

No. 73/VTQ

Quang Binh, March 31, 2025

DISCLOSURE OF PERIODIC FINANCIAL REPORT

Dear: Hanoi Stock Exchange.

In accordance with 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, Viet Trung Quang Binh Joint Stock Company announces the audited financial statements (BCTC) for the year 2024 to the Hanoi Stock Exchange as follows:

1. Organization name: Viet Trung Quang Binh Joint Stock Company

- Securities code: VTQ
- Address: Residential group 3, Viet Trung Agricultural School Town, Bo Trach District, Quang Binh Province, Vietnam
- Contact phone: 0232.3796003
- Email: viettrung.qb@gmail.com Website: www.viettrungqb.com.vn/

2. Disclosure content:

- Financial audit report for the year 2024
 - Separate financial statements (Listed organization has no subsidiary companies and the parent accounting unit has no affiliated units)
 - Consolidated financial statements (Listed organization has a subsidiary)
 - Consolidated financial report (Listed organization has an accounting unit under its own organizational structure)
- Cases that must provide explanations for the reasons:
 - + The after-tax corporate income profit in the income statement for the reporting period changes by 10% or more compared to the same period last year
 - Have Not
 - Explanation text in the case of positive accumulation
 - Have Not
 - + The after-tax profit in the reporting period shows a difference of 5% or more before and after auditing, shifting from a loss to a profit or vice versa:
 - Have Not
 - Explanation text in the case of positive accumulation
 - Have Not

+ The after-tax profit in the reporting period incurs a loss, shifting from a profit in the same period of the previous year to a loss in this period, or vice versa

Have

Not

Explanation text in the case of positive accumulation

Have

Not


This information has been published on the Company's electronic information portal on March 31, 2025 at the following link: www.viettrungqb.com.vn/

We commit that the disclosed information above is true and we take full responsibility before the law for the content of the disclosed information./.

Attached documents:

- Financial audit report for the year 2024.

**ORGANIZATION REPRESENTATIVE
CHAIRMAN OF THE BOARD OF DIRECTORS** *ttv*



[Handwritten Signature]

Phan Van Thanh

VIET TRUNG QUANG BINH JOINT STOCK COMPANY
AUDITED COMBINED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

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TABLE OF CONTENTS

<u>CONTENTS</u>	<u>PAGES</u>
STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
COMBINED BALANCE SHEET	6 - 7
COMBINED INCOME STATEMENT	8
COMBINED CASH FLOW STATEMENT	9
NOTES TO COMBINED FINANCIAL STATEMENTS	10 - 33



STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT

The Board of Directors and Board of Management of Viet Trung Quang Binh Joint Stock Company ("the Company") presents this report together with the Company's audited combined financial statements for the year ended 31 December 2024.

THE BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISOR

The members of the Board of Directors and Board of Management of the Company who held office during the year and at the date of this combined financial statement are as follows:

<u>Board of Directors</u>	<u>Position</u>
Mr. Phan Van Thanh	Chairman
Mr. Duong Chi Binh	Member
Mr. Pham Xuan Thanh	Member
Mr. Nguyen Hai Thanh	Member
Mr. Phan Huu Bang	Member
Mr. Le Vu Thanh	Member
Mrs. Nguyen Thi Hai	Member

Board of Supervisory

Mrs. Hoang Thi Thu Huong	Head of the supervisory Board
Mrs. Nguyen Thi Phuong	Member
Mr. Tran Duy Ha	Member

Board of Management

Mr. Duong Chi Binh	Chief Executive Officer
Mr. Pham Xuan Thanh	Deputy Chief Executive Officer
Mr. Nguyen Hai Thanh	Deputy Chief Executive Officer

Legal Representative

The legal representative of the Company during the year and at the date of this report is Mr. Phan Van Thanh - Chairman.

BOARD OF DIRECTOR AND MANAGEMENT'S RESPONSIBILITY

The Board of Directors and Board of Management of the Company is responsible for preparing the combined financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024 and of its business performance and cash flows for the year ended at same day in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these combined financial statements, the Board of Directors and Board of Management is required to:

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

The Board of Directors and Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the combined financial statements comply with Vietnamese accounting standards, accounting regime and legal regulations relating to financial statement preparation and presentation. The Board of Directors and Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

**STATEMENT OF THE BOARD OF DIRECTORS AND BOARD OF MANAGEMENT
(CONTINUED)**

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

For and on behalf of the Board of Directors and Board of Management,



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Phan Van Thanh
Chairman
March 30, 2025

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No. 033002/2025/BCKT-iCPA

INDEPENDENT AUDITORS' REPORT

**To: Shareholders
The Board of Directors and Board of Management
of Viet Trung Quang Binh Joint Stock Company**

We have audited the accompanying combined financial statements of Viet Trung Quang Binh Joint Stock Company ("the Company"), prepared on March 30, 2025 as set out from page 6 to page 33, which comprise the combined balance sheet as at 31 December 2024, combined income statement, combined cash flows statement for the year then ended, and notes to combined financial statements.

The Board of Directors and Board of Management's Responsibility

The Board of Directors and Board of Management of Viet Trung Quang Binh Joint Stock Company is responsible for the preparation and fair presentation of these combined financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation of combined financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the combined financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined 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 Board of Management, as well as evaluating the overall presentation of the combined financial statements.

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

Auditor's Opinion

In our opinion, the combined financial statements give a true and fair view of, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Accounting regime for enterprises and legal regulations relating to the preparation and presentation of the combined financial statements.

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INDEPENDENT AUDITORS' REPORT (CONTINUED)

Emphasis of Matter

We would like to draw attention to Note II - Basis of preparation of the combined financial statements and fiscal year. As at December 31, 2024, the Company's current liabilities exceeded its current assets by VND 34,566,641,101 (as at 01/01/2024, it was VND 47,119,868,938). The Company's accumulated loss as of December 31, 2024 was VND 51,434,030,126 (accumulated loss as at 01/01/2024 was VND 55,401,699,363). This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Accordingly, the Company's ability to continue as a going concern depends on its ability to manage cash flow and operate profitably in the future as well as the restructuring of its bank loans.

We would like to draw your attention to Note VII.5 of the Notes to the combined financial statements. The Company has made retroactive adjustments to the accounting errors in the comparative figures at the beginning of the period because in 2023, the Company recorded an expense of VND 1,882,298,224 in the Construction in progress instead of having to record an equivalent amount in 2023 in the General and administration expenses.

Our audit opinion does not relate to this matter.



Le Quoc Anh
Deputy Chief Executive Officer
Audit Practising Registration Certificate
No. 3384-2025-072-1
For and on behalf of
International Auditing Company Limited (iCPA)
Ha Noi, March 30, 2025

Du Thi Kieu Anh
Auditor
Audit Practising Registration Certificate
No. 5193-2025-072-1

COMBINED BALANCE SHEET
As at 31 December 2024

Unit: VND

ASSETS	Code	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		35,371,642,036	21,369,717,715
I. Cash and cash equivalents	110		6,286,019,414	3,736,799,649
1. Cash	111	V.1	6,286,019,414	3,736,799,649
II. Short-term receivables	130		15,423,271,688	4,276,009,997
1. Short-term trade receivables	131	V.3	14,951,881,292	13,465,577,568
2. Short-term advances to suppliers	132		479,013,714	243,073,000
3. Other short-term receivables	136	V.4	11,741,148,278	2,368,663,475
4. Provision for short-term doubtful debts	137	V.5	(11,748,771,596)	(11,801,304,046)
III. Inventories	140	V.6	13,607,704,162	13,271,030,741
1. Inventories	141		13,637,223,384	13,301,260,852
2. Provision for devaluation of inventories	149		(29,519,222)	(30,230,111)
IV. Other short-term assets	150		54,646,772	85,877,328
1. Taxes and other receivables from the State budget	153	V.11a	54,646,772	85,877,328
B. NON-CURRENT ASSETS	200		162,567,932,740	171,517,040,767
I. Fixed assets	220		117,445,332,533	118,057,769,007
1. Tangible fixed assets	221	V.7	117,445,332,533	118,057,769,007
- Cost	222		247,197,896,092	239,966,861,932
- Accumulated depreciation	223		(129,752,563,559)	(121,909,092,925)
II. Long-term assets in progress	240		25,315,470,616	24,387,371,108
1. Long-term construction in progress	242	V.8	25,315,470,616	24,387,371,108
III. Long-term financial investments	250		18,998,319,496	28,095,490,316
1. Investments in joint-ventures, associates	252	V.9	81,840,000,000	81,840,000,000
2. Provision for impairment of long-term financial investments	254	V.9	(63,841,680,504)	(54,744,509,684)
3. Held-to-maturity investments	255	V.2	1,000,000,000	1,000,000,000
IV. Other long-term assets	260		808,810,095	976,410,336
1. Long-term prepayments	261		808,810,095	976,410,336
TOTAL ASSETS	270		197,939,574,776	192,886,758,482

COMBINED BALANCE SHEET (CONTINUED)
As at 31 December 2024

Unit: VND

RESOURCES	Code	Notes	Closing balance	Opening balance
C. LIABILITIES	300		70,424,224,137	69,339,077,080
I. Current liabilities	310		69,938,283,137	68,489,586,653
1. Short-term trade payables	311	V.10	14,643,156,432	4,805,898,096
2. Short-term advances from customers	312		237,278,400	479,237,100
3. Taxes and other payable to the State budget	313	V.11b	405,339,868	344,946,691
4. Payables to employees	314		8,037,497,235	6,950,482,665
5. Short-term accrued expenses	315		149,640,115	194,339,385
6. Short-term unearned revenue	318		161,223,103	160,000,000
7. Other current payables	319	V.12a	2,889,306,766	2,696,902,265
8. Short-term loans and obligations under finance leases	320	V.13	39,227,945,611	47,757,153,363
9. Bonus and welfare funds	322		4,186,895,607	5,100,627,088
II. Long-term liabilities	330		485,941,000	849,490,427
1. Other long-term payables	337	V.12b	292,000,000	292,000,000
2. Long-term loans and obligations under finance leases	338	V.14	193,941,000	557,490,427
D. EQUITY	400		127,515,350,639	123,547,681,402
I. Owner's equity	410	V.15	126,835,350,639	122,867,681,402
1. Owner's contributed capital	411		170,817,910,000	170,817,910,000
- Ordinary shares carrying voting rights	411a		170,817,910,000	170,817,910,000
2. Investment and development fund	418		7,451,470,765	7,451,470,765
3. Retained earnings	421		(51,434,030,126)	(55,401,699,363)
- Retained losses accumulated to the prior year end	421a		(55,401,699,363)	(12,091,052,856)
- Retained earnings of the current year	421b		3,967,669,237	(43,310,646,507)
II. Other resources and funds	430		680,000,000	680,000,000
1. Funds for fixed assets acquisition	432		680,000,000	680,000,000
TOTAL RESOURCES	440		197,939,574,776	192,886,758,482


Phan Huu Bang
Preparer

Phan Huu Bang
Chief AccountantPhan Van Thanh
Chairman
March 30, 2025

COMBINED INCOME STATEMENT
For the year ended 31 December 2024

Unit: VND

ITEMS	Code	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01		121,995,391,855	62,630,909,287
2. Deductions	02		-	133,331,000
3. Net revenue from goods sold and services rendered	10	VI.1	121,995,391,855	62,497,578,287
4. Cost of sales	11	VI.2	95,193,847,739	50,468,217,836
5. Gross profit from goods sold and services rendered	20		26,801,544,116	12,029,360,451
6. Financial income	21	VI.3	75,364,065	53,006,170
7. Financial expenses	22	VI.4	12,709,095,178	43,962,251,562
- In which: Interest expense	23		3,611,924,358	4,579,294,008
8. Selling expenses	25	VI.5	294,636,000	154,040,000
9. General and administration expenses	26	VI.6	10,469,732,008	13,185,810,666
10. Operating profit	30		3,403,444,995	(45,219,735,607)
11. Other income	31	VI.7	585,571,050	2,282,214,275
12. Other expenses	32	VI.8	21,346,808	373,125,175
13. Profit from other activities	40		564,224,242	1,909,089,100
14. Accounting profit before tax	50		3,967,669,237	(43,310,646,507)
15. Current corporate income tax expense	51		-	-
15. Deferred corporate income tax expense	52		-	-
17. Net profit after corporate income tax	60		3,967,669,237	(43,310,646,507)
18. Basic earnings per share	70	VI.9	232	(2,535)
19. Diluted earnings per share	71	VI.9	232	(2,535)

Phan Huu Bang
Preparer

Phan Huu Bang
Chief Accountant



Phan Van Thanh
Chairman
March 30, 2025

COMBINED CASH FLOW STATEMENT
(Indirect method)
For the year ended 31 December 2024

Unit: VND

ITEMS	Code	Current year	Prior year
I. CASH FLOW FROM OPERATING			
1. (Loss)/Profit before tax	01	3,967,669,237	(43,310,646,507)
Depreciation of fixed assets and investment property	02	8,137,149,492	6,387,116,322
Provisions	03	9,043,927,481	42,529,367,672
(Gain)/loss from investing activities	05	(103,379,604)	174,283,119
Interest expense	06	3,611,924,358	4,579,294,008
2. Operating profit before movements in working capital	08	24,657,290,964	10,359,414,614
(Increase)/Decrease in receivables	09	(11,059,361,769)	2,521,089,568
(Increase)/Decrease in inventories	10	(336,673,421)	527,368,814
Increase/(Decrease) in payables	11	11,512,877,114	(8,305,117,675)
(Increase)/Decrease in prepaid expenses	12	167,600,241	555,637,609
Interest paid	14	(3,656,623,628)	(4,604,049,028)
Net cash generated by/(used in) operating activities	20	21,285,109,501	1,054,343,902
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(9,947,478,003)	(3,078,543,361)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	32,407,408	-
3. Interest earned, dividends and profits received	27	71,938,038	52,104,931
Net cash generated by/(used in) investing activities	30	(9,843,132,557)	(3,026,438,430)
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	58,139,609,598	80,293,945,571
2. Repayment of borrowings	34	(67,032,366,777)	(81,916,091,679)
Net cash generated by/(used in) financing activities	40	(8,892,757,179)	(1,622,146,108)
Net increase/(decrease) in cash	50	2,549,219,765	(3,594,240,636)
Cash and cash equivalents at the beginning of the year	60	3,736,799,649	7,331,040,285
Cash and cash equivalents at the end of the year	70	6,286,019,414	3,736,799,649

Phan Huu Bang
Preparer

Phan Huu Bang
Chief Accountant



Phan Van Thanh
Chairman
March 30, 2025

NOTES TO COMBINED FINANCIAL STATEMENTS

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

I. GENERAL INFORMATION**1. Structure of ownership**

Viet Trung Quang Binh Joint Stock Company, formerly Viet Trung One Member Company Limited, was equitized. The Company operates under the Business Registration Certificate No. 3100114493 issued by the Department of Planning and Investment of Quang Binh province for the first time on July 2, 2010 and the 8th amended Business Registration Certificate dated November 19, 2021. The Company is an independent accounting unit, operating in accordance with the Law on Enterprises, the Company Charter and relevant current legal regulations.

2. Business fields

The Company's business fields is agriculture.

3. Main business lines and activities

The Company's main business lines and activities are:

- Rubber tree planting: Planting, caring for, exploiting, processing and consuming rubber latex;
- Processing raw wood and finished wood products.
- ...

4. Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

5. The Company's structure

The Company only invests in one associate, Hoa Phat Quang Binh Breeding Limited Liability Company, headquartered in Huu Nghi sub-area, Viet Trung farm town, Bo Trach district, Quang Binh province, Vietnam. The main business activity of this associate is breeding buffaloes and cows. As of the end of the fiscal year, the Company's capital contribution ratio in this associate was 27.28%, the voting rights ratio and ownership ratio were equivalent to the capital contribution ratio.

The company has a subsidiary, Phu Quy Wood Branch, located at TK7, Bac Ly ward, Dong Hoi city, Quang Binh province.

6. Employees

The number of employees as at 31 December 2024 was 525 (at 31 December 2023 was 480).

II. ACCOUNTING CONVENTION AND FISCAL YEAR**Accounting convention**

The combined financial statements of the Company are prepared on the basis of the combined financial statements of its subsidiaries. Revenue, cost of goods sold and balances between subsidiaries are eliminated when preparing the combined financial statements. The accompanying combined financial statements are presented in Vietnamese Dong (VND), under the historical cost principle and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of combined financial statements. The accompanying combined financial statements are not intended to reflect the financial position, business performance and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***II. ACCOUNTING CONVENTION AND FISCAL YEAR (CONTINUED)****Going concern assumption**

The combined financial statements have been prepared on the going concern basis, which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future.

As of December 31, 2024, the Company's current liabilities exceeded its current assets by VND 34,566,641,101 (as of January 1, 2024, it was VND 47,119,868,938). In 2024, the Company made a profit of VND 3,967,669,237 and reduced its accumulated losses, resulting in the Company's accumulated losses as of December 31, 2024 being VND 51,434,030,126 (accumulated losses as of January 1, 2024 were VND 55,401,699,363). This indicates the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the profit in 2024 was VND 3,967,669,237, showing that the Company is making positive progress from effective business plans. The Board of Management and Board of Directors have been regularly assessing the impact and resolutely implementing plans so that the Company can maintain its maximum ability to operate continuously. Specifically:

- + Arrange personnel for management departments to increase labor productivity and save costs.
- + Increase rubber latex production.
- + Invest in newly planted rubber trees
- + Expand the market and diversify wood products at Phu Quy wood factory.
- + Continue to maintain and expand business cooperation activities with individuals and organizations that need to intercrop short-term crops at locations where old rubber trees have exhausted their production and have been liquidated and not yet replanted.
- + ...

The Board of Management has planned the cash flows and profit plan for the next 12 months expected to be generated from the business activities. At the date of this combined financial statement, the Company's planned profits and cash flows are sufficient to repay its debts when they fall due and continue operations in the next fiscal year. In addition, the Company has no short-term loans that are past due. Based on these bases, the Board of Management of the Company assumes that it is appropriate to prepare the Company's combined financial statements on a going concern basis.

Fiscal year

The Company's fiscal year begins on 01 January and ends on 31 December.

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

The Company's Board of Directors and Board of Management ensure that it has complied with the requirements of Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System issued in accordance with Circular No. 200/2014/TT-BTC ("Circular 200") dated December 22, 2014 of the Ministry of Finance, Circular No. 53/2016/TT-BTC dated March 21, 2016 of the Ministry of Finance on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC as well as Circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of combined financial statements.

Applicable accounting form: Computerized accounting

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these combined financial statements, are as follows:

Estimates

The preparation of combined financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the combined financial statements and the reported amounts of revenues and expenses during the fiscal year (reporting period). Although these accounting estimates are based on the Board of Managements' best knowledge, actual results may differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments with original maturity of less than 3 months that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

When there is strong evidence that part or all of the investment may not be recovered and the amount of loss can be measured reliably, the loss is recognized in financial expenses during the year and reduced directly deduct the investment value.

Held-to-maturity investments are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

The allowance for doubtful debts represents the value of receivables that the Company expects to be unable to collect at the end of the accounting period. Increases or decreases in the balance of the allowance account are recorded as administrative expenses on the Combined Income Statement.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

The depreciation period of the Company's tangible fixed assets is as follows:

	Years
Buildings, structures	06 - 20
Machinery and equipment	05 - 10
Motor, vehicles	07 - 10
Office equipment	03 - 05
Perennial plants, animals used for production	06 - 40
Other tangible fixed assets	03 - 05

Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes service expenses and interest expenses that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Investments in associates

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Investments in associates (Continued)**

The Company records the initial account in subsidiaries, joint ventures and associates according to the historical cost. The Company calculates the income on the income statement from the pure profit of the investee arising after the investment date. Other accounts that the Company receives in addition to the shared profit are the recovery of investment accounts and are recorded as accounts deducting the original investment cost. Dividends received by votes are only tracked by the number of additional shares, not recording the value of shares received/recorded at par value (except for state-owned companies that comply with current regulations of law) (only for updating with state-owned companies).

Investments in subsidiaries, joint ventures and associated companies are presented in the balance sheet at cost less provisions for impairment (if any).

Provision for losses on investments in subsidiaries, joint ventures and associates is made when the subsidiary, joint venture or associate suffers a loss with the provision equal to the difference between the actual capital contribution of the parties in the subsidiary, joint venture or associate and the actual equity multiplied by the Company's capital contribution ratio compared to the total actual capital contribution of the parties in the subsidiary, joint venture or associate. If the subsidiary, joint venture or associate is the subject of the Combined Financial Statement, the basis for determining the provision for losses is the Combined Financial Statement.

Increase or decrease in the provision for investment losses in subsidiaries, joint ventures and associates that must be set up at the end of the fiscal year and recorded in financial expenses.

Prepaid expenses

Prepaid expenses include actual expenses incurred but related to the business results of many accounting periods. Prepaid expenses include the value of exported tools, instruments and components, expenses that are considered to be likely to bring future economic benefits to the Company. These expenses are capitalized as prepayments and amortized to the income statement using the straight-line method in accordance with current accounting regulations.

Revenue recognition

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

- (a) the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- (b) the Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold;
- (c) 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);
- (d) it is probable that the economic benefits associated with the transaction will flow to the Company;
and
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Revenue recognition (Continued)**

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably. When the contract stipulates that the buyer is entitled to return the purchased service under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the service;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate unless the interest receivable is uncertain.

Dividends and profits distributed

Dividends and profits distributed are recognized when the Company is entitled to receive dividends or profits from capital contributions. Dividends received in shares are only tracked by the number of shares increased, not the value of shares received.

Borrowing costs

Borrowing costs are recognized in production and business expenses in the year when they are incurred, unless they are capitalized in accordance with the provisions of Vietnamese Accounting Standard "Borrowing costs". Accordingly, borrowing costs that are directly attributable to the acquisition, construction or production of assets that take a relatively long time to complete are added to the cost of the assets until the asset is put into use or sale. Gains arising from the temporary investment of loans are written down to the cost of the related assets. For separate loans for the construction of fixed assets, investment real estate, interest is capitalized even if the construction period is less than 12 months.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Taxation (Continued)**

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset recognized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The recognition of corporate income tax is based on current tax regulations. However, these regulations vary from time to time and the final recognition of corporate income tax depends on the results of the examination by the tax authorities.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss after tax allocated to the shareholders owning common shares of the Company (after adjusting for the deduction of welfare and reward fund) by the weighted average number of ordinary shares in circulation during the year.

Diluted earnings per share is calculated by dividing the profit (or loss) after tax allocated to shareholders owning the common shares of the Company (after adjusting for dividends of convertible preferred shares) by the weighted average number of ordinary shares in circulation during the year and the weighted average number of ordinary shares which will be issued in case potential impaired ordinary shares are converted into common shares.

Related parties

Considered as related parties are enterprises - including parent companies, subsidiaries, affiliated companies - individuals who, directly or indirectly through one or more intermediaries, have control over the Company or under the control of the Company, or under common control with the Company. Affiliates, individuals who directly or indirectly hold voting rights of the Company and have significant influence over the Company, key management positions such as directors, officers of the Company, close family members of these individuals or affiliated parties or companies affiliated with these individuals are also considered related parties.

In considering each related party relationship, attention is given to the substance of the relationship, not the legal form.

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET**1. CASH**

	Closing balance	Opening balance
	VND	VND
Cash on hand	1,285,581,376	1,444,847,250
Cash in bank	5,000,438,038	2,291,952,399
Total	6,286,019,414	3,736,799,649

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)****2. HELD-TO-MATURITY INVESTMENTS**

	Closing balance VND	Opening balance VND
Bonds	1,000,000,000	1,000,000,000
Total	1,000,000,000	1,000,000,000

Investment bonds in Vietnam Joint Stock Commercial Bank for Industry and Trade. Quantity 10,000 bonds, face value: 100,000 VND per bond. The bond term is 10 years with floating interest rate or equal to reference interest rate + Margin of 1.3% per year. The issuance date and maturity date of the bond are October 30, 2023 and October 30, 2033, respectively.

3. SHORT - TERM TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
Tamico Joint Stock Company	9,442,985,568	9,550,985,568
Tien Phong Cam Lo Company Limited	1,651,595,083	701,244,672
HD Furniture Joint Stock Company	1,053,983,680	778,766,518
Others	2,803,316,961	2,434,580,810
Total	14,951,881,292	13,465,577,568
In which: Receivables from related parties (Details in Note VII.1 - Related parties)	9,442,985,568	9,550,985,568

4. OTHER SHORT-TERM RECEIVABLES

	Closing balance VND	Opening balance VND
Advance to employees	8,133,692,961	155,989,637
Others receivables	3,607,455,317	2,212,673,838
<i>In which:</i>		
<i>Hieu Dai Phat Company Limited (Chip milling project) (*)</i>	1,047,142,842	-
<i>Receivables from cassava growers</i>	1,052,100,000	1,307,900,744
<i>Others</i>	1,508,212,475	904,773,094
Total	11,741,148,278	2,368,663,475

(*) Other receivables of Hieu Dai Phat Company Limited are receivables for investment cooperation costs to expand wood production (wood chips) at the Raw Material Segment - Phu Quy Wood Branch of Viet Trung Quang Binh Joint Stock Company according to business cooperation contract No. 01/HDHTKD/VT-HDP dated May 20, 2024.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)

5. BAD DEBTS

	Closing balance			Opening balance		
	Cost	Recoverable amount	Provision	Cost	Recoverable amount	Provision
	VND	VND	VND	VND	VND	VND
Short-term trade receivables	9,962,568,366	71,501,898	9,891,066,468	9,922,291,568	50,337,000	9,871,954,568
Tamico Joint Stock Company	9,442,985,568	-	9,442,985,568	9,550,985,568	-	9,550,985,568
Tue Lam High-tech Agriculture Co., Ltd.	104,971,000	-	104,971,000	104,971,000	-	104,971,000
Cao Nguyen International One Member Co., Ltd.	115,015,000	-	115,015,000	115,015,000	-	115,015,000
Van Trach Commune Committee	60,500,000	-	60,500,000	60,500,000	-	60,500,000
Others	239,096,798	71,501,898	167,594,900	90,820,000	50,337,000	40,483,000
Other short-term receivables	1,857,705,128	-	1,857,705,128	1,938,273,312	8,923,834	1,929,349,478
Mrs. Nguyen Thi Phuong	65,969,581	-	65,969,581	65,969,581	-	65,969,581
Mrs. Phan Thi Van	60,877,129	-	60,877,129	60,877,129	-	60,877,129
Others	1,730,858,418	-	1,730,858,418	1,811,426,602	8,923,834	1,802,502,768
Total	11,820,273,494	71,501,898	11,748,771,596	11,860,564,880	59,260,834	11,801,304,046

6. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	944,651,325	-	1,887,116,813	-
Tools and supplies	137,939,490	-	355,888,613	-
Work in progress	11,253,831,115	-	9,688,737,721	-
Finished goods	1,280,928,122	(14,829,222)	1,353,818,615	(15,540,111)
Merchandise	19,873,332	(14,690,000)	15,699,090	(14,690,000)
Total	13,637,223,384	(29,519,222)	13,301,260,852	(30,230,111)

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)

7. TANGIBLE FIXED ASSETS

	Buildings and Structures	Machinery and Equipment	Motor Vehicles	Office equipment	Perennial plants, working animals for products	Others	Total
	VND	VND	VND	VND	VND	VND	VND
COST							
Opening balance	105,922,994,035	20,488,051,733	5,167,481,782	1,807,652,327	103,871,647,666	2,709,034,389	239,966,861,932
Additions	1,308,287,285	919,838,000	361,111,111	-	-	-	2,589,236,396
Transfer from construction in progress	-	-	-	-	4,939,868,491	-	4,939,868,491
Disposals	(298,070,727)	-	-	-	-	-	(298,070,727)
Closing balance	106,933,210,593	21,407,889,733	5,528,592,893	1,807,652,327	108,811,516,157	2,709,034,389	247,197,896,092
ACCUMULATED DEPRECIATION							
Opening balance	76,439,942,213	17,121,659,520	5,061,951,439	1,711,539,599	20,822,964,250	751,035,904	121,909,092,925
Charge for the year	1,966,080,887	713,644,604	65,063,536	30,960,148	5,204,914,410	156,485,907	8,137,149,492
Disposals	(293,678,858)	-	-	-	-	-	(293,678,858)
Closing balance	78,112,344,242	17,835,304,124	5,127,014,975	1,742,499,747	26,027,878,660	907,521,811	129,752,563,559
NET BOOK VALUE							
Opening balance	29,483,051,822	3,366,392,213	105,530,343	96,112,728	83,048,683,416	1,957,998,485	118,057,769,007
Closing balance	28,820,866,351	3,572,585,609	401,577,918	65,152,580	82,783,637,497	1,801,512,578	117,445,332,533

The cost of fixed assets that have been fully depreciated but are still used as at December 31, 2024 is VND 55,562,787,098 (as at December 31, 2023 it is VND 52,353,468,538).

As of December 31, 2024, the remaining value of tangible fixed assets used as collateral for loans is VND 39,428,404,292 (as of December 31, 2023 is VND 41,243,423,719).

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)****8. LONG-TERM CONSTRUCTION IN PROGRESS**

	Closing balance VND	Opening balance VND
Rubber planted in 2022	1,606,200,738	3,812,343,795
Rubber planted in 2018	6,626,997,645	6,120,812,018
Rubber planted in 2023	9,410,233,434	7,613,826,812
Acacia mango planted in 2021	2,756,645,376	431,793,415
Rubber planted in 2016	1,670,935,777	1,554,557,382
Others	3,244,457,646	4,854,037,686
Total	25,315,470,616	24,387,371,108

9. INVESTMENTS IN JOINT-VENTURES, ASSOCIATES

Investment in Hoa Phat Quang Binh Breeding Company Liability Limited under the capital contribution contract dated January 12, 2016 between Hoa Phat Group Joint Stock Company and Viet Trung One Member Company Limited. The Company contributes capital in the form of assets on an area of 614.44 hectares in the subdivisions of Huu Nghi, Truyen Thong, Dung Cam, Sao Vang with a value of VND 81,840,000,000 (Eighty-one billion, eight hundred and forty million dong). Hoa Phat Quang Binh Breeding Company Liability Limited was established and operates in Bo Trach district, Quang Binh province under the business registration certificate of a limited liability company with two or more members issued by the Department of Planning and Investment of Quang Binh on January 20, 2016, with the main business line being livestock breeding. As of January 1, 2024 and December 31, 2024, the Company's ownership ratio is 27.28%, and the control ratio is 27.28%.

As at December 31, 2024, the Company has made a provision for long-term financial investments in Hoa Phat Quang Binh Breeding Company Liability Limited with an amount of VND 63,841,680,504 (as at January 1, 2024, it was VND 54,744,509,684).

The Company has not yet assessed the fair value of investments in associates at the end of the accounting period to note to in the Combined Financial Statements because there is no listed price on the market for this financial investment and the current Vietnamese Accounting Standards and Enterprise Accounting Regime do not have specific guidance on determining the fair value of financial investments. The fair value of these financial investments may differ from their carrying value.

10. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
Mr. Dang Hong Ninh	8,912,414,038	-
Song Gianh Joint Stock Corporation	2,000,000,000	1,121,744,400
Hoang Huan Transport Service Trading Company Limited	749,915,600	-
Hiep Nghia Service Trading and Production Company Limited	634,497,030	637,658,530
Others	2,346,329,764	3,046,495,166
Total	14,643,156,432	4,805,898,096

The company determines that it is able to pay 100% of the debts payable to the seller.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)****11. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET**

	Closing balance VND	Payable during the year VND	Paid/Net off during the year VND	Opening balance VND
a. Receivables				
Value added tax	-	1,457,921,744	1,457,921,744	-
Personal income tax	54,646,772	41,553,674	10,323,118	85,877,328
Total	54,646,772	1,499,475,418	1,468,244,862	85,877,328
b. Payables				
Value added tax	405,339,868	6,134,371,996	6,073,978,819	344,946,691
Resource tax	-	320,221,782	320,221,782	-
Real estate tax, land rent	-	2,848,579,732	2,848,579,732	-
Environmental protection tax	-	205,390,064	205,390,064	-
Other taxes	-	8,213,965	8,213,965	-
Total	405,339,868	9,516,777,539	9,456,384,362	344,946,691

12. OTHER PAYABLES

	Closing balance VND	Opening balance VND
a) Short-term		
Union fees	846,029,167	729,733,755
Deposits and mortgages	-	10,000,000
Other payables	2,043,277,599	1,957,168,510
<u>In which:</u>		
- Must be paid to Quang Binh Provincial Inspectorate	634,853,000	634,853,000
- Interest on late payment of goods	846,318,300	846,318,300
- Others	562,106,299	475,997,210
Total	2,889,306,766	2,696,902,265
b) Long-term		
Deposits, Pledges	292,000,000	292,000,000
Total	292,000,000	292,000,000

The company determines that it has the ability to pay 100% of other payables.

VIET TRUNG QUANG BINH JOINT STOCK COMPANYResidential group 3, Viet Trung farm town,
Bo Trach district, Quang Binh province**FORM B09-DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued of the Ministry of Finance**NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)****13. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	Closing balance		In the year		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Vietnam Joint Stock Commercial Bank For Industry And Trade - Quang Binh Branch (i)	23,210,109,624	23,210,109,624	33,152,818,003	33,796,523,843	23,853,815,464	23,853,815,464
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Binh Branch (ii)	10,219,286,560	10,219,286,560	22,221,791,595	28,329,240,534	16,326,735,499	16,326,735,499
Individual loans (iii)	5,435,000,000	5,435,000,000	2,765,000,000	3,840,000,000	6,510,000,000	6,510,000,000
Total	38,864,396,184	38,864,396,184	58,139,609,598	65,965,764,377	46,690,550,963	46,690,550,963
Long-term loan to maturity (Details in Note V.14)	363,549,427	363,549,427			1,066,602,400	1,066,602,400
Total short-term loans and obligations under finance leases	39,227,945,611	39,227,945,611			47,757,153,363	47,757,153,363
In which: Loans and obligations under finance leases are related party (Details in Note VII.1 - Related parties)	800,000,000	800,000,000			800,000,000	800,000,000

- (i) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Quang Binh Branch under loan contract No. 862009731166/2024-HDCVHM/NHCT470-VIETTRUNG dated July 18, 2024. The total limit granted is 25 billion VND, the limit term is until July 18, 2025. The loan term and interest rate are specified in each specific debt acknowledgment contract. The purpose of the loan is to supplement working capital for production and business activities. Short-term and long-term loans are secured by mortgages of all houses and structures attached to the Company's land use rights, rubber latex processing machinery and equipment, and rubber plantations planted before 2011.
- (ii) Loan from Vietnam Joint Stock Commercial Bank for Investment and Development - Quang Binh Branch under loan contract No. 01/2024/525381/HDTD dated December 27, 2024. The total maximum limit granted is VND 16,500,000,000, the term is 12 months from the date of signing the contract, floating interest rate. The purpose of the loan is to supplement working capital for production and business activities. Short-term and long-term loans are secured by mortgages of machinery and equipment at the Phu Quy Wood Branch of the Company.
- (iii) Short-term personal loans under loan contracts with terms from 6 months to 12 months, interest rates from 7.9% to 9%/year. Loan purpose is to supplement working capital for production and business, loans without collateral.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)

14. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Closing balance		In the year		Opening balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Vietnam Joint Stock Commercial Bank For Industry And Trade - Quang Binh Branch (i)	504,380,127	504,380,127	-	840,000,000	1,344,380,127	1,344,380,127
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Binh Branch (ii)	53,110,300	53,110,300	-	226,602,400	279,712,700	279,712,700
Total	557,490,427	557,490,427	-	1,066,602,400	1,624,092,827	1,624,092,827
Long-term loan to maturity	(363,549,427)	(363,549,427)			(1,066,602,400)	(1,066,602,400)
Vietnam Joint Stock Commercial Bank For Industry And Trade - Quang Binh Branch	(310,439,127)	(310,439,127)			(840,000,000)	(440,000,000)
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Binh Branch	(53,110,300)	(53,110,300)			(226,602,400)	(226,602,400)
Total	193,941,000	193,941,000			557,490,427	557,490,427

(i) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Quang Binh Branch includes the following Credit Agreements:

Credit agreement No. 805004607384/2021-HDCVDADT/NHCT470-VIETTRUNG dated June 30, 2021, the committed loan amount does not exceed VND 1,285,000,000, the disbursement period is 06 months from the date of signing the contract, the loan term is 60 months from the first disbursement date, the interest rate is specified in each specific debt receipt, the loan purpose is to pay for legal investment costs of the Project "Renovation of headquarters and company campus".

Credit agreement No. 800004607389/2021-HDCVDADT/NHCT470-VIETTRUNG dated June 30, 2021, the committed loan amount does not exceed VND 2,955,000,000, the disbursement period is 06 months from the date of signing the contract, the loan term is 60 months from the first disbursement date, the interest rate is specified in each specific debt receipt, the loan purpose is to invest in repairing and upgrading the latex processing line and equipping agricultural machinery to serve the mechanization of the rubber industry.

(ii) Loan from Vietnam Joint Stock Commercial Bank for Investment and Development - Quang Binh Branch under credit agreement No. 09/2021/525381/HDTD dated October 8, 2021, maximum committed loan amount of VND 963,000,000, loan term is 56 months from the first disbursement date, floating interest rate, interest rate at the time of disbursement is 9.55% per year. Loan purpose is to invest in machinery and equipment for wood production.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***V. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED BALANCE SHEET (CONTINUED)****14. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)**

Long-term loans are repayable as follow:

	Closing balance VND	Opening balance VND
Within one year	363,549,427	1,066,602,400
In the second year	193,941,000	363,549,427
In the third to the fifth year inclusive	-	193,941,000
Total	557,490,427	1,624,092,827
Less: amount due for settlement 12 months (Shown in the short-loans)	363,549,427	1,066,602,400
Amount due for settlement 12 months	193,941,000	557,490,427

15. OWNER'S EQUITY**a) Movement in owner's equity**

	Owner's equity VND	Investment and Development fund VND	Undistributed profit after tax VND	Total VND
As at 01/01/2023	170,817,910,000	7,451,470,765	(12,091,052,856)	166,178,327,909
Profit (Loss) for the year	-	-	(43,310,646,507)	(43,310,646,507)
As at 01/01/2024	170,817,910,000	7,451,470,765	(55,401,699,363)	122,867,681,402
Profit (Loss) for the year	-	-	3,967,669,237	3,967,669,237
As at 31/12/2024	170,817,910,000	7,451,470,765	(51,434,030,126)	126,835,350,639

b) Owner's equity details

	Closing balance Shares	Opening balance Shares
Quang Binh Provincial People's Committee	10,581,461	10,581,461
Mr. Le Vu Thanh	3,239,230	3,239,230
Mrs. Nguyen Thi Hai	1,000,000	1,000,000
Others	2,261,100	2,261,100
Total	17,081,791	17,081,791

c) Shares

	Closing balance Shares	Opening balance Shares
Number of shares issued to the public	17,081,791	17,081,791
Number of treasury shares	17,081,791	17,081,791
- Ordinary shares	17,081,791	17,081,791
Number of outstanding shares in	17,081,791	17,081,791
- Ordinary shares	17,081,791	17,081,791

An ordinary share has par value of VND 10,000.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED INCOME STATEMENT****1. REVENUE FROM GOODS SOLD AND SERVICES RENDERED**

	Current year VND	Prior year VND
Revenue from sales of goods and finished products	116,318,538,281	57,799,034,055
Revenue from services rendered	4,628,541,486	4,388,011,899
Others	1,048,312,088	310,532,333
Total	121,995,391,855	62,497,578,287

2. COST OF GOODS SOLD

	Current year VND	Prior year VND
Cost of goods and finished products sold	94,668,946,782	50,447,252,820
Other cost	525,611,846	23,781,668
Provision for devaluation of inventory	(710,889)	(2,816,652)
Total	95,193,847,739	50,468,217,836

3. FINANCIAL INCOME

	Current year VND	Prior year VND
Deposits, loans interest	6,438,038	13,376,718
Interest earned from bonds	68,926,027	39,629,452
Total	75,364,065	53,006,170

4. FINANCIAL EXPENSES

	Current year VND	Prior year VND
Loan interest	3,611,924,358	4,579,294,008
Provision (Reversal) for investment in other entities	9,097,170,820	39,382,957,554
Total	12,709,095,178	43,962,251,562

5. SELLING EXPENSES

	Current year VND	Prior year VND
Outside purchasing costs	262,500,000	110,000,000
Other expense	32,136,000	44,040,000
Total	294,636,000	154,040,000

6. GENERAL AND ADMINISTRATION EXPENSES

	Current year VND	Prior year VND
Employees cost	6,500,048,246	6,440,024,489
Depreciation cost	590,287,129	609,753,386
Office supplies cost	243,763,789	307,262,966
Taxes, charges and fees	668,187,781	516,441,945
Reversal/provision for bad debts	(52,532,450)	3,190,545,556
Outside purchasing cost	755,286,178	581,116,344
Other expenses	1,764,691,335	1,540,665,980
Total	10,469,732,008	13,185,810,666

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE COMBINED INCOME STATEMENT (CONTINUED)

7. OTHER INCOME

	Current year VND	Prior year VND
Gain from compensation for site clearance	470,731,400	1,717,593,785
Proceed from liquidation and sale of fixed assets	28,015,539	-
Other income	86,824,111	564,620,490
Total	585,571,050	2,282,214,275

8. OTHER EXPENSES

	Current year VND	Prior year VND
Fines for late payment of tax, administrative violations	21,346,808	62,192,034
Other expense	-	310,933,141
Total	21,346,808	373,125,175

9. BASIC/ DILUTED EARNINGS PER SHARE

	Current year VND	Prior year VND
Accounting profit after corporate income tax	3,967,669,237	(43,310,646,507)
Profit/(Loss) to calculate basic earning per share	3,967,669,237	(43,310,646,507)
Average number of common shares to calculate basic earnings per share	17,081,791	17,081,791
Basic/ diluted earnings per share	232	(2,535)

In 2023, the Company did not carry forward the general and administration expenses to the business results but capitalized them into "Construction in progress" (specifically in note VII.5). In 2024, the Company retroactively corrected the above error. Therefore, the Company retroactively recorded the basic/ diluted earnings per share to accurately reflect the Company's production and business performance in 2023, specifically:

	Reported amount VND	Adjustment VND	After adjustment VND
Accounting after tax	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
Profit/(Loss) to calculate basic earning per share	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
Weighted average number of common shares for basic earnings per share calculation	17,081,791	-	17,081,791
Profit to basic earnings per share	(2,425)		(2,535)

10. COST OF PRODUCTION AND BUSINESS BY ELEMENTS

	Current year VND	Prior year VND
Raw material	49,529,954,349	5,481,919,508
Labor cost	42,865,214,828	43,045,376,065
Fixed asset depreciation cost	8,137,149,492	6,157,962,105
Outside purchasing services cost	9,268,283,306	2,198,550,215
Other cost	3,285,851,664	2,620,379,713
Total	113,086,453,639	59,504,187,606

VIET TRUNG QUANG BINH JOINT STOCK COMPANYResidential group 3, Viet Trung farm town,
Bo Trach district, Quang Binh province**FORM B09-DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued of the Ministry of Finance**NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***VII. OTHERS INFORMATION****1. BUSINESS FIELD AND GEOGRAPHICAL AREA SEGMENTS**

Segment information is presented by business field and geographical area. The primary segment reporting is by business field based on the Company's internal organizational and management structure and internal financial statement system.

Business field segment

For management purposes, the Company's organizational structure is divided into four operating divisions - Rubber Business Division, Wood Business Division, Wood chip Business Division and Others. The Company prepares segment reports according to these four business divisions. The main activities of the four business divisions are as follows:

- Rubber Business Division: Planting, harvesting and producing rubber latex.
- Wood Business Division: Manufacturing and trading wood products.
- Wood Chip Business: Manufacturing and trading wood chip products.
- Others: Land lease and lowering, site improvement.

The segment information on the Company's business fields is as follows:

BALANCE SHEET AS AT 31 DECEMBER 2024:

	Rubber Business	Wood Business	Wood Chip Business	Others	Excluded	Total
	Closing balance VND	Closing balance VND	Closing balance VND	Closing balance VND	Closing balance VND	Closing balance VND
Assets						
Segment assets	3,620,395,156	15,209,237,388	1,047,142,842	10,208,966,624	-	30,085,742,010
Unallocated assets	-	-	-	-	167,853,832,766	167,853,832,766
Total assets	3,620,395,156	15,209,237,388	1,047,142,842	10,208,966,624	167,853,832,766	197,939,574,776
Liabilities						
Segment liabilities	13,279,781,681	1,600,653,151	-	-	-	14,880,434,832
Unallocated liabilities	-	-	-	-	55,543,789,305	55,543,789,305
Total liabilities	13,279,781,681	1,600,653,151	-	-	55,543,789,305	70,424,224,137

VIET TRUNG QUANG BINH JOINT STOCK COMPANYResidential group 3, Viet Trung farm town,
Bo Trach district, Quang Binh province**FORM B09-DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued of the Ministry of Finance**NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements.***VII. OTHERS INFORMATION (CONTINUED)****1. BUSINESS FIELD AND GEOGRAPHICAL AREA SEGMENTS (CONTINUED)****BALANCE SHEET AS AT 1 JANUARY 2024:**

	Rubber Business	Wood Business	Wood Chip Business	Others	Excluded	Total
	Opening balance VND	Opening balance VND	Opening balance VND	Opening balance VND	Opening balance VND	Opening balance VND
Assets						
Segment assets	2,382,371,016	14,698,280,635	-	9,899,029,658	-	26,979,681,309
Unallocated assets	-	-	-	-	165,907,077,173	165,907,077,173
Total assets	2,382,371,016	14,698,280,635	-	9,899,029,658	165,907,077,173	192,886,758,482
Liabilities						
Segment liabilities	3,546,518,467	1,738,616,729	-	-	-	5,285,135,196
Unallocated liabilities	-	-	-	-	64,053,941,884	64,053,941,884
Total liabilities	3,546,518,467	1,738,616,729	-	-	64,053,941,884	69,339,077,080

VIET TRUNG QUANG BINH JOINT STOCK COMPANYResidential group 3, Viet Trung farm town,
Bo Trach district, Quang Binh province**FORM B09-DN**Issued under Circular No. 200/2014/TT-BTC
dated 22 December 2014 issued of the Ministry of Finance**NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)***These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***VII. OTHERS INFORMATIONS (CONTINUED)****1. BUSINESS FIELD AND GEOGRAPHICAL AREA SEGMENTS (CONTINUED)****INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024:**

	Rubber Business	Wood Business	Wood Chip Business	Others	Excluded	Total
	VND	VND	VND	VND	VND	VND
Revenue						
External sales	69,038,040,000	19,809,716,788	27,470,781,493	5,676,853,574		121,995,391,855
Total revenue	69,038,040,000	19,809,716,788	27,470,781,493	5,676,853,574	-	121,995,391,855
Depreciation and allocated expenses	58,732,020,741	19,332,810,423	27,422,715,254	1,154,391,328	(683,722,000)	105,958,215,747
Business result						
Business result of segment	10,306,019,259	476,906,365	48,066,239	4,522,462,246	683,722,000	16,037,176,108
Net profit from business activities	10,306,019,259	476,906,365	48,066,239	4,522,462,246	683,722,000	16,037,176,108
Revenue from investments						75,364,065
Other gains (losses)						564,224,242
Financial expenses						(12,709,095,178)
Profit before corporate income tax						3,967,669,237
Corporate income tax expenses						-
Profit in the period						3,967,669,237

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

VII. OTHERS INFORMATIONS (CONTINUED)

1. BUSINESS AND GEOGRAPHICAL SEGMENTS (CONTINUED)

INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023:

	Rubber Business	Wood Business	Wood Chip Business	Others	Excluded	Total
	VND	VND	VND	VND	VND	VND
Revenue						
External sales	44,607,177,000	12,408,649,468	-	5,481,751,819	-	62,497,578,287
Total revenue	44,607,177,000	12,408,649,468	-	5,481,751,819	-	62,497,578,287
Depreciation and allocated expenses	47,557,526,953	12,526,746,235	-	4,281,903,314	(558,108,000)	63,808,068,502
Business result						
Business result of segment	(2,950,349,953)	(118,096,767)	-	1,199,848,505	558,108,000	(1,310,490,215)
Net profit from business activities	(2,950,349,953)	(118,096,767)	-	1,199,848,505	558,108,000	(1,310,490,215)
Revenue from investments						53,006,170
Other gains and losses						1,909,089,100
Financial expenses						(43,962,251,562)
Profit before corporate income tax						(43,310,646,507)
Corporate income tax expenses						-
Profit in the period						(43,310,646,507)

Geographical area segments

The Company operates in the same territory of Vietnam, there is no difference in the level of risk and economic benefits between segments by geographical area, so segment reports by geographical area are not presented.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying combined financial statements***VII. OTHERS INFORMATION (CONTINUED)****2. RELATED PARTIES****Related parties**Hoa Phat Quang Binh Breeding Company Liability Limited
Tamico Joint Stock Company**Relationship**

Associate company

A major shareholder of the
Company (Mr. Le Vu Thanh) is the
Chairman of the Board of Directors
of TAMICO Joint Stock Company
Key management personnel

Members of Board of Directors and Board of Management

Major balances with related parties at the balance sheet date:

	<u>Current year</u> VND	<u>Prior year</u> VND
Trade receivables	9,442,985,568	9,550,985,568
Tamico Joint Stock Company	9,442,985,568	9,550,985,568
Loans and obligations under finance leases	800,000,000	800,000,000
Mr. Duong Chi Binh	800,000,000	800,000,000

Salary, remuneration of the Board of Directors, Board of Management and Board of Supervisor:

	<u>Current year</u> VND	<u>Prior year</u> VND
Mr. Phan Van Thanh - Chairman	385,495,500	227,819,700
Mr. Duong Chi Binh - Chief Executive Officer, Member	341,774,900	202,420,300
Mr. Pham Xuan Thanh - Deputy Chief Executive Officer, Member	308,574,400	183,132,800
Mr. Nguyen Hai Thanh - Deputy Chief Executive Officer, Member	308,574,400	183,132,800
Mr. Phan Huu Bang - Chief Accountant, Member	308,574,400	183,132,800
Mr. Le Vu Thanh - Member	12,000,000	12,000,000
Mrs. Nguyen Thi Hai - Member	12,000,000	12,000,000
Mrs. Hoang Thi Thu Huong - Head of the Supervisory Board	308,574,400	183,132,800
Total	<u>1,985,568,000</u>	<u>1,186,771,200</u>

3. OPERATIONAL COMMITMENTS

The Company signed 312 land lease contracts with annual rental payments, including:

- 01 lease contract of 40,133 square meters with a lease term from March 21, 2003 to February 11, 2033.
- 311 lease contracts of 22,065,435.8 square meters with a lease term from December 29, 2017 to October 15, 2043. The total leased land area is 22,105,568.8 square meters.

4. SUBSEQUENT EVENTS

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the combined financial statements.

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

VII. OTHERS INFORMATIONS (CONTINUED)**5. COMPARATIVE FIGURES**

Comparative figures are the figures on the audited combined financial statements for the fiscal year ending December 31, 2023. Some indicators have been retroactively adjusted due to errors discovered as follows:

In 2023, the Company is capitalizing office salary expenses into "Construction in progress" instead of recording them into "General and administration expenses" with an amount of VND 1,882,298,224. Therefore, the business management expenses in 2023 decreased compared to the actual amount of VND 1,882,298,224, and the construction in progress cost (details: Rubber planted in 2016) as of December 31, 2023 increased compared to the actual amount of the corresponding amount. Details affecting the financial statements for the fiscal year ending December 31, 2023 are as follows:

Financial statement items	Effect of changes
	Balance sheet as at 31 December 2023
	1,882,298,224
Construction in progress (rubber planted in 2016) decreases	1,882,298,224
Undistributed profit after tax decreases	1,882,298,224
	Income statement for the year 2023
General and administration expenses increases	1,882,298,224
Net profit after corporate income tax decreases	1,882,298,224

Financial statement figures before and after adjustment as follows:

COMBINED BALANCE SHEET

ITEMS	Code	31/12/2023 (Before adjustment)	Retroactive adjustment	01/01/2024 (After adjustment)
B. NON-CURRENT ASSETS	200	173,399,338,991	(1,882,298,224)	171,517,040,767
II. Long-term assets in progress	240	26,269,669,332	(1,882,298,224)	24,387,371,108
1. Long-term construction in progress	242	26,269,669,332	(1,882,298,224)	24,387,371,108
TOTAL ASSETS	270	194,769,056,706	(1,882,298,224)	192,886,758,482
D. EQUITY	400	125,429,979,626	(1,882,298,224)	123,547,681,402
I. Owner's equity	410	124,749,979,626	(1,882,298,224)	122,867,681,402
3. Retained earnings	421	(53,519,401,139)	(1,882,298,224)	(55,401,699,363)
- Retained losses accumulated to the prior year end	421a	(12,091,052,856)	-	(12,091,052,856)
- Retained earnings of the current year	421b	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
TOTAL RESOURCES	440	194,769,056,706	(1,882,298,224)	192,886,758,482

NOTES TO COMBINED FINANCIAL STATEMENTS (CONTINUED)

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

VII. OTHERS INFORMATIONS (CONTINUED)

5. COMPARATIVE FIGURES (CONTINUED)

COMBINED INCOME STATEMENT

ITEMS		Code	Year 2023 (Before adjustment)	Retroactive adjustment	Year 2023 (After adjustment)
9.	General and administration expenses	26	11,303,512,442	1,882,298,224	13,185,810,666
10.	Operating profit	30	(43,337,437,383)	(1,882,298,224)	(45,219,735,607)
14.	Accounting profit before tax	50	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
17.	Net profit after corporate income tax	60	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
18.	Basic earnings per share	70	(2,425)	(110)	(2,535)
19.	Diluted earnings per share	71	(2,425)	(110)	(2,535)

COMBINED CASH FLOW STATEMENT

ITEMS		Code	Year 2023 (Before adjustment)	Retroactive adjustment	Year 2023 (After adjustment)
1	Accounting profit before tax	01	(41,428,348,283)	(1,882,298,224)	(43,310,646,507)
2	Operating profit before movements in working capital	08	12,241,712,838	(1,882,298,224)	10,359,414,614
	Net cash generated by/(used in) operating activities	20	2,936,642,126	(1,882,298,224)	1,054,343,902
	1. Acquisition and construction of fixed assets and other long-term	21	(4,960,841,585)	1,882,298,224	(3,078,543,361)
	Net cash generated by/(used in) investing activities	30	(4,908,736,654)	1,882,298,224	(3,026,438,430)



Phan Huu Bang
Preparer



Phan Huu Bang
Chief Accountant




Phan Van Thanh
Chairman
March 30, 2025