

**COMBINED FINANCIAL STATEMENTS**

**FOR THE FISCAL YEAR ENDED 31 DECEMBER 2024**

**DUC THANH WOOD PROCESSING  
JOINT STOCK COMPANY**

## CONTENTS

	Page
1. Contents	1
2. Statement of the Board of Executives	2 - 4
3. Independent Auditor's Report	5
4. Combined Balance Sheet as of 31 December 2024	6 - 9
5. Combined Income Statement for the fiscal year ended 31 December 2024	10
6. Combined Cash Flow Statement for the fiscal year ended 31 December 2024	11 - 12
7. Notes to the Combined Financial Statements for the fiscal year ended 31 December 2024	13 - 38
8. Appendix	39

\*\*\*\*\*

**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 Combined Financial Statements for the fiscal year ended 31 December 2024.

**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 33<sup>rd</sup> 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/QD-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



**ĐỨC 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 Combined 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 Company's Combined Financial Statements for the fiscal year ended 31 December 2024.

**Responsibilities of the Board of Executives**

The Board of Executives of the Company is responsible for the preparation of the Combined Financial Statements to give a true and fair view of the financial position, the financial performance and the cash flows of the Company during the year. In order to prepare these Combined 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 Company are followed or not, and all the material differences from these standards are disclosed and explained in the Combined Financial Statements;
- prepare the Combined Financial Statements of the Company 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 Combined Financial Statements.

The Board of Executives hereby ensures that all the proper accounting books of the Company have been fully recorded and can fairly reflect the financial position of the Company 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 Company'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 Combined Financial Statements.

## **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

### **STATEMENT OF THE BOARD OF EXECUTIVES (cont.)**

---

#### **Approval of the Combined Financial Statements**

The Board of Executives hereby approves the accompanying Combined Financial Statements, which give a true and fair view of the financial position as of 31 December 2024 of the Company, its financial performance and its 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 Combined Financial Statements.

For and on behalf of the Board of Executives,



**Nguyen Ha Ngoc Diep**  
**Deputy General Director**

Date: 29 March 2025





# A&C AUDITING AND CONSULTING CO., LTD.

**Head Office** : 02 Truong 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. 1.0818/25/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 Combined Financial Statements of Duc Thanh Wood Processing Joint Stock Company (hereinafter referred to as "the Company"), which were prepared on 29 March 2025 (from page 06 to page 39), including the Combined Balance Sheet as of 31 December 2024, the Combined Income Statement, the Combined Cash Flow Statement for the fiscal year then ended and the Notes to the Combined 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 Combined Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant statutory requirements on the preparation and presentation of the Combined Financial Statements; and responsible for the internal control as the Company's Board of Executives determines necessary to enable the preparation and presentation of the Combined 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 Combined Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit to obtain reasonable assurance about whether the Combined Financial Statements are free from material misstatement.

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

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

### Opinion of Auditors

In our opinion, the Combined Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2024 of Duc Thanh Wood Processing Joint Stock Company, its financial performance and its 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 Combined 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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**COMBINED BALANCE SHEET**

As of 31 December 2024

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>198.812.365.907</b>	<b>242.426.204.747</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>5.054.914.179</b>	<b>22.722.321.742</b>
1. Cash	111		5.054.914.179	8.022.321.742
2. Cash equivalents	112		-	14.700.000.000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>51.555.000.000</b>	<b>68.855.000.000</b>
1. Held-to-maturity investments	123	V.2a	51.555.000.000	68.855.000.000
<b>III. Short-term receivables</b>	<b>130</b>		<b>67.984.650.338</b>	<b>64.663.891.888</b>
1. Short-term trade receivables	131	V.3	26.364.791.925	29.503.361.394
2. Short-term prepayments to suppliers	132	V.4	2.290.869.719	2.564.919.206
3. Receivables for short-term loans	135	V.5	33.000.000.000	22.400.000.000
4. Other short-term receivables	136	V.6	6.836.576.948	10.195.611.288
5. Allowance for short-term doubtful debts	137	V.7	(507.588.254)	-
<b>IV. Inventories</b>	<b>140</b>	<b>V.8</b>	<b>67.207.889.434</b>	<b>77.615.085.336</b>
1. Inventories	141		67.207.889.434	77.615.085.336
2. Allowance for devaluation of inventories	149		-	-
<b>V. Other current assets</b>	<b>150</b>		<b>7.009.911.956</b>	<b>8.569.905.781</b>
1. Short-term prepaid expenses	151	V.9a	764.828.881	1.468.852.455
2. Deductible VAT	152		6.245.083.075	7.101.053.326
3. Taxes and other receivables from the State	153		-	-



**ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>B- NON-CURRENT ASSETS</b>	<b>200</b>		<b>328.672.693.957</b>	<b>173.654.688.416</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>-</b>	<b>150.000.000</b>
1. Other long-term receivables	216		-	150.000.000
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>54.303.536.438</b>	<b>102.397.139.349</b>
1. Tangible fixed assets	221	V.10	43.211.991.511	49.704.190.890
- Historical cost	222		120.205.564.763	124.793.172.844
- Accumulated depreciation	223		(76.993.573.252)	(75.088.981.954)
2. Intangible fixed assets	227	V.11	11.091.544.927	52.692.948.459
- Initial cost	228		16.747.464.013	62.247.464.013
- Accumulated amortization	229		(5.655.919.086)	(9.554.515.554)
<b>III. Investment property</b>	<b>230</b>	<b>V.12</b>	<b>206.337.990.980</b>	<b>-</b>
- Historical costs	231		218.626.000.000	-
- Accumulated depreciation	232		(12.288.009.020)	-
<b>IV. Long-term financial investments</b>	<b>250</b>		<b>63.000.000.000</b>	<b>63.000.000.000</b>
1. Investments in subsidiaries	251	V.2b	63.000.000.000	63.000.000.000
<b>V. Other non-current assets</b>	<b>260</b>		<b>5.031.166.539</b>	<b>8.107.549.067</b>
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
<b>TOTAL ASSETS</b>	<b>270</b>		<b>527.485.059.864</b>	<b>416.080.893.163</b>



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>C - LIABILITIES</b>	<b>300</b>		<b>224.400.171.335</b>	<b>124.714.122.920</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>141.533.158.450</b>	<b>122.068.015.871</b>
1. Short-term trade payables	311	V.14	15.109.334.283	10.700.233.108
2. Short-term advances from customers	312	V.15	9.889.416.776	8.316.355.821
3. Taxes and other obligations to the State Budget	313	V.16	6.573.041.673	3.716.408.055
4. Payables to employees	314	V.17	20.972.076.129	14.507.472.133
5. Short-term accrued expenses	315	V.18	3.473.612.415	2.181.812.726
6. Short-term unearned revenue	318	V.19a	2.055.169.050	-
7. Other short-term payables	319	V.20a,c	3.852.685.838	8.177.968.572
8. Short-term borrowings and financial leases	320	V.21a,c	76.325.768.604	71.390.665.000
9. Bonus and welfare funds	322	V.22	3.282.053.682	3.077.100.456
<b>II. Non-current liabilities</b>	<b>330</b>		<b>82.867.012.884</b>	<b>2.646.107.049</b>
1. Long-term unearned revenue	336	V.19b	2.894.849.926	-
2. Other long-term payables	337	V.20b,c	3.786.723.001	702.682.091
3. Long-term borrowings and financial leases	338	V.21b,c	74.205.700.000	-
4. 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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>303.084.888.529</b>	<b>291.366.770.243</b>
<b>I. Owner's equity</b>	<b>410</b>		<b>303.084.888.529</b>	<b>291.366.770.243</b>
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
3. Treasury stocks	415	V.24	(3.261.350.000)	(4.332.350.000)
4. Investment and development fund	418	V.24	1.001.210.514	1.001.210.514
5. Retained earnings	421	V.24	57.413.341.009	66.854.272.723
- Retained earnings accumulated to the end of the previous period	421a		23.926.740.723	66.854.272.723
- Retained earnings of the current period	421b		33.486.600.286	
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b>527.485.059.863</b>	<b>416.080.893.163</b>



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

**COMBINED FINANCIAL STATEMENTS**


For the fiscal year ended 31 December 2024


**COMBINED 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	336.675.738.281	313.867.666.225
2. Revenue deductions	02	VI.2	1.152.976.614	2.871.408.257
3. Net revenue	10		335.522.761.667	310.996.257.968
4. Cost of sales	11	VI.3	205.095.030.253	220.756.327.042
5. Gross profit	20		130.427.731.414	90.239.930.926
6. Financial income	21	VI.4	9.150.286.350	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. Selling expenses	25	VI.6	16.960.212.427	17.249.650.459
9. General and administration expenses	26	VI.7	36.777.386.615	27.624.956.562
10. Net operating profit	30		75.632.900.935	45.431.039.182
11. Other income	31	VI.8	788.138.299	324.947.447
12. Other expenses	32	VI.9	424.782.512	8.757.573
13. Other profit	40		363.355.787	316.189.874
14. Total accounting profit before tax	50		75.996.256.722	45.747.229.056
15. Current income tax	51	V.15	15.908.312.212	9.344.201.283
16. Deferred income tax	52	V.13	-	-
17. Profit after tax	60		<u>60.087.944.510</u>	<u>36.403.027.773</u>
18. Basic earnings per share	70	VI.10		
19. Diluted earnings per share	71	VI.10		

  
 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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**COMBINED CASH FLOW STATEMENT**

(Indirect method)

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
1. Profit before tax	01		75.996.256.723	45.747.229.056
2. Adjustments				
- Depreciation/Amortization of fixed assets and investment properties	02	V.10, V.11	12.027.274.356	7.936.966.122
- Provisions and allowances	03	V.7, V.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	(5.274.549.365)	(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		89.074.424.158	48.243.673.350
- Increase/ (decrease) of receivables	09		6.165.511.865	8.633.854.036
- Increase/ (decrease) of inventories	10		10.407.195.903	19.401.720.841
- Increase/ (decrease) of payables	11		14.110.333.861	(18.151.803.324)
- Increase/ (decrease) of prepaid expenses	12		3.780.406.102	(1.557.610.855)
- Increase/ (decrease) of trading securities	13		-	-
- Interests paid	14	VI.5	(6.011.840.256)	(3.177.875.378)
- Corporate income tax paid	15	V.16	(14.161.834.908)	(16.474.503.808)
- Other cash inflows	16		-	-
- Other cash outflows	17	V.22	(2.799.443.999)	(2.437.222.250)
<b>Net cash flows from operating activities</b>	20		<u>100.564.752.726</u>	<u>34.480.232.612</u>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other non-current assets	21	V.10, V.12, VII	(165.112.320.423)	(11.003.389.115)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.10, VI.8	763.636.364	2.594.501.866
3. Cash outflow for lending, buying debt instruments of other entities	23	V.2a, V.6	(215.286.486.250)	(143.955.000.000)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.2a, V.6	221.986.486.250	109.300.000.000
5. Investments into other entities	25		-	-
6. Withdrawals of investments in other entities	26		-	-
7. Interest earned, dividends and profits received	27	V.6, VI.4	5.404.233.481	7.724.028.170
<b>Net cash flows from investing activities</b>	30		<u>(152.244.450.578)</u>	<u>(35.339.859.079)</u>

This statement should be read in conjunction with the Notes to the Combined Financial Statements

**ĐỨC THÀNH WOOD PROCESSING JOINT STOCK COMPANY**


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


**COMBINED FINANCIAL STATEMENTS**


For the fiscal year end 31 December 2024

**Combined Cash Flow Statement (cont.)**

ITEMS	Code	Note	Current year	Previous year
<b>III. Cash flows from financing activities</b>				
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, V.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>
<b>Net cash flows during the year</b>	<b>50</b>		<b>(17.867.075.798)</b>	<b>3.095.680.834</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>V.1</b>	<b>22.722.321.742</b>	<b>19.510.897.861</b>
Effects of fluctuations in foreign exchange rates	61		199.668.235	115.743.047
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>V.1</b>	<b>5.054.914.179</b>	<b>22.722.321.742</b>

  
**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

## **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

## **NOTES TO THE COMBINED 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 Company**

##### ***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 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

#### **6. Statement of information comparability on the 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 Company's headcount is 634 (headcount at the beginning of the year: 1.035).



## **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

Notes to the Combined Financial Statements (cont.)

---

## **II. FISCAL YEAR AND ACCOUNTING CURRENCY**

### **1. Fiscal year**

The fiscal year of the Company 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 Company are primarily made in VND.

## **III. ACCOUNTING STANDARDS AND SYSTEM**

### **1. Accounting System**

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

## **IV. ACCOUNTING POLICIES**

### **1. Accounting convention**

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

The Company's affiliates have their own accounting sections but cannot do the accounts recording independently. The Combined Financial Statements of the whole company are prepared on the basis of the combination of the Financial Statements of the Company's affiliates. Revenue and balances between affiliates are excluded when the Combined Financial Statements are prepared.

### **2. 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.

## **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Combined Financial Statements (cont.)**

---

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 Company 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 Company 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 Company designates the customers to make payments.
- For payables: the selling rate ruling as at the time of transactions of the commercial bank where the Company 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 Company 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 Company 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 Company 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 Company frequently conducts transactions.

### **3. 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.

### **4. Financial investments**

#### ***Held-to-maturity investments***

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. Held-to-maturity investments of the Company 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 Company'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.

#### ***Loans***

Loans are measured at costs less allowance for doubtful debts. Allowance for doubtful debts of loans is made on the basis of estimated losses.



## **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Combined Financial Statements (cont.)**

---

##### **5. 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 to the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Company and customers who are independent to the Company.
- 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 the ages of debts after offsetting against liabilities (if any) or estimated loss as follows:

- As for overdue debts:
  - 30% of the value of debts overdue between 6 months and less than 1 year.
  - 50% of the value of debts overdue between 1 year and less than 2 years.
  - 70% of the value of debts overdue between 2 years and less than 3 years.
  - 100% of the value of debts overdue more than 3 years.
- As for doubtful debts: Allowance is made on the basis of the estimated loss.

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

##### **6. 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.

Allowance for devaluation of inventories is recognized when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for devaluation of inventories as of the balance sheet date are recorded into costs of sales.



# **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

## **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Combined Financial Statements (cont.)**

#### **7. Prepaid expenses**

Prepaid expenses comprise actual expenses incurred and relevant to financial performance in several accounting periods. Prepaid expenses of the Company mainly include expenses of tools, 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 business results during the year 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 Company at My Phuoc 3 Industrial Park and is allocated into costs in accordance with the straight-line method over the lease term (i.e. 44 years).

##### ***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.

#### **8. 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 Company 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

#### **9. 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 Company 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.

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.

# **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

## **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Combined Financial Statements (cont.)**

The Company's intangible fixed assets include:

#### ***Land use right***

The land use right leased before the effective date of the Law on Land 2003 that the Company has paid rental for the entire lease term or prepaid rental for many years and the remaining prepaid lease period is at least 5 years and has been granted the land use right certificate by competent authority. Land use right is amortized in accordance with the straight-line method over the lease term (i.e. 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 Company until the date the software is put into use. Computer software is amortized in accordance with the straight-line method for the maximum period of 5 years.

### **10. 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 Company 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 Company.

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

### **11. 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.



## **ĐỨC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Combined Financial Statements (cont.)**

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 Company.
- 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 Combined Balance Sheet on the basis of their remaining term as of the balance sheet date.

#### **12. Provisions for payables**

Provisions are recorded when the Company 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 Company's provisions for payables only include severance allowances.

The Company has to pay for severance allowances to the employees who have worked regularly for the Company 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.

#### **13. Owner's equity**

##### ***Owner's capital***

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

##### ***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.



## **ĐỨC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Combined Financial Statements (cont.)**

---

#### **14. Profit distribution**

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Company as well as legal regulations and approved by vote of 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 by vote of the General Meeting of Shareholders and decision on dividend payment of the Board of Management.

#### **15. 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 Company transfers most of risks and benefits incident to the ownership of merchandise or products to customers.
- The Company 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 Company 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.

#### **16. 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 Combined Financial Statements, revenues are derecognized on the Combined Financial Statements of the current year.
- If sales allowances, trade discounts, sales returns incur after the release of the Combined Financial Statements, revenue is derecognized on the Combined Financial Statements of the following year.

#### **17. 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.



## **DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

### **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

#### **Notes to the Combined Financial Statements (cont.)**

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.

#### **18. 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.

#### **19. 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 Company shall offset deferred tax assets and deferred tax liabilities if:

- The Company 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 Company 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.



## ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY

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

### COMBINED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

#### Notes to the Combined Financial Statements (cont.)

#### 20. Related parties

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

#### 21. Segment reporting

A business segment is a distinguishable component of the Company 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 Company 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 Combined Financial Statements of the Company.

### V. ADDITIONAL INFORMATION ON THE ITEMS OF THE COMBINED BALANCE SHEET

#### 1. Cash and cash equivalents

	Ending balance	Beginning balance
Cash on hand	58.994.690	71.051.688
Demand deposits in banks	4.995.919.489	7.951.270.055
Cash equivalents	-	14.700.000.000
<b>Total</b>	<b>5.054.914.179</b>	<b>22.722.321.742</b>

#### 2. Financial investments

The Company's financial investments include held-to-maturity investments and investments in other entities. The Company's financial investments are as follows:

##### 2a. Held-to-maturity investments

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

##### 2b. Investment in other entities

The Company only invested in Duc Tam Wood Manufacturing and Exporting Company Limited (a subsidiary). As of the balance sheet date, the Company invested an amount of VND 63.000.0000.000 in Duc Tam Wood Manufacturing and Exporting Company Limited, equivalent to 100% of charter capital.

##### Fair value

The Company has not measured the fair value of investments because there is no specified guidance on measurement of fair value.



**ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)***Operations of the subsidiary*

The subsidiary has ceased its production, narrowed its operation scope. Its principal business activity is leasing workshop.

*Transactions with the subsidiary*

Transactions between the Company and Duc Tam Wood Manufacturing and Exporting Company Limited are as follows:

	<u>Current year</u>	<u>Previous year</u>
Sales of merchandise	41.037.344	45.106.032
Revenue from consultancy services	-	5.520.960.000
Other income	2.831.970	-
Borrowing	6.680.000.000	-
Purchase of fixed assets	138.563.636	-
Purchase of merchandise	14.187.528.860	-
Payables for processing fees on the Company's behalf	3.530	-

**3. Short-term trade receivables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Receivables from related parties</i>	<i>484.594.317</i>	<i>1.520.872.615</i>
Duc Tam Wood Manufacturing and Exporting Company Limited	-	423.951.728
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>27.982.488.779</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	10.515.129.572
<b>Total</b>	<b>26.364.791.925</b>	<b>29.503.361.394</b>

**4. Short-term prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Phu Vinh Huy Construction Co., Ltd.	-	1.633.700.000
BYS Joint Stock Company	584.630.000	287.500.000
Sapus Company Limited	-	276.677.470
Tong Jou Chemical Industrial (Vietnam) Co., Ltd.	632.760.238	-
Other suppliers	1.073.479.481	367.041.736
<b>Total</b>	<b>2.290.869.719</b>	<b>2.564.919.206</b>

**5. Receivables for short-term loans**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Loans given to related parties</i>	<i>-</i>	<i>22.400.000.000</i>
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, individuals</i>	<i>33.000.000.000</i>	<i>-</i>
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	-
<b>Total</b>	<b>33.000.000.000</b>	<b>22.400.000.000</b>

**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****6. Other short-term receivables**

	Ending balance		Beginning balance	
	Value	Allowance	Value	Allowance
<i>Receivables from related parties</i>	<b>2.477.075.983</b>	-	<b>6.195.464.304</b>	-
Duc Tam Wood Manufacturing and Exporting Company Limited – other receivables	2.222.591.983	-	5.899.007.701	-
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>	<b>4.359.500.965</b>	-	<b>4.000.146.984</b>	-
Advances	1.412.564.050	-	815.597.709	-
Bank deposit interest to be received	529.405.889	-	1.332.433.986	-
Short-term deposit	150.000.000	-	-	-
Interest on loan given	289.315.068	-	-	-
Other short-term receivables	1.978.215.958	-	1.852.115.289	-
<b>Total</b>	<b>6.836.576.948</b>	-	<b>10.195.611.288</b>	-

**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		-	-
<b>Total</b>		<b>1.691.960.842</b>	<b>1.184.372.588</b>		<b>-</b>	<b>-</b>

Changes in allowances for doubtful debts are as follows:

	Current year	Previous year
Beginning balance	-	-
Allowance	507.588.254	-
<b>Ending balance</b>	<b>507.588.254</b>	<b>-</b>

**8. Inventories**

	Ending balance		Beginning balance	
	Original costs	Allowance	Original costs	Allowance
Materials and supplies	35.335.203.303	-	40.304.512.642	-
Tools	892.184.639	-	879.077.117	-
Work-in-process	9.803.696.806	-	12.025.570.415	-
Finished goods	21.176.196.686	-	24.137.902.224	-
Merchandise	608.000	-	254.210.555	-
Goods on consignment	-	-	13.812.384	-
<b>Total</b>	<b>67.207.889.434</b>	-	<b>77.615.085.336</b>	-



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****9. Prepaid expenses****9a. Short-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Tools	45.329.168	-
Repair expenses	76.454.565	19.400.375
Other short-term prepaid expenses	643.045.148	1.449.452.080
<b>Total</b>	<b>764.828.881</b>	<b>1.468.852.455</b>

**9b. Long-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
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
<b>Total</b>	<b>4.457.981.584</b>	<b>7.534.364.112</b>

**10. Tangible fixed assets**

	<u>Buildings and structures</u>	<u>Machinery and equipment</u>	<u>Vehicles</u>	<u>Office equipment</u>	<u>Total</u>
<b>Historical costs</b>					
Beginning balance	64.264.257.512	43.489.004.246	12.681.614.748	4.358.296.338	124.793.172.844
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)	(1.535.505.354)	(30.400.000)	(1.870.905.354)
<b>Ending balance</b>	<b>53.051.257.512</b>	<b>45.270.076.519</b>	<b>17.556.334.394</b>	<b>4.327.896.338</b>	<b>120.205.564.763</b>
<i>In which:</i>					
Assets fully depreciated but still in use	3.080.626.312	25.583.377.902	5.249.127.572	2.137.748.722	36.050.880.508
Assets waiting for liquidation	-	-	-	-	-
<b>Depreciation</b>					
Beginning balance	31.841.794.859	32.721.886.720	7.549.453.322	2.975.847.053	75.088.981.954
Depreciation during the year	4.861.710.675	2.163.015.030	1.029.923.643	259.060.260	8.313.709.608
Transfer to investment property	(4.675.847.804)	-	-	-	(4.675.847.804)
Liquidation, disposal	-	(305.000.000)	(1.397.870.506)	(30.400.000)	(1.733.270.506)
<b>Ending balance</b>	<b>32.027.657.730</b>	<b>34.579.901.750</b>	<b>7.181.506.459</b>	<b>3.204.507.313</b>	<b>76.993.573.252</b>
<b>Carrying values</b>					
Beginning balance	32.422.462.653	10.767.117.526	5.132.161.426	1.382.449.285	49.704.190.890
<b>Ending balance</b>	<b>20.119.985.322</b>	<b>10.690.174.769</b>	<b>10.374.827.935</b>	<b>1.123.389.025</b>	<b>43.211.991.511</b>
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

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

	<u>Land use right</u>	<u>Computer software</u>	<u>Total</u>
<b>Initial costs</b>			
Beginning balance	60.417.549.433	1.829.914.580	62.247.464.013
Acquisition during the year	109.000.000.000	-	109.000.000.000
Transfer to investment property	(154.500.000.000)	-	(154.500.000.000)
<b>Ending balance</b>	<b>14.917.549.433</b>	<b>1.829.914.580</b>	<b>16.747.464.013</b>
<i>In which:</i>			
Assets fully amortized but still in use	-	275.564.580	275.564.580
<b>Amortization</b>			
Beginning balance	9.219.090.958	335.424.596	9.554.515.554
Amortization during the year	3.609.900.708	103.664.040	3.713.564.748
Transfer to investment property	(7.612.161.216)	-	(7.612.161.216)
<b>Ending balance</b>	<b>5.216.830.450</b>	<b>439.088.636</b>	<b>5.655.919.086</b>
<b>Carrying values</b>			
Beginning balance	51.198.458.475	1.494.489.984	52.692.948.459
<b>Ending balance</b>	<b>9.700.718.983</b>	<b>1.390.825.944</b>	<b>11.091.544.927</b>
<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>
<b>Historical costs</b>			
Beginning balance	-	-	-
Transfer from tangible fixed assets and intangible fixed assets	154.500.000.000	64.126.000.000	218.626.000.000
<b>Ending balance</b>	<b>154.500.000.000</b>	<b>64.126.000.000</b>	<b>218.626.000.000</b>
<i>In which:</i>			
Assets fully depreciated but still leasing	-	-	-
<b>Depreciation</b>			
Beginning balance	-	-	-
Transfer from tangible fixed assets and intangible fixed assets	7.612.161.212	4.675.847.800	12.288.009.012
<b>Ending balance</b>	<b>7.612.161.212</b>	<b>4.675.847.800</b>	<b>12.288.009.012</b>
<b>Carrying values</b>			
Beginning balance	-	-	-
<b>Ending balance</b>	<b>146.887.838.788</b>	<b>59.450.152.200</b>	<b>206.337.990.988</b>



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)**

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:

	Historical costs	Accumulated depreciation	Carrying values
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
<b>Total</b>	<b>218.626.000.000</b>	<b>12.288.009.012</b>	<b>206.337.990.988</b>

**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**

	Ending balance	Beginning balance
<i>Payables to related parties</i>	<i>39.471.656</i>	<i>7.025.613.978</i>
Duc Tam Wood Manufacturing and Exporting Company Limited	38.361.211	7.016.884.713
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>	<i>15.069.862.627</i>	<i>3.674.619.130</i>
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	-
Other suppliers	7.919.209.194	3.674.619.130
<b>Total</b>	<b>15.109.334.283</b>	<b>10.700.233.108</b>

The Company has no overdue trade payables.

**15. Short-term advances from customers**

	Ending balance	Beginning balance
Cuong Quoc Phat Co., Ltd.	977.120.240	1.126.664.160
May Viet Company Limited	-	1.278.546.864
Smathers & Branson	715.648.511	1.643.309.259
Hunet Corporation	676.310.162	613.885.891
Other customers	7.520.337.863	3.653.949.647
<b>Total</b>	<b>9.889.416.776</b>	<b>8.316.355.821</b>

**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

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

	<b>Beginning balance</b>	<b>Amount payable during the year</b>	<b>Amount paid during the year</b>	<b>Ending balance</b>
VAT on local sales	-	-	-	-
Corporate income tax	3.422.615.390	15.908.312.212	(14.161.834.908)	5.169.092.694
Personal income tax	293.792.665	2.877.864.532	(1.767.708.218)	1.403.948.979
Other taxes	-	13.002.095	(13.002.095)	-
Fees, legal fees, and other duties	-	235.975.848	(235.975.848)	-
<b>Total</b>	<b>3.716.408.055</b>	<b>19.035.154.687</b>	<b>(16.178.521.069)</b>	<b>6.573.041.673</b>

**Value added tax (VAT)**

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

- Exports	0%
- Local sales	05% or 10%
- Others	10%

During the year, the Company 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 Company has to pay corporate income tax on taxable income at the rate of 20%.

Estimated corporate income tax payable during the year is as follows:

	<b>Current year</b>	<b>Previous year</b>
Total accounting profit before tax	75.996.256.723	45.747.229.056
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Increases	3.550.871.452	1.346.214.354
- Decreases	(315.145.799)	(139.686.995)
Income subject to tax	79.231.982.376	46.953.756.415
Corporate income tax rate	20%	20%
<b>Corporate income tax payable at common tax rate</b>	<b>15.846.396.475</b>	<b>9.390.751.283</b>
<b>Corporate income tax exempted, reduced – Expenses for female employees</b>	<b>(41.800.000)</b>	<b>(46.550.000)</b>
<b>Adjustments of corporate income tax of the previous years</b>	<b>103.715.737</b>	<b>-</b>
<b>Corporate income tax to be paid</b>	<b>15.908.312.212</b>	<b>9.344.201.283</b>

Determination of corporate income tax liability of the Company 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 Combined Financial Statements can be changed upon the inspection of tax authorities

**Other taxes**

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



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****17. Payables to employees**

This item reflects salary and bonus payable to employees.

**18. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Annual leave payable	2.087.929.000	1.325.462.000
Other short-term accrued expenses	1.385.683.415	856.350.726
<b>Total</b>	<b><u>3.473.612.415</u></b>	<b><u>2.181.812.726</u></b>

**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.

**20. Other payables****20a. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related party</i>	-	6.456.415.718
Duc Tam Wood Manufacturing and Exporting Company Limited - Payables for borrowing	-	6.456.415.718
<i>Payables to other organizations and individuals</i>	3.852.685.838	1.721.552.854
Trade Union's expenditure, social insurance premiums	1.236.845.580	702.211.334
Dividends payable	32.155.750	16.508.300
Receipt of short-term deposits	940.142.091	-
Other short-term payables	1.643.542.418	1.002.833.220
<b>Total</b>	<b><u>3.852.685.838</u></b>	<b><u>8.177.968.572</u></b>

**20b. Other long-term payables**

This item reflects the receipt of deposit for leasing workshop.

**20c. Overdue debts**

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

**DOC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)**

- (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 Company'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.10 and V.11).
- (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 Company is solvent over short-term loans.

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

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Transfer from long-term borrowings</u>	<u>Amount repaid during the year</u>	<u>Ending balance</u>
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
<b>Total</b>	<b>71.390.665.000</b>	<b>182.180.267.775</b>	<b>11.794.300.000</b>	<b>(189.039.464.171)</b>	<b>76.325.768.604</b>

**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 V.10 and V.11).

The Company is solvent over long-term loans.

Payment schedule of long-term borrowings is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
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	-
<b>Total</b>	<b>83.025.700.000</b>	<b>-</b>

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

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	-	-
Increase	86.000.000.000	-
Transfer to short-term loans	(11.794.300.000)	-
<b>Ending balance</b>	<b>74.205.700.000</b>	<b>-</b>



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****21c. Overdue loans**

The Company has no overdue loans.

**22. Bonus and welfare funds**

	<b>Current year</b>	<b>Previous year</b>
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)
<b>Ending balance</b>	<b>3.282.053.682</b>	<b>3.077.100.456</b>

**23. Provisions for long-term payables**

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

	<b>Current year</b>	<b>Previous year</b>
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)
<b>Ending balance</b>	<b>1.979.739.958</b>	<b>1.943.424.958</b>

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

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

**24b. Details of capital contribution of the owners**

	<b>Ending balance</b>	<b>Beginning balance</b>
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)
<b>Total</b>	<b>238.835.570.000</b>	<b>218.725.920.000</b>

**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 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 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 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 Company received the 33<sup>rd</sup> 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.

**ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****Charter capital decrease**

The Resolution No. 01-24/NQ-ĐHĐCĐ GDT 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 Company received the 32<sup>th</sup> amended Business Registration Certificate regarding the decrease in the charter capital from VND 218.725.920.000 down to VND 217.386.920.000.

**24c. Shares**

	<b>Ending balance</b>	<b>Beginning balance</b>
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 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:

	<b>Distributable amount</b>	<b>Amount distributed in previous year</b>	<b>Amount distributed in current year</b>	<b>Difference</b>
• 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 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.



**ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)**

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

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

	<u>Ending balance</u>	<u>Beginning balance</u>
US Dollar (USD)	169.020,02	40.240,18
Euro (EUR)	-	37,51

**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.

**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE COMBINED 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	7.960.375.550	38.800.929.317
<b>Total</b>	<b>336.675.738.281</b>	<b>313.867.666.225</b>

**(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	-
<b>Income from investment properties</b>	<b>15.981.430.885</b>	<b>3.277.866.403</b>

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

Apart from sales of goods and provisions of services with subsidiary presented in Note No. V.2b, the Company has following sales of goods and provisions of services to other related parties:

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

**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****2. Revenue deductions**

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

**3. Costs of sales**

	<b>Current year</b>	<b>Previous year</b>
Costs of finished goods sold	199.883.761.244	220.756.327.042
Costs of investment property lease	5.211.269.008	-
<b>Total</b>	<b>205.095.030.253</b>	<b>220.756.327.042</b>

**4. Financial income**

	<b>Current year</b>	<b>Previous year</b>
Term deposit interest	2.254.482.350	2.339.964.744
Demand deposit interest	3.883.652	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
<b>Total</b>	<b>9.150.286.350</b>	<b>10.387.526.365</b>

**5. Financial expenses**

	<b>Current year</b>	<b>Previous year</b>
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	1.348.395.037
<b>Total</b>	<b>10.207.517.787</b>	<b>10.321.813.720</b>

**6. Selling expenses**

	<b>Current year</b>	<b>Previous year</b>
Expenses for employees	6.252.020.720	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	2.577.496.287	2.021.135.415
Expenses for exportation	2.083.867.694	3.272.674.436
Expenses for external services	2.116.954.541	3.083.264.829
Reversal of warranty expenses	-	(1.034.000)
Other expenses	928.113.304	1.556.248.697
<b>Total</b>	<b>16.960.212.427</b>	<b>17.249.650.459</b>



**DUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)****7. General and administration expenses**

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	24.784.110.342	16.922.680.871
Office supplies	318.685.669	579.930.636
Office stationery	144.772.411	-
Depreciation/(amortization) of fixed assets	1.889.611.731	3.563.673.449
Taxes, fees and legal fees	16.700.595	28.317.463
Allowance for doubtful debts	507.588.254	-
Expenses for external services	4.238.158.772	2.399.885.501
Other expenses	4.877.758.841	3.878.681.961
<b>Total</b>	<b>36.777.386.615</b>	<b>27.624.956.562</b>

**8. Other income**

	<u>Current year</u>	<u>Previous year</u>
Proceeds from liquidation and disposal of fixed assets	626.001.516	144.839.813
Other income	162.136.783	180.107.634
<b>Total</b>	<b>788.138.299</b>	<b>324.947.447</b>

**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
<b>Total</b>	<b>424.782.512</b>	<b>8.757.573</b>

**10. Earnings per share**

Information on earnings per share is presented in the Consolidated Financial Statements.

**11. Operating costs by factors**

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	89.334.558.039	163.944.636.580
Labor costs	115.255.274.092	99.520.841.018
Depreciation/(amortization) of fixed assets	12.027.274.356	7.936.966.122
Expenses for external services	24.087.093.591	20.816.420.670
Other expenses	6.515.401.141	5.847.397.962
<b>Total</b>	<b>247.219.601.219</b>	<b>298.066.262.352</b>

**VII. ADDITIONAL INFORMATION ON THE ITEMS OF THE COMBINED 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	4.410.342.850	-

**ĐUC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined 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	-
<b>Total</b>	<b>57.863.979.629</b>	<b>993.886.022</b>

**2. Transactions and balances with related parties**

The Company'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 Company's key managers include the Board of Management and the Board of Executives. The key managers' related individuals are their close family members.

*Transactions with the key managers and their related individuals*

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

	<u>Current year</u>	<u>Previous year</u>
<b>The Board of Management</b>		
Borrowing	-	-
Loan given	5.000.000.000	-
Interest on loan given	150.232.875	-
Dividend distribution	10.395.514.000	3.558.024.000
<b>The Board of Supervisors</b>		
Dividend distribution	107.929.000	50.657.000
<b>The Board of Executives</b>		
Dividend distribution	104.819.000	121.053.000
<b>The key managers' related individuals</b>		
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 Company's loan from BIDV - Ho Chi Minh City Branch (see Note No. V.21a).



**DOC THANH WOOD PROCESSING JOINT STOCK COMPANY**

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

**COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

**Notes to the Combined Financial Statements (cont.)***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.6.

*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:

<b>Full name</b>	<b>Position</b>	<b>Current year</b>	<b>Previous year</b>
<b>Board of Management and Board of Executives</b>			
Ms. Le Hai Lieu	Chairwoman	-	-
Mr. Le Hong Thang	Vice Chairman cum General Director	912.000.000	1.714.862.000
Ms. Nguyen Ha Ngoc Diep	Member cum Deputy General Director	721.914.000	1.002.926.000
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. Hoang Anh Tuan	Member	280.000.000	280.000.000
Mr. Nguyen Hoang Ngan	Member	100.000.000	-
Ms. Nguyen Thi Thanh Huyen	Deputy General Director	508.930.000	718.277.000
Ms. Bui Phuong Thao	Chief Accountant	435.181.000	622.938.000
	Head of the Supervisory Board		
Ms. Truong Thi Binh	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
<b>Total</b>		<b>2.752.202.000</b>	<b>5.503.716.000</b>

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

**2b. Transactions and balances with other related parties**

Other related parties of the Company include:

<b>Other related parties</b>	<b>Relationship</b>
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)

# **ĐỨC THÀNH WOOD PROCESSING JOINT STOCK COMPANY**

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

## **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Notes to the Combined Financial Statements (cont.)**

#### *Transactions with other related parties*

Apart from transactions with subsidiary presented in Note No. V.2c as well as sales of goods and service provisions with other related parties which are not subsidiaries presented in Note No. VI.1b, the Company has other following transactions with other related parties:

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

#### *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.

### **3. Segment information**

Principal business activities of the Company are to manufacture and trade wooden products, which have no differences in economic risks and benefits. The Company'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 Combined Financial Statements.

Ho Chi Minh City, 29 March 2025

**Nguyen Quoc Hiep**  
Preparer

**Bui Phuong Thao**  
Chief Accountant



**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

## **COMBINED FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2024

### **Appendix: Statement of changes in owner's equity**

Unit: VND

	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 and collection in cash during the year	3,115,000.000	3,093,400.000	-	-	-	6,208,400.000
Profit in the previous year	-	-	-	-	36,403,027.773	36,403,027.773
Appropriation for funds in the previous year	-	-	-	-	(1,820,151.389)	(1,820,151.389)
Dividend distribution in the previous year	-	-	-	-	(42,436,163.999)	(42,436,163.999)
<b>Ending balance of the previous year</b>	<b>218,725,920.000</b>	<b>9,117,717.006</b>	<b>(4,332,350.000)</b>	<b>1,001,210.514</b>	<b>66,854,272.724</b>	<b>291,366,770.244</b>
Beginning balance of the current year	218,725,920.000	9,117,717.006	(4,332,350.000)	1,001,210.514	66,854,272.723	291,366,770.243
Share issuance for dividend distribution	21,448,650.000	-	-	-	(21,448,650.000)	-
Acquisition of treasury shares in the current year	-	-	(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	-	-	-	-	60,087,944.510	60,087,944.510
Appropriation for funds in the current year	-	-	-	-	(3,004,397.225)	(3,004,397.225)
Dividend distribution in the current year	-	-	-	-	(45,075,829.000)	(45,075,829.000)
<b>Ending balance of the current year</b>	<b>238,835,570.000</b>	<b>9,096,117.006</b>	<b>(3,261,350.000)</b>	<b>1,001,210.514</b>	<b>57,413,341.007</b>	<b>303,084,888.527</b>

*Ch*  
**Nguyen Quoc Hiep**  
 Preparer

*Wan*  
**Bui Phuong Thao**  
 Chief Accountant

**Nguyen Ha Ngoc Diep**  
 Deputy General Director

