

Vinh Ha Food Processing and Construction Joint Stock Company

Audited Consolidated Financial Statements

For the fiscal year ended 31 December 2024



CÔNG TY TNHH KIỂM TOÁN FAC
FAC AUDITING CO., LTD
Website: www.kiemtoanfac.vn

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GENERAL INFORMATION

THE COMPANY

Vinh Ha Food Processing and Construction Joint Stock Company (hereinafter referred to as the "Company") is a joint stock company established under the Enterprise Law of Vietnam in accordance with Business Registration Certificate No. 0100102830, initially issued by the Hanoi Department of Planning and Investment on 23 November 2006, and subsequently amended by the following Business Registration Certificates ("ERC"):

<u>Amended ERC:</u>	<u>Date</u>
The first amendment	15 March 15 2010
The second amendment	23 April 2012
The third amendment	08 August 2012
The fourth amendment	20 December 2012
The fifth amendment	01 August 2015
The sixth amendment	12 August 2020
The seventh amendment	06 May 2022

The Company's principal activities during the current financial year include:

- Agricultural products, food, foodstuff trading;
- Goods distributor;
- Real estate, house, warehouse rental;
- Construction works.

THE COMPANY'S HEAD OFFICE

Address : No. 9A, Vinh Tuy Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam
Tax code : 0 1 0 0 1 0 2 8 3 0

The Company has six dependent branches as follows:

<i>Branch Name</i>	<i>Address</i>
Import-Export Enterprise No. 1	Thai Hoa Town, Tan Uyen, Binh Duong
Vinh Ha Product Introduction and Service Center	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Vinh Tuy Agricultural and Food Processing Enterprise	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Construction Enterprise No. 2	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Gia Lam Food Trading Center	No.1, Alley 100, Sai Dong, Long Bien, Hanoi
Thanh Tri Food Trading Center	Van Dien Town, Thanh Tri, Hanoi

BOARD OF DIRECTORS

Members of the Board of Directors during the year and as at the reporting date are as follows:

Mr. Le Van Thanh	Chairman
Mr. Nguyen Van Toan	Member
Mr. Nguyen Anh Dung	Member
Mrs. Luu Thi Tuyet Mai	Member
Mrs. Do Thi Hong Thuy	Member

BOARD OF SUPERVISION

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

Mrs	Nguyen Thi Trang	Head of Board of Supervision	Appointed on 16/4/2024
Mrs	Vu Thi Thuy	Head of Board of Supervision	Dismissed on 16/4/2024
Mrs	Vu Dieu Thuy	Member	
Mr	Hoang Hung	Member	

BOARD OF MANAGEMENT

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

Mr	Nguyen Van Toan	Director
Mr	Nguyen Khac Quy	Deputy Director
Mr	Le Hai Long	Deputy Director

LEGAL REPRESENTATIVE

The legal representative of the Company during the year and at the date of this report is Mr Nguyen Van Toan.

AUDITORS

The auditor of the Company is FAC Auditing Company Limited - FAC Hanoi Branch.

REPORT OF THE BOARD OF MANAGEMENT

The Board Of Management of Vinh Ha Food Processing and Construction Joint Stock Company (hereinafter referred to as "the Company") is pleased to present its report and the consolidated financial statements of the Company for the year ended 31 December 2024.

THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Company and of the consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, the Board of Management is required to:

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

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

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

STATEMENT BY THE BOARD OF MANAGEMENT

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

For and on behalf of the Board of Management



Nguyen Van Toan

Director

Ha Noi, 10 March 2025



CÔNG TY TNHH KIỂM TOÁN FAC - FAC AUDITING CO., LTD

64/4 Đường ĐHT 21, Phường Đồng Hưng Thuận, Quận 12, Thành Phố Hồ Chí Minh.

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No: 021/2024/BCKT-FACHN

INDEPENDENT AUDITORS' REPORT

To: The Board of Administration and the Board of Management
Vinh Ha Food Processing and Construction Joint Stock Company

We have audited the accompanying consolidated financial statements of Vinh Ha Food Processing and Construction Joint Stock Company (referred to as "the Company") as prepared on 10 March 2025 and set out on pages 6 to 38, which comprise the Consolidated Balance Sheet as at 31 December 2024, the Consolidated Statement of Income, the Consolidated Statement of Cash Flows for the financial year then ended, and the accompanying Notes to the Consolidated Financial Statements.

The Board of Management's responsibility

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

Auditor's responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the consolidated financial statements of the Company 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 consolidated financial statements.

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

Auditor's opinions

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, the consolidated financial position of Vinh Ha Construction and Food Processing Joint Stock Company as of 31 December 2024, as well as the consolidated results of its operations and its consolidated cash flows for the financial year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, and the statutory requirements relevant to preparation and presentation of consolidated financial statements.

Matters to Emphasize

As stated in Note 12, the Company has recognized the land use rights derived from a property purchase agreement signed between the Company and Tan Uyen Co., Ltd on 30 August 2010, with a recognized value of VND 5,558,625,000. According to this agreement, all land use rights and structures on the land were pledged as collateral to the representative bank, Vietnam Export-Import Commercial Joint Stock Bank (Eximbank). However, as of the reporting date, the Company has not yet been issued a Land Use Rights Certificate, as the counterparty is providing the necessary documents for the ownership transfer registration process.

As stated in Note 14, the Company has recorded two projects, 9A Vinh Tuy and Km10 Van Dien, with a total investment of VND 6,512,265,424. These projects were temporarily suspended in previous years, following the implementation of Decree No. 167/2017/NĐ-CP dated 31 December 2017, and Decree No. 67/2021/NĐ-CP dated 15 July 2021, issued by the Government regarding the reorganization and management of public assets. The Company is actively coordinating with relevant authorities and stakeholders to resume the projects. The Management Board has assessed and remains confident that these projects will generate future economic benefits.

As stated in Note 21 – “Unearned Revenue”, the Company has received VND 16.5 billion out of a total of VND 76.46 billion in profits allocated from a business cooperation agreement. The remaining VND 59.9 billion has not yet been advanced to the Company by Dai Phuoc Trading and Service Co., Ltd., despite the contract stipulating that profit advances should have been paid no later than 30 December 2020. The Company has not recorded any adjustments related to this receivable in the consolidated financial statements for the financial year ended 31 December 2024.

Our audit opinion is not modified in respect of the above matters.

FAC AUDITING COMPANY LIMITED - FAC HANOI BRANCH



Tran The Thu - Director

Audit Practicing Registration Certificate

No. 2382-2023-099-1

Ha Noi, 10 March 2025

Nguyen Manh Hung - Auditor

Audit Practicing Registration Certificate

No. 3705-2021-099-1

CONSOLIDATED BALANCE SHEET**As at 31 December 2024**

Currency: VND

ASSETS	Code	Notes	Ending balance	Beginning balance
A. CURRENT ASSETS	100		321,905,238,624	288,965,288,361
I. Cash and cash equivalents	110	4	9,966,980,910	9,399,330,008
1 Cash	111		9,966,980,910	5,799,330,008
2 Cash equivalents	112		-	3,600,000,000
II. Short-term investments	120		176,600,000,000	168,500,000,000
1 Held- to-maturity investments	123	5	176,600,000,000	168,500,000,000
III. Current accounts receivable	130		54,905,673,242	29,532,436,427
1 Short-term trade receivables	131	6	75,143,732,008	52,009,328,513
2 Short-term advances to suppliers	132	7	7,746,421,406	2,610,577,882
3 Other short-term receivables	136	8	6,687,937,953	9,674,948,157
4 Provision for doubtful short-term receivables	137	9	(34,672,418,125)	(34,762,418,125)
IV. Inventories	140	10	76,464,909,574	73,762,130,154
1 Inventories	141		77,754,814,562	73,806,678,998
2 Provision for obsolete inventories	149		(1,289,904,988)	(44,548,844)
V. Other current assets	150		3,967,674,898	7,771,391,772
1 Short-term prepaid expenses	151	16	171,441,254	185,057,148
2 Value-added tax deductible	152	19	2,627,472,063	2,969,245,410
3 Tax and other receivables from the State	153	19	1,168,761,581	4,617,089,214
B. NON-CURRENT ASSETS	200		36,588,383,456	43,529,326,748
I. Long-term receivables	210		866,661,458	5,134,509,395
1 Long-term advance to suppliers	212	7	129,239,458	219,239,458
2 Other long-term receivables	216	8	737,422,000	4,915,269,937
II. Fixed assets	220		2,948,189,116	3,452,238,935
1 Tangible fixed assets	221	11	2,670,419,714	2,814,228,970
- Cost	222		24,416,548,159	23,832,088,338
- Accumulated depreciation	223		(21,746,128,445)	(21,017,859,368)
2 Intangible fixed assets	227	12	277,769,402	638,009,965
- Cost	228		5,786,890,000	5,786,890,000
- Accumulated depreciation	229		(5,509,120,598)	(5,148,880,035)
III. Investment properties	230	13	4,331,279,674	5,301,044,534
- Cost	231		31,169,032,576	31,169,032,576
- Accumulated depreciation	232		(26,837,752,902)	(25,867,988,042)
IV. Long-term assets in progress	240		6,512,265,424	6,512,265,424
1 Construction in progress	242	14	6,512,265,424	6,512,265,424
V. Long-term investments	250		15,141,369,600	15,141,369,600
1 Investments in jointly controlled entities and associates	252	15	15,141,369,600	15,141,369,600
VI. Other long-term assets	260		6,788,618,184	7,987,898,860
1 Long-term prepaid expenses	261	16	6,788,618,184	7,987,898,860
TOTAL ASSETS	270		358,493,622,080	332,494,615,109

CONSOLIDATED BALANCE SHEET (CONTINUED)**As at 31 December 2024**

Currency: VND

RESOURCES	Code	Notes	Ending balance	Beginning balance
C. LIABILITIES	300		129,768,810,738	100,894,211,882
I. Current liabilities	310		128,313,339,513	98,107,281,184
1 Short-term trade payables	311	17	37,526,133,054	41,400,932,934
2 Short-term advances from customers	312	18	1,100,000,000	18,702,027,900
3 Taxes and other payables to the State	313	19	1,072,010,458	436,631,944
4 Payables to employees	314		51,632,228	1,439,023,486
5 Short-term accrued expenses	315	20	115,879,081	52,772,571
6 Short-term unearned revenues	318	21	5,545,577,633	6,759,647,838
7 Other short-term payables	319	22	394,315,850	407,810,000
8 Short-term loan and finance lease	320	23	82,386,481,051	28,789,415,731
9 Bonus and welfare fund	322	24	121,310,158	119,018,780
II. Non-current liabilities	330		1,455,471,225	2,786,930,698
1 Long-term advances from customers	332		47,380,320	47,380,320
2 Long-term unearned revenues	336	21	1,159,090,905	2,648,520,378
3 Other long-term liabilities	337	22	249,000,000	91,030,000
D. OWNERS' EQUITY	400		228,724,811,342	231,600,403,227
I. Capital	410	25	228,724,811,342	231,600,403,227
1 Share capital	411		215,000,000,000	215,000,000,000
- Shares with voting rights	411a		215,000,000,000	215,000,000,000
2 Investment and development fund	418		8,779,350,022	8,367,715,643
3 Undistributed earnings	421		4,945,461,320	8,232,687,584
- Undistributed earnings of prior period	421a		-	-
- Undistributed earnings of current year	421b		4,945,461,320	8,232,687,584
TOTAL LIABILITIES AND OWNERS' EQUITY	440		358,493,622,080	332,494,615,109



Bui Thi Thu Hien
Preparer

Ha Noi, 10 March 2025



Bui Thi Thu Hien
Chief Accountant



Nguyen Van Toan
Director

CONSOLIDATED INCOME STATEMENT

For the fiscal year ended 31 December 2024

Currency: VND

ITEMS	Code	Notes	Current year	Previous year
1 Revenue from sale of goods and rendering of services	01	26.1	579,958,791,074	662,895,814,149
2 Deductions	02		11,471,291,279	4,559,711,523
3 Net revenue from sale of goods and rendering of services	10	26.1	568,487,499,795	658,336,102,626
4 Cost of goods sold and services rendered	11	27	545,240,358,432	628,668,104,499
5 Gross profit from sale of goods and rendering of services	20		23,247,141,363	29,667,998,127
6 Finance income	21	26.2	21,483,381,349	25,098,977,080
7 Finance expenses	22	28	3,721,388,703	8,106,451,925
- In which: Interest expenses	23		3,113,723,246	7,977,817,054
8 Selling expenses	25	29	15,710,638,171	9,121,577,072
9 General and administrative expenses	26	30	20,588,581,684	29,013,480,917
10 Operating profit	30		4,709,914,154	8,525,465,293
11 Other income	31		258,097,058	66,327,683
12 Other expenses	32		22,549,892	359,105,392
13 Other profit/(loss)	40		235,547,166	(292,777,709)
14 Accounting profit before tax	50		4,945,461,320	8,232,687,584
15 Current corporate income tax expense	51	32.1	-	-
16 Net profit after tax	60		4,945,461,320	8,232,687,584
17 Basic earnings per share	70	34	230	364
18 Diluted earnings per share	71	34	230	364

Bui Thi Thu Hien
Preparer

Ha Noi, 10 March 2025

Bui Thi Thu Hien
Chief Accountant



Nguyen Van Toan
Director

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2024

Currency: VND

ITEMS	Code	Notes	Current year	Previous year
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1 Profit before tax	01		4,945,461,320	8,232,687,584
2 Adjustments for:				
- Depreciation of fixed assets	02		2,058,274,500	2,140,620,997
- Provisions/(reversal of provision)	03		1,155,356,144	(107,933,676)
- Foreign exchange (gain)/loss due to revaluation of monetary items	04		(5,902,485)	41,095,934
- Profits from investing activities	05	26.2	(20,030,853,398)	(23,321,424,843)
- Interest expenses	06	28	3,113,723,246	7,977,817,054
3 Operating loss				
before changes in working capital	08		(8,763,940,673)	(5,037,136,950)
- (Increase) in receivables	09		(17,998,328,994)	(15,671,436,211)
- (Increase) in inventories	10		(3,948,135,564)	(25,901,118,804)
- Increase/(decrease) in payables	11		(24,964,878,707)	7,840,932,917
- Decrease/ (increase) in prepaid expenses	12		1,212,896,570	(226,113,645)
- Interest paid	14		(3,069,658,191)	(8,017,173,756)
- Other cash inflows from operating activities	16	24	116,000,000	99,000,000
- Other cash outflows for operating activities	17	24	(321,116,000)	(347,990,000)
Net cash flows used in operating activities	20		(57,737,161,559)	(47,261,036,449)
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1 Payments for purchasing fixed assets	21		(584,459,821)	(683,086,515)
2 Loans granted	23		(132,600,000,000)	(128,500,000,000)
3 Loan Recoveries	24		124,500,000,000	187,600,000,000
4 Cash receipts from interests,	27		20,803,894,494	20,736,633,490
Net cash flows from investing activities	30		12,119,434,673	79,153,546,975
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1 Drawdown of borrowings	33	23	338,275,571,902	359,129,727,403
2 Repayment of borrowings	34	23	(284,678,506,582)	(387,244,134,047)
3 Dividends paid/Profit distributed	36	25.3	(7,417,590,017)	(6,391,089,118)
Net cash flows from/(used in) financing activities	40		46,179,475,303	(34,505,495,762)
Net increase/(decrease) in cash for the year	50		561,748,417	(2,612,985,236)
Cash and cash equivalents at beginning of year	60	4	9,399,330,008	12,006,749,629
- Effect of exchange rate on cash and cash equivalents	61		5,902,485	5,565,615
Cash and cash equivalents at end of year	70	4	9,966,980,910	9,399,330,008

Bui Thi Thu Hien

Preparer

Ha Noi, 10 March 2025

Bui Thi Thu Hien

Chief Accountant

Nguyen Van Toan

Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

1. CORPORATE INFORMATION

Vinh Ha Food Processing and Construction Joint Stock Company (hereinafter referred to as the "Company") is a joint stock company established under the Enterprise Law of Vietnam in accordance with Business Registration Certificate No. 0100102830, initially issued by the Hanoi Department of Planning and Investment on 23 November 2006, and subsequently amended by the following Business Registration Certificates ("ERC"):

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The seventh amendment	06 May 2022

The Company's principal activities during the current financial year include:

- Agricultural products, food, foodstuff trading;
- Goods distributor;
- Real estate, house, warehouse rental;
- Construction works.

The Company's normal course of business cycle is 12 months.

The head office of the Company is located at No. 9A, Vinh Tuy Street, Vinh Tuy Ward, Hai Ba Trung District, Hanoi, Vietnam.

The Company has six dependent branches as follows:

<u>Branch Name</u>	<u>Address</u>
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Vinh Ha Product Introduction and Service Center	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Vinh Tuy Agricultural and Food Processing Enterprise	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Construction Enterprise No. 2	9A Vinh Tuy, Vinh Tuy, Hai Ba Trung, Hanoi
Gia Lam Food Trading Center	No.1, Alley 100, Sai Dong, Long Bien, Hanoi
Thanh Tri Food Trading Center	Van Dien Town, Thanh Tri, Hanoi

The number of the Company's employees as at 31 December 2024 is 117 people
(31 December 2023 is 118 people)

2. BASIS OF PREPARATION

2.1. Accounting standards and system

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

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

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

2.2. Applied accounting documentation system

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

2.3. Fiscal year

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

2.4. Accounting currency

The consolidated financial statements are prepared in Vietnam dong ("VND") which is also the Company's accounting currency.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Cash and cash equivalents

Cash and cash equivalents include cash in hand, cash at bank and short-term investments with original term of not more than three months, of high liquidity, easily converted into definite amounts of money and there is low risk in converting into money.

3.2. Inventories

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

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

The company applies a perpetual inventory system for inventory accounting, with the value determined using the weighted average method.

Inventories (continued)***Provision for impairment of inventories***

Provision for impairment of inventories is provisioned for the part of value expected to be lost due to the impairments (price decrease, damage, poor quality, obsolete, etc.) possible to occur with raw materials, finished products, other inventories owned by the Company based on reasonable evidences on impairment at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement.

3.3. Receivables

Accounts receivable are represented in the consolidated financial statements in their book value after deducting the amounts provisioned for doubtful debts.

Provision for doubtful debts shows the part of the amounts receivable expected to recover by the Company and its subsidiaries as at the balance sheet date. Increase or decrease in the balance of provision is accounted in administrative expense in the consolidated financial statements.

3.4. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of fixed assets includes the purchase price and any directly attributable costs necessary to bring the asset into working condition as intended.

Expenses related to the acquisition, upgrade, and renovation of fixed assets are capitalized into the cost of the assets, while maintenance and repair expenses are recognized directly in the consolidated statement of comprehensive income when incurred.

When tangible fixed assets are sold or disposed of, the asset's original cost and accumulated depreciation are derecognized, and any gain or loss arising from the disposal is recorded in the consolidated statement of income.

3.5. Intangible fixed assets

Intangible fixed assets are recorded at cost less accumulated amortization.

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

Expenses related to the upgrade and renovation of intangible fixed assets are capitalized into the asset's cost, while other expenses are recorded in the consolidated statement of comprehensive income when incurred.

When intangible fixed assets are sold or disposed of, any gain or loss arising from the disposal (the difference between net proceeds from the sale and the asset's carrying amount) is recognized in the consolidated statement of income.

Intangible fixed assets (continued)**Land Use Rights**

Land use rights are recognized as intangible assets representing the value of the land use rights acquired by the Company. The useful life of land use rights is determined based on the term of the rights. Accordingly, land use rights with a definite term (leased land use rights) are amortized over the lease term.

Prepaid land lease payments for land lease contracts effective before 2003, which have been granted Land Use Right Certificates, are recognized as intangible fixed assets in accordance with Circular No. 45/2013/TT-BTC issued by the Ministry of Finance on 25 April 2013, providing guidance on the management, use, and depreciation of fixed assets ("Circular 45").

Computer software

Computer software which is not an integral part of hardware is recorded as intangible fixed asset and amortised over the term of benefits.

3.6. Depreciation and amortisation

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

Buildings and structures	10 - 30 years
Machinery and equipment	03 - 08 years
Means of transportation	06 - 10 years
Management equipment	03 years
Others	04 - 06 years
Land use rights	10 - 16 years
Computer software	03 years

3.7. Investment properties

Investment properties are buildings held by the Company for the purpose of earning rental income and are presented at cost, including directly attributable transaction costs, less accumulated depreciation.

The cost of investment properties includes the purchase price and directly attributable costs necessary to bring the property into working condition as intended.

Depreciation of investment properties is calculated using the straight-line method over the estimated useful lives of the properties, as follows:

Warehouses	10 - 27 years
Buildings	08 - 26 years

3.8. Construction in progress

Assets under construction for rental purposes, management, or other purposes are recorded at cost. These costs include all expenditures necessary to bring the asset to working condition, such as construction, equipment, and other directly attributable costs, as well as borrowing costs in accordance with the Company's accounting policies. These costs will be transferred to the cost of fixed assets at a provisional value (if final settlement has not yet been approved) when the assets are handed over and put into use.

In accordance with the State's investment and construction management regulations, depending on the management authority, the final settlement value of completed construction works must be approved by competent authorities. Therefore, the final value of construction in progress projects may be adjusted and will depend on the final settlement approved by the competent authorities.

3.9. Borrowing costs

Borrowing costs include loan interest and other costs directly related to the Company's borrowings. Borrowing costs are recognized as expenses in the period in which they are incurred.

3.10. Prepaid expenses

Prepaid expenses include both short-term and long-term prepaid expenses, which are presented in the consolidated balance sheet and are amortized over the prepayment period or the period in which the corresponding economic benefits are realized.

The following types of expenses are recorded as prepaid expenses and gradually allocated to the consolidated statement of comprehensive income:

- Prepaid expenses related to joint business projects;
- Tools and equipment used over multiple years with significant value;
- Major repair expenses for fixed assets; and
- Other prepaid expenses.

3.11. Investments***Held-to-maturity investments***

Held-to-maturity investments are initially recognized at cost. After initial recognition, these investments are recorded at their recoverable value. Any impairment loss, if incurred, is recognized as an expense in the period and directly reduces the carrying amount of the investment.

Investments in associates

Investments in associates, where the Company has significant influence, are presented using the cost method.

Distributions made from the cumulative net profit of the associates after the Company acquired significant influence are recognized in the consolidated statement of comprehensive income. Other distributions are treated as a recovery of the investment and are deducted from the carrying value of the investment.

Provision for impairment of investments

Provisions are made for impairment of investments when there is clear evidence indicating the decline in value of these investments as at the end of the accounting period. Any increase or decrease in the provision balance is recognized in financial expenses in the consolidated statement of comprehensive income.

3.12. Payables and accruals

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

3.13. Foreign currency transactions

Transactions in currencies other than the Company's accounting currency (VND) are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

Transactions resulting in receivables are recorded at the buying exchange rates of the commercial banks designated for collection;

Transactions resulting in liabilities are recorded at the selling exchange rates of the commercial banks designated for payment.

At the end of the accounting period, monetary items denominated in foreign currencies are revalued using the actual exchange rates based on the following principles:

Monetary assets are translated at buying exchange rate of the commercial bank where the Company conduct transactions regularly.

Monetary liabilities are translated at selling exchange rate of the commercial bank where the Company conduct transactions regularly.

All foreign exchange differences arising during the year and from the year-end revaluation of foreign currency monetary balances are recognized in the consolidated statement of comprehensive income.

3.14. Profit Distribution

Net profit after corporate income tax may be distributed to shareholders after approval by the General Meeting of Shareholders, and after making appropriations to reserves in accordance with the Company's Charter and Vietnamese legal regulations.

The Company makes appropriations to the following reserves from net profit after corporate income tax, based on proposals from the Board of Management, subject to approval by the Annual General Meeting of Shareholders:

➤ *Investment and development fund*

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

➤ *Bonus and welfare fund*

This fund is set aside for employee rewards, financial incentives, common welfare benefits, and improving employee welfare. This fund is presented as a payable in the balance sheet.

➤ *Other funds belonging to owners' equity*

These funds are set aside in accordance with the Company's Charter and Vietnamese legal regulations.

3.15. Revenue recognition

Revenue is recognized when it is probable that the Company will obtain identifiable economic benefits and the revenue can be measured reliably. Revenue is measured at the fair value of the amounts received or receivable, net of trade discounts, sales allowances, and sales returns. In addition, the following specific conditions must be met for revenue to be recognized:

Sale of goods

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods have been transferred to the buyer, which usually coincides with the time of delivery.

Rendering of services

Revenue from service contracts is recognized when the services have been performed and completed. If the outcome of a contract cannot be reliably estimated, revenue is only recognized to the extent that recoverable costs incurred have been recognized.

Revenue from Construction Contracts

Revenue from construction contracts is recognized in accordance with the Company's accounting policy for construction contracts (Note 3.16).

Interest

Revenue is recognized on an accrual basis, taking into account the effective yield on the asset, unless collectability is in doubt.

Dividends

Revenue is recognized when the Company's right to receive the dividend payment has been established.

Rental Income

Rental income from operating leases is recognized on a straight-line basis over the lease term and recorded in the consolidated statement of comprehensive income.

3.16. Construction contract

When the outcome of a construction contract can be reliably estimated, the revenue and costs related to the contract are recognized in proportion to the work completed as at the reporting date, based on the actual work completed on the project, unless this proportion does not represent the actual stage of completion.

For construction contracts where payments are made based on actual completed work volume, revenue and costs related to the contract are recognized based on the volume of work completed and certified by the customer on the invoice, provided that the contract outcome can be reliably estimated.

Any variations, claims, and incentive payments are only included in contract revenue when they have been agreed with the customer.

3.17. Taxation*Current income tax*

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities, based on the applicable tax rates and tax laws effective as at the end of the reporting period.

Current income tax is recognized in the income statement, except in cases where the income tax arises from an item that is directly recorded in equity. In such cases, the current income tax is also recognized directly in equity.

The Company may only offset current income tax assets and current income tax liabilities when it has a legal right to offset the current income tax assets against the current income tax liabilities and when the Company intends to settle the current income tax liabilities and assets on a net basis.

3.18. Segment Information

The Company's main activities include food trading, real estate business, and construction activities. Additionally, the Company's business activities are primarily conducted within the territory of Vietnam. Therefore, the Company's risks and returns are not significantly impacted by differences in business segments or geographic areas. As such, Management has determined that the Company operates as a single business and geographical segment, and therefore, no segment information is required to be disclosed.

3.19. Related parties

Parties are considered related to the Company if one party has the ability, directly or indirectly, to control the other party or to exercise significant influence over the other party in making financial and operating decisions, or if both parties are subject to common control or significant common influence. Related parties can be either entities or individuals, including close family members of individuals considered related parties.

4. CASH AND CASH EQUIVALENTS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Cash on hand	584,230,980	529,387,299
Cash at banks	9,382,749,930	5,269,942,708
Cash equivalents (i)	-	3,600,000,000
TOTAL	9,966,980,910	9,399,330,008

- (i) Cash equivalents represent short-term deposits at Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) with an original term of 1 month and an annual interest rate of 2.3%.

Notes to the Consolidated Financial Statements (continued)

For the fiscal year ended 31 December 2024

5. Held-to-maturity investments

	Ending balance		Beginning balance	
	Original Cost	Carrying value	Original Cost	Carrying value
			VND	
<i>Term deposit (i)</i>				
Vietnam Bank for Agriculture and Rural Development – Hanoi Branch (ii)	40,000,000,000	40,000,000,000	40,000,000,000	40,000,000,000
LienViet Post Bank – Dong Do Branch	48,600,000,000	48,600,000,000	41,500,000,000	41,500,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam – Tay Ho Branch (ii)	40,500,000,000	40,500,000,000	40,500,000,000	40,500,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam – Trang Tien - Hanoi Branch	17,000,000,000	17,000,000,000	18,500,000,000	18,500,000,000
VietBank (Vietnam Thuong Tin Commercial Joint Stock Bank) – Hanoi Branch	3,500,000,000	3,500,000,000	3,000,000,000	3,000,000,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – West Hanoi Branch	-	-	5,500,000,000	5,500,000,000
Vietnam Bank for Agriculture and Rural Development – Ha Thanh Branch	5,000,000,000	5,000,000,000	5,000,000,000	5,000,000,000
Military Commercial Joint Stock Bank – Thang Long Branch	22,000,000,000	22,000,000,000	14,500,000,000	14,500,000,000
TOTAL	176,600,000,000	176,600,000,000	168,500,000,000	168,500,000,000

- (i) Held-to-maturity investments represent term deposits at banks with an original term exceeding 3 months and with a remaining term not exceeding 12 months from the reporting date. The interest rates range from 4.03% per year to 5.54% per year, depending on specific contracts.
- (ii) These term deposits are pledged as collateral for loans at the same banks (Note 23).

6. SHORT-TERM TRADE RECEIVABLES

Movements in provision for doubtful short-term receivables

VND

	Ending balance	Beginning balance
Duc Loi Agricultural Products Trading Joint Stock Company	20,421,354,200	20,421,354,200
Anico International Investment Company	12,271,192,000	-
Viet Duc International Company Limited	5,886,000,000	-
Hieu Nam Company Limited	5,093,572,380	-
Tan Thanh Development Joint Stock Company	5,170,284,533	5,170,284,533
Anh Khoa Hung Yen Trading Joint Stock Company	3,648,445,800	-
Minh An Private Enterprise	3,537,595,843	3,537,595,843
Dong Xanh Joint Stock Company	1,979,930,000	1,979,930,000
Hung Gia Thinh Furniture Company Limited	1,821,050,000	1,300,750,000
Cavico Cau Ham Joint Stock Company	1,754,014,091	1,754,014,091
Phuc Thinh Company Limited	1,680,000,000	1,680,000,000
Receivables from related parties (Note 33)	50,035,000	-
Other customers	11,830,258,161	16,165,399,846
TOTAL	75,143,732,008	52,009,328,513
Provision for doubtful short-term receivables	(34,543,178,667)	(34,543,178,667)
NET VALUE	40,600,553,341	17,466,149,846

7. ADVANCES TO SUPPLIERS

VND

Short term

	Ending balance	Beginning balance
Tung Loc Phat Construction and Trading Investment Co., Ltd.	-	2,250,000,000
Kimberly Clark Vietnam Co., Ltd.	3,044,237,832	-
PCG Prairie Creek Grain Company	2,687,139,784	-
Enerfo PTE. Company Limited	1,025,748,360	-
Advances to other suppliers	989,295,430	360,577,882
TOTAL	7,746,421,406	2,610,577,882

Long-term

	Ending balance	Beginning balance
Thao Yen Company Limited	129,239,458	219,239,458
TOTAL	129,239,458	219,239,458
Provision for doubtful long-term receivables	(129,239,458)	(219,239,458)

ADVANCES TO SUPPLIERS (CONTINUED)

Movements in provision for doubtful long-term receivables:

	VND	
	Current year	Previous year
Beginning balance	219,239,458	299,239,458
Addition: Provision established during the year	-	-
Deduction: Reversal of provision during the year	(90,000,000)	(80,000,000)
Ending balance	<u>129,239,458</u>	<u>219,239,458</u>

8. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
Short term		
Advances to employees	-	6,678,297,100
Deposits and collaterals (i)	3,754,800,000	79,000,000
Provisional tax payment for asset purchase in Binh Duong	880,952,382	880,952,382
Accrued interest on deposits	533,860,275	1,306,901,371
Receivable from Kimberly-Clark Vietnam Co., Ltd. in Hanoi related to promotional programs	1,323,435,309	82,658,368
Other short-term receivables	194,889,987	647,138,936
TOTAL	<u>6,687,937,953</u>	<u>9,674,948,157</u>

	VND	
	Ending balance	Beginning balance
Long term		
Advances to employees (ii)	737,422,000	1,177,269,937
Deposits and collaterals	-	3,738,000,000
TOTAL	<u>737,422,000</u>	<u>4,915,269,937</u>

(i) Including deposits for Kimberly - Clark Vietnam Co., Ltd., details:

- Deposit under distribution contract No. NW34501596.KCV23 dated 01 January 2023, and Appendix D dated 04 January 2024. The deposit amount as of 31 December 2024, is VND 2,113,000,000. The contract is valid until 31 December 2025, with interest calculated at Vietcombank's average 1-year deposit rate.

- Deposit under distribution contract No. NW34503293.KCV23 dated 01 March 2023. The deposit amount is VND 1,625,000,000. The contract is valid until 31 December 2025, with interest calculated at Vietcombank's average 1-year deposit rate.

(ii) This is an advance to Mrs. Nguyen Kim Thanh (who took over the debt from Mr. Nguyen Van Toan) to carry out procedures related to the project implementation.

9. BAD DEBTS

<i>Debtor (*)</i>	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Original cost</i>	<i>Recoverable amount</i>	<i>Original cost</i>	<i>Recoverable amount</i>
Duc Loi Agricultural Trading Jsc	20,421,354,200	-	20,421,354,200	-
Tan Thanh Development Jsc	5,170,284,533	-	5,170,284,533	-
Minh An Private Enterprise	3,537,595,843	-	3,537,595,843	-
Dong Xanh Jsc	1,979,930,000	-	1,979,930,000	-
Cavico Bridge and Tunnel Jsc	1,754,014,091	-	1,754,014,091	-
Phuc Thinh Co., Ltd	1,680,000,000	-	1,680,000,000	-
Thao Yen Co., Ltd	129,239,458	-	219,239,458	-
TỔNG CỘNG	34,672,418,125	-	34,762,418,125	-

(*) These are overdue receivables for which the Company has already made provision for doubtful debts, as disclosed in Notes 6 and 7.

10. INVENTORIES

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Original cost</i>	<i>Provision</i>	<i>Original cost</i>	<i>Provision</i>
Goods in transit	24,628,018,719	-	36,994,135,849	-
Raw materials	-	-	527,000,000	-
Work in process (i)	1,719,687,696	-	38,890,354	-
Merchandise	51,407,108,147	(1,289,904,988)	36,246,652,795	(44,548,844)
TOTAL	77,754,814,562	(1,289,904,988)	73,806,678,998	(44,548,844)

VND

(i) Work-in-progress mainly consists of construction project costs.

Notes to the Consolidated Financial Statements (continued)

For the fiscal year ended 31 December 2024

11. TANGIBLE FIXED ASSETS

	Buildings, structural models	Machinery, equipment	Means of transport	Equipment Office	Other assets	VND Total
Cost:						
Beginning balance	11,918,045,007	2,457,190,029	9,153,402,254	45,636,364	257,814,684	23,832,088,338
Purchase in the year	-	-	376,845,481	-	207,614,340	584,459,821
Ending balance	11,918,045,007	2,457,190,029	9,530,247,735	45,636,364	465,429,024	24,416,548,159
<i>In which:</i>						
Fully depreciated assets still in use	5,001,247,583	2,333,190,029	5,138,159,376	-	257,814,684	12,730,411,672
Accumulated depreciation:						
Beginning balance	11,116,123,996	2,356,021,767	7,259,104,543	28,794,378	257,814,684	21,017,859,368
Depreciation for the year	239,948,503	17,714,312	440,255,627	15,212,124	15,138,511	728,269,077
Ending balance	11,356,072,499	2,373,736,079	7,699,360,170	44,006,502	272,953,195	21,746,128,445
Net carrying amount:						
Beginning balance	801,921,011	101,168,262	1,894,297,711	16,841,986	-	2,814,228,970
Ending balance	561,972,508	83,453,950	1,830,887,565	1,629,862	192,475,829	2,670,419,714

12. INTANGIBLE FIXED ASSETS

	<i>Land Use Rights (i)</i>	<i>Computer Software</i>	<i>VND Total</i>
Cost:			
Beginning balance	5,686,890,000	100,000,000	5,786,890,000
Ending balance	<u>5,686,890,000</u>	<u>100,000,000</u>	<u>5,786,890,000</u>
<i>In which:</i>			
Fully depreciated assets still in use	-	100,000,000	100,000,000
Accumulated amortisation:			
Beginning balance	5,048,880,035	100,000,000	5,148,880,035
Amortization for the year	360,240,563	-	360,240,563
Ending balance	<u>5,409,120,598</u>	<u>100,000,000</u>	<u>5,509,120,598</u>
Net carrying amount:			
Beginning balance	638,009,965	-	638,009,965
Ending balance	<u>277,769,402</u>	<u>-</u>	<u>277,769,402</u>

- (i) This includes the value of Land Use Rights located in Tan Ba Hamlet, Thai Hoa Commune, Tan Uyen District, Binh Duong Province, amounting to VND 5,558,625,000, with a land use area of 22,062 square meters and a land use term of 30 years. This is based on the Asset Sale Contract attached to the land, signed between the Company and Tan Uyen Co., Ltd. on August 30, 2010. All land use rights and structures on the land under this contract are mortgaged to: Vietnam Export Import Commercial Joint Stock Bank (Eximbank) – acting as the mortgage representative, and Asia Commercial Bank (ACB) – Head Office.

As of the date this report was prepared, the Company has not yet been granted the Land Use Right Certificate, because the related partner has not provided all the necessary documents required for the registration of ownership transfer procedures.

13. INVESTMENT PROPERTIES

	<i>Warehouses (i)</i>	<i>Buildings and structures (i)</i>	<i>VND Total</i>
Cost:			
Beginning balance	27,095,692,802	4,073,339,774	31,169,032,576
Ending balance	<u>27,095,692,802</u>	<u>4,073,339,774</u>	<u>31,169,032,576</u>
<i>In which:</i>			
Fully depreciated assets still in use	11,523,882,208	899,197,103	12,423,079,311
Accumulated depreciation and amortisation:			
Beginning balance	22,633,417,967	3,234,570,075	25,867,988,042
Depreciation for the year	790,139,950	179,624,910	969,764,860
Ending balance	<u>23,423,557,917</u>	<u>3,414,194,985</u>	<u>26,837,752,902</u>
Net carrying amount:			
Beginning balance	4,462,274,835	838,769,699	5,301,044,534
Ending balance	<u>3,672,134,885</u>	<u>659,144,789</u>	<u>4,331,279,674</u>

INVESTMENT PROPERTIES (CONTINUED)

- (i) The historical cost of Warehouses and Buildings and Structures attached to the Land Use Right located in Tan Ba Hamlet, Thai Hoa Commune, Tan Uyen District, Binh Duong Province (as mentioned in Note 12 above) as of 31 December 2024, was: Warehouses: VND 15,337,449,594, Buildings and Structures: VND 1,483,623,920 (As of 01 January 2024, these amounts were the same: VND 15,337,449,594 and VND 1,483,623,920 respectively.)

The rental income and operating expenses related to investment properties are presented as follows:

	VND	
	<i>Current year</i>	<i>Previous year</i>
Revenue from investment property rental	35,116,434,273	33,662,030,640
Expenses related to investment property rental	21,345,875,296	12,946,573,742

The fair value of the investment properties held for lease has not been formally assessed and determined as of 31 December 2024. However, based on current estimates, the Company's Management believes that the fair value of the investment properties exceeds their carrying value as at the end of the reporting period.

14. CONSTRUCTION IN PROCESS

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
9A Vinh Tuy and 780 Minh Khai Projects	4,825,661,186	4,825,661,186
Km10 Van Dien Project	1,686,604,238	1,686,604,238
TOTAL	6,512,265,424	6,512,265,424

As of 31 December 2024, the 9A Vinh Tuy and 780 Minh Khai Projects and the Km10 Van Dien Project have been temporarily suspended under the provisions of Decree No. 167/2017/ND-CP dated 31 December 2017, and Decree No. 67/2021/ND-CP dated 15 July 2021, issued by the Government on the restructuring and disposal of public assets. The Company is actively working with relevant authorities and stakeholders to resume these projects.

The Company's Management has reviewed these projects and believes that they are certain to generate future economic benefits.

15. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES AND ASSOCIATES

	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Ownership Percentage</i>	<i>Original Investment Cost</i>	<i>Ownership Percentage</i>	<i>Original Investment Cost</i>
	(%)	VND	(%)	VND
FTC - Tungshing Co., Ltd	30.00%	15,141,369,600	30.00%	15,141,369,600
TOTAL		15,141,369,600		15,141,369,600
Provision for long-term financial investments		-		-
NET VALUE		15,141,369,600		15,141,369,600

The main activity of FTC - Tungshing Co., Ltd. is real estate business, including ownership, leasing, and subleasing of land use rights. The company's head office is located at 2-4 Ngo Quyen Street, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam.

VND

	Ending balance	Beginning balance
Short-term		
Tools and equipment issued for use	140,737,169	112,577,100
Other prepaid expenses	30,704,085	72,480,048
TOTAL	171,441,254	185,057,148

VND

	Ending balance	Beginning balance
Long-term		
Tools and equipment issued for use	1,190,734,893	792,276,719
Business cooperation expenses at 231 Cau Giay (i)	2,905,506,804	2,990,962,886
Warehouse repair and renovation expenses	2,557,678,504	3,917,388,738
Other prepaid expenses	134,697,983	287,270,517
TOTAL	6,788,618,184	7,987,898,860

- (i) These are expenses incurred during the process of land use conversion to sign a business cooperation contract with Dai Phuoc Trading and Service Co., Ltd. (see further details in Note 21). These expenses are amortized over 42 years, corresponding to the cooperation period.

VND

	Ending balance		Beginning balance	
	<i>Balance</i>	<i>Payable amount</i>	<i>Balance</i>	<i>Payable amount</i>
The Delong Co., INC		-	31,607,866,773	31,607,866,773
Vietnam Export Import Commercial Joint Stock Bank	3,250,000,000	3,250,000,000	3,250,000,000	3,250,000,000
Kimberly-Clark Vietnam Co., Ltd. - Hanoi Branch	2,275,650,254	2,275,650,254	1,848,436,405	1,848,436,405
Nguyen Phat Edible Oil Co., Ltd	1,022,054,678	1,022,054,678	-	-
Prairie Creek Grain Company	8,921,467,134	8,921,467,134	-	-
Enerfo PTE.Company Limited	8,175,088,442	8,175,088,442	-	-
Archer Daniels Midland Company	3,406,040,028	3,406,040,028	-	-
Gia Huy Agricultural Products Co., Ltd	3,139,000,000	3,139,000,000	-	-
Bunge Alimentos S/A	3,410,855,280	3,410,855,280	-	-
Other suppliers	3,925,977,238	3,925,977,238	4,685,413,900	4,685,413,900
Payables to related parties (Note 33)	-	-	9,215,856	9,215,856
TOTAL	37,526,133,054	37,526,133,054	41,400,932,934	41,400,932,934

18. SHORT-TERM ADVANCES FROM CUSTOMERS

VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Anico International Investment Co., Ltd.	-	12,559,874,000
An Phu Import Export Joint Stock Company	-	5,895,258,000
Pham Thi Son	1,050,000,000	-
Nguyen Thi Thao	50,000,000	-
Other Advance Payments from Buyers	-	246,895,900
TOTAL	1,100,000,000	18,702,027,900

19. TAXES AND OTHER PAYABLES TO THE STATE

VND

	<i>Beginning balance</i>	<i>Payable for the year</i>	<i>Payment made in the year</i>	<i>Ending balance</i>
Payables				
Value added tax	436,038,535	3,030,801,400	(2,566,025,767)	900,814,168
Personal income tax	593,409	774,167,288	(603,564,407)	171,196,290
Non-agricultural land use tax	-	258,478,714	(258,478,714)	-
Land rental fee	-	16,092,573,596	(16,092,573,596)	-
License fee	-	90,000,000	(90,000,000)	-
TOTAL	436,631,944	20,246,020,998	(19,610,642,484)	1,072,010,458

VND

	<i>Beginning balance</i>	<i>Receivable for the year</i>	<i>Amount received in the year</i>	<i>Ending balance</i>
Receivables				
Value added tax	2,969,245,410	-	(341,773,347)	2,627,472,063
Corporate income tax	1,166,151,759	-	-	1,166,151,759
Personal income tax	7,079,837	2,609,822	(7,079,837)	2,609,822
Land rental fee	3,443,857,618	-	(3,443,857,618)	-
TOTAL	7,586,334,624	2,609,822	(3,792,710,802)	3,796,233,644

20. SHORT-TERM ACCRUED EXPENSES

VND

	<i>Ending balance</i>	<i>Beginning balance</i>
Accrued interest expenses	52,334,699	8,269,644
Other accrued expenses	63,544,382	44,502,927
TOTAL	115,879,081	52,772,571

21. UNEARNED REVENUE

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short term		
Advance warehouse rental income	1,702,320,455	1,399,659,090
Unearned revenue from interest on term deposits	3,172,009,525	3,399,351,196
Revenue from business cooperation contracts (i)	671,247,653	1,960,637,552
TOTAL	5,545,577,633	6,759,647,838

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Long term		
Advance warehouse rental income	1,159,090,905	1,977,272,725
Revenue from business cooperation contracts (i)	-	671,247,653
TOTAL	1,159,090,905	2,648,520,378

- (i) According to Business Cooperation Contract No. 01-2016/HĐHTKD-VHF-ĐP dated 22 December 2016, the Company is entitled to receive a portion of the profits from Dai Phuoc Trading and Service Co., Ltd. related to the construction of a building for use and lease at 231 Cau Giay, Dich Vong Ward, Cau Giay District, Hanoi, Vietnam.

The Company is entitled to receive profits for thirty-nine (39) years, starting from 01 December 2016, with a fixed annual profit of VND 1,960,637,552. According to the contract, the Company was scheduled to receive an advance payment of profits for the entire cooperation period, with a payment deadline no later than 30 December 2020, totaling VND 76.46 billion. As of now, the Company has received an advance of VND 16.5 billion, while the remaining VND 59.9 billion has not yet been advanced by Dai Phuoc Trading and Service Co., Ltd.

22. OTHER PAYABLES

	VND	
	<i>Ending balance</i>	<i>Beginning balance</i>
Short-term		
Deposits received	370,380,000	376,800,000
Other payables and liabilities	23,935,850	31,010,000
TOTAL	394,315,850	407,810,000

	<i>Ending balance</i>	<i>Beginning balance</i>
Long-term		
Deposits received	249,000,000	91,030,000
TOTAL	249,000,000	91,030,000

Vinh Ha Food Processing and Construction Joint Stock Company

Notes to the Consolidated Financial Statements (continued)

For the fiscal year ended 31 December 2024

23. SHORT-TERM BORROWINGS AND FINANCE LEASE LIABILITIES

	Beginning balance	Proceeds from borrowings	Repayment of loan principal	VND Ending balance
<i>Loans from banks</i>				
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) – Tay Ho Branch	6,159,168,228	273,040,759,562	211,474,880,759	67,725,047,031
Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) – Trang Tien Branch, Hanoi	2,693,009,806	23,147,413,999	25,840,423,805	-
Vietnam Bank for Agriculture and Rural Development – Hanoi Branch	19,937,237,697	42,087,398,341	47,363,202,018	14,661,434,020
TOTAL	28,789,415,731	338,275,571,902	284,678,506,582	82,386,481,051

Details of the bank loans for working capital supplementation, guarantees, and opening L/Cs to support business operations are presented as follows:

Bank	Credit Contract	Credit Limit	Loan Terms	Interest Rate	Collateralized Assets
JSC Bank for Investment and Development of Vietnam (BIDV) – Tay Ho Branch	Credit limit Contract No. 03/2024/60222503/HĐTD dated 21 August 2024 (continued from Contract No. 01/2023/60222503/HĐTD)	VND 90 billion, credit limit term: 12 months	As specified in each promissory note	As specified in each promissory note	Unsecured loan facility
	Overdraft credit limit Contract No. 01/2024/6002503/HĐTD dated 15 July 2024	VND 22 billion, credit limit term: until 02 July 2025		4.5% per annum (applicable until 15 August 2024)	Time deposit contract of VND 24 billion
JSC Bank for Investment and Development of Vietnam (BIDV) – Trang Tien Branch	Credit agreement No. 01/2023/60222503/HĐTD dated 12 July 2023 (continued from Agreement No. 01/2022/60222503/HĐTD dated 30 June 2022)	VND 40 billion, credit limit term: 12 months from the contract signing date	As specified in each promissory note	As specified in each promissory note	Unsecured loan facility
Vietnam Bank for Agriculture and Rural Development – Hanoi Branch	Credit agreement No. 1500LAV202402951 dated 10 December 2024	VND 56 billion, credit limit term: 12 months from the contract signing date	As specified in each promissory note	As specified in each promissory note	Time deposit contract of VND 40 billion, and the remaining under unsecured

24. REWARD AND WELFARE FUND

	VND	
	<i>Current year</i>	<i>Previous year</i>
Beginning balance	119,018,780	12,948,273
Provision during the year (Note 25.1)	411,634,379	355,060,507
Utilized during the year	(525,343,001)	(347,990,000)
Other increases	116,000,000	99,000,000
Ending balance	<u>121,310,158</u>	<u>119,018,780</u>

25. OWNERS' EQUITY**25.1. Increase and decrease in owners' equity**

	VND			
	<i>Contributed charter capital</i>	<i>Development investment fund</i>	<i>Undistributed earnings</i>	<i>Total</i>
Previous year				
Beginning balance	215,000,000,000	8,012,655,136	7,101,210,132	230,113,865,268
Net profit for the year	-	-	8,232,687,584	8,232,687,584
Appropriation of funds from retained earnings	-	355,060,507	(710,121,014)	(355,060,507)
Dividends declared	-	-	(6,391,089,118)	(6,391,089,118)
Ending balance	<u>215,000,000,000</u>	<u>8,367,715,643</u>	<u>8,232,687,584</u>	<u>231,600,403,227</u>
Current year				
Beginning balance	215,000,000,000	8,367,715,643	8,232,687,584	231,600,403,227
Net profit for the year	-	-	4,945,461,320	4,945,461,320
Appropriation of funds from retained earnings (*)	-	411,634,379	(823,268,758)	(411,634,379)
Dividends declared	-	-	(7,409,418,826)	(7,409,418,826)
Ending balance	<u>215,000,000,000</u>	<u>8,779,350,022</u>	<u>4,945,461,320</u>	<u>228,724,811,342</u>

(*) The Company allocated funds and distributed dividends for the year 2023, in accordance with Resolution No. 01/NQ-ĐHĐCĐ18/VHF dated 16 April 2024, issued by the Annual General Meeting of Shareholders (AGM) 2024. Accordingly, dividends for 2023 were distributed at 3.446% of charter capital. The development investment fund and the reward & welfare fund were allocated at 5% of undistributed post-tax profits each. Cash dividend payments were made to shareholders in 2024.

25.2. Contributed charter capital

	VND			
	<i>Ending balance</i>		<i>Beginning balance</i>	
	<i>Ordinary shares</i>	<i>%</i>	<i>Ordinary shares</i>	<i>%</i>
Vietnam Northern Food Corporation	109,650,000,000	51.00%	109,650,000,000	51.00%
HTB Construction Co., Ltd	51,520,000,000	23.96%	51,520,000,000	23.96%
Capital contributions from individual shareholders	53,830,000,000	25.04%	53,830,000,000	25.04%
TOTAL	<u>215,000,000,000</u>	<u>100.00%</u>	<u>215,000,000,000</u>	<u>100.00%</u>

25.3. Capital transactions with owners and dividend distribution

	VND	
	Current year	Previous year
Share capital		
Capital contributions at the beginning and end of the year	215,000,000,000	215,000,000,000
Declared dividends	7,409,418,826	6,391,089,118
Paid dividends	7,417,590,017	6,391,089,118

25.4. Shares

	Shares	
	Ending balance	Beginning balance
Authorized shares	21,500,000	21,500,000
Issued and paid-up shares	21,500,000	21,500,000
Common shares	21,500,000	21,500,000
Outstanding shares	21,500,000	21,500,000
Common shares	21,500,000	21,500,000

The Company's shares were issued at a par value of VND 10,000 per share. Shareholders holding common shares are entitled to receive dividends as declared by the Company. Each common share carries one voting right, with no restrictions on shareholder voting rights.

26. REVENUES**26.1. Revenue from sale of goods and rendering of services**

	VND	
	Current year	Previous year
Total revenue	579,958,791,074	662,895,814,149
In which		
Sale of merchandise	527,894,102,171	626,963,586,264
Rendering of services	35,116,434,273	33,662,030,640
Revenue from construction contracts	16,948,254,630	2,270,197,245
Revenue deductions	(11,471,291,279)	(4,559,711,523)
Trade discounts	(11,471,291,279)	(4,532,959,705)
Allowances	-	(26,751,818)
TOTAL	568,487,499,795	658,336,102,626
In which:		
Net revenue from sales of goods	516,422,810,892	622,430,626,559
Net revenue from services rendered	35,116,434,273	33,662,030,640
Net revenue from construction contracts	16,948,254,630	2,243,445,427
In which:		
Sales to third parties	534,432,314,795	645,528,452,626
Sales to related parties (Note 33)	34,055,185,000	12,807,650,000

26.2. Finance income

	VND	
	<i>Current year</i>	<i>Previous year</i>
Interest income	8,983,691,524	12,263,043,680
Dividends, profits distributed	11,047,161,874	11,058,381,163
Realized foreign exchange gains	486,242,798	567,487,860
Unrealized foreign exchange gains	5,902,485	5,565,615
Other	960,382,668	1,204,498,762
TOTAL	21,483,381,349	25,098,977,080

27. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	<i>Current year</i>	<i>Previous year</i>
Cost of merchandise sold	506,574,285,125	613,441,112,144
Provision for inventory devaluation	1,245,356,144	44,548,844
Cost of services rendered	21,345,875,296	12,946,573,742
Cost of construction contracts	16,074,841,867	2,235,869,769
TOTAL	545,240,358,432	628,668,104,499

28. FINANCE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Loan interest	3,113,723,246	7,977,817,054
Realized foreign exchange losses	607,665,457	128,634,871
TOTAL	3,721,388,703	8,106,451,925

29. SELLING EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Staff expenses	6,432,391,169	2,155,737,826
Tools and supplies	209,846,275	429,003,095
Depreciation	239,513,687	57,815,734
External services	5,609,652,831	3,158,541,636
Others	3,219,234,209	3,320,478,781
TOTAL	15,710,638,171	9,121,577,072

30. GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	<i>Current year</i>	<i>Previous year</i>
Staff expenses	10,104,791,559	14,266,723,858
Office equipment expenses	1,195,244,134	1,681,091,820
Fixed asset depreciation	432,620,047	508,559,990
Taxes, fees and charge	350,919,837	58,451,784
Reversal of provisions	(90,000,000)	(152,482,520)
External services	2,795,108,727	3,721,859,539
Others	5,799,897,380	8,929,276,446
TOTAL	20,588,581,684	29,013,480,917

31. BUSINESS PRODUCTION COSTS BY ELEMENT

	VND	
	<i>Current year</i>	<i>Previous year</i>
Labour costs	16,955,910,210	17,172,461,684
Cost of tools, equipment, and materials	1,483,964,965	2,110,094,915
Depreciation of fixed assets (Note 11, 12 và 13)	2,058,274,500	2,140,620,997
External services	25,483,105,616	20,607,834,532
Others	14,170,813,303	9,800,437,603
TOTAL	60,152,068,594	51,831,449,731

32. CORPORATE INCOME TAX

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits earned from all operations.

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

32.1. CIT expense

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

	VND	
	<i>Current year</i>	<i>Previous year</i>
Accounting profit before tax	4,945,461,320	8,232,687,584
<i>Adjustments to increase (decrease):</i>		
Income from business activities not subject to CIT (i)	(11,047,161,874)	(11,058,381,163)
Non-deductible expenses	314,952,399	725,101,406
Taxable profits	(5,786,748,155)	(2,100,592,173)
Unrecognized deferred tax losses carried forward	5,786,748,155	2,100,592,173
Taxable income	-	-
CIT rate	20%	20%
CIT at tax rate	-	-
Current CIT expense	-	-
CIT (receivable)/payable at the end of the period	-	-

CIT expense (continued)

- (i) The Company's income from post-tax profit distribution of investments in associates is not subject to corporate income tax.

32.2. Tax losses carried forward

The Company is entitled to carry each individual tax loss forward to offset against taxable profits arising within five years subsequent to the year in which the loss was incurred. At 31 December 2024, the Company has accumulated tax losses that can be used to offset future taxable income. Details are as follows:

VND

Originating year	Can be utilized up to	Tax loss amount (*)	Utilized up to 31 December 2024	Forfeited	Unutilized Losses as of 31/12/2024
2019	2024	(2,082,087,140)	-	2,082,087,140	-
2020	2025	(1,650,091,604)	-	-	(1,650,091,604)
2021	2026	(3,790,856,148)	-	-	(3,790,856,148)
2022	2027	(3,162,822,119)	-	-	(3,162,822,119)
2023	2028	(2,100,592,173)	-	-	(2,100,592,173)
2024	2029	(5,786,748,155)	-	-	(5,786,748,155)
TOTAL		(18,573,197,339)	-	2,082,087,140	(16,491,110,199)

- (*) The Company has completed tax finalization up to the fiscal year 2021. The taxable losses are recorded based on the tax finalization reports or the Company's tax declarations. The actual amount of tax losses eligible for carryforward will depend on the results of local tax authority audits.

A deferred tax asset for tax losses amounting to VND 16,491,110,199 has not been recognized, due to the uncertainty of future taxable profits.

33. TRANSACTIONS WITH RELATED PARTIES

33.1. Significant transactions with related parties during the year

VND

	Relationship	Current year	Previous year
Sales of Goods (i)			
Vietnam Northern Food Corporation	Parent company	34,055,185,000	12,807,650,000
Purchases of Goods and Services (i)			
Vinafood1 Flour Joint Stock Company	Same Parent company	8,520,000	59,732,400
Hung Yen Food Joint Stock Company		164,410,000	146,300,000
Son La Food Joint Stock Company	Same Parent company	13,513,750,000	6,708,510,000
Ha Bac Food Joint Stock Company - Dong Thap Branch		33,870,173,500	12,772,625,000
Vinafood1 Son La Joint Stock Company - Song Ma District Branch	Same Parent company	-	60,000,000
Profit Distribution (ii)			
FTC - Tungshing Co., Ltd	Associate company	11,047,161,874	11,058,381,163
Dividend Distribution (iii)			
Vietnam Northern Food Corporation	Investor	3,782,925,000	3,259,455,450
HTB Construction Co., Ltd	Investor	1,777,440,000	1,531,483,309
Other individual shareholders	Investor	1,857,225,017	1,600,150,359

Significant transactions with related parties during the year (continued)

- (i) Transactions for sales and purchases with related parties are conducted based on prevailing market prices and standard commercial terms.
- (ii) The Company received USD 464,442.72, equivalent to 40% of post-tax profits from the business cooperation activities as per Resolution No. 076-24/NQ-HDTV/FTS dated 23 January 2024, issued by the Board of Members of FTC - Tungshing Co., Ltd. In 2024, the Company recognized financial income of VND 11,047,161,874 (compared to VND 11,058,381,163 in 2023).
- (iii) Dividend distribution to shareholders was executed according to the Annual General Meeting of Shareholders (AGM) 2024 Resolution, as presented in Note 25.

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

VND

	Relationship	Ending balance	Beginning balance
Trade Receivables			
Vietnam Northern Food Corporation	Parent company	50,035,000	-
Trade Payables			
Vinafood1 Flour Joint Stock Company	Same Parent company	-	9,215,856

33.3. Remuneration to members of the Board of Directors and Management.

VND

		Current year	Previous year
Mr. Le Van Thanh	Chairman of the Board of Directors	444,836,252	483,126,888
Mr. Nguyen Van Toan	Board Member & Director	386,431,072	411,956,132
Mr. Nguyen Anh Dung	Board Member	321,666,566	323,564,326
Mrs. Luu Thi Tuyet Mai	Board Member	36,000,000	36,000,000
Mrs. Do Thi Hong Thuy	Board Member	36,000,000	24,000,000
Mr. Nguyen Khac Quy	Deputy Director	278,950,431	330,781,556
Mr. Le Hai Long	Deputy Director	278,950,430	330,781,556
Mrs. Vu Thi Thuy	Head of Supervisory Board (Dismissed on 16 April 2024)	8,000,000	24,000,000
Mrs. Nguyen Thi Trang	Head of Supervisory Board (Appointed on 16 April 2024)	16,000,000	-
Mrs. Vu Dieu Thuy	Supervisory Board Member	229,331,447	24,000,000
Mr. Hoang Hung	Supervisory Board Member	24,000,000	24,000,000
TOTAL		2,060,166,198	2,012,210,458

34. EARNINGS PER SHARE

	<i>Current year</i>	<i>Previous year (Restated)</i>
Net profit after tax (VND)	4,945,461,320	8,232,687,584
Less: Reward and Welfare Fund Appropriation (i)	-	(411,634,379)
Net profit after tax attributable to common shareholders (VND)	4,945,461,320	7,821,053,205
Weighted average number of common shares outstanding	21,500,000	21,500,000
Earnings per share (VND/share)		
<i>Basic earnings per share</i>	230	364
<i>Diluted earnings per share</i>	230	364

- (i) The profit used to calculate EPS for the fiscal year ended 31 December 2023, has been adjusted from previous consolidated financial statement figures to reflect the actual appropriation for the reward and welfare fund, deducted from retained earnings for 2023, in accordance with Resolution No. 01/NQ-ĐHĐCĐ18/VHF dated 16 April 2024, issued by the AGM 2024. As a result, the EPS for 2023 was adjusted from VND 383/share to VND 364/share.

For the fiscal year ending 31 December 2024, the profit used to calculate EPS has not yet been adjusted for the reward and welfare fund appropriation, as there is no AGM resolution finalizing the fund allocation from post-tax profit for the current period.

35. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities primarily consist of borrowings, payables to suppliers, and other payables. The main purpose of these financial liabilities is to secure financing for the Company's operations. The Company also has loans, trade receivables, other receivables, cash, and short-term deposits, which arise directly from its business activities. The Company does not hold or issue derivative financial instruments.

The Company is exposed to the following risks: Market risk, Credit risk, Liquidity risk.

Risk management is an integral part of the Company's business operations. The Company has established a risk control system to ensure a reasonable balance between risk-related costs and risk management expenses. The Board of Management continuously monitors the Company's risk management framework to maintain an appropriate balance between risk exposure and risk mitigation.

The Board of Management has reviewed and agreed to apply the following risk management policies:

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market prices are influenced by four types of risks: Interest rate risk, Currency risk, Commodity price risk, Other price risks (e.g., equity price risk). Financial instruments affected by market risk include: Loans and borrowings, Deposits, Available-for-sale investments

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTINUED)***Interest Rate Risk***

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's interest rate risk exposure primarily relates to its cash holdings and short-term deposits. These investments are short-term in nature and are not held for capital appreciation.

The Company manages interest rate risk by analyzing market competition trends to obtain the most favorable interest rates while staying within its risk management limits.

Since the impact of interest rate fluctuations on the Company's financial position as of the reporting date is insignificant, no sensitivity analysis has been conducted.

Commodity Price Risk

The Company is exposed to commodity price risk due to its purchase of specific types of goods. It mitigates this risk by closely monitoring relevant market conditions and information, enabling effective management of: Purchasing timing, Production planning, Inventory levels. As of the reporting date, the Company has not utilized derivative financial instruments to hedge against commodity price fluctuations.

Credit Risk

Credit risk is the risk that a counterparty in a financial instrument or a customer contract fails to fulfill its obligations, leading to financial loss. The Company's credit risk exposure primarily arises from: Trade receivables from business operations, financial activities, including bank deposits and other financial instruments.

Trade Receivables

The Company closely monitors outstanding trade receivables to mitigate credit risk. For large customers, the Company conducts individual credit assessments to evaluate their financial health at each reporting date. To further minimize credit risk, the Company has established: A dedicated credit control department to oversee overdue receivables. Strict receivables management policies, preventing excessive reliance on any single customer. As a result, the Company's credit risk is not significantly concentrated on any particular customer.

Bank Deposits

The Company primarily maintains bank deposit balances at well-known banks in Vietnam. The credit risk associated with these deposits is managed by the Company's treasury department in accordance with its internal policies. The Company's maximum credit risk exposure related to items in the balance sheet at each reporting date is the carrying amount, as disclosed in Note 4. The Company assesses the concentration of credit risk on bank deposits as low.

Except for financial assets for which provisions have been made (as disclosed in Note 9), the Board of Management evaluates that all financial assets are current and unimpaired. These assets are linked to reputable customers with strong creditworthiness, except for certain overdue receivables that are considered past due but not impaired as of the reporting date.

Liquidity Risk

Liquidity risk arises when the Company faces difficulties in meeting its financial obligations due to capital shortages. The Company's liquidity risk mainly originates from the mismatch between the maturity of financial assets and financial liabilities.

The Company monitors liquidity risk by maintaining an adequate level of cash, cash equivalents, and bank loans to ensure sufficient funding for operations and to minimize the impact of cash flow fluctuations.

Other Financial Instruments

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

	<i>Less than 1 year</i>	<i>1 - 5 years</i>	<i>Total</i>
At 31 December 2024			
Borrowings & Debts	82,386,481,051	-	82,386,481,051
Trade Payables	37,526,133,054	-	37,526,133,054
Accrued expenses and other payables	510,194,931	249,000,000	759,194,931
	120,422,809,036	249,000,000	120,671,809,036
	<i>Less than 1 year</i>	<i>1 - 5 years</i>	<i>Total</i>
At 01 January 2024			
Borrowings & Debts	28,789,415,731	-	28,789,415,731
Trade Payables	41,400,932,934	-	41,400,932,934
Accrued expenses and other payables	460,582,571	91,030,000	551,612,571
	70,650,931,236	91,030,000	70,741,961,236

The Company considers its repayment risk concentration as low. It has sufficient access to capital sources, and maturing borrowings within 12 months can be refinanced with existing lenders.

Collateralized Assets

The Company has pledged time deposits at: Vietnam Bank for Agriculture and Rural Development – Hanoi Branch and Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) – Tay Ho Branch. These deposits are pledged as collateral for borrowings at the respective banks (as disclosed in Note 23). As of: 31 December 2024, the carrying value of pledged time deposits: VND 40,000,000,000, 31 December 2023, the carrying value of pledged time deposits: VND 24,000,000,000. The banks are obligated to return these pledged deposits to the Company once loan obligations are fulfilled. There are no significant additional contractual terms related to the pledged assets.

The Company does not hold any collateralized assets from other entities as of 31 December 2024, and 31 December 2023.

Notes to the Consolidated Financial Statements (continued)

For the fiscal year ended 31 December 2024

36. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table presents the carrying value and fair value of the Company's financial instruments as reported in its financial statements

	Carrying Value		Fair Value	
	31/12/2024	01/01/2024	31/12/2024	01/01/2024
	Original cost	Provision	Original cost	Provision
Financial Assets				
Financial investments	191,741,369,600	-	183,641,369,600	-
Trade receivables	75,143,732,008	(34,543,178,667)	52,009,328,513	(34,543,178,667)
Other receivables	7,425,359,953	-	14,590,218,094	-
Cash and cash equivalents	9,966,980,910	-	9,399,330,008	-
TOTAL	284,277,442,471	(34,543,178,667)	259,640,246,215	(34,543,178,667)
			249,734,263,804	225,097,067,548

FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

	<i>Carrying Value</i>		<i>Fair Value</i>	
	31/12/2024	01/01/2024	31/12/2024	01/01/2024
Financial Liabilities				
Financial liabilities held for trading				
Borrowings and debts	82,386,481,051	28,789,415,731	82,386,481,051	28,789,415,731
Trade payables	37,526,133,054	41,400,932,934	37,526,133,054	41,400,932,934
Other payables	643,315,850	498,840,000	643,315,850	498,840,000
TOTAL	120,555,929,955	70,689,188,665	120,555,929,955	70,689,188,665

The fair value of financial assets and financial liabilities reflects the price at which a financial instrument could be exchanged in a current transaction between market participants, except in cases of forced sales or liquidation.

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

The fair value of cash, short-term deposits, trade receivables, trade payables, and other short-term financial liabilities is considered equal to their carrying value, as these instruments have short maturities.

37. OFF-BALANCE SHEET ITEMS

	<i>Ending balance</i>	<i>Beginning balance</i>
Foreign Currency		
United States Dollar (USD)	7,667.13	6,585.96

38. EVENTS AFTER THE REPORTING PERIOD

There were no subsequent events after the financial year-end that require adjustments or disclosure in the Company's consolidated financial statements.


Bui Thi Thu Hien

Preparer

Ha Noi, 10 March 2025


Bui Thi Thu Hien

Chief Accountant


Nguyen Van Toan

Director