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Thái Bình, ngày 19 tháng 04 năm 2025  
Thai Binh, April 19, 2025

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ**  
**PERIODIC INFORMATION DISCLOSURE**

Kính gửi/To: - Ủy ban Chứng khoán Nhà nước/ *The State Securities*  
- Sở Giao dịch Chứng khoán TP. Hồ Chí Minh/ *Hochiminh Stock Exchanges*

- Tên Công ty/Name of Company:** Công ty cổ phần Đầu tư & Thương mại Vũ Đăng/ *Vu Dang Investment & Trading Joint Stock Company*
  - Mã chứng khoán/Stock code: SVD
  - Địa chỉ/Address: Cụm Công nghiệp Đông Phong, xã Đông Quan, huyện Đông Hưng, tỉnh Thái Bình/ *Dongphong Industrial Zone, Dongquan Village, Donghung District, Thaibinh Province, Vietnam.*
  - Điện thoại/Tel: 0903 022 222
  - Email: ctvudang@vudang.vn
- Nội dung thông tin công bố/ Contents of disclosure:**  
Báo cáo thường niên năm 2024/ Annual report 2024
- Thông tin này đã được công bố trên trang thông tin điện tử của Công ty vào ngày 19/04/2025 tại đường dẫn: <https://www.vudang.vn/> / This information was published on the company's website on 19/04/2025, as in the link: <https://www.vudang.vn/>**

Chúng tôi cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung đã công bố/ *We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.*

**NGƯỜI ĐẠI DIỆN PHÁP LUẬT CÔNG TY**  
**LEGAL REPRESENTATIVE OF THE COMPANY**

**TỔNG GIÁM ĐỐC**  
**GENERAL DIRECTOR**



**VŨ TUẤN PHƯƠNG**

**THE SOCIALIST REPUBLIC OF VIETNAM**

**Independence – Freedom – Happiness**



**ANNUAL REPORT**  
**VU DANG INVESTMENT AND**  
**TRADING JOINT STOCK COMPANY**  
**Reporting Year 2024**

**Thai Binh, April 2025**



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## **CATEGORIES OF ACRONYMS**

BHTN	: Unemployment Insurance
BHXH	: Social Insurance
BHYT	: Health Insurance
BKS	: Supervisory Board
CBCNV	: Officials and employees
CBTT	: Information Disclosure
DHDCĐ	: General Meeting of Shareholders
ĐVT	: Unit of Calculation
EU	: European Union
GCN	: Certificate
GPXD	: Construction Permit
HĐQT	: Board of Directors
HOSE	: Ho Chi Minh City Stock Exchange
SGDCK	: Stock Exchange
SVD	: Vu Dang Investment & Trading Joint Stock Company
TNHH	: Limited Liability
TP.HCM	: Ho Chi Minh City
UBCK	: Securities Commission
UBCKNN	: State Securities Commission

**I. GENERAL INFORMATION****1. General information**

- Trading name: Vu Dang Investment & Trading Joint Stock Company
- English name: Vu Dang Investment & Trading Joint Stock Company
- Abbreviation: VuDang.,JSC
- Business Registration Certificate No.: 0600986828 first issued on 05/04/2013 at the Department of Planning and Investment of Nam Dinh province, registered for the 17th change on 29/11/2022 at the Department of Planning and Investment of Thai Binh province.
- Charter capital: 276,059,080,000 VND
- Address: Dong Phong Industrial Cluster, Dong Quan Commune, Dong Hung District, Thai Binh Province
- Telephone: 0903.022.222
- Website: <https://vudang.vn/>
- Stock code: SVD                      Exchange: HOSE

**2. Establishment and development process:**

- Vu Dang Investment & Trading Joint Stock Company was established on 05/04/2013 under the Business Registration Certificate No. 0600986828 issued by the Department of Planning and Investment of Nam Dinh province with an initial charter capital of VND 5 billion.
- On 11/04/2018, the Company received the Construction Permit No. 29/2018/GPXD and the Construction Permit No. 13/2019/GPXD of the Department of Construction of Thai Binh Province approving the Company to implement the investment project to build a yarn factory in Dong Phong Industrial Cluster, Dong Phong Commune (now Dong Quan Commune), Dong Hung district, Thai Binh province. On January 1, 2019, the company officially came into operation with a capacity of 3,431 tons of yarn/year.
- On 19/12/2019, the Company received the decision of the People's Committee of Thai Binh province on approving the investment policy to adjust the investment project to build a yarn factory in Dong Phong Industrial Cluster, Dong Phong commune, Dong Hung district, Thai Binh province, increasing the capacity to 9,438 tons of yarn/year, an increase of 2.75 times compared to the original capacity. Up to now, the project has been completed and put into operation.
- On 02/02/2021, SVD stock code of Vu Dang Investment & Trading Joint Stock Company was officially listed on the Ho Chi Minh City Stock Exchange.
- Currently, the company has reached the charter capital of VND 276,059,080,000. In the

process of development, the company has created a good reputation, not only for customer partners but also for local people and investors.

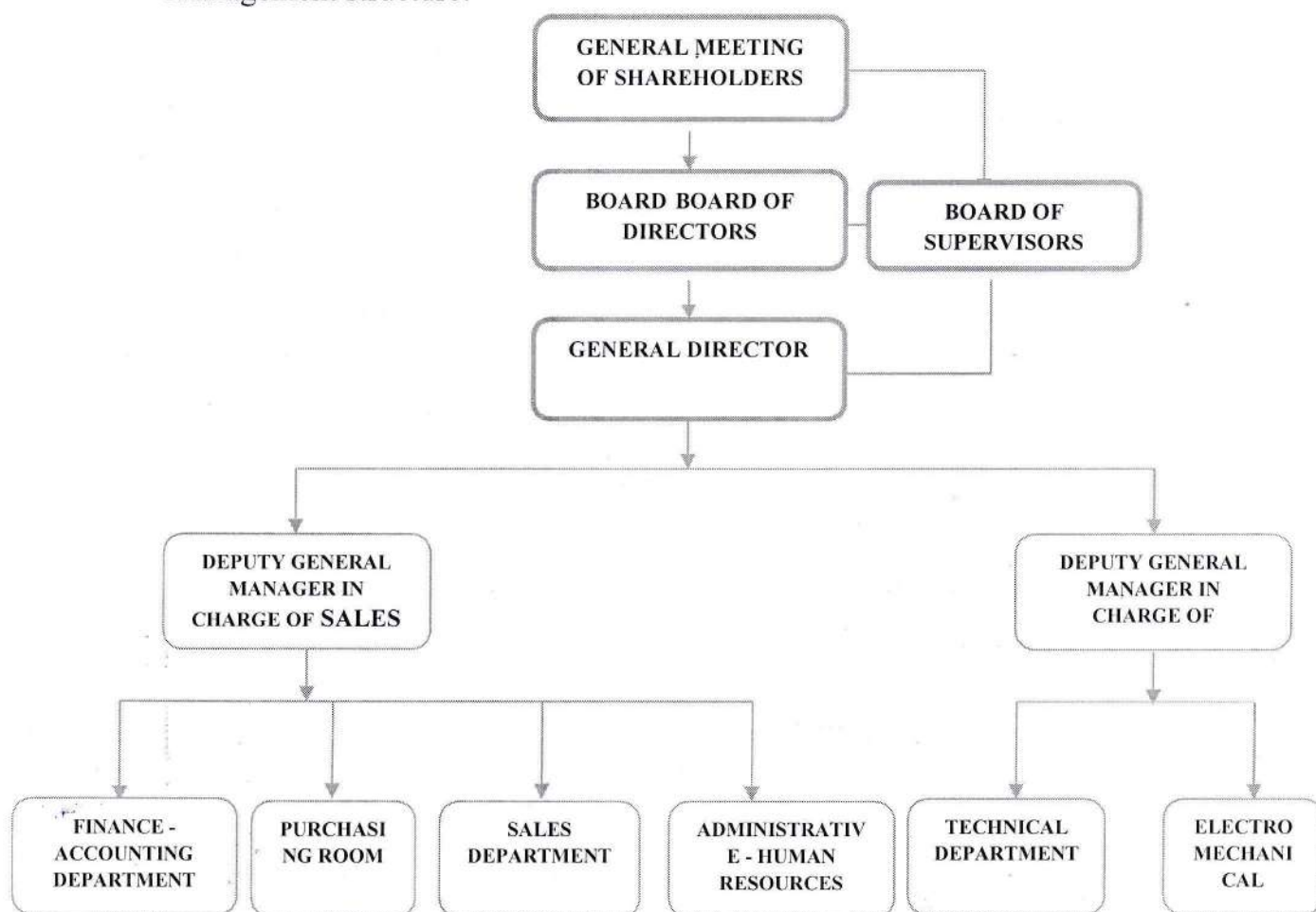
### 3. Business lines and locations of the business

- Business lines:
  - + Yarn production
  - + Wholesale cotton of all kinds
  - + Trading in steel, materials and equipment installed in construction
- Locations of the business: Supplying to the domestic market.

### 4. Information about the governance model, business organization and managerial apparatus

- Governance model: The company currently manages and operates according to the model specified at Point a, Clause 1, Article 137 of the Law on Enterprises, including the General Meeting of Shareholders, the Board of Directors, Board of Supervisors and the General Director

- Management structure:





**❖ General Meeting of Shareholders:**

- According to the Law on Enterprises and the Company's Charter, the General Meeting of Shareholders is the highest authority of the Company. The General Meeting of Shareholders meets annually once a year. The General Meeting of Shareholders must hold an annual meeting within four months from the end of the fiscal year, or it may be extended but not exceeding six months from the end of the fiscal year.
- The General Meeting of Shareholders has the right to elect and dismiss members of the Board of Directors and members of the Control Board. The General Meeting of Shareholders has the right to consider and handle violations of the Board of Directors and Board of Supervisors that cause damage to the Company and the Company's shareholders, decide to reorganize or dissolve the company and approve the Company's development orientation.

**❖ Board of Directors**

- The Board of Directors is the governing body of the Company's operations, deciding on issues related to development strategies, production and business plans, proposing dividend payment policies and other important issues except those under the jurisdiction of the General Meeting of Shareholders.
- The Chairman of the Board of Directors is the Chairman of the Board of Directors. The functions, tasks, powers and responsibilities of the Chairman and members of the Board of Directors shall comply with the provisions of law, the Company's Charter and the Regulation on organization and operation of the Board of Directors.

**❖ Board of Supervisors**

- Board of Supervisors is an agency elected by the General Meeting of Shareholders, which is responsible for examining the reasonableness and legality of the management activities of the Board of Directors and the business administration activities of the General Director; In accounting books and financial statements. Board of Supervisors operates independently of the Board of Directors and the Board of Directors.

**❖ General Director**

- The General Director appointed by the Board of Directors has the right and task to implement the Resolutions of the Board of Directors and the General Meeting of Shareholders. The General Director is the person who runs the Company's daily production and business activities according to the operation regulations of the Board of Directors.
- Assisting the General Director is the Board of Management consisting of Deputy General Directors, and Chief Accountant. The term of office of the General Director is five years and can be reappointed for an unlimited number of terms.

**❖ Other departments**

- Directly perform professional operations under the direct direction of the Heads of Departments and Board of Management *Board of Management s*; Carry out business and support production.



- Perform the management and specific tasks of each department/department according to the Company's operation regulations. Fully and promptly meet the work contents according to the plan.

## **5. Business Strategy**

### **❖ The main objectives of the Company:**

- Improve business efficiency and maximize profits for shareholders. Maintain the Company's core industry, and at the same time selectively invest in a number of areas with high growth potential.
- Diversify and expand export markets, find and exploit new markets as well as potential customer files.
- Investing in technological innovation, upgrading machinery and equipment systems; Apply digitalization in production and business activities to improve performance and competitiveness.
- Developing businesses from mobilized capital of individuals, organizations, banks, investment funds, etc. improve financial management to ensure sustainable development.

### **❖ Medium- and long-term development strategy:**

- Invest in green production technology, environmental protection and use of renewable energy. The plants will be renovated to meet green, sustainable standards, minimize negative environmental impacts, and enhance resource efficiency.
- Promote the training and development of human resources, create a team of highly qualified, creative personnel and meet the requirements of the company. Promote training and professional development programs to improve the competitiveness and creativity of employees.
- Mobilize capital from investment funds, financial groups, banks and economic organizations with strong potential, and support long-term development strategies, thereby improving the efficiency of capital use, balancing equity and loans to reduce financial risks, increase operational efficiency.
- Improve financial management, operational management and risk management systems in a professional, transparent and effective direction to ensure the sustainable development of the enterprise.

### **❖ The Company's short- and medium-term sustainability goals and key programs:**

- Optimize operational efficiency, towards environmental protection measures, use renewable energy, effectively exploit energy and water resources, and ensure the achievement of sustainable development criteria.
- Focus on environmental protection, fire prevention and fighting, security and order,

storm and flood prevention, food safety and hygiene, and labor safety to ensure that the Corporation's production and business activities take place safely and effectively.

- Improve the life of each employee from jobs, stable income levels and activities of spiritual life and entertainment programs. Responding to social programs with sectors and localities, supporting people affected by floods, supporting the construction of houses of love for workers...

❖ Implementation orientation

- Regarding capital sources: Diversify capital sources, ensure low capital costs, balance the safe and efficient use of capital.
- Regarding expected resources: Building high-quality human resources, focusing on recruitment and training; Building a clear corporate culture, raising awareness and discipline of employees, increasing labor productivity.
- Business: Closely follow market developments, be flexible in handling situations, diversify consumption markets and customers.
- Technology: Regularly update new production technology with high efficiency, low energy consumption, high automation features.
- Regarding administration: Improving the capacity of administration and administration, approaching international standards, promulgating clear regulations and processes, ensuring safe, effective and sustainable production and business activities.

## 6. Risks

### ➤ Economic risks

Economic risk is one of the important challenges that can affect a company's production and business activities. Macroeconomic fluctuations, including inflation, economic recession, changes in exchange rates, and fluctuations in input material prices, can directly impact the production costs and profits of enterprises. In addition, the Government's monetary and fiscal policies, especially interest rates and tax rates, can also affect the company's access to capital and production expansion plans.

Besides, the increased competition in the yarn manufacturing industry, along with changes in consumer trends and market demand, can put great pressure on the company's revenue and market share.

**Measures:** The company needs to have a flexible financial management strategy, effective cost control, diversification of sourcing, and search for potential markets to maintain stability and sustainable growth.

### ➤ Legal risks



Vu Dang Investment & Trading Joint Stock Company operates under the model of a Joint Stock Company, has become a public company, listed on the Ho Chi Minh City Stock Exchange, so the Company is governed by the Law on Enterprises, the Law on Securities and relevant guiding documents.

Vietnam is in the process of international economic integration, so our country's laws and policies regularly change to be in line with international practices and practices. Businesses in the process of operation always face risks of fluctuations in policies and legal regulations. Each change in the state's legal policies has more or less impacted the implementation of the Company's production and business activity plan.

**Measures:** The Company always monitors, researches and updates legal documents related to its activities, and at the same time refers to and hires consultants for legal issues that are beyond the Company's capabilities.

➤ **Credit risk, interest rate**

\* Credit risk:

Credit risk arises when customers or business partners are unable to pay debts on time, affecting the company's cash flow and financial performance.

**Measures:** The Company has implemented credit risk management measures through assessing customers' financial capacity, monitoring credit limits, and implementing timely debt recovery measures. In addition, the company also has a policy of setting aside provisions for bad debts to minimize the negative impact when there are customers who cannot pay.

\* Interest rate risk:

Interest rates always play an important role in the development and production and business activities of businesses. Fluctuations in interest rates can increase borrowing costs and thereby impact operating costs and business results. Any increase in interest rates in the near future may affect the cost of borrowing, thereby adversely affecting the Company's financial situation and business results.

**Measures:** The company always proactively updates information on changes in interest rates and exchange rates to make decisions that are suitable for the company's loans.

➤ **Raw material risk**

In the field of yarn production, cotton is an input material accounting for 70% of the cost of finished yarn. However, cotton is an agricultural product, so the quality, quantity and price of cotton depend on the crop, weather, and policies to regulate supply output of major regions in the world such as China, the US, and Africa..... Meanwhile, Vietnam's current cotton production output is low, not meeting the demand for supplying raw materials for the textile and garment industry. The industry's raw materials mainly still have to be imported, leading

to the production and business activities of the industry as well as the Company relying heavily on foreign raw material supply markets.

**Measures:** The company has actively sought and expanded the supply of raw materials so as not to depend too much on any supplier. The Company's suppliers are all reputable cotton suppliers in the market, ensuring the source of raw materials in both quality and quantity.

In addition, the Company also proactively adjusts the selling price according to the fluctuation of raw material prices at different times, ensuring that the price fluctuation of raw materials does not negatively affect the Company's profit.

### ➤ Competitive risk

Competitive risk is the risk of losing the competitiveness of an enterprise in the market. In recent years, Vietnam is one of the very few countries in Asia that has expanded the production activities of the spinning industry. Not only foreign investors such as Texthong Group (Hong Kong), Kuyng Bang Vietnam (Korea), Itochu (Japan) but also large domestic enterprises such as Vinatex, Dai Cuong, Phu Bai, Thien Nam have also increased their investment capital in this industry. Most enterprises export most of the yarn produced. Therefore, the competition for selling prices is increasingly fierce. Not only that, the signing and entry into force of free trade agreements not only creates opportunities but also adds many challenges for textile and garment enterprises as they face fierce competition from new enterprises (both domestic and foreign) to establish or expand factories in Vietnam to benefit from the these agreements.

**Measures:** The company has invested in modern machinery, trained a skilled workforce and applied strict quality and cost control measures, and built an effective marketing strategy to maintain and expand market share.

## II. OPERATION IN 2024

### 1. Situation of production and business operations in 2024

- Results of business operations in the year:

*Unit: billion VND*

No.	Content	Year 2023	Plan for 2024	Implementation in 2024	Percentage compared to the previous year	Percentage of customers
1	Net sales	258,7	350	342,5	32,3%	97,9%
2	Profit after tax	-36,5	1	13,5	137,2%	1.359%

- Net revenue in 2024 will reach 342,5 billion VND, reaching 97,9% of the plan.



- Profit after tax in 2024 will reach 13,5 billion VND, reaching 1.359% of the plan.

2024 marks a clear recovery in production and business activities of Vu Dang Investment & Trading Joint Stock Company after a period of many difficulties. Net revenue for the whole year reached 342,5 billion VND, up more than 32,3% compared to 2023. Profit after tax reached 13,5 billion VND, turning from a loss of more than 36 billion VND last year to profit, completing the profit target approved by the Annual General Meeting of Shareholders in 2024.

The company has made efforts to improve management efficiency, reduce costs and flexibly respond to market fluctuations. During the year, the Company also made many adjustments to its business strategy, focusing on product lines with high added value, meeting international quality standards. The restructuring of the customer portfolio and the expansion of the domestic market have been accelerated, helping to reduce dependence on the export market in the context of a volatile world. Production costs and financial costs are well controlled thanks to optimizing the production process, proactively balancing capital sources and restructuring loans. In addition, the Company also strengthens cooperation with strategic raw material suppliers in the region to ensure stable input, contributing to maintaining quality and production schedule.

The results achieved in 2024 are an important foundation for the Company to continue to expand its scale, enhance its competitiveness and develop sustainably in the next period.

## 2. Organization and Human resource

### 2.1. List of the Board of Management

STT	Member	Duty	Number of shares owned	Ownership Rate
1	Mr. Vu Tuan Phuong	General Director, Member of the Board of Directors	5.519.060	19,99%
2	Mr. Vu Hoang Nam	Deputy General Director	0	0%
3	Ms. Tran Thi Khanh Linh	Chief Accountant	0	0%

#### Profile of the Company's Board of Management

\* Mr. Vu Tuan Phuong: General Director and Member of the Board of Directors

- Year of birth: 1976
- Qualifications: Master of Finance
- Work experience:

Time	Place of work	Duty
2000 - 03/2003	PJICO Insurance Company	Employee
2003 - 03/2008	Van Tuong Company	Branch Manager
04/2008 - 2013	MIC Insurance Company	Deputy General Director
11/2010 - 11/2017	Duc Vuong Investment and Development Joint Stock Company	Director
2013 – 11/2017	Vu Dang Investment & Trading Joint Stock Company	Deputy Director
12/2017 – 03/2020	Vu Dang Investment & Trading Joint Stock Company	Director
05/2015 – 03/2020	Vu Dang Investment & Trading Joint Stock Company	Chairman of the Board of Directors
04/2020 - present	Vu Dang Investment & Trading Joint Stock Company	General Director, Member of the Board of Directors

**\* Mr. Vu Hoang Nam**

- Year of birth: 1978

- Qualifications: Civil Engineer

- Work experience:

Time	Place of work	Duty
09/2009 - 08/2019	Van Tuong Company - Military Zone 5	Director
09/2019 – 03/2020	Vu Dang Investment & Trading Joint Stock Company	Deputy Director
04/2020 - present	Vu Dang Investment & Trading Joint Stock Company	Deputy General Director
05/2020 - present	Vu Dang Investment & Trading Joint Stock Company	Persons authorized to disclose information

**\* Ms. Tran Thi Khanh Linh**

- Year of birth: 1998
- Qualifications: Bachelor of Accounting
- Work experience:

Time	Working unit	Duty
11/2020 - 06/2021	Vu Dang Investment & Trading Joint Stock Company	Bookkeeper
07/2021 - present	Vu Dang Investment & Trading Joint Stock Company	Chief Accountant

**2.2. Changes in the Board of Management**

- 18/06/2024: Dismissal of the title of Deputy General Director for Mr. Mai Anh Tuan (Reason: Mr. Mai Anh Tuan has a letter of resignation).

**2.3. Number of staffs**

STT	Labor classification	31/12/2024	Proportion
<b>I</b>	<b>Classification by labor level</b>	<b>89</b>	<b>100%</b>
1	Undergraduate and post-graduate qualifications	10	11,2%
2	College Level	08	9,0%
3	Intermediate level, technical worker	09	10,1%
4	Unskilled workers	62	69,7%
<b>II</b>	<b>Divided according to the term of the labor contract</b>	<b>89</b>	<b>100%</b>
1	Regular Labor	89	100%
2	Seasonal labor	0	0%
<b>III</b>	<b>Breakdown by sex</b>	<b>89</b>	<b>100%</b>
1	South	57	64%
2	Female	32	36%



## Average salary of SVD employees over the years

Content	Year 2021	Year 2022	Year 2023	Year 2024
Average salary/person/month (VND)	7.500.000	8.000.000	8.000.000	8.000.000

## 2.4. Policies for employees

## ❖ Working Mode:

- Working time: The company organizes working no more than 08 hours/day, 48 hours a week. Depending on the conditions, workload and ability to perform tasks, the organization implements the 40-hour working regime in a week (05 days) on Saturdays and Sundays. In case of having to work overtime due to the requirements of production and business, not exceeding 04 hours in a day and 200 hours in a year.
- Leave, public holidays, Tet: In accordance with the Labor Law, the Company's employees are entitled to public holidays, Tet, sick leave, and maternity leave in accordance with the provisions of the Labor Code, specifically:
  - + 12 days of annual leave for people working under normal conditions.
  - + 14 days of annual leave for people working in particularly heavy and hazardous conditions.
  - + The number of leave days is increased according to the seniority working at the Company, for every full 05 years, 01 additional day of leave, for full 30 years or more, 06 days of additional leave.
  - + New Year's holiday 01 day; 05 days off for the Lunar New Year; 01 day off for the Hung King's Birthday; holiday 30/04 01 day; 01 day off on International Labor Day; National Day holiday for 02 days.
- Working conditions: The office is spacious, airy, fully equipped with tools and equipment to support the work. Employees who have to go on business trips due to work requirements will be entitled to per diem allowances and payment of travel and accommodation expenses in accordance with the law.

## ❖ Recruitment and training policies:

The Company has developed a Training Regulation that is publicly announced to all employees in the Company. The training regulations are developed in accordance with the requirements of the job. The recruitment of laborers is ensured to be open and fair in accordance with the State's regulations. Depending on the characteristics, social conditions,



and production requirements of the Company in each period, when balancing labor shortages, the Company will recruit that profession.

❖ **Salary and bonus policy:**

Employees of the Company are entitled to participate in and enjoy the benefits of social insurance, health insurance and unemployment insurance in accordance with the law. In addition, depending on the working position, the Company's employees also receive related allowances. The Company's salary payment is carried out according to the principle of distribution according to labor, what to do, what position to hold, the salary is paid according to that job or position. The company always ensures to pay satisfactory salaries (without limiting the maximum level) for talented, professional, technical and contributory people to the unit, in order to motivate and motivate employees to constantly strive to increase labor productivity, work quality, etc successfully completing the assigned tasks. The payment of salaries and bonuses always ensures democracy and openness.

❖ **Labor policies to ensure the health, safety and welfare of employees:**

- Fully equipped with protective equipment, ensuring the safety of workers working at the workshop.
- Organize collective canteens to ensure food safety and hygiene.

### 3. Investment activities

In 2024, the Company has promoted investment activities to serve long-term development goals. The total value of long-term financial investment increased significantly, from 0 VND to 38 billion VND, reflected in the capital contribution to M.A.P Global Joint Stock Company to expand operations and seek new business opportunities. In addition, the cost of unfinished capital construction also increased from 0,52 billion VND to more than 1,14 billion VND, mainly related to infrastructure investment at the factory. The company is prioritizing an in-depth investment strategy, focusing on upgrading production systems and expanding market share.

### 4. Financial situation

#### 4.1. Financial situation

Unit: VND

Content	Year 2024	Year 2023	% increase/decrease
Total assets	353.948.658.440	398.523.886.986	-11,2%
Net sales	342.459.873.057	258.764.636.574	32,3%
Profit from business activities	13.913.981.289	-36.575.169.050	138%

Other Profits	-59.897.558	42.297.497	-241,6%
Profit before tax	13.854.083.731	-36.532.871.553	137,9%
Profit after tax	13.594.782.332	-36.532.871.553	137,2%

#### 4.2. Major financial indicators

Content	Unit	Year 2024	Year 2023
<b>1. Solvency ratio</b>			
+ Current ratio	Times	1,52	1,85
+ Quick ratio	Times	0,95	1,2
<b>2. Capital structure</b>			
+ Debt/Total assets ratio	%	26,6	38,2
+ Debt/Owner's Equity ratio	%	36,3	61,9
<b>3. Operation capability Ratio</b>			
+ Inventory turnover	ring	5,28	4,11
+ Total asset turnover	ring	0,91	0,65
<b>4. Profitability</b>			
+ Profit after tax/ Net revenue Ratio	%	3,97	14,11
+ Profit after tax/ total capital Ratio	%	5,37	13,82
+ Profit after tax/ Total assets Ratio	%	3,61	9,15
+ Profit from business activities/ Net revenue Ratio	%	4,07	13,91

#### 5. Shareholders structure

a. Shares: Total outstanding shares are: 27.605.908 ordinary shares

In which:

+ The number of freely transferred shares is: 27.605.558 shares

+ Number of shares restricted from transfer: 350 shares.

b. Shareholders Structure

➤ Shareholder structure as of 14/08/2024:

	Number of shares	Ownership Rate
<b>- Domestic shareholders</b>	<b>27.495.485</b>	<b>99,60%</b>
+ Institutional shareholders	3.998	0,01%
+ Individual shareholders	27.491.487	99,59%



<b>- Foreign shareholders</b>	<b>110.423</b>	<b>0,40%</b>
+ Institutional shareholders	37.983	0,14%
+ Individual shareholders	72.440	0,26%
<b>Total</b>	<b>27.605.908</b>	<b>100%</b>

➤ Major shareholders

<b>Major shareholders</b>	<b>Number of shares</b>	<b>Ownership Rate</b>
Mr. Vu Tuan Phuong	5.519.060	19,99%

*Note: According to the closing list of the last registration date 14/08/2024 of the Vietnam Securities Depository and Clearing Corporation*

c. Change in the owner's equity

Increases in the owner's investment capital since its establishment:

- 04/2013: Vu Dang Investment & Trading Joint Stock Company was officially established under the Business Registration License No. 0600986828 issued by the Department of Planning and Investment of Nam Dinh province with a charter capital of 5 billion VND.
- 04/2018: The company successfully issued 300.000 shares to existing shareholders, increasing charter capital from 5 billion VND to 35 billion VND.
- 03/2019: The company successfully issued 170.000 shares to existing shareholders, increasing charter capital from 35 billion VND to 52 billion VND.
- 12/2019: The company successfully issued 770.000 shares to existing shareholders, increasing its charter capital from 52 billion VND to 129 billion VND.
- 02/2022: On February 14, 2022, the State Securities Commission issued Certificate No. 20/GCN-UBCK allowing SVD to offer 12.900.000 shares to the public to increase its charter capital from 129 billion VND to 258 billion VND.
- 11/2022: Successfully issued 1.805.908 shares to pay dividends, increasing charter capital from 258 billion VND to 276,06 billion VND.

d. Transaction of treasury stocks: None

e. Other securities: None

## 6. Environment-Social-Governance Report of the Company

The company has implemented the 2024 Greenhouse Gas Inventory Report, prepared by Vietnam Technology Solutions Joint Stock Company.

### 6.1. Impact on the environment

- Total direct and indirect greenhouse gas emissions: 4.345,66 CO<sub>2</sub>

- Initiatives and measures to reduce greenhouse gas emissions:
  - Solar Power System Installation
  - Periodic generator maintenance
  - Replacing old electrical equipment with energy-efficient equipment

#### **6.2. Management of raw materials**

- The total amount of raw materials used to manufacture and package products includes:
  - + Main material (cotton): 5.062 ton
  - + Auxiliary materials (bags, bags, tubes):
    - ✓ Bag: 95.600 pcs
    - ✓ Tubes: 1.439.000 pcs
    - ✓ Bags: 7.200 kg
- Report on the percentage of recycled materials used to produce the organization's main products and services: None

#### **6.3. Energy consumption**

- Direct and indirect energy consumption
  - Direct energy consumption: Machinery, generators, lighting systems, fans, electrical appliances, machinery, air conditioning...
  - Indirect energy consumption: Domestic water...
- Energy saved through energy efficiency initiatives: None
- Energy efficiency initiative reports (providing energy-efficient or renewable energy products and services); Report on the results of these initiatives: None

#### **6.4. Water consumption (water consumption of business activities in the year)**

- Water supply and water use
  - \* Water supply: 27-7 Tien Phong Co., Ltd.
  - \* Water consumption in the year: 2.897 m<sup>3</sup>
- Percentage and total amount of recycled and reused water: None

#### **6.5. Compliance with laws and environmental protection**

- Number of times the company is fined for failing to comply with laws and regulations on environment: None
- The total amount to be fined for failing to comply with laws and regulations on the environment: None

#### **6.6. Policies related to employees**

As stated in Section II part 2.4

#### **6.7. Report on responsibility for local community**

The company is always committed to working for the development of the community in order to maintain sustainable development and create a positive overall impact on the local community. Employees at the Company are allowed to work in a safe, healthy environment with opportunities for development. Not only building a healthy working environment, the



Company also always promptly visits employees who are sick and suffer from serious diseases; encourage, support and help workers and families in difficult circumstances. Therefore, employees are always assured to work and stick with the Company for a long time, uniting together to strive to complete the assigned tasks.

### III. REPORT OF THE BOARD OF MANAGEMENT

#### 1. Assessment of operating results in 2024

No.	Content	Year 2024	Year 2023	% increase/de crease
1	Total assets	353.948.658.440	398.523.886.986	-11,2%
2	Equity	259.729.053.301	246.134.270.969	5,5%
3	Net revenue from sales and provision of services	342.459.873.057	258.764.636.574	32,3%
4	Profit before tax	13.854.083.731	-36.532.871.553	137,9%
5	Profit after tax	13.594.782.332	-36.532.871.553	137,2%

In 2024, the domestic and world yarn industry markets will continue to be affected by global economic fluctuations, especially inflation, raw material prices and declining demand from key export markets such as the US and EU. World cotton prices are unstable, while transportation and labor costs remain high, putting pressure on textile businesses.

In that context, Vu Dang Investment & Trading Joint Stock Company has made efforts to implement remedial measures, strengthen business activities, help improve results, achieve profits and complete the profit target set by the 2024 Annual General Meeting of Shareholders. The company has recorded positive business results with strong growth in revenue and profit. Net revenue increased by 32,3% compared to the previous year, business activities improved markedly. In particular, the company has moved from a loss to a profit, with a profit after tax of more than 13,5 billion VND. 2024 marks a positive change, creating a premise for stable and sustainable development in the following years of the Company.

#### 2. Financial situation

##### ▪ Assets

As of December 31, 2024, the company's total assets reached 353,95 billion VND, down 44,57 billion VND compared to the beginning of the year. In which:

- Short-term assets were 130,61 billion VND, down 68 billion VND, equivalent to a decrease of 34,26% compared to 2023.

- Long-term assets were 223,34 billion VND, an increase of 23,49 billion VND, equivalent to an increase of 11,75% compared to 2023.

▪ **Liabilities**

Liabilities as of December 31, 2024 are 94,22 billion VND, down 58,17 billion VND compared to the beginning of 2024, equivalent to a decrease of 38,17%. Long-term debt decreased sharply from 45,26 billion VND to 8,24 billion VND due to the Company's proactive prepayment of loans, contributing to significantly improving the financial structure and reducing financial costs for the business.

The company has managed short-term loans well, ensuring that they are used for the right purposes and promptly serve capital needs for production and business activities. The use of working capital is carried out effectively, contributing to maintaining stable cash flow and improving operational efficiency.

### 3. Improvements in organizational structure and management policies

In 2024, the Company has restructured the human resources apparatus of the Board of Management and employees to innovate management policies, restructure the leadership apparatus, consolidate key personnel to improve management efficiency and create a foundation for implementing new business strategies.

At the same time, the cost control policy is tightened, especially financial costs and business management costs.

In addition, the Company has applied sales policies that are more flexible and suitable to each market moment, making good use of the recovery opportunities of the yarn industry, helping to significantly improve production and business efficiency.

### 4. Production and business operation plan in 2025

In the coming time, the Company aims to improve the quality of yarn products to better meet the needs of the domestic and export markets. At the same time, the Company will promote the application of technology, optimize the management process, and seek new investment opportunities in the textile and garment supply chain. At the same time, the Company maintains a prudent financial policy, strengthens risk management and gradually improves sustainable competitiveness.

Unit: VND

Content	Year 2024	Plan for 2025	
		Value	% increase and decrease compared to the



			implementation in 2024
Charter capital	276.059.080.000	276.059.080.000	0
Net sales	342.459.873.057	305.000.000.000	-10,9%
Profit after tax	13.594.782.332	2.000.000.000	-85,3%
Profit after tax/Net revenue ratio	3,97%	0,66%	-83,4%
Profit after tax/Charter capital ratio	4,92%	0,72%	-85,4%

## 5. Assessment Report related to environmental and social responsibilities of the Company

In 2024, the Company will continue to implement commitments on environmental and social responsibility in the process of production and business activities.

- Regarding the environment, the Company fully complies with legal regulations on environmental protection, implements waste control and invests in improving wastewater treatment systems, minimizing negative impacts on the surrounding environment.

- In terms of society, the Company maintains policies to ensure the interests of employees, including salary, insurance and occupational safety. In addition, the Company actively participates in local community activities such as supporting the poor, sponsoring education and charity activities, demonstrating a sense of social responsibility and the community where the business operates.

## IV. ASSESSMENTS OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATION

### 1. Assessments of the Board of Directors on the Company's operation

In the context of many fluctuations from the domestic and international economic situation, the Company has not only faced many adverse challenges, but also recorded new opportunities for production and business activities. In that condition, the Board of Directors and the Board of Directors have actively followed the strategic orientation, been flexible in operation and consistent with the key tasks approved by the 2024 Annual General Meeting of Shareholders, ensuring stable operation and gradually improving efficiency.

At the same time, the Company also fully implements environmental and social responsibilities, maintains a stable and civilized working environment, and ensures legitimate interests for employees.

## **2. Assessment of Board of Directors on the activities of the Board of Directors**

In 2024, the Board of Directors of Vu Dang Investment & Trading Joint Stock Company has supervised the activities of the Board of Management when implementing the resolutions of the General Meeting of Shareholders and the Board of Directors as follows:

- The Board of Directors closely cooperates with Board of Supervisors and the General Director to understand the Company's operation, thereby making practical recommendations to help the General Director/Board of Directors successfully complete the tasks assigned by the General Meeting of Shareholders and the Board of Directors.
- Periodically, representatives of the Board of Directors report at meetings of the Board of Directors on the situation of production and business management at the Company; Key risks are detected during the quarter, and action plans are put in place to overcome and mitigate risks; Report on audits conducted during the quarter, which outlines findings and remedial solutions. Thereby, the Board of Directors and Board of Supervisors evaluate whether the action plan as well as remedial solutions are in line with reality to make more practical recommendations.
- Periodically, the General Director reports on the results of the implementation of production and business tasks, the implementation of assigned targets in the Board of Directors meetings, promptly detects inadequacies and difficulties to come up with solutions.
- Pursuant to the Charter, the promulgated statutes and regulations. The Board of Directors delegates the authority to the Board of Directors to decide on the Company's daily business, and at the same time organize the implementation of decisions, business plans and operational directions assigned by the Board of Directors and the General Meeting of Shareholders. Through the mechanism of inspection and supervision by quarterly reports on business results, the Company's operation situation and irregular reports upon request, the Board of Directors assesses that the General Director/Board of Directors has performed the assigned rights and tasks in accordance with the current law. The Company's Charter, decisions of the General Meeting of Shareholders and the Board of Directors simultaneously perform their assigned rights and tasks in an honest and prudent manner, ensuring the maximum legitimate interests of the Company and shareholders.

## **3. Plans and orientations of the Board of Directors**

- Continue to supervise and direct the activities of the Board of Directors in order to implement the business plans in 2025 on the basis of creating all the best conditions in terms of mechanisms, policies, human resources and facilities to help the Board of Directors complete the assigned tasks; Promptly reward collectives and individuals who bring benefits



to the Company; At the same time, he also directed the General Director to correct and replace weak cadres who did not complete their assigned tasks.

- Along with the Board of Directors in identifying business expansion opportunities and planning sustainable business strategies for the Company.
- Planning strategies and policies to improve the quality of human resources.
- Supervise the situation of cost management and operational efficiency of the Board of Management.
- The Board of Directors closely coordinates with Board of Supervisors, ensuring the provision of all necessary documents and information to Board of Supervisors; Respect the objective and independent status of Board of Supervisors. The Board of Directors creates the best conditions for members of Board of Supervisors to perform their functions and tasks; Supervise the correction and handling of violations at the proposal of the Control Board.

## V. CORPORATE GOVERNANCE

### 1. Board of Directors

#### a) Members and structure of the Board of Directors

- The Board of Directors consists of 05 members:

1. Ms. Le Thi Van Anh	Chairman of the Board of Directors (appointed on 23/09/2024)
2. Mr. Mai Anh Tuan	Chairman of the Board of Directors (dismissed on 23/09/2024)
3. Mr. Vu Tuan Phuong	Member of the Board of Directors
4. Ms. Nguyen Thi Mai	Member of the Board of Directors
5. Ms. Nguyen Thi Thanh Xuan	Member of the Board of Directors
6. Mr. Nguyen Van Don	Member of the Board of Directors (appointed on 23/09/2024)

#### b) Meetings of the Board of Directors

In 2024, the Board of Directors has held face-to-face meetings. The meetings have been carried out in accordance with the order and procedures specified in the Company's Charter and the Law on Enterprises.

- Activities of the Board of Directors in 2024

No.	Member of the Board of Directors	Duty	Number of meetings attended by the Board of Directors	Meeting attendance rate	Reasons for not attending
1	Mr. Mai Anh Tuan	Chairman of the Board of Directors	08/11	72,7%	Dismissal on 23/09/2024
2	Ms. Le Thi Van Anh	Chairman of the Board of Directors	11/11	100%	Appointed on 23/09/2024
3	Mr. Vu Tuan Phuong	Member of the Board of Directors	11/11	100%	
4	Ms. Nguyen Thi Mai	Independent Member of the Board of Directors	11/11	100%	
5	Ms. Nguyen Thi Thanh Xuan	Non-executive members of the Board of Directors	11/11	100%	
6	Mr. Nguyen Van Don	Non-executive members of the Board of Directors	03/11	27,3%	Appointed on 23/09/2024

- Resolutions and decisions of the Board of Directors issued in 2024

No.	Number of Resolutions/Decisions	Day	Content	Adoption Rate
1	01/2024/NQ-HDQT-VĐ	06/03/2024	Approval of the production and business plan in 2024	100%



2	02/2024/NQ-HDQT-VĐ	09/04/2024	Extension of the time to hold the Annual General Meeting of Shareholders in 2024	100%
3	03/2024/NQ-HDQT-VĐ	15/04/2024	Closing the list of shareholders attending the 2024 Annual General Meeting of Shareholders	100%
4	04/2024/NQ-HDQT-VĐ	07/05/2024	Approved the investment policy to buy shares of M.A.P Global Joint Stock Company	100%
5	05/2024/NQ-HDQT-VĐ	11/05/2024	Approval of the detailed investment plan to buy shares of M.A.P Global Joint Stock Company	100%
6	06/2024/NQ-HDQT-VĐ	13/06/2024	Approved the selection of an audit unit to audit and review the 2024 Financial Statements	100%
7	07/2024/NQ-HDQT-VĐ	18/06/2024	Approved the dismissal of the Deputy General Director	100%
8	08/2024/NQ-HDQT-VĐ	25/07/2024	Approval of the closing of the list of shareholders attending the 2024 Extraordinary General Meeting of Shareholders	100%
9	09/2024/NQ-HDQT-VĐ	23/09/2024	Election of Chairman of the Board of Directors of Vu Dang Investment & Trading Joint Stock Company	100%
10	10/2024/NQ-HDQT-VĐ	21/11/2024	Approval of the change of the unit to audit the 2024 financial statements	100%

11	11/2024/NQ-HDQT-VĐ	09/12/2024	Through the transfer of the Company's shares in M.A.P Global Joint Stock Company	100%
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**c) General assessment of the operation of the Board of Directors in 2024**

In 2024, the Board of Directors has made many efforts, promptly directed, and closely supervised the activities of the Board of Management in implementing the set out strategies and business plans, specifically:

- The Board of Directors maintains regular operations in accordance with the provisions of the Company's Charter, ensuring the requirements on the number of meetings as well as the number of members attending to meet the legality and efficiency of the meeting;
- The Board of Directors performs its role well, ensuring the maximum interests of shareholders;
- The Board of Directors supervises the implementation of decisions of the Board of Directors and the General Meeting of Shareholders;
- The Board of Directors directs and supervises the implementation of the Company's plans as well as risk management, supervision, and improvement of business processes.

**2. Board of Supervisors**

**a) Members and structure of the Board of Supervisors**

No.	Name	Duty	Qualifications
1	Ms. Doan Thi Vui	Head of the Board of Supervisors	Bachelor of Accounting
2	Ms. Pham Thi Phuong	Member of the Board of Supervisors	Bachelor of Accounting
3	Mr. Bui Dinh Tien	Member of the Board of Supervisors	Bachelor of Economics

**b) Activities of the Board of Supervisors**

In 2024, the Board of Supervisors has carried out activities to inspect and supervise the compliance with the law specified in the Law on Enterprises, the Law on Securities, the Law on Accounting and relevant legal documents; supervise the observance of the Company's Charter, Regulation on organization and operation and Resolution of the General Meeting of Shareholders in 2024, specifically as follows:

- Considering the conformity of the Decisions of the Board of Directors and the Board of Management on the management and administration of the Company's business activities; Control the contents, order and procedures for promulgating documents regulating corporate governance;



- Inspect and evaluate the development and implementation of the Company's key business processes, in order to detect risks or shortcomings, and propose solutions;
- Inspecting and supervising the Board of Directors and the Board of Management in organizing the implementation of the Resolutions of the General Meeting of Shareholders;
- Examining and supervising periodic financial statements in order to assess the reasonableness of financial data; At the same time, coordinate with the Independent Audit to consider the impact of accounting and material audit errors on the Financial Statements, supervise the Company's Board of Directors to implement the recommendations made by the Audit;
- Supervise the enforcement of the Company's laws.

### 3. Transactions, remuneration and benefits of the Board of Directors, Board of Management and the Board of Supervisors

#### 3.1 Salaries, bonuses, remuneration, benefits

Board of Directors, Board of Management, Board of Supervisors	Duty	Salaries and bonuses
Ms. Le Thi Van Anh	Chairman of the Board of Directors (appointed on 23/09/2024)	48.000.000
Mr. Mai Anh Tuan	Chairman of the Board of Directors (dismissed on 23/09/2024)	96.615.385
Ms. Nguyen Thi Mai	Member of the Board of Directors	-
Ms. Nguyen Thi Thanh Xuan	Member of the Board of Directors	48.172.900
Mr. Nguyen Van Don	Member of the Board of Directors (appointed on 23/09/2024)	38.950.000
Mr. Vu Tuan Phuong	Member of the Board of Directors General Director	449.884.615
Mr. Vu Hoang Nam	Deputy General Director	199.153.847
Ms. Doan Thi Vui	Head of the Board of Supervisors	94.527.700
Ms. Pham Thi Phuong	Member of the Board of Supervisors	-
Mr. Bui Dinh Tien	Member of the Board of Supervisors	94.844.100

3.2 Share transactions by internal shareholders: None

3.3 Contracts or transactions with internal shareholders: None

3.4 Assessing the Implementation of regulations on corporate governance: Compliance with regulations

## VI. FINANCIAL STATEMENTS

### 1. Auditor's opinions

The 2024 financial statements are audited by Moore AISC Auditing and Informatics Services Co., Ltd. In the opinion of the auditor, the financial statements give a true and fair view, in all material respects, of the financial position of Vu Dang Investment & Trading Joint Stock Company as at December 31, 2024 as well as the results of its operation and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of the financial statements.

### 2. Audited financial statements

Audited financial statements include: Balance sheet; Report on business results; Cash flow statements; The explanation of the financial statements in accordance with the law on accounting and auditing and has been posted on the Company's website on 31/03/2025 at the link <https://vudang.vn/>

**Recipient:**

- UBCKNN, SGDCK;
- Company website;
- Save: VT

**CONFIRMATION OF THE LEGAL  
REPRESENTATIVE OF THE COMPANY  
GENERAL DIRECTOR**



**VU TUAN PHUONG**







**MOORE AISC**

**AUDITED FINANCIAL  
STATEMENTS**

*For the fiscal year ended December 31, 2024*

**VU DANG INVESTMENT &  
TRADING JOINT STOCK COMPANY**

MOORE AISC Auditing and Informatics Services Company Limited  
An independent member firm of Moore Global Network Limited

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## REPORT OF THE BOARD OF DIRECTORS

*For the fiscal year ended December 31, 2024*

*The Board of Directors has the honor of submitting this report and the audited financial statements for the fiscal year ended December 31, 2024 of Vu Dang Investment & Trading Joint Stock Company.*

### 1. Business highlights of the Company

#### Establishment:

Vu Dang Investment & Trading Joint Stock Company (hereinafter referred to as "the Company") officially operates under the Business Registration Certificate No. 0600986828 first issued on April 5, 2013 by the Department of Planning and Investment of Nam Dinh Province, registered for the 17th change on November 29, 2022 by the Department of Planning and Investment of Thai Binh Province regarding the change of the Company's charter capital.

**Structure of ownership:** Joint Stock Company.

**English name:** Vu Dang Investment & Trading Joint Stock Company.

**Short name:** VuDang.,JSC.

**Security code:** SVD.

#### The Company's principal activities

Producing and trading cotton and yarn; Trading steel, materials and equipment in construction.

### 2. Financial position and results of operation

The Company's financial position and results of operation in the year are presented in the attached financial statements.

### 3. Board of Directors, Board of Supervisors and Board of Management and Chief Accountant:

The Board of Directors, Board of Supervisors and Board of Management and Chief Accountant holding office in the year and at the reporting date include:

#### Board of Directors

Mrs.	Le Thi Van Anh	Chairwoman (Appointed on September 23, 2024)
		Member (Till September 23, 2024)
Mr.	Mai Anh Tuan	Chairman (Resigned on September 23, 2024)
Mr.	Vu Tuan Phuong	Member
Mrs.	Nguyen Thi Thanh Xuan	Member
Mrs.	Nguyen Thi Mai	Member
Mr.	Nguyen Van Don	Member (Appointed on September 23, 2024)

#### Board of Supervisors

Mrs.	Doan Thi Vui	Chief Supervisor
Mrs.	Pham Thi Phuong	Member
Mr.	Bui Dinh Tien	Member

#### Board of Management

Mr.	Vu Tuan Phuong	General Director
Mr.	Mai Anh Tuan	Deputy General Director (Resigned on June 18, 2024)
Mr.	Vu Hoang Nam	Deputy General Director

#### Chief Accountant

Mrs.	Tran Thi Khanh Linh	Chief Accountant
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## REPORT OF THE BOARD OF DIRECTORS

For the fiscal year ended December 31, 2024

### 3. Board of Directors, Board of Supervisors and Board of Management and Chief Accountant (cont)

Legal representative of the Company in the year and to the reporting date is:

Mr. Vu Tuan Phuong

General Director

### 4. Auditor

Moore AISC Auditing and Informatics Services Limited Company ("Moore AISC") has been appointed as an independent auditor for the fiscal year ended December 31, 2024 of the Company.

### 5. Statement of the Responsibility of the Board of Management in respect of the Financial Statements

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

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- The financial statements of the Company are prepared on a going concern basis unless it is inappropriate to presume that the Company will continue in business;
- Disclosed the identities of the Company's related parties and all related party relationships and transactions that have arisen in full.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements are prepared in compliance with the accounting policies stated in the Notes to the Financial Statements. The Board of Management is also responsible for safeguarding the assets of the Company and thus taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management is not aware of any information relating to fraud or suspected fraud that may affect the Company and relate to: the Board of Directors, the Board of Management of the Company; employees with important roles in internal control; or other matters where fraud may have a material impact on the separate financial statements.

### 6. Approval of the Financial Statements

We approve that the accompanying financial statements give a true and fair view, in all material respects, of the financial position of the Company as at December 31, 2024, as well as the results of its operations and cash flows for the year then ended, in compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of financial statements.

For and on behalf of the Company



Le Thi Van Anh

Chairwoman

Thai Binh Province, Vietnam  
March 28, 2025





No. A1124482-R/MOORE AISC-DN5

**INDEPENDENT AUDITOR'S REPORT**

**TO: SHAREHOLDERS, BOARD OF DIRECTORS AND BOARD OF MANAGEMENT**

**VU DANG INVESTMENT & TRADING JOINT STOCK COMPANY**

We have audited the financial statements of **Vu Dang Investment & Trading Joint Stock Company** consisting of Balance Sheet as at December 31, 2024, Income Statement, Cash Flow Statement for the year then ended and Notes to the Financial Statements as set out on page 05 to page 35, which were prepared on March 28, 2025.

**The Board of Management's responsibility**

The Company's Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of the financial statements and also for the internal control that the Board of Management considers necessary for the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's responsibility**

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

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

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

**Auditor's opinion**

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of **Vu Dang Investment & Trading Joint Stock Company** as at December 31, 2024 as well as the results of its operation and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other statutory requirements relevant to the preparation and presentation of the financial statements.

**Other issues**

The financial statements of **Vu Dang Investment & Trading Joint Stock Company** for the fiscal year ended December 31, 2023 were audited by another auditor and audit firm. This auditor issued an unqualified opinion on the financial statements as of March 26, 2024.

HCMC, March 28, 2025

**Moore AISC Auditing and Informatics Services Limited Company**

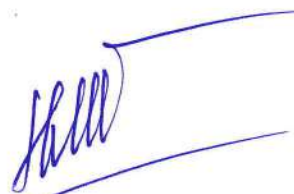


.....  
**Le Hung Dung**

**Deputy General Director**

Certificate of Audit Practice Registration

No. 3174-2025-005-1



.....  
**Ha Thi Thu**

**Auditor**

Certificate of Audit Practice Registration

No. 5952-2023-005-1



**BALANCE SHEET**

As at Decemer 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>130,605,880,688</b>	<b>198,671,682,742</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>6,100,032,634</b>	<b>66,931,582,654</b>
1. Cash	111		6,100,032,634	16,931,582,654
2. Cash equivalents	112		-	50,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		-	-
1. Trading securities	121		-	-
2. Provision for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>75,160,272,520</b>	<b>61,031,036,429</b>
1. Short-term trade receivables	131	V.3	71,003,330,270	60,512,321,187
2. Short-term prepayments to suppliers	132	V.4	4,090,000,000	24,816,000
3. Short-term intercompany receivables	133		-	-
4. Construction contract-in-progress receivables	134		-	-
5. Receivables from short-term loans	135		-	-
6. Other short-term receivables	136	V.5	66,942,250	493,899,242
7. Provision for doubtful debts	137		-	-
8. Shortage of assets awaiting resolution	139		-	-
<b>IV. Inventories</b>	<b>140</b>	<b>V.6</b>	<b>48,811,659,681</b>	<b>70,351,591,928</b>
1. Inventories	141		48,811,659,681	70,351,591,928
2. Provision for decline in value of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>533,915,853</b>	<b>357,471,731</b>
1. Short-term prepayments	151	V.7a	533,915,853	98,170,332
2. Deductible VAT	152		-	-
3. Taxes and other receivables from the State Budget	153	V.13b	-	259,301,399
4. Repurchase and sale of Government's bonds	154		-	-
5. Other current assets	155		-	-

**BALANCE SHEET**

As at Decemer 31, 2024

Unit: VND

ASSETS	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>223,342,777,752</b>	<b>199,852,204,244</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital from sub-units	213		-	-
4. Long-term intercompany receivables	214		-	-
5. Receivables from long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Provision for doubtful long-term receivables	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>180,845,565,758</b>	<b>196,633,111,467</b>
1. Tangible fixed assets	221	V.8	180,845,565,758	196,595,065,229
- Cost	222		289,860,157,686	289,860,157,686
- Accumulated depreciation	223		(109,014,591,928)	(93,265,092,457)
2. Finance lease assets	224		-	-
- Cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.9	-	38,046,238
- Cost	228		202,768,000	202,768,000
- Accumulated amortization	229		(202,768,000)	(164,721,762)
<b>III. Investment Properties</b>	<b>230</b>		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
<b>IV. Non-current assets in progress</b>	<b>240</b>	<b>V.10</b>	<b>1,149,380,461</b>	<b>524,574,268</b>
1. Works in progress	241		-	-
2. Capital construction in progress	242		1,149,380,461	524,574,268
<b>V. Long-term investments</b>	<b>250</b>	<b>V.2</b>	<b>38,000,000,000</b>	-
1. Investments in subsidiaries	251		-	-
2. Investments in associates, joint-ventures	252		-	-
3. Investments in equity of other entities	253		38,000,000,000	-
Provision for decline in the value of long-term				
4. investments	254		-	-
5. Held-to-maturity investments	255		-	-
<b>VI. Other long-term assets</b>	<b>260</b>		<b>3,347,831,533</b>	<b>2,694,518,509</b>
1. Long-term prepaid expenses	261	V.7b	3,347,831,533	2,694,518,509
2. Deferred income tax assets	262		-	-
3. Equipment, materials, spare parts	263		-	-
4. Other long-term assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>353,948,658,440</b>	<b>398,523,886,986</b>



**BALANCE SHEET**

As at Decemer 31, 2024

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
<b>C. LIABILITIES</b>	<b>300</b>		<b>94,219,605,139</b>	<b>152,389,616,017</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>85,982,404,288</b>	<b>107,126,834,698</b>
1. Short-term trade payables	311	V.11	6,389,893,880	4,331,672,692
2. Short-term advances from customers	312	V.12	-	8,912,472,612
3. Taxes and other payables to the State Budget	313	V.13a	3,822,175,854	742,342,002
4. Payables to employees	314		761,000,600	794,193,998
5. Short-term accrued expenses	315	V.14	89,081,558	223,412,974
6. Short-term intercompany payables	316		-	-
7. Construction contract-in-progress payables	317		-	-
8. Short-term unrealized revenue	318		-	-
9. Other short-term payables	319	V.15	4,999,575,000	14,681,021,954
10. Short-term borrowings and financial lease liabilities	320	V.16a	69,920,677,396	77,441,718,466
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322		-	-
13. Price stabilization fund	323		-	-
14. Repurchase and sale of Government's bond	324		-	-
<b>II. Long-term liabilities</b>	<b>330</b>		<b>8,237,200,851</b>	<b>45,262,781,319</b>
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital received	334		-	-
5. Long-term intercompany payables	335		-	-
6. Long-term unrealized revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial lease liabilities	338	V.16b	8,237,200,851	45,262,781,319
9. Convertible bond	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provision for long-term liabilities	342		-	-
13. Fund for science and technology development	343		-	-

## BALANCE SHEET

As at Decemer 31, 2024

Unit: VND

RESOURCES	Code	Notes	Dec. 31, 2024	Jan. 01, 2024
<b>D. OWNERS' EQUITY</b>	<b>400</b>	<b>V.17</b>	<b>259,729,053,301</b>	<b>246,134,270,969</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>259,729,053,301</b>	<b>246,134,270,969</b>
1. Owners' capital	411		276,059,080,000	276,059,080,000
- Ordinary shares with voting rights	411a		276,059,080,000	276,059,080,000
- Preferred shares	411b		-	-
2. Share premium	412		(156,863,636)	(156,863,636)
3. Bond conversion option	413		-	-
4. Owners' other capital	414		-	-
5. Treasury shares	415		-	-
6. Difference upon assets revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418		-	-
9. Fund for support of arrangement of enterprises	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421		(16,173,163,063)	(29,767,945,395)
- Undistributed earnings accumulated to the end of prior year	421a		(29,767,945,395)	6,764,926,158
- Undistributed earnings in this year	421b		13,594,782,332	(36,532,871,553)
12. Investment reserve for basic construction	422		-	-
<b>II. Budget sources and other funds</b>	<b>430</b>		-	-
1. Budget sources	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>353,948,658,440</b>	<b>398,523,886,986</b>



**Tran Thi Khanh Linh**  
Chief Accountant and preparer

Thai Binh Province, Vietnam  
March 28, 2025



**Vu Tuan Phuong**  
General Director



**INCOME STATEMENT**

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue from sale of goods and rendering of services	01	VI.1	342,459,873,057	258,764,636,574
2. Deductions	02		-	-
3. Net revenue from sale of goods and rendering of services	10		342,459,873,057	258,764,636,574
4. Cost of goods sold	11	VI.2	314,701,292,986	276,700,336,388
<b>5. Gross profit</b> (20 = 10 - 11)	<b>20</b>		<b>27,758,580,071</b>	<b>(17,935,699,814)</b>
6. Financial income	21	VI.3	1,361,541,185	905,046,902
7. Financial expenses	22	VI.4	11,696,062,293	14,076,620,255
<i>In which: borrowing interest expenses</i>	23		11,378,039,619	13,719,329,206
8. Selling expenses	25	VI.5a	16,890,607	144,314,405
9. General & administration expenses	26	VI.5b	3,493,187,067	5,323,581,478
<b>10. Operating profit</b> (30 = 20 + (21 - 22) - (25 + 26))	<b>30</b>		<b>13,913,981,289</b>	<b>(36,575,169,050)</b>
11. Other income	31	VI.6	72,222	59,757,463
12. Other expenses	32	VI.7	59,969,780	17,459,966
<b>13. Other profit/loss</b> (40 = 31 - 32)	<b>40</b>		<b>(59,897,558)</b>	<b>42,297,497</b>
<b>14. Net accounting profit before tax</b> (50 = 30 + 40)	<b>50</b>		<b>13,854,083,731</b>	<b>(36,532,871,553)</b>
15. Corporate income tax - current	51	VI.9	259,301,399	-
16. Corporate income tax - deferred	52		-	-
<b>17. Net profit after corporate income tax</b> (60 = 50 - 51 - 52)	<b>60</b>		<b>13,594,782,332</b>	<b>(36,532,871,553)</b>
<b>18. Earnings per share</b>	<b>70</b>	<b>VI.10</b>	<b>492</b>	<b>(1,323)</b>
<b>19. Diluted earnings per share</b>	<b>71</b>	<b>VI.11</b>	<b>492</b>	<b>(1,323)</b>



**Tran Thi Khanh Linh**  
Chief Accountant and preparer

Thai Binh Province, Vietnam  
March 28, 2025



**Vu Tuan Phuong**  
General Director

**CASH FLOW STATEMENT**

(Under indirect method)

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Net profit before tax	01		13,854,083,731	(36,532,871,553)
2. Adjustments for				
- Depreciation of fixed assets and investment properties	02	V.8,9	15,787,545,709	22,854,461,330
- Provisions	03		-	-
- Gain/losses from foreign exchange differences upon revaluation of monetary assets denominated in foreign currencies	04	VI.3,4	(249,509)	102,328
- Gains/losses from investing activities	05	VI.3	(1,300,000,000)	(574,727,528)
- Interest expense	06	VI.4	11,378,039,619	13,719,329,206
- Other adjustments	07		-	-
3. Profit from operating activities before changes in working capital	08		39,719,419,550	(533,706,217)
- Increase (-)/ decrease (+) in receivables	09		(14,207,704,484)	(15,885,445,510)
- Increase (-)/ decrease (+) in inventories	10		21,539,932,247	44,473,326,165
- Increase (+)/ decrease (-) in payables (Other than payables, income tax)	11		(13,489,057,924)	24,699,291,935
- Increase (-)/ decrease (+) in prepaid expenses	12		(1,089,058,545)	2,371,043,389
- Increase (-)/ decrease (+) in trading securities	13		-	-
- Interest paid	14		(11,512,371,035)	(13,766,661,133)
- Corporate income tax paid	15		-	(419,672,603)
- Other receipts from operating activities	16		-	-
- Other payments on operating activities	17		-	-
Net cash inflows/(outflows) from operating activities	20		20,961,159,809	40,938,176,026
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Purchases of fixed assets and other long-term assets	21		(546,337,800)	(524,574,268)
2. Proceeds from disposals of fixed assets and other long-term assets	22		-	-
3. Loans granted, purchases of debt instruments of other entities	23		-	-
4. Collection of loans, proceeds from sales of debt instruments of other entities	24		-	-
5. Investments in other entities	25		(59,070,000,000)	-
6. Proceeds from divestment in other entities	26		21,070,000,000	-
7. Dividends and interest received	27		1,300,000,000	574,727,528
Net cash inflows/(outflows) from investing activities	30		(37,246,337,800)	50,153,260



**CASH FLOW STATEMENT**

(Under indirect method)

For the fiscal year ended December 31, 2024

Unit: VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from issue of shares and capital contribution	31		-	-
2. Repayment of contributed capital and repurchase of stock issued	32		-	-
3. Proceeds from borrowings	33	IX.1	105,422,981,162	75,238,719,128
4. Repayments of borrowings	34	IX.2	(149,969,602,700)	(105,976,969,723)
5. Payments for finance lease liabilities	35		-	-
6. Dividends paid	36		-	-
Net cash inflows/(outflows) from financing activities	40		(44,546,621,538)	(30,738,250,595)
Net cash inflows/(outflows) (50 = 20+ 30 + 40)	50		(60,831,799,529)	10,250,078,691
Cash and cash equivalents at the beginning of the year	60		66,931,582,654	56,681,606,291
Effect of foreign exchange differences	61	VI.3,4	249,509	(102,328)
Cash and cash equivalents at the end of the year (70 = 50+60+61)	70	V.1	<u>6,100,032,634</u>	<u>66,931,582,654</u>



**Tran Thi Khanh Linh**  
Chief Accountant and preparer

Thai Binh Province, Vietnam  
March 28, 2025



**Vũ Tuấn Phương**  
General Director

**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***I. BUSINESS HIGHLIGHTS****1. Structure of ownership:**

Vu Dang Investment & Trading Joint Stock Company (hereinafter referred to as "the Company") officially operates under the Business Registration Certificate No. 0600986828 first issued on April 5, 2013 by the Department of Planning and Investment of Nam Dinh Province, registered for the 17th change on November 29, 2022 by the Department of Planning and Investment of Thai Binh Province regarding the change of the Company's charter capital.

**English name:** Vu Dang Investment & Trading Joint Stock Company.

**Short name:** VuDang.,JSC.

**Head office:** Dong Phong Industrial Group, Dong Quan Commune, Dong Hung District, Thai Binh Province, Vietnam.

**2. Business sector**

Production and trading.

**3. Principal activities**

Producing and trading cotton and yarn; Trading steel, materials and equipment in construction.

**4. Normal operating cycle**

Normal operating cycle of the Company lasts 12 months of the normal fiscal year beginning from Jan. 01 and ending on Dec. 31.

**5. Operations in the fiscal year affecting the financial statements:**

In 2024, the Company has made efforts to implement remedial measures, strengthen business operations, help improve results, achieve profits and complete the profit target approved by the 2024 Annual General Meeting of Shareholders, specifically as follows:

- Grasping the positive changes in the yarn industry market, the Company has built appropriate sales policies for each product, each market and each stage. At the same time, taking advantage of opportunities in the domestic market, the Company has developed business strategies, expanding new business lines to bring profits to the Company;
- The Company has increased the depreciation period of some fixed assets according to Decision No. 1601/QĐ-VĐ/2024 dated January 16, 2024. This change applies to the whole year of 2024, thereby reducing the depreciation expense incurred during the year by VND 7,832,862,492 and at the same time increasing the Company's profit by VND 7,832,862,492 (see detailed Notes V.8 and X.5);
- The Company has also reduced loan interest expenses by prepaying long-term loans that have not yet matured at Vietinbank - Thai Binh Branch (prepayment has been applied since last year);
- In addition, the Company has also reduced management costs better than the same period last year;
- Also in 2024, the Company restructured the personnel structure of the Executive Board and staff to innovate management policies, contributing to the success of the Company.

The above characteristics have affected the Company's operations in 2024.

**6. Total employees to Dec. 31, 2024: 89 people (Dec. 31, 2023: 82 people).****7. Disclosure on comparability of information in the Financial Statements**

The selection of figures and information need to be presented in the financial statements has been implemented on the principle of comparability among corresponding accounting periods.



**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***8. Applying the going concern basis in preparing financial statements**

The financial statements for the year ended December 31, 2024 have been prepared on a going concern basis, assuming that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future for at least the next 12 months from the date of these financial statements.

**II. ACCOUNTING PERIOD AND REPORTING CURRENCY****1. Fiscal year**

The fiscal year is begun on January 01 and ended December 31 annually.

**2. Reporting currency**

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

**III. ADOPTION OF ACCOUNTING STANDARDS AND POLICIES****1. Applicable Accounting System**

The Company applies the Vietnamese Accounting Standards and Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016 on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC and circulars guiding the implementation of Accounting Standards of the Ministry of Finance in preparing and presenting financial statements.

**2. Disclosure of compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System**

The Board of Management ensures that it has complied with the requirements of the Accounting Standards and the Vietnamese Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016 on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC as well as circulars guiding the implementation of Accounting Standards of the Ministry of Finance in preparing and presenting financial statements.

**IV. APPLICABLE ACCOUNTING POLICIES****1. Foreign exchange rate applicable in accounting**

The Company has translated foreign currencies into Vietnam Dong at the actual rate.

**Principles for determining the actual rate**

All transactions denominated in foreign currencies which arise during the period (trading foreign currencies, capital contribution or receipt of contributed capital, recording receivables and payables, purchasing assets or costs immediately paid by foreign currencies) are converted at the actual exchange rates ruling at the transaction dates.

Closing balance of monetary items (cash, cash equivalents, payables and receivables, except for prepayments to suppliers, prepayments from customers, pre-paid expenses, deposits and unearned revenue) denominated in foreign currencies are revaluated at the actual rate ruling at the balance sheet date.

- The actual exchange rates upon revaluation of monetary assets denominated in foreign currencies which have been classified as assets will be the buying rate of Vietinbank. The buying rate as at December 31, 2024: 25.250 VND/USD.

Foreign exchange differences, which arise from foreign currency transactions during the period/year, shall be included in the income statement. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included in the income statement.

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

Cash includes cash on hand, demand deposit and cash in transit.

**Cash equivalents** comprise term deposits and other short-term investments with an original maturity of three months or less, highly liquid, readily convertible to known amount of cash and subject to an insignificant risk of changes in value.



**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***3. Principles for accounting financial investments****Principles for recording equity investments in other entities**

Equity investment in other entities represents the Company's investment in other entities' equity instruments. However, the Company does not hold any control or joint control right and exercise significant influences over the investees either.

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

Regarding the investments the Company holds in a long time (not trading securities) and no significant influences are exercised on the investees, provision for loss will be made as follows:

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

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

**4. Principles for recording trade receivables and other receivables:**

**Receivables are started** at original cost less provision for doubtful debts.

The classifying of the receivables as trade receivables, inter-company receivables and other receivables depends on the nature of the transaction or relationship between the company and debtor.

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

**5. Principles for recording inventories**

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

**Original costs are determined as follows:**

- The original cost of materials, merchandises consists of costs of purchase, costs of transportation and other costs incurred in bringing the inventories to their present location and condition.

- Finished goods: costs of materials, direct labor and manufacturing overheads in the duration of manufacturing yarn.

- Work in progress costs: include costs of main raw materials, direct labor and general production costs incurred in the process of producing cotton yarn.

**Method of calculating inventories' value:** Weighted average method.

**Method of accounting for the inventories:** Perpetual method.

**Method of making provision for decline in value of inventories:** Provision for decline in value of inventories is made when the net realisable value of inventories is lower than their original cost. Net realisable value is the estimated selling price less the estimated costs of completion and estimated expenses for consuming them.

Increases and decreases in the balance of provision for devaluation of inventory required to be set up at the end of the fiscal year are recorded in cost of goods sold.



## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

**6. Principles for recording fixed assets:****6.1 Tangible fixed assets**

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

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

**6.2 Intangible fixed assets**

**Intangible fixed assets** are stated at cost less accumulated amortization. The original cost of a intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

*Computer software*

The original cost of a in tangible fixed asset which is the computer software shall be the total of actual expenses incurred to the time of putting the software into use.

**6.3 Method of depreciating and amortizing fixed assets**

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

<i>The estimated useful life for assets is as follows:</i>	<i>Term of depreciation at present</i>	<i>Term of depreciation in the past</i>
<i>Buildings and structures</i>	<i>10 - 50 years</i>	<i>06 - 25 years</i>
<i>Machinery and equipment</i>	<i>02 - 20 years</i>	<i>02 - 12 years</i>
<i>Transportation and facilities</i>	<i>05 - 13 years</i>	<i>05 - 08 years</i>
<i>Office equipment</i>	<i>05 - 06 years</i>	<i>05 - 06 years</i>
<i>Computer software</i>	<i>05 years</i>	<i>05 years</i>

**7. Principles for recording construction in progress**

Construction in progress is stated at original cost. These are all necessary costs for purchasing fixed assets, expenses of ground clearance for building yarn manufacturing factory in Dong Phong Industrial Group and other expenses.

These costs are capitalised as an additional cost of asset when the works have been completed and finalized, the asset has been handed over and put into use.

**8. Principles for recording prepaid expenses**

Prepaid expenses are all expenses that actually incurred but relate to the operating result of several accounting periods. The Company's prepaid expenses include: insurances, tools and supplies, prepaid amount for ground clearance and other expenses.

Method of allocating prepaid expenses: The determining and allocating of prepaid expenses into costs of production and doing business of each period is on a straight-line basis. Based on the nature and level of each expense, the term of allocation is defined as follows: short-term prepaid expenses should be allocated within one year; Long-term expenses should be allocated in the term from over 12 months to 36 months. Particularly, The compensation and ground clearance costs at Dong Phong Industrial Group that the unit itself compensates for will be offset (allocated) into the annual land rent payable to the Tax Authority until the value that needs to be allocated is exhausted.



**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***9. Principles for recording liabilities**

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

Liabilities shall be classified into trade payables, inter-company payables and other payables depending on the nature of transactions and relationship between the Company and debtors.

Liabilities must be kept records in detail according to payment schedule, creditor and other factors according to requirements of the enterprise.

At the reporting date, if it is evident that there is an unavoidable loss, an amount payable shall be recorded according to cautious rules.

**10. Compulsory insurance and salary policies**

Salary is calculated and recorded in the expenses in accordance with labor contract and the Company's regulation on salary. Accordingly, the Company makes provision for social insurance, health insurance and unemployment insurance in accordance with the regulations (circulars) issued by the Ministry of Labor, War Invalids and Social Affairs and changes at different times of the year.

**11. Principles for recording borrowings**

Borrowings are total amounts the Company owes to banks, institutions, financial companies and other objects (excluding borrowings under the form of bond or preferred stock issuance which require the issuer to repurchase at a certain time in the future).

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

**12. Principles for recording and capitalizing borrowing costs**

Borrowing costs are loan interest and other costs incurred in direct relation to borrowings of an enterprise, except where the borrowing costs related to borrowings in respect of the construction or production of uncompleted assets, in which case the borrowing costs incurred during the period of construction are computed in those assets' value (capitalised) as part of the cost of the assets concerned when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

**13. Principles for recording accruals**

Accruals include interest expenses which have been arisen in the reporting period, but have not been settled. These costs are recognised on the basis of reasonable estimates on the amounts to be paid in accordance with contracts, agreements,...

**14. Principles for recording owner's Equity****Owner's paid-in capital**

The paid-in capital is the amount that is contributed by members and supplemented from the profit after tax. The owners' equity will be recorded at the actual contributed capital by cash or assets in the early establishment period or additional mobilization to expand operation.

**Share premium** is the difference between the cost over and above the nominal value of the first issued or additionally issued share and the differences (increase or decrease) of the actual receiving amount against the repurchase price when treasury share is reissued. In case where shares are repurchased to cancel immediately at the purchase date, shares' value recorded decrease the business capital source at purchase date is the actual repurchase price and the business resource should be written down according to the par value and share premium of the repurchased shares.

**Retained earnings**

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

The distributing of profit is based on the charter of the Company and approved by the annual shareholder meeting.



**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***15. Principles for recording revenues****Revenue from sale of goods and rendering of services**

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

If the contract's results can not be determined firmly, the revenue will be recorded at the recoverable level of expenses recorded.

**Financial income**

Financial incomes include interests, foreign exchange gains, capital transfer gain.

Income arising from interests of the enterprises shall be recognized if they simultaneously satisfy the two (2) conditions below 1. It is possible to obtain economic benefits from the concerned transactions; 2. Income is determined with relative certainty.

- Interests recognized on the basis of the actual time and interest rates in each period;

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

**16. Principles and method of recording cost of goods sold**

Cost of goods sold is the cost of products, goods, services, expenses related to trading activities and other expenses recorded in the cost of goods sold or recorded a decrease in the cost of goods sold in reporting period. The cost of goods sold is recorded at the date the transaction incurs or likely to incur in the future regardless payment has been made or not. The cost of goods sold and revenue shall be recorded simultaneously on conformity principles. Expenses exceeding normal consumption level are recorded immediately to the cost of goods sold on prudent rules.

**17. Principles and method of recording financial expenses**

**Financial expenses** include borrowing cost and capital borrowing, loss from sale of foreign currencies, loss from foreign exchange and other financial expenses.

Financial expenses are recorded in details by their content and determined reliably when there are sufficient evidences on these expenses.

**18. Principles and methods of recording taxes**

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current tax: is the tax payable on the taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses as well as adjustments for non-taxable income and carried forward losses.

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

The Company's current corporate income tax rate is 20%.

The company has settled corporate income tax up to 2021.



**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***19. Principles for recording earnings per share**

Basic earnings per share is calculated by dividing net income available to common shareholders after appropriating to Bonus and Welfare Fund by the weighted-average number of common shares outstanding during the period.

Diluted EPS is calculated by dividing net income available to common shareholders (after adjusting dividends of preferred convertible shares) by the weighted-average number of common share outstanding and the weighted-average number to be issued in case where all dilutive potential common are converted into common shares.

**20. Financial instruments****Initial recognition****Financial assets**

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

At the date of initial recognition, the financial assets are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial assets.

Financial assets of the Company comprise cash, deposits, trade accounts receivables and other receivables.

**Financial liabilities**

According to Circular 210, financial assets are classified properly, for the purpose of presentation in the financial statements, into the financial liabilities which are stated at fair value through the Income Statement, financial liabilities determined on amortised cost basis. The Company decides to classify these liabilities at the date of initial recognition.

At the date of initial recognition, the financial liabilities are recognized at cost plus transaction cost that are directly attributable to the acquisition of the financial liabilities.

Financial liabilities of the Company comprise trade payables, accrued expenses, other payables, borrowings and liabilities.

**Re-measurements after initial recognition**

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

**Offsetting**

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

**21. Related parties**

According to accounting standard No. 26 - Information about related parties at the Company is as follows:

- (i) Enterprises that directly or indirectly through one or more intermediaries control, or are controlled by, or are under common control with, the reporting enterprise (including parent companies, subsidiaries, and fellow subsidiaries);
- (ii) Associated companies (as prescribed in Accounting Standard No. 07 "Accounting for investments in associated companies");
- (iii) Individuals who have direct or indirect voting power in reporting enterprises that results in significant influence over the enterprise, including close family members of these individuals. Close family members of an individual are those who can influence or be influenced by that person when dealing with the enterprise such as: Father, mother, wife, husband, children, siblings;
- (iv) Key management personnel having authority and responsibility for planning, directing and controlling the activities of the reporting enterprise, including directors, officers and close family members of such individuals;



**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

Unit: VND

**21. Related parties (cont)**

(v) Enterprises in which individuals listed in case (iii) or case (iv) of Section 1.3 of this article directly or indirectly hold a significant portion of voting rights or through which such person can exercise significant influence over the enterprise. This includes enterprises owned by directors or major shareholders of the reporting enterprise and enterprises that have a key management member in common with the reporting enterprise.

In considering each possible related party relationship, attention must be given to the substance of the relationship and not merely its legal form.

**22. Principles for presenting assets, revenue and operating results by segment**

A reportable segment includes business segment.

A business segment is a distinguishable component of an enterprise that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

For the purpose of management, the Company only operates in Thai Binh province, so it presents major segment reporting by business sector, the minor segment reporting by geographical segment.

**V. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE BALANCE SHEET**

1. Cash	Dec. 31, 2024	Jan. 01, 2024
Cash on hand	2,000,950,271	1,301,493,024
Cash in bank (i)	4,099,082,363	15,630,089,630
<b>Cash Equivalents</b>	-	<b>50,000,000,000</b>
Deposit with the term of 1 month	-	50,000,000,000
<b>Total</b>	<b>6,100,032,634</b>	<b>66,931,582,654</b>

(i) In which, foreign currency bank deposits as of December 31, 2024 are USD 200,00 equivalent to VND 5,050,000.

**2. Long-term financial investments: See Notes 33.**

3. Short-term trade receivables	Dec. 31, 2024		Jan. 01, 2024	
	Value	Provision	Value	Provision
Duc Vuong Investment and Development JSC	16,922,547,600	-	29,107,277,962	-
Nghe Tinh Yarn JSC	8,762,376,000	-	-	-
Tuan Long Production and Trading Co.,Ltd	10,690,283,832	-	-	-
Other customers	34,628,122,838	-	31,405,043,225	-
<b>Total</b>	<b>71,003,330,270</b>	<b>-</b>	<b>60,512,321,187</b>	<b>-</b>

4. Short-term prepayments to suppliers	Dec. 31, 2024		Jan. 01, 2024	
	Value	Provision	Value	Provision
Phi An Phat Co.,Ltd	2,500,000,000	-	-	-
Tan Phat Trading and Production Co.,Ltd	1,500,000,000	-	-	-
Other suppliers	90,000,000	-	24,816,000	-
<b>Total</b>	<b>4,090,000,000</b>	<b>-</b>	<b>24,816,000</b>	<b>-</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

5. Other receivables	Dec. 31, 2024		Jan. 01, 2024	
	Value	Provision	Value	Provision
Accrued interest on saving deposits	-	-	62,876,712	-
Deposits	-	-	322,602,280	-
Other receivables	66,942,250	-	108,420,250	-
<b>Total</b>	<b>66,942,250</b>	<b>-</b>	<b>493,899,242</b>	<b>-</b>

6. Inventories	Dec. 31, 2024		Jan. 01, 2024	
	Cost	Provision	Cost	Provision
Raw materials	37,988,430,027	-	58,317,993,471	-
Tools & supplies	2,939,479,957	-	4,326,942,243	-
Finished goods	7,107,886,479	-	6,735,379,496	-
Works in progress	775,863,218	-	971,276,718	-
<b>Total</b>	<b>48,811,659,681</b>	<b>-</b>	<b>70,351,591,928</b>	<b>-</b>

- Value of inactive, deteriorated inventories which are not possibly consumed at the year end: Not applicable.

- The entire value of the Company's existing inventory at the end of the year and future inventory under the Company's management and use are being pledged and mortgaged for the Company's loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Binh Branch (see Note V.16).

7. Prepaid expenses	Dec. 31, 2024	Jan. 01, 2024
<b>a. Short-term</b>	<b>533,915,853</b>	<b>98,170,332</b>
Tools and supplies	425,946,379	28,870,332
Other expenses	107,969,474	69,300,000
<b>b. Long-term</b>	<b>3,347,831,533</b>	<b>2,694,518,509</b>
Tools and supplies	796,471,263	21,223,642
Compensation for ground clearance (i)	2,551,360,270	2,551,360,270
Other expenses	-	121,934,597
<b>Total</b>	<b>3,881,747,386</b>	<b>2,792,688,841</b>

(i) The amount paid by the Company to households related to the compensation and site clearance support plan for the construction of the Company's yarn production plant at Dong Phong Industrial Cluster, Dong Hung District, Thai Binh Province, as stated in Proposal No. 01/TTr-HĐGPMB dated August 10, 2017. A portion of this amount will be deducted from the annual land rental for the yarn production plant at Dong Phong Industrial Cluster, Dong Hung District, Thai Binh Province, in accordance with Notification No. 402/TB-STC dated November 13, 2017, from the Thai Binh Department of Finance and Notification No. 4551/TB-CT dated November 14, 2017, from the Thai Binh Tax Department. The remaining amount of VND 1,252,041,000 will be refunded by the tax authority upon the expiration of the lease term.

**8. Tangible fixed assets:** See Notes 34.



## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## 9. Intangible fixed assets

Items	Computer software	Total
<b>Original cost</b>		
Opening balance	202,768,000	202,768,000
Closing balance	202,768,000	202,768,000
<b>Accumulated amortization</b>		
Opening balance	164,721,762	164,721,762
Charge for the year	38,046,238	38,046,238
Closing balance	202,768,000	202,768,000
<b>Net book value</b>		
Opening balance	38,046,238	38,046,238
Closing balance	-	-

\* Ending carrying value of intangible fixed assets pledged/mortgaged as loan security: Not applicable.

\* Ending original costs of intangible fixed assets—fully depreciated but still in use: VND 202,768,000.

## 10. Construction in progress

	Dec. 31, 2024	Jan. 01, 2024
Purchase of fixed assets	483,042,661	404,574,268
Construction costs	666,337,800	120,000,000
<b>Total</b>	<b>1,149,380,461</b>	<b>524,574,268</b>

## 11. Short-term trade payables

	Dec. 31, 2024		Jan. 01, 2024	
	Value	Amount be able to pay	Value	Amount be able to pay
Hanali JSC	2,602,183,157	2,602,183,157	-	-
VMSTEEL JSC	1,087,473,930	1,087,473,930	-	-
Ton Dai Loc Co.,Ltd	1,603,182,415	1,603,182,415	-	-
Hung Long Phu Yarn Co.,Ltd	-	-	811,579,679	811,579,679
Other suppliers	1,097,054,378	1,097,054,378	3,520,093,013	3,520,093,013
<b>Total</b>	<b>6,389,893,880</b>	<b>6,389,893,880</b>	<b>4,331,672,692</b>	<b>4,331,672,692</b>

## 12. Short-term prepayments from customers

	Dec. 31, 2024	Jan. 01, 2024
<b>a. Local customers</b>	-	5,114,553,310
Minh Tam Textile Co.,Ltd	-	4,900,000,000
Other customers	-	214,553,310
<b>b. Foreign customers</b>	-	3,797,919,302
Hongkong Lumena International Co.,ltd	-	3,797,919,302
<b>Total</b>	<b>-</b>	<b>8,912,472,612</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

13. Taxes and payables to the State Budget	Jan. 01, 2024	Payable amount	Paid/deducted amount	Dec. 31, 2024
a. Payables				
VAT	648,543,678	6,031,514,109	2,959,601,461	3,720,456,326
VAT on imports	-	73,682,081	73,682,081	-
Personal income tax	93,798,324	46,290,153	38,368,949	101,719,528
Land and housing taxes and other taxes	-	170,877,360	170,877,360	-
Total	742,342,002	6,322,363,703	3,242,529,851	3,822,175,854
b. Receivables				
Corporate income tax	259,301,399	259,301,399	-	-
Total	259,301,399	259,301,399	-	-
14. Short-term accrued expenses			Dec. 31, 2024	Jan. 01, 2024
Borrowing interests			89,081,558	223,412,974
Total			89,081,558	223,412,974
15. Other payables			Dec. 31, 2024	Jan. 01, 2024
L/C payment to Vietinbank - Thai Binh Branch			4,999,575,000	14,681,021,954
Total			4,999,575,000	14,681,021,954
16. Borrowings and financial lease liabilities			Dec. 31, 2024	Jan. 01, 2024
	Value	Amount be able to pay	Value	Amount be able to pay
a. Short-term	69,920,677,396	69,920,677,396	77,441,718,466	77,441,718,466
Vietinbank - Thai Binh Branch (1)	48,674,957,084	48,674,957,084	42,444,718,466	42,444,718,466
Current portion of long-term borrowings and liabilities				
Vietinbank - Thai Binh Branch (2)	21,245,720,312	21,245,720,312	34,997,000,000	34,997,000,000
b. Long-term	8,237,200,851	8,237,200,851	45,262,781,319	45,262,781,319
Vietinbank - Thai Binh Branch (2)	8,237,200,851	8,237,200,851	45,262,781,319	45,262,781,319
Total	78,157,878,247	78,157,878,247	122,704,499,785	122,704,499,785



**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

Unit: VND

**16. Borrowings and financial lease liabilities (cont.)****Details of the borrowings from the Bank are as follows:**

(1) The borrowing in accordance with Contract No. 01/2024-HĐCVHM/NHCT360-VUDANG dated December 02, 2024:

- Credit limit: VND 50,000,000,000;
- Maintenance period for the credit limit: from November 02, 2024 to November 30, 2025;
- Term: By each receiving note, but not exceeding 6 months since the date of receiving;
- Purpose: To add to the working capital for production and trading activities;
- Loan interest: By each receiving note (average 7%/year);
- Security measures: Land use rights of Mr. Vu Anh Luong (father of Mr. Vu Tuan Phuong - General Director of the Company); assets attached to land belonging to the investment project of building an OE yarn factory, machinery and equipment, debt collection rights and inventories of the Company.

(2) The borrowing in accordance with Contract No. 01/2018-HĐCVADT/NHCT360-VUDANG dated April 20, 2018:

- Credit limit: not exceeding VND 99,000,000,000;
- Term: 96 months;
- Interest rate: By each receiving note and under adjustment once a month (average 7%/year);
- Security measures: Land use rights of Mr. Vu Anh Luong (father of Mr. Vu Tuan Phuong - General Director of the Company); assets attached to land belonging to the investment project of building an OE yarn factory, machinery and equipment, debt collection rights and inventories of the Company.

**17. Owners' equity****a. Comparison schedule for changes in Owner's Equity**

Items	Owners' Capital	Share premium	Undistributed earnings	Total
Prior year opening balance	276,059,080,000	(156,863,636)	6,764,926,158	282,667,142,522
Loss	-	-	(36,532,871,553)	(36,532,871,553)
Prior year closing balance	276,059,080,000	(156,863,636)	(29,767,945,395)	246,134,270,969
Current year opening balance	276,059,080,000	(156,863,636)	(29,767,945,395)	246,134,270,969
Profit	-	-	13,594,782,332	13,594,782,332
Current year closing balance	276,059,080,000	(156,863,636)	(16,173,163,063)	259,729,053,301

**b. Details of owners' shareholding**

	% of shareholding	Dec. 31, 2024	Jan. 01, 2024
Mr. Vu Tuan Phuong	19.99%	55,190,600,000	55,190,600,000
Other sharehokders	80.01%	220,868,480,000	220,868,480,000
<b>Total</b>	<b>100.00%</b>	<b>276,059,080,000</b>	<b>276,059,080,000</b>

**c. Capital transactions with owners and distribution of dividends, profits**

	Year 2024	Year 2023
Owners' capital	276,059,080,000	276,059,080,000
At the beginning of the year	276,059,080,000	276,059,080,000
At the end of the year	276,059,080,000	276,059,080,000
Dividends, profit distributed	-	-

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## 17. Owners' equity (cont.)

## d. Shares

	Dec. 31, 2024	Jan. 01, 2024
Number of shares registered to be issued	27,605,908	27,605,908
Number of circulating shares	27,605,908	27,605,908
Ordinary share	27,605,908	27,605,908
Par value: VND/share.	10,000	10,000

## 18. Off balance sheet items

	Dec. 31, 2024		Jan. 01, 2024	
	Quantity	Value (VND)	Quantity	Value (VND)
Foreign currency (USD)	\$ 200.00	5,050,000	\$ 200.00	4,801,000
Total	\$ 200.00	5,050,000	\$ 200.00	4,801,000

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

## 1. Revenue from sale of goods and rendering of services

	Year 2024	Year 2023
Revenue from sale of goods and rendering of services	342,459,873,057	258,764,636,574
Total	342,459,873,057	258,764,636,574

## 2. Cost of goods sold

	Year 2024	Year 2023
Cost of goods sold	314,701,292,986	276,700,336,388
Total	314,701,292,986	276,700,336,388

## 3. Financial income

	Year 2024	Year 2023
Interest income from deposits	61,291,676	574,727,528
Gain from transfer of investments	1,300,000,000	-
Realised foreign exchange gains	-	330,319,374
Foreign exchange gains upon revaluation	249,509	-
Total	1,361,541,185	905,046,902

## 4. Financial expenses

	Year 2024	Year 2023
Interest expense	11,378,039,619	13,719,329,206
Foreign exchange loss upon revaluation	-	102,328
Realised foreign exchange losses	318,022,674	357,188,721
Total	11,696,062,293	14,076,620,255



**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

Unit: VND

	Year 2024	Year 2023
<b>5. Selling expenses and General and administration expenses</b>		
<b>a. Selling expenses</b>		
Services bought from outsiders	14,107,007	84,186,811
Other sundry expenses by cash	2,783,600	60,127,594
<b>Total</b>	<b>16,890,607</b>	<b>144,314,405</b>
<b>b. General and administration expenses</b>		
Salaries	1,987,851,467	1,827,785,675
Office supplies	26,550,003	33,711,108
Depreciation	520,138,240	1,132,052,202
Taxes, fees and duties	174,857,370	347,791,041
Services bought from outsiders	490,541,011	556,329,771
Other sundry expenses by cash	293,248,976	1,425,911,681
<b>Total</b>	<b>3,493,187,067</b>	<b>5,323,581,478</b>
<b>6. Other income</b>	<b>Year 2024</b>	<b>Year 2023</b>
Other income	72,222	59,757,463
<b>Total</b>	<b>72,222</b>	<b>59,757,463</b>
<b>7. Other expenses</b>	<b>Year 2024</b>	<b>Year 2023</b>
Fine on administration violation, late tax payment	47,030,836	46,156
Other expenses	12,938,944	17,413,810
<b>Total</b>	<b>59,969,780</b>	<b>17,459,966</b>
<b>8. Costs of production and doing business by factors</b>	<b>Year 2024</b>	<b>Year 2023</b>
Raw materials	121,341,868,379	87,596,499,841
Labour cost	9,103,708,438	7,764,550,069
Depreciation and amortization	15,787,545,709	22,854,461,330
Taxes, fees and duties	174,857,370	347,791,041
Services bought	11,551,677,420	7,096,345,224
Other sundry cash expense	344,987,126	1,578,337,847
<b>Total</b>	<b>158,304,644,442</b>	<b>127,237,985,352</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

9. Current corporate income tax	Year 2024	Year 2023
1. Total accounting profit before tax	13,854,083,731	(36,532,871,553)
2. Adjustments to increase, decrease accounting profit for determining taxable income:	46,781,327	46,156
Adjustment to increase	47,030,836	46,156
+ Undeductible expenses	47,030,836	46,156
Adjustment to decrease	249,509	-
+ Foreign exchange difference gain upon revaluation of cash and receiv	249,509	-
3. Taxable income (1+2)	13,900,865,058	(36,532,825,397)
4. Loss carried from prior years (**)	(13,900,865,058)	-
5. Current corporate income tax liabilities	-	-
6. Tax rate	20%	20%
7. CIT being adjusted in prior years	259,301,399	-
8. Corporate income tax liabilities in the year (*)	259,301,399	-

(\*) The Company's obligations regarding taxes and other payments to the State are subject to examination by the tax authorities. Since the application of laws, sub-law documents and tax regulations to various types of transactions can be interpreted in different ways, the tax amounts presented in the financial statements may be changed according to specific decisions of the tax authorities.

(\*\*) The Company's tax loss carryforwards can be offset against future taxable profits within 05 years from the year the loss arises. Any actual tax loss that can be carried forward to subsequent years is subject to review and approval by the tax authorities and may differ from the figures presented in the report.

Estimated tax losses available to offset against the Company's future taxable profits are as follows:

Year of occurrence	Status of tax authority examination	Loss	Tax loss amount used	The loss carried forward to the following tax periods.
Year 2023	Not yet settled	36,532,825,397	-	36,532,825,397
Year 2024	Not yet settled	-	13,900,865,058	22,631,960,339

The Company does not recognize deferred income tax assets for the above tax losses because the Company's ability to have future taxable income to offset these tax losses is assessed as uncertain.

10. Earnings per share	Year 2024	Year 2023
Accounting profit after corporate income tax	13,594,782,332	(36,532,871,553)
Profit or loss attributable to ordinary equity holders	13,594,782,332	(36,532,871,553)
Average ordinary shares outstanding during the year	27,605,908	27,605,908
Earnings per share	492	(1,323)



**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

Unit: VND

<b>11. Diluted earnings per share</b>	<b>Year 2024</b>	<b>Year 2023</b>
Profit or loss allocated to shareholders owning ordinary shares	13,594,782,332	(36,532,871,553)
<b>Profit or loss allocated to shareholders owning ordinary shares after adjusting dilution factors</b>	<b>13,594,782,332</b>	<b>(36,532,871,553)</b>
Average outstanding ordinary shares in the year	27,605,908	27,605,908
<b>Average outstanding ordinary shares in the period after adjusting dilution factors</b>	<b>27,605,908</b>	<b>27,605,908</b>
<b>Diluted earnings per share</b>	<b>492</b>	<b>(1,323)</b>

**VII. Objectives and financial risks management policies**

Major risks of financial instruments include market risk, credit risk and liquidity risk.

The Board of Management considers the application of management policies for the above risks as follows:

**1. Market risk**

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

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

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

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

**Interest rate risk**

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

The Company manages the interest rate risk by analyzing the competition status in the market in order to apply the interest rate that brings benefits to the Company and still in the limit of its risk management.

**Sensibility to interest rate**

The sensibility of borrowings and liabilities, cash and short-term deposits of the Company to changes that may occur at reasonable level in the interest rate is illustrated as follows:

**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***1. Market risk (cont.)**

Assuming that other variables remain constant, the fluctuation in the interest rate of borrowings with floating interest rate makes impact on the Company's profit before tax as follows:

	<i>Increase/Decrease of basic points</i>	<i>Influences on profit before tax (VND)</i>
<b>Year 2024</b>		
VND	+100	(740,587,959)
VND	-100	740,587,959
<b>Year 2023</b>		
VND	+100	(1,070,744,102)
VND	-100	1,070,744,102

Increase/decrease of basic points being used to analyze the sensibility to the interest rate is assumed on the basis of observable conditions of current market. These conditions show that the fluctuation is insignificantly greater than prior periods.

*Foreign exchange risk*

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

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

*Sensibility to foreign currencies*

The Company does not analyze the sensibility to the foreign currencies since change in the foreign currencies at the reporting date is insignificant.

**2. Credit risk**

Credit risk is the risk due to the customers' failure to perform its obligations causing the financial loss for the company. The Company bears credit risks from production and doing business activities (mainly trade receivables) and from its financial activities including trade receivables and deposits.

*Trade receivables*

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

*Deposit*

The Company mainly maintains deposits in big and prestigious banks in Vietnam. The Company realized that the concentration level of credit risk to deposits is low.

**3. Liquidity risk**

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

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



**NOTES TO THE FINANCIAL STATEMENTS**

For the fiscal year ended December 31, 2024

Unit: VND

**3. Liquidity risk (cont.)**

The following table summarizes liquidity deadline of the Company's financial liabilities on the basis of estimated payments in accordance with contract which are not discounted:

At as Dec. 31, 2024	Under 1 year	From 1-5 years	Over 5 years	Total
Borrowings and liabilities	69,920,677,396	8,237,200,851	-	78,157,878,247
Trade payables	6,389,893,880	-	-	6,389,893,880
Other payables and accrued expenses	5,088,656,558	-	-	5,088,656,558
<b>Total</b>	<b>81,399,227,834</b>	<b>8,237,200,851</b>	<b>-</b>	<b>89,636,428,685</b>
At as Dec. 31, 2023	Under 1 year	From 1-5 years	Over 5 years	Total
Borrowings and liabilities	77,441,718,466	45,262,781,319	-	122,704,499,785
Trade payables	4,331,672,692	-	-	4,331,672,692
Other payables and accrued expenses	14,904,434,928	-	-	14,904,434,928
<b>Total</b>	<b>96,677,826,086</b>	<b>45,262,781,319</b>	<b>-</b>	<b>141,940,607,405</b>

The Company is able to access capital sources and with regards to due borrowings within 12 months, the Company may continue to be lent by its current creditors.

**Secured assets**

The Company has used a part of its fixed assets, debt claims and all of its inventories as collateral for short-term and long-term loans from Banks (Note No. V.16 - Borrowings and financial lease liabilities).

The Company used the land use rights and assets on the land of Mr. Vu Anh Luong (father of Mr. Vu Tuan Phuong - General Director of the Company) as collateral for short-term and long-term loans from Banks (Note No. V.16 - Borrowings and financial lease liabilities).

**VIII. Financial assets and liabilities (See page 35)**

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

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

Except for the above-mentioned items, the fair value of financial assets and financial liabilities has not been valued and determined officially as at December 31, 2024 and December 31, 2023. However, the Board of Management has assessed that the fair value of financial assets and liabilities is not significantly different from the book value at the fiscal year end.

**IX. ADDITIONAL INFORMATION FOR ITEMS IN THE CASH FLOW STATEMENT****1. Borrowing amount in the year**

	Year 2024	Year 2023
Proceeds from the borrowing under normal agreement	105,422,981,162	75,238,719,128
<b>Total</b>	<b>105,422,981,162</b>	<b>75,238,719,128</b>

**NOTES TO THE FINANCIAL STATEMENTS***For the fiscal year ended December 31, 2024**Unit: VND***2. Payment for principal debts**

Payment for principal debts under normal agreement

**Year 2024****Year 2023**

149,969,602,700

105,976,969,723

**Total****149,969,602,700****105,976,969,723****X. OTHER INFORMATION****1. Contingent liabilities, commitments and other information**

There are no contingent liabilities, commitments and financial information arising since the balance sheet date that require adjustments or disclosures in the financial statements.

**2. Subsequent events**

There are no significant events since the year end that need to be adjusted or noted in the financial statements.

**3. Related party transactions****List of related parties****Relationship**

Mrs. Le Thi Van Anh

Chairwoman (Appointed on September 23, 2024)

Member (Till September 23, 2024)

Mr. Mai Anh Tuan

Chairwoman (Resigned on September 23, 2024)

Mr. Vu Tuan Phuong

Member

Mrs. Nguyen Thi Thanh Xuan

Member

Mrs. Nguyen Thi Mai

Member

Mr. Nguyen Van Don

Member (Appointed on September 23, 2024)

Mrs. Doan Thi Vui

Chief Supervisor

Mrs. Pham Thi Phuong

Member

Mr. Bui Dinh Tien

Member

Mr. Vu Hoang Nam

Deputy General Director

Mr. Vu Anh Luong

Related party of Member/General Director (Vu Tuan Phuong)



## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## 3. Related party transactions (cont.)

Income of the Board of Directors		Year 2024	Year 2023
Mrs. Le Thi Van Anh	Salary and bonus	48,000,000	65,965,127
Mr. Mai Anh Tuan	Salary and bonus	96,615,385	204,000,000
Mrs. Hoang Thu Huong	Salary and bonus	-	56,100,000
Mrs. Nguyen Thi Thanh Xuan	Salary and bonus	48,172,900	40,307,692
Mr. Nguyen Van Don	Salary and bonus	38,950,000	-
<b>Total</b>		<b>231,738,285</b>	<b>366,372,819</b>
Income of the Board Management		Year 2024	Year 2023
Mr. Vu Tuan Phuong	Salary and bonus	449,884,615	462,000,000
Mr. Vu Hoang Nam	Salary and bonus	199,153,847	204,000,000
<b>Total</b>		<b>649,038,462</b>	<b>666,000,000</b>
Income of the Board of Supervisors		Year 2024	Year 2023
Mrs. Doan Thi Vui	Salary and bonus	94,527,700	24,307,690
Mrs. Pham Thi Phuong	Salary and bonus	-	-
Mr. Bui Dinh Tien	Salary and bonus	94,844,100	-
<b>Total</b>		<b>189,371,800</b>	<b>24,307,690</b>

## Guarantee commitment

The Company used the land use rights and assets attached to the land at No. 11 - Alley H - F361 collective housing area, Tan Xuan 1 residential group, Xuan Dinh ward, Bac Tu Liem district, Hanoi city of Mr. Vu Anh Luong (father of Mr. Vu Tuan Phuong - General Director of the Company) with the value of the collateral assets appraised by the bank at VND 3,121,000,000 as collateral to secure the loan at Vietnam Joint Stock Commercial Bank for Industry and Trade - Thai Binh branch (see note V.16).

## 4. Presentation of segment asset, revenue and operating result

The Board of Management of the Company determines that the Company's management decisions are based primarily on the types of products and services provided by the Company and not on the geographical areas in which the Company provides services. Therefore, the Company's primary reporting is by business sectors.

The Company reports its operations by business segments: sales of goods and finished goods. The Company analyzes revenue and cost of goods sold by segment as follows:

## For the fiscal year ended December 31, 2024

Sectors	Net revenue	Cost of goods sold	Gross profit
Revenue from sale of goods and rendering of services	342,459,873,057	314,701,292,986	27,758,580,071
<b>Total</b>	<b>342,459,873,057</b>	<b>314,701,292,986</b>	<b>27,758,580,071</b>

## For the fiscal year ended December 31, 2023

Sectors	Net revenue	Cost of goods sold	Gross profit
Revenue from sale of goods and rendering of services	258,764,636,574	276,700,336,388	(17,935,699,814)
<b>Total</b>	<b>258,764,636,574</b>	<b>276,700,336,388</b>	<b>(17,935,699,814)</b>

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## 4. Presentation of segment asset, revenue and operating result (cont.)

## Segment reporting by geographic region (domestic and international operations)

The Company reports its operations by business segments: sales of goods and provision of services within the Vietnam geographical area and export. The Company analyzes revenue and cost of goods sold by segment as follows:

## For the fiscal year ended December 31, 2024

Sectors	Net revenue	Cost of goods sold	Gross profit
Export activities	479,093,033	438,652,866	40,440,167
Domestic activities	341,980,780,024	314,262,640,120	27,718,139,904
<b>Total</b>	<b>342,459,873,057</b>	<b>314,701,292,986</b>	<b>27,758,580,071</b>

## For the fiscal year ended December 31, 2023

Sectors	Net revenue	Cost of goods sold	Gross profit
Export activities	8,591,043,118	7,911,717,903	679,325,215
Domestic activities	250,173,593,456	268,788,618,485	(18,615,025,029)
<b>Total</b>	<b>258,764,636,574</b>	<b>276,700,336,388</b>	<b>(17,935,699,814)</b>

## 5. Presentation of changes in accounting estimates

In 2024, the Board of Management of the Company changed the depreciation period of tangible fixed assets, (see note V.8). The Board of Management believes that the application of the new period will more accurately reflect the performance and technical life of the Company's fixed assets. If the previous depreciation period is continued to be used, this year's depreciation expense will increase by VND 7,832,862,492, specifically as follows:

Year 2024	Term of depreciation at present	Term of depreciation in the past	Differences
Depreciation	15,787,545,709	23,620,408,201	(7,832,862,492)

## 6. Information on going-concern operation: The Company will continue its operation in the future.



**Tran Thi Khanh Linh**  
Chief Accountant and preparer

Thai Binh Province, Vietnam  
March 28, 2025



**Vu Tuan Phuong**  
General Director



NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

V.2.Financial investments

Investment in other entities

		Dec. 31, 2024				Jan. 01, 2024				
Name of Company	Main activity	Status	Percentage of	Percentage of	Original cost	Provision	Percentage of	Percentage of	Original cost	Provision
			shareholding (%)	voting right (%)	(VND)	(VND)	shareholding (%)	voting right (%)	(VND)	(VND)
M.A.P Global JSC (i)	Production and trading	Operating	19.00%	19.00%	38,000,000,000	-	0.00%	0.00%	-	-
					38,000,000,000	-			-	-
Total										

(i) Pursuant to Resolution of the Board of Management No. 05/2024/NQ-HĐQT-VĐ dated May 11, 2024 and the signed share transfer contracts, the Company has completed receiving the transfer of 5,800,000 shares of M.A.P Global Joint Stock Company, equivalent to 29% of charter capital at a price of VND 58,000,000,000. By December 2024, according to Resolution of the Board of Management No. 11/2024/NQ-HĐQT-VĐ and the signed share transfer contracts, the Company has completed the transfer of 2,000,000 shares, equivalent to 10% of the charter capital of this Company to other investors with a transfer value of VND 21,300,000,000 and recorded a profit of VND 1,300,000,000 in income statement (see Notes VI.3 - Financial revenue). The Company has collected the entire transfer value. The Company's ownership and voting ratio at this Company as of December 31, 2024 is 19%.

The fair value as of December 31, 2024 of investments in non-public entities has not yet been specifically and consistently guided regarding the method of determining fair value in accounting for these investments. Therefore, the Company presents the fair value of investments in other entities based on the financial statements of the invested company using the original cost method less impairment allowance.

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## V.8. Tangible fixed assets

Items	Buildings & structures	Machinery & equipment	Transportation & facilities	Office equipment	Total
<b>Original cost</b>					
Opening balance	52,495,892,826	235,570,359,610	1,646,637,976	147,267,274	289,860,157,686
<i>Reclassification</i>	-	(767,159,371)	767,159,371	-	-
Closing balance	52,495,892,826	234,803,200,239	2,413,797,347	147,267,274	289,860,157,686
<b>Accumulated depreciation</b>					
Opening balance	13,954,580,694	77,950,127,854	1,224,308,077	136,075,832	93,265,092,457
<i>Charge for the year (**)</i>	1,350,412,200	14,070,466,085	318,954,514	9,666,672	15,749,499,471
<i>Reclassification</i>	-	(113,136,708)	113,136,708	-	-
Closing balance	15,304,992,894	91,907,457,231	1,656,399,299	145,742,504	109,014,591,928
<b>Net book value</b>					
Opening balance	38,541,312,132	157,620,231,756	422,329,899	11,191,442	196,595,065,229
Closing balance	37,190,899,932	142,895,743,008	757,398,048	1,524,770	180,845,565,758

\* Ending net book value of tangible fixed assets pledged/mortgaged as loan security: VND 167,166,509,671.

\* Ending original costs of tangible fixed assets—fully depreciated but still in use: VND 296,520,449.

(\*\*) The Company has increased the depreciation period of some fixed assets according to Decision No. 1601/QĐ-VĐ/2024 dated January 16, 2024. This change applies to the whole year of 2024, thereby reducing depreciation expenses incurred during the year by VND 7,832,862,492 and at the same time increasing the Company's profit by VND 7,832,862,492.



## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2024

Unit: VND

## VIII. Financial assets and financial liabilities:

The following table specifies book value and fair value of the financial instruments presented in the financial statements.

	Book value		Fair value	
	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023
	Amount	Provision	Amount	Provision
<b>Financial assets</b>				
- Trade receivables	71,003,330,270	-	60,512,321,187	-
- Other receivables	66,942,250	-	493,899,242	-
- Cash and cash equivalents	6,100,032,634	-	66,931,582,654	-
<b>TOTAL</b>	<b>77,170,305,154</b>	-	<b>127,937,803,083</b>	-
<b>Financial liabilities</b>				
- Borrowings and liabilities	78,157,878,247	-	122,704,499,785	-
- Trade payables	6,389,893,880	-	4,331,672,692	-
- Accrued expenses and other expenses	5,088,656,558	-	14,904,434,928	-
<b>TOTAL</b>	<b>89,636,428,685</b>	-	<b>141,940,607,405</b>	-