

**AUDITED CONSOLIDATED FINANCIAL  
STATEMENTS**

*For the financial year ended 31 December 2024*

**PICOMAT PLASTIC JOINT STOCK COMPANY**

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# PICOMAT PLASTIC JOINT STOCK COMPANY

## REPORT OF THE GENERAL DIRECTOR

*For the financial year ended 31 December 2024*

*The General Director of Picomat Plastic Joint Stock Company has the honor of submitting this Report together with the audited consolidated financial statements for the financial year ended 31 December 2024.*

### 1. General information about the Company

#### Establishment

Picomat Plastic Joint Stock Company (hereinafter referred to as the Company) is a joint stock company operating under the first Business Registration Certificate No. 0104518043 dated 9 March 2010 issued by the Hanoi Authority for Planning and Investment and the 14th amended certificate on 2 August 2024.

#### Form of ownership

Joint Stock Company

#### The Company's business activities

The Company's main business lines are trading in interior wood products, manufacturing plastic products, trading in PVC resin and chemical additives for the plastic industry.

**Transaction name in English:** PICOMAT PLASTIC JOINT STOCK COMPANY

**In short:**

PICOMAT

**Securities code:**

PCH (Listed/HNX)

**Head office:**

Cau Lieu Hamlet, Thach Xa Commune, Thach That District, Hanoi, Vietnam

### 2. Financial position and results of its operation

The Company's financial position and results of its operation for the year are presented in the accompanying Consolidated Financial Statements.

### 3. The members of the Board of Directors, Board of Supervisors, Internal Audit Team, General Director, and Chief Accountant

The members of the Board of Directors, Board of Supervisors, Internal Audit Team, General Director, and Chief Accountant for the year and up to the date of the consolidated financial statements include:

#### Board of Directors

Mr. Do Thanh Hai	Chairman
Ms. Dao Thi Kim Oanh	Member
Mr. Nguyen Manh Thang	Independent Member
Mr. Nguyen Trung Dung	Member
Mr. Do Hai Dang	Member

#### Board of Supervisors

Ms. Nguyen Thi Thuy	Head of the Board of Supervisors
Ms. Do Thi Thuy Linh	Member
Ms. Do Thi Huong	Member

#### Internal Audit Team

Mr. Nguyen Trung Dung	Team Leader	
Ms. Nguyen Thi Thu Huong	Member	(Resigned on 01/10/2024)
Ms. Nguyen Thi Bao Yen	Member	(Appointed on 01/10/2024)

**PICOMAT PLASTIC JOINT STOCK COMPANY**  
**REPORT OF THE GENERAL DIRECTOR**

*For the financial year ended 31 December 2024*

**3. The members of the Board of Directors, Board of Supervisors, Internal Audit Team, General Director, and Chief Accountant (continued)**

**General Director and Chief Accountant**

Ms. Dao Thi Kim Oanh      General Director

Ms. Nguyen Thi Nhu Quynh      Chief Accountant

**The legal representative of the Company during the year and to the date of the Consolidated Financial Statements is as follows:**

Ms. Dao Thi Kim Oanh      General Director

**4. Independent Auditor**

Branch of MOORE AISC Auditing and Informatics Services Company Limited has been appointed as an independent auditor for the financial year ended 31 December 2024.

**5. Commitment of the General Director**

The General Director is responsible for the preparation of the Consolidated Financial Statements which give a true and fair view of the financial position of the Company as at 31 December 2024, its results of operation and cash flows for the financial year then ended. In order to prepare these Consolidated Financial Statements, the General Director has considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Prepared the Consolidated Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The General Director is responsible for ensuring that proper accounting records are kept and maintained which disclose, with reasonable accuracy at any time, the financial position of the Company and that the Consolidated Financial Statements are prepared in compliance with the accounting regime stated in Notes to the Consolidated Financial Statements. The General Director is also responsible for safeguarding the Company's assets, and hence taking reasonable steps for the prevention and detection of frauds and other irregularities.

**6. Confirmation**

The General Director confirmed that Consolidated Financial Statements including the Consolidated Balance Sheet as at 31 December 2024, Consolidated Income Statement, Consolidated Cash Flow Statement, and accompanying Notes, which expressed a true and fair view of the consolidated financial position of the Company as well as its consolidated operating results and consolidated cash flows for the financial year ended 31 December 2024.



**Dao Thi Kim Oanh**

General Director

Hanoi, 27 February 2025

No. A0524063-HN/MOOREAISHN-TC

**INDEPENDENT AUDITOR'S REPORT**

**To:** **BOARD OF DIRECTORS VÀ GENERAL DIRECTOR  
PICOMAT PLASTIC JOINT STOCK COMPANY**

We have audited the accompanying Consolidated Financial Statements of Picomat Plastic Joint Stock Company ("hereinafter referred to as "the Company") as prepared on 27 February 2025 from pages 06 to 45 which comprise the Consolidated Balance Sheet as at 31 December 2024, Consolidated Income Statement, Consolidated Cash Flow Statement for the financial year then ended and Notes to the Consolidated Financial Statements.

**Responsibility of the General Director**

The General Director is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing regulations applicable to the preparation and presentation of the Consolidated Financial Statements and also for the internal control which the General Director considers necessary for the preparation and fair presentation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of the Auditor**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the Consolidated 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 presentation of the Consolidated 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 General Director as well as evaluating the overall presentation of the Consolidated Financial Statements.

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

**Auditor's opinion**

In our opinion, the Consolidated Financial Statements give a true and fair view, in all material respects, of the consolidated financial position of Picomat Plastic Joint Stock Company as at 31 December 2024 as well as the consolidated results of operation and its consolidated cash flows for the financial year then ended in compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements related to the preparation and presentation of the Consolidated Financial Statements.

Hanoi, 27 February 2025

**Branch of MOORE AISC Auditing and Informatics Services Co., Ltd**



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**Nguyen Thanh Tung**  
**Deputy Director**

*Audit Practising Registration Certificate No.  
4981-2024-005-1*

*Issued by Vietnam's Ministry of Finance*

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**Phan Cong Van**  
**Auditor**

*Audit Practising Registration Certificate No.  
5298-2021-005-1*

*Issued by Vietnam's Ministry of Finance*

**CONSOLIDATED BALANCE SHEET**

As at 31 December 2024

Unit: VND

ASSETS	Code	Notes	31/12/2024	01/01/2024
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>104,946,605,247</b>	<b>97,796,275,971</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>22,777,042,455</b>	<b>23,916,611,263</b>
1. Cash	111		22,777,042,455	10,016,611,263
2. Cash equivalents	112		-	13,900,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>V.2</b>	<b>29,963,627,338</b>	<b>22,016,205,800</b>
1. Trading securities	121		6,974,688,533	16,205,800
2. Provision for impairment of trading securities	122		(11,061,195)	-
3. Held-to-maturity investments	123		23,000,000,000	22,000,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>1,641,802,751</b>	<b>3,129,373,941</b>
1. Short-term trade receivables	131	V.3	168,394,410	231,216,614
2. Short-term prepayments to suppliers	132	V.4	459,976,969	1,131,063,368
3. Other short-term receivables	136	V.6	1,013,431,372	1,767,093,959
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>48,751,919,914</b>	<b>47,735,245,384</b>
1. Inventories	141		48,751,919,914	47,735,245,384
<b>V. Other current assets</b>	<b>150</b>		<b>1,812,212,789</b>	<b>998,839,583</b>
1. Short-term prepaid expenses	151	V.10	413,545,561	293,874,315
2. Deductible value added tax	152		1,398,658,632	704,938,376
3. Taxes and other receivables from the State	153	V.15	8,596	26,892
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>178,674,313,933</b>	<b>172,542,795,620</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>14,080,700,000</b>	<b>-</b>
1. Long-term loan receivables	215	V.5	14,000,000,000	-
2. Other long-term receivables	216	V.6	80,700,000	-
<b>II. Fixed assets</b>	<b>220</b>		<b>71,373,540,002</b>	<b>74,187,617,588</b>
1. Tangible fixed assets	221	V.8	21,648,735,376	24,462,812,962
- Cost	222		48,532,525,760	48,482,270,028
- Accumulated depreciation	223		(26,883,790,384)	(24,019,457,066)
2. Intangible fixed assets	227	V.9	49,724,804,626	49,724,804,626
- Cost	228		49,724,804,626	49,724,804,626
- Accumulated amortization	229		-	-
<b>III. Long-term financial investments</b>	<b>250</b>	<b>V.2</b>	<b>73,990,054,548</b>	<b>76,509,349,767</b>
1. Investments in joint ventures, associates	252		73,990,054,548	76,509,349,767
<b>IV. Other long-term assets</b>	<b>260</b>		<b>19,230,019,383</b>	<b>21,845,828,265</b>
1. Long-term prepaid expenses	261	V.10	8,420,274,298	8,854,611,784
2. Deferred tax assets	262		51,152,765	80,905,697
3. Goodwill	269	V.11	10,758,592,320	12,910,310,784
<b>TOTAL ASSETS</b>	<b>270</b>		<b>283,620,919,180</b>	<b>270,339,071,591</b>

## CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

RESOURCES	Code	31/12/2024	01/01/2024
<b>C. LIABILITIES</b>	<b>300</b>	<b>21,381,711,097</b>	<b>20,513,498,144</b>
<b>I. Current liabilities</b>	<b>310</b>	<b>21,181,711,097</b>	<b>20,313,498,144</b>
1. Short-term trade payables	311 V.13	5,974,243,961	8,015,041,798
2. Short-term advances from customers	312 V.14	3,203,716,273	27,776,583
3. Taxes and payables to the State	313 V.15	4,416,069,499	2,450,333,335
4. Payables to employees	314	917,541,616	921,993,530
5. Short-term accrued expenses	315 V.16	251,497,973	185,319,394
6. Other short-term payables	319 V.17	204,000,000	14,532,600
7. Short-term borrowings and finance lease liabilities	320 V.12	6,214,641,775	8,698,500,904
<b>II. Long-term liabilities</b>	<b>330</b>	<b>200,000,000</b>	<b>200,000,000</b>
1. Other long-term payables	337 V.17	200,000,000	200,000,000
<b>D. Owners' equity</b>	<b>400</b>	<b>262,239,208,083</b>	<b>249,825,573,447</b>
<b>I. Owners' equity</b>	<b>410 V.18</b>	<b>262,239,208,083</b>	<b>249,825,573,447</b>
1. Owners' contributed capital	411	241,999,640,000	219,999,900,000
<i>Common shares with voting rights</i>	<i>411a</i>	<i>241,999,640,000</i>	<i>219,999,900,000</i>
2. Share premium	412	2,204,327,061	2,207,827,061
3. Retained earnings	421	13,400,943,818	22,988,922,492
- Retained earnings accumulated to the end of the previous year	<i>421a</i>	<i>989,182,492</i>	<i>11,151,318,344</i>
- Retained earnings of the current year	<i>421b</i>	<i>12,411,761,326</i>	<i>11,837,604,148</i>
4. Non-controlling interest	429	4,634,297,204	4,628,923,894
<b>TOTAL RESOURCES</b>	<b>440</b>	<b>283,620,919,180</b>	<b>270,339,071,591</b>

Nguyen Thi Nhu Quynh  
Preparer  
Hanoi, 27 February 2025

Nguyen Thi Nhu Quynh  
Chief Accountant



Dao Thi Kim Oanh  
General Director



**CONSOLIDATED INCOME STATEMENT**

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue from goods sold and services rendered	01	VI.1	195,093,628,708	124,650,435,594
2. Revenue deductions	02	VI.2	151,389,641	-
3. Net revenue from goods sold and services rendered	10	VI.3	194,942,239,067	124,650,435,594
4. Cost of goods sold	11	VI.4	160,880,893,521	103,422,903,492
5. Gross profit from goods sold and services rendered	20		34,061,345,546	21,227,532,102
6. Financial income	21	VI.5	2,432,298,677	3,962,118,884
7. Financial expenses	22	VI.6	1,866,480,824	1,141,960,294
<i>In which: Interest expense</i>	23		819,039,072	1,080,590,435
8. Gain or loss in joint ventures, associates	24		(2,519,295,219)	3,509,349,767
9. Selling expenses	25	VI.7	6,473,222,629	4,984,759,125
10. General and administrative expenses	26	VI.8	8,320,648,082	7,903,258,160
11. Net profit from operating activities	30		17,313,997,469	14,669,023,174
12. Other income	31	VI.9	7,571,550	367,423,978
13. Other expenses	32	VI.10	7,293,307	3,364,356
14. Other profit	40		278,243	364,059,622
15. Total accounting profit before tax	50		17,314,275,712	15,033,082,796
16. Current corporate income tax expense	51	VI.11	4,427,388,144	2,421,752,691
17. Deferred Corporate income tax expense	52	VI.12	29,752,932	313,472,329
18. Profit after Corporate income tax	60		12,857,134,636	12,297,857,776
19. Profit after tax of parent company	61		12,411,761,326	11,837,604,148
20. Profit after tax of non-controlling interests	62		445,373,310	460,253,628
21. Basic earnings per share	70	VI.13	513	489

Nguyen Thi Nhu Quynh  
Preparer  
Hanoi, 27 February 2025

Nguyen Thi Nhu Quynh  
Chief Accountant



Dao Thi Kim Oanh  
General Director

**CONSOLIDATED CASH FLOW STATEMENT**

(Under indirect method)

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	17,314,275,712	15,033,082,796
2. Adjustments for:		7,955,817,057	(283,646,633)
- Depreciation of fixed assets and investment properties	02	5,933,844,119	6,098,831,099
- Provisions	03	11,061,195	(35,746,402)
- Gain/loss from foreign exchange difference due to revaluation of monetary items in foreign currencies	04	14,830,320	(3,356,400)
- Gains/losses from investing activities	05	1,177,042,351	(7,423,965,365)
- Interest expense	06	819,039,072	1,080,590,435
3. Profit from operating activities before changes in working capital	08	25,270,092,769	14,749,436,163
- Increase/Decrease in receivables	09	(19,485,566)	1,420,737,472
- Increase/Decrease in inventories	10	(1,016,674,530)	20,593,447,251
- Increase/Decrease in payables (Other than interest payables, corporate income tax payable)	11	1,117,197,917	5,493,316,846
- Increase/Decrease in prepaid expenses	12	314,666,240	1,122,355,655
- Increase/Decrease in trading securities	13	(6,958,482,733)	(16,205,800)
- Interest expense paid	14	(824,630,681)	(1,081,300,345)
- Corporate income tax paid	15	(2,201,752,690)	(1,198,440,939)
Net cash flows from operating activities	20	15,680,930,726	41,083,346,505
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Payments for purchase, construction of fixed assets and other long-term assets	21	(1,031,435,166)	(35,000,000)
2. Proceeds from disposal, resale of fixed assets and other long-term assets	22	69,212,569	230,000,000
3. Loans granted, purchases of debt instruments of other entities	23	(38,000,000,000)	(22,000,000,000)
4. Collection of loans, proceeds from sales of debt instruments of other entities	24	23,000,000,000	44,500,000,000
5. Payments for investments in other entities	25	-	(73,000,000,000)
6. Interest, dividends and profits received	27	2,069,082,192	2,353,600,495
Net cash flows from investing activities	30	(13,893,140,405)	(47,951,399,505)

**CONSOLIDATED CASH FLOW STATEMENT**

(Under indirect method)

For the financial year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Repayment of capital contributions to owners, repurchase of treasury shares	32		(3,500,000)	(47,000,000)
2. Proceeds from borrowings	33		146,210,063,973	86,266,417,893
3. Repayment of principal	34		(148,693,923,102)	(91,825,337,912)
4. Dividends, profit paid to owners	36		(440,000,000)	(300,000,000)
<i>Net cash flows from financing activities</i>	<b>40</b>		<b>(2,927,359,129)</b>	<b>(5,905,920,019)</b>
<b>Net cash flows during the year</b>	<b>50</b>		<b>(1,139,568,808)</b>	<b>(12,773,973,221)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>23,916,611,263</b>	<b>36,690,584,484</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>70</b>	V.1	<b>22,777,042,455</b>	<b>23,916,611,263</b>

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**Nguyen Thi Nhu Quynh**  
 Preparer  
 Hanoi, 27 February 2025

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**Nguyen Thi Nhu Quynh**  
 Chief Accountant



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**Dao Thi Kim Oanh**  
 General Director

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**I. BUSINESS HIGHLIGHTS****1. Establishment**

Picomat Plastic Joint Stock Company (hereinafter referred to as the Company) is a joint stock company operating under the first Business Registration Certificate No. 0104518043 dated 9 March 2010 issued by the Hanoi Authority for Planning and Investment and the 14th amended certificate on 2 August 2024.

**Form of ownership**

Joint Stock Company

**Transaction name in English:** PICOMAT PLASTIC JOINT STOCK COMPANY**In short:** PICOMAT**Securities code:** PCH (Listed/HNX)**Head office:** Cau Lieu Hamlet, Thach Xa Commune, Thach That District, Hanoi, Vietnam.**2. Main business lines**

The Company's main business lines are trading in interior wood products, manufacturing plastic products, trading in PVC resin and chemical additives for the plastic industry.

**3. Normal operating cycle**

Normal operating cycle of the Company lasts 12 months of the normal financial year beginning on 01 January and ending on 31 December annually.

**4. The Company's activities during the financial year which affect the consolidated financial statements:**

None.

**5. The total number of employees as at 31/12/2024: 57 persons (31/12/2023: 56 persons)****6. Enterprise structure****6.1. List of subsidiaries**

As at 31 December 2024, the Company has one (01) directly owned subsidiary as follows:

<i>Name</i>	<i>Address</i>	<i>Main business activities</i>	<i>Capital contribution ratio</i>	<i>Ownership ratio</i>	<i>Voting rights ratio</i>
Hai Dang Material Joint Stock Company	Cau Lieu Hamlet, Thach Xa Commune, Thach That District, Hanoi, Vietnam	Manufacturing and trading of plastic wood, plastic boards, and other plastic products	95.00%	95.00%	95.00%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***6. Enterprise structure (continued)****6.2. List of associates**

As at 31/12/2024, the Company has one (01) associate as follows:

<i>Name</i>	<i>Address</i>	<i>Main business activities</i>	<i>Capital contribution ratio</i>	<i>Ownership ratio</i>	<i>Voting rights ratio</i>
PCLand Investment and Asset Management Joint Stock Company	Cau Lieu Hamlet, Thach Xa Commune, Thach That District, Hanoi, Vietnam	Real estate rental and short stay services.	28.27%	28.27%	28.27%

**7. Disclosure of comparability of information in the Consolidated Financial Statements**

The selection of figures and information needs to be presented in the Consolidated Financial Statements based on the principles of comparability among corresponding accounting periods.

**II. FINANCIAL YEAR AND REPORTING CURRENCY****1. Financial year**

The financial year of the Company begins on 01 January and ends on 31 December annually.

**2. Reporting currency**

Vietnamese Dong (VND) is used as a currency unit for accounting records.

**III. APPLICABLE ACCOUNTING STANDARDS AND SYSTEM****1. Applicable Accounting Regime**

The Company applies the Vietnamese Corporate Accounting System under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC. These consolidated financial statements are prepared in accordance with the provisions of Circular 202/2014/TT-BTC ("Circular 202") issued by the Vietnam Ministry of Finance on 22 December 2014 guiding the method for preparation and presentation of the consolidated financial statements.

**2. Disclosure of compliance with Vietnamese Accounting Standards and system**

We conducted our accounting, preparation, and presentation of the consolidated Financial Statements in accordance with Vietnamese Accounting Standards and System and other relevant statutory regulations. The Financial Statements give a true and fair view of the financial position of the Company and the results of its operations as well as its cash flows.

The selection of figures and information presented in the notes to the consolidated Financial Statements complies with the material principles in Vietnamese Accounting Standard No. 21 - "Presentation of the financial statements".

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***IV. APPLICABLE ACCOUNTING POLICIES****1. Changes in accounting policies and disclosures**

The accounting policies that the Company uses for preparing the Consolidated Financial Statements for the current year are consistent with those used to prepare consolidated Financial Statements for the financial year ended 31 December 2023.

**2. Basis for preparing consolidated financial statements**

The consolidated financial statements include the financial statements of Picomat Plastic Joint Stock Company and its subsidiary ("the Company") for the year 2024.

From the date of acquisition, the subsidiary accounts are fully consolidated as soon as the "Company" acquires control, and cease on the date the "Company" actually loses control of the subsidiaries.

Financial statements of the subsidiary is prepared under accounting policies that are consistent with those of Picomat Plastic Joint Stock Company. Adjusting entries have been made for any accounting policies that differ to ensure consistency between the subsidiary and Picomat Plastic Joint Stock Company.

All balances between the units within the company, revenues, income, and expenses arising from such internal transactions, and even the unrealized profits arising from those transactions added to the asset value should be completely excluded.

Unrealized losses resulting from the internal transactions that are reflected in the value of the asset are excluded unless the costs caused by such losses cannot be recovered.

The interest of non-controlling shareholders is the portion of interest in profit or loss and in net assets of subsidiaries not owned by the Company, whose interests are shown separately in the consolidated income statement and separate from the equity portion of the shareholders of the "Company" in the owner's equity disclosed on the Consolidated Balance Sheet.

A subsidiary's loss is allocated proportionally to the non-controlling shareholder's share, even if it exceeds the non-controlling shareholder's share of the subsidiary's net assets.

Goodwill (or gain from a bargain purchase) arising from the acquisition of a subsidiary is the difference between the investment cost and the fair value of the subsidiary's realizable net assets at the purchase date. Goodwill is amortized over an estimated useful life of not more than 10 years. Periodically, the Company re-evaluates the loss of goodwill, if there is evidence that the loss of goodwill is greater than the annual allocation, it will be allocated based on the amount of goodwill lost incurred in the first arising period.

**3. Principles for recording cash and cash equivalents**

Cash includes cash on hand, demand deposits.

Cash equivalents comprise term deposits, short-term investments with an original maturity of three months or less since investment date, high liquidity and are able to convert to a known amount of cash and subject to an insignificant risk of changes in value.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***4. Principles for accounting financial investments****Principles for accounting trading securities**

Trading securities include stocks and bonds listed on the stock market; securities and other financial instruments held for trading purposes (including securities with a maturity of more than 12 months purchased and sold for profit).

Trading securities are recorded at cost, including purchase price plus (+) purchase costs (if any) such as brokerage, transaction, information provision, taxes, fees, and banking charges. The original cost of trading securities is determined based on the fair value of the payments at the time of transactions. The time to recognize trading securities is the time when investors have ownership rights, specifically as follows:

- Listed securities are recorded at the time of order matching (T+0);
- Unlisted securities are recognized at the time of official ownership in accordance with the law.

Provision for devaluation of trading securities is made for a possible loss in value when there is firm evidence that the market value of securities held by the Company for trading purposes is impaired. decrease from book value. Provision is made based on the market value of trading securities at the time of preparation of the financial statements.

**Principles for accounting held-to-maturity investments**

Held-to-maturity investments include term bank deposits, loans held to maturity for periodic interest, and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost, including the purchase price and costs associated with the acquisition of the investments. After initial recognition, if provisions for doubtful debts have not been made as required by law, these investments are evaluated at their recoverable values. When there is firm evidence that part or all of the investment may not be recovered, the loss is recognized as financial expenses during the year and a decrease in the investment value.

**Principles for accounting loans**

Loans are lendings under agreements, contracts with the purpose of earning periodic interest, recorded at cost less provisions for doubtful receivables. Provisions for doubtful receivables are established based on estimated losses for overdue or undue amounts that are likely to become unrecoverable due to debtor insolvency.

**Principles of recording financial investments in associates**

The investments in associates are recognized when the Company holds from 20% to less than 50% of the voting rights of those companies, exerting significant influence but not control over their financial and operating policies. Investments in associates are reflected in the consolidated financial statements using the equity method.

Under the equity method, initial investments are recognized at cost and subsequently adjusted to reflect changes in the investor's share of the associate company's net assets after acquisition. The consolidated income statement reflects the Company's share of the associate company's results of operations after acquisition in a separate item.

Goodwill arising from investments in associates is included in the book value of the investment. The Company does not amortize this goodwill but instead performs an annual impairment review to assess whether the goodwill has been impaired or not.

Financial statements of the associate are prepared under accounting policies that are consistent with those of the Company's financial statements. Appropriate consolidation adjustments have been made to ensure that accounting policies are applied consistently with those of the Company where necessary.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***4. Principles for accounting financial investments (continued)****Principles for recording equity investments in other entities**

Equity investments in other entities are the investments in other entities' equity instruments but the Company has no control or joint control and has insignificant influence over the investee.

The investments are stated at the original cost including the purchase price and costs directly attributable to the investment. In case of the investments in non-monetary assets, the investment fee should be recorded at the fair value of the non-monetary assets at the date of occurrence.

Regarding the investments the Company holds for a long time (not trading securities) and has insignificant influences over the investees, provision for the loss will be made as follows:

+ If an investment in listed shares or the fair value of the investment is determined reliably, the provision shall be made according to the market values of the shares.

+ If it is impossible to determine the investments' fair value at the reporting date, the provision will be made based on the loss that the investee suffers. The basis for making provision for loss of investments is the consolidated financial statements of the investee (if it is a parent company), and the investee's financial statements (if it is an independent enterprise without a subsidiary).

**5. Principles for recording trade receivables and other receivables**

**Principles for recording receivables:** At cost less provision for doubtful receivables.

The classification of the receivables as trade receivables, internal receivables and other receivables depends on the nature of the transaction or relationship between the company and the debtor.

Method of making provision for doubtful receivables: Provision for doubtful debts is estimated for the loss value of the receivables, other held-to-maturity investments similar to doubtful debts that are overdue and undue, but are likely to become possibly irrecoverable due to insolvency of debtors who go bankrupt, making procedures for dissolution, go missing or run away, etc.

**6. Principles of recording inventories**

Principle of recording inventories: Inventories are stated at cost less (-) the provision for the devaluation of obsolete and deteriorated inventories.

**Original costs of inventories are determined as follows:**

- Raw materials and merchandise: consists of purchase cost and transportation costs, and other direct costs incurred to bring inventory to its present location and condition.

- Finished goods: comprise costs of raw materials, direct labor, and related production overhead costs allocated based on main material costs and related overhead costs incurred during production.

**Method of calculating inventories' value:** under weighted average method.

**Method of accounting for the inventories:** under perpetual method.

**Method of making provision for the devaluation of inventories:** Provision for the devaluation of inventories is made when the net realizable value of inventories is lower than their original cost. Net realizable value is the estimated selling price less the estimated costs of completion and selling expenses. Provision for the devaluation of inventories is the difference between the cost of inventories greater than their net realizable value. Provision for the devaluation of inventories is made for each inventory with the cost greater than the net realizable value.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***7. Principles for recording and depreciating fixed assets****7.1. Principles of recording tangible fixed assets**

Tangible fixed assets are stated at the original cost less accumulated depreciation. The original cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalized as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the period.

When the assets are sold or disposed of, their original costs and the accumulated depreciation which have been written off and any gain or loss on disposal of assets are recorded as income or expenses in the period.

The original cost of purchased tangible fixed assets shall consist of the purchase price (less (-) trade discounts or reduction), taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

Fixed assets are buildings, and structures attached to land use rights, the value of land use rights is computed separately and recorded as intangible fixed assets.

**7.2. Principles for recording intangible fixed assets**

Intangible fixed assets are stated at the original cost less accumulated depreciation. The original cost of an intangible fixed asset comprises all costs incurred by the enterprise to acquire that asset from the date of its operation as expected.

Determination of original cost in each case:

*Land use right*

The original cost of an intangible fixed asset which is the land use right shall be the payment made to obtain the lawful land use right, compensation for site clearance, expenses for leveling the ground, registration fee... (or value of land use rights received as joint venture capital contribution).

*Computer software*

Computer software includes all expenditures incurred by the Company to bring the software into use.

**7.3. Method of depreciating fixed assets**

Fixed assets are depreciated on straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

*Estimated useful lives of the fixed assets are as follows:*

<i>Buildings and structures</i>	<i>10 - 30 years</i>
<i>Machinery and equipment</i>	<i>3 - 15 years</i>
<i>Means of transportation</i>	<i>7 - 8 years</i>
<i>Office equipment</i>	<i>5- 10 years</i>

*Land use rights that are granted for an indefinite term are carried at cost and not depreciated.*

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***8. Principles for recording prepaid expenses**

Prepaid expenses are all expenses that actually incurred but relate to the operating results of several accounting periods. Method of allocating prepaid expenses: Determining and allocating prepaid expenses into operating cost of each period is on a straight-line method.

The company's prepaid expenses include the following expenses:

Tools and instruments: Tools and instruments put into use are allocated into expenses under straight-line method.

Prepaid premises rent: Prepaid premises rent represents the amount paid in advance by the Company for the leased area used as office space. Prepaid premises rent is allocated to expenses under the straight-line method and the lease term is 468 months.

**9. Principles for recording liabilities**

Liabilities are recorded at the original cost and not lower than the payment obligation.

The Company classifies liabilities into trade payables, internal payables and other payables depending on the nature of transactions and the relationship between the Company and debtors.

Liabilities must be recorded in detail according to the payment schedule, creditor, original currency (including the revaluation of liabilities that meet the definition of monetary items denominated in foreign currencies) and other factors as per the Company's management.

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable will be immediately recorded under prudent rules.

**10. Principles for recording borrowings and finance lease fixed assets**

Borrowings are the total amounts that the Company borrowed from banks, organizations, financial companies and other entities (excluding borrowings under the form of bonds or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

Finance lease liabilities are recorded as the total payable amount calculated by the present value of minimum lease payment amounts or fair value of leased assets.

Borrowings and finance lease liabilities are monitored in detail according to creditor, agreement and borrowed asset.

**11. Principles for recording borrowings**

**Principles for recording borrowing costs:** Loan interest and other costs incurred in direct relation to borrowings of an enterprise are recognized as a business and production cost in the period, except where these costs incurred from the borrowings directly related to the construction investment or production of uncompleted assets are computed in these assets' value (capitalized) when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

**12. Principles for recording accrued expenses**

Accrued expenses include interest expenses... that have been incurred during the reporting period but have not yet been paid out. These expenses are recognized based on reasonable estimates of the amounts to be paid in accordance with borrowing contracts.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***13. Principles for recording unearned revenue**

Unearned revenue refers to revenue that will be recorded in proportion to the obligations that the Company must perform in one or more following accounting periods.

Unearned revenue includes advances from customers in advance for one or more accounting periods related to property rentals; prepaid interest on loans or purchasing debt instruments; the difference between installment sales price and cash sales price; revenue corresponding to the value of goods, services or discounts granted to customers through loyalty programs...

Unearned revenue is allocated based on the matching principle, matching revenue with obligations that the Company will fulfill in one or more subsequent accounting periods.

**14. Principles of recording owner's equity****Principles for recording owner's contributed capital**

The owner's capital is the amount contributed by members and supplemented from post-tax profit from operating activities. The owner's equity will be recorded at the contributed capital by cash or assets in the early establishment period or additional mobilization to expand the operation.

**Principles for recording share premium**

**Share Premium:** Represents the positive difference between the issue price of shares and their par value when shares are first issued or when additional shares are issued. It also reflects the difference between the actual amount received and the repurchase price when treasury shares are reissued. In case of repurchasing for immediate cancellation on the purchase date, the value of the shares is recorded as a reduction in business capital at the actual repurchase price and this reduction must be detailed by par value and the share premium of the repurchased shares.

**Principles for recording the differences from asset revaluation**

Assets subject to revaluation mainly include fixed assets, investment properties, and in certain cases, materials, tools and instruments, finished goods, merchandise, and work-in-progress. Differences in asset revaluation are recognized when there is a state decision on asset revaluation; when the State-owned enterprise is equitized; and when the enterprise changes its ownership form under regulations.

The asset value is revalued based on the price list prescribed by the State or the Asset Valuation Council's determination.

**Principles for recording undistributed profit**

Undistributed profit after tax is recorded at the profit (loss) from the Company's result of operation after deducting the current corporate income tax expense and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous years.

The distribution of profits is based on the Company's charter and approved by the Annual General Meeting of Shareholders.

**15. Principles for recording treasury shares**

The Company's repurchased equity instruments (treasury shares) are recognized at cost and deducted from Owners' equity. The Company does not recognize gains or losses on the purchase, sale, issuance, or cancellation of its Owners' equity instruments. Upon reissuance, the difference between the reissuance price and the book value of the treasury shares is recorded in the "Share premium".

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***16. Principles and methods for recording revenue and other income****Principles and methods for recording revenue from goods sold**

Revenue from the sale of goods should be recognized when all the five (5) following conditions have been satisfied:

1. The enterprise has transferred to the buyer the significant risks and rewards of ownership of the goods;
2. The enterprise retains neither continuing managerial involvement as an owner nor effective control over the goods sold;
3. The amount of revenue can be measured reliably; When the contract specifies that buyers are entitled to return products, goods they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have right to return products, goods (except for changing to other goods, services);
4. The economic benefits associated with the transaction has flown or will flow to the enterprise;
5. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

**Principles and methods for revenue from services rendered**

Revenue from a service rendered is recognized when the transaction results can be measured reliably. In a case where the services are rendered in several periods, the revenue will be recorded by the part of the completed works at the balance sheet date. Revenue from services rendered is recognized when all four (4) of the following conditions are satisfied simultaneously.

1. The revenue is determined firmly. When the contract specifies that buyers are entitled to return the service they have bought under specific conditions, the enterprise will record the revenue only when those conditions no longer exist and the buyers do not have the right to return the service;
2. The economic benefits associated with the transaction have flown or will flow to the enterprise;
3. Part of completed works can be determined at the balance sheet date;
4. The costs incurred or to be incurred in respect of the transaction can be measured reliably.

If the contract result cannot be determined reliably, revenue will only be recognized at the recoverable amount of the recognized costs.

**Principles and methods for recording financial income**

Financial income includes interest income, royalties, dividends and profit received, other financial income (such as income from trading securities, liquidation of investments in joint ventures, associates, and subsidiaries, other investments; foreign exchange gains; and gains from disposal of investments), etc.

Interest income from interest, dividends, profit received is recognized when two conditions are satisfied simultaneously: 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

- Interest income is recognized based on time and actual Interest rates in each period.

- Dividends and profits distributed are recognized when shareholders are entitled to receive dividends or when capital contributors are entitled to receive profits from their capital contribution.

When an amount that has been recorded as an income becomes irrecoverable, such irrecoverable or uncertainly recoverable amount must be recorded as an expense incurred in the period, but not recorded as an income decrease.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***17. Principles and methods of recording cost of goods sold**

The cost of goods sold is the cost of goods and services sold in the period. The cost of goods sold is recorded at the date the transaction incurs or is likely to incur in the future regardless of whether payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on matching principles.

**18. Principles and methods for recording financial expenses**

**Financial expenses** include expenses or losses related to the financial investment, lending and borrowing cost, contribution in joint ventures, associates, loss from the transfer of short-term securities, expenses for trading securities...; Provision for the devaluation of financial investment, loss from selling foreign currencies, foreign exchange loss, and other financial expenses.

Financial expenses are recorded in detail by their content of actual expenses incurred in the period and determined reliably when there is sufficient evidence of these expenses.

**19. Principles and methods for recording current and deferred Corporate income tax expense**

Corporate income tax expense comprises current and deferred Corporate income tax expenses incurred during the year, serving as the basis for determining the Company's after-tax operating results for the current financial year.

Current Corporate tax expense is the tax payable on the taxable income and tax rate enacted in the current year.

Deferred income tax liabilities are the amounts of income tax payable in the future periods arising from the recording of the deferred income tax payable in the year and reversing the deferred income tax being recorded from prior years. The Company does not record in this account the deferred income tax assets or deferred income tax liabilities arising from the transactions being recorded directly in the owner's equity.

Deferred Corporate income tax income represents the reduction in deferred Corporate income tax expense arising from the recognition of deferred income tax assets in the year and the reversal of previously recognized deferred income tax liabilities.

The Company offsets deferred income tax assets and deferred income tax payables only when the Company has a legally enforceable right to offset current tax assets against current tax payables and deferred income tax assets and deferred income tax payables related to corporate income tax administered by the same tax authority for the same taxable entity; or the enterprise intends to settle current income tax payables and current income tax assets on a net basis.

The tax payables to the State budget will be finalized with the tax office. The difference between the tax payables specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

**20. Principles for recording earnings per share**

Earnings Per Share (EPS) is calculated by dividing the profit or loss attributable to common shareholders, after deducting the Bonus and Welfare Fund established during the period, by the weighted-average number of common shares outstanding during that period.

Diluted EPS is calculated by dividing profit or loss after tax attributable to common shareholders (after adjusting for dividends on preferred convertible shares) by the weighted average number of common shares outstanding during the period and the weighted average number of the common shares will be issued in the case where all dilutive potential common are converted into common shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***21. Financial instruments****Initial recognition****Financial assets**

According to Circular No. 210/2009/TT-BTC dated 06 November 2009 (Circular No. 210) by the Ministry of Finance, financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial assets which are stated at fair value through the Income Statement, loans and receivables, held-to-maturity investments and available-for-sale financial assets. The Company decides to classify these assets at the date of initial recognition.

Financial assets are initially recognized at cost plus directly related transaction costs.

Financial assets of the Company comprise cash, short-term deposits, trade receivables and other receivables, loans, listed and unlisted financial instruments and derivative financial instruments.

**Financial liabilities**

Financial liabilities under Circular 210, for financial statement disclosure purposes, are appropriately classified into financial liabilities recognized through the Income Statement and financial liabilities measured at amortized cost. The Company determines the classification of financial liabilities at the time of initial recognition.

All financial liabilities are initially recognized at cost plus directly related transaction costs.

Financial liabilities of the Company comprise trade payables, other payables, borrowings and liabilities and derivative financial instruments.

**Value after initial recognition**

Currently, there are no requirements for the re-measurement of the financial instruments after initial recognition.

**Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount reported in the financial statements if, and only if, there is a currently enforceable legal right to offset the financial assets against financial liabilities or vice-versal and there is an intention to settle on a net basis or to realize the assets and settle the liability simultaneously.

**22. Related parties**

Related parties include enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the company, key management personnel, including the General Director, Board of Directors and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

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

	<u>31/12/2024</u>	<u>01/01/2024</u>
<b>Cash</b>	<b>22,777,042,455</b>	<b>10,016,611,263</b>
Cash on hand	676,206,870	1,412,810,114
Demand deposits	22,100,835,585	8,603,801,149
<b>Cash equivalents</b>	<b>-</b>	<b>13,900,000,000</b>
3-month term deposits or less	-	13,900,000,000
<b>Total</b>	<b><u>22,777,042,455</u></b>	<b><u>23,916,611,263</u></b>

**2. Financial investments****a) Held-to-maturity investments**

	<u>31/12/2024</u>		<u>01/01/2024</u>	
	Cost	Book value	Cost	Book value
<b>Short-term investments</b>	<b>23,000,000,000</b>	-	<b>22,000,000,000</b>	-
- Term deposits (*)	23,000,000,000	-	22,000,000,000	-
<b>Total</b>	<b><u>23,000,000,000</u></b>	<b>-</b>	<b><u>22,000,000,000</u></b>	<b>-</b>

(\*) As at 31 December 2024, term deposit at Vietnam Bank for Agriculture and Rural Development - Hong Ha Branch with a term of 12 months and interest rate of 4.5%/year.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 2. Financial investments

## b) Trading securities

Securities code	31/12/2024			01/01/2024		
	Cost	Fair value	Provision	Cost	Fair value	Provision
Tasco Joint Stock Company	1,771,181,195	1,760,120,000	(11,061,195)	-	-	-
Military Commercial Joint Stock Bank	4,427,705,380	5,020,000,000	-	-	-	-
The Southern Rubber Industry Joint Stock Company	775,801,958	927,000,000	-	-	-	-
Vietnam Joint Stock Commercial Bank for Industry and Trade	-	-	-	16,205,800	16,205,800	-
<b>Total</b>	<b>6,974,688,533</b>	<b>7,707,120,000</b>	<b>(11,061,195)</b>	<b>16,205,800</b>	<b>16,205,800</b>	<b>-</b>

## Details of Trading Securities

Securities code	31/12/2024			01/01/2024		
	Quantity	Fair value measurement price (*)	Fair value	Quantity	Fair value measurement price	Fair value
HUT	111,400	15,800	1,760,120,000	-	-	-
MBB	200,000	25,100	5,020,000,000	-	-	-
CSM	60,000	15,450	927,000,000	-	-	-
CTG	-	-	-	598	27,100	16,205,800
<b>Total</b>	<b>371,400</b>	<b>56,350</b>	<b>7,707,120,000</b>	<b>598</b>	<b>27,100</b>	<b>16,205,800</b>

(\*) Closing price of the stocks owned by the Company on HOSE and HNX as at 31 December 2024.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 2. Financial investments (continued)

## c) Investments in associate

	31/12/2024		01/01/2024	
	Cost	Value under equity method	Provision	Cost
- PCLand Investment and Asset Management Joint Stock Company	73,000,000,000	73,990,054,548	-	73,000,000,000
<b>Total</b>	<b>73,000,000,000</b>	<b>73,990,054,548</b>	<b>-</b>	<b>73,000,000,000</b>
				Value under equity method
				76,509,349,767
				Provision
				-

Detailed information about the Company's associate as at 31/12/2024 is as follows:

Company's name	Head office	Benefit ratio	Voting right ratio	Main operating activities
- PCLand Investment and Asset Management Joint Stock Company	Hanoi	28.27%	28.27%	Real estate rental and short stay services.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 3. Trade receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>Short-term</b>				
- Thuan Phat Industrial Wooden Plates Services And Trading Co., Ltd.	162,147,340	-	167,952,315	-
- Others	6,247,070	-	63,264,299	-
<b>Total</b>	<b>168,394,410</b>	<b>-</b>	<b>231,216,614</b>	<b>-</b>

## 4. Prepayments to suppliers

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>Short-term</b>				
- Minh Duc Production and Trading Co., Ltd	322,518,053	-	1,003,469,368	-
- Others	137,458,916	-	127,594,000	-
<b>Total</b>	<b>459,976,969</b>	<b>-</b>	<b>1,131,063,368</b>	<b>-</b>

## 5. Loan receivables

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>Long-term</b>				
- PCLand Investment and Asset Management Joint Stock Company (i)	14,000,000,000	-	-	-
<b>Total</b>	<b>14,000,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

## In which, loan receivables from related parties

- PCLand Investment and Asset Management Joint Stock Company	14,000,000,000	-	-	-
<b>Total</b>	<b>14,000,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**5. Loan receivables (continued)****Details of loans are as follows:**

(i) Pursuant to the Minutes of the Meeting of the Board of Directors No. 11/2024/BB-HĐQT and Decision No. 11-1/2024/QĐ-HĐQT dated 16 September 2024, approving transaction with a related party. The Company lent to the related party under Loan Agreement No. 01/2024/HĐCV/PCM-PCLAND dated 24 September 2024.

- Purpose of loan: Supplementing working capital;
- Credit limit: Not to exceed VND 25 billion;
- Loan term: Maximum of 5 (five) years from 16 September 2024;
- Lending interest rate: 6.5%/year fixed for the initial 12 months, thereafter, the interest rate shall be the lending rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam plus 1%/year;
- Form of guarantee: Unsecured loan.

**6. Other receivables**

	31/12/2024		01/01/2024	
	Value	Provision	Value	Provision
<b>a) Short-term</b>				
- Accrued interest on deposits and loans	1,013,301,372	-	1,765,642,194	-
- Advances	130,000	-	-	-
- Other receivables	-	-	1,451,765	-
<b>Total</b>	<b>1,013,431,372</b>	<b>-</b>	<b>1,767,093,959</b>	<b>-</b>
<b>In which, other receivables from related parties</b>				
- PCLand Investment and Asset Management Joint Stock Company	20,835,616	-	-	-
<b>Total</b>	<b>20,835,616</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>b) Long-term</b>				
- Deposits, collaterals	80,700,000	-	-	-
<b>Total</b>	<b>80,700,000</b>	<b>-</b>	<b>-</b>	<b>-</b>

**7. Inventories**

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
- Goods in transit	1,779,066,864	-	6,283,262,888	-
- Raw materials	35,542,798,486	-	28,673,184,680	-
- Tools and instruments	48,410,768	-	11,320,186	-
- Finished products	9,773,546,748	-	9,248,880,546	-
- Merchandise	1,608,097,048	-	3,518,597,084	-
<b>Total</b>	<b>48,751,919,914</b>	<b>-</b>	<b>47,735,245,384</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**8. Tangible fixed assets**

	Buildings and structures	Machinery, equipment	Means of transportation	Management fixed assets	Other tangible fixed assets	Total
<b>Original cost</b>						
Opening balance	5,660,225,077	35,436,887,532	2,150,620,000	1,109,669,034	4,124,868,385	48,482,270,028
- Purchased during the year	-	799,073,926	-	41,880,910	190,480,330	1,031,435,166
- Disposals, resales	-	(981,179,434)	-	-	-	(981,179,434)
<b>Closing balance</b>	<b>5,660,225,077</b>	<b>35,254,782,024</b>	<b>2,150,620,000</b>	<b>1,151,549,944</b>	<b>4,315,348,715</b>	<b>48,532,525,760</b>
<b>Accumulated depreciation</b>						
Opening balance	601,018,506	19,279,391,258	1,159,959,561	568,495,339	2,410,592,402	24,019,457,066
- Depreciated for the year	188,674,164	2,686,141,108	189,041,820	150,649,052	567,619,511	3,782,125,655
- Disposals, resales	-	(917,792,337)	-	-	-	(917,792,337)
<b>Closing balance</b>	<b>789,692,670</b>	<b>21,047,740,029</b>	<b>1,349,001,381</b>	<b>719,144,391</b>	<b>2,978,211,913</b>	<b>26,883,790,384</b>
<b>Net book value</b>						
Opening balance	5,059,206,571	16,157,496,274	990,660,439	541,173,695	1,714,275,983	24,462,812,962
<b>Closing balance</b>	<b>4,870,532,407</b>	<b>14,207,041,995</b>	<b>801,618,619</b>	<b>432,405,553</b>	<b>1,337,136,802</b>	<b>21,648,735,376</b>

- The net book value of tangible fixed assets at the year end pledged or mortgaged to secure loans: VND 16,468,082,300.

- The original cost of fixed assets fully depreciated but still in use at the year end: VND 3,394,267,092.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**9. Intangible fixed assets**

	Land use right	Total
<b>Original cost</b>		
Opening balance	49,724,804,626	49,724,804,626
Closing balance	<u>49,724,804,626</u>	<u>49,724,804,626</u>
<b>Accumulated amortization</b>		
Opening balance	-	-
Closing balance	<u>-</u>	<u>-</u>
<b>Net book value</b>		
Opening balance	49,724,804,626	49,724,804,626
Closing balance	<u>49,724,804,626</u>	<u>49,724,804,626</u>

- As at 31 December 2024, the land use rights include:

+ Land use rights, house ownership, and other assets attached to the land at address: Plot 8A + 8B, Lot G5, Area A, Anh Dung IV Residential Area, Anh Dung Ward, Duong Kinh District, Hai Phong City; land use term: long-term.

+ Land use rights, house ownership, and other assets attached to the land at address: Lot 1, Plot 8A, Cao Xanh New Urban Area, Ha Khanh A, Cao Xanh Ward, Ha Long City, Quang Ninh Province; land use term: long-term.

- All land use rights have been used as collaterals to secure loans.

**10. Prepaid expenses**

	31/12/2024	01/01/2024
<b>a) Short-term</b>		
- Tools and instruments used	355,199,858	97,758,756
- Others	58,345,703	196,115,559
<b>Total</b>	<u>413,545,561</u>	<u>293,874,315</u>
<b>b) Long-term</b>		
- Tools and instruments used	225,286,705	398,752,037
- Right to use premises (i)	7,763,174,970	7,994,336,514
- Others	431,812,623	461,523,233
<b>Total</b>	<u>8,420,274,298</u>	<u>8,854,611,784</u>

(i) The right to use the premises is the right to use the first-floor area of CT3B Building, Me Tri Thuong Urban Area, Nam Tu Liem, Hanoi (with a term until 01 April 2059).

**11. Goodwill**

	Year 2024	Year 2023
Opening balance	12,910,310,784	15,062,029,248
Allocation Within the Year	2,151,718,464	2,151,718,464
Closing balance	<u>10,758,592,320</u>	<u>12,910,310,784</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**12. Borrowings and liabilities**

	31/12/2024		During the year		01/01/2024	
	Value	Recoverable amounts	Increase	Decrease	Value	Recoverable amounts
<b>Short-term borrowings</b>						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Van Phuc Hanoi Branch	-	-	33,352,445,762	42,050,946,666	8,698,500,904	8,698,500,904
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quang Ninh Branch (1)	6,214,641,775	6,214,641,775	100,313,892,111	94,099,250,336	-	-
Vietnam Technological and Commercial Joint Stock Bank - Thang Long Branch (2)	-	-	12,543,726,100	12,543,726,100	-	-
<b>Total</b>	<b>6,214,641,775</b>	<b>6,214,641,775</b>	<b>146,210,063,973</b>	<b>148,693,923,102</b>	<b>8,698,500,904</b>	<b>8,698,500,904</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 12. Borrowings and liabilities (continued)

## Detailed information for short-term borrowings:

Contract No.	Term	Interest rate	Credit limit	Balance as at 31/12/2024	Loan purpose	Secured assets
Credit Contract No. 01/2024/HDNT/NTQN- PICOMAT dated 5/2/24 (1)	12 months	Floating interest rate and adjustable	20,000,000,000		Serving production and - business, supplementing working capital	Certificate of land use rights, ownership of houses and other land-attached assets No. CT 420395 issued by Department of Natural Resources and Environment of Hai Phong City on 15 January 2020.
Credit Limit Contract No. 01/2024/HDNT/NTQN- HAIDANG (1)	12 months	Floating interest rate and adjustable	20,000,000,000	6,214,641,775	Serving production and business, supplementing working capital	
Credit Contract No. TLG20241766952/HDTD dated 22/4/2024 (2)	12 months	Floating interest rate and adjustable	60,000,000,000		Serving production and - business, supplementing working capital	Certificate of Land use rights and ownership of houses and other land-attached assets No. CH 21709 issued by the People's Committee of Ha Long City on 9 May 2018.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 13. Trade payables

	31/12/2024		01/01/2024	
	Value	Recoverable amount	Value	Recoverable amount
<b>Short-term</b>				
- Zibo Huaxing Additives Co., Ltd	2,519,456,355	2,519,456,355	1,193,526,950	1,193,526,950
- Shenyang Bailichang Science And Technology Co., Ltd	1,830,218,130	1,830,218,130	-	-
- Oku Co.,Ltd	1,574,209,886	1,574,209,886	-	-
- AGC Vinythai Public Company Limited	-	-	4,994,286,000	4,994,286,000
- Others	50,359,590	50,359,590	1,827,228,848	1,827,228,848
<b>Total</b>	<b>5,974,243,961</b>	<b>5,974,243,961</b>	<b>8,015,041,798</b>	<b>8,015,041,798</b>

## 14. Advances from customers

	31/12/2024	01/01/2024
<b>Short-term</b>		
- Hoang Tien Services Production and Trading Co., Ltd	1,690,521,707	-
- Linh Mo Trading and Production Co., Ltd	756,724,899	-
- Hoang Hung Pro Company Limited	432,050,319	-
- Others	324,419,348	27,776,583
<b>Total</b>	<b>3,203,716,273</b>	<b>27,776,583</b>

## 15. Taxes and payables to the State

	01/01/2024	Payables during the year	Paid during the year	31/12/2024
<b>a) Payables</b>				
- Output value added tax	298,580,645	1,668,960,176	1,930,014,568	37,526,253
- Value added tax on imported goods	-	10,572,985,377	10,572,985,377	-
- Import and export tax	-	73,596,823	73,596,823	-
- Corporate income tax	2,151,752,690	4,427,388,144	2,201,752,690	4,377,388,144
- Personal income tax	-	25,594,171	24,439,069	1,155,102
- Fees, charges, and other payables	-	11,000,000	11,000,000	-
<b>Total</b>	<b>2,450,333,335</b>	<b>16,779,524,691</b>	<b>14,813,788,527</b>	<b>4,416,069,499</b>
<b>b) Receivables</b>				
	26,892	10,988,190	10,969,894	8,596
<b>Total</b>	<b>26,892</b>	<b>10,988,190</b>	<b>10,969,894</b>	<b>8,596</b>



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***15. Taxes and payables to the State (continued)****Value added tax**

The company pays Value-Added Tax (VAT) under the deduction method. The VAT rates are as follows:

	<b>Tax rate</b>
- VAT rate for goods sold and services rendered.	8% and 10%

During the year, the Company was eligible for VAT deduction under Decree No. 72/2024/NĐ-CP dated 30 June 2024, and Decree No. 94/2023/NĐ-CP dated 28 December 2023.

**Corporate income tax**

Income from other activities is subject to Corporate income tax at a rate of 20%

**Other types of tax**

The Company declares and pays tax under regulations.

**16. Short-term accrued expenses**

	<b>31/12/2024</b>	<b>01/01/2024</b>
- Accrued interest expenses	12,826,268	18,417,877
- Others	238,671,705	166,901,517
<b>Total</b>	<b>251,497,973</b>	<b>185,319,394</b>

**17. Other payables**

	<b>31/12/2024</b>	<b>01/01/2024</b>
<b>a) Short-term</b>		
- Trade union fee	-	14,532,600
- Remuneration for the Board of Directors, Board of Supervisors	204,000,000	-
<b>Total</b>	<b>204,000,000</b>	<b>14,532,600</b>
<b>b) Long-term</b>		
- Long-term deposits, collaterals	200,000,000	200,000,000
<b>Total</b>	<b>200,000,000</b>	<b>200,000,000</b>

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

Unit: VND

**18. Owners' equity****a) Comparison table for changes in Owners' equity**

	Owners' contributed capital	Share premium	Undistributed profit	Non-controlling interest	Total
<b>Previous year opening balance</b>	<b>200,000,000,000</b>	<b>2,254,827,061</b>	<b>31,151,218,344</b>	<b>4,468,670,266</b>	<b>237,874,715,671</b>
Stock dividend payment	19,999,900,000	(47,020,000)	(19,999,900,000)	-	(47,000,000)
Gain in the previous year	-	-	11,837,604,148	460,253,628	12,297,857,776
Profit distribution at the subsidiary	-	-	-	(300,000,000)	(300,000,000)
<b>Previous year closing balance</b>	<b>219,999,900,000</b>	<b>2,207,827,061</b>	<b>22,988,922,492</b>	<b>4,628,923,894</b>	<b>249,825,573,447</b>
<b>Current year opening balance</b>	<b>219,999,900,000</b>	<b>2,207,827,061</b>	<b>22,988,922,492</b>	<b>4,628,923,894</b>	<b>249,825,573,447</b>
Stock dividend payment (*)	21,999,740,000	(3,530,000)	(21,999,740,000)	-	(3,500,000)
Gain in the current year	-	-	12,411,761,326	445,373,310	12,857,134,636
Profit distribution at the subsidiary	-	-	-	(440,000,000)	(440,000,000)
<b>Current year closing balance</b>	<b>241,999,640,000</b>	<b>2,204,327,061</b>	<b>13,400,943,818</b>	<b>4,634,297,204</b>	<b>262,239,208,083</b>

(\*) During the year, the Company issued 2,199,974 shares to pay 2023 stock dividends under Resolution No. 01/2024/NQ-DHĐCĐ dated 15 April 2024 of the 2024 Annual General Meeting of Shareholders. The right exercise rate was 10% (shareholders holding 10 shares received 1 dividend share).

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Unit: VND

## 18. Owners' equity (continued)

## b) Owners' contributed capital in detail

	Closing balance	Ratio	Opening balance	Ratio
	VND	%	VND	%
Do Thanh Hai	52,030,000,000	21.5%	47,300,000,000	21.5%
Other shareholders	189,969,640,000	78.5%	172,699,900,000	78.5%
<b>Total</b>	<b>241,999,640,000</b>	<b>100%</b>	<b>219,999,900,000</b>	<b>100%</b>

## c) Capital transactions with owners and distributed dividends and profit

	Year 2024	Year 2023
Owners' contributed capital		
- At the beginning of the year	219,999,900,000	200,000,000,000
- Stock dividend payment	21,999,740,000	19,999,900,000
- At the end of the year	241,999,640,000	219,999,900,000
Dividends, profit distributed		
- Dividends, profits distributed from previous year's profit	21,999,740,000	19,999,900,000

## d) Shares

	31/12/2024	01/01/2024
Number of registered shares	24,199,964	21,999,990
Number of shares issued and fully contributed	24,199,964	21,999,990
- Common shares	24,199,964	21,999,990
Number of shares in circulation	24,199,964	21,999,990
- Common shares	24,199,964	21,999,990
Par value of shares in circulation:	10,000	10,000

## VI. ADDITIONAL INFORMATION FOR ITEMS IN THE CONSOLIDATED INCOME STATEMENT

## 1. Revenue from goods sold and services rendered

	Year 2024	Year 2023
Revenue from goods sold	194,197,522,272	123,798,977,231
Revenue from services rendered	896,106,436	851,458,363
<b>Total</b>	<b>195,093,628,708</b>	<b>124,650,435,594</b>

## 2. Revenue deductions

	Year 2024	Year 2023
- Returned goods	151,389,641	-
<b>Total</b>	<b>151,389,641</b>	<b>-</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**3. Net revenue from goods sold and services rendered**

	<u>Year 2024</u>	<u>Year 2023</u>
- Net revenue from goods sold	194,046,132,631	123,798,977,231
- Net revenue from services rendered	896,106,436	851,458,363
<b>Total</b>	<b><u>194,942,239,067</u></b>	<b><u>124,650,435,594</u></b>

**4. Cost of goods sold**

	<u>Year 2024</u>	<u>Year 2023</u>
Cost of goods sold	160,756,368,573	103,298,378,544
Cost of services rendered	124,524,948	124,524,948
<b>Total</b>	<b><u>160,880,893,521</u></b>	<b><u>103,422,903,492</u></b>

**5. Financial income**

	<u>Year 2024</u>	<u>Year 2023</u>
Interest on deposits and loans	1,437,507,029	3,692,404,334
Interest on securities investments	940,441,018	201,690,478
Foreign exchange gain for the year	54,350,630	62,621,672
Foreign exchange gain due to revaluation at the year end	-	5,402,400
<b>Total</b>	<b><u>2,432,298,677</u></b>	<b><u>3,962,118,884</u></b>

**6. Financial expenses**

	<u>Year 2024</u>	<u>Year 2023</u>
Interest expense	819,039,072	1,080,590,435
Securities trading losses	740,077,087	13,781,469
Foreign exchange loss for the year	281,473,150	45,542,390
Foreign exchange loss due to revaluation at the year end	14,830,320	2,046,000
Provision for impairment of trading securities and investment losses	11,061,195	-
<b>Total</b>	<b><u>1,866,480,824</u></b>	<b><u>1,141,960,294</u></b>

**7. Selling expenses**

	<u>Year 2024</u>	<u>Year 2023</u>
Staff cost	2,352,243,410	2,377,158,621
Tools and supplies	53,740,371	257,096,182
Fixed asset depreciation	633,158,483	692,211,313
External services	3,411,821,099	1,658,293,009
Other costs in cash	22,259,266	-
<b>Total</b>	<b><u>6,473,222,629</u></b>	<b><u>4,984,759,125</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**8. General and administrative expenses**

	<u>Year 2024</u>	<u>Year 2023</u>
Management staff	3,386,098,168	3,281,317,535
Office supplies	480,438,854	536,550,685
Fixed asset depreciation	358,859,552	354,168,549
Provision expenses	-	16,952,296
Taxes, fees, and charges	419,919,517	54,780,224
External services	1,464,210,427	1,262,423,736
Other costs in cash	59,403,100	245,346,671
Amortization of goodwill	2,151,718,464	2,151,718,464
<b>Total</b>	<b><u>8,320,648,082</u></b>	<b><u>7,903,258,160</u></b>

**9. Other income**

	<u>Year 2024</u>	<u>Year 2023</u>
Income from disposal, resale of fixed assets	7,394,387	222,211,264
Income from sale of scrap	-	143,343,600
Other income	177,163	1,869,114
<b>Total</b>	<b><u>7,571,550</u></b>	<b><u>367,423,978</u></b>

**10. Other expenses**

	<u>Year 2024</u>	<u>Year 2023</u>
Net book value and expenses on disposals, resales of fixed assets	1,568,915	-
Other expenses	5,724,392	3,364,356
<b>Total</b>	<b><u>7,293,307</u></b>	<b><u>3,364,356</u></b>

**11. Current corporate income tax expense**

	<u>Year 2024</u>	<u>Year 2023</u>
Current Corporate income tax expense of Parent Company	2,226,128,650	513,387,559
Current Corporate income tax expense of Subsidiary	2,201,259,494	1,908,365,132
<b>Total current corporate income tax expense</b>	<b><u>4,427,388,144</u></b>	<b><u>2,421,752,691</u></b>

**12. Deferred Corporate income tax expense**

	<u>Year 2024</u>	<u>Year 2023</u>
- Deferred corporate income tax expense arising from reversal of deferred tax assets	29,752,932	313,472,329
<b>Total</b>	<b><u>29,752,932</u></b>	<b><u>313,472,329</u></b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**13. Basic earnings per share**

Basic earnings per share (EPS) calculation for common shareholders of the Company is based on:

	Year 2024	Year 2023 (restated)
Net profit after tax	12,411,761,326	11,837,604,148
Adjustments:	-	-
Profit attributable to Common shareholders	12,411,761,326	11,837,604,148
Average Common shares outstanding during the year	24,199,964	24,199,964
<b>Basic earnings per share</b>	<b>513</b>	<b>489</b>

(\*) Restatement of the average number of common shares outstanding in 2023 and basic earnings per share for 2023 due to the impact of the 2024 share dividend payment.

	Year 2023 (Previous year audit report)	Year 2023 (Restated)
Net profit after tax	11,837,604,148	11,837,604,148
Adjustments:	-	-
Profit attributable to Common shareholders	11,837,604,148	11,837,604,148
Average Common shares outstanding during the year	21,999,990	24,199,964
<b>Basic earnings per share</b>	<b>538</b>	<b>489</b>

**14. Business costs by factors**

	Year 2024	Year 2023
Raw materials	71,285,584,120	67,538,406,366
Labor cost	8,637,351,738	7,675,318,278
Fixed asset depreciation	3,782,125,655	3,822,587,687
External services	9,767,361,044	8,057,766,586
Other costs in cash	1,326,715,759	778,166,324
Amortization of goodwill	2,151,718,464	2,151,718,464
<b>Total</b>	<b>96,950,856,780</b>	<b>90,023,963,705</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***VII. FINANCIAL RISK MANAGEMENT POLICIES AND OBJECTIVES**

The risks from financial instruments include market risk, credit risk and liquidity risk.

The General Director considers the application of management policies for the above risks as follows:

**1. Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market prices. There are three market risks: interest rate risk, foreign exchange risk and other price risks such as the risk of the stock price. Financial instruments affected by the market risks include borrowings and liabilities, deposits, available-for-sale investments.

The following sensibility analysis relates to the financial position of the Company as at 31 December 2024 and 31 December 2023.

The sensitivity analysis has been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and the proportion of the financial instruments in foreign currencies are all constant.

When calculating the sensibility analysis, the General Director assumes that the sensibility of available-for-sale liability in the balance sheet and related items in the income statement is affected by changes in the assumption of corresponding market risks. This analysis is based on the financial assets and liabilities that the Company held as at 31 December 2024 and 31 December 2023.

**Stock price risk**

The listed and unlisted shares held by the Company are exposed to market risks arising from the uncertainty of the future value of the investment shares. The Company manages share price risk by setting investment limits. The Company's Board of Directors also reviews and approves decisions on stock investments.

**Foreign exchange risk**

Foreign exchange risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in the exchange rate. The Company bears risks due to changes in the exchange rate of currencies other than VND related directly to the Company's business.

The Company manages foreign exchange risk by considering current and expected market status when it outlines plans for future transactions in foreign currencies. The Company does not use any derivative instruments to prevent foreign exchange risks.

***Sensitivity to foreign currency***

The Company did not perform a sensitivity analysis on foreign currencies, as the risk of changes in foreign exchange rates at the balance sheet date is insignificant.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risks due to change in the interest rate of the Company mainly relate to the borrowings and liabilities, cash and short-term deposits.

***Sensitivity to the interest rate***

The sensitivity of the Company's borrowings, liabilities, cash and short-term deposits to a reasonably possible change in interest rates is as follows:

Assuming all other variables remain constant, fluctuations in interest rates on floating-rate borrowings would have the following impact on the Company's pre-tax profit:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***1. Market risk (continued)**

	Increase/Decrease in basis points	Impact on pre-tax profit
At the end of the year		
VND	+100	465,260,280
VND	-100	(465,260,280)
At the beginning of the year		
VND	+100	372,343,162
VND	-100	(372,343,162)

The basis point increases/decreases used for the interest rate sensitivity analysis are assumed based on current observable market conditions, which indicate that volatility is not significantly higher than in previous periods.

**2. Credit risk**

Credit risk is the risk that one party to a financial instrument or customer contract will cause a financial loss for the other party by failing to discharge an obligation. The Company bears credit risks from operating activities (mainly trade receivables) and from its financial activities including bank deposits, foreign exchange operations and other financial instruments.

*Trade receivables*

The Company minimizes the credit risk by only doing business with entities that have a good financial capacity and closely keeping track of the liabilities to speed up the recovery of debts. On the basis of this method and receivables related to different customers, the credit risk does not concentrate on a certain customer.

*Bank deposits*

The company mainly maintains deposits at large and prestigious banks in Vietnam. The Company finds that the concentration of credit risk on bank deposits is low.

The Company's General Director believes that most financial assets are current and not impaired, as these financial assets related to reputable and solvent customers.

**3. Liquidity risk**

Liquidity risk is the risk that arises from difficulty in fulfilling financial obligations due to a lack of capital. The liquidity risk of the Company mainly arises from the difference in the maturity of the financial assets and liabilities.

The Company supervises liquidity risk by maintaining an amount of cash, cash equivalents and borrowings from banks at the level that the Board of Management considers sufficient to satisfy the Company's activities and minimize influences of changes in cash flows.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS***For the financial year ended 31 December 2024**Unit: VND***3. Liquidity risk (continued)**

The maturity of financial liabilities based on contractual repayment terms (based on cash flows of principal) is as follows:

	Less than 1 year	From 1 to 5 years	Over 5 years	Total
<b>As at 31/12/2024</b>				
Borrowings and liabilities	6,214,641,775	-	-	6,214,641,775
Trade payables	5,974,243,961	-	-	5,974,243,961
Other payables	-	200,000,000	-	200,000,000
Accrued expenses	251,497,973	-	-	251,497,973
<b>Total</b>	<b>12,440,383,709</b>	<b>200,000,000</b>	-	<b>12,640,383,709</b>
<b>As at 31/12/2023</b>				
Borrowings and liabilities	8,698,500,904	-	-	8,698,500,904
Trade payables	8,015,041,798	-	-	8,015,041,798
Other payables	-	200,000,000	-	200,000,000
Accrued expenses	185,319,394	-	-	185,319,394
<b>Total</b>	<b>16,898,862,096</b>	<b>200,000,000</b>	-	<b>17,098,862,096</b>

The Company believes that the concentration of risk for debt repayment is low (or manageable). The Company can pay its debts when they fall due from cash flows from operations and proceeds from maturing financial assets.

**Secured assets**

The Company pledged a portion of its land use rights as collateral for short-term and long-term borrowings from banks (Note V.12 - Borrowings and finance lease liabilities).

The Company had neither pledged nor received any financial assets as collaterals as at 31 December 2024 and 31 December 2023.

The Company did not hold any secured assets of the third party as at 31 December 2024 and 31 December 2023.

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the financial year ended 31 December 2024*

*Unit: VND*

### **4. Financial assets and liabilities**

The fair value of financial assets and financial liabilities is stated at the value that the financial instruments are convertible in present transaction among partners, except for compulsory sale or disposal.

The Company uses the following methods and assumptions to estimate the fair value:

The fair value of cash on hand and short-term deposits, trade receivables, trade payables and other short-term liabilities is equivalent to the book value of these items because these instruments are in short term.

The fair value of listed securities and financial debt instruments is determined at market value.

The fair value of securities and financial investments whose fair value cannot be determined with certainty due to the lack of an active market for such securities, the financial investments is stated at the book value.

Except for the items mentioned above, the fair value of long-term financial assets and long-term financial liabilities was not formally determined as at 31 December 2024 and 31 December 2023. However, the Company's General Director evaluated that the fair value of these financial assets and financial liabilities does not differ significantly from their book value at the end of the financial year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**4. Financial assets and liabilities (continued)**

The following table presents the book value and fair value of financial instruments stated in the Company's financial statements.

	31/12/2024		31/12/2023		Fair value	
	Value	Provision	Value	Provision	31/12/2024	31/12/2023
<b>Financial assets</b>						
- Cash and cash equivalents	22,777,042,455	-	23,916,611,263	-	22,777,042,455	23,916,611,263
- Financial investments	29,974,688,533	(11,061,195)	22,016,205,800	-	29,963,627,338	22,016,205,800
- Other trade receivables	168,394,410	-	231,216,614	-	168,394,410	231,216,614
- Loan receivables	14,000,000,000	-	-	-	14,000,000,000	-
- Other receivables	1,094,001,372	-	1,767,093,959	-	1,094,001,372	1,767,093,959
<b>Total</b>	<b>68,014,126,770</b>	<b>(11,061,195)</b>	<b>47,931,127,636</b>	<b>-</b>	<b>68,003,065,575</b>	<b>47,931,127,636</b>
<b>Financial liabilities</b>						
- Borrowings and liabilities	6,214,641,775	-	8,698,500,904	-	6,214,641,775	8,698,500,904
- Trade payables	5,974,243,961	-	8,015,041,798	-	5,974,243,961	8,015,041,798
- Accrued expenses	251,497,973	-	185,319,394	-	251,497,973	185,319,394
- Other payables	200,000,000	-	200,000,000	-	200,000,000	200,000,000
<b>Total</b>	<b>12,640,383,709</b>	<b>-</b>	<b>17,098,862,096</b>	<b>-</b>	<b>12,640,383,709</b>	<b>17,098,862,096</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**VIII. OTHER INFORMATION****1. Events occurring after the balance sheet date**

There are no significant events occurring after the balance sheet date that require adjustment and presentation in this financial statements.

**2. Transactions with related parties**

The list and relationships between related parties and the Company are as follows:

<b>Related party</b>	<b>Relationship</b>
PCLand Investment and Asset Management Joint Stock Company	Associate
Nethome Furniture Architecture Co., Ltd	The Company has a Director who is a related person of Ms. Nguyen Thi Nhu Quynh - Chief Accountant
Mr. Do Thanh Hai	Chairman of the Board of Directors
Ms. Dao Thi Kim Oanh	Member of the Board of Directors/General Director
Mr. Nguyen Manh Thang	Independent Member of the Board of Directors
Mr. Do Hai Dang	Member of the Board of Directors
Mr. Nguyen Trung Dung	Member of the Board of Directors
Mr. Do Manh Tu	Shareholder, related person of internal personnel (Mr. Do Thanh Hai and Mr. Do Hai Dang)

**Transactions during the year:**

	<b>Year 2024</b>	<b>Year 2023</b>
<b>Selling goods and rendering services</b>	<b>818,400,000</b>	<b>7,267,698,373</b>
PCLand Investment and Asset Management Joint Stock Company	818,400,000	818,400,000
Nethome Furniture Architecture Co., Ltd	-	6,449,298,373
<b>Purchasing goods and using services</b>	<b>239,352,000</b>	<b>205,192,000</b>
PCLand Investment and Asset Management Joint Stock Company - Thai Nguyen Branch	145,352,000	111,192,000
Mr. Do Manh Tu	94,000,000	94,000,000
<b>Financial income</b>	<b>263,917,808</b>	<b>635,197,260</b>
PCLand Investment and Asset Management Joint Stock Company	263,917,808	635,197,260
<b>Interest income received</b>	<b>243,082,192</b>	<b>635,197,260</b>
PCLand Investment and Asset Management Joint Stock Company	243,082,192	635,197,260
<b>Proceeds from goods sold and services rendered</b>	<b>818,400,000</b>	<b>7,267,698,373</b>
PCLand Investment and Asset Management Joint Stock Company	818,400,000	818,400,000
Nethome Furniture Architecture Co., Ltd	-	6,449,298,373

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**2. Transactions with related parties (continued)**

	Year 2024	Year 2023	
<b>Loan</b>	<b>15,000,000,000</b>	-	
PCLand Investment and Asset Management Joint Stock Company	15,000,000,000	-	
<b>Recovery of loan principal</b>	<b>1,000,000,000</b>	<b>24,000,000,000</b>	
PCLand Investment and Asset Management Joint Stock Company	1,000,000,000	24,000,000,000	
<b>Payment for purchases of goods and services</b>	<b>239,352,000</b>	<b>205,192,000</b>	
PCLand Investment and Asset Management Joint Stock Company - Thai Nguyen Branch	145,352,000	111,192,000	
Mr. Do Manh Tu	94,000,000	94,000,000	
<b>Balance at the end of the year:</b>			
	<b>31/12/2024</b>	<b>01/01/2024</b>	
<b>Loan receivables</b>	<b>14,000,000,000</b>	-	
PCLand Investment and Asset Management Joint Stock Company	14,000,000,000	-	
<b>Accrued loan interest</b>	<b>20,835,616</b>	-	
PCLand Investment and Asset Management Joint Stock Company	20,835,616	-	
<b>Other receivables</b>	<b>200,000,000</b>	<b>200,000,000</b>	
PCLand Investment and Asset Management Joint Stock Company	200,000,000	200,000,000	
<b>Transactions with other related parties:</b>			
<b>Remuneration of members of the Board of Directors</b>			
	<b>Year 2024</b>	<b>Year 2023</b>	
- Mr. Do Thanh Hai	Chairman of the Board of Directors	60,000,000	-
- Ms. Dao Thi Kim Oanh	Member of the Board of Directors	24,000,000	-
- Mr. Do Hai Dang	Member of the Board of Directors	24,000,000	-
- Mr. Nguyen Manh Thang	Independent Member of the Board of Directors	24,000,000	-
- Mr. Nguyen Trung Dung	Member of the Board of Directors	24,000,000	-
<b>Total</b>		<b>156,000,000</b>	-
<b>Remuneration for members of the Board of Supervisors</b>			
- Ms. Nguyen Thi Thuy	Head of the Board of Supervisors	24,000,000	-
- Ms. Do Thi Thuy Linh	Member	12,000,000	-
- Ms. Do Thi Huong	Member	12,000,000	-
<b>Total</b>		<b>48,000,000</b>	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Unit: VND

**2. Transactions with related parties (continued)****Salary, bonus and other benefits of the General Director and other managers**

	Position	Year 2024	Year 2023
- Ms. Dao Thi Kim Oanh	General Director	385,453,769	305,752,778
- Ms. Nguyen Thi Nhu Quynh	Chief Accountant	320,062,911	269,408,593
- Ms. Nguyen Thi Thuy	Head of the Board of Supervisors	34,425,181	146,309,444
- Ms. Do Thi Thuy Linh	Member of the Board of Supervisors	84,202,074	141,776,444
- Ms. Do Thi Huong	Member of the Board of Supervisors	38,289,050	144,711,444
- Ms. Nguyen Thi Bao Yen	Member of the Internal Audit Team	57,601,769	-
- Ms. Nguyen Thi Thu Huong	Member of the Internal Audit Team	62,806,294	88,659,000
<b>Total</b>		<b>982,841,048</b>	<b>1,096,617,703</b>

**3. Comparative information**

The comparative figures taken from the Consolidated Financial Statements for the year ended 31 December 2023 were audited by Branch of Moore AISC Auditing and Informatics Services Company Limited.

**4. Going concern information**

The company will continue to operate in the future.



\_\_\_\_\_  
**Nguyen Thi Nhu Quynh**  
 Preparer  
 Hanoi, 27 February 2025



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**Nguyen Thi Nhu Quynh**  
 Chief Accountant



\_\_\_\_\_  
**Dao Thi Kim Oanh**  
 General Director