks to secure the Company's loans is VND 21,441,737,029.

4.8. Prepaid expenses

4.8.1. Short-term prepaid expenses

| | Closing balance VND | Opening balance VND |
|--------|------------------------|------------------------|
| Others | - | 645,737 |

4.8.2. Long-term prepaid expenses

| | Closing balance VND | Opening balance VND |
|-------------------------------|------------------------|------------------------|
| Office repair expenses | - | 2,984,404,430 |
| Dispatched tools and supplies | 23,957,111 | 104,047,768 |
| Others | 4,125,000 | 13,125,000 |
| | 28,082,111 | 3,101,577,198 |

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4.9. Increases, decreases in tangible fixed assets

| | Buildings and structures VND | Machinery and equipment VND | Motor vehicles VND | Office equipment VND | Total VND |
|--|---------------------------------|--------------------------------|-----------------------|-------------------------|-----------------------|
| COST | | | | | |
| Opening balance | 25,292,566,071 | 57,903,970,000 | 6,506,968,727 | 35,000,000 | 89,738,504,798 |
| Increases in the year | 359,840,000 | 53,100,000 | - | - | 412,940,000 |
| - Purchase in the year | - | 53,100,000 | - | - | 359,840,000 |
| - Transfer from construction in progress | 359,840,000 | - | - | - | 53,100,000 |
| Closing balance | 25,652,406,071 | 57,957,070,000 | 6,506,968,727 | 35,000,000 | 90,151,444,798 |
| ACCUMULATED DEPRECIATION | | | | | |
| Opening balance | 16,393,478,770 | 31,851,578,865 | 3,430,585,359 | 35,000,000 | 51,710,642,994 |
| Depreciation charged | 2,952,557,604 | 7,431,518,389 | 871,954,536 | - | 11,256,030,529 |
| Closing balance | 19,346,036,374 | 39,283,097,254 | 4,302,539,895 | 35,000,000 | 62,966,673,523 |
| NET BOOK VALUE | | | | | |
| Opening balance | 8,899,087,301 | 26,052,391,135 | 3,076,383,368 | - | 38,027,861,804 |
| Closing balance | 6,306,369,697 | 18,673,972,746 | 2,204,428,832 | - | 27,184,771,275 |

The cost of tangible fixed assets fully depreciated but still in use as at 31 December 2024 was VND 6,818,741,454, as at 01 January 2024 was VND 5,888,241,454.

4.10. Increases, decreases in tangible fixed assets

| | Computer software VND | Total VND |
|---------------------------------|-----------------------------|--------------|
| COST | | |
| Opening balance | 200,340,000 | 200,340,000 |
| Closing balance | 200,340,000 | 200,340,000 |
| ACCUMULATED DEPRECIATION | | |
| Opening balance | 66,205,548 | 66,205,548 |
| Amortisation charged | 53,424,000 | 53,424,000 |
| Closing balance | 119,629,548 | 119,629,548 |
| NET BOOK VALUE | | |
| Opening balance | 134,134,452 | 134,134,452 |
| Closing balance | 80,710,452 | 80,710,452 |

4.11. Increases, decreases in investment properties

Investment properties held to earn rentals

| | Buildings and land use rights VND | Total VND |
|---------------------------------|---|----------------|
| COST | | |
| Opening balance | 48,806,255,950 | 48,806,255,950 |
| Increases in the year | 411,041,289 | 411,041,289 |
| - Other increases | 411,041,289 | 411,041,289 |
| Closing balance | 49,217,297,239 | 49,217,297,239 |
| ACCUMULATED DEPRECIATION | | |
| Opening balance | 822,475,794 | 822,475,794 |
| Depreciation charged | 1,633,270,729 | 1,633,270,729 |
| Closing balance | 2,455,746,523 | 2,455,746,523 |
| NET BOOK VALUE | | |
| Opening balance | 47,983,780,156 | 47,983,780,156 |
| Closing balance | 46,761,550,716 | 46,761,550,716 |

As at 31 December 2024, All investment properties is being mortgaged at Banks to secure the Company's loans..

Fair value of investment properties

According to VAS No. 05 - Investment Properties, fair value of investment properties as at 31 December 2024 is required to be disclosed. However, the Company could not determine the fair value as at 31 December 2024; therefore, no information about the fair value is disclosed in the notes to the separate financial statements. In order to determine the fair value, the Company would require an independent consultancy company to perform the valuation. At present, the Company has not found a suitable consultancy company yet.

4.12. Short-term trade payables

| | Closing balance | | Opening balance | |
|---|----------------------|--------------------------------------|----------------------|--------------------------------------|
| | Amount VND | Amount able to be paid off VND | Amount VND | Amount able to be paid off VND |
| Van Phong Global Joint Stock Company | 2,913,214,955 | 2,913,214,955 | - | - |
| VGO Group Joint Stock Company | - | - | 6,891,153,936 | 6,891,153,936 |
| Others | 488,932,660 | 488,932,660 | 791,309 | 791,309 |
| | 3,402,147,615 | 3,402,147,615 | 6,891,945,245 | 6,891,945,245 |

4.13. Short-term accrued expenses

| | Closing balance VND | Opening balance VND |
|--------------------------------|------------------------|------------------------|
| Accrued interest expenses | 98,118,333 | 58,819,444 |
| Accruals for construction cost | - | 720,775,580 |
| Others | 270,000,000 | 77,000,000 |
| | 368,118,333 | 856,595,024 |

4.14. Short-term unearned revenue

As at 31 December 2024 and 01 January 2024, Short-term unearned revenue is the amount received in advance for leasing assets.

4.15. Other payables

4.15.1. Short-term other payables

| | Closing balance VND | Opening balance VND |
|---|------------------------|------------------------|
| Trade union fee | 65,490,853 | 50,800,663 |
| Payable for business cooperation with Constrexim Joint Stock Company No. 1 (i) | 414,731,800 | 414,731,800 |
| | 480,222,653 | 465,532,463 |

(i) The amount the Company received from Constrexim Joint Stock Company No. 1 under Investment Cooperation Contract No. 69/2022/HD-HTDT dated 22 February 2022 to implement the Do Son Rural Residential Area Project combining ecological resort and aquaculture in Thanh Ba district, Phu Tho province.

4.15.2. Long-term other payables

| | Closing balance VND | Opening balance VND |
|-----------------------------|------------------------|------------------------|
| Long-term deposits received | 400,000,000 | 400,000,000 |
| | 400,000,000 | 400,000,000 |

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 NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continue)

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4.16. Taxes and amounts payables to the State budget

| | Opening balance | | Movement in the year | | Closing balance | |
|-----------------------------------|-------------------|----------------------|-----------------------|-----------------------|-------------------|----------------------|
| | Taxes Payable VND | Taxes Receivable VND | Amount payable VND | Deductibles VND | Taxes Payable VND | Taxes Receivable VND |
| Value added tax on domestic goods | - | 239,995,975 | 30,414,686,672 | 30,637,645,028 | - | 462,954,331 |
| Corporate income tax | - | 2 | 654,358,143 | 839,015,598 | - | 184,657,457 |
| Personal income tax | 42,277,386 | - | 23,697,546 | 58,268,322 | 7,706,610 | - |
| Fees, charges and other payables | - | - | 1,333,491,566 | 1,333,491,566 | - | - |
| | 42,277,386 | 239,995,977 | 31,771,875,784 | 32,868,420,514 | 7,706,610 | 647,611,788 |

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4.17. Short-term borrowings and finance lease liabilities

| | Opening balance | | In the year | | Closing balance | |
|--|-----------------------|--------------------------------------|------------------------|------------------------|-----------------------|--------------------------------------|
| | Amount VND | Amount able to be paid off VND | Increases VND | Decreases VND | Amount VND | Amount able to be paid off VND |
| Short-term borrowings | | | | | | |
| Military Commercial Joint Stock Bank - Dien Bien Phu Branch (i) | 35,000,000,000 | 35,000,000,000 | 69,490,000,000 | 70,000,000,000 | 34,490,000,000 | 34,490,000,000 |
| Bank for Investment and Development of Vietnam - Hanoi Branch (ii) | - | - | 41,518,726,420 | - | 41,518,726,420 | 41,518,726,420 |
| Joint Stock Commercial Bank for Foreign Trade of Vietnam - Transaction Office Branch | - | - | 50,000,000,000 | 50,000,000,000 | - | - |
| | 35,000,000,000 | 35,000,000,000 | 161,008,726,420 | 120,000,000,000 | 76,008,726,420 | 76,008,726,420 |

Detailed information related to short-term borrowing contracts:

- (i) Short-term borrowings under Credit Contract No. 186261.24.051.1970764.TT dated 31 January 2024 between the Company and Military Commercial Joint Stock Bank - Dien Bien Phu Branch with line of credit is VND 35,000,000,000, credit limit maintenance period until 12 January 2025, interest rate for each loan, the purpose of the borrowings is to serve the production and business activities of electrical equipment. Collateral includes:
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN093278 issued by the Land Registration Office of Hung Yen province dated 14 June 2024, located at DDD-246, Dream City Ecological Urban Area, Long Hung commune, Van Giang district, Hung Yen province, land area 75m², purpose of use is urban residential land, long-term use period; assets attached to the land are townhouses with a floor area of 298.6 m².
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN093270 issued by the Land Registration Office of Hung Yen province dated 14 June 2024, located at DDD-236, Dream City Ecological Urban Area, Long Hung commune, Van Giang district, Hung Yen province, land area 75m², purpose of use is urban residential land, long-term use period; assets attached to the land are townhouses with a floor area of 298.2 m².
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN093268 issued by the Land Registration Office of Hung Yen province dated 14 June 2024, located at DDD-248, Dream City Ecological Urban Area, Long Hung commune, Van Giang district, Hung Yen province, land area 75m², purpose of use is urban residential land, long-term use period; assets attached to the land are townhouses with a floor area of 298.2 m².
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN150337 issued by the Land Registration Office of Hung Yen province dated 28 February 2024, located at CL11-177, Dream City Ecological Urban Area, Nghia Tru commune, Van Giang district, Hung Yen province, land area 127.5m², purpose of use is urban residential land, long-term use period; assets attached to the land is Semi-detached villa with a floor area of 283.9 m².

**MBG GROUP JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continue)**

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- The entire amount and interest arising on Account No. 0551101249006 at Military Commercial Joint Stock Bank, the principal balance as at 31 December 2024 is VND 1,100,000,000.
- All goods, assets, and debt claims arising from the loan.
- (ii) Short-term borrowings under Credit Contract No. 01/2024/5263251/HDTD dated 30 August 2024 between the Company and Bank for Investment and Development of Vietnam - Hanoi Branch with line of credit is VND 45,000,000,000, credit limit maintenance period until 30 June 2025, interest rate for each loan, loan purpose is to serve production and business activities. Collateral includes:
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN093269 issued by the Land Registration Office of Hung Yen province dated 14 June 2024, located at DDD-242, Dream City Ecological Urban Area, Long Hung commune, Van Giang district, Hung Yen province, land area 75m², purpose of use is urban residential land, long-term use period; assets attached to the land are townhouses with a floor area of 297.8 m².
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. DN093279 issued by the Land Registration Office of Hung Yen province dated 14 June 2024, located at DDD-244, Dream City Ecological Urban Area, Long Hung commune, Van Giang district, Hung Yen province, land area 75m², purpose of use is urban residential land, long-term use period; assets attached to the land are townhouses with a floor area of 298.2 m².
 - Real estate according to the Certificate of land use rights, house use rights and other assets attached to land No. BC273473 issued by People's Committee of Hai Ba Trung District dated 31 August 2010, owned by Mr. Pham Huy Thanh - Chairman and Mrs. Dang Thi Tuyet Lan - Member of the Board of Management, Deputy General Director, located at ocated at No. 9, Alley 6/4, Lac Trung Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City, land area 121.2m², purpose of use is urban residential land, long-term use period.

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4.18. Owner's equity

4.18.1. Reconciliation table of equity

| | Owner's contributed capital | Share premium | Investment and development fund | Retained earnings | Total |
|--|-----------------------------------|---------------|---------------------------------------|----------------------|-------------------|
| | VND | VND | VND | VND | VND |
| Prior year's opening balance | 1,202,185,400,000 | (238,202,140) | 5,410,853,447 | 107,486,749,692 | 1,314,844,800,999 |
| Profit for the year | - | - | - | (49,238,084,431) | (49,238,084,431) |
| Profit distribution | - | - | 3,012,836,374 | (4,017,115,164) | (1,004,278,790) |
| - Appropriation to development investment fund | - | - | 3,012,836,374 | (3,012,836,374) | - |
| - Deduction to bonus and welfare fund | - | - | - | (1,004,278,790) | (1,004,278,790) |
| Prior year's closing balance | 1,202,185,400,000 | (238,202,140) | 8,423,689,821 | 54,231,550,097 | 1,264,602,437,778 |
| Current year's opening balance | 1,202,185,400,000 | (238,202,140) | 8,423,689,821 | 54,231,550,097 | 1,264,602,437,778 |
| Profit for the year | - | - | - | 21,844,062,739 | 21,844,062,739 |
| Current year's closing balance | 1,202,185,400,000 | (238,202,140) | 8,423,689,821 | 76,075,612,836 | 1,286,446,500,517 |

4.18.2. Details of owner's investment capital

| | Closing balance | | Opening balance | |
|--------------------|-----------------------------------|------------|-----------------------------------|------------|
| | Actual contributed capital VND | Ratio % | Actual contributed capital VND | Ratio % |
| Other shareholders | 1,202,185,400,000 | 100 | 1,202,185,400,000 | 100 |
| | 1,202,185,400,000 | 100 | 1,202,185,400,000 | 100 |

4.18.3. Capital transactions with owners and dividend distribution, profit sharing

| | Current year VND | Prior year VND |
|---|---------------------|-------------------|
| Owner's invested equity | | |
| Capital contribution at the beginning of the year | 1,202,185,400,000 | 1,202,185,400,000 |
| Contributed capital increased during the year | - | - |
| Contributed capital decreased during the year | - | - |
| Capital contribution at the end of the year | 1,202,185,400,000 | 1,202,185,400,000 |
| Dividends or distributed profits | - | - |

4.18.4. Shares

| | Closing balance Shares | Opening balance Shares |
|---|---------------------------|---------------------------|
| Number of shares registered for issuance | 120,218,540 | 120,218,540 |
| Number of shares issued to the public | 120,218,540 | 120,218,540 |
| - Ordinary shares | 120,218,540 | 120,218,540 |
| Number of shares repurchased | - | - |
| - Ordinary shares | - | - |
| Number of outstanding shares in circulation | 120,218,540 | 120,218,540 |
| - Ordinary shares | 120,218,540 | 120,218,540 |

An ordinary share has par value of 10,000 VND/share.

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE SEPARATE STATEMENT OF INCOME

5.1. Revenue from goods sold and services rendered

| | Current year VND | Prior year VND |
|--|------------------------|------------------------|
| Revenue from sale of goods, finished products | 270,501,824,956 | 404,359,641,961 |
| Revenue from real estate investment | 18,465,745,464 | - |
| Revenue from construction contracts | 19,767,915,804 | 102,577,839,662 |
| Revenue from rental assets | 2,400,000,000 | 1,500,000,000 |
| Other revenue | 51,094,000 | - |
| | 311,186,580,224 | 508,437,481,623 |
| Revenue from related parties (Details stated in Note 6.2) | 17,415,956,645 | 74,405,119,348 |

5.2. Cost of goods sold and services rendered

| | Current year VND | Prior year VND |
|---|------------------------|------------------------|
| Cost of goods, finished goods sold | 281,423,891,107 | 389,516,668,477 |
| Cost of real estate sold | 22,974,260,335 | - |
| Cost of construction contracts | 18,654,757,655 | 90,512,231,744 |
| Cost of rental | 1,747,542,009 | 822,475,794 |
| Others | 47,180,000 | - |
| Provision expenses inventories / Reversal of provision expenses inventories | (56,335,293,072) | 56,335,293,072 |
| | 268,512,338,034 | 537,186,669,087 |

5.3. Financial income

| | Current year VND | Prior year VND |
|------------------------|----------------------|----------------------|
| Bank and loan interest | 1,097,092,044 | 5,958,663,622 |
| | 1,097,092,044 | 5,958,663,622 |

5.4. Financial expenses

| | Current year VND | Prior year VND |
|---|-----------------------|----------------------|
| Interest expense | 3,774,310,326 | 2,839,540,821 |
| Allowance for impairment of investments | 7,828,996,385 | - |
| | 11,603,306,711 | 2,839,540,821 |

5.5. General and administration expenses

| | Current year VND | Prior year VND |
|--|-----------------------------|---------------------------|
| Management staff costs | 2,690,194,372 | 3,120,641,627 |
| Raw materials | 144,762,338 | 203,787,752 |
| Fixed asset depreciation expense | 1,994,494,176 | 1,973,052,096 |
| Taxes, charges and fees | 30,300,000 | 30,300,000 |
| Expenses of outsourcing services | 1,552,429,087 | 1,109,886,528 |
| Other expenses by cash | 3,691,650,561 | 4,873,817,518 |
| Provision expenses/ Reversal of provision expenses | (489,445,815) | 11,359,598,342 |
| | 9,614,384,719 | 22,671,083,863 |

5.6. Other income

| | Current year VND | Prior year VND |
|-----------------------|-----------------------------|---------------------------|
| Support from Vinhomes | 960,000,000 | 453,870,968 |
| Others | 484,510 | 245,404 |
| | 960,484,510 | 454,116,372 |

5.7. Other expenses

| | Current year VND | Prior year VND |
|---------------|-----------------------------|---------------------------|
| Tax penalties | 838,365,985 | - |
| Others | 65,032,422 | 10,001,540 |
| | 903,398,407 | 10,001,540 |

5.8. Corporate income tax expense

| | Current year VND | Prior year VND |
|--|---------------------|-------------------|
| Current corporate income tax expense | | |
| Corporate income tax expense based on taxable profit in the current year (i) | - | - |
| Adjustments for corporate income tax expense in previous years to the current year | 654,358,143 | - |
| Total current corporate income tax expense | 654,358,143 | - |

(i) The current corporate income tax expense for the year was computed as follows:

| | Current year VND | Prior year VND |
|---|---------------------|-------------------|
| Profit/(Loss) before tax | 22.498.420.882 | (49.238.084.431) |
| Adjustments for taxable profit | | |
| + Depreciation of non-production fixed assets | 428,228,568 | 428,228,568 |
| + Fines | 838,365,985 | 1,538 |
| + Remuneration paid to Board of Management | 96,000,000 | 96,000,000 |
| + Interest expenses | - | 2,839,540,821 |
| + Othes | - | 508,832,004 |
| Loss carry-forward | (23,861,015,435) | (45,365,481,500) |
| Taxable profit | - | - |
| Corporate income tax expense based on taxable profit in the current year | - | - |

5.9. Production cost by nature

| | Current year VND | Prior year VND |
|--|---------------------|------------------------|
| Raw materials and consumables | 33,778,585,434 | 146,661,101,901 |
| Labour | 3,884,933,630 | 6,034,287,872 |
| Depreciation and amortisation | 12,942,725,258 | 13,327,803,673 |
| Provision expenses/ Reversal of provision expenses | (56,824,738,887) | 11,359,598,342 |
| Outside services | 1,762,003,680 | 5,148,105,829 |
| Other expenses | 4,638,979,564 | 736,012,687 |
| | 182,488,679 | 183,266,910,304 |

6. OTHER INFORMATION

6.1. Events arising after the end of the the year

The Board of General Directors of the Company affirms that, in the identity of The Board of General Directors, in terms of material aspects, no unusual events occurred after the end of the fiscal year that would affect the financial situation and The Company's activities need to be adjusted or presented in these separate financial statements.

6.2. Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

6.2.1. Transactions and balances with key management members, the individuals involved with key management members.

Key management members include members of The Board of Management, the Board of Supervisors, and the The Board of General Directors. Individuals associated with key management members are close members in the family of key management members.

Income of key management members

Total remuneration paid to the Company's Board of Management and Board of General Directors:

| Position | | Current year VND | Prior year VND |
|--|-------------------------|---------------------|--------------------|
| The Board of Management | | | |
| Mr. Pham Huy Thanh | Chairman | 48,000,000 | 48,000,000 |
| Ms. Dang Thi Tuyet Lan | Member | 24,000,000 | 24,000,000 |
| Ms. Duong Quang Dong | Member | 24,000,000 | 24,000,000 |
| Ms. Vuong Bao Yen | Member | 24,000,000 | 24,000,000 |
| Ms. Tran Thuy Loan | Member | - | 24,000,000 |
| <i>(Dismissed on 03 month 06 2024)</i> | | | |
| The Board of Supervisors | | | |
| Mrs. Phạm Tuyet Nhung | Head of BOS | 24,000,000 | 24,000,000 |
| Mrs. Pham Thi Hanh | Member | 12,000,000 | 12,000,000 |
| Mrs. Nguyen Thi Quynh | Member | 12,000,000 | 12,000,000 |
| The Board of General Directors | | | |
| Ms. Duong Quang Dong | Deputy General Director | 215,585,076 | 167,854,000 |
| Ms. Dang Thi Tuyet Lan | Deputy General Director | 141,739,308 | 100,800,154 |
| | | 525,324,384 | 460,654,154 |

Transactions with key members of management and individuals related to key members of management.

The Company does not have transactions related to sales and provision of services to key management members and individuals related to key management members.

Other transactions with key management members and individuals related to key management members are as follows:

| | Content | Current year VND | Prior year VND |
|--------------------------------------|----------------|---------------------|-------------------|
| Mr. Pham Huy Thanh - Chairman | Rent an office | 240,000,000 | 240,000,000 |
| Mr Dang Thi Tien – Chairman's Mother | Rent an office | 96,000,000 | 96,000,000 |

At the end of the year, the Company had no balances with key management members and individuals related to key management members.

6.2.2. Transactions and balances with other related parties

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

List of other related parties

| Other related parties | Address | Relationship |
|--|-----------|--------------|
| MBG - Confitech Investment Company Limited | Phu Tho | Subsidiaries |
| Eco Home Group Joint Stock Company | Hung Yen | Subsidiaries |
| Vcado Global Joint Stock Company | Hanoi | Associates |
| MBG Lac Sanh Phu Yen Joint Stock Company | Phu Yen | Associates |
| Mien Trung Industrial Joint Stock Company | Phu Yen | Associates |
| PJACA Phu Yen Joint Stock Company | Phu Yen | Associates |
| Quoc Bao Van Ninh Joint Stock Company | Khanh Hoa | Associates |

Transactions with other related parties

During this fiscal year, there were major transactions with related companies as follows:

| Revenue from goods sold and services rendered | Current year VND | Prior year VND |
|---|-----------------------|-----------------------|
| MBG Lac Sanh Phu Yen Joint Stock Company | 14,113,400,211 | 15,448,502,893 |
| Mien Trung Industrial Joint Stock Company | 3,302,556,434 | 28,807,293,633 |
| PJACA Phu Yen Joint Stock Company | - | 22,960,477,573 |
| Vcado Global Joint Stock Company | - | 1,500,000,000 |
| Quang Tien International Golf Joint Stock Company | - | 5,688,845,249 |
| | 17,415,956,645 | 74,405,119,348 |

Balance of accounts receivable/(payable) with other related parties

| | Closing balance VND | Opening balance VND |
|---|---------------------------|---------------------------|
| Trade receivables | 17,451,503,716 | 68,476,694,340 |
| MBG Lac Sanh Phu Yen Joint Stock Company | 9,352,431,551 | 16,684,383,124 |
| Mien Trung Industrial Joint Stock Company | 5,247,669,895 | 29,150,908,946 |
| PJACA Phu Yen Joint Stock Company | 2,851,402,270 | 22,641,402,270 |

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6.3. Segement information

Management decisions are made based on products and services provided by the Company rather than geographical areas in which its products and services are rendered. Accordingly, the Company's primary report is based on business segments.

Primary report by business segment

| Items | Manufacturing and trading of paint and lamps | Construction | Real estate business | Others | Total |
|----------------------------|--|-----------------------|-------------------------|------------|--------------------------|
| | VND | VND | VND | VND | VND |
| 1. Net external sales | 270,501,824,956 | 19,767,915,804 | 20,865,745,464 | 51,094,000 | 311,186,580,224 |
| 2. Net inter-segment sales | - | - | - | - | - |
| 3. Cost | 258,082,933,762 | 18,654,757,655 | (8,272,533,383) | 47,180,000 | 268,512,338,034 |
| 4. Operating profit | 12,418,891,194 | 1,113,158,149 | 29,138,278,847 | 3,914,000 | 42,674,242,190 |
| 5. Segment assets | 725,755,842,415 | 34,194,207,492 | 158,546,491,643 | - | 918,496,541,550 |
| 6. Unallocated assets | - | - | - | - | 451,331,500,064 |
| Total assets | 725,755,842,415 | 34,194,207,492 | 158,546,491,643 | - | 1,369,828,041,614 |
| 7. Segment liabilities | 79,351,474,035 | - | 700,000,000 | - | 80,051,474,035 |
| 8. Unallocated liabilities | - | - | - | - | 3,330,067,062 |
| Total liabilities | 79,351,474,035 | - | 700,000,000 | - | 83,381,541,097 |

6.4. Comparative figures

The comparative figures are data on the audited separate financial statements 2023 of the Company.

Preparer
Nguyen Thi Quyên

Chief Accountant
Nguyen Thi Tuyet



Chairman
Pham Huy Thanh
Hanoi, Vietnam
Date 27 month 02 2025

