

**DONG DUONG CONSTRUCTION AND  
TRADING JOINT STOCK COMPANY**

Audited financial statements  
For the year ended 31 December 2024



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**DONG DUONG CONSTRUCTION AND TRADING JOINT STOCK COMPANY**

Bac Van Dinh Industrial Cluster, Lien Bat Commune, Ung Hoa District, Hanoi City, Vietnam

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Directors of Dong Duong Construction and Trading Joint Stock Company (hereinafter called "the Company") presents this report together with the consolidated financial statements of the Company for the year ended 31 December 2024.

**GENERAL INFORMATION**

Dong Duong Construction and Trading Joint Stock Company (hereinafter referred to as "the Company") is established under the Certificate of Business Registration No. 0101264009 issued by the Hanoi Department of Planning and Investment for the first time on 03 July 2002, and the twelfth amendment dated 05 June 2024.

The Company's head office is located at Bac Van Dinh Industrial Cluster, Lien Bat Commune, Ung Hoa District, Hanoi City.

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

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

**The Board of Management**

<u>Full name</u>	<u>Position</u>
Mr. Nguyen Kim Truong	Chairman
Mr. Nguyen Dang Thang	Member
Mr. Vu Hoang	Member
Ms. Tran Bich Nhuan	Member
Mr. Vu Hoang Tung	Member

**The Board of Supervisors**

<u>Full name</u>	<u>Position</u>
Ms. Do Thi Hoai	Head of BOS
Mr. Ngo Trong Tu	Member
Mr. Nguyen Tuan San	Member

**The Board of General Directors**

<u>Full name</u>	<u>Position</u>
Mr. Vu Hoang	General Director

**EVENTS ARISING AFTER THE END OF THE YEAR**

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these consolidated financial statements.

**AUDITORS**

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



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

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

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

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

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

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

**APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS**

The Board of General Directors approves the attached consolidated financial statements. The consolidated financial statements reflected truly and fairly the Company's financial position as at 31 December 2024, as well as the financial performance and cash flows for the year ended 31 December 2024, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

**COMMITMENT ON INFORMATION DISCLOSURE**

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

For and on behalf of The Board of General Directors,



**Mr. Vu Hoang**  
General Director  
Hanoi, 31 March 2025



No: 08011/2025/BCTC/IAVHN

## INDEPENDENT AUDITORS' REPORT

**To: The shareholders**  
**The Board of Management, the Board of Supervisors, and the Board of General Directors**  
**Dong Duong Construction and Trading Joint Stock Company**

We have audited the accompanying financial statements for the year ended 31 December 2024 of Dong Duong Construction and Trading Joint Stock Company (hereinafter called "the Company"), prepared on 31 March 2025, as set out from page 5 to page 36, which comprise the statement of financial position as at 31 December 2024, the statement of income, and statement of cash flows for the year then ended, and the notes to the financial statements.

### **The Board of General Directors's Responsibility**

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

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the 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 Board of General Directors, 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 financial statements give a true and fair view, in all material respects, of the financial position of the 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 Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.

## INDEPENDENT AUDITORS' REPORT (Continued)

### Other Matter

The financial statements of Dong Duong Construction and Trading Joint Stock Company for the year ended 31 December 2023 were audited by another independent audit firm. The auditor expressed an unmodified opinion on these financial statements on 30 March 2024.



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**NGUYEN THI THUY**

**Director**

Audit Practising Registration Certificate  
No. 4057-2024-283-1

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**DO THI THU HUYEN**

**Auditor**

Audit Practising Registration Certificate  
No. 2991-2024-283-1

**INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED – HA NOI BRANCH**

Hanoi, 31 March 2025



**STATEMENT OF FINANCIAL POSITION**


As at 31 December 2024


ASSETS	Code	Note	Closing balance VND	Opening balance VND
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>274,785,141,123</b>	<b>467,444,773,754</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>5,718,855,441</b>	<b>4,549,354,068</b>
1. Cash	111		1,718,855,441	3,549,280,097
2. Cash equivalents	112		4,000,000,000	1,000,073,971
<b>II. Short-term investments</b>	<b>120</b>		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>63,980,862,072</b>	<b>275,477,836,236</b>
1. Short-term trade receivables	131	4.2	53,175,713,084	275,317,554,985
2. Short-term advances to suppliers	132	4.3	476,000,000	34,500,001
3. Short-term loan receivables	135	4.4	10,000,000,000	-
4. Other short-term receivables	136	4.5	329,148,988	125,781,250
<b>IV. Inventories</b>	<b>140</b>	<b>4.6</b>	<b>204,259,176,786</b>	<b>186,553,434,425</b>
1. Inventories	141		205,341,276,407	186,553,434,425
2. Allowance for inventories	149		(1,082,099,621)	-
<b>V. Other short-term assets</b>	<b>150</b>		<b>826,246,824</b>	<b>864,149,025</b>
1. Short-term prepaid expenses	151	4.7	495,089,334	-
2. Value added tax deductibles	152		154,469,503	732,796,931
3. Taxes and other receivables from the State budget	153	4.8	176,687,987	131,352,094
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>47,583,553,489</b>	<b>54,313,187,091</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>215,646,400</b>	<b>192,976,550</b>
1. Other long-term receivables	216	4.5	215,646,400	192,976,550
<b>II. Fixed assets</b>	<b>220</b>		<b>47,307,428,678</b>	<b>54,120,210,541</b>
1. Tangible fixed assets	221	4.9	44,170,988,680	50,692,103,874
- Cost	222		88,600,605,700	92,529,833,944
- Accumulated depreciation	223		(44,429,617,020)	(41,837,730,070)
2. Finance lease assets	224	4.10	2,624,999,998	2,916,666,667
- Cost	225		3,500,000,000	3,500,000,000
- Accumulated depreciation	226		(875,000,002)	(583,333,333)
3. Intangible fixed assets	227	4.11	511,440,000	511,440,000
- Cost	228		511,440,000	511,440,000
- Accumulated amortisation	229		-	-
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		-	-
<b>V. Long-term financial investments</b>	<b>250</b>		-	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>60,478,411</b>	-
1. Long-term prepaid expenses	261	4.7	60,478,411	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>322,368,694,612</b>	<b>521,757,960,845</b>
(270 = 100 + 200)				


**STATEMENT OF FINANCIAL POSITION (Continued)**

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>173,169,633,987</b>	<b>376,912,748,629</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>173,169,633,987</b>	<b>375,865,661,456</b>
1. Short-term trade payables	311	4.12	22,806,590,766	234,846,173,488
2. Short-term advances from customers	312	4.13	17,622,601,062	17,548,819,781
3. Taxes and amounts payable to the State budget	313	4.8	6,027,511,684	5,926,377,237
4. Short-term accrued expenses	315	4.14	422,233,997	-
5. Other short-term payables	319	4.15	2,502,222,461	1,923,015,166
6. Short-term borrowings and finance lease liabilities	320	4.16	123,776,711,616	115,609,513,383
7. Bonus and welfare fund	322		11,762,401	11,762,401
<b>II. Long-term liabilities</b>	<b>330</b>		<b>-</b>	<b>1,047,087,173</b>
1. Long-term borrowings and finance lease liabilities	338	4.16	-	1,047,087,173
<b>D. EQUITY</b>	<b>400</b>		<b>149,199,060,625</b>	<b>144,845,212,216</b>
<b>I. Owner's equity</b>	<b>410</b>	4.17	<b>149,199,060,625</b>	<b>144,845,212,216</b>
1. Owner's contributed capital	411		120,000,000,000	120,000,000,000
- Ordinary shares with voting rights	411a		120,000,000,000	120,000,000,000
2. Share premium	412		(114,500,000)	(114,500,000)
3. Investment and development fund	418		35,287,203	35,287,203
4. Retained earnings	421		29,278,273,422	24,924,425,013
- Retained earnings accumulated to the prior year end	421a		24,924,425,013	17,177,194,885
- Retained earnings of the current year	421b		4,353,848,409	7,747,230,128
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b> (440=300+400)	<b>440</b>		<b>322,368,694,612</b>	<b>521,757,960,845</b>

  
Preparer  
Tran Phuong Lan

  
Chief Accountant  
Nguyen Thi Ngoan

  
General Director  
Vu Hoang  
Hanoi, Vietnam  
31 March 2025




**INCOME STATEMENT**


For the year ended 31 December 2024

ITEMS	Code	Note	Current year	Prior year
			VND	VND
1. Gross revenue from goods sold and services rendered	01	5.1	426,754,447,931	610,971,166,297
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		426,754,447,931	610,971,166,297
4. Cost of goods sold and services rendered	11	5.2	401,308,680,360	552,663,766,092
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		25,445,767,571	58,307,400,205
6. Financial income	21	5.3	277,879,756	1,775,098,512
7. Financial expenses	22	5.4	12,411,920,099	25,213,726,931
<i>In which: Interest expense</i>	23		9,588,136,659	10,982,727,302
8. Selling expenses	25	5.5	1,782,693,317	17,624,841,841
9. General and administration expenses	26	5.6	3,264,665,342	4,867,243,732
10. Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		8,264,368,569	12,376,686,213
11. Other income	31		-	-
12. Other expenses	32	5.7	2,398,048,783	862,077,106
13. Other losses (40 = 31 - 32)	40		(2,398,048,783)	(862,077,106)
14. Accounting profit before tax (50=30+40)	50		5,866,319,786	11,514,609,107
15. Current corporate income tax expense	51	5.8	1,512,471,377	3,767,378,979
16. Deferred corporate tax expense	52		-	-
17. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		4,353,848,409	7,747,230,128
18. Basic earnings per share	70	5.9	363	646
19. Diluted earnings per share	71	5.9	363	646

  
Preparer  
Tran Phuong Lan

  
Chief Accountant  
Nguyen Thi Ngoan



  
General Director  
Vu Hoang  
Hanoi, Vietnam  
31 March 2025

**CASH FLOW STATEMENT**  
 For the year ended 31 December 2024  
 (Indirect method)

ITEMS	Code	Current year VND	Prior year VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	5,866,319,786	11,514,609,107
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	5,199,829,994	5,685,775,566
- Allowances and provisions	03	1,082,099,621	-
- Foreign exchange (gains)/losses arising from translating foreign currency items	04	(2,823,783,440)	(14,230,999,629)
- (Gains)/losses from investing activities	05	119,721,655	(2,022,082)
- Interest expense	06	9,588,136,659	10,982,727,302
3. Operating profit before changes in working capital	08	19,032,324,275	13,950,090,264
- Change in receivables	09	222,269,167,127	(132,265,756,396)
- Change in inventories	10	(18,787,841,982)	37,801,404,805
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11	(207,418,308,420)	89,917,777,631
- Change in prepaid expenses	12	(555,567,745)	210,565,134
- Interest paid	14	(9,165,902,662)	(10,790,696,970)
- Corporate income tax paid	15	(2,494,125,122)	(1,970,114,093)
<b>Net cash flows from operating activities</b>	<b>20</b>	<b>2,879,745,471</b>	<b>(3,146,729,625)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Proceeds from sale, disposal of fixed assets and other long-term assets	22	1,153,636,364	-
2. Cash outflow for lending, buying debt instruments of other entities	23	(10,000,000,000)	-
3. Interest earned, dividends and profits received	27	15,742,770	2,022,082
<b>Net cash flows from investing activities</b>	<b>30</b>	<b>(8,830,620,866)</b>	<b>2,022,082</b>



**STATEMENT OF CASH FLOWS (Continued)**

For the year ended 31 December 2024

(Indirect method)

ITEMS	Code	Current year VND	Prior year VND
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from share issue and owners' contributed capital	31	-	20,000,000,000
2. Proceeds from borrowings	33	295,505,764,546	200,630,791,903
3. Repayment of borrowings	34	(287,663,778,486)	(213,859,022,038)
4. Repayment of obligations under finance leases	35	(721,875,000)	(721,875,000)
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>7,120,111,060</b>	<b>6,049,894,865</b>
<b>Net increase/(decrease) in cash for the year (50=20+30+40)</b>	<b>50</b>	<b>1,169,235,665</b>	<b>2,905,187,322</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>4,549,354,068</b>	<b>1,644,450,435</b>
Effects of changes in foreign exchange rates	61	265,708	(283,689)
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>5,718,855,441</b>	<b>4,549,354,068</b>



Preparer  
Tran Phuong Lan



Chief Accountant  
Nguyen Thi Ngoan



General Director  
Vu Hoang  
Hanoi, Vietnam  
31 March 2025

## **NOTES TO THE FINANCIAL STATEMENTS**

*For the year ended 31 December 2024*

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

### **1. GENERAL INFORMATION**

#### **1.1. Structure of ownership**

Dong Duong Construction and Trading Joint Stock Company (hereinafter referred to as "the Company") is established under the Certificate of Business Registration No. 0101264009 issued by the Hanoi Department of Planning and Investment for the first time on 03 July 2002, and the twelfth amendment dated 05 June 2024.

The Company's head office is located at Bac Van Dinh Industrial Cluster, Lien Bat Commune, Ung Hoa District, Hanoi City.

The Company's shares are listed on the UPCOM trading platform under the stock code DDB.

The Company's charter capital is VND 120,000,000,000 (*In words: One hundred and twenty billion Vietnam Dong only*). The actual contributed charter capital as of 31 December 2024 was VND 120,000,000,000, equivalent to 12,000,000 shares, with a par value of VND 10,000 per share.

The number of employees as at 31 December 2024 was 19 people (01 January 2024: 57 people).

#### **1.2. Business area**

The Company operates in its principal line of business which includes the manufacturing and trading of wooden products, furniture, handicrafts, and various types of sand.

#### **1.3. Business activities**

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

- Wholesale of other household products. Details: Manufacturing and trading of wooden products, furniture, and handicrafts;
- Specialized design activities. Details: Interior and exterior decoration;
- Wholesale of construction materials and other installation equipment. Details: Trading of construction materials, supplies, industrial machinery and equipment, consumer goods, fertilizers, and pesticides.

#### **1.4. Normal production and business cycle**

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

#### **1.5. Characteristics of the Company's operations during the year that affect the financial statements**

There were no significant or unusual characteristics during the year that affected the financial statements.

#### **1.6. Disclosure of information comparability in the consolidated financial statements**

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



## 2. ACCOUNTING CONVENTION AND FISCAL YEAR

### 2.1. Accounting convention

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

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

### 2.2. Going concern assumption

There are no events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, and the Company has neither the intention nor the necessity to cease its operations.

### 2.3. Fiscal year

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

## 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1. Estimates

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

### 3.2. Accounting Standards and System Applied

#### *Applied Accounting Regime*

The Company applies the Vietnamese Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance on amendments and supplements to certain articles of Circular No. 200/2014/TT-BTC.

#### *Statement of Compliance with Accounting Standards and Accounting Regime*

The Company has applied the Vietnamese Accounting Standards and the related guidance documents issued by the Government. The financial statements have been prepared and presented in full compliance with the applicable standards, implementation circulars, and the current Vietnamese Enterprise Accounting Regime.

### 3.3. Financial instruments

#### *Initial recognition*

#### Financial assets

The Company's financial assets include cash and cash equivalents, trade receivables, and other receivables. At initial recognition, financial assets are measured at purchase price/issue cost plus any directly attributable transaction costs related to the issuance of such financial assets.

#### Financial liabilities

The Company's financial liabilities include borrowings, trade payables, other payables, and accrued expenses. At initial recognition, financial liabilities are measured at the issue price plus any directly attributable transaction costs related to the issuance of such financial liabilities.



*Subsequent measurement after initial recognition*

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

**3.4. Foreign currency transactions**

Foreign currency transactions during the financial year are translated into Vietnamese dong at the actual exchange rates on the transaction dates.

The applicable exchange rates are determined based on the following principles:

- For foreign currency purchases and sales: the exchange rate is as stipulated in the foreign currency purchase/sale contracts between the Company and commercial banks;
- For recording receivables: the buying rate of the commercial bank designated by the Company for customer payment at the time of the transaction;
- For recording payables: the selling rate of the commercial bank with which the Company intends to transact at the time the liability arises;

The actual exchange rate applied to the revaluation of monetary items denominated in foreign currencies at the reporting date is determined as follows:

- For items classified as assets: the buying rate of the commercial bank with which the Company regularly conducts transactions;
- For foreign currency deposits: the buying rate of the commercial bank where the Company maintains the foreign currency account;
- For items classified as liabilities: the selling rate of the commercial bank with which the Company regularly conducts transactions.

All realized foreign exchange differences arising during the financial year and unrealized differences from the revaluation of foreign currency-denominated monetary items at the reporting date are recognized in the profit or loss for the year. Foreign exchange gains arising from year-end revaluation of monetary items in foreign currencies are not allowed to be used for profit distribution or dividend payment.

**3.5. Cash and cash equivalents**

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

**3.6. Receivables**

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

Provision for doubtful debts is made for receivables that are overdue as stated in economic contracts, loan agreements, debt commitment letters, or receivables that are not yet due but are deemed unlikely to be collected. The provision for overdue receivables is based on the original repayment schedule stipulated in the initial sales contract, without considering any subsequent debt rescheduling agreements between the parties. Provision is also made for receivables that are not yet due but where the debtor has gone bankrupt, is in the process of dissolution, has disappeared, or absconded..

**3.7. Inventories**

Inventories are initially recognized at cost, which comprises the purchase cost, processing costs, and other directly attributable costs incurred to bring the inventories to their current location and condition at the time of recognition. After initial recognition, if the net realizable value of inventories at the financial reporting date is lower than the cost, inventories are measured at their net realizable value.

Cost is calculated using the monthly weighted average method..



Inventories are accounted for using the perpetual inventory method.

**3.8. Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

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

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method based on their estimated useful life, as detailed below:

	<u>Current year</u>
Buildings and structures	04 – 25 years
Machinery and equipment	06 – 25 years
Motor vehicles	08 – 10 years
Office equipment	05 – 10 years
Others	08 years

**3.9. Finance lease assets**

A lease is classified as a finance lease when substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the lessee. All other leases are classified as operating leases.

The Company recognizes assets acquired under finance leases as its assets at the inception of the lease, at the lower of the fair value of the leased asset or the present value of the minimum lease payments. A corresponding liability to the lessor is recorded on the balance sheet as a finance lease liability. Lease payments are apportioned between finance charges and the reduction of the lease liability so as to achieve a constant periodic interest rate on the remaining balance of the liability. Finance charges are recognized in the profit or loss, unless they are capitalized in accordance with the Company's accounting policy on borrowing costs.

Assets held under finance leases are depreciated over their estimated useful lives in the same manner as owned assets. However, if there is no reasonable certainty that the lessee will obtain ownership of the asset at the end of the lease term, the asset is depreciated over the shorter of the lease term and its useful life:

	<u>Years</u>
Machinery and equipment	12

**3.10. Intangible fixed assets**

Intangible fixed assets are presented at cost less accumulated amortization.

The cost of an intangible fixed asset includes all expenditures incurred by the Company to acquire the asset up to the point it is ready for its intended use. Subsequent expenditures relating to intangible fixed assets are recognized as operating expenses in the period in which they are incurred, unless such expenditures are attributable to a specific intangible asset and enhance the future economic benefits of that asset.

When an intangible fixed asset is sold or disposed of, its cost and accumulated amortization are derecognized, and any gain or loss arising from the disposal is recognized in profit or loss for the year.



The Company's intangible fixed assets include:

***Land use rights***

Land use rights comprise all actual expenditures incurred by the Company directly related to the land use, including payments made to acquire the rights to use the land.

Land use rights with an indefinite term are not amortized.

**3.11. Prepaid expenses**

Prepaid expenses include actual expenses already incurred but related to the operating results of multiple accounting periods. The Company's prepaid expenses include costs such as: insurance expenses, tools and equipment expenses, and other prepaid expenses.

The calculation and allocation of long-term prepaid expenses to business production costs in each accounting period are based on the nature and extent of each expense type, selecting an appropriate allocation method and criterion. Prepaid expenses are gradually allocated to business production costs using the straight-line method.

**3.12. Accounts payable and accrued expenses**

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

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

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

**3.13. Borrowings and finance lease liabilities**

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

**3.14. Borrowing costs**

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

**3.15. Owner's equity**

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



**3.16. Distribution of net profits**

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

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

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

**3.17. Revenue and earnings**

**Revenue from sales of finished goods and merchandise goods**

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

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

**Revenue from rendering of services**

Revenue from service transactions is recognized when the outcome of the transaction can be reliably estimated. Where services are provided over multiple periods, revenue is recognized in the period in which the service is rendered, based on the stage of completion at the end of the financial year. The outcome of a service transaction can be reliably estimated when all of the following conditions are met:

- The revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The stage of completion of the transaction at the end of the financial year can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

**Financial income**

***Interest***

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

**3.18. Cost of goods sold and service rendered**

Cost of goods sold during the year is recognized in accordance with the revenue generated in the same period and in compliance with the prudence principle. Cases of material and goods losses exceeding normal levels, expenses exceeding normal thresholds, and inventory losses (after deducting amounts recoverable from responsible individuals or collectives) are fully and promptly recorded in the cost of goods sold for the year.

**3.19. Selling expenses**

Selling expenses reflect the actual expenses incurred during the process of selling goods and providing services. These primarily include employee salaries in the sales department and outsourced service costs.



**3.20. General and administration expenses**

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

**3.21. Financial expenses**

Financial expenses include the following items:

- Losses arising from foreign currency sales, exchange rate differences,...

These amounts are recognized based on the total incurred during the period and are not offset against financial income.

**3.22. Taxation**

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

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

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using statement of financial position liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

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

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

**3.23. Related parties**

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

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

The related parties of the Company include:

- Enterprises that, directly or indirectly through one or more intermediaries, control the Company, are controlled by the Company, or are under common control with the Company, including parent companies, subsidiaries, and associates;
- Individuals who, directly or indirectly, hold voting rights in the Company and have significant influence over the Company; key management personnel of the Company; and close family members of such individuals;





- Enterprises in which the above-mentioned individuals directly or indirectly hold a significant voting interest or have significant influence over the Company.

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

**4.1. Cash and cash equivalents**

	Closing balance VND	Opening balance VND
Cash	939,442,825	2,288,860,682
Demand deposits in banks	779,412,616	1,260,419,415
Cash equivalents (i)	4,000,000,000	1,000,073,971
	<b>5,718,855,441</b>	<b>4,549,354,068</b>

- (i) Term deposit contract with a 1-month maturity at Vietnam Joint Stock Commercial Bank for Industry and Trade – Bac Thang Long Branch, bearing an interest rate of 2.9% per annum.

**4.2. Short-term trade receivables**

	Closing balance VND	Opening balance VND
Bac Viet Green TM&DV Joint Stock Company	26,881,843,896	-
Minh Chau Building and Trade of Transport Joint Stock Company	-	13,770,729,648
Truong Thinh Mekong Joint Stock Company	-	167,392,752,124
TNT Group Joint Stock Company	-	44,894,690,794
M&K Vietnam Trading Company Limited	1,954,714,600	13,165,280,491
Others	24,339,154,588	36,094,101,928
	<b>53,175,713,084</b>	<b>275,317,554,985</b>

Short-term trade receivables from related parties  
 (Details stated in Note 7.2)

-	-
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**4.3. Short-term advances to suppliers**

	Closing balance VND	Opening balance VND
MB Ageas Life Insurance Company Limited	200,000,000	-
ASCO Audit Firm and Valuation Company Limited	158,000,000	-
M&K Vietnam Trading Company Limited	100,000,000	-
QMC Applied Sciences Company Limited	18,000,000	18,000,000
Others	-	16,500,001
	<b>476,000,000</b>	<b>34,500,001</b>

**4.4. Short-term loan receivables**

	Closing balance VND	Opening balance VND
Mr. Tran Trung Quan (i)	10,000,000,000	-
	<b>10,000,000,000</b>	-

- (i) The loan to Mr. Tran Trung Quan bears an interest rate of 8% per annum and is secured by land

use rights for a 100 m<sup>2</sup> plot located in An My Commune, My Duc District, Hanoi City. As of the date of issuance of the financial statements, this loan has been fully recovered.

4.5. Other receivables

4.5.1. Short-term other receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Loan interest	262,136,986	-	-	-
Other receivables	67,012,002	-	125,781,250	-
	<b>329,148,988</b>	<b>-</b>	<b>125,781,250</b>	<b>-</b>

4.5.2. Long-term other receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Deposits and mortgages	215,646,400	-	192,976,550	-
	<b>215,646,400</b>	<b>-</b>	<b>192,976,550</b>	<b>-</b>

4.6. Inventories

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Raw materials	128,804,879,878	-	136,631,741,644	-
Work in progress	54,566,417,029	(1,082,099,621)	49,921,692,781	-
Merchandise	21,969,979,500	-	-	-
	<b>205,341,276,407</b>	<b>(1,082,099,621)</b>	<b>186,553,434,425</b>	<b>-</b>

4.7. Prepaid expenses

4.7.1 Short-term prepaid expenses

	Closing balance	Opening balance
	VND	VND
Insurance expenses	465,572,667	-
Others	29,516,667	-
	<b>495,089,334</b>	<b>-</b>

4.7.1 Long-term prepaid expenses

	Closing balance	Opening balance
	VND	VND
Tools and equipments for use	35,808,585	-
Others	24,669,826	-
	<b>60,478,411</b>	<b>-</b>



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 NOTES TO THE FINANCIAL STATEMENTS (Continued)

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4.8. Taxes and amounts receivables, payables to the State budget

	Opening balance		Movement in the year		Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount payable VND	Amount paid VND	Taxes Payable VND	Taxes Receivable VND
Value added tax	-	127,407,994	40,384,467,859	39,370,334,923	1,014,132,936	127,407,994
Corporate income tax	5,394,386,169	-	1,512,471,377	2,494,125,122	4,412,732,424	-
Personal income tax	-	3,944,100	55,983,447	101,319,340	-	49,279,993
Land and housing tax and land rental	531,991,068	-	488,833,068	865,593,068	155,231,068	-
Others	-	-	453,537,043	8,121,787	445,415,256	-
	<b>5,926,377,237</b>	<b>131,352,094</b>	<b>42,895,292,794</b>	<b>42,839,494,240</b>	<b>6,027,511,684</b>	<b>176,687,987</b>

The Company's tax finalization is subject to inspection by the tax authorities. As the application of tax regulations to various types of transactions may be interpreted in different ways, the amount of tax presented in the financial statements may be subject to change based on the decisions of the tax authorities.

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4.9. Increases, decreases in tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
<b>COST</b>						
Opening balance	50,215,430,613	36,373,159,858	5,393,896,065	455,767,408	91,580,000	92,529,833,944
Increase in the year	-	-	-	-	-	-
Decrease in the year	65,059,454	36,727,272	3,751,568,792	75,872,726	-	3,929,228,244
- <i>Liquidation or transfer</i>	-	-	3,751,568,792	-	-	3,751,568,792
- <i>Other decreases</i>	65,059,454	36,727,272	-	75,872,726	-	177,659,452
Closing balance	50,150,371,159	36,336,432,586	1,642,327,273	379,894,682	91,580,000	88,600,605,700
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance	17,611,258,155	20,691,377,704	3,113,587,047	329,927,164	91,580,000	41,837,730,070
Increase in the year	2,273,775,436	2,266,943,814	324,015,712	43,428,363	-	4,908,163,325
- <i>Depreciation charged</i>	2,273,775,436	2,266,943,814	324,015,712	43,428,363	-	4,908,163,325
Decrease in the year	35,455,663	29,393,939	2,200,331,017	51,095,756	-	2,316,276,375
- <i>Liquidation or transfer</i>	-	-	2,200,331,017	-	-	2,200,331,017
- <i>Other decreases</i>	35,455,663	29,393,939	-	51,095,756	-	115,945,358
Closing balance	19,920,489,254	22,928,927,579	1,237,271,742	322,259,771	91,580,000	44,429,617,020
<b>NET BOOK VALUE</b>						
- Opening balance	32,604,172,458	15,681,782,154	2,280,309,018	125,840,244	-	50,692,103,874
- Closing balance	30,229,881,905	13,407,505,007	405,055,531	57,634,911	-	44,170,988,680
Cost of tangible fixed assets that have been fully depreciated but are still in use:						
- Opening balance	517,808,112	5,194,997,756	430,000,000	53,783,773	91,580,000	6,288,169,641
- Closing balance	2,433,404,764	9,582,195,493	430,000,000	53,783,773	91,580,000	12,590,964,030
Net book value at the end of the period of tangible fixed assets used to mortgage or pledge to secure the loan:						
- Opening balance	45,150,151,275	-	284,631,818	-	-	45,434,783,093
- Closing balance	2,799,411,576	-	265,656,364	-	-	3,065,067,940



4.10. Increases, decreases in finance lease assets

	Machinery and equipment VND	Total VND
<b>COST</b>		
Opening balance	3,500,000,000	3,500,000,000
Closing balance	3,500,000,000	3,500,000,000
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance	583,333,333	583,333,333
Increase in the year	291,666,669	291,666,669
- Depreciation charged	291,666,669	291,666,669
Closing balance	875,000,002	875,000,002
<b>NET BOOK VALUE</b>		
- Opening balance	<u>2,916,666,667</u>	<u>2,916,666,667</u>
- Closing balance	<u>2,624,999,998</u>	<u>2,624,999,998</u>

4.11. Increases, decreases in intangible fixed assets

	Land use rights VND	Total VND
<b>COST</b>		
Opening balance	511,440,000	511,440,000
Closing balance	511,440,000	511,440,000
<b>ACCUMULATED DEPRECIATION</b>		
Opening balance	-	-
Closing balance	-	-
<b>NET BOOK VALUE</b>		
- Opening balance	<u>511,440,000</u>	<u>511,440,000</u>
- Closing balance	<u>511,440,000</u>	<u>511,440,000</u>

4.12. Short-term trade payables

	Amount VND	Amount able to be paid off VND	Amount VND	Amount able to be paid off VND
- Times Technology Solution Joint Stock Company	16,122,123,651	16,122,123,651	-	-
- Quang Thanh - South America International Trading- Import Export Company Limited	2,219,896,325	2,219,896,325	-	-
- Branch of Vinh Hung Joint Stock Company in Bac Ninh	188,378,885	188,378,885	5,686,902,818	5,686,902,818
- Global Green (Cambodia) Energy Development Co.,LTD	-	-	199,088,265,136	199,088,265,136
- Chung Anh Trading in Investment Company Limited	-	-	14,941,887,660	14,941,887,660
Others	4,276,191,905	4,276,191,905	15,129,117,874	15,129,117,874
	<u>22,806,590,766</u>	<u>22,806,590,766</u>	<u>234,846,173,488</u>	<u>234,846,173,488</u>

**4.13. Short-term advances from customers**

	<u>Closing balance</u> <i>VND</i>	<u>Opening balance</u> <i>VND</i>
Guo Hui SG International Trading (Singapore) Pte.LTD	16,676,218,852	16,676,218,852
Sen Trading and Service Company Limited	-	405,586,000
Others	946,382,210	467,014,929
	<u>17,622,601,062</u>	<u>17,548,819,781</u>

**4.14. Short-term accrued expenses**

	<u>Closing balance</u> <i>VND</i>	<u>Opening balance</u> <i>VND</i>
Interest expenses	422,233,997	-
	<u>422,233,997</u>	<u>-</u>

**4.15. Other short-term payables**

	<u>Closing balance</u> <i>VND</i>	<u>Opening balance</u> <i>VND</i>
Social insurance	1,761,527,168	1,644,978,266
Health insurance	265,347,675	178,818,525
Unemployment insurance	116,749,600	99,218,375
Others	358,598,018	-
	<u>2,502,222,461</u>	<u>1,923,015,166</u>



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4.16. Borrowings and finance lease liabilities

4.16.1. Short-term borrowings and finance lease liabilities

	Opening balance		In the year		Closing balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
<b>Short-term borrowings</b>	<b>113,566,038,387</b>	<b>113,566,038,387</b>	<b>295,505,764,546</b>	<b>286,421,852,067</b>	<b>122,649,950,866</b>	<b>122,649,950,866</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong Branch (1)	53,569,965,289	53,569,965,289	76,222,864,519	85,324,049,130	44,468,780,678	44,468,780,678
Vietnam Prosperity Joint Stock Commercial Bank (2)	-	-	106,226,977,516	30,078,842,528	76,148,134,988	76,148,134,988
Military Commercial Joint Stock Bank (3)	-	-	2,033,035,200	-	2,033,035,200	2,033,035,200
Vietnam Bank for Agricultural and Rural Development - Hung Vuong Branch	59,996,073,098	59,996,073,098	53,222,887,311	113,218,960,409	-	-
Mr. Tran Trung Quan	-	-	48,600,000,000	48,600,000,000	-	-
Mr. Pham Tuan Anh	-	-	9,200,000,000	9,200,000,000	-	-
<b>Current portion of long-term borrowings (see Note 4.16.2)</b>	<b>2,043,474,996</b>	<b>2,043,474,996</b>	<b>1,126,760,750</b>	<b>2,043,474,996</b>	<b>1,126,760,750</b>	<b>1,126,760,750</b>
<b>Short-term borrowings and finance lease liabilities</b>	<b>115,609,513,383</b>	<b>115,609,513,383</b>	<b>296,632,525,296</b>	<b>288,465,327,063</b>	<b>123,776,711,616</b>	<b>123,776,711,616</b>



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**Additional information on short-term borrowings:**

- (1) This is a short-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Dong Branch under credit agreement No. 01/2023/11011773/HĐTD dated 25 July 2024. The credit limit is VND 60,000,000,000, and the credit facility is 12 months. The purpose of the loan is to supplement working capital, and the interest rate is determined in each specific credit agreement. The loan is secured by the following:
- 02 term savings books under deposit pledge contracts No. 01/2021/11011773/HĐBĐ and 02/2021/11011773/HĐBĐ dated 10 November 2021 of Mr. Ngo Trong Tu – a related party, and one term savings book under deposit pledge contract No. 03/2021/11011773/HĐBĐ dated 10 November 2021 of Mr. Le Van Hoa – a related party;
  - Ownership of residential houses and land use rights under real estate mortgage contract No. 02/2020/11011773/HĐBĐ dated 01 July 2020 of Mr. Nguyen Van Tan and Mrs. Tran Thi Huyen Luong – related parties; an apartment unit under real estate mortgage contract No. 01/2019/11376044/HĐBĐSĐBS dated 06 November 2019 of Mr. Dang Thanh Son and Mrs. Tran Thi Nhai – related parties; land use rights and house ownership under real estate mortgage contract No. 03/2019/11011773/HĐBĐ dated 17 December 2019 of Mr. Vu Phong and Mrs. Pham Thi Hong Yen – related parties; land use rights under real estate mortgage contract No. 05/2018/11011773/HĐBĐ dated 05 October 2018 of Mr. Vu Quy and Mrs. Nguyen Thi Thu Hien – non-related parties; an apartment unit under real estate mortgage contract No. 04/2018/11011773/HĐBĐ dated 21 June 2018 of Mr. Nguyen Hoang Anh – non-related party; house ownership and land use rights under real estate mortgage contract No. 02/2023/11011773/HĐBĐ dated 21 November 2023 of Mr. Vu Hoang and Mrs. Tran Bich Nhuan – related parties;
  - A 5-seater BMW vehicle under asset mortgage contract No. 03/2018/11011773/HĐBĐ dated 04 June 2018, vehicle registration No. 764944, license plate 30G-590.50 issued by the Hanoi City Police on 05 October 2020, under real estate mortgage contract No. 01/2023/11011773/HĐBĐ dated 30 November 2023 of Mr. Nguyen Kim Truong – a related party.
- (2) This is a short-term loan from Vietnam Prosperity Joint Stock Commercial Bank under credit agreement No. 01/2024/VPB-Dong Duong dated 09 May 2024. The credit limit is VND 145,000,000,000, with a credit term of 12 months. The purpose of the loan is to supplement working capital for trading wooden products and construction sand. The interest rate is specified in each individual loan agreement. The loan is secured by the following:
- Real estate located at map sheet No. 00, Lien Bat Commune, Ung Hoa District, Ha Tay Province (now Hanoi), Land Use Right Certificate No. AK672082, Certificate Book No. T00652 under the Company's name;
  - Circulating inventory of raw wood materials and various finished wood products stored at the customer's warehouse under asset mortgage contract No. 150524-779695-01-SME/TC dated 22 May 2024.
- (3) This is a short-term loan from Military Commercial Joint Stock Bank (MB) under credit agreement No. 268514.24.058.17536.TD dated 23 December 2024. The credit limit is VND 50,000,000,000, and the credit line is maintained until 10 December 2025. The purpose of the loan is to serve business and production activities. The loan term is 06 months from the date of disbursement, and the interest rate is specified in each individual loan agreement. The loan is secured by the following:
- All goods that have been, are being, and will be formed from the business plan financed by MB, and are circulating during the production and business process.
  - All outstanding balances and interest accrued on account number 0091188688999 opened at MB.



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**4.16.2. Long-term borrowings and finance lease liabilities**

	Opening balance		In the year		Closing balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
<b>Long-term borrowings</b>	<b>1,706,968,419</b>	<b>1,706,968,419</b>	-	<b>1,241,926,419</b>	<b>465,042,000</b>	<b>465,042,000</b>
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong Branch (4)	1,545,468,400	1,545,468,400	-	1,162,326,400	383,142,000	383,142,000
Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch (5)	161,500,019	161,500,019	-	79,600,019	81,900,000	81,900,000
<b>Long-term finance lease liabilities</b>	<b>1,383,593,750</b>	<b>1,383,593,750</b>	-	<b>721,875,000</b>	<b>661,718,750</b>	<b>661,718,750</b>
Chaillese International Leasing Company Limited - Ha Noi Branch (6)	1,383,593,750	1,383,593,750	-	721,875,000	661,718,750	661,718,750
<b><i>In which:</i></b>	-	-	-	-	-	-
<b>Amount payable within 12 months:</b>	<b>2,043,474,996</b>	<b>2,043,474,996</b>			<b>1,126,760,750</b>	<b>1,126,760,750</b>
Current portion of long-term liabilities	2,043,474,996	2,043,474,996			1,126,760,750	1,126,760,750
<i>Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Dong Branch (4)</i>	1,167,000,000	1,167,000,000			383,142,000	383,142,000
<i>Tien Phong Commercial Joint Stock Bank - Hoan Kiem Branch (5)</i>	154,599,996	154,599,996			81,900,000	81,900,000
<i>Chaillese International Leasing Company Limited (6)</i>	721,875,000	721,875,000			661,718,750	661,718,750
<b>Long-term borrowings and finance lease liabilities</b>	<b>1,047,087,173</b>	<b>1,047,087,173</b>			-	-

**Additional information on long-term borrowings:**

(4) These are long-term borrowings from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Dong Branch under the following credit agreements:

- Credit agreement No. 01/2020/11011773/HĐTD dated 11 March 2020, with a credit limit of VND 3,016,242,000, a loan term of 60 months, and an interest rate of 10.3% per annum until the end of Q2/2020, subject to adjustment in subsequent quarters. The purpose of the loan is to finance the purchase of machinery and equipment under machine sales contract No. 01/2020/HĐMB-DM dated 06 January 2020, economic contract No. 03.2020 HĐKT/DONGDUONG dated 20 January 2020, equipment supply contract No. 0202/DD-GV/HĐKT dated 02 February 2020, and economic contract No. 01/KAISHENG-DONGDUONG/2020 dated 03 February 2020. The loan is secured under the future asset mortgage contract No. 01/2020/11011773/HĐBĐ dated 11 March 2020 and its amendment and supplement No. 02/2020/11011773/HĐBĐSĐBS dated 04 December 2020.

- Credit agreement No. 03/2020/11011773/HĐTD dated 09 September 2020, with a credit limit of VND 2,284,900,000, a loan term of 60 months, and an interest rate of 8.5% per annum for the first 12 months, subject to adjustment thereafter. The loan was obtained to pay for machinery and equipment purchases under the following contracts: sales contract No. ABI-DONGDUONG dated 13 August 2020, goods purchase contract No. S2008/002HC dated 11 August 2020, and sales contract No. 140820/FCO-ĐÔNG DU'ONG dated 14 August 2020. The loan is secured under future asset mortgage contract No. 02/2020/11011773/HĐTD dated 09 September 2020.

(5) This is a long-term loan from Tien Phong Commercial Joint Stock Bank – Hoan Kiem Branch under credit agreement No. 74/2019/HDTG/HGM/01 dated 05 April 2019. The loan amount is VND 500,000,000, with a term of 60 months. The interest rate is 8.9% per annum for the first year and is subject to adjustment in subsequent years. The loan is used to finance the purchase of a Nissan automobile under contract No. 109/03/2019/HĐKT-NVP dated 28 March 2019. The loan is secured by a Nissan car with license plate number 29H-217.69.

(6) Finance lease contract No. C211237212 dated 27 December 2021 with Chailease International Leasing Company Limited – Hanoi Branch, with a lease value of VND 2,887,500,000, a lease term of 48 months, and an interest rate determined at each point in time.



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4.17. Owner's equity

4.17.1. Reconciliation table of equity

	Owner's contributed capital	Share premium	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
<b>Prior year's opening balance</b>	<b>100,000,000,000</b>	-	<b>35,287,203</b>	<b>17,177,194,885</b>	<b>117,212,482,088</b>
Increase in the previous year	20,000,000,000	-	-	7,747,230,128	27,747,230,128
- Increase in the previous year	20,000,000,000	-	-	-	20,000,000,000
- Profit in the previous year	-	(114,500,000)	-	7,747,230,128	7,747,230,128
Other decreases	-	-	-	-	(114,500,000)
<b>Prior year's closing balance</b>	<b>120,000,000,000</b>	-	<b>35,287,203</b>	<b>24,924,425,013</b>	<b>144,845,212,216</b>
<b>Current year's opening balance</b>	<b>120,000,000,000</b>	<b>(114,500,000)</b>	<b>35,287,203</b>	<b>24,924,425,013</b>	<b>144,845,212,216</b>
Increase in the year	-	-	-	4,353,848,409	4,353,848,409
- Profit for the year	-	-	-	4,353,848,409	4,353,848,409
<b>Current year's closing balance</b>	<b>120,000,000,000</b>	<b>(114,500,000)</b>	<b>35,287,203</b>	<b>29,278,273,422</b>	<b>149,199,060,625</b>

4.17.2. Details of owner's investment capital

	Closing balance		Opening balance	
	Actual contributed capital	Ratio	Actual contributed capital	Ratio
	VND	%	VND	%
Mr. Nguyen Xuan Muoi	10,088,000,000	8.41%	10,088,000,000	8.41%
Mr. Le Van Hoa	10,000,000,000	8.33%	10,000,000,000	8.33%
Ms. Nguyen Thi Thien	9,649,000,000	8.04%	9,649,000,000	8.04%
Mr. Dang Thanh Son	7,426,670,000	6.19%	7,426,670,000	6.19%
Mr. Vu Hoang	7,130,650,000	5.94%	7,130,650,000	5.94%
Ms. Nguyen Thi Thuyen	6,766,670,000	5.64%	6,766,670,000	5.64%
Others	68,939,010,000	57.45%	68,939,010,000	57.45%
	<b>120,000,000,000</b>	<b>100.00%</b>	<b>120,000,000,000</b>	<b>100.00%</b>

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

	Current year VND	Prior year VND
<b>Owner's invested equity</b>	-	-
Capital contribution at the beginning of the year	120,000,000,000	100,000,000,000
Contributed capital increased during the year	-	20,000,000,000
Capital contribution at the end of the year	120,000,000,000	120,000,000,000
<b>Dividends and distributed profits</b>	-	-

4.17.4. Shares

	Closing balance VND	Opening balance VND
- Number of shares registered for issuance	12,000,000	12,000,000
- Number of shares issued to the public	12,000,000	12,000,000
+ <i>Ordinary shares</i>	12,000,000	12,000,000
+ <i>Preference shares</i>	-	-
- Number of outstanding shares in circulation	12,000,000	12,000,000
+ <i>Ordinary shares</i>	12,000,000	12,000,000
+ <i>Preference shares</i>	-	-

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

4.18. Foreign currencies

	Closing balance	Opening balance
US Dollar (USD)	113.42	307.55
Euro (EUR)	130.05	313.41



5. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT

5.1. Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from wood trading	151,981,715,065	236,298,662,161
Revenue from sand trading	274,514,332,866	374,672,504,136
Others	258,400,000	-
	<b>426,754,447,931</b>	<b>610,971,166,297</b>

5.2. Cost of goods sold and services rendered

	Current year VND	Prior year VND
Cost of goods sold from wood trading activities	130,593,491,761	223,995,024,857
Cost of goods sold from sand trading activities	269,633,088,978	328,668,741,235
Provision for costs of work in progress	1,082,099,621	-
	<b>401,308,680,360</b>	<b>552,663,766,092</b>

5.3. Financial income

	Current year VND	Prior year VND
Bank and loan interest	277,879,756	2,022,082
Realized foreign exchange gains	-	1,773,076,430
	<b>277,879,756</b>	<b>1,775,098,512</b>

5.4. Financial expenses

	Current year VND	Prior year VND
Interest expenses on borrowings and finance leases	9,588,136,659	10,982,727,302
Loss from foreign exchange differences due to year-end revaluation of balances	2,823,783,440	14,230,999,629
	<b>12,411,920,099</b>	<b>25,213,726,931</b>

5.5. Selling expenses

	Current year VND	Prior year VND
Labor expenses	650,465,200	1,826,470,900
Depreciation expenses	332,518,317	709,614,404
Outsourced service expenses	785,831,259	13,005,074,250
Other cash expenses	13,878,541	2,083,682,287
	<b>1,782,693,317</b>	<b>17,624,841,841</b>

**5.6. General and administration expenses**

	Current year VND	Prior year VND
Management staff costs	2,091,152,259	3,220,883,250
Cost of materials management	108,563,175	197,565,134
Cost of tools, instruments and supplies	75,021,276	-
Fixed asset depreciation expense	32,925,757	76,523,454
Taxes, charges and fees	208,504,878	501,833,068
Outsourced service expenses	537,219,378	221,824,204
Other cash expenses	211,278,619	648,614,622
	<b>3,264,665,342</b>	<b>4,867,243,732</b>

**5.7. Other expenses**

	Current year VND	Prior year VND
Tax payable according to tax finalization	-	606,892,073
Administrative penalties	1,886,575,372	255,185,033
Loss from disposal of fixed assets	397,601,411	-
- Other income from disposal of fixed assets	1,153,636,364	-
- Net book value and disposal costs	1,551,237,775	-
Others	113,872,000	-
	<b>2,398,048,783</b>	<b>862,077,106</b>

**5.8. Corporate income tax expense**

	Current year VND	Prior year VND
Corporate income tax expense based on taxable profit in the current year (i)	1,512,471,377	2,546,231,648
Adjustments for corporate income tax expense in previous years to the current year	-	1,221,147,331
	<b>1,512,471,377</b>	<b>3,767,378,979</b>

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



	Current year VND	Prior year VND
<b>Profit/(Loss) before tax</b>	<b>5,866,319,786</b>	<b>11,514,609,107</b>
- Adjustments increase	2,441,600,991	1,216,832,823
+ ) <i>Non-deductible expenses</i>	1,966,556,910	862,077,106
+ ) <i>Exchange loss from revaluation of receivables at year-end</i>	-	354,755,717
+ ) <i>Non-deductible interest expenses</i>	475,044,081	-
- Adjustments decrease	(745,563,891)	(283,689)
+ ) <i>Foreign exchange gain from revaluation of monetary items and receivables at year-end</i>	(745,563,891)	(283,689)
<b>Profits subject to corporate income tax</b>	<b>7,562,356,886</b>	<b>12,731,158,241</b>
Income from business activities is subject to a tax rate of 20%	7,562,356,886	12,731,158,241
<b>Estimated corporate income tax payable</b>	-	-
Corporate income tax expenses from business activities are subject to a tax rate of 20%	1,512,471,377	2,546,231,648
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>1,512,471,377</b>	<b>2,546,231,648</b>

5.9. Basic earnings per share and Diluted earnings per share

	Current year	Prior year
<b>a) Basic earnings per share</b>	-	-
Accounting profit after corporate income tax (VND)	4,353,848,409	7,747,230,128
Profit or loss attributable to ordinary shareholders (VND)	4,353,848,409	7,747,230,128
<i>Average ordinary shares in circulation for the year (shares)</i>	<i>12,000,000</i>	<i>12,000,000</i>
<b>Basic earnings per share (VND/Share)</b>	<b>363</b>	<b>646</b>

5.10. Production cost by nature

	Current year VND	Prior year VND
Raw materials and consumables	73,136,163,077	22,451,548,283
Labour	4,335,796,084	10,967,554,225
Tools, supplies, and equipment expenses	75,021,276	-
Depreciation and amortisation	5,199,829,994	5,685,775,566
Provision expenses	1,082,099,621	-
Taxes, charges and fees	2,355,530,836	14,754,507,783
Other cash expenses	433,662,038	3,447,273,613
	<b>86,618,102,926</b>	<b>57,306,659,470</b>

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF CASH FLOWS

6.1. Actual amounts of borrowings received during the year

	Current year VND	Prior year VND
Proceeds from borrowings under normal contracts	295,505,764,546	200,630,791,903
	<b>295,505,764,546</b>	<b>200,630,791,903</b>

6.2. Actual amounts of principal paid during the year

	Current year VND	Prior year VND
Repayment of borrowings under normal contracts	287,663,778,486	213,859,022,038
	<b>287,663,778,486</b>	<b>213,859,022,038</b>

7. OTHER INFORMATION

7.1. Events arising after the end of the year

The Company's shares have been traded on the Upcom market since 15 January 2025. Except for the aforementioned event, there have been no significant events occurring after the financial year ended 31 December 2024 that require adjustment or disclosure in the notes to the financial statements.

7.2. Transactions and balances with related parties

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

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

Key management personnel include members of the Board of Management/Members' Council and members of the Executive Board (General Directors and Chief Accountant). Individuals associated with key management members are close members in the family of key management members.

*Remuneration of key management personnel:*

The total remuneration of the Executive Board and the compensation of the Board of Management for the year are as follows:

	Content	Current year VND	Prior year VND
<b>The Board of Directors</b>			
Mr. Vu Hoang	Member cum General Director	305,060,000	323,765,000
Ms. Le Thi Quynh Cham	Member (Dismissed)	-	92,197,777
<b>The Board of Supervisors</b>			
Ms. Do Thi Hoai	Head of BOS	-	112,556,988
Mr. Ngo Trong Tu	Member	202,700,000	192,020,000
Mr. Nguyen Tuan San	Member	91,400,000	273,745,500



Except for the related party transactions and balances disclosed above, the Company did not incur any transactions with key management personnel and individuals related to key management personnel during the year.

**7.2.2. Transactions and balances with other related parties**

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

*List of other related parties*

Other related parties	Location	Relationship	
Thang Long No.4 Investment and Construction Joint Stock Company	Ha Noi	Company with common key management personnel	
<b>Transactions with other related parties</b>			
	Transactions	Current year VND	Prior year VND
<b>Sales of goods and provision of services</b>			
Thang Long No.4 Investment and Construction Joint Stock Company	Sale of wood	15,767,640,684	-
<b>Balances with other related parties</b>			
		Current year VND	Prior year VND
<b>Short-term trade receivables</b>			
Thang Long No.4 Investment and Construction Joint Stock Company		-	-

7.3. Information of Department

According to Circular No. 20/2006/TT-BTC dated 20 March 2006 of the Ministry of Finance providing guidance on the implementation of six (06) accounting standards issued under Decision No. 12/2005/QĐ-BTC dated 15 February 2005 of the Ministry of Finance, the Company's management decisions are primarily based on the types of products and services provided rather than the geographical areas in which such products and services are delivered. Therefore, the Company's primary segment reporting is presented by business lines..

PRIOR YEAR

Items	Wood trading		Sand trading		Other activities		Total reported segments	
	VND	VND	VND	VND	VND	VND	VND	VND
Net external sales	236,298,662,161	374,672,504,136	-	-	-	-	610,971,166,297	
Net inter-segment sales	223,995,024,857	328,668,741,235	-	-	-	-	552,663,766,092	
Operating profit	12,303,637,304	46,003,762,901	-	-	-	-	58,307,400,205	
Segment assets at year-end	23,161,831,542	36,725,139,893	-	-	-	-	59,886,971,435	
Unallocated assets at year-end	-	-	-	-	-	-	461,870,989,410	
<b>Total assets at year-end</b>	<b>23,161,831,542</b>	<b>36,725,139,893</b>	-	-	-	-	<b>521,757,960,845</b>	
Segment liabilities at year-end	48,158,375,763	76,359,379,597	-	-	-	-	124,517,755,360	
Unallocated liabilities at year-end	-	-	-	-	-	-	252,394,993,269	
<b>Total liabilities at year-end</b>	<b>48,158,375,763</b>	<b>76,359,379,597</b>	-	-	-	-	<b>376,912,748,629</b>	



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CURRENT YEAR

Items	Wood trading		Sand trading		Other activities		Total reported segments	
	VND	VND	VND	VND	VND	VND	VND	VND
Net external sales	151,981,715,065	274,514,332,866			258,400,000		426,754,447,931	
Net inter-segment sales	131,675,591,382	269,633,088,978			-		401,308,680,360	
Operating profit	20,306,123,683	4,881,243,888			258,400,000		25,445,767,571	
Segment assets at year-end	22,739,755,147	41,073,287,739			38,662,235		63,851,705,121	
Unallocated assets at year-end	-	-			-		258,516,989,491	
<b>Total assets at year-end</b>	<b>22,739,755,147</b>	<b>41,073,287,739</b>			<b>38,662,235</b>		<b>322,368,694,612</b>	
Segment liabilities at year-end	47,273,367,989	85,386,699,776			80,374,394		132,740,442,159	
Unallocated liabilities at year-end	-	-			-		40,429,191,828	
<b>Total liabilities at year-end</b>	<b>47,273,367,989</b>	<b>85,386,699,776</b>			<b>80,374,394</b>		<b>173,169,633,987</b>	

7.4. Comparative figures

The comparative figures are based on the 2023 financial statements of the Company, which were audited by ASCO Auditing and Valuation Company Limited. Certain items in the Balance Sheet, Income Statement, and Cash Flow Statement have been retrospectively restated due to prior years' tax arrears, in accordance with the administrative penalty decision on tax matters under Decision No. 69332/QĐ-CTHN-TTKT4-XPVPHC dated December 30, 2024, issued by the Hanoi Tax Department. The changes are as follows:

ITEMS	Code	The data in the 2023 audited financial statements	The data in the 2024 audited financial statements	Difference
<b>BALANCE SHEET</b>				
<b>LIABILITIES</b>	<b>300</b>	<b>373,863,161,172</b>	<b>376,912,748,629</b>	<b>(3,049,587,457)</b>
<b>Short-term liabilities</b>	<b>310</b>	<b>372,816,073,999</b>	<b>375,865,661,456</b>	<b>(3,049,587,457)</b>
Taxes and amounts payable to the State budget	313	2,876,789,780	5,926,377,237	(3,049,587,457)
<b>EQUITY</b>	<b>400</b>	<b>147,894,799,673</b>	<b>144,845,212,216</b>	<b>3,049,587,457</b>
<b>Owner's equity</b>	<b>410</b>	<b>147,894,799,673</b>	<b>144,845,212,216</b>	<b>3,049,587,457</b>
Retained earnings	421	27,974,012,470	24,924,425,013	3,049,587,457
- Retained earnings/(losses) accumulated to the prior year	421a	18,398,742,938	17,177,194,885	1,221,548,053
- Retained earnings/(losses) of the current year	421b	9,575,269,532	7,747,230,128	1,828,039,404
<b>STATEMENT OF INCOME</b>				
Other expense	32	255,185,033	862,077,106	(606,892,073)
<b>Accounting profit before tax</b>	<b>50</b>	<b>12,121,501,180</b>	<b>11,514,609,107</b>	<b>606,892,073</b>
Current corporate income tax expense	51	2,546,231,648	3,767,378,979	(1,221,147,331)
<b>Net profit after corporate income tax</b>	<b>60</b>	<b>9,575,269,532</b>	<b>7,747,230,128</b>	<b>1,828,039,404</b>
Basic earnings per share	70	798	646	152
Diluted earnings per share	71	798	646	152
<b>STATEMENT OF CASH FLOWS</b>				
<b>Profit before tax</b>	<b>01</b>	<b>12,121,501,180</b>	<b>11,514,609,107</b>	<b>606,892,073</b>
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11	89,310,885,558	89,917,777,631	(606,892,073)

Preparer  
Tran Phuong Lan

Chief Accountant  
Nguyen Thi Ngoan

General Director  
Vu Hoang  
Hanoi, Vietnam  
31 March 2025