



Công ty TNHH Kiểm Toán AFC Việt Nam
AFC Vietnam Auditing Co., Ltd.

Thành viên tập đoàn PKF Quốc tế
Member firm of PKF International



NAMVIET JOINT STOCK COMPANY

Audited financial statements
for the financial year ended 31 December 2024

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Audited financial statements
for the financial year ended 31 December 2024



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NAMVIET JOINT STOCK COMPANY

18F Tang Nhon Phu St., Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam

GENERAL DIRECTOR'S REPORT

General Director of NamViet Joint Stock Company has the pleasure in presenting this report and the audited financial statements for the financial year ended 31 December 2024.

1. General information

NamViet Joint Stock Company ("the Company") is a joint stock company operated under the Certificate of Business Registration No. 0302205973 for the first time on 01 February 2001 and the 15th amendment on 23 August 2022 issued by Department of Planning and Investment of Ho Chi Minh City.

The stock of the Company is traded on the Ho Chi Minh Stock Exchange (HOSE) with the following details:

- Charter capital:	VND 80,000,000,000 (Eighty billion Vietnamese dong)
- Par value per share:	VND 10,000
- Total number of shares:	8,000,000 shares
- Stock code:	NAV
- First trading date:	22/12/2006

Headquarters:

- Address : 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam

According to the certificate of business registration, business lines of the Company are:

- Manufacturing of concrete and products from cement and gypsum (not operating at the headquarters).
- Processing and preservation of aquatic products and seafood. Details: Processing and preserving other seafood products (not operating at the headquarters).
- Real estate business, land use rights under ownership, use rights, or lease. Details: Buying and selling residential houses and land use rights; Buying and selling non-residential houses and land use rights; Other real estate business activities.
- Architectural activities and related technical consulting. Details: Architectural activities.
- Restaurants and mobile food service activities. Details: Restaurants, eateries, food and beverage establishments (excluding fast food chain stores).
- Manufacturing of metal structures (not operating at the headquarters).
- Short-term accommodation services. Details: Hotels.
- Manufacturing of building materials from clay (not operating at the headquarters).
- Tour operator activities.
- Wholesale of automobiles and other motor vehicles.
- Wholesale of motor vehicle parts and accessories. Details: Wholesale of motor vehicle parts and accessories.
- Wholesale of other household goods. Details: Wholesale of beds, wardrobes, tables, chairs, and similar furniture; Wholesale of other household goods not elsewhere classified.
- Wholesale of metals and metal ores. Details: Wholesale of iron and steel.
- Wholesale of construction materials and other installation equipment.
- Other specialized wholesale not elsewhere classified and general wholesale trade (excluding wholesale of gas cylinders, liquefied petroleum gas (LPG), residual oil, gold bars, hunting or sports firearms and ammunition, and currency; excluding wholesale of chemicals at the headquarters).
- Rental of motor vehicles.
- Construction of other civil engineering projects.

In year, the principal activities of the Company are warehousing and steel trading, forklift business and forklift rental services.

GENERAL DIRECTOR'S REPORT

2. Members of the Board of Administrators, the Board of Supervisors, General Director and Chief Accountant

The members of the Board of Administrators, the Board of Supervisors, General Director and Chief Accountant during the financial year and until the date of this report include:

The Board of Administrators

<u>Full name</u>	<u>Position</u>
Mr. Tran Minh Cong	Chairman
Mr. Dao Nguyen Thoai	Member
Mr. Hoang Kieu Phong	Member

The Board of Supervisors

<u>Full name</u>	<u>Position</u>
Ms. Nguyen Thi Minh Chau	Head
Mr. Nguyen Dinh Minh	Member
Mr. Nguyen Ton Nhan	Member

The Board of Executive

<u>Full name</u>	<u>Position</u>
Mr. Hoang Kieu Phong	General Director
Mr. Ton That Ky Nam	Manager of Company
Ms. Tran Thi My Thanh	Chief Accountant

Legal representative

The legal representative person of the Company who held office during the year and to the date of this report is Mr. Hoang Kieu Phong – position General Director.

3. The Company's financial position and operating results

The Company's financial position as at 31 December 2024 and its operating result for the financial year ended 31 December 2024 are presented in the accompanying financial statements.

4. Important events arise during the financial year

On 16 January 2023, the People's Committee of Ho Chi Minh City issued Decision No. 163/QĐ-UBND on the recovery of 32,202 m² of land, plot 146 and 2,134 m² of land, plot 595, map sheet No. 5, Cadastral Department of Phuoc Long Commune, Thu Duc District (according to the new cadastral map of plot number 9, map sheet number 25, Phuoc Long B Ward, District 9), address at 18F, Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City was leased by the Company according to Decision No. 6339/QĐ-UBND dated 14 December 2005 of the City People's Committee. The reason for the recovery is that the land was allocated and leased by the State for a limited period without extended (according to Point d, Clause 1, Article 65 of the Land Law).

On 07 December 2023, the Company issued document No. 090/2023/CV-DDNV to request the People's Committee of Ho Chi Minh City to review and issue a decision to resolve the company's complaint (first resolved decision) in accordance with the jurisdiction and legal provisions towards extending the lease of land at 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City for office, warehouse, and logistic services operations. In case, the City has investment project according to the plan, approved by the competent authority for project investment, and has a decision to reclaim land to implement the project in accordance with regulations, the Company will comply with the land reclamation. At that time, the Company requests the People's Committee of Ho Chi Minh City to lease another suitable piece of land in accordance with the planning to restore traditional business activities.

GENERAL DIRECTOR'S REPORT

As of the current date, the People's Committee of Ho Chi Minh City is inspecting and considering the reflections and recommendations of Nam Viet Joint Stock Company.

5. Events subsequent to the balance sheet date

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

6. Auditors

AFC Vietnam Auditing Co., Ltd has been appointed to audit the financial statements for the financial year ended 31 December 2024.

7. Statements of General Director's responsibility in respect of the financial statements

General Director is responsible for the financial statements for the financial year ended 31 December 2024 which gives a true and fair view of the state of affair of the Company and of its results and cash flows for the financial year then ended. In preparing those financial statements, General Director 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 standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basic unless it is inappropriate to presume that the Company will continue in business; and
- Design, implement and maintain the Company's internal control for prevention and detection of fraud and error.

General Director is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. General Director is also responsible for controlling the assets of the Company and therefore has taken the appropriate measures for the prevention and detection of fraud and irregularities.

General Director confirms that the Company has complied with the above requirements in preparing the financial statements.

8. Publication of financial statements

General Director hereby publishes the accompanying financial statements which give a true and fair view of the financial position of Company as at 31 December 2024 and the results of its operations and cash flows of the Company for the financial year ended 31 December 2024 in accordance with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



HOANG KIEU PHONG

General Director

Ho Chi Minh City, 18 February 2025



No: 173/2025/BCKT-HCM.01275

INDEPENDENT AUDITORS' REPORT

To: Shareholders
Members of the Board of Management and the General Director
NAMVIET JOINT STOCK COMPANY

We have audited the accompanying financial statements of NamViet Joint Stock Company ("the Company"), presented on 18 February 2025, as set out on pages 06 to 32, which comprise the balance sheet as at 31 December 2024, and the income statement, cash flow statement for the year then ended and notes to the financial statements.

General Director's Responsibility

General Director is responsible for the preparation of these financial statements true and fairly in accordance with comply with Vietnamese Accounting Standards, Vietnamese Accounting System and financial reporting related legal regulations in Vietnam, and such internal control as General Director determined as necessary to ensure that the preparation and presentation of these financial statements that are free from material misstatement to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have 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 financial statements are free from material misstatement.

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

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

Auditor's Opinion

In our opinion, the financial statements give a true and fairly, in all material respects the financial position of NamViet Joint Stock Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to prepare and present the financial statements.

Emphasis Matters

We would like to draw the reader's attention to Item No. 5.12 of the Notes to the financial statements regarding the Land Reclamation Decision of the Company.

On 16 January 2023, the People's Committee of Ho Chi Minh City issued Decision No. 163/QĐ-UBND on the recovery of 32,202 m² of land, plot 146 and 2,134 m² of land, plot 595, map sheet No. 5, Cadastral Department of Phuoc Long Commune, Thu Duc City (according to the new cadastral map of plot number 9, map sheet number 25, Phuoc Long B Ward, District 9), address at 18F, Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City was leased by the Company according to Decision No. 6339/QĐ-UBND dated 14 December 2005 of the City People's Committee. The reason for the recovery is that the land was allocated and leased by the State for a limited period without extended (according to Point d, Clause 1, Article 65 of the Land Law).

INDEPENDENT AUDITORS' REPORT (Continued)

Emphasis Matters (Continued)

On 07 December 2023, Nam Viet Joint Stock Company issued document No. 090/2023/CV/-DDNV to request the People's Committee of Ho Chi Minh City to review and issue a decision to resolve the company's complaint (first resolved decision) in accordance with the jurisdiction and legal provisions towards extending the lease of land at 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City for office, warehouse, and logistic services operations. In case, the City has investment project according to the plan, approved by the competent authority for project investment, and has a decision to reclaim land to implement the project in accordance with regulations, the Company will comply with the land reclamation. At that time, the Company requests the People's Committee of Ho Chi Minh City to lease another suitable piece of land in accordance with the planning to restore traditional business activities.

As of the current date, the People's Committee of Ho Chi Minh City is inspecting and considering the reflections and recommendations of Nam Viet Joint Stock Company.

Our audit opinion is not related to this emphasis matter.



PHAM THI NGOC LIEN

Deputy General Director

Audit Practicing Registration Certificate

No. 1180-2023-009-1

AFC VIETNAM AUDITING COMPANY LIMITED

Ho Chi Minh City, 18 February 2025

NGUYEN NGOC ANH TRUC

Auditor

Audit Practicing Registration Certificate

No. 5517-2021-009-1

NAMVIET JOINT STOCK COMPANY

18F Tang Nhon Phu, Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam


BALANCE SHEET


As at 31 December 2024

	Code	Note	31/12/2024 VND	01/01/2024 VND
ASSETS				
CURRENT ASSETS	100		94,103,641,039	97,860,761,901
Cash and cash equivalents	110	5.1	17,632,706,116	12,201,143,603
Cash	111		2,632,706,116	12,201,143,603
Cash equivalents	112		15,000,000,000	-
Short-term investments	120	5.2.1	17,000,000,000	46,100,000,000
Held-to-maturity investments	123		17,000,000,000	46,100,000,000
Short-term receivables	130		46,612,228,986	33,535,905,218
Short-term trade receivables	131	5.3	27,332,664,355	23,455,014,037
Short-term advances to supplies	132	5.4	15,410,560,662	5,000,000
Other receivables	136	5.5	3,869,003,969	10,075,891,181
Inventories	140	5.7	12,715,783,973	5,932,491,378
Inventories	141		18,798,880,855	12,174,584,581
Provision for obsolete inventories	149		(6,083,096,882)	(6,242,093,203)
Other current assets	150		142,921,964	91,221,702
Short-term prepaid expenses	151	5.8.1	142,921,964	91,221,702
ASSETS				
NON-CURRENT ASSETS	200		23,753,243,382	22,811,329,992
Long-term receivables	210		450,000,002	-
Long-term borrowings receivables	215	5.6	450,000,002	-
Fixed assets	220		9,960,487,514	11,112,965,821
Tangible fixed assets	221	5.9	9,960,487,514	11,112,965,821
Cost	222		29,961,365,450	28,909,040,450
Accumulated depreciation	223		(20,000,877,936)	(17,796,074,629)
Finance leasehold assets	224		-	-
Intangible fixed assets	227	5.10	-	-
Cost	228		154,811,950	154,811,950
Accumulated amortisation	229		(154,811,950)	(154,811,950)
Investment Property	230		-	-
Long-term assets in progress	240		1,618,225,706	-
Construction in progress	242	5.11	1,618,225,706	-
Long-term financial investments	250	5.2.2	11,498,100,000	11,498,100,000
Investment in associates and JV	252		11,498,100,000	11,498,100,000
Other long-term assets	260		226,430,160	200,264,171
Long-term prepaid expenses	261	5.8.2	226,430,160	200,264,171
TOTAL ASSETS	270		117,856,884,421	120,672,091,893

	Code	Note	31/12/2024 VND	01/01/2024 VND
RESOURCES				
LIABILITIES	300		6,343,737,433	5,380,203,599
Current liabilities	310		4,010,267,433	2,549,873,599
Short-term trade payables	311		-	-
Short-term advance from customers	312		-	-
Statutory obligations	313	5.12	1,348,002,257	756,134,210
Payable to employees	314		726,028,121	717,420,431
Short-term accrued expenses	315	5.13	75,807,710	131,934,742
Short-term unrealised revenues	318		-	12,350,000
Other short-term payables	319	5.14.1	1,582,524,093	902,409,630
Bonus and welfare funds	322	5.15	277,905,252	29,624,586
Long-term liabilities	330		2,333,470,000	2,830,330,000
Long-term trade payables	331		-	-
Long-term advance from customers	332		-	-
Long-term accrued expenses	333		-	-
Other long-term liabilities	337	5.14.2	2,333,470,000	2,830,330,000
Long-term loans and finance lease	338		-	-
RESOURCES				
OWNER'S EQUITY	400		111,513,146,988	115,291,888,294
Capital	410	5.16	111,513,146,988	115,291,888,294
Owners' invested equity	411		80,000,000,000	80,000,000,000
Shares with voting rights	411a		80,000,000,000	80,000,000,000
Treasury shares	415		(190,000)	(190,000)
Investment and development fund	418		12,243,398,279	12,243,398,279
Retained earnings	421		19,269,938,709	23,048,680,015
Accumulated retained earnings of previous year	421a		1,448,734,015	9,794,077,573
Retained earnings of this year	421b		17,821,204,694	13,254,602,442
Other capital, funds	430		-	-
TOTAL RESOURCES	440		117,856,884,421	120,672,091,893




TRAN THI MY THANH
Preparer


TRAN THI MY THANH
Chief Accountant


HOANG KIEU PHONG
Director

Ho Chi Minh City, 18 February 2025

NAMVIET JOINT STOCK COMPANY

18F Tang Nhon Phu, Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam

INCOME STATEMENT

For the year ended 31 December 2024

	Code	Note	Year 2024 VND	Year 2023 VND
Gross sales of merchandise and services	01	6.1	106,199,394,079	129,325,094,482
Less deduction	02		-	-
Net sales	10		106,199,394,079	129,325,094,482
Cost of sales	11	6.2	88,281,726,527	113,860,486,502
Gross profit/(loss)	20		17,917,667,552	15,464,607,980
Financial income	21	6.3	12,976,643,306	16,581,723,233
Financial expenses	22		-	-
<i>In which : Interest expenses</i>	23		-	-
Selling expenses	25		58,450,000	12,600,000
General and administration expenses	26	6.4	9,653,410,829	9,166,513,436
Operating profit/(loss)	30		21,182,450,029	22,867,217,777
Other income	31	6.5	198,454,297	509,606,442
Other expenses	32		15,263,777	3,320,000
Other profit/(loss)	40		183,190,520	506,286,442
Profit/(loss) before tax	50		21,365,640,549	23,373,504,219
Current corporate income tax expense	51	5.12	2,227,748,910	2,266,774,792
Deferred corporate income tax expense	52		-	-
Net profit/(loss) after tax	60		19,137,891,639	21,106,729,427
Earnings per share	70	6.6	2,228	2,457



Thanh
TRAN THI MY THANH
Preparer

Thanh
TRAN THI MY THANH
Chief Accountant

Phong
HOANG KIEU PHONG
Director

Ho Chi Minh City, 18 February 2025

CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

	Code	Year 2024 VND	Year 2023 VND
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax	01	21,365,640,549	23,373,504,219
Adjustments for :			
Depreciation and amortisation	02	2,291,398,289	1,998,393,222
Provisions	03	(158,996,321)	472,220,903
(Profits)/losses from investing activities	05	(12,993,543,288)	(16,581,723,233)
Operating income before changes in working capital	08	10,504,499,229	9,262,395,111
(Increase)/decrease in receivables	09	(19,288,210,980)	1,800,677,727
(Increase)/decrease in inventories	10	(6,624,296,274)	378,543,809
Increase/(decrease) in payables	11	(233,211,590)	(43,520,478)
(Increase)/decrease in prepaid expenses	12	(77,866,251)	213,550,899
Corporate income tax paid	15	(1,830,455,431)	(2,602,293,985)
Other cash outflow from operating activities	17	(517,235,000)	(830,700,000)
Net cash flow from operating activities	20	(18,066,776,297)	8,178,653,083
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of fixed assets and other long term assets	21	(2,990,550,706)	(2,063,585,900)
Proceed from disposal of FA and other LT assets	22	250,305,000	-
Payment for loan, purchase of debt instrument	23	(81,599,836,095)	(62,600,000,000)
Proceeds from loans, sale of debt instrument	24	110,249,836,093	61,500,000,000
Interest and dividends received	27	19,188,530,518	15,797,488,860
Net cash flow from investing activities	30	45,098,284,810	12,633,902,960
CASH FLOW FROM FINANCIAL ACTIVITIES			
Dividends paid	36	(21,599,946,000)	(12,799,968,000)
Net cash flow from financing activities	40	(21,599,946,000)	(12,799,968,000)
Net increase/decrease in cash	50	5,431,562,513	8,012,588,043
Cash and cash equivalents at beginning of year	60	12,201,143,603	4,188,555,560
Cash and cash equivalents at the end of year	70	17,632,706,116	12,201,143,603



TRAN THI MY THANH
Preparer

TRAN THI MY THANH
Chief Accountant

HOANG KIEU PHONG
Director

Ho Chi Minh City, 18 February 2025

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Notes form an integral part of and should be read along with the accompanying financial statements.

1. GENERAL INFORMATION

1.1 Ownership

NamViet Joint Stock Company ("the Company") is a joint stock company operated under the Certificate of Business Registration No. 0302205973 for the first time on 01 February 2001 and the 15th amendment on 23 August 2022 issued by Department of Planning and Investment of Ho Chi Minh City.

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- Charter capital:	VND 80,000,000,000 (Eighty billion Vietnamese dong)
- Par value per share:	VND 10,000
- Total number of shares:	8,000,000 shares
- Stock code:	NAV
- First trading date:	22/12/2006

Headquarter: 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam.

1.2 Scope of operating activities

The Company operates in various fields: manufacturing, trading and services.

1.3 Line of business

According to the certificate of business registration, business lines of the Company are:

- Manufacturing of concrete and products from cement and gypsum (not operating at the headquarters).
- Processing and preservation of aquatic products and seafood. Details: Processing and preserving other seafood products (not operating at the headquarters).
- Real estate business, land use rights under ownership, use rights, or lease. Details: Buying and selling residential houses and land use rights; Buying and selling non-residential houses and land use rights; Other real estate business activities.
- Architectural activities and related technical consulting. Details: Architectural activities.
- Restaurants and mobile food service activities. Details: Restaurants, eateries, food and beverage establishments (excluding fast food chain stores).
- Manufacturing of metal structures (not operating at the headquarters).
- Short-term accommodation services. Details: Hotels.
- Manufacturing of building materials from clay (not operating at the headquarters).
- Tour operator activities.
- Wholesale of automobiles and other motor vehicles.
- Wholesale of motor vehicle parts and accessories. Details: Wholesale of motor vehicle parts and accessories.
- Wholesale of other household goods. Details: Wholesale of beds, wardrobes, tables, chairs, and similar furniture; Wholesale of other household goods not elsewhere classified.
- Wholesale of metals and metal ores. Details: Wholesale of iron and steel.
- Wholesale of construction materials and other installation equipment.
- Other specialized wholesale not elsewhere classified and general wholesale trade (excluding wholesale of gas cylinders, liquefied petroleum gas (LPG), residual oil, gold bars, hunting or sports firearms and ammunition, and currency; excluding wholesale of chemicals at the headquarters).
- Rental of motor vehicles.
- Construction of other civil engineering projects.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

In year, the main operating activities of the Company are warehousing and steel trading, forklift business and forklift rental services.

1.4 Business cycle

The business cycle of the Company is not exceeding 12 months.

1.5 Structure of the Company**Associations**

Company name	Head office	Main business activity	The rate of contributions	The proportion of voting rights	The rate of benefits
Saigon Development Corporation	213/13 Nguyen Gia Tri, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam	Manufacture of cement and adhesive bonding materials, trading wooden products and wooden material processing, inland river port services, cooperation in the manufacture of fresh concrete.	34.51%	34.51%	34.51%

1.6 Declaration on comparability of information on financial statements

The figures are presented in the financial statements for the financial year ended 31 December 2024 compared with the corresponding figures prior year.

1.7 The number of employees

At as 31 December 2024, the Company has 24 people (31 December 2023: 25 people).

2. FINANCIAL YEAR, ACCOUNTING CURRENCY**2.1 Financial year**

The financial year of the Company is from January 01 to December 31 annually.

2.2 Accounting currency

The Company maintains its accounting records in Vietnamese Dong (VND) due to the revenues and expenditures are made primarily by currency VND.

3. APPLICABLE ACCOUNTING STANDARDS AND REGIME**3.1 Applicable Accounting Standards and Regime**

The Company's financial statements comply with Vietnamese Accounting Standards, Vietnamese Accounting Regime in accordant with the Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 modify, complement Circular No. 200/2014/TT-BTC and existing guiding circulars issued by the Ministry of Finance in Vietnam in relating to the presentation of financial statements.

3.2 Comply with the Vietnamese Accounting Standards and Vietnamese Accounting Regime

General Director ensures that it has complied with the Vietnamese Accounting Standards and Vietnamese Accounting Regime and the current legal regulations relating to the Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

modify, complement Circular No. 200/2014/TT-BTC and as well as the guiding implementation of Vietnamese Accounting Standards issued by the Ministry of Finance in relating to the presentation of financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation the financial statements

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

4.2 Transactions in foreign currencies

In year, transactions in currencies other than VND during the fiscal year have been translated into VND at exchange rates ruling at the date of the transaction. At the end of the fiscal year, cash in banks, monetary items denominated in foreign currencies are classified as other assets that are converted into VND according to the transfer buying foreign exchange rate of bank prevailing on this date; monetary items denominated in foreign currencies are classified as liabilities that are converted into VND at the selling foreign exchange rate of bank prevailing on this date.

Foreign exchange differences arising during the year from transactions in foreign currencies are recognized in the financial income or expenses. Exchange differences arising from revaluation of monetary items denominated in foreign currencies as at the end of fiscal year after offsetting between increase and decrease difference is recognized in the financial income or expenses.

4.3 Cash and cash equivalents

Cash comprises cash on hand, cash at banks (demand deposits). Cash equivalents are short-term highly liquid investments with an original maturity of less than three months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value at the report date.

4.4 Investments

Held to maturity investments

Investments are classified as held to maturity when the Company has the intent and to be ability to hold to maturity. Held to maturity investments include term deposits (including treasury bills, promissory notes), bonds, preference shares which the issuer is required to re-buy them in a certain time in the future and held to maturity loans to earn profits periodically and other held to maturity investments.

Held to maturity investments are initially recognized at cost including purchase price and the expenses related to the purchase of the investments. After initial recognition, these investments are recorded at their recoverable value. Interest in income from held to maturity investments after the acquisition date is recognized in the income statement on an estimates basis. Income before Company owns is deducted into the cost at acquisition.

When there is evidence surely about a part or all of the investment may not recoverable and having damage can be measured reliably, the loss is recognized in financial expenses in the year and reduced direct investment values.

Associates

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Investments in associates are initially recognized at initial cost, including purchase price or capital contributions plus costs directly attributable to the acquisition. In the case of investment in non-monetary assets, the cost of the investment is recognized at the fair value of non-monetary assets at arise.

Dividends and profits from previous periods of the investments before purchase are accounted for the decrease in value of the investments. Dividends and profits for the following period after purchase is recognized in revenue. Dividends received by shares are only followed by the number of shares increases without recognizing the value of shares.

Provision for diminution in value of long-term investments in associates are made when the association get loss at the level of appropriation equivalent to the difference between on associates' actual investment capital at economic organization and actual equity capital of economic organization multiplying the capital contribution rate of the Company in comparison with in associates' actual investment capital at economic organization. If the associates are the object up to present the consolidated financial statements, the basis for determining loss is the consolidated financial statements.

Increase or decrease in provision for diminution in value of long-term investments of associates have recorded at the closing day and is recognized in the financial cost.

4.5 Receivables

Trade and other receivables are stated at cost less provision for doubtful debts.

The classification of receivables is trade receivables and other receivables, which is complied with the following principles:

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase - sale between the Company and an independent purchaser, including receivables from export sales entrusted to other units.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and to be related to the purchase – sale transactions.

Increases and decreases to the provision balance are recognized as general and administration expenses in the income statement.

4.6 Inventories

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

The cost of inventories is determined as follows:

- Materials and goods: comprising all costs of purchase and related expenses directly incurred in bringing the inventories to their present location and condition.
- Finished goods: including the cost of materials, direct labor and general manufacturing costs amortized based on the cost of primary materials.

Net realizable value represents the estimated selling price of inventory during the normal production and business minus the estimated costs to completion and the estimated costs necessary to consume them.

Cost is determined on a weighted average method and the perpetual method is used to record inventories.

Provision for impairment of inventories is made for each inventory with the cost greater than the net value realizable. For service in progress, the provision for impairment is calculated for each type of service has a separate price. Increase or decrease in the balance of provision for impairment of inventories should be set aside at the financial year end and is recognized in the cost of goods sold.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4.7 Prepaid expenses

Prepaid expenses are used to record expenses actually incurred but they are related to operation output of many accounting periods. Prepaid expenses of the Company include:

Tools and equipment

The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation not exceeding 12 months.

Prepaid land rental

Prepaid land rental represents an amount paid for the land which the company is using. Prepaid land rental is amortized on a straight-line basis to the lease term respectively 12 months.

Warehouse repair costs and warehouse rental brokerage costs

Warehouse repair costs and warehouse rental brokerage costs incurred once to have a large value are amortized to expense under the straight-line method in 12 months.

Other prepaid expenses

Other prepaid expenses include consulting, insurance, workwear costs... These costs are amortized to expenses under the straight-line method to time allocation not exceeding 12 months.

4.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures for additions, improvements and renewals are capitalized on fixed assets accounts, expenditures for maintenance and repairs are charged to the income statement.

When assets are sold or retired, their cost and accumulated depreciation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

Depreciation of tangible fixed assets is calculated on a straight-line basis over the estimated useful life of these assets, which are as follows:

Types of assets	Years
Buildings, structures	05 – 50
Machinery and equipment	03 – 10
Transportation	03 – 10
Office equipment	03 – 05

4.9 Intangible fixed assets

Intangible fixed assets determined at the initial costs less amortization.

The initial cost of an intangible fixed asset comprises its purchase price and any direct attributable costs of bringing the asset to its working condition and location for its intended use. Costs relating to intangible assets incurred after initial recognition are recognized to the income statement, except for costs which are related to the specific intangible assets and increase benefits economic from these assets.

When assets are sold or liquidated, their cost and accumulated amortization are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

The company's intangible fixed asset is:

Computer software

The buying expenses of computer software which are not an integral part of the related hardware are capitalized. Initial cost of computer software includes all the expenses paid until the date the software is put into use.

4.10 Construction in progress

Construction in progress presents the cost of repairment of fixed assets, as well as the cost of unfinished construction (including interest expenses suitable for relevant accounting policies of the Company). No depreciation is made on construction in progress until the relevant assets are completed and put into use.

4.11 Accounts payable and accrued expenses

Accounts payable and accrued expenses are recognized for amounts to be paid in the future, which are related to receiving the goods and services. Accrued expenses are recorded based on reasonable estimates payment.

The classification of liabilities is payable to suppliers, accrued expenses, and other payables, which complied with the following principles:

- Trade payables reflect the nature of the payables arising from commercial transactions with purchase of goods, services, and property between the Company and independent sellers, including payables when imported through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided with the purchaser but have not been paid until having invoices or having insufficient billing records, accounting records, and payables to employees including salary, production costs, sales must accruals.
- Other payables reflect the nature of the payables of non-commercial, not related to the purchase, sale, rendering service transactions.

4.12 Capital

Owner's equity

Capital is recorded according to the amount actually invested by shareholders.

Treasury stocks

When acquiring shares issued by the Company, payables including expenses related to the transaction are recorded as treasury shares and are reflected as a deduction in equity. When reissued, the difference between the price of re-release and the book value of treasury shares are recorded in the item "equity premium".

4.13 Distribution of net profits

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Company as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

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

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

4.14 Revenue

Revenue from sales of goods

Sale of merchandise shall be recognized if it simultaneously meets the following five (5) conditions:

- The Company has transferred the majority of risks and benefits associated with the right to own the products or goods to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;
- Turnover has been determined with relative certainty; When contracts define that buyers are entitled to return products, goods purchased under specific conditions, the Company shall only record turnovers if such specific conditions no longer exist and buyers are not entitled to return products, goods (unless the customer is entitled to return the goods under the form of exchange for other goods or services).
- The Company has gained or will gain economic benefits from the good sale transaction; and
- It is possible to determine the costs related to the goods sale transaction.

Revenue from sales of service rendered

Revenue of a transaction involving the rendering of services is recognized when the outcome of such transactions can be measured reliably. In case that a transaction involves the rendering of services is attributable to several periods, revenue is recognized 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:

- The amount of revenue can be measured reliably; When contracts define that buyers are entitled to return services purchased under specific conditions, enterprises shall only record turnover if such specific conditions no longer exist, and buyers are not entitled to return services provided.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each period.

Dividends and profits received

Dividends and profit shared are recognized when the Company receives the notice of dividends or profit from the capital contribution. Dividends which are received by shares only follow up the number of shares increases, no recognition of the value of shares.

4.15 Corporate income tax

Corporate income tax ("CIT") for the year comprises current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount is calculated on taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between accounting and tax, non-deductible expenses as well as adjusted income are not taxed, and losses be transferred.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Deferred income tax

Deferred income tax is the corporate income tax will pay or will be refunded by the temporary differences between the carrying amounts of assets and liabilities for the purpose of preparing the financial statements and the basis to calculate income tax. Deferred income tax is recognized for all temporary differences tax. Deferred tax assets are only recognized when the certainty of future get the taxable profits to use those temporary deductible differences.

The carrying amount of deferred tax assets are reconsidered at closing of the financial year and will be reversed to make sure that there is enough taxable profit to allow the benefit assets to be used fully or partly. The deferred tax assets were not previously recognized reconsidered at closing of the financial year and is recognized when it is sure to enough taxable profit to be able to use this deferred tax assets.

Deferred tax assets and deferred income tax payable are calculated at the estimated tax rates that is applied in the asset is realized or the liability is settled in accordance with the tax rates in effect at closing financial year. Deferred income tax is recognized in the income statement and record directly to equity when the tax relates to items directly to equity.

Deferred tax assets and deferred income tax payables are off set as follows:

- The Company has a legal right to offset between current income tax assets and current income taxes payable; and
- Deferred tax assets and deferred income tax payables are related to corporate income tax is administered by the same tax authority.
 - For the same taxable company; or
 - The Company intends to pay current income taxes and deferred tax assets on the basis of net assets or recovered assets at the same with the payment of liabilities for each of periods in future when the materiality of deferred income tax or deferred tax assets to be paid or recovered.

The tax settlement of the Company will be assessed by the Tax Department. Due to the application of laws and regulations on taxes for different incurred transactions which can be explained in many different ways, tax payable presented in the financial statements can be immediately changed according to the decision of the tax authorities.

4.16 Segment Reporting

Segment by business area is a separately identifiable part that is engaged in the production or provision of products or services and has risks and returns that are different from those of other business segments.

Segment by geographical area is a separately identifiable part that is engaged in the production or provider of products or services within a particular economic environment and has economic risks and rewards different from business segments in other economic environments.

4.17 Financial instruments

Financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Financial assets of the Company include cash and cash equivalents, customer receivables, other receivables, other assets and derivative financial instruments.

At the time of initial recognition, financial assets are determined at cost plus any costs directly acquisition, issuance of such financial assets.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Financial Liabilities

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. Financial liabilities of the Company include payable to suppliers, accrued expenses, other payables and derivative financial instruments.

At the time of initial recognition, except for financial lease-purchase-related liabilities and convertible bonds, which are recognized at their amortized cost, other financial liabilities are determined at cost plus costs directly issuance of such financial liabilities.

Amortization is measured at the initial recognition of the financial liability less any principal repayments, plus or minus any accumulated amortizations calculated using the effective interest method of the difference between initial recognition and maturity, less any deductions (directly or through the use of a provision account) for impairment or un-collectability.

The effective interest method is a method of calculating the amortized value of one or a group of financial liabilities and allocating interest income or interest expenses during the relevant period. The effective interest rate is the interest rate that discounts the estimated future cash flows to be paid or received over the expected life of the financial instrument or, if necessary, back to its present carrying amount. net financial liabilities.

Equity Instruments

An equity instrument is a contract that demonstrates a residual interest in the assets of the Company after deducting all obligations.

Offsetting of financial instruments

The financial assets and financial liabilities are offset, and the net amount is presented on the balance sheet, and if only, the Company:

- Has the legal right to offset the values were recognized, or
- There is an intention to settle on a net basis or to realize the asset and pay the liability simultaneously.

4.18 Related parties

Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions as well as operations of the Company.

In considering the relationship of stakeholders, the nature of the relationship is emphasized more than the legal form.

The following parties are known as the Company's related parties:

Related parties	Relationship
Saigon Development Corporation	Associates
LIDOVIT Trading and Industrial Joint Stock Company	The same key members
MGA Viet Nam Joint Stock Company	The same key members
Board of Management, Board of Control, Board of General Director	Key members

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5. ADDITIONAL INFORMATION TO ITEMS IN BALANCE SHEET**5.1 Cash and cash equivalents**

	31/12/2024 VND	01/01/2024 VND
Cash on hand – VND	445,514,663	878,415,327
Cash in banks – VND		
– VND	2,187,188,895	11,322,725,718
– USD	2,558	2,558
Cash equivalents (*)	15,000,000,000	-
	17,632,706,116	12,201,143,603

(*) This is term deposits with terms of 1-3 months at banks with interest rates of 4.2% - 4.5%/year.

5.2 Investments

Investments of the Company includes held to maturity investments and investments in associates. Details of investments of the Company are as follows:

5.2.1 Held to maturity investments

	31/12/2024		01/01/2024	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term				
Term deposits (*)	17,000,000,000	17,000,000,000	46,100,000,000	46,100,000,000
	17,000,000,000	17,000,000,000	46,100,000,000	46,100,000,000

(*) As at 31 December 2024, held-to-maturity investments are the remaining short-term term deposits of deposits with original terms from 6 months to 185 days at banks with interest rates of 2.9% - 5.8%/year.

5.2.2 Investments in associates

	31/12/2024			01/01/2024		
	Cost	Provision	Fair value (*)	Cost	Provision	Fair value (*)
	VND	VND	VND	VND	VND	VND
Investments in associates						
Saigon Development Corporation	11,498,100,000	-	(*)	11,498,100,000	-	(*)
	11,498,100,000	-		11,498,100,000	-	

The Company hold 1,725,419 shares, which is equivalent to 34.51% of charter capital of Saigon Development Corporation, a company established and operating in Vietnam. The main operating activities of Saigon Development Corporation are Manufacture business of cement and adhesive bonding materials, manufacture business of wooden products and wooden material processing, inland river port services, cooperation in the manufacture of fresh concrete. Currently, this associate is still operating normally and doing profitable business. As at 31 December 2024, the Company has fully contributed capital to Saigon Development Corporation. On 10 December 2024, the Board of Administrators of the Company approved the Resolution of the Board of Administrators on the divestment of 1,725,419 shares of the Company in Saigon Development Joint Stock Company.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

(*) As at the date of financial statements, there is no fair value for this investment.

5.3 Short-term trade receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Trade receivables – other organizations				
Viet Metal Works Co., Ltd	-	-	22,293,362,413	-
Southern Star Trading Production Investment Corporation	12,558,822,793	-	-	-
Intimex Investment Joint Stock Company	14,742,540,271	-	-	-
Other customers	31,301,291	-	1,161,651,624	-
	27,332,664,355	-	23,455,014,037	-

5.4 Short-term advances to supplies

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Advances to supplies - other supplies				
TAT Equipment Joint Stock Company	12,553,907,405	-	-	-
Thanh Loi Company Limited	1,766,094,033	-	-	-
Other supplies	1,090,559,224	-	5,000,000	-
	15,410,560,662	-	5,000,000	-

5.5 Other short-term receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Related parties				
Saigon Development Corporation – Dividends receivables (Refer to item 8.1.2)	3,449,430,000	-	6,898,860,000	-
Other receivables from other organizations				
Accrued interest	391,273,969	-	3,153,731,181	-
Other short-term receivables	28,300,000	-	23,300,000	-
	3,869,003,969	-	10,075,891,181	-

(*) As of the issuance date of this report, the Company has received dividend payments from Saigon Development Corporation, as announced in notices No. 03/TB-HDQT-SDC dated 25 December 2024. The payments were received on 14 January 2025, respectively, at the Vietnam Joint Stock Commercial Bank for Industry and Trade.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5.6 Inventories

	31/12/2024		01/01/2024	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	2,413,877,963	(1,686,922,677)	2,480,340,599	(1,733,878,527)
Tools and supplies	6,546,571	(4,699,525)	6,546,571	(4,699,525)
Work in progress	2,688,129,670	-	-	-
Finished goods	6,224,063,171	(4,381,474,679)	6,383,697,411	(4,493,515,151)
Goods	7,466,263,480	(10,000,000)	3,304,000,000	(10,000,000)
	18,798,880,855	(6,083,096,881)	12,174,584,581	(6,242,093,203)

Movements of provision for declining inventories as follow:

	Year 2024 VND	Year 2023 VND
Opening balance	(6,242,093,203)	(5,769,872,300)
Provision in year	-	(560,400,902)
Reversal of provision	158,996,321	88,179,999
Closing balance	(6,083,096,882)	(6,242,093,203)

5.7 Long-term borrowing receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
<i>Long-term borrowing receivables from other individuals</i>				
Hoang Thi Cuc (*)	450,000,002	-	-	-
	450,000,002	-	-	-

(*) This is the borrowing receivables under the contract dated 10 July 2024 with the limit is VND 500,000,000 in 5 years, interest rate 6%/ years without collateral.

5.8 Short-term, long-term prepaid expenses

5.8.1 Short-term prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Warehouse repair costs	6,075,000	61,179,000
Insurance costs	54,133,329	-
Others	82,713,635	30,042,702
	142,921,964	91,221,702

5.8.2 Long-term prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Warehouse repair costs	226,430,160	200,264,171
	226,430,160	200,264,171

NAMVIET JOINT STOCK COMPANY

18F Tang Nhon Phu St., Phuoc Long B Ward, Thu Duc City, Ho Chi Minh City, Viet Nam

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Warehouse repair costs	226,430,160	200,264,171
	226,430,160	200,264,171

5.9 Increase/decrease of tangible fixed assets

	Building, structures	Machinery	Transportation	Office equipment	Total
	VND	VND	VND	VND	VND
Cost					
As at 01/01/2024	16,802,131,055	1,516,573,295	10,557,336,100	33,000,000	28,909,040,450
Additions	-	62,325,000	1,310,000,000	-	1,372,325,000
Increase in year	-	-	(320,000,000)	-	(320,000,000)
As at 31/12/2024	16,802,131,055	1,578,898,295	11,547,336,100	33,000,000	29,961,365,450
Accumulated depreciation					
As at 01/01/2024	13,920,604,989	1,516,573,295	2,325,896,345	33,000,000	17,796,074,629
Additions	354,955,956	9,521,875	1,926,920,458	-	2,291,398,289
Depreciation in year	-	-	(86,594,982)	-	(86,594,982)
As at 31/12/2024	14,275,560,945	1,526,095,170	4,166,221,821	33,000,000	20,000,877,936
Net book value					
As at 01/01/2024	2,881,526,066	-	8,231,439,755	-	11,112,965,821
As at 31/12/2024	2,526,570,110	52,803,125	7,381,114,279	-	9,960,487,514

Cost of fixed tangible assets which are fully depreciated but still in use:

As at 01/01/2024	8,314,484,989	1,516,573,295	136,000,000	33,000,000	10,000,058,284
As at 31/12/2024	8,356,392,741	1,516,573,295	136,000,000	33,000,000	10,041,966,036

5.10 Increase/decrease of intangible fixed assets

	Computer Software	Total
	VND	VND
Cost		
As at 01/01/2024	154,811,950	154,811,950
As at 31/12/2024	154,811,950	154,811,950
Accumulated depreciation		
As at 01/01/2024	154,811,950	154,811,950
As at 31/12/2024	154,811,950	154,811,950
Net book value		
As at 01/01/2024	-	-
As at 31/12/2024	-	-

Cost of intangible fixed assets which are fully depreciated but still in use:

As at 01/01/2024	154,811,950	154,811,950
As at 31/12/2024	154,811,950	154,811,950

5.11 Construction in progress

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5.12 Taxes and amounts payable to the State Budget

		Movement in the year		31/12/2024
	Payables	Payable	Paid/ Deducted	Payables
	VND	VND	VND	VND
Value added tax on domestic goods	154,560,196	1,282,172,517	(1,169,907,006)	266,825,707
Corporate income tax	166,377,266	2,227,748,910	(1,830,455,431)	563,670,745
Personal income tax	435,196,748	1,281,558,359	(1,199,249,302)	517,505,805
Land rental taxes	-	12,891,223	(12,891,223)	-
Other taxes	-	2,565,529,404	(2,565,529,404)	-
	756,134,210	7,384,053,772	(6,792,185,725)	1,348,002,257

Value added tax

The Company paid value added tax payable under deduction method. The value added tax rate on exported goods was 0%, on goods sale in domestic was 10%.

Corporate income tax

The corporate income tax is paid at a rate of 20% on taxable income.

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

	Year 2024	Year 2023
	VND	VND
Accounting profit before tax	21,365,640,549	23,373,504,219
Adjustments to increase, decrease accounting profit before tax to determine taxable income:		
- Adjustments to increase	121,394,000	33,374,741
Assessable income	21,487,034,549	23,406,878,960
Tax exempt income	(10,348,290,000)	(12,073,005,000)
(Dividends distributed from profit)		
Taxable income	11,138,744,549	11,333,873,960
Corporate income tax rate	20%	20%
Current corporate income tax expense	2,227,748,910	2,266,774,792

Land rental taxes

On 16 January 2023, the People's Committee of Ho Chi Minh City issued Decision No. 163/QD-UBND on the recovery of 32,202 m² of land, plot 146 and 2,134 m² of land, plot 595, map sheet No. 5, Cadastral Department of Phuoc Long Commune, Thu Duc City (according to the new cadastral map of plot number 9, map sheet number 25, Phuoc Long B Ward, District 9), address at 18F, Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City was leased by the Company according to Decision No. 6339/QD-UBND dated 14 December 2005 of the City People's Committee. The reason for the recovery is that the land was allocated and leased by the State for a limited period without extended (according to Point d, Clause 1, Article 65 of the Land Law).

On 07 December 2023, the Company issued document No. 090/2023/CV/-DDNV to request the People's Committee of Ho Chi Minh City to review and issue a decision to resolve the company's complaint (first resolved decision) in accordance with the jurisdiction and legal provisions towards extending the lease of land at 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City for office, warehouse, and logistic services operations. In case, the City has investment project according to the plan, approved by the competent authority for project investment, and has a decision to reclaim land to implement the project in accordance with regulations, the Company will comply with the land reclamation. At that time, the Company requests the People's Committee of Ho Chi Minh City to lease another suitable piece of land in accordance with the planning to restore traditional business activities.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

extending the lease of land at 18F Tang Nhon Phu Street, Phuoc Long B Ward, Thu Duc City for office, warehouse, and logistic services operations. In case, the City has investment project according to the plan, approved by the competent authority for project investment, and has a decision to reclaim land to implement the project in accordance with regulations, the Company will comply with the land reclamation. At that time, the Company requests the People's Committee of Ho Chi Minh City to lease another suitable piece of land in accordance with the planning to restore traditional business activities.

As of the current date, the People's Committee of Ho Chi Minh City is inspecting and considering the reflections and recommendations of Nam Viet Joint Stock Company.

The land rental tax for the year was deducted and paid according to the announcement of land rental rates No. 19607/TB-CTTPHCM dated 03 June 2024, issued by the Tax Department of Ho Chi Minh City.

Other taxes

The Company declared and paid according to regulations.

5.13 Short-term accrued expenses

	31/12/2024 VND	01/01/2024 VND
Gift expenses	50,000,000	100,000,000
Electricity accrued expenses	25,807,710	30,734,742
Other expenses	-	1,200,000
	75,807,710	131,934,742

5.14 Other short-term, long-term payables

5.14.1 Other short-term payables

	31/12/2024 VND	01/01/2024 VND
Other payables – Related parties		
Remuneration of the Board of Management, Board of Control	94,788,270	141,873,807
Other payables – Other organizations and individuals		
Dividends of other shareholders	2,530,200	2,530,200
Deposit short-term payables	1,456,995,000	729,795,000
Others	28,210,623	28,210,623
	1,582,524,093	902,409,630

5.14.2 Other long-term payables

	31/12/2024 VND	01/01/2024 VND
Other payables – Other organizations		
Deposit long-term payables	2,333,470,000	2,830,330,000
	2,333,470,000	2,830,330,000

5.15 Bonus and welfare funds

	01/01/2024 VND	Increase by deduction from profits VND	Used in year VND	31/12/2024 VND
Bonus fund	16,562,293	382,757,833	(237,385,000)	161,935,126
Welfare fund	13,062,293	382,757,833	(279,850,000)	115,970,126

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5.16 Owners' equity

5.16.1 The table of equity fluctuation

	Owners' invested capital	Treasury stocks	Investment development fund	Retained earnings	Total
	VND	VND	VND	VND	VND
Last year					
As at 01/01/2023	80,000,000,000	(190,000)	12,243,398,279	16,194,061,573	108,437,269,852
Profit in year	-	-	-	21,106,729,427	21,106,729,427
Dividend distribution in 2022	-	-	-	(6,399,984,000)	(6,399,984,000)
Advance dividend in 2023	-	-	-	(6,399,984,000)	(6,399,984,000)
Setting up bonus and welfare fund	-	-	-	(844,269,178)	(844,269,178)
Setting up remuneration of Board of Administrators	-	-	-	(607,873,807)	(607,873,807)
As at 31/12/2023	80,000,000,000	(190,000)	12,243,398,279	23,048,680,015	115,291,888,294
This year					
As at 01/01/2024	80,000,000,000	(190,000)	12,243,398,279	23,048,680,015	115,291,888,294
Profit in year	-	-	-	19,137,891,639	19,137,891,639
Dividend distribution in 2023	-	-	-	(5,599,986,000)	(5,599,986,000)
Additional dividend distribution in 2023	-	-	-	(15,999,960,000)	(15,999,960,000)
Setting up bonus and welfare fund	-	-	-	(765,515,666)	(765,515,666)
Setting up remuneration of Board of Administrators	-	-	-	(551,171,279)	(551,171,279)
As at 31/12/2024	80,000,000,000	(190,000)	12,243,398,279	19,269,938,709	111,513,146,988

5.16.2 Details of owners' invested capital

According to the amended Enterprise Registration Certificate, the Company's charter capital is VND 80,000,000,000. As of 31 December 2024, the charter capital has been fully contributed by the shareholders as follows:

Shareholders	31/12/2024		01/01/2024	
	VND	Rate (%)	VND	Rate (%)
Shareholders are legal entities				
Saigon Construction Corporation One Member Limited Company	16,000,000,000	20,00	16,000,000,000	20,00
Shareholders are individuals				
Ms. Nguyen Thi Huong Ngan	25,684,420,000	32,11	25,684,420,000	32,11
Mr. Tran Binh Khoi	16,450,400,000	20,56	16,450,400,000	20,56
Mr. Hoang Kieu Phong	8,042,260,000	10,05	8,042,260,000	10,05
Ms. Do Thi Hien Luong	6,665,400,000	8,33	6,665,400,000	8,33
Other shareholders	7,157,330,000	8,95	7,157,330,000	8,95
Treasury stocks	190,000	0,00	190,000	0,00
	80,000,000,000	100,00	80,000,000,000	100,00

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

5.16.3 Shares

	31/12/2024	01/01/2024
Registered number of issued shares	8,000,000	8,000,000
Number of shares sold to the public		
- Ordinary shares	8,000,000	8,000,000
- Preferred shares	-	-
Number of repurchased shares		
- Ordinary shares	20	20
- Preferred shares	-	-
Number of shares in circulation		
- Ordinary shares	7,999,980	7,999,980
- Preferred shares	-	-

Par value of shares in circulation is VND 10,000/ shares.

5.16.4 Profits distribution

In the year 2024, the Company distributed profits according to the Resolution of the Annual General Meeting of Shareholders No. 01/NQ-DHDCD-2024-NAV dated 26 April 2024, Details are as follows:

	VND
• Dividend in 2023 (7% par value)	: 5,599,986,000
• Additional dividend in 2023 (20% par value)	: 15,999,960,000
• Bonus and welfare funds in the year 2024	: 765,515,666
• Remuneration of Board of Administrators in the year 2024	: 551,171,279

5.17 Off balance sheet items

Foreign currencies

	31/12/2024	01/01/2024
US Dollar (USD)	0.12	0.12

6. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

6.1 Gross sales of merchandise and services

	Year 2024 VND	Year 2023 VND
Revenue from sale of goods, finished goods	86,124,902,936	110,418,371,842
Revenue from rendering services	20,036,568,143	18,903,482,640
Other Revenue	37,923,000	3,240,000
	106,199,394,079	129,325,094,482

6.2 Cost of sales

	Year 2024 VND	Year 2023 VND
Cost of merchandise sold, finished goods sold	82,738,470,583	108,562,975,578
Cost of provided services	5,543,255,944	5,297,510,924
	88,281,726,527	113,860,486,502

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6.3 Financial income

	Year 2024 VND	Year 2023 VND
Interest on deposits	2,628,353,306	4,508,718,233
Dividends and profit shared	10,348,290,000	12,073,005,000
	<u>12,976,643,306</u>	<u>16,581,723,233</u>

6.4 General and administration expenses

	Year 2024 VND	Year 2023 VND
Staff cost	7,346,632,285	7,152,595,676
Material cost management	201,711,926	-
Depreciation cost	90,081,064	83,702,268
Taxes, fees and charges	11,383,061	12,891,223
Other costs	2,003,602,493	1,917,324,269
	<u>9,653,410,829</u>	<u>9,166,513,436</u>

6.5 Other income

	Year 2024 VND	Year 2023 VND
Interest on disposal fixed assets	16,899,982	-
Contract violations	180,644,200	500,000,000
Other income	910,115	9,606,442
	<u>198,454,297</u>	<u>509,606,442</u>

6.6 Basic earnings per share

	Year 2024 VND	Year 2023 VND
Net profit after tax	19,137,891,639	21,106,729,427
The adjusted increase of accounting profit to determine profit attributable to shareholders holding ordinary shares:		
- Setting up bonus and welfare fund	(765,515,666)	(844,269,178)
- Setting up remuneration of Board of Management	(551,171,279)	(607,873,807)
Profit used to calculate basic earnings per share	<u>17,821,204,694</u>	<u>19,654,586,442</u>
Weighted average number of ordinary shares circulating during the year	7,999,980	7,999,980
Earnings per share (VND/share)	<u>2,228</u>	<u>2,457</u>

Ordinary shares circulating on average during the year is calculated as follows:

	Year 2024	Year 2023
Ordinary shares circulating at the beginning of the year	7,999,980	7,999,980
Effect of ordinary shares repurchase	-	-
Effect of ordinary shares issued	-	-
Ordinary shares circulating on average during the year	<u>7,999,980</u>	<u>7,999,980</u>

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

6.7 Production cost according to factors

	Year 2024 VND	Year 2023 VND
Cost of raw materials	83,063,111,011	108,234,887,789
Staff cost	7,346,632,285	7,152,595,676
Depreciation cost	2,291,398,289	1,998,393,222
Outside services	812,477,135	1,397,373,172
Other cost	4,443,900,818	4,256,350,079
	97,957,519,538	123,039,599,938

7. FINANCIAL INSTRUMENTS

The Company may have financial assets such as trade receivables, other receivables, cash and short-term deposits that arise directly from the operations of the company. The financial liabilities of the Company mainly consist of trade payables, accrued expenses and other payables. The main purpose of these financial liabilities is to gather the financial resources to serve the activities of the Company.

The Company incurs from market risk, credit risk and liquidity risk.

Operational risk management is indispensable operations for the entire business operations of the Company. The Company has not implemented measures to prevent this risk due to lack of a market to purchase financial instruments.

The General Director considered and uniformly applied policies to manage each of these risks are summarized below:

i. Market risk

The market risk is the risk that the fair value of future cash flow of a financial instrument will fluctuate because of changes in market prices. Market risk has four types of risk: interest rate risk, currency risk, goods price risk and other price risk, such as share price risk.

Interest rate risk

The interest rate risk is the risk that the fair value or future cash flow of a financial instrument will fluctuate because of changes in market interest rates. Market risk for changes in interest rates of the Company primarily correlates to cash, short-term deposits of the Company.

The company manages interest rate risk by analyzing the competitive situation in the market to acquire beneficial interest for the company's purposes but still remain within the limits of their risk management.

Foreign currency risk

The risk of foreign currency is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in exchange rates. The Company incurs the risk of changes in exchange rates, which are directly related to the business operations of the company.

The Company has foreign exchange risks from the purchase and sale of goods denominated in other currencies, which are different from the accounting currency of the Company. The exchange rate risk of the Company is managed by reviewing the current and expected market situation when the Company plans to buy and sell in the future in foreign currency.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

ii. Credit risk

Credit risk is the risk that one party of a financial instrument or contract not performing its obligations, resulting in financial losses. The Company has credit risk from its operating activities (primarily for trade receivables account), and from its financial activities, including bank deposits, foreign exchange transactions and the other financial instruments.

Trade receivables

The Company regularly keeps track of the receivables which is not yet collected. For big customers, the Company considered the decline in the credit quality of each customer at the reporting date. The company seeks the way to remain the tight control of the receivables and arranging credit control staff to minimize credit risk.

On this basis and the trade receivables of the Company related to various customers, credit risk is not significantly concentrated on a certain customer.

Cash in bank

The company mainly maintained deposit balances at well-known banks in Vietnam. Credit risk of the deposit balances at banks is managed by the treasury department of the Company, the company's policies. The maximum credit risk of the Company for the items on the balance sheet at the end of the financial year is the value book presented in Note 5.1. The Company found that the level of concentration of credit risk on bank deposits is low.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulties in implementing their financial obligations due to lack of funds. Liquidity risk of the company mainly arises from maturity mismatches of financial assets and financial liabilities.

The Company minimizes the liquidity risk by maintaining an amount of cash and cash equivalents and bank loans at a level that the board of directors believes is sufficient to meet the company's operations and minimize the risks due to the volatility of cash flows.

The table below summarizes the maturity of the financial liabilities of the Company based on expected payments on undiscounted basic contracts:

	Less than 1 year VND	More than 1 year VND	Total VND
As at 31 December 2024			
Accrued expenses	75,807,710	-	75,807,710
Other payables	1,579,993,893	2,333,470,000	3,913,463,893
	1,655,801,603	2,333,470,000	3,989,271,603
As at 01 January 2024			
Other payables	864,259,943	2,830,330,000	3,694,589,943
	864,259,943	2,830,330,000	3,694,589,943

Collaterals

The Company only holds the deposit from the Company for the contract performance warranties at the date of 31 December 2024 and 31 December 2023.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Fair values versus carrying amounts

	Carrying amount		Fair value	
	31/12/2024 VND	01/01/204 VND	31/12/2024 VND	01/01/204 VND
Financial assets				
Trade receivables	27,332,664,355	23,455,014,037	27,332,664,355	23,455,014,037
Other receivables	3,864,003,969	10,075,891,181	3,864,003,969	10,075,891,181
Held-to-maturity investments	17,000,000,000	46,100,000,000	17,000,000,000	46,100,000,000
Cash and cash equivalents	17,632,706,116	12,201,143,603	17,632,706,116	12,201,143,603
	65,829,374,440	91,832,048,821	65,829,374,440	91,832,048,821
Financial liabilities				
Accrued expenses	75,807,710	-	75,807,710	-
Other payable	3,913,463,893	3,694,589,943	3,913,463,893	3,694,589,943
	3,989,271,603	3,694,589,943	3,989,271,603	3,694,589,943

The fair value of the financial assets and liabilities was not officially assessed and determined as at 31 December 2024 and 01 January 2024.

The Company has not revalued its financial assets and financial liabilities at fair value because Circular 210/2009/TT-BTC dated 06 November 2009 of the Ministry of Finance as well as current regulations has not provided specific guidance on the determination of fair value. As at 01 January 2024 and 31 December 2024, the fair values of the financial assets and financial liabilities correspond to their carrying amounts. The General Director believes that the fair values of these financial assets and financial liabilities are not materially different from their carrying amounts at the balance sheet date.

8. OTHER INFORMATION

8.1 Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

8.1.1 Transactions and balances with key management members, the individuals involved with key management members

The key management members include Members of the Board of Administrators, the Board of Supervisors and members of the Executive Board (General Directors, Manager of Company and Chief Accountant).

Individuals associated with key management members are close members in the family of key management members.

Transactions with key management members, the individuals involved with key management members

The Company has no incurred sales and services rendered transactions as well as other transactions with the key management members and related individuals with key management members.

Liabilities to key management members and individuals related to key management members

At the end of the financial year, the Company has no liabilities with the key management members and individuals related to key management members.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

Income of key management members

Income of key members includes remuneration of the Board of Administrators, the Board of Supervisors, General Director, Manager of Company and Chief Accountant and salary and other income during the year as follows:

	Year 2024 VND	Year 2023 VND
The Board of Administrators		
Mr. Tran Minh Cong	59,443,308	66,666,667
Mr. Dao Nguyen Thoai	55,415,625	66,666,667
Mr. Hoang Kieu Phong		
- Salary	1,124,847,387	1,148,334,434
- Remuneration	55,415,625	66,666,667
The Board of Supervisors		
Mr. Nguyen Minh Ban	-	22,222,222
Ms. Nguyen Thi Minh Chau	51,387,942	44,444,444
Mr. Nguyen Ton Nhan	47,360,259	66,666,667
Mr. Nguyen Dinh Minh	47,360,259	66,666,667
The Board of Executive		
Ms. Tran Thi My Thanh		
- Salary	893,749,506	862,465,000
- Remuneration	60,000,000	60,000,000
Mr. Ton That Ky Nam	308,336,215	266,346,120
	2,703,316,126	2,737,145,555

8.1.2 Transactions and balances with other related parties

Transactions with other related parties

Related parties	Transactions	Year 2024 VND	Year 2023 VND
Saigon Development Corporation	Dividends distributed	10,348,290,000	12,073,005,000
	Received money from dividends	13,797,720,000	12,073,005,000
LIDOVIT Trading and Industrial Joint Stock Company	Purchase goods	-	92,653,153,150
	Sell goods	-	6,370,763
MGA Viet Nam JSC	Purchase goods	6,178,263,480	3,720,000,000
	Purchase assets	1,310,000,000	2,063,585,900

Liabilities with other related parties

Related parties	Transactions	31/12/2024 VND	01/01/2024 VND
Saigon Development Corporation	Dividends receivables (Refer to item 5.5)	3,449,430,000	6,898,860,000

8.2 Segment reporting

Segment information has been presented for reporting financial information by line of business and by geographical area. Segment reporting is mainly by line of business based on the internal organizational and management structure and the Company's internal financial reporting system.

NOTES TO THE FINANCIAL STATEMENTS

For the financial year ended 31 December 2024

The Company does not present a Segment reporting in the financial statements because General Director has assessed and concluded that the Company does not have more than one segment (both business lines and geographical areas) to report accordance with the accounting standards.

The Company currently only operates mainly in warehousing and logistics services and the only geographical area is Vietnam.

8.3 Events after the balance sheet date

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



TRAN THI MY THANH
Preparer/Chief Accountant



HOANG KIEU PHONG
General Director

Ho Chi Minh City, 18 February 2025