

# **Ton Dong A Corporation**

Consolidated financial statements

For the year ended 31 December 2024



# Ton Dong A Corporation

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# Ton Dong A Corporation

## GENERAL INFORMATION

### THE COMPANY

Ton Dong A Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Enterprise Registration Certificate (“ERC”) No. 3700255880 issued by the Department of Planning and Investment of Binh Duong Province on 2 February 2009, as amended subsequently.

The current principal activities of the Company and its subsidiaries (“the Group”) are to manufacture steel, galvanised steel, steel truss frame and mechanical products; trade in steel, construction materials, supplies, raw materials, machinery and equipment; execute civil and industrial construction and render goods transportation service by land.

The Company’s registered head office is located at No. 5 Road No. 5, Song Than 1 Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam. In addition, the Company has two (2) representative offices located at No. 21 - 23 Ho Van Hue Street, Ward 9, Phu Nhuan District, Ho Chi Minh City, Vietnam; and 2<sup>nd</sup> Floor, Lot 201-203 Le Duc Tho Street, Tran Hung Dao Ward, Quy Nhon City, Binh Dinh Province, Viet Nam and a branch located at Lot A3, D4 Street, Dong An 2 Industrial Zone, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors (“HDQT”) during the year and at the date of this report are:

Mr Nguyen Thanh Trung	Chairman
Ms Le Thi Phuong Loan	Member
Ms Nguyen Thi Ngoc Quynh	Member
Mr Ho Song Ngoc	Member
Mr Pham Quoc Thang	Member
Mr Doan Vinh Phuoc	Member
Mr Ngo Van Sinh	Independent member
Mr Doan Danh Tuan	Independent member

### BOARD OF SUPERVISION

Members of the Board of Supervision (“BOS”) during the year and at the date of this report are:

Mr Nguyen Nang Tin	Head
Ms Dinh Thi Thao Ly	Member
Mr Hoang Duy Nhat	Member

### MANAGEMENT

Members of management during the year and at the date of this report are:

Mr Ho Song Ngoc	General Director
Mr Pham Quoc Thang	Deputy General Director
Mr Doan Vinh Phuoc	Deputy General Director
Mr Nguyen Van Dai	Deputy General Director

### LEGAL REPRESENTATIVES

The legal representatives of the Company during the year and at the date of this report are:

Mr Nguyen Thanh Trung  
Mr Ho Song Ngoc

### AUDITOR

The auditor of the Company is Ernst & Young Vietnam Limited.

# Ton Dong A Corporation

## REPORT OF MANAGEMENT

Management of Ton Dong A Corporation (“the Company”) is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2024.

### MANAGEMENT’S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management 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 consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and for to ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Ho Song Ngoc  
General Director

Binh Duong Province, Vietnam

26 March 2025



Shape the future  
with confidence

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Website (VN): ey.com/vi\_vn

Reference: 11661432/67733233-HN

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders of Ton Dong A Corporation**

We have audited the accompanying consolidated financial statements of Ton Dong A Corporation ("the Company") and its subsidiaries ("the Group"), as prepared on 26 March 2025 and set out on pages 5 to 47, which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement, and the consolidated cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

The Company's management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

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

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

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



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**Opinion**

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

**Ernst & Young Vietnam Limited**



  
\_\_\_\_\_  
Nguyen Quoc Hoang  
Deputy General Director  
Audit Practicing Registration Certificate  
No. 2787-2022-004-1



\_\_\_\_\_  
Ly Hong My  
Auditor  
Audit Practicing Registration Certificate  
No. 4175-2022-004-1

Ho Chi Minh City, Vietnam

26 March 2025

CONSOLIDATED BALANCE SHEET  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>10,338,423,091,776</b>	<b>8,670,273,697,031</b>
<b>110</b>	<b>I. Cash</b>	<b>4</b>	<b>811,027,391,399</b>	<b>1,193,754,292,296</b>
111	1. Cash		811,027,391,399	1,193,754,292,296
<b>120</b>	<b>II. Short-term investment</b>		<b>3,221,633,265,825</b>	<b>2,156,059,870,662</b>
123	1. Held-to-maturity investments	5	3,221,633,265,825	2,156,059,870,662
<b>130</b>	<b>III. Current account receivables</b>		<b>1,242,365,214,255</b>	<b>1,984,154,269,933</b>
131	1. Short-term trade receivables	6	1,211,559,391,880	1,935,362,770,403
132	2. Short-term advances to suppliers	7	14,341,792,110	28,704,843,056
136	3. Other short-term receivables	8	47,367,616,434	45,485,169,483
137	4. Provision for short-term doubtful receivables	6	(30,903,586,169)	(25,398,513,009)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>4,584,590,741,297</b>	<b>3,126,953,454,480</b>
141	1. Inventories		4,835,991,887,109	3,210,908,157,973
149	2. Provision for devaluation of inventories		(251,401,145,812)	(83,954,703,493)
<b>150</b>	<b>V. Other current assets</b>		<b>478,806,479,000</b>	<b>209,351,809,660</b>
151	1. Short-term prepaid expenses	10	32,029,733,527	24,858,145,106
152	2. Deductible value-added tax	18	446,756,758,633	184,159,677,855
153	3. Tax and other receivables from the State	18	19,986,840	333,986,699

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>2,600,544,115,619</b>	<b>2,871,809,380,728</b>
<b>210</b>	<b>I. Long-term receivables</b>		<b>13,524,804,916</b>	<b>10,068,759,000</b>
212	1. Long-term advances to suppliers		6,435,000	6,435,000
216	2. Other long-term receivables	8	13,518,369,916	10,062,324,000
<b>220</b>	<b>II. Fixed assets</b>		<b>1,942,246,136,936</b>	<b>2,246,802,305,430</b>
221	1. Tangible fixed assets	11	1,715,803,984,870	2,040,269,418,990
222	Cost		4,558,176,045,474	4,561,487,526,222
223	Accumulated depreciation		(2,842,372,060,604)	(2,521,218,107,232)
224	2. Finance leases	12	103,377,490,380	84,924,011,674
225	Cost		137,560,662,212	103,857,802,366
226	Accumulated depreciation		(34,183,171,832)	(18,933,790,692)
227	3. Intangible assets	13	123,064,661,686	121,608,874,766
228	Cost		141,291,673,727	138,275,724,227
229	Accumulated amortisation		(18,227,012,041)	(16,666,849,461)
<b>240</b>	<b>III. Long-term asset in progress</b>		<b>65,722,024,716</b>	<b>24,010,886,974</b>
241	1. Long-term work-in-process	14.1	25,621,793,759	19,985,897,068
242	2. Construction in progress	14.2	40,100,230,957	4,024,989,906
<b>250</b>	<b>IV. Long-term investment</b>		<b>110,000,000,000</b>	<b>270,640,000,000</b>
255	1. Held-to-maturity investments	5	110,000,000,000	270,640,000,000
<b>260</b>	<b>V. Other long-term assets</b>		<b>469,051,149,051</b>	<b>320,287,429,324</b>
261	1. Long-term prepaid expenses	10	404,395,240,995	289,794,745,038
262	2. Deferred tax assets	32.3	56,872,498,004	21,836,368,434
269	3. Goodwill	15	7,783,410,052	8,656,315,852
<b>270</b>	<b>TOTAL ASSETS</b>		<b>12,938,967,207,395</b>	<b>11,542,083,077,759</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

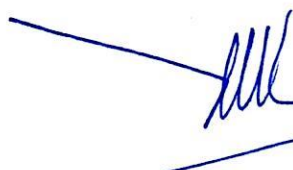
Codes	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>9,123,862,004,956</b>	<b>7,922,832,503,399</b>
<b>310</b>	<b>I. Current liabilities</b>		<b>9,001,585,506,436</b>	<b>7,879,094,963,528</b>
311	1. Short-term trade payables	16	1,842,938,322,215	1,327,879,469,601
312	2. Short-term advances from customers	17	60,367,214,283	65,083,404,498
313	3. Statutory obligations	18	225,462,074,067	32,405,621,380
314	4. Payables to employees		37,039,947,871	34,724,227,615
315	5. Short-term accrued expenses	19	12,039,866,765	52,132,131,996
319	6. Other short-term payables	20	2,755,507,742	528,724,277,167
320	7. Short-term loans and finance lease	22	6,778,798,090,852	5,804,027,377,038
322	8. Bonus and welfare fund	21	42,184,482,641	34,118,454,233
<b>330</b>	<b>II. Non-current liabilities</b>		<b>122,276,498,520</b>	<b>43,737,539,871</b>
338	1. Long-term finance lease	22	66,590,834,558	43,737,539,871
339	2. Convertible bonds	23	55,685,663,962	-
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>3,815,105,202,439</b>	<b>3,619,250,574,360</b>
<b>410</b>	<b>I. Capital</b>	<b>24.1</b>	<b>3,815,105,202,439</b>	<b>3,619,250,574,360</b>
411	1. Share capital		1,146,915,100,000	1,146,915,100,000
411a	- Ordinary shares with voting rights		1,146,915,100,000	1,146,915,100,000
412	2. Share premium		834,436,453,483	834,436,453,483
413	3. Convertible bonds options		1,931,977,742	1,931,977,742
418	4. Investment and development fund		3,430,602,730	3,430,602,730
421	5. Undistributed earnings		1,826,339,918,321	1,630,396,692,504
421a	- Undistributed earnings by the end of prior years		1,484,481,936,182	1,346,823,566,407
421b	- Undistributed earnings of current year		341,857,982,139	283,573,126,097
429	6. Non-controlling interests		2,051,150,163	2,139,747,901
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>12,938,967,207,395</b>	<b>11,542,083,077,759</b>

Binh Duong Province, Vietnam

26 March 2025



Vo Cong Danh  
Preparer



Tran Le Xuan  
Chief Accountant



Ho Song Ngoc  
General Director

CONSOLIDATED INCOME STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	25.1	19,154,277,660,034	17,462,680,329,247
02	2. Deductions	25.1	(18,429,005,144)	(28,102,508,698)
10	3. Net revenue from sale of goods and rendering of services	25.1	19,135,848,654,890	17,434,577,820,549
11	4. Cost of goods sold and services rendered	26	(17,686,750,643,221)	(16,305,438,743,136)
20	5. Gross profit from sale of goods and rendering of services		1,449,098,011,669	1,129,139,077,413
21	6. Finance income	25.2	435,949,021,441	378,446,661,785
22	7. Finance expenses	27	(353,542,976,914)	(371,286,174,582)
23	<i>In which: Interest expense</i>		(242,616,957,479)	(296,649,131,094)
25	8. Selling expenses	28	(1,027,104,586,587)	(764,270,241,235)
26	9. General and administrative expenses	29	(111,461,006,673)	(63,076,241,647)
30	10. Operating profit		392,938,462,936	308,953,081,734
31	11. Other income	31	38,761,593,021	6,851,882,090
32	12. Other expenses	31	(3,629,819,767)	(9,915,692,482)
40	13. Other profit (loss)	31	35,131,773,254	(3,063,810,392)
50	14. Accounting profit before tax		428,070,236,190	305,889,271,342
51	15. Current corporate income tax expense	32.1	(121,336,981,359)	(22,506,458,379)
52	16. Deferred tax income	32.3	35,036,129,570	189,485,140
60	17. Net profit after corporate income tax		341,769,384,401	283,572,298,103

CONSOLIDATED INCOME STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
61	18. Net profit after tax attributable to shareholders of the parent		341,857,982,139	283,573,126,097
62	19. Net loss after tax attributable to non-controlling interests		(88,597,738)	(827,994)
70	20. Basic earnings per share (VND/share)	33	2,484	1,834
71	21. Diluted earnings per share (VND/share)	33	2,439	1,800

Binh Duong Province, Vietnam

26 March 2025



Vo Cong Danh  
Preparer



Tran Le Xuan  
Chief Accountant



Ho Song Ngoc  
General Director

CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>428,070,236,190</b>	<b>305,889,271,342</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortisation of fixed assets	11, 12, 13, 15	349,156,456,461	345,094,844,545
03	Provisions		172,951,515,479	418,496,286
04	Foreign exchange losses (gains) arising from revaluation of monetary accounts denominated in foreign currencies		17,001,518,002	(1,689,630,715)
05	Profits from investing activities		(223,806,660,841)	(215,172,138,588)
06	Interest expense	27	242,616,957,479	296,649,131,094
08	<b>Operating profit before changes in working capital</b>		<b>985,990,022,770</b>	<b>731,189,973,964</b>
09	Decrease (increase) in receivables		458,947,861,176	(868,012,689,633)
10	(Increase) decrease in inventories		(1,630,719,625,827)	137,879,809,521
11	Increase in payables		37,613,940,471	589,196,491,586
12	Increase in prepaid expenses		(121,772,084,378)	(2,077,165,707)
14	Interest paid		(240,512,605,658)	(309,037,265,958)
15	Corporate income tax paid	18	(19,705,145,826)	(2,777,705,082)
17	Other cash outflows for operating activities		(23,157,557,608)	(23,826,872,565)
20	<b>Net cash flows (used in) from operating activities</b>		<b>(553,315,194,880)</b>	<b>252,534,576,126</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase and constructions of fixed assets		(53,817,993,212)	(44,042,000,277)
22	Proceeds from disposals of fixed assets		20,153,131,036	34,770,711,209
23	Purchase of bonds, bank term deposits and lendings to other entities		(10,794,579,228,649)	(9,655,914,504,385)
24	Sale of bonds, collection of bank term deposits and lendings		9,889,645,833,486	9,256,854,692,517
25	Payments for investments in other entities		-	(28,438,198,697)
27	Interest received from bonds, bank term deposits and lendings		241,670,213,543	217,832,842,712
30	<b>Net cash flows used in investing activities</b>		<b>(696,928,043,796)</b>	<b>(218,936,456,921)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

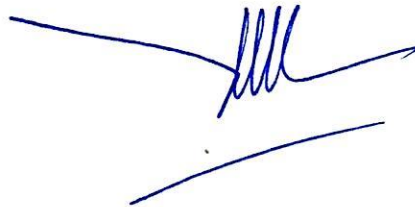
Code	ITEMS	Notes	Current year	Previous year
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings	22	17,878,425,321,332	16,043,729,188,264
34	Repayment of borrowings	22	(16,856,812,627,044)	(15,569,835,932,860)
35	Payment of principal of finance lease liabilities	22	(38,146,869,198)	(30,260,987,899)
36	Dividends paid	24.2	(116,212,720,350)	(112,921,589,650)
<b>40</b>	<b>Net cash flows from financing activities</b>		<b>867,253,104,740</b>	<b>330,710,677,855</b>
<b>50</b>	<b>Net (decrease) increase in cash for the year</b>		<b>(382,990,133,936)</b>	<b>364,308,797,060</b>
<b>60</b>	<b>Cash at beginning of the year</b>		<b>1,193,754,292,296</b>	<b>829,814,067,681</b>
61	Impact of foreign exchange rate fluctuation		263,233,039	(368,572,445)
<b>70</b>	<b>Cash at end of the year</b>	<b>4</b>	<b>811,027,391,399</b>	<b>1,193,754,292,296</b>

Binh Duong Province, Vietnam

26 March 2025



Vo Cong Danh  
Preparer



Tran Le Xuan  
Chief Accountant



Ho Song Ngoc  
General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year then ended

## 1. CORPORATE INFORMATION

Ton Dong A Corporation (“the Company”) is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Enterprise Registration Certificate (“ERC”) No. 3700255880 issued by the Department of Planning and Investment of Binh Duong Province on 2 February 2009, as amended subsequently.

The current principal activities of the Company and its subsidiaries (“the Group”) are to manufacture steel, galvanised steel, steel truss frame and mechanical products; trade in steel, construction materials, supplies, raw materials, machinery and equipment; execute civil and industrial construction and render goods transportation service by land.

The Group’s normal course of business cycle is 12 months.

The Company’s registered head office is located at No. 5 Road No. 5, Song Than 1 Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam. In addition, the Company has two (2) representative offices located at No. 21 - 23 Ho Van Hue Street, Ward 9, Phu Nhuan District, Ho Chi Minh City, Vietnam; and 2<sup>nd</sup> Floor, Lot 201-203 Le Duc Tho Street, Tran Hung Dao Ward, Quy Nhon City, Binh Dinh Province, Viet Nam and a branch located at Lot A3, D4 Street, Dong An 2 Industrial Zone, Hoa Phu Ward, Thu Dau Mot City, Binh Duong Province, Vietnam.

The number of the Group’s employees as at 31 December 2024 was 1,481 persons (31 December 2023: 1,458 persons).

### **Corporate structure**

As at 31 December 2024, the Company invested in 6 subsidiaries (31 December 2023: 5). Details are as follows:

Name of subsidiaries	Business activities	Status	% of ownership and voting right	
			Ending balance	Beginning balance
1. Ton Dong A Bac Ninh Co., Ltd	Trading the kinds of steel	Operating	100	100
2. Ton Dong A Da Nang Co., Ltd	Trading the kinds of steel	Operating	100	100
3. Ton Dong A Long An Co., Ltd	Producing box steel pipes, trading the kinds of steel	Operating	100	100
4. Logistics Hung Viet Limited Company (formerly known as Ton Dong A Binh Duong Single - Member Limited Liability Company)	Providing transportation services	Operating	100	100
5. SBC Central Comprehensive Trading Investment and Construction Co., Ltd	Constructing building	Operating	95	95
6. Dong A Phu My Co., Ltd (“Dong A Phu My”) (*)	Producing and trading box steel pipes	Pre-operating	100	-

(\*) According to Board of Directors Resolution No. 04/2024/NQ-HDQT-TDA dated 11 April 2024, the Company incorporated Dong A Phu My under the Law on Enterprise of Vietnam pursuant to the ERC No. 3502519436 issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province on 15 April 2024, as amended subsequently.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 2. BASIS OF PREPARATION

### 2.1 *Applied accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5),

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and the consolidated results of its operations and consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal.

### 2.3 *Fiscal year*

The Group's fiscal year applicable for the preparation of its consolidated financial statements starts on 1 January and ends on 31 December.

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the parent company and its subsidiaries for the year ended 31 December 2024.

Subsidiary is fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulted from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.1 *Change in accounting policies and disclosures*

##### 3.1.1 *Change in the accounting and presentation of balances and transactions related to letters of credit/letters of credit payable ("LC/UPAS LC")*

According to Circular No. 21/2024/TT-NHNN issued by the State Bank of Vietnam on 28 June 2024 ("Circular 21"), which regulates the operations of letters of credit and other business activities related to letters of credit and takes effect from 1 July 2024, the LC/UPAS LC operation is considered a form of bank loan.

Accordingly, the Group has change its accounting policy to reclassify the payable balances of LC/UPAS LC from "Other short-term payables" to "Short-term loans and financial lease liabilities" since 1 July 2024. From this date, any new LC/UPAS LC transactions are accounted for and presented as short-term bank loans.

The corresponding figures related to LC/UPAS LC operations is not restated as Circular 21 does not require the retrospective application of the aforementioned changes.

#### 3.2 *Cash*

Cash comprise cash on hand and cash at banks.

#### 3.3 *Inventories*

Inventories are measured at their historical costs. The cost of inventories comprise costs of purchase, costs of conversion (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost incurred in bringing each product to its present location and condition, and net realisable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, tools, supplies and merchandise - cost of purchase on a weighted average basis.

Finished goods and work-in-process - cost of finished goods on a weighted average basis.

##### *Provision for devaluation of inventories*

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods and other inventories owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

#### 3.4 *Receivables*

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.4 Receivables (continued)**

The provision for doubtful debts represents amounts of outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

**3.5 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

**3.6 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are capitalised in the consolidated balance sheet at the inception of the lease at the fair value of the leased assets or, if lower, at the net present value of the minimum lease payments. The principal amount included in future lease payments under finance leases are recorded as a liability. The interest amounts included in lease payments are charged to the consolidated income statement over the lease term to achieve a constant rate on interest on the remaining balance of the finance lease liability.

Capitalised financial leased assets are depreciated using straight-line basis over the shorter of the estimated useful lives of the asset and the lease term, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term.

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

**3.7 Intangible assets**

Intangible assets are stated at cost less accumulated amortisation.

The cost of an intangible asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.8 Depreciation and amortisation**

Depreciation of tangible fixed assets, and financial leased assets and amortisation of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 25 years
Machinery and equipment	5 - 15 years
Means of transportation	5 - 10 years
Office equipment	3 - 8 years
Computer software	3 - 8 years
Other fixed assets	5 - 10 years

**3.9 Construction in progress**

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalisation.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use. Construction costs are recognised as expenses when such costs do not meet the conditions to be recognised as fixed assets.

**3.10 Borrowing costs**

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of the fund are recorded as expense during the year in which they are incurred except borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial year of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset.

**3.11 Prepaid expenses**

Prepaid expenses are reported either as short-term or long-term prepaid expenses in the consolidated balance sheet and amortised over the period for which the amounts are paid or the year in which economic benefits are generated in relation to these expenses.

*Prepaid land rentals*

Prepaid land rentals represent the unamortised balances of advanced payments made in accordance with lease contracts for years of 30 and 45 years. Such prepaid rentals are recognised as a long-term prepaid expense for allocation to the consolidated income statement over the remaining lease period according to Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013 guiding the management, use and depreciation of fixed assets.

**3.12 Business combinations and goodwill**

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.12 Business combinations and goodwill (continued)**

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

**3.13 Held-to-maturity investments**

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as finance expense in the consolidated income statement and deducted against the value of such investments.

*Provision for diminution in value of investments*

Provision for diminution in value of the investments is made when there are reliable evidences of the diminution in value of those investments at the consolidated balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

**3.14 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

**3.15 Convertible bond**

Bonds that are convertible by the holder into a fixed number of ordinary shares of the Group are separated into financial liability (a contractual arrangement to deliver cash or another financial assets) and equity instrument (a call option granting the holder the right, for a specified year of time) based on the terms of the contract.

On issuance of the convertible bond, the fair value of the liability component is determined by discounting the future payment (including principal and interest) to present value at the market rate for an equivalent non-convertible bond less issuance cost.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in shareholders' equity. The carrying amount of the conversion option is not re-measured in subsequent years.

**3.16 Foreign currency transactions**

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual exchange rates at transaction dates, determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection;
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment; and
- ▶ Payments for assets or expenses without liabilities initially being recognised is recorded at the buying exchange rates of the commercial banks that process these payments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 *Foreign currency transactions* (continued)

At the end of the year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the consolidated balance sheet date, which are determined as follows:

- ▶ Monetary assets are translated at the buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Group conducts transactions regularly, except for payables denominated in foreign currencies which have used financial instruments to hedge against foreign exchange risks.

All foreign exchange differences incurred are taken to the consolidated income statement.

#### 3.17 *Share capital*

##### *Ordinary shares*

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

##### *Share premium*

Share premium is the difference between the par value and the issuance price of the shares, minus the actual expenses incurred for the issuance of the shares.

#### 3.18 *Appropriation of net profits*

Net profit after tax (excluding negative goodwill arising from a bargain purchase) is available for appropriation to shareholders after approval in the annual general meeting, and after making appropriation to reserve funds in accordance with the Group's Charter and Vietnam's regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the annual general meeting.

##### *Dividends*

Dividends payable are recommended by the Board of Directors of the Company and are classified as a distribution of undistributed profits under the equity item on the consolidated balance sheet. Dividends will be recognised as a liability on the consolidated balance sheet when they are approved by shareholders at the Annual General Meeting of Shareholders and decided to payment by the Board of Directors.

##### *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or in-depth investments.

##### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits and presented as a liability in the consolidated balance sheet.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.19 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

##### *Rendering of services*

Revenues are recognised upon completion of the services provided.

##### *Interest income*

Interest is recognised on an accrual basis based on the time and actual interest rate for each period.

#### 3.20 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the consolidated balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.20 Taxation (continued)**

*Deferred tax (continued)*

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to off-set current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Group intends either to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

**3.21 Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.22 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's activities are mainly taking place within Vietnam. The Group's principal activities are to manufacture iron, steel, cast iron; render goods transportation service by land; and lease out construction machinery and equipment. However, the contribution of rendering services are immaterial to the consolidated operating results of the Group. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, management is of the view that there is only one segment for business in manufacturing iron, steel, cast iron and geography in Vietnam and therefore presentation of segmental information is not required.

#### 3.23 Related parties

Parties are considered to be related parties of the Group if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

### 4. CASH

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	503,754,559	388,543,840
Cash at banks	<u>810,523,636,840</u>	<u>1,193,365,748,456</u>
<b>TOTAL</b>	<b><u>811,027,391,399</u></b>	<b><u>1,193,754,292,296</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**5. HELD-TO-MATURITY INVESTMENTS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>3,221,633,265,825</b>	<b>2,156,059,870,662</b>
Bank deposits (*)	599,000,000,000	661,600,000,000
Bonds (**)	2,622,633,265,825	1,494,459,870,662
<b>Long-term</b>	<b>110,000,000,000</b>	<b>270,640,000,000</b>
Bonds (**)	110,000,000,000	270,640,000,000
<b>TOTAL</b>	<b><u>3,331,633,265,825</u></b>	<b><u>2,426,699,870,662</u></b>

(\*) These represented the term deposits at the commercial banks with the original maturity of over three (3) months and less than twelve (12) months, and earn interest at the rates ranging from 2.8% p.a to 6.0% p.a

(\*\*) Ending balance represented the investments in bonds issued by commercial banks and other corporates, and earn interest at the rates ranging from 5.38% p.a to 8.30% p.a, of which:

- The bonds amounting to VND 998,735,539,313 were settled on the date of these consolidated financial statements;
- The remaining bonds are registered for depository at Vietnam Securities Depository Centre and unconditional sale and are classified based on the time when the Group intends to transfer.

As disclosed in *Note 22*, the Group had used a part of these banks deposits and bonds as collateral for the bank loans.

**6. SHORT-TERM TRADE RECEIVABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade receivables from customers	1,205,132,287,123	1,935,362,770,403
<i>In which:</i>		
- <i>Duferco Sa</i>	135,400,512,027	69,690,500,198
- <i>Eusider S.P.A.</i>	101,077,644,156	-
- <i>JFE Shoji America LLC</i>	-	149,764,015,509
- <i>Others</i>	968,654,130,940	1,715,908,254,696
Trade receivables from a related party ( <i>Note 34</i> )	6,427,104,757	-
<b>TOTAL</b>	<b><u>1,211,559,391,880</u></b>	<b><u>1,935,362,770,403</u></b>
Provision for doubtful receivables	(30,903,586,169)	(25,398,513,009)
<b>NET</b>	<b><u>1,180,655,805,711</u></b>	<b><u>1,909,964,257,394</u></b>

As disclosed in *Note 22*, the Group had used a part of certain short-term trade receivables as collateral for the bank loans.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

6. **SHORT-TERM TRADE RECEIVABLES** (continued)

Details of the bad debt as below:

	<i>Ending balance</i>			<i>Beginning balance</i>			<i>VND</i>
	<i>Cost</i>	<i>Provision</i>	<i>Estimated recoverable amount</i>	<i>Cost</i>	<i>Provision</i>	<i>Estimated recoverable amount</i>	
<b>Overdue from 6 months to less than 3 year</b>	-	-	-	<b>30,454,964,419</b>	<b>(21,318,475,094)</b>		<b>9,136,489,325</b>
- Totem Steel Internation	-	-	-	30,454,964,419	(21,318,475,094)		9,136,489,325
<b>Overdue more than 3 years</b>	<b>30,903,586,169</b>	<b>(30,903,586,169)</b>	-	<b>4,080,037,915</b>	<b>(4,080,037,915)</b>		-
- Totem Steel Internation	26,823,548,254	(26,823,548,254)	-	-	-		-
- A Chau Quang Vinh Co., Ltd.	2,282,275,444	(2,282,275,444)	-	2,282,275,444	(2,282,275,444)		-
- A Chau Le Anh Service Trading Manufacturing Company Limited	1,367,878,669	(1,367,878,669)	-	1,367,878,669	(1,367,878,669)		-
- Others	429,883,802	(429,883,802)	-	429,883,802	(429,883,802)		-
<b>TOTAL</b>	<b>30,903,586,169</b>	<b>(30,903,586,169)</b>	-	<b>34,535,002,334</b>	<b>(25,398,513,009)</b>		<b>9,136,489,325</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**6. SHORT-TERM TRADE RECEIVABLES** (continued)

Movements of provision for doubtful receivables are as follows:

	<i>Current year</i>	<i>Previous year</i>
Beginning balance	25,398,513,009	50,837,445,565
Add: Provision made during the year	5,505,073,160	-
Less: Reversal of provision during the year	-	(25,438,932,556)
Ending balance	<u>30,903,586,169</u>	<u>25,398,513,009</u>

**7. SHORT-TERM ADVANCES TO SUPPLIERS**

	<i>Ending balance</i>	<i>Beginning balance</i>
Minh Phat Co., Ltd	5,255,725,342	10,070,882,386
A Dong Construction Trading Advertising Co., Ltd	3,924,391,591	8,072,170,518
Others	5,161,675,177	10,561,790,152
<b>TOTAL</b>	<u><b>14,341,792,110</b></u>	<u><b>28,704,843,056</b></u>

**8. OTHER RECEIVABLES**

	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>47,367,616,434</b>	<b>45,485,169,483</b>
Interest receivables	29,806,028,638	30,669,680,176
Deposits	11,295,605,400	2,581,751,839
Payment on behalf	189,062,400	6,731,292,198
Others	6,076,919,996	5,502,445,270
<b>Long-term</b>	<b>13,518,369,916</b>	<b>10,062,324,000</b>
Deposits	13,518,369,916	10,062,324,000
<b>TOTAL</b>	<u><b>60,885,986,350</b></u>	<u><b>55,547,493,483</b></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**9. INVENTORIES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Raw material	1,781,098,691,630	922,148,512,429
Finished goods	1,605,025,899,552	1,415,051,459,443
Goods in transit	782,090,916,278	253,382,518,038
Work in process - Semi-finished goods	616,534,422,307	568,901,532,300
Work in process	46,522,923,242	46,777,107,322
Tools and supplies	3,200,550,074	3,044,918,525
Merchandise	1,518,484,026	1,602,109,916
<b>TOTAL</b>	<b>4,835,991,887,109</b>	<b>3,210,908,157,973</b>
Provision for devaluation of inventories	(251,401,145,812)	(83,954,703,493)
<b>NET</b>	<b>4,584,590,741,297</b>	<b>3,126,953,454,480</b>

As disclosed in *Note 22*, the Group had used part of inventories as collateral for the bank loans.

Movements of provision for devaluation of inventories are as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	83,954,703,493	58,097,274,651
Add: Provision made during the year	251,401,145,812	83,954,703,493
Less: Utilisation of provision during the year	(83,954,703,493)	(58,097,274,651)
Ending balance	251,401,145,812	83,954,703,493

**10. PREPAID EXPENSES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>32,029,733,527</b>	<b>24,858,145,106</b>
Tools and supplies in use	18,279,263,444	16,255,283,885
Insurance	3,284,154,735	1,644,219,343
Maintenance fees	5,921,567,432	5,719,625,377
Others	4,544,747,916	1,239,016,501
<b>Long-term</b>	<b>404,395,240,995</b>	<b>289,794,745,038</b>
Land rentals (*)	286,977,016,879	199,991,469,097
Tools and supplies in use	79,928,271,985	68,156,302,565
Advertising expenses	27,062,491,466	9,471,135,283
Others	10,427,460,665	12,175,838,093
<b>TOTAL</b>	<b>436,424,974,522</b>	<b>314,652,890,144</b>

(\*) As disclosed in *Note 22*, the Group had used certain land used right as collateral for the bank loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**11. TANGIBLE FIXED ASSETS**

	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Others</i>	<i>Total</i>
						VND
<b>Cost:</b>						
Beginning balance	811,580,241,842	3,507,570,686,244	224,482,324,970	17,470,945,353	383,327,813	4,561,487,526,222
New purchases	5,081,188,132	7,922,447,222	1,053,992,307	669,175,000	-	14,726,802,661
Repurchase finance lease	-	-	7,700,159,350	-	-	7,700,159,350
Disposals	(21,305,136,712)	(771,703,577)	(3,661,602,470)	-	-	(25,738,442,759)
Ending balance	795,356,293,262	3,514,721,429,889	229,574,874,157	18,140,120,353	383,327,813	4,558,176,045,474
<i>In which:</i>						
<i>Fully depreciated</i>	32,663,137,306	1,182,555,524,530	46,556,739,043	13,067,985,279	-	1,274,843,386,158
<b>Accumulated depreciation:</b>						
Beginning balance	249,211,309,932	2,109,071,276,922	147,015,838,899	15,699,403,245	220,278,234	2,521,218,107,232
Depreciation for the year	37,704,554,822	265,502,761,870	23,838,362,844	728,719,359	41,977,199	327,816,376,094
Repurchase finance lease	-	-	3,657,630,847	-	-	3,657,630,847
Disposals	(7,324,352,644)	(498,491,026)	(2,497,209,899)	-	-	(10,320,053,569)
Ending balance	279,591,512,110	2,374,075,547,766	172,014,622,691	16,428,122,604	262,255,433	2,842,372,060,604
<b>Net carrying amount:</b>						
Beginning balance	562,368,931,910	1,398,499,409,322	77,466,486,071	1,771,542,108	163,049,579	2,040,269,418,990
Ending balance	515,764,781,152	1,140,645,882,123	57,560,251,466	1,711,997,749	121,072,380	1,715,803,984,870

As disclosed in Note 22, the Group had used certain tangible fixed assets as collateral for the bank loans.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 12. FINANCE LEASES

			VND
	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	26,241,620,302	77,616,182,064	103,857,802,366
Additional leases	-	41,403,019,196	41,403,019,196
Repurchase finance lease	-	(7,700,159,350)	(7,700,159,350)
Ending balance	<u>26,241,620,302</u>	<u>111,319,041,910</u>	<u>137,560,662,212</u>
<b>Accumulated depreciation:</b>			
Beginning balance	1,148,026,725	17,785,763,967	18,933,790,692
Depreciation for the year	2,624,162,029	16,282,849,958	18,907,011,987
Repurchase finance lease	-	(3,657,630,847)	(3,657,630,847)
Ending balance	<u>3,772,188,754</u>	<u>30,410,983,078</u>	<u>34,183,171,832</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>25,093,593,577</u>	<u>59,830,418,097</u>	<u>84,924,011,674</u>
Ending balance	<u>22,469,431,548</u>	<u>80,908,058,832</u>	<u>103,377,490,380</u>

## 13. INTANGIBLE ASSETS

			VND
	<i>Land use rights</i>	<i>Computer software</i>	<i>Total</i>
<b>Cost:</b>			
Beginning balance	117,526,300,000	20,749,424,227	138,275,724,227
New purchases	-	3,015,949,500	3,015,949,500
Ending balance	<u>117,526,300,000</u>	<u>23,765,373,727</u>	<u>141,291,673,727</u>
<i>In which:</i>			
<i>Fully amortised</i>	-	15,673,326,727	15,673,326,727
<b>Accumulated amortisation:</b>			
Beginning balance	-	16,666,849,461	16,666,849,461
Amortisation for the year	-	1,560,162,580	1,560,162,580
Ending balance	<u>-</u>	<u>18,227,012,041</u>	<u>18,227,012,041</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>117,526,300,000</u>	<u>4,082,574,766</u>	<u>121,608,874,766</u>
Ending balance	<u>117,526,300,000</u>	<u>5,538,361,686</u>	<u>123,064,661,686</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

#### 14. LONG-TERM ASSETS IN PROGRESS

##### 14.1 Long-term work-in-process

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Subdividing lots project	<u>25,621,793,759</u>	<u>19,985,897,068</u>

##### 14.2 Construction in progress

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Rooftop solar power system (*)	35,003,450,421	-
Machinery and equipment under installation	<u>5,096,780,536</u>	<u>4,024,989,906</u>
<b>TOTAL</b>	<b><u>40,100,230,957</u></b>	<b><u>4,024,989,906</u></b>

(\*) As at 31 December 2024, the Group has a commitment of VND 14,727,272,727 to complete the construction of this rooftop solar power system for its operation purpose. As disclosed in Note 22, the Group had used this asset as collateral for a bank loan.

#### 15. GOODWILL

	VND
	<i>Amount</i>
<b>Cost:</b>	
Beginning and ending balance	<u>8,729,058,002</u>
<b>Accumulated amortisation:</b>	
Beginning balance	72,742,150
Amortisation for the year	<u>872,905,800</u>
Ending balance	<u>945,647,950</u>
<b>Net carrying amount:</b>	
Beginning balance	<u>8,656,315,852</u>
Ending balance	<u>7,783,410,052</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**16. SHORT-TERM TRADE PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Trade payables to suppliers	1,130,440,875,705	652,996,632,823
<i>In which:</i>		
- Jfe Shoji Corporation	241,554,692,470	-
- Metal One Corporation	195,390,481,582	-
- Hoa Phat Dung Quat Steel JSC	-	153,041,178,642
- Others	693,495,701,653	499,955,454,181
Trade payables to a related party (Note 34)	712,497,446,510	674,882,836,778
<b>TOTAL</b>	<b><u>1,842,938,322,215</u></b>	<b><u>1,327,879,469,601</u></b>

**17. SHORT-TERM ADVANCES FROM CUSTOMERS**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Hanwa Singapore (Private) Limited	13,664,536,255	1,285,770,543
ST.International Co.,Ltd	7,533,595,183	-
Artsteel Canada Inc	6,260,012,100	-
P.E. Dives-Plus	6,062,602,320	-
Gramperfil S.A	-	23,778,855,650
Others	26,846,468,425	40,018,778,305
<b>TOTAL</b>	<b><u>60,367,214,283</u></b>	<b><u>65,083,404,498</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**18. TAX RECEIVABLES AND STATUTORY OBLIGATIONS**

	<i>Beginning balance</i>	<i>Increase in year</i>	<i>Decrease in year</i>	<i>VND Ending balance</i>
<b>Receivables</b>				
Value-added tax	184,159,677,855	2,018,857,004,722	(1,756,259,923,944)	446,756,758,633
Corporate income tax	333,986,699	-	(313,999,859)	19,986,840
<b>TOTAL</b>	<b>184,493,664,554</b>	<b>2,018,857,004,722</b>	<b>(1,756,573,923,803)</b>	<b>446,776,745,473</b>
<b>Payables</b>				
Corporate income tax	19,474,220,971	121,022,981,530	(19,705,145,826)	120,792,056,675
Value-added tax	7,508,163,929	1,719,459,981,374	(1,628,215,544,118)	98,752,601,185
Personal income tax	5,366,433,166	16,044,453,835	(15,697,143,080)	5,713,743,921
Natural resource tax	32,400,000	324,000,000	(291,600,000)	64,800,000
Import tax	24,403,314	2,224,482,748	(2,110,013,776)	138,872,286
Others	-	136,397,004	(136,397,004)	-
<b>TOTAL</b>	<b>32,405,621,380</b>	<b>1,859,212,296,491</b>	<b>(1,666,155,843,804)</b>	<b>225,462,074,067</b>

**19. SHORT-TERM ACCRUED EXPENSES**

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Interest expenses	10,251,323,384	8,953,414,795
Transportation fees	-	42,829,869,721
Others	1,788,543,381	348,847,480
<b>TOTAL</b>	<b>12,039,866,765</b>	<b>52,132,131,996</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**20. OTHER SHORT-TERM PAYABLES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
UPAS L/C	-	524,591,263,848
Others	2,755,507,742	4,133,013,319
<b>TOTAL</b>	<b><u>2,755,507,742</u></b>	<b><u>528,724,277,167</u></b>

**21. BONUS AND WELFARE FUND**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Bonus and welfare fund	<u>42,184,482,641</u>	<u>34,118,454,233</u>

Details of movements of bonus and welfare fund:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	34,118,454,233	56,358,084,805
Add: Appropriation of bonus and welfare funds	28,674,266,001	312,441,993
Less: Utilisation of bonus and welfare funds	(20,608,237,593)	(22,552,072,565)
Ending balance	<b><u>42,184,482,641</u></b>	<b><u>34,118,454,233</u></b>

**22. LOANS AND FINANCE LEASES**

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term</b>	<b>6,778,798,090,852</b>	<b>5,804,027,377,038</b>
Loans and finance leases	6,778,798,090,852	5,748,341,713,076
- Loans from banks (Note 22.1)	6,744,616,035,491	5,725,217,239,285
- Current portion of long-term loans	3,211,122,995	-
- Current portion of finance leases (Note 22.3)	30,970,932,366	23,124,473,791
Convertible bonds	-	55,685,663,962
<b>Long-term</b>	<b>66,590,834,558</b>	<b>43,737,539,871</b>
Loans from banks (Note 22.2)	24,083,422,460	-
Finance leases (Note 22.3)	42,507,412,098	43,737,539,871
<b>TOTAL</b>	<b><u>6,845,388,925,410</u></b>	<b><u>5,847,764,916,909</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 22. LOANS AND FINANCE LEASES (continued)

Details of movement of loans and finance leases are as follows:

	VND					
	<i>Beginning balance</i>	<i>Increase in the year</i>	<i>Decrease in the year</i>	<i>Reclassification</i>	<i>Revaluation</i>	<i>Ending balance</i>
<b>Short-term</b>	<b>5,804,027,377,038</b>	<b>17,851,130,775,877</b>	<b>(16,879,937,100,835)</b>	<b>(21,503,608,601)</b>	<b>25,080,647,373</b>	<b>6,778,798,090,852</b>
Loans from banks	5,725,217,239,285	17,851,130,775,877	(16,856,812,627,044)	-	25,080,647,373	6,744,616,035,491
<i>Short-term loan - VND</i>	3,735,879,352,837	10,783,891,859,008	(11,006,283,457,416)	-	-	3,513,487,754,429
<i>Short-term loan - USD</i>	1,989,337,886,448	7,067,238,916,869	(5,850,529,169,628)	-	25,080,647,373	3,231,128,281,062
Current portion of long-term loans	-	-	-	3,211,122,995	-	3,211,122,995
Current portion of finance lease	23,124,473,791	-	(23,124,473,791)	30,970,932,366	-	30,970,932,366
Convertible bonds	55,685,663,962	-	-	(55,685,663,962)	-	-
<b>Long-term</b>	<b>43,737,539,871</b>	<b>72,057,745,455</b>	<b>(15,022,395,407)</b>	<b>(34,182,055,361)</b>	<b>-</b>	<b>66,590,834,558</b>
Loans from banks	-	27,294,545,455	-	(3,211,122,995)	-	24,083,422,460
Finance leases	43,737,539,871	44,763,200,000	(15,022,395,407)	(30,970,932,366)	-	42,507,412,098
<b>TOTAL</b>	<b>5,847,764,916,909</b>	<b>17,923,188,521,332</b>	<b>(16,894,959,496,242)</b>	<b>(55,685,663,962)</b>	<b>25,080,647,373</b>	<b>6,845,388,925,410</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**22. LOANS AND FINANCE LEASES** (continued)

**22.1 Short-term bank loans**

The Group obtained these short-term loans from banks to finance to its working capital requirements. Details are as follows:

<i>Bank</i>	<i>Ending balance</i> (VND)	<i>Original currency</i> (USD)	<i>Maturity date</i>	<i>Description of collateral</i>
<b><i>Vietnam Joint Stock Commercial Bank for Industry and Trade - East Sai Gon Branch ("Vietinbank DSG")</i></b>				
Loan 1	1,559,828,736,875	-	From 4 to 5 months from the drawdown date	Inventories, machinery and equipment,
Loan 2	943,249,687,467	36,916,351	5 months from the drawdown date	land use rights, associated assets and bonds
<b><i>Joint Stock Commercial Bank for Investment and Development of Vietnam - Tan Binh Branch ("BIDV")</i></b>				
Loan 1	644,099,775,843	-	From 5 to 6 months from the drawdown date	Inventories, machinery and equipment,
Loan 2	1,855,364,430,613	72,647,131	From 5 to 6 months from the drawdown date	land use rights, associated assets and bonds
<b><i>Joint Stock Commercial Bank for Foreign Trade of Vietnam - South Binh Duong Branch ("VCB")</i></b>				
Loan 1	266,839,530,853	-	From 4 to 12 months from the drawdown date	Inventories, land use rights and associated assets
<b><i>Vietnam International Commercial Joint Stock Bank - Sai Gon Branch (VIB)</i></b>				
Loan 1	498,978,501,282	-	From 5 to 6 months from the drawdown date	Inventories
<b><i>Vietnam Technological and Commercial Joint Stock Bank - Sai Gon Branch ("TCB")</i></b>				
Loan 1	23,474,224,685	918,721	6 months from the drawdown date	Inventories
<b><i>Tien Phong Commercial Joint Stock Bank - Ben Thanh Branch ("TPB")</i></b>				
Loan 1	409,039,938,297	16,063,595	6 months from the drawdown date	Inventories and deposit contracts

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**22. LOANS AND FINANCE LEASES** (continued)

**22.1 Short-term bank loans** (continued)

The Group obtained these short-term loans from banks to finance to its working capital requirements. Details are as follows: (continued)

<i>Bank</i>	<i>Ending balance</i> (VND)	<i>Original currency</i> (USD)	<i>Maturity date</i>	<i>Description of collateral</i>
<b><i>HSBC Bank (Vietnam) Ltd. ("HSBC")</i></b>				
Loan 1	335,423,335,336	-	4 months from the drawdown date	Inventories, machineries and equipments
<b><i>United Overseas Bank - Ho Chi Minh Branch ("UOB")</i></b>				
Loan 1	31,450,350,589	-	4 months from the drawdown date	Unsecured
<b><i>Military Commercial Joint Stock Bank ("MB")</i></b>				
Loan 1	176,867,523,651	-	From 5 to 6 months from the drawdown date	Inventories and deposit contracts
<b>TOTAL</b>	<b><u>6,744,616,035,491</u></b>	<b><u>126,545,798</u></b>		

Interest rates for short-term loans from banks in VND are ranging from 3.89% p.a. to 6.00% p.a. and in USD are ranging from 3.60% p.a. to 5.60% p.a.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 22. LOANS AND FINANCE LEASES (continued)

### 22.2 Long-term bank loan

The Group obtained long-term loan from bank to finance the investment costs of the rooftop solar power system. Details are as follows:

<i>Bank</i>	<i>Ending balance</i> <i>(VND)</i>	<i>Original</i> <i>currency</i> <i>(USD)</i>	<i>Maturity date</i>	<i>Description of collateral</i>
<b>HSBC Bank (Vietnam) Ltd. ("HSBC")</b>				
Loan 1	<u>27,294,545,455</u>	<u>-</u>	5 years from the drawdown date	Rooftop solar power system

*In which:*

<i>Non-current portion</i>	24,083,422,460
<i>Current portion</i>	3,211,122,995

### 22.3 Finance leases

The Group leases machinery and equipment, means of transportation under finance lease agreements with Vietnam International Leasing Company; Vietcombank Financial Leasing Co., Ltd; BIDV - Sumi Trust Leasing Company., Ltd and Chailease International Leasing Company Limited. Future obligations due under finance lease agreements as at balance sheet dates are:

	<i>Ending balance</i>			<i>Beginning balance</i>		
	<i>Total minimum</i> <i>lease payments</i>	<i>Finance charges</i>	<i>Lease liabilities</i>	<i>Total minimum</i> <i>lease payments</i>	<i>Finance charges</i>	<i>Lease liabilities</i>
Less than 1 year	35,433,105,355	4,462,172,989	30,970,932,366	27,538,949,727	4,414,475,936	23,124,473,791
From 1 - 5 years	45,410,776,165	2,903,364,067	42,507,412,098	47,630,817,171	3,893,277,300	43,737,539,871
<b>TOTAL</b>	<b><u>80,843,881,520</u></b>	<b><u>7,365,537,056</u></b>	<b><u>73,478,344,464</u></b>	<b><u>75,169,766,898</u></b>	<b><u>8,307,753,236</u></b>	<b><u>66,862,013,662</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 23. CONVERTIBLE BONDS

	<i>Issuance date</i> <i>(year)</i>	<i>Term</i>	<i>Quantity</i>	<i>Par Value</i> <i>(VND)</i>	<i>Nominal interest</i> <i>(%/p.a.)</i>	<i>Discount interest rate</i> <i>(%/p.a.)</i>	<i>Equity component</i> <i>(Note 24.1)</i> <i>(VND)</i>	<i>Liability component</i> <i>(VND)</i>
Beginning and ending balances	<u>2014</u>	<u>3 years</u>	<u>559,067</u>	<u>100,000</u>	<u>5</u>	<u>6.3</u>	<u>1,931,977,742</u>	<u>55,685,663,962</u>

On 17 March 2014, the Group entered into the Bond Purchase Agreement with Posco Vietnam Co., Ltd. ("Posco") incorporated in Vietnam. Accordingly, on 28 April 2014, the Group issued 559,067 unsecured convertible bonds at par value of VND 100,000 each to Posco for installing two new production lines. On 17 March 2024, the Group and Posco signed the Annex No. 9 of Bond Purchase Agreement, stating the parties agreed that the latest maturity date is 28 April 2026. Accordingly, if the conversion happens, the bond will be converted into ordinary shares at a negotiable convertible price on the maturity date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 24. OWNERS' EQUITY

### 24.1 Increase and decrease in owners' equity

	VND						
	Share capital	Share premium	Convertible bond options	Investment and development fund	Undistributed earnings	Non-controlling interest ("NCI")	Total
<b>Previous year</b>							
Beginning balance	1,146,915,100,000	834,436,453,483	1,931,977,742	3,430,602,730	1,461,827,518,400	-	3,448,541,652,355
NCI arising from acquisition a subsidiary during the year	-	-	-	-	-	2,140,575,895	2,140,575,895
Dividend declared	-	-	-	-	(114,691,510,000)	-	(114,691,510,000)
Net profit (loss) for the year	-	-	-	-	283,573,126,097	(827,994)	283,572,298,103
Transfer to bonus and welfare fund (Note 21)	-	-	-	-	(312,441,993)	-	(312,441,993)
Ending balance	<u>1,146,915,100,000</u>	<u>834,436,453,483</u>	<u>1,931,977,742</u>	<u>3,430,602,730</u>	<u>1,630,396,692,504</u>	<u>2,139,747,901</u>	<u>3,619,250,574,360</u>
<b>Current year</b>							
Beginning balance	1,146,915,100,000	834,436,453,483	1,931,977,742	3,430,602,730	1,630,396,692,504	2,139,747,901	3,619,250,574,360
Dividend declared (*)	-	-	-	-	(114,691,510,000)	-	(114,691,510,000)
Net profit (loss) for the year	-	-	-	-	341,857,982,139	(88,597,738)	341,769,384,401
Bonus and welfare fund (Note 21)	-	-	-	-	(28,674,266,001)	-	(28,674,266,001)
Remuneration of BOD, BOS and Board Secretary	-	-	-	-	(2,548,980,321)	-	(2,548,980,321)
Ending balance	<u>1,146,915,100,000</u>	<u>834,436,453,483</u>	<u>1,931,977,742</u>	<u>3,430,602,730</u>	<u>1,826,339,918,321</u>	<u>2,051,150,163</u>	<u>3,815,105,202,439</u>

(\*) According to the Resolution of Annual General Meeting No. 02/2024/NQ-DHDCDTN-TDA dated 28 June 2024, the Board of Directors Resolution No. 15/2024/NQ-HDQT-TDA dated 19 September 2024 and Board of Directors Resolution No. 16/2024/NQ-HDQT-TDA dated 29 October 2024, Shareholders and the Board of Directors of the Group approved the payment of dividends for 2023 in shares at 20% of par value and in cash at 10% of par value. As at 6 December 2024, the Group completed the payment of cash dividends and as at the date of this report, the Group is still in the process to complete the payment of dividends in shares.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**24. OWNERS' EQUITY** (continued)

**24.2 Capital transactions with owners and distribution of dividends**

	VND	
	<i>Current year</i>	<i>Previous year</i>
<b>Contributed share capital</b>		
Beginning and ending balance	<u>1,146,915,100,000</u>	<u>1,146,915,100,000</u>
<b>Dividends</b>		
Dividends declared	114,691,510,000	114,691,510,000
Dividends paid in form of cash	116,212,720,350	112,921,589,650

**24.3 Shares**

	<u>Number of shares</u>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Authorised shares	114,691,510	114,691,510
Issued and paid-up shares		
<i>Ordinary shares</i>	114,691,510	114,691,510
Shares in circulation		
<i>Ordinary shares</i>	114,691,510	114,691,510

The Company's shares issued has pair value of 10,000 VND per share. Shareholders holding common shares of the Company are entitled to receive dividends declared by the Company. Each common share represents one unlimited voting right.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**25. REVENUES**

**25.1 Revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
<b>Gross revenue</b>	<b>19,154,277,660,034</b>	<b>17,462,680,329,247</b>
<i>Of which:</i>		
<i>Sale of finished goods</i>	19,029,167,425,510	17,418,837,552,291
<i>Sale of merchandise</i>	77,110,410,544	21,611,065,446
<i>Rendering of services</i>	47,999,823,980	22,231,711,510
<b>Deductions</b>	<b>(18,429,005,144)</b>	<b>(28,102,508,698)</b>
<i>Trade discounts</i>	(15,483,651,157)	(23,222,050,903)
<i>Sales return</i>	(2,744,617,320)	(4,727,473,352)
<i>Sales allowances</i>	(200,736,667)	(152,984,443)
<b>NET REVENUE</b>	<b><u>19,135,848,654,890</u></b>	<b><u>17,434,577,820,549</u></b>
<i>Of which:</i>		
<i>Sale of finished goods</i>	19,010,738,420,366	17,390,735,043,593
<i>Sale of merchandise</i>	77,110,410,544	21,611,065,446
<i>Rendering of services</i>	47,999,823,980	22,231,711,510
<i>Of which:</i>		
<i>Sales to other parties</i>	18,999,924,893,490	17,349,529,619,197
<i>Sales to related parties (Note 34)</i>	135,923,761,400	85,048,201,352

**25.2 Finance income**

	VND	
	Current year	Previous year
Foreign exchange gains	216,877,102,446	157,390,802,049
Interest from bonds	176,187,287,393	131,956,305,078
Interest from bank deposits	35,197,186,727	38,785,565,190
Interest from lending	7,186,241,071	47,113,657,046
Others	501,203,804	3,200,332,422
<b>TOTAL</b>	<b><u>435,949,021,441</u></b>	<b><u>378,446,661,785</u></b>

**26. COST OF GOODS SOLD AND SERVICES RENDERED**

	VND	
	Current year	Previous year
Cost of finished goods sold	17,399,681,822,340	16,241,722,660,676
Cost of merchandise sold	77,997,650,214	23,306,730,325
Cost of services rendered	41,624,728,348	14,551,923,293
Provision for devaluation of inventories	167,446,442,319	25,857,428,842
<b>TOTAL</b>	<b><u>17,686,750,643,221</u></b>	<b><u>16,305,438,743,136</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**27. FINANCE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest expense	242,616,957,479	296,649,131,094
Foreign exchange losses	110,926,019,435	61,073,125,892
Others	-	13,563,917,596
<b>TOTAL</b>	<b><u>353,542,976,914</u></b>	<b><u>371,286,174,582</u></b>

**28. SELLING EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Transportation and delivery expenses	790,538,867,947	524,385,014,704
Expenses for external services	114,213,785,908	90,477,949,870
Labour costs	58,752,927,928	54,684,331,111
Advertising expenses	38,210,543,224	71,579,494,444
Depreciation and amortisation expenses	8,360,007,081	7,996,184,650
Others	17,028,454,499	15,147,266,456
<b>TOTAL</b>	<b><u>1,027,104,586,587</u></b>	<b><u>764,270,241,235</u></b>

**29. GENERAL AND ADMINISTRATIVE EXPENSES**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Labour costs	53,020,504,610	49,255,970,125
Expenses for external services	30,816,120,470	21,449,353,850
Depreciation and amortisation expenses	9,645,774,547	8,580,458,964
Provision (reversal of provision) for receivables	5,505,073,160	(25,023,716,928)
Others	12,473,533,886	8,814,175,636
<b>TOTAL</b>	<b><u>111,461,006,673</u></b>	<b><u>63,076,241,647</u></b>

**30. PRODUCTION AND OPERATING COSTS**

	VND	
	<i>Current year</i>	<i>Previous year</i>
Raw materials	16,815,278,324,435	15,052,072,616,043
Expenses for external services	1,288,135,069,612	982,312,091,887
Labour costs	387,810,461,515	347,968,151,582
Depreciation and amortisation	347,344,446,882	342,325,589,669
Provision expense for devaluation of inventory and bad debts	172,951,515,479	833,711,914
Cost of merchandise	77,997,650,214	23,306,730,325
Others	31,527,883,029	25,450,308,744
<b>TOTAL</b>	<b><u>19,121,045,351,166</u></b>	<b><u>16,774,269,200,164</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 31. OTHER INCOME AND EXPENSES

	VND	
	Current year	Previous year
<b>Other income</b>	<b>38,761,593,021</b>	<b>6,851,882,090</b>
Gain from disposal of assets	29,914,466,320	428,395,552
Sale of scrap	6,796,194,409	5,117,769,848
Others	2,050,932,292	1,305,716,690
<b>Other expenses</b>	<b>(3,629,819,767)</b>	<b>(9,915,692,482)</b>
Depreciation expenses of idle fixed assets	(1,812,009,579)	(2,769,254,874)
Tax penalty	(1,192,608,645)	(835,538)
Loss from disposal of fixed assets	(136,074,396)	(6,312,116,700)
Others	(489,127,147)	(833,485,370)
<b>OTHER PROFIT (LOSS)</b>	<b><u>35,131,773,254</u></b>	<b><u>(3,063,810,392)</u></b>

### 32. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") applicable to the Group and its subsidiaries are as follows:

Company	CIT rate	CIT incentives
Ton Dong A Corporation	20% of taxable income	
Ton Dong A Long An Co., Ltd	20% of taxable income	Tax exemption for 2 years commencing from the first year in which a taxable income is earned (which is 2021), and a 50% reduction of the applicable CIT tax rate for the following 4 years
Other subsidiaries	20% of taxable income	

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.

#### 32.1 CIT expense

	VND	
	Current year	Previous year
Current tax expense	121,106,056,506	22,504,734,229
Adjustment for under accrual of tax from prior years	230,924,853	1,724,150
Current CIT expense	121,336,981,359	22,506,458,379
Deferred tax income	(35,036,129,570)	(189,485,140)
<b>TOTAL</b>	<b><u>86,300,851,789</u></b>	<b><u>22,316,973,239</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**32. CORPORATE INCOME TAX** (continued)

**32.1 CIT expense** (continued)

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
<b>Accounting profit before tax</b>	<b>428,070,236,190</b>	<b>305,889,271,342</b>
At CIT rate of 20%	85,614,047,238	61,177,854,268
<i>Adjustments:</i>		
Non-deductible expenses	2,657,799,880	2,398,988,307
Adjustment for under accrual of tax from prior years	230,924,853	1,724,150
Allocation of goodwill at consolidated level	174,581,160	14,548,430
CIT related to interest expenses carried forward according to Decree No. 132/2020/ND-CP	(41,164,174)	(11,244,993,309)
Tax loss carried forward	(244,528,614)	(30,031,148,607)
Tax reduced	(2,090,808,554)	-
<b>CIT expense</b>	<b>86,300,851,789</b>	<b>22,316,973,239</b>

**32.2 Current tax**

The current tax payable is based on taxable income for the year. Taxable income of the Group for the year differs from accounting profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other year and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted at the balance sheet date.

**32.3 Deferred tax**

The following are the deferred tax assets and deferred tax liabilities recognised by the Group, and the movements thereon, during the current and previous years:

	VND			
	<i>Consolidated balance sheet</i>		<i>Consolidated income statement</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>	<i>Current year</i>	<i>Previous year</i>
Provision for devaluation of inventories	50,099,532,040	16,733,920,466	33,365,611,574	5,114,465,536
Provision for doubtful debts	5,364,709,650	4,263,695,019	1,101,014,631	(5,004,743,385)
Unrealised profits	1,403,256,314	833,752,949	569,503,365	1,772,382,534
Accrued expenses	5,000,000	5,000,000	-	(1,692,619,545)
<b>Deferred tax assets</b>	<b>56,872,498,004</b>	<b>21,836,368,434</b>		
<b>Net deferred tax income</b>			<b>35,036,129,570</b>	<b>189,485,140</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**32. CORPORATE INCOME TAX (continued)**

**32.4 Tax losses carried forward**

The Group is entitled to carry each individual tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. At the consolidated balance sheet date, the Group had aggregated accumulated tax losses of VND 2,019,504,942 (1 January 2024: VND 3,242,148,010) available for offset against future taxable income. Details are as follows:

Originating year (*)	Can be utilised up to	Tax loss amount	Utilised up to		VND	
			31 December 2024	Forfeited	Unutilized at 31 December 2024	
2022	2027	153,397,891,046	(151,752,560,966)	-	-	1,645,330,080
2023	2028	16,559,876	-	-	-	16,559,876
2024	2029	357,614,986	-	-	-	357,614,986
<b>TOTAL</b>		<b>153,772,065,908</b>	<b>(151,752,560,966)</b>	<b>-</b>	<b>-</b>	<b>2,019,504,942</b>

(\*) Tax losses of the Company and its subsidiaries are self-estimated according to tax declarations, except SBC Central Comprehensive Trading Investment and Construction Co., Ltd which had been audited by the local tax authorities in 2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**33. EARNINGS PER SHARE**

The following reflects the income and share data used in the basic and diluted earnings per share computations:

	<i>Current year</i>	<i>Previous year</i>
Net profit after tax attributable to ordinary shareholders (VND)	341,857,982,139	283,573,126,097
Bonus and welfare fund and remuneration of BOD, BOS and Board Secretary (VND) (*)	-	(31,223,246,322)
<b>Net profit after tax attributable to ordinary shares (VND)</b>	<b>341,857,982,139</b>	<b>252,349,879,775</b>
Weighted average number of ordinary shares (shares) (**)	137,629,812	137,629,812
Effect of dilution due to:	2,552,818	2,552,818
<i>Convertible bonds</i>	2,552,818	2,552,818
<b>Weighted average number of ordinary shares adjusted for the effect of dilution</b>	<b>140,182,630</b>	<b>140,182,630</b>
Basic earnings per share (VND)	2,484	1,834
Diluted earnings per share (VND)	2,439	1,800

(\*) Net profit used to compute earnings per share for 2023 was restated following the actual distribution to Bonus and welfare funds; and remuneration of BOD, BOS and Board Secretary from 2023's undistributed earnings as approved in the Resolution of Annual General Meeting No. 02/2024/NQ-DHDCDTN-TDA dated 28 June 2024.

Net profit used to compute earnings per share for 2024 was not adjusted for the allocation to Bonus and welfare funds; and remuneration of BOD, BOS and Board Secretary from 2023's undistributed earnings as the resolution of the shareholders meeting on such distribution of profit for the current year is not yet available.

(\*\*) As disclosed in *Note 24.1*, according to the the Resolution of Annual General Meeting No. 02/2024/NQ-DHDCDTN-TDA dated 28 June 2024, shareholders of the Company approved the payment of dividends for 2023 in shares at 20% of par value. Accordingly, shareholders own 5 current shares will receive 1 additional share.

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**34. TRANSACTIONS WITH RELATED PARTIES**

List of related parties as at 31 December 2024 is as follows:

<i>Related parties</i>	<i>Relationship</i>
JFE Shoji Vietnam Co., Ltd	Shareholder with more than 5% share capital
Mr Nguyen Thanh Trung	Chairman
Ms Le Thi Phuong Loan	Members of Board of Directors ("BOD")
Ms Nguyen Thi Ngoc Quynh	Members of BOD
Mr Ho Song Ngoc	Members of BOD cum General Director
Mr Pham Quoc Thang	Members of BOD cum Deputy General Director
Mr Doan Vinh Phuoc	Members of BOD cum Deputy General Director
Mr Ngo Van Sinh	Independent members of BOD
Mr Doan Danh Tuan	Independent members of BOD
Mr Nguyen Van Dai	Deputy General Director
Mr Nguyen Nang Tin	Head of Board of Supervision ("BOS")
Ms Dinh Thi Thao Ly	Member of BOS
Mr Hoang Duy Nhat	Member of BOS

Significant transactions with related parties during the current year and previous year were as follows:

<i>Related parties</i>	<i>Transactions</i>	<i>VND</i>	
		<i>Current year</i>	<i>Previous year</i>
JFE Shoji Vietnam Co., Ltd	Purchase of goods	3,683,842,999,589	2,681,391,704,781
	Sale of goods	135,923,761,400	85,048,201,352
Ms Le Thi Phuong Loan	Loan repayment	-	23,600,000,000
	Loan interest	-	545,578,082

*Terms and conditions of transactions with related parties*

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions.

Transactions with related parties were approved by the Company's Board of Directors in accordance with Meeting minutes cum Resolution No. 01/2024/BBH-HDQT-TDA dated 2 January 2024 and presented in the Corporate Governance Report of 2024.

Amounts due from and due to related parties at the balance sheet dates were as follows:

<i>Related parties</i>	<i>Transactions</i>	<i>VND</i>	
		<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivable</b>			
JFE Shoji Vietnam Co., Ltd	Sale of goods	<u>6,427,104,757</u>	<u>-</u>
<b>Short-term trade payable</b>			
JFE Shoji Vietnam Co., Ltd	Purchase of goods	<u>712,497,446,510</u>	<u>674,882,836,778</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 34. TRANSACTIONS WITH RELATED PARTIES (continued)

Income of members of the BOD and Management:

Individuals	Position	VND	
		Remuneration (*)	
		Current year	Previous year
Mr Nguyen Thanh Trung	Chairman	3,445,400,000	2,319,757,058
Mr Ho Song Ngoc	Members of BOD cum General Director	2,840,557,564	2,439,040,946
Mr Pham Quoc Thang	Members of BOD cum Deputy General Director	2,249,657,356	1,932,304,970
Mr Doan Vinh Phuoc	Members of BOD cum Deputy General Director	2,239,244,472	1,929,511,028
Mr Nguyen Van Dai	Deputy General Director	2,121,487,830	1,864,629,982
Ms Nguyen Thi Ngoc Quynh	Members of BOD	322,800,000	52,800,000
Mr Ngo Van Sinh	Independent members of BOD	100,000,000	50,000,000
Mr Doan Danh Tuan	Independent members of BOD	100,000,000	50,000,000
Ms Le Thi Phuong Loan	Members of BOD	92,000,000	32,000,000
<b>TOTAL</b>		<b>13,511,147,222</b>	<b>10,670,043,984</b>

(\*) Comprising salary, allowances, bonus & other benefits.

Remuneration and operating expenses of Board of Supervision:

		VND	
		Current year	Previous year
Mr Nguyen Nang Tin	Head	50,000,000	30,000,000
Ms Le Thi Khoa Nguyen	Head to 23 June 2023	30,000,000	20,000,000
Mr Hoang Duy Nhat	Member	20,000,000	10,000,000
Ms Dinh Thi Thao Ly	Member	20,000,000	10,000,000
Ms Lam Duy Thuy Linh	Member to 23 June 2023	10,000,000	10,000,000
Ms Nguyen Phuoc Thi Tuy Ha	Member to 23 June 2023	5,000,000	5,000,000
<b>TOTAL</b>		<b>135,000,000</b>	<b>85,000,000</b>

### 35. OFF-BALANCE SHEET ITEM

Foreign currencies	Ending balance	Beginning balance
United States Dollar (USD)	5,607,713	4,745,893
Singapore Dollar (SGD)	94	128



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 36. EVENTS AFTER THE CONSOLIDATED BALANCE SHEET DATE

On 19 November 2024, according to the Board of Directors Resolution No. 15/2024/NQ-HDQT-TDA, the Board of Directors of the Company approved the decision for foreign investment. Accordingly, the Company will jointly contribute capital to incorporate a company namely PT Indo Vina Steel in Indonesia for trading rolled steel. On 21 November 2024, PT Indo Vina Steel received the Decision No. AHU-0092476.AH.01.01.TAHUN 2024 from the Ministry of Justice of Indonesia approving its incorporation. On 28 February 2025, the Company received the Foreign Investment Registration Certificate No. 202501420 from the Ministry of Planning and Investment of Vietnam approving the foreign investment. As of the date of this report, the Company is still in the process to complete the incorporation of this new company.

On 18 March 2025, according to the Board of Directors Resolution No. 05/2025/NQ-HDQT-TDA, the Board of Directors of the Company approved for additional capital contribution to Dong A Phu My, its subsidiary, with the total amount of VND 95,000,000,000. Accordingly, the share capital of Dong A Phu My will increase from VND 115,000,000,000 to VND 210,000,000,000.

Except for the above events and the event mentioned in Note 5, there are no other significant matters or circumstances that have arisen since the consolidated balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Group.

Binh Duong Province, Vietnam

26 March 2025



Vo Cong Danh  
Preparer



Tran Le Xuan  
Chief Accountant



Ho Song Ngoc  
General Director