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# NHA TRANG TEXTILE AND GARMENT JOINT STOCK COMPANY

Audited combined financial statements  
for the financial year ended 31 December 2024



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## REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Nha Trang Textile and Garment Joint Stock Company (briefly call “the Company”) has the pleasure in presenting this report and the combined financial statements for the financial year ended 31 December 2024.

### 1. General information

Nha Trang Textile and Garment Joint Stock Company is an enterprise equitized from the State Enterprise Nha Trang Textile Company under the Decision No. 3956/QĐ-BCN dated 02 December 2005 of the Ministry of Industry and Trade. The Company is operating under the Enterprise Registration Certificate No. 3703000219 first Certificate dated 08 August 2006 issued by the Khanh Hoa Provincial Department of Planning and Investment and is replaced by joint stock company Enterprise Registration Certificate No. 4200237973 the 9<sup>th</sup> Amendment dated 15 April 2022 issued by the Khanh Hoa Provincial Department of Planning and Investment.

The Company's shares are being traded on the Hanoi Stock Exchange with the following contents:

Charter capital:	VND 235,000,000,000 (Vietnam Dong two hundred and thirty-five billion)
Par value of shares:	VND 10,000
Total shares:	23,500,000 shares
Stock code:	NTT
Stock exchange:	UPCoM

The Company's head office and factory are located at Km 1447 National Road No.1, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province.

- Tel : (0258) 3727 243
- Fax : (0258) 3727 227
- Email : info@nhatrangtex.com
- Website : <http://www.nhatrangtex.com>

Dependent units of the Company	Address
Khanh Hoa Branch	12 Nguyen Gia Thieu Street, Van Thanh Ward, Nha Trang City, Khanh Hoa Province.
Ho Chi Minh City Branch	54 Ton That Tung Street, Ben Thanh Ward, District 1, Ho Chi Minh City.

### 2. The Executive Board

The members of the Executive Board of the Company during the year and at the date of this report are:

#### The Board of Management

<u>Full name</u>	<u>Position</u>	<u>Date of appointment/ reappointment</u>
Mr. Dang Vu Hung	Chairman	29 April 2022
Mr. Tran Hoang Thao	Member	29 April 2022
Ms. Nguyen Thi Hong Phuong	Member	29 April 2022
Mr. Phan Minh Tien	Member	29 April 2022

#### The Board of Supervision

<u>Full name</u>	<u>Position</u>	<u>Date of appointment/ reappointment</u>
Ms. Phan Thi Kieu Oanh	Head member	29 April 2022
Ms. Mai Thi Tinh	Member	29 April 2022
Ms. Nguyen Thi Cam Van	Member	29 April 2022

## REPORT OF THE BOARD OF MANAGEMENT

### The Executive Board (continued)

#### The Board of Directors

<u>Full name</u>	<u>Position</u>	<u>Date of appointment</u>
Ms. Dang Thi Ngoc Bich	Deputy General Director	25 September 2019
Ms. Pham Thi Huong Lan	Deputy General Director	04 August 2020
Mr. Nguyen Hai Son	Deputy General Director	24 February 2021
Mr. Phan Minh Tien	Executive Director	18 March 2019

#### Chief Accountant

<u>Full name</u>	<u>Position</u>	<u>Date of appointment</u>
Ms. Nguyen Thi Hoang Quyen	Chief Accountant	01 May 2020

#### Legal representative

The Company's legal representative during the year and at the date of this report is Mr. Dang Vu Hung (appointed on 30 July 2020).

### 3. The Company's financial position and operating results

The Company's financial position as at 31 December 2024 and its operating result for the financial year then ended are reflected in the accompanying combined financial statements.

### 4. Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the combined financial statements.

### 5. Auditors

AFC Vietnam Auditing Company Limited has been appointed to perform the audit for the financial year ended 31 December 2024.

### 6. Statement of the Board of Directors' responsibility in respect of the combined financial statements

The Board of Directors is responsible for the preparation of these combined financial statements which gives a true and fair view of the state of affair of the Company and of its operations and cash flows for the year then ended. In preparing those combined financial statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the combined financial statements;
- Prepare the general financial statements on the going concern basic unless it is inappropriate to presume that the Company will continue in business; and
- Design, implement and maintain the Company's internal control for prevention and detection of fraud and error.

The Board of Directors is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Directors is also responsible for controlling the assets of the Company and therefore has taken the appropriate measures for the prevention and detection of fraud and other irregularities.

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



## REPORT OF THE BOARD OF MANAGEMENT

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### 7. Approval of the combined financial statements

We hereby approve the accompanying combined financial statements which give a true fair view of the financial position of the Company as at 31 December 2024 and of the results of its operations and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the combined financial statements.



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**DANG VU HUNG**

Chairman of the Board of Management

Khanh Hoa Province, 28 March 2025



No: 262/2025/BCKT-HCM.00562

## INDEPENDENT AUDITORS' REPORT

To: Shareholders, the Board of Management and the Board of Directors  
Nha Trang Textile and Garment Joint Stock Company

We have audited the accompanying combined financial statements of Nha Trang Textile and Garment Joint Stock Company ("the Company"), prepared on 28 March 2025 as set out from page 05 to page 47, which comprise the general balance sheet as at 31 December 2024, the combined income statement, combined cash flow statement for the financial year then ended, and notes to the combined financial statements.

### Management's Responsibility for the combined financial statements

Management is responsible for the preparation of these combined financial statements in accordance with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as management determines is necessary to enable the preparation of 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 combined 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 combined financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the combined 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

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

### Auditors' opinion

In our opinion, the accompanying combined financial statements give a true and fair view of, in all material respects, the financial position of Nha Trang Textile and Garment Joint Stock Company as at 31 December 2024, and its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the combined financial statements.

  
NGUYEN NGOC THUY DUNG  
Deputy General Director

Audit Practising Registration Certificate:  
No. 2782-2024-009-1

AFC VIETNAM AUDITING COMPANY LIMITED  
Ho Chi Minh City, 28 March 2025



BUI NHAT HUY  
Auditor

Audit Practising Registration Certificate:  
No. 5545-2021-009-1



**COMBINED BALANCE SHEET**

As at 31 December 2024

ITEMS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>ASSETS</b>				
<b>CURRENT ASSETS</b>	<b>100</b>		<b>739,726,368,206</b>	<b>477,965,760,493</b>
Cash and cash equivalents	110	5.1	34,093,204,093	58,132,985,214
Cash	111		15,020,204,093	48,082,985,214
Cash equivalents	112		19,073,000,000	10,050,000,000
Short-term investments	120		67,570,000,000	44,620,000,000
Held to maturity investments	123	5.2.1	67,570,000,000	44,620,000,000
Accounts receivable	130		221,765,407,615	103,120,352,999
Trade receivables	131	5.3.1	215,527,975,102	94,805,312,967
Advances to supplies	132	5.4	7,175,025,129	8,051,167,979
Other receivables	136	5.5	341,353,498	1,542,818,167
Provision for doubtful debts	137	5.6	(1,278,946,114)	(1,278,946,114)
Inventories	140		389,790,016,266	262,231,841,788
Inventories	141	5.7	389,790,016,266	262,231,841,788
Other current assets	150		26,507,740,232	9,860,580,492
Prepaid expenses	151	5.8.1	1,923,249,180	2,211,924,995
Value added tax deductibles	152	5.14	22,647,003,884	2,596,402,232
Taxes and other receivable from State	153	5.14	1,937,487,168	5,052,253,265
<b>ASSETS</b>				
<b>NON-CURRENT ASSETS</b>	<b>200</b>		<b>495,087,207,114</b>	<b>563,021,263,457</b>
Long-term receivables	210		1,360,190,736	36,653,153,023
Long-term trade receivables	211	5.3.2	1,360,190,736	36,653,153,023
Fixed assets	220		458,879,271,336	388,775,497,759
Tangible fixed assets	221	5.9	457,225,169,805	387,078,962,896
Cost	222		843,477,479,940	779,966,495,638
Accumulated depreciation	223		(386,252,310,135)	(392,887,532,742)
Finance leasehold assets	224		-	-
Intangible fixed assets	227	5.10	1,654,101,531	1,696,534,863
Cost	228		1,909,500,000	1,909,500,000
Accumulated amortisation	229		(255,398,469)	(212,965,137)
Investment Property	230		-	-
Long-term assets in progress	240		10,363,652,038	109,080,170,987
Construction in progress	242	5.11	10,363,652,038	109,080,170,987
Long-term financial investments	250		1,221,725,000	1,221,725,000
Investments in equity of other entities	253	5.2.2	1,221,725,000	1,221,725,000
Other long-term assets	260		23,262,368,004	27,290,716,688
Long-term prepaid expenses	261	5.8.2	23,262,368,004	27,290,716,688
<b>TOTAL ASSETS</b>	<b>270</b>		<b>1,234,813,575,320</b>	<b>1,040,987,023,950</b>

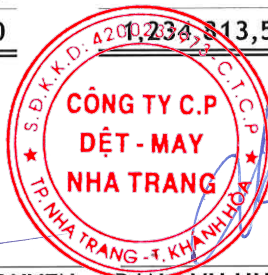
**COMBINED BALANCE SHEET**

As at 31 December 2024

ITEMS	Code	Note	31/12/2024 VND	01/01/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES</b>	<b>300</b>		<b>1,047,062,952,526</b>	<b>882,748,156,812</b>
<b>Current liabilities</b>	<b>310</b>		<b>727,975,733,941</b>	<b>519,600,046,861</b>
Trade payables	311	5.12.1	291,719,372,225	167,415,790,456
Advance from customers	312	5.13	12,806,721,598	17,040,866,414
Tax and payable to the State	313	5.14	7,775,066,080	4,361,132,433
Payable to employees	314		16,646,117,775	17,226,698,242
Accrued expenses payable	315	5.15	2,839,354,124	5,966,549,410
Other payables	319	5.16.1	3,421,220,760	3,201,664,860
Short-term loan and liabilities	320	5.17.1	392,251,140,426	303,998,005,293
Current contingent expense payables	321	5.18	95,311,000	-
Bonus and welfare funds	322	5.19	421,429,953	389,339,753
<b>Long-term liabilities</b>	<b>330</b>		<b>319,087,218,585</b>	<b>363,148,109,951</b>
Long-term trade payables	331	5.12.2	176,011,644,887	208,741,229,900
Other long-term payables	337	5.16.2	8,823,427,397	-
Long-term borrowings and liabilities	338	5.17.2	134,252,146,301	154,406,880,051
<b>RESOURCES</b>				
<b>OWNER'S EQUITY</b>	<b>400</b>		<b>187,750,622,794</b>	<b>158,238,867,138</b>
<b>Capital</b>	<b>410</b>	5.20	<b>187,750,622,794</b>	<b>158,238,867,138</b>
Owners' invested equity	411		235,000,000,000	235,000,000,000
Ordinary shares with voting rights	411a		235,000,000,000	235,000,000,000
Surplus of stock capital	412		1,820,000,000	1,820,000,000
Development investment fund	418		23,696,115,722	23,696,115,722
Retained earnings	421		(72,765,492,928)	(102,277,248,584)
Accumulated retained earnings of previous year	421a		(102,277,248,584)	(85,793,594,961)
Retained earnings of this year	421b		29,511,755,656	(16,483,653,623)
Other capital, funds	430		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>1,040,987,023,950</b>	<b>1,040,987,023,950</b>

**DIEP TU MY LIEN**  
Preparer

**NGUYEN THI HOANG QUYEN**  
Chief Accountant



**DANG VU HUNG**  
Chairman of the Board of Management  
Khanh Hoa Province, 28 March 2025



**COMBINED INCOME STATEMENT**

For the year ended 31 December 2024

ITEMS	Code	Note	2024 VND	2023 VND
Gross sales of merchandise and services	01		1,233,648,206,745	801,781,567,706
Less deduction	02		1,276,339,444	880,173,408
Net sales	10	6.1.1	1,232,371,867,301	800,901,394,298
Cost of sales	11	6.2	1,137,247,668,514	765,774,402,622
Gross profit/(loss)	20		95,124,198,787	35,126,991,676
Financial income	21	6.3	8,260,530,189	6,165,611,835
Financial expenses	22	6.4	31,992,828,104	31,199,834,826
<i>In which : Interest expenses</i>	23		25,218,486,972	21,541,175,471
Selling expenses	25	6.5	17,975,792,023	6,575,339,547
General and administration expenses	26	6.6	20,159,074,978	18,984,997,314
Operating profit/(loss)	30		33,257,033,871	(15,467,568,176)
Other income	31	6.7	1,910,776,639	13,272,798,092
Other expenses	32	6.8	1,271,044,696	10,065,217,071
Other profit/(loss)	40		639,731,943	3,207,581,021
Profit/(loss) before tax	50		33,896,765,814	(12,259,987,155)
Current corporate income tax expense	51	5.14	4,385,010,158	4,223,666,468
Deferred corporate income tax expense	52		-	-
Net profit/(loss) after tax	60		29,511,755,656	(16,483,653,623)
Basic earnings per share	70	6.9	1,256	(701)



DIEP TU MY LIEN  
Preparer



NGUYEN THI HOANG QUYÊN  
Chief Accountant



DANG VU HUNG  
Chairman of the Board of Management  
Khanh Hoa Province, 28 March 2025

## COMBINED CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

ITEMS	Code	Note	2024 VND	2023 VND
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net profit before tax	01		33,896,765,814	(12,259,987,155)
<i>Adjustments for:</i>				
Depreciation and amortisation	02	5.9;5.10	41,318,677,931	25,150,254,351
Provisions	03	5.18	95,311,000	(102,358,750)
(Gains)/losses from year-end re-valuation of foreign currency balances	04		(2,596,479,698)	4,346,244,764
(Profits)/losses from investing activities	05	6.3; 6.7	(3,634,402,747)	(2,351,961,679)
Interest expense	06	6.4	25,218,486,972	21,541,175,471
<i>Operating income before changes in working capital</i>	<b>08</b>		<b>94,298,359,272</b>	<b>36,323,367,002</b>
(Increase)/decrease in receivables	09		(108,262,205,721)	(4,336,348,616)
(Increase)/decrease in inventories	10		(127,790,617,757)	2,087,942,838
Increase/(decrease) in payables	11		98,182,621,836	213,159,490,936
(Increase)/decrease in prepaid expenses	12		4,317,024,499	(22,627,169,435)
Interest paid	14		(21,900,906,492)	(17,517,102,960)
Corporate income tax paid	15		-	(1,741,279,519)
Other cash inflow from operating activities	16	5.19	143,610,200	50,104,540
Other cash outflow from operating activities	17	5.19	(101,369,000)	(122,698,548)
<b>Net cash flow from operating activities</b>	<b>20</b>		<b>(61,113,483,163)</b>	<b>205,276,306,238</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of fixed assets and other long term assets	21		(15,862,266,486)	(238,677,357,091)
Proceed from disposal of FA and other LT assets	22		4,091,833,981	-
Payment for loan, purchase of debt instrument	23		(22,950,000,000)	-
Interest and dividends received	27		2,802,765,441	2,351,961,679
<b>Net cash flow from investing activities</b>	<b>30</b>		<b>(31,917,667,064)</b>	<b>(236,325,395,412)</b>
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>				
Proceeds from borrowings	33	5.17	1,103,163,642,261	833,364,082,434
Repayments of borrowings	34	5.17	(1,035,469,256,929)	(770,350,921,022)
<b>Net cash flow from financing activities</b>	<b>40</b>		<b>67,694,385,332</b>	<b>63,013,161,412</b>
<b>Net increase/decrease in cash</b>	<b>50</b>		<b>(25,336,764,895)</b>	<b>31,964,072,238</b>
Cash and cash equivalents at beginning of year	60	5.1	58,132,985,214	25,191,593,701
Impact of exchange rate fluctuation	61		296,983,774	977,319,275
<b>Cash and cash equivalents at the end of year</b>	<b>70</b>		<b>34,093,204,093</b>	<b>58,132,985,214</b>

DIEP TU MY LIEN  
Preparer

NGUYEN THI HOANG QUYEN  
Chief Accountant



DANG VU HUNG

Chairman of the Board of Management  
 Khanh Hoa Province, 28 March 2025



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

These notes form an integral part of and should be read along with the accompanying combined financial statements.

### 1. GENERAL INFORMATION

#### 1.1 Ownership

Nha Trang Textile and Garment Joint Stock Company (“the Company”) is an enterprise equitized from the State Enterprise Nha Trang Textile Company under the Decision No. 3956/QĐ-BCN dated 02 December 2005 of the Ministry of Industry and Trade. The Company is operating under the Enterprise Registration Certificate No. 4200237973 the 9<sup>th</sup> Amendment dated 15 April 2022 issued by the Khanh Hoa Provincial Department of Planning and Investment.

The Company’s shares are being traded at the Hanoi Stock Exchanges according to the following contents:

- Charter capital: VND 235,000,000,000 (Vietnam Dong two hundred and thirty-five billion)
- Par value of shares: VND 10,000
- Total shares: 23,500,000 shares
- Stock code: NTT
- Stock exchange: UPCoM

#### 1.2 Trading

The Company operates in industrial manufacturing, trading and service fields.

#### 1.3 Business lines

The Company’s business activities are:

- Manufacture of garments;
- Manufacture of all kinds of raw materials and accessories for the textile industry;
- Manufacture of footwear;
- Commercial brokerage, consignment purchase and sale agent, consignment trading agent;
- Construction of civil works, industrial works, industrial parks, urban areas, tourist areas;
- Manufacture of cotton, fiber, yarn;
- Manufacture of fabrics;
- Finishing of textiles;
- Manufacture of machinery, equipment and packaging for textile and apparel production;
- Manufacture of chemical products (except strong toxic chemicals), dyes for the textile industry;
- Trading of textiles, clothing and footwear;
- Trading of machinery, equipment, supplies, spare parts, packaging for the textile industry;
- Trading of chemicals (except chemicals with strong toxicity), dyes for the textile industry; Trading of all kinds of cotton, fiber, yarn, raw materials and accessories for the textile industry;
- Trading of house business and commercial center. Renting office house, factory, warehouse;
- Installation and repair services of factory machinery and equipment;
- Freight transport by road;
- Industrial liquid waste, domestic wastewater treatment;
- Travel, hotels, resorts services;
- Restaurants;
- Trading of petroleum and fuel;
- Trading of construction materials;
- Manufacture of knitted, crocheted and non-woven;

## **NOTES TO THE COMBINED FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2024*

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### **Business lines (continued)**

- Sewing of clothing (except fur clothing);
- Manufacture of knitted and crocheted apparel;
- Direct printing on textiles;
- Water collection, treatment and supply;
- Operation of canteens and cafeterias; and
- Dry cleaning, wet cleaning, ironing... all kinds of clothes and textiles, washed by hand, by washing machine.

During the year, the Company's main business activities are leasing premises, manufacturing garments, cotton, fiber, yarn and fabrics.

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

Normal business and production cycle of the Company is not exceeding 12 months.

### **1.5 Comparative information in combined financial statements**

The figures in the combined financial statements for the financial year ended 31 December 2024 are comparable to the prior year's corresponding figures.

### **1.6 Employees**

As at 31 December 2024, the Company has 940 employees (as at 31 December 2023: 996 employees).

## **2. ACCOUNTING YEAR AND ACCOUNTING CURRENCY**

### **2.1 Financial year**

The financial year of the Company is from 01 January and ended 31 December annually.

### **2.2 Accounting currency**

The Company maintains its accounting records in Vietnam Dong (VND) due to the revenues and expenditures are made primarily by currency VND.

## **3. APPLICABLE ACCOUNTING STANDARDS AND REGIME**

### **3.1 Applicable accounting standards and regime**

The Company applied Vietnamese Accounting Standards, Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing Circular No. 200/2014/TT-BTC issued by the Ministry of Finance providing guidance on enterprise accounting system and other circulars providing guidance on implementation of accounting standards of the Ministry of Finance relevant to preparation and presentation of the financial statements.

### **3.2 Statement of compliance with Accounting Standards and Accounting System**

The Board of Directors confirmed that it has complied with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System in Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing Circular No. 200/2014/TT-BTC and other circulars providing guidance on implementation of accounting standards of the Ministry of Finance relevant to preparation and presentation of the financial statements.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 4.1 Basis of preparation the financial statements

The financial statements are prepared, except for cash flow information, under the accrual basis of accounting.

The dependent units have to organize separate accounting and dependent accounting. The combined financial statements of the Company shall be made on the basis of aggregate financial statements of the dependent units. Revenue and balances between dependent units are eliminated in preparing the combined financial statements.

#### 4.2 Foreign currency transactions

Transactions in foreign currencies during the year have been translated into VND at exchange rates ruling at the date of the transaction. At year-end, monetary assets and liabilities denominated in foreign currencies are translated into VND at the exchange rates as announced at the balance sheet date.

Exchange rate differences incurred from transactions in currencies other than VND during the year are recorded in financial income or financial expenses. Exchange rate differences incurred due to revaluation of accounts derived from foreign currencies at year-end are recorded net amount after offsetting gain and loss on exchange differences in financial income or financial expenses.

Exchange rates used for conversion of transactions in foreign currencies are actual transaction exchange rates at the date of the transaction. Actual transaction exchange rates are determined as follows:

- Real exchange rate when buying or selling foreign currency (spot contracts of foreign exchange sale, forward contracts, futures contracts, options contracts, and swap contracts) is exchange rate concluded in contract of foreign exchange sale between the Company and commercial bank.
- If the contract does not specify the exchange rate of payment:
  - Real exchange rate upon capital contribution or receipt of contributed capital: buying exchange rate of the bank where the Company opens the account to receive capital from investors at the date of the contribution of capital.
  - Real exchange rate upon recording receivables: buying exchange rates of commercial bank where the Company assigned customers to make payment at the time of incurred transactions.
  - Real exchange rate upon recording liabilities: selling exchange rates of commercial bank where the Company expects to conduct transactions at the time of incurred transactions.
  - For purchases of assets or expenses paid immediately in foreign currency (not through the accounts payable), the real exchange rate is the buying exchange rate of commercial bank where the Company makes payments.

The principles for determining real exchange rate upon re-determining accounts derived from foreign currencies at the balance sheet date:

- For foreign currencies deposited in bank: buying exchange rate of JSC Bank for Foreign Trade of Vietnam. Exchange rate as at 31/12/2024: VND 25,251 per USD.
- For foreign currencies classified as other assets: buying exchange rates of JSC Bank for Foreign Trade of Vietnam. Exchange rate as at 31/12/2024: VND 25,251 per USD.
- For foreign currencies classified as liabilities: selling exchange rates of JSC Bank for Foreign Trade of Vietnam. Exchange rate as at 31/12/2024: VND 25,551 per USD, VND 27,238.45 per EUR.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 4.3 Cash and cash equivalents

Cash comprises cash on hand, cash at banks (demand deposits) and cash in transit. Cash equivalents are short-term highly liquid investments with an original maturity of less than three months from the date of investment that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value at the balance sheet date.

### 4.4 Investments

#### Investments in equity of other companies

Investments in equity of other companies include investments which the Company have no control, co-control or significant influence on the investee.

Investments in equity of other companies are initially recorded at cost, including purchase price or capital contributions plus the costs directly related to investment. Dividends and profits from previous years of the investments before being purchased are accounted for the decrease in value of the investments. Dividends and profits of the following year are after being purchased is recognized in revenue. Dividends which received by shares are only followed up by the number of shares increases without recognizing the value of shares.

Provision for diminution in value of long-term investments in equity of other companies is appropriated as follows:

- For investments in listed shares or the fair value of the investments is determined reliably, the provision is based on the market value of shares.
- For investments have not determined the fair value at the time of reporting, the provision are made based on the loss of the investment at the rate equal to the difference between actual capital companies in other company and the equity ratio multiplied with the Company's capital contribution to the total actual capital contributions of all parties in other investee enterprise.

Increase or decrease in provision for diminution in value of long-term investments have recorded at the closing day, and is recognized in the financial expenses.

#### Held to maturity investments

Investments are classified as held to maturity when the Company has the intent and to be ability to hold to maturity. Held to maturity investments include term deposits (including treasury bills, promissory notes), bonds, preference shares which the issuer is required to re-buy them in a certain time in the future and held to maturity loans to earn profits periodically and other held to maturity investments.

Held to maturity investments are initially recognized at cost including purchase price and the expenses related to the purchase of the investments. After initial recognition, these investments are recorded at their recoverable value. Interest income from held to maturity investments after the acquisition date is recognized in income statement on an estimate basis. Income before Company owns is deducted into the cost at acquisition.

When there is evidence surely about a part or all of the investment may be not recoverable and having damage can be measured reliably, the loss is recognized in financial expenses in the year and reduced direct investment values.

### 4.5 Receivables

Trade and other receivables are stated at cost less provision for doubtful debts.

The classification of receivables is trade receivables and other receivables, which is complied with the following principles:



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Receivables (continued)

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase-sale between the Company and buyer (an independent unit against the Company), including receivables from sale of exported goods given by the trustor through the trustee.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and not to be related to the purchase - sale transactions.

The provision for doubtful debts represents the estimated loss due to non-payment arising on receivables that were outstanding at the balance sheet date. Increases and decreases to the provision balance are recognised as general and administration expense in the income statement at the balance sheet date.

### 4.6 Inventories

Inventories are presented at the lower of cost and net realizable value.

The cost of inventories is determined as follows:

- Materials and goods: comprising all costs of purchase and related expenses directly incurred in bringing the inventories to their present location and condition.
- Finished goods: including the cost of materials, direct labor and general manufacturing costs related to allocate on normal levels.
- Work-in-progress: just include the cost of raw materials.

Net realizable value represents the estimated selling price of inventory during the normal production and business less the estimated costs to completion and the estimated costs necessary to consume them.

Cost is determined by the weighted average method and the perpetual inventory method is used to record inventories.

Provision for impairment of inventories is made for each inventory with the cost greater than the net value realizable. Increase or decrease in the balance of provision for impairment of inventories should be set aside at the financial year end and is recognized in cost of goods sold.

### 4.7 Prepaid expenses

Prepaid expenses include expenses actually incurred but they are related to operation output of many accounting periods. Prepaid expenses of the Company include:

#### *Short-term prepaid expenses*

Tools and supplies expenses, repair expenses, insurance expenses and other expenses have been put into use are amortized to expenses under the straight-line method to time allocation not exceeding 12 months.

#### *Long-term prepaid expenses*

Tools and supplies expenses, repair expenses, training expenses and other expenses incurred once to have a large value are amortized to expense under the straight-line method from 18 months to 36 months.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 4.8 Operating lease assets

Leases are classified as operating leases if the risks and benefits associated with ownership of assets belonging to the lessor. Lease operating expenses are reflected as expenses under the straight-line method over the lease time, regardless of the method of rental payment.

### 4.9 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. The costs incurred after the initial recognition is only recorded as capitalized on fixed assets if these costs will undoubtedly lead to economic benefits in the future due to the use of these assets. The costs incurred which aren't satisfied these conditions are recognized as cost of production and business in year.

When assets are sold or liquidated, their cost and accumulated depreciation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

Depreciation of fixed assets is calculated on a straight-line basis over the estimated useful life of these assets, which are as follows:

Type of assets	Time of depreciation (years)
Buildings and structure	05 - 50
Machinery and equipment	03 - 15
Vehicles	05 - 10
Office equipment	03 - 20
Other tangible fixed assets	10

### 4.10 Intangible fixed assets

Intangible fixed assets determined at the initial costs less amortization.

The initial cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Costs relating to intangible assets incurred after initial recognition are recognized to the income statement, except for costs which are related to the specific intangible assets and increase benefits economic from these assets.

When intangible fixed assets are sold or liquidated, their cost and accumulated amortization are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

#### Land use rights

The land use right reflects all the actual expenses related to the used land such as expenses to obtain the land use right, expenses for house removal and land clearance, expenses on ground levelling, registration fees, etc. The land use right is amortized under the straight-line basic.

The Company's land use right includes:

Parcel of land	Address	Area	Certificate of land use rights	Purpose	Duration
No. 55, map No.6	Dac Loc Hamlet, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province	5,053.7 m <sup>2</sup>	No. CO 333731 dated 13/11/2018	Land for growing annual crops	To 15/10/2063



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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### 4.11 Construction in progress

Construction in progress presents the cost of unfinished construction, machinery which are being installed for production, lease, and management purposes, as well as the cost of repairment of fixed assets. Construction in progress is stated at cost and no depreciation is made on it.

### 4.12 Accounts payables and accrued expenses

Accounts payable and accrued expenses are recognized for amounts to be paid in the future, which related to receive the goods and services. Accrued expenses are recorded based on reasonable estimates payment.

The classification of liabilities is payable to suppliers, accrued expenses and other payables, which complied with the following principles:

- Trade payables reflect the nature of the payables arising from commercial transactions with purchase of goods, services, property between the Company and an independent seller, including payable when imported through a trustee.
- Accrued expenses reflect the payables for goods and services received from the seller or provided with the purchaser but have not been paid until having invoices or having insufficient billing records, accounting records, and payables to employees including salary, production costs, sales must accruals.
- Other payables reflect the nature of the payables of non-commercial, not related to the purchase, sale, rendering service transactions.

### 4.13 Capital

#### *Owner's equity*

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

#### *Share premium*

Share premium is recorded at the difference between the issuance price and the face value upon the initial issuance, additional issuance or the difference between re-issuance price and the net book value of treasury shares and convertible bond capital component at maturity. Direct expenses related to additional issuance and re-issuance of treasury shares are recorded as a decrease in share premium.

### 4.14 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 it approved by the General Meeting of Shareholders.

## **NOTES TO THE COMBINED FINANCIAL STATEMENTS**

*For the financial year ended 31 December 2024*

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### **4.15 Revenue**

#### ***Revenue from the sale of goods***

Revenue from the sale of goods shall be recognized if it simultaneously meets 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. When contracts define that buyers are entitled to return products, goods purchased under specific conditions, the Company shall only record turnovers if such specific conditions no longer exist and buyers are not entitled to return products, goods (unless the customer is entitled to return the goods under the form of exchange for other goods or services);
- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### ***Revenue from sales of service rendered***

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. In case that a transaction involves the rendering of services is attributable to several periods, revenue is recognized in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably. When contracts define that buyers are entitled to return services purchased under specific conditions, the Company shall only record turnovers if such specific conditions no longer exist and buyers are not entitled to return provided services;
- It is probable that the economic benefits associated with the transaction will flow to the company;
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### ***Revenue from leasing operations***

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

#### ***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.

#### ***Dividends and profits received***

Dividends and profit shared are recognized when the Company receive the notice of dividends or profit from the capital contribution. Dividends which received by shares, only follow up the number of shares increases, no recognition of the value of shares.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

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### 4.16 Borrowing costs

Borrowing costs include interest and other costs incurred directly related to the borrowings. Borrowing costs are recognized as expenses when incurred.

### 4.17 Corporate income tax

#### *Current income tax*

Current income tax is the tax amount is calculated on assessable income. Assessable income is different from accounting profit due to the adjustments of temporary differences between accounting and tax, non-deductible expenses as well as adjusted income are not taxed and losses be transferred.

### 4.18 Basic earnings per share

Basic earnings per share amount is computed by dividing net profit for the year attributable to ordinary shareholders after deducting appropriation of bonus and welfare funds, by the weighted average number of ordinary shares outstanding during the period.

### 4.19 Financial instrument

#### *Financial assets*

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets of the Company include cash and cash equivalents, trade receivables, other receivables, listed and unlisted financial instruments.

At the time of initial recognition, financial assets are determined at cost plus any costs directly acquisition, issuance of such financial assets.

#### *Financial liabilities*

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. Financial liabilities of the Company include loans and borrowings, trade payables and other payables.

At the time of initial recognition, except liabilities related to finance lease purchase and convertible bonds are recognized at amortized cost, financial liabilities are determined at cost less costs directly issuance of such financial liabilities.

Amortization is measured at the initial recognition of the financial liabilities less any principal repayments, plus or minus any accumulated amortizations calculated using the effective interest method of the difference between initial recognition and maturity, less any deductions (directly or through the use of an allowance account) for impairment or irrevocable.

The effective interest method is a method that calculates the amortized value of one or a group of financial liabilities and allocates interest income or interest expenses in the relevant year. The effective interest rate is the rate that discounts the estimated future cash flows to be paid or received over the expected life of the financial instrument or, if necessary, back to its present carrying amount of net financial liabilities.

#### *Equity instruments*

Equity instrument is a contract that demonstrates a residual interest in the assets of the Company after deducting all obligations.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Offsetting of financial instruments

The financial assets and financial liabilities are offset and the net amount is presented on the balance sheet, and if only the Company:

- Has the legal right to offset the values were recognized; and
- To offset on a basis or to realize the asset and pay the liability simultaneously.

### 4.20 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following parties are known as the Company's related parties:

Related parties	Relationship
Phong Phu Corporation	Major shareholder
Phong Phu International Joint Stock Company	Major shareholder
Vinatex International Joint Stock Company	Major shareholder
Vinatex International Fabric Company Limited	Having the same legal representative
Sinnika Vietnam Joint Stock Company	Having the same legal representative
Vinatex International Knitted Fabric Joint Stock Company	Having the same legal representative
Phong Phu International Joint Stock Company - Da Nang Branch	Branch of Phong Phu International Joint Stock Company
The Board of Management, the Board of Directors, the Board of Supervision and Chief Accountant	Key management members

## 5. ADDITIONAL INFORMATION TO ITEMS IN THE COMBINED BALANCE SHEET

### 5.1 Cash and cash equivalents

	31/12/2024 VND	01/01/2024 VND
Cash on hand - VND	160,865,067	172,857,732
Cash in banks - VND	9,897,915,102	39,614,793,232
Cash in banks - USD	4,961,423,924	8,295,334,250
Cash equivalents	19,073,000,000	10,050,000,000
	<u>34,093,204,093</u>	<u>58,132,985,214</u>

As at 31 December 2024, the balance of cash and cash equivalents in foreign currency is USD 196,484.25 equivalent to VND 4,961,423,924.

As at 31 December 2024, details of balance of term deposits under 3 months at banks which were pledged as loan securities at these banks (Note 5.17.1) are as follows:

	VND
JSC Bank for Foreign Trade of Vietnam	9,550,000,000
JSC Bank for Investment and Development of Vietnam	9,523,000,000
	<u>19,073,000,000</u>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.2 Investments

#### 5.2.1 Held to maturity investments

	31/12/2024		01/01/2024	
	Cost VND	Book value VND	Cost VND	Book value VND
<b><i>Term deposit not exceeding 12 months</i></b>				
• JSC Bank for Investment and Development of Vietnam - Khanh Hoa Branch	5,100,000,000	5,100,000,000	5,100,000,000	5,100,000,000
• JSC Bank for Foreign Trade of Vietnam - Khanh Hoa Branch	40,470,000,000	40,470,000,000	38,520,000,000	38,520,000,000
• Vietnam JSC Bank for Industry and Trade - Thu Thiem Branch	22,000,000,000	22,000,000,000	1,000,000,000	1,000,000,000
	<b>67,570,000,000</b>	<b>67,570,000,000</b>	<b>44,620,000,000</b>	<b>44,620,000,000</b>

As at 31 December 2024, the balance of term deposits not exceeding 12 months which were pledged as loan securities at these banks (Note 5.17.1) are as follows:

	VND
JSC Bank for Foreign Trade of Vietnam	23,150,000,000
JSC Bank for Investment and Development of Vietnam	5,100,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch	20,500,000,000
	<b>48,750,000,000</b>

#### 5.2.2 Long-term financial investments

Long-term financial investment of the Company includes investment in other entities. Details of the Company's investments are as follows:

	31/12/2024			01/01/2024		
	Cost VND	Provision VND	Fair value VND	Cost VND	Provision VND	Fair value VND
<b><i>Investment in other entities</i></b>						
Tay Nguyen Cotton Joint Stock Company	266,915,000	-	(*)	266,915,000	-	(*)
Phong Phu Trading and Investment Promotion Corporation	954,810,000	-	(*)	954,810,000	-	(*)
	<b>1,221,725,000</b>	<b>-</b>		<b>1,221,725,000</b>	<b>-</b>	

(\*) At the balance sheet date, the Company does not have any information about fair value of these investments.

- *Capital commitments of the Company which has not been implemented at year ended 31/12/2024:*

	Capital commitments of the Company			
	Charter capital of the entity receiving capital VND	Capital commitments VND	Contributed capital as at 31/12/2024 VND	Uncontributed capital as at 31/12/2024 VND
Phong Phu Trading and Investment Promotion Corporation	20,000,000,000	1,500,000,000	954,810,000	545,190,000
	<b>20,000,000,000</b>	<b>1,500,000,000</b>	<b>954,810,000</b>	<b>545,190,000</b>

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.3 Trade receivables

#### 5.3.1 Short-term trade receivables

	31/12/2024 VND	01/01/2024 VND
<b>Receivables from related parties</b>		
Phong Phu Corporation	159,037,772	3,184,393,561
Phong Phu International Joint Stock Company	786,551,283	1,108,356,894
Vinatex International Joint Stock Company	3,011,312,997	19,153,564,700
Sinnika Vietnam Joint Stock Company	29,739,899,825	1,552,288,926
Vinatex International Fabric Company Limited	30,621,296,428	15,979,517,238
Phong Phu International Joint Stock Company - Da Nang Branch	-	1,446,896,647
Vinatex International Knitted Fabric Joint Stock Company	5,002,970,817	-
<b>Receivables from other customers</b>		
World Threads, Inc. Dba Eberjey Intimates	26,407,292,782	7,085,892,772
Jsc "Gloria Jeans Corporation"	35,612,158,997	-
Helly Hansen Leisure Canada Inc.	30,608,208,981	18,738,089,670
Other customers	53,579,245,220	26,556,312,559
	<u>215,527,975,102</u>	<u>94,805,312,967</u>

As at 31 December 2024, the balance of short-term trade receivables in foreign currency is USD 4,824,161.92 equivalent to VND 121,814,912,643.

#### 5.3.2 Long-term trade receivables

	31/12/2024 VND	01/01/2024 VND
<b>Receivables from related parties</b>		
Phong Phu Corporation - Receivable from property sales	1,360,190,736	36,653,153,023
	<u>1,360,190,736</u>	<u>36,653,153,023</u>

#### 5.4 Short-term advances to suppliers

	31/12/2024 VND	01/01/2024 VND
<b>Advances to other suppliers</b>		
Timtex Trading Co., Ltd	2,135,273,492	-
IDP Joint Stock Company	1,256,692,152	-
Unispin Card Clothing India Pvt Ltd	884,870,998	438,143,518
Tri Union Management Co. Ltd	842,262,681	1,879,799
Other suppliers	2,055,925,806	7,611,144,662
	<u>7,175,025,129</u>	<u>8,051,167,979</u>

As at 31 December 2024, details of balance of short-term advances to suppliers in foreign currencies are as follows:

	Original currency	Equivalent to VND
USD	146,898.05	3,913,205,373
EUR	30,290.90	842,469,341
		<u>4,755,674,714</u>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.5 Other short-term receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
<b>Receivables from related parties</b>				
Phong Phu Corporation - payment support	-	-	615,000,000	-
<b>Receivables from other organizations and individuals</b>				
Advances to employees	119,969,936	-	77,753,975	-
Deposit for L/C	-	-	645,108,024	-
Other receivables	221,383,562	-	204,956,168	-
	<b>341,353,498</b>	<b>-</b>	<b>1,542,818,167</b>	<b>-</b>

### 5.6 Provision for doubtful short-term debts

	31/12/2024			01/01/2024		
	Overdue	Amount VND	Provision VND	Overdue	Amount VND	Provision VND
<b>Other organizations and individuals</b>						
<b>Trade receivables</b>						
Hai Phong Hapaco Textile and Garment Joint Stock Company	Over 3 years	787,538,760	(787,538,760)	Over 3 years	787,538,760	(787,538,760)
Hung Thanh Dat Manufacture - Commerce - Service - Importing - Exporting Company Limited	Over 3 years	209,661,832	(209,661,832)	Over 3 years	209,661,832	(209,661,832)
Other organizations and individuals	From 1 to 3 years	1,149,915,244	(281,745,522)	From 1 to 3 years	1,149,915,244	(281,745,522)
		<b>2,147,115,836</b>	<b>(1,278,946,114)</b>		<b>2,147,115,836</b>	<b>(1,278,946,114)</b>

Movements of provision for doubtful short-term debts are as follows:

	2024 VND	2023 VND
Opening balance	1,278,946,114	1,278,946,114
Provision in year	-	-
Closing balance	<b>1,278,946,114</b>	<b>1,278,946,114</b>

### 5.7 Inventories

	31/12/2024		01/01/2024	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	212,020,200,141	-	79,436,410,691	-
Tools and supplies	92,387,764	-	78,132,219	-
Short-term work in progress	79,638,835,055	-	64,250,095,614	-
Finished goods	98,025,731,048	-	118,248,801,140	-
Merchandise	12,862,258	-	14,332,258	-
Goods on consignment	-	-	204,069,866	-
	<b>389,790,016,266</b>	<b>-</b>	<b>262,231,841,788</b>	<b>-</b>

As at 31 December 2024, the inventories which were pledged as loan securities at banks (see Note 5.17.1).

**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**5.8 Short-term, long-term prepaid expenses**

**5.8.1 Short-term prepaid expenses**

	31/12/2024 VND	01/01/2024 VND
Tools and supplies expenses	653,955,613	994,405,438
Repair expenses	561,861,811	611,767,251
Insurance expenses	212,501,887	227,546,477
Design expenses	123,287,042	-
Other short-term expenses	371,642,827	378,205,829
	<u>1,923,249,180</u>	<u>2,211,924,995</u>

**5.8.2 Long-term prepaid expenses**

	31/12/2024 VND	01/01/2024 VND
Tools and supplies expenses	8,308,363,352	8,854,584,689
Repair expenses	5,891,127,935	5,162,164,300
Training expenses	4,055,797,818	6,171,866,250
Other long-term expenses	5,007,078,899	7,102,101,449
	<u>23,262,368,004</u>	<u>27,290,716,688</u>

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**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

5.9 Increase/ Decrease of tangible fixed assets	Building, structures	Machinery, equipment	Vehicles	Office equipment	Other assets	Total
	VND	VND	VND	VND	VND	VND
<b>Cost</b>						
As at 01/01/2024	185,818,730,838	554,199,166,390	13,668,942,253	4,244,746,368	22,034,909,789	779,966,495,638
Increase in year	-	119,756,000	-	112,687,279	785,228,562	1,017,671,841
Transfer from construction in progress	-	102,813,161,338	-	-	10,284,864,344	113,098,025,682
Disposal	(1,815,000,000)	(48,126,686,130)	(663,027,091)	-	-	(50,604,713,221)
As at 31/12/2024	184,003,730,838	609,005,397,598	13,005,915,162	4,357,433,647	33,105,002,695	843,477,479,940
<b>Accumulated depreciation</b>						
As at 01/01/2024	78,113,232,202	301,847,325,595	10,552,170,780	2,254,056,019	120,748,146	392,887,532,742
Depreciation in year	5,065,235,733	33,228,546,620	734,819,956	263,856,443	1,983,785,847	41,276,244,599
Disposal	(1,815,000,000)	(45,433,440,115)	(663,027,091)	-	-	(47,911,467,206)
As at 31/12/2024	81,363,467,935	289,642,432,100	10,623,963,645	2,517,912,462	2,104,533,993	386,252,310,135
<b>Net book value</b>						
As at 01/01/2024	107,705,498,636	252,351,840,795	3,116,771,473	1,990,690,349	21,914,161,643	387,078,962,896
As at 31/12/2024	102,640,262,903	319,362,965,498	2,381,951,517	1,839,521,185	31,000,468,702	457,225,169,805
<i>Net book value of tangible fixed assets which pledged as loan securities:</i>						
As at 01/01/2024	107,705,498,636	252,351,840,795	3,116,771,473	1,990,690,349	21,914,161,643	387,078,962,896
As at 31/12/2024	102,640,262,903	319,362,965,498	2,381,951,517	1,839,521,185	31,000,468,702	457,225,169,805
<i>Cost of tangible fixed assets which were fully depreciated but still in use:</i>						
As at 01/01/2024	47,647,598,482	162,504,974,826	8,365,073,676	1,942,943,963	108,960,000	220,569,550,947
As at 31/12/2024	49,379,798,482	147,414,787,562	8,680,888,585	1,942,943,963	108,960,000	207,527,378,592

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.10 Increase/ Decrease of intangible fixed assets

	Land use rights VND	Total VND
<b>Cost</b>		
As at 01/01/2024	1,909,500,000	1,909,500,000
Increase in year	-	-
As at 31/12/2024	<u>1,909,500,000</u>	<u>1,909,500,000</u>
<b>Accumulated depreciation</b>		
As at 01/01/2024	212,965,137	212,965,137
Charge for the year	42,433,332	42,433,332
As at 31/12/2024	<u>255,398,469</u>	<u>255,398,469</u>
<b>Net book value</b>		
As at 01/01/2024	1,696,534,863	1,696,534,863
As at 31/12/2024	<u>1,654,101,531</u>	<u>1,654,101,531</u>
<b>Net book value of intangibles fixed assets which pledged as loan securities</b>		
As at 01/01/2024	1,696,534,863	1,696,534,863
As at 31/12/2024	1,654,101,531	1,654,101,531

### 5.11 Construction in progress

	01/01/2024 VND	Increase in year VND	Transfer to fixed assets in year VND	Other decrease VND	31/12/2024 VND
<b>Fixed assets purchases</b>					
Invest in increasing yarn production capacity of Yarn Factory 2	108,570,000,696	143,408,830	(108,570,000,696)	(143,408,830)	-
Other projects	-	896,479,810	(854,527,740)	(41,952,070)	-
	<u>108,570,000,696</u>	<u>1,039,888,640</u>	<u>(109,424,528,436)</u>	<u>(185,360,900)</u>	<u>-</u>
<b>Construction in progress</b>					
Factory construction investment for rent	-	10,363,652,038	-	-	10,363,652,038
	<u>-</u>	<u>10,363,652,038</u>	<u>-</u>	<u>-</u>	<u>10,363,652,038</u>
<b>Extra-ordinary repairments of fixed assets</b>					
Repair, renovate and expand the factory for rent	-	3,673,497,246	(3,673,497,246)	-	-
Others	510,170,291	-	-	(510,170,291)	-
	<u>510,170,291</u>	<u>3,673,497,246</u>	<u>(3,673,497,246)</u>	<u>(510,170,291)</u>	<u>-</u>
	<u>109,080,170,987</u>	<u>15,077,037,924</u>	<u>(113,098,025,682)</u>	<u>(695,531,191)</u>	<u>10,363,652,038</u>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.12 Short-term, long-term trade payables

#### 5.12.1 Short-term trade payables

	Amount VND	31/12/2024 Payable amount VND	Amount VND	01/01/2024 Payable amount VND
<b>Payables to related parties</b>				
Phong Phu International Joint Stock Company	120,926,142,719	120,926,142,719	82,397,312,990	82,397,312,990
Vinatex International Joint Stock Company	6,644,560,540	6,644,560,540	10,244,176,055	10,244,176,055
Vinatex International Fabric Company Limited	2,107,500,662	2,107,500,662	1,252,159,425	1,252,159,425
Vinatex International Knitted Fabric Joint Stock Company	23,920,037,022	23,920,037,022	-	-
Sinnika Vietnam Joint Stock Company	1,091,195,011	1,091,195,011	-	-
<b>Payables to other suppliers</b>				
Jiangyin Hanxin Textile Co., Ltd	18,415,227,100	18,415,227,100	2,204,515,404	2,204,515,404
Thuan Hai Energy Corporation	13,540,336,330	13,540,336,330	10,423,138,557	10,423,138,557
Other suppliers	105,074,372,841	105,074,372,841	60,894,488,025	60,894,488,025
	<u>291,719,372,225</u>	<u>291,719,372,225</u>	<u>167,415,790,456</u>	<u>167,415,790,456</u>

As at 31 December 2024, the balance of short-term trade payables in foreign currencies is USD 2,195,460.27 equivalent to VND 59,096,205,357.

#### 5.12.2 Long-term trade payables

	Amount VND	31/12/2024 Payable amount VND	Amount VND	01/01/2024 Payable amount VND
<b>Payables to related parties</b>				
Phong Phu International Joint Stock Company	64,898,276,633	64,898,276,633	87,819,224,028	87,819,224,028
<b>Payables to other suppliers</b>				
Saurer Spinning Solutions GmbH & Co.Kg	77,251,918,667	77,251,918,667	78,107,013,339	78,107,013,339
Bentex Trading	22,057,667,280	22,057,667,280	21,081,297,600	21,081,297,600
Other suppliers	11,803,782,307	11,803,782,307	21,733,694,933	21,733,694,933
	<u>176,011,644,887</u>	<u>176,011,644,887</u>	<u>208,741,229,900</u>	<u>208,741,229,900</u>

As at 31 December 2024, details of balance of long-term trade payables in foreign currencies are as follows:

	Original currency	Equivalent to VND
USD	863,280.00	22,057,667,280
EUR	3,269,484.90	89,055,700,974
		<u>111,113,368,254</u>

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.13 Short-term advances from customers

	31/12/2024 VND	01/01/2024 VND
<i>Advances from related parties</i>		
Phong Phu International Joint Stock Company	10,936,392,266	15,988,730,609
<i>Advances from other customers</i>		
Lucky Star Textile Company Limited	637,161,180	637,161,180
Other customers	1,233,168,152	414,974,625
	<u>12,806,721,598</u>	<u>17,040,866,414</u>

As at 31 December 2024, the balance of short-term advances from customers in foreign currency is USD 375.66 equivalent to VND 8,746,602.

### 5.14 Tax

#### *Value added tax*

	31/12/2024 VND	01/01/2024 VND
Input value added tax deductible	<u>22,647,003,884</u>	<u>2,596,402,232</u>

The Company paid value added tax payable under the deduction method with tax rates as follows:

- Export	0%
- Unprocessed raw cotton	Non-taxable
- Cotton waste	5%
- Other products and services	8 - 10%

#### *Taxes, receivables from the State and payables to the State*

	01/01/2024		Incurred in year		31/12/2024	
	Receivables VND	Payables VND	Payables VND	Paid VND	Receivables VND	Payables VND
Value added tax on domestic goods	-	3,961,261,274	42,086,167,281	(42,140,314,604)	1,699,518	3,908,813,469
Value added tax on imports	-	-	827,827,267	(827,827,267)	-	-
Import duty	1,929,082,648	-	46,107,161	(46,107,161)	1,929,082,648	-
Corporate income tax	716,682,637	-	4,385,010,158	-	-	3,668,327,521
Personal income tax	-	54,509,648	702,312,920	(558,897,478)	-	197,925,090
Land and housing taxes	2,406,487,980	-	8,259,053,695	(5,859,270,717)	6,705,002	-
Other taxes	-	345,361,511	11,516,355	(356,877,866)	-	-
	<u>5,052,253,265</u>	<u>4,361,132,433</u>	<u>56,317,994,837</u>	<u>(49,789,295,093)</u>	<u>1,937,487,168</u>	<u>7,775,066,080</u>

#### *Export - import duty*

The Company declared and paid according to the notice of Customs.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Corporate income tax ("CIT")

Current CIT expenses payable for the year is estimated as follows:

	2024 VND	2023 VND
Accounting profit before tax	33,896,765,814	(12,259,987,155)
Adjustments to increase/(decrease) accounting profit before tax to determine taxable income:		
<b>Adjustments to increase</b>	<b>143,038,709</b>	<b>13,656,071,259</b>
Non - deductible expenses	47,727,709	3,230,786,207
Unemployment benefit provision expenses	95,311,000	(102,358,750)
Non - deductible interest expenses (*)	-	10,527,643,802
<b>Adjustments to decrease</b>	<b>(8,229,537,602)</b>	<b>(980,626,674)</b>
Foreign exchange differences arising from revaluation of monetary accounts	(1,547,829,133)	(980,626,674)
Non - deductible interest expenses (*)	(6,681,708,469)	-
<b>Taxable income</b>	<b>25,810,266,921</b>	<b>415,457,430</b>
Loss carried forward	(3,885,216,131)	-
<b>Assessable income</b>	<b>21,925,050,790</b>	<b>415,457,430</b>
CIT rate	20%	20%
Estimated corporate income tax expenses	4,385,010,158	83,091,486
Adjustment for CIT from prior years	-	4,140,574,982
<b>Current CIT expenses</b>	<b>4,385,010,158</b>	<b>4,223,666,468</b>

(\*) According to Decree No. 132/2020/ND-CP dated 05 November 2020 issued by the Government on prescribing tax administration for enterprises having related-party transactions, total loan interest expenses arising (after deducting deposit interests and lending interests) within a specific taxable year which is deducted during the process of determination of income subject to the corporate income tax is not 30% more than the net profit generated from business activities within the taxable year plus loan interest expenses (after deducting deposit interests and lending interests) arising within the taxable year plus depreciation expenses incurring within that year.

### Land rental fee

The Company has to pay the rental fee for areas of land used at rental rates as follows:

Area	Rental fee
12 Nguyen Gia Thieu Street, Van Thanh Ward, Nha Trang City, Khanh Hoa Province	VND 325,728 VND per m <sup>2</sup> per year
54 Ton That Tung Street, District 1, Ho Chi Minh City	VND 2,528,000 per m <sup>2</sup> per year
Km 1447, National Road No.1, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province	VND 36,288 per m <sup>2</sup> per year

### Other taxes

The Company declared and paid according to regulations.

The Company's tax settlements are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, amounts reported in the financial statements could be changed upon the final determination by the tax authorities.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.15 Short-term accrued expenses payables

	31/12/2024 VND	01/01/2024 VND
<i>Payables to other organizations and individuals</i>		
Interest expenses	402,784,781	5,819,508,410
Electricity expenses	2,348,569,342	-
Other short-term expenses	88,000,001	147,041,000
	<u>2,839,354,124</u>	<u>5,966,549,410</u>

### 5.16 Other short-term, long-term payables

#### 5.16.1 Other short-term payables

	31/12/2024 VND	01/01/2024 VND
<i>Payables to other organizations and individuals</i>		
Trade union fee	2,964,699,595	3,059,604,083
Social insurance	34,043,308	50,874,148
Health insurance	48,431,882	18,810,986
Unemployment insurance	1,961,411	33,427,241
Short-term deposit received	13,000,000	13,000,000
Other short-term payables	359,084,564	25,948,402
	<u>3,421,220,760</u>	<u>3,201,664,860</u>

#### 5.16.2 Other long-term payables

	31/12/2024 VND	01/01/2024 VND
<i>Payables to related parties</i>		
Phong Phu International Joint Stock Company - Interest expenses	8,823,427,397	-
	<u>8,823,427,397</u>	<u>-</u>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.17 Short-term, long-term loans and liabilities

#### 5.17.1 Short-term loans and liabilities

		31/12/2024		01/01/2024	
		Amount VND	Payable amount VND	Amount VND	Payable amount VND
<b>Short-term loans from related parties</b>					
Phong Phu International Joint Stock Company	(a)	16,000,000,000	16,000,000,000	-	-
		<u>16,000,000,000</u>	<u>16,000,000,000</u>	<u>-</u>	<u>-</u>
<b>Short-term loans from other organizations and individuals</b>					
Short-term loan from banks					
• VCB Khanh Hoa - VND	(b)	184,496,276,143	184,496,276,143	176,913,184,480	176,913,184,480
• BIDV Khanh Hoa - VND	(c)	57,246,749,847	57,246,749,847	59,994,404,540	59,994,404,540
• Vietinbank Thu Thiem - USD	(d)	4,824,193,604	4,824,193,604	38,183,416,273	38,183,416,273
• Vietinbank Thu Thiem - VND	(d)	100,599,695,695	100,599,695,695		
		<u>347,166,915,289</u>	<u>347,166,915,289</u>	<u>275,091,005,293</u>	<u>275,091,005,293</u>
Current portion of long-term loans liabilities (see Note 5.17.2)		29,084,225,137	29,084,225,137	28,907,000,000	28,907,000,000
		<u>392,251,140,426</u>	<u>392,251,140,426</u>	<u>303,998,005,293</u>	<u>303,998,005,293</u>

Details of short-term loans and liabilities:

(a) Short-term loans from Phong Phu International Joint Stock Company:

Contract:	No. 001/2024/NTC-PPJ dated 01 May 2024.
Credit line:	VND 36,000,000,000.
Purpose:	Supporting working capital.
Term:	01 year.
Interest rate:	3.05% p.a.
Security condition:	No collateral.

The balance of short-term loans from Phong Phu International Joint Stock Company as at 31 December 2024 is VND 16,000,000,000.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Short-term loans and liabilities (continued)

(b) Short-term loans from JSC Bank for Foreign Trade of Vietnam - Khanh Hoa Branch (“VCB Khanh Hoa”)

Contract:	No. 2024/HDHM-DM dated 06 February 2024.
Credit line:	VND 185,000,000,000.
Purpose:	Financing legal, reasonable and valid short-term loan needs for production and business activities of the Company but not including short-term loan needs for fixed asset investment activities.
Term:	12 months from the day of signing loan contract, 6 months for each credit grant.
Interest rate:	The current interest rates are from 4.50% to 4.60% p.a.
Security condition:	<ul style="list-style-type: none"><li>- Land use rights and land-attached assets at Km 1447 National Highway 1A, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province;</li><li>- Used machinery and equipment system of the knitted fabric factory project;</li><li>- 15 flat knitting machines; 06 circular knitting machines, 01 dyeing machine; 01 used spectrophotometer;</li><li>- System of 04 HC601 combing machines and 02 double-ended jointing without automatic folding machines;</li><li>- System of 02 Murata automatic winders, 03 carding machines and 02 Truetzschler leveling draw frames;</li><li>- Machinery and equipment formed from loans and counterpart capital under the "Investment project to increase yarn production capacity of yarn factory 2";</li><li>- 03 used cars with license plates 79B-02206, 79N-2117, 79N-2030;</li><li>- Goods circulated in the process of production and business are VND 170 billion;</li><li>- Receivables from customers are VND 60 billion;</li><li>- Property rights arising from the Land Lease Contract No. 01/2007/HDTD dated 10 September 2007 and the annexes attached to the land lease contract between the Company and the People's Committee of Khanh Hoa Province;</li><li>- Guarantee of Phong Phu International Joint Stock Company is VND 185 billion;</li><li>- The Company's term deposits opened at the Bank are VND 32,700,000,000.</li></ul>

The balance of short-term loans from VCB Khanh Hoa as at 31 December 2024 is VND 184,496,276,143.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Short-term loans and liabilities (continued)

(c) Short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Khanh Hoa Branch ("BIDV Khanh Hoa")

Contract: No. 01/2024/4774139/HDTD dated 25 October 2024.  
 Credit line: VND 60,000,000,000.  
 Purpose: Support working capital, guarantee, open L/C.  
 Term: From the date of signing the loan contract to 30 June 2025.  
 6 months for each credit grant.  
 Interest rate: The current interest rates are from 6.00% to 6.20% p.a.  
 Security condition:  
 - 06 cars, 01 Toyota Camry car and 03 passenger cars have already been used;  
 - Ownership of land-attached assets at 12 Nguyen Gia Thieu Street, Van Thanh Ward, Nha Trang City, Khanh Hoa Province;  
 - Land use rights at Km 1447, National Highway 1A, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province;  
 - Land use rights and assets attached to the land at 54 Ton That Tung Street, Ben Thanh Ward, District 1, Ho Chi Minh City;  
 - Machinery and equipment of Yarn factory 1, Yarn factory 2 and Garment factory 4;  
 - 04 Fongs synchronous dyeing machines;  
 - Mortgage of machinery, equipment and transformer stations;  
 - Cotton machine line of Yarn Factory 3 (commodity restructuring);  
 - Lean garment factory machinery and equipment, foreign pre-filters;  
 - 03 King Power screw air compressors, 01 Hicorp roving machine, 04 100% new ring spinning machines;  
 - New investment machinery and equipment for the period 2022 - 2023: 03 carding machines, cotton rope upgrade system (coarse shredder, mixing box, fine shredder), filter chamber system and bale press, Savio winder and Toyota electric forklifts;  
 - Term deposits are VND 14,623,000,000;  
 - Guarantee from Phong Phu International Joint Stock Company 60 billion VND; and  
 - Mortgage of inventories and receivables formed from contracts granted by BIDV.

The balance of short-term loans from BIDV Khanh Hoa as at 31 December 2024 is VND 57,246,749,847.

(d) Short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch ("Vietinbank Thu Thiem")

Contract: No. 170/2024-HDCVHM/HNCT903-DMNT dated 11 July 2024.  
 Credit line: VND 150,000,000,000.  
 Purpose: Supplementing working capital to support production and business activities of Nha Trang Textile and Garment Joint Stock Company - Ho Chi Minh Branch.  
 Term: From 11 July 2024 to 10 July 2025.  
 6 months for each credit grant.  
 Interest rate: The current interest rates for VND are 3.60% p.a.  
 The current interest rates for USD are 4.20% p.a.  
 Security condition:  
 - Mr. Dang Vu Hung's 12-month term deposit;  
 - The Company's term deposits are worth VND 20,500,000,000;  
 - All circulating inventory owned by the Ho Chi Minh Branch is stored at the factory of Nha Trang Export Knitted Garment Factory on the premises of Nha Trang Textile and Garment Joint Stock Company at Km1447, National Highway 1A, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province VND 48,000,000,000;  
 - Receivables from customers are VND 60 billion; and  
 - Loan guarantee letter of Phong Phu International Joint Stock Company for guarantee of all debt repayment obligations of the Company at Vietinbank Thu Thiem.

Detail of balance of long-term loans from Vietinbank Thu Thiem as at 31 December 2024 are as follows:

	Original currency	Equivalent to VND
- VND		100,599,695,695
- USD	188,806.45	4,824,193,604
		<u>105,423,889,299</u>

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Short-term loans and liabilities (continued)

Movements of short-term loans and liabilities during the year are as follows:

	As at 01/01/2024	Loan/ Transfer from long-term loans	Paid in year	Foreign exchange differences	As at 31/12/2024
	VND	VND	VND	VND	VND
Short-term loans from banks	275,091,005,293	1,046,130,060,603	(974,122,430,062)	68,279,455	347,166,915,289
Short-term loans from related parties	-	38,500,000,000	(22,500,000,000)	-	16,000,000,000
Current portion of long-term loans	28,907,000,000	30,277,921,575	(30,424,180,000)	323,483,562	29,084,225,137
	<u>303,998,005,293</u>	<u>1,114,907,982,178</u>	<u>(1,027,046,610,062)</u>	<u>391,763,017</u>	<u>392,251,140,426</u>

### 5.17.2 Long-term loans and liabilities

		31/12/2024		01/01/2024
	Amount	Payable amount	Amount	Payable amount
	VND	VND	VND	VND
<b>Long-term loans from related parties</b>				
Phong Phu International Joint Stock Company	(a)	70,360,000,000	70,360,000,000	59,500,000,000
		<u>70,360,000,000</u>	<u>70,360,000,000</u>	<u>59,500,000,000</u>
<b>Long-term loans from other organizations and individuals</b>				
Long-term loans from banks				
• VCB Khanh Hoa - VND	(b)	81,981,605,762	81,981,605,762	100,276,024,104
• VCB Khanh Hoa - USD	(b)	10,577,565,676	10,577,565,676	22,807,755,947
• BIDV Khanh Hoa - VND	(c)	417,200,000	417,200,000	730,100,000
		<u>92,976,371,438</u>	<u>92,976,371,438</u>	<u>123,813,880,051</u>
Current portion of long-term loans				
• VCB Khanh Hoa - VND		(18,089,459,461)	(18,089,459,461)	(16,000,000,000)
• VCB Khanh Hoa - USD		(10,577,565,676)	(10,577,565,676)	(12,698,400,000)
• BIDV Khanh Hoa - VND		(417,200,000)	(417,200,000)	(208,600,000)
		<u>(29,084,225,137)</u>	<u>(29,084,225,137)</u>	<u>(28,907,000,000)</u>
		<u>134,252,146,301</u>	<u>134,252,146,301</u>	<u>154,406,880,051</u>

Detail of long-term loans and liabilities:

(a) Long-term loans from Phong Phu International Joint Stock Company, including contracts:

1. Contract:	No. 001/2021/PPJ-DMNT dated 28 July 2021 and Appendix dated 20 December 2024.
Credit line:	VND 9,500,000,000.
Purpose:	Deposit to open L/C to import machinery and equipment as counterpart capital for Yarn factory 3 project.
Term:	72 months from the date of full loan transfer.
Interest rate:	5% p.a.
Security condition:	No collateral.
2. Contract:	No. 002/2021/PPJ-DMNT dated 06 December 2021, Appendix dated 20 December 2024.
Credit line:	VND 10,000,000,000.
Purpose:	Deposit to open L/C, purchase machinery and equipment, supplies and spare parts, pay import tax, VAT, as equity capital for the investment project of Zinser line Yarn factory 2.
Term:	72 months from the date of full loan transfer.
Interest rate:	5% p.a.
Security condition:	No collateral.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Long-term loans and liabilities (continued)

3. Contract: No. 003/2021/PPJ-DMNT dated 06 December 2021.  
Credit line: VND 50,000,000,000.  
Purpose: Deposit to open L/C to import machinery and equipment as a counterpart fund for an investment project to increase yarn production capacity in Yarn factory 2.  
Term: 108 months from the date of full loan transfer.  
Interest rate: 5% p.a.  
Security condition: No collateral.
4. Contract: No. 001/2022/PPJ-DMNT dated 28 October 2022 and Appendix dated 20 December 2024.  
Credit line: VND 10,000,000,000.  
Purpose: Investing in renovating and expanding factories for rent.  
Term: 72 months from the date of full loan transfer.  
Interest rate: 8% p.a.  
Security condition: No collateral.
5. Contract: No. 001/2024/PPJ-DMNT dated 01 October 2024.  
Credit line: VND 10,860,000,000.  
Purpose: Investing in renovating and expanding factories for rent.  
Term: 36 months from the date of full loan transfer.  
Interest rate: 5% p.a.  
Security condition: No collateral.

The balance of long-term loans from Phong Phu International Joint Stock Company as at 31 December 2024 is VND 70,360,000,000.

(b) Long-term loan from JSC Bank for Foreign Trade of Vietnam - Khanh Hoa Branch ("VCB Khanh Hoa"), including contracts:

1. Contract No. 2015/DA-DM dated 07 September 2015 and Appendix No. 2015/DA-DM/PL01 dated 23 August 2017  
Credit line: VND 230,000,000,000.  
Purpose: Payment for the implementation of the project "Investment in a knitted fabric factory" at Km 1447 National Highway 1A, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province.  
Term: 120 months from the date of first disbursement, including a grace period of 18 months.  
Interest rate: 7.10% p.a. for VND loan.  
4.00% p.a. for USD loan.
2. Loan contract under investment project No. 2021/SOI2-DM dated 17 December 2021  
Credit line: VND 150,000,000,000.  
Purpose: Financing legal, reasonable and valid credit needs related to project investment.  
Term: 108 months from the date following the loan disbursement.  
Interest rate: According to each credit grant. The current interest rate is 8.20% p.a.
3. Medium, long-term loan contract No. 2021/SOI3-DM/01 dated 29 July 2021  
Credit line: VND 2,700,000,000.  
Purpose: Payment of legal, reasonable and valid expenses related to the investment plan for combing machines and preliminary draw frames under the "Investment project to improve the efficiency of yarn production in Yarn factory 3".  
Term: 72 months (6 months grace period from the date of first loan disbursement).  
Interest rate: According to each credit grant. The current interest rate is 8.20% p.a.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Long-term loans and finance lease liabilities (continued)

- Security condition at VCB Khanh Hoa:
- Land use rights and land-attached assets at Km 1447 National Highway 1A, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province;
  - Used machinery and equipment system of the knitted fabric factory project;
  - 15 flat knitting machines; 06 circular knitting machines, 01 dyeing machine; 01 used spectrophotometer;
  - System of 04 HC601 combing machines and 02 double-ended jointing without automatic folding machines;
  - System of 02 Murata automatic winders, 03 carding machines and 02 Truetzschler leveling draw frames;
  - Machinery and equipment formed from loans and counterpart capital under the "Investment project to increase yarn production capacity of yarn factory 2";
  - 03 used cars with license plates 79B-02206, 79N-2117, 79N-2030;
  - Goods circulated in the process of production and business are VND 170 billion;
  - Receivables from customers are VND 60 billion;
  - Property rights arising from the Land Lease Contract No. 01/2007/HDTD dated 10 September 2007 and the annexes attached to the land lease contract between the Company and the People's Committee of Khanh Hoa Province;
  - Guarantee of Phong Phu International Joint Stock Company is VND 185 billion; and
  - The Company's term deposits opened at the Bank are VND 32,700,000,000.

Details of balance of long-term loans from VCB Khanh Hoa as at 31 December 2024 are as follows:

	Original currency	Equivalent to VND
- VND		81,981,605,762
- USD	413,978.54	10,577,565,676
		<u>92,559,171,438</u>

- (c) Long-term loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Khanh Hoa Branch ("BIDV Khanh Hoa")

Contract No. 01/2020/4774139/HDTD dated 13 July 2020

Credit line: VND 3,700,000,000.

Purpose: Invest in improving the efficiency of yarn production in Yarn factory 2.

Term: 60 months.

Interest rate: The interest rate is adjusted every 6 months and is determined as follows: savings interest rate paid after 24 months + 3.90% p.a. The current interest rate is 8.70% p.a.

Security condition: Mortgage of main machinery and equipment for an investment project to improve yarn quality in Yarn factory No.2 (7056 compact sets and 01 coarse machine with 132 spindles); spare parts (03 sets of brush needles); supply pipeline system, dust extraction, electrical system, compressed air system of Yarn factory 2. Total value of collateral is VND 5,164,000,000.

The balance of long-term loans from BIDV Khanh Hoa as at 31 December 2024 is VND 417,200,000.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Long-term loans and liabilities (continued)

Maturity of long-term loans and finance lease liabilities are as follows:

	Total amount VND	Within 1 year VND	Over 1 to 5 years VND	Over 5 years VND
<b>As at 31/12/2024</b>				
Long-term loans from related parties	70,360,000,000	-	40,360,000,000	30,000,000,000
Long-term loans from banks	92,976,371,438	29,084,225,137	63,892,146,301	-
	<u>163,336,371,438</u>	<u>29,084,225,137</u>	<u>104,252,146,301</u>	<u>30,000,000,000</u>
<b>As at 01/01/2024</b>				
Long-term loans from related parties	59,500,000,000	-	29,500,000,000	30,000,000,000
Long-term loans from banks	123,813,880,051	28,907,000,000	94,906,880,051	-
	<u>183,313,880,051</u>	<u>28,907,000,000</u>	<u>124,406,880,051</u>	<u>30,000,000,000</u>

Movements of long-term loans during the year are as follows:

	As at 01/01/2024 VND	Increase in year VND	Paid in year VND	Transfer to current portion of short-term loans VND	Foreign exchange differences VND	As at 31/12/2024 VND
Long-term loans from related parties	59,500,000,000	10,860,000,000	-	-	-	70,360,000,000
Long-term loans from banks	94,906,880,051	7,673,581,658	(8,422,646,867)	(30,277,921,575)	12,253,034	63,892,146,301
	<u>154,406,880,051</u>	<u>18,533,581,658</u>	<u>(8,422,646,867)</u>	<u>(30,277,921,575)</u>	<u>12,253,034</u>	<u>134,252,146,301</u>

### 5.18 Provision for short-term payables

	01/01/2024 VND	Provision in year VND	Used in year VND	31/12/2024 VND
Provision for severance allowances	-	412,786,000	(317,475,000)	95,311,000
	-	<u>412,786,000</u>	<u>(317,475,000)</u>	<u>95,311,000</u>

### 5.19 Bonus and welfare funds

	Bonus fund VND	Welfare fund VND	Total VND
As at 01/01/2024	125,972,081	263,367,672	389,339,753
Other increase	1,080,000	142,530,200	143,610,200
Used in year	-	(101,369,000)	(101,369,000)
Other decrease	-	(10,151,000)	(10,151,000)
As at 31/12/2024	<u>127,052,081</u>	<u>294,377,872</u>	<u>421,429,953</u>

NHA TRANG TEXTILE AND GARMENT JOINT STOCK COMPANY  
 Km 1447 National Road No.1, Vinh Phuong Commune, Nha Trang City, Khanh Hoa Province

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.20 Owner's equity

#### 5.20.1 Comparison schedule for changes in owner's equity

	Owners' invested equity VND	Surplus of stock capital VND	Development investment fund VND	Retained earnings VND	Total VND
As at 01 January 2023	235,000,000,000	1,820,000,000	23,696,115,722	(85,793,594,961)	174,722,520,761
Loss in year	-	-	-	(16,483,653,623)	(16,483,653,623)
As at 31 December 2023	<u>235,000,000,000</u>	<u>1,820,000,000</u>	<u>23,696,115,722</u>	<u>(102,277,248,584)</u>	<u>158,238,867,138</u>
As at 01 January 2024	235,000,000,000	1,820,000,000	23,696,115,722	(102,277,248,584)	158,238,867,138
Profit in year	-	-	-	29,511,755,656	29,511,755,656
As at 31 December 2024	<u>235,000,000,000</u>	<u>1,820,000,000</u>	<u>23,696,115,722</u>	<u>(72,765,492,928)</u>	<u>187,750,622,794</u>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 5.20.2 Detail of owner's equity

According to the Enterprise Registration Certificate No. 4200237973 the ninth Amendment dated 15 April 2022 issued by the Khanh Hoa Provincial Department of Planning and Investment.

Charter capital:	VND 235,000,000,000
Total number of shares:	23,500,000 shares
Par value of shares:	VND 10,000

In which:

Shareholders	31/12/2024		01/01/2024	
	Number of shares	Ratio (%)	Number of shares	Ratio (%)
Phong Phu Corporation	5,614,375	23.89	5,614,375	23.89
Phong Phu International Joint Stock Company	4,538,132	19.31	4,538,132	19.31
Vinatex International Joint Stock Company	9,484,500	40.36	9,484,500	40.36
Other shareholders	3,862,993	16.44	3,862,993	16.44
	<u>23,500,000</u>	<u>100.00</u>	<u>23,500,000</u>	<u>100.00</u>

### 5.20.3 Shares

	31/12/2024	01/01/2024
Registered number of issued shares	23,500,000	23,500,000
Number of shares sold to the public	23,500,000	23,500,000
• Ordinary shares	23,500,000	23,500,000
• Preferred shares	-	-
Number of repurchased shares	-	-
• Ordinary shares	-	-
• Preferred shares	-	-
Number of shares in circulation	23,500,000	23,500,000
• Ordinary shares	23,500,000	23,500,000
• Preferred shares	-	-

### 5.21 Off combined balance sheet items

#### 5.21.1 Foreign currencies

	31/12/2024	01/01/2024
U.S Dollar (USD)	196,484.25	344,490.63

#### 5.21.2 Written off bad debts

	31/12/2024	01/01/2024
	VND	VND
Written off bad debts	1,254,389,058	1,254,389,058

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE COMBINED INCOME STATEMENT

#### 6.1 Sales of merchandise and services

##### 6.1.1 Total sales

	2024 VND	2023 VND
Revenue from sale of finished goods	1,001,385,407,846	591,268,093,670
Revenue from sale of goods	23,816,917,757	18,846,302,248
Revenue from rendering services	208,445,881,142	191,667,171,788
	<u>1,233,648,206,745</u>	<u>801,781,567,706</u>
<b>Less deduction</b>		
Sales returns	-	(185,194,000)
Sales rebates	(1,276,339,444)	(683,252,242)
Trade discount	-	(11,727,166)
	<u>(1,276,339,444)</u>	<u>(880,173,408)</u>
<b>Net sales</b>	<u>1,232,371,867,301</u>	<u>800,901,394,298</u>

##### 6.1.2 Sales of merchandise and services with related parties

See Note 9.1.2

#### 6.2 Cost of sales

	2024 VND	2023 VND
Cost of finished goods sold	949,874,968,283	615,117,025,737
Cost of goods sold	36,640,348,047	25,106,978,720
Cost of rendering services	150,732,352,184	125,550,398,165
	<u>1,137,247,668,514</u>	<u>765,774,402,622</u>

#### 6.3 Financial income

	2024 VND	2023 VND
Interest income	2,802,765,441	2,351,961,679
Foreign exchange gains	5,457,764,748	3,813,650,156
	<u>8,260,530,189</u>	<u>6,165,611,835</u>

#### 6.4 Financial expenses

	2024 VND	2023 VND
Interest expenses	25,218,486,972	21,541,175,471
Foreign exchange loss	6,774,341,132	9,658,659,355
	<u>31,992,828,104</u>	<u>31,199,834,826</u>



**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

**6.5 Selling expenses**

	2024 VND	2023 VND
Employees expenses	215,460,674	120,621,576
Loading and unloading, transportation expenses	6,512,870,596	4,227,904,023
Inspection expenses	4,262,236,936	-
Shipping expenses	4,199,300,601	-
Other expenses	2,785,923,216	2,226,813,948
	<u>17,975,792,023</u>	<u>6,575,339,547</u>

**6.6 General and administration expenses**

	2024 VND	2023 VND
Employees expenses	8,506,186,907	9,248,761,586
Land rental fee	5,300,618,029	5,590,217,524
Other expenses	6,352,270,042	4,146,018,204
	<u>20,159,074,978</u>	<u>18,984,997,314</u>

**6.7 Other income**

	2024 VND	2023 VND
Gains on fixed assets disposal	831,637,306	-
Income from reducing land rental fee	119,675,520	2,409,521,580
Income from insurance compensation	-	10,221,748,136
Other income	959,463,813	641,528,376
	<u>1,910,776,639</u>	<u>13,272,798,092</u>

**6.8 Other expenses**

	2024 VND	2023 VND
Tax fines, late payment penalties of tax	79,509	3,227,811,207
Expenses of repairing the fiber factory 3	-	6,837,186,125
Other expenses	1,270,965,187	219,739
	<u>1,271,044,696</u>	<u>10,065,217,071</u>

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 6.9 Earnings per share

#### 6.9.1 Basic earnings per share

	2024 VND	2023 VND
Accounting profit after corporate income tax	29,511,755,656	(16,483,653,623)
The adjusted increase of accounting profit to determine profit attributable to shareholders holding ordinary shares:		
- <i>Deducting bonus, welfare and bonus funds for the Board of Management and the Board of Supervision</i>	-	-
Profit used to calculate earnings per share	29,511,755,656	(16,483,651,600)
Weighted average number of ordinary shares circulating during the year	23,500,000	23,500,000
<b>Basic earnings per share (VND/share)</b>	<b>1,256</b>	<b>(701)</b>

Ordinary shares circulating on average during the year is calculated as follows:

	2024	2023
Ordinary shares circulating at the beginning of the year	23,500,000	23,500,000
Effect of ordinary shares repurchase	-	-
Effect of ordinary shares issued in year	-	-
<b>Ordinary shares circulating on average during the year</b>	<b>23,500,000</b>	<b>23,500,000</b>

#### 6.9.2 Other information

No transactions of ordinary shares or ordinary shares transactions potentially occur from the end of the financial year to the date of publication of these combined financial statements.

### 6.10 Production and business costs by element

	2024 VND	2023 VND
Materials costs	774,949,110,487	569,403,369,515
Employees costs	99,958,230,311	147,453,841,409
Fixed assets depreciation expenses	41,318,677,931	25,150,254,351
External services expenses	78,634,466,380	45,572,170,152
Other expenses	8,620,948,530	7,367,032,190
	<b>1,003,481,433,639</b>	<b>794,946,667,617</b>

## 7. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE COMBINED CASH FLOW STATEMENT

### 7.1 Proceeds from borrowings

	2024 VND	2023 VND
Proceeds from borrowings	1,103,163,642,261	833,364,082,434
	<b>1,103,163,642,261</b>	<b>833,364,082,434</b>



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 7.2 Repayments of borrowings

	2024 VND	2023 VND
Repayments of borrowings	<u>1,035,469,256,929</u>	<u>770,350,921,022</u>
	<u>1,035,469,256,929</u>	<u>770,350,921,022</u>

### 8. FINANCIAL INSTRUMENTS

The Company has financial assets such as cash and cash equivalent, trade receivables, other receivables, and unlisted financial instruments. The Company's financial liabilities comprise trade payables, loans and borrowings, other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company is exposed to market risk, credit risk and liquidity risk.

The Company has not applied any method to prevent these risks due to the lack of market of buying financial instruments.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below:

#### *i. Market risk*

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices have three types of risk: interest rate risk, foreign currency risk and other price risk, such as share price risk.

The sensitivity analyses in the following sections related to the position as at 31 December 2024 and 31 December 2023.

The sensitivity analyses have 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 financial instruments in foreign currencies are all constant.

#### *Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Market risk for changes in interest rates of the Company primarily correlates to cash and loans of the Company.

The Company manages interest rate risk by analyzing the competitive situation in the market to acquire beneficial interest for the Company's purposes, but still remain within the limits of their risk management.

#### *Foreign currency risk*

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities and loans.

The Company has not used derivatives to hedge foreign currency risks.

The Company is exposed to currency risk on sales, purchases and borrowings that are denominated in a currency other than the respective accounting currencies of the Company, primarily the VND. The currency in which these transactions primarily are denominated is USD.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Foreign currency risk (continued)

The Company has currency receivables and payables which influenced by foreign currency risk as follows:

	31/12/2024		31/12/2023	
	USD	EUR	USD	EUR
Cash and cash equivalents	196,484.25	-	344,490.63	-
Short-term trade receivables	4,824,161.92	-	1,203,264.15	-
Short-term and long-term trade payables	(3,058,740.27)	(3,269,484.90)	(2,011,883.56)	(3,269,484.90)
Loans and finance lease liabilities	(602,784.99)	-	(2,757,591.00)	-
	<u>1,359,120.91</u>	<u>(3,269,484.90)</u>	<u>(3,221,719.78)</u>	<u>(3,269,484.90)</u>

### Foreign currency sensitivity

The following table demonstrates the sensitivity to the Company's profit before tax (due to changes in the fair value of monetary assets and liabilities).

#### USD

	Change in rate (%)	Effect on profit before tax	
		USD	VND
For the financial year ended 31 December 2024	+1	13,591.21	347,268,984
	-1	(13,591.21)	(347,268,984)
For the financial year ended 31 December 2023	+1	(32,217.20)	(786,743,971)
	-1	32,217.20	786,743,971

#### EUR

	Change in rate (%)	Effect on profit before tax	
		EUR	VND
For the financial year ended 31 December 2024	+1	(32,694.85)	(890,557,010)
	-1	32,694.85	890,557,010
For the financial year ended 31 December 2023	+1	(32,694.85)	(900,414,507)
	-1	32,694.85	900,414,507

### Price risk

The Company is exposed to price risk on goods and services due to the purchase of goods and services for the Company's business activities. The Company manages commodity price risks by closely monitoring relevant information and market conditions in order to manage the timing, and at the same time organizes bidding for high-value purchase contracts with contractors and suppliers on the basis of a fixed unit price or a fixed package price.

#### ii. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily for trade receivables) and from its financing activities, including deposits with banks and other financial instruments.



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### Trade receivables

Outstanding customer receivables are regularly monitored. The requirement for impairment is analyzed at each reporting date on an individual basis for major clients. The Company seeks to maintain strict control over its outstanding receivables and has a credit control personnel member to minimize credit risk. In the view of the aforementioned and the fact that the Company's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk.

### Bank deposits

The Company's bank balances are mainly maintained with well-known banks in Vietnam. Credit risk from balances with banks is managed by the Company's treasury department in accordance with the Company's policy. The Company's maximum exposure to credit risk for the components of the balance sheet at each reporting dates are the carrying amounts as illustrated in Note 5.1. The Company evaluates the concentration of credit risk in respect to bank deposit is low.

### iii. Liquidity risk

The liquidity risk is the risk that the Company will encounter difficulty in meeting financial obligations due to a shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of maturities of financial assets and liabilities.

The Company monitors its liquidity risk by maintaining a level of cash and cash equivalents and bank loans deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Less than 1 year VND	Over 1 year VND	Total VND
<b>As at 31 December 2024</b>			
Loans and finance lease liabilities	392,251,140,426	134,252,146,301	526,503,286,727
Trade payables	291,719,372,225	176,011,644,887	467,731,017,112
Other payables and accrued expenses payables	3,211,438,688	8,823,427,397	12,034,866,085
	<u>687,181,951,339</u>	<u>314,487,218,585</u>	<u>1,006,269,169,924</u>
<b>As at 31 December 2023</b>			
Loans and finance lease liabilities	303,998,005,293	154,406,880,051	458,404,885,344
Trade payables	167,415,790,456	208,741,229,900	376,157,020,356
Other payables and accrued expenses payables	6,005,497,812	-	6,005,497,812
	<u>477,419,293,561</u>	<u>363,148,109,951</u>	<u>840,567,403,512</u>

The Company assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. Access to sources of funding is sufficiently available.

### Collateral

The Company mortgages its assets for loans (See Notes 5.1, 5.2, 5.7, 5.9, 5.10 and 5.17).

The Company's collateral holdings of other parties as at 31 December 2024 is VND 13,000,000 and as at 31 December 2023 is VND 13,000,000.

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### iv. Fair value

Set out below is a comparison by class of the carrying amounts and fair value of the Company:

	Carrying amount		Fair value	
	31/12/2024 VND	31/12/2023 VND	31/12/2024 VND	31/12/2023 VND
<b>Financial assets</b>				
Loan and receivable				
<i>Trade receivables</i>	215,609,219,724	130,179,519,876	215,609,219,724	130,179,519,876
<i>Other receivables</i>	-	1,465,064,192	-	1,465,064,192
Assets available for sale				
<i>Cash and cash equivalents</i>	34,093,204,093	58,132,985,214	34,093,204,093	58,132,985,214
<i>Short-term investments</i>	67,570,000,000	44,620,000,000	67,570,000,000	44,620,000,000
<i>Long-term investments</i>	1,221,725,000	1,221,725,000	1,221,725,000	1,221,725,000
<b>Total</b>	<b>318,494,148,817</b>	<b>235,619,294,282</b>	<b>318,494,148,817</b>	<b>235,619,294,282</b>
<b>Financial liabilities</b>				
Financial liabilities at amortized cost				
<i>Borrowings</i>	526,503,286,727	458,404,885,344	526,503,286,727	458,404,885,344
<i>Trade payables</i>	467,731,017,112	376,157,020,356	467,731,017,112	376,157,020,356
<i>Other payables and accrued payables</i>	12,034,866,085	6,005,497,812	12,034,866,085	6,005,497,812
<b>Total</b>	<b>1,006,269,169,924</b>	<b>840,567,403,512</b>	<b>1,006,269,169,924</b>	<b>840,567,403,512</b>

The fair value of financial assets and financial liabilities is reflected by value that financial instrument can be converted in present transaction between parties, except for being sold or liquidated compulsorily.

The Company used below methods and assumptions in estimating the fair value for disclosure purposes only:

- The fair value of cash on hand and cash at banks, trade payables, accrued expense payable, other payables is presented by their carrying amount because these instruments are short-term.
- The fair value of trade and other receivables is estimated based on information about debt repayment of each customer or each object and the Company estimates the provision for irrecoverable debts. The Company evaluates that fair value of these receivables minus the provision is not materially different from their carrying amount at year-end.
- The fair value of listed securities is determined by referring to the closing price on the balance sheet date.
- The fair value of unlisted securities and investments that is not reliably redetermined due to lack of a market that has high liquidity for these securities and investments is presented by carrying amount.
- The fair value of loans from banks that is not reliably redetermined due to lack of a market that has high liquidity for these loans presented by carrying amount.

## 9. OTHER INFORMATION

### 9.1 Transactions and balances with related parties

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



## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

### 9.1.1 Transactions and balances with key management members and individuals related to key management members

Key management members include members of the Board of Management, the Board of Directors, the Board of Supervision. Individuals related to key management members include close members of the family of key management members.

Income of other key management members:

	2024 VND	2023 VND
<b>Members of the Board of Management</b>		
Mr. Dang Vu Hung	120,000,000	120,000,000
Mr. Phan Minh Tien	96,000,000	96,000,000
Mr. Tran Hoang Thao	96,000,000	96,000,000
Ms. Nguyen Thi Hong Phuong	96,000,000	96,000,000
Mr. Nguyen Chi Truc	-	64,000,000
<b>Members of the Board of Supervision</b>		
Ms. Phan Thi Kieu Oanh	84,000,000	84,000,000
Ms. Mai Thi Tinh	36,000,000	36,000,000
Ms. Nguyen Thi Cam Van	36,000,000	36,000,000
<b>Members of the Board of Directors</b>		
Salary and bonus	2,601,657,233	2,850,141,338

The Company has no transactions and balances with key management personnel and individuals related to key management members.

#### *Guarantee commitment*

The Company's short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Thu Thiem Branch were guaranteed by 12-month term deposit of by Mr. Dang Vu Hung (Notes 5.17.1).

### 9.1.2 Transactions and balances with other related parties

#### *Significant transactions with other related parties*

Related parties/ Transaction	2024 VND	2023 VND
<b>Phong Phu Corporation</b>		
Purchasing materials, goods and services	-	3,592,970,303
Selling goods, finished goods and providing services	22,263,475,964	24,624,535,256
Selling assets, tools	3,361,155,981	-
Leasing assets and factories expenses	-	6,553,775,136
Interest expenses and rental management fees	-	4,527,399,646
Leasing assets and factories	1,777,587,666	1,206,450,408
Pay-on-behalf	660,481,469	-
<b>Phong Phu International Joint Stock Company</b>		
Selling finished goods and providing services	13,201,492,468	7,176,113,445
Leasing factories	2,683,030,704	2,500,548,216
Purchasing materials, goods	389,001,350,023	192,931,512,654
Garment processing	7,907,491,414	12,232,596,011
Outsourcing sewing	1,185,578,366	2,055,545,708
Short-term loans	38,500,000,000	-
Long-term loans	10,860,000,000	-
Interest expenses payables	9,115,126,027	-

## NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Related parties/ Transaction	2024 VND	2023 VND
<b>Vinatex International Joint Stock Company</b>		
Selling goods, finished goods and providing services	141,414,893,613	236,719,847,161
Leasing factories	12,477,656,092	14,924,159,538
Garment processing	21,449,470,665	22,941,233,817
Outsourcing sewing	45,670,062,644	9,018,845,492
Borrowings	-	14,000,000,000
Interest expenses payables	-	1,045,205,480
<b>Vinatex International Fabric Company Limited</b>		
Selling goods, finished goods	268,630,398,383	271,076,398,382
Purchasing materials, goods	43,520,009	5,910,191,255
Outsourcing sewing	2,184,939,829	408,641,000
Leasing assets expenses	4,137,000,000	4,224,000,000
Property fire insurance premium	-	47,985,064
<b>Sinnika Vietnam Joint Stock Company</b>		
Leasing factories	14,993,130,945	4,761,605,712
Providing services	107,715,260,239	9,670,816,320
Purchasing goods, services	481,209,280	-
Purchasing assets, tools and equipment	529,156,470	-
<b>Phong Phu International Joint Stock Company - Da Nang Branch</b>		
Selling goods, finished goods	684,582,760	-
Garment processing	-	1,339,719,118
<b>Vinatex International Knitted Fabric Joint Stock Company</b>		
Selling goods, services	4,905,199,670	-
Leasing factories	87,631,508	-
Purchasing goods, services	29,295,944,027	-
<i>Balances with other related parties</i>		
Receivables/ (payables) balances with other related parties		
Related parties/ Transaction	31/12/2024 VND	01/01/2024 VND
<b>Phong Phu Corporation</b>		
Short-term trade receivables	159,037,772	3,184,393,561
Long-term trade receivables	1,360,190,736	36,653,153,023
Other receivables	-	615,000,000
<b>Phong Phu International Joint Stock Company</b>		
Short-term trade receivables	786,551,283	1,108,356,894
Advance from customers	(10,936,392,266)	(15,988,730,609)
Short-term trade payables	(120,926,142,719)	(82,397,312,990)
Long-term trade payables	(64,898,276,633)	(87,819,224,028)
Short-term and long-term loans	(86,360,000,000)	(59,500,000,000)
Long-term other payables	(8,823,427,397)	-
Accrued expenses payable	-	(5,470,873,895)



**NOTES TO THE COMBINED FINANCIAL STATEMENTS**

For the financial year ended 31 December 2024

Related parties/ Transaction	31/12/2024 VND	01/01/2024 VND
<b>Vinatex International Joint Stock Company</b>		
Short-term trade receivables	3,011,312,997	19,153,564,700
Short-term trade payables	(6,644,560,540)	(10,244,176,055)
<b>Vinatex International Fabric Company Limited</b>		
Short-term trade receivables	30,621,296,428	15,979,517,238
Short-term trade payables	(2,107,500,662)	(1,252,159,425)
<b>Sinnika Vietnam Joint Stock Company</b>		
Short-term trade receivables	29,739,899,825	1,552,288,926
Short-term trade payables	(1,091,195,011)	-
<b>Phong Phu International Joint Stock Company - Da Nang Branch</b>		
Short-term trade receivables	-	1,446,896,647
<b>Vinatex International Knitted Fabric Joint Stock Company</b>		
Short-term trade receivables	5,002,970,817	-
Short-term trade payables	(23,920,037,022)	-

*Guarantee commitment*

The Company's short-term and long-term loans at banks were guaranteed by Phong Phu International Joint Stock Company's loan guarantee letter (Note 5.17).

**9.2 Events subsequent to the balance sheet date**

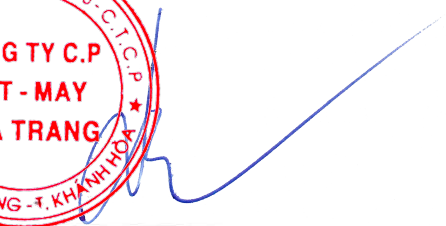
There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the combined financial statements.



**DIEP TU MY LIEN**  
Preparer



**NGUYEN THI HOANG QUYEN**  
Chief Accountant

**DANG VU HUNG**  
Chairman of the Board of Management  
Khanh Hoa Province, 28 March 2025