



Kết nối - Phát triển

**CÔNG TY TNHH KIỂM TOÁN NHÂN TÂM VIỆT**  
**NHANTAMVIET AUDITING COMPANY**

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**SONG DA – THANH HOA JOINT STOCK COMPANY**  
**AUDITED FINANCIAL STATEMENTS**

**For the financial year ended 31 December 2024, audited by**  
**NHAN TAM VIET AUDITING COMPANY LIMITED**

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## STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Song Da - Thanh Hoa Joint Stock Company (hereinafter referred to as “the Company”) presents this statement along with the audited financial statements of the Company for the financial year ended 31 December 2024.

### Company Overview

Song Da - Thanh Hoa Joint Stock Company is registered and operates under the Business Registration Certificate No. 2800772376 dated 19 May 2004, and its subsequent amendments issued by Thanh Hoa Department of Planning and Investment.

*The registered charter capital, as per the 16th amended Business Registration Certificate, is VND 30,000,000,000.*

### *Registered office:*

Address : 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa  
Phone : 02373 724 892 / 02373 755 050  
Fax : 02373 855 750  
Tax Identification Number : 2800772376

### *Business activities:*

- Trading of goods: Electronic device, electrical equipment, office supplies, household goods;
- Real estate business: Office leasing.

### Financial position and financial performance

The financial position as at 31 December 2024, the financial performance and cash flows for the financial year ended 31 December 2024 of the Company are presented in the accompanying financial statements (from page 07 to page 38).

### Events after the reporting period

The Board of General Directors of the Company confirms that there have been no events occurring after 31 December 2024 and up to the date of preparation of these financial statements that would require adjustments or disclosures in the financial statements.

### The Board of Directors and the Executive Management

The Board of Directors and the Executive Management during the year and up to the reporting date are as follows:

#### *Board of Directors*

<u>Full name</u>	<u>Position</u>
Mr. Le Anh Tuan	Chair of the Board
Ms. Vu Thi Ly	Member
Mr. Vu Manh Doan	Member

#### *Executive Management*

<u>Full name</u>	<u>Position</u>
Ms. Vu Thi Ly	General Director
Mr. Pham Van Loi	Deputy General Director
Mr. Nguyen Van Minh	Deputy General Director (Appointed on 16/07/2024)
Ms. Hoang Thi An	Chief Accountant

**SONG DA – THANH HOA JOINT STOCK COMPANY**  
**STATEMENT OF THE GENERAL DIRECTORS (CONTINUED)**

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***Supervisory Board***

<u>Full Name</u>	<u>Position</u>
Ms. Cao Thi Hien	Supervisory Board Chair
Mr. Nguyen Quang Long	Member
Ms. Le Thi Phuong	Member (From 24/04/2024)
Mr. Trinh Dinh Thang	Member (Until 24/04/2024)

**Auditor**

Nhan Tam Viet Auditing Company Limited audited the financial statements for the financial year ended 31 December 2024.

**Statement of the Board of General Director's responsibility for the Financial Statements**

The Board of General Directors of the Company is responsible for the preparation and fair representation of the financial statements including the Company's financial position, financial performance, and cash flows for the year. In preparing the financial statements, the Board of General Directors of the Company confirms having complied with the following requirements:

- Selecting appropriate accounting policies and applying them in a consistent manner;
- Making assessments and estimations in a reasonable and prudent manner;
- Clearly stating whether the Company has complied with the applicable accounting standards, and whether all material misstatements have been disclosed and explained in the financial statements;
- Preparing the financial statements on a going concern basis, unless it is inappropriate to presume that the Company will continue as a going concern;
- Establishing and implementing an effective internal control system to minimize the risk of material misstatements due to fraud or errors in the preparation and presentation of the financial statements.

The Board of General Directors of the Company confirms that the accounting records are maintained in a manner that fairly reflects the financial position of the Company with reasonable accuracy at all times and that the financial statements comply with the current regulations of the State. 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 fraud and other irregularities.

The Board of General Directors of the Company confirms that the Financial Statements fairly and reasonably reflected the financial position of the Company as at 31 December 2024, and the financial performance and cash flows for the financial year ended 31 December 2024, in accordance Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

**SONG DA – THANH HOA JOINT STOCK COMPANY**  
**STATEMENT OF THE GENERAL DIRECTORS (CONTINUED)**

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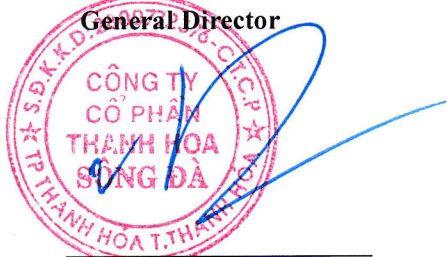
**Other commitments**

The Board of General Directors confirms that the Company complies with Decree No. 155/2020/ND-CP dated 31/12/2020 providing guidelines on corporate governance applicable to public companies, and that the Company has not violated its disclosure obligations as stipulated in Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding information disclosure in the securities market.

Thanh Hoa, 07 March 2025

On behalf of The Board of General Directors

**General Director**



**Vu Thi Ly**

No : 0306.01.2/2024/BCTC-NVT2

**INDEPENDENT AUDITOR'S REPORT****On the Financial Statements for the financial year ended 31 December 2024**

To : **The shareholders, The Board of Directors, and The Board of General Directors of Song Da - Thanh Hoa Joint Stock Company**

We have audited the accompanying financial statements of Song Da - Thanh Hoa Joint Stock Company, prepared on 07 March 2025, and presented on pages 07 to 38, which comprise the balance sheet as at 31 December 2024, the income statement and the statement of cash flows for the financial year then ended, as well as the notes to the financial statements.

**The Board of General Directors' Responsibility**

The Board of General Directors of Song Da - Thanh Hoa Joint Stock Company Limited is responsible for the preparation and fair representation of the Company's financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of General Directors determines to be necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair representation of the 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 Company's Board of General Directors, as well as assessing the overall presentation of the financial statements.

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

**Unqualified opinion**

In our opinion, the financial statements presented fairly, in all material respects, the financial position of Song Da - Thanh Hoa Joint Stock Company as at 31 December 2024, as well as its financial performance and cash flows for the financial year then ended, in accordance with the Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises and the relevant statutory requirements applicable to financial reporting.

**Other matter**

The financial statements for the fiscal year ended 31 December 2023 of Thanh Hoa - Song Da Joint Stock Company were audited by another auditor and auditing firm. The auditor expressed an unqualified opinion on these financial statements on 14 August 2023.

Hanoi, 07 March 2025

**NHAN TAM VIET AUDITING COMPANY LIMITED**

**Deputy General Director**

**Auditor**



A blue handwritten signature.

**Nguyen Thi Hanh**

Auditing Practice Registration Certificate No  
1690-2023-124-1

**Le My Trang**

Auditing Practice Registration Certificate No  
3764-2021-124-1

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**BALANCE SHEET**  
As at 31 December 2024

Unit: VND

<b>ASSETS</b>	<b>Code</b>	<b>Note</b>	<b>Closing balance</b>	<b>Opening balance</b>
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>90,951,758,330</b>	<b>51,692,232,081</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>5,064,537,259</b>	<b>4,361,900,601</b>
1. Cash	111		5,064,537,259	4,361,900,601
2. Cash equivalents	112		-	-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>14,860,001,316</b>	-
1. Trading securities	121	V.2	14,860,001,316	-
2. Provision for impairment of trading securities	122		-	-
3. Held-to-maturity investments	123		-	-
<b>III. Short-term accounts receivable</b>	<b>130</b>		<b>27,918,351,049</b>	<b>14,095,714,366</b>
1. Receivables from customers	131	V.3	17,481,860,439	11,035,411,025
2. Prepayments to suppliers	132	V.4	8,009,410,823	464,496,769
3. Intercompany receivables	133		-	-
4. Receivables based on the progress of the construction contract	134		-	-
5. Short-term loans receivable	135		-	-
6. Other short-term receivables	136	V.5	2,930,380,313	3,032,312,567
7. Allowance for credit losses (*)	137	V.6	(503,300,526)	(436,505,995)
8. Shortage of assets awaiting resolution	139		-	-
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>42,871,105,313</b>	<b>32,605,458,265</b>
1. Inventories	141		43,939,492,190	33,411,411,838
2. Allowance for inventories (*)	149		(1,068,386,877)	(805,953,573)
<b>V. Other current assets</b>	<b>150</b>		<b>237,763,393</b>	<b>629,158,849</b>
1. Short-term prepaid expenses	151	V.9	68,145,986	46,114,897
2. Deductible value added tax	152		169,617,407	-
3. Tax receivables from the State	153	V.14	-	583,043,952
4. Repurchase agreements of Government bonds	154		-	-
5. Other current assets	155		-	-



**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**Balance sheet (continued)**

Unit: VND

ASSETS	Code	Note	<u>Closing balance</u>	<u>Opening balance</u>
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>28,401,922,340</b>	<b>24,035,732,221</b>
<b>I. Accounts receivable – long-term</b>	<b>210</b>		-	-
1. Accounts receivable from customers	211		-	-
2. Prepayments to suppliers	212		-	-
3. Business capital at affiliated units	213		-	-
4. Intercompany receivables	214		-	-
5. Long-term loans receivable	215		-	-
6. Other long-term accounts receivable	216		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>8,931,524,323</b>	<b>11,351,878,115</b>
1. Tangible fixed assets	221	V.10	8,931,524,323	11,351,878,115
- Historical cost	222		29,138,612,464	29,292,958,587
- Accumulated depreciation (*)	223		(20,207,088,141)	(17,941,080,472)
2. Finance lease assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation (*)	226		-	-
3. Intangible fixed assets	227		-	-
- Historical cost	228		-	-
- Accumulated depreciation (*)	229		-	-
<b>III. Investment properties</b>	<b>230</b>	<b>V.11</b>	<b>9,773,552,695</b>	<b>10,382,202,775</b>
1. Historical cost	231		20,870,696,426	20,870,696,426
2. Accumulated depreciation (*)	232		(11,097,143,731)	(10,488,493,651)
<b>IV. Long-term work in progress</b>	<b>240</b>		<b>7,270,089,734</b>	-
1. Long-term work in progress	241		-	-
2. Construction in progress	242	V.8	7,270,089,734	-
<b>V. Long-term financial investments</b>	<b>250</b>		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>2,426,755,588</b>	<b>2,301,651,331</b>
1. Long-term prepaid expenses	261	V.9	2,426,755,588	2,301,651,331
4. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b><u>119,353,680,670</u></b>	<b><u>75,727,964,302</u></b>

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**Balance sheet (continued)**

Unit: VND

TOTAL LIABILITIES AND EQUITY		Code	Note	Closing balance	Opening balance
<b>C.</b>	<b>LIABILITIES</b>	<b>300</b>		<b>80,043,857,698</b>	<b>35,346,850,628</b>
<b>I.</b>	<b>Current liabilities</b>	<b>310</b>		<b>79,407,173,698</b>	<b>35,346,850,628</b>
1.	Short-term account payables to suppliers	311	V.13	9,407,421,700	7,405,300,153
2.	Advances from customers	312		76,431,182	20,000,000
3.	Taxes payable to the State	313	V.14	65,568,416	389,061,492
4.	Payables to employees	314		-	-
5.	Accrued expenses	315	V.15	51,000,000	37,500,000
8.	Short-term deferred revenue	318	V.17	15,000,000	-
9.	Other short-term payables	319	V.16	101,016,768	481,046,768
10.	Short-term borrowings and finance leases	320	V.12	69,690,735,632	27,013,942,215
12.	Bonus and welfare fund	322		-	-
<b>II.</b>	<b>Non-current liabilities</b>	<b>330</b>		<b>636,684,000</b>	<b>-</b>
7.	Other long-term payables	337	V.16	636,684,000	-
<b>D.</b>	<b>EQUITY</b>	<b>400</b>		<b>39,309,822,972</b>	<b>40,381,113,674</b>
<b>I.</b>	<b>Owners' equity</b>	<b>410</b>	<b>V.18</b>	<b>39,309,822,972</b>	<b>40,381,113,674</b>
1.	Share capital	411		30,000,000,000	30,000,000,000
	- Ordinary shares with voting rights	411a		30,000,000,000	30,000,000,000
	- Preference shares	411b		-	-
5.	Treasury shares	415		(2,162,020,000)	(2,162,020,000)
8.	Development investment fund	418		10,383,133,674	10,182,834,836
11.	Retained earnings	421		1,088,709,298	2,360,298,838
	Retained earnings brought forward	421a		-	-
	Retained earnings for the current year	421b		1,088,709,298	2,360,298,838
<b>II.</b>	<b>Funding sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>440</b>		<b>119,353,680,670</b>	<b>75,727,964,302</b>

Established 07 March 2025

Prepared by



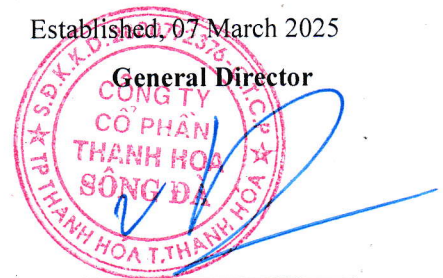
Hoang Thi Tam

Chief Accountant



Hoang Thi An

General Director



Vu Thi Ly

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**INCOME STATEMENT**  
Year 2024

ITEM	Code	Note	Unit: VND	
			Current year	Prior year
1. Revenue from the sale of goods and provision of services	01	VI.1	268,453,264,248	226,619,858,475
2. Revenue deductions	02	VI.2	239,634,347	1,327,370
3. Net revenue	10,		268,213,629,901	226,618,531,105
4. Cost of goods sold	11	VI.3	250,971,453,502	209,148,816,553
5. Gross profit	20		17,242,176,399	17,469,714,552
6. Financial income	21	VI.4	768,971,887	549,032,795
7. Financial expenses	22	VI.5	2,417,092,689	2,209,722,280
<i>In which: Interest expense</i>	23		2,415,870,867	2,187,103,487
8. Selling expenses	25	VI.6	9,890,152,538	8,799,319,846
9. General and administrative expenses	26	VI.7	4,767,390,637	4,377,138,476
10. Net operating profit	30		936,512,422	2,632,566,745
11. Other income	31	VI.8	1,511,811,829	1,455,284,260
12. Other expenses	32	VI.9	1,087,104,124	1,116,255,653
13. Profit from other activities	40		424,707,705	339,028,607
14. Profit before tax	50		1,361,220,127	2,971,595,352
15. Current corporate income tax expense	51	VI.10	272,510,829	611,296,514
16. Deferred corporate income tax expense	52		-	-
17. Net profit after tax	60		1,088,709,298	2,360,298,838
18. Basic earnings per share	70	VI.11	403	874
19. Diluted earnings per share	71	VI.11	403	874

Established: 07 March 2025

Prepared by



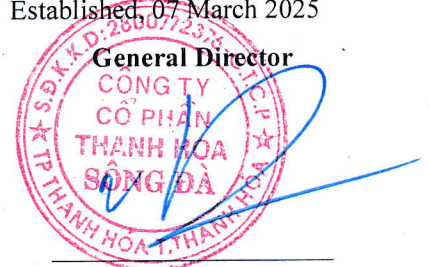
Hoang Thi Tam

Chief Accountant



Hoang Thi An

General Director



Vu Thi Ly

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**STATEMENT OF CASH FLOWS****(Indirect method)****Year 2024**

ITEM	Code	Note	Unit: VND	
			Current year	Prior year
<b>I. Cash flows from operating activities</b>				
1. <i>Profit before tax</i>	01		1,361,220,127	2,971,595,352
2. <i>Adjustments for</i>				
- Depreciation and amortization	02		3,029,003,872	3,078,478,557
- Allowances and provisions	03		329,227,835	75,412,678
- Gains/losses on revaluation of monetary items denominated in foreign currencies	04		-	-
- Gains/losses from investing activities	05		(8,529,848)	(745,552)
- Interest expenses	06		2,415,870,867	2,187,103,487
- Other adjustments	07		-	-
3. <i>Operating profit before changes in working capital</i>	08		7,126,792,853	8,311,844,522
- Increase/decrease in receivables	09		(6,966,136,269)	(2,622,577,396)
- Increase/decrease in inventories	10		(10,528,080,352)	(1,102,370,219)
- Increase/decrease in payables (excluding interests payable and corporate income taxes payable)	11		2,171,762,072	(5,857,128,864)
- Increase/decrease in prepaid expenses	12		(147,135,346)	(1,957,858,542)
- Increase/decrease in trading securities	13		(14,860,001,316)	-
- Interest paid on loans	14		(2,415,870,867)	(2,187,103,487)
- Corporate income tax paid	15		(424,053,248)	(774,447,705)
- Proceeds from other operating activities	16		-	-
- Payments for other operating activities	17		-	(4,615,878)
<i>Net cash flows from operating activities</i>	20		<u>(26,042,722,473)</u>	<u>(6,194,257,569)</u>
<b>II. Cash flows from investing activities</b>				
1. Payments for additions to fixed assets and other non-current assets	21		(13,779,958,134)	(1,167,327,273)
2. Proceeds from disposal of fixed assets and other non-current assets	22		6,363,636	-
3. Payments for loans and purchase of debt instruments of other entities	23		-	-
4. Proceeds from loans recovery and sale of debt instruments of other entities	24		-	-
5. Payments for equity investments in other entities	25		-	-
6. Proceeds from recovery of equity investments in other entities	26		-	-
7. Proceeds from interest on loans, dividends, and profit distributions	27		2,166,212	745,552
<i>Net cash flows from investing activities</i>	30		<u>(13,771,428,286)</u>	<u>(1,166,581,721)</u>

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

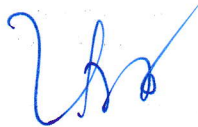
**Statement of cash flows (continued)**

Unit: VND

ITEM	Code	Note	Current year	Prior year
<b>III. Cash flows from financing activities</b>				
1. Proceeds from shares issuance and capital contributions from owners	31		-	-
2. Repayment of capital contributions to owners, repurchase of issued shares	32		-	-
3. Proceeds from borrowings	33		220,229,974,128	134,323,351,575
4. Payments to settle loan principals to banks	34		(177,553,180,711)	(123,732,870,918)
5. Principal repayment of finance lease liabilities	35		-	-
6. Payments of dividends at the Company and subsidiaries	36		(2,160,006,000)	(2,161,308,000)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>40,516,787,417</b>	<b>8,429,172,657</b>
<b>Net cash flows during the year</b>	<b>50</b>		<b>702,636,658</b>	<b>1,068,333,367</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>60</b>		<b>4,361,900,601</b>	<b>3,293,567,234</b>
Effect of exchange rate fluctuations on cash and cash equivalents	61		-	-
<b>Cash and cash equivalents at end of the year</b>	<b>70</b>		<b>5,064,537,259</b>	<b>4,361,900,601</b>

Established, 07 March 2025

Prepared by



Hoang Thi Tam

Chief Accountant



Hoang Thi An

General Director



Vu Thi Ly

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

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**NOTES TO THE FINANCIAL STATEMENTS**

**Year 2024**

**I. REPORTING ENTITY**

1. **Ownership structure** : Joint Stock Company

2. **Business sectors** : Trade and real estate business

3. **Business activities** :

The principal activities of the Company for the financial year ended 31 December 2024 are as follows:

- Trading of goods: Electronic device, electrical equipment, office supplies, household goods;
- Real estate business: Office leasing.

4. **Normal operating cycle:** Within 12 months.

5. **Operational characteristics of the Company affecting the financial statements during the financial year:** None.

6. **Statement on the comparability of financial statement information:** The financial statement figures for the year ended 31 December 2024 are fully consistent and comparable with those for the year ended 31 December 2023.

7. **Employees**

As at the financial year-end, the Company has 43 employees (compared to 36 employees as at 01/01/2024)

**II. FINANCIAL YEAR AND FUNCTIONAL CURRENCY**

1. **Financial year**

The financial year of the Company runs from 01 January to 31 December each year.

2. **Functional currency**

The functional currency of the Company is Vietnam Dong (VND).

**III. APPLIED ACCOUNTING STANDARD AND SYSTEM**

1. **Applied Accounting System**

The Company applies the Vietnamese Accounting System for enterprises under Circular No. 200/2014/TT-BTC dated 22 December 2014, and Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and adding some articles of circular No. 200/2014/TT-BTC.

2. **Statement of Compliance**

The financial statements were prepared and presented in accordance with the current Vietnamese Accounting Standards and Vietnamese Accounting System for enterprises.

**SONG DA – THANH HOA JOINT STOCK COMPANY**

Address: 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, Thanh Hoa City

**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**Notes to the Financial Statements (continued)**

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**IV. APPLIED ACCOUNTING POLICIES**

**1. Cash**

Cash comprises cash on hand and bank deposits.

**2. Accounts receivable**

Accounts receivable are presented at their carrying value, net of allowance for doubtful debts.

The classification of receivables into trade receivables and other receivables is based on the following principles:

- Trade receivables represent commercial receivables arising from sales transactions between the Company and independent buyers, including receivables from entrusted export sales.
- Other receivables represent non-commercial receivables that are not related to buying and selling transactions.

The allowance for doubtful debts is determined based on the overdue aging of receivables or estimated potential losses, as follows:

- For overdue receivables:
  - 30% of the outstanding balance for receivables overdue from 6 months to under 1 year.
  - 50% of the outstanding balance for receivables overdue from 1 year to under 2 years.
  - 70% of the outstanding balance for receivables overdue from 2 years to under 3 years.
  - 100% of the outstanding balance for receivables overdue for 3 years or more.
- For receivables not yet overdue but deemed uncollectible: the allowance is made based on estimated potential losses.

**3. Inventories**

Inventory is recognized at cost. If the net realizable value is lower than cost, inventory is measured at net realizable value. The cost of inventory includes purchase costs, processing costs, and other directly attributable costs to bring the inventory to its present location and condition. Net realizable value is determined by subtracting the estimated costs to complete the product, along with the estimated costs for marketing, selling, and distribution.

Inventory is measured using the weighted average method and accounted for under the perpetual inventory system.

**4. Tangible fixed assets**

Tangible fixed assets are presented at historical cost, net of accumulated depreciation. Historical cost includes all expenditures necessary to acquire and prepare the asset for use. Subsequent costs are capitalized only if they clearly enhance the economic benefits derived from the asset. Costs that do not meet this criterion are recognized as expenses in the period in which they are incurred.

Upon disposal or liquidation, the historical cost and accumulated depreciation of the assets are derecognized, with any resulting gain or loss recognized in the income statement.

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

<u>Asset category</u>	<u>Useful life</u>
- Buildings and structures	05 – 20 years

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**Notes to the Financial Statements (continued)**

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<u>Asset category</u>	<u>Useful life</u>
- Machinery and equipment	04 – 08 years
- Transportation vehicles and transmission equipment	03 – 08 years

**5. Investment properties**

***Historical cost***

Investment properties are recognized at cost. During the holding period for appreciation or leasing, they are presented at historical cost, net of accumulated depreciation and carrying value. Expenses incurred after the asset is put into use are recorded as expenses in the period incurred. If these expenses demonstrably increase the future economic benefits of the investment property beyond the initially assessed standard, they are capitalized into historical cost.

***Depreciation***

Investment properties are depreciated using the straight-line method over their estimated useful life as follows:

- Buildings	30 – 36 years
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**6. Prepaid expenses**

Prepaid expenses include actual expenses incurred that relate to multiple financial periods. The company's prepaid expenses include:

***Tools and equipment***

Tools and equipment are amortized on a straight-line basis over a period not exceeding 3 years.

***Major repairs***

Major repairs are amortized on a straight-line basis over a period not exceeding 3 years.

***Other expenses***

Other expenses are amortized on a straight-line basis over a period not exceeding 1 year.

**7. Liabilities and accrued expenses**

Liabilities and accrued expenses are recognized at the amounts payable in the future for goods and services already received. Accrued expenses are recognized based on reasonable estimates of the amounts payable.

The classification of liabilities into trade payables and other payables follows these principles:

- Trade payables represent commercial obligations arising from purchases of goods, services, and assets from independent suppliers, including amounts payable for imports through entrusted agents.
- Accrued expenses include amounts payable for goods and services received or provided but not yet invoiced or fully documented, as well as employee-related costs such as accrued leave and other business expenses to be allocated.
- Other payables represent non-commercial obligations unrelated to the purchase, sale, or provision of goods and services.

**8. Loans**

Loans are tracked individually for each lender, loan agreement, and repayment term.



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**Notes to the Financial Statements (continued)**

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**9. Deferred revenue**

Deferred revenue represents advance payments received from customers for asset leases covering one or more financial years.

It is recognized as revenue from the sale of goods and provision of services or financial activities in amounts allocated appropriately to each financial year.

**10. Owners' equity**

Owners' equity is recognized at the actual amount of contributed capital.

Retained earnings represent the Company's net profit (or loss) after corporate income tax, as well as any distributions or loss adjustments. These earnings may be distributed to investors based on capital contribution ratios, subject to approval by the General Meeting of Shareholders or Board of Directors, and after statutory reserve allocations in accordance with Company charter and Vietnamese law.

Dividends payable are recognized as liabilities in the Company's balance sheet following approval by the General Meeting of Shareholders or the official dividend distribution announcement.

**11. Revenue**

***Revenue from sales of goods***

Revenue from sales is recognized when all the following conditions are fulfilled:

- The significant risks and rewards of ownership have been transferred to the buyer;
- The company no longer retains control over the goods as the owner;
- The revenue amount is reliably measurable;
- The company has received or is expected to receive economic benefits from the transaction;
- The costs related to the sale are determinable.

Revenue is measured at the fair value of consideration received or receivable, following the accrual accounting principle. Advance payments from customers are not recognized as revenue in the current year.

***Revenue from asset leases***

Revenue from asset leases is recognized on a straight-line basis over the lease term. Prepaid lease payments for multiple years are allocated to revenue over the lease period. Lease revenue is recognized when the following conditions are fulfilled:

- The revenue amount is reliably measurable;
- It is probable that economic benefits will flow to the company;
- The stage of completion at the reporting date is determinable;
- The costs incurred and expected to complete the service are determinable.

***Financial income***

Financial income, including interest income, royalties, dividends, and profit-sharing, is recognized when both conditions are fulfilled:

- It is probable that economic benefits will flow to the company;
- The revenue amount is reliably measurable.

**12. Revenue deductions**

Deductions from sales revenue and service provision arising during the year include: Trade discounts and Sales returns.

**13. Cost of goods sold**

Cost of goods sold represents the cost of goods and services delivered and completed during the year.

The cost of goods sold is recognized in line with the corresponding revenue, including any accrued expenses allocated to cost of goods sold.

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**Notes to the Financial Statements (continued)**

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**14. Financial expenses**

Financial expenses include borrowing costs and exchange rate losses arising from foreign currency transactions.

These expenses are recorded at the total amount incurred during the year without offsetting against financial income.

**15. Selling, general and administrative expenses**

***Selling expenses***

Selling expenses represent actual costs incurred during the sales process, including salaries and related contributions for sales personnel, costs of tools and supplies, prepaid expenses allocated to sales expenses, advertising expenses, and similar costs.

***General and administrative expenses***

General and administrative expenses represent the Company's overall management costs, including salaries, wages, allowances, and bonuses for management personnel; social insurance, health insurance, trade union fees, and unemployment insurance for management employees; office materials, labor tools, depreciation of fixed assets used for administrative purposes; land rental, business license fees; provisions for doubtful debts; outsourced services (electricity, water, telephone, fax, asset insurance, fire insurance, etc.); and other cash expenses (customer entertainment, business meetings, etc.).

**16. Financial instruments**

**Financial assets**

***Classification***

The Company classifies its financial assets into the following categories: financial assets measured at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available-for-sale financial assets. The classification is based on the nature and purpose of the financial assets and is determined at the time of initial recognition.

***Financial assets measured at fair value through profit or loss***

The classified financial assets are recognized at fair value through profit or loss if they are held for trading or designated as such at initial recognition. A financial asset is considered held for trading if:

- It is acquired or incurred primarily for the purpose of selling or repurchasing in the near term;
- The Company intends to hold it for short-term profit-taking;
- It is a derivative financial instrument, except for derivatives designated as effective hedging instruments or financial guarantee contracts.

***Receivables***

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

***Initial recognition***

Financial assets are recognized on the trade date, which is the date the Company commits to purchasing the asset, and are derecognized on the settlement date when sold. At initial recognition, financial assets are measured at purchase price or issue price, plus directly attributable transaction costs related to the acquisition or issuance of the financial asset.

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**Notes to the Financial Statements (continued)****17. Current corporate income tax expenses**

Corporate income tax expense represents the current income tax, calculated based on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting treatments, non-deductible expenses, non-taxable income, and tax loss carryforwards.

**18. Related parties**

Parties are considered related parties if one party has control or significant influence over the other in making financial and operational policy decisions. They are also classified as related parties if they are under common control or subject to significant common influence.

In assessing related party relationships, the substance of the relationship takes precedence over its legal form.

Transactions with related parties during the year are disclosed in Note VIII.1.

**V. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET**

Unit: VND

**1. Cash**

	<u>Closing balance</u>	<u>Opening balance</u>
Cash on hand	4,118,717,233	2,380,626,735
Demand deposits	945,820,026	1,981,273,866
<b>Total</b>	<b><u>5,064,537,259</u></b>	<b><u>4,361,900,601</u></b>

**2. Short-term financial investments**

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Cost</u>	<u>Preventive</u>	<u>Cost</u>	<u>Preventive</u>
<i>Trading securities</i>	<i>14,860,001,316</i>	-	-	-
Other investments (*)	14,860,001,316	-	-	-
<b>Total</b>	<b><u>14,860,001,316</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

(\*) Debt purchase of Phuc Thanh Infrastructure Development and Construction Investment Joint Stock Company at Vietnam Joint Stock Commercial Bank for Industry and Trade - North Thanh Hoa Branch according to Debt Purchase Contract No. 01/HDMBN-Vietinbank dated July 8, 2024. The total value of the debt according to the provisional books as of July 1, 2024 is VND 55,520,938,869. The collateral for the debt is all land use rights and assets attached to the land at No. 171, Thanh Thai, Dong Tho Ward, Thanh Hoa City, Thanh Hoa Province. The re-appraised asset value is VND 32,130,000,000 according to the asset appraisal result announcement of the Thanh Hoa City Civil Judgment Enforcement Office dated January 7, 2025. According to Resolution No. 38/NQ-HDQT of the Board of Directors dated June 20, 2024 on the business plan, this investment will be resold by auction. The auction will be held on March 14, 2025 according to Notice of auction of assets for execution of judgment No. 25/TB-TTĐVĐG dated February 17, 2025 of the Thanh Hoa Department of Justice, Property Auction Service Center.

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Unit: VND

**3. Short-term accounts receivable from customers**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Receivables from related parties</i>	-	-
<i>Other receivables from customers</i>	<b>17,481,860,439</b>	<b>11,035,411,025</b>
Quang Trung Trading Investment and Construction Company Limited	605,712,000	1,300,000,000
Hoang Quan Trading, Service and Technology Company Limited	1,032,310,000	-
Other receivables from customers	15,843,838,439	9,735,411,025
<b>Total</b>	<b><u>17,481,860,439</u></b>	<b><u>11,035,411,025</u></b>

**4. Short-term prepayments to suppliers**

	<u>Closing balance</u>	<u>Opening balance</u>
<i>Prepayment to suppliers – related parties</i>	<b>6,509,868,400</b>	-
Thanh Nam Mechanical - Thermal - Electrical Company Limited	6,509,868,400	-
<i>Other prepayments to suppliers</i>	<b>1,499,542,423</b>	<b>464,496,769</b>
Dai Dong Tien Corporation	324,906,317	181,187,174
Aqua Electrical Appliances Vietnam Company Limited	371,893,664	194,588,738
Kangaroo International Joint Venture Company	-	69,620,108
Other short-term prepayments to suppliers	802,742,442	19,100,749
<b>Total</b>	<b><u>8,009,410,823</u></b>	<b><u>464,496,769</u></b>

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Unit: VND

	Closing balance		Opening balance	
	Value	Allowance	Value	Allowance
<b>5. Other short-term receivables</b>				
Sales bonus receivable	2,923,112,513	-	3,024,234,767	-
+ <i>Hoa Phat Refrigeration Engineering Company Limited</i>	2,218,404,862	-	1,776,026,834	-
+ <i>Aqua Electrical Appliances Vietnam Company Limited</i>	427,058,190	-	946,228,784	-
+ <i>Qui Phuc Trading - Service - Production Company Limited</i>	190,153,094	-	133,168,843	-
+ <i>Kangaroo International Joint Venture Company</i>	87,496,367	-	168,810,306	-
Other receivables	7,267,800	(7,267,800)	8,077,800	(7,267,800)
<b>Total</b>	<b>2,930,380,313</b>	<b>(7,267,800)</b>	<b>3,032,312,567</b>	<b>(7,267,800)</b>

	Closing balance		Opening balance	
	Overdue period	Allowance	Overdue period	Allowance
<b>6. Overdue unpaid debts</b>				
			Gross carrying amount	
Toan Thang Company Limited	Over 3 years	(331,690,000)	331,690,000	(331,690,000)
Van Anh Travel and Logistics Company Limited	1 year - 2 years	(19,086,326)	38,172,651	(11,451,795)
VAT receivable from subsidiary 2	Over 3 years	(7,267,800)	7,267,800	(7,267,800)
People's Committee of Yen Lac Commune	Over 3 years	(62,715,000)	62,715,000	(62,715,000)
Mr. Le Van Anh	2 years - 3 years	(3,081,400)	10,402,000	(7,281,400)
Chau Long Construction Company	1 year - 2 years	(26,985,000)	88,550,000	-
Mr. Le Xuan Dai	1 year - 2 years	(36,375,000)	72,750,000	-
Trung Kien Electronics Store	Over 3 years	(16,100,000)	16,100,000	(16,100,000)
<b>Total</b>	-	<b>(503,300,526)</b>	<b>627,647,451</b>	<b>(436,505,995)</b>

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Unit: VND

**7. Inventories**

	<u>Closing balance</u>		<u>Opening balance</u>	
	<i>Value</i>	<i>Allowance</i>	<i>Value</i>	<i>Allowance</i>
Goods	43,939,492,190	(1,068,386,877)	33,411,411,838	(805,953,573)
<b>Total</b>	<b>43,939,492,190</b>	<b>(1,068,386,877)</b>	<b>33,411,411,838</b>	<b>(805,953,573)</b>

**8. Construction in progress**

	<u>Closing balance</u>	<u>Opening balance</u>
Purchasing (Sports Center) (*)	2,084,489,734	-
Construction in progress	5,185,600,000	-
- Construction design consulting costs at 301 Tran Phu (*)	685,600,000	-
- Land use rights in Dien Bien ward, Thanh Hoa (**)	4,500,000,000	-
<b>Total</b>	<b>7,270,089,734</b>	<b>-</b>

(\*) Cost of purchasing assets and repairing at location 301 Tran Phu, Ba Dinh ward, Thanh Hoa city to deploy retail business of existing items and open a fitness and yoga center at location 301 Tran Phu according to the business plan approved by Resolution of the Board of Directors of the Company No. 54/2024/HDQT-NQ dated October 15, 2024. Business implementation time from the first quarter of 2025.

(\*\*) Cost of receiving the transfer of land use rights in Dien Bien ward, Thanh Hoa city, Thanh Hoa province according to the Land Use Rights Transfer Contract dated August 30, 2024 between the Company and Mr. Nguyen Dinh Cuong and Ms. Bui Thi Hop, approved by Resolution of the Board of Directors No. 50/NQ-HĐQT dated August 27, 2024. The transfer price is VND 4,500,000,000 and the Company is carrying out the procedures to be granted the Land Use Rights Certificate.

**9. Prepaid expenses****a) Short-term prepaid expenses**

	<u>Closing balance</u>	<u>Opening balance</u>
Insurance expenses	36,838,918	34,157,800
Tools and equipment in use	31,307,068	10,320,000
Others	-	1,637,097
<b>Total</b>	<b>68,145,986</b>	<b>46,114,897</b>

**b) Long-term prepaid expenses**

	<u>Closing balance</u>	<u>Opening balance</u>
Tools and equipment in use	75,591,271	12,129,129
Heat insulation roof for the Commercial Center at 25 Le Loi – Thanh Hoa	671,223,177	1,118,705,301
Asset repair costs	1,623,125,516	1,170,816,901
Others	56,815,624	-
<b>Total</b>	<b>2,426,755,588</b>	<b>2,301,651,331</b>

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	Buildings and structures	Machinery and equipment	Transportation vehicles and transmission equipment	Total
<b>Historical cost</b>				
Opening balance	16,109,740,595	4,413,794,233	8,769,423,759	29,292,958,587
Additions	-	-	-	-
Asset disposal and sale	-	-	(154,346,123)	(154,346,123)
<b>Closing balance</b>	<b>16,109,740,595</b>	<b>4,413,794,233</b>	<b>8,615,077,636</b>	<b>29,138,612,464</b>
<i>In which:</i>				
<i>Fully depreciated assets still in use</i>	<i>1,488,801,242</i>	<i>4,413,794,233</i>	<i>2,610,903,091</i>	<i>8,513,498,566</i>
<b>Accumulated depreciation</b>				
Opening balance	7,960,795,733	4,352,061,369	5,628,223,370	17,941,080,472
Depreciation for the year	1,210,679,064	61,732,864	1,147,941,864	2,420,353,792
Asset disposal and sale	-	-	(154,346,123)	(154,346,123)
<b>Closing balance</b>	<b>9,171,474,797</b>	<b>4,413,794,233</b>	<b>6,621,819,111</b>	<b>20,207,088,141</b>
<b>Net book value</b>				
Opening balance	8,148,944,862	61,732,864	3,141,200,389	11,351,878,115
<b>Closing balance</b>	<b>6,938,265,798</b>	<b>-</b>	<b>1,993,258,525</b>	<b>8,931,524,323</b>

As at 31 December 2024, the historical cost and carrying amount of the tangible fixed assets pledged as collateral for loans at the Commercial Bank are VND 15,263,524,293 and VND 6,655,205,090.

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**11. Investment properties**

	<u>Historical cost</u>	<u>Accumulated depreciation</u>	<u>Carrying amount</u>
Opening balance	20,870,696,426	(10,488,493,651)	10,382,202,775
<i>Depreciation for the year</i>	-	<i>(608,650,080)</i>	<i>(608,650,080)</i>
<b>Closing balance</b>	<b><u>20,870,696,426</u></b>	<b><u>(11,097,143,731)</u></b>	<b><u>9,773,552,695</u></b>

As at 31 December 2024, the historical cost and carrying amount of the investment property – Commercial Center at 25 Le Loi – are VND 15,488,315,193 and VND 7,979,425,645. This property has been pledged as collateral for loans at Vietnam Bank for Agriculture and Rural Development –Thanh Hoa Branch.

According to Accounting Standard No. 05 – “Investment Property,” the fair value of investment property as of December 31, 2024, needs to be disclosed. The Company has not determined the fair value of its investment property as of December 31, 2024, for disclosure in the notes to the financial statements due to the absence of recent market transactions for similar properties in the same location.



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Unit: VND

	Closing balance		Opening balance	
	Value	Repayable amount	Value	Repayable amount
<b>12. Short-term loans and finance lease liabilities</b>				
<b>- Bank loans</b>				
+ Vietnam Bank for Agriculture and Rural Development –Thanh Hoa Branch under Credit agreement No. 3500 - LAV - 202401232 dated 30 October 2024 (1)	69,690,735,632	69,690,735,632	27,013,942,215	27,013,942,215
+ Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Thanh Hoa Branch under Loan facility agreement No. 300057250/2024-HĐCVHM/NHCT424-THANHHOASONGDA dated 13 June 2024 (2)	35,477,763,698	35,477,763,698	16,010,284,349	16,010,284,349
	34,212,971,934	34,212,971,934	11,003,657,866	11,003,657,866
<b>Total</b>	<b>69,690,735,632</b>	<b>69,690,735,632</b>	<b>27,013,942,215</b>	<b>27,013,942,215</b>

(1) Loans provided by Vietnam Bank for Agriculture and Rural Development –Thanh Hoa Branch under Credit facility agreement No. 3500 - LAV - 202401232 dated 30 October 2024, with a credit limit of VND70,000,000,000. The maximum credit facility term is 36 months from the contract signing date. The loan term for each specific promissory note does not exceed 03 months. The loan is intended to supplement working capital for the commercial business plan for the 2024-2025 period. The annual interest rate ranges from 4.0% to 4.5% during the year. The collateral consists of all assets attached to the land at plot no. 85, cadastral map no. 07, with an area of 3458.0m<sup>2</sup>, located at 25 Le Loi Boulevard, Lam Son Ward, Thanh Hoa City, owned by the Company under Mortgage agreement No. 3500/HS/163/2023 dated 19/10/2023.

(2) Loans provided by Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Thanh Hoa Branch (“Vietinbank”) under Credit facility agreement No. 300057250/2024-HĐCVHM/NHCT424-THANHHOASONGDA dated 13 June 2024, with a credit limit of VND55,000,000,000. The credit facility maintenance period is until 13/06/2025. The loan term for each specific promissory note shall not exceed 06 months. The loan is intended to supplement working capital for the commercial business plan. The annual interest rate ranges from 5,0% to 5,5% during the year. The collateral consists of all assets attached to the land at plot no. 02, map no. 29, with an area of 4,708.2 m<sup>2</sup>, located at Dinh Huong – Tay Bac Ga Industrial Park, Dong Tho Ward, Thanh Hoa City owned by the Company under Mortgage agreement No. 300057250/2022/HĐBĐ/NHCT424/CV881671 dated 17/5/2022, and the rotated inventory determined based on the ratio of the Company’s short-term credit balance at Vietinbank to the Company’s total short-term credit balance at financial institutions, as per the Asset mortgage agreement No. 300057250/2022/HĐBĐ/NHCT424-HTK dated 17/5/2022.

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Details of short-term loans are as follows:

	Opening balance	Loan amount incurred during the year	Reclassification from long-term borrowings and debts	Loan repayments made during the year	Closing balance
+ Vietnam Bank for Agriculture and Rural Development – Thanh Hoa Branch under Credit agreement No. 3500 - LAV - 202401232 dated 30 October 2024	16,010,284,349	158,708,786,882	-	139,241,307,533	35,477,763,698
+ Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Thanh Hoa Branch under Loan facility agreement No. 300057250/2024-HDCVHM/NHCT424-THANHHOASONGDA dated 13 June 2024	11,003,657,866	61,521,187,246	-	38,311,873,178	34,212,971,934
<b>Total</b>	<b>27,013,942,215</b>	<b>220,229,974,128</b>	<b>-</b>	<b>177,553,180,711</b>	<b>69,690,735,632</b>

**13. Short-term accounts payable to suppliers**

	Closing balance		Opening balance	
	Value	Repayable amount	Value	Repayable amount
<i>Other payables to suppliers</i>	<b>9,407,421,700</b>	<b>9,407,421,700</b>	<b>7,405,300,153</b>	<b>7,405,300,153</b>
Hoa Phat Refrigeration Engineering Company Limited	5,973,730,124	5,973,730,124	5,119,410,326	5,119,410,326
The One Furniture Trading and Manufacturing Joint Stock Company	890,122,362	890,122,362	597,367,063	597,367,063
Other short-term payables to suppliers	2,543,569,214	2,543,569,214	1,688,522,764	1,688,522,764
<b>Total</b>	<b>9,407,421,700</b>	<b>9,407,421,700</b>	<b>7,405,300,153</b>	<b>7,405,300,153</b>

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Unit: VND

	Opening balance		During the year			Closing balance	
	Receivable	Payable	Amount payable	Amount paid	Receivable	Payable	
Output value-added tax	-	190,055,523	127,046,075	298,510,871	-	18,590,727	
Corporate income tax	-	196,249,967	272,510,829	424,053,248	-	44,707,548	
Personal income tax	-	2,756,002	110,170,196	110,656,057	-	2,270,141	
Land and property tax, land rental fees	583,043,952	-	1,986,006,035	1,402,962,083	-	-	
Fees, charges, and other obligations	-	-	7,000,000	7,000,000	-	-	
<b>Total</b>	<b>583,043,952</b>	<b>389,061,492</b>	<b>2,502,733,135</b>	<b>2,243,182,259</b>	<b>-</b>	<b>65,568,416</b>	

**Value-added tax**

The Company applies the deduction method for value-added tax.

From 1 January 2024, the Company applies a VAT reduction from 10% to 8%, pursuant to Decree 94/2023/NĐ-CP dated 28/11/2023.

**Corporate income tax**

A tax rate of 20% is applied.

**Other taxes**

The Company declares and pays taxes in accordance with regulations.

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Unit: VND

**15. Short-term accrued expenses**

	<u>Closing balance</u>	<u>Opening balance</u>
Other expenses	51,000,000	37,500,000
<b>Total</b>	<b><u>51,000,000</u></b>	<b><u>37,500,000</u></b>

**16. Other payables and accruals****a) Other short-term payables and accruals**

	<u>Closing balance</u>	<u>Opening balance</u>
Short-term deposits and collaterals received	12,448,133	12,448,133
Dividends payable	79,592,635	79,598,635
Other payables and accruals	8,976,000	389,000,000
+ <i>Accrued customer appreciation and customer support expenses</i>	-	389,000,000
+ <i>Other payables to various parties</i>	8,976,000	-
<b>Total</b>	<b><u>101,016,768</u></b>	<b><u>481,046,768</u></b>

**b) Other long-term payables and accruals**

	<u>Closing balance</u>	<u>Opening balance</u>
Long-term deposits and collaterals received	636,684,000	-
<b>Total</b>	<b><u>636,684,000</u></b>	<b><u>-</u></b>

(\*) Rental deposits received by the Company for lease agreements.

**17. Short-term deferred revenue**

	<u>Closing balance</u>	<u>Opening balance</u>
Rental revenue	15,000,000	-
<b>Total</b>	<b><u>15,000,000</u></b>	<b><u>-</u></b>

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Notes to the Financial Statements (continued)

Unit: VND

**18. Owners' equity****a. Changes in owners' equity**

	Share capital	Treasury shares	Development investment fund	Retained earnings	Total
<b>Balance at 1 January 2023</b>	30,000,000,000	(2,162,020,000)	8,923,178,729	3,419,656,107	40,180,814,836
Increase in capital during the prior year	-	-	-	-	-
Profit/(loss) for the prior year	-	-	-	2,360,298,838	2,360,298,838
Profit distribution	-	-	1,259,656,107	(3,419,656,107)	(2,160,000,000)
Other decreases	-	-	-	-	-
<b>Balance at 31 December 2023</b>	<b>30,000,000,000</b>	<b>(2,162,020,000)</b>	<b>10,182,834,836</b>	<b>2,360,298,838</b>	<b>40,381,113,674</b>
<b>Balance at 1 January 2024</b>	30,000,000,000	(2,162,020,000)	10,182,834,836	2,360,298,838	40,381,113,674
Increase in capital during the year	-	-	-	-	-
Profit/(loss) for the year	-	-	-	1,088,709,298	1,088,709,298
Profit distribution (*)	-	-	200,298,838	(2,360,298,838)	(2,160,000,000)
<b>Balance at 31 December 2024</b>	<b>30,000,000,000</b>	<b>(2,162,020,000)</b>	<b>10,383,133,674</b>	<b>1,088,709,298</b>	<b>39,309,822,972</b>

(\*) As per the Meeting minutes and Resolution of the Annual General Meeting of Shareholders No. 01/2024/THS/NQ-THSD, dated 24 April 2024, the Company distributed the 2023 profit as follows:

Amount
200,298,838
2,160,000,000
<b>2,360,298,838</b>

Appropriation to the development investment fund

Appropriation for dividend payment

**Total**

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Unit: VND

**b. Details of owners' capital contribution as at 31 December 2024**

	<u>Closing balance</u>	<u>Percentage</u>	<u>Opening balance</u>	<u>Percentage</u>
Mr. Le Anh Tuan	21,323,640,000	71.08	21,323,640,000	71.08
Mr. Nguyen Xuan Bac	1,404,840,000	4.68	1,404,840,000	4.68
Ms. Nguyen Thi Huong	2,920,000,000	9.73	2,920,000,000	9.73
Other entities	1,351,520,000	4.51	1,351,520,000	4.51
Treasury shares	3,000,000,000	10.00	3,000,000,000	10.00
<b>Total</b>	<b><u>30,000,000,000</u></b>	<b><u>100.00</u></b>	<b><u>30,000,000,000</u></b>	<b><u>100.00</u></b>

**c. Equity transactions with owners and distribution of dividends and profits**

	<u>Year-to-date cumulative</u>	
	<u>Current year</u>	<u>Prior year</u>
- Contributed capital		
+ Opening balance of contributed capital	30,000,000,000	30,000,000,000
+ Increase in contributed capital during the year	-	-
+ Decrease in contributed capital during the year	-	-
+ Closing balance of contributed capital	30,000,000,000	30,000,000,000
- Dividends and distributed profits	2,160,000,000	2,160,000,000

**d. Shares**

	<u>Closing balance</u>	<u>Opening balance</u>
- Number of shares registered for issuance	3,000,000	3,000,000
- Number of shares sold to the public	3,000,000	3,000,000
+ <i>Ordinary shares</i>	3,000,000	3,000,000
+ <i>Preference shares</i>	-	-
- Number of shares repurchased	300,000	300,000
+ <i>Ordinary shares</i>	300,000	300,000
+ <i>Preference shares</i>	-	-
- Number of shares outstanding	2,700,000	2,700,000
+ <i>Ordinary shares</i>	2,700,000	2,700,000
+ <i>Preference shares</i>	-	-

\* Par value of outstanding shares: VND 10,000 per share.

**e. The Company's funds**

	<u>Closing balance</u>	<u>Opening balance</u>
Development investment fund	10,383,133,674	10,182,834,836
<b>Total</b>	<b><u>10,383,133,674</u></b>	<b><u>10,182,834,836</u></b>

**19. Off-balance sheet item**

	<u>Closing balance</u>	<u>Opening balance</u>
<b>Written-off bad debts</b>	<b>1,557,487,768</b>	<b>1,557,487,768</b>

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Notes to the Financial Statements (continued)

**VI. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE INCOME STATEMENT****1. Revenue from the sale of goods and provision of services**

	<u>Current year</u>	<u>Prior year</u>
Sales of goods	260,430,004,031	215,770,233,034
Real estate business sales	8,023,260,217	10,849,625,441
<b>Total</b>	<b><u>268,453,264,248</u></b>	<b><u>226,619,858,475</u></b>

**2. Revenue deductions**

	<u>Current year</u>	<u>Prior year</u>
Trade discount	2,007,073	1,327,370
Returned goods	237,627,274	-
<b>Total</b>	<b><u>239,634,347</u></b>	<b><u>1,327,370</u></b>

**3. Cost of goods sold**

	<u>Current year</u>	<u>Prior year</u>
Cost of goods sold	247,333,652,519	206,824,807,475
Cost of investment property activities	3,375,367,679	2,270,576,795
Allowance for inventories	262,433,304	53,432,283
<b>Total</b>	<b><u>250,971,453,502</u></b>	<b><u>209,148,816,553</u></b>

**4. Financial income**

	<u>Current year</u>	<u>Prior year</u>
Interest income from deposits and loans	2,166,212	745,552
Interest income from deferred sales and payment discounts received	766,805,675	548,287,243
<b>Total</b>	<b><u>768,971,887</u></b>	<b><u>549,032,795</u></b>

**5. Financial expenses**

	<u>Current year</u>	<u>Prior year</u>
Interest expense on borrowings	2,415,870,867	2,187,103,487
Guarantee fee	-	22,616,459
Foreign exchange losses	1,221,822	-
Other financial expenses	-	2,334
<b>Total</b>	<b><u>2,417,092,689</u></b>	<b><u>2,209,722,280</u></b>

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Unit: VND

**6. Selling expenses**

	<u>Current year</u>	<u>Prior year</u>
Staff expenses	5,128,580,402	4,129,113,522
Raw materials and packaging expenses	962,765,739	938,774,793
Tools and supplies expenses	523,732,936	636,754,175
Depreciation expense	1,428,923,428	1,274,051,631
Taxes, fees and charges	-	72,835,920
Outsourced service expenses	485,275,116	561,127,483
Other selling expenses	1,360,874,917	1,186,662,322
<b>Total</b>	<b><u>9,890,152,538</u></b>	<b><u>8,799,319,846</u></b>

**7. General and administrative expenses**

	<u>Current year</u>	<u>Prior year</u>
Staff expenses	2,401,774,616	2,427,574,846
Office supplies expenses	58,211,052	48,259,954
Depreciation expense	991,430,364	1,195,776,846
Taxes, fees and charges	118,396,013	5,825,057
Provision expense	66,794,531	21,980,395
Outsourced service expenses	517,753,429	170,650,167
Other general and administrative expenses	613,030,632	507,071,211
<b>Total</b>	<b><u>4,767,390,637</u></b>	<b><u>4,377,138,476</u></b>

**8. Other income**

	<u>Current year</u>	<u>Prior year</u>
Gain from disposal of fixed assets	6,363,636	-
Electricity and water charges from leased premises	1,085,779,191	1,057,709,982
Promotional goods and sales support received	416,866,463	396,304,936
Bad debt recovery	-	819,342
Other income	2,802,539	450,000
<b>Total</b>	<b><u>1,511,811,829</u></b>	<b><u>1,455,284,260</u></b>

**9. Other expenses**

	<u>Current year</u>	<u>Prior year</u>
Electricity and water expense	1,085,770,101	1,067,583,750
Penalties and fines	683,518	43,842,231
Other expenses	650,505	4,829,672
<b>Total</b>	<b><u>1,087,104,124</u></b>	<b><u>1,116,255,653</u></b>



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**Notes to the Financial Statements (continued)**

Unit: VND

**10. Corporate income tax expense for the current year**

	<u>Current year</u>	<u>Prior year</u>
Corporate income tax expense on current year taxable income (*)	272,510,829	604,053,451
Adjustments of prior year's corporate income tax expense to current year's tax expense	-	7,243,063
<b>Total corporate income tax expense – current</b>	<b><u>272,510,829</u></b>	<b><u>611,296,514</u></b>

**(\*) Determining the corporate income tax expense for the current year:**

	<u>Current year</u>	<u>Prior year</u>
Profit before tax	1,361,220,127	2,971,595,352
Adjustments to increase	1,334,023	48,671,903
<i>Penalties for late payment and regulatory fines</i>	<i>683,518</i>	<i>43,842,231</i>
<i>Other adjustments</i>	<i>650,505</i>	<i>4,829,672</i>
Adjustment to decrease	-	-
Taxable income	1,362,554,150	3,020,267,255
Corporate income tax rate	20%	20%
<b>Corporate income tax expense for the current year</b>	<b><u>272,510,829</u></b>	<b><u>604,053,451</u></b>

**11. Basic/diluted earnings per share**

	<u>Current year</u>	<u>Prior year</u>
Net profit after tax attributable to shareholders	1,088,709,298	2,360,298,838
Adjustments to accounting profit for determining profit or loss attributable to ordinary shareholders	-	-
Appropriation to bonus and welfare fund (*)	-	-
Profit or loss attributable to ordinary shareholders	1,088,709,298	2,360,298,838
Weighted average number of ordinary shares outstanding during the year	2,700,000	2,700,000
<b>Basic/diluted earnings per share</b>	<b><u>403</u></b>	<b><u>874</u></b>

(\*) As per the profit distribution plan for 2024, as approved by the general meeting of shareholders, the company will not appropriate funds for the bonus and welfare fund.

The weighted average number of ordinary shares outstanding during the year is calculated as follows:

	<u>Current year</u>	<u>Prior year</u>
Ordinary shares outstanding at the beginning of the year	2,700,000	2,700,000
Effect of ordinary shares issued during the year from retained earnings	-	-
<b>Weighted average number of ordinary shares outstanding during the year</b>	<b><u>2,700,000</u></b>	<b><u>2,700,000</u></b>

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**Notes to the Financial Statements (continued)**

Unit: VND

**12. Operating expenses categorized by component**

	<u>Current year</u>	<u>Prior year</u>
Labor costs	7,530,355,018	6,556,688,368
Depreciation costs	3,029,003,872	3,078,478,557
Outsourced service costs	1,268,605,066	759,677,650
Other monetary costs	6,138,152,367	5,073,642,430
Provision costs	66,794,531	21,980,395
<b>Total</b>	<b><u>18,032,910,854</u></b>	<b><u>15,490,467,400</u></b>

**VII. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE STATEMENT OF CASH FLOWS**

No information.

**VIII. OTHER INFORMATION****1. Related party information**

The related parties of the Company include key management personnel, individuals related to key management personnel, and other related parties.

**A. Transactions and balances with key management personnel and individuals related to key management personnel**

Key management personnel include members of the Board of Directors, members of the Board of General Directors, the Chief Accountant, and the Supervisory Board. Individuals related to key management personnel refer to close family members of key management personnel.

*Compensation of key management personnel:*

	<b>Position</b>	<u>Current year</u>	<u>Prior year</u>
<b><i>Executive Management</i></b>			
Mr. Le Anh Tuan	Chairman of the Board	98,670,000	-
Ms. Vu Thi Ly	General Director	284,500,000	273,476,000
Mr. Pham Van Loi	Deputy General Director	264,340,000	255,044,000
Ms. Hoang Thi An	Chief Accountant	124,290,000	116,492,000
<b><i>Supervisory Board</i></b>			
Ms. Cao Thi Hien	Chair of the Supervisory Board	208,950,000	188,866,525
Ms. Le Thi Phuong	Member (from 24/04/2024)	137,035,000	-
Mr. Trinh Dinh Thang	Member (until 24/04/2024)	48,340,000	201,438,670
<b>Total</b>		<b><u>1,166,125,000</u></b>	<b><u>1,035,317,195</u></b>

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**Notes to the Financial Statements (continued)***Remuneration of the Board of Directors and the Supervisory Board:*

		Unit: VND	
		<u>Current year</u>	<u>Prior year</u>
<b>Board of Directors</b>			
Mr. Le Anh Tuan	Chair of the Board	36,000,000	36,000,000
Ms. Vu Thi Ly	Board member and General Director	24,000,000	24,000,000
Mr. Vu Manh Doan	Board member	24,000,000	24,000,000
<b>Supervisory Board</b>			
Ms. Cao Thi Hien	Chair of the Supervisory Board	36,000,000	36,000,000
Ms. Le Thi Phuong	Member (from 24/04/2024)	18,000,000	-
Mr. Trinh Dinh Thang	Member (until 24/04/2024)	6,000,000	24,000,000
Mr. Nguyen Quang Long	Member	24,000,000	24,000,000
<b>Total</b>		<b><u>168,000,000</u></b>	<b><u>168,000,000</u></b>

**B. Transactions with other related parties:**

<u>Related parties</u>	<u>Relationship</u>
Thanh Hoa Construction and Trading Joint Stock Company	Mr. Le Anh Tuan – The Chairman of the Board of Directors of Thanh Hoa Construction and Trading Joint Stock Company
Thanh Nam Mechanical - Thermal - Electrical Company Limited	Mr. Le Anh Tuan - The Chairman of the Board of Directors is a shareholder in Thanh Nam Mechanical - Thermal - Electrical Company Limited

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

	Year-to-date cumulative	
	<u>Current year</u>	<u>Prior year</u>
<b>Thanh Hoa Construction and Trading Joint Stock Company</b>		
Revenue from the sale of goods	1,345,534,846	3,067,256,766
Revenue from the provision of services	14,154,021	295,477,124
Purchase of goods and use of services	3,523,183,672	2,816,004,073
<b>Thanh Nam Mechanical - Thermal - Electrical Company Limited</b>		
Revenue from the sale of goods	-	160,511,785
Purchase of goods and use of services	1,081,899,074	96,603,519
Acquisition of assets	685,600,000	-
Advance for purchase and upgrade of fixed assets	6,509,868,400	-

At the end of the financial year, in addition to the outstanding balances with related parties presented in notes V.4, the Company has no other outstanding balances with related parties.

**2. Segment information**

Segment information is presented by business segments and geographical areas. The primary segment report is based on business segments, while the secondary segment report is based on geographical areas.

**Business segments**

The company operates in the following main business segments:

- Segment 1: Trading;
- Segment 2: Real estate business.

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**Notes to the Financial Statements (continued)**

Information on business results, fixed assets, other non-current assets, and significant non-cash expenses by business segment is as follows:

	Trading	Real estate business	Total
			Unit: VND
<b>Year 2024</b>			
Net revenue from external sales	260,190,369,684	8,023,260,217	268,213,629,901
Net revenue from inter-segment sales	-	-	-
<b>Total net revenue from sale of goods and provision of service</b>	<b>260,190,369,684</b>	<b>8,023,260,217</b>	<b>268,213,629,901</b>
Expenses by segment	257,486,238,361	3,375,367,679	260,861,606,040
Operating results by segment	2,704,131,323	4,647,892,538	7,352,023,861
Unallocated expenses	-	-	(4,767,390,637)
Operating profit	-	-	2,584,633,224
Financial income	-	-	768,971,887
Financial expenses	-	-	(2,417,092,689)
Other income	-	-	1,511,811,829
Other expenses	-	-	(1,087,104,124)
Current corporate income tax expense	-	-	(272,510,829)
<b>Profit after corporate income tax</b>	<b>-</b>	<b>-</b>	<b>1,088,709,298</b>
<b>Total expenses incurred for the acquisition of fixed assets and other non-current assets</b>	<b>8,455,452,624</b>	<b>-</b>	<b>8,455,452,624</b>
<b>Total depreciation and amortization of long-term prepaid expenses</b>	<b>3,480,574,925</b>	<b>1,126,070,058</b>	<b>4,606,644,983</b>
<b>Year-end balances</b>			
- Directly attributable segment assets	89,655,589,400	9,773,552,695	99,429,142,095
- Unallocated assets	-	-	19,924,538,575
<b>Total assets</b>	<b>89,655,589,400</b>	<b>9,773,552,695</b>	<b>119,353,680,670</b>
- Directly attributable segment liabilities	80,014,448,172	29,409,526	80,043,857,698
- Unallocated liabilities	-	-	-
<b>Total liabilities</b>	<b>80,014,448,172</b>	<b>29,409,526</b>	<b>80,043,857,698</b>

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	Trading	Real estate business	Total
<b>Year 2023</b>			
Net revenue from external sales	215,768,905,664	10,849,625,441	226,618,531,105
Net revenue from inter-segment sales	-	-	-
<b>Total net revenue from sale of goods and provision of service</b>	<b>215,768,905,664</b>	<b>10,849,625,441</b>	<b>226,618,531,105</b>
Expenses by segment	215,677,559,604	2,270,576,795	217,948,136,399
Operating results by segment	91,346,060	8,579,048,646	8,670,394,706
Unallocated expenses	-	-	(4,377,138,476)
Operating profit	-	-	4,293,256,230
Financial income	-	-	549,032,795
Financial expenses	-	-	(2,209,722,280)
Other income	-	-	1,455,284,260
Other expenses	-	-	(1,116,255,653)
Current corporate income tax expense	-	-	(611,296,514)
<b>Profit after corporate income tax</b>			<b>2,360,298,838</b>
<b>Total expenses incurred for the acquisition of fixed assets and other non-current assets</b>	<b>3,974,757,272</b>	-	<b>3,974,757,272</b>
<b>Total depreciation and amortization of long-term prepaid expenses</b>	<b>3,155,201,692</b>	<b>608,650,080</b>	<b>3,763,851,772</b>
<b>Year-end balances</b>			
- Directly attributable segment assets	60,983,860,926	10,382,202,775	71,366,063,701
- Unallocated assets	-	-	4,361,900,601
<b>Total assets</b>	<b>60,983,860,926</b>	<b>10,382,202,775</b>	<b>75,727,964,302</b>
- Directly attributable segment liabilities	35,337,454,933	9,395,695	35,346,850,628
- Unallocated liabilities	-	-	-
<b>Total liabilities</b>	<b>35,337,454,933</b>	<b>9,395,695</b>	<b>35,346,850,628</b>

**Geographical area:**

All of the Company's operations take place within the territory of Vietnam.

**SONG DA – THANH HOA JOINT STOCK COMPANY**

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**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**Notes to the Financial Statements (continued)****3. Financial risk management**

The Company's activities expose it to the following financial risks: credit risk, liquidity risk, and market risk. The Board of General Directors is responsible for establishing policies and controls to mitigate financial risks, as well as overseeing their implementation and ensuring compliance.

**A. Credit risk**

Credit risk arises when a counterparty to a contract fails to fulfill its obligations, resulting in financial losses for the Company.

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

*Trade receivables*

The Company mitigates credit risk by transacting only with financially sound counterparties, requiring letters of credit, or obtaining collateral for first-time or unverified transactions. Additionally, the accounts receivable and payable accountant regularly monitors outstanding receivables to ensure timely collection.

The company's trade receivables are diversified across various entities and individuals, thereby reducing the concentration of credit risk.

*Bank deposits*

The company's term and non-term deposits are held with reputable banks in Vietnam, leading to a low credit risk associated with bank deposits.

**B. Liquidity risk**

Liquidity risk arises when the company encounters difficulties in meeting its financial obligations due to cash shortages.

The company's liquidity risk mainly stems from a mismatch in maturity profiles between financial assets and financial liabilities.

The company manages liquidity risk through the following measures: regularly monitoring current and forecasted payment obligations to maintain an appropriate level of cash and borrowings, comparing actual cash flows with projected cash flows to minimize the impact of cash flow fluctuations. (present the company's liquidity risk management policy).

The contractual undiscounted maturities of the Company's non-derivative financial liabilities (excluding interest payable) are as follows:

Unit: VND

	Up to 1 year	Over 1 year to 5 years	Over 5 years	Total
<b>Closing balance</b>				
Trade payables	9,407,421,700	-	-	9,407,421,700
Loans and borrowings	69,690,735,632	-	-	69,690,735,632
Accrued expenses	51,000,000	-	-	51,000,000
Other payables	88,568,635	-	-	88,568,635
<b>Total</b>	<b>79,237,725,967</b>	<b>-</b>	<b>-</b>	<b>79,237,725,967</b>
<b>Opening balance</b>				
Trade payables	7,405,300,153	-	-	7,405,300,153
Loans and borrowings	27,013,942,215	-	-	27,013,942,215
Accrued expenses	37,500,000	-	-	37,500,000
Other payables	468,598,635	-	-	468,598,635
<b>Total</b>	<b>34,925,341,003</b>	<b>-</b>	<b>-</b>	<b>34,925,341,003</b>

**SONG DA – THANH HOA JOINT STOCK COMPANY**

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**FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**Notes to the Financial Statements (continued)**

Unit: VND

**4. Fair value of financial assets and liabilities**

	Carrying amount		Fair value	
	Closing balance	Opening balance	Closing balance	Opening balance
<b>Financial assets</b>				
Cash and cash equivalents	5,064,537,259	4,361,900,601	5,064,537,259	4,361,900,601
Trade and other receivables	20,412,240,752	14,067,723,592	(*)	(*)
Short-term financial investments	14,860,001,316	-	(*)	-
<b>Total</b>	<b>40,336,779,327</b>	<b>18,429,624,193</b>		
<b>Financial liabilities</b>				
Trade payables	9,407,421,700	7,405,300,153	(*)	(*)
Loans and borrowings	69,690,735,632	27,013,942,215	(*)	(*)
Accrued expenses	51,000,000	37,500,000	(*)	(*)
Other payables	88,568,635	468,598,635	(*)	(*)
<b>Total</b>	<b>79,237,725,967</b>	<b>34,925,341,003</b>		

(\*) The Company has not determined the fair value of its financial instruments, as they are not quoted in an active market. Additionally, the current Vietnamese accounting standards and Accounting system for enterprises do not provide guidance on fair value measurement using valuation techniques. Therefore, the Company does not disclose the fair value of its financial assets and liabilities. It is possible that the fair value of these instruments may differ from their carrying amounts.

**5. Events after the reporting period**

The Board of General Directors of the Company confirms that there have been no events occurring after 31 December 2024 and up to the date of preparation of these financial statements that would require adjustments or disclosures in the financial statements.

**6. Comparative information**

Comparative information is figures derived from the financial statements for the financial year ended 31 December 2023 audited by Nam Viet Auditing and Accounting Financial Consulting Services Company Limited – The North Branch (now is NVA Auditing Company Limited – The North Branch).

**7. Going concern disclosures**

During the financial year, no activities or events have been identified that may cast significant doubt on the Company's ability to continue as a going concern. Therefore, the financial statements of the Company have been prepared on a going concern basis.

Prepared by



Hoang Thi Tam

Chief Accountant



Hoang Thi An

Established 07 March 2025

General Director



Vu Thi Ly