



NAM HOA TRADING AND PRODUCTION CORPORATION

**AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

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STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Nam Hoa Trading and Production Corporation (the "Company") presents this report together with the Company's consolidated financial statements for the year ended 31 December 2025.

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

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

Board of Management

<u>Full name</u>	<u>Position</u>
Mr. Doan Huong Son	Chairman
Mr. Le Duy Anh	Member
Mr. Nguyen Tien Tho	Member
Mr. Doan Dong Bang	Member
Mr. Nguyen Thanh Hai	Member

Board of Supervisors

<u>Full name</u>	<u>Position</u>
Mrs. Do Thi Hang	Head of Board of Supervisors (Appointed on April 25, 2025)
Mr. Dinh Cong Huong	Member
Mr. Le Manh Cuong	Member (Appointed on April 25, 2025)
Mrs. Dao Ngoc Thu	Member (Dismissed on April 25, 2025)
Mrs. Nguyen Thi Linh Chi	Member (Dismissed on April 25, 2025)

Board of General Directors

<u>Full name</u>	<u>Position</u>
Mr. Nguyen Tien Tho	General Director
Mr. Pham Viet Phuong	Deputy General Director
Mr. Luu Vu Son	Deputy General Director

Chief accountant

<u>Full name</u>	<u>Position</u>
Mr. Nguyen Duc Cuong	Chief accountant

Legal representative

The legal representative of the Company during the year and to the date of this report are as Mr. Nguyen Tien Tho – General Director.

BOARD OF GENERAL DIRECTORS'S STATEMENT OF RESPONSIBILITY

The Board of General Directors of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company as at 31 December 2025, its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing these 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 consolidated financial statements;
- Prepare the 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 the consolidated financial statements so as to minimise errors and frauds.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (CONTINUED)

BOARD OF GENERAL DIRECTORS'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 for ensuring that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regimes for enterprises and legal regulations relating to the preparation and presentation of the 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 fraud and other irregularities.

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

In the Board of General Directors's opinion, the consolidated financial statements give a true and fair view of the financial position of the Company as at 31 December 2025, its consolidated financial performance and its consolidated cash flows for the year ended 31 December 2025 in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the consolidated financial statements.

For and on behalf of the Board of General Directors,



Nguyen Hien Tho
General Director

Ho Chi Minh City, 30 March 2026

No.: 107/VACO/BCKiT.HCM

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
The Board of Management and the Board of General Directors
Nam Hoa Trading and Production Corporation

We have reviewed the accompanying consolidated financial statements of Nam Hoa Trading and Production Corporation ("the Company"), prepared on 30 March 2026, as set out from page 04 to page 33, which comprise the consolidated balance sheet as at 31 December 2025, the consolidated income statement and the consolidated cash flow statement for the year ended 31 December 2025, and the notes to the consolidated financial statements (collectively referred to as the "consolidated financial statements").

Board of General Directors's Responsibility

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

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the accompanying consolidated financial statements give a true and fair view of, in all material respects, the consolidated financial position of the Company as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to the preparation and presentation of the consolidated financial statements.



Nguyen Ngoc Thach
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, 30 March 2026

Le Binh Phuong
Auditor
Auditing Practising Certificate
No. 5914-2023-156-1

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CONSOLIDATED BALANCE SHEET

As at 31 December 2025

Unit: VND


ASSETS	Codes	Notes	Closing balance	Opening balance
A - CURRENT ASSETS	100		293,951,412,666	160,322,122,520
I. Cash and equivalent cash	110	4	169,436,845,231	12,291,520,588
1. Cash	111		10,701,921,356	12,291,520,588
2. Equivalent cash	112		158,734,923,875	-
II. Short-term receivables	130		87,405,456,550	76,755,933,418
1. Short-term trade receivables	131	5	53,447,554,349	73,125,561,977
2. Short-term advances to suppliers	132	6	2,567,699,039	5,757,975,081
3. Other short-term receivables	136	7	36,231,700,153	342,694,186
4. Provision for short-term doubtful debts	137	8	(4,841,496,991)	(2,470,297,826)
III. Inventories	140		34,864,760,581	64,377,663,567
1. Inventories	141	9	36,108,805,674	71,435,470,734
2. Provision for devaluation of inventories	149	9	(1,244,045,093)	(7,057,807,167)
IV. Other current assets	150		2,244,350,304	6,897,004,947
1. Short-term prepayments	151	10	2,244,350,304	1,055,256,317
2. Value added tax deductibles	152		-	5,708,001,837
3. Taxes and amounts receivable from the State budget	153	11	-	133,746,793
B - NON-CURRENT ASSETS	200		247,738,457,470	394,885,810,511
I. Long-term receivables	210		62,000,000	-
1. Other long-term receivables	216	7	62,000,000	-
II. Fixed assets	220		87,217,716,061	129,292,383,780
1. Tangible fixed assets	221	12	86,624,374,407	128,243,511,938
- Cost	222		215,157,136,355	302,997,176,906
- Accumulated depreciation	223		(128,532,761,948)	(174,753,664,968)
2. Intangible fixed assets	227	13	593,341,654	1,048,871,842
- Cost	228		5,250,782,520	5,250,782,520
- Accumulated depreciation	229		(4,657,440,866)	(4,201,910,678)
III. Investment property	230	14	56,030,866,183	126,427,711,242
- Cost	231		147,576,969,011	213,234,816,550
- Accumulated depreciation	232		(91,546,102,828)	(86,807,105,308)
IV. Long-term assets in progress	240		-	1,759,832,559
1. Long-term construction in progress	242		-	1,759,832,559
V. Other non-current assets	260		104,427,875,226	137,405,882,930
1. Long-term prepayments	261	10	104,427,875,226	137,405,882,930
TOTAL ASSETS (270 = 100 + 200)	270		541,689,870,136	555,207,933,031

The accompanying notes are an integral part of these consolidated financial statements


CONSOLIDATED BALANCE SHEET (CONTINUED)
As at 31 December 2025

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C - LIABILITIES	300		139,686,749,827	193,427,775,448
I. Current liabilities	310		101,074,281,858	148,750,963,118
1. Short-term trade payables	311	15	8,820,343,993	19,443,351,408
2. Short-term advances from customers	312		810,942,620	1,217,690,428
3. Taxes and amounts payable to the State budget	313	11	20,641,771,155	3,064,096,797
4. Payables to employees	314		8,537,814,757	11,678,364,410
5. Short-term accrued expenses	315		359,541,863	1,784,755,600
6. Doanh thu chưa thực hiện ngắn hạn	318		2,452,042,560	-
7. Other short-term payables	319	16	2,876,243,336	4,145,064,514
8. Short-term loans and obligations under finance leases	320	17	56,575,581,574	107,417,639,961
II. Non-current liabilities	330		38,612,467,969	44,676,812,330
1. Other long-term payables	337	16	7,136,067,677	7,111,701,757
2. Long-term loans and obligations under finance leases	338	17	4,200,000,000	7,661,604,262
3. Deferred tax liabilities	341	18	27,276,400,292	29,903,506,311
D - EQUITY	400		402,003,120,309	361,780,157,583
I. Owner's equity	410	19	402,003,120,309	361,780,157,583
1. Owner's contributed capital	411		240,281,690,000	240,281,690,000
- Ordinary shares carrying voting rights	411a		240,281,690,000	240,281,690,000
2. Retained earnings	421		78,792,551,124	30,539,087,159
- Retained earnings accumulated to the prior year end	421a		30,539,087,158	7,973,832,792
- Retained earnings of the current year	421b		48,253,463,966	22,565,254,367
3. Non-controlling interest	429		82,928,879,185	90,959,380,424
TOTAL RESOURCES (440 = 300 + 400)	440		541,689,870,136	555,207,933,031


 Nguyen Tien Tho
 General Director
 Ho Chi Minh City, 30 March 2026


 Nguyen Duc Cuong
 Chief Accountant


 Nguyen Thi Thu Huyen
 Preparer

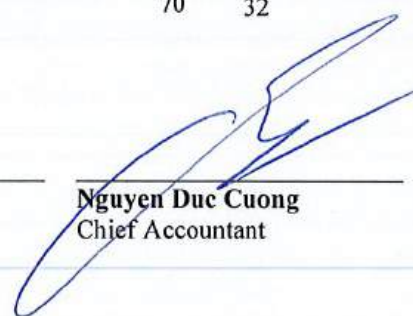
CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Revenue from goods sold and services rendered	01	22	388,037,154,370	353,270,820,594
2. Deductions	02	22	5,727,194,414	1,230,495,948
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10	22	382,309,959,956	352,040,324,646
4. Cost of goods sold and services rendered	11	23	283,764,601,830	289,840,892,069
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		98,545,358,126	62,199,432,577
6. Financial income	21	25	6,758,674,734	2,486,719,894
7. Financial expenses	22	26	10,572,608,907	11,349,435,010
- In which: Interest expense	23		5,287,671,641	7,899,255,336
8. Selling expenses	25	27	9,764,129,258	9,637,894,425
9. General and administration expenses	26	27	31,166,513,565	30,384,383,711
10. Operating profit/(Loss) {30 = 20 + (21 - 22) - (25 + 26)}	30		53,800,781,130	13,314,439,325
11. Other income	31	28	36,092,556,962	732,436,922
12. Other expenses	32	29	39,757,799,611	4,076,903,132
13. Profit/(Loss) from other activities (40 = 31 - 32)	40		(3,665,242,649)	(3,344,466,210)
14. Accounting profit/(Loss) before tax (50 = 30 + 40)	50		50,135,538,481	9,969,973,115
15. Current corporate income tax expense	51	30	12,539,681,773	2,559,773,666
16. Deferred corporate tax expense	52	31	(2,627,106,019)	(1,413,649,480)
17. Net profit/(Loss) after corporate income tax (60 = 50 - 51 - 52)	60		40,222,962,727	8,823,848,929
18. Profit after tax of the Parent Company	61		48,253,463,966	22,565,254,367
19. Profit after tax of non-controlling shareholders	62		(8,030,501,239)	(13,741,405,438)
20. Basic earnings per share	70	32	2,010	940


Nguyen Tien Tho
 General Director
 Ho Chi Minh City, 30 March 2026


Nguyen Duc Cuong
 Chief Accountant


Nguyen Thi Thu Huyen
 Preparer



CONSOLIDATED CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2025

Unit: VND

ITEMS	Codes	Current year	Prior year
I. Cash flows from operating activities			
1. Profit before tax	01	50,135,538,481	9,969,973,115
2. Adjustments for:			
- Depreciation and amortisation of fixed assets	02	28,144,993,635	26,543,309,965
- Provisions	03	(3,442,562,909)	4,828,686,904
- Foreign exchange loss arising from translating Foreign currency items	04	1,313,506,913	1,110,718,983
- Gain, loss from investing activities	05	(35,854,813,896)	1,571,454,511
- Interest expense	06	5,287,671,641	7,899,255,336
3. Operating profit before movements in working capital	08	45,584,333,865	51,923,398,814
- Increase, decrease in receivables	09	7,127,756,670	(27,465,337,168)
- Increase, decrease in inventories	10	35,326,665,060	29,549,998,454
- Increase, decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(12,480,085,069)	(803,407,083)
- Increase, decrease in prepayments	12	3,357,355,628	286,117,942
- Increase, decrease in trading securities	13	-	10,309,538,737
- Interest paid	14	(5,383,916,959)	(8,177,795,240)
- Corporate income tax paid	15	(2,559,773,666)	(2,327,902,402)
Net cash generated by/(used in) operating activities	20	70,972,335,529	53,294,612,054
II. Cash flows from investing activities			
1. Cash outflow for lending, buying debt instruments of other entities	21	(3,556,404,018)	(12,488,654,208)
2. Cash recovered from lending, selling debt instruments of other entities	22	145,062,726,929	9,388,381,463
3. Interest earned, dividends and profits received	27	8,163,929	9,990,229
Net cash generated by/(used in) investing activities	30	141,514,486,840	(3,090,282,516)
III. Cash flows from financing activities			
1. Proceeds from borrowings	33	221,065,688,130	270,546,255,410
2. Repayment of borrowings	34	(276,564,115,529)	(294,857,024,123)
3. Repayment of obligations under finance leases	35	-	(399,375,000)
4. Dividends and profits paid	36	(12,160,000)	(24,003,698,000)
Net cash generated by/(used in) financing activities	40	(55,510,587,399)	(48,713,841,713)
Net increase/(decrease) in cash (50 = 20 + 30 + 40)	50	156,976,234,970	1,490,487,825
Cash and equivalent cash at the beginning of the year	60	12,291,520,588	10,463,538,187
Effects of changes in foreign exchange rates	61	169,089,673	337,494,576
Cash and equivalent cash at the end of the year (70 = 50 + 60 + 61)	70	169,436,845,231	12,291,520,588



Nguyen Tien Tho
General Director
Ho Chi Minh City, 30 March 2026

Nguyen Duc Cuong
Chief Accountant

Nguyen Thi Thu Huyen
Preparer

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

Nam Hoa Trading and Production Corporation (hereinafter referred to as the "Company") was established and operates under Business Registration Certificate No. 0303292182, dated May 11, 2004. During its operation, the Company was issued the 12th amended Business Registration Certificate on November 21, 2023, by the Ho Chi Minh City Department of Planning and Investment.

The total number of employees of the Company as of December 31, 2025, was 1,048 (as of January 1, 2025, it was 901).

Headquarters

The Company is registered at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City. The Company has leased out all the factories at this address.

In addition, the Company has:

+ The factory and office are located in Nhon Trach 2 Industrial Park, Nhon Trach Commune, Dong Nai Province (formerly Phu Hoi Commune, Nhon Trach District, Dong Nai Province).

+ The factory is located in Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (formerly Cu Chi District, Ho Chi Minh City). The Company transferred ownership of this factory in December 2025.

Operating industries and principal activities

The Company's operating industries include: Production and Trading

The Company's principal activities are Production and trading of household appliances, interior decoration and wooden children's toys; warehouse and factory rental.

Normal production and business cycle

The normal production and business cycle is longer than 12 months.

Consolidated subsidiaries

The Country Manufacturing and Trading Joint-Stock Company is consolidated in this consolidated financial statement.

Disclosure of information comparability in the consolidated financial statements

Comparative figure period year is comparable to the current year.

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIMES

Financial year

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

Applied accounting regimes

The Company applied Vietnamese Accounting Standards, accounting regimes 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 consolidated financial statements.

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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

2. FINANCIAL YEAR, APPLIED ACCOUNTING STANDARDS AND REGIMES (Continued)**Declaration of compliance with accounting standard and accounting regimes**

The Board of General Directors ensures to comply with the requirements of Vietnamese Accounting Standards, accounting regimes 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 the consolidated financial statements.

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

New Accounting Guidance Issued but Not Yet Applied

On October 27, 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") providing guidance on the corporate accounting regime. This circular will take effect from January 1, 2026, and applies to financial years beginning on or after January 1, 2026. It replaces Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance providing guidance on the corporate accounting regime; Circular No. 75/2015/TT-BTC dated May 18, 2015, of the Ministry of Finance amending and supplementing Article 128 of Circular No. 200/2014/TT-BTC dated December 22, 2014; and Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing certain articles of Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance. The Company's Board of General Directors is currently assessing the impact of applying Circular 99 on the Company's future consolidated financial statements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**Accounting convention**

The accompanying consolidated financial statements are expressed in Vietnam Dong (VND) under the historical cost convention (except for the consolidated cash flow statement prepared using the indirect method.) and in accordance with Vietnamese Accounting Standards, accounting regimes for enterprises and legal regulations relating to the preparation and presentation of consolidated financial statements.

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regimes for enterprises and legal regulations relating to the preparation and presentation of the 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 date of the consolidated financial statement and reported amounts of revenue and expenses during the financial year. Although these accounting estimates are based on the Board of General Directors's best knowledge, actual results may differ from those estimates.

Evaluation and recognition at fair value

The Law on Accounting took effect from 01 January 2017, which includes regulations on evaluation and recognition at fair value. However, currently, there is no guidance 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) *Investment properties that are stated at fair value are disclosed in Note 13;*
- c) *Monetary items denominated in foreign currencies shall be evaluated based on the actual exchange rates;*
- d) *For assets and liabilities (except items a, b and c as mentioned above), the Company does not have any basis to determine the reliable value; therefore, the Company records at historical cost.*

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December 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.

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.

Non-controlling interests include the value of non-controlling shareholders' interests at the date of the business combination (for details, see the presentation below) and the share of non-controlling interests in changes in total equity since the business combination date. Losses incurred by the subsidiary are allocated to non-controlling shareholders in proportion to their ownership, even if such losses exceed the non-controlling interests' share in the subsidiary's net assets.

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.

Negative goodwill

Negative goodwill represents the excess of the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary at the date of acquisition over the cost of acquisition. Negative goodwill is immediately recognised in the income statement at the acquisition date.

Financial instruments

Initial recognition

Financial assets: At initial recognition, financial assets are recorded at cost plus transaction costs directly attributable to the acquisition of the financial asset. The Company's financial assets include cash and cash equivalents, trade receivables, other receivables, and deposits.

Financial liabilities: At initial recognition, financial liabilities are recorded at cost plus transaction costs directly attributable to the issuance of the financial liability. The Company's financial liabilities include trade payables, other payables, accrued expenses, and borrowings.

Subsequent measurement after initial recognition

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

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

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

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

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 comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method and is recorded under the perpetual 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 prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the balance sheet date.

Prepayments

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

Tools and supplies: Tools and supplies which have been used are allocated into expenses using the straight-line method no more than 3 years.

Insurance costs: Prepaid insurance costs are allocated into expenses using the straight-line method over 1 year.

Land rental: Prepaid land rental is allocated into expenses using the straight-line method corresponding to the lease term.

The goodwill of Land lease rights: This value arising from a business combination is allocated as an expense using the straight-line method over the remaining lease term.

Other repayments: Other prepaid expenses include insurance costs and certain other prepaid expenses that are considered capable of providing future economic benefits to the Company. These expenses are allocated as costs using the straight-line method over their useful life.

Operating lease assets

A lease is considered as an operating lease when the lessor still enjoys the majority of the interest and is subject to the risk of ownership of the property. Operating lease expense is recognized into the income statement using the straight-line method during the lease term. All cash received or receivable in order to making the contract is also recognized using the straight-line method during the lease term.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 condition and location for their intended use. Expenses incurred after initial recognition are only recorded as an increase in cost of fixed assets if these costs are certain to increase future economic benefits from the use of such assets. Expenses that do not satisfy the above conditions are recognized as expenses during the year.

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

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

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

	<u>Years of depreciation</u>
Buildings and structures	04 – 36
Machinery and equipment	03 – 15
Motor vehicles and conveyances	03 - 10
Management equipment	03 - 15
Other fixed assets	06 - 08

Intangible assets and amortisation

Copyright and patent

Copyright and patent are initially recognized at their purchase cost and are amortized using the straight-line method over their estimated useful life.

Computer software

Expenses relating to computer software programs that are not an integral part of the related hardware are capitalized. Cost of computer software represents all costs incurred by the Company up to the time the software is put into use. Computer software is amortised using the straight-line method within 5 years.

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 held to earn rentals are depreciated using the straight-line method over their estimated useful lives from 05 to 50 years.

The Company does not depreciate investment properties which is long-term land use rights.

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Payables and accrued expenses

Payables represent the amount payable to suppliers or others, and are stated at book value.

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 represent commercial payables arising from purchases of goods, services, or assets and the seller is independent of the Company.
- 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.

Equity

Owner's contributed capital:

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

Profit distribution

Profit after tax is distributed to shareholders accordance with the Charter of Company which has been approved by the General Assembly 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.

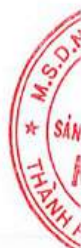
Dividends are recognized as liabilities when having the approval of the General Meeting of Shareholders.

Revenue recognition

Revenue is recognized 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 satisfied upon revenue recognition:

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.



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***3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****Revenue recognition (continued)**

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.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Deductions

Deductions are trade discounts and sales returns incurred in the same period of consumption of products, goods are adjusted a decrease in revenue in the incurring year.

In case products and goods are sold from the prior years, until the next year are incurred trade discounts and sales returns, the Company will record a decrease in revenue under the principles:

- If the trade discounts and sales returns are incurred prior to the issuance of separate financial statements, the Company will record a decrease in revenue on the separate financial statements of the reporting period.
- If the trade discounts and sales returns are incurred after the issuance of separate financial statements, the Company will record a decrease in revenue of incurring period.

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 separate income statement.

Borrowing costs

Borrowing costs are recognized in the separate income statement when incurred.

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 profit before tax as reported in the consolidated 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.



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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the 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.

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 the Company intends to settle its current tax assets and liabilities on a net basis.

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

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

Related parties

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

List of related parties:

<u>Related parties</u>	<u>Relationship</u>
Trang An - Viet Nam Trading JSC	Chairman of the Board of Management is the General Director of the related Company.
Xuan Hoa - Viet Nam JSC	Memeber of the Board of Management is the General Director
Members of Board of Management, Board of Supervisors, Board of General Directors, and those who have close relationships with these members	Key leaders and members having close relationships

Segment reporting

A business segment is a distinguishable component of the Company that is engaged in the production or provision of relevant products or services. This segment is subject to risks and rewards that are different from those of other segments.

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

Segment information is prepared and presented in accordance with the accounting policies applicable to the preparation and presentation of the Company's consolidated financial statements.

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

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	6,027,548,796	188,532,241
Demand deposits	4,674,372,560	12,102,988,347
Equivalent cash (i)	158,734,923,875	-
Total	<u>169,436,845,231</u>	<u>12,291,520,588</u>

(i) These are 3-month term bonds at Ho Chi Minh City Development Joint Stock Commercial Bank.

5. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Rosendahl Design Group	20,907,486,563	44,291,035,852
Spring Copenhagen	10,431,279,970	11,582,223,504
Boyhood APS	9,252,336,458	1,883,942,243
Others	12,856,451,358	15,368,360,378
Total	<u>53,447,554,349</u>	<u>73,125,561,977</u>

6. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Thanh Danh Dat Trading Service Single-Member Limited Liability Company	455,000,000	455,000,000
Thanh Phat TP Export Wood Processing Co., Ltd	343,075,312	343,075,312
European Wood Corporation APS	-	1,125,910,515
Others	1,769,623,727	3,833,989,254
Total	<u>2,567,699,039</u>	<u>5,757,975,081</u>

7. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a) Short-term	<u>36,231,700,153</u>	<u>342,694,186</u>
Bao Minh Da Nang Company (i)	17,983,791,126	-
Northwest Saigon City Development Corporation (ii)	16,822,005,200	-
Provision for bond interest	826,274,827	-
Advances to employees	29,629,000	48,335,196
Other parties	570,000,000	294,358,990
b) Long-term	<u>62,000,000</u>	<u>-</u>
Deposits and collateral	62,000,000	-

(i) The receivable represents the amount the Company has claimed for compensation, corresponding to the value of inventory damaged by water due to flooding, under the terms of the insurance contract with Bao Minh Da Nang Company. The Company submitted the insurance claim on June 26, 2025, and is currently providing documentation to the appointed assessment company (designated by Bao Minh Da Nang) to agree on the compensation amount.

(ii) The remaining receivable relates to the liquidation minutes of the land lease contract for the early termination of the investment project at Lot C5-9, N9 Street, Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City, signed on December 15, 2025 (see Note 28). To date, the Company has collected the full amount of this receivable.

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***8. BAD DEBTS**

	Opening balance			Closing balance		
	VND Cost	VND Recoverable amount	Time overdue	VND Cost	VND Recoverable amount	Time overdue
a) Short-term trade receivables	4,485,999,087	669,445,392		2,369,502,129	-	
Tuan Loc Co., Ltd	1,235,798,385	-	Over 3 years	1,235,798,385	-	Over 3 years
ARCHITECHMADE A/S	963,696,651	-	Over 3 years	963,696,651	-	-
Others	1,794,176,191	669,445,392	From 2 to 3 year	-	-	-
Others	492,327,860	-	Over 3 years	170,007,093	-	Over 3 years
b) Short-term advances to suppliers	1,593,876,817	568,933,521		100,795,697	-	
Thanh Danh Dat Trading Service Single-Member Limited Liability Company	455,000,000	227,500,000	From 1 to 2 year	-	-	-
Thanh Phat TP Export Wood Processing Co., Ltd	343,075,312	102,922,594	From 2 to 3 year	-	-	Over 3 years
Others	795,801,505	238,510,927	Over 3 years	100,795,697	-	Over 3 years
Total	6,079,875,904	1,238,378,913		2,470,297,826	-	

9. INVENTORIES

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	16,822,380,463	(232,830,488)	43,368,448,855	(3,800,520,612)
Tools and supplies	374,147,027	(31,921,844)	593,997,299	(31,921,844)
Work in progress	7,382,367,520	-	18,938,741,551	-
Finished products	11,365,408,674	(979,292,761)	8,369,702,016	(3,225,364,711)
Goods on consignment	164,501,990	-	164,581,013	-
Total	36,108,805,674	(1,244,045,093)	71,435,470,734	(7,057,807,167)

- (i) During the year, the Company sold off certain inventory that had been impaired and for which an allowance for inventory write-down had been provided. Accordingly, the Company reversed the inventory write-down allowance in the amount of VND 5,813,762,074.
- (ii) Certain inventory has been used as collateral for loans at the Vietnam Bank for Investment and Development – Nam Sai Gon Branch (see Note 17)

10. PREPAYMENT EXPENSES

	Closing balance	Opening balance
	VND	VND
a) Short-term	2,244,350,304	1,055,256,317
Tools and supplies	544,401,021	214,776,766
Insurance costs	497,781,410	477,802,768
Others	1,202,167,873	362,676,783
b) Long-term	104,427,875,226	137,405,882,930
The goodwill of Land lease rights (i)	98,373,187,040	102,948,684,111
Land rent (ii)	-	28,431,558,100
Repair costs	1,810,615,543	2,195,399,913
Relocate anti-flooding hanging line	884,115,753	1,389,324,753
Relocating factory for rent	881,066,562	1,762,133,118
Tools and supplies	920,178,808	288,070,659
Others	1,558,711,520	390,712,276
Total	106,672,225,530	138,461,139,247

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***10. PREPAYMENT EXPENSES (Continued)**

- (i) The value of leasehold rights arising from the business combination was determined by the Company in accordance with the Board of Directors' Resolution No. 03/NQ-HĐQT-NH.2021 dated April 8, 2021. This resolution approved the advisory report of an auditing firm on the enterprise value and leasehold rights of Mien Que Manufacturing and Trading Joint Stock Company.
- (ii) This represents the leasehold payment for land in Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City, which the Company amortized over a period of 426 months starting from July 2019. During the year, the Company liquidated the land lease contract, terminating the lease early at Lot C5-9, N9 Street, Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (see Note 07).

11. TAXES AND AMOUNTS RECEIVABLE/PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid during the year	Closing balance
	VND	VND	VND	VND
a) Receivables				
Personal income tax	118,452,740	118,452,740	-	-
Other taxes	15,294,053	15,294,053	-	-
Total	133,746,793	133,746,793	-	-
b) Payables				
Value-added tax	593,411,548	11,457,493,889	3,885,270,774	8,165,634,663
VAT on imported goods	14,332,785	882,160,738	882,160,738	14,332,785
Corporate income tax	2,299,531,609	12,539,681,773	2,559,773,666	12,279,439,716
Personal income tax	290,678	1,449,596,126	1,409,720,205	40,166,599
Other taxes	156,530,177	3,000,000	3,000,000	156,530,177
Total	3,064,096,797	26,775,796,232	9,198,121,874	20,641,771,155

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

12. 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	142,723,471,783	116,068,983,011	37,834,784,843	6,241,865,592	128,071,677	302,997,176,906
- Additions	100,879,000	3,924,501,296	-	332,378,727	-	4,357,759,023
- Transfer to investment property	6,547,776,899	-	-	-	-	6,547,776,899
- Disposals (i)	(18,687,147,294)	(52,664,412,067)	(4,613,645,065)	(214,456,575)	-	(76,179,661,001)
Closing balance	113,298,931,920	67,329,072,240	28,255,652,774	6,145,407,744	128,071,677	215,157,136,355
ACCUMULATED DEPRECIATION						
Opening balance	57,517,867,352	78,637,100,943	33,461,148,964	4,839,423,806	298,123,903	174,753,664,968
- Charge for the year	4,091,401,850	12,062,934,998	2,310,293,266	39,537,693	96,431,627	18,600,599,434
- Transfer to investment property	(12,621,690,922)	-	(3,704,429,908)	(214,380,000)	-	(16,540,500,830)
- Disposals (i)	(4,664,409,405)	(39,319,222,515)	(3,834,759,663)	(196,126,188)	(266,483,853)	(48,281,001,624)
Closing balance	44,323,168,875	51,380,813,426	28,232,252,659	4,468,455,311	128,071,677	128,532,761,948
NET BOOK VALUE						
Opening balance	85,205,604,431	37,431,882,068	4,373,635,879	1,402,441,786	(170,052,226)	128,243,511,938
Closing balance	68,975,763,045	15,948,258,814	23,400,115	1,676,952,433	-	86,624,374,407

- (i) The liquidation value during the year includes the value of the assets on the land of the Cu Chi Factory in Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (formerly Cu Chi District, Ho Chi Minh City). The remaining value of these liquidated assets is VND 13,157,806,937 (see Note 23).

The cost of tangible fixed assets includes tangible fixed assets that are fully depreciated but still in use as of December 31, 2025, with a value of VND 32,327,971,695 (as of January 1, 2025: VND 40,431,807,597)

Part of the buildings, structures, and machinery and equipment have been pledged as collateral for loans at Public Vietnam One-Member Limited Liability Bank – Cho Lon Branch and Vietnam Bank for Investment and Development – Nam Sai Gon Branch (see Note 17)

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***13. INCREASE, DECREASE IN INTANGIBLE ASSETS**

	Copyright, patent	Computer software	Total
	VND	VND	VND
COST			
Opening balance	699,300,000	4,551,482,520	5,250,782,520
Closing balance	699,300,000	4,551,482,520	5,250,782,520
ACCUMULATED DEPRECIATION			
Opening balance	655,593,750	3,546,316,928	4,201,910,678
- Charge for the year	-	455,530,188	455,530,188
Closing balance	655,593,750	4,001,847,116	4,657,440,866
NET BOOK VALUE			
Opening balance	43,706,250	1,005,165,592	1,048,871,842
Closing balance	43,706,250	549,635,404	593,341,654

The cost of intangible fixed assets includes intangible assets that are fully amortized but still in use as of December 31, 2025, with a value of VND 1,661,301,520 (as of January 1, 2025: VND 1,197,011,520).

14. INVESTMENT PROPERTIES

	Factory, warehouse	Land use rights	Motor vehicles and conveyances	Others	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	199,422,157,526	3,465,425,000	5,605,224,246	4,742,009,778	213,234,816,550
- Purchases in the year	59,900,000	-	-	-	59,900,000
- Completed capital construction investment	89,550,000	-	-	-	89,550,000
- Transfer from tangible fixed assets	22,565,915,472	-	-	-	22,565,915,472
- Disposals(i)	(88,373,213,011)	-	-	-	(88,373,213,011)
Closing balance	133,764,309,987	3,465,425,000	5,605,224,246	4,742,009,778	147,576,969,011
ACCUMULATED DEPRECIATION					
Opening balance	81,999,779,836	-	3,548,643,862	1,258,681,610	86,807,105,308
- Charge for the year	7,903,987,988	-	-	316,133,986	8,220,121,974
- Transfer from tangible fixed assets	16,540,500,830	-	-	-	16,540,500,830
- Disposals (i)	(20,021,625,284)	-	-	-	(20,021,625,284)
Closing balance	86,422,643,370	-	3,548,643,862	1,574,815,596	91,546,102,828
NET BOOK VALUE					
Opening balance	117,422,377,690	3,465,425,000	2,056,580,384	3,483,328,168	126,427,711,242
Closing balance	47,341,666,617	3,465,425,000	2,056,580,384	3,167,194,182	56,030,866,183

(i) The liquidation value during the year represents all factories in Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (formerly Cu Chi District, Ho Chi Minh City). The remaining value of these properties at the time of liquidation is VND 68,351,587,727 (see Note 23).

The Company's investment properties as of December 31, 2025, include:

+ The assets consist of factories and land use rights at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City. The Company has leased these assets under lease agreements with Hoang Dai Vuong Co., Ltd. The lease term is 2 years, commencing from 20 September 2024.

+ The asset consists of the factory at Lot No. 3, 5A Street, Nhon Trach Industrial Park, Nhon Trach Commune, Dong Nai Province. The factory lease agreement was signed on December 11, 2023, with Craftsman Kitchen Components Vietnam Co., Ltd. The leased area is 4,586.40 m², and the lease term is 10 years from 1 December 2023.

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. INVESTMENT PROPERTIES (CONTINUED)

The factory and land use rights at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City have been pledged as collateral for a loan at Public Vietnam One-Member Limited Liability Bank – Cho Lon Branch (see Note 17).

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 31 December 2025 should be presented. However, the Company has not yet determined this fair value, so the fair value of investment properties as at 31 December 2025 has not been presented in the Notes to the consolidated 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.

The list of investment properties at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City as of 31 December 2025:

No.	List of investment properties	Cost	Accumulated depreciation	Net book value
1	Factory 1 workshop	29,473,035,327	15,815,325,590	13,657,709,737
2	Factory wiring system	4,429,188,116	4,429,188,116	-
3	Land use rights	837,297,513	837,297,513	-
4	Fire protection system of Factory 1	826,648,409	826,648,409	-
5	Elevator system installation	345,610,000	345,610,000	-
6	Wastewater treatment system	238,314,400	238,314,400	-
7	Wiring system of workshop 1	200,000,000	200,000,000	-
8	Factory fence	133,000,000	133,000,000	-
9	Hyundai D4BB Diesel fire pump	132,912,000	132,912,000	-
10	Warehouse awning under Contract No. 08/08/2018 HDKT dated 08 August 2018	132,245,000	103,591,901	28,653,099
11	Fire alarm system installation	124,200,000	124,200,000	-
12	Warehouse awning (Contract No. 20/06/2018 HDKT)	110,909,090	110,909,090	-
13	Escape ladder system	100,108,000	100,108,000	-
14	Galvanized iron pipe of wall fire protection system	79,719,000	79,719,000	-
15	Warehouse awning under Contract No. 10/07/2018 HDKT dated 12 July 2018	49,950,000	26,973,000	22,977,000
16	Construction risk insurance fee of Factory 1	43,906,000	43,906,000	-
17	Industrial Well Compartment	3,465,425,000	-	3,465,425,000
Total		40,722,467,855	23,547,703,019	17,174,764,836

The list of investment properties at the factory located at Lot No. 3, 5A Street, Nhon Trach Industrial Park, Nhon Trach Commune, Dong Nai Province as of 31 December 2025.

No.	List of investment properties	Cost	Accumulated depreciation	Net book value
1	Factory No. 04	15,967,589,018	12,042,223,344	3,925,365,674
2	Main factory 10A	11,561,547,646	9,420,520,440	2,141,027,206
3	Factory 02	9,276,626,044	6,879,801,804	2,396,824,240
4	Factory 10C	7,807,967,032	2,487,151,737	5,320,815,295
5	Office building	6,583,675,394	2,065,536,252	4,518,139,142
6	Factory 10B	6,460,651,207	5,024,950,968	1,435,700,239
7	Drying factory	6,179,833,004	4,806,536,753	1,373,296,251
8	Warehouse No.01 (VTPK warehouse) next to factory 10A	6,076,058,426	1,935,469,157	4,140,589,269
9	Internal road	4,968,813,544	2,778,854,988	2,189,958,556
10	Electrical system of Factory No. 04	4,965,487,004	3,808,078,438	1,157,408,566
11	Pallet	4,742,009,778	1,574,815,596	3,167,194,182
12	Internal road system	3,899,538,337	3,899,538,337	-
13	Electric system X10B	2,850,782,227	1,933,289,120	917,493,107
14	Electric system X10C	2,705,817,019	1,834,979,362	870,837,657
15	Internal road system	2,075,255,731	2,075,255,731	-
16	Wooden warehouse 02 (24x46m)	1,840,000,000	263,658,849	1,576,341,151
17	Employee parking lot	1,654,935,452	869,213,868	785,721,584
18	Container yard Warehouse 04+ Warehouse 01	1,023,467,250	326,015,528	697,451,722
19	Chemical storage warehouse	999,750,405	377,880,851	621,869,554
20	Gate, fence, 200m thick brick wall	834,698,655	834,698,655	-

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. INVESTMENT PROPERTIES (CONTINUED)

No.	List of investment properties	Cost	Accumulated depreciation	Net book value
21	Employee parking lot	650,000,000	128,132,198	521,867,802
22	Office of Factory 10A	543,675,560	131,099,320	412,576,240
23	Connecting roof at the front of Factory No. 04	452,854,576	404,846,253	48,008,323
24	Employee parking lot (50.960 x 16.000)m	385,595,702	385,595,702	-
25	Connecting roof of Factory 04-VT	385,023,000	224,234,293	160,788,707
26	Central Painting Workshop X04	364,561,128	191,476,716	173,084,412
27	Dust removal house (Paint mixing house opposite X10A)	279,871,151	217,677,600	62,193,551
28	Dust storage facility	217,161,351	176,946,318	40,215,033
29	Ramp of Factory No. 04	216,020,746	168,016,164	48,004,582
30	Fire alarm system and automatic fire extinguishing balls for Warehouse No. 04	214,380,000	214,380,000	-
31	Security house for side gate	144,625,914	144,625,914	-
32	Automatic door system	123,639,080	123,639,080	-
33	Automatic door system	123,639,080	123,639,080	-
34	Construction of flood control pumping station X04	89,550,000	6,218,750	83,331,250
35	Office of Workshop 10A – gypsum ceiling (1,200 x 600 mm)	80,875,695	65,898,697	14,976,998
36	Automatic stainless steel door	59,900,000	4,878,946	55,021,054
37	Ventilation system for MSB cabinet and electrical room X10A	48,625,000	48,625,000	-
Total		106,854,501,156	67,998,399,809	38,856,101,347

The cost of investment properties includes assets that are fully depreciated but still in use as of 31 December 2025, with a value of VND 7,801,372,499 (as of 01 January 2025: VND 7,650,437,528).

15. 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
Vietnam Construction Technology Business Joint Stock Company	4,617,500,000	4,617,500,000	-	-
Saigon Northwest Urban Development JSC (SCD)	-	-	7,401,682,288	7,401,682,288
Others	4,202,843,993	4,202,843,993	12,041,669,120	12,041,669,120
Total	8,820,343,993	8,820,343,993	19,443,351,408	19,443,351,408

16. OTHER PAYABLES

	Closing balance	Opening balance
	VND	VND
a) Short-term	2,876,243,336	4,145,064,514
Trade union fee	1,758,150,108	1,414,172,725
Social, health, unemployment insurance	676,435,212	990,074,548
Dividends, profits payable	-	12,160,000
Deposits and collateral	-	1,581,720,000
Others	441,658,016	146,937,241
a) Long-term	7,136,067,677	7,111,701,757
Deposits and collateral	7,136,067,677	7,111,701,757
- Craftsman Kitchen Components Vietnam Co., Ltd.	2,177,778,637	2,177,778,637
- Tengyue Electric Appliance Co., Ltd	1,634,695,040	1,998,000,000
- Trong Tin Co., Ltd	1,700,000,000	1,700,000,000
- MYS Dong Nai Packaging Technology Co., Ltd	1,623,594,000	1,235,923,120
- Wei Tai Vietnam Leather Company	-	1,235,923,120
Total	10,012,311,013	11,256,766,271

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

17. LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		During the year		Closing balance	
	Amount	Amount able to be paid off	Increase	Decrease	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
a) Short-term	107,417,639,961	107,417,639,961	225,722,057,142	(276,564,115,529)	56,575,581,574	56,575,581,574
Joint Stock Commercial Bank for Investment and Development of Vietnam - Nam Saigon Branch (i)	26,796,431,928	26,796,431,928	-	(26,796,431,928)	-	-
Public Bank Vietnam Limited - Cho Lon Branch (ii)	71,525,394,513	71,525,394,513	215,460,452,880	(232,810,265,819)	54,175,581,574	54,175,581,574
<i>Current portion of long-term loans:</i>	<i>9,095,813,520</i>	<i>9,095,813,520</i>	<i>10,261,604,262</i>	<i>(16,957,417,782)</i>	<i>2,400,000,000</i>	<i>2,400,000,000</i>
Public Bank Vietnam Limited - Cho Lon Branch (iii)	9,095,813,520	9,095,813,520	10,261,604,262	(16,957,417,782)	2,400,000,000	2,400,000,000
b) Long-term	7,661,604,262	7,661,604,262	6,800,000,000	(10,261,604,262)	4,200,000,000	4,200,000,000
Public Bank Vietnam Limited - Cho Lon Branch (iii)	7,661,604,262	7,661,604,262	6,800,000,000	(10,261,604,262)	4,200,000,000	4,200,000,000
Total	115,079,244,223	115,079,244,223	232,522,057,142	(286,825,719,791)	60,775,581,574	60,775,581,574

(i) Short-term loans from Vietnam Bank for Investment and Development – Nam Sai Gon Branch to supplement working capital, provide guarantees, and open letters of credit, with interest rates determined according to each specific loan agreement. The loans are secured by land-attached assets, assets under pledge contracts, and goods in circulation during business operations, with the value of the goods amounting to VND 180,000,000,000

(ii) Loans from Public Vietnam One-Member Limited Liability Bank – Cho Lon Branch, with interest rates determined by each specific agreement and depending on the period. The loans are intended to finance import payments/purchase of goods/raw materials and to supplement working capital

Collateral includes:

- Land use rights and the attached assets are located at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City.
- The machinery and equipment were imported under Pledge Contract No. PBVN CLN/000624/18.

(iii) Loans from Public Vietnam One-Member Limited Liability Bank – Cho Lon Branch, with interest rates determined by each specific agreement and depending on the period, intended for the purchase of imported machinery and equipment.

Collateral includes:

- The land use rights and attached assets are located at No. 71/4A, Quarter 7, Hiep Thanh 13 Street, Tan Thoi Hiep Ward, Ho Chi Minh City, along with machinery and equipment.
- Machinery and equipment owned by the Company.



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***17. LOANS AND OBLIGATIONS UNDER FINANCE LEASES (CONTINUED)**

Long-term loans will be repaid under the following schedule:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	2,400,000,000	9,095,813,520
Within 2nd	2,400,000,000	6,291,676,182
From 2nd year to 5th year	1,800,000,000	1,369,928,080
Total	6,600,000,000	16,757,417,782
Less: Amounts payable within 12 months (shown under Short-term loans)	2,400,000,000	9,095,813,520
Amounts payable after 12 months	4,200,000,000	7,661,604,262

18. DEFERRED TAX LIABILITIES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Corporate income tax rate used for determining deferred corporate income tax value	20%	20%
Deferred income tax liabilities arising from the fair value measurement of assets	27,276,400,292	29,903,506,311
Total	27,276,400,292	29,903,506,311

19. OWNER'S EQUITY*Movement in owner's equity*

	<u>Owner's contributed capital</u>	<u>Retained earnings</u>	<u>Non-controlling interest</u>	<u>Total</u>
	VND	VND	VND	VND
Opening balance of prior year	240,281,690,000	33,325,699,975	105,996,085,662	379,603,475,637
Profit for the year	-	22,565,254,367	(13,741,405,438)	8,823,848,929
Dividend payment	-	(24,003,698,000)	-	(24,003,698,000)
Difference from the disposal of fixed assets arising from the fair value measurement of assets in a business combination	-	(1,348,169,183)	(1,295,299,800)	(2,643,468,983)
Closing balance of prior year	240,281,690,000	30,539,087,159	90,959,380,424	337,776,459,583
Profit for the year	-	48,253,463,965	(8,030,501,239)	40,222,962,726
Closing balance	240,281,690,000	78,792,551,124	82,928,879,185	402,003,120,309

Dividends paid during the year amounted to VND 12,160,000 (prior year: VND 24,003,698,000).

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***19. OWNER'S EQUITY (CONTINUED)****Charter capital**

According to the 12th amended Business Registration Certificate No. 0303292182 dated 21 November 2023, the Company's charter capital is VND 240,281,690,000, equivalent to 24,028,169 shares.

As at 31 December 2025, the charter capital has been fully contributed, as follows:

	Closing balance		Opening balance	
	Shares	Rate	Shares	Rate
	VND	%	VND	%
Mr. Doan Huong Son	6,741,612	28.06%	6,491,612	27.02%
Mr. Le Duy Anh	3,120,000	12.98%	3,120,000	12.98%
Ms. Bui Thi Hien	2,398,206	9.98%	2,398,206	9.98%
Ms. Tran Thi Thanh Huong	1,560,000	6.49%	1,560,000	6.49%
Mr. Nguyen Tien Tho	250,000	1.04%	500,000	2.08%
Treasure shares	24,471	0.10%	24,471	0.10%
Others	9,933,880	41.34%	9,933,880	41.34%
Total	24,028,169	100.00%	24,028,169	100.00%

Shares

	Closing balance	Opening balance
- Number of share sold to public	24,028,169	24,028,169
+ <i>Ordinary shares</i>	24,028,169	24,028,169
- Number of treasury shares	24,471	24,471
+ <i>Ordinary shares</i>	24,471	24,471
- Number of outstanding shares	24,003,698	24,003,698
+ <i>Ordinary shares</i>	24,003,698	24,003,698

Par value of ordinary shares is VND 10,000/share.

20. OFF BALANCE SHEET ITEMS**Foreign currency**

	Closing balance	Opening balance
US Dollar (USD)	5,046.30	190,029.72
Euro (EUR)	1,200.00	320.00
Canadian Dollar (CAD)	550.00	1,200.00
Australian Dollar (AUD)	180.00	550.00

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

21. BUSINESS AND GEOGRAPHICAL SEGMENTS**Geographical segments**

The company's primary activity is manufacturing, with additional operations in real estate leasing and merchandise sales, all conducted in Southern Vietnam. Since exports constitute most of their business, the company does not prepare segment reports based on geographical regions.

Business segments

Sales of merchandise and real estate leasing account for more than 10% of the company's revenue and profit. However, the Board of General Directors considers manufacturing specifically the production of toys, household goods, and wooden furniture as the company's core business, generating the majority of its revenue and profit, real estate leasing is viewed as a short-term business strategy rather than a primary activity; as a result, the company does not prepare segment reports based on business sectors.

22. REVENUE FROM GOODS SOLD AND SERVICES RENDERED

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sales of merchandise and services	388,037,154,370	353,270,820,594
Sales of merchandise	419,788,278	8,368,695,169
Sales of finished goods	211,972,397,772	313,270,323,269
Revenue from the sale of the factory in Cu Chi	124,756,026,000	-
Revenue from workshop leasing	49,892,038,381	30,820,686,667
Others	996,903,939	811,115,489
Deductions	5,727,194,414	1,230,495,948
In which:		
- Sales discount	2,937,867,789	-
- Sales rebates	1,993,377,937	1,153,940,666
- Sales return	795,948,688	76,555,282
Net revenue from goods sold and services rendered	382,309,959,956	352,040,324,646

23. COST OF GOODS SOLD

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Cost of merchandise sold	17,838,450,622	15,789,246,491
Cost of finished goods sold	170,012,999,367	256,831,570,136
Cost of the sale of the factory in Cu Chi (i)	83,817,897,531	-
Cost of workshop leasing	17,661,963,334	11,121,313,400
Others	247,053,050	284,999,968
Provision for inventory devaluation	(5,813,762,074)	5,813,762,074
Total	283,764,601,830	289,840,892,069

- (i) The cost of transferring the Cu Chi factory includes the remaining value of the investment property, which is the factory (see Note 14), the remaining value of fixed assets attached to the land of the Cu Chi factory (see Note 12), and other costs related to the transfer of the entire factory.

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***24. PRODUCTION COST BY NATURE**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Raw materials	64,717,123,705	126,071,481,982
Labors	96,054,014,214	124,991,642,270
Depreciation and amortisation	28,140,801,840	26,543,309,965
Out-sourced services	25,753,401,357	23,575,024,418
Cost of transferring the Cu Chi factory	83,817,897,531	-
Others	5,626,571,062	5,747,698,289
Total	<u>304,109,809,709</u>	<u>306,929,156,924</u>

25. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Bank and loan interest	8,163,929	9,990,229
Late interest charges income	200,255,097	-
Foreign exchange gain	5,723,980,881	2,054,047,163
Stock investment interest	826,274,827	422,682,502
Total	<u>6,758,674,734</u>	<u>2,486,719,894</u>

26. FINANCIAL EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Interest expense	5,287,671,641	7,899,255,336
Reversal of provision for impairment of trading securities	-	(985,075,170)
Foreign exchange loss	5,284,937,266	4,435,254,844
Total	<u>10,572,608,907</u>	<u>11,349,435,010</u>

27. SELLING EXPENSES, GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<i>a) Selling expenses incurred in the year</i>		
Employees	1,199,132,709	2,234,338,968
Depreciation and amortisation	128,064,501	263,011,317
Out-sourced services	8,121,046,964	6,513,501,665
Others	315,885,084	627,042,475
Total	<u>9,764,129,258</u>	<u>9,637,894,425</u>
<i>b) General and administration expenses incurred in the year</i>		
Employees	8,605,381,477	13,085,146,106
Depreciation and amortisation	10,352,949,274	6,438,733,167
Provision for doubtful debts	2,371,199,165	-
Out-sourced services	4,116,267,486	5,261,120,775
Others	5,720,716,163	5,599,383,663
Total	<u>31,166,513,565</u>	<u>30,384,383,711</u>

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

28. OTHER INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
The transfer of the right to lease the Cu Chi factory (i)	33,644,010,400	-
Liquidation and disposal of fixed assets	200,000,000	-
Selling scrap	256,056,364	320,760,229
Others	1,992,490,198	411,676,693
Total	36,092,556,962	732,436,922

- (i) This represents the proceeds from the liquidation of the land lease contract for the early termination of the investment project at Lot C5-9, N9 Street, Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (see Note 7).

29. OTHER EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Prepaid land lease expenses at the Cu Chi factory	27,562,816,050	-
Disposals	11,372,672,852	1,581,444,110
Treatment of fair value differences for disposed assets in a business combination	-	1,408,774,710
Others	822,310,709	1,086,684,312
Total	39,757,799,611	4,076,903,132

- (i) This represents the remaining value of prepaid land lease payments due to the liquidation of the land lease contract for the early termination of the investment project at Lot C5-9, N9 Street, Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City (see Note 10).

30. CURRENT CORPORATE INCOME TAX EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Nam Hoa Trading and Production Corporation	12,539,681,773	2,325,801,804
Total current corporate income tax expense	12,539,681,773	2,325,801,804

31. DEFERRED CORPORATE TAX EXPENSE

Deferred corporate income tax expense includes:

+ The reversal of deferred income tax liabilities pertains to the depreciation expense of fixed assets and the allocation of land lease expenses of a subsidiary, which were originally measured at fair value.

+ Deferred income tax expense related to the elimination of provision for impairment of investment in subsidiary.



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

32. BASIC EARNINGS PER SHARE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit after corporate income tax of the Parent Company's shareholders	48,253,463,966	22,565,254,367
Profit for calculation of basic earnings per share	48,253,463,966	22,565,254,367
Weighted average number of outstanding ordinary shares during the year	24,003,698	24,003,698
Basic earnings per share	2,010	940

33. 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 charter 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	60,775,581,574	115,079,244,223
Less: Cash and cash equivalents	169,436,845,231	12,291,520,588
Net debt	(108,661,263,657)	102,787,723,635
Equity	402,003,120,309	361,780,157,583
Net debt to equity ratio	(0.27)	0.28

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>
	VND	VND
Financial assets		
Cash	169,436,845,231	12,291,520,588
Trade and other receivables	50,199,934,175	70,756,059,848
Deposits and collateral	18,045,791,126	-
Total	237,682,570,532	83,047,580,436
Financial liabilities		
Borrowings	60,775,581,574	115,079,244,223
Trade and other payables	16,398,069,686	28,295,870,406
Accrued expenses	359,541,863	1,784,755,600
Total	77,533,193,123	145,159,870,229

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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

33. FINANCIAL INSTRUMENTS (continued)**Categories of financial instruments (continued)**

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.

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 (interest rate risk and price risk), credit risk, equity price risk, and liquidity risk.

Market risk

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

Interest rate risk management

The Company has 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

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, and advances, other receivables of large value are guaranteed by third party loans.

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 shareholders to meet its liquidity requirements in the short and longer term.

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***33. FINANCIAL INSTRUMENTS (continued)*****Liquidity risk management (continued)***

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.

	<u>Less than 1 year</u>	<u>From 1th - 5th years</u>	<u>Total</u>
	VND	VND	VND
Closing balance			
Financial assets			
Cash	169,436,845,231	-	169,436,845,231
Trade and other receivables	50,199,934,175	-	50,199,934,175
Deposits and collateral	17,983,791,126	62,000,000	18,045,791,126
Total	237,620,570,532	62,000,000	237,682,570,532
Financial liabilities			
Borrowings	56,575,581,574	4,200,000,000	60,775,581,574
Trade and other payables	9,262,002,009	7,136,067,677	16,398,069,686
Accrued expenses	359,541,863	-	359,541,863
Total	66,197,125,446	11,336,067,677	77,533,193,123
Net liquidity gap	171,423,445,086	(11,274,067,677)	160,149,377,409
	<u>Less than 1 year</u>	<u>From 1th - 5th years</u>	<u>Total</u>
	VND	VND	VND
Opening balance			
Financial assets			
Cash	12,291,520,588	-	12,291,520,588
Trade and other receivables	70,756,059,848	-	70,756,059,848
Total	83,047,580,436	-	83,047,580,436
Financial liabilities			
Borrowings	107,417,639,961	7,661,604,262	115,079,244,223
Trade and other payables	21,184,168,649	7,111,701,757	28,295,870,406
Accrued expenses	1,784,755,600	-	1,784,755,600
Total	130,386,564,210	14,773,306,019	145,159,870,229
Net liquidity gap	(47,338,983,774)	(14,773,306,019)	(62,112,289,793)

The Board of General Directors assesses the concentration of liquidity risk as low. The Board believes that the Company can generate sufficient cash from its operations to meet its financial obligations as they fall due

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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

34. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

During the year, in addition to the balances with related parties presented in Note 19, the Company also carried out the following significant transactions with related parties:

Remuneration of the Board of Directors, the Supervisory Board, and the income received by the Board of General Directors during the year:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Board of Management's remuneration	600,000,000	600,000,000
Mr. Doan Huong Son - Chairman	200,000,004	200,000,004
Mr. Le Duy Anh - Member	133,333,332	133,333,332
Mr. Doan Dong Bang - Member	133,333,332	133,333,332
Mr. Nguyen Thanh Hai - Member	133,333,332	133,333,332
Board of Supervisors's remuneration	213,333,324	213,333,325
Ms. Do Thi Hang - Head of Board of Supervisors (Appointed 25/04/2025)	88,888,888	-
Mr. Dinh Cong Huong - Member (Appointed 25/04/2025)	39,999,996	39,999,996
Mr. Le Manh Cuong - Member	26,666,664	-
Ms. Dao Ngoc Thu - Head of Board of Supervisors (Until 25/04/2025)	44,444,444	133,333,333
Mrs. Nguyen Thi Linh Chi - Member (Until 25/04/2025)	13,333,332	39,999,996
Board of General Directors Salary	2,272,424,999	2,373,754,632
Mr. Nguyen Tien Tho - General Director	645,833,332	549,000,000
Mr. Luu Vu Son - Deputy General Director	1,072,005,000	966,600,000
Mr. Pham Viet Phuong - Deputy General Director	-	293,304,632
Chief Accountant Salary		
Mr. Nguyen Duc Cuong	554,586,667	564,850,000
Total	3,085,758,323	3,187,087,957

35. COMMITMENTS

The subsidiary leases land at Lot No. 3, 5A Street, Nhon Trach 2 Industrial Park, Nhon Trach Commune, Dong Nai Province from Urban Industrial Development Joint Stock Company No. 2 under Land Sublease Contract No. 137/HĐ-TLĐ dated 15 July 2005, together with amendment appendices, for the purpose of constructing the subsidiary's office, warehouse, and factory. The total leased area is 84,105 m², with a lease term of 42 years from 20 June 2005, to June 20, 2047, at a lease rate of USD 1.1/m². Lease payments are made annually. The subsidiary recognized VND 2.18 billion (prior year: VND 2.18 billion) as expense for this land lease during the year.

Lease payments are made according to the following schedule:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Within one year	2,176,427,138	2,176,427,138
From the second year to the fifth year	8,705,708,550	8,705,708,550
After five years	35,866,326,663	38,042,753,801
Total	46,748,462,351	48,924,889,489
Minus: amount due within 12 months	2,176,427,138	2,176,427,138
Amount payable after 12 months	44,572,035,213	46,748,462,351

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

36. SUPPLEMENTARY INFORMATION ON ITEMS PRESENTED IN THE CONSOLIDATED CASH FLOW STATEMENT

Supplementary information on non-cash items

“Cash paid for the acquisition and construction of fixed assets” during the year does not include VND 4,617,500,000, which represents the value of fixed assets acquired or constructed during the year but not yet paid. Accordingly, a corresponding amount has been adjusted in the “Increase/decrease in payables” section.

“Cash received from the liquidation and disposal of fixed assets” during the year does not include VND 16,822,005,200, which represents amounts receivable from the liquidation of the land lease contract at Tan Phu Trung Industrial Park, Cu Chi Commune, Ho Chi Minh City during the year but not yet collected. Accordingly, a corresponding amount has been adjusted in the “Increase/decrease in receivables” section.

“Gains/losses from investing activities” include unallocated prepaid land lease expenses of VND 27,562,816,050. Accordingly, a corresponding amount has been adjusted in the “Increase/decrease in prepaid expenses” section.

“Cash paid for dividends and profit to owners” during the year includes VND 12,160,000, which represents dividends and profits payable to owners from prior years that were settled during this year. Accordingly, a corresponding amount has been adjusted in the “Increase/decrease in payables” section.”



Nguyen Tien Tho
General Director
Ho Chi Minh City, 30 March 2026

Nguyen Duc Cuong
Chief Accountant

Nguyen Thi Thu Huyen
Preparer



CÔNG TY CỔ PHẦN SẢN XUẤT
VÀ THƯƠNG MẠI NAM HOA
NAM HOA TRADING AND
PRODUCTION CORPORATION

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc
THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Số/No: 01/GTBCSX-NHT.2026
Vv: giải trình LNST thay đổi trên BCTC kiểm toán
Explanation on Changes in Profit after Tax on Financial
Statements after review

Tp.HCM, ngày 31 tháng 03 năm 2026
Ho Chi Minh city, 31st March, 2026

Kính gửi: Ủy ban Chứng khoán Nhà nước
Sở Giao dịch Chứng khoán Việt Nam
Sở Giao dịch Chứng khoán Thành Phố Hồ Chí Minh

To: State Securities Commission of Vietnam
Vietnam Exchange
Hochiminh Stock Exchange

Thực hiện quy định tại nội dung Thông tư số 96/2020/TT-BTC ngày 16 tháng 11 năm 2020 của Bộ Tài Chính hướng dẫn về việc công bố thông tin định kỳ trên thị trường Chứng khoán, Công ty Cổ phần Sản xuất và Thương mại Nam Hoa giải trình các nội dung Báo cáo tài chính bán niên năm 2025 đã được soát xét như sau:

Pursuant to Circular No. 96/2020/TT-BTC dated November 16, 2020 of the Ministry of Finance guiding the periodic information disclosure on the Securities Market, Nam Hoa Production and Trading Joint Stock Company hereby provides explanations regarding the reviewed Semi-Annual Financial Statements for 2025 as follows:

1. Về biến động Lợi nhuận sau thuế so với cùng kỳ năm trước
Changes in Profit after Tax compared to the same period last year

KHOẢN MỤC ITEMS	ĐVT/ UNIT	2025	2024	CHÉNH LỆCH DIFFERENCE	TỶ LỆ THAY ĐỔI/ RATE OF CHANGE
				Tăng (+), giảm (-) Increase (+), decrease (-)	Tăng (+), giảm (-) Increase (+), decrease (-)
A- Báo cáo tài chính riêng/ Separate financial statements					
Doanh Thu thuần/ Net revenue	Tỷ Đồng/ VND billion	348.4	248.7	99.7	40%
Lợi nhuận sau thuế/ Profit after tax	Tỷ Đồng/ VND billion	53.8	28.4	25.5	90%
B- Báo cáo tài chính hợp nhất/ Consolidated financial statements					
Doanh Thu hợp nhất/ Consolidated revenue	Tỷ Đồng/ VND billion	382.31	352.04	30.27	9%
Lãi/ Lỗ sau thuế hợp nhất/ Consolidated profit (loss) after tax	Tỷ Đồng/ VND billion	40.22	8.82	31.40	89%
Lợi nhuận sau thuế Cty mẹ/ Profit after tax – Parent company	Tỷ Đồng/ VND billion	48.25	22.57	25.69	89%

Lợi nhuận sau thuế trên BCTC riêng và BCTC hợp nhất tăng 90% so với cùng kỳ năm trước chủ yếu đến từ lợi nhuận thanh lý tài sản nhà xưởng và quyền thuê đất Nhà máy Nam Hoa Củ chi

Profit after tax in both the separate financial statements and the consolidated financial statements increased by 90% compared to the same period last year, mainly driven by gains from the disposal of factory assets and land lease rights of Nam Hoa Cu Chi Factory.

2. Về thay đổi LNST trên BCTC Hợp nhất trước và sau kiểm toán: /

Changes in Profit after Tax on Consolidated FS before and after audited:

KHOẢN MỤC/ ITEMS	ĐVT/ UNIT	BC KIỂM TOÁN/ Reviewed FS	TRƯỚC KIỂM TOÁN/ Before Audited	CHÊNH LỆCH DIFFERENCE	TỶ LỆ THAY ĐỔI/ RATE OF CHANGE
				Tăng (+), giảm (-) Increase (+), decrease (-)	Tăng (+), giảm (-) Increase (+), decrease (-)
B- Báo cáo tài chính hợp nhất/ Consolidated financial statements					
Lãi/ Lỗ sau thuế hợp nhất/ Consolidated profit (loss) after tax	Tỷ Đồng/ VND billion	40.22	35.79	4.43	12.4%

Lợi nhuận sau thuế TNDN trên BCTC hợp nhất tăng hơn 5% so với trước kiểm toán chủ yếu do bút toán điều chỉnh ghi nhận toàn bộ lãi từ thanh lý của hợp đồng thuê đất tại nhà máy Nam Hoa Củ Chi.

Profit after corporate income tax in the consolidated financial statements increased by more than 5% compared to the pre-audit figures, mainly due to audit adjustments recognizing the full gain from the disposal of the land lease contract at Nam Hoa Cu Chi Factory.

Trên đây là giải trình của NHT báo cáo Ủy Ban Chứng Khoán Nhà Nước và Sở giao dịch Chứng khoán Thành phố Hồ Chí Minh về sự thay đổi các chỉ tiêu trên Báo cáo tài chính bán niên năm 2025 so với cùng kỳ năm trước, LNST trên BCTC hợp nhất kiểm toán thay đổi hơn 5% so với trước Kiểm toán.

The above is NHT's explanation submitted to the State Securities Commission of Vietnam and the Ho Chi Minh City Stock Exchange regarding the changes in indicators in the Semi-Annual Financial Statements 2025 compared to the same period last year, with the consolidated audited profit after tax changing by more than 5% compared to before review.

Chúng tôi xin chân thành cảm ơn và trân trọng kính chào!
We sincerely thank you and best regards!

CTY CPSX VÀ TM NAM HOA

NAM HOA TRADING AND PRODUCTION CORPORATION

**TỔNG GIÁM ĐỐC
GENERAL DIRECTOR**



NGUYỄN HIÊN THỌ

Nơi nhận/ Recipients:

- Như trên/ As above
- Lưu/ Filed .