

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024

**DUC THANH WOOD PROCESSING
JOINT STOCK COMPANY**

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STATEMENT OF THE BOARD OF EXECUTIVES

The Board of Executives of Duc Thanh Wood Processing Joint Stock Company (hereinafter referred to as "the Company") presents this statement together with the Consolidated Financial Statements for the fiscal year ended 31 December 2024, including the Financial Statements of the Company and those of its subsidiaries (hereinafter collectively referred to as "the Group").

Business highlights

Duc Thanh Wood Processing Joint Stock Company has been operating in accordance with the Business Registration Certificate No. 0301449014, which was registered for the first time on 08 August 2000 and amended for the 33rd time on 10 January 2025, granted by Ho Chi Minh City Department of Planning and Investment.

The Company's stocks were officially listed in the Ho Chi Minh City Stock Exchange (HOSE) under stock code of GDT in line with the Decision No. 136/QĐ-SGDHCM dated 03 November 2009 of HOSE.

Head office

- Address : No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City.
- Tel. : +84 (028) 3589 4287
- Fax : +84 (028) 3589 4288

The Company has the following affiliates:

Affiliates	Address
Branch of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 835, Map No. 7, Tan Hoi Quarter, Tan Hiep Ward, Tan Uyen City, Binh Duong Province
Branch of Duc Thanh Wood Processing Joint Stock Company - Duc Thanh Store	No. 216 Ly Tu Trong Street, Ben Thanh Ward, District 1, Ho Chi Minh City
Branch 4 of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 813, Map No. 41, Khanh Binh 51 Street, Binh Chinh Quarter, Khanh Binh Ward, Tan Uyen City, Binh Duong Province

The Company's business activities are wood production, broomstick, flag handle, laminated board, wooden furniture, children's wooden toy production (neither wood processing, nor trade in toys that are harmful for personality education, children's health or social order, security).

Board of Management, Supervisory Board and Board of Executives

Members of the Board of Management, the Board of Supervisors and the Board of Executives of the Company during the year and as of the date of this statement include:

The Board of Management

Full name	Position	Appointing/re-appointing date
Ms. Le Hai Lieu	Chairwoman	Re-appointed on 13 June 2020
Mr. Le Hong Thang	Vice Chairman	Re-appointed on 13 June 2020
Mr. Le Hong Thanh	Member	Re-appointed on 13 June 2020
Ms. Truong Thi Dieu Le	Member	Re-appointed on 13 June 2020
Ms. Nguyen Ha Ngoc Diep	Member	Re-appointed on 13 June 2020
Mr. Hoang Anh Tuan	Member	Appointed on 13 June 2020
Mr. Nguyen Hoang Ngan	Member	Appointed on 25 March 2023

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY
STATEMENT OF THE BOARD OF EXECUTIVES (cont.)

The Supervisory Board

Full name	Position	Re-appointing date
Ms. Truong Thi Binh	Chief of the Board	13 June 2020
Ms. Bui Tuong Anh	Member	13 June 2020
Mr. Tran Ngoc Hung	Member	13 June 2020

The Board of Executives

Full name	Position	Appointing/re-appointing/resigning date
Mr. Le Hong Thang	General Director	Resigned on 29 July 2024
Ms. Nguyen Ha Ngoc Diep	Deputy General Director	Appointed on 16 January 2019
Ms. Nguyen Thi Thanh Huyen	Deputy General Director	Appointed on 07 August 2021
	Governance Manager	Appointed on 24 September 2024

Legal Representative

The legal representative of the Company during the year and as of the date of this statement is as follows:

Full name	Position	Appointing/resigning date
Mr. Le Hong Thang	General Director	Resigned on 15 August 2024
Ms. Le Hai Lieu	Chairwoman	Appointed on 15 August 2024

Ms. Le Hai Lieu authorized Ms. Nguyen Ha Ngoc Diep – Deputy General Director to sign on the Consolidated Financial Statements for the fiscal year ended 31 December 2024 according to the Power of Attorney No. 132-24/ĐT-UQ dated 30 August 2024.

Auditors

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Group's Consolidated Financial Statements for the fiscal year ended 31 December 2024.

Responsibilities of the Board of Executives

The Board of Executives is responsible for the preparation of the Consolidated Financial Statements to give a true and fair view of the consolidated financial position, the consolidated financial performance and the consolidated cash flows of the Group during the year. In order to prepare these Consolidated Financial Statements, the Board of Executives must:

- select appropriate accounting policies and apply them consistently;
- make judgments and estimates reasonably and prudently;
- state clearly whether the accounting standards applied to the Group are followed or not, and all the material differences from these standards are disclosed and explained in the Consolidated Financial Statements;
- prepare the Consolidated Financial Statements of the Group on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system to minimize the risks of material misstatements due to frauds or errors in the preparation and presentation of the Consolidated Financial Statements.

The Board of Executives hereby ensures that all the proper accounting books of the Group have been fully recorded and can fairly reflect the financial position of the Group at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Executives is also responsible for managing the Group's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Executives hereby commits to the compliance with the aforementioned requirements in preparation of the Consolidated Financial Statements.

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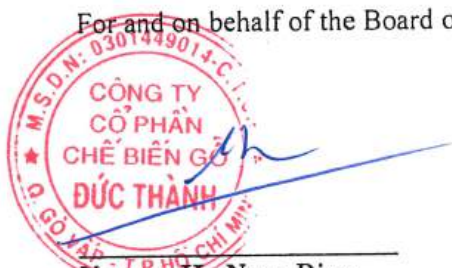
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DUC THANH WOOD PROCESSING JOINT STOCK COMPANY
STATEMENT OF THE BOARD OF EXECUTIVES (cont.)

Approval of the Consolidated Financial Statements

The Board of Executives hereby approves the accompanying Consolidated Financial Statements, which give a true and fair view of the consolidated financial position as of 31 December 2024 of the Group, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements.

For and on behalf of the Board of Executives,



Nguyễn Hà Ngọc Diệp
Deputy General Director

Date: 29 March 2025



A&C AUDITING AND CONSULTING CO., LTD.

Head Office : 02 Trung Son St., Ward 2, Tan Binh Dist., Ho Chi Minh City, Vietnam
Branch in Ha Noi : 40 Giang Vo St., Dong Da Dist., Ha Noi City, Vietnam
Branch in Nha Trang : Lot STH 06A.01, St. No.13, Le Hong Phong II Urban Area, Phuoc Hai Ward, Nha Trang City, Vietnam
Branch in Can Tho : 15-13 Vo Nguyen Giap St., Cai Rang Dist., Can Tho City, Vietnam

Tel: +84 (028) 3547 2972 kttv@a-c.com.vn
Tel: +84 (024) 3736 7879 kttv.hn@a-c.com.vn
Tel: +84 (0258) 246 5151 kttv.nt@a-c.com.vn
Tel: +84 (0292) 376 4995 kttv.ct@a-c.com.vn



www.a-c.com.vn

No. 1.0819/25/TC-AC

INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF EXECUTIVES
DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

We have audited the accompanying Consolidated Financial Statements of Duc Thanh Wood Processing Joint Stock Company (hereinafter referred to as "the Company") and its subsidiary (hereinafter collectively referred to as "the Group"), which were prepared on 29 March 2025 (from page 06 to page 40) including the Consolidated Balance Sheet as of 31 December 2024, the Consolidated Income Statement, the Consolidated Cash Flow Statement for the fiscal year then ended and the Notes to the Consolidated Financial Statements.

Responsibility of the Board of Executives

The Company's Board of Executives is responsible for the preparation, true and fair presentation of the Consolidated Financial Statements of the Group in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements; and responsible for the internal control as the Board of Executives determines necessary to enable the preparation and presentation of the Consolidated Financial Statements to be free from material misstatement due to fraud or error.

Responsibility of Auditors

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

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

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

Opinion of Auditors

In our opinion, the Consolidated Financial Statements give a true and fair view, in all material respects, of the consolidated financial position as of 31 December 2024 of the Group, its consolidated financial performance and its consolidated cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Consolidated Financial Statements.

For and on behalf of
A&C Auditing and Consulting Co., Ltd.



Ho Van Tung
Partner

Audit Practice Registration Certificate No. 0092-2023-008-1
Authorized Signatory

Ho Chi Minh City, 29 March 2025

Phan Cao Huyen
Auditor

Audit Practice Registration Certificate No. 3523-2021-008-1

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

CONSOLIDATED BALANCE SHEET

As of 31 December 2024

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
A - CURRENT ASSETS	100		230.246.849.340	271.943.803.007
I. Cash and cash equivalents	110	V.1	5.169.758.218	22.885.155.092
1. Cash	111		5.169.758.218	8.185.155.092
2. Cash equivalents	112		-	14.700.000.000
II. Short-term financial investments	120		51.555.000.000	68.855.000.000
3. Held-to-maturity investments	123	V.2	51.555.000.000	68.855.000.000
III. Short-term receivables	130		92.566.596.214	78.955.266.197
1. Short-term trade receivables	131	V.3	26.364.791.925	29.108.914.536
2. Short-term prepayments to suppliers	132	V.4	2.533.855.163	2.718.279.206
5. Receivables for short-term loans	135	V.5	33.000.000.000	22.400.000.000
6. Other short-term receivables	136	V.6a	31.175.537.380	24.728.072.455
7. Allowance for short-term doubtful debts	137	V.7	(507.588.254)	-
IV. Inventories	140		73.223.354.674	91.952.967.897
1. Inventories	141	V.8	73.223.354.674	91.952.967.897
2. Allowance for devaluation of inventories	149		-	-
V. Other current assets	150		7.732.140.234	9.295.413.821
1. Short-term prepaid expenses	151	V.9a	764.828.881	1.524.062.127
2. Deductible VAT	152		6.245.083.075	7.350.415.408
3. Taxes and other receivables from the State	153	V.16	722.228.278	420.936.286

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
B- NON-CURRENT ASSETS	200		293.995.313.464	136.963.670.079
I. Long-term receivables	210		-	150.000.000
6. Other long-term receivables	216	V.6b	-	150.000.000
II. Fixed assets	220		82.626.155.945	128.706.121.012
1. Tangible fixed assets	221	V.10	61.537.551.018	73.939.302.553
- Historical cost	222		172.887.493.792	178.201.268.237
- Accumulated depreciation	223		(111.349.942.774)	(104.261.965.684)
3. Intangible fixed assets	227	V.11	21.088.604.927	54.766.818.459
- Initial cost	228		26.821.334.013	64.321.334.013
- Accumulated amortization	229		(5.732.729.086)	(9.554.515.554)
III. Investment property	230	V.12	206.337.990.980	-
- Historical costs	231		218.626.000.000	-
- Accumulated depreciation	232		(12.288.009.020)	-
VI. Other non-current assets	260		5.031.166.539	8.107.549.067
1. Long-term prepaid expenses	261	V.9b	4.457.981.584	7.534.364.112
2. Deferred income tax assets	262	V.13	573.184.955	573.184.955
TOTAL ASSETS	270		524.242.162.804	408.907.473.086

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
C - LIABILITIES	300		226.061.988.090	117.251.398.925
I. Current liabilities	310		143.194.975.206	114.605.291.876
1. Short-term trade payables	311	V.14	15.599.326.761	6.518.615.586
2. Short-term advances from customers	312	V.15	10.856.831.651	8.653.854.087
3. Taxes and other obligations to the State Budget	313	V.16	6.592.626.687	3.716.408.055
4. Payables to employees	314	V.17	21.008.886.129	17.145.980.354
5. Short-term accrued expenses	315	V.18	3.473.612.415	2.181.812.726
8. Short-term unearned revenue	318	V.19a	2.055.169.050	-
9. Other short-term payables	319	V.20a,c	4.000.700.227	1.920.855.612
10. Short-term borrowings and financial leases	320	V.21a,c	76.325.768.604	71.390.665.000
12. Bonus and welfare funds	322	V.22	3.282.053.682	3.077.100.456
II. Non-current liabilities	330		82.867.012.884	2.646.107.049
6. Long-term unearned revenue	336	V.19b	2.894.849.926	-
7. Other long-term payables	337	V.20b,c	3.786.723.001	702.682.091
8. Long-term borrowings and financial leases	338	V.21b,c	74.205.700.000	-
12. Provisions for long-term payables	342	V.23	1.979.739.958	1.943.424.958

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY


Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City


CONSOLIDATED FINANCIAL STATEMENTS


For the fiscal year ended 31 December 2024

Consolidated Balance Sheet (cont.)

ITEMS	Code	Note	Ending balance	Beginning balance
D - OWNER'S EQUITY	400		298.180.174.714	291.656.074.161
1. Owner's equity	410		298.180.174.714	291.656.074.161
1. Owner's capital	411	V.24	238.835.570.000	218.725.920.000
- Ordinary shares carrying voting rights	411a		238.835.570.000	218.725.920.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.24	9.096.117.006	9.117.717.006
5. Treasury stocks	415	V.24	(3.261.350.000)	(4.332.350.000)
8. Investment and development fund	418	V.24	1.001.210.514	1.001.210.514
11. Retained earnings	421	V.24	52.508.627.194	67.143.576.641
- Retained earnings accumulated to the end of the previous period	421a		24.216.044.641	67.143.576.641
- Retained earnings of the current period	421b		28.292.582.553	-
TOTAL LIABILITIES AND OWNER'S EQUITY	440		524.242.162.804	408.907.473.086


 Nguyen Quoc Hiep
 Preparer


 Bui Phuong Thao
 Chief Accountant


 Nguyen Ha Ngoc Diep
 Deputy General Director



Ho Chi Minh City, 29 March 2025

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024


CONSOLIDATED INCOME STATEMENT

For the fiscal year ended 31 December 2024


Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Revenue from sales of goods and provisions of services	01	VI.1	336.789.909.965	313.867.666.225
2. Revenue deductions	02	VI.2	1.152.976.614	2.871.408.257
3. Net revenue	10		335.636.933.351	310.996.257.968
4. Cost of sales	11	VI.3	209.454.829.816	220.756.327.042
5. Gross profit	20		126.182.103.535	90.239.930.926
6. Financial income	21	VI.4	9.150.870.599	10.387.526.365
7. Financial expenses	22	VI.5	10.207.517.787	10.321.811.088
In which: Loan interest expenses	23		6.011.840.256	3.177.875.378
8. Gain or loss in joint ventures, associates	24		-	-
9. Selling expenses	25	VI.6	17.057.212.748	17.249.650.459
10. General and administration expenses	26	VI.7	37.783.335.132	27.624.956.562
11. Net operating profit	30		70.284.908.467	45.431.039.182
12. Other income	31	VI.8	986.309.952	614.251.365
13. Other expenses	32	VI.9	424.782.512	8.757.573
14. Other profit	40		561.527.440	605.493.792
15. Total accounting profit before tax	50		70.846.435.907	46.036.532.974
16. Current income tax	51	V.16	15.952.509.129	9.344.201.283
17. Deferred income tax	52		-	-
18. Profit after tax	60		<u>54.893.926.778</u>	<u>36.692.331.691</u>
19. Profit after tax of the Parent Company	61		54.893.926.778	36.692.331.691
20. Profit after tax of non-controlling shareholders	62		-	-
21. Basic earnings per share	70	VI.10	<u>2.167</u>	<u>1.452</u>
22. Diluted earnings per share	71	VI.10	<u>2.167</u>	<u>1.452</u>


 Nguyen Quoc Hiep
 Preparer


 Bui Phuong Thao
 Chief Accountant

Ho Chi Minh City, 29 March 2025


 Nguyen Ha Ngoc Diep
 Deputy General Director

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		70.846.435.907	46.036.532.974
2. Adjustments				
- Depreciation/Amortization of fixed assets and	02	V.10, 11, V12	18.013.636.512	9.663.059.842
- Provisions and allowances	03	V.7,23	543.903.254	(974.801.709)
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04	VI.4	(230.301.066)	(87.891.065)
- Gain/(loss) from investing activities	05	VI.4, VI.8	(5.479.017.266)	(7.555.704.432)
- Interest expenses	06	VI.5	6.011.840.256	3.177.875.378
- Others	07		-	-
3. Operating profit before changes of working capital	08		89.706.497.597	50.259.070.988
- Increase/(decrease) of receivables	09		(4.176.989.612)	25.903.988.249
- Increase/(decrease) of inventories	10		18.729.613.224	5.063.838.280
- Increase/(decrease) of payables	11		22.690.677.695	(25.614.527.319)
- Increase/(decrease) of prepaid expenses	12		3.835.615.774	(1.612.820.527)
- Increase/(decrease) of trading securities	13		-	-
- Interests paid	14	VI.5	(6.011.840.256)	(3.177.875.378)
- Corporate income tax paid	15		(14.161.834.908)	(16.474.503.808)
- Other cash inflows	16		-	-
- Other cash outflows	17	V.22	(2.799.444.000)	(2.437.222.250)
Net cash flows from operating activities	20		107.812.295.514	31.909.948.235
II. Cash flows from investing activities				
1. Purchases and construction of fixed assets and other non-current assets	21	V.10,11,VII	(172.612.320.423)	(8.270.271.388)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.10, VI.8	963.636.364	2.594.501.866
3. Cash outflow for lending, buying debt instruments of other entities	23		(252.973.054.586)	(143.955.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24		259.673.054.586	109.300.000.000
5. Investments in other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	V.6a, VI.4	5.408.701.382	7.724.028.170
Net cash flows from investing activities	30		(159.539.982.677)	(32.606.741.352)

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Consolidated Cash Flow Statement (cont.)

ITEMS	Code	Note	Current year	Previous year
III. Cash flows from financing activities				
1. Proceeds from issuing stocks and capital contributions from owners	31	V.24	-	6.208.400.000
2. Repayment for capital contributions and re-purchases of stocks already issued	32	V.24	(268.000.000)	(1.339.000.000)
3. Proceeds from borrowings	33	V.21	268.180.267.775	162.633.997.307
4. Repayment for loan principal	34	V.21	(189.039.464.171)	(121.114.232.307)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36	V.20,24	(45.060.181.550)	(42.433.857.699)
<i>Net cash flows from financing activities</i>	<i>40</i>		<i>33.812.622.054</i>	<i>3.955.307.301</i>
Net cash flows during the year	50		(17.915.065.109)	3.258.514.184
Beginning cash and cash equivalents	60	V.1	22.885.155.092	19.510.897.861
Effects of fluctuations in foreign exchange rates	61		199.668.235	115.743.047
Ending cash and cash equivalents	70	V.1	5.169.758.218	22.885.155.092



Nguyen Quoc Hiep
Preparer



Bui Phuong Thao
Chief Accountant



Ho Chi Minh City, 29 March 2025

Nguyen Ha Ngoc Diep
Deputy General Director

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

Address: No. 221/4 Phan Huy Ich Street, Ward 14, Go Vap District, Ho Chi Minh City

CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

I. GENERAL INFORMATION

1. Ownership form

Duc Thanh Wood Processing Joint Stock Company (hereinafter referred to as "the Company") is a joint stock company.

2. Operating field

The operating field of the Company is industrial manufacturing.

3. Principal business activities

The principal business activities of the Company are wood production, broomstick, flag handle, laminated board, wooden furniture, children's wooden toy production.

4. Normal operating cycle

The normal operating cycle of the Company is within 12 months.

5. Structure of the Group

The Group includes the Parent Company and 1 subsidiary under the control of the Parent Company. The subsidiary is consolidated in these Consolidated Financial Statements.

Subsidiary

The Company only invests in its subsidiary which is Duc Tam Wood Manufacturing and Exporting Company Limited located at No. 49A, Doan Van Cu Street, Vam Hamlet, Thien Tan Commune, Vinh Cuu District, Dong Nai Province. The principal business activity of this subsidiary is to wholesale sawn timber (from legal timber sources) (only operating when satisfying all business conditions according to legal requirements). As of the balance sheet date, the Company's capital contribution rate at this subsidiary is 100%, equivalent to the voting rate and ownership rate.

The Group has the following affiliates:

Affiliates	Address
Branch of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 835, Map No. 7, Tan Hoi Quarter, Tan Hiep Ward, Tan Uyen City, Binh Duong Province
Branch of Duc Thanh Wood Processing Joint Stock Company - Duc Thanh Store	No. 216 Ly Tu Trong Street, Ben Thanh Ward, District 1, Ho Chi Minh City
Branch 4 of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 813, Map No. 41, Khanh Binh 51 Street, Binh Chinh Quarter, Khanh Binh Ward, Tan Uyen City, Binh Duong Province

6. Statement of information comparability on the Consolidated Financial Statements

The corresponding figures in the previous year can be comparable with figures in the current year.

7. Headcount

As of the balance sheet date, the Group's headcount is 636 (headcount at the beginning of the year: 1.181).

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

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Notes to the Consolidated Financial Statements (cont.)

II. FISCAL YEAR AND ACCOUNTING CURRENCY

1. Fiscal year

The fiscal year of the Group is from 01 January to 31 December annually.

2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) because the transactions of the Group are primarily made in VND.

III. ACCOUNTING STANDARDS AND SYSTEM

1. Accounting System

The Group applies the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 guiding the Vietnamese Accounting System, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 guiding preparation and presentation of the Consolidated Financial Statements as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Financial Statements.

2. Statement of the compliance with the Accounting Standards and System

The Board of Executives ensures to follow all the requirements of the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016, the Circular No. 202/2014/TT-BTC dated 22 December 2014 as well as other Circulars guiding the implementation of the Accounting Standards of the Ministry of Finance in preparation and presentation of the Consolidated Financial Statements.

IV. ACCOUNTING POLICIES

1. Accounting convention

All the Consolidated Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

2. Consolidation bases

The Consolidated Financial Statements include the Financial Statements of the Parent Company and those of its subsidiary. A subsidiary is an enterprise that is controlled by the Parent Company. The control exists when the Parent Company has the power to directly or indirectly govern the financial and operating policies of the subsidiary to obtain economic benefits from its activities. In determining the control power, the potential voting right arising from options or debt and capital instruments that can be converted into common shares as of the balance sheet date should also be taken into consideration.

The financial performance of the subsidiary, which is acquired or disposed during the year, is included in the Consolidated Income Statement from the date of acquisition or disposal of investments in this subsidiary.

The Financial Statements of the Parent Company and those of the subsidiary used for consolidation are prepared in the same fiscal year and apply consistently accounting policies to the same types of transactions and events in similar circumstances. In the case that the accounting policy of a subsidiary is different from the accounting policy applied consistently in the Group, the Financial Statements of that subsidiary will be properly adjusted before being used for the preparation of the Consolidated Financial Statements.

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Intra-group balances in the Balance Sheet and intra-group transactions and unrealized profits resulting from these transactions must be completely eliminated. Unrealized losses resulting from intra-group transactions are also eliminated unless costs cannot be recovered.

Benefits of non-controlling shareholders reflect profit or loss and net assets of the subsidiary, which are not held by the Group and presented in a separate item of the Consolidated Income Statement and Consolidated Balance Sheet (classified under "Owner's equity"). Benefits of non-controlling shareholders include the values of their non-controlling benefits at the initial date of business combination and those arise within the ranges of changes in owner's equity from the date of business combination. The losses arising in the subsidiary are attributed equally to the ownership rate of non-controlling shareholders, even if such losses are higher than the interest owned by these shareholders in net assets of the subsidiary.

3. Foreign currency transactions

Transactions in foreign currencies are converted at the actual exchange rates ruling as of the transaction dates. The ending balances of monetary items in foreign currencies are converted at the actual exchange rates ruling as of the balance sheet date.

Foreign exchange differences arisen from foreign currency transactions during the year shall be included into financial income or financial expenses. Foreign exchange differences due to the revaluation of ending balances of the monetary items in foreign currencies after offsetting their positive differences against negative differences shall be included into financial income or financial expenses.

The exchange rate used to convert foreign currency transactions is the actual exchange rate ruling as at the time of these transactions. The actual exchange rates applied to foreign currency transactions are as follows:

- For the foreign currency trading contract (including spot contract, forward contract, future contract, option contract, currency swap): the exchange rate stipulated in the contracts of trading foreign currency between the Group and the bank.
- For capital contribution made or received: the buying rate ruling as at the date of capital contribution of the bank where the Group opens its account to receive capital contributed from investors.
- For receivables: the buying rate ruling as at the time of transactions of the commercial bank where the Group designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transactions of the commercial bank where the Group supposes to make payment.
- For acquisition of assets or immediate payments in foreign currency (not included into payables): the buying rate of the commercial bank where the Group makes payments.

The exchange rates used to re-evaluate the ending balances of monetary items in foreign currencies are determined according to the following principles:

- For foreign currency deposits: the buying rate of the bank where the Group opens its foreign currency account.
- For monetary items in foreign currencies classified as other assets: the buying rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Tan Binh Branch, where the Group frequently conducts transactions.
- For monetary items in foreign currencies classified as liabilities: the selling rate of Joint Stock Commercial Bank for Foreign Trade of Vietnam (Vietcombank) – Tan Binh Branch, where the Group frequently conducts transactions.

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Notes to the Consolidated Financial Statements (cont.)

4. Cash and cash equivalents

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates do not exceed 3 months from the dates of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value as of the balance sheet date.

5. Financial investments

Held-to-maturity investments

Investments are classified as held-to-maturity investments that the Group intends and is able to hold to maturity. Held-to-maturity investments include held-to-maturity term deposits and bonds for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interest incurred prior to the Group's acquisition of held-to-maturity investments is deducted to the costs at the acquisition time.

When there is reliable evidence proving that a part or the whole investment cannot be recovered and the loss is reliably measured, the loss is recognized as financial expenses during the year and directly deducted into the investment costs.

6. Receivables

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Group and customers who are independent to the Group.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

7. Inventories

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

Cost of inventories is determined as follows:

- For materials and merchandise: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of main materials, labor and other directly relevant expenses.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

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Allowance for devaluation of inventories is recognized when their costs are higher than their net realizable values. For services in progress, allowance is recognized for each type of services at their own specific prices. Increases/(decreases) in the obligatory allowance for devaluation of inventories as of the balance sheet date are recorded into costs of sales.

8. Prepaid expenses

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several accounting periods. Prepaid expenses of the Group mainly include expenses of tools, land use right, land rental and repair expenses. These prepaid expenses are allocated over the prepayment period or period in which corresponding benefits are realized.

Tools

Expenses of tools are allocated into costs in accordance with the straight-line method for the maximum period of 3 years.

Land rental

Prepaid land rental reflects the rental prepaid for the land being used by the Group and is allocated over the term specified in the land lease contract.

Repair expenses

Expenses of fixed asset repairs incurred once with high value are allocated into costs in accordance with the straight-line method in 3 years.

9. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Group to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied is as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	03 - 28
Machinery and equipment	03 - 25
Vehicles	05 - 15
Office equipment	03 - 10

10. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Group to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

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When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

The Group's intangible fixed assets include:

Land use right

Land use right includes all the actual expenses paid by the Group directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Group is amortized as follows:

- Land use right granted by the State with collection of land use fees is amortized in accordance with the straight-line method over the land granted period (i.e. 50 years), if the land use right is permanent, it is not amortized.
- Land use right legally transferred is amortized in accordance with the straight-line method over the land granted period (i.e. 42 – 50 years), if the land use right is permanent, it is not amortized.

Computer software

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Group until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 3 - 5 years.

11. Investment properties

Investment property is property which is a building or part of a building, infrastructure held by the owner or by the lessee to earn rentals. Investment properties are measured at their historical costs less accumulated depreciation. Historical cost includes all the expenses paid by the Group or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Group.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or carrying value of investment property at the date of transfer.

Investment property is depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years of the investment property are as follows:

<u>Fixed assets</u>	<u>Years</u>
Land use right	28 - 32
House	10 - 28

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12. Business combination and goodwill

The business combination is accounted by applying acquisition method. The costs of business combination include the fair values as at the acquisition date of the exchanged assets, the incurred or assumed liabilities as well as the equity instruments issued by the Group in exchange for control of the acquiree, plus any cost directly attributable to the business combination. The acquired assets, the identifiable and contingent liabilities assumed from the business combination are recognized at their fair values as at the acquisition date.

If the business combination covers some accounting periods, the cost of business combination equals the total investment made at the date of obtaining the control of subsidiaries plus the amount of previous investments which are re-evaluated at fair value as at the date of obtaining the control of subsidiaries. The difference between the re-evaluated amount and the cost of investment shall be recorded in the financial performance provided that the Group does not have any significant influence on subsidiaries prior the date of obtaining the control and the investment in subsidiaries is presented in line with the cost method. In case where the Group has significant influence on the subsidiaries prior the date of obtaining the control the investment in subsidiaries is presented in line with the equity method, the difference between the re-evaluated amount and the cost of investment determined in line with the equity method shall be recorded in the financial performance; and the difference between the investment determined in line with the equity method and the cost of investment shall be directly recorded in "Retained earnings" of the Consolidated Balance Sheet.

The excess of the cost of business combination over the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date obtaining the control of subsidiaries is recognized as goodwill. If the ownership share of the Group in the net fair value of the assets, the identifiable and contingent liabilities of acquiree which are recognized at the date of obtaining the control of subsidiaries exceeds the cost of business combination, the difference will be included in the financial performance.

The benefit of non-controlling shareholders as at the date of business combination is initially measured on the basis of the ownership share of non-controlling shareholders in the fair values of the assets, the liabilities and the inherent liabilities recognized.

13. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Group.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Consolidated Balance Sheet on the basis of their remaining term as of the balance sheet date.

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14. Provisions for payables

Provisions are recorded when the Group has present obligations (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

If time causes material effects, the provisions will be determined by deducting the amount to be spent in future to settle the liability at the pre-tax discount rate that reflects the assessments of the time value of money and the specific risks from this liability in the current market. The increase in provisions due to the effect of time will be recognized as a financial expense.

The Group's provisions for payables only include severance allowances.

The Group has to pay for severance allowances to the employees who have worked regularly for the Group for 12 months or more for the period in which employees do not pay for unemployment insurance when they terminate the labor contracts. Provisions for severance allowances are appropriated at the rate equal to $\frac{1}{2}$ of the average salary plus the salary allowances (if any) in the most recent 6 consecutive months to the date of preparing the Financial Statements for each working year.

Increases/(decreases) of provisions for severance allowances are appropriated at the balance sheet date and recorded in general and administration expenses.

15. Owner's equity

Owner's capital

The contributed capital is recorded according to the actual amounts invested by the shareholders of the Parent Company.

Share premiums

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

Treasury shares

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in share premiums.

16. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Group as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and decision on dividend payment of the Board of Management.

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17. Recognition of revenue and income

Revenue from sales of merchandise, finished goods

Revenue from sales of merchandise, finished goods shall be recognized when all of the following conditions are satisfied:

- The Group transfers most of risks and benefits incident to the ownership of merchandise or products to customers.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the merchandise, products sold.
- The amount of revenue can be measured reliably. When the contracts stipulate that buyers have the right to return products, merchandise purchased under specific conditions, the revenue is recorded only when those specific conditions are no longer exist and buyers retains no right to return products, merchandise (except for the case that such returns are in exchange for other goods or services).
- The Group received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

Interest

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

18. Revenue deductions

Revenue deductions include trade discounts, sales allowances, sales returns incurred in the same period of providing products, merchandise, services, in which revenues are derecognized.

In case of products, merchandise, services provided in the previous years but trade discounts, sales allowances, sales returns incurred in the current year, revenue is derecognized as follows:

- If sales allowances, trade discounts, sales returns incur prior to the release of the Consolidated Financial Statements, revenues are derecognized on the Consolidated Financial Statements of the current year.
- If sales allowances, trade discounts, sales returns incur after the release of the Consolidated Financial Statements, revenue is derecognized on the Consolidated Financial Statements of the following year.

19. Borrowing costs

Borrowing costs include loan interest and other costs incurred directly relevant to borrowings.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the year, except for particular borrowings serving the purpose of obtaining a specific asset.

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20. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

21. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Group shall offset deferred tax assets and deferred tax liabilities if:

- The Group has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
 - Of the same subject to corporate income tax; or
 - The Group has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

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A party is considered a related party of the Group in case that party is able to control the Group or to cause material effects on the financial decisions as well as the operations of the Group. A party is also considered a related party of the Group in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

23. Segment reporting

A business segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Group that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Consolidated Financial Statements of the Group.

V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET**1. Cash and cash equivalents**

	Ending balance	Beginning balance
Cash on hand	59.079.836	77.004.119
Deposits in banks	5.110.678.382	8.108.150.974
Cash equivalents (deposits of which the principal maturity is from 3 months or less)	-	14.700.000.000
Total	5.169.758.218	22.885.155.092

2. Held-to-maturity investments

The deposits, of which the term is from more than 3 months to 12 months, are used to secure the Group's loan from Shinhan Bank Vietnam Limited – Northern Saigon Branch (see Note No. V.21a).

3. Short-term trade receivables

	Ending balance	Beginning balance
<i>Receivables from related parties</i>	<i>484.594.317</i>	<i>1.096.920.887</i>
Tri Duc Thanh Company Limited	484.594.317	948.429.367
Pizza 4Ps Corporation	-	148.491.520
<i>Receivables from other customers</i>	<i>25.880.197.608</i>	<i>28.011.993.649</i>
Asung Co., Ltd.	9.899.165.690	7.607.930.557
May Viet Company Limited	1.691.960.842	5.956.731.984
Triace Limited	6.332.119.032	3.902.696.666
Other customers	7.956.952.044	10.544.634.442
Total	26.364.791.925	29.108.914.536

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Notes to the Consolidated Financial Statements (cont.)**4. Short-term prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Sapus Company Limited	-	276.677.470
BYS Joint Stock Company	584.630.000	287.500.000
Phu Vinh Huy Construction Co., Ltd.	-	1.633.700.000
Tong Jou Chemical Industrial (Vietnam) Co., Ltd.	632.760.238	-
Mr. Hoang Van Van	174.444.444	-
Other suppliers	1.142.020.481	520.401.736
Total	2.533.855.163	2.718.279.206

5. Receivables for short-term loans

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Loans given to related parties</i>	-	22.400.000.000
Ms. Le Hai Lieu	-	5.000.000.000
Ms. Huynh Thi Thanh	-	9.400.000.000
Pizza 4Ps Corporation	-	8.000.000.000
<i>Loans given to other organizations</i>	33.000.000.000	-
Ms. Nguyen Thi Huong	5.000.000.000	-
Ms. Ho Thi Huong	5.500.000.000	-
Ms. Dang Thi Ngan	16.000.000.000	-
Mr. Bui Xuan Truong	6.500.000.000	-
Total	33.000.000.000	22.400.000.000

6. Other receivables**6a. Other short-term receivables**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Value</u>	<u>Allowance</u>	<u>Value</u>	<u>Allowance</u>
<i>Receivables from related parties</i>	254.484.000	-	296.456.603	-
Ms. Huynh Thi Thanh - Advances	254.484.000	-	54.484.000	-
Pizza 4Ps Corporation – Interest on loan given to be received	-	-	241.972.603	-
<i>Receivables from other organizations and individuals</i>	30.921.053.380	-	24.431.615.852	-
Mr. Nguyen Cong Thanh - Borrowing and raw material	26.530.451.679	-	20.308.431.840	-
Advances	1.442.564.050	-	865.897.709	-
Deposit interest to be received	529.405.889	-	1.332.433.986	-
Interest on loan given	289.315.068	-	-	-
Short-term deposit	150.000.000	-	-	-
Other short-term receivables	1.979.316.694	-	1.924.852.317	-
Total	31.175.537.380	-	24.728.072.455	-

6b. Other long-term receivables

The beginning balance is the deposit for premises lease of Duc Thanh Store.

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Notes to the Consolidated Financial Statements (cont.)**7. Doubtful debts**

	Overdue period	Ending balance		Overdue period	Beginning balance	
		Original amount	Recoverable amount		Original amount	Recoverable amount
May Viet Company Limited	Less than 1 year	1.691.960.842	1.184.372.588		-	-
Total		1.691.960.842	1.184.372.588		-	-

Changes in allowances for doubtful debts are as follows:

	Current year	Previous year
Beginning balance	-	-
Allowance	507.588.254	-
Ending balance	507.588.254	-

8. Inventories

	Ending balance			Beginning balance	
	Original costs	Allowance		Original costs	Allowance
Materials and supplies	36.461.988.028	-		43.785.006.297	-
Tools	892.184.639	-		879.077.117	-
Work-in-process	10.700.895.409	-		16.586.167.153	-
Finished goods	25.167.678.598	-		30.434.694.392	-
Merchandise	608.000	-		254.210.555	-
Goods on consignment	-	-		13.812.384	-
Total	73.223.354.674	-		91.952.967.897	-

9. Prepaid expenses**9a. Short-term prepaid expenses**

	Ending balance	Beginning balance
Tools	45.329.168	-
Repair expenses	76.454.565	19.400.375
Other short-term prepaid expenses	643.045.148	1.504.661.752
Total	764.828.881	1.524.062.127

9b. Long-term prepaid expenses

	Ending balance	Beginning balance
Tools	587.201.493	102.355.477
Land rental	1.154.986.856	1.189.916.013
Repair expenses	2.222.421.289	1.082.067.049
Other long-term prepaid expenses	493.371.946	5.160.025.573
Total	4.457.981.584	7.534.364.112

10. Tangible fixed assets

Information on changes of tangible fixed assets is presented in the attached Appendix 01.

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Notes to the Consolidated Financial Statements (cont.)**11. Intangible fixed assets**

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
Initial costs			
Beginning balance	60.417.549.433	3.903.784.580	64.321.334.013
Acquisition during the year	109.000.000.000	8.000.000.000	117.000.000.000
Transfer to investment property	(154.500.000.000)	-	(154.500.000.000)
Ending balance	14.917.549.433	11.903.784.580	26.821.334.013
<i>In which:</i>			
Assets fully amortized but still in use	-	275.564.580	275.564.580
Amortization			
Beginning balance	9.219.090.958	335.424.596	9.554.515.554
Amortization during the year	3.609.900.708	180.474.040	3.790.374.748
Transfer to investment property	(7.612.161.216)	-	(7.612.161.216)
Ending balance	5.216.830.450	515.898.636	5.732.729.086
Carrying values			
Beginning balance	51.198.458.475	3.568.359.984	54.766.818.459
Ending balance	9.700.718.983	11.387.885.944	21.088.604.927
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

Some intangible fixed assets, i.e. land use rights, of which the carrying values are VND 6.434.146.707 (Beginning balance: VND 46.638.815.342), have been mortgaged to secure the loan from Vietcombank – Tan Binh Branch (see Note No. V.21).

12. Investment property for lease

	<u>Land use right</u>	<u>Houses</u>	<u>Total</u>
Historical costs			
Beginning balance	-	-	-
Transfer from tangible fixed assets and intangible fixed assets	154.500.000.000	64.126.000.000	218.626.000.000
Ending balance	154.500.000.000	64.126.000.000	218.626.000.000
<i>In which:</i>			
Assets fully depreciated but still leasing	-	-	-
Depreciation			
Beginning balance	-	-	-
Transfer from tangible fixed assets and intangible fixed assets	7.612.161.212	4.675.847.800	12.288.009.012
Ending balance	7.612.161.212	4.675.847.800	12.288.009.012
Carrying values			
Beginning balance	-	-	-
Ending balance	146.887.838.788	59.450.152.200	206.337.990.988

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Some investment property for lease, of which the carrying values are VND 184.861.726.302, have been mortgaged to secure the loan from Vietcombank – Tan Binh Branch (see Note No. V.21).

List of investment properties as at the balance sheet date is as follows:

	<u>Historical costs</u>	<u>Accumulated depreciation</u>	<u>Carrying values</u>
Land use right and assets attached to workshop 4	59.626.000.000	7.612.161.212	52.013.838.788
Land use right and assets attached to workshop 6	159.000.000.000	4.675.847.800	154.324.152.200
Total	218.626.000.000	12.288.009.012	206.337.990.988

13. Deferred income tax assets

Deferred income tax assets are related to temporarily deductible differences.

The corporate income tax rate used for determining deferred income tax assets is 20%.

14. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related parties</i>	1.110.445	8.729.265
Tri Phuoc Thanh Company Limited	-	6.674.300
Saigon Pure Water Limited Liability Company	1.110.445	2.054.965
<i>Payables to other suppliers</i>	15.598.216.316	6.509.886.321
Thanh Hung Wood Company Limited	1.320.809.957	-
Ms. Cham Kim Loan – Payables for land	4.000.000.000	-
Hoang Cam Tu Trading Service Company Limited	1.829.843.476	-
Mr. Nguyen Cong Thanh	500.000.000	-
Quoc Te Tan Hong Phat Company Limited	-	801.502.900
Tam Long Craft Company Limited	-	325.760.400
Other suppliers	7.947.562.883	5.382.623.021
Total	15.599.326.761	6.518.615.586

The Group has no overdue trade payables.

15. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
Cuong Quoc Phat Co., Ltd.	977.120.240	1.126.664.160
Hunet Corporation	676.310.162	613.885.891
Viet Wicker One Member Limited Liability Company	700.000.000	-
Smathers & Branson	715.648.511	1.643.309.259
Other customers	7.787.752.738	5.269.994.777
Total	10.856.831.651	8.653.854.087

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Notes to the Consolidated Financial Statements (cont.)**16. Taxes and other obligations to the State Budget**

	Beginning balance		Increase during the year		Ending balance	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	-	-	351.638.698	(349.498.128)	2.140.570	-
Corporate income tax	3.422.615.390	420.936.286	15.952.509.129	(14.507.323.817)	5.169.092.694	722.228.278
Personal income tax	293.792.665	-	2.899.875.501	(1.772.274.743)	1.421.393.423	-
Land rental	-	-	6.143.571	(6.143.571)	-	-
Other taxes	-	-	16.002.095	(16.002.095)	-	-
Fees, legal fees, and other duties	-	-	235.975.848	(235.975.848)	-	-
Total	3.716.408.055	420.936.286	19.462.144.842	(16.887.218.202)	6.592.626.687	722.228.278

Value added tax (VAT)

The Group has paid VAT in accordance with the deduction method. The tax rates applied are as follows:

- Exports	0%
- Toys	5%
- Others	10%

During the year, the Group is entitled to the VAT rate of 8% for some goods and services according to the Decrees No. 94/2023/NĐ-CP dated 28 December 2023 and No. 72/2024/NĐ-CP dated 30 June 2024 of the Government.

Corporate income tax

The Group has to pay corporate income tax on taxable income at the rate of 20%.

Determination of corporate income tax liability of the Group is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Financial Statements can be changed upon the inspection of tax authorities.

Other taxes

The Group has declared and paid these taxes in line with the prevailing regulations.

17. Payables to employees

This item reflects salary payable to employees.

18. Short-term accrued expenses

	Ending balance	Beginning balance
Annual leave payable	2.087.929.000	1.325.462.000
Other short-term accrued expenses	1.385.683.415	856.350.726
Total	3.473.612.415	2.181.812.726

19. Unearned revenues**19a. Short-term unearned revenues**

This item reflects prepayments for leasing workshop and office, of which the remaining term is less than 12 months.

19b. Long-term unearned revenues

This item reflects prepayments for leasing workshop and office, of which the remaining term is more than 12 months.

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Notes to the Consolidated Financial Statements (cont.)**20. Other payables****20a. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's expenditure, social insurance premiums	1.346.472.787	867.045.146
Dividends payable	32.155.750	16.508.300
Receipt of short-term deposits	940.142.091	-
Other short-term payables	1.681.929.598	1.037.302.166
Total	4.000.700.226	1.920.855.612

20b. Other long-term payables

This item reflects the receipt of deposit for leasing workshop.

20c. Overdue debts

The Group has no other overdue payables.

21. Borrowings**21a. Short-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term loans from banks	67.505.768.604	71.390.665.000
<i>Vietcombank – Tan Binh Branch (i)</i>	9.287.873.550	44.990.665.000
<i>Shinhan Bank Vietnam Limited – Northern Saigon Branch (ii)</i>	26.116.692.537	26.400.000.000
<i>BIDV – Ho Chi Minh City Branch (iii)</i>	32.101.202.517	-
Current portions of long-term loans (see Note No. V.21b)	8.820.000.000	-
Total	76.325.768.604	71.390.665.000

- (i) The loan from Vietcombank – Tan Binh Branch with the loan limit of VND 70.000.000.000 is to supplement the working capital. The loan term is 6 months. This loan is secured by the Group's land use right and ownership of houses and other land-attached assets located at Land Lot No. 813, Map No. 41, Khanh Binh Ward, Tan Uyen City, Binh Duong Province (see Notes No. V.11 and V.12).
- (ii) The loan from Shinhan Bank Vietnam Limited – Northern Saigon Branch with the loan limit of USD 3.000.000 is to supplement the working capital. The loan term is 12 months. This loan is secured by the savings deposit at the same bank (see Note No. V.2a).
- (iii) The loan from BIDV – Ho Chi Minh City Branch with the loan limit of VND 45.000.000.000 is to supplement the working capital. The loan term is 12 months. This loan is secured by the land use right and ownership of houses and other land-attached assets owned by Ms. Le Hai Lieu, Land Lot No. 1333-15, the Map No. 06, My Hung - H7 Quarter, Area A TT- ĐTMNSG, Tan Phong Ward, District 7, Ho Chi Minh City.

The Group is solvent over short-term loans.

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Details of increases/(decreases) of short-term loans during the year are as follows:

	Beginning balance	Increase during the year	Transfer from long-term borrowings	Amount repaid during the year	Ending balance
Short-term loans from banks	71.390.665.000	182.180.267.775	-	(186.065.164.171)	67.505.768.604
Current portions of long-term loans	-	-	11.794.300.000	(2.974.300.000)	8.820.000.000
Total	71.390.665.000	182.180.267.775	11.794.300.000	(189.039.464.171)	76.325.768.604

21b. Long-term borrowings

The loan from BIDV – Ho Chi Minh City Branch is to pay for receipt of transferred land and workshop transfer at Tan Hiep Ward, Tan Uyen City, Binh Duong Province to serve lease business. The maximum loan term is 120 months, starting from the day following the first disbursement date. The fixed interest rate of 6%/year is applied for the first 2 years, starting from the first disbursement date. After that, the interest rate changes at the market interest rates. This loan is secured by the land use rights and assets attached to the land under the Real Estate Mortgage Contract No. 02/2024/7801028/HĐBĐ dated 14 May 2024 (see Notes No. V.11 and V.12).

The Group is solvent over long-term loans.

Payment schedule of long-term borrowings is as follows:

	Ending balance	Beginning balance
Less than 1 year	8.820.000.000	-
More than 1 year to 5 years	35.280.000.000	-
More than 5 years	38.925.700.000	-
Total	83.025.700.000	-

Details of increase/(decrease) of long-term borrowings are as follows:

	Current year	Previous year
Beginning balance	-	-
Increase	86.000.000.000	-
Transfer to short-term loans	(11.794.300.000)	-
Ending balance	74.205.700.000	-

21c. Overdue loans

The Group has no overdue loans.

22. Bonus and welfare funds

	Current year	Previous year
Beginning balance	3.077.100.456	3.694.171.317
Increase due to appropriation from profit	3.004.397.226	1.820.151.389
Disbursement	(2.799.443.999)	(2.437.222.250)
Ending balance	3.282.053.682	3.077.100.456

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Notes to the Consolidated Financial Statements (cont.)**23. Provisions for long-term payables**

Provisions for long-term payables are in relation to severance allowance. Details are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	1.943.424.958	2.918.226.667
Additional provision/Disbursement	269.500.000	(734.469.000)
Reversal	(233.185.000)	(240.332.709)
Ending balance	1.979.739.958	1.943.424.958

24. Owner's equity**24a. Statement of changes in owner's equity**

Information on the changes in owner's equity is presented in the attached Appendix 02.

24b. Details of owner's capital

	<u>Ending balance</u>	<u>Beginning balance</u>
Ms. Ha Thi Hue	8.009.210.000	58.639.390.000
Ms. Nguyen Ha Ngoc Diep	14.090.810.000	14.090.810.000
Ms. Le Hai Lieu	53.210.640.000	3.808.490.000
Other shareholders	166.391.010.000	146.124.330.000
Treasury shares	(2.866.100.000)	(3.937.100.000)
Total	238.835.570.000	218.725.920.000

Charter capital increase

Implementing the Resolution No. 01-24/NQ-ĐHĐCĐ GĐT dated 18 May 2024 of 2023 General Meeting of Shareholders regarding the share issuance plan to make the final dividend payment of 2023 at the rate of 10% to shareholders, the Board of Management approved the Minutes No. 01-24/BBH-ĐGĐCĐ GDT on additional issuance of 2.147.888 shares for the final dividend payment of 2023 at the rate of 10%.

On 06 September 2024, the Parent Company implemented the Resolution No. 11-24/NQ-ĐT of the Board of Management regarding the share issuance plan to make the final dividend payment of 2023 at the rate of 10%. The number of shares expected to be issued is 2.145.208 shares.

On 22 November 2024, according to the Resolution No. 12-24/NQ-ĐT dated 16 October 2024 of the Board of Management, the Parent Company submitted the Report No. 188-24/BC-ĐT on share sales offering results to the State Securities Commission of Vietnam regarding the increase in the Parent Company's charter capital from VND 217.386.920.000 to VND 238.835.570.000 by mean of issuance of voting shares.

On 10 January 2025, the Parent Company received the 33rd amended Business Registration Certificate, granted by Ho Chi Minh City Department of Planning and Investment regarding the increase in the charter capital up to VND 238.835.570.000.

Charter capital decrease

The Resolution No. 01-24/NQ-ĐHĐCĐ GĐT dated 18 May 2024 of 2023 General Meeting of Shareholders approved the statement on the number of shares redeemed from resigned employees according to the regulations on issuing shares under Employee Stock Ownership Plan (ESOP) in 2023. Accordingly, the number of shares redeemed from employees is 133.900 shares.

On 27 August 2024, the Parent Company received the 32th amended Business Registration Certificate regarding the decrease in the charter capital from VND 218.725.920.000 down to VND 217.386.920.000.

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Notes to the Consolidated Financial Statements (cont.)**24c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	23.883.557	21.872.592
Number of shares sold to the public	23.883.557	21.872.592
- Common shares	23.883.557	21.872.592
- Preferred shares	-	-
Number of shares repurchased	(286.610)	(393.710)
- Common shares	(286.610)	(393.710)
- Preferred shares	-	-
Number of outstanding shares	23.596.947	21.478.882
- Common shares	23.596.947	21.478.882
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

According to the Resolution No. 04-25/NQ-DT dated 11 March 2025 of the Board of Management regarding the issuance of shares under the Employee Stock Option Program (ESOP shares in 2024), the Board of Management will implement the issuance plan approved by the General Meeting of Shareholders to supplement the Company's working capital for business activities. Details are as follows:

- Number of shares expected for issuance	1.073.944 shares
- Tentative issue size	VND 10.739.440.000
- Issuance rate	4,55%
- Issuing price	VND 10.000/share
- Issuance schedule	Quarter 2 of 2025

24d. Profit distribution

During the year, the Parent Company distributed the profit according to the Resolution No. 01-24/NQ-ĐHĐCĐ GDT dated 18 May 2024 of 2023 Annual General Meeting of Shareholders as follows:

	<u>Distributable amount</u>	<u>Amount distributed in previous year</u>	<u>Amount distributed in current year</u>	<u>Difference</u>
• Dividend distribution to shareholders	42.957.764.000	-	42.927.764.000	30.232.000
- In cash	21.478.882.000		21.478.882.000	-
- In shares	21.478.882.000	-	21.448.650.000	30.232.000
• Appropriation for bonus and welfare fund	1.820.151.389	1.820.151.389	-	-

Additionally, the Parent Company has paid the first dividend in advance for 2024 in cash to shareholders at the rate of 10%/face value, equivalent to an amount of VND 23.596.947.000, in accordance with the Resolution No. 13-24/NQ-ĐT dated 19 October 2024 of Board of Management.

During the year, the Parent Company also temporarily appropriated bonus and welfare funds of 2024 for an amount of VND 3.004.397.226.

25. Off-consolidated balance sheet items**25a. Foreign currencies**

As of the balance sheet date, the Group's cash includes USD 169.317,80 (Beginning balance: USD 51.295,25).

25b. Treated doubtful debts

The trade receivables of VND 532.000.000 from FDI Korea Vietnam Vinpot Group Venture Joint Stock Company have been written off due to being irrecoverable.

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Notes to the Consolidated Financial Statements (cont.)**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT****1. Revenue from sales of goods and provisions of services****1a. Gross revenue**

	<u>Current year</u>	<u>Previous year</u>
Revenue from sales of finished goods	307.522.662.837	271.788.870.505
Revenue from leasing investment property (i)	21.192.699.894	3.277.866.403
Other revenue	8.074.547.234	38.800.929.317
Total	336.789.909.965	313.867.666.225

(i) Income and expenses with regards to investment properties for lease are as follows:

	<u>Current year</u>	<u>Previous year</u>
Income from lease of investment properties	21.192.699.894	3.277.866.403
Expenses directly related to generation of income from leases	5.211.269.009	-
Income from investment properties	15.981.430.885	3.277.866.403

1b. Revenue from sales of goods and provisions of services to related parties

The Group has following sales of goods and provisions of services to related parties:

	<u>Current year</u>	<u>Previous year</u>
Tri Phuoc Thanh Company Limited		
Sales of merchandise	246.994.000	-
Tri Linh Services and Trading Company Limited		
Sales of merchandise	2.650.000	-
Pizza 4Ps Corporation		
Sales of merchandise	44.563.500	-
Saigon Pure Water Limited Liability Company		
Sales of merchandise	60.000.000	-

2. Revenue deductions

	<u>Current year</u>	<u>Previous year</u>
Trade discounts	571.341.478	1.426.848.480
Sales returns	581.635.136	1.444.402.703
Sales allowances	-	157.074
Total	1.152.976.614	2.871.408.257

3. Costs of sales

	<u>Current year</u>	<u>Previous year</u>
Costs of finished goods sold	204.243.560.807	220.756.327.042
Costs of investment property lease	5.211.269.009	-
Total	209.454.829.816	220.756.327.042

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Notes to the Consolidated Financial Statements (cont.)**4. Financial income**

	<u>Current year</u>	<u>Previous year</u>
Term deposit interest	2.254.482.350	2.339.964.744
Demand deposit interest	4.467.901	4.352.880
Bond interest	616.332.626	-
Interest on loans given	1.777.732.873	5.070.899.875
Exchange gain arising	4.246.738.858	2.817.484.402
Exchange gain due to the revaluation of monetary items in foreign currencies	230.301.066	87.891.065
Cash discount	20.814.925	66.933.399
Total	9.150.870.599	10.387.526.365

5. Financial expenses

	<u>Current year</u>	<u>Previous year</u>
Loan interest expenses	6.011.840.256	3.177.875.378
Cash discount given to customers	2.119.546.452	5.795.543.305
Exchange loss arising	2.076.131.079	1.348.392.405
Total	10.207.517.787	10.321.811.088

6. Selling expenses

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	6.339.296.967	6.324.526.285
Materials, packages	34.999.992	8.327.248
Depreciation/(amortization) of fixed assets	691.925.777	105.227.280
Expenses for office	423.012.235	-
Discount on sales	1.851.821.877	879.280.269
Transportation expenses	2.582.420.361	2.021.135.415
Expenses for exportation	2.083.867.694	3.272.674.436
Expenses for external services	2.121.754.541	3.083.264.829
Reversal of warranty expenses	-	(1.034.000)
Other expenses	928.113.304	1.556.248.697
Total	17.057.212.748	17.249.650.459

7. General and administration expenses

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	25.492.194.781	16.922.680.871
Office supplies	319.465.669	579.930.636
Office stationery	144.772.411	251.786.681
Depreciation/(amortization) of fixed assets	2.057.059.117	3.563.673.449
Taxes, fees and legal fees	39.338.141	28.317.463
Allowance for doubtful debts	507.588.254	-
Expenses for external services	4.333.012.981	2.399.885.501
Other expenses	4.889.903.778	3.878.681.961
Total	37.783.335.132	27.624.956.562

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Notes to the Consolidated Financial Statements (cont.)**8. Other income**

	<u>Current year</u>	<u>Previous year</u>
Proceeds from liquidation and disposal of fixed assets	826.001.516	144.839.813
Proceeds from low-price acquisition	-	289.303.918
Other income	160.308.436	180.107.634
Total	986.309.952	614.251.365

9. Other expenses

	<u>Current year</u>	<u>Previous year</u>
Tax collected in arrears and fine for late tax payment of previous years according to the Tax Inspection Decision of tax authority	370.831.506	-
Other expenses	53.951.006	8.757.573
Total	424.782.512	8.757.573

10. Earnings per share**10a. Basic/diluted earnings per share**

	<u>Current year</u>	<u>Previous year</u>
Accounting profit after corporate income tax	54.893.926.778	36.692.331.691
Appropriation for bonus and welfare funds	(3.004.397.226)	(1.820.151.389)
Profit used to calculate basic/diluted earnings per share	51.889.529.552	34.872.180.302
The average number of ordinary shares outstanding during the year	23.950.324	24.017.457
Basic/diluted earnings per share	2.167	1.452

10b. Other information

According to the information on the issuance of shares presented in the Note No. V.24b, the number of shares issued for dividend distribution was 2.144.865 shares. The basic earnings per share of the previous year have been re-adjusted due to the impact of this event. This adjustment resulted in the decrease in the basic earnings per share for 2023 from VND 1.647 down to VND 1.452.

There is no transaction over the common share or potential common share from the balance sheet date until the date of these Consolidated Financial Statements.

11. Operating costs by factors

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	91.071.440.190	163.944.636.580
Labor costs	117.966.436.875	99.520.841.018
Depreciation/(amortization) of fixed assets	18.013.636.512	7.936.966.122
Expenses for external services	25.193.436.382	20.816.420.670
Other expenses	6.636.836.067	5.847.397.962
Total	258.881.786.026	298.066.262.352

VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED CASH FLOW STATEMENT

As of the balance sheet date, the balances related to acquisition of fixed assets are as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
Advance for acquisition of fixed assets	747.066.000	1.633.700.000
Payables for acquisition of fixed assets	4.910.342.850	-

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Notes to the Consolidated Financial Statements (cont.)**VIII. OTHER DISCLOSURES****1. Operating leased assets**

As at the balance sheet date, the total minimum rental to be collected in the future from irrevocable operating leases is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	22.819.896.324	993.886.022
More than 1 year to 5 years	35.044.083.305	-
Total	57.863.979.629	993.886.022

2. Transactions and balances with related parties

The Group's related parties include the key managers, their related individuals and other related parties.

2a. Transactions and balances with the key managers and their related individuals

The key managers include the Board of Management, the Board of Supervisors and the Board of Executives (the Board of Directors and the Chief Accountant) of the Parent Company. The key managers' related individuals are their close family members.

Transactions with the key managers and their related individuals

The Group has no sales of goods and service provisions to the key managers and their related individuals and only has the following transactions with the key managers and their related individuals:

	<u>Current year</u>	<u>Previous year</u>
The Board of Management		
Loan given	5.000.000.000	-
Interest on loan given	150.232.875	-
Dividend distribution	10.395.514.000	3.558.024.000
The Board of Supervisors		
Dividend distribution	107.929.000	50.657.000
The Board of Executives		
Dividend distribution	104.819.000	121.053.000
The key managers' related individuals		
Loan given	24.200.000.000	-
Interest on loan given	1.028.799.998	-
Dividend distribution	9.316.582.000	7.106.493.000
Transfer of capital investment	500.000.000	-

The prices of merchandise and services supplied to the key managers and their related individuals are mutually agreed prices.

Guarantee commitment

Ms. Le Hai Lieu used her land use right, ownership of houses and other land-attached assets to secure the Group's loan from BIDV - Ho Chi Minh City Branch (see Note No. V.21a).

Receivables from and payables to the key managers and their related individuals

Receivables from and payables to the key managers and their related individuals are presented in Notes No. V.5 and V.6a.

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Notes to the Consolidated Financial Statements (cont.)*Remuneration of the key managers and the Board of Supervisors*

The remuneration of the key managers includes salary and compensation with the total amounts during the year as follows:

Full name	Position	Current year	Previous year
Board of Management and Board of Executives			
Ms. Le Hai Lieu	Chairwoman	-	-
Mr. Le Hong Thang	Vice Chairman cum General Director	912.000.000	1.714.862.000
Mr. Le Hong Thanh	Member	-	50.000.000
Mr. Tran Xuan Nam	Member (resigned on 25 March 2023)	-	140.000.000
Ms. Truong Thi Dieu Le	Member	120.000.000	120.000.000
Mr. Nguyen Hoang Ngan	Member (appointed on 25 March 2023)	100.000.000	-
Ms. Nguyen Ha Ngoc Diep	Member cum Deputy General Director	721.914.000	1.002.926.000
Mr. Hoang Anh Tuan	Member	280.000.000	280.000.000
Ms. Nguyen Thi Thanh Huyen	Deputy General Director	508.930.000	718.277.000
Ms. Truong Thi Binh	Head of the Supervisory Board	396.177.000	584.713.000
Mr. Tran Ngoc Hung	Supervisory Board Member	120.000.000	170.000.000
Ms. Bui Tuong Anh	Supervisory Board Member	70.000.000	100.000.000
Total		2.752.202.000	4.880.778.000

Ms. Le Hai Lieu did not receive working compensation during the year and gave all her compensation to support the employees in the Group.

2b. Transactions and balances with other related parties

Other related parties of the Group include:

Other related parties	Relationship
Duc Tam Wood Manufacturing and Exporting Company Limited	Subsidiary
Binh Dien Fertilizer Joint Stock Company	The company having the same key manager (Mr. Tran Ngoc Hung is the Chief Accountant)
Saigon Pure Water Limited Liability Company	The company having related party members
Tri Phuoc Thanh Company Limited	The company having related party members
Tri Linh Services and Trading Company Limited	The company having related party members
Pizza 4Ps Corporation	The company having the same key manager (Mr. Bui Tuong Anh is the Chief Financial Officer)
Binh Minh Plastics Joint Stock Company	The company having the same key manager (Mr. Nguyen Hoang Ngan is a member of the Board of Management)
Business Insight Vietnam Company Limited	The company having the same key manager (Mr. Hoang Anh Tuan is the legal representative)

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CONSOLIDATED FINANCIAL STATEMENTS

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Notes to the Consolidated Financial Statements (cont.)*Transactions with other related parties*

Apart from sales of goods and service provisions with related parties presented in Note No. VI.1b, the Group has other following transactions with other related parties:

	<u>Current year</u>	<u>Previous year</u>
<i>Tri Phuoc Thanh Company Limited</i>		
Commission discount	19.814.490	-
<i>Saigon Pure Water Limited Liability Company</i>		
Purchases of merchandise	22.636.610	
<i>Pizza 4Ps Corporation</i>		
Interest on loan given	252.493.151	-

The prices of merchandise and services supplied to other related parties are mutually agreed prices. The purchases of merchandise and services from other related parties are done at the agreed prices.

Receivables from and payables to other related parties

The receivables from and payables to other related parties are presented in Notes No. V.3, V.5, V.6 and V.14.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

3. Segment information

Principal business activities of the Group are to manufacture and trade wooden products, which have no differences in economic risks and benefits. The Group's products are both for local sales and export. However, there are no differences in economic risks and benefits in these markets.

4. Subsequent events

Apart from the event presented in Note V.24, there are no material subsequent events which are required adjustments or disclosures in the Consolidated Financial Statements.

Nguyen Quoc Hiep
Preparer

Bui Phuong Thao
Chief Accountant



Ho Chi Minh City, 29 March 2025

Nguyen Ha Ngoc Diep
Deputy General Director

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Appendix 01: Increase/decrease of tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Other tangible fixed assets	Total
Historical costs						
Beginning balance	84.786.249.768	69.839.145.565	15.602.897.482	6.576.641.951	1.396.333.471	178.201.268.237
Acquisition during the year	52.913.000.000	2.086.072.273	6.410.225.000	-	-	61.409.297.273
Transfer to investment property	(64.126.000.000)	-	-	-	-	(64.126.000.000)
Liquidation, disposal	-	(305.000.000)	(2.160.485.354)	(131.586.364)	-	(2.597.071.718)
Ending balance	73.573.249.768	71.620.217.838	19.852.637.128	6.445.055.587	1.396.333.471	172.887.493.792
In which:						
Assets fully depreciated but still in use	7.524.086.849	29.225.035.988	5.749.018.306	4.277.663.653	-	46.775.804.796
Assets waiting for liquidation	-	-	-	-	-	-
Depreciation						
Beginning balance	39.878.227.766	49.413.516.929	9.341.486.056	5.209.221.075	419.513.857	104.261.965.684
Depreciation during the year	7.050.986.003	5.431.629.348	1.267.623.643	274.514.807	198.507.963	14.223.261.764
Transfer to investment property	(4.675.847.804)	-	-	-	-	(4.675.847.804)
Liquidation, disposal	-	(305.000.000)	(2.022.850.506)	(131.586.364)	-	(2.459.436.870)
Ending balance	42.253.365.965	54.540.146.277	8.586.259.193	5.352.149.518	618.021.820	111.349.942.774
Carrying values						
Beginning balance	44.908.022.001	20.425.628.636	6.261.411.426	1.367.420.876	976.819.614	73.939.302.553
Ending balance	31.319.883.802	17.080.071.561	11.266.377.935	1.092.906.069	778.311.651	61.537.551.018
In which:						
Assets temporarily not in use	-	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-	-

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Nguyen Quoc Hiep
Preparer

Uat

Bui Phuong Thao
Chief Accountant



Nguyen Ha Ngoc Diep
Deputy General Director

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

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Appendix 02: Statement of changes in owner's equity

	Owner's capital	Share premiums	Treasury shares	Investment and development fund	Retained earnings	Total
Beginning balance of the previous year	197.471.710.000	6.024.317.006	(4.216.600.000)	1.001.210.514	94.070.020.338	294.350.657.858
Share issuance for dividend distribution	19.362.460.000	-	-	-	(19.362.460.000)	-
Acquisition of treasury shares	-	-	(1.339.000.000)	-	-	(1.339.000.000)
Charter capital decrease due to redemption of shares of employees	(1.223.250.000)	-	1.223.250.000	-	-	-
Issuance of shares collected in cash during the year	3.115.000.000	3.093.400.000	-	-	-	6.208.400.000
Profit in the previous year	-	-	-	-	36.692.331.691	36.692.331.691
Appropriation for funds in the previous year	-	-	-	-	(1.820.151.389)	(1.820.151.389)
Dividend, profit distribution in the previous year	-	-	-	-	(42.436.163.999)	(42.436.163.999)
Ending balance of the previous year	218.725.920.000	9.117.717.006	(4.332.350.000)	1.001.210.514	67.143.576.641	291.656.074.161
Beginning balance of the current year	218.725.920.000	9.117.717.006	(4.332.350.000)	1.001.210.514	67.143.576.641	291.656.074.161
Share issuance for dividend distribution	21.448.650.000	-	-	-	(21.448.650.000)	-
Acquisition of treasury shares	-	-	(268.000.000)	-	-	(268.000.000)
Charter capital decrease due to redemption of shares of employees	(1.339.000.000)	(21.600.000)	1.339.000.000	-	-	(21.600.000)
Profit in the current year	-	-	-	-	54.893.926.778	54.893.926.778
Appropriation for funds in the current year	-	-	-	-	(3.004.397.226)	(3.004.397.226)
Dividend distribution in the current year	-	-	-	-	(45.075.829.000)	(45.075.829.000)
Ending balance of the current year	238.835.570.000	9.096.117.006	(3.261.350.000)	1.001.210.514	52.508.627.194	298.180.174.714

Unit: VND

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Nguyen Quoc Hiep
Preparer

Bui

Bui Phuong Thao
Chief Accountant



Nguyen Ha Ngoc Diep
Deputy General Director