

**SONG HONG ALUMINUM SHALUMI
GROUP JOINT STOCK COMPANY**

No: /2025/NSH

*V/v: Explanation of profit discrepancies
in Financial Statements*

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Phu Tho, 28th March 2025

**Dear: - State Securities Commission
- Hanoi Stock Exchange**

Company name: **Song Hong Aluminum Shalumi Group Joint Stock Company**
Head office: Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Viet Nam
Stock code: NSH

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, providing guidance on information disclosure in the securities market.

Pursuant to the 2023 Financial Statements and the audited 2024 Financial Statements.

Song Hong Aluminum Shalumi Group Joint Stock Company would like to provide an explanation for the discrepancy (over 10%) in profit after corporate income tax in the statement of profit and loss between the two aforementioned financial statements as follows:

Based on items in the Income Statement from the two Financial Statements: the profit after tax in 2024 is more than 10% higher than in 2023; The reason is that in 2023 there was an adjustment to additionally increase the corporate income tax omitted from the previous year.

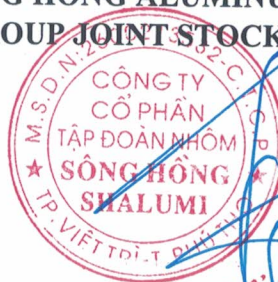
Therefore, Song Hong Aluminum Shalumi Group Joint Stock Company would like to provide this explanation for the understanding of the Relevant Authorities and investors.

Sincerely./.

Recipients:

- As stated above;
- Board of Directors and Board of Supervisors;
- Executive Board;
- Archived at Administration Department.

**SONG HONG ALUMINUM SHALUMI
GROUP JOINT STOCK COMPANY**



TỔNG GIÁM ĐỐC
Lê Văn Chưởng

**Song Hong Aluminum Shalumi Group
Joint Stock Company**

AUDITED FINANCIAL STATEMENTS

FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024

TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGES</u>
REPORT OF THE BOARD OF GENERAL DIRECTORS	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
STATEMENT OF FINANCIAL POSITION	6 - 7
STATEMENT OF INCOME	8
STATEMENT OF CASH FLOW	9 - 10
NOTES TO THE FINANCIAL STATEMENTS	11 – 36

REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Song Hong Aluminum Shalumi Group Joint Stock Company ("the Company") presents its report together with the Company's audited financial statements for the fiscal year ended 31 December 2024.

BOARD OF MANAGEMENT AND BOARD OF GENERAL DIRECTORS

The members of the Board of Management and the Board of Directors who held office during the year ended 31 December 2024 and to the date of this report are as follow:

Board of Directors

Mrs. Pham Thi Quynh Thu	Chairman
Mr. Nguyen Minh Ke	Deputy Chairman
Mr. Le Van Thang	Member
Mrs. Do Thi Thanh Tung	Member
Mr. Vu Hong Quan	Independent Member

Board of supervisors

Mr. Nguyen Van Chien	Head of the Board of Supervisor	Appointed on 20 June 2024
Mr. Nguyen Van Khiem	Head of the Board of Supervisor	Resigned on 20 June 2024
Mrs. Pham Thi Ngoan	Board Member	Appointed on 20 June 2024
Mr. Luu Duc Giang	Board Member	

Board of General Directors and Chief Accountant

Mr. Le Van Thang	General Directors
Mrs. Do Thi Thanh Tung	Deputy General Directors

The legal representative of the Company is Mr. Le Van Thang

Chief Accountant of the Company is Mr. Tran Giang Nam appointed on 15 September 2024.

EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR

The Board of Directors confirms that there have been no events subsequent to the balance sheet date that would require adjustment or disclosure in these financial statements.

AUDITOR

The accompanying financial statements are audited by Hanoi Branch - UHY Auditing and Consulting Company Limited.

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY

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

- Establish and maintain internal controls that the Board of Directors and the Management Board determine are necessary to ensure the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- Select suitable accounting policies and apply them consistently;
- Make judgments and estimates that are reasonable and prudent;

REPORT OF THE BOARD OF GENERAL DIRECTORS (CONT'D)

BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (CONT'D)

- State whether applicable accounting principles have been followed, and whether there are any material departures disclosed and explained in the Financial Statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Prepare and present Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, and related legal regulations on the preparation and presentation of financial statements in Vietnam.

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

The Board of General Directors 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 to ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, and related legal regulations on the preparation and presentation of financial statements in Vietnam. 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.

OTHER COMMITMENTS

The Board of Management commits that the Company shall not violate the obligations of information disclosure under Circular No. 96/2020/TT-BTC dated 16 November 2020 on information disclosure on the securities market, Circular No. 68/2024/TT-BTC dated 18 September 2024 amending and supplementing a number of articles of Circulars regulating securities trading on the securities trading system; clearing and settlement of securities transactions; activities of securities companies and information disclosure on the stock market, promulgated by the Ministry of Finance. At the same time, the Company complies with regulations Decree No. 155/2020/ND-CP dated 31 December 2020 of the Government detailing the implementation of a number of articles of the Law on Securities and Circular No. 116/2020/TT-BTC dated 31 December 2020 of the Ministry of Finance guiding some articles on corporate governance applicable to public companies in Decree No. 155/2020/ND-CP.

For and on behalf of the Board of General Directors,



Le Van Thang
General Director
Phutho, March 27, 2025

Number: **340** /2025/UHYHN - BCKT

INDEPENDENT AUDITOR'S REPORT

*On the financial statements of Song Hong Aluminum Shalumi Group Joint Stock Company
For the fiscal year ended at 31 December 2024*

To: Shareholders,
Board of Directors and Board of General Directors
Song Hong Aluminum Shalumi Group Joint Stock Company

We have audited the accompanying financial statements for the fiscal year ended 31 December 2024 of Song Hong Aluminum Shalumi Group Joint Stock Company (hereinafter referred to as the "Company"), which were prepared on 27 March 2025, as set out on page 06 to page 36 here in, including the balance sheet as at 31 December 2024, the income statement, the cash flows statement and the notes thereto

Board of General Directors' Responsibility

The Board of Directors of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System, and related legal regulations on the preparation and presentation of financial statements in Vietnam and for such internal control as the Board of General Directors determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in separate financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the separate 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 separate financial statement 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 Company's Board of Directors, as well as evaluating the overall presentation of the separate 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 Statement of Financial Position of Song Hong Aluminum Shalumi Group Joint Stock Company as at 31 December 2024, as well as the Statement of Income and the Statement of Cash Flow for the fiscal year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of the Consolidated Financial Statements.

INDEPENDENT AUDITORS' REPORT (CONT'D)

Other matters

The Company's financial statements for the fiscal year ended 31 December 2023 were audited by another audit firm which expressed an unqualified opinion on those statements at 29 March 2024.



Dang Minh Duc

Director

Auditor's Practicing Certificate

No. 4885-2025-112-1

For and on behalf of

HANOI BRANCH - UHY AUDITING AND CONSULTING COMPANY LIMITED

Hanoi, March 27, 2025

Lai Truong Duong

Auditor

Auditor's Practicing Certificate

No. 3392-2021-112-1

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

ASSET	Code	Note	31/12/2024 VND	01/01/2024 VND
SHORT-TERM ASSETS	100		779,580,637,754	755,627,533,333
Cash and cash equivalents	110		7,457,742,138	2,868,381,375
Cash	111	4	7,457,742,138	2,868,381,375
Short-term receivables	130		177,243,540,732	93,434,961,318
Short-term trade receivables	131	5	171,888,287,661	102,793,711,232
Short-term prepayments to suppliers	132	6	7,810,435,778	445,667,712
Other short-term receivables	136	7	14,464,829,857	15,605,006,842
Short-term allowances for doubtful debts	137	8	(16,920,012,564)	(25,409,424,468)
Inventories	140	9	582,600,204,228	639,416,387,120
Inventories	141		582,600,204,228	639,416,387,120
Other current assets	150		12,279,150,656	19,907,803,520
Short-term prepaid expenses	151	13	12,278,663,751	16,817,365,741
Deductible VAT	152		-	3,089,950,874
Taxes and other receivables from government budget	153	16	486,905	486,905
LONG-TERM ASSETS	200		132,660,677,063	147,178,074,054
Long-term receivables	210		-	32,500,000
Other long-term receivables	216		-	32,500,000
Fixed assets	220		118,950,395,539	131,985,106,335
Tangible fixed assets	221	11	118,950,395,539	131,079,215,568
- Historical costs	222		341,338,524,522	338,359,324,431
- Accumulated depreciation	223		(222,388,128,983)	(207,280,108,863)
Finance lease fixed assets	224	12	-	905,890,767
- Historical costs	225		-	1,550,449,091
- Accumulated depreciation	226		-	(644,558,324)
Long-term assets in progress	240		1,030,009,462	327,889,092
Construction in progress	242	10	1,030,009,462	327,889,092
Other long-term assets	260		12,680,272,062	14,832,578,627
Long-term prepaid expenses	261	13	12,680,272,062	14,832,578,627
TOTAL ASSETS	270		912,241,314,817	902,805,607,387

STATEMENT OF FINANCIAL POSITION (CONT'D)
As at 31 December 2024

RESOURCES	Code	Note	31/12/2024 VND	01/01/2024 VND
LIABILITIES	300		674,126,920,187	666,565,608,464
Short-term liabilities	310		668,549,478,879	660,293,461,610
Short-term trade payables	311	14	158,392,021,178	132,008,304,475
Short-term prepayments from customers	312	15	12,346,781,918	3,915,734,082
Taxes and other payables to government budget	313	16	1,796,715,660	2,580,002,528
Payables to employees	314		2,131,744,246	2,359,467,715
Short-term accrued expenses	315	18	612,270,954	1,157,886,426
Other short-term payments	319	19	1,329,172,216	1,272,183,016
Short-term borrowings and finance lease liabilities	320	17	490,295,135,737	515,140,371,398
Bonus and welfare fund	322		1,645,636,970	1,859,511,970
Long-term liabilities	330		5,577,441,308	6,272,146,854
Other long-term payables	337	19	4,769,107,960	4,629,893,510
Long-term borrowings and finance lease liabilities	338	17	808,333,348	1,642,253,344
OWNER'S EQUITY	400		238,114,394,630	236,239,998,923
Owner's equity	410	20	238,114,394,630	236,239,998,923
Contributed capital	411		206,934,370,000	206,934,370,000
- Ordinary shares with voting rights	411a		206,934,370,000	206,934,370,000
Capital surplus	412		980,391,200	980,391,200
Development and investment funds	418		27,422,713,031	27,422,713,031
Undistributed profit after tax	421		2,776,920,399	902,524,692
- Undistributed profit after tax brought forward	421a		902,524,692	-
- Undistributed profit after tax for the current year	421b		1,874,395,707	902,524,692
TOTAL CAPITAL	440		912,241,314,817	902,805,607,387

Phutho, March 27, 2025

Prepared by



Cao Thi Thu Hien

Chief Accountant



Tran Giang Nam

General Director



Le Van Thang

STATEMENT OF INCOME
For the fiscal year ended 31 December 2024

Item	Code	Note	Year 2024 VND	Year 2023 VND
Revenues from sales and services rendered	01	21	1,013,058,486,509	1,068,598,981,036
Revenue deductions	02	22	64,230,000	-
Net revenues from sales and services rendered	10		1,012,994,256,509	1,068,598,981,036
Costs of goods sold	11	23	966,206,267,428	1,003,413,905,299
Gross revenues from sales and services rendered	20		46,787,989,081	65,185,075,737
Financial income	21	24	569,287,951	240,339,248
Financial expenses	22	25	34,017,340,358	40,956,140,139
In which: Interest expenses	23		33,698,037,935	40,829,422,560
Selling expenses	25	26	5,885,680,132	5,564,787,070
General administration expenses	26	26	4,691,168,472	16,389,351,014
Net profits from operating activities	30		2,763,088,070	2,515,136,762
Other income	31	27	1,080,181,630	50,739,923
Other expenses	32	28	1,177,563,836	102,823,307
Other profits	40		(97,382,206)	(52,083,384)
Total net profit before tax	50		2,665,705,864	2,463,053,378
Current corporate income tax expenses	51	29	791,310,157	1,560,528,686
Profits after enterprise income tax	60		1,874,395,707	902,524,692
Basic Earnings Per Share	70	30	91	44
Diluted Earnings Per Share	71	31	91	44

Prepared by



Cao Thi Thu Hien

Chief Accountant



Tran Giang Nam

Phutho, March 27, 2025
General Director



Le Van Thang

STATEMENT OF CASH FLOWS

(Under the indirect method)

For the fiscal year ended 31 December 2024

Item	Code	Note	Year 2024 VND	Year 2023 VND
Profit before tax	01		2,665,705,864	2,463,053,378
Depreciation of fixed assets and investment properties	02		14,463,461,796	14,056,675,800
Provisions	03		(8,489,411,904)	5,146,522,319
Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04		(117,536,996)	1,023,280
Gains (losses) on investing activities	05		(32,849,841)	(31,705,997)
Interest expenses	06		33,698,037,935	40,829,422,560
Operating profit before changes in working capital	08		42,187,406,854	62,464,991,340
Increase (decrease) in receivables	09		(72,196,716,636)	(34,247,359,866)
Increase (decrease) in inventories	10		56,816,182,892	(61,921,031,343)
Increase (decrease) in payables (exclusive of interest payables, enterprise income tax payables)	11		34,821,126,611	58,759,356,219
Increase (decrease) in prepaid expenses	12		6,691,008,555	1,522,825,845
Interest paid	14		(34,160,979,706)	(40,493,759,706)
Corporate income tax paid	15		(1,610,141,703)	(869,793,286)
Other payments on operating activities	17		(213,875,000)	(57,057,500)
Net cash flows from operating activities	20		32,334,011,867	(14,841,828,297)
Purchase or construction of fixed assets and other long-term assets	21		(2,098,751,000)	(5,280,937,917)
Collection of loans and repurchase of debt instruments of other entities	24		-	3,013,577,006
Proceeds from Divestment in Other Entities	26		-	1,483,600,000
Interest and dividend received	27		32,849,841	7,710,365
Net cash flows from investing activities	30		(2,065,901,159)	(776,050,546)
Proceeds from borrowings	33		923,710,136,731	1,118,335,198,475
Repayment of principal	34		(949,197,492,388)	(1,103,570,150,224)
Dividends or profits paid to owners	35		(191,800,000)	(220,800,000)
Net cash flows from financial activities	40		(25,679,155,657)	14,544,248,251

STATEMENT OF CASH FLOWS (CONT'D)
(Under the indirect method)
For the financial year ended 31 December 2024

Item	Code	Note	Year2024 VND	Year 2023 VND
Net cash flows during the fiscal year	50		4,588,955,051	(1,073,630,592)
Cash and cash equivalents at the beginning of fiscal year	60	4	2,868,381,375	3,943,035,247
Effect of exchange rate fluctuations	61		405,712	(1,023,280)
Cash and cash equivalents at the end of fiscal year	70	4	7,457,742,138	2,868,381,375

Phutho, March 27, 2025

Prepared by

Chief Accountant

General Director



Cao Thi Thu Hien



Tran Giang Nam



Le Van Thang

NOTES TO THE FINANCIAL STATEMENTS

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

1. CHARACTERISTICS OF THE ENTERPRISE'S OPERATION

1.1 FORM OF OWNERSHIP

Song Hong Aluminum Shalumi Group Joint Stock Company, (hereinafter referred to as "Company") was a State-owned Enterprise under Song Hong Aluminum Company is a subsidiary of Song Hong Corporation under Decision No. 398/QĐ-BXD dated 1 April 1999 by the Ministry of Construction equitized from a state-owned enterprise under Decision No. 1321 dated 16 August 2004, issued by the Ministry of Construction.

Song Hong Aluminum Shalumi Group Joint Stock Company was established and operated under the Business Registration Certificate No. 2600213532 dated 7 October 2004, Registered for the 15th amendment on 8 July 2022, issued by the Phu Tho Province Department of Planning and Investment.

Head office address: Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

The charter capital contributed according to the Company's business registration certificate as of 31 December 2024, is VND 206,934,370,000, divided into 20,693,437 shares with a par value of VND 10,000 per share. The Company's shares are traded under the ticker symbol NSH and are listed on the Hanoi Stock Exchange (HNX).

The total number of employees of the Company as at 31 December 2024 is 197 (as of 1 January 2024, it was 251).

1.2 BUSINESS LINES

The Company's primary business activities are the production and trading of various types of aluminum, along with other related operations.

1.3 MAIN BUSINESS ACTIVITIES

- Manufacturing of metal components;
- Wholesale of metals and metal ores;
- Mechanical processing, metal treatment, and coating.

1.4 NORMAL BUSINESS CYCLE

The normal business cycle of the Company is 12 months.

1.5 STATEMENT ON THE COMPARABILITY OF INFORMATION ON THE FINANCIAL STATEMENTS

The comparative figures on the Financial Statements for the financial year ended 31 December 2024 are the figures on the audited Financial Statements for the financial year ended 31 December 2023 which are fully comparable.

2. BASIS FOR PREPARATION OF REPORTS AND FISCAL YEAR

2.1 BASIS FOR PREPARING FINANCIAL STATEMENTS

The Company applies Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the Corporate Accounting System (Circular No. 200) and Circular 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance amending and supplementing a number of articles of Circular No. 200.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

2.2 FISCAL YEAR

The financial year of the Company begins on 01 January and ends on 31 December of the calendar year. These Combined Financial Statements have been prepared for the financial year ended 31 December 2024.

2.3 DECLARATION OF COMPLIANCE WITH ACCOUNTING STANDARDS AND POLICIES.

The Company's financial statements are prepared and presented in compliance with the requirements of the current Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises, and relevant legal regulations regarding the preparation and presentation of financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the significant accounting policies adopted by the Company in the preparation of these Combined Financial Statements:

3.1 ACCOUNTING ESTIMATES

The preparation of the Combined Financial Statements in conformity with Vietnamese Accounting Standards requires Board of Management to make estimates and assumptions that affect the reported amounts of receivables, liabilities, assets and disclosures of contingent assets, receivables and liabilities at the reporting date and the reported amounts of revenues and expenses during the financial year. Actual operating results may differ from estimates and assumptions.

3.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits, short-term investments, or highly liquid investments. Cash equivalents are short-term investments with the maturity of not over 3 months from the date of investment, that are highly liquid and readily convertible into known amounts of cash and that are subject to an insignificant risk of conversion into cash.

3.3 RECEIVABLES

Receivables are stated at book value less provisions for doubtful debts.

Receivables are classified into trade receivables and other receivables according to the following principles:

- Trade receivables reflect commercial receivables arising from purchase - sale transactions between the Company and the buyer who is an independent unit of the Company.
- Other receivables reflect non-commercial receivables, unrelated to purchase and sale transactions.

Provision for doubtful debts is established for each doubtful debt based on the estimated loss that may occur. Provision for doubtful debts is made for overdue receivables which their due dates stated in economic contracts, contractual commitments or debt commitments and the Company has requested for payment many times but not yet been paid and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

based on the due date stipulated in the initial sales contract, regardless of the extension of due date agreed by the parties; or the case where the debts are not due but the debtor has fallen into bankruptcy or is in the process of dissolution, is missing, absconding and will be reverted when the debt is recovered.

The increase or decrease in the provision for doubtful debts that must be immediately made at the end of the financial year is recorded to general and administrative expenses during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3.4 INVENTORIES

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

Original cost includes purchase, processing and other directly attributable costs incurred to bring the inventories to the location and condition at the time of initial recognition. Net realizable value is the estimated selling price of inventories less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories which are materials, tools and supplies are recorded by the perpetual recording method, the value of materials and tools in stock at the end of period is calculated by the specific identification method.

Inventories which are fuels are recorded by the perpetual recording method, the value of fuel on ships at the end of the fiscal year is calculated according to the first-in, first-out method.

As of 31 December 2024, the Company did not have any inventory requiring a provision for devaluation.

3.5 FIXED ASSETS

Tangible fixed assets are stated at their historical cost less accumulated depreciation. The historical cost of tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to ready-for-use condition. Costs arisen after the initial recognition are added to the historical cost of fixed assets if they are certain to generate economic benefits in the future resulted from use of such assets. The costs that do not satisfy the above conditions shall be recognized as operating costs during the year.

Tangible fixed assets and intangible fixed assets are initially recorded at the original cost. During their useful lives. Tangible fixed assets and intangible fixed assets are recorded at historical cost, accumulated depreciation (or amortization), and net book value.

Tangible fixed assets are depreciated (amortized) in a straight-line method over their estimated useful lives. The specific depreciation periods are as follows:

Fixed asset group	Depreciation period (years)
- Land and buildings	10 - 30
- Machinery and equipment	04 - 20
- Vehicles and transportation equipment	06 - 10
- Office equipment	03 - 05

3.6 FINANCIAL LEASE ASSETS

Assets leased are classified as finance leases if most of the risks and rewards associated with ownership of the asset are transferred to the lessee. Fixed assets under finance leases are recorded at cost less accumulated depreciation. The cost of fixed assets under finance leases is the lower of the fair value of the leased asset at the inception of the lease and the present value of the minimum lease payments. The discount rate used to calculate the present value of minimum lease payments for the asset is either the implicit interest rate stated in the lease contract or the interest rate specified in the contract. If the implicit interest rate cannot be determined, the loan interest rate at the inception of the lease is used.

Fixed assets under finance leases are depreciated using the straight-line method based on their estimated useful life. If it is uncertain whether the company will gain ownership of the asset at the end of the lease term, the fixed asset is depreciated over the shorter of the lease term or the estimated useful life. The depreciation periods for various types of fixed assets under finance leases are as follows:

Asset group	Depreciation period (years)
- Vehicles and transportation equipment	06 - 10

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.7 CONSTRUCTION IN PROGRESS

Construction in progress includes costs directly related to the construction of assets, machinery, and equipment being installed for production purposes, as well as expenses related to leasing, management, and ongoing repairs of fixed assets. These costs, including related interest expenses (in accordance with the Company's accounting policies), are recorded at original cost and are not subject to depreciation.

3.8 PREPAID EXPENSES

Expenses related to production and business activities spanning multiple are recorded as prepaid expenses and allocated gradually to business results in subsequent fiscal years. Types of prepaid expenses include: Tools and instruments, Property repair expenses, Insurance expenses and Other prepaid expenses.

Tools and instruments: These are allocated using the straight-line method.

3.9 LIABILITIES

Liabilities represent amounts owed to suppliers and other entities. These liabilities include accounts payable to sellers, internal payables, and other payables. Liabilities are recorded at no less than the obligation required to be settled.

Liabilities shall be classified into trade payables, accrued expenses payable and other payables according to the following principles:

- Trade payables reflect commercial amounts payable arising from purchases of goods, services and assets and the seller is an independent entity of the Company, Including payables between the parent company and its subsidiaries, as well as joint ventures and affiliates. These payables also encompass liabilities incurred from imports conducted through an entrusted entity (in consignment import transactions).
- Other payables reflect non-commercial payables that are not related to the purchase – sale transactions and provision of goods and services

Liabilities are monitored according to the payable terms and creditors.

3.10 ACCRUED EXPENSES

The Company's accrued expenses include interest expenses and other items. Accrued expenses payable reflect payables for goods and services received from the seller or provided to the buyer but not yet been paid due to lack of invoices or accounting records and documents and payables to employees in terms of annual leave salary and other accrued operating expenses.

Advance accruals for production and business expenses during the period are calculated rigorously and must be supported by reasonable and reliable evidence regarding the expenses to be accrued. This ensures that the accrued expenses recorded in this account align with the actual expenses incurred.

3.11 BORROWINGS

Borrowings are tracked by each lender, agreement and the repayment terms . In case of borrowings denominated in foreign currencies, they shall be recorded in details according to the original currencies.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.12 BORROWING COSTS

Borrowing costs consist of interest expense and other expenses directly related to borrowings of the Company.

Borrowing costs are recognized as expenses when incurred. In cases borrowing costs are directly related to the construction or production of unfinished assets that require a substantial period of time (over 12 months) to be ready for their intended use or sale, such borrowing costs are capitalized. In case a separate borrowing is only used for the purpose of the construction of fixed assets and investment properties, the interests shall be capitalized even if the construction duration is under 12 months.

3.13 OWNER'S EQUITY

Owner's equity is recognized according to the amount of capital actually contributed by the owners.

Share premium is recognized as per the difference between the actual issuing price and the par value of shares when issuing additional shares or re-issuing treasury shares. Costs directly related to the issue of additional shares or re-issue of treasury shares are recorded as a decrease in share premium.

The Company allocates the funds from net profit after corporate income tax at the request of the Board of Directors and approved by shareholders at the Annual General Meeting of Shareholders.

Dividends payable to shareholders are recognized as a payable on the Company's Statement of Financial Position after the announcement of dividend payment by the Board of Directors and the notice of the closing date of the right to receive dividends from Vietnam Securities Depository Center.

3.14 RECOGNITION OF REVENUE

The Company's revenue includes income from the sale of products, goods, construction activities, and service provision.

Revenue from sales of goods:

Revenue from sales of goods is recognized when the following conditions are simultaneously satisfied:

- The most of risks and benefits associated with ownership of the products or goods have been transferred to the buyer;
- The company no longer holds the right to manage the goods as the owner or control the goods;
- The revenue can be measured reliably; When the contract stipulates that the buyer has the right to return purchased products or goods under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer no longer has the right to return the products or goods (except in cases where the buyer has the right to return goods in exchange for other goods or services).
- The Company has received or will receive economic benefits from the sale transaction;
- The costs related to the sale transactions can be determined.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Revenue from service provision

Revenue from service provision is recognized when the outcome of the transaction can be reliably measured. In cases where service transactions span multiple years, revenue is recognized in the year based on the completion status as of the end of the financial year. Revenue from service provision is recognized when the following conditions are simultaneously satisfied:

- The revenue can be measured reliably; When the contract stipulates that the buyer has the right to return purchased services under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer no longer has the right to return the provided services
- It is likely to obtain economic benefits from the transaction of providing such services;
- The part of work completed can be determined at the end of the accounting period
- The costs incurred during the transaction of providing services and the costs to complete it can be determined.

Financial income

Financial incomes are the distributed profits (if any) from the investees of the Company and interests on bank deposits, and bond interests.

Interests on bank deposits are recognized on the accrual basis, based on the balances of deposits and the actual interest rate each period.

3.15 FINANCE EXPENSES

Finance expenses recorded in the Income Statement represent the total Finance expenses incurred during the year. These are not offset against financial income and include expenses such as interest expenses and foreign exchange differences.

3.16 TAX AND PAYABLES TO THE STATE BUDGET

Value-Added Tax (VAT)

The enterprise follows the procedures for declaring and calculating Value-Added Tax (VAT) in accordance with the guidelines outlined by current tax laws.

Corporate income Tax

Corporate income tax (if any) includes the total value of the current tax payable and deferred tax amount.

The current CIT expense is determined based on taxable income for the year and the applicable CIT rate. Deferred CIT is recognized based on deductible temporary differences, taxable temporary differences and the applicable CIT rate. There is no offsetting between current CIT and deferred CIT expenses.

For the fiscal year ending 31 December 2024, the Company applies a CIT rate of 20% on taxable income.

Other Taxes:

Other taxes are applied in accordance with the current tax laws in Vietnam.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

3.17 RELATED PARTIES

Parties are considered involved if one party has control or has significant influence over the other in financial and operational policies. Related parties include:

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

- Enterprises that control, are controlled or are under common control with the Company, such as the parent company, subsidiaries, joint ventures, or affiliates.
- Individuals who have voting rights or significant influence in the Company, key management personnel responsible for planning, directing, and controlling the Company's activities, and their close family members.
- Businesses in which the voting rights are directly or indirectly held by the above individuals or businesses influenced significantly by such individuals.

When assessing related party relationships, the nature of the relationship is considered, not merely the legal form. All transactions and balances with related parties for the financial year ending 31 December 2024, are disclosed in the notes below.

4. CASH AND CASH EQUIVALENTS

	31/12/2024	01/01/2024
	VND	VND
- Cash on hand	349,269,759	24,904,729
- Cash at banks	7,108,472,379	2,843,476,646
Total	7,457,742,138	2,868,381,375

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY

Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

FINANCIAL STATEMENTS
For the fiscal year ended
as at 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

5. TRADE RECEIVABLES

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Short-term				
- Euroha JSC	171,888,287,661	(9,313,803,894)	102,793,711,232	(18,088,284,360)
- Viet Vic Group JSC	17,715,170,033	-	20,009,224,400	-
- Song Hong JSC	30,460,976,590	-	13,522,275,108	-
- Hai Xuan Tien Co., Ltd,	-	-	11,972,462,394	(10,188,739,856)
- Georgia Import and Trading Company	4,567,287,568	(4,567,287,568)	4,567,287,568	(3,852,194,433)
- Shand Vietnam Company Limited	4,120,671,842	-	1,882,089,429	-
- Nam Hai Construction Industrial Complex JSC	7,710,468,215	-	637,758,504	-
- Viet Phap Aluminum and Mechanical Construction JSC	14,014,520,520	-	-	-
- Singhal Group Joint Stock Company	11,847,519,040	-	15,051,340	-
- Others	19,840,946,633	-	1,993,750,000	-
	61,610,727,220	(4,746,516,326)	48,193,812,489	(4,047,350,071)
Total	171,888,287,661	(9,313,803,894)	102,793,711,232	(18,088,284,360)

6. REPAYMENTS TO SUPPLIERS

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Short-term				
- Etree Pte Ltd	7,810,435,778	(259,550,000)	445,667,712	(259,550,000)
- Phu Gia Viet Mechanical Engineering Trading One- Member Ltd	6,415,182,870	-	-	-
- MSC Vietnam Company Limited	259,550,000	(259,550,000)	259,550,000	(259,550,000)
- Others	820,280,000	-	-	-
	315,422,908	-	186,117,712	-
Total	7,810,435,778	(259,550,000)	445,667,712	(259,550,000)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

7. OTHER RECEIVABLES

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Short-term	14,464,829,857	(7,346,658,670)	15,605,006,842	(7,061,590,108)
- Advances	56,727,720	-	56,727,720	-
- Deposits	7,054,943,467	-	7,249,000,217	-
- Song Hong General Corporation	3,778,686,201	(3,778,686,201)	3,778,686,201	(3,778,686,201)
- Song Hong Construction Joint Stock Company 26	3,567,972,469	(3,567,972,469)	3,567,972,469	(2,591,450,728)
- Song Hong Investment, Business, and Service JSC	-	-	930,368,658	(691,453,179)
- Others	6,500,000	-	22,251,577	-
Long-term	-	-	32,500,000	-
- Deposits	-	-	32,500,000	-
Total	14,464,829,857	(7,346,658,670)	15,637,506,842	(7,061,590,108)

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY

Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

FINANCIAL STATEMENTS

For the fiscal year ended
as at 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

8. DOUBTFUL DEBTS

	31/12/2024			01/01/2024		
	Original cost	Recoverable value	Provision	Original cost	Recoverable value	Provision
	VND	VND	VND	VND	VND	VND
Overdue receivables						
- Dai Koku Shoukou Co.,Ltd	99,465,776	-	(99,465,776)	99,465,776	-	(99,465,776)
- Kim Quy Store	105,395,498	-	(105,395,498)	105,395,498	-	(105,395,498)
- Nguyen Phan Aluminum Store (CNHN)	137,184,299	-	(137,184,299)	137,184,299	-	(137,184,299)
- Song Hong Investment, Business, and Service JSC	-	-	-	12,902,831,052	2,022,638,017	(10,880,193,035)
- Hai Xuan Tien Trading and Service Company Ltd	4,567,287,568	-	(4,567,287,568)	4,567,287,568	715,093,135	(3,852,194,433)
- Duy Bach Trading and Service Company Ltd	655,430,515	-	(655,430,515)	655,430,515	58,988,746	(596,441,769)
- Phu Gia Viet Mechanical Engineering Trading One-Member Ltd	259,550,000	-	(259,550,000)	259,550,000	-	(259,550,000)
- Tho Son Investment Trading and Service Co.,Ltd	2,184,206,249	-	(2,184,206,249)	2,184,206,249	-	(2,184,206,249)
- Song Hong Construction General Corporation	3,778,686,201	-	(3,778,686,201)	3,778,686,201	-	(3,778,686,201)
- Song Hong Construction Joint Stock Company 26	3,567,972,469	-	(3,567,972,469)	3,567,972,469	976,521,741	(2,591,450,728)
- Others	1,564,833,989	-	(1,564,833,989)	2,475,450,498	1,550,794,018	(924,656,480)
Total	16,920,012,564	-	(16,920,012,564)	30,733,460,125	5,324,035,657	(25,409,424,468)

CHONG HONG ALUMINIUM GROUP JOINT STOCK COMPANY

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY
 Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.
 For the fiscal year ended as at 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

9. INVENTORIES

INVENTORIES	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Raw materials	50,234,195,273	-	72,477,348,502	-
Tools and supplies	8,424,242,730	-	10,451,628,225	-
Cost of Construction in Progress	23,079,901,301	-	21,609,451,495	-
Finished goods	450,175,354,937	-	457,927,374,498	-
Goods	50,686,509,987	-	76,950,584,400	-
Total	582,600,204,228	-	639,416,387,120	-

10. LONG-TERM ASSETS IN PROGRESS

	31/12/2024	01/01/2024
	Amount	Amount
	VND	VND
Recoverable value	Recoverable value	Recoverable value
VND	VND	VND
- Acquisition of Fixed Assets	670,000,000	-
- Construction in Progress	360,009,462	327,889,092
+ <i>Housing Project</i>	360,009,462	327,889,092
Total	1,030,009,462	327,889,092

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY
Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

11. TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Means of transportation, transmission	Office equipment	Total
	VND	VND	VND	VND	VND
HISTORICAL COST					
01/01/2024	65,065,479,274	266,214,201,004	6,475,724,189	603,919,964	338,359,324,431
- Acquisitions	-	918,305,000	-	-	918,305,000
- Completed Basic Construction Investment	-	508,446,000	-	-	508,446,000
- Purchase of Leased Assets	-	-	1,552,449,091	-	1,552,449,091
31/12/2024	65,065,479,274	267,640,952,004	8,028,173,280	603,919,964	341,338,524,522
ACCUMULATED DEPRECIATION					
01/01/2024	(39,147,388,046)	(162,937,627,302)	(4,780,339,376)	(414,754,139)	(207,280,108,863)
- Charge for the period	(2,475,906,645)	(11,537,477,085)	(246,377,409)	(61,576,158)	(14,321,337,297)
- Purchase of Leased Assets	-	-	(786,682,823)	-	(786,682,823)
31/12/2024	(41,623,294,691)	(174,475,104,387)	(5,813,399,608)	(476,330,297)	(222,388,128,983)
NET BOOK VALUE					
01/01/2024	25,918,091,228	103,276,573,702	1,695,384,813	189,165,825	131,079,215,568
31/12/2024	23,442,184,583	93,165,847,617	2,214,773,672	127,589,667	118,950,395,539

As at 31 December 2024, the historical cost of tangible fixed assets fully depreciated but still in use is VND 76,418,631,401 (as of 1 January 2024, it was VND 75,211,363,906).

As at 31 December 2024, the remaining value of tangible fixed assets used as collateral for borrowings is VND 308,359,726,528 (as of 1 January 2024, it was VND 303,486,491,176).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

12. FINANCE LEASE FIXED ASSETS

	Means of transportation, transmission <u>VND</u>	Total <u>VND</u>
HISTORICAL COST		
01/01/2024	1,550,449,091	1,550,449,091
- Finance Lease	2,000,000	2,000,000
- Purchase of Leased Assets	(1,552,449,091)	(1,552,449,091)
31/12/2024	-	-
ACCUMULATED DEPRECIATION		
01/01/2024	(644,558,324)	(644,558,324)
- Charge for the period	(142,124,499)	(142,124,499)
- Purchase of Leased Assets	786,682,823	786,682,823
31/12/2024	-	-
NET BOOK VALUE		
01/01/2024	905,890,767	905,890,767
31/12/2024	-	-

13. PREPAID EXPENSES

	31/12/2024 <u>VND</u>	01/01/2024 <u>VND</u>
Short-term	12,278,663,751	16,817,365,741
- Dispatched tools and supplies	12,103,751,142	16,756,427,387
- Others	174,912,609	60,938,354
Long-term	12,680,272,062	14,832,578,627
- Dispatched tools and supplies	801,815,757	1,229,896,939
- Factory Rental Expenses	9,417,715,054	10,482,715,054
- Others	2,460,741,251	3,119,966,634
Total	24,958,935,813	31,649,944,368

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY
Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

14. TRADE PAYABLES

	31/12/2024		01/01/2024	
	Amount	Can be paid	Amount	Can be paid
	VND	VND	VND	VND
Short-term	158,392,021,178	158,392,021,178	132,008,304,475	132,008,304,475
- Viet Vic Group Joint Stock Company	38,312,874,883	38,312,874,883	35,198,823,488	35,198,823,488
- Nam Hai Construction Industrial Complex JSC	9,581,771,390	9,581,771,390	20,009,188,000	20,009,188,000
- Dedo Doors Company Limited	-	-	6,636,484,432	6,636,484,432
- Kingbill Import and Export Joint Stock Company	-	-	5,848,298,500	5,848,298,500
- Yaki Vietnam Joint Stock Company	116,576,852	116,576,852	3,414,137,740	3,414,137,740
- Phuong Trung Trading Joint Stock Company	4,517,366,700	4,517,366,700	-	-
- CMM Technology Vietnam Joint Stock Company	3,012,875,102	3,012,875,102	2,911,162,102	2,911,162,102
- Thanh Hien Ha Nam Company Limited	5,413,786,135	5,413,786,135	5,533,818,892	5,533,818,892
- Phu Minh Plastic Company Limited	18,503,806,829	18,503,806,829	-	-
- Viet Phap Aluminum and Mechanical Construction JSC	19,852,067,872	19,852,067,872	33,026,005	33,026,005
- Others	59,080,895,415	59,080,895,415	52,423,365,316	52,423,365,316
Total	158,392,021,178	158,392,021,178	132,008,304,475	132,008,304,475

15. PREPAYMENTS FROM CUSTOMERS

	31/12/2024		01/01/2024	
	Amount	Can be paid	Amount	Can be paid
	VND	VND	VND	VND
Short-term	12,346,781,918	12,346,781,918	3,915,734,082	3,915,734,082
- Xintai Aluminum Vietnam Company Limited	8,118,105,222	8,118,105,222	-	-
- Zetwerk Manufacturing Businesses	1,832,847,343	1,832,847,343	1,079,709,087	1,079,709,087
- HS Manufacturing, Trading, and Import-Export Company Limited	-	-	1,380,058,906	1,380,058,906
- Others	2,395,829,353	2,395,829,353	1,455,966,089	1,455,966,089
Total	12,346,781,918	12,346,781,918	3,915,734,082	3,915,734,082

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

16. TAXES AND OTHER PAYABLES TO STATE BUDGET

	01/01/2024	Amount payable in year	Amount paid in year	31/12/2024
	VND	VND	VND	VND
Tax and payables				
- Value added tax	1,014,316,832	772,435,848	958,960,013	827,792,667
- Value-Added Tax (VAT) on Imported Goods,	-	1,063,387,866	1,063,387,866	-
- Import and export tax	-	772,283,886	772,283,886	-
- Corporate income tax	1,560,528,686	791,310,157	1,610,141,703	741,697,140
- Personal income tax	5,157,010	34,401,456	39,480,877	77,589
- Land tax, land rental	-	355,423,350	128,275,086	227,148,264
- Other Taxes	-	3,000,000	3,000,000	-
Total	2,580,002,528	3,792,242,563	4,575,529,431	1,796,715,660
	01/01/2024	Amount receivables in this year	Amount collected in this year	31/12/2024
	VND	VND	VND	VND
Taxes and Receivables				
- Import and export tax	486,905	-	-	486,905
Total	486,905	-	-	486,905

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY

Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. BORROWINGS AND FINANCE LEASE LIABILITIES

Content	31/12/2024		During the Year		01/01/2024	
	Amount	Amount can be paid	Increase	Decrease	Amount	Amount can be paid
	VND	VND	VND	VND	VND	VND
Short-Term Borrowings	490,295,135,737	490,295,135,737	923,707,256,731	948,552,492,392	515,140,371,398	515,140,371,398
Short-Term Loans	489,650,135,741	489,650,135,741	923,707,256,731	948,552,492,392	514,495,371,402	514,495,371,402
- Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tho Branch (1)	236,477,523,282	236,477,523,282	455,456,209,818	458,820,114,888	239,841,428,352	239,841,428,352
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Phu Tho Branch (2)	150,000,000,000	150,000,000,000	194,751,336,474	194,751,336,474	150,000,000,000	150,000,000,000
- Vietnam Joint Stock Commercial Bank for Foreign Trade - Phu Tho Branch (3)	51,000,000,000	51,000,000,000	104,000,000,000	107,983,096,857	54,983,096,857	54,983,096,857
- Vietnam Prosperity Joint Stock Commercial Bank - Phu Tho Branch (4)	27,826,464,004	27,826,464,004	79,091,266,384	78,958,503,118	27,693,700,738	27,693,700,738
- Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch (5)	4,347,345,455	4,347,345,455	5,097,345,455	4,107,345,455	3,357,345,455	3,357,345,455
- First Commercial Bank - Hanoi Branch (6)	19,998,803,000	19,998,803,000	39,998,254,600	39,999,251,600	19,999,800,000	19,999,800,000
- Personal loans (7)	-	-	45,312,844,000	63,932,844,000	18,620,000,000	18,620,000,000
Current Portion of Long-Term Debt	644,999,996	644,999,996	-	-	644,999,996	644,999,996
- Shinhan Bank - Vinh Phuc Branch (8)	84,999,996	84,999,996	-	-	84,999,996	84,999,996
- Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch (9)	560,000,000	560,000,000	-	-	560,000,000	560,000,000

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY

Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. BORROWINGS AND FINANCE LEASE LIABILITIES (CONT'D)

Long-Term Borrowings	808,333,348	808,333,348	2,880,000	836,799,996	1,642,253,344	1,642,253,344
Bank Loans	808,333,348	808,333,348	-	644,999,996	1,453,333,344	1,453,333,344
- Shinhan Bank - Vinh Phuc Branch (8)	368,333,348	368,333,348	-	84,999,996	453,333,344	453,333,344
- Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch (9)	440,000,000	440,000,000	-	560,000,000	1,000,000,000	1,000,000,000
Finance Lease Obligations	-	-	2,880,000	191,800,000	188,920,000	188,920,000
- <i>Financial Leasing Company - Leasing Toyota Fortuner Car 30G-015,78</i>	-	-	-	114,100,000	114,100,000	114,100,000
- <i>Financial Leasing Company - Leasing Truck 29H-316,07</i>	-	-	2,880,000	77,700,000	74,820,000	74,820,000
Total	491,103,469,085	491,103,469,085	923,710,136,731	949,389,292,388	516,782,624,742	516,782,624,742

- (1): Credit Limit Contract No, 01/2024/399147/HĐTD dated November 28, 2024 with the Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tho Branch:
- + Regular credit limit provision with a maximum amount of VND 240,000,000,000;
 - + Credit limit term: 12 months from the signing date of this Contract;
 - + Loan interest rates are determined according to specific credit contracts;
 - + Loan purpose: Supplementing working capital, opening L/C to support production and business activities;
 - + Collateral measures: Mortgage of assets according to mortgage contracts arising between the two parties at the time of borrowing;
 - Outstanding balance as of December 31, 2024: VND 236,477,523,282,
- (2): Credit Limit Loan Contract No, 52,0004/2024-HĐCVHM/NHCT248-NHOMSONGHONG dated June 20, 2024 with the Vietnam Joint Stock Commercial Bank for Industry and Trade - Bac Phu Tho Branch:
- + Regular credit limit provision with a maximum amount of VND 150,000,000,000;
 - + Credit limit term: 12 months from the signing date of this Contract;
 - + Loan duration not exceeding 08 months per Debt Receipt;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. BORROWINGS AND FINANCE LEASE LIABILITIES (CONT'D)

- + Loan interest rates are specified on each Debt Receipt;
- + Loan purpose: Supplementing working capital to support production and business activities;
- + Collateral measures: Mortgage of assets according to mortgage contracts arising between the two parties at the time of borrowing, along with a deposit of VND 3,000,000,000,
- Outstanding balance as of December 31, 2024: VND 150,000,000,000,
- (3) Credit Limit Loan Contract No, 24BB/DN-DB/NHHM104 dated September 17, 2024 with Vietnam Joint Stock Commercial Bank for Foreign Trade - Phu Tho Branch:
 - + Total maximum loan balance: VND 51,000,000,000;
 - + Loan term: 12 months from the date of signing the contract;
 - + Loan interest rate: Determined at the time of disbursement according to the interest rate notice;
 - + Loan purpose: To finance production and business activities;
 - + Loan collateral: Third-party real estate and other mortgage contracts signed at the time of borrowing;
 - Outstanding balance as of December 31, 2024: VND 51,000,000,000,
- (4) Credit Limit Contract No, CLC-23075-01 dated July 12, 2024 with Vietnam Prosperity Joint Stock Commercial Bank - Phu Tho Branch:
 - + Available secured credit limit: VND 25,000,000,000;
 - + Limit maintenance period: 12 months from the signing date of this credit contract;
 - + Maximum loan term for each individual loan: Not exceeding 06 months;
 - + Loan interest rate: Specified in individual credit contracts;
 - + Loan purpose: Supplement working capital for the production and trading of various aluminum types;
 - + Loan collateral: Third-party real estate and other mortgage contracts signed at the time of borrowing;
 - Outstanding balance as of December 31, 2024: VND 24,826,464,004,
- (5) Credit Contract No, 2700LAV202400632 dated October 30, 2024 with Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch:
 - + Credit limit: VND 4,800,000,000;
 - + Limit maintenance period: 12 months from the signing date of this credit contract;
 - + Loan interest rate: 8%/year as of the signing date of the credit contract;
 - + Loan purpose: To finance working capital for the production of various types of aluminum and other products made from aluminum;

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

17. BORROWINGS AND FINANCE LEASE LIABILITIES (CONT'D)

- + Loan collateral: Movable assets under mortgage contracts, including future movable assets, signed with Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch;
- Outstanding balance as of December 31, 2024: VND 4,347,345,455,
- (6) Credit Limit Contract No, 30240125 dated December 31, 2024 with First Commercial Bank - Hanoi Branch:
 - + Maximum credit limit: VND 20,000,000,000 (includes balances under Credit Limit Contract No, 30230076);
 - + Limit maintenance period: 12 months from the signing date of this credit contract;
 - + Loan interest rate: Determined periodically by the bank (%/year) plus a margin of 1,75% or more, Late payments incur a penalty interest rate of 10%/year on the overdue interest balance;
 - + Loan purpose: Import or procure domestic raw materials and goods for production and business activities;
 - + Loan collateral: Account deposits, third-party real estate and other mortgage contracts signed at the time of borrowing;
 - Outstanding balance as of December 31, 2024: VND 19,998,803,000,
- (7) Personal loan for production and business; Loan term: Not exceeding 12 months; Loan interest rate: Determined based on the applicable deposit interest rate as announced; Loan balance as of December 31, 2024: VND 0,
- (8) Long-term Loan Contract with Shinhan Vietnam Bank Limited - Vinh Phuc Branch, Contract No, 810500112507 dated March 25, 2022:
 - + Maximum loan amount: VND 680,000,000;
 - + Loan purpose: To finance the purchase of a Mitsubishi Triton vehicle;
 - + Loan term: 96 months;
 - + Interest rate: 7,5%/year;
 - + Loan collateral: Mitsubishi Triton vehicle purchased with the loan;
 - Outstanding balance as of December 31, 2024: VND 453,333,344,
- (9) Long-term loans with Vietnam Bank for Agriculture and Rural Development - Phu Tho Branch under the following contracts:
 - Credit Contract No, 2700LAV202000719 dated November 18, 2020:
 - + Loan amount: VND 1,000,000,000;
 - + Loan purpose: To fund and pay for the purchase of a truck for production and business activities;
 - + Loan term: 5 years (principal repayment divided into 5 installments starting from November 19, 2021);
 - + Loan interest rate: 7%/year for the first 12 months (preferential rate), thereafter, floating interest rates apply;
 - + Loan collateral: Future asset (truck with a canvas cover branded Foton);
 - Outstanding balance as of December 31, 2024: VND 200,000,000,

**SONG HONG ALUMINUM SHALUMI GROUP
JOINT STOCK COMPANY**

Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

FINANCIAL STATEMENTS

For the fiscal year ended
as at 31 December 2024

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

18. ACCRUED EXPENSES

	31/12/2024	01/01/2024
	VND	VND
Short-term	612,270,954	1,157,886,426
- Interest expense	612,270,954	1,075,212,725
- Other accrued expenses	-	82,673,701
Total	612,270,954	1,157,886,426

19. OTHER PAYABLES

	31/12/2024	01/01/2024
	VND	VND
Short-term	1,329,172,216	1,272,183,016
- Trade union fee	477,663,545	559,265,143
- Social insurance	-	450,567,873
- Others	851,508,671	262,350,000
+ Remuneration for the Board of Directors (BOD) and Supervisory Board	156,000,000	156,000,000
+ Others	695,508,671	106,350,000
Long-term	4,769,107,960	4,629,893,510
- Deposits	4,769,107,960	4,629,893,510
Total	6,098,280,176	5,902,076,526

SONG HONG ALUMINUM SHALUMI GROUP JOINT STOCK COMPANY
Hong Ha Street, Ben Got Ward, Viet Tri City, Phu Tho Province, Vietnam.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
(These notes are an integral part of and should be read in conjunction with the accompanying financial statements)

20. OWNER'S EQUITY

20.1. CHANGES IN OWNER'S EQUITY

Content	Contributed Capital	Share Capital Surplus	Investment and development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
01/01/2023	206,934,370,000	980,391,200	24,508,204,054	3,414,508,977	235,837,474,231
- Profit in year	-	-	-	902,524,692	902,524,692
- Profit distribution	-	-	2,914,508,977	(3,414,508,977)	(500,000,000)
+ Appropriation to the Development Investment Fund	-	-	2,914,508,977	(2,914,508,977)	-
+ Appropriation to the Reward and Welfare Fund	-	-	-	(500,000,000)	(500,000,000)
31/12/2023	206,934,370,000	980,391,200	27,422,713,031	902,524,692	236,239,998,923
01/01/2024	206,934,370,000	980,391,200	27,422,713,031	902,524,692	236,239,998,923
- Profit in this year	-	-	-	1,874,395,707	1,874,395,707
31/12/2024	206,934,370,000	980,391,200	27,422,713,031	2,776,920,399	238,114,394,630

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

20. OWNER'S EQUITY (CONT'D)

20.2. DETAILS OF OWNER'S INVESTMENT CAPITAL

	31/12/2024		01/01/2024	
	Amount (VND)	Proportion (%)	Amount (VND)	Proportion (%)
Thanh Cong Production and Import-Export JSC	50,918,910,000	24.61%	50,918,910,000	24.61%
Mrs, Pham Thi Quynh Thu	23,633,520,000	11.42%	23,633,520,000	11.42%
Mr, Nguyen Minh Ke	13,910,450,000	6.72%	14,673,450,000	7.09%
Mr, Le Van Thang	18,056,610,000	8.73%	18,056,610,000	8.73%
Other	100,414,880,000	48.52%	99,651,880,000	48.15%
Total	206,934,370,000	100%	206,934,370,000	100%

20.3 CAPITAL TRANSACTIONS WITH OWNERS AND DISTRIBUTION OF DIVIDENDS AND PROFITS

	Year 2024 VND	Year 2023 VND
Owner's Equity Contributions		
+ Owner's Equity at the Beginning of the Year	206,934,370,000	206,934,370,000
+ Increase in Owner's Equity During the Year	-	-
+ Decrease in Owner's Equity During the Year	-	-
+ Owner's Equity at the End of the Year	206,934,370,000	206,934,370,000
- Dividends and Profits Distributed	-	-

20.4 SHARES

	31/12/2024 Shares	01/01/2024 Shares
Number of Shares Registered for Issuance	20,693,437	20,693,437
Number of Shares Sold to the Public	20,693,437	20,693,437
+ Common Shares	20,693,437	20,693,437
+ Preferred Shares	-	-
Number of Shares Repurchased	-	-
+ Common Shares	-	-
+ Preferred Shares	-	-
Number of Outstanding Shares	20,693,437	20,693,437
+ Common Shares	20,693,437	20,693,437
+ Preferred Shares	-	-
Par Value of Shares (VND/Share)	10,000	10,000

20.5 FUNDS

	31/12/2024 VND	01/01/2024 VND
Investment and development fund	27,422,713,031	27,422,713,031

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

21. REVENUE FROM SALES OF GOODS AND SERVICES RENDERED	Year 2024	Year 2023
	VND	VND
- Revenue from sales of goods and rendering services	1,013,058,486,509	1,068,598,981,036
Total	1,013,058,486,509	1,068,598,981,036

22. REVENUE DEDUCTIONS	Year 2024	Year 2023
	VND	VND
Revenue deductions	64,230,000	-
Include:		
+ Goods returned	64,230,000	-
Total	64,230,000	-

23. COST OF GOODS SOLD	Year 2024	Year 2023
	VND	VND
- Cost of goods sold and services rendered	966,206,267,428	1,003,413,905,299
Total	966,206,267,428	1,003,413,905,299

24. FINANCIAL INCOME	Year 2024	Year 2023
	VND	VND
- Interests on bank deposits and loans	32,849,841	31,705,997
- Gains on exchange rate difference	536,438,110	208,633,251
Total	569,287,951	240,339,248

25. FINANCIAL EXPENSES	Year 2024	Year 2023
	VND	VND
- Interest expenses and finance lease costs	33,698,037,935	40,829,422,560
- Losses from exchange rate difference incurred during the year	319,302,423	126,717,579
Total	34,017,340,358	40,956,140,139

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

26. SELLING EXPENSES AND GENERAL ADMINISTRATION EXPENSES		Year 2024	Year 2023
		VND	VND
a) General administration expenses		4,691,168,472	16,389,351,014
- Labour cost		4,195,925,516	4,253,863,400
- Office Supplies Expenses		160,258,000	208,591,081
- Fixed assets depreciation expenses		615,359,586	616,472,940
- Taxes, fees and charges		406,167,984	329,608,517
- Provisions		(8,489,411,904)	6,630,122,319
- Expenses of outsourced services		218,553,868	2,488,786,739
- Other monetary cost		7,584,315,422	1,861,906,018
b) Selling expenses		5,885,680,132	5,564,787,070
- Labour cost		2,928,199,881	3,432,130,497
- Fixed assets depreciation expenses		223,830,309	271,989,732
- Expenses of outsourced services		2,701,582,310	754,114,373
- Other monetary cost		32,067,632	1,106,552,468
Total		10,576,848,604	21,954,138,084
27. OTHER INCOMES			
		Year 2024	Year 2023
		VND	VND
- Other income		1,080,181,630	50,739,923
Total		1,080,181,630	50,739,923
28. OTHER EXPENSES			
		Year 2024	Year 2023
		VND	VND
- Tax Penalties and Social Insurance Penalties		432,750,697	40,823,307
- Other expenses		744,813,139	62,000,000
Total		1,177,563,836	102,823,307
29. CURRENT CORPORATE INCOMES TAX EXPENSE			
		Year 2024	Year 2023
		VND	VND
Profit before tax		2,665,705,864	2,463,053,378
Non-deductible expenses		1,042,779,836	102,823,307
Non-Taxable Income for Corporate Income Tax		-	-
Taxable income		3,708,485,700	2,565,876,685
Tax rate		20%	20%
Current corporate income tax expense		741,697,140	513,175,337
Corporate income tax expenses of previous years		49,613,017	1,047,353,349
Total corporate income tax expenses of the current year		791,310,157	1,560,528,686

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

30. BASIC EARNING PER SHARE

	Year 2024 VND	Year 2023 VND
Profit distributed to shareholders owning ordinary shares	1,874,395,707	902,524,692
Weighted average number of outstanding shares during the years (shares)	20,693,437	20,693,437
Basic earning per share (VND/share)	91	44

31. DILUTED EARNINGS PER SHARE

The Board of Directors of the Company assesses that, in the near future, there will be no impact from instruments that can be converted into shares and dilute the value of shares, Therefore, the Company determines that the diluted profit per share will be equal to the basic profit per share,

32. BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2024 VND	Year 2023 VND
- Raw material costs	758,513,266,296	749,264,656,061
- Labour costs	19,542,673,665	22,438,165,487
- Fixed asset depreciation and amortization	14,463,461,796	14,056,675,800
- Taxes, fees and charges	406,167,984	329,608,517
- Provision Appropriation/Write-back	(8,489,411,904)	6,630,122,319
- Expenses of outsourced service	26,948,622,306	19,414,297,243
- Other cost	9,906,447,226	2,975,658,486
Total	821,291,227,369	815,109,183,913

33. SEGMENT REPORT

According to Accounting Standard No, 28 and the guiding Circular for this Standard, a segment is a distinguishable component of the company engaged in providing related products or services (business segment) or providing products or services in a specific economic environment (geographic segment), each of which bears risks and generates economic benefits different from other segments, During the year, the Company mainly generated commercial revenue related to aluminum products and primarily operated in the Vietnamese market, Therefore, the Company did not prepare Segment Reports for the financial year ending on 31 December 2024, as segment information was deemed insignificant for users of the financial statements,

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

34. OTHER INFORMATION

34.1. INFORMATION ABOUT RELATED PARTIES

During the year, the Company did not incur any balances or transactions with related parties,

Remuneration of the Board of Director (BOD); Board of Supervision (BOS) và Board of General Director:

	Position	Year 2024 VND	Year 2023 VND
Remuneration of the BOD và Board of General Director		411,994,210	403,429,440
Mrs. Pham Thi Quynh Thu	Chairman	24,000,000	24,000,000
Mr. Nguyen Minh Ke	Deputy Chairman	24,000,000	24,000,000
Mr. Le Van Thang	Board Member/ General Director	180,889,450	176,913,600
Mrs. Do Thi Thanh Tung	Board Member / Deputy General Director	159,104,760	154,515,840
Mr. Vu Hong Quan	Independent Board Member	24,000,000	24,000,000
Remuneration of the BOS		364,087,762	350,996,000
Mr. Nguyen Van Chien	Chief Supervisor	116,197,050	112,892,480
Mr. Nguyen Van Khiem	Chief Supervisor	84,628,899	137,953,920
Mrs. Pham Thi Ngoan	Board Member	60,730,813	-
Mr. Luu Duc Giang	Board Member	102,531,000	100,149,600
Total		776,081,972	754,425,440

34.2. COMPARATIVE FIGURES

The comparative figures on the Financial Statements are the figures in the Company's audited Financial Statements for the fiscal year ended 31 December 2023.

Phutho, March 27, 2025

Prepared by



Cao Thi Thu Hien

Chief Accountant



Tran Giang Nam

General Director



Le Van Thang

