

Thai Binh, March 30th, 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:

- The separate financial statements for the fiscal year ending on December 31, 2024, of Vietnam Fortress Tools JSC have been audited by International Valuation and Auditing Company Limited.
- Explanation of after-tax profit for the year 2024.

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.

March 30th, 2025

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



TSAI, CHUI - TIEN

Thai Binh, March 30th, 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 JSC would like to provide an explanation regarding the separate financial statements for the year 2024, as follows::

Indicator	In the separate financial statements for the year 2024	In the separate financial statements for the year 2023
Profit after corporate income tax	2.002.992.337	17.221.454.482

The profit after corporate income tax in the Statement of Profit or Loss in the separate financial statements for the year 2024 decreased mainly due to the following reasons:

- Fluctuations in the prices of imported metal raw materials: The market for imported metal raw materials has experienced significant fluctuations due to global political instability and conflicts, leading to an increase in input material costs. This has raised the company's production costs.
- Salary increases in accordance with government policy: Wages have been adjusted upward in line with the government's policy to raise the basic salary, which has affected the company's operating costs.
- Price reduction requests from customers: In the context of an economic downturn, customers have requested the company to lower selling prices, which has decreased revenue and impacted profits.
- Factory repair costs: The company had to carry out repairs on its factory due to the deterioration of long-standing buildings, resulting in higher maintenance and operating costs.
- Investment in environmental protection projects: The company has implemented new investment projects and upgraded environmental protection systems to meet



environmental protection requirements, leading to increased investment costs and a reduction in short-term profitability.

We affirm that the information disclosed is true and take full responsibility for the content of this information disclosure.

Thank you for your attention./.

Recipients:

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



TSAI, CHUI - TIEN



**VIETNAM FORTRESS TOOLS
JOINT STOCK COMPANY**

Audited separate financial statements
For the year ended 31 December 2024



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STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Vietnam Fortress Tools Joint Stock Company (hereinafter called "the Company") presents this report together with the audited separate financial statements of the Company for the year ended 31 December 2024.

GENERAL INFORMATION

Vietnam Fortress Tools Joint Stock Company established and operating under the Investment Certificate No. 4304315420 for the first time on 14 July 2010, 13th change certificate on 26 December 2024 issued by the Management Board of Economic Zones and Industrial Parks of Thai Binh province.

The Certificate of Business Registration No. 1000383611, registered for the first time on 23 September 2016, registered for 16th change on 10 March 2025, issued by the Department of Planning and Investment of Thai Binh province.

THE MEMBERS OF AND THE BOARD OF DIRECTORS, THE BOARD OF SUPERVISORS, THE BOARD OF MANAGEMENT

The members of the Board of Directors, the Board of Supervisors, and the Board of Management of the Company during the year and to the date of this statement are as follows:

The Board of Directors

Full name	Position
Mr. Tsai, Chui - Tien	Chairman
Ms. Le Thi Thu Hang	Member
Ms. To Thi Phuong Lan	Member
Mr. Bui Van Thanh	Independent Member
Mr. Do Xuan Thanh	Independent Member

The Board of Supervisors

Full name	Position	Date of appointment/dismissal
Ms. Dinh Thi Lan Huong	Head of BOS	Appointed on 05/01/2024
Ms. Vi Nguyet Cam	Head of BOS	Dismissed on 05/01/2024
Ms. Le Thi Thu Huong	Member	Dismissed on 28/06/2024
Ms. Ha Thi Thu Thuy	Member	Dismissed on 28/06/2024
Ms. Bui Nhu Hue	Member	Appointed on 28/06/2024
Ms. Phan Thi Oanh	Member	Appointed on 28/06/2024

The Board of Management

Full name	Position	Date of appointment/dismissal
Mr. Chiang, Chiu Chiung	General Director	Appointed on 06/02/2024
Ms. Tran Thi Thuy Nguyen	General Director	Dismissed on 06/02/2024
Ms. Le Thi Thu Hang	Deputy General Director	

Legal representative

The legal representative of the Company during the year and to the date of this statement is Mr. Tsai, Chui - Tien – Chairman of the Board of Directors.

STATEMENT OF THE BOARD OF DIRECTORS (Continue)

EVENTS ARISING AFTER THE END OF THE YEAR

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these separate financial statements.

AUDITORS

International Auditing and Valuation Company Limited has been appointed to audit the separate financial statements of the Company for the year ended 31 December 2024.

DISCLOSURE OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS

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

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

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

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

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

The Board of Directors approves the attached separate financial statements. The separate financial statements reflected truly and fairly the Company's separate financial position as at 31 December 2024, as well as the financial performance and cash flows for the year ended 31 December 2024, in accordance with Vietnamese Accounting Standards, accounting regime and legal regulations relating to separate financial reporting.

STATEMENT OF THE BOARD OF DIRECTORS (Continue)

COMMITMENT ON INFORMATION DISCLOSURE

The Board of Directors confirms to have complied with Decree 155/2020/ND-CP dated 31 December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16 November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market, Circular No. 68/2024/TT-BTC dated 18 September 2024 amending and supplementing a number of articles of the circulars regulating securities transactions on the securities trading system; clearing and settlement of securities transactions; activities of securities companies and disclosure of information on the stock market.

For and on behalf of the Board of Directors,



Mr. Tsai, Chui - Tien

Chairman of the Board of Directors

Thai Binh, 30 March 2025



No: 16074/2024/BCTC/IAV

INDEPENDENT AUDITORS' REPORT

To: Shareholders
The Board of Directors, the Board of Supervisors and the Board of Management
Vietnam Fortress Tools Joint Stock Company

We have audited the accompanying separate financial statements of Vietnam Fortress Tools Joint Stock Company (hereinafter called "the Company"), prepared on 30 March 2025, as set out from page 07 to page 39, which comprise the separate statement of financial position as at 31 December 2024, the separate statement of income, and separate statement of cash flows for the year then ended, and the notes to the separate financial statements.

The Board of Management's Responsibilities

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

Auditors' Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit in accordance with Vietnamese Standards on Auditing. However, due to the misstatement described in the section "Basis for Disclaimer of Opinion", we were unable to obtain sufficient appropriate audit evidence to provide a basis for our audit opinion.

Basis for Disclaimer of Opinion

- In 2022, the discrepancy in inventory shortage after stocktaking was recorded under the Shortage of assets awaiting resolution item with a value of VND 650,392,130,654. At 31 December 2024, through stocktaking, the value of the Shortage of assets awaiting resolution item was re-determined to be VND 614,925,151,445. However, until the date of these statements, the Company has not identified the reason behind, timing of the shortage, or the related obligations to handle the above inventory shortage. Based on the documents and the information available, we are unable to determine the impact of the above events on the separate financial statements for the year ended 31 December 2024.

We are unable to determine the impact of the above misstatement on the Company's tax obligations or other related elements on the separate financial statement for the year ended 31 December 2024, and previous years.

Disclaimer of Opinion

Due to the significance of the matters described in the section "Basis for Disclaimer of Opinion", we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Therefore, we do not express an audit opinion on the accompanying separate financial statements.

INDEPENDENT AUDITORS' REPORT (Continue)

Other Matters

The separate financial statements for the year ended 31 December 2023 were audited by another auditor and audit firm. The auditor disclaimed an opinion on these separate financial statements on 27 June 2024.

The basis for the auditors' disclaimer of opinion on the separate financial statements for the ended 31 December 2023 was due to the impact of the following matters:

- The impact related to the recognition of the discrepancy in inventory shortage after stocktaking in 2022 is recorded under the Shortage of assets awaiting resolution item with the value of VND 650,392,130,654 as stated in the basis for disclaimer of opinion on the separate financial statements for the year ended 31 December 2023.
- The auditors cannot determine the appropriateness of using the going concern assumption in preparing the separate financial statements.
- The auditors are unable to estimate the impact of the misstatement on the discrepancy recognized in the separate financial statements compared to the mathematical data of the Company for the work in progress of the gardening tool production activities in the inventories item as at 31 December 2023.



NGUYEN PHUONG THUY
Deputy Director
Audit Practising Registration Certificate
No. 4567-2022-283-1
INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED
Hanoi, 30 March 2025

LE VIET CUONG
Auditor
Audit Practising Registration Certificate
No. 2478-2023-283-1

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
A. SHORT-TERM ASSETS	100		1,003,222,444,299	1,122,410,372,672
I. Cash and cash equivalents	110	4.1	10,934,765,664	41,195,530,964
1. Cash	111		10,934,765,664	41,195,530,964
II. Short-term financial investments	120		6,828,242,428	6,828,242,428
1. Held-to-maturity investments	123	4.9	6,828,242,428	6,828,242,428
III. Short-term receivables	130		735,350,852,772	810,652,241,354
1. Short-term trade receivables	131	4.2	151,537,628,538	190,315,019,620
2. Short-term advances to suppliers	132	4.3	5,065,483,159	6,009,602,638
3. Other short-term receivables	136		240,457,566	353,356,378
4. Short-term allowance for doubtful debts	137	4.8	(36,417,867,936)	(36,417,867,936)
5. Shortage of assets awaiting resolution	139	4.4	614,925,151,445	650,392,130,654
IV. Inventories	140	4.5	247,946,431,691	261,863,449,564
1. Inventories	141		280,700,544,507	294,617,562,380
2. Allowance for devaluation of inventories	149		(32,754,112,816)	(32,754,112,816)
V. Other short-term assets	150		2,162,151,744	1,870,908,362
1. Short-term prepaid expenses	151	4.6	-	400,710,464
2. Value added tax deductibles	152		2,162,151,744	1,470,197,898
B. LONG -TERM ASSETS	200		279,587,780,403	320,138,662,956
I. Long-term receivables	210		-	-
II. Fixed assets	220		213,597,300,157	253,490,209,459
1. Tangible fixed assets	221	4.10	213,096,849,374	253,152,011,130
~ Cost	222		639,362,805,573	653,103,600,603
~ Accumulated depreciation	223		(426,265,956,199)	(399,951,589,473)
2. Intangible fixed assets	227	4.11	500,450,783	338,198,329
~ Cost	228		1,275,768,593	1,021,678,593
~ Accumulated amortisation	229		(775,317,810)	(683,480,264)
III. Investment properties	230		-	-
IV. Long-term assets in progress	240		370,748,721	245,548,440
1. Construction in progress	242	4.12	370,748,721	245,548,440
V. Long-term financial investments	250		41,143,952,306	41,143,952,306
1. Investments in subsidiary	251	4.7	38,143,952,306	38,143,952,306
2. Held-to-maturity investments	255	4.9	3,000,000,000	3,000,000,000
VI. Other long-term assets	260		24,475,779,219	25,258,952,751
1. Long-term prepaid expenses	261	4.6	24,273,461,735	25,056,635,267
2. Deferred tax assets	262		202,317,484	202,317,484
TOTAL ASSETS	270		1,282,810,224,702	1,442,549,035,628

SEPARATE STATEMENT OF FINANCIAL POSITION (Continue)

As at 31 December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
C. LIABILITIES	300		539,114,435,560	700,856,238,823
I. Short-term liabilities	310		539,114,435,560	658,874,897,273
1. Short-term trade payables	311	4.14	98,800,694,103	95,801,667,185
2. Short-term advances from customers	312	4.13	4,261,799,674	3,279,062,147
3. Taxes and amounts payable to the State budget	313	4.17	2,337,459,108	4,171,197,483
4. Payable to employees	314		10,779,052,864	9,911,482,688
5. Short-term accrued expenses	315	4.16	2,503,645,439	9,211,162,778
6. Other short-term payables	319	4.15	15,134,631,678	14,313,225,387
7. Short-term borrowings and finance lease liabilities	320	4.18	380,923,387,612	499,918,373,717
8. Short-term provisions	321	4.19	15,568,510,205	13,434,575,140
9. Bonus and welfare funds	322		8,805,254,877	8,834,150,748
II. Long-term liabilities	330		-	41,981,341,550
1. Long-term borrowings and finance lease liabilities	338	4.18	-	41,232,000,000
2. Long-term provisions	342		-	749,341,550
D. OWNERS' EQUITY	400	4.20	743,695,789,142	741,692,796,805
I. Owners' equity	410		743,695,789,142	741,692,796,805
1. Owners' contributed capital	411		268,078,350,000	268,078,350,000
- Ordinary shares with voting rights	411a		268,078,350,000	268,078,350,000
2. Share premium	412		148,621,259,858	148,621,259,858
3. Investment and development fund	418		14,843,991,896	14,843,991,896
4. Retained earnings	421		312,152,187,388	310,149,195,051
- Retained earnings of the prior year	421a		310,149,195,051	292,927,740,569
- Retained earnings of the current year	421b		2,002,992,337	17,221,454,482
II. Other resources and funds	430		-	-
TOTAL RESOURCES	440		1,282,810,224,702	1,442,549,035,628



Preparer
Pham Thi Ngoc Hoa



Accountant in Charge
Pham Thi Ngoc Hoa



Chairman of the Board of Directors
Tsai, Chui - Tien
Thai Binh, Vietnam
30 March 2025

SEPARATE STATEMENT OF INCOME

For the year ended 31 December 2024

Items	Code	Note	Current year VND	Prior year VND
1. Gross revenue from goods sold and services rendered	01	5.1	612,933,525,202	537,585,182,949
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered	10		612,933,525,202	537,585,182,949
4. Cost of goods sold and services rendered	11	5.2	515,120,907,010	402,624,594,354
5. Gross profit from sales of goods and services rendered	20		97,812,618,192	134,960,588,595
6. Financial income	21	5.3	15,543,234,658	14,217,584,963
7. Financial expenses	22	5.4	59,723,091,732	53,493,693,662
In which: Interest expense	23		28,199,533,379	29,661,487,234
8. Selling expenses	25	5.5	17,385,534,062	17,480,994,960
9. General and administration expenses	26	5.6	30,368,993,324	52,865,462,495
10. Net operating profit	30		5,878,233,732	25,338,022,441
11. Other income	31	5.7	1,001,718,475	219,694,860
12. Other expenses	32	5.8	3,051,784,758	4,491,999,012
13. Other profit	40		(2,050,066,283)	(4,272,304,152)
14. Total accounting profit before tax	50		3,828,167,449	21,065,718,289
15. Current corporate income tax expense	51	5.9	1,825,175,112	3,928,686,010
16. Deferred corporate income tax expense	52		-	(84,422,203)
17. Net profit after corporate income tax	60		2,002,992,337	17,221,454,482



Preparer
Pham Thi Ngoc Hoa



Accountant in Charge
Pham Thi Ngoc Hoa



Chairman of the Board of Directors
Tsai, Chui - Tien
Thai Binh, Vietnam
30 March 2025

SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Indirect method)

Items	Code	Note	Current year VND	Prior year VND
I. CASH FLOWS FROM OPERATING ACTIVITIES				
1. Profit before tax	01		3,828,167,449	21,065,718,289
2. Adjustments for:				
- Depreciation and amortisation of fixed assets and investment properties	02		40,766,098,949	45,952,353,949
- Allowances and provisions	03		1,384,593,515	24,064,713,236
- Foreign exchange (gains) losses arising from translating foreign currency items	04		(5,020,763,647)	(2,658,944,058)
- (Gains) losses from investing activities	05		(1,020,743,310)	(738,152,915)
- Interest expense	06		28,199,533,379	29,661,487,234
3. Operating profit before changes in working capital	08		68,136,886,335	117,347,175,735
- Change in receivables	09		73,160,422,596	15,318,775,381
- Change in inventories	10		13,917,017,873	(22,779,355,413)
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11		11,477,659,245	5,830,716,731
- Change in prepaid expenses	12		1,183,883,996	752,190,229
- Interest paid	14		(34,146,497,969)	(25,815,814,072)
- Corporate income tax paid	15		(3,928,686,010)	-
- Other cash outflows	17		(28,895,871)	(2,884,637,698)
Net cash flows from operating activities	20		129,771,790,195	87,769,050,893
II. CASH FLOWS FROM INVESTING ACTIVITIES				
1. Acquisition and construction of fixed assets and other long-term assets	21		(998,389,928)	(317,918,481)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22		1,330,010,011	-
3. Cash recovered from lending, selling debt instruments of other entities	24		-	3,000,000,000
4. Interest earned, dividends and profits received	27		478,142,939	839,733,930
Net cash flows from investing activities	30		809,763,022	3,521,815,449
III. CASH FLOWS FROM FINANCING ACTIVITIES				
1. Proceeds from borrowings	33	6.1	477,752,056,335	549,170,358,993
2. Repayment of borrowings	34	6.2	(639,255,977,352)	(611,042,008,153)
Net cash flows from financing activities	40		(161,503,921,017)	(61,871,649,160)
Net cash flows during the year	50		(30,922,367,800)	29,419,217,182
Cash and cash equivalents at the beginning of the year	60		41,195,530,964	11,282,379,763
Effects of changes in foreign exchange rates	61		661,602,500	493,934,018
Cash and cash equivalents at the end of the year	70		41,834,765,664	41,195,530,964

Preparer
Pham Thi Ngoc Hoa

Accountant in Charge
Pham Thi Ngoc Hoa

Chairman of the Board of Directors
Tsai, Chui - Tien
Thai Binh, Vietnam
30 March 2025

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

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

1. GENERAL INFORMATION

1.1 Ownership Structure

Vietnam Fortress Tools Joint Stock Company established and operating under the Investment Certificate No. 4304315420 for the first time on 14 July 2010, 13th change certificate on 26 December 2024 issued by the Management Board of Economic Zones and Industrial Parks of Thai Binh province.

The Certificate of Business Registration No. 1000383611, registered for the first time on 23 September 2016, registered for 16th change on 10 March 2025, issued by the Department of Planning and Investment of Thai Binh province.

The Company's charter capital according to the 16th amendment of the Certificate of Business Registration is VND 268,078,350,000. The total number of shares is 26,807,835 shares.

The total number of employees of the Company as at 31 December 2024 was 855 people (31 December 2023: 900 people).

1.2 Business area

The Company's main business area is Industrial Production.

1.3 Business activities

The Company's main business activities are:

- Buying, selling, processing and manufacturing all kinds of garden tools and accessories;
- Buying, selling and manufacturing metal products;
- Manufacturing and trading of machine tools;
- Heat treatment, electroplating processing;
- Production of wooden toys and games (except wood processing, do not trade in toys that are harmful to character education, children's health or affect social order and safety); and
- Other activities according to the Company's Business Registration Certificate.

1.4 Normal operating cycle

The Company's normal operating cycle does not exceed 12 months.

1.5 Characteristics of the business activities in the period which have impact on the separate financial statements

During the year ended 31 December 2024, there were no activities that significantly affected the separate financial statements of the Company.

1.6 Disclosure of information comparability in the separate financial statements

The separate financial statements of the Company are prepared to ensure comparability.

1.7 The Company's structure

As at 31 December 2024, the Company has a subsidiary, specifically as follows:

Name	Place of incorporation and operation	Proportion of ownership interest %	Proportion of voting power held %	Principal activities
Garden Pals Company Limited	Phuc Khanh Industrial Park, Phu Khanh Ward, Thai Binh City	100%	100%	Mechanical processing; metal treatment and coating

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

2.1. Basis of preparation of separate financial statements

The accompanying separate financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying separate financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2.2. Going concern assumption

There have been no events that cast significant doubt on its ability to continue as a going concern. The company neither intends nor is forced to cease operations, or significantly scale back its operations.

2.3. Financial year

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 Estimates

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

3.2 Cash and cash equivalents

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

3.3 Financial investments

Held-to-maturity investments

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

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

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

Allowance for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Investment in a subsidiary

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

3.4 Receivables

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

Allowance for doubtful debts is made for receivables that are overdue for six months or more, [or presented under the Company's accounting policy, for example, in accordance with the Group's provision-making policy], or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

3.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Cost is calculated using the weighted average method and is accounted for using the perpetual inventory method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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

3.6 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

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

	Depreciation period (years)
Buildings and structures	05 - 20
Machinery and equipment	03 - 15
Transportation equipment	07 - 12
Office equipment	03 - 05

3.7 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of intangible fixed assets comprises all the expenses incurred to obtain this asset put into use. Costs incurred after the initial recognition are recorded as expenses in the period in which they are incurred, unless they are attributable to a specific intangible fixed asset and result in an increase in the economic benefits in the future due to using this asset.

Straight-line depreciation is used over its estimated useful time in accordance with Circular No. 45/2013/TT-BTC on 25 April 2013, which is amended and supplemented in Circular No. 147/2016/TT-BTC dated 13 October 2016 and Circular No. 28/2017/TT-BTC dated 12 April 2017, guiding the management, usage and depreciation of fixed assets.

Computer software

The buying expenses of computer software which are not an integral part of related hardware are capitalized. Initial cost of computer software includes all the expenses paid until the software is put into use. Computer software is amortised in line with the straight-line method from 3 to 5 years.

3.8 Construction in progress

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

3.9 Prepaid expenses

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple periods. Prepaid expenses include the following expenses:

Prepaid land and infrastructure rental

Prepaid land and infrastructure rental is amortized on a straight-line basis to the lease term respectively.

Tools and Equipment

The tools and equipment have been put into use and are amortised to expense under the straight-line method to time allocation not too 3 years.

Other expenses

Other expenses are amortised to expense under the straight-line basis to time allocation not too 3 years.

3.10 Account payable and accrued expenses

Account payable and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Accrued expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payable to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue. When such expenses actually arise, if there is a difference with the amount

deducted, the accountant will record an additional or reduce the cost corresponding to the difference.

- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

3.11 Borrowings and financial lease liabilities

Borrowings are tracked according to each object, each contract and repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

3.12 Borrowing costs

Borrowing costs are recognised in the statement of income in the period when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

3.13 Owner's equity

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

Share premium reflects the difference between the par value and the issue price of shares (including cases of re-issuance of treasury shares) and can be a positive surplus (if the issue price is higher than the par value) or a negative surplus (if the issue price is lower than the par value).

3.14 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 valuation of monetary items, the financial instruments and other non-cash items.

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

3.15 Revenue and earnings

Revenue from sales of finished goods and merchandise goods

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company; and.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Financial Income

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.

3.16 Cost of goods sold and service rendered

Cost of goods sold includes the cost of products, goods and service rendered during the period and is recognised in accordance with revenue during the period. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.

3.17 Selling expenses

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered. Mainly includes sales staff salaries, sales promotion expenses, product introduction expenses, advertising expenses and sales commissions.

3.18 General and administrative expenses

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

3.19 Taxation

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

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

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

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.

The Company is obliged to pay corporate income tax at the tax rate applicable to each project, with detailed tax rates and tax incentives as follows:

Initial project – Manufacturing garden tools: The tax rate applicable to this project is 20%.

Expansion project No. 1 - Manufacturing garden tools: The tax rate applicable to this project is 20%. The project is exempt from corporate income tax for 02 years from the first year of taxable income (2019) and is entitled to a 50% reduction in corporate income tax for the next 04 years.

Expansion project No. 2 - Manufacturing wooden toys: The tax rate applicable to this project is 20%. The project is exempt from corporate income tax for 02 years from the first year of taxable income and is entitled to a 50% reduction in corporate income tax for the next 04 years. The project has ceased operations.

3.20 Related parties

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. 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.

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

4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE SEPARATE STATEMENT OF FINANCIAL POSITION

4.1 Cash and cash equivalents

	Closing balance	Opening balance
	VND	VND
Cash on hand	156,412,177	44,927,860
Demand deposits in banks	10,778,353,487	41,150,603,104
	<u>10,934,765,664</u>	<u>41,195,530,964</u>

4.2 Short-term trade receivables

	Closing balance	Opening balance
	VND	VND
Corona Clipper Incorporated	35,885,869,787	21,080,358,223
FT Osterman GMBH Company Limited	33,358,807,274	44,347,442,928
Formosa Tools Company Limited	26,215,804,770	26,215,804,770
Snow Joe Company Limited	27,013,873,000	27,013,873,000
Others	29,063,273,707	71,657,540,699
	<u>151,537,628,538</u>	<u>190,315,019,620</u>
Short-term trade receivables from related parties (Details stated in Note 7.3)	<u>7,175,117,527</u>	<u>7,641,902,527</u>

4.3 Short-term advances to suppliers

	Closing balance	Opening balance
	VND	VND
Xin Well International Trading Limited	-	575,578,506
Avient Singapore PTE Limited	1,096,616,981	-
Others	3,968,866,178	5,434,024,132
	<u>5,065,483,159</u>	<u>6,009,602,638</u>

4.4 Shortage of assets awaiting resolution

	Closing balance		Opening balance	
	Quantity	Amount	Quantity	Amount
Raw materials	-	-	147,394	43,688,752,434
Work in progress	102,642,351	614,925,151,445	120,429,138	600,888,484,473
Finished goods	-	-	562,955	5,814,893,747
	<u>102,642,351</u>	<u>614,925,151,445</u>	<u>121,139,487</u>	<u>650,392,130,654</u>

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The value of the Shortage of assets awaiting resolution item as at 31 December 2024 and as at 01 January 2024 are the value of missing inventories discovered through stocktaking in 2022 (adjusted through stocktaking in 2024). At the time of preparing these statements, the company has not identified the reason behind.

4.5 Inventories

	Closing balance		Opening balance	
	Cost VND	Allowance VND	Cost VND	Allowance VND
Goods in transit	-	-	4,085,526,434	-
Raw materials	46,478,974,236	(2,528,158,202)	99,820,747,188	(2,528,158,202)
Tools and supplies	4,342,216,993	(208,887,591)	4,255,292,993	(208,887,591)
Work in progress	161,129,809,380	(22,155,493,029)	135,094,781,912	(22,155,493,029)
Finished goods	68,553,943,898	(7,861,573,994)	34,026,523,826	(7,861,573,994)
Merchandise	195,600,000	-	-	-
Goods on consignment	-	-	17,334,690,027	-
	<u>280,700,544,507</u>	<u>(32,754,112,816)</u>	<u>294,617,562,380</u>	<u>(32,754,112,816)</u>

4.6 Prepaid expenses

4.6.1 Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Exporting instruments and tools	-	400,710,464
	<u>-</u>	<u>400,710,464</u>

4.6.2 Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Prepaid land and infrastructure rental	20,828,819,552	21,569,574,020
Other prepaid expenses of the wood factory	596,923,347	746,154,183
Exporting instruments and tools	2,847,718,836	2,740,907,064
	<u>24,273,461,735</u>	<u>25,056,635,267</u>

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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4.7 Investment in a subsidiary	Closing balance		Opening balance	
	Cost VND	Allowance VND	Cost VND	Allowance VND
<i>Investments in a subsidiary</i>	38,143,952,306	-	38,143,952,306	-
Garden Pals Company Limited	38,143,952,306	(*)	38,143,952,306	(*)
	38,143,952,306	-	38,143,952,306	-

(*) The Company has not determined the fair value of the financial investments because there is no specific instructions on determining fair value.

4.8 Bad debts

	Closing balance		Opening balance	
	Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
<i>Trading receivables</i>	53,229,677,770	36,417,867,936	53,229,677,770	36,417,867,936
Formosa Tools Company Limited	26,215,804,770	26,215,804,770	26,215,804,770	26,215,804,770
Snow Joe Company Limited	27,013,873,000	10,202,063,166	27,013,873,000	10,202,063,166
	53,229,677,770	36,417,867,936	53,229,677,770	36,417,867,936

4.9 Held-to-maturity investments

	Closing balance		Opening balance	
	Cost VND	Book value VND	Cost VND	Book value VND
<i>Short-term</i>	6,828,242,428	6,828,242,428	6,828,242,428	6,828,242,428
Term deposits (i)	6,828,242,428	6,828,242,428	6,828,242,428	6,828,242,428
<i>Long-term</i>	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
Term deposits (ii)	3,000,000,000	3,000,000,000	3,000,000,000	3,000,000,000
	9,828,242,428	9,828,242,428	9,828,242,428	9,828,242,428

(i) As at 31 December 2024, the deposits were places at commercial banks with a term of 6 months and interest rates ranging from 3.9%/year to 4.6%/year.

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(ii) As at 31 December 2024, the term deposit was 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.

4.10 Increases, decreases in tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Transportation equipment VND	Office equipment VND	Total VND
COST					
Opening balance	167,889,967,844	478,761,286,700	5,330,714,304	1,121,631,755	653,103,600,603
<i>Increases in the year</i>					
Purchase in the year	-	1,317,236,104	-	-	1,317,236,104
<i>Decreases in the year</i>					
Liquidation or transfer	-	(15,058,031,134)	-	-	(15,058,031,134)
Closing balance	167,889,967,844	465,020,491,670	5,330,714,304	1,121,631,755	639,362,805,573
ACCUMULATED DEPRECIATION					
Opening balance	59,416,856,982	334,381,637,694	5,187,960,972	965,133,825	399,951,589,473
<i>Increases in the year</i>					
Depreciation charged	9,115,232,676	31,450,442,655	16,800,000	91,786,072	40,674,261,403
<i>Decreases in the year</i>					
Liquidation or transfer	-	(14,359,894,677)	-	-	(14,359,894,677)
Closing balance	68,532,089,658	351,472,185,672	5,204,760,972	1,056,919,897	426,265,956,199
NET BOOK VALUE					
Opening balance	108,473,110,862	144,379,649,006	142,753,332	156,497,930	253,152,011,130
Closing balance	99,357,878,186	113,548,305,998	125,953,332	64,711,858	213,096,849,374

The cost of tangible fixed assets fully depreciated but still in use as at 31 December 2024 was VND 191,972,379,699, as at 01 January 2024 was VND 185,462,344,079;

Several tangible fixed assets were pledged or mortgaged as collateral for loans under credit limit contract No. 94/2024/HDTD/HNI dated 30 July 2024 at Tien Phong Commercial Joint Stock Bank - Hanoi Branch.



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4.11 Increase, decrease in intangible fixed assets

	Computer software	Total
	VND	VND
COST		
Opening balance	1,021,678,593	1,021,678,593
Purchase in the year	254,090,000	254,090,000
Closing balance	1,275,768,593	1,275,768,593
ACCUMULATED AMORTISATION		
Opening balance	683,480,264	683,480,264
Amortisation charged	91,837,546	91,837,546
Closing balance	775,317,810	775,317,810
NET BOOK VALUE		
Opening balance	338,198,329	338,198,329
Closing balance	500,450,783	500,450,783

The cost of intangible fixed assets fully depreciated but still in use as at 31 December 2024 was VND 567,943,593, as at 01 January 2024 was VND 567,943,593;

The net book value of intangible fixed assets used as collateral for loans as at 31 December 2024 was VND 0, and as at 01 January 2024 was VND 0.

4.12 Construction in progress

	Opening balance VND	Closing balance VND
Construction in progress	354,258,969	245,548,440
Mold cost	354,258,969	245,548,440
Repairs	16,489,752	-
Major repairs for fixed assets	16,489,752	-
	370,748,721	245,548,440

4.13 Short-term advances from customers

	Closing balance VND	Opening balance VND
Kingfield International Enterprise Company Limited	-	2,567,140,000
Giang Phong Metal Company Limited	-	407,316,397
Tti Partners Spc Acting For The Account Of Mpcsd Sp	3,872,963,721	-
Others	388,835,953	304,605,750
	4,261,799,674	3,279,062,147

4.14 Short-term trade payables

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Hsin Yue Hsing Company Limited	21,333,407,304	21,333,407,304	19,558,655,621	19,558,655,621
Garden Pals Company Limited	8,689,431,047	8,689,431,047	7,771,398,833	7,771,398,833
North Paint Company Limited	2,657,632,000	2,657,632,000	3,152,846,400	3,152,846,400
XHL Company Limited	3,889,978,546	3,889,978,546	3,889,978,546	3,889,978,546
Shenzhen Sn-Power International Freight Agent Company Limited	7,124,290,280	7,124,290,280	6,811,726,096	6,811,726,096
XSD International Company	10,409,084,873	10,409,084,873	9,074,006,515	9,074,006,515
Others	44,696,870,053	44,696,870,053	45,543,055,174	45,543,055,174
	<u>98,800,694,103</u>	<u>98,800,694,103</u>	<u>95,801,667,185</u>	<u>95,801,667,185</u>
Short-term trade payables to related parties (Details stated in Note 7.3)	<u>12,028,534,640</u>		<u>10,482,514,400</u>	

4.15 Other short-term payables

	Closing balance	Opening balance
	VND	VND
Trade Union Fees	175,957,698	280,257,014
Social insurance	1,212,376,150	1,161,179,739
Receive mold deposit	12,497,023,955	11,403,165,300
Others	1,249,273,875	1,468,623,334
	<u>15,134,631,678</u>	<u>14,313,225,387</u>

4.16 Short-term accrued expenses

	Closing balance	Opening balance
	VND	VND
Accrued interest expenses	1,785,024,096	7,731,988,686
Others	718,621,343	1,479,174,092
	<u>2,503,645,439</u>	<u>9,211,162,778</u>
Short-term accrued expenses to related parties (Details stated in Note 7.3)	<u>1,700,164,075</u>	<u>6,368,533,427</u>
+ Key members of management	663,692,653	5,751,611,217
+ Other related parties	<u>1,036,471,422</u>	<u>616,922,210</u>

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4.17 Taxes and amounts payables to the State budget

	Opening balance		In the period		Closing balance	
	Taxes Receivable VND	Taxes Payable VND	Amount payable VND	Paid VND	Taxes Receivable VND	Taxes Payable VND
Value added tax	-	-	841,346,520	570,325,407	-	271,021,113
Import and Export tax	-	311,456,330	29,371,816	340,828,146	-	-
Corporate income tax	-	3,809,730,908	1,825,175,112	3,928,686,010	-	1,706,220,010
Personal income tax	-	48,370,245	1,325,308,290	1,013,460,550	-	360,217,985
Environment protection tax	-	1,640,000	16,400,000	18,040,000	-	-
Business-license tax	-	-	3,000,000	3,000,000	-	-
Other taxes	-	-	217,760,371	217,760,371	-	-
	-	4,171,197,483	4,258,362,109	6,092,100,484	-	2,337,459,108

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the separate financial statements could be changed at later date upon final determination by the tax authorities.

4.18 Borrowings and financial lease liabilities
4.18.1 Long-term borrowings and financial lease liabilities

	Closing balance		In the year		Opening balance	
	Amount VND	Amount able to be paid off VND	Increases VND	Decreases VND	Amount VND	Amount able to be paid off VND
Ability Merit Limited (1)	-	-	-	21,688,000,000	21,688,000,000	21,688,000,000
Objective Holding Incorporated (4)	-	-	896,800,000	20,440,800,000	19,544,000,000	19,544,000,000
	-	-	896,800,000	42,128,800,000	41,232,000,000	41,232,000,000
	-	-	-	-	41,232,000,000	41,232,000,000

Long-term borrowings and
finance lease liabilities related
to related parties (Details stated
in Note 7.3)

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

4.18.2 Short-term borrowings and financial lease liabilities

	Closing balance		In the year		Opening balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
Short-term borrowings						
Ability Merit Limited (1)	26,317,530,000	26,317,530,000	25,975,000,000	53,403,470,000	53,746,000,000	53,746,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank - Thai Binh Branch (5)	194,303,930,126	194,303,930,126	315,674,912,261	315,596,578,073	194,225,595,938	194,225,595,938
T-T Development Joint Stock Company (6)	8,080,000,000	8,080,000,000	-	-	8,080,000,000	8,080,000,000
Objective Holding Incorporated (3)	7,000,000,000	7,000,000,000	-	-	7,000,000,000	7,000,000,000
Tien Phong Commercial Joint Stock Bank - Hanoi Branch (7)	97,087,667,760	97,087,667,760	137,796,710,603	139,801,487,668	99,092,444,825	99,092,444,825
Mr. Tsai Chui Tien (2)	4,697,559,726	4,697,559,726	24,000,000	88,827,773,228	93,501,332,954	93,501,332,954
Long-term debt maturity						
Ability Merit Limited (1)	22,995,900,000	22,995,900,000	21,688,000,000	42,965,100,000	44,273,000,000	44,273,000,000
Objective Holding Incorporated (4)	20,440,800,000	20,440,800,000	20,440,800,000	-	-	-
	380,923,387,612	380,923,387,612	521,599,422,864	640,594,408,969	499,918,373,717	499,918,373,717
Short-term borrowings and finance lease liabilities related to related parties (Details stated in Note 7.3)						
+ Key members of management	89,531,789,726	89,531,789,726			162,327,332,954	162,327,332,954
+ Other related parties	4,697,559,726	4,697,559,726			93,501,332,954	93,501,332,954
	84,834,230,000	84,834,230,000			68,826,000,000	68,826,000,000

(1) The loan with Ability Merit Limited includes the following contracts:

1.1. Contract No. 09/HDVV dated 08 October 2024:

- Credit limit: USD 530,000;
- Purpose of loan: Supplement working capital;
- Loan term: 6 months;
- Interest rate: 6.67%/year;
- Method of guarantee: Unsecured.

1.2 Contract No. 10/HDVV dated 29 October 2024:

- Credit limit: USD 500,000;
- Purpose of loan: Supplement working capital;
- Loan term: 6 months;
- Interest rate: 6.67%/year;
- Method of guarantee: Unsecured.

1.3 Contract No. 03/HDVV dated 30 August 2021:

- Credit limit: USD 600,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 3.5%/year;
- Method of guarantee: Unsecured.

1.4 Contract No. 04/HDVV dated 30 September 2021:

- Credit limit: USD 600,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 3.5%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 03/AB-FT dated 18 December 2023, with an extension period until 18 March 2024.

Contract Appendix FT-AB/2022-01/PL dated 01 July 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 01 July 2022; Loan term until 30 September 2025; Interest is paid in December each year.

(2) The loan with Mr. Tsai Chui – Tien includes the following contracts:

2.1 Contract No. 21122021-TS/FTV dated 21 December 2021:

- Credit limit: VND 2,212,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 3 months;
- Interest rate: 3%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 05/TSAI-FT dated 20 March 2022 (Loan balance at the time of extension is 2,098 billion VND), the extension period is until 21 March 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 20 March 2024, the extension period is until 21 September 2024, if the borrower has not paid by the due date, the contract will automatically extend for another 12 months.

2.2 Contract No. 22112022/TSAI-FTV dated 22 November 2022:

- Credit limit: VND 2,600,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 8.6%/month;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 03/TSAT-FT dated 20 November 2023, the extension period is until 22 November 2024, if the borrower has not paid by the due date, the contract will automatically extend for another 12 months.

(3) The loan with Objective Holdings Incorporated includes the following contracts:

3.1 Contract No. 01/HDVV/OBJ-FTV dated 21 December 2021:

- Credit limit: VND 2,000,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 3 months;
- Interest rate: 3%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 03/OBJ-FTV dated 21 March 2024, the extension period is until 21 March 2025. If the borrower fails to pay by the due date, the contract will automatically extend for another 12 months.

3.2 Contract No. 02/HDVV/OBJ-FTV dated 30 March 2022:

- Credit limit: VND 5,000,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 3 months;
- Interest rate: 3%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 02/OBJ-FT dated 28 March 2023, the extension period is until 30 March 2024. If the borrower fails to pay by the due date, the contract will automatically extend for another 12 months.

(4) The loan with Objective Holdings Incorporated according to Contract No. 02/HDVV dated 10 August 2021:

- Credit limit: USD 800,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 3.5%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. FT-OBJ/2022-01/PL dated 05 July 2024, with the extension period until 30 August 2025, and the loan interest rate is adjusted from 3.5% to 3.98%/year.

(5) The loan with Ho Chi Minh City Development Joint Stock Commercial Bank - Thai Binh branch according to Credit limit contract No. 20609/22MB/HDTD dated 25 July 2022 and contract appendix No. 20609/22MB/HDTD/PL01 dated 15 January 2024:

- Credit limit: USD 8,500,000;
- Purpose of loan: Issuing LCs, lending to pay issued LCs, providing short-term loans to supplement working capital for business activities in manufacturing garden tools and other products;
- Loan term: Until 25 July 2025;
- Interest rate: 5.95%/year – 6.65%/year;
- Method of guarantee:

- + Collateral 1: Real estate at land plot No. 632, map sheet No. 19 at Phuc Khanh Industrial Park, Phu Xuan commune, Thai Binh city, Thai Binh province;
- + Collateral 2: Real estate at land plot No. 631, map sheet No. 19 at Phuc Khanh Industrial Park, Phu Xuan commune, Thai Binh city, Thai Binh province;
- + Collateral 3: Real estate at land plot No. 1, map sheet No. 1 at Phuc Khanh Industrial Park, Phu Xuan commune, Thai Binh city, Thai Binh province and land plot No. 29, map sheet No. 20 at Phuc Khanh Industrial Park, Phu Xuan commune, Thai Binh city, Thai Binh province;
- + Collateral 4: All inventories are kept at the Company's factory;
- + Collateral 5: Term deposit contract of Mr. Tsai Chui Tien - Chairman of the Board of Directors, term deposit contract of Ms. Vu Thi Xuyen - major shareholder, term deposit contract of the Company.

(6) Loan contracts with T-T Development Joint Stock Company are as follows:

6.1 Contract No. 04/2022/HDV-DT-FT dated 27 October 2022:

- Credit limit: VND 6,000,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 8%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 02/04/2022/HDV-DT-FT dated 27 December 2024, with the extension period until 27 December 2025.

6.2 Contract No. 05/2022/HDV-DT-FT dated 28 October 2022:

- Credit limit: VND 1,300,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 8%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 02/05/2022/HDV-DT-FT dated 28 December 2024, with the extension period until 28 December 2025.

6.3 Contract No. 06/2022/HDV-DT-FT dated 28 November 2022:

- Credit limit: VND 400,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 7.65%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 02/06/2022/HDV-DT-FT dated 29 November 2024, with the extension period until 29 December 2025.

6.4 Contract No. 07/2022/HDV-DT-FT dated 02 December 2022:

- Credit limit: VND 380,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: 7.95%/year;
- Method of guarantee: Unsecured.

The loan is extended according to Contract Appendix No. 02/07/2022/HDV-DT-FT dated 02 December 2024, with the extension period until 02 December 2025.

(7) Tien Phong Commercial Joint Stock Bank - Hanoi Branch according to credit limit contract No. 94/2024/HDTD/HNI dated 13 July 2024:

- Credit limit: VND 130,000,000,000;
- Purpose of loan: Supplement working capital;
- Loan term: 12 months;
- Interest rate: According to each debt acknowledgement contract;
- Method of guarantee:
 - + Collateral 1: Real estate of Phuc Khanh Grocery Company Limited in Phuc Khanh Industrial Park;
 - + Collateral 2: Real estate, factory of Garden Pals Company Limited
 - + Collateral 3: Savings book/deposit contract issued by TPBank;
 - + Collateral 4: Machinery and equipment owned by Vietnam Fortress Tools Joint Stock Company;
 - + Collateral 5: The right to claim debt arising from the future for export contracts with payment method by L/C up to 30 billion VND.

4.19 Short-term provisions

	Closing balance VND	Opening balance VND
Provision for salary	15,568,510,205	13,434,575,140
	15,568,510,205	13,434,575,140

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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4.20 Owner's equity

4.20.1 Reconciliation table of equity

	Owner's contributed capital VND	Share capital surplus VND	Investment and Development fund VND	Retained earnings VND	Total VND
Prior year's opening balance	268,078,350,000	148,621,259,858	14,843,991,896	292,927,740,569	724,471,342,323
Increase in the year	-	-	-	17,221,454,482	17,221,454,482
- Profit for the year	-	-	-	-	-
Prior year's closing balance	268,078,350,000	148,621,259,858	14,843,991,896	310,149,195,051	741,692,796,805
Current period's opening balance	268,078,350,000	148,621,259,858	14,843,991,896	310,149,195,051	741,692,796,805
Increase in the year	-	-	-	2,002,992,337	2,002,992,337
Profit for the year	-	-	-	-	-
Current period's closing balance	268,078,350,000	148,621,259,858	14,843,991,896	312,152,187,388	743,695,789,142

4.20.2 Details of owner's investment capital

	Closing balance		Opening balance	
	Actual contributed capital VND	Ratio %	Actual contributed capital VND	Ratio %
Objective Holding Incorporated	65,209,810,000	24.32%	65,209,810,000	24.32%
Mr. Tsai Chui Tien	61,939,300,000	23.10%	61,939,300,000	23.10%
T-T Development Joint Stock Company	39,919,700,000	14.89%	39,919,700,000	14.89%
Probus Opportunities	25,000,000,000	9.33%	25,000,000,000	9.33%
VN Alpha Company Limited	19,770,000,000	7.38%	19,770,000,000	7.38%
Others	56,239,540,000	20.98%	56,239,540,000	20.98%
	268,078,350,000	100%	268,078,350,000	100%

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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4.20.3 Capital transactions with owners and dividend distribution, profit sharing

	Current year VND	Prior year VND
Owner's contributed capital		
Capital contribution at the beginning of the year	268,078,350,000	268,078,350,000
Contributed capital increased during the year	-	-
Contributed capital decreased during the year	-	-
Capital contribution at the end of the year	268,078,350,000	268,078,350,000
Dividends or distributed profits	-	-

4.20.4 Shares

	Closing balance Shares	Opening balance Shares
Number of shares registered for issuance	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
Preference shares	-	-
Number of shares repurchased	-	-
Ordinary shares	-	-
Preference shares	-	-
Number of outstanding shares in circulation	26,807,835	26,807,835
Ordinary shares	26,807,835	26,807,835
Preference shares	-	-
<i>An ordinary share has par value (VND/Share)</i>	10,000	10,000

4.20.5 Profit distribution

	Current year VND	Prior year VND
Undistributed profit at the beginning of the year	310,149,195,051	292,927,740,569
Profit from business activities in the year	2,002,992,337	17,221,454,482
Other adjustments to decrease profit	-	-
Other adjustments to increase profit	-	-
Dividends or distributed profits to funds during the year	-	-
Remaining undistributed profit	312,152,187,388	310,149,195,051

4.21 Off Separate Statement of Financial Position items

Operating lease assets

The company has land lease contracts in Phuc Khanh Industrial Park, Thai Binh Province for the purpose of investing in establishing a factory to manufacture products. Details are as follows:

Project	Contract number	Leased area (m2)
Maintenance of technical infrastructure works in industrial parks such as traffic systems, water supply, rainwater drainage, wastewater drainage, trees, security and order, sanitation and industrial park management costs.	12/HDTLD-DT	26,467
	11/HDTLD-DT	26,155
	012016/HD-DT	26,967.5

VIETNAM FORTRESS TOOLS JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE SEPARATE STATEMENT OF INCOME

5.1 Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from sales of finished goods	607,397,117,763	531,402,212,678
Revenue from sales of scraps	5,536,407,439	6,182,970,271
	<u>612,933,525,202</u>	<u>537,585,182,949</u>

5.2 Costs of goods sold and services rendered

	Current year VND	Prior year VND
Cost of finished goods and scraps	515,120,907,010	403,077,266,023
Allowances for devaluation of inventories	-	(452,671,669)
	<u>515,120,907,010</u>	<u>402,624,594,354</u>

5.3 Financial income

	Current year VND	Prior year VND
Interests of bank deposits and loans	478,142,939	738,152,915
Exchange rate difference interest	15,065,091,719	13,479,432,048
	<u>15,543,234,658</u>	<u>14,217,584,963</u>

5.4 Financial expenses

	Current year VND	Prior year VND
Interest expense	28,199,533,379	29,661,487,234
Settlement discount, interest on instalment purchase	-	5,362,916,149
Exchange rate difference loss	31,523,558,353	17,997,356,009
Others	-	471,934,270
	<u>59,723,091,732</u>	<u>53,493,693,662</u>

Financial expenses related to related parties
(Details stated in Note 7.3)

	13,220,465,809	10,498,224,281
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5.5 Selling expenses

	Current year VND	Prior year VND
Labour expenses	2,747,426,488	2,678,072,541
Other expenses	14,638,107,574	14,802,922,419
Total	<u>17,385,534,062</u>	<u>17,480,994,960</u>

VIETNAM FORTRESS TOOLS JOINT STOCK COMPANY
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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5.6 General and administration expenses

	Current year VND	Prior year VND
Management staff expenses	16,285,214,261	15,215,966,029
Depreciation expenses	2,197,900,436	1,783,115,372
Allowance expense	1,384,593,515	24,517,384,805
Other expenses	10,501,285,112	11,348,996,289
	<u>30,368,993,324</u>	<u>52,865,462,495</u>

5.7 Other income

	Current year VND	Prior year VND
Sale, disposal of fixed assets	542,600,371	-
Others	459,118,104	219,694,860
	<u>1,001,718,475</u>	<u>219,694,860</u>

5.8 Other expenses

	Current year VND	Prior year VND
Penalties	96,500,000	345,121,119
Depreciation expenses, tools and equipment of wood factory	2,239,849,327	2,649,233,005
Others	715,435,431	1,497,644,888
	<u>3,051,784,758</u>	<u>4,491,999,012</u>

5.9 Corporate income tax expenses

	Current year VND	Prior year VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year (i)	1,825,175,112	3,928,686,010
Adjustments for corporate income tax expense in previous years to the current year	-	-
	<u>1,825,175,112</u>	<u>3,928,686,010</u>
Total current corporate income tax expense		
	<u>1,825,175,112</u>	<u>3,928,686,010</u>

(i) Current corporate income tax expense for the period is computed as follows:

	Current year VND	Prior year VND
Profit/(Loss) before tax	3,828,167,449	21,065,718,289
Adjustments for taxable profit	7,571,007,463	3,421,230,168
Adjustments increase	8,712,391,099	4,562,009,062
Non-deductible expenses	2,451,878,864	3,354,354,124
Exchange rate difference loss from revaluation of cash and receivables	228,979,085	326,908,339
Allowance expenses	-	880,746,599
Non-deductible interest expense	6,031,533,150	-
Adjustments decrease	(1,141,383,636)	(1,140,778,894)
Exchange rate difference gain from revaluation of cash and receivables	(1,141,383,636)	(1,140,778,894)
Non-taxable income	-	-
Loss carried forward	-	-
Current taxable income	11,399,174,912	24,486,948,457
Taxable income from the original project	6,852,576,208	14,799,911,647
Taxable income from expansion project No.1	4,546,598,704	9,687,036,810
Current corporate income tax expense	1,825,175,112	3,928,686,010
Corporate income tax expense from the original project (tax rate 20%)	1,370,515,242	2,959,982,329
Corporate income tax expense from expansion project No.1 (tax rate 10%)	454,659,870	968,703,681
Corporate income tax expense based on taxable profit in the current year	1,825,175,112	3,928,686,010

Taxable income from the initial project and the expansion project is determined based on the ratio of the historical cost of fixed assets serving each project to the total assets calculated as a proportion. Accordingly, as at 31 December 2024, the proportion of historical cost of fixed assets used for the initial project calculated for 59.9% of the total assets, the proportion of historical cost of fixed assets used for the expansion project No. 1 calculated for 40.1% of the total assets.

5.10 Production by nature

	Current period VND	Prior period VND
Cost of materials	350,642,087,873	258,949,249,143
Labor costs	109,404,547,092	102,191,382,043
Depreciation and amortisation	41,562,966,441	43,452,351,780
Outside services	48,038,633,600	55,581,308,645
Other expenses	19,466,754,309	36,879,898,266
Allowance expenses	1,384,593,515	-
	570,499,582,830	497,054,189,877

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE SEPARATE STATEMENT OF CASH FLOWS

6.1 Actual amounts of borrowings received during the year

	Current year VND	Prior year VND
Proceeds from borrowings under normal contracts	477,752,056,335	549,170,358,993
	<u>477,752,056,335</u>	<u>549,170,358,993</u>

6.2 Actual amounts of principal paid during the year

	Current year VND	Prior year VND
Repayment of principal under normal contracts	639,255,977,352	611,042,008,153
	<u>639,255,977,352</u>	<u>611,042,008,153</u>

7. OTHER INFORMATION

7.1. Contingent liabilities

In 2022, the Company recorded the discrepancy in inventory shortage after stocktaking in the Shortage of assets awaiting resolution item in the amount of VND 650,392,130,654. As at 31 December 2024, through stocktaking, the value of the Shortage of assets awaiting resolution item was adjusted to be VND 614,925,151,445. The Company has not identified the reason behind, timing and impact on related obligations due to the above inventory shortage. Tax obligations and other financial obligations will be determined when the Company finds out the cause related to the above inventory shortage or when competent authorities work at the unit.

7.2. Commitments

Operating lease commitments:

- Land lease contract No. 12/HDTLD-DT dated 05 May 2006 and land lease contract No. 11/HDTLD dated 25 March 2006, appendix to the revised land lease contract No. 0108/PLHDLSD-DT between Dai Tin Industrial Park Development Limited Joint Stock Company and Formosa Vietnam Metal Industry Company Limited, the two parties signed a land lease contract with the following terms:
 - Leased land area: 52,622 m² (Fifty-two thousand, six hundred and twenty-two square meters) in Phuc Khanh Industrial Park, Thai Binh City, Thai Binh Province;
 - Location and boundary of the land are determined in the land use right certificate No. CS 03688 dated 18 December 2018;
 - Land lease term: Until 31 December 2052;
 - Land use purpose: Maintenance of technical infrastructure works in the industrial park such as traffic system, water supply, rainwater drainage, wastewater drainage, trees, security, order, sanitation and management costs of the industrial park construction and mechanics;
 - Land rental fee: Land rental price is: USD 13/m²/year (excluding VAT);
 - Infrastructure management fee: USD 0.033/m²/month (excluding VAT). Each 3 years, the infrastructure management fee will be adjusted once, the adjustment level is based on the adjustment of prices and wages in Vietnam, and also based on the land lease area with deduction;
 - Wastewater treatment fee: USD 0.2/m³ (excluding VAT). Each 3 years, the infrastructure management fee will be adjusted once, the adjustment level is based on the adjustment of prices and wages in Vietnam, and also based on the land lease area with deduction.
- Land lease contract No. 012016/HD-DT dated 03 August 2016 between T-T Development Joint Stock Company and Formosa Vietnam Metal Industry Company Limited. The two parties signed a land lease contract with the following terms:

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 10/11/2024
 T. THAI

- Leased land area: 26,967.5 m² (Twenty six thousand nine hundred sixty seven point five square meters) in Phuc Khanh Industrial Park, Thai Binh city, Thai Binh province;
- Location and boundary of the land are determined according to land use right certificate No. CS 03449 dated 02 April 2018;
- Land lease term: Until 31 December 2052;
- Land use purpose: Maintenance of technical infrastructure works in the industrial park such as traffic system, water supply, rainwater drainage, wastewater drainage, trees, security, order, sanitation and management costs of the industrial park construction and mechanics;
- Land rental fee: infrastructure rental fee is VND 657,450/m² equivalent to USD 30/m² (excluding VAT); Infrastructure management fee: VND 400/m²/month.

7.3. 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.

7.3.1 Transactions and balances with key management members, the individuals involved with key management members and the Board of Supervisors

Key management members include members of The Board of Directors, the Board of Management, and Chief Accountant. Individuals associated with key management members are close members in the family of key management members.

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

	Position	Current period VND	Prior period VND
The Board of Directors			
Mr. Tsai Chui Tien	Chairman	420,000,000	420,000,000
Ms. Le Thi Thu Hang	Member	60,000,000	60,000,000
Ms. To Thi Phuong Lan	Member	60,000,000	60,000,000
Mr. Bui Van Thanh	Member	180,000,000	180,000,000
Mr. Do Xuan Thanh	Member	180,000,000	180,000,000
Board of Supervisors			
Ms. Dinh Thi Lan Huong	Head of BOS	84,000,000	12,000,000
Ms. Vi Nguyet Cam	Head of BOS	-	9,000,000
Ms. Le Thi Thu Huong	Member	18,000,000	12,000,000
Ms. Ha Thi Thu Thuy	Member	18,000,000	-
Ms. Phan Thi Oanh	Thành viên	18,000,000	-
Ms. Bui Nhu Hue	Thành viên	18,000,000	-
The Board of Management and Chief Accountant			
Mr. Chiang, Chiu Chiung	General Director	814,846,700	-
Ms. Tran Thi Thuy Nguyen	General Director	46,811,000	515,666,600
Ms. Le Thi Thu Hang	Deputy General Director	428,238,000	323,704,700
Mr. Kuo Hsien Cheng	Deputy General Director	-	347,466,100
Ms. Nguyen Thi Cam Van	Chief Accountant	-	364,667,900
Ms. To Thi Thuy	Chief Accountant	258,086,100	-
Ms. Bui Thi Thuy	Chief Accountant	36,039,978	-
Ms. Do Thi Thanh Hang	Chief Accountant	66,079,450	-
Ms. Pham Thi Ngoc Hoa	Chief Accountant	63,000,000	-

Transactions with key members of management and individuals related to key members of management

Other transactions with key management members and individuals related to key management members are as follows:

	Content	Current year VND	Prior year VND
Members of the Board of Directors			
Mr. Tsai Chui Tien	Interest expenses	8,202,072,138	4,344,541,373
	Repayment of principal	88,827,773,228	52,549,000,000
	Proceeds from borrowings	-	43,812,000,000
Ms. Le Thi Thu Hang	Repayment of principal	-	4,871,335,040

Balances with key management members and individuals related to key management members

	Content	Closing balance VND	Opening balance VND
Members of the Board of Directors			
Mr. Tsai Chui Tien	Short-term borrowings	4,697,559,726	93,501,332,954
	Short-term accrued expenses	663,692,653	5,751,611,217

7.3.2 Transactions and balances with other related parties

Other related parties to the Company include enterprises and individuals that directly or indirectly have control over the Company or are controlled by the Company, or are under common control with the Company, including parent companies and companies in the same group.

List of other related parties

Related parties	Relationship
Garden Pals Company Limited	Subsidiary
Objective Holding Incorporated	Major shareholder, Mr. Tsai Chui Tien is Chairman of the Board of Directors
T-T Development Joint Stock Company	Major shareholders
Probus Opportunities	Major shareholders
VN Alpha Company Limited	Major shareholders
Ability Merit Company Limited	Company with the same major shareholders
Phuc Khanh Grocery Company Limited	Subsidiary with the same Chairman of the Board of Directors

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Transactions with other related parties

During this year, there were major transactions with other related parties as follows:
In addition to the transactions with related parties stated in the above Notes, the Company also has the following transactions with related parties:

Purchase goods and services	Content	Current year VND	Prior year VND
Garden Pals Company Limited	Factory rent	4,255,680,800	5,794,084,800
	Electricity bills and pay on behalf	4,809,684,263	3,741,598,625
T-T Development Joint Stock Company	Purchase goods	424,350,000	67,560,500
	Purchase goods and services	1,229,487,185	1,346,599,382
Phuc Khanh Grocery Company Limited	Rent house and electricity, water bills	77,221,226	24,403,925
		10,796,423,474	10,974,247,232

Other transactions	Content	Current year VND	Prior year VND
Garden Pals Company Limited	Payment	4,742,484,272	9,272,326,518
T-T Development Joint Stock Company	Payment	1,514,115,609	1,413,450,818
Ability Merit Limited	Repayment of principal	96,368,570,000	66,277,000,000
	Proceeds from borrowings	25,975,000,000	67,984,000,000
Objective Holding Incorporated	Proceeds from borrowings	896,800,000	688,000,000

Financial operating expenses	Content	Current year VND	Prior year VND
Ability Merit Limited	Interest payment	3,139,808,303	4,736,343,416
T-T Development Joint Stock Company	Interest payment	646,576,603	644,810,000
Objective Holding Incorporated	Interest payment	1,232,008,765	772,529,492
		5,018,393,671	6,153,682,908

Balance of accounts receivable/(payable) with other related parties

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	Closing balance VND	Opening balance VND
Short-term trade receivables		
Garden Pals Company Limited	7,175,117,527	7,641,902,527
	<u>7,175,117,527</u>	<u>7,641,902,527</u>
Short-term trade payables		
Phuc Khanh Grocery Company Limited	1,816,451,669	1,731,908,326
Garden Pals Company Limited	8,689,431,047	7,771,398,833
T-T Development Joint Stock Company	1,522,651,924	979,207,241
	<u>12,028,534,640</u>	<u>10,482,514,400</u>
Short-term borrowings and financial lease liabilities		
Ability Merit Limited	49,313,430,000	53,746,000,000
T-T Development Joint Stock Company	8,080,000,000	8,080,000,000
Objective Holding Incorporated	27,440,800,000	7,000,000,000
	<u>84,834,230,000</u>	<u>68,826,000,000</u>
Long-term borrowings and financial lease liabilities		
Ability Merit Limited	-	21,688,000,000
Công ty Objective Holding Incorporated	-	19,544,000,000
	<u>-</u>	<u>41,232,000,000</u>
Short-term accrued expenses		
Interest expense payables		
Ability Merit Limited	353,150,716	436,939,144
T-T Development Joint Stock Company	87,101,528	-
Objective Holding Incorporated	596,219,178	179,983,066
	<u>1,036,471,422</u>	<u>616,922,210</u>

7.4. Information of Department

The company is not required to prepare segment reports because it does not satisfy one of the three conditions for preparing segment reports by geographical area as prescribed in Circular 20/2006/TT-BTC dated 20 March 2006 of the Ministry of Finance regarding guidance on the implementation of six (06) accounting standards issued under Decision No. 12/2005/QĐ-BTC dated 15 February 2005 of the Ministry of Finance.

7.5. Events arising after the end of the year

The Board of Management of the Company affirms that, in the opinion of the Board of Management, in all material respects, there have been no unusual events occurring after the end of the year that

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS (CONTINUE)

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would affect the financial situation and operations of the Company that would require adjustment or presentation in these separate financial statements.

7.6. Comparative figures

Comparative figures are figures on the separate financial statements for the year ended 31 December 2023, which have been audited by Vietnam Auditing and Valuation Company Limited. Some items are restated as follows:

No	Items	Code	Data on Audited FS 2023	Restatement number	Difference
STATEMENT OF FINANCIAL POSITION					
A/	SHORT-TERM ASSETS	100	1,122,009,662,208	1,122,410,372,672	400,710,464
IV/	Inventories	140	261,863,449,565	261,863,449,564	(1)
1.	Inventories	141	294,617,562,381	294,617,562,380	(1)
V/	Other short-term assets	150	1,470,197,898	1,870,908,362	400,710,464
1	Short-term prepaid expenses	151	-	400,710,464	400,710,464
B	LONG -TERM ASSETS	200	320,539,373,420	320,138,662,956	(400,710,464)
VI/	Other long-term assets	260	25,659,663,215	25,258,952,751	(400,710,464)
1	Long-term prepaid expenses	261	25,457,345,731	25,056,635,267	(400,710,464)



Preparer
Pham Thi Ngoc Hoa



Accountant in Charge
Pham Thi Ngoc Hoa



Chairman of the Board of Directors
Tsai, Chui - Tien
Thai Binh, Vietnam
30 March 2025

