

REGULAR DISCLOSURE OF FINANCIAL STATEMENTS

To: Hanoi Stock Exchange

Under the provisions of Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the disclosure of information on the securities market, Thien Quang Joint Stock Company has carried out the disclosure of Audited Financial Statements of 2024 to the Hanoi Stock Exchange as follows:

1. Name of company: Thien Quang Joint Stock Company

- Stock symbol: ITQ

- Address of headoffice: An Lac Hamlet, Trung Trac Ward – Van Lam Dist – Hung Yen Province – Viet Nam

- Telephone : +84-(0321)-3997 185 - Fax: +84-(0321)-3980 908

- Website: <http://inoxthienquang.com.vn//>

2. Content of the disclosure information:

- Audited Financial Statements 2024

☒ Separate financial statements (The reporting entity does not have subsidiaries, and the higher-level accounting entity has affiliated units);

☐ Consolidated Financial Statements (The reporting entity has subsidiaries);

☐ Combined financial statements (The reporting entity has affiliated accounting units with separate accounting systems).

- Cases that require an explanation of the cause:

+ The profit after corporate income tax in the income statement for the reporting period changes by 10% or more compared to the same period in the previous year:

☒ Yes

☐ No

Explanation document in cases of ticked yes:

☒ Yes

☐ No

+ The profit after tax in the reporting period is at a loss, changing from a profit in the same period of the previous year to a loss in this period, or vice versa:

☐ Yes

☒ No

Explanation document in cases of ticked yes:

☐ Yes

☐ No

This information was published on the company's website on March 29th at the following link: <http://inoxthienquang.com.vn/>

We hereby affirm that the information published above is true and accurate, and we take full legal responsibility for the content of the disclosed information.

Attachments:

- Audited Financial statements 2024
- Explanation document 290325/ TCKT

ORGANIZATION REPRESENTATIVE

The company's legal representative/Authorized person for information disclosure

(Signature, full name and seal- in case of organisation)



TỔNG GIÁM ĐỐC
Phạm Quang Trung

THIEN QUANG GROUP JOINT STOCK COMPANY

FINANCIAL STATEMENTS

**For the financial year ended 31 December 2024 audited by
NHAN TAM VIET AUDIT COMPANY LIMITED**

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REPORT OF THE BOARD OF DIRECTORS

The Board of Directors of Thien Quang Group Joint Stock Company (hereinafter referred to as “the Company”) presents its report together with the audited financial statements for the fiscal year ended December 31, 2024.

COMPANY OVERVIEW

Thien Quang Group Joint Stock Company operates under the business registration certificate No. 0900233261 issued by the Department of Planning and Investment of Hung Yen province for the first time on May 16, 2007. During its operation, the Company was granted 11 additional business registration certificates. The 11th business registration certificate dated June 21, 2024 was issued by the Department of Planning and Investment of Hung Yen province.

Charter capital according to the 11th business registration certificate: 318,433,050,000 VND

Actual contributed charter capital as of December 31, 2024: VND 318,433,050,000

Headquarters:

Address: Trung Trac Commune, Van Lam District, Hung Yen Province.

Phone: 0221 3997 185

Fax: 0221 3980 908

Website: <http://www.inoxthienquang.com.vn>

Email: quangnv@inoxthienquang.com.vn

Tax code: 0 9 0 0 2 3 3 2 6 1

FINANCIAL STATEMENT AND BUSINESS PERFORMANCE

The Company's financial position as of December 31, 2024, results of operations and cash flows for the fiscal year then ended are presented in the Financial Statements attached to this report (from page 07 to page 44).

EVENTS OCCURRING AFTER THE END OF THE FISCAL YEAR

The Board of Directors of the Company confirms that there are no events occurring after December 31, 2024 up to the date of this report that have not been considered for adjustment of figures or disclosure in the Financial Statements.

BOARD OF MEMBERS AND EXECUTIVE AND MANAGEMENT

Members of the Board of Directors during the year and as at the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Nguyen Van Quang	Chairman
Mr. Le Quyet Tien	Member
Mr. Pham Bao Duong	Member

The members of the Board of Supervisors during the year and at the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Dang Ngoc Phan	Prefect
Ms. Cao Thi Huyen	Member
Ms. Nguyen Thi Cao Lien	Member

THIEN QUANG GROUP JOINT STOCK COMPANY
REPORT OF THE BOARD OF DIRECTORS (next)

The members of the Board of Directors during the year and at the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr. Pham Quang Trung	General Director
Mrs. Nguyen Dieu Linh	Deputy General Director
Mr. Hoang Anh Son	Deputy General Director

<u>Full name</u>	<u>Position</u>
Mrs. Phan Thi Hoai Thuong	Chief Accountant

AUDITOR

Nhan Tam Viet Auditing Company Limited has audited the Financial Statements for fiscal year ending December 31, 2024.

STATEMENT OF RESPONSIBILITY OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Board of Directors of the Company is responsible for preparing the Financial Statements which give a true and fair view of the financial position, results of operations and cash flows of the Company during the period. In preparing the Financial Statements, the Board of Directors of the Company undertakes to comply with the following requirements:

- Establish and maintain internal controls that the Board of Directors determines are necessary to enable 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 judgements and estimates that are reasonable and prudent;
- State whether the applicable accounting standards have been followed, and whether there are any material departures that need to be disclosed and explained in the Financial Statements;
- Prepare and present Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Enterprise Accounting Regime and legal regulations related to the preparation and presentation of Financial Statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Directors of the Company ensures that the accounting records are kept to reflect the financial position of the Company, with a true and fair view at any time and to ensure that the Financial Statements comply with the current regulations of the State. At the same time, it is responsible for ensuring the safety of the Company's assets and taking appropriate measures to prevent and detect fraud and other violations of the Company as at December 31, 2024, the results of business operations and cash flows for the fiscal year ended December 31, 2024, in accordance with the Vietnamese Accounting Standards, Accounting Regime for Enterprises and comply with the legal regulations related to the preparation and presentation of Financial Statements.

THIEN QUANG GROUP JOINT STOCK COMPANY
REPORT OF THE BOARD OF DIRECTORS (next)

OTHER COMMITMENTS

The Board of Directors commits that the Company complies with Decree 155/2020/ND-CP dated December 31, 2020 guiding corporate governance applicable to public companies and the Company does not violate the obligation to disclose information as prescribed in Circular No.96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding information disclosure on the stock market.

Hung Yen, March 28, 2025

On behalf of the Board of Directors

General Director



Pham Quang Trung

Number : 2806.06.02/BCTC-NTV2

INDEPENDENT AUDIT REPORT

About the 2024 Financial Statements

Dear : Shareholders, Board of Directors, Executive Board
Thien Quang Group Joint Stock Company

We have audited the accompanying financial statements of Thien Quang Group Joint Stock Company, prepared on March 28, 2025 from page 07 to page 44, including: Balance sheet as at December 31, 2024, Income statement, Cash flow statement for the fiscal year then ended and Notes to the financial statements.

Responsibilities of the Board of Directors

Board of Directors Thien Quang Group Joint Stock Company is responsible for the preparation and fair presentation of the Company's financial statements in accordance with Vietnamese accounting standards, corporate accounting regimes and legal regulations related to the preparation and presentation of financial statements and is responsible for internal control that the Board of Directors determines is necessary to ensure the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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

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

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

INDEPENDENT AUDIT REPORT (CONTINUED)

Auditor's opinion

In our opinion, the Financial Statements referred to above give a true and fair view, in all material respects, of the financial position of Thien Quang Group Joint Stock Company as at December 31, 2024, as well as the results of its operations and cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of Financial Statements.

Hanoi, March 28, 2025

NHAN TAM VIET AUDIT COMPANY LIMITED

Deputy General Manager

Auditor



Nguyen Thi Hanh

Certificate of Business Registration No.:
1690-2023-124-1

Pham Van Tuan

Certificate of Business Registration No.:
4497-2023-124-1

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

BALANCE SHEET

As of December 31, 2024

Unit: VND

ASSET	Cod e	Explanat ion	Year-end number	Beginning of year number
A - CURRENT ASSETS	100		398,695,444,488	395,535,219,900
I. Cash and cash equivalents	110	V.1	4,709,353,896	4,749,779,859
1. Money	111		4,709,353,896	4,749,779,859
2. Cash equivalents	112		-	-
II. Short-term financial investment	120		10,000,000,000	4,000,000,000
1. Trading securities	121		-	-
2. Provision for impairment of trading securities	122		-	-
3. Held to maturity investment	123	V.2a	10,000,000,000	4,000,000,000
III. Short-term receivables	130		156,711,937,381	173,195,474,788
1. Short-term trade receivables	131		149,021,839,108	148,893,540,613
2. Short-term seller advance	132		7,492,927,538	145,961,306
3. Short-term internal receivables	133		-	-
4. Receivable according to construction contract progr	134		-	-
5. Short-term loan receivable	135		-	23,000,000,000
6. Other short-term receivables	136		197,170,735	1,155,972,869
7. Provision for doubtful short-term receivables	137		-	-
8. Assets missing pending resolution	139		-	-
IV. Inventory	140		205,551,982,578	194,538,748,244
1. Inventory	141		205,551,982,578	194,538,748,244
2. Provision for inventory write-down	149		-	-
V. Other current assets	150		21,722,170,633	19,051,217,009
1. Short-term prepaid expenses	151	V.8a	430,773,790	351,595,013
2. Deductible value added tax	152		21,220,313,636	18,580,369,986
3. Taxes and other amounts receivable from the State	153	V.15	71,083,207	119,252,010
4. Government bond repurchase transaction	154		-	-
5. Other current assets	155		-	-

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

Balance sheet(next)

ASSET	Cod e	Explan a tion	Year-end number	Beginning of year number
B - LONG-TERM ASSETS	200		143,265,758,943	121,089,163,777
I. Long-term receivables	210		-	-
1. Long-term receivables from customers	211		-	-
2. Long-term prepayment to seller	212		-	-
3. Business capital in affiliated units	213		-	-
4. Long-term internal receivables	214		-	-
5. Long-term loan receivable	215		-	-
6. Other long-term receivables	216		-	-
7. Provision for doubtful long-term receivables	219		-	-
II. Fixed assets	220		47,601,930,575	55,773,098,035
1. Tangible fixed assets	221	V.9	41,005,925,375	49,144,997,035
<i>Original price</i>	222		144,605,602,028	144,605,602,028
<i>Accumulated depreciation</i>	223		(103,599,676,653)	(95,460,604,993)
2. Financial lease fixed assets	224		-	-
<i>Original price</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.10	6,596,005,200	6,628,101,000
<i>Original price</i>	228		7,141,646,800	7,141,646,800
<i>Accumulated depreciation</i>	229		(545,641,600)	(513,545,800)
III. Investment real estate	230	V.11	72,690,197,821	30,006,343,586
<i>Original price</i>	231		72,810,276,481	30,006,343,586
<i>Accumulated depreciation</i>	232		(120,078,660)	-
IV. Long-term unfinished assets	240		19,623,433,805	27,365,658,849
1. Long-term unfinished production and business costs	241		-	-
2. Construction in progress cost	242	V.12	19,623,433,805	27,365,658,849
V. Long-term financial investment	250		-	6,000,000,000
1. Investment in subsidiaries	251		-	-
2. Investment in joint ventures and associates	252		-	-
3. Investing in other entities	253		-	-
4. Long-term financial investment reserve	254		-	-
5. Held to maturity investment	255	V.2b	-	6,000,000,000
VI. Other long-term assets	260		3,350,196,742	1,944,063,307
1. Long-term prepaid expenses	261	V.8b	3,350,196,742	1,944,063,307
2. Deferred income tax assets	262		-	-
3. Long-term replacement equipment, supplies and spa	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSETS	270		541,961,203,431	516,624,383,677

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

Balance sheet(next)

CAPITAL SOURCES		Cod e	Explanat ion	Year-end number	Beginning of year number
C - LIABILITIES PAYABLE		300		209,426,299,239	184,935,286,005
I. Short-term debt		310		209,426,299,239	184,935,286,005
1. Short-term trade payables		311	V.13	88,633,845,925	70,112,514,843
2. Short-term advance payment buyer		312	V.14	30,000,000	603,798,054
3. Taxes and other payments to the State		313	V.15	384,000	384,000
4. Payable to workers		314		449,000,000	1,076,311,856
5. Short-term payable expenses		315	V.16	109,280,391	127,347,776
6. Short-term internal payables		316		-	-
7. Payable according to construction contract progress		317		-	-
8. Short-term unearned revenue		318		-	-
9. Other short-term payables		319	V.17	147,919,601	130,822,051
10. Short-term loans and finance leases		320	V.18	119,749,214,465	112,382,353,346
11. Provision for short-term payables		321		-	-
12. Bonus and welfare fund		322	V.19	306,654,857	501,754,079
13. Price stabilization fund		323		-	-
14. Government bond repurchase transaction		324		-	-
II. Long-term debt		330		-	-
1. Long-term trade payables		331		-	-
2. Long term prepayment buyer		332		-	-
3. Long-term payable expenses		333		-	-
4. Internal payable on working capital		334		-	-
5. Long-term internal payables		335		-	-
6. Long-term unrealized revenue		336		-	-
7. Other long-term payables		337		-	-
8. Long-term loans and financial leases		338		-	-
9. Convertible bonds		339		-	-
10. Preferred stock		340		-	-
11. Deferred income tax payable		341		-	-
12. Long-term payables provision		342		-	-
13. Science and Technology Development Fund		343		-	-

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

Balance sheet(next)

CAPITAL SOURCES	Cod e	Explanat ion	Year-end number	Beginning of year number
D - OWNER'S EQUITY	400		332,534,904,192	331,689,097,672
I. Equity	410	V.20	332,534,904,192	331,689,097,672
1. Owner's equity	411		318,433,050,000	318,433,050,000
- Common shares with voting rights	411a		318,433,050,000	318,433,050,000
- Preferred stock	411b		-	-
2. Share capital surplus	412		6,422,192,528	6,422,192,528
3. Bond conversion option	413		-	-
4. Other owners' equity	414		-	-
5. Treasury stock	415		-	-
6. Asset revaluation difference	416		-	-
7. Exchange rate difference	417		-	-
8. Development investment fund	418		6,076,492,522	6,278,833,647
9. Enterprise Arrangement Support Fund	419		-	-
10. Other equity funds	420		-	-
11. Undistributed profit after tax	421		1,603,169,142	555,021,497
- Undistributed profit after tax accumulated to the end of the period	421a		555,021,497	(1,367,658,317)
- Undistributed profit for this period	421b		1,048,147,645	1,922,679,814
12. Source of capital for basic construction investment	422		-	-
II. Other funding and funds	430		-	-
1. Funding sources	431		-	-
2. Funds for forming fixed assets	432		-	-
TOTAL CAPITAL	440		541,961,203,431	516,624,383,677

The chartist



Dinh Thi Thu Ha

Chief Accountant



Phan Thi Hoai Thuong

Established March 28, 2025

General Director



Pham Quang Trung

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

BUSINESS PERFORMANCE REPORT

For the fiscal year ending December 31, 2024

Unit: VND

INDICATORS	Cod e	Explan ation	This year	Last year
1. Sales and service revenue	01	VI.1	555,568,933,214	544,672,306,175
2. Revenue deductions	02		175,333,523	279,328,009
3. Net revenue from sales and services	10		555,393,599,691	544,392,978,166
4. Cost of goods sold	11	VI.2	528,058,139,221	514,758,897,278
5. Gross profit on sales and service provision	20		27,335,460,470	29,634,080,888
6. Financial revenue	21	VI.3	3,122,959,858	1,974,321,068
7. Financial costs	22	VI.4	9,272,179,089	11,206,197,762
Including: interest expense	23		6,412,696,948	8,905,015,016
8. Cost of sales	25	VI.5	8,814,800,604	8,611,064,864
9. Business management costs	26	VI.6	11,758,099,252	9,696,028,604
10. Net operating profit	30		613,341,383	2,095,110,726
11. Other income	31	VI.7	539,371,365	291,286,717
12. Other costs	32	VI.8	104,565,103	397,696,530
13. Other profits	40		434,806,262	(106,409,813)
14. Total accounting profit before tax	50		1,048,147,645	1,988,700,913
15. Current corporate income tax expense	51	VI.9	-	66,021,099
16. Deferred corporate income tax expense	52		-	-
17. Profit after corporate income tax	60		1,048,147,645	1,922,679,814
18. Basic earnings per share	70	VI.10	33	60
19. Diminished earnings per share	71	VI.10	33	60

The chartist

Dinh Thi Thu Ha

Chief Accountant

Phan Thi Hoai Thuong

Established, March 28, 2025

General Director



Pham Quang Trung

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

CASH FLOW STATEMENT

By direct method

2024

Unit: VND

ITEM	Cod e	Demonstr ation	Unit: VND	
			This Year	Last Year
I. Cash flow from operating activities				
1. Revenue from sales of goods, provision of services and Other revenue	01		604,197,223,981	606,423,247,211
2. Payments to suppliers of goods and services	02		(561,036,315,021)	(529,564,763,590)
3. Money paid to workers	03		(19,893,338,023)	(18,411,158,305)
4. Interest paid	04		(6,430,764,333)	(8,958,870,307)
5. Corporate income tax paid	05		-	-
6. Other income from operating activities	06		1,335,989,838	281,843,711
7. Other expenses for business activities	07		(15,320,875,932)	(15,720,208,702)
Net cash flow from operating activities	20		2,851,920,510	34,050,090,018
II. Cash flow from investing activities				
1. Money spent on purchasing and constructing fixed assets and other long-term assets	21		(36,800,000,000)	(6,012,006,325)
2. Proceeds from liquidation and sale of fixed assets and other long-term assets	22		(6,000,000,000)	570,000,000
3. Money spent on lending, buying debt instruments other units	23		29,000,000,000	(23,000,000,000)
4. Proceeds from loan recovery, resale of debt instruments other units	24		-	-
5. Money spent on investment and capital contribution to ot	25		-	-
6. Recovered investment and capital contribution to other er	26		-	-
7. Interest income, dividends and profits	27		3,534,306,561	723,885,988
Net cash flow from investing activities	30		(10,265,693,439)	(27,718,120,337)

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

Cash flow statement(next)

ITEM	Cod e	Demonstration	This Year		Last Year	
III. Cash flow from financing activities						
1. Proceeds from issuing shares, receiving capital contributions from owner	31		-		-	
2. Money returned to owners, buyback issued company shares	32		-		-	
3. Proceeds from borrowing	33		355,370,496,128		390,470,843,934	
4. Loan principal repayment	34		(348,003,635,009)		(401,094,064,176)	
5. Lease principal repayment	35		-		-	
6. Dividends, profits paid to owners	36		-		-	
Net cash flow from financing activities	40		7,366,861,119		(10,623,220,242)	
Net cash flow during the year	50		(46,911,810)		(4,291,250,561)	
Cash and cash equivalents at the beginning of the year	60	V.1	4,749,779,859		8,735,992,082	
Effects of fluctuations in foreign exchange rates	61		6,485,847		305,038,338	
Cash and cash equivalents at year end	70	V.1	4,709,353,896		4,749,779,859	

Prepared by

Chief Accountant

Established on March 28, 2025

General Director





Dinh Thi Thu Ha

Phan Thi Hoai Thuong

Pham Quang Trung

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac Commune, Van Lam District, Hung Yen Province

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

Notes to the Financial Statements (next)

NOTES TO FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2024

I. CHARACTERISTICS OF COMPANY OPERATIONS

1. **Form of capital ownership** : Joint Stock Company
2. **Business Field** : Manufacturing and trading of stainless steel products.
Manufacturing and trading of foam plastic products.
3. **Business sector** :
The Company's main business lines include:
 - Production and trade of stainless steel products;
 - Manufacture of plastic products;
 - Production of iron, steel, cast iron;
4. **Normal production and business cycle:** Within 12 months
5. **Special point Business activities during the fiscal year that affect the Financial Statements:** Do not have.
6. **Total number of employees of the Company as of December 31, 2024:** 109 employees (beginning of year 117 employees)
7. **Statement on comparability of information in financial statements:** The financial statements for the fiscal year ending December 31, 2024 are fully consistent and comparable with the financial statements for the fiscal year ending December 31, 2023.

II. FISCAL YEAR, CURRENCY USED IN ACCOUNTING

1. **Fiscal year**
The Company's fiscal year begins on January 1 and ends on December 31 of each year.
2. **Currency used in accounting**
The currency used in accounting is Vietnamese Dong (VND).

III. ACCOUNTING STANDARDS AND REGIMES APPLIED

1. **Applicable accounting regime**
The Company applies the Vietnamese Enterprise Accounting Regime issued according to Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC of 2016 amending and supplementing Circular No. 200/2014/TT-BTC and circulars guiding the implementation of accounting standards and regimes of the Ministry of Finance.
2. **Statement on compliance with accounting standards and accounting regimes**
The Board of Directors ensures that it has complied with the requirements of accounting standards, the Vietnamese Enterprise Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC in 2016 amending and supplementing Circular No.

THIEN QUANG GROUP JOINT STOCK COMPANY

Address: Trung Trac commune, Van Lam district, Hung Yen province

FINANCIAL STATEMENTS

for the fiscal year ending December 31, 2024

Notes to the Financial Statements (next)

200/2014/TT-BTC as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in preparing Financial Statements.

3. Applicable accounting form

The company uses a computerized general journal accounting system.

IV. ACCOUNTING POLICIES APPLIED

1. Basis for preparing financial statements

Financial statements are prepared on the accrual basis of accounting (except for information relating to cash flows).

2. Types of exchange rates applied in accounting and principles of accounting for exchange rate differences

The company has transactions in foreign currencies: USD, EUR.

Exchange rate differences arising during the year and exchange rate differences due to revaluation of foreign currency items at the end of the year are recorded in income or expenses during the year. Exchange rate differences due to revaluation of foreign currency balances at the end of the period are implemented according to the guidance of Circular 200/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance.

Transactions in foreign currencies are translated at the exchange rate on the transaction date. Balances of foreign currency items at the end of the period are translated at the exchange rate on the balance sheet date.

Exchange rate differences arising during the period from foreign currency transactions of foreign currency items and exchange rate differences due to revaluation of foreign currency items at the end of the period after offsetting the increase and decrease are recorded in financial income or financial expenses.

The exchange rate used to convert transactions in foreign currencies is the actual exchange rate at the time of the transaction of the commercial bank where the Company transacts. The exchange rate used to re-evaluate the balance of foreign currency items at the end of the period is the buying rate of the commercial bank or the average buying rate of the commercial banks where the Company opens an account announced at the end of the fiscal year.

The exchange rates used for conversion as of December 31, 2024, are as follows:

Bank deposits, margin deposits, and receivables are at the buying rate of Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch.

Liabilities are at the selling rate of Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch.

3. Cash and cash equivalents

Cash includes cash on hand, demand bank deposits, monetary gold used for value storage functions, excluding gold classified as inventories used for the purpose of raw materials to produce products or goods for sale.

Cash equivalents are short-term investments with a maturity of no more than three months from the date of purchase, which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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4. Principles of accounting for financial investments

Held to maturity investments

Investments are classified as held-to-maturity when the Corporation has the intention and ability to hold them until maturity. Held-to-maturity investments include: term deposits (including treasury bills and promissory notes), bonds, preference shares that the issuer must redeem at a certain time in the future, loans held to maturity for the purpose of earning periodic interest and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost, which includes the purchase price and any costs associated with the transaction. After initial recognition, these investments are recognized at their recoverable amount. Interest income from investments held to maturity after the acquisition date is recognized in the Statement of Business Performance on an accrual basis. Interest earned before the Corporation holds is deducted from the cost at the acquisition date.

When there is strong evidence that part or all of an investment may not be recovered and the amount of loss can be reliably determined, the loss is recorded in financial expenses in the year and the investment value is directly deducted.

5. Trade and other receivables

The items Receivables are stated at carrying amount less allowance for doubtful debts.

The classification of receivables as trade receivables, internal receivables and other receivables is carried out according to the following principles:

- Trade receivables reflect commercial receivables arising from purchase-sale transactions between Business and the buyer is an independent entity with Business, including receivables for export sales on consignment to other entities.
- Other receivables reflect non-commercial receivables not related to purchase and sale transactions.

6. Principles of inventory recognition

The cost of inventories is determined as follows:

- **Original Materials, goods:** include costs of purchase and other directly relevant costs incurred in bringing the inventories to their present location and condition.
- **Finished products:** include costs of raw materials, direct labor and related general manufacturing costs allocated based on normal operating levels, direct costs and related general costs incurred during the investment process of constructing finished real estate products..
- **Work in progress costs:** only include costs of main raw materials, labor costs, depreciation costs of assets used for production activities and general production costs related to production activities.

Net realizable value is the estimated selling price of inventory in the normal course of business. normal less the estimated costs of completion and the estimated costs necessary to make the sale.

Inventories are valued using the weighted average method and accounted for using the perpetual inventory method.

Provision for inventory devaluation is established for each inventory item whose original cost is greater than its net realizable value. Increase or decrease in the balance of provision for inventory devaluation need to set aside at the end of the financial year is recognized in cost of goods sold.

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7. Original Rules for recognition and depreciation of tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all costs incurred by the Company to acquire tangible fixed assets up to the date when the asset is ready for use. Expenditures incurred after initial recognition are only recorded as an increase in the cost of tangible fixed assets if it is certain that these costs will increase future economic benefits from the use of the asset. Expenditures that do not satisfy the above conditions are recorded immediately as expenses.

When tangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is included in income or expenses for the year.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives. The depreciation years for various types of Tangible Fixed Assets are as follows:

Type of fixed asset	No. 5
Houses and structures	5 - 25
Machinery and equipment	3 - 15
Means of transport, transmission	6 - 8

8. Principles of recognition and depreciation of intangible fixed assets

Intangible fixed assets are stated at cost less accumulated depreciation.

The cost of intangible fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the date when the assets are ready for use. Expenses related to intangible fixed assets incurred after initial recognition are recognized as production and business expenses in the period, unless these expenses are associated with a specific intangible fixed asset and increase the economic benefits from these assets.

When intangible fixed assets are sold or disposed of, their cost and accumulated depreciation are eliminated from the accounts and any gain or loss resulting from their disposal is recognized as income or expense in the year.

The Company's intangible fixed assets include:

Land use rights

Land use rights are all actual costs that the Company has spent directly related to the land used, including: money spent to obtain land use rights, costs for compensation, site clearance, site leveling, registration fees... Land use rights are depreciated over 35 years (except for the Land Use Rights at the Auction Area of Giang Bien Ward, Long Bien District, Hanoi City, which are indefinite in duration and therefore not depreciated).

Computer software

The purchase price of computer software that is not an integral part of the related hardware is separately recorded as an intangible fixed asset. The original cost of computer software is all costs incurred by the Company up to the date the software is put into use. Computer software is amortized on a straight-line basis over 05 years.

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9. Investment real estate

Investment real estate is the right to use land, house, part of house or infrastructure owned by Company held for the purpose of earning rental income or for capital appreciation. Investment properties are stated at cost less accumulated depreciation. The cost of investment properties is the total cost that Company the amount paid or the fair value of the consideration given to acquire the investment property at the time of its acquisition or completion of construction.

Expenditures related to investment real estate incurred after initial recognition are recorded as expenses, unless these expenses are likely to make the investment real estate generate more economic benefits in the future than the initially assessed level of performance, then they are recorded as an increase in original cost.

When investment property is sold, its cost and accumulated depreciation are written off and any resulting gain or loss is recognized as income or expense for the year.

Transfers from owner-occupied property or inventories to investment property occur only when the owner stops using the property and begins operating leases to others or at the end of the construction phase. Transfers from investment property to owner-occupied property or inventories occur only when the owner starts using the property or develops it with a view to selling it. Transfers from investment property to owner-occupied property or inventories do not change the cost or carrying amount of the property at the date of transfer.

Investment property held for capital appreciation is not depreciated. In cases where there is clear evidence that the investment property held for capital appreciation has declined relative to its market value and the decline can be measured reliably, the investment property held for capital appreciation is written down and the loss is recognized in cost of goods sold.

The Company's investment properties include:

Land use rights

Land use rights are all actual costs the Company has spent directly related to the land used, including: money spent to obtain land use rights, costs for compensation, site clearance, site leveling, registration fees...

According to the provisions of Vietnamese Accounting Standard No. 05 - Investment Real Estate, the fair value of investment real estate as at 31 December 2024 must be presented. However, the Company has not yet determined the fair value of these real estates as at 31 December 2024 because it has not found a suitable consulting unit, the Company has not presented the fair value of these investment real estates in the Notes to the Financial Statements.

10. Construction in progress cost

Construction in progress reflects directly related costs (including including related interest costs consistent with the accounting policies of the Enterprise) to cAssets under construction, machinery and equipment being installed for production, leasing and management purposes as well as costs related to repairs of fixed assets in progress. These assets are recorded at original cost and not depreciated

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11. Principles of accounting for prepaid expenses

Prepaid expenses record actual expenses that have been incurred but are related to the business performance of many accounting periods and the transfer of these expenses to the business performance of the following accounting periods.

Tools, instruments

Tools and equipment put into use are allocated to expenses using the straight-line method with an allocation period of no more than 03 years.

Other costs

Other costs are allocated to expenses by the straight-line method with an allocation period of no more than 03 years.

12. Accounting principles for liabilities and accrued expenses

Liabilities and accruals are recognized for amounts to be paid in the future for goods and services received. Accruals are recognized based on reasonable estimates of the amounts to be paid.

The classification of payables as trade payables, accrued expenses and other payables is made according to the following principles:

- Trade payables reflect commercial payables arising from transactions of purchasing goods, services, assets and the seller is an independent entity. Business, including amounts payable upon import through a consignee.
- Payable expenses reflect amounts payable for goods and services received from sellers or provided to buyers but not yet paid due to lack of invoices or insufficient accounting records and documents, and amounts payable to employees for leave wages, production and business expenses that must be accrued in advance.
- Other payables reflect non-commercial payables not related to the purchase, sale or provision of goods and services.

13. Principles of recording loans and financial lease liabilities

The company must monitor in detail the payment terms of loans and financial leases. For loans with a repayment period of more than 12 months from the date of the financial statements, accountants present them as long-term loans and financial leases. For loans due within the next 12 months from the date of the financial statements, accountants present them as short-term loans and financial leases to have a payment plan.

For finance lease liabilities, the total lease liability reflected on the credit side of account 341 is the total amount payable calculated by the present value of the minimum lease payments or the fair value of the leased asset.

Loans and debts in foreign currency must be converted into accounting currency at the actual transaction exchange rate at the time of occurrence;

- When paying debts or borrowing in foreign currency, the Debit side of account 341 is converted according to the actual accounting exchange rate for each subject;

- When preparing the Financial Statements, the balance of loans and financial leases in foreign currencies must be re-evaluated at the actual transaction exchange rate at the time of preparing the Financial Statements.

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- Exchange rate differences arising from the payment and end-of-period revaluation of loans and financial leases in foreign currencies are recorded in financial revenue or expenses.

14. Principle of equity recognition

Owner's equity

Owner's equity is recorded at the actual amount invested by shareholders.

Other equity

Other capital is formed by supplementing from business results, revaluation of assets and the remaining value between the fair value of donated, presented, and sponsored assets after deducting taxes payable (if any) related to these assets.

Other funds

Funds are set aside and used in accordance with the Company Charter and the Resolution of the Annual Shareholders' Meeting.

Dividends

Dividends recognized as a liability when disclosed.

15. Profit Distribution

Profit after corporate income tax is distributed to shareholders after setting aside funds according to the Company's Charter. Companies as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

16. Revenue and income recognition

Revenue from sales of goods and finished products

Revenue from the sale of goods and finished products is recognized when all of the following conditions are simultaneously satisfied:

- The enterprise has transferred the significant risks and rewards of ownership of the products or goods to the buyer.
- The enterprise no longer holds the right to manage the goods as the owner of the goods or the right to control the goods.
- Revenue is determined with relative certainty. When the contract stipulates that the buyer has the right to return the purchased products or goods under specific conditions, revenue is only recognized when those specific conditions no longer exist and the buyer is not entitled to return the products or goods (except in cases where the customer has the right to return the goods in exchange for other goods or services).
- The enterprise has obtained or will obtain economic benefits from the sale transaction.
- Identify the costs associated with a sales transaction.

Interest

- Interest is recognized on an accrual basis, determined on the deposit account balance and the actual interest rate for each period.

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17. Accounting principles for revenue deductions

Sales deductions include: Sales discounts and sales returns.

Sales discounts and sales returns arising in the same period of product, goods and service consumption are adjusted to reduce revenue of the arising period;

In case products, goods and services have been consumed in previous periods, and sales discounts or returned goods arise in the following period, the company can record a reduction in revenue according to the following principles:

+ If products, goods, and services have been consumed in previous periods, and must be discounted or returned in the next period but occur before the issuance of the Financial Statement, the accountant must consider this an event that requires adjustment occurring after the date of the Balance Sheet and record a reduction in revenue on the Financial Statement of the reporting period (previous period).

+ In case products, goods, and services must be discounted or returned after the issuance of the Financial Statement, the company will record a reduction in revenue for the period in which they arise (the following period).

18. Principles of accounting for cost of goods sold.

Cost of goods sold during the year is recorded in accordance with revenue generated during the period and ensures compliance with the principle of prudence.

For direct material costs consumed in excess of normal levels, labor costs, and fixed general manufacturing costs not allocated to the value of products in stock, accountants must immediately calculate them into the cost of goods sold (after deducting compensation, if any), even when the products and goods have not been determined to be consumed.

The provision for inventory price decline is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value being less than the original cost of inventory. When determining the volume of inventory with price decline requiring provision, the accountant must exclude the volume of inventory for which a sales contract has been signed (with a net realizable value not lower than the book value) but has not been transferred to the customer if there is certain evidence that the customer will not abandon the contract.

19. Borrowing costs

Borrowing costs include interest and other costs incurred in connection with borrowing.

Borrowing costs are recognized as expenses when incurred. In case borrowing costs are directly related to the investment in construction or production of uncompleted assets, it takes a long time (over 12 months) to be ready for use for the intended purpose or sale. then this borrowing cost is capitalized. For separate loans for the construction of fixed assets or investment real estate, interest is capitalized even if the construction period is less than 12 months. Income arising from temporary investment of loans is recorded as a reduction in the original cost of related assets.

For general borrowings used for the purpose of investment in construction or production of unfinished assets, the capitalized borrowing costs are determined according to the capitalization rate for the weighted average cumulative costs incurred for investment in basic construction or production of that asset. The capitalization rate is calculated according to the weighted average interest rate of the

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outstanding borrowings during the year, except for separate borrowings serving the purpose of forming a specific asset.

20. Principles of accounting for sales costs and business management costs

Selling expenses reflect actual costs incurred in the process of selling products, goods, and providing services, including costs of offering, introducing products, advertising products, sales commissions, product and goods warranty costs (except construction activities), preservation, packaging, transportation costs, etc.

Business management costs reflect the general management costs of the enterprise, including costs for salaries of employees in the business management department (salaries, wages, allowances, etc.); social insurance, health insurance, union fees, unemployment insurance for business management employees; costs of office materials, labor tools, depreciation of fixed assets used for business management; land rent, business license tax; provision for bad debts; outsourced services (electricity, water, telephone, fax, property insurance, fire and explosion insurance, etc.); other cash expenses (reception, customer conferences, etc.).

21. Current corporate income tax

Current income tax

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

The company is obliged to pay corporate income tax at a rate of 20%.

22. Financial instruments

i. Financial assets

Classification of financial assets

The Company classifies its financial assets into the following groups: financial assets at fair value through the Statement of Business Performance, investments held to maturity, loans and receivables, and financial assets available for sale. The classification of these financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Financial assets are recorded at fair value through the Statement of Business Performance

Financial assets are classified as measured at fair value through the Statement of Income if they are held for trading or designated as such at fair value through the Statement of Income upon initial recognition.

Financial assets are classified as held for trading securities if:

- Purchased or created primarily for the purpose of resale in the short term;
- The Company intends to hold for the purpose of short-term profit;
- Derivative financial instruments (except for derivative financial instruments that are identified as a financial guarantee contract or a designated and effective hedging instrument).

Held to maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Company has the intention and ability to hold to maturity.

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Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments and are not listed on an active market.

Financial assets available for sale

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale or that are not classified as financial assets at fair value through profit or loss, held-to-maturity investments, or loans and receivables.

Initial book value of financial assets

Financial assets are recognised at the date of acquisition and derecognised at the date of sale. At the time of initial recognition, financial assets are measured at their purchase price/issuance costs plus any other costs directly attributable to the acquisition or issue of the financial asset.

ii. **Financial liabilities**

The Company classifies financial liabilities into groups: financial liabilities recorded at fair value through the Income Statement, financial liabilities determined at amortized cost. The classification of financial liabilities depends on the nature and purpose of the financial liability and is determined at the time of initial recognition.

Financial liabilities are recorded at fair value through the Statement of Income.

A financial liability is classified as measured at fair value through the Statement of Income if it is held for trading or designated as such at fair value through the Statement of Income upon initial recognition.

Financial liabilities are classified as held for trading securities if:

- Issued or created primarily for the purpose of repurchasing in the short term;
- The Company intends to hold for the purpose of short-term profit;
- Derivative financial instruments (except for derivative financial instruments that are identified as a financial guarantee contract or a designated and effective hedging instrument).

Financial liabilities are measured at amortized cost.

Financial liabilities are measured at amortised cost, which is the amount at which the financial liability is initially recognised minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of calculating the amortized cost of a financial liability or group of financial liabilities and allocating interest income or expense over the relevant period. The effective interest rate is the rate at which estimated future cash flows that will be paid or received over the expected life of the financial instrument or, if appropriate, shorter, are discounted to the net present carrying amount of the financial liability.

Initial book value of financial liability

At initial recognition, financial liabilities are measured at issue price plus any costs directly attributable to the issue of the financial liability.

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iii. Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

23. Report by department

A business segment is a distinguishable component that is engaged in providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

24. Related parties

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

In considering any related party relationship, attention is directed more to the substance of the relationship than to the legal form.

Transactions with related parties during the year are presented in note VIII.1

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Notes to the Financial Statements (next)**V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET****1. Cash and cash equivalents**

	Year-end number	Beginning of year number
Cash	183,203,680	521,888,555
Non-term bank deposits	4,526,150,216	4,227,891,304
Add	4,709,353,896	4,749,779,859

**2. Held to maturity investment
a, Short term**

	Year-end number		Beginning of year number	
	Original price	Book value	Original price	Book value
Term deposit(*)	10,000,000,000	10,000,000,000	4,000,000,000	4,000,000,000
Add	10,000,000,000	10,000,000,000	4,000,000,000	4,000,000,000

(*) These are 6-month term deposit contracts issued by Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch. The deposit will be automatically renewed with the principal amount of the contract when there is no other agreement from both parties on the due date. is being mortgaged to secure loans at Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch (see note V.18).

b) Long Term

+ Bonds according to bond ownership certificate No. CTG2129T2-1444 issued by Vietnam Joint Stock Commercial Bank for Industry and Trade on November 18, 2021. The quantity is 60,000 bonds, par value 100,000 VND/bond. Currently, the unit has collected all the principal of this bond.

3. Short-term trade receivables

	Year-end number	Beginning of year number
Goldsun Vietnam Joint Stock Company	21,745,359,674	-
Thang Long Stainless Steel Company Limited	7,214,989,412	14,395,765,945
Quang Phat Stainless Steel Joint Stock Company	53,905,944,496	59,185,760,457
Kha Hoang Minh One Member Co., Ltd.	9,865,392,873	12,135,665,842
Other customers	56,290,152,653	63,176,348,369
Add	149,021,839,108	148,893,540,613

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	<u>Year-end number</u>	<u>Beginning of year number</u>
Hoang Chien Transport & Service Co., Ltd.	-	45,680,000
Hanoi Fire Prevention and Fighting Equipment Materials Joint Stock Company	2,019,052,000	-
XINGT CORPORATION LIMITED	5,329,821,065	-
Other suppliers	144,054,473	100,281,306
Add	7,492,927,538	145,961,306

5. Short-term loan receivable

	<u>Year-end number</u>	<u>Beginning of year number</u>
Ms. Nguyen Phuong Anh	-	6,000,000,000
Mrs. Tran Thi Thu Ha	-	2,000,000,000
Ms. Nguyen Phuong Quynh	-	7,000,000,000
Ms. Hoang Dieu Huong Ngan	-	5,000,000,000
Mrs. Nguyen Thi Truyen	-	3,000,000,000
Add	-	23,000,000,000

6. Other short-term receivables

	<u>Year-end number</u>	<u>Beginning of year number</u>
Overdue interest receivable	160,781,694	159,262,253
Interest receivable from loans and term deposits	36,389,041	996.710.616
Add	197.170.735	1,155,972,869

7. Inventory

	<u>Year-end number</u>		<u>Beginning of year number</u>	
	<u>Original price</u>	<u>Preventive</u>	<u>Original price</u>	<u>Preventive</u>
Raw materials	36,267,684,705	-	36.215.790.051	-
Finished product	125.909.044.099	-	120.218.233.231	-
Goods	43,375,253,774	-	38,104,724,962	-
Add	205,551,982,578	-	194,538,748,244	-

8. Prepaid expenses**a) Short-term prepaid expenses**

	<u>Year-end number</u>	<u>Beginning of year number</u>
Insurance costs	58,337,710	127,856,695
Tools and equipment	292,842,690	128,163,338
Factory and property repair costs	39,911,061	8,393,338
Other short-term prepaid expenses	39,682,329	87,181,642
Add	430,773,790	351,595,013

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b) Long-term prepaid expenses

	Year-end number	Beginning of year number
Tools and equipment	2,956,224,577	1,905,408,960
Other long-term prepaid expenses	393,972,165	38,654,347
Add	3,350,196,742	1,944,063,307

9. Tangible fixed assets

	Houses, buildings	Machinery and equipment	Means of transport, transmission	Add
Original price				
Beginning of year number	46,294,916,100	79,449,498,639	18,861,187,289	144.605.602.028
Year-end number	46,294,916,100	79,449,498,639	18,861,187,289	144.605.602.028
<i>In there:</i>				
<i>Fully depreciated but still in use</i>	1,684,108,629	40,944,429,852	7,435,268,198	50,063,806,679
Depreciation value				
Beginning of year number	25,797,499,381	59,143,383,544	10,519,722,068	95,460,604,993
Depreciation during the year	2,543,455,008	4,083,357,188	1,512,259,464	8,139,071,660
Year-end number	28,340,954,389	63,226,740,732	12,031,981,532	103,599,676,653
Residual value				
Beginning of year number	20,497,416,719	20,306,115,095	8,341,465,221	49,144,997,035
Year-end number	17,953,961,711	16,222,757,907	6,829,205,757	41,005,925,375

Some tangible fixed assets with original cost and remaining book value of VND 101,134,580,861 and VND 22,617,601,794 respectively have been mortgaged to secure loans at Military Commercial Joint Stock Bank - Thang Long Branch and Joint Stock Commercial Bank for Industry and Trade of Vietnam - Hung Yen Branch.

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10. Intangible fixed assets

	Land use rights (*)	Software program	Add
Original price			
Beginning of year number	7,109,538,000	32,108,800	7,141,646,800
Year-end number	7,109,538,000	32,108,800	7,141,646,800
<i>In there:</i>			
<i>Fully depreciated but still in use</i>	-	32,108,800	32,108,800
Depreciation value			
Beginning of year number	481,437,000	32,108,800	513,545,800
Depreciation during the year	32,095,800	-	32,095,800
Year-end number	513,532,800	32,108,800	545,641,600
Residual value			
Beginning of year number	6,628,101,000	-	6,628,101,000
Year-end number	6,596,005,200	-	6,596,005,200

(*) Land use rights include:

- Land use rights at the Auction Area of Giang Bien Ward, Long Bien District, Hanoi City according to the Certificate of land use rights, house ownership rights and assets attached to land No. CA 184258; Certificate registration number 4737/QD-UBND/4604 issued by the People's Committee of Long Bien District, Hanoi City on June 22, 2015 was transferred from the key management member with an area of 97.23m2 and the original price is 5,986,185,000 VND. Land use rights have no term and are not depreciated.

- Value of land use rights and assets attached to land at Land plot No. 148, map sheet No. 05, An Lac village, Trung Trac commune, Van Lam district, Hung Yen province according to the certificate of land use rights, house ownership rights and other assets attached to land No. CC109989, certificate issuance number: CT03567 issued by the Department of Natural Resources and Environment of Hung Yen province on November 11, 2015. The asset has an original price of VND 1,123,353,000. This land plot is being mortgaged to secure loans at the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hung Yen Branch. (see note V.18).

11. Investment real estate

	Land use rights	Houses and structures (2)	Add
Original price			
Beginning of year number (1)	30,006,343,586	-	30,006,343,586
Occurred during the year (3)	36,800,000,000	-	36,800,000,000
Transfer from Construction in progress cost	-	6,003,932,895	6,003,932,895
Year-end number	66,806,343,586	6,003,932,895	72,810,276,481
<i>In there:</i>			
<i>Fully depreciated but still in use</i>	-	-	-
Depreciation value			
Beginning of year number	-	-	-
Depreciation during the year	-	120,078,660	120,078,660
Year-end number	-	120,078,660	120,078,660
Residual value			
Beginning of year number	30,006,343,586	-	30,006,343,586
Year-end number	66,806,343,586	5,883,854,235	72,690,197,821

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Investment real estate is:

- (1) Land use rights at: Lot No. 5 - TT7 QH of the West Bai Chay Bridge Hotel Villa Area, Bai Chay Ward, Ha Long City, Quang Ninh Province according to the certificate of land use rights, house ownership rights and other assets attached to the land No. CO 314711, registration number of the certificate: CH35280 issued by the People's Committee of Ha Long City, Quang Ninh Province on October 7, 2019, have been transferred from Mr. Nguyen Van Quang and Ms. Nguyen Dieu Linh with an area of 300m². The land use rights are indefinite, so no depreciation is calculated. Land lotare being mortgaged to secure loans at the Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch (see explanatory note No. V.18).
- (2) The property on land at TT7 Villa Area West of Bai Chay Bridge, Ha Long is currently being used as collateral for the loan.at Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch (see note V.18).
- (3) The land use rights of 5 plots of land at Plot No. 52,53,54,55,56-LK01 Dong Xa New Urban Area, Van Don District, Quang Ninh Province have been transferred from the key management member with a total area of 490.75 m². The entire plot of land has completed the procedures for transferring the name and red book to Thien Quang Group Joint Stock Company. The land use term is long-term so there is no depreciation.

According to the provisions of Vietnamese Accounting Standard No. 05 - Investment Real Estate, the fair value of investment real estate as at 31 December 2024 must be presented. However, the Company has not yet determined the fair value of these real estates as at 31 December 2024 because it has not found a suitable consulting unit, the Company has not presented the fair value of these investment real estates in the Notes to the Financial Statements.

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12. Construction in progress

	Beginning of year number	Costs incurred during the year	Transferred to fixed assets during the year	Transferred to prepaid expenses during the year	Year-end number
Construction in progress	27,365,658,849	357,249,296	(6,003,932,895)	(2,104,800,704)	19,614,174,546
<i>Villa A3.02 Hai Minh tourist area project</i>	19,614,174,546	-	-	-	19,614,174,546
<i>Cost of building property on land at TT7 Villa area west of Bai Chay bridge, Ha Long</i>	7,751,484,303	357,249,296	(6,003,932,895)	(2,104,800,704)	-
Other costs	-	9,259,259	-	-	9,259,259
Add	27,365,658,849	366,508,555	(6,003,932,895)	(2,104,800,704)	19,623,433,805

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	<u>Year-end number</u>	<u>Beginning of year number</u>
San Sung International Trade Co., Limited	21,240,290,534	36,693,093,466
Ming Dih Industry Co., Ltd	10,190,249,820	3,113,550,000
Truong Thinh Boiler and Trading Company Limited	2,368,071,245	1,834,873,236
TVL Joint Stock Company	-	7,848,346,723
TVL Steel Construction and Production Joint Stock Company	21,681,465,672	-
POSCO VST Co., Ltd.	29,964,020,533	18,893,096,782
Other suppliers	3,189,748,121	1,729,554,636
Add	88,633,845,925	70,112,514,843

14. Short-term advance payment buyer

	<u>Year-end number</u>	<u>Beginning of year number</u>
Kortek Corporation	-	603,798,054
Tan Vien Dong General Import Export Company Limited	30,000,000	-
Add	30,000,000	603,798,054

15. Taxes and other payments to the State

	<u>Beginning of year number</u>		<u>Number of occurrences during the year</u>		<u>Year-end number</u>	
	<u>Must Pay</u>	<u>Receivables</u>	<u>Amount payable</u>	<u>Amount paid</u>	<u>Must Pay</u>	<u>Receivables</u>
VAT on imported goods	-	-	13,590,447,422	(13,590,447,422)	-	-
Import and export tax	-	-	2,536,085,417	(2,536,085,417)	-	-
Corporate income tax	-	33,978,901	-	-	-	33,978,901
Personal income tax	-	85,273,109	134,168,803	(86,000,000)	-	37,104,306
Other taxes	384,000	-	13,098,450	(13,098,450)	384,000	-
Add	384,000	119,252,010	16,273,800,092	(16,225,631,289)	384,000	71,083,207

The Company's tax settlement is subject to examination by the Tax Authority. Since the application of tax laws and regulations to various types of transactions can be interpreted in different ways, the tax amounts presented in the Financial Statements may be changed at the discretion of the Tax Authority.

Value Added Tax

Company pay value added tax by deduction method.

Value added tax rates are as follows:

- The value added tax rate for exports is 0%
- The value added tax rate for domestic consumption is 8%; 10%

Import and export tax

The company declares and submits according to the Customs notice.

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Notes to the Financial Statements (next)**Corporate income tax**

The company must pay corporate income tax on taxable income at a rate of 20%.

Other taxes

The company declares and pays according to regulations.

16. Short-term payable expenses

	Year-end number	Beginning of year number
Interest expense payable	109,280,391	127,347,776
Add	109,280,391	127,347,776

17. Other short-term payables

	Year-end number	Beginning of year number
Union dues	147,919,601	130,822,051
Add	147,919,601	130,822,051

18. Short-term loans and finance leases

	Year-end number		Beginning of year number	
	Value	Number of debtors	Value	Number of debtors
Short term bank loans	119,749,214,465	119,749,214,465	112,382,353,346	112,382,353,346
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hung Yen Branch	-	-	36,952,563,423	36,952,563,423
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch (*)	56,363,831,246	56,363,831,246	75,429,789,923	75,429,789,923
- Military Commercial Joint Stock Bank - Thanh Cong Branch (**)	63.385.383.219	63.385.383.219	-	-
Add	119,749,214,465	119,749,214,465	112,382,353,346	112,382,353,346

(*) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch under Credit Contract No. 300196877-01/2024-HDCVHM/NHCT342-TQ September 5, 2024. PurposeThe purpose of the loan is to supplement working capital for production and business activities, the limit maintenance period is from September 5, 2024 to August 31, 2025. The outstanding loan limit is 100,000,000,000 VND. The loan interest rate is the interest rate stated on each debt receipt. The overdue interest rate is 150% of the interest rate in the term. The loan is secured by mortgage contracts:

- Real Estate Mortgage Contract No. 300196877-01/2024/HDBD/NHCT342-TQ dated August 28, 2024, the collateral is the Land Use Rights and assets attached to the land at Lot No. 05-TT7 QH West of Bai Chay Bridge Hotel Villa Area, Bai Chay Ward, Ha Long City, Quang Ninh Province owned by Thien Quang Group Joint Stock Company. The value of the asset is VND 24,878,700,000 according to the valuation record dated May 20, 2024.

- Deposit account balance mortgage contract No. 01-300196877/2024/HDBD/NHCT342-TQ dated November 29, 2024, the collateral is the savings deposit balance worth VND 6,000,000,000 opened at Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch.

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- Mortgage contract No. 300196877-08/HDTC/Vietinbank-TQ dated July 3, 2015, the mortgaged property is the land use right and property attached to the land of Thien Quang Group Joint Stock Company at the land plot at the address: Area 2 - C30, Lane 409 Tam Trinh, Hoang Van Thu Ward, Hoang Mai District, Hanoi City and the property attached to the land is a townhouse with a total construction floor area of 361.6m². The value of the mortgaged property according to the valuation result on June 13, 2024 is 16,629,072,000 VND.

- Mortgage Contract No. 300196877-05/HĐTC/Vietinbank-TQ and Mortgage Contract No. 300196877-06/HĐTC/Vietinbank-TQ dated August 14, 2014, the collateral is 50% of the value of inventory and revolving debt claims owned by the mortgagor. The value of inventory and debt claims at the valuation date of June 28, 2024 are VND 170,887,785,973 and VND 157,313,518,513, respectively. The Company also commits that at all times 50% of the value of circulating inventory and revolving customer receivables is not lower than the short-term credit balance.

- Mortgage contract No. 300196877-10/HĐBĐ/NHCT342-MMTB-TQ dated June 6, 2018, the collateral is machinery and equipment of the plastic foam production line. The value of the collateral is determined according to the valuation record dated June 28, 2024 at VND 5,329,000,000.

- Property mortgage contract No. 300196877-12/HĐBĐ/NHCT342-MMTB-TQ dated October 12, 2018, the collateral is machinery and equipment of the stainless steel production line. The value of the collateral is determined according to the valuation record dated June 28, 2024 at VND 1,981,570,000.

- Property mortgage contract No. 300196877-13/HĐBĐ/NHCT342-MMTB-TQ dated August 5, 2021, the collateral is machinery and equipment for manufacturing and processing plastic products. The value of the collateral is determined according to the valuation record dated June 28, 2024 at VND 2,103,292,000.

(**) This is a loan from the Military Commercial Joint Stock Bank - Thang Long Branch under Credit Contract No. 213295.24.058.192591.TD dated May 24, 2024. Credit limit is 80,000,000,000 VND, loan interest rate is detailed according to each debt receipt. The purpose of the loan is to serve the production and business activities of foam and stainless steel. The credit limit maintenance period is from the date of signing the contract to May 4, 2025.

The loan is secured under Mortgage Contract No. 253965.24.058.192591.BD dated November 13, 2024. The assets are construction works of Thien Quang Stainless Steel Products Factory in Trung Trac Commune, Van Lam District, Hung Yen Province. The value of the mortgaged assets is VND 55,519,533,660.

The mortgaged assets are all goods that have been, are being and will be formed from the plan that MB provides credit for circulation in the production and business process. The right to claim debt has been, is being and will be formed from the plan that MB provides credit for. The entire balance and interest arising on account number 3939556556 opened at MB.

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Details of short-term loans and finance leases are as follows:

	Beginning of year number	Amount of loan incurred during the year	Loan amount repaid during the year	Year-end number
Short term bank loans	112,382,353,346	355.370.496.128	(348,003,635,009)	119,749,214,465
- Joint Stock Commercial Bank for Foreign Trade of Vietnam - Hung Yen Branch	36,952,563,423	24,141,310,842	(61,093,874,265)	-
- Vietnam Joint Stock Commercial Bank for Industry and Trade - Hung Yen Branch	75,429,789,923	195.466.213.082	(214,532,171,759)	56,363,831,246
- Military Commercial Joint Stock Bank - Thanh Cong Branch	-	135.762.972.204	(72,377,588,985)	63.385.383.219
Add	112,382,353,346	355.370.496.128	(348,003,635,009)	119,749,214,465

19. Bonus and welfare fund

	Beginning of year number	Fund allocation during the year	Fund disbursement during the year	Year-end number
Welfare reward fund	501,754,079	-	(195,099,222)	306,654,857
Year-end number	501,754,079	-	(195,099,222)	306,654,857

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Notes to the Financial Statements(next)

20. Equity

a) Equity fluctuation comparison table

	Owner's equity	Capital surplus	Development investment fund	Undistributed profit after tax	Add
Last year's opening number	318,433,050,000	6,422,192,528	6,536,257,887	(1,367,658,317)	330,023,842,098
Profit in the previous year	-	-	-	1,922,679,814	1,922,679,814
Depreciation of assets formed from investment funds	-	-	(257,424,240)	-	(257,424,240)
Last year ending balance	318,433,050,000	6,422,192,528	6,278,833,647	555,021,497	331,689,097,672
Beginning balance of this year	318,433,050,000	6,422,192,528	6,278,833,647	555,021,497	331,689,097,672
Profit for the year	-	-	-	-	-
Depreciation of assets formed from investment funds	-	-	(202,341,125)	1,048,147,645	845,806,520
Balance at the end of this year	318,433,050,000	6,422,192,528	6,076,492,522	1,603,169,142	332,534,904,192

b) Stocks

	Year-end number	Beginning of year number
Number of shares registered for issuance	31,843,305	31,843,305
Number of shares issued/sold to the public	31,843,305	31,843,305
- Common stock	31,843,305	31,843,305
- Preferred stock	-	-
Number of shares bought back	-	-
- Common stock	-	-
- Preferred stock	-	-
Number of shares outstanding	31,843,305	31,843,305
- Common stock	31,843,305	31,843,305
- Preferred stock	-	-

Outstanding shares face value: 10,000 VND.

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Notes to the Financial Statements(next)**21. The off balance sheet items**

	<u>Year-end number</u>	<u>Beginning of year number</u>
Foreign currencies		
US Dollar (USD)	110,846.37	150,645.81
Euro (EUR)	-	623.13

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT**1. Net revenuesales and service**

	<u>This year</u>	<u>Last year</u>
Total revenue	555,568,933,214	544,672,306,175
- Sales revenue	330,902,293,467	309,528,427,864
- Sales of finished products	224,584,821,563	235,143,878,311
- Service revenue	81,818,184	-
Revenue deductions:	(175,333,523)	(279,328,009)
- Trade discount	(175,333,523)	(199,438,908)
- Sales Discount	-	(79,889,101)
Net revenue	555,393,599,691	544,392,978,166

2. Cost of goods sold

	<u>This year</u>	<u>Last year</u>
Cost of goods sold	325,161,641,361	301,047,726,472
Cost of finished goods sold	202,475,237,038	213,711,170,806
Cost of services provided	421,260,822	-
Add	528,058,139,221	514,758,897,278

3. Financial revenue

	<u>This year</u>	<u>Last year</u>
Bond deposit interest	554,039,781	730,846,376
Loan interest	2,019,945,205	920,876,712
Exchange rate difference profit	398,510,935	322,597,980
Exchange rate difference gain from revaluation of foreign currency items	150,463,937	-
Add	3,122,959,858	1,974,321,068

4. Financial costs

	<u>This year</u>	<u>Last year</u>
Interest expense	6,412,696,948	8,905,015,016
Exchange rate difference loss incurred	2,859,482,141	1,333,508,780
Exchange loss due to revaluation of foreign currency items	-	896,699,611
LC issuance fee	-	70,974,355
Add	9,272,179,089	11,206,197,762

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Notes to the Financial Statements (next)**5. Cost of sales**

	This year	Last year
Employee costs	3,883,676,650	3,405,056,791
Cost of materials and packaging	2,217,793,269	2,544,183,313
Cost of tools and supplies	190,519,762	232,132,515
Fixed asset depreciation costs	767,426,940	862,651,743
Outsourcing service costs	1,717,400,101	1,551,225,462
Other costs	37,983,882	15,815,040
Add	8,814,800,604	8,611,064,864

6. Business management costs

	This year	Last year
Employee costs	5,894,470,967	4,340,232,520
Office supplies costs	854,098,023	899,216,430
Fixed asset depreciation costs	1,933,164,660	2,017,884,023
Taxes, fees and charges	609,583,357	124,734,150
Outsourcing service costs	2,361,326,545	1,133,656,074
Other costs	105,455,700	1,180,305,407
Add	11,758,099,252	9,696,028,604

7. Other income

	This year	Last year
Compensation for defective goods	496,039,110	37,187,133
Interest on overdue payment	43,295,623	250,563,761
Other income	36,632	3,535,823
Add	539,371,365	291,286,717

8. Other costs

	This year	Last year
Late tax payment penalty	-	46,571,971
Loss from liquidation and sale of fixed assets	-	340,591,523
Cost of support	100,000,000	10,000,000
Other costs	4,565,103	533,036
Add	104,565,103	397,696,530

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Notes to the Financial Statements (next)**9. Current corporate income tax expense**

Corporate income tax payable for the year is estimated as follows:

	This year	Last year
Total accounting profit before tax	1,048,147,645	1,988,700,913
Adjustments to increase or decrease accounting profit to determine profit subject to corporate income tax:		
Incremental adjustments	508,373,103	301,945,135
Depreciation expense	403,808,000	244,840,128
Late tax payment penalty	-	46,571,971
Other costs	104,565,103	10,533,036
Adjustments for reduction	-	-
Taxable income	1,556,520,748	2,290,646,048
Losses from previous years are carried forward.	(1,556,520,748)	(2,290,646,048)
Taxable income	-	-
Corporate income tax rate	20%	20%
Corporate income tax payable	-	-
Adjustment of corporate income tax payable of previous years	-	66,021,099
Current corporate income tax expense	-	66,021,099

10. Basic/Dilutive Interest on stock

	This year	Last year
Accounting profit after corporate income tax	1,048,147,645	1,922,679,814
Adjustments to increase or decrease accounting profit to determine profit attributable to common stockholders:	-	-
Basic/diluted earnings per share	1,048,147,645	1,922,679,814
Weighted average number of common shares outstanding during the year	31,843,305	31,843,305
Basic/diluted earnings per share	33	60

The average outstanding common shares during the year are calculated as follows:

	This year	Last year
Common shares outstanding at the beginning of the year	31,843,305	31,843,305
Impact of selling treasury stock	-	-
Effect of common stock increase during the year	-	-
Average common shares outstanding during the year	31,843,305	31,843,305

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11. Production costbusiness by factor

	This year	Last year
Cost of raw materials	176,116,387,880	197,015,602,776
Labor costs	21,725,505,600	20,156,321,418
Cost of tools and supplies	3,087,432,854	3,635,077,137
Fixed asset depreciation costs	8,291,246,120	10,393,097,180
Outsourcing service costs	13,398,170,218	11,948,279,776
Other costs	173,748,196	1,196,120,447
Add	222,792,490,868	244,344,498,734

VII. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE CASH FLOW STATEMENT**1. Non-cash transactions**

During the year, the Company had the following non-cash transactions:

	This year	Last year
Offset of receivables and payables	563,252,231	438,871,064

VIII. OTHER INFORMATION**1. Information about related parties**

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

A, Transactions and balances with key management members and individuals related to key management members

Key management members include: members of the Board of Directors and members of the Executive Board (General Director, Chief Accountant). Individuals related to key management members are close family members of key management members.

Transactions with key management members and related individuals

	This year	Last year
<i>Buy 05 plots of land from Mr. Nguyen Van Quang and Mrs. Nguyen Dieu Linh (Note V.11)</i>	36,800,000,000	-

Board of Directors' Income

Full name	This year	Last year
Mr. Nguyen Van Quang - Chairman of the Board of Directors	491,970,273	440,787,500
Ms. Nguyen Dieu Linh - Deputy General Director	451,666,641	402,015,000
Mr. Pham Quang Trung - General Director	485,603,487	454,437,500
Mr. Hoang Anh Son - Deputy General Director	435,057,649	364,878,460
Mr. Le Quyet Tien - Member of Board of Directors	327,383,926	378,151,700
Ms. Nguyen Thi Cao Lien - Member of the Board of Supervisors	364,064,659	312,294,000
Ms. Phan Thi Hoai Thuong - Chief Accountant	396,057,407	342,377,500

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2. Department information

A, Information about business field

The company has the following main business areas:

- Production and trade of stainless steel products.
- Production and trade of foam plastic products.
- Real estate for rent

Information on business results, fixed assets and other long-term assets and the value of major non-cash expenses of the Company's business segments is as follows:

This year	Manufacturing sector, stainless steel trading	Manufacturing sector, foam plastic trading	Real estate rental sector	Add
Net revenue from sales and services to outside	435,612,520,683	119,699,260,824	81,818,184	555,393,599,691
Net sales and service revenue between segments	-	-	-	-
Total net revenue from sales and services	435,612,520,683	119,699,260,824	81,818,184	555,393,599,691
Component cost	(424,628,998,633)	(103,007,879,766)	(421,260,822)	(528,058,139,221)
Business results by division	10,983,522,050	16,691,381,058	(339,442,638)	27,335,460,470
Costs not allocated by department				(20,572,899,856)
Profit from business activities				6,762,560,614
Financial revenue				2,972,495,921
Financial costs				(9,121,715,152)
Other income				539,371,365
Other costs				(104,565,103)
Current corporate income tax expense				-
Profit after corporate income tax				1,048,147,645
Total cost incurred to purchase fixed assets and other long-term assets	1,184,479,211	325,698,163	36,800,000,000	38,310,177,374
Total depreciation and amortization of long-term prepaid expenses	7,948,084,551	2,185,497,657	-	10,133,582,208

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Assets and liabilities of the Company's business segments are as follows:

	Stainless steel production and trading sector	Foam plastic production and trading field	Real estate rental sector	Add
Year-end number				
Direct assets of the department	234,296,290,614	78,569,968,995	72,690,197,821	385,556,457,430
Assets not allocated by segment				156,404,746,001
Total assets				541,961,203,431
Direct liabilities of the department	73,612,064,759	14,453,782,791	-	88,065,847,550
Liabilities not allocated by segment				121,360,451,689
Total liabilities				209,426,299,239
Beginning of year number				
Direct assets of the department	285,126,240,261	72,110,865,467	30,006,343,586	387,243,449,314
Assets not allocated by segment				129,380,934,363
Total assets				516,624,383,677
Direct liabilities of the department	63,580,614,171	6,656,039,604	-	70,236,653,775
Liabilities not allocated by segment				114,698,632,230
Total liabilities				184,935,286,005

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3. Financial Risk Management

The Company's operations expose it to the following financial risks: credit risk, liquidity risk and market risk. The Board of Directors is responsible for establishing policies and controls to minimize financial risks as well as monitoring the implementation of applied policies and controls.

A, Credit risk

Credit risk is the risk that a party to a contract is unable to perform its obligations, resulting in a financial loss to the Company.

The Company is exposed to credit risks primarily from its trade receivables, bank deposits and loans.

Accounts receivable

The company minimizes credit risk by only dealing with financially sound entities, requiring letters of credit or collateral for first-time entities or entities with no known financial capacity. In addition, accounts receivable staff regularly monitor receivables to urge collection.

The Company's trade receivables are related to many entities and individuals, so the concentration of credit risk for trade receivables is low.

Bank deposit

The Company's term and non-term bank deposits are held in well-known banks in Vietnam, so the credit risk for bank deposits is low.

Loans

The Company lends money to its subsidiaries and key management members. These entities and individuals are all reputable and have good payment capacity, so the credit risk for the loans is low.

B, Liquidity risk

Liquidity risk is the risk that the Company will have difficulty meeting its financial obligations due to lack of funds.

The Company's liquidity risk arises mainly from the fact that its financial assets and financial liabilities have different maturities.

The Company manages liquidity risk through the following measures: regularly monitoring current and expected future payment requirements to maintain an appropriate amount of cash and loans, monitoring actual and expected cash flows to minimize the impact of fluctuations in cash flows. (presentation of liquidity risk management policy)

The maturity of non-derivative financial liabilities (excluding interest payable) based on contractual maturity and undiscounted are as follows:

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	From 1 year back down	Over 1 year to 5 years	Over 5 years	Add
Year-end number				
Loans and Debts	119,749,214,465	-	-	119,749,214,465
Payable to seller	88,633,845,925	-	-	88,633,845,925
Other payables	706,199,992	-	-	706,199,992
Add	209,089,260,382	-	-	209,089,260,382
Beginning of year number				
Loans and Debts	112,382,353,346	-	-	112,382,353,346
Payable to seller	70,112,514,843	-	-	70,112,514,843
Other payables	1,334,481,683	-	-	1,334,481,683
Add	183,829,349,872	-	-	183,829,349,872

The Board of Directors considers that the risk of debt servicing is low. The Company is able to service its debts as they fall due from cash flows from operations and proceeds from maturing financial assets. The Company has access to sufficient sources of funding and loans maturing within 12 months can be rolled over with existing lenders.

4. Fair value of financial assets and liabilities

	Book value		Fair value	
	Year-end number	Beginning of year number	Year-end number	Beginning of year number
Financial assets				
Cash and cash equivalents	4,709,353,896	4,749,779,859	4,709,353,896	4,749,779,859
Held to maturity investments	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
Loan receivable	149,021,839,108	148,893,540,613	149,021,839,108	148,893,540,613
Accounts receivable	-	23,000,000,000	-	23,000,000,000
Other receivables	197,170,735	1,155,972,869	197,170,735	1,155,972,869
Add	163,928,363,739	187,799,293,341	163,928,363,739	187,799,293,341
Financial liabilities				
Loans and Debts	119,749,214,465	112,382,353,346	119,749,214,465	112,382,353,346
Payable to seller	88,633,845,925	70,112,514,843	88,633,845,925	70,112,514,843
Other payables	706,199,992	1,334,481,683	706,199,992	1,334,481,683
Add	209,089,260,382	183,829,349,872	209,089,260,382	183,829,349,872

The fair value of financial assets and financial liabilities is included at the amount at which they could be exchanged in a current transaction between knowledgeable, willing parties.

The Company uses the following methods and assumptions to estimate the fair value of its financial assets and financial liabilities:

- The fair value of cash and cash equivalents, trade receivables, loans, other receivables, borrowings, trade payables and other short-term payables is equivalent to the book value (net of provisions for the estimated uncollectible portion) of these items due to their short maturity.
- The fair value of held-to-maturity investments and available-for-sale financial assets listed on the stock exchange is the published transaction price at the end of the fiscal year. For unlisted

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held-to-maturity investments and available-for-sale financial assets whose transaction prices are published by three securities companies at the end of the fiscal year, the fair value of these investments is the average price based on the transaction prices published by three securities companies.

- The fair value of loans, trade receivables, other receivables, borrowings, trade payables and other long-term payables, held-to-maturity investments that are not listed on the stock market and do not have a trading price announced by 3 securities companies is estimated by discounting cash flows at the interest rate applicable to debts with similar characteristics and remaining maturity.

The Company has not yet conducted an official valuation of unlisted available-for-sale financial assets and there are no published trading prices of the three securities companies. However, the Board of Directors assesses that the fair value of these financial assets is not materially different from the carrying value.

5. Comparison information

Comparative figures are taken from the 2023 Financial Statements audited by Nhan Tam Viet Auditing Company Limited.

The chartist



Dinh Thi Thu Ha

Chief Accountant



Phan Thi Hoai Thuong

Established on March 28, 2025

General Director



Pham Quang Trung