

Thai Binh, April 19th, 2025

**PUBLIC DISCLOSURE ON THE ELECTRONIC PORTAL OF THE STATE
SECURITIES COMMISSION**

To: The State Securities Commission

Company: Vietnam Fortress Tools JSC

Headquarters: Lot B8-B9-B10 Phuc Khanh Industrial park, Thai Binh City, Thai Binh

Province. Phone: 02273 618 991

Fax: 02273 618 995

Person responsible for the disclosure: TSAI, CHUI - TIEN

Position: Chairman

Address: Lot B8-B9-B10 Phuc Khanh Industrial park, Thai Binh City, Thai Binh Province

Phone: 02273 618 991

Fax: 02273 618 995

Type of disclosed information: ☐ 24h ☐ 72h ☐ Requirement ☐ Abnormal ☒ Periodical

Disclosure Content:

- Separate financial statements: Q1/2025 have not been reviewed.
- Explanation of profit after tax during the reporting period

This information has been published on the Company's electronic information portal at:

<https://fortresstools.com.vn/>

We commit that the disclosed information is true and take full legal responsibility for the content of the information provided.

April 19th, 2025

Person responsible for the information disclosure
(Signature, full name)


TSAI, CHUI - TIEN

Thai Binh, Apr 19th, 2025**Dear:** State Securities Commission

Company: Vietnam Fortress Tools JSC

Business Registration Certificate No. 1000383611, first registered on September 23,
2016, and amended for the 16th time on March 10, 2025, issued by the Department of
Finance of Thai Binh Province

Address: Lot B8-B9-B10 Phuc Khanh Industrial park, Thai Binh City, Thai Binh

Based on Clause 4, Article 14 of Circular No. 96/2020/TT-BTC dated November 16,
2020, issued by the Ministry of Finance, guiding information disclosure on the securities
market, Vietnam Fortress Tools hereby provides an explanation for the fluctuations in net
profit after corporate income tax in the separate financial statements for Q1/2025
compared to the same period of the previous year as follows:

No.	Indicator	Q1/2025 (VND)	Q1/2024 (VND)	Difference (VND)
(1)	(2)	(3)	(4)	(5)=(3)-(4)
1	Revenue from sales of goods and services	196.450.886.192	190.046.507.775	6.404.378.417
2	Gross profit from sales of goods and services	23.868.046.266	33.889.293.683	(10.021.247.417)
3	Net profit after corporate income tax	2.331.575.693	8.938.016.095	(6.606.440.402)

The Company's net profit after corporate income tax in Q1/2025 decreased by VND
6,606,440,402 compared to Q1/2024, mainly due to the following reasons:

-Fluctuations in imported metal material prices: The market for imported metal
materials has experienced significant volatility due to global political instability and
ongoing conflicts, leading to an increase in input material costs. This has raised the
company's production expenses.

-Price reduction requests from customers: Amid economic difficulties, customers
have requested price reductions, thereby reducing the company's gross profit and total
profit.

-Increase in corporate income tax expenses: This year marks the first year the company is no longer entitled to corporate income tax incentives from the flower cutting and drawing plant project.

-Salary increases in line with government policy: Salaries have been adjusted upward following the government's basic wage increase policy, which has impacted the company's operating expenses.

By this official letter, Fortress Vietnam Metalware Industrial Joint Stock Company reports to the State Securities Commission of Vietnam.

Thank you for your attention./.

Recipients:

- As addressed;
- Post on the Website;
- Keep on file

CHAIRMAN



TSAL CHUI - TIEN



VIETNAM FORTRESS TOOLS JOINT STOCK COMPANY

*Financial Statements
for 1st quarter of 2025*



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BALANCE SHEET

as at 31/03/2025

Unit: VND

ASSETS	Code	Note	31/03/2025	01/01/2025
A. CURRENT ASSETS	100		941,751,477,774	1,003,222,444,299
I. Cash and cash equivalents	110		10,254,167,749	10,934,765,664
1. Cash	111	V.1	10,254,167,749	10,934,765,664
			-	-
II. Short-term financial investments	120	V.2	6,828,242,428	6,828,242,428
3. Held-to-maturity investments	123		6,828,242,428	6,828,242,428
III. Short-term receivables	130		762,774,333,891	735,350,852,772
1. Short-term trade receivables	131	V.3	178,825,605,344	151,537,628,538
2. Short-term advances to suppliers	132	V.4	5,264,365,847	5,065,483,159
6. Other short-term receivables	136	V.5	177,079,191	240,457,566
7. Provision for short-term doubtful debts	137	V.6	(36,417,867,936)	(36,417,867,936)
8. Deficits in assets awaiting solution	139	V.7	614,925,151,445	614,925,151,445
IV. Inventories	140	V.8	160,500,092,203	247,946,431,691
1. Inventories	141		193,254,205,019	280,700,544,507
2. Provision for devaluation of inventories	149		(32,754,112,816)	(32,754,112,816)
V. Other short-term assets	150		1,394,641,503	2,162,151,744
2. Value added tax deductibles	152		1,394,641,503	2,162,151,744
B. NON-CURRENT ASSETS	200		262,123,917,058	279,587,780,403
II. Fixed assets	220		196,446,215,419	213,597,300,157
1. Tangible fixed assets	221	V.9	195,985,913,804	213,096,849,374
- Cost	222		615,018,617,910	639,362,805,573
- Accumulated depreciation	223		(419,032,704,106)	(426,265,956,199)
3. Intangible assets	227	V.10	460,301,615	500,450,783
- Cost	228		1,275,768,593	1,275,768,593
- Accumulated amortisation	229		(815,466,978)	(775,317,810)
IV. Long-term assets in progress	240	V.11	569,027,427	370,748,721
2. Long-term construction in progress	242		569,027,427	370,748,721
			-	-
V. Long-term financial investments	250	V.2	41,143,952,306	41,143,952,306
1. Investments in subsidiaries	251		38,143,952,306	38,143,952,306
5. Held-to-maturity investments	255		3,000,000,000	3,000,000,000
VI. Other long-term assets	260		23,964,721,906	24,475,779,219
1. Long-term prepayments	261	V.12	23,762,404,422	24,273,461,735
2. Deferred tax assets	262	V.13	202,317,484	202,317,484
TOTAL ASSETS	270		1,203,875,394,832	1,282,810,224,702

BALANCE SHEET
as at 31/03/2025(continued)

Unit: VND

RESOURCES	Code	Note	31/03/2025	01/01/2025
C. LIABILITIES	300		457,848,029,997	539,114,435,560
I. Current liabilities	310		457,848,029,997	539,114,435,560
1. Short-term trade payables	311	V.14	90,140,873,553	98,800,694,103
2. Short-term advances from customers	312	V.15	4,234,143,112	4,261,799,674
3. Taxes and amounts payable to the State budget	313	V.16	2,750,294,118	2,337,459,108
4. Payables to employees	314		7,065,261,594	10,779,052,864
5. Short-term accrued expenses	315	V.17	2,101,530,053	2,503,645,439
9. Other short-term payables	319	V.18	15,511,176,556	15,134,631,678
10. Short-term loans and obligations under finance leases	320	V.19	311,674,167,929	380,923,387,612
11. Short-term provisions	321	V.20	15,568,510,205	15,568,510,205
12. Bonus and welfare funds	322		8,802,072,877	8,805,254,877
D. EQUITY	400		746,027,364,835	743,695,789,142
I. Owner's equity	410	V.21	746,027,364,835	743,695,789,142
1. Owner's contributed capital	411		268,078,350,000	268,078,350,000
Ordinary shares carrying voting rights	411a		268,078,350,000	268,078,350,000
2. Share premium	412		148,621,259,858	148,621,259,858
8. Investment and development fund	418		14,843,991,896	14,843,991,896
11. Retained earnings	421		314,483,763,081	312,152,187,388
- Retained earnings/(losses) accumulated to the prior year end	421a		312,152,187,388	310,149,195,051
- Retained earnings/(losses) of the current year	421b		2,331,575,693	2,002,992,337
TOTAL RESOURCES	440		1,203,875,394,832	1,282,810,224,702

Preparer



Pham Thi Ngoc Hoa

Accountant



Pham Thi Ngoc Hoa

Thái Bình, April 18, 2025
Chairman of the board
CÔNG TY CỔ PHẦN
CÔNG NGHIỆP NGŨ KIM
FORTRESS
VIỆT NAM
P. THÁI BÌNH - T. THÁI BÌNH

Tsal, Chui - Tien

Vietnam Fortress Tools Joint Stock Company

Add: Lot B8+B9+B10, Phuc Khanh Industrial Park, Phu Khanh Ward, Thai Binh City, Thai Binh Province., Vietnam

Financial Statements
1st quarter of 2025

INCOME STATEMENT
for 1st quarter of 2025

Unit: VND

ITEMS	Code	Note	1st quarter of 2025	1st quarter of 2024	Cumulative year 2025	Cumulative year 2024
1. Gross revenue from goods sold and services rendered	01	VI.1	196,450,886,192	190,046,507,775	196,450,886,192	190,046,507,775
3. Net revenue from goods sold and services rendered	10		196,450,886,192	190,046,507,775	196,450,886,192	190,046,507,775
4. Cost of sales	11	VI.2	172,582,839,926	156,157,214,092	172,582,839,926	156,157,214,092
5. Gross profit from goods sold and services rendered	20		23,868,046,266	33,889,293,683	23,868,046,266	33,889,293,683
6. Financial income	21	VI.3	3,303,860,544	6,300,076,131	3,303,860,544	6,300,076,131
7. Financial expenses	22	VI.4	10,153,448,163	18,169,628,949	10,153,448,163	18,169,628,949
- In which: Interest expense	23		5,350,483,291	7,869,935,986	5,350,483,291	7,869,935,986
8. Selling expenses	25	VI.5	4,856,741,796	4,635,053,004	4,856,741,796	4,635,053,004
9. General and administration expenses	26	VI.6	5,779,500,207	6,569,935,746	5,779,500,207	6,569,935,746
10. Operating profit	30		6,382,216,644	10,814,752,115	6,382,216,644	10,814,752,115
11. Other income	31	VI.7	5,196,579,833	21,929,163	5,196,579,833	21,929,163
12. Other expenses	32	VI.8	8,546,816,684	160,028,038	8,546,816,684	160,028,038
13. Profit from other activities	40		(3,350,236,851)	(138,098,875)	(3,350,236,851)	(138,098,875)
14. Accounting profit before tax	50		3,031,979,793	10,676,653,240	3,031,979,793	10,676,653,240
15. Current corporate income tax expense	51	VI.10	700,404,100	1,738,637,145	700,404,100	1,738,637,145
17. Net profit after corporate income tax	60		2,331,575,693	8,938,016,095	2,331,575,693	8,938,016,095

Preparer



Pham Thi Ngoc Hoa

Accountant



Pham Thi Ngoc Hoa

Thai Binh, April 18, 2025

Chairman of the board



Tsai, Chui - Tien

CASH FLOW STATEMENT
for 1st quarter of 2025

Unit: VND

ITEMS	Code	Note	Cumulative year 2025	Cumulative year 2024
I. Cash flows from operating activities				
1. Net profit (loss) before tax	01		3,031,979,793	10,676,653,240
2. Adjustments for :				
- Depreciation and amortisation of fixed assets and investment properties	02		9,711,355,155	10,357,764,534
-Provisions	03		-	(749,341,550)
(Gain)/loss from investing activities	05		11,771,753,188	(142,350,124)
Interest expense	06		5,350,483,291	7,869,935,986
3. Operating income (loss) before changes in working capital	08		29,865,571,427	28,012,662,086
(Increase) decrease in receivables	09		(26,655,970,878)	17,637,912,030
(Increase) decrease in inventories	10		87,446,339,488	42,529,452,144
(Increase)/Decrease in payables (excluding accrued loan interest and corporate income tax payable)	11		(18,064,891,271)	(13,463,982,424)
(Increase) decrease in prepaid expenses	12		511,057,313	445,455,354
Other cash outflows	17		(3,182,000)	(2,200,000)
Net cash flows from operating activities	20		73,098,924,079	75,159,299,190
II. Cash flows from investing activities				
1. Purchase and construction of fixed asset and other long-term assets	21		(4,530,530,328)	-
7. Interest earned, dividends and profits received	27		228,017	142,350,124
Net cash flows from investing activities	30		(4,530,302,311)	142,350,124
III. Cash flows from financing activities				
3. Proceeds from borrowings	33		92,778,387,137	120,339,330,833
4. Repayment of borrowings	34		(162,027,606,820)	(219,682,490,600)
Net cash flows from financing activities	40		(69,249,219,683)	(99,343,159,767)
Net increase/(decrease) in cash	50		(680,597,915)	(24,041,510,453)
Cash and cash equivalents at the beginning of the year	60	V.1	10,934,765,664	41,195,530,964
Cash and cash equivalents at the end of the year	70	V.1	10,254,167,749	17,154,020,511

Preparer


Pham Thi Ngoc Hoa

Accountant


Pham Thi Ngoc Hoa

Thai Binh, April 18, 2025

Chairman of the board


Tsai, Chui - Tien

NOTES TO THE FINANCIAL STATEMENTS
for 1st quarter of 2025

I. GENERAL INFORMATION

1. Form of capital ownership

Vietnam Fortress Tools Joint Stock Company was established and operated under Investment Certificate No. 4304315420 dated July 14, 2010, 13th adjustment on 26/12/2024 issued by Management Board of Thai Binh Industrial Zones.

The company was granted Business Registration Certificate No. 1000383611 dated September 23, 2016 by the Department of Planning and Investment of Thai Binh Province. The 16th adjustment on 10/03/2025.

Company's charter capital: 268,078,350,000 VND.

Total number of shares: 26,807,835 shares, par value of each share is 10,000 VND

2. Business field

The company operates in the field of industrial production.

3. Business line

- Trading, manufacturing, and processing of gardening tools and accessories;
- Trading and manufacturing of hardware products;
- Manufacturing and trading of machinery and equipment;
- Heat treatment and electroplating processing;
- Manufacturing wooden toys and games (excluding wood processing and the sale of toys harmful to children's character education, health, or public order and safety); and
- Other activities in accordance with the Company's Business Registration Certificate.

4. Production and business cycle

The company has a normal production and business cycle of less than 1 financial year.

5. Business characteristics in a fiscal year that affect Financial Statement.

The company operates in the field of production and trade with a business cycle of less than 1 fiscal year.

6. Company's structure

Subsidiary Company	Ownership ratio	Voting rate	Address - Main business activities
Garden Pals Co., Ltd	100,00%	100,00%	Thai Binh - Mechanical processing; metal treatment and coating; real estate business and land use rights under ownership.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7. Statement about the comparability information on Financial Statement.

Information on this year's Financial Statement is established on similar basis and policies and is completely comparable with the last year.

II. FINANCIAL YEAR, ACCOUNTING CURRENCY

Financial year

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

Accounting currency

The Company maintains its accounting records in Vietnam Dong (VND).

III. ADOPTION OF ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM

Adoption of Accounting Standards

The Company's financial statements are prepared in compliance with Vietnam Accounting Standards, Vietnam Accounting System and in compliance with current Accounting Regulations in Circular No. 200/2014/TT-BTC ("Circular 200") dated 22nd December, 2014 of the Ministry of Finance guiding the accounting regime for enterprises.

Declaration on compliance with accounting standards and accounting regulations

The Board of Directors has to ensure full compliance with the requirements of accounting standards and Vietnamese Accounting System for enterprise regulations prevailing in Vietnam preparing the financial statements.

The accompanying financial statements are prepared based on accounting principles, procedures and practices generally accepted in Vietnam. So that, they are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Accounting form

The registered accounting documentation system is: accounting by software.

IV. SIGNIFICANT ACCOUNTING PRINCIPLES

1. Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires 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 financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although

NOTES TO THE FINANCIAL STATEMENTS (Continued)

these accounting estimates are based on the management's best knowledge, actual results may differ from those estimates.

2. Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, deposits, financial investments and derivative financial instruments.

Financial liabilities: At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Company comprise trade and other payables, accrued expenses, obligations under finance leases, borrowings and derivative financial instruments.

Subsequent measurement after initial recognition

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

3. Cash and cash equivalents

The principles for determining the cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks.

The principle for determining cash equivalents is that they are short-term investments of no more than three months, easily convertible into cash, and carry minimal risk of conversion into cash from the purchase date of the investment at the reporting date.

4. Financial investments

Held-to-Maturity Investments

Includes fixed-term bank deposits (including bonds and promissory notes), bonds, preferred shares issued with a mandatory repurchase requirement at a predetermined future date, and loans held to maturity for the purpose of earning periodic interest, as well as other held-to-maturity investments.

For held-to-maturity investments, if no allowance for doubtful debts has been established as required by law, the accountant must assess the recoverability of the investment. If there is objective evidence indicating that a portion or the entire investment is uncollectible, the accountant shall recognize an impairment loss in the financial statements for the period. If the impairment loss cannot be reliably determined but is probable, the accountant shall disclose the recoverability of the investment in the notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

Investments in Subsidiaries, Joint Ventures, and Associates

Investments in subsidiaries, where the parent company has control, are accounted for using the cost method. Dividends distributed by the subsidiary to the parent company that originate from post-acquisition retained earnings are recognized in the parent company's financial results in the period in which they are received. Such distributions are considered a recovery of the investment and are deducted from the carrying amount of the investment.

An impairment provision for investments is recognized at the year-end. The amount of the provision is determined based on economic conditions prevailing at the time the provision is recognized.

5. Account receivables and other receivables

Accounts receivable are recognized at their estimated realizable value after deducting the allowance for doubtful debts. The allowance for doubtful debts is provided for receivables that have been overdue for six months or more or for receivables from debtors who are unlikely to settle their debts due to liquidation, bankruptcy, or other similar financial difficulties.

Any increase or decrease in the provision balance is recorded as an administrative expense.

6. Inventories

Principle of Inventory Valuation: Inventories are valued at cost. If the net realizable value is lower than cost, inventories are measured at net realizable value. The cost of inventories includes purchase costs, processing costs, and other direct costs incurred in bringing the inventories to their current location and condition.

The cost of purchased inventories includes the purchase price, non-refundable taxes, transportation, handling, storage costs during the purchasing process, and other directly attributable costs.

The costs that are not included in the cost of inventories are: trade discounts and purchase price reductions for non-conforming or substandard goods; selling expenses; and administrative expenses.

Method for Determining Ending Inventory Value: The ending inventory value is determined using the moving average method.

Inventory Accounting Method: The company applies the perpetual inventory system for inventory accounting.

Provision for Inventory Decline: The provision for inventory decline is recognized at the year-end and represents the difference between the cost of inventories and their net realizable value if the cost exceeds the net realizable value.

7. Method of recording and depreciation of Fixed assets

Fixed assets: Tangible fixed assets are initially recognized at cost. During the use of tangible fixed assets are stated at cost minus accumulated depreciation.

Fixed Asset Depreciation Method: Depreciation is calculated using the straight-line method. The estimated depreciation periods are as follows:

- | | |
|----------------------------|-------------|
| - Buildings and structures | 05-20 years |
|----------------------------|-------------|

NOTES TO THE FINANCIAL STATEMENTS (Continued)

- Machinery and equipment	03-15 years
- Transportation vehicles	07-12 years
- Office equipment	03-05 years
- Management software	03-05 years

8. Accounting principle for deferred income tax

Deferred income tax is determined for temporary differences at the end of the financial year between the tax base of assets and liabilities and their carrying amount for financial reporting purposes. Deferred tax assets and deferred tax liabilities are determined using the tax rates expected to apply to the year in which the asset is recovered or the liability is settled, based on the tax rates and laws enacted at the end of the financial year.

9. Recognition of trade payables and other payables

Accounts payable to suppliers, other payables, at the reporting date, if:

Payable amounts with a payment term of less than 1 year or within one operating cycle are classified as current liabilities.

Payable amounts with a payment term of more than 1 year or over one operating cycle are classified as non-current liabilities.

10. Recognition of prepaid expenses

Prepaid expenses related solely to the current fiscal year's business operations are recognized as short-term prepaid expenses.

The following expenses, incurred during the fiscal year, are recorded as long-term prepaid expenses and gradually allocated to the business results:

- Significant value tools and equipment used;
- Other expenses related to the company's production and business activities.

The calculation and allocation of long-term prepaid expenses into production costs for each accounting period is based on the nature and extent of each type of expense, in order to select an appropriate allocation method and criterion. Large-value tools and equipment expenses, incurred during the fiscal year, are recorded as long-term prepaid expenses to be allocated gradually into business results.

11. Recognition of provisions for liabilities

The recognized value of a provision for liabilities is the best estimate of the amount that will be required to settle the present obligation at the end of the reporting period.

Only expenses related to the provision for liabilities initially recognized are covered by that provision.

The difference between the provision for liabilities recognized in the previous period, which has not been fully utilized, and the provision recognized in the reporting period, is reversed and recorded as a reduction in production costs for the period.

A provision for liabilities is recognized when the following conditions are met:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

- The company has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

12. Recognition of Owner's Equity

Principle of Recognizing Contributed Capital

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

Share premium is recorded as the difference between the actual issuance price and the par value of shares when issuing new shares, additional shares, or reissuing treasury shares. Direct costs related to the additional issuance or reissuance of treasury shares are deducted from the share premium.

Principle of Recognizing Foreign Exchange Differences

Foreign exchange differences arise from the actual exchange or conversion of the same amount of foreign currency into the accounting currency at different exchange rates. These differences mainly arise in the following cases:

- Transactions involving the purchase, sale, exchange, or settlement of economic transactions in foreign currency during the period;
- Revaluation of foreign currency-denominated monetary items at the time of financial statement preparation.

Principle of Recognizing Retained Earnings

Retained earnings after tax represent the company's profit after deducting adjustments due to retrospective application of changes in accounting policies and material error corrections from prior years. Retained earnings after tax may be distributed to investors based on their capital contribution ratio, subject to approval by the Board of Directors and after setting aside reserves in accordance with the Company's Charter and Vietnamese legal regulations.

13. Revenue Recognition Principles

Recognition of Sales Revenue: Sales revenue is recognized when all of the following conditions are met:

- The company has transferred the significant risks and rewards associated with ownership of the goods or products to the buyer;
- The company no longer retains control over the goods as an owner nor has effective control over the goods;
- Revenue can be measured reliably;
- The company is likely to receive economic benefits from the sales transaction; and
- The costs related to the sales transaction can be measured reliably.

Recognition of Service Revenue: Revenue from service transactions is recognized when the outcome of the transaction can be measured reliably. If a service transaction spans multiple periods, revenue is recognized based on the portion of work completed as of the balance sheet date. The outcome of a service transaction is determined when all of the following four (4) conditions are met:

NOTES TO THE FINANCIAL STATEMENTS (Continued)

- (a) Revenue can be measured reliably;
- (b) It is probable that economic benefits will flow to the company from the service transaction;
- (c) The stage of completion of the service transaction can be determined at the balance sheet date; and
- (d) The costs incurred for the transaction and the costs required to complete the transaction can be measured reliably.

Recognition of Financial Revenue: Financial revenue arising from bank deposit interest is recognized when the bank issues a notification.

14. Cost of Goods Sold (COGS) Recognition Principles

Cost of goods sold (COGS) is recognized and recorded based on the value and quantity of finished goods, merchandise, and materials sold to customers, corresponding to the revenue recognized in the period.

The cost of services includes all direct costs related to the provision of completed services within the period.

15. Principles for Recognizing Financial Expenses

Financial expenses include costs or losses related to financial investment activities, borrowing and lending costs, capital contributions to joint ventures and associates, losses from the transfer of short-term securities, transaction costs of selling securities, provisions for the devaluation of trading securities, provisions for investment losses in other entities, losses from foreign currency sales, and foreign exchange losses...

Financial expenses that are not considered deductible expenses for corporate income tax (CIT) purposes under tax regulations but have valid invoices and supporting documents and are properly accounted for under the Company's Accounting Regime are not deducted from accounting expenses but are adjusted in the CIT finalization process to increase taxable income.

16. Principles for Recognizing Selling Expenses and General & Administrative Expenses

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

General & administrative expenses include: Salaries, wages, and allowances for administrative personnel; Social insurance, health insurance, trade union fees, and unemployment insurance for administrative employees; Office supplies, labor tools, and depreciation of fixed assets used for business administration; Land rental fees, business license tax; Provisions for doubtful debts; Outsourced services (electricity, water, telephone, fax, asset and fire insurance, etc); Other cash expenses (client entertainment, customer conferences, etc).

Selling expenses and general & administrative expenses that are not considered deductible expenses for corporate income tax (CIT) purposes under tax regulations but have valid invoices and supporting documents and are properly accounted for under the Company's Accounting Regime are not deducted from accounting expenses but are adjusted in the CIT finalization process to increase taxable income.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

17. Taxation

Current corporate income tax expense is determined on the basis of taxable income and CIT rate in the current year.

Deferred Corporate Income Tax (CIT) Expense is the CIT liability to be paid in the future arising from:

- Recognizing deferred income tax liabilities during the year;
- Reversing deferred income tax assets that were recognized in prior years.

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.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Value Added Tax (VAT)

Enterprises apply the declaration and calculation of VAT under the current tax law guidance at the VAT rate of 10% for goods and services provided.

Other taxes

Other taxes and fees are declared and paid to local tax authorities in accordance with current regulations of the State.

18. Other Accounting Principles and Methods

Related Parties

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control the Company, are controlled by the Company, or are under common control with the Company including the parent company, subsidiaries, and associates are considered related parties. Related parties also include individuals or entities that directly or indirectly hold voting rights in the Company and have significant influence over the Company, as well as key management personnel such as directors and officers of the Company. Close family members of these individuals, their affiliated entities, or companies associated with these individuals are also regarded as related parties.

When assessing related party relationships, the substance of the relationship should be considered rather than merely the legal form.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

V. ADDITIONAL INFORMATION FOR ITEMS ON THE BALANCE SHEET

Unit: VND

1. CASH

	31/03/2025	01/01/2025
Cash on hand	179,463,261	156,412,177
Cash in bank - VND accounts	10,074,704,488	10,778,353,487
Total	10,254,167,749	10,934,765,664

2. FINANCIAL INVESTMENTS

	31/03/2025		01/01/2025	
	Cost Price	Book value	Cost Price	Book value
Short-term				
Term Deposit	6.828.242.428	6.828.242.428	6.828.242.428	6.828.242.428
Total	6,828,242,428	6,828,242,428	6,828,242,428	6,828,242,428
Long-term				
Term Deposit	3.000.000.000	3.000.000.000	3.000.000.000	3.000.000.000
Total	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000

Short-term deposits are placed at commercial banks with a term of 6 months and an interest rate ranging from 4.4%/year to 4.6%/year.

Long-term deposits are placed at Ho Chi Minh City Development Joint Stock Commercial Bank – Thai Binh Branch, with a term of 13 months and an interest rate of 5%/year.

Invest in other units

	31/03/2025		01/01/2025	
	Cost Price	Provision	Cost Price	Provision
Investment in Subsidiary				
Garden Pals Co., Ltd	38.143.952.306	-	38.143.952.306	-
Total	38.143.952.306	-	38.143.952.306	-

The investment has a 100% interest rate and voting rights ratio.

The Company has not determined the fair value of financial investments at the end of the accounting period due to the lack of specific guidance. The fair value of these investments may differ from the carrying amount.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

3. TRADE RECEIVABLES

	31/03/2025	01/01/2025
Short-term trade receivables		
Corona Clipper Inc	55,397,687,181	35,885,869,787
Ft Ostermann GmbH	33,358,807,274	33,358,807,274
Snow Joe Llc	27,013,873,000	27,013,873,000
Formosa Tools Co.,Ltd	26,215,804,770	26,215,804,770
Tricam Industries, Llc	14,365,538,566	6,776,454,212
Garden Pals LLC	7,175,117,527	7,175,117,527
Venanpri Tools Monterrey, S. De R.L. De C.V.	5,255,783,277	2,015,855,424
Adeo Services Sas	2,495,298,401	4,607,663,749
Wal-Mart, Inc.,	2,238,402,140	2,192,287,016
Xhl Company Limited	2,188,355,265	2,188,355,265
Others	3,120,937,943	4,107,540,514
Total	178,825,605,344	151,537,628,538
Related parties		
Garden Pals Co., Ltd	7,175,117,527	7,175,117,527
Total	7,175,117,527	7,175,117,527

4. ADVANCED PAYMENTS TO SUPPLIERS

	31/03/2025	01/01/2025
Magnet (Hongkong) Trading Co.,Limited	1,490,442,626	1,051,343,389
Tai Hsun Co., Ltd.	1,688,139,000	663,139,000
Avient Singapore Pte. Ltd.	-	1,096,616,981
Pingxiang Maofa Imp.&Exp.Co.,Ltd	636,357,898	438,329,096
Song Hong Environmental Mechanical and Electrical Co., Ltd.	214,500,000	214,500,000
Xin Well International Trading Limited	196,916,717	196,916,717
Guangdong Fuying Steel Co., Ltd.	12,257,046	343,305,047
Shanghai Waigaoqiao Free Trade Zone Subbranch	72,437,085	72,437,085
Hoang An Private General Hospital	67,240,000	67,240,000
Swiss Advanced Coating Solutions Co., Ltd.	103,400,000	-
Others	782,675,475	921,655,844
Total	5,264,365,847	5,065,483,159

5. OTHER RECEIVABLES

	31/03/2025		01/01/2025	
	Value	Provision	Value	Provision
Short-term				
Other receivables	177,079,191	-	240,457,566	-
Total	177,079,191	-	240,457,566	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

	31/03/2025				01/01/2025	
	Cost Price	Recoverable Amount	Past Due Date	Cost Price	Recoverable Amount	Past Due Date
Formosa Tools Co.,Ltd	26,215,804,770	-	> 3 years	26,215,804,770	-	> 3 years
Snow Joe Llc	27,013,873,000	16,811,809,834	> 2 years	27,013,873,000	16,811,809,834	> 2 years
Ft Ostermann Gmbh	33,358,807,274	33,358,807,274	> 2 years	33,358,807,274	33,358,807,274	> 2 years
Total	86,588,485,044	50,170,617,108	-	86,588,485,044	50,170,617,108	-

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. DEFICITS IN ASSETS AWAITING SOLUTION

	31/03/2025		01/01/2025	
	Quantity	Value	Quantity	Value
Inventories	102,642,351	614,925,151,445	102,642,351	614,925,151,445
Total	102,642,351	614,925,151,445	102,642,351	614,925,151,445

Assets pending resolution are recognized based on the previous year's report. As of the reporting date, the Company has not yet determined the cause.

8. INVENTORIES

	31/03/2025		01/01/2025	
	Value	Provision	Value	Provision
Raw materials	27,591,096,711	2,528,158,202	46,478,974,236	2,528,158,202
Tools, utensils	104,259,247	208,887,591	4,342,216,993	208,887,591
Unfinished production and	134,685,147,293	22,155,493,029	161,129,809,380	22,155,493,029
Finish goods	30,873,701,768	7,861,573,994	68,553,943,898	7,861,573,994
Goods	-	-	195,600,000	-
Total	193,254,205,019	32,754,112,816	280,700,544,507	32,754,112,816

9. TANGIBLE FIXED ASSETS

Item	Building, structures	Machinery, equipment	Means of transportation	Office equipment	Total
Cost					
Opening balance	160,181,472,775	472,728,986,739	5,330,714,305	1,121,631,754	639,362,805,573
- Purchase in the year	3,695,205,226	599,566,899	-	37,479,497	4,332,251,622
- Sold, disposed	(8,026,436,668)	(20,650,002,617)	-	-	(28,676,439,285)
Closing balance	155,850,241,333	452,678,551,021	5,330,714,305	1,159,111,251	615,018,617,910
Accumulated depreciation					
Opening balance	68,532,090,619	351,472,184,713	5,204,760,972	1,056,919,895	426,265,956,199
- Depreciation	2,278,063,318	7,368,055,042	4,200,000	20,887,627	9,671,205,987
- Sold, disposed	(2,674,734,020)	(14,229,724,060)	-	-	(16,904,458,080)
- Closing balance	68,135,419,917	344,610,515,695	5,208,960,972	1,077,807,522	419,032,704,106
Net carrying amount					
- Opening balance	91,649,382,156	121,256,802,026	125,953,333	64,711,859	213,096,849,374
- Closing balance	87,714,821,416	108,068,035,326	121,753,333	81,303,729	195,985,913,804

The original cost of fully depreciated tangible fixed assets still in use: VND 191,972,379,699.

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. INTANGIBLE ASSETS

Items	Land use rights	Computer softwares	Total
Cost			
Opening balance	-	1,275,768,593	1,275,768,593
- Closing balance	-	1,275,768,593	1,275,768,593
Accumulated amortisation			
Opening balance	-	775,317,810	775,317,810
- Charge for the year	-	40,149,168	40,149,168
Closing balance	-	815,466,978	815,466,978
Net carrying amount			
- Opening balance	-	500,450,783	500,450,783
- Closing balance	-	460,301,615	460,301,615

The original cost of fully depreciated intangible fixed assets still in use: VND 567,943,593.

11. LONG-TERM ASSETS IN PROGRESS

	31/03/2025	01/01/2025
Repair costs		
- Asset repair, mold repair	569,027,427	370,748,721
Total	569,027,427	370,748,721

12. LONG-TERM PREPAYMENTS

	31/03/2025	01/01/2025
Land rent, infrastructure	20,643,630,935	20,828,819,552
Tools and other prepaid expenses	2,559,157,850	2,847,718,837
Prepaid expenses of the wood workshop	559,615,637	596,923,346
Total	23,762,404,422	24,273,461,735

13. DEFERRED INCOME TAX ASSETS AND DEFERRED INCOME TAX LIABILITIES

	31/03/2025	01/01/2025
Deferred tax assets:		
Deferred tax assets related to deductible temporary differences	202,317,484	202,317,484
Cộng	202,317,484	202,317,484

NOTES TO THE FINANCIAL STATEMENTS (continued)

14. TRADE PAYABLES

	31/03/2025		01/01/2025	
	Value	Amount within payment capacity	Value	Amount within payment capacity
Short-term				
Hsin Yue Hsing Co., Ltd.	19,301,475,911	19,301,475,911	21,333,407,304	21,333,407,304
Xsd International Co., Ltd.	12,033,887,912	12,033,887,912	10,409,085,664	10,409,085,664
Garden Pals Co., Ltd.	9,007,883,935	9,007,883,935	8,689,431,047	8,689,431,047
Shenzhensn-Power International Fretight Agent Co., Ltd.	7,124,290,280	7,124,290,280	7,124,290,280	7,124,290,280
Xhl Co., Ltd.	3,889,978,546	3,889,978,546	3,889,978,546	3,889,978,546
Yang Sin Vietnam Industrial Co., Ltd.	2,215,604,133	2,215,604,133	3,712,527,170	3,712,527,170
Northern Paint Co., Ltd.	2,932,657,850	2,932,657,850	2,657,632,000	2,657,632,000
Phuc Khanh Grocery Co., Ltd.	1,843,075,402	1,843,075,402	1,816,451,669	1,816,451,669
Nguyen Sinh Trading and Production Co., Ltd.	1,302,085,006	1,302,085,006	2,064,756,596	2,064,756,596
Dai A Industrial Joint Stock Company	1,375,137,720	1,375,137,720	1,918,012,250	1,918,012,250
Other	29,114,796,858	29,114,796,858	35,185,121,577	35,185,121,577
Total	90,140,873,553	90,140,873,553	98,800,694,103	98,800,694,103
Related parties				
Garden Pals Co., Ltd	9,007,883,935	9,007,883,935	8,689,431,047	8,689,431,047
Dai Tin Development JSC	115,715,706	115,715,706	1,522,651,924	1,522,651,924
Phuc Khanh Department Store Co., Ltd	1,843,075,402	1,843,075,402	1,816,451,669	1,816,451,669
Total	10,966,675,043	10,966,675,043	12,028,534,640	12,028,534,640

NOTES TO THE FINANCIAL STATEMENTS (continued)

15. ADVANCES FROM CUSTOMERS

	31/03/2025	01/01/2025
Tti Partners Spc Acting For The Account Of Mpud Sp	3,872,963,721	3,872,963,721
Devaux .Sa	252,300,000	-
Asia Tech Source Company Limited	2,704,543	226,599,956
Via Swiss Trading Sa	-	162,235,997
Phu Nong Seed Company Limited	100,000,000	-
Bellota Herramientas, S.L.U	6.174.848	-
Total	4,234,143,112	4,261,799,674

16. TAXES AND AMOUNTS PAYABLE TO THE STATE BUDGET

	01/01/2025	Payables	Actually paid	31/03/2025
Import VAT	271,021,113	127,443,300	127,443,300	271,021,113
Export, Import tax	-	74,836,115	74,836,115	-
Corporate income tax	1,706,220,010	700,404,100	-	2,406,624,110
Personal income tax	360,217,985	241,288,475	528,857,565	72,648,895
Environmental Protection Tax and other taxes	-	43,053,060	43,053,060	-
Total	2,337,459,108	1,187,025,050	774,190,040	2,750,294,118

17. ACCRUED EXPENSES

	31/03/2025	01/01/2025
Short-term accrued expenses		
Ability Merit Ltd	182,651,751	353,150,716
International Auditing and Valuation Company Limited	190,000,000	190,000,000
Ho Chi Minh City Development Joint Stock Commercial E	60,243,380	66,081,018
Telephone	-	7,707,084
Thai Binh Clean Water Joint Stock Company	62,010,000	76,644,000
Khai Phat Dai Tin Joint Stock Company	132,692,877	87,101,528
Viettel Post Joint Stock Corporation	-	3,487,288
Garden Pals Company Limited	-	107,549,443
Van Tien Import Export Production Company Limited	211,321,000	-
Hung Thai Private Enterprise	126,387,000	191,326,000
Hp Vina Trading & Service Company Limited	-	26,876,000
Fec Group Joint Stock Company Branch in Ha Nam	-	27,930,000
Objective Holding Incorporated	807,406,435	596,219,178
Tp Bank - Hanoi Commercial Joint Stock Bank	96,165,529	105,880,531
Tsai Chui Tien	232,652,081	663,692,653
Total	2,101,530,053	2,503,645,439

NOTES TO THE FINANCIAL STATEMENTS (continued)

Related parties

Tsai Chui Tien	232,652,081	663,692,653
Dai Tin Development JSC	132,692,877	87,101,528
Ability Merit Co., Ltd	182,651,751	353,150,716
Objective Holding Incorporated Company	807,406,435	596,219,178

Total	1,355,403,144	1,700,164,075
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18. OTHER SHORT-TERM PAYABLES

	31/03/2025	01/01/2025
Union funds	-	175,957,698
Social insurance	1,401,415,454	1,212,376,150
Others	14,109,761,102	13,746,297,830
Total	15,511,176,556	15,134,631,678

NOTES TO THE FINANCIAL STATEMENTS (continued)

19. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	31/03/2025			In the period		01/01/2025
	Value	Recoverable value	Increase	Decrease	Value	Recoverable value
Short-term Bank	270,751,378,203	270,751,378,203	92,778,387,137	113,418,606,820	291,391,597,886	291,391,597,886
HD Bank - Thai Binh	186,045,982,034	186,045,982,034	60,420,215,380	68,678,163,472	194,303,930,126	194,303,930,126
TAIPEI FUBON Bank	2,880,724,136	2,880,724,136	2,880,724,136	-	-	-
TP Bank - Ha Noi	81,824,672,033	81,824,672,033	29,477,447,621	44,740,443,348	97,087,667,760	97,087,667,760
Related parties	40,922,789,726	40,922,789,726	-	48,609,000,000	89,531,789,726	89,531,789,726
Dai Tin Development JSC	2,080,000,000	2,080,000,000	-	6,000,000,000	8,080,000,000	8,080,000,000
Ability Merit Co., Ltd	16,321,430,000	16,321,430,000	-	32,992,000,000	49,313,430,000	49,313,430,000
Objective Holding Incorporated	20,423,800,000	20,423,800,000	-	7,017,000,000	27,440,800,000	27,440,800,000
Company	2,097,559,726	2,097,559,726	-	2,600,000,000	4,697,559,726	4,697,559,726
Tsai Chui Tien						
Total	311,674,167,929	311,674,167,929	92,778,387,137	162,027,606,820	380,923,387,612	380,923,387,612

NOTES TO THE FINANCIAL STATEMENTS (continued)

Information on Short-Term Loans at the End of the Period

Taipei Fubon Bank - Hanoi Branch

Frame credit contract No. 240723-TFB00742066 dated 10/09/2024. Total credit limit is 2,000,000 USD. Limit maintenance period is 12 months. The loan bears interest rate of 5.5%/year. The purpose of the loan is to supplement working capital.

The collateral is Mr. Tsai Chui Tien's deposit of 2,000,000 USD in Taiwan

HD Bank - Thai Binh Branch

Credit limit contract No. 20609/22MB/HĐTD dated July 25, 2022. The total credit limit is 8,500,000 USD. The effective term of the credit limit is 36 months. The loan bears an interest rate of 5.65% - 5.95%/year. The purpose of the loan is to issue LC, provide loans to pay off issued LCs, provide short-term loans to supplement working capital for the business of manufacturing garden tools and household products. The collateral is the real estate located at B8+B9+B10 and lot E3+E3' of the Company and the debt ownership rights, receivables and circulating inventories of the Company; Real estate at Phuc Khanh Industrial Park of Garden Pals Company - a subsidiary; 6 and 13-month term deposits with a total value of VND 6,000,000,000 of the Company; 6-month term deposits with a value of VND 3,500,000,000 of Mr. Tsai Chui Tien, Chairman of the Board of Directors; 6-month term deposits with a value of VND 5,135,650,000 of Ms. Vu Thi Xuyen - shareholder of the Company; and deposits and payment guarantees of customers.

TP Bank - Hanoi Branch

Credit limit contract No. 58/2023/HDTD/HNI dated June 13, 2023. The total credit limit is VND 130 billion (including the outstanding balance of the credit limit contract No. 41/2022/HDTD/HNI dated May 23, 2022). The credit term is 12 months. The loan bears an interest rate of 7.2%/year. The loan is adjusted by Credit Contract No. 94/2024/HDTD/HNI dated July 30, 2024, the interest rate is adjusted down to 5.5%-6.7%/year. The purpose of the loan is to supplement working capital for the Company's production and business activities.

The collateral is Mr. Tsai Chui Tien's 12-month term deposit worth VND 63,000,000,000; The Company's 6-month term deposit worth VND 3,828,242,428. The Company's debt collection rights, receivables and machinery and equipment.

Khai Phat Dai Tin Joint Stock Company

Loan contract No. 05/2022/HDV-DT-FT dated October 28, 2022, term of 12 months, interest rate of 8%/year, amount of VND 1.3 billion. The loan is extended according to Contract Appendix No. 01/05/2022/HDV-DT-FT dated April 28, 2024, extension period until December 28, 2024; Contract Appendix No. 02/05/2022/HDV-DT-FT dated December 28, 2024, extension period until December 28, 2025.

Loan contract No. 06/2022/HDV-DT-FT dated November 28, 2022, term of 12 months, interest rate of 7.65%/year, amount of VND 0.4 billion. The loan is extended according to Contract Appendix No. 01/06/2022/HDV-DT-FT dated May 29, 2024, extension period until December 29, 2024; Contract Appendix No. 02/06/2022/HDV-DT-FT dated December 29, 2024, extension period until December 29, 2025.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Loan contract No. 07/2022/HDV-DT-FT dated December 2, 2022, term of 12 months, interest rate of 7.95%/year, amount of VND 0.38 billion. The loan is extended according to Contract Appendix No. 01/07/2022/HDV-DT-FT dated June 2, 2024, with an extension period until December 2, 2024; Contract Appendix No. 02/07/2022/HDV-DT-FT dated December 2, 2024, with an extension period until December 2, 2025.

The contracts stipulate that the principal and interest are paid on the maturity date, without specifying the overdue interest rate.

Ability Merit Company Limited

Contract No. 03/HDVV dated August 30, 2021, term of 12 months, interest rate of 3.5%/year, amount of USD 600,000.

Contract No. 04/HDVV dated August 30, 2021, term of 12 months, interest rate 3.98%/year, amount 600,000 USD

Appendix to loan contract FT-AB/2022-01/PL dated July 1, 2022 changes some provisions for contract No. 03/HDVV and contract No. 04/HDVV: Interest rate adjusted from 3.5%/year to 3.89%/year from July 1, 2022; Loan term until September 30, 2025; Interest is paid in December every year

The contracts stipulate that principal and interest are paid on the maturity date, overdue interest is 0%.

Objective Holding Incorporated Company

Loan contract No. 01/HDVV/OBJ-FTV dated December 21, 2021, term of 03 months, interest rate of 3%/year, amount of 2 billion VND. The loan is extended according to Contract Appendix No. 01/OBJ-FT dated March 20, 2022, extension period until March 21, 2023, if the borrower has not paid by the due date, the contract will automatically extend for another 12 months; Contract Appendix No. 03/OBJ-FT dated March 21, 2023, extension period until March 21, 2025, if the borrower has not paid by the due date, the contract will automatically extend for another 12 months.

Loan contract No. 02/HDVV/OBJ-FTV dated March 30, 2022, term of 12 months, interest rate of 3%/year, amount of 5 billion VND. The loan is extended according to Contract Appendix No. 02/OBJ-FT dated March 28, 2023, extension period until March 30, 2024, if the borrower fails to pay by the due date, the contract will automatically extend for another 12 months. Contract Appendix No. 04/OBJ-FT dated March 30, 2025, extension period until March 30, 2026, if the borrower fails to pay by the due date, the contract will automatically extend for another 12 months.

Loan contract No. 02/HDVV dated August 10, 2021, term of 12 months, interest rate of 3.5%/year, amount of 800,000 USD. The loan is extended according to Contract Appendix No. FT-OBJ/2022-01/PL dated July 5, 2027, the extension period is until August 30, 2025, the loan interest rate is adjusted from 3.5% to 3.98%/year

The contracts stipulate that the principal and interest are paid on the maturity date, without stipulating the overdue interest rate.

Mr. Tsai Chui Tien

NOTES TO THE FINANCIAL STATEMENTS (continued)

Loan contract No. 21122021-TS/FTV dated December 21, 2021, term of 03 months, interest rate of 3%/year, amount of VND 2,212 billion. The principal balance of the loan as of December 31, 2023 and January 1, 2023 is VND 2,098 billion. The loan is extended according to Contract Appendix No. 05/TSAI-FT dated March 20, 2022 (loan balance at the time of extension is VND 2,098 billion), the extension period is until March 21, 2023, if the borrower has not paid by the due date, the contract will automatically extend for another 12 months; Contract Appendix No. 07/TSAI-FT dated March 20, 2024, extension period until September 21, 2024, if the borrower fails to pay by the due date, the contract will automatically extend for another 12 months.

Vietnamese Dong loan contracts stipulate that the principal and interest are paid on the due date, without stipulating overdue interest.

20. PROVISIONS

	<u>31/03/2025</u>	<u>01/01/2025</u>
Short-term provisions		
Provision for Salaries	15,568,510,205	15,568,510,205
Total	<u>15,568,510,205</u>	<u>15,568,510,205</u>

21. OWNER'S EQUITY

a. Movement in owner's equity

Statement of changes in equity					
Items	Owner's contributed capital	Share premium	Assets revaluation reserve	Undistributed profit	Total
A					
Opening balance last year	268,078,350,000	148,621,259,858	14,843,991,896	310,149,195,051	741,692,796,805
- Profit for the last year	-	-	-	2,002,992,337	2,002,992,337
Opening balance this year	268,078,350,000	148,621,259,858	14,843,991,896	312,152,187,388	743,695,789,142
- Profit for the year	-	-	-	2,331,575,693	2,331,575,693
Closing balance this year	268,078,350,000	148,621,259,858	14,843,991,896	314,483,763,081	746,027,364,835

NOTES TO THE FINANCIAL STATEMENTS (continued)

b. Investment details of the owner

	31/03/2025	01/01/2025
Objective Holding Incorporated Company	65,209,810,000	65,209,810,000
Tsai Chui Tien	61,939,300,000	61,939,300,000
Dai Tin Development JSC	39,919,700,000	39,919,700,000
Probus Opportunities Company	25,000,000,000	25,000,000,000
Alpha Limited Vietnam Company	19,770,000,000	19,770,000,000
Others	56,239,540,000	56,239,540,000
Total	268,078,350,000	268,078,350,000

c. Capital transactions with owners and distribution of dividends, profits

	Cumulative year 2025	Cumulative year 2024
Capital at the beginning of the period	268,078,350,000	268,078,350,000
Capital at the end of the period	268,078,350,000	268,078,350,000
Dividends, profits declared	-	-

d. Shares

	Cumulative year 2025	Cumulative year 2024
Number of shares registered to issue	26,807,835	26,807,835
Number of shares issued to the public	26,807,835	26,807,835
- Ordinary shares	26,807,835	26,807,835
Number of outstanding shares in circulation	26,807,835	26,807,835
- Ordinary shares	26,807,835	26,807,835
Par value of outstanding shares	10,000	10,000

22. OFF-BALANCE SHEET ITEMS

	Cumulative year 2025	Cumulative year 2024
Foreign currency		
USD	259,921.59	390,474.48
EUR	219.40	222.70

VI. ADDITIONAL INFORMATION FOR ITEMS ON THE INCOME STATEMENT

Unit: VND

1. GROSS REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	Cumulative year 2025	Cumulative year 2024
Revenue from goods sold	187,957,875,411	188,966,052,320
Other revenue (scrap sales)	8,493,010,781	1,080,455,455
Total	196,450,886,192	190,046,507,775

NOTES TO THE FINANCIAL STATEMENTS (continued)

2. COST OF SALES

	Cumulative year 2025	Cumulative year 2024
Cost of goods and services sold	172,582,839,926	156,157,214,092
Total	172,582,839,926	156,157,214,092

3. FINANCIAL INCOME

	Cumulative year 2025	Cumulative year 2024
Interest on deposits	228,017	142,350,124
Gain on payment exchange rate	3,303,632,527	6,157,726,007
Total	3,303,860,544	6,300,076,131

4. FINANCIAL EXPENSES

	Cumulative year 2025	Cumulative year 2024
Loss on payment exchange rate	4,802,964,872	10,299,692,963
Interest expenses	5,350,483,291	7,869,935,986
Total	10,153,448,163	18,169,628,949

5. SELLING EXPENSES

	Cumulative year 2025	Cumulative year 2024
Expenses for sales staffs	681,545,065	638,420,660
Cost of outsourced services	174,095,788	439,648,228
Others	4,001,100,943	3,556,984,116
Total	4,856,741,796	4,635,053,004

6. GENERAL AND ADMINISTRATION EXPENSES

	Cumulative year 2025	Cumulative year 2024
Administrative staff expenses	3,109,520,276	3,996,623,109
Cost of office supplies	107,439,039	114,489,148
Fixed asset depreciation expense	568,817,092	541,111,174
Provisions	-	749,341,550
Cost of hired services	1,783,772,960	574,091,504
Other expenses	209,950,840	594,279,261
Total	5,779,500,207	6,569,935,746

NOTES TO THE FINANCIAL STATEMENTS (continued)

7. OTHER INCOME

	Cumulative year 2025	Cumulative year 2024
Income from liquidation of materials, scrap, fixed assets	5,150,000,000	-
Others income	46,579,833	21,929,163
Total	5,196,579,833	21,929,163

8. OTHER EXPENSES

	Cumulative year 2025	Cumulative year 2024
Liquidation costs for sale of fixed assets	8,076,775,979	-
Invalid costs	470,040,705	160,028,038
Total	8,546,816,684	160,028,038

9. PRODUCTION AND BUSINESS COSTS BY FACTOR

	Cumulative year 2025	Cumulative year 2024
Raw materials and supplies expenses	69,957,793,352	62,962,014,017
Labor Costs	15,719,501,175	14,147,551,058
Fixed asset depreciation expense	9,711,355,155	8,740,219,640
Cost of hired services	8,483,319,780	7,634,987,802
Others	4,563,739,003	4,107,365,103
Total	108,435,708,465	97,592,137,619

10. CURRENT CORPORATE INCOME TAX EXPENSE

The company is obligated to pay corporate income tax (CIT) at the applicable rates for each project. The specific tax rates and incentives are as follows:

Initial Project - Garden Tool Manufacturing: The applicable CIT rate for this project is 20%.

Expansion Project No. 1 - Garden Tool Manufacturing: The applicable CIT rate for this project is 20%. The project is eligible for a CIT exemption for 2 years, starting from the first year of taxable income (2019), and a 50% CIT reduction for the subsequent 4 years.

Expansion Project No. 2 - Wooden Toy Production: The applicable CIT rate for this project is 20%. The project is eligible for a CIT exemption for 2 years, starting from the first year of taxable income, and a 50% CIT reduction for the subsequent 4 years. However, this project has ceased operations.

Current corporate income tax

Current Corporate income tax payable is based on taxable income of the current year. Taxable income differs from income reported in the performance report business as taxable income excludes items of income or expense that are taxable deductible for tax purposes in the year and also excludes items not taxable or not deductible for tax purposes. Current corporate income tax payable of the Company is calculated using tax rates that have been enacted at the balance sheet date of the year.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Details Current corporate income tax

	Cumulative year 2025	Cumulative year 2024
Accounting profit before tax	3,031,979,793	10,676,653,240
Increasing adjustments	470,040,705	160,028,038
Profit before tax not yet balanced with loss of the previous year	3,502,020,498	10,836,681,278
Estimated profit before tax	3,502,020,498	10,836,681,278
Where:		
Taxable Profit of Initial Investment Project	2.116.621.189	6.549.690.164
Taxable Profit of Expansion Project I	1.385.399.309	4.286.991.114
Tax rate	20%	20%
Estimated corporate income tax expense	700,404,100	2,167,336,256
CIT exempted or deducted under the Investment Licence	-	(428,699,111)
Current corporate income tax expense	700,404,100	1,738,637,145

VII. OTHER INFORMATION

1. EVENTS AFTER THE DATE OF CLOSING ACCOUNTING BOOKS FOR FINANCIAL STATEMENTS PREPARATION

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

2. INFORMATION ON RELATED PARTIES

Related parties	The relationship
Tsai Chui Tien	Chairman of the board
Le Thi Thu Hang	Board Member/Deputy General Director
To Thi Phuong Lan	Board Member
Bui Van Thanh	Independent Member of the Board of Directors
Do Xuan Thanh	Independent Member of the Board of Directors
Dinh Thi Lan Huong	Head of the Board of Supervisors from January 5, 2024
Bui Nhu Hue	Member of the Board of Supervisors from July 2024
Phan Thi Oanh	Member of the Board of Supervisors from July 2024
Le Thi Thu Huong	Member of the Board of Supervisors until June 2024
Ha Thi Thu Thuy	Member of the Board of Supervisors from January 5, 2024 to June 2024
Chiang Chiu Chiung	General Director from 06/02/2024
Tran Thi Thuy Nguyen	General Director from 01/01/2023 to 06/02/2024

NOTES TO THE FINANCIAL STATEMENTS (continued)

Garden Pals Co., Ltd	Subsidiary from 04/07/2022
Objective Holding Incorporated Company	Major shareholder/ Company with Chairman of the Board of Directors
Dai Tin Development JSC	Major shareholder/ Company with major shareholder
Probus Opportunities Company	Major shareholder
Vietnam Alpha Limited Company	Major shareholder
Ability Merit Co., Ltd	Company with major shareholder
Phuc Khanh Department Store Co., Ltd	Company and Chairman of the Board

The significant transactions between the Company and related parties during the year include:

	Cumulative year 2025	Cumulative year 2024
Mr. Tsai Chui Tien	2,658,398,387	27,544,381,384
Repay loan principal	2,600,000,000	26,897,000,000
Loan interest expenses	58,398,387	647,381,384
 Ability Merit Co., Ltd	 33,509,793,631	 65,593,710,551
Repay loan principal	32,992,000,000	64,234,000,000
Loan interest expenses	517,793,631	1,359,710,551
 Objective Holding Incorporated Company	 7,228,187,257	 456,233,538
Repay loan principal	7,017,000,000	-
Loan interest expenses	211,187,257	456,233,538
 Garden Pals Co., Ltd	 2,142,574,340	 2,640,742,807
Purchase of goods and services	2,142,574,340	2,640,742,807
 Dai Tin Development JSC	 6,451,912,392	 505,831,996
Repay loan principal	6,000,000,000	-
Loan interest expenses	132,692,877	160,760,848
Purchase of goods and services	319,219,515	345,071,148
 Phuc Khanh Department Store Co., Ltd	 46,279,533	 14,552,727
Purchase of goods and services	46,279,533	14,552,727

NOTES TO THE FINANCIAL STATEMENTS (continued)

Income of the Board of Directors, Board of Management and Board of Supervisors

	Cumulative year 2025	Cumulative year 2024
Board of directors	225,000,000	225,000,000
Tsai Chui Tien	105,000,000	105,000,000
Bui Van Thanh	45,000,000	45,000,000
Do Xuan Thanh	45,000,000	45,000,000
To Thi Phuong Lan	15,000,000	15,000,000
Le Thi Thu Hang	15,000,000	15,000,000
Board of Supervisors	39,000,000	39,000,000
Dinh Thi Lan Huong	21,000,000	21,000,000
Bui Nhu Hue	9,000,000	-
Phan Thi Oanh	9,000,000	-
Ha Thi Thu Thuy	-	9,000,000
Le Thi Thu Huong	-	9,000,000
Board of General Directors	329,902,900	297,040,700
Tran Thi Thuy Nguyen	-	46,811,000
Chiang Chiu Chiung	225,392,000	133,134,700
Le Thi Thu Hang	104,510,900	117,095,000

3. COMPARATIVE FIGURES

The comparative figures are the financial statement figures for the fiscal year ended December 31, 2024, which were audited by Vietnam Auditing and Valuation Company Limited, and the separate financial statements for 1st quarter of 2024.

Preparer

Pham Thi Ngoc Hoa

Accountant

Pham Thi Ngoc Hoa

Chairman of the board

Tsai Chui Tien