

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY
REVIEWED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD FROM 01 JANUARY 2025 TO 30 JUNE 2025

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STATEMENT OF BOARD OF GENERAL DIRECTORS

The Board of General Directors of Duc Thanh Wood Processing Joint Stock Company(the "Company") presents this report together with the Company's interim consolidated financial statements for the period from 01 January 2025 to 30 June 2025.

BOARD OF MANAGEMENT, BOARD OF SUPERVISORS AND BOARD OF GENERAL DIRECTORS

The members of the Board of Management, the Board of Supervisors, and Board of General Directors of the Company who held office during the period and to the date of this report are as follows:

Board of Management

Full name	Position	Reappointment/appointment/dismissal date
Mrs. Le Hai Lieu	Chairman	Reappointed 19 April 2025
Mr. Le Hong Thang	Vice Chairman	Reappointed 19 April 2025
Mr. Le Hong Thanh	Non-executive member	Reappointed 19 April 2025
Mrs. Nguyen Ha Ngoc Diep	Member	Reappointed 19 April 2025
Mr. Hoang Anh Tuan	Member	Reappointed 19 April 2025
Mrs. Nguyen Thi Thanh Huyen	Independent member	Appointed on 19 April 2025
Mr. Hoang Minh Khoi	Independent member	Appointed on 19 April 2025
Mrs. Truong Thi Dieu Le	Non-executive member	Dismissed on 19 April 2025
Mr. Nguyen Hoang Ngan	Independent member	Dismissed on 19 April 2025

Board of Supervisors

Full name	Position	Appointment/Dismissal
Mr. Nguyen Cong Hieu	Chief of the Board	Appointed on 19 April 2025
Mrs. Bui Tuong Anh	Member	Reappointed 19 April 2025
Mrs. Phan Thi Van	Member	Appointed on 19 April 2025
Mrs. Truong Thi Binh	Member	Dismissed on 19 April 2025
Mr. Tran Ngoc Hung	Member	Dismissed on 19 April 2025

Board of General Directors

Full name	Position
Mrs. Nguyen Ha Ngoc Diep	Deputy General Manager
Mrs. Nguyen Thi Thanh Huyen	Deputy General Director cum Chief Governance Officer

Legal representative

The legal representative of the Company during the period and up to the time of this report is Mrs. Le Hai Lieu - Chairman of the Board of Management.

BOARD OF GENERAL DIRECTOR'S STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Company is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the financial position of the Company as at 30 June 2025, its consolidated financial performance, and its consolidated cash flows for the period from 01 January 2025 to 30 June 2025. In preparing these interim consolidated financial statements, the Board of General Directors is required to:

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

STATEMENT OF BOARD OF GENERAL DIRECTORS (CONTINUED)

BOARD OF GENERAL DIRECTOR'S STATEMENT OF RESPONSIBILITY (CONTINUED)

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

The Board of General Director confirms that the Company has complied with the above requirements in preparing these interim consolidated financial statements.

In the Board of General Director's opinion, the accompanying interim consolidated financial statements give a true and fair view of the financial position of the Company as at 30 June 2025, its consolidated financial performance and its consolidated cash flows for the period from 01 January 2025 to 30 June 2025, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements.

For and on behalf of the Board of General Directors,



Le Hai Lieu
Chairman of The Board of Management
Ho Chi Minh City, 29 August 2025

No.: 180/VACO/BCSX.NV2

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION

To: **The shareholders**
 The Board of Management, The Board of Supervisors, and The Board of General Directors
 Duc Thanh Wood Processing Joint Stock Company

We have reviewed the accompanying interim consolidated financial statements of Duc Thanh Wood Processing Joint Stock Company (the "Company"), prepared on 29 August 2025, as set out from page 05 to page 44, which comprise the interim consolidated balance sheet as at 30 June 2025, the interim consolidated income statement and the interim consolidated cash flow statement for the period from 01 January 2025 to 30 June 2025, and the notes to the interim consolidated financial statements (hereinafter collectively referred to as the "interim consolidated financial statements").

Board of General Director's Responsibility

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

Auditors' Responsibility

Our responsibility is to express a conclusion about the interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagement No. 2410 - Review of interim financial information performed by the independent auditor of the entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditors' Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not give a true and fair view of, in all material respects, the financial position of the Company as at 30 June 2025, its consolidated financial performance and its consolidated cash flows for the period from 01 January 2025 to 30 June 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the interim consolidated financial statements.

REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION (CONTINUED)

Emphasis of Matter

We would like to draw the readers' attention to Note 44 of the Notes to the interim consolidated financial statements, which describes the Company's recalculation of the business combination transaction in relation to the acquisition of Duc Tam Export Wood Processing Company Limited - a subsidiary as at 21 December 2023. As a result, certain comparative figures have been restated. Our conclusion is not modified in respect of this matter.

Other matters

The Company's consolidated financial statements for the year ended 31 December 2024 and the interim consolidated financial statements for the period from 01 January 2024 to 30 June 2024 were audited and reviewed by another auditing company that expressed an unqualified opinion in the Auditors' Report No. 1.0818/25/TC-AC dated 29 March 2025, and an unqualified conclusion in the Review Report No. 1.1370/24/TC-AC dated 29 August 2024, respectively.



Nguyễn Ngọc Thạch

Deputy General Director

Audit Practising Registration Certificate

No.: 1822-2023-156-1

For and on behalf of

HO CHI MINH CITY BRANCH

VACO AUDITING COMPANY LIMITED

Ho Chi Minh City, 29 August 2025

INTERIM CONSOLIDATED BALANCE SHEET
As at 30 June 2025

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance (Restated)
A - CURRENT ASSETS	100		235,880,868,506	230,246,849,340
I. Cash	110	4	3,774,693,566	5,169,758,218
1. Cash	111		3,774,693,566	5,169,758,218
II. Short-term financial investments	120		91,700,000,000	51,555,000,000
1. Held-to-maturity investments	123	5	91,700,000,000	51,555,000,000
III. Short-term receivables	130		62,595,481,140	92,566,596,214
1. Short-term trade receivables	131	6	19,091,749,016	26,364,791,925
2. Short-term advances to suppliers	132	7	2,064,049,612	2,533,855,163
3. Short-term loan receivables	135	8	4,400,000,000	33,000,000,000
4. Other short-term receivables	136	9	37,885,662,933	31,175,537,380
5. Provision for short-term doubtful debts	137	10	(845,980,421)	(507,588,254)
IV. Inventories	140	11	68,449,974,465	73,223,354,674
1. Inventories	141		68,449,974,465	73,223,354,674
V. Other current assets	150		9,360,719,335	7,732,140,234
1. Short-term prepayments	151	12	1,611,772,128	764,828,881
2. Value added tax deductibles	152		7,379,588,463	6,245,083,075
3. Taxes and amounts receivable from the State budget	153	13	369,358,744	722,228,278
B - NON-CURRENT ASSETS	200		288,590,068,215	297,044,511,322
I. Fixed assets	220		68,171,244,471	82,626,155,945
1. Tangible fixed assets	221	14	47,491,590,717	61,537,551,018
- Cost	222		149,087,286,733	172,887,493,792
- Accumulated depreciation	223		(101,595,696,016)	(111,349,942,774)
2. Intangible fixed assets	227	15	20,679,653,754	21,088,604,927
- Cost	228		26,821,334,013	26,821,334,013
- Accumulated amortization	229		(6,141,680,259)	(5,732,729,086)
II. Investment property	230	16	213,555,739,630	206,337,990,980
- Cost	231		240,008,066,756	218,626,000,000
- Accumulated depreciation/impairment	232		(26,452,327,126)	(12,288,009,020)
III. Other non-current assets	260		6,863,084,114	8,080,364,397
1. Long-term prepayments	261	12	3,966,089,411	4,457,981,584
2. Deferred tax assets	262	17	355,996,488	573,184,955
3. Goodwill	269	18	2,540,998,215	3,049,197,858
TOTAL ASSETS (270 = 100 + 200)	270		524,470,936,721	527,291,360,662

INTERIM CONSOLIDATED BALANCE SHEET (CONTINUED)
As at 30 June 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance (Restated)
C - LIABILITIES	300		209,523,904,898	229,352,618,872
I. Current liabilities	310		129,242,568,100	143,194,975,205
1. Short-term trade payables	311	19	12,025,433,189	15,599,326,761
2. Short-term advances from customers	312	20	2,581,946,786	10,856,831,651
3. Taxes and amounts payable to the State budget	313	13	9,585,552,732	6,592,626,687
4. Payables to employees	314		16,561,361,935	21,008,886,129
5. Short-term accrued expenses	315	21	794,085,810	3,473,612,415
6. Short-term unearned revenue	318		-	2,055,169,050
7. Other short-term payables	319	22	5,479,374,684	4,000,700,226
8. Short-term loans and obligations under finance leases	320	23	78,205,901,069	76,325,768,604
9. Bonus and welfare funds	322	24	4,008,911,895	3,282,053,682
II. Non-current liabilities	330		80,281,336,798	86,157,643,667
1. Long-term unearned revenue	336		-	2,894,849,926
2. Other long-term payables	337	22	5,707,137,091	3,786,723,001
3. Long-term loans and obligations under finance leases	338	23	69,795,700,000	74,205,700,000
4. Deferred tax liabilities	341	26	2,850,338,249	3,290,630,782
5. Long-term provisions	342	25	1,928,161,458	1,979,739,958
D - EQUITY	400		314,947,031,823	297,938,741,790
I. Owner's equity	410	27	314,947,031,823	297,938,741,790
1. Owner's contributed capital	411		249,575,010,000	238,835,570,000
- Ordinary shares carrying voting rights	411a		249,575,010,000	238,835,570,000
2. Share premium	412		9,096,117,006	9,096,117,006
3. Treasury shares	415		(3,261,350,000)	(3,261,350,000)
4. Investment and development fund	418		1,001,210,514	1,001,210,514
5. Retained earnings	421		58,536,044,303	52,267,194,270
- Retained earnings accumulated to the prior year end	421a		27,596,303,270	23,926,740,723
- Retained earnings of the current period	421b		30,939,741,033	28,340,453,547
TOTAL RESOURCES (440 = 300 + 400)	440		524,470,936,721	527,291,360,662



Le Hai Lieu
Chairman of The Board of Management
Ho Chi Minh City, 29 August 2025

Bui Phuong Thao
Chief Accountant

Nguyen Quoc Hiep
Preparer

INTERIM CONSOLIDATED INCOME STATEMENT
For the period from 01 January 2025 to 30 June 2025

Unit: VND

ITEMS	Codes	Notes	Current period	Prior period (Restated)
1. Revenue from goods sold and services rendered	01	29	141,877,086,162	157,954,760,963
2. Deductions	2	29	812,965,026	675,187,402
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10	29	141,064,121,136	157,279,573,561
4. Cost of goods sold and services rendered	11	30	76,514,814,843	103,134,185,758
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		64,549,306,293	54,145,387,803
6. Financial income	21	32	5,156,142,913	4,579,142,730
7. Financial expenses	22	33	6,582,226,016	3,715,836,152
- In which: Interest expense	23		3,725,808,644	2,020,101,100
8. Selling expenses	25	34	7,651,730,251	9,030,105,882
9. General and administration expenses	26	34	14,074,386,800	16,642,571,039
10. Operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		41,397,106,139	29,336,017,460
11. Other income	31	35	756,634,894	472,850,507
12. Other expenses	32	36	1,825,882,013	536,724,589
13. Profit from other activities (40 = 31 - 32)	40		(1,069,247,119)	(63,874,082)
14. Accounting profit before tax (50 = 30 + 40)	50		40,327,859,020	29,272,143,378
15. Current corporate income tax expense	51	37	(8,623,561,840)	(6,982,403,833)
16. Deferred corporate tax (income)/expense	52		(223,104,066)	(427,553,293)
17. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		31,927,401,246	22,717,292,838
18. Profit after tax of the Parent Company	61		31,927,401,246	22,717,292,838
19. Basic earnings per share	70	39	1,290	1,011



Le Hai Lieu
Chairman of The Board of Management
Ho Chi Minh City, 29 August 2025

Bui Phuong Thao
Chief Accountant

Nguyen Quoc Hiep
Preparer

INTERIM CONSOLIDATED CASH FLOW STATEMENT
(Indirect method)

For the period from 01 January 2025 to 30 June 2025

Unit: VND

ITEMS	Codes	Current period	Prior period
		VND	(Restated) VND
I. Cash flows from operating activities			
1. Profit before tax	01	40,327,859,020	29,272,143,378
2. Adjustments for:			
- Depreciation and amortisation of fixed assets	02	8,719,275,995	8,018,467,659
- Provisions	03	286,813,667	(61,928,000)
- Foreign exchange gain, loss arising from translating foreign currency items	04	(148,311,946)	(214,291,124)
- Gain, loss from investing activities	05	(1,621,836,775)	(2,479,843,811)
- Interest expense	06	3,725,808,644	2,020,101,100
3. Operating profit before movements in working capital	08	51,289,608,605	36,554,649,202
- Increase, decrease in receivables	09	1,593,601,652	(802,711,569)
- Increase, decrease in inventories	10	4,773,380,209	10,161,550,720
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(20,488,631,257)	14,836,334,718
- Increase, decrease in prepayments	12	(355,051,074)	2,008,200,048
- Interest paid	14	(3,725,808,644)	(2,020,101,100)
- Corporate income tax paid	15	(5,169,550,273)	(6,388,267,683)
- Other cash outflows	17	(505,416,000)	(1,276,113,997)
Net cash generated by/(used in) operating activities	20	27,412,133,218	53,073,540,339
II. Cash flows from investing activities			
1. Acquisition and construction of fixed assets and other long-term assets	21	(3,896,206,182)	(168,754,678,857)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	816,363,637	127,272,728
3. Cash outflow for lending, buying debt instruments of	23	(92,700,000,000)	(122,086,568,336)
4. Cash recovered from lending, selling debt instruments of other entities	24	81,155,000,000	141,386,568,336
5. Interest earned, dividends and profits received	27	2,130,598,752	2,880,020,060
Net cash generated by/(used in) investing activities	30	(12,494,243,793)	(146,447,386,069)

INTERIM CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)
(Indirect method)

For the period from 01 January 2025 to 30 June 2025

Unit: VND

ITEMS	Codes	Current period	Prior period
		VND	VND
III. Cash flows from financing activities			
1. Proceeds from share issue and owners' contributed capital	31	10,739,440,000	-
2. Capital withdrawals, buy-back of issued shares	32	-	(268,000,000)
3. Proceeds from borrowings	33	70,008,999,509	175,788,628,249
4. Repayment of borrowings	34	(72,538,867,044)	(80,787,665,000)
5. Dividends and profits paid	36	(24,646,815,150)	(21,478,882,000)
Net cash generated by /(used in) financing activities	40	(16,437,242,685)	73,254,081,249
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	(1,519,353,260)	(20,119,764,481)
Cash at the beginning of the year	60	5,169,758,218	22,885,155,092
Effects of changes in foreign exchange rates	61	124,288,608	167,920,153
Cash at the end of the period (70 = 50 + 60 + 61)	70	3,774,693,566	2,933,310,764



Le Hai Lieu
Chairman of The Board of Management
 Ho Chi Minh City, 29 August 2025

Bui Phuong Thao
 Chief Accountant

Nguyen Quoc Hiep
 Preparer

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION**Structure of ownership**

Duc Thanh Wood Processing Joint Stock Company (hereinafter referred to as the "Company"), formerly known as Duc Thanh Wood Processing Limited Liability Company. On 08 August 2000, Duc Thanh Wood Processing Limited Liability Company was converted into Duc Thanh Wood Processing Joint Stock Company.

Duc Thanh Wood Processing Joint Stock Company is a joint stock company established and operating under Enterprise Registration Certificate No. 0301449014, first issued on 08 August 2000. During its operation, the Company was granted the 33rd amended Enterprise Registration Certificate on 10 January 2025, issued by the Ho Chi Minh City Department of Planning and Investment.

The number of employees of the Company as at 30 June 2025 was 601 (as at 01 January 2025: 642).

Operating industries and principal activities

The Company's business activities include the manufacture of other wood products; manufacture of products from bamboo, rattan, straw, rush and plaiting materials. Details: manufacture of household wooden furniture, broom handles, flagpoles, laminated boards, and wooden household products. Manufacture of wooden toys for children (excluding wood processing; not trading in toys that are harmful to children's character education, health, or affecting social security and public order).

The Company's principal activity is the manufacture and trading of wood products.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a period of 12 months or less.

Company's structure

Company name	Place of registration and operation	Proportion of ownership (%)	Proportion of voting rights held (%)	Principal activities
Subsidiaries				
Duc Tam Export Wood Processing Company Limited (*)	No. 49A, Doan Van Cu Street, Vam Hamlet, Trang Dai Ward, Dong Nai Province	100	100	Trading of sawn timber (from legally sourced wood)

(*) Duc Tam Export Wood Processing Company Limited has ceased manufacturing operations and downsized its scale. Its current business activities are primarily focused on leasing factory premises.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

1. GENERAL INFORMATION (CONTINUED)

Company's structure (Continued)

Affiliated units which have no legal person status and dependent accounting are as follows:

Name	Address
Branch of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 835, Map Sheet No. 7, Tan Hoi Quarter, Tan Hiep Ward, Ho Chi Minh City
Branch of Duc Thanh Wood Processing Joint Stock Company – Duc Thanh Store (*)	216 Ly Tu Trong Street, Ben Thanh Ward, Ho Chi Minh City
Branch No. 4 – Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 813, Map Sheet No. 41, Khanh Binh 51 Street, Binh Chanh Quarter, Tan Hiep Ward, Ho Chi Minh City
Branch of Duc Thanh Wood Processing Joint Stock Company	Land Lot No. 995, Map Sheet No. 3, Group 1, Ba Tri Quarter, Tan Hiep Ward, Ho Chi Minh City

(*)The branch of Duc Thanh Wood Processing Joint Stock Company – Duc Thanh Store was dissolved pursuant to Decision No. 06E-25/NQ-DT dated 04 May 2025. The branch has ceased operations and is in the process of completing tax code closure procedures.

Disclosure of information comparability in the interim consolidated financial statements

The comparative figures of the previous period are comparable with those of the current period.

2. ACCOUNTING PERIOD, APPLIED ACCOUNTING STANDARDS AND REGIME

Accounting period

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

These interim consolidated financial statements are prepared for the period from 01 January 2025 to 30 June 2025.

Applied accounting regime

The Company applied Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016, Circular No. 202/2014/TT-BTC dated 22 December 2014, and circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of interim consolidated financial statements.

Declaration of compliance with accounting standard and accounting regime

The General Director ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regime for enterprises in accordance with Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016, Circular No. 202/2014/TT-BTC dated 22 December 2014, and circulars guiding the implementation of accounting standards of the Ministry of Finance in preparation of interim consolidated financial statements.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Basis of preparation of the interim consolidated financial statements**

The accompanying interim consolidated financial statements, expressed in Vietnamese Dong (VND), are prepared on an accrual basis, under the historical cost convention (except for information relating to cash flows), and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of interim consolidated financial statements.

Estimates

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

Evaluation and recognition at fair value

The Law on Accounting came into effect from 01 January 2017, which included regulations on evaluation and recognition at fair value. However, there is no specific instruction for this matter; therefore, the Board of General Directors has considered and applied as follows:

- a) Financial instruments are recognized and revaluated at fair value based on historical cost less provisions (if any) in accordance with current regulations.*
- b) Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- c) Investment properties measured at fair value are presented in detail in Note 15.*
- d) For assets and liabilities (except items a and b as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

Basis of consolidation

The interim consolidated financial statements incorporate the separate financial statements of the Company and the interim financial statements of the subsidiaries controlled by the parent company up to 30 June each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the period of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

Goodwill

Goodwill represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition. Goodwill is recognised as an asset and is amortised on the straight-line basis over its estimated period of benefit of 4 years.

On disposal of a subsidiary, associate or jointly controlled entity, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Financial instruments

Initial recognition

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

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

Subsequent measurement after initial recognition

Currently, there is no regulation on revaluation of financial instruments after initial recognition.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits.

Financial investments

Held-to-maturity investments

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits, loans held to maturity to earn periodic interest and other held-to-maturity investments.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Financial investments (Continued)*****Held-to-maturity investments (Continued)***

Held-to-maturity investments are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

Loan receivables

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

Receivables

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

Provision for doubtful debts is made for receivables that are overdue for six months or more or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories comprises:

- Raw materials and merchandise: Cost of purchases and other directly attributable expenses.
- Finished products: Direct materials, direct labour costs, and those overheads, if any, that have been incurred in bringing the inventories to their present location and condition.

Cost is calculated using the specific identification method. Inventories are accounted for using the perpetual inventory method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including:

Tools and Instruments: Tools and instruments are allocated to profit or loss for the period on a straight-line basis over a maximum period of 3 years.

Prepaid Land Rent: Prepaid land rent represents the amount paid in advance for the land the Company is using at My Phuoc 3 Industrial Park. Prepaid land rent is allocated to the interim combined statement of profit or loss on a straight-line basis over the lease term of 35 - 40 years.

Repair Expenses: Repair costs for fixed assets that are incurred as a one-off significant expense are allocated to expenses for the period on a straight-line basis over a maximum period of 3 years.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use. Subsequent costs incurred after initial recognition are added to the cost of the tangible fixed asset only if they are expected to increase the future economic benefits arising from the use of the asset. Costs that do not meet this criterion are recognised as expenses in the period.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Estimated useful lives</u> (Years)
Buildings and structures	03 - 25
Machinery and equipment	03 - 25
Motor vehicles and conveyances	05 - 15
Management equipment	03 - 10

When a fixed asset is sold or disposed of, its cost and accumulated depreciation are derecognized, and any gain or loss arising from the disposal is recognized in profit or loss for the period. Loss or gain resulting from sales and disposals of assets is the difference between profit from sales or disposals of assets and their residual values and is recognised in the consolidated income statement.

Intangible fixed assets and amortisation**Land use rights**

Land use rights leased prior to the effective date of the 2003 Land Law, for which the Company has either settled the full lease payment or prepaid for multiple years, and for which the remaining lease term for which payment has been made is at least five years, and that have been certified by the competent authority, are amortized on a straight-line basis over the lease term (49 - 50 years). Land use rights with indefinite terms are not subject to amortization.

Computer software

Cost of computer software is all expenses that the Company has spent up to the time of putting the software into use. Computer software is amortized on a straight-line basis over its estimated useful life of 3 to 15 years.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investment properties

Investment properties are composed of land use rights, buildings and structures held by the Company to earn rentals or for capital appreciation. Investment properties held to earn rentals are stated at cost less accumulated depreciation while investment properties held for capital appreciation are stated at cost less impairment loss. The costs of purchased investment properties comprise their purchase prices and any directly attributable expenditures, such as professional fees for legal services, property transfer taxes and other related transaction costs. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Estimated useful lives</u> (Years)
Buildings and structures	10 - 28
Land use rights	28 - 40

Payables and accrued expenses

Payables are amounts that may be paid to suppliers or other entities and are stated at carrying amount.

Payables and accrued expenses are recognized for future amounts payable related to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amount payable.

The classification of payables into trade payables, accrued expenses, and other payables are made on the following principles:

- Trade payables reflect payables arising from purchases of goods, services, assets and sellers are independent units to the company/enterprise, including accounts payable upon importation through consignee.
- Accrued expenses reflect amounts payable for goods or services received from the seller or provided to the buyer but not be paid due to lack of invoices or incomplete accounting records and documents, payments to employees for leave and prepaid production and business expenses.
- Other payables reflect non-trade payables and does not relate to the purchase, sale or supply of goods or services.

Provisions for liabilities

Provisions for liabilities are recognized when the Company has a present obligation arising from a past event, and it is probable that the Company will be required to settle the obligation. Provisions are determined based on the Management Board's best estimate of the expenditures necessary to settle the obligation at the end of the reporting period.

Provision for severance allowances

Severance allowances for employees are accrued at the end of each reporting period for all employees who have worked for the Company for at least 12 months. The length of service used to calculate severance allowances is the total actual service of the employee with the employer, excluding periods during which the employee participated in unemployment insurance as required by law and periods for which the employer has already paid severance allowances. The accrual rate for each year of service is equal to one-half of the average monthly salary in accordance with the Labor Code, the Social Insurance Law, and relevant guiding regulations. The average monthly salary used to calculate severance allowances is adjusted at the end of each reporting period based on the average salary of the six months preceding the reporting date. Increases or decreases in the provision are recognized in the interim combined income statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Equity**

Owner's contributed capital: Owner's contributed capital is recognized based on the actual contributed capital of the shareholders.

Share Premium: Share premium is recognized as the difference between the issue price and the par value of shares upon initial issuance, subsequent issuance, and the equity component of convertible bonds upon maturity. Direct costs attributable to the subsequent issuance of shares are deducted from share premium.

Treasury Shares: When the Company repurchases its own issued shares, the consideration paid, including any directly attributable transaction costs, is recognized as treasury shares and presented as a deduction from equity.

Profit distribution

Profit after tax is distributed to shareholders in accordance with the Charter of Company and regulations of the law which has been approved by the General Meeting of Shareholders. Profit distribution to shareholders is referenced to the non-monetary items included in retained earnings that may affect cash flows and the ability to pay dividends such as gains from revaluation of assets contributed capital, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders.

Revenue recognition

Revenue is recognised when it is probable that the economic benefits will flow to the Company which can be reliably measured. Revenue is measured at the fair value of amounts received or to be received after deducting trade discounts, sales rebates and sales returns. The following specific recognition conditions must also be met when revenue is recognized:

Revenue from the sale of goods is recognised when all five (5) following conditions are satisfied:

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

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) The amount of revenue can be measured reliably;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Interest income is accrued on an accrual basis, by reference to the principal outstanding and at the applicable interest rate.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition (Continued)

Revenue Deductions

Revenue deductions include trade discounts and sales returns arising during the period from the sale of products, goods, or services, which are used to adjust the revenue of the period in which they occur.

For products, goods, or services sold in prior years, if trade discounts or sales returns arise in the current period, revenue is adjusted as follows:

- If trade discounts or sales returns arise before the issuance of the interim consolidated financial statements of the current period: deducted from revenue in the interim consolidated financial statements of the current period.
- If trade discounts or sales returns arise after the issuance of the interim consolidated financial statements of the current period: deducted from revenue in the consolidated financial statements of the period in which such trade discounts or sales returns arise.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement.

Borrowing costs

Borrowing costs are recognised in the consolidated income statement in the period when incurred.

Earnings per share

The Company presents basic and diluted earnings per share (EPS) for its common shares. Basic EPS is calculated by dividing the profit or loss attributable to the Company's common shareholders (after appropriation to the bonus and welfare funds for the year) by the weighted average number of common shares outstanding during the year. Diluted EPS is calculated by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding to reflect the effect of potential common shares.

Taxation

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

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

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the interim consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (Continued)

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

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

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

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

Related parties

Parties are considered to be related when one party has ability to control another or has significant influence in making decisions related to financial and operational policies. Parties are also considered as related parties when they bear the same control and significant influence.

When considering the relationship of related parties, it is more focused on the nature of the relationship than the legal form.

The Company's list of related parties includes:

Bên liên quan

Binh Dien Fertilizer Joint Stock Company

Saigon Pure Water Company Limited

Tri Phuoc Thanh Company Limited

Tri Linh Trading and Services Company Limited
Pizza 4PS Joint Stock Company

Binh Minh Plastic Joint Stock Company

Business Insight Vietnam Company Limited

Kim Thinh Trading and Services Company Limited
Hung Phuoc Trading and Services Company Limited
Members of the Board of Directors, the Supervisory Board, the Executive Board, and parties closely related to these members

Mối quan hệ

Company with the same key management personnel (Mr. Tran Ngoc Hung – Dismissed on 19 April 2025 as Chief Accountant)
Company of a person related to an insider (Mrs. Le Hai Lieu)
Company of a person related to an insider (Mrs. Le Hai Lieu)
Company of a person related to an insider (Mr. Le Hong Thanh)
Company with the same key management personnel (Mrs. Bui Tuong Anh – Chief Financial Officer)
Company with the same key management personnel (Mr. Nguyen Hoang Ngan – Dismissed on 19 April 2025 as Member of the Board of Directors)
Company with the same key management personnel (Mr. Hoang Anh Tuan – Legal Representative)
Company with the same key management personnel (Mr. Hoang Minh Khoi – Deputy Director)
Company with the same key management personnel (Mr. Hoang Minh Khoi – Deputy Director)
Key personnel and parties closely related to key personnel

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**Segment reporting**

A segment is a distinguishable component of the Company that is engaged in the provision of relevant products or services (business segment), or in the provision of products or services in a particular economic environment (geographical segment). This segment is subject to risks and rewards that are different from those of other segments.

The Company's revenue and profit are mainly generated from trading of plastic products. At the same time, all activities take place in one geographical area, the Southern region; therefore, the Company does not prepare segment reports by business sector and geographical area.

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	40,047,325	5,169,758,218
Demand deposits	3,734,646,241	-
Total	3,774,693,566	5,169,758,218

5. SHORT-TERM HELD-TO-MATURITY INVESTMENTS

Short-term financial investments represent VND term deposits at commercial banks with a principal term of six months, bearing annual interest rates ranging from 4.3% to 6.0%. The Company has pledged certain term deposits with a total value of VND 3,000,000,000 as collateral for a loan at Shinhan Vietnam One Member Limited Liability Bank – Bac Saigon Branch (see Note 23).

6. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a) Trade receivables from related parties	418,969,405	484,594,317
Tri Phuoc Thanh Co., Ltd - Receivables from sale of goods	418,969,405	484,594,317
b) Short-term trade receivables	18,672,779,611	25,880,197,608
Asung Co., Ltd	6,844,349,933	9,899,165,690
May Viet One Member Co., Ltd	1,691,960,842	1,691,960,842
Triace Limited	2,241,589,536	6,332,119,032
Others	7,894,879,300	7,956,952,044
Total	19,091,749,016	26,364,791,925

7. SHORT-TERM PREPAYMENTS TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
BYS Joint Stock Company	696,750,000	584,630,000
TLC Vietnam Industry Compressors Co., Ltd	404,490,000	-
Tong Jou Chemical Industrial (Vietnam) Co., Ltd	-	632,760,238
Others	962,809,612	1,316,464,925
Total	2,064,049,612	2,533,855,163

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

8. SHORT-TERM LOAN RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Mrs. Nguyen Thi Huong	-	5,000,000,000
Mrs. Ho Thi Huong (i)	4,400,000,000	5,500,000,000
Mrs. Dang Thi Ngan	-	16,000,000,000
Mr. Bui Xuan Truong	-	6,500,000,000
Total	4,400,000,000	33,000,000,000

Note:

- (i) This represents a loan to Mrs. Ho Thi Huong under Contract No. 49-2024/HDV-DT dated 10 September 2024, with an annual interest rate of 6.0% and a loan term of 12 months. The collateral for the loan is the borrower's house ownership certificate and land use rights certificate.

9. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a) Other short-term receivables from related parties	184,484,000	254,484,000
Ms. Huynh Thi Thanh - Advacne	184,484,000	254,484,000
b) Other short-term receivables from others	37,701,178,933	30,921,053,380
Mr. Nguyen Cong Thanh - Receivable from borrowed cash and materials	29,353,089,502	26,530,451,679
Deposits and collateral	-	150,000,000
Accrued interest	1,187,999,997	818,720,957
Advances	4,727,037,627	1,442,564,050
Others	2,433,051,807	1,979,316,694
Total	37,885,662,933	31,175,537,380

DUC THANH WOOD PROCESSING JOINT STOCK COMPANY

221/4 Phan Huy Ich, An Hoi Tay Ward,
Ho Chi Minh City, Viet Nam

FORM B 09a-DN/HN

Issued under Circular No. 202/2014/TT-BTC
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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

10. BAD DEBTS

	Closing balance			Opening balance				
	Overdue period	Cost	Recoverable amount	Provision	Overdue period	Cost	Recoverable amount	Provision
Trade receivables		1,691,960,842	845,980,421	(845,980,421)		1,691,960,842	1,184,372,588	(507,588,254)
May Viet One Member Co., Ltd	Over 01 year	1,691,960,842	845,980,421	(845,980,421)	Within 01 year	1,691,960,842	1,184,372,588	(507,588,254)
Total		1,691,960,842	845,980,421	(845,980,421)		1,691,960,842	1,184,372,588	(507,588,254)

Details of changes in provision for short-term doubtful debts are as follows:

	Closing balance	Opening balance
	VND	VND
Opening balance	507,588,254	-
Provision in the period	338,392,167	-
Closing balance	845,980,421	-

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

11. INVENTORIES

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	32,711,743,156	-	36,461,988,028	-
Tools and supplies	796,390,918	-	892,184,639	-
Work in progress	8,798,647,850	-	10,700,895,409	-
Finished products	26,141,247,279	-	25,167,678,598	-
Merchandise	608,000	-	608,000	-
Goods on consignment	1,337,262	-	-	-
Total	68,449,974,465	-	73,223,354,674	-

12. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a) Short-term	1,611,772,128	764,828,881
Tools and supplies	199,602,966	45,329,168
Repair expenses	169,944,536	76,454,565
Others	1,242,224,626	643,045,148
b) Long-term	3,966,089,411	4,457,981,584
Tools and supplies	486,269,212	587,201,493
Land lease payment	1,137,522,269	1,154,986,856
Repair expenses	1,806,676,227	2,222,421,289
Others	535,621,703	493,371,946

13. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the period	Paid during the period	Closing balance
	VND	VND	VND	VND
a) Receivables	722,228,278	352,869,534	-	369,358,744
Corporate income tax	722,228,278	352,869,534	-	369,358,744
b) Payables	6,592,626,687	10,457,695,953	7,464,769,908	9,585,552,732
Value-added tax	2,140,570	254,654,788	221,379,224	35,416,134
Corporate income tax	5,169,092,694	8,265,822,089	5,169,550,273	8,265,364,510
Personal income tax	1,421,393,423	1,916,073,410	2,052,694,745	1,284,772,088
Land use tax	-	6,002,095	6,002,095	-
Fees, charges, and other payables	-	15,143,571	15,143,571	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

14. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles and conveyances	Management equipment	Others	Total
	VND	VND	VND	VND	VND	VND
COST						
Opening balance	73,573,249,768	71,620,217,838	19,852,637,128	6,445,055,587	1,396,333,471	172,887,493,792
- Purchasing in the period	694,000,000	1,078,000,000	-	36,318,182	-	1,808,318,182
- Other increase	-	-	-	-	22,755,682	22,755,682
- Transferred to investment properties	(20,522,066,756)	-	-	-	-	(20,522,066,756)
- Disposals	-	(4,666,089,167)	(443,125,000)	-	-	(5,109,214,167)
Closing balance	53,745,183,012	68,032,128,671	19,409,512,128	6,481,373,769	1,419,089,153	149,087,286,733
ACCUMULATED DEPRECIATION						
Opening balance	42,253,365,965	54,540,146,277	8,586,259,193	5,352,149,518	618,021,821	111,349,942,774
- Charges for the period	1,967,160,716	2,081,986,763	625,640,206	126,847,046	71,492,036	4,873,126,767
- Other decrease	(678,938,652)	(407,369,604)	-	-	-	(1,086,308,256)
- Transferred to investment properties	(10,126,255,756)	-	-	-	-	(10,126,255,756)
- Disposals	-	(3,379,359,513)	(35,450,000)	-	-	(3,414,809,513)
Closing balance	33,415,332,273	52,835,403,923	9,176,449,399	5,478,996,564	689,513,857	101,595,696,016
NET BOOK VALUE						
Opening balance	31,319,883,803	17,080,071,561	11,266,377,935	1,092,906,069	778,311,650	61,537,551,018
Closing balance	20,329,850,739	15,196,724,748	10,233,062,729	1,002,377,205	729,575,296	47,491,590,717

Note:

The cost of tangible fixed assets as at 30 June 2025 includes VND 45,708,118,463 of tangible fixed assets which have been fully depreciated but are still in use (as at 01 January 2025 includes VND 46,775,804,796).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

14. INCREASE, DECREASE IN TANGIBLE FIXED ASSETS (CONTINUED)

As presented in Note 23, the Company has mortgaged some tangible fixed assets, namely factories, with a residual value of VND 6,757,687,957 as of 30 June 2025 (VND 6,420,114,041 as of 01 January 2025) to secure a long-term loan at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch.

15. INCREASE, DECREASE IN INTANGIBLE FIXED ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
COST			
Opening balance	24,991,419,433	1,829,914,580	26,821,334,013
Closing balance	24,991,419,433	1,829,914,580	26,821,334,013
ACCUMULATED AMORTISATION			
Opening balance	5,293,640,450	439,088,636	5,732,729,086
- Charges for the period	357,119,153	51,832,020	408,951,173
Closing balance	5,650,759,603	490,920,656	6,141,680,259
NET BOOK VALUE			
Opening balance	19,697,778,983	1,390,825,944	21,088,604,927
Closing balance	19,340,659,830	1,338,993,924	20,679,653,754

Note:

The cost of intangible fixed assets as at 30 June 2025 includes VND 275,564,580 of intangible fixed assets which have been fully amortised but are still in use (as at 01 January 2025: VND 275,564,580).

As disclosed in Note 23, the Company has pledged certain intangible assets with a carrying amount of VND 7,565,025,646 as at 30 June 2025 (as at 01 January 2025: VND 7,691,657,056) as collateral for a long-term loan at the Bank for Investment and Development of Vietnam – Ho Chi Minh City Branch.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

16. INVESTMENT PROPERTIES

	Land use rights	Buildings and structures	Total
	VND	VND	VND
COST			
Opening balance	154,500,000,000	64,126,000,000	218,626,000,000
- Purchasing in the period	-	860,000,000	860,000,000
- Reclassification of leased fixed assets	-	20,522,066,756	20,522,066,756
Closing balance	154,500,000,000	85,508,066,756	240,008,066,756
ACCUMULATED DEPRECIATION			
Opening balance	7,612,161,212	4,675,847,808	12,288,009,020
- Charges for the period	2,649,384,000	1,388,678,350	4,038,062,350
- Reclassification of leased fixed assets	-	10,126,255,756	10,126,255,756
Closing balance	10,261,545,212	16,190,781,914	26,452,327,126
NET BOOK VALUE			
Opening balance	146,887,838,788	59,450,152,192	206,337,990,980
Closing balance	144,238,454,788	69,317,284,842	213,555,739,630

As disclosed in Note 23, the Company has pledged certain investment properties with a carrying amount of VND 49,000,973,330 as at 30 June 2025 (as at 01 January 2025: VND 50,183,735,552) as collateral for loans at the Joint Stock Commercial Bank for Foreign Trade of Vietnam – Tan Binh Branch.

The list of investment properties as at 30 June 2025 is as follows:

No.	List of investment properties	Cost	Accumulated depreciation	Net book value
1	Land use rights and attached assets of factory 4	59,626,000,000	10,625,026,670	49,000,973,330
2	Land use rights and attached assets of factory 5	20,522,066,756	10,126,255,756	10,395,811,000
3	Land use rights and attached assets of factory 6	159,860,000,000	5,701,044,700	154,158,955,300
Total		240,008,066,756	26,452,327,126	213,555,739,630

Fair value of investment properties

According to the provisions of Vietnamese Accounting Standard No. 05 - Investment properties, the fair value of investment properties as at 30 June 2024 should be presented. However, the Company has not yet determined this fair value, so the fair value of investment properties as at 30 June 2025 has not been presented in the Notes to the interim combined financial statements. To determine this fair value, the Company will have to hire an independent consulting firm to assess the fair value of the investment properties. Currently, the Company has not found a suitable consulting company to carry out this work.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

17. DEFERRED TAX ASSETS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Corporate income tax rates used for determination of value of deferred tax assets	20%	20%
Deferred tax assets related to deductible temporary differences	355,996,488	573,184,955
Deferred tax assets	355,996,488	573,184,955

Note:

Deferred tax assets arise from temporary differences of provisions for liabilities and revaluation differences of foreign currency-denominated items due to end-of-period exchange rate adjustments.

18. GOODWILL

	<u>Duc Tam Wood Manufacturing and Exporting Co., Ltd</u>
	VND
COST	
Opening balance (Restated)	4,065,597,144
Closing balance	4,065,597,144
ACCUMULATED AMORTISATION	
Opening balance (Restated)	1,016,399,286
- Charges for the period	508,199,643
Closing balance	1,524,598,929
NET BOOK VALUE	
Opening balance (Restated)	3,049,197,858
Closing balance	2,540,998,215

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

19. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
a) Payables to related	1,526,245	1,526,245	1,110,445	1,110,445
Saigon Pure Water Limited	1,526,245	1,526,245	1,110,445	1,110,445
Liability Company				
b) Payables to others	12,023,906,944	12,023,906,944	15,598,216,316	15,598,216,316
Thanh Hung Wood One Member Co., Ltd	506,860,871	506,860,871	1,320,809,957	1,320,809,957
Ms. Cham Kim Loan - Payables for land transfer	4,000,000,000	4,000,000,000	4,000,000,000	4,000,000,000
Hoang Cam Tu Trading Services Co., Ltd	559,365,390	559,365,390	1,829,843,476	1,829,843,476
Others	6,957,680,683	6,957,680,683	8,447,562,883	8,447,562,883
Total	12,025,433,189	12,025,433,189	15,599,326,761	15,599,326,761

20. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Eight Steps - R&D Consultings	249,024,000	-
Hunet Corporation	138,952,801	676,310,162
Smathers & Branson	31,889,422	715,648,511
Cuong Quoc Phat One Member Co., Ltd	-	977,120,240
Others	2,162,080,563	8,487,752,738
Cộng	2,581,946,786	10,856,831,651

21. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Accrued vacation pay	-	2,087,929,000
Others	794,085,810	1,385,683,415
Total	794,085,810	3,473,612,415

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

22. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a) Other short-term payables	5,479,374,684	4,000,700,226
Trade union fee, insurances	1,061,628,515	1,346,472,787
Deposits and collateral	2,126,487,000	940,142,091
Dividends payable	56,231,600	32,155,750
Others	2,235,027,569	1,681,929,598
b) Other long-term payables	5,707,137,091	3,786,723,001
Deposits and collateral	5,707,137,091	3,786,723,001

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)*These notes are an integral part of and should be read in conjunction with the accompanying interim consolidated financial statements***23. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES**

	Opening balance		During the period		Closing balance	
	Amount	able to be paid off	Increase	Decrease	Amount	able to be paid off
	VND	VND	VND	VND	VND	VND
a) Short-term loans						
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tan Binh Branch (i)	76,325,768,604	76,325,768,604	74,418,999,509	(72,538,867,044)	78,205,901,069	78,205,901,069
Shinhan Bank Vietnam One Member Limited Company - Bac Sai Gon Branch (ii)	9,287,873,550	9,287,873,550	35,772,688,864	(9,287,873,550)	35,772,688,864	35,772,688,864
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch (iii)	26,116,692,537	26,116,692,537	6,671,795,672	(26,116,692,537)	6,671,795,672	6,671,795,672
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch (iv) - current portion of long-term loans	32,101,202,517	32,101,202,517	27,564,514,973	(32,724,300,957)	26,941,416,533	26,941,416,533
	8,820,000,000	8,820,000,000	4,410,000,000	(4,410,000,000)	8,820,000,000	8,820,000,000
b) Long-term loans						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch (iii)	74,205,700,000	74,205,700,000	-	(4,410,000,000)	69,795,700,000	69,795,700,000
	74,205,700,000	74,205,700,000	-	(4,410,000,000)	69,795,700,000	69,795,700,000
Total	150,531,468,604	150,531,468,604	74,418,999,509	(76,948,867,044)	148,001,601,069	148,001,601,069

Note:

- (i) This represents a loan from the Joint Stock Commercial Bank for Foreign Trade of Vietnam - Tan Binh Branch with a borrowing limit of VND 70,000,000,000 for working capital purposes, with a term of six months. The loan is secured by the land use rights, house ownership, and other assets attached to the land owned by the Company at plot No. 813, map sheet No. 41, Tan Hiep Ward, Ho Chi Minh City (see Note 16).
- (ii) Loan from Shinhan Bank Vietnam One Member Limited Company - Bac Sai Gon Branch with a borrowing limit of USD 3,000,000 for working capital purposes, with a term of 12 months. The loan is secured by the Company's time deposits at the Bank (see Note 5).
- (iii) Short-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch with a borrowing limit of VND 45,000,000,000 for working capital purposes, with a term of 12 months. The loan is secured by the land use rights, ownership of the house, and assets attached to the land owned by Mrs. Le Hai Lieu - Chairwoman of the Board of Directors - at Lot No. 1333-15, Map Sheet No. 06, My Hung - H7 Quarter, Zone A of DT MNS Urban Area, Tan Hung Ward, Ho Chi Minh City.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

23. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)

- (iv) Long-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam – Ho Chi Minh City Branch for the payment of land and factory acquisition for leasing business activities in Tan Hiep Ward, Ho Chi Minh City, with a maximum term of 120 months from the day following the first disbursement. The interest rate is fixed at 6% per annum for the first two years from the date of the initial disbursement, and thereafter the interest rate is variable based on market rates. The loan is secured by the land use rights and assets attached to the land under Mortgage Contract No. 02/2024/7801028/HDBD dated 14 May 2024 (see Notes 14 and 15).

The repayment terms of long-term loans are as follows:

	Closing balance	Opening balance
	VND	VND
Within 01 year	8,820,000,000	8,820,000,000
From 01 to 05 years	35,280,000,000	35,280,000,000
More than 05 years	34,515,700,000	38,925,700,000
Closing balance	78,615,700,000	83,025,700,000

24. BONUS AND WELFARE FUNDS

	Current period	Prior period
	VND	VND
Opening balance	3,282,053,682	3,077,100,456
Increase in fund appropriation	1,232,274,213	1,242,098,822
Fund disbursement	(505,416,000)	(1,276,113,997)
Closing balance	4,008,911,895	3,043,085,281

25. LONG-TERM PROVISIONS

Long-term provisions for liabilities represent payables related to severance allowances.

26. DEFERRED TAX LIABILITIES

	Closing balance	Opening balance
	VND	(Restated) VND
Corporate income tax rates used for determination of value of deferred tax assets	20%	20%
Deferred corporate income tax payable related to the recognition of the fair value of the net assets of the subsidiary at the consolidation date	2,850,338,249	3,290,630,782
Deferred tax assets	2,850,338,249	3,290,630,782

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

27. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital	Share premium	Treasury shares	Investment and development fund	Retained earnings (Restated)	Total
	VND	VND			VND	VND
Opening balance of prior year	218,725,920,000	9,117,717,006	(4,332,350,000)	1,001,210,514	67,143,576,641	291,656,074,161
Issuance of shares for dividend distribution	21,448,650,000	-	-	-	(21,448,650,000)	-
Reduction of charter capital due to repurchase of shares from resigned employees	(1,339,000,000)	(21,600,000)	1,339,000,000	-	-	(21,600,000)
Purchase of treasury shares	-	-	(268,000,000)	-	-	(268,000,000)
Profit for the year	-	-	-	-	54,893,926,778	54,893,926,778
Allocation to bonus and welfare fund (ii)	-	-	-	-	(3,004,397,226)	(3,004,397,226)
Dividend distribution (ii)	-	-	-	-	(45,075,829,000)	(45,075,829,000)
Adjustment	-	-	-	-	1	1
Closing balance of prior year	238,835,570,000	9,096,117,006	(3,261,350,000)	1,001,210,514	52,508,627,194	298,180,174,714
Adjustment arising from the revaluation of the subsidiary's fair value at the acquisition date	-	-	-	-	(241,432,924)	(241,432,924)
Opening balance for the current year after adjustments	238,835,570,000	9,096,117,006	(3,261,350,000)	1,001,210,514	52,267,194,270	297,938,741,790
Issuance of shares under employee stock option program (i)	10,739,440,000	-	-	-	-	10,739,440,000
Profit during the period	-	-	-	-	31,927,401,246	31,927,401,246
Appropriation of bonus and welfare fund (ii)	-	-	-	-	(987,660,213)	(987,660,213)
Dividend distribution (ii)	-	-	-	-	(24,670,891,000)	(24,670,891,000)
Closing balance of current period	249,575,010,000	9,096,117,006	(3,261,350,000)	1,001,210,514	58,536,044,303	314,947,031,823

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

27. OWNER'S EQUITY (CONTINUED)

Note:

- (i) According to the Resolution of the Board of Directors No. 04-25/NQ-ĐT dated 11 March 2025 regarding the issuance of shares under the employee stock ownership plan (ESOP 2024), the Board of Directors implemented the program from 04 April 2025 to 27 April 2025. On 05 May 2025, the Company announced the Report on the results of the share issuance, pursuant to which 1,073,944 shares were issued to 230 employees of the Company at the price of VND 10,000 per share, thereby increasing charter capital by VND 10,739,440,000.
- (ii) The Resolution of the Annual General Meeting of Shareholders for the fiscal year 2024, No. 01-25/NQ-ĐHĐCĐ GĐT dated 19 April 2025, approved the profit distribution plan as follows:
 - Appropriation to the bonus and welfare fund for 2024 in the amount of VND 3,004,397,000, consistent with the amount already appropriated in 2024.
 - Approval of the 2024 dividend payment at the rate of 20% of par value per share from owners' equity, equivalent to VND 48,525,848,000. The Company had previously made the first interim cash dividend payment for 2024 at the rate of 10% of par value, equivalent to VND 23,596,947,000, in accordance with the Resolution of the Board of Directors No. 13-24/NQ-ĐT dated 19 October 2024. The final dividend for 2024 at the rate of 10% of par value was planned to be paid in cash or in shares, with authorization granted to the Board of Directors to decide the method of payment. On 02 June 2025, the Board of Directors approved Resolution No. 13-25/NQ-ĐT on the payment of the final dividend for 2024 at the remaining rate of 10% of par value, which was paid from 27 June 2025 with a total amount of VND 24,646,815,150 (prior period: VND 21,478,882,000).

During the period, the Company also made a provisional appropriation to the bonus and welfare fund for 2025 in the amount of VND 987,660,213 in accordance with the 2025 profit distribution plan approved at the Annual General Meeting of Shareholders for the fiscal year 2024.

Charter capital

	Closing balance		Opening balance	
	Shares	VND	Shares	VND
Mrs. Ha Thi Hue	800,921	8,009,210,000	800,921	8,009,210,000
Mrs. Nguyen Ha Ngoc Diep	1,426,281	14,262,810,000	1,409,081	14,090,810,000
Mrs. Le Hai Lieu	5,374,148	53,741,480,000	5,321,064	53,210,640,000
Other share holder	17,642,761	176,427,610,000	16,639,101	166,391,010,000
Treasury shares	(286,610)	(2,866,100,000)	(286,610)	(2,866,100,000)
Total	24,957,501	249,575,010,000	23,883,557	238,835,570,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

27. OWNER'S EQUITY (CONTINUED)

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
Number of shares registered to issue	24,957,501	23,883,557
- Ordinary shares	24,957,501	23,883,557
Number of issued shares	24,957,501	23,883,557
- Ordinary shares	24,957,501	23,883,557
Number of repurchased shares (Treasury shares)	(286,610)	(286,610)
- Ordinary shares	(286,610)	(286,610)
Number of outstanding shares	24,670,891	23,596,947
- Ordinary shares	24,670,891	23,596,947

Ordinary shares have a par value of VND 10,000/share.

28. OFF-CONSOLIDATED BALANCE SHEET ITEMS

Foreign currencies

	<u>Closing balance</u>	<u>Opening balance</u>
United States Dollar (USD)	121,849.44	169,317.80

Bad debts written off

The trade receivable from FDI Korea Vietnam Vinport Group Joint Stock Company with amount of VND 532,000,000 has been written off as it was deemed uncollectible.

29. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Revenue from finished products sold	122,682,200,529	146,545,631,848
Revenue from leasing investment properties	14,914,483,735	6,414,232,598
Revenue from others	4,280,401,898	4,994,896,517
Total	141,877,086,162	157,954,760,963
<i>Deductions</i>		
In which:		
Trade discount	181,091,664	306,696,425
Sales returns	631,873,362	368,490,977
Total	812,965,026	675,187,402
Net revenue from goods sold and services rendered	141,064,121,136	157,279,573,561

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

30. COST OF GOODS SOLD AND SERVICES RENDERED

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Cost of finished products sold	70,545,621,177	101,255,143,589
Cost of leasing investment properties	4,976,436,649	1,879,042,169
Cost of others	992,757,017	-
Total	76,514,814,843	103,134,185,758

31. PRODUCTION COST BY NATURE

	<u>Current period</u>	<u>Prior period</u>
	VND	(Restated) VND
Raw materials	32,417,069,235	34,712,510,820
Labors costs	41,788,800,878	58,303,334,524
Depreciation and amortisation	7,615,388,821	7,510,268,016
Allocated goodwill	508,199,643	508,199,643
Out-sourced services	12,449,867,496	11,225,794,798
Others	2,534,264,205	5,403,709,390
Total	97,313,590,278	117,663,817,191

32. FINANCIAL INCOME

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Deposit interest	2,073,992,859	1,239,559,855
Interest from bonds	-	268,497,011
Interest from loans	425,884,933	847,389,037
Foreign exchange gain arising in the period	2,500,023,326	2,003,409,673
Foreign exchange gain from period-end revaluation	148,311,946	214,291,124
Settlement discount	7,929,849	5,996,030
Total	5,156,142,913	4,579,142,730

33. FINANCIAL EXPENSES

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Interest expenses	3,725,808,644	2,020,101,100
Foreign exchange loss arising in the period	1,485,794,992	824,341,113
Payment discount for buyers	1,370,622,380	871,393,939
Total	6,582,226,016	3,715,836,152

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

34. SELLING EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	Current period	Prior period
	VND	VND
a) Selling expenses incurred in the period		
Costs for employees	2,203,827,575	3,008,436,028
Depreciation and amortisation	17,499,996	17,499,996
Sales discount	29,097,079	78,047,842
Transportation costs	505,463,023	1,633,276,254
Commission costs	522,782,703	1,527,205,735
Freight-out costs	1,522,985,420	140,120,933
Out-sourced services	2,567,065,357	1,661,745,104
Others	283,009,098	963,773,990
Total	7,651,730,251	9,030,105,882
b) General and administration expenses incurred in the period		
Costs for employees	9,649,319,428	10,348,144,324
Raw materials	60,402,442	-
Stationery	41,039,178	302,206,877
Depreciation of fixed assets and amortization of goodwill	1,614,314,849	2,029,160,625
Provision/ (Reversal of provision)	338,392,167	-
Out-sourced services	1,128,599,418	937,704,847
Others	1,242,319,318	3,025,354,366
Total	14,074,386,800	16,642,571,039

35. OTHER INCOME

	Current period	Prior period
	VND	VND
Gain on disposal of fixed assets	252,727,273	127,272,728
Income from early termination of lease contracts	322,429,426	-
Others	181,478,195	345,577,779
Total	756,634,894	472,850,507

36. OTHER EXPENSES

	Current period	Prior period
	VND	VND
Fines and additional tax assessments	-	466,490,863
Loss on disposal of fixed assets	1,108,012,607	-
Depreciation and amortisation	622,818,799	-
Others	95,050,607	70,233,726
Total	1,825,882,013	536,724,589

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

37. CURRENT CORPORATE INCOME TAX EXPENSE

The Company is obliged to pay corporate income tax at the rate of 20% on taxable income.

The Company determines corporate income tax on the basis of assessment of accounting profit that is not significantly different from profit for corporate income tax purposes. The ultimate determination depends on the results of the tax authorities' examinations.

Current corporate income tax expense represents:

	Current period	Prior period
	VND	VND
Current Corporate Income Tax expense of the parent company	8,270,692,306	6,827,892,742
Current Corporate Income Tax Expense of the Subsidiary - Duc Tam Wood Manufacturing and Exporting Co., Ltd	352,869,534	154,511,091
Total current corporate income tax expenses	8,623,561,840	6,982,403,833

38. WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING

	Current period	Prior period
	VND	VND
Number of shares outstanding at the beginning of the year	23,596,947	21,478,882
Weighted average number of additional/repurchased shares during the period	379,737	(240,452)
Weighted average number of ordinary shares outstanding during the period	23,976,684	21,238,430

39. BASIC EARNINGS PER SHARE

	Current period	Prior period (Restated)
	VND	VND
Profit after corporate income tax of the Parent Company's shareholders	31,927,401,246	22,717,292,838
Appropriation of bonus and welfare fund	(987,660,213)	(1,242,098,822)
Profit for calculation of basic earnings per share	30,939,741,033	21,475,194,016
Weighted average number of outstanding ordinary shares during the period	23,976,684	21,238,430
Basic earnings/(losses) per share	1,290	1,011

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

40. FINANCIAL INSTRUMENTS

Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings offset by cash and cash equivalents) and owners' equity (comprising capital and retained earnings).

Financial leverage ratio

The Company's financial leverage ratio at the balance sheet date is as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Borrowings	78,205,901,069	76,325,768,604
Less: Cash and cash equivalents	(3,774,693,566)	(5,169,758,218)
Net debt	74,431,207,503	71,156,010,386
Equity	314,947,031,823	297,938,741,790
Net debt to equity ratio	23.63%	23.88%

Significant accounting policies

Details of the significant accounting policies and methods adopted by the Company (including recognition criteria, the basis of measurement, and the basis of recognition of income and expenses) for each type of financial assets and financial liabilities are presented in Note 3.

Categories of financial instruments

	<u>Closing balance</u>		<u>Opening balance</u>	
	<u>Carrying amount</u>	<u>Fair value</u>	<u>Carrying amount</u>	<u>Fair value</u>
	VND	VND	VND	VND
Financial assets				
Cash and cash equivalents	3,774,693,566	3,774,693,566	5,169,758,218	5,169,758,218
Held-to-maturity investments	91,700,000,000	91,700,000,000	51,555,000,000	51,555,000,000
Trade and other receivables	51,219,909,901	51,219,909,901	57,160,155,621	57,160,155,621
Loan receivables	4,400,000,000	4,400,000,000	33,000,000,000	33,000,000,000
Total	151,094,603,467	151,094,603,467	146,884,913,839	146,884,913,839
Financial liabilities				
Borrowings	148,001,601,069	148,001,601,069	150,531,468,604	150,531,468,604
Trade and other payables	22,150,316,449	22,150,316,449	22,040,277,201	22,040,277,201
Accrued expenses	794,085,810	794,085,810	3,473,612,415	3,473,612,415
Total	170,946,003,328	170,946,003,328	176,045,358,220	176,045,358,220

The Company has assessed fair value of its financial assets and liabilities at the balance sheet date as stated in Note 3 since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

40. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

Foreign currency risk management

The Company undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

Interest rate risk management

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

Commodity price risk management

The Company purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Company is exposed to the risk of changes in selling prices of materials, commodities.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

Liquidity risk management

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners [shareholders] to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

40. FINANCIAL INSTRUMENTS (CONTINUED)

Financial risk management objectives (Continued)

Liquidity risk management (Continued)

	<u>Less than 1 year</u>	<u>From 2 - 5 years</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Closing balance			
Cash and cash equivalents	3,774,693,566	-	3,774,693,566
Held-to-maturity investments	91,700,000,000	-	91,700,000,000
Trade and other receivables	51,219,909,901	-	51,219,909,901
Loan receivables	4,400,000,000	-	4,400,000,000
Total	151,094,603,467	-	151,094,603,467
Closing balance			
Borrowings	78,205,901,069	69,795,700,000	148,001,601,069
Trade and other payables	16,443,179,358	5,707,137,091	22,150,316,449
Accrued expenses	794,085,810	-	794,085,810
Total	95,443,166,237	75,502,837,091	170,946,003,328
Net liquidity gap	55,651,437,230	(75,502,837,091)	(19,851,399,861)
	<u>Less than 1 year</u>	<u>From 2 - 5 years</u>	<u>Total</u>
	<u>VND</u>	<u>VND</u>	<u>VND</u>
Opening balance			
Cash and cash equivalents	5,169,758,218	-	5,169,758,218
Held-to-maturity investments	51,555,000,000	-	51,555,000,000
Held-to-maturity investments	57,160,155,621	-	57,160,155,621
Loan receivables	33,000,000,000	-	33,000,000,000
Total	146,884,913,839	-	146,884,913,839
Opening balance			
Borrowings	76,325,768,604	74,205,700,000	150,531,468,604
Trade and other payables	18,253,554,200	3,786,723,001	22,040,277,201
Accrued expenses	3,473,612,415	-	3,473,612,415
Total	98,052,935,219	77,992,423,001	176,045,358,220
Net liquidity gap	48,831,978,620	(77,992,423,001)	(29,160,444,381)

The Board of General Directors assessed the liquidity risk at low level. The Board of General Directors believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

During the period, in addition to the balance with the related parties as stated in Notes 6, 9, 19, 23, and 27, the Company also entered into the significant transactions with its related parties, as follows:

	<u>Current period</u>	<u>Prior period</u>
	VND	VND
Tri Linh Trading and Service Company Limited		
Sales revenue	1,263,000	2,650,000
Proceeds from sales	1,326,150	-
Tri Phuoc Thanh Company Limited		
Sales revenue	112,662,000	88,018,000
Commission discount	13,050,773	7,913,670
Proceeds from sales	76,167,540	103,697,280
Payment of commission discount	14,094,836	15,221,064
Saigon Pure Drinking Water Company Limited		
Purchases of goods	12,349,600	12,032,630
Payment for purchases	12,921,767	15,050,206
Sales revenue	-	60,000,000
Proceeds from sales	-	64,800,000
Pizza 4P's Joint Stock Company		
Loan interest received	-	247,232,877
Key management personnel		
Capital increase from ESOP issuance	2,691,000,000	-
Dividend distribution	8,588,564,000	-
Loans granted	-	5,000,000,000
Loan interest	-	150,232,875
Related parties of key management personnel		
Capital increase from ESOP issuance	420,440,000	-
Dividend distribution	2,366,885,000	-
Loans granted	-	24,200,000,000
Loan interest	-	691,895,888

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

41. TRANSACTIONS AND BALANCES WITH RELATED PARTIES (CONTINUED)

Remuneration paid to Board of Management, Board of Supervisors, and Executive Board

Remuneration paid to the Board of Management, the Board of Supervisors, and the Executive Board during the period was as follows:

Full Name	Position	Current period VND	Prior period VND
Mrs. Le Hai Lieu	Chairman of the Board of Management	-	-
Mr. Le Hong Thang	Vice Chairman of the Board of Management	330,000,000	442,850,000
Mr. Le Hong Thanh	Member of the Board of Management cum Deputy General Director	100,000,000	-
Mrs. Nguyen Ha Ngoc Diep	Member of the Board of Management cum Deputy General Director	465,576,000	316,910,000
Mrs. Nguyen Thi Thanh Huyen	Member of the BOM cum Deputy General Director	500,907,000	288,089,000
Mr. Hoang Anh Tuan	Member of the Board of Management	330,000,000	-
Mr. Hoang Minh Khoi	Member of the Board of Management – Appointed on 19 April 2025	-	-
Mrs. Truong Thi Dieu Le	Member of the Board of Management – Dismissed on 19 April 2025	140,000,000	-
Mr. Nguyen Hoang Ngan	Member of the Board of Management – Dismissed on 19 April 2025	100,000,000	-
Mr. Nguyen Cong Hieu	Head of Board of Supervisory - Appointed on 19 April 2025	-	-
Mrs. Bui Tuong Anh	Member of the Board of Supervisory	80,000,000	-
Mrs. Phan Thi Van	Member of the Board of Supervisory – Appointed on 19 April 2025	-	-
Mrs. Truong Thi Binh	Head of Board of Supervisory - Dismissed on 19 April 2025	200,069,000	201,106,000
Mr. Tran Ngoc Hung	Member of the Board of Supervisory – Dismissed on 19 April 2025	150,000,000	-
Mr. Nguyen Duc Tinh	Director of Planning and General Affairs	431,732,000	258,081,000
Mrs. Bui Phuong Thao	Chief Accountant	429,353,000	239,393,000
Total		3,257,637,000	1,746,429,000

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

42. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION

Supplemental non-cash disclosures

"Interest earned, dividends and profits received" exclude an amount of VND 1,187,999,997 representing the interest, dividends and profits arising in the current period that have not yet received, but include an amount of VND 818,720,957, representing the interest, dividends and profits arising in the prior year that have received in the current period. Consequently, "Increase/(decrease) in receivables" have been adjusted by the same amount.

"Payments for purchases and construction of fixed assets and other long-term assets" during the period exclude an amount of VND 131,800,000 of payables for purchases of fixed assets incurred during the period but not yet settled as at the end of the period, but include an amount of VND 410,342,850 of payables for purchases of fixed assets incurred in the prior year and settled during the current period. In addition, the amount includes VND 1,696,411,150 of advance payments for purchases of fixed assets as at the end of the period (as at the beginning of the period: VND 747,066,000). Accordingly, adjustments for the corresponding differences have been made under "(Increase)/decrease in receivables and payables".

Goodwill amortized and recognized as expense during the period amounted to VND 508,199,643 (previous period: VND 508,199,643). This non-cash expense has been adjusted under the item Depreciation of fixed assets in order to reconcile to Profit before tax."

43. COMPARATIVE INFORMATION

The Company has entered into a land lease agreement with the State for land located in Thien Tan Commune, Vinh Cuu District, Dong Nai Province (now Trang Dai Ward, Dong Nai Province), under which annual lease payments are made. Infrastructure has been constructed on the leased land. The lease agreement does not specify any obligations for restoring the land. Accordingly, the Company may have a potential obligation in the future, upon lease expiry, to dismantle and relocate assets and restore the land to its original condition. Such an obligation can only be determined when future events occur, such as agreements with the lessor or regulations issued by competent authorities. Therefore, no restoration costs have been recognized in the interim consolidated financial statements for the period from 01 January 2025 to 30 June 2025.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

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

44. COMPARATIVE INFORMATION

Comparative figures comprise the combined balance sheet as at 31 December 2024 and the interim combined income statement and the interim combined cash flows statement for the period from 01 January 2024 to 30 June 2024 of the Company, which were audited and reviewed by another auditing company.

The Company has recalculated the business combination transaction relating to the acquisition of Duc Tam Export Wood Processing Company Limited – a subsidiary, as at 21 December 2023, and accordingly, the comparative figures have been restated as follows:

Items	Codes	Reported amount	Restated amount	Amount after restated
Interim Consolidated Balance Sheet				
Goodwill	269	-	3,049,197,858	3,049,197,858
Deferred income tax liabilities	216	-	3,290,630,782	3,290,630,782
Retained earnings accumulated to the prior year end	421a	24,216,044,641	(289,303,918)	23,926,740,722
Retained earnings of the current period	421b	28,292,582,553	47,870,994	28,340,453,547
Interim Consolidated Income Statement				
General and administrative expenses	26	16,134,371,396	508,199,643	16,642,571,039
Deferred corporate income tax expense	52	-	(427,553,293)	(427,553,293)
Profit after tax attributable to the Parent Company	61	22,797,939,188	(80,646,350)	22,717,292,838
Basic earnings per share	70	1,015	(4)	1,011
Interim Consolidated Cash Flow Statement				
Profit before tax	01	29,780,343,021	(508,199,643)	29,272,143,378
Depreciation and amortization	02	7,510,268,016	508,199,643	8,018,467,659



Le Hai Lieu
Chairman of The Board of Management
Ho Chi Minh City, 29 August 2025

Bui Phuong Thao
Chief Accountant

Nguyen Quoc Hiep
Preparer