

DAI CHAU GROUP JOINT STOCK COMPANY
FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023, audited by
NHAN TAM VIET AUDITING COMPANY LIMITED

TABLE OF CONTENTS

<u>Content</u>	<u>Page</u>
Report of the Board of Directors	2 – 4
Separate Auditor's report	5- 7
Audited financial statements	8 – 35
The balance sheet as of December 31, 2023	8 – 11
Income statement for the year 2023	12
Cash flow statement for the year 2023	13 – 14
Notes to the financial statements for the year 2023	15 – 35

REPORT OF THE BOARD OF DIRECTORS

The management presents its report together with the audited financial statements for the fiscal year ended December 31, 2023.

Business Highlights

Dai Chau Group Joint Stock Company operates under Business Registration Certificate No. 0101030402, issued on April 24, 2000, by the Hanoi Department of Planning and Investment. Throughout its operation, the company has received 26 amendments to its Business Registration Certificate from the Hanoi Department of Planning and Investment to align with its business activities. The 26th amended Business Registration Certificate was issued on February 13, 2025.

Charter capital according to the 26th amended Business Registration Certificate: 603,110,000,000 VND.

Actual contributed capital as of December 31, 2023: 603,109,880,000 VND.

Headoffice:

Address : Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City.
Telephone : 0931.299.568
E-mail : mrhoangxuanvuong@gmail.com
Tax code : 0101030402

Financial Situation and Business Operations

The financial position as of December 31, 2023, the business performance, and the cash flow situation for the fiscal year ending December 31, 2023, are presented in the financial statements attached to this report (from pages 08 to 35).

Events occurring after the end of the reporting period

The former Chairman of the Board of Directors, Mr. Duong Duc Hoa, passed away on July 21, 2022. The Board of Directors' meeting minutes dated September 11, 2022, elected Mr. Nguyen Tuan Anh as the new Chairman of the Board, replacing Mr. Duong Duc Hoa. Since then, the company has ceased operations up to the present time.

The Extraordinary General Meeting of Shareholders Resolution No. 01/2024/NQ-DHDCD dated April 29, 2024, approved the following matters: Corporate restructuring and strategic direction, re-election of all Board of Directors members, Executive Board, and General Director; change of the company's headquarters; change of the legal representative; amendment and supplementation of the company's charter; transformation of the Supervisory Board model and establishment of an Internal Control Subcommittee.

The Board of Directors' Resolution No. 180302/2025/NQHDQT-DCS dated March 18, 2025, decided to establish a new project management board for the "Hung Vuong Temple and Vietnamese Cultural and National Heroes" project in Bắc Giang province, with Mr. Phạm Trung Thành appointed as the Head of the Project Management Board.

DAI CHAU GROUP JOINT STOCK COMPANY
REPORT OF THE BOARD OF DIRECTORS (Cont)

The Company's management confirms that no events have arisen after December 31, 2023, up to the date of this report that have not been considered for data adjustment or disclosure in the financial statements.

Board of Directors and Management

The members of the Board of Directors and the Executive Board of the Company as of the date of this report include:

Board of Directors

Full name	Position	Appointment/ Dismissal
Mr Nguyen Dinh Hung	Chairman	Appointed on May 28, 2024.
Mr Do Van Khue	Member	Appointed on May 28, 2024.
Mr Do Hong Dat	Member	Appointed on May 28, 2024.
Mr Nghiem The Quy	Member	Appointed on May 28, 2024.
Mr Tran Manh Hai	Member	Appointed on May 28, 2024.
Mr Hoang Xuan Vuong	Member	Appointed on May 28, 2024.

Board of General Directors

Full name	Position	Appointment/ Dismissal
Mr Nghiem The Quy	General Director	Appointed on May 28, 2024.
Mr Pham Trung Thanh	Deputy General Director	Appointed on May 28, 2024.

Chief Accountant

Full name	Appointment/ Dismissal
Mr Hoang Xuan Vuong	Appointed on May 28, 2024.

Auditor

Nhan Tam Viet Auditing Co., Ltd. has audited the financial statements for the fiscal year ending December 31, 2023.

Statement of Responsibility of the Executive Board for the Financial Statements

The Company's Executive Board is responsible for preparing the Financial Statements that fairly and accurately reflect the Company's financial position, business performance, and cash flows for the year. During the preparation of the Financial Statements, the Company's Executive Board commits to complying with the following requirements:

- Establishing and maintaining internal controls as determined necessary by the Executive Board and the Board of Directors to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to fraud or error;
- Selecting appropriate accounting policies and applying them consistently;
- Making reasonable and prudent assessments and estimates;
- Stating whether the applied accounting standards have been complied with and disclosing any material deviations that require explanation in the Financial Statements;
- Preparing and presenting the Financial Statements in compliance with the Accounting Standards, the Vietnamese Corporate Accounting System, and relevant legal regulations governing financial reporting;
- Preparing the Financial Statements on a going concern basis unless it is inappropriate to assume

DAI CHAU GROUP JOINT STOCK COMPANY
REPORT OF THE BOARD OF DIRECTORS (Cont)

that the Company will continue its operations.

At the time of preparing these financial statements, the Company has been temporarily inactive for nearly three years due to the passing of the former Chairman of the Board of Directors, Mr. Đường Đức Hóa. This situation indicates uncertainty regarding the Company's ability to continue as a going concern. However, the Company is making efforts to recover and is planning to implement a new project in 2025.

Additionally, the Company's management affirms that there are no plans to cease operations in the coming years. Therefore, the financial statements for the fiscal year ended December 31, 2022, have been prepared based on the going concern assumption.

The Company's Executive Board ensures that accounting records are maintained to accurately and fairly reflect the Company's financial position at any given time and that the Financial Statements comply with the prevailing regulations of the State. Additionally, the Executive Board is responsible for safeguarding the Company's assets and implementing appropriate measures to prevent and detect fraud and other violations.

The Company's Executive Board commits that the Financial Statements fairly and accurately reflect the Company's financial position as of December 31, 2023, as well as its business performance and cash flows for the fiscal year ending on the same date, in accordance with Accounting Standards, the Vietnamese Corporate Accounting System, and relevant legal regulations governing financial reporting.

Other commitments

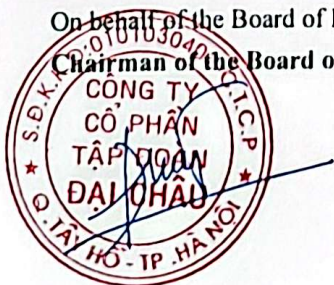
Due to certain objective reasons, the Company has not fulfilled its obligation to disclose the audited financial statements within the regulatory deadline. As a result, the Company's shares have been placed under trading restriction according to Decision No. 1029/QĐ-SGDHN dated October 5, 2023, issued by the Hanoi Stock Exchange. The Company is committed to fulfilling this obligation immediately after the issuance of this report, along with the audited financial statements.

The Executive Board affirms that the Company complies with Decree 155/2020/ND-CP dated December 31, 2020, which provides guidance on corporate governance for public companies. Additionally, the Company has not violated its information disclosure obligations as stipulated in Circular No. 96/2020/TT-BTC dated November 16, 2020, issued by the Ministry of Finance, which guides information disclosure in the securities market.

Hanoi, March 31, 2025

On behalf of the Board of Directors

Chairman of the Board of Directors



Nguyen Dinh Hung

No : 2702.01.02.02/2025/BCTC-NTV2

SEPARATE AUDITOR'S REPORT

Regarding the financial statements for the year 2022

Dear : **Board of Members and Board of General Directors**
Dai Chau Group Joint Stock Company

We have audited the attached financial statements of Dai Chau Group Joint Stock Company, prepared as of March 31, 2023, from pages 08 to 35, including the Balance Sheet as of December 31, 2023, the Income Statement, the Cash Flow Statement for the fiscal year ending on that date, and the Notes to the Financial Statements.

Responsibility of the Board of Director

The management of Dai Chau Group Joint Stock Company is responsible for the preparation and fair presentation of the Company's financial statements in accordance with accounting standards, the Vietnamese corporate accounting regime, and relevant legal regulations related to the preparation and presentation of financial statements. They are also responsible for the internal controls that management determines are necessary to ensure that the financial statements are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

Our responsibility is to express an opinion on the financial statements based on the results of our audit. We conducted the audit in accordance with Vietnamese auditing standards. However, due to the issues described in the "Basis for Disclaimer of Opinion" section, we were unable to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion.

Basis for Disclaimer of Opinion

- In 2014, the Company issued shares to increase its charter capital, and the funds raised from this share issuance were temporarily advanced for the project of a mixed-use office and residential building, with apartments for sale, located in Phu Thuong Ward, Tay Ho District, Hanoi. In 2017, the Company transferred this project, and the advances were recovered. The Company has provided loans to organizations and individuals, with the loan balance as of December 31, 2023, amounting to 392,098,708,950 VND, which has not been confirmed (Note V.4). The Company has not recognized accrued interest income for the current and prior periods. Through alternative audit procedures, we were unable to confirm the existence or accuracy of this matter. Therefore, we cannot assess the impact (if any) on the Company's financial statements for the year 2023.

- As of December 31, 2023, the total investment value of the Company in its affiliated companies was 33,250,000,000 VND, including 31,000,000,000 VND in Xuan Minh Thanh Hoa Joint Stock Company and 2,250,000,000 VND in Dai Chau Trading - Import and Export Co., Ltd. (Note V.10). We have not been provided with the financial statements or accounting records of these companies to audit the material items on the financial statements. Therefore, we are unable to determine the existence and impact of the provision (if any) for these investments on the 2023 financial statements.

- As of December 31, 2023, the balance of joint ventures was 36,500,000,000 VND, including 36,000,000,000 VND in Infrastructure and General Trading Development Investment Joint Stock

Trụ sở Chính:
Tầng 2, tòa nhà Platinum Residences, số 6 Nguyễn Công Hoan,
Phường Ngọc Khánh, Quận Ba Đình, Thành phố Hà Nội, Việt Nam

(T) (84-24) 3761 3399
(W) www/vpaudit.vn

(F) (84-24) 3761 5599
(E) vpa@ntva.vn

5

Chi nhánh tại Hà Nội:
Số 12 Phố Mê Trì Hạ, P. Mê Trì, Q. Nam Từ Liêm, TP. Hà Nội

Chi nhánh tại TP. Hồ Chí Minh:
98 Vũ Tông Phan, P. An Phú, Q. 2, TP. Hồ Chí Minh

Company and 500,000,000 VND in Ha Long Group Joint Stock Company (Note V.5). We have not been able to obtain the relevant documentation for these joint ventures, and therefore, we are unable to assess the existence or recoverability of the aforementioned joint venture amounts. Consequently, we cannot determine the necessary adjustments for the joint venture balances or their impact on the 2023 financial statements.

- We were unable to obtain sufficient appropriate evidence to determine the status of the investment property as of December 31, 2023, with a value of 27,768,000,000 VND. Therefore, we are unable to assess its impact on the Company's financial statements for the year 2023.
- We were unable to participate in the cash count on December 31, 2023. Through alternative audit procedures, we were unable to express an opinion on the existence and completeness of the cash balance as of December 31, 2023, which amounted to 11,952,487,435 VND. Therefore, we cannot determine the necessary adjustments for the cash on hand that has been recognized and not recognized, nor can we assess the related factors in the Company's financial statements for the year 2023.
- We were unable to participate in the inventory count or the fixed asset verification on December 31, 2023. Through alternative audit procedures, we were unable to express an opinion on the existence and completeness of the inventory and fixed assets, as well as the basis for any provision for inventory impairment (if applicable). Therefore, we cannot assess the impact on the Company's financial statements for the year 2023.
- We have not been provided with complete bank confirmation letters as of December 31, 2023. Through alternative audit procedures, we were unable to express an opinion on the existence and completeness of the deposit balance as of December 31, 2023, amounting to VND 1,063,024,478. As a result, we are unable to determine the necessary adjustments to this item or any related elements in the 2023 financial statements.
- We have not collected sufficient confirmation letters for all outstanding debts as of December 31, 2023, including accounts receivable from customers of 21,554,253,098 VND, advances to suppliers of 21,936,198,200 VND, other short-term receivables of 64,768,772,584 VND, accounts payable to suppliers of 26,020,512,877 VND, loans payable of 9,103,713,292 VND, other payables of 7,626,136,068 VND, and advances from customers of 2,059,297,709 VND. Through alternative audit procedures, we were unable to determine the existence, accuracy, or necessary adjustments for the outstanding debts as of December 31, 2023, as well as their impact on the Company's financial statements for the year 2023.
- The attached income statement for the year 2022 includes revenue, cost of goods sold, and service revenue amounts of 18,342,806,677 VND and 16,035,124,570 VND, respectively. We have not been provided with the relevant documentation related to the revenue and cost of sales for the year. Therefore, we are unable to assess the existence, completeness, and accuracy of the revenue and cost of goods sold, as well as their impact on the Company's financial statements for the year 2023.
- Due to the impact of the issues mentioned above, we do not have sufficient basis to determine the accuracy of the figures in the cash flow statement.
- The basis for our audit is the documents and records provided to us by Dai Chau Group Joint Stock Company related to the preparation and presentation of the financial statements for the year 2023. Additionally, we have not been provided with sufficient accounting books or records, nor supporting documents for the period after the end of the fiscal year 2023 up to the issuance of this report.

Therefore, we are unable to assess the impact of events occurring after the fiscal year-end (if any) on the 2023 financial statements.

- At the time of preparing these financial statements, the Company has been temporarily inactive for nearly three years due to the passing of the former Chairman of the Board of Directors, Mr. Đường Đức Hóa. This situation indicates uncertainty regarding the Company's ability to continue as a going concern. However, the Company is making efforts to recover and plans to implement a new project in 2025. The auditors have discussed with the Company's management the appropriateness of using the going concern assumption and have requested management to assess or further evaluate the Company's ability to continue as a going concern. However, the Company's management has confirmed that there are no plans to cease operations in the coming year. Therefore, the Company's consolidated financial statements have been prepared based on the going concern assumption.

Disclaimer of Opinion

Due to the significance of the issue described in the "Basis for Disclaimer of Opinion" section, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Therefore, we are unable to express an audit opinion on the attached financial statements.

Hanoi, March 31, 2025

Nhan Tam Viet Auditing Co., Ltd
Deputy General Director

Auditor



Nguyen Thi Hanh

Certificate of Auditing Registration No:
1690-2023-124-1

Pham Van Tuan

Certificate of Auditing Registration No:
4497-2023-124-1

DAI CHAU GROUP JOINT STOCK COMPANY

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023

BALANCE SHEET

As of December 31, 2023

Unit: VND

ASSET	Cod e	Explan ation	Year-end Balance	Beginning Balance
A - SHORT-TERM ASSETS	100		616,006,501,482	616,006,501,482
I. Cash and cash equivalents	110	V.1	13,021,242,750	13,021,242,750
1. Cash	111		13,021,242,750	13,021,242,750
2. Cash equivalents	112		-	-
II. Short-term financial investment	120		-	-
1. Trading securities	121		-	-
2. Provision for impairment of trading securities	122		-	-
3. Held to maturity investment	123		-	-
III. Short-term receivables	130		496,152,651,895	496,152,651,895
1. Short-term trade receivables	131	V.2	21,554,253,098	21,554,253,098
2. Short-term vendor advance	132	V.3	21,936,198,200	21,936,198,200
3. Short-term internal receivables	133		-	-
4. Receivable according to construction contract progr	134		-	-
5. Short-term loan receivable	135	V.4	392,098,708,950	392,098,708,950
6. Other short-term receivables	136	V.5a	64,768,772,584	64,768,772,584
7. Provision for doubtful short-term receivables	137	V.6	(4,205,280,937)	(4,205,280,937)
8. Assets missing pending resolution	139		-	-
IV. Inventory	140	V.7	103,077,111,232	103,077,111,232
1. Inventory	141		114,129,740,203	114,129,740,203
2. Provision for inventory write-down	149		(11,052,628,971)	(11,052,628,971)
V. Other short-term assets	150		3,755,495,605	3,755,495,605
1. Short-term prepaid expenses	151		-	-
2. Deductible value added tax	152		2,551,727,027	3,755,495,605
3. Taxes and other amounts receivable from the State	153		1,203,768,578	-
4. Government bond repurchase transaction	154		-	-
5. Other short-term assets	155		-	-

DAI CHAU GROUP JOINT STOCK COMPANY

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023

Balance Sheet for the Period (Continued)

ASSET	Cod e	Explan a tion	Year-end Balance	Beginning Balance
B - LONG-TERM ASSETS	200		61,845,817,934	61,943,843,870
I. Long-term receivables	210		500,000,000	500,000,000
1. Long-term receivables from customers	211		-	-
2. Long-term prepayment to seller	212		-	-
3. Working capital in affiliated units	213		-	-
4. Long-term internal receivables	214		-	-
5. Long-term loan receivable	215		-	-
6. Other long-term receivables	216	V.5b	500,000,000	500,000,000
7. Provision for doubtful long-term receivables	219		-	-
II. Fixed assets	220		327,817,934	425,843,870
1. Tangible fixed assets	221	V.8	327,817,934	425,843,870
<i>Original price</i>	222		36,241,956,917	36,241,956,917
<i>Accumulated depreciation</i>	223		(35,914,138,983)	(35,816,113,047)
2. Financial lease fixed assets	224		-	-
<i>Original price</i>	225		-	-
<i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227		-	-
<i>Original price</i>	228		-	-
<i>Accumulated depreciation</i>	229		-	-
III. Investment real estate	230	V.9	27,768,000,000	27,768,000,000
Original price	231		27,768,000,000	27,768,000,000
Accumulated depreciation	232		-	-
IV. Long-term unfinished assets	240		-	-
1. Long-term unfinished production and business costs	241		-	-
2. Cost of unfinished basic construction	242		-	-
V. Long-term financial investment	250	V.10	33,250,000,000	33,250,000,000
1. Investment in subsidiaries	251		-	-
2. Investment in joint ventures and associates	252		33,250,000,000	33,250,000,000
3. Investing in other entities	253		-	-
4. Long-term financial investment reserve	254		-	-
5. Held to maturity investment	255		-	-
VI. Other long-term assets	260		-	-
1. Long-term prepaid expenses	261		-	-
2. Deferred income tax assets	262		-	-
3. Long-term replacement equipment, supplies and spa	263		-	-
4. Other long-term assets	268		-	-
TOTAL ASSET	270		677,852,319,416	677,950,345,352

DAI CHAU GROUP JOINT STOCK COMPANY

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023

Balance Sheet for the Period (Continued)

CAPITAL SOURCE	Cod e	Explanat ion	Year-end Balance	Beginning Balance
C - LIABILITIES PAYABLE	300		45,728,673,199	45,728,673,199
I. Short-term debt	310		45,728,673,199	45,728,673,199
1. Short-term trade payables	311	V.11	26,020,512,877	26,020,512,877
2. Short-term advance payment buyer	312	V.12	2,059,297,709	2,059,297,709
3. Taxes and other payments to the State	313	V.13	-	-
4. Payable to workers	314		728,923,979	728,923,979
5. Short-term payable expenses	315	V.14	83,974,709	83,974,709
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.15	7,626,136,068	7,626,136,068
10. Short-term loans and finance leases	320	V.16	9,103,713,292	9,103,713,292
11. Provision for short-term payables	321		-	-
12. Bonus and welfare fund	322		106,114,565	106,114,565
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		-	-

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

For the fiscal year ending December 31, 2023

CAPITAL SOURCE		Cod e	Explanat ion	Year-end Balance	Beginning Balance
D - OWNER'S EQUITY		400		632,123,646,217	632,221,672,153
I. Equity		410	V.17	632,123,646,217	632,221,672,153
1. Owner's equity		411		603,109,880,000	603,109,880,000
- Common shares with voting rights		411a		603,109,880,000	603,109,880,000
- Preferred stock		411b		-	-
2. Capital surplus		412		8,329,176,600	8,329,176,600
3. Bond conversion option		413		-	-
4. Other owners' equity		414		-	-
5. Treasury stock		415		(14,550,000)	(14,550,000)
6. Asset revaluation difference		416		-	-
7. Exchange rate difference		417		-	-
8. Development investment fund		418		4,293,837,340	4,293,837,340
9. Enterprise Reorganization Support Fund		419		-	-
10. Other equity funds		420		-	-
11. Undistributed profit after tax		421		16,405,302,277	16,503,328,213
- Undistributed profit after tax accumulated to the end of the year		421a		16,503,328,213	16,634,121,532
- Undistributed profit this period		421b		(98,025,936)	(130,793,319)
12. Source of capital for basic construction investment		422		-	-
II. Other funding sources and funds		430		-	-
1. Funding sources		431		-	-
2. Funds for forming fixed assets		432		-	-
TOTAL CAPITAL		440		677,852,319,416	677,950,345,352

Prepared on 31 March, 2025

Umm

Hoang Xuan Vuong

Nguyen Dinh Hung



DAI CHAU GROUP JOINT STOCK COMPANY

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023

BUSINESS PERFORMANCE REPORT

2023

Unit: VND

INDICATORS	Cod e	Explan ation	This year	Last year
1. Sales and service revenue	01	VI.1	-	18,342,806,677
2. Revenue deductions	02		-	-
3. Net revenue from sales and services	10		-	18,342,806,677
4. Cost of goods sold	11	VI.2	-	16,035,124,570
5. Gross profit from sales and service provision	20		-	2,307,682,107
6. Financial revenue	21		-	-
7. Financial costs	22	VI.3	-	561,642,278
Including: interest expense	23		-	561,642,278
8. Cost of sales	25		-	-
9. Business management costs	26	VI.4	(98,025,936)	1,906,330,453
10. Net operating profit	30		98,025,936	(160,290,624)
11. Other income	31		-	41,329,455
12. Other costs	32		-	11,832,150
13. Other profits	40		-	29,497,305
14. Total accounting profit before tax	50		98,025,936	(130,793,319)
15. Current corporate income tax expense	51	VI.7	-	-
17. Profit after corporate income tax	60		98,025,936	(130,793,319)
18. Earnings Per Share	70	VI.10	2	(2)

Prepared by

Hoang Xuan Vuong

Chief Accountant

Hoang Xuan Vuong

Prepared on 31 March, 2025



 Nguyen Dinh Hung

DAI CHAU GROUP JOINT STOCK COMPANY

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

FINANCIAL STATEMENTS

For the fiscal year ending December 31, 2023

CASH FLOW STATEMENT

(By indirect method)

2023

Unit: VND

INDICATORS	Co de	Explan ation	This year	Last year
I. Cash flow from operating activities				
1. Profit before tax	01		(98,025,936)	(130,793,319)
2. Adjustments for the following items:				
- Depreciation of fixed assets and investment real estate	02		98,025,936	180,263,847
- Provisions	03		-	-
- Exchange rate gains and losses due to revaluation foreign currency monetary items	04		-	-
- Profit and loss from investment activities	05		-	-
- Interest expense	06		-	561,642,278
- Other adjustments	07		-	-
3. Profit from operations before changes in working capital	08		-	611,112,806
- Increase, decrease receivables	09		-	(18,494,411,340)
- Increase, decrease inventory	10		-	(14,060,564,339)
- Increase, decrease payables	11		-	13,164,328,931
- Increase, decrease prepaid expenses	12		-	-
- Increase, decrease trading securities	13		-	-
- Interest paid	14		-	(547,694,642)
- Corporate income tax paid	15		-	-
- Other income from operating activities	16		-	-
- Other expenses for business activities	17		-	-
Net cash flow from operating activities	20		-	(19,327,228,584)
II. Cash flow from investing activities				
1. Money spent on purchasing and constructing fixed assets and other long-term assets	21		-	-
2. Proceeds from liquidation and sale of fixed assets and other long-term assets	22		-	-
3. Money spent on lending, buying debt instruments other units	23		-	-
4. Proceeds from loan recovery, resale of debt instruments other units	24		-	36,857,287,993
5. Money spent on investment in other entities	25		-	-
6. Proceeds from capital investment in other entities	26		-	-
7. Interest income, dividends and profits	27		-	-
Net cash flow from investing activities	30		-	36,857,287,993

Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City, Vietnam

For the fiscal year ending December 31, 2023

INDICATORS	Co de	Explan ation	This year	Last year
III. Cash flow from financing activities				
1. Proceeds from issuing shares, receiving capital contributions owner	31		-	-
2. Money returned to owners, buyback issued company shares	32		-	-
3. Proceeds from borrowing	33		-	29,093,043,151
4. Loan principal repayment	34		-	(42,136,448,411)
5. Lease principal repayment	35		-	-
6. Dividends, profits paid to owners	36		-	-
Net cash flow from financing activities	40		-	(13,043,405,260)
Net cash flow during the year	50		-	4,486,654,149
Cash and cash equivalents at the beginning of the ye	60	V.1	13,021,242,750	8,534,588,601
Impact of Foreign Exchange Rate Fluctuations on Curre	61		-	-
Cash and cash equivalents at the end of the year	70	V.1	13,021,242,750	13,021,242,750

Vallen

Value

Prepared on 31 March, 2025



Nguyen Dinh Hung

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

NOTES TO THE FINANCIAL STATEMENTS**2023****I. OPERATION FEATURES**

1. **Ownership form** : Joint Stock Company
2. **Business Sector** : Manufacturing, trading, and services
3. **Business Activities:**
 - Wholesale of raw agricultural and forest products (except wood, bamboo, rattan) and live animals. Details: Production, processing, and trading of agricultural products; production and processing of agricultural products;
 - Construction of other civil engineering works;
 - Wholesale of electronic equipment and telecommunications components/.
4. **Usual Production and Business Cycle:** Within 12 months.
5. **Statement on Comparability of Financial Statements:** The consolidated financial statement data for the fiscal year ending December 31, 2022, is fully consistent and ensures comparability with the consolidated financial statement data for the fiscal year ending December 31, 2022.

II. FISCAL YEAR AND STANDARD CURRENCY UNIT USED IN ACCOUNTING

1. **Fiscal year**
Fiscal year of the Company is from 1 January to 31 December annually.
2. **Standard currency unit used in accounting**
The currency used in accounting is the Vietnamese Dong (VND).

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

1. **Accounting System Applied**
The company applies accounting standards, the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016, which amends and supplements several articles of Circular No. 200/2014/TT-BTC, and other circulars guiding the implementation of accounting standards by the Ministry of Finance in the preparation and presentation of financial statements.
2. **Statement of Compliance with Accounting Standards and Accounting System**
The Board of General Directors ensures compliance with the requirements of the accounting standards, the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, Circular No. 53/2016/TT-BTC dated March 21, 2016, which amends and supplements several articles of Circular No. 200/2014/TT-BTC, as well as other circulars guiding the implementation of accounting standards by the Ministry of Finance in the preparation of financial statements.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

3. Accounting method applied

The company uses the general journal accounting method on computers.

IV. ACCOUNTING POLICIES

1. Basis of preparing financial statements

The financial statements are prepared on an accrual basis (except for information related to cash flows).

2. Cash and cash equivalents

Cash and cash equivalents include cash on hand, bank deposits, money in transit, and short-term investments with a maturity period or due date of no more than 3 months from the purchase date, easily convertible into a fixed amount of cash, and with no significant risk of conversion.

3. Financial investments

Loans

Loans are recognized at their original cost, less any provision for doubtful receivables. The provision for doubtful receivables on loans is established based on the estimated level of potential loss.

Investments in associated companies

Associated companies

An associate company is an enterprise in which the Company has significant influence but does not have control over the financial and operating policies. Significant influence is reflected in the right to participate in making decisions on the financial and operating policies of the investee, but without controlling these policies.

Investments in associated companies are initially recognized at cost, including the purchase price or capital contribution plus directly attributable costs related to the investment. In the case of investments in non-monetary assets, the investment amount is recognized at the fair value of the non-monetary asset at the time the investment is made.

Dividends and profits from periods before the investment was acquired are accounted for as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is acquired are recognized as revenue. Stock dividends received are only tracked as an increase in the number of shares, without recognizing the value of the shares received / recorded at par value.

Investments in equity instruments of other entities

Investments in equity instruments of other entities include investments in equity instruments where the Company does not have control, joint control, or significant influence over the investee.

Investments in equity instruments of other entities are initially recognized at cost, including the purchase price or capital contribution plus any directly attributable costs related to the investment activity. Dividends and profits from periods before the investment is acquired are accounted for as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is acquired are recognized as revenue. Stock dividends received are only tracked as an increase in the number of shares, without recognizing the value of the shares received / recorded at par value (except for state-owned companies, which follow the current legal regulations).

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

4. Inventory recognition principles

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

The cost of inventories is determined as follows:

- Raw materials, goods: include purchase costs and other directly attributable costs incurred to bring the inventory to its current location and condition.
- Finished goods include the cost of raw materials, direct labor, and related manufacturing overhead allocated based on normal operating capacity, as well as land use right costs, direct costs, and related overhead incurred during the investment and construction of real estate finished goods.
- Work-in-progress production costs: only include the cost of main raw materials (or other relevant cost elements as appropriate).

Net realizable value is the estimated selling price of inventory in the normal course of production and business operations, minus the estimated costs of completion and the estimated costs necessary to sell them.

The value of inventory is determined using the weighted average method and is accounted for using the perpetual inventory system.

Inventory write-downs are made at the end of the year when there is a decline in the net realizable value of inventory compared to its cost.

5. Receivables

Receivables are presented at their carrying amount, net of any allowance for doubtful debts.

The classification of receivables into customer receivables and other receivables is carried out according to the following principles:

- Customer receivables reflect trade-related receivables arising from purchase-sale transactions between the company and buyers who are independent entities from the parent company, including receivables from entrusted export sales to other entities.
- Other receivables reflect non-trade receivables that are not related to purchase-sale transactions.
- A provision for doubtful debts is established for each doubtful receivable based on the overdue age of the debts or the estimated potential loss, as specified below:
- For overdue receivables:
 - 30% of the value for receivables overdue from 6 months to less than 1 year.
 - 50% of the value for receivables overdue from 1 year to less than 2 years.
 - 70% of the value for receivables overdue from 2 years to less than 3 years.
 - 100% of the value for receivables overdue for 3 years or more.
- For receivables that are not yet overdue but are unlikely to be recovered: the provision is established based on the estimated potential loss.

6. Recognition and depreciation principles for fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets includes all expenses incurred by the Company to acquire the asset and bring it into a condition ready for use. Subsequent costs are added to the cost of the fixed asset only if these costs are expected to result in future economic benefits from using the asset. Costs that do not meet this condition are immediately recognized as expenses.

When a fixed asset is sold or disposed of, its cost and accumulated depreciation are written off, and any gain or loss arising from the disposal is recognized in income or expense for the year.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

Fixed assets are depreciated using the straight-line method based on their estimated useful life. The depreciation period for each type of fixed asset is as follows:

<u>Type of fixed assets</u>	<u>Number of years</u>
Buildings and structures	06 – 25
Machinery and equipment	05 – 12
Transportation vehicles and transmission equipment	06 - 10
Other fixed assets	03 - 08

7. Investment properties

Investment properties are land use rights held for the purpose of earning rental income or capital appreciation. Investment properties are stated at cost less accumulated depreciation. The cost of investment properties includes all expenses incurred by the Company or the fair value of assets exchanged to acquire the investment property up to the point of purchase or the completion of construction.

Costs related to investment properties incurred after initial recognition are recognized as expenses, unless these costs are likely to result in the investment property generating future economic benefits exceeding the initial assessed level of activity, in which case they are added to the cost of the property.

The Company's investment property as of December 31, 2020, is the land use rights for the area at Cay Da Phuong Bang, Song Phuong, Hoai Duc, Hanoi, with a usage period until 2043. The land's purpose is for the cultivation of perennial fruit trees. The Company does not depreciate this investment property.

8. Accounting principles for payables and accrued expenses

Payables and accrued expenses are recognized for amounts owed in the future related to goods and services that have been received. Accrued expenses are recognized based on reasonable estimates of the amounts payable.

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

- Accounts payable to suppliers reflect trade payables arising from transactions involving the purchase of goods, services, and assets, where the supplier is an independent entity from the Company. This includes payables arising from imports through a consignee.
- Accrued expenses reflect amounts owed for goods or services received from the supplier or provided to the buyer but not yet paid due to the absence of invoices or incomplete accounting documentation. It also includes payables to employees for wages, vacation pay, and other production or business expenses that need to be accrued.

Other payables reflect amounts owed that are non-commercial in nature and not related to the purchase, sale, or provision of goods and services..

9. Recognition principles for loans.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

The company must track the repayment terms of loans in detail. Loans with a repayment period of more than 12 months from the reporting date should be classified by accounting as long-term loans and financial lease liabilities. Loans due for repayment within the next 12 months from the reporting date should be classified as short-term loans and financial lease liabilities for the purpose of payment planning.

10. Owners' Equity

Owner's Contributed Capital

The owner's contributed capital is recognized based on the actual amount contributed by shareholders.

Unappropriated profit

Recognition of business results (profit or loss) after corporate income tax and the distribution of profits or handling of losses by the company.

Treasury stock

When the company repurchases its own shares, the payment amount, including any transaction-related costs, is recognized as treasury stock and reflected as a deduction from equity. When the shares are reissued, the difference between the reissue price and the book value of the treasury stock is recorded under the Share premium account.

The funds are established and used according to the company's charter.

11. Recognition of revenue

a) Revenue from the sale of goods and finished products

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

- The enterprise has transferred most of the risks and rewards associated with the ownership of the product or goods to the buyer.
- The enterprise no longer retains control over the goods as the owner or has control over the goods;
- Revenue is determined with a reasonable degree of certainty;
- The enterprise has received or will receive economic benefits from the sales transaction.
- The costs related to the sales transaction can be reliably estimated./.

b) Revenue from service provision

Revenue from service provision is recognized when the following conditions are simultaneously met:

- Revenue is determined with reasonable certainty;
- It is probable that economic benefits will be obtained from the service provision transaction;
- The portion of work completed as of the balance sheet date can be determined;
- The costs incurred for the transaction and the costs to complete the service provision transaction can be determined./.

c) Financial income

Revenue arising from interest, royalties, dividends, profit sharing, and other financial income is recognized when both of the following two conditions are met:

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

- It is probable that economic benefits will be obtained from the transaction;
- Revenue is determined with reasonable certainty./.

12. Accounting Principle for Cost of Goods Sold

The cost of goods sold during the year is recognized in accordance with the revenue generated during the period and ensures compliance with the prudence principle.

For direct material costs that exceed normal consumption, labor costs, and fixed production overheads that are not allocated to the value of goods in inventory, accounting must immediately include them in the cost of goods sold (after deducting any compensation, if applicable), even when the products or goods have not been recognized as sold.

The provision for inventory write-down is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value and the original cost of the inventory. When determining the volume of inventory to be written down, accounting must exclude inventory that has been contracted for sale (with a net realizable value not lower than its carrying value) but has not yet been transferred to the customer, if there is reliable evidence that the customer will not withdraw from fulfilling the contract.

13. Borrowing costs

Borrowing costs include interest on loans and other costs directly related to the borrowing.

Borrowing costs are recognized as expenses when incurred. If the borrowing costs are directly related to the construction or production of assets that are under construction and require a significant period (over 12 months) to be ready for use or sale, those borrowing costs are capitalized. For loans specifically used for the construction of fixed assets or investment properties, interest is capitalized even if the construction period is less than 12 months. Any income generated from the temporary investment of the loan funds is deducted from the carrying amount of the related asset.

For general loans that are used for the purpose of investing in the construction or production of work-in-progress assets, the capitalized borrowing costs are determined based on a capitalization rate applied to the weighted average accumulated costs incurred for the construction or production of that asset. The capitalization rate is calculated based on the weighted average interest rate of the loans that remain unpaid during the year, excluding specific loans used for the purpose of forming a particular asset.

14. Accounting principles for selling expenses and administrative expenses

Selling expenses reflect the actual costs incurred during the process of selling products, goods, or providing services, including costs for offering, product promotion, advertising, sales commissions, product warranty costs (excluding construction activities), storage, packaging, and transportation costs...

Administrative expenses reflect the general management costs of the company, including expenses for the salaries of company management staff (wages, salaries, allowances, etc.); social insurance, health insurance, trade union funds, and unemployment insurance for the company's management staff; office materials, labor tools, and depreciation of fixed assets used for company management; land rent, business license tax; provisions for doubtful accounts receivable; outsourced services (electricity, water, telephone, fax, property insurance, fire insurance, etc.); and other cash expenses (entertainment, client meetings, etc...).

15. Principles and methods of recognizing current corporate income tax expenses

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

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

The company has an obligation to pay corporate income tax at a rate of 20%.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

16. Financial assets

Classification of Financial Assets

The company classifies financial assets into the following categories: financial assets measured at fair value through profit or loss, held-to-maturity investments, loans and receivables, and available-for-sale financial assets. The classification of these financial assets depends on the nature and purpose of the financial asset and is determined at the time of initial recognition.

Financial assets are recognized at fair value through the income statement

Financial assets are classified as measured at fair value through profit or loss if they are held for trading or are designated as fair value through profit or loss at initial recognition.

Financial assets are classified as held-for-trading securities if:

- Purchased or created primarily for the purpose of selling in the short term;
- The company intends to hold them for the purpose of short-term profit;
- Derivative financial instruments (except for derivative financial instruments designated as a financial guarantee contract or an effective hedging instrument).

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity date that the company intends and has the ability to hold until maturity.

Loans and receivables

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

Available-for-sale financial assets

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

The initial carrying amount of a financial asset

Financial assets are recognized on the purchase date and derecognized on the sale date. At the initial recognition, the financial asset is determined at the purchase price/issuance cost plus any other costs directly attributable to the acquisition or issuance of the financial asset.

17. Financial liabilities and equity instruments

Financial instruments are classified as financial liabilities or equity instruments at the time of initial recognition in accordance with the nature and definition of financial liabilities and equity instruments.

Financial liabilities

The company classifies financial liabilities into the following categories: financial liabilities measured at fair value through profit or loss, and financial liabilities measured at amortized cost. The classification of financial liabilities depends on the nature and purpose of the liability and is determined at the time of initial recognition.

Financial liabilities are recognized at fair value through the income statement

Financial liabilities are classified as recognized at fair value through the income statement if they are held for trading or are designated as at fair value through the income statement at the time of initial recognition.

Financial liabilities are classified as held-for-trading securities if:

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

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

Financial liabilities measured at amortized cost

Financial liabilities measured at amortized cost are determined by the initial carrying amount of the financial liability, less any principal repayments, plus or minus the cumulative amortization of the difference between the initial carrying amount and the maturity value, calculated using the effective interest method, less any impairments (either directly or through the use of a provision account) due to a decrease in value or non-recovery.

The effective interest method is the method used to calculate the amortized cost of a financial liability or group of financial liabilities and allocate interest income or expense over the relevant period. The effective interest rate is the rate that discounts the estimated future cash flows that will be paid or received throughout the expected life of the financial instrument, or shorter if necessary, to the net present value of the financial liability.

The initial carrying amount of a financial liability

At initial recognition, financial liabilities are determined at the issue price plus any directly attributable costs incurred in issuing the financial liability.

Equity instruments

Equity instruments are contracts that represent a residual interest in the assets of the company after deducting all liabilities.

18. Segment reporting

A business segment is a distinguishable component that participates in the production or provision of products or services and has risks and economic benefits different from those of other business segments.

A geographic segment is a distinguishable component that participates in the production or provision of products or services within a specific economic environment and has risks and economic benefits different from those of business segments in other economic environments.

19. Related parties

Parties are considered related if one party has the ability to control or exert significant influence over the other party in making financial and operational policy decisions. Parties are also considered related if they are under common control or have significant joint influence. In considering the relationship between related parties, the nature of the relationship is emphasized over the legal form.

Transactions with related parties during the year are disclosed in note VII.1.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

V. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET**1. Cash and cash equivalents**

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Cash	11,952,487,435	11,952,487,435
Non-term bank deposits	1,068,755,315	1,068,755,315
Total	13,021,242,750	13,021,242,750

2. Short-term receivables from customers

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Duc Bao Paint Limited Liability Company	1,530,419,813	1,530,419,813
Halong Dream Hotel Joint Stock Company	2,688,983,055	2,688,983,055
Hanoi General Export-Import Joint Stock Company- Hoa Binh Branch	1,173,442,800	1,173,442,800
Son Ha Project Business and Development Joint Stock Company	1,162,788,206	1,162,788,206
Geleximco Group - Joint Stock Company	8,279,405,698	8,279,405,698
Other customers	6,719,213,526	6,719,213,526
Total	21,554,253,098	21,554,253,098

3. Short-term prepayments to suppliers

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Mr. Pham Minh Tuan - Viet Long Area Project (*)	15,145,756,000	15,145,756,000
Mr Mai Hung An (*)	1,068,483,000	1,068,483,000
Hanoi Clean Water One-Member Limited Liability Company	1,429,394,987	1,429,394,987
Other suppliers	4,292,564,213	4,292,564,213
Total	21,936,198,200	21,936,198,200

(*) It is an advance payment for the land transfer of commercial land under the Quang Minh villa, garden house, entertainment, and tourism project in Quang Minh Commune (Me Linh).

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

Short-term loan receivables

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Mr./Ms. Nguyen Huu Tuong	23,041,975,000	23,041,975,000
Mr./Ms Dao Ngoc Chuong	18,198,148,005	18,198,148,005
Mr./Ms Nguyen Quang Hai	35,000,000,000	35,000,000,000
Mr./Ms Nguyen Dang Hung	36,000,000,000	36,000,000,000
Mr./Ms Ngo Trong Huong	17,300,000,000	17,300,000,000
Mr./Ms Nguyen Huu Dung	5,000,000,000	5,000,000,000
Mr./Ms Tran Van Khang	24,000,000,000	24,000,000,000
Mr./Ms Nguyen Kim Tuan	25,930,000,000	25,930,000,000
Mr./Ms Nguyen Sy Lam	17,000,000,000	17,000,000,000
Mr./Ms Luu Chi Hung	5,288,282,000	5,288,282,000
Mr./Ms Nguyen Khac Nghia	51,222,258,313	51,222,258,313
Mr./Ms Tran Ngoc Tuan	16,460,000,000	16,460,000,000
Mr./Ms Nguyen Van Tam	5,000,000,000	5,000,000,000
Mr./Ms Pham Van Vinh	2,504,527,404	2,504,527,404
Mr./Ms Phan Van Tuan	5,000,000,000	5,000,000,000
Mr./Ms Tong Thi Thanh Ha	7,706,300,000	7,706,300,000
Mr./Ms Vu La Minh	76,906,072,828	76,906,072,828
Loans to other entities	20,541,145,400	20,541,145,400
Total	392,098,708,950	392,098,708,950

(*) The funds lent to organizations and individuals were formed from the recovery of advance payments for the implementation of the Mixed-Use Office and Residential Building Project, with apartments for sale in Phu Thuong Ward, Tay Ho District, Hanoi, during the capital increase issuance in 2014, as well as the interest income from these loans collected over the years.

Other receivables**a) Short-term**

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Interest receivable on loans	28,345,592,001	28,345,592,001
Pledge, escrow, and collateral	190,906,374	190,906,374
General Trading and Infrastructure Development Investment Joint Stock Company (1)	36,000,000,000	36,000,000,000
Other short-term receivables	232,274,209	232,274,209
Total	64,768,772,584	64,768,772,584

(1) It is a cooperation with the General Trading and Infrastructure Development Investment Joint Stock Company under Investment Cooperation Agreement No. 12/HDHTDT signed on December 21, 2016. According to the agreement, Dai Chau Group Joint Stock Company and the General Trading and Infrastructure Development Investment Joint Stock Company jointly contribute capital to implement the "High-rise Residential Area Project" at the CC3 land plot, My Dinh II Urban Area, Tu Liem District, Hanoi. The total investment for the project is 80 billion VND, with Dai Chau Group Joint Stock Company contributing 36 billion VND, equivalent to 45% of the total investment capital.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)**b) Long-term**

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Ha Long Group Joint Stock Company (2)	500,000,000	500,000,000
Total	500,000,000	500,000,000

(2) This is a capital contribution under Principle Contract No. 03/2010/HDNT dated April 26, 2010, between the Company and Ha Long Group Joint Stock Company regarding investment cooperation in a warehouse system at the Urban and Duty-Free Zone in Hoa Binh Ward, Mong Cai City, Quang Ninh Province.

6. Provision for doubtful short-term receivables

	<u>This year</u>	<u>Previous year</u>
Beginning balance	4,205,280,937	4,205,280,937
Additional provision	-	-
Year-end Balance	4,205,280,937	4,205,280,937

7. Inventory

	<u>Year-end Balance</u>		<u>Beginning Balance</u>	
	<u>Value</u>	<u>Provision</u>	<u>Value</u>	<u>Provision</u>
Raw materials and supplies	59,892,456,520	-	59,892,456,520	-
Tools and equipment	5,643,910	-	5,643,910	-
Work-in-progress production costs	43,179,010,802	-	43,179,010,802	-
Finished goods	8,325,172,288	(8,325,172,288)	8,325,172,288	(8,325,172,288)
Merchandise	2,727,456,683	(2,727,456,683)	2,727,456,683	(2,727,456,683)
Total	114,129,740,203	(11,052,628,971)	114,129,740,203	(11,052,628,971)

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

8. Tangible fixed assets	Buildings and structures	Machinery and equipment	Transportation and transmission means	Other fixed assets	Total
Original Cost					
Beginning Balance	8,706,042,605	25,949,828,964	1,394,934,546	191,150,802	36,241,956,917
Year-end Balance	<u>8,706,042,605</u>	<u>25,949,828,964</u>	<u>1,394,934,546</u>	<u>191,150,802</u>	<u>36,241,956,917</u>
Accumulated depreciation					
Beginning Balance	8,706,042,605	25,949,828,964	969,090,676	191,150,802	35,816,113,047
Increase during the year due to depreciation	-	-	98,025,936	-	98,025,936
Year-end Balance	<u>8,706,042,605</u>	<u>25,949,828,964</u>	<u>1,067,116,612</u>	<u>191,150,802</u>	<u>35,914,138,983</u>
Remaining value					
Beginning Balance	-	-	425,843,870	-	425,843,870
Year-end Balance	<u>-</u>	<u>-</u>	<u>327,817,934</u>	<u>-</u>	<u>327,817,934</u>

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)**9. Investment property**

Investment property represents the value of land use rights for 3,386.6 m² of land in Cay Da Phuong Bang, Song Phuong, Hoai Duc, Hanoi, with a usage term until 2043. The designated land use purpose is for long-term fruit tree cultivation.

10. Financial investments

	Year-end Balance		Beginning Balance	
	Original Cost	Provision	Original Cost	Provision
<i>Investments in joint ventures and associates</i>	33,250,000,000	-	33,250,000,000	-
Xuan Minh Joint Stock Company, Thanh Hoa Branch	31,000,000,000	-	31,000,000,000	-
Dai Chau Trading - Import Export Co., Ltd	2,250,000,000	-	2,250,000,000	-
Total	33,250,000,000	-	33,250,000,000	-

11. Short-term payables to suppliers

	Year-end Balance	Beginning Balance
Good Wood Import-Export Co., Ltd	1,570,604,170	1,570,604,170
Hoang Cuong Investment Trading Service Co., Ltd	1,141,910,000	1,141,910,000
Son Anh Construction Co., Ltd	1,408,565,792	1,408,565,792
Electromechanical Installation and Construction Joint Stock Company No. 2	922,717,600	922,717,600
Hanoi Urban Transportation Construction Joint Stock Company	1,194,926,032	1,194,926,032
BNB Trading and Smart Solutions Co., Ltd	3,740,566,956	3,740,566,956
Hung Hieu Investment and Trading Joint Stock Company	4,267,807,756	4,267,807,756
Tuong Huong Manufacturing and Trading Co., Ltd	5,637,274,640	5,637,274,640
Other entities	6,136,139,931	6,136,139,931
Total	26,020,512,877	26,020,512,877

12. Short-term advances from customers

	Year-end Balance	Beginning Balance
Van Huong Investment and Tourism Joint Stock Company	1,310,400,346	1,310,400,346
Geleximco Group - Joint Stock Company	-	-
Thai Binh General Import-Export One Member Co., Ltd	748,897,363	748,897,363
Total	2,059,297,709	2,059,297,709

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

13. Taxes and amounts payable to the State

	Beginning payable amount	Amount payable during the year	Amount paid during the year	Ending payable amount
Other type of taxes	-	3,000,000	(3,000,000)	-
Total	-	3,000,000	(3,000,000)	-

Value added tax

The company pays value-added tax using the credit method at a tax rate of 10%.

Corporate income tax

The company pays corporate income tax at a rate of 20%.

Other type of taxes

Other taxes, which the company declares and pays according to regulations.

14. Short-term accrued expenses

	Year-end Balance	Beginning Balance
Interest expense payable	70,027,073	70,027,073
Other short-term accrued expenses	13,947,636	13,947,636
Total	83,974,709	83,974,709

15. Other short-term payables

	Year-end Balance	Beginning Balance
Union funding	173,277,338	173,277,338
Health insurance	113,306,250	113,306,250
Unemployment insurance	37,225,000	37,225,000
2011 dividends payable	7,302,327,480	7,302,327,480
Total	7,626,136,068	7,626,136,068

16. Short-term loans

	Year-end Balance	Beginning Balance
Short-term bank loans	1,777,281,279	1,777,281,279
Asia Commercial Bank (ACB) – Ha Thanh Branch	-	-
Tien Phong Commercial Joint Stock Bank (TPBank) – Ba Dinh Branch (*)	1,777,281,279	1,777,281,279
An Binh Bank – Hanoi Branch	-	-
Short-term loans from other individuals	7,326,432,013	7,326,432,013
Total	9,103,713,292	9,103,713,292

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

17. Owner's equity**Statement of Changes in Owners' Equity**

	Owner's investment capital	Share premium	Treasury shares	Development investment fund	Undistributed after- tax profit	Total
The beginning number of last year	603,109,880,000	8,329,176,600	(14,550,000)	4,293,837,340	16,634,121,532	632,352,465,472
Profit in the previous year	-	-	-	-	(130,793,319)	(130,793,319)
Ending balance of last year	603,109,880,000	8,329,176,600	(14,550,000)	4,293,837,340	16,503,328,213	632,221,672,153
Beginning balance of this year	603,109,880,000	8,329,176,600	(14,550,000)	4,293,837,340	16,503,328,213	632,221,672,153
Profit in the current year	-	-	-	-	(98,025,936)	(98,025,936)
Ending balance of this year	603,109,880,000	8,329,176,600	(14,550,000)	4,293,837,340	16,405,302,277	632,123,646,217

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

Stocks

	<u>Year-end Balance</u>	<u>Beginning Balance</u>
Number of shares registered for issuance	60,311,000	60,311,000
Number of shares issued/sold to the public	60,310,988	60,310,988
- Common shares	60,310,988	60,310,988
- Preferred shares	-	-
Number of shares repurchased	1,455	1,455
- Common shares	1,455	1,455
- Preferred shares	-	-
Number of outstanding shares	60,309,533	60,309,533
- Common shares	60,309,533	60,309,533
- Preferred shares	-	-

Par value of outstanding shares: 10,000 VND per share.

VI. ADDITIONAL INFORMATION ON ITEMS PRESENTED IN THE INCOME STATEMENT**1. Revenue from sales and service provision**

	<u>This year</u>	<u>Previous year</u>
Revenue from finished goods sales	-	17.651.897.585
Service revenue	-	690.909.092
Total	-	18.342.806.677

2. Cost of good sold

	<u>This year</u>	<u>Previous year</u>
Cost of goods sold for finished products	-	16.035.124.570
Total	-	16.035.124.570

3. Financial income

	<u>This year</u>	<u>Previous year</u>
Interest income from deposits and loans	-	3.617.406.496
Total	-	3.617.406.496

4. Financial expenses

	<u>This year</u>	<u>Previous year</u>
Interest expense	-	561.642.278
Total	-	561.642.278

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)**5. Business management expenses**

	<u>This year</u>	<u>Previous year</u>
Employee expenses	-	1.014.667.405
Depreciation expense of fixed assets	98.025.936	98.025.936
Outsourced service costs	-	18.498.006
Other expenses	1.062.737.818	775.139.106
Total	1.160.763.754	1.906.330.453

6. Current corporate income tax expense

The corporate income tax expense for the year is estimated as follows:

	<u>This year</u>	<u>Previous year</u>
Total accounting profit before tax	(98.025.936)	(130.793.319)
Adjustments to accounting profit for determining taxable income:	-	-
- Increase adjustment	-	-
- Decrease adjustment	-	-
Taxable income	(98.025.936)	(130.793.319)
Carried forward losses from previous years	-	130.793.319
Taxable income	(98.025.936)	-
Corporate income tax rate	20%	20%
Corporate income tax payable	-	-
Current corporate income tax	-	-

7. Basic/Diluted Earnings Per Share

	<u>This year</u>	<u>Previous year</u>
Accounting profit after corporate income tax	(98.025.936)	(130.793.319)
Adjustments to accounting profit for determining profit attributable to common shareholders:	-	-
Profit used to calculate basic earnings per share	(98.025.936)	(130.793.319)
Weighted average number of common shares outstanding during the year	60.309.533	60.309.533
Basic/Diluted Earnings Per Share	(2)	(2)

The weighted average number of common shares outstanding during the year is calculated as follows:

	<u>This year</u>	<u>Previous year</u>
Common shares outstanding at the beginning of the year	60,309,533	60,309,533
Impact of additional common shares issued	-	-
Weighted average common shares outstanding during the year	60,309,533	60,309,533

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

VII. OTHER INFORMATION**1. Transactions with related parties***Transactions with key management personnel and related individuals are as follows:*

Key management personnel and related individuals include: members of the Board of Directors, the Executive Board, the Chief Accountant, and close family members of these individuals.

During the year, the entity did not incur any transactions with related parties.

Related parties of the Company include:

Related parties	Relationship
Dai Chau Trading - Import Export Co., Ltd	Associate company
Xuan Minh Joint Stock Company, Thanh Hoa Branch	Associate company

*The company did not incur transactions with other related parties.***2. Fair value of financial assets and liabilities**

	Book Value		Fair Value	
	Year-end Balance	Beginning Balance	Year-end Balance	Beginning Balance
Financial Assets				
Cash and cash equivalents	13.021.242.750	13.021.242.750	13.021.242.750	13.021.242.750
Accounts receivable from customers	19.080.507.292	19.843.965.392	19.080.507.292	19.843.965.392
Các khoản cho vay	392.098.708.950	392.098.708.950	392.098.708.950	392.098.708.950
Other receivables	64.768.772.584	64.768.772.584	64.768.772.584	64.768.772.584
Financial assets available for sale	33.250.000.000	33.250.000.000	33.250.000.000	33.250.000.000
Total	522.219.231.576	522.982.689.676	522.219.231.576	522.982.689.676
Financial liabilities				
Loan and debts	9.103.713.292	9.103.713.292	9.103.713.292	9.103.713.292
Payables to suppliers	26.020.512.877	26.020.512.877	26.020.512.877	26.020.512.877
Other payables	8.439.034.756	8.439.034.756	8.439.034.756	8.439.034.756
Total	43.563.260.925	43.563.260.925	43.563.260.925	43.563.260.925

The fair value of financial assets and financial liabilities is reflected at the value that the financial instrument could be exchanged for in a current transaction between knowledgeable and willing parties.

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

- The fair value of cash, short-term bank deposits, accounts receivable from customers, payables to suppliers, and other short-term payables is equivalent to the book value of these items due to their short-term nature.
- The fair value of receivables and loans with fixed or variable interest rates is assessed based on information such as interest rates, risks, repayment ability, and the nature of the risk associated with the debt. Based on this assessment, the company estimates provisions for the portion that may not be recoverable.

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

- The fair value of financial assets available for sale that are listed on the stock market is the quoted trading price at the end of the fiscal year. The fair value of financial assets available for sale that are not listed is estimated using appropriate valuation methods.

3. Credit risk

Credit risk is the risk that one party involved in a contract will not be able to fulfill its obligations, leading to financial loss for the company.

The company has credit risks from its business activities (primarily related to receivables from customers) and financial activities, such as bank deposits.

Accounts receivable from customers

The company has an appropriate credit policy and regularly monitors the situation to assess whether the company is exposed to credit risk. The company does not have any significant credit risk with customers or partners because receivables come from a large number of customers operating in various sectors.

Bank deposits

Most of the company's bank deposits are held at large, reputable banks in Vietnam. The company considers the concentration of credit risk regarding bank deposits to be low.

4. Liquidity risk

Liquidity risk is the risk that the company may face difficulties in fulfilling its financial obligations due to a lack of cash.

The Board of Directors holds the highest responsibility for managing liquidity risk. The company's liquidity risk primarily arises from the mismatched maturity dates of financial assets and financial liabilities.

The company manages liquidity risk by maintaining an appropriate level of cash and cash equivalents, as well as borrowings at a level deemed sufficient by the Board of Directors to meet the company's operational needs, in order to minimize the impact of cash flow fluctuations. The repayment terms of financial payables are based on the expected contractual payments, undiscounted, as follows:

	1 Year or Less	Over 1 Year to 5 Years	Over 5 years	Total
Year-end Balance				
Loans and Debts	9.103.713.292	-	-	9.103.713.292
Payables to Suppliers	26.020.512.877	-	-	26.020.512.877
Other Payables	8.439.034.756	-	-	8.439.034.756
Total	43.563.260.925	-	-	43.563.260.925
Beginning Balance				
Loans and Debts	9.103.713.292	-	-	9.103.713.292
Payables to Suppliers	26.020.512.877	-	-	26.020.512.877
Other Payables	8.439.034.756	-	-	8.439.034.756
Total	43.563.260.925	-	-	43.563.260.925

DAI CHAU GROUP JOINT STOCK COMPANY

Address: Group 23, Cluster 4, Nhat Tan Ward, Tay Ho District, Hanoi City

FINANCIAL STATEMENTS

For the fiscal year ending on December 31, 2023

Note to the financial statements (cont)

The company believes that the concentration of risk related to debt repayment is low. The company has the ability to settle maturing debts from cash flows from operations and proceeds from maturing financial assets.

5. Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk includes three types: currency risk, interest rate risk, and other price risks.

The sensitivity analysis presented below is prepared based on the assumption that the value of net liabilities and the ratio between fixed interest rate debt and floating interest rate debt remain unchanged.

Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The company's interest rate risk is primarily related to cash, short-term deposits, loans, and borrowings.

The company manages interest rate risk by analyzing market conditions to secure the most favorable interest rates while staying within its risk management limits.

6. Comparative Information

The comparative figures are based on the 2022 financial statements audited by NHAN TAM VIET AUDITING COMPANY LIMITED.

Prepared by



Hoang Xuan Vuong

Chief Accountant



Hoang Xuan Vuong



Hanoi, March 31, 2025

Chairman

Nguyen Dinh Hung