

DUC QUAN INVESTMENT AND DEVELOPMENT JSC
FINANCIAL STATEMENTS
For the three - month period from 1 January 2025 to 31 March 2025



April 2025

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BALANCE SHEET
As at 31 month 3 year 2025

Unit: VND

ASSETS	Code	Note	01-Jan-2025	31-Mar-2025
A. CURRENT ASSETS	100		359.391.703.020	366.739.119.219
I. Cash and cash equivalents	110	4	8.733.737.152	4.034.524.190
1. Cash	111		8.733.737.152	4.034.524.190
2. Cash Equivalents	112		-	-
II. Short-term financial investments	120	5	1.500.000.000	1.500.000.000
3. Held to maturity investment	123		1.500.000.000	1.500.000.000
III. Short-term receivables	130		198.214.581.624	202.469.392.242
1. Short-term receivables from customers	131	6	389.629.220.935	391.585.290.042
2. Short term pre-payment to suppliers	132	7	219.232.159.404	221.503.514.263
6. Other short-term receivables	136	9	55.043.819.501	55.071.206.153
7. Short-term allowances for doubtful debts (*)	137		(465.690.618.216)	(465.690.618.216)
8. Shortage of assets awaiting resolution	139			
IV. Inventories	140	10	149.990.368.362	157.351.524.331
1. Inventories	141		149.990.368.362	157.351.524.331
2. Provision for inventories (*)	149			
V. Other current assets	150		953.015.882	1.383.678.456
1. Short-term prepaid expenses	151	11	692.217.115	1.143.708.896
2. VAT receivable	152	17	260.798.767	239.969.560
B. LONG-TERM ASSETS	200		280.045.231.203	267.345.820.264
I. Long-term receivables	210		24.166.370.318	23.212.683.818
5. Long-term loan receivables	215	8	24.166.370.318	23.212.683.818
II. Fixed assets	220		189.568.222.288	177.753.704.302
1. Tangible fixed assets	221	12	187.729.043.169	176.144.422.569
- Historical costs	222		1.010.421.130.106	1.010.421.130.106
- Accumulated depreciation (*)	223		(822.692.086.937)	(834.276.707.537)
3. Intangible fixed assets	227	13	1.839.179.119	1.609.281.733
- Historical costs	228		7.944.995.383	7.944.995.383
- Accumulated depreciation (*)	229		(6.105.816.264)	(6.335.713.650)
III. Investment property	230			
IV. Long-term asset in progress	240		64.048.708.230	64.098.399.230
1. Long-term work in progress	241			
2. Construction in progress.	242	14	64.048.708.230	64.098.399.230
V. Long-term financial Investments	250	5	-	-
VI. Other long-term assets	260		2.261.930.367	2.281.032.914
1. Long-term prepaid expenses	261	11	2.261.930.367	2.281.032.914
TOTAL ASSETS (270 = 100 + 200)	270		639.436.934.223	634.084.939.483

BALANCE SHEET (CONTINUED)

As at 31 month 3 year 2025

Unit: VND

CAPITAL SOURCE	Code	Note	01-Jan-2025	31-Mar-2025
C - LIABILITIES	300		1.473.677.534.743	1.507.449.933.214
I. Short-term liabilities	310		1.461.450.487.820	1.506.927.413.291
1. Short-term account payable to suppliers	311	15	49.041.942.433	53.258.082.925
2. Advances from customers (short-term)	312	16	13.203.737.507	22.884.624.711
3. Taxes and payable to state budget	313	17	21.808.877	857.416.091
4. Payable to employees	314		3.063.601.000	3.088.314.000
5. Short-term accrued expenses	315	18	582.576.965.701	605.047.495.848
8. Short-term unearned revenue	318	19	525.609.091	57.272.727
9. Other short-term payables	319	19	27.621.426.600	27.602.545.408
10. Short-term borrowings and financial lease	320	20	785.272.250.323	794.008.515.293
12. Bonus & welfare fund	322		123.146.288	123.146.288
II. Long-term liabilities	330		12.227.046.923	522.519.923
3. Long-term accrued expenses	333	18	4.522.519.923	522.519.923
8. Long-term borrowings and financial lease	338	21	7.704.527.000	-
D - EQUITY	400		(834.240.600.520)	(873.364.993.731)
I. Equity	410	22	(834.240.600.520)	(873.364.993.731)
1. Contributed capital	411		500.000.000.000	500.000.000.000
- Ordinary shares with voting rights	411a		500.000.000.000	500.000.000.000
8. Investment & development funds	418		9.142.927.632	9.142.927.632
11. Undistributed earnings	421		(1.343.383.528.152)	(1.382.507.921.363)
- Accumulated undistributed earnings	421a		(1.297.997.592.990)	(1.343.383.528.152)
- Undistributed earnings	421b		(45.385.935.162)	(39.124.393.211)
II. Other funds	430			
TOTAL EQUITY (440 = 300 + 400)	440		639.436.934.223	634.084.939.483

Trần Thị Quý
Preparer

Đào Văn Nam
Chief Accountant

Đỗ Văn Sinh
General Director
April 18, 2025



INCOME STATEMENT

For the period from 01 January 2025 – 31 March 2025

Unit: VND

Item	Code	Note	Quarter IV	Cumulative	Quarter IV	Cumulative
				Accumulated from the beginning of the year to the end of this quarterd (last year)		Accumulated from the beginning of the year to the end of this quarterd (last year)
1. Revenue from sales of goods and provision of services	1	20	40.383.529.470	40.383.529.470	44.098.532.213	44.098.532.213
2. Revenue deductions	2					
3. Net revenue (10 = 01 - 02)	10	21	40.383.529.470	40.383.529.470	44.098.532.213	44.098.532.213
4. Cost of goods sold	11	22	39.380.811.827	39.380.811.827	57.732.693.531	57.732.693.531
5. Gross profit (20 = 10 - 11)	20		1.002.717.643	1.002.717.643	(13.634.161.318)	(13.634.161.318)
6. Financial income	21		68.446.283	68.446.283	76.684.799	76.684.799
7. Financial activities expenses	22	23	22.195.458.121	22.195.458.121	19.548.967.818	19.548.967.818
- In which: Interest expense	23		17.578.358.670	17.578.358.670	17.944.630.356	17.944.630.356
8. Selling expenses	25	24	238.724.357	238.724.357	285.786.260	285.786.260
9. General & administration expenses	26	24	3.572.821.094	3.572.821.094	3.033.432.567	3.033.432.567
10. Net operating profit/(loss) (30 = 20 + (21 -22) - 25 - 26)	30		(24.935.839.646)	(24.935.839.646)	(36.425.663.164)	(36.425.663.164)
11. Other income	31	25	1.078.585.267	1.078.585.267	56.750.898	56.750.898
12. Other expenses	32	26	18.838.720.207	18.838.720.207	2.755.480.945	2.755.480.945
13. Other profit (40 = 31 - 32)	40		(17.760.134.940)	(17.760.134.940)	(2.698.730.047)	(2.698.730.047)
14. Total earning before tax (for accounting purpose) (50 = 30 + 40)	50		(42.695.974.586)	(42.695.974.586)	(39.124.393.211)	(39.124.393.211)
15. Business income tax charge	51					
16. Deferred business income tax charge	52					
17. Earning after tax (60 = 50 - 51 - 52)	60		(42.695.974.586)	(42.695.974.586)	(39.124.393.211)	(39.124.393.211)

Trần Thị Quý/Preparer

Đào Văn Nam/Chief Accountant

Đỗ Văn Sinh/General Director
April 18, 2025

CASH FLOW REPORT

For the period from 01 January 2025 – 31 March 2025

(According to the cash flow indirect method)

Unit: VND

Item	Code	Last time		This time	
		Q1 of 2024	Cumulative	Q1 of 2025	Cumulative
Cash flow from operating activities					
Profit before tax	1	(42.695.974.586)	(42.695.974.586)	(39.124.393.211)	(39.124.393.211)
Adjustments for					
Depreciation and amortisation	2	12.150.846.383	12.150.846.383	11.814.517.986	11.814.517.986
Exchange losses/(gains) arising from revaluation of monetary items denominated in foreign currencies	4	4.556.728.419	4.556.728.419	1.601.182.565	1.601.182.565
Interest expense	6	17.578.358.670	17.578.358.670	17.944.630.356	17.944.630.356
Operating profit before changes in working capital	8	(8.410.041.114)	(8.410.041.114)	(7.764.062.304)	(7.764.062.304)
Change in receivables	9	3.097.258.043	3.097.258.043	(4.254.810.618)	(4.254.810.618)
Change in inventories	10	(8.720.569.137)	(8.720.569.137)	(7.361.155.969)	(7.361.155.969)
Increase/Decrease of payables (interest and payable CIT excluded)	11	1.953.922.458	1.953.922.458	13.429.637.648	13.429.637.648
Change in prepaid expenses	12	185.198.808	185.198.808	451.491.781	451.491.781
Net Cash flows from operating activities	20	(11.894.230.942)	(11.894.230.942)	(5.498.899.462)	(5.498.899.462)
II. Cash flows from investing activities					
Recovery of loan given and disposals of debt instruments of other entities	24	11.940.884.800	11.940.884.800	949.686.500	949.686.500
Net cash flows from investing activities	30	11.940.884.800	11.940.884.800	949.686.500	949.686.500
Cash flows from financing activities					
Receipts from borrowings	34	(150.000.000)	(150.000.000)	(150.000.000)	(150.000.000)
Net cash flows from financial activities	40	(150.000.000)	(150.000.000)	(150.000.000)	(150.000.000)
Net cash flows during the year (50 = 20 + 30 + 40)	50	(103.346.142)	(103.346.142)	(4.699.212.962)	(4.699.212.962)
Cash and cash equivalent at the beginning of the year	60	1.086.976.013	1.086.976.013	8.733.737.152	8.733.737.152
Currency translation differences	61	301.704	301.704		
Cash and cash equivalent at the end of the year (70 = 50 + 60 + 61)	70	983.931.575	983.931.575	4.034.524.190	4.034.524.190

Đào Văn Nam/Chief Accountant

Trần Thị Quý/Preparer

Đỗ Văn Sơn/General Director

April 18, 2025

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

I. General Information

Forms of capital ownership

Duc Quan Investment and Development Joint Stock Company (the "Company") was established and operates according to Enterprise Registration Certificate No. 1000400095 issued by the Department of Planning and Investment of Thai Binh Province for the first time on October 30, 2006, and subsequent amendments. Currently, the Company is operating under the 12th amended Enterprise Registration Certificate dated November 7, 2023.

The business sectors and main activities of the Company are as follows:

The Company's business activities include: Production and trading of various types of yarn; Weaving fabric production; Fabric finishing; Production of knitted, crocheted and other non-woven fabrics; Production of ready-made garments except fur clothing; Garment production except fur clothing; Production of products from fur; Production of knitted and crocheted garments; Wholesale of fabrics, ready-made garments, and footwear; Construction of all kinds of houses; Construction of railway and road projects; Construction of other civil engineering projects; Demolition; Site preparation; Installation of electrical systems; Installation of water supply and drainage systems, heating and air conditioning; Building completion and finishing; Wholesale of construction materials, installation of other equipment in construction; Retail sale of hardware, paints, glass, and other installation equipment in specialized stores; Road freight transport; Warehouse rental;...

"The main business activity of the Company is the production and trading of various types of yarn.

The usual production and business cycle

The usual production and business cycle of the Company is carried out within a period of no more than 12 months.

II. BASIS FOR FINANCIAL REPORTING AND FINANCIAL YEAR

The basis for preparing financial statements.

The accompanying financial statements are presented in Vietnamese Dong (VND), based on historical cost principles, and in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting Regime, and the relevant legal provisions governing the preparation and presentation of financial statements.

The accompanying financial statements are not intended to reflect the financial position, operating results, and cash flow situation according to generally accepted accounting principles and practices in countries other than Vietnam

Accounting year.

The Company's financial year begins on January 1st and ends on December 31st each year.

III. Applicable Accounting Standards and Regime

"The Company applies the Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance, and Circular No. 53/2016/TT-BTC dated March 21, 2016, of the Ministry of Finance amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC. The Company has fully complied with the requirements of the current Vietnamese Accounting Standards in preparing and presenting financial statements.

The applied accounting method: Computerized accounting.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF KEY ACCOUNTING POLICIES

Accounting Estimates

The preparation of financial statements in compliance with Vietnamese accounting standards, enterprise accounting regime, and relevant legal regulations on the preparation and presentation of financial statements requires the Board of General Directors to make estimates and assumptions that affect the reported figures of liabilities, assets, and the presentation of contingent liabilities and assets as of the date of the financial statements as well as the reported figures of revenues and expenses during the period. Although accounting estimates are made with the best knowledge of the Board of General Directors, actual results may differ from the estimates and assumptions made.

Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with an original maturity of no more than 3 months, which are highly liquid, easily convertible to cash, and subject to an insignificant risk of changes in value.

Financial Investments

Held-to-Maturity Investments

Held-to-maturity investments include investments that the Company intends and has the ability to hold until maturity. These held-to-maturity investments include: term deposits at banks (including promissory notes and term notes), bonds, preferred shares where the issuer is required to repurchase at a specified date in the future, and loans held-to-maturity with the purpose of earning periodic interest and other held-to-maturity investments

Held-to-maturity investments are recognized from the purchase date and initially measured at purchase cost and transaction-related costs. Interest income from held-to-maturity investments after the purchase date is

recognized in the Income Statement on an accrual basis. Interest earned before the Company holds the investment is deducted from the principal at the time of purchase

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

Allowance for doubtful accounts of held-to-maturity investments is made in accordance with current accounting regulations.

Loans

Loans are measured at cost less any allowance for doubtful accounts. The allowance for doubtful accounts of the Company's loans is made in accordance with current accounting regulations

Receivables

Receivables are amounts that can be recovered from customers or other parties. Receivables are presented at their book value less any allowance for doubtful accounts. Allowance for doubtful accounts is made for overdue receivables recorded in economic contracts, loan agreements, commitment contracts, or debt commitments, and for receivables not yet due but are unlikely to be recoverable. The provision for overdue receivables is based on the original debt repayment time according to the initial sales contract, regardless of any debt extensions between the parties. Allowance is also made for receivables not yet due but for which the debtor has gone bankrupt, is in the process of liquidation, is missing, or has absconded

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF KEY ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories includes direct materials cost, direct labor cost, and manufacturing overhead, if any, to bring the inventories to their present location and condition. The cost of inventories is determined using the weighted average method. Net realizable value is determined based on estimated selling prices less estimated costs of completion and the costs necessary to make the sale, including marketing, selling, and distribution expenses.

The Company's provision for inventory devaluation is made in accordance with current accounting regulations. Accordingly, the Company is allowed to make a provision for devaluation of obsolete, damaged, substandard inventories, and in cases where the cost of inventories is higher than their net realizable value as of the end of the reporting period.

Tangible Fixed Assets and Depreciation

Tangible fixed assets are presented at original cost less accumulated depreciation.

The original cost of tangible fixed assets includes the purchase price and all other directly related costs incurred to bring the asset to its ready-to-use condition.

	<u>Number of Years</u>
Buildings and Structures	05 - 25
Machinery and Equipment	05 - 15
Transportation Vehicles	06 - 10
Office Equipment and Tools	03 - 15

Prepayments

Prepayments include actual costs that have been incurred but relate to the business operation results of multiple accounting periods. Prepayments include the value of tools, instruments, small components that have been used, and costs that are expected to bring future economic benefits to the Company. These costs are capitalized as prepayments and allocated to the Income Statement using the straight-line method in accordance with current accounting regulations

Revenue Recognition

Revenue from sales is recognized when all of the following five (5) conditions are satisfied simultaneously:

- (a) The enterprise has transferred most of the risks and rewards associated with ownership of the goods to the buyer;
- (b) The enterprise no longer holds management rights or control over the goods;
- (c) Revenue can be reliably measured;
- (d) The enterprise is expected to gain economic benefits from the sales transaction; and
- (e) Costs related to the sales transaction can be measured.

Interest income is recognized on an accrual basis, determined by the balance of deposit accounts and the applicable interest rates, unless the recoverability of the interest is uncertain.

Borrowing Costs

Borrowing costs are recognized as production and business expenses in the year they are incurred, except when capitalized in accordance with the accounting standard "Borrowing Costs." Accordingly, borrowing costs directly related to the acquisition, construction, or production of qualifying assets that require a substantial period to get ready for their intended use or sale are added to the original cost of these assets until the asset is ready for use or sale. Income earned from the temporary investment of specific borrowings is deducted from the cost of the related asset. For specific borrowings used for the construction of fixed assets or investment properties, interest is capitalized even if the construction period is less than 12 months.

Taxes

Corporate income tax represents the total value of current tax payable and deferred tax.

Current tax payable is calculated based on the taxable income for the year. Taxable income differs from net profit presented in the income statement because taxable income excludes income or expenses that are taxable or deductible in different years (including carry-forward losses, if any) and also excludes items that are not taxable or not deductible.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

IV. SUMMARY OF KEY ACCOUNTING POLICIES (CONTINUED)

Deferred income tax is calculated on the differences between the carrying amounts and the tax base of assets or liabilities in the Financial Statements and is recognized using the balance sheet method. Deferred income tax liabilities are recognized for all temporary differences, while deferred income tax assets are only recognized when it is probable that future taxable profits will be available to deduct the temporary differences

Deferred income tax is determined based on the tax rate expected to apply in the year the asset is recovered or the liability is settled. Deferred income tax is recognized in the income statement and is only recorded in equity when the tax relates to items that are recorded directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset when the Company has a legally enforceable right to offset current income tax assets against current income tax liabilities, and when the deferred income tax assets and deferred income tax liabilities relate to corporate income taxes levied by the same taxation authority and the Company intends to settle current income tax on a net basis.

The determination of the Company's income tax is based on the current tax regulations. However, these regulations change from time to time, and the final determination of corporate income tax depends on the results of the examination by the competent tax authorities.

Taxes are applied in accordance with the current tax laws in Vietnam.

Foreign Currencies

The Company applies exchange rate differences handling according to the guidelines of Vietnamese Accounting Standard No. 10 (VAS 10) "Effects of Changes in Exchange Rates." Accordingly, transactions arising in foreign currencies are converted at the exchange rate on the transaction date. The balances of monetary items denominated in foreign currencies at the end of the accounting period are converted at the exchange rate on that date. Exchange rate differences arising are accounted for in the Income Statement

Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss attributable to ordinary shareholders of the Company (after adjustments for appropriation to bonus and welfare funds) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share are calculated by dividing the net profit (or loss) attributable to ordinary shareholders of the Company (after adjustments for dividends of convertible preferred shares) by the weighted average number of ordinary shares outstanding during the year and the weighted average number of ordinary shares that would be issued if all potential ordinary shares that have a dilutive effect were converted into ordinary shares.

Related Parties

Related parties are considered to be enterprises - including parent companies, subsidiaries, and associates - and individuals, directly or indirectly through one or more intermediaries, that have control over the Company or are under the control of the Company, or are under common control with the Company. Related parties also include individuals who directly or indirectly hold voting rights in the Company that have significant influence over the Company, key management personnel such as directors and officers of the Company, close family members of these individuals or related parties, and companies associated with these individuals.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET

4. Cash

	01 Jan 2025	31 Mar 2025
	VND	VND
Cash	7.852.596.810	3.782.869.510
Bank deposit	881.140.342	251.654.680
	8.733.737.152	4.034.524.190

5. Financial investments

	01 Jan 2025		31 Mar 2025	
	Original price	Book value	Original price	Book value
	VND	VND	VND	VND
a. Invest and hold until maturity.	1.500.000.000	1.500.000.000	1.500.000.000	1.500.000.000
Ho Chi Minh City Development Joint Stock Commercial Bank, Hai Phong Branch (*)	1.500.000.000	1.500.000.000	1.500.000.000	1.500.000.000
	1.500.000.000	1.500.000.000	1.500.000.000	1.500.000.000

(*) Fixed deposit contract number 203704060000177 dated June 23, 2023, of Ho Chi Minh City Development Commercial Joint Stock Bank – Hai Phong Branch – Hai Dang Transaction Office. The deposit contract term is 12 months from June 23, 2024, to June 23, 2025. The deposit interest rate is 5.4% per year. The deposit contract serves as collateral for the performance guarantee letter of contract number 0006/24PGDHDa/HĐCBL/BL-HDB01 dated June 24, 2024, with Thai Binh Power Company – Branch of Northern Power Corporation.

6. Short-term receivables from customers.

	01 Jan 2025	31 Mar 2025
	VND	VND
a. Collecting from customers.	378.861.891.342	380.817.960.449
Công ty Cổ phần Tân An	134.228.246.412	134.225.113.612
Công ty Cổ phần Đầu tư & Phát triển Phú Việt	138.920.055.754	138.920.055.754
Công ty TNHH XDTM Dịch vụ Phú Hoàng Phát	101.730.497.200	101.730.497.200
Doanh nghiệp tư nhân Trịnh Chung		834.256.800
Công ty TNHH thương mại dệt may An Nam	573.006.178	
CÔNG TY CỔ PHẦN VẬN TẢI TRÍ DŨNG		2.289.011.688
BALLAA INDUSTRIES PRIVATE LIMITED	933.949.887	
Other accounts receivable from customers	2.476.135.911	2.819.025.395
b. Accounts receivable are the stakeholders.	10.767.329.593	10.767.329.593
Công ty Cổ phần Đầu tư 3GR	10.767.329.593	10.767.329.593
	389.629.220.935	391.585.290.042

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

7. Pay in advance to the short-term seller.

	01 Jan 2025	31 Mar 2025
	VND	VND
a. Pay in advance to the seller.	147.012.911.294	149.284.266.153
TONGKOOK INTERNATIONAL TRADING CO., LIMITED (*)	138.716.007.074	138.716.007.074
Thai Polyester CO.LTD	959.836.940	3.806.202.104
Other subjects	7.337.067.280	6.762.056.975
b. Paying in advance to the seller involves the relevant parties.	72.219.248.110	72.219.248.110
CÔNG TY CỔ PHẦN ĐẦU TƯ 3GR (**)	72.219.248.110	72.219.248.110
	219.232.159.404	221.503.514.263

(*) Including purchase contracts for machinery and equipment serving the Đức Quân 6 factory project. The company has not yet imported the machinery and equipment for the Đức Quân 6 factory because the construction of the Đức Quân 6 yarn factory has been temporarily halted. Due to the impact of the COVID-19 pandemic, the volume of orders has significantly decreased, leading to reduced production demand, and the company currently has no need for additional production machine

8. Phải thu về cho vay

	01 Jan 2025	31 Mar 2025
	VND	VND
Receivables from long-term loans.	24.166.370.318	23.212.683.818
Công ty Cổ phần Tập đoàn Đại Cường (*)	24.045.370.318	23.095.683.818
Other subjects	121.000.000	117.000.000
	24.166.370.318	23.212.683.818

(*) Including loan agreements.

Loan to Đại Cường Group Joint Stock Company under contract number TC18032021/HĐVT dated March 18, 2021, for an amount of 70,000,000,000 VND. The loan term is 24 months, with an interest rate of 9% per annum. The loan is unsecured and intended for business operations. On March 17, 2022, an addendum to the contract number 01/TC18032021/HĐVT/PL was signed between Đức Quân Investment and Development Joint Stock Company and Đại Cường Group Joint Stock Company, changing the loan term to 60 months from the date the borrower receives the money.

In 2025, no interest will be charged on loans under the non-interest agreement for loan contracts number TT/ĐC-ĐQ/01.2025.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

9. Short-term receivables are different.

	01 Jan 2025	31 Mar 2025
	VND	VND
Advance	200.547.787	192.547.787
Must collect interest on loans.	3.276.970.543	3.276.970.543
Công ty Cổ phần Bất động sản New City (*)	50.000.000.000	50.000.000.000
Must collect differently.	1.566.301.171	1.601.687.823
	55.043.819.501	55.071.206.153

(*) Receivables from New City Real Estate Joint Stock Company under Investment Cooperation Contract No. 06/2019 between Đức Quân Investment and Development Joint Stock Company (Investor) and New City Real Estate Joint Stock Company (Company) signed on June 5, 2019, regarding the investment and construction project of a residential area in accordance with urban planning standards issued in the decision approving the detailed planning adjustment at a scale of 1/500 for the Southern Urban Area of Thai Binh city, Thai Binh province, No. 3249/QĐ-UBND dated December 31, 2014, for a land area located in Tran Lam ward, Thai Binh city, Thai Binh province with a total project land area of 490,185.3 m² for building townhouse plots, commercial buildings, green parks, traffic land, and technical land. Accordingly, the Investor agreed to contribute capital to develop the project with an amount of 50,000,000,000 VND, to be contributed before December 31, 2019; the Investor will transfer the capital contribution to the investment account; the implementation of the investment cooperation contract is carried out within 24 months from the effective date of the Contract. After the successful implementation of the project, the Company is responsible for handing over to the Investor the right to exploit and use 15 villa plots with an area of 6,000 m² or the Company must return the entire contributed capital and interest at the rate of 7% per annum on the total amount actually contributed by the Investor for the period from the date the Investor transfers the capital contribution until the Company fully repays.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

10. Inventory

	01 Jan 2025		31 Mar 2025	
	Original price	Reserve a room.	Original price	Reserve a room.
	VND	VND	VND	VND
Ingredients, materials	100.514.255.627	-	110.527.396.650	-
Tools and equipment	727.325.938	-	544.976.306	-
Costs of unfinished production and business.		-		-
Finished product	48.748.786.797	-	46.279.151.375	-
Sum	149.990.368.362	-	157.351.524.331	-

11. Prepaid expenses

	01 Jan 2025	31 Mar 2025
	VND	VND
a. Short term	692.217.115	1.143.708.896
b. Long-term	2.261.930.367	2.281.032.914
Sum	2.954.147.482	3.424.741.810

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

12. Tangible fixed assets

	Houses and architectural structures.	Machines, equipment	Transportation means	Office equipment	Total
	VNĐ	VNĐ	VNĐ	VNĐ	VNĐ
ORIGINAL PRICE					
At the date 01 Jan 2025	166.134.512.310	838.324.657.276	2.003.636.364	3.958.324.543	1.010.421.130.493
Increase during the period					
Decrease during the period					
At the date 31 Mar 2025	166.134.512.310	838.324.657.276	2.003.636.364	3.958.324.543	1.010.421.130.493
Cumulative Depreciation Value					
At the date 01 Jan 2025	90.055.930.973	727.862.854.948	1.824.298.401	2.949.002.615	822.692.086.937
Depreciation for the period	1.805.406.234	9.627.483.858	33.519.816	118.210.692	11.584.620.600
Depreciation decreased during the period.					
At the date 31 Mar 2025	91.861.337.207	737.490.338.806	1.857.818.217	3.067.213.307	834.276.707.537
REMAINING VALUE					
At the date 01 Jan 2025	76.078.581.337	110.461.802.328	179.337.963	1.009.321.928	187.729.043.556
At the date 31 Mar 2025	74.273.175.103	100.834.318.470	145.818.147	891.111.236	176.144.422.956

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

13. Intangible fixed assets

	<u>Computer software</u>	<u>Sum</u>
	<u>VND</u>	<u>VND</u>
ORIGINAL PRICE		
At the date 01 Jan 2025	7.944.995.383	7.944.995.383
Increase during the period		-
At the date 31 Mar 2025	<u>7.944.995.383</u>	<u>7.944.995.383</u>
Cumulative Depreciation Value		
At the date 01 Jan 2025	6.105.816.264	6.105.816.264
Depreciation for the period	229.897.386	229.897.386
At the date 31 Mar 2025	<u>6.335.713.650</u>	<u>6.335.713.650</u>
REMAINING VALUE		
At the date 01 Jan 2025	<u>1.839.179.119</u>	<u>1.839.179.119</u>
At the date 31 Mar 2025	<u>1.609.281.733</u>	<u>1.609.281.733</u>

14. Basic construction costs are incomplete.

	<u>01 Jan 2025</u>	<u>31 Mar 2025</u>
	<u>VND</u>	<u>VND</u>
The German Quan 6 Spinning Factory Project (*)	64.048.708.230	64.098.399.230
	<u>64.048.708.230</u>	<u>64.098.399.230</u>

(*) The Đức Quân 6 Yarn Factory project was implemented at the Tiền Hải Gas Industrial Park, Thái Bình province, and commenced in April 2015 with a total investment of 505,749,772,160 VND. The construction of the Đức Quân 6 Yarn Factory has been temporarily halted due to the impact of the COVID-19 pandemic. The significant decrease in order volume led to a reduction in production demand, causing the Company to temporarily suspend the factory construction

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

15. Must pay the short-term seller.

	'01 Jan 2025		'31 Mar 2025	
	Value	Ability to repay debt	Value	Ability to repay debt
	VND	VND	VND	VND
Accounts payable to suppliers				
CÔNG TY TNHH VŨ MINH	318.373.100	318.373.100	255.066.440	255.066.440
CÔNG TY CP BAO BÌ ÔNG GIẤY HẢI DƯƠNG	1.083.185.632	1.083.185.632	1.118.770.912	1.118.770.912
CÔNG TY TNHH XUẤT NHẬP KHẨU API	672.822.586	672.822.586	593.400.177	593.400.177
Công ty điện lực Thái Bình	1.469.645.281	1.469.645.281	1.424.450.675	1.424.450.675
Công ty TNHH Hoa Thắng	251.173.130	251.173.130	161.573.130	161.573.130
Công ty TNHH Trịnh Trung L.A	20.870.601.784	20.870.601.784	20.870.601.784	20.870.601.784
DO BEST CO.; LTD	493.399.976	493.399.976	3.971.814.056	3.971.814.056
Công ty CP Xuất nhập khẩu thủy sản Miền trung	19.180.435.650	19.180.435.650	19.180.435.650	19.180.435.650
Must pay other entities.	4.702.305.294	4.702.305.294	5.681.970.101	5.681.970.101
	49.041.942.433	49.041.942.433	53.258.082.925	53.258.082.925

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

16. The buyer makes a short-term advance payment.

	'01 Jan 2025		'31 Mar 2025	
	Value	Ability to repay debt	Value	Ability to repay debt
	VND	VND	VND	VND
CÔNG TY TNHH DỆT TUẤT THỊNH	7.438.341	7.438.341	7.438.370	7.438.370
CÔNG TY TNHH DỆT MAY HOÀNG NGUYỄN	573.743.977	573.743.977	472.276.306	472.276.306
CÔNG TY TNHH VẢI SỢI TÍN THÀNH	10.647.413	10.647.413	11.364.817	11.364.817
CÔNG TY TNHH DỆT MAY HẢI ĐĂNG	0	0	4.024.982.154	4.024.982.154
CÔNG TY TNHH MỘT THÀNH VIÊN NAM TRUNG	0	0	2.401.539.991	2.401.539.991
CÔNG TY TNHH ĐỨC HIỆU	4.492.824.404	4.492.824.404	10.807.140.505	10.807.140.505
CÔNG TY TRÁCH NHIỆM HỮU HẠN DỆT MAY HOÀNG QUÂN	1.590.868.337	1.590.868.337	1.753.190.483	1.753.190.483
CÔNG TY TNHH TM DỊCH VỤ DỆT MAY AN TUẤN	2.529.365.350	2.529.365.350	663.199	663.199
CÔNG TY TNHH DỆT MAY TIỀN ANH	2.697.474.506	2.697.474.506	2.182.791.139	2.182.791.139
The buyer pays in advance differently.	1.301.375.179	1.301.375.179	1.223.237.747	1.223.237.747
	13.203.737.507	13.203.737.507	22.884.624.711	22.884.624.711

17. Taxes and receivables/payables to the government.

	'01 Jan 2025		'31 Mar 2025	
	Must collect	Must pay	Must collect	Must pay
	VND	VND	VND	VND
Value-added tax	260.798.767		239.969.560	
Import and export tax				
Corporate income tax				
Personal income tax		21.808.877		49.238.406
Land rent				499.093.980
Other types of taxes				309.083.705
Sum	260.798.767	21.808.877	239.969.560	857.416.091

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

18. Cost to be paid

	01 Jan 2025	31 Mar 2025
	VND	VND
Short term	582.576.965.701	605.047.495.848
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (*)	363.949.201.392	375.934.432.243
Interest expenses of the Vietnam Joint Stock Commercial Bank for Industry and Trade.	218.627.764.309	228.953.063.605
Other accrued expenses		160.000.000
Long-term	4.522.519.923	522.519.923
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (*)	4.522.519.923	522.519.923
	587.099.485.624	605.570.015.771

(*) According to the amendment contracts No. 01A/2014/HDODA-NHPT dated December 31, 2014, and No. 03/2014/HDTDDT-NHPT dated December 31, 2014, with the Vietnam Development Bank - Thai Binh Branch. The total accrued but unpaid interest as of November 30, 2014, is 46,898,504,116 VND. This interest will be paid according to the detailed repayment schedule in the contract from 2016 to January 2023. Interest expenses arising from December 1, 2014, will be paid monthly.

According to the inheritance contract of rights and obligations of credit contract No. 05/2015/HĐTD-NHPT dated December 31, 2015, with the Vietnam Development Bank - Thai Binh Branch, the total accrued but unpaid interest as of September 30, 2014, is 82,522,519,923 VND. This interest will be paid according to the detailed repayment schedule in the contract from 2016 to the first quarter of 2025. Interest expenses arising from December 1, 2014, will be paid monthly

19. Short-term liabilities differ.

	01 Jan 2025	31 Mar 2025
	VND	VND
Short term	27.621.426.600	27.602.545.408
Union funds	236.223.000	85.455.000
Social insurance, health insurance, liability insurance.	17.082.473.965	17.322.694.106
Deposit for renting the workshop.	7.819.043.524	7.819.043.524
Other payables and dues	2.483.686.111	2.375.352.778
Unrealized revenue	525.609.091	57.272.727
Unrealized revenue	525.609.091	57.272.727
Sum	28.147.035.691	27.659.818.135

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

20. Short-term financial lease liabilities and debts.

	'01 Jan 2025		Arise		'31 Mar 2025	
	Value	The number has the ability to repay the debt.	Increase	Reduce	Value	The number has the ability to repay the debt.
	VND	VND	VND	VND	VND	VND
Short-term bank loan	438.907.483.958	438.907.483.958	1.012.478.400	150.000.000	439.769.962.358	439.769.962.358
Loan in VND	298.310.551.358	298.310.551.358	0	150.000.000	298.160.551.358	298.160.551.358
Vietnam Joint Stock Commercial Bank for Industry and Trade	298.310.551.358	298.310.551.358		150.000.000	298.160.551.358	298.160.551.358
Loan in USD	140.596.932.600	140.596.932.600	1.012.478.400	0	141.609.411.000	141.609.411.000
Vietnam Joint Stock Commercial Bank for Industry and Trade	140.596.932.600	140.596.932.600	1.012.478.400		141.609.411.000	141.609.411.000
VP_Bank	-	-			-	-
Long-term loan due for repayment.	346.364.766.365	346.364.766.365	7.873.786.570	0	354.238.552.935	354.238.552.935
(Presentation of long-term loan explanation)		-				-
Sum	785.272.250.323	785.272.250.323	8.886.264.970	150.000.000	794.008.515.293	794.008.515.293

Short-term loan from the Joint Stock Commercial Bank for Investment and Development of Vietnam - North Hanoi Branch under credit limit contract No. 01/2019/1497403/HĐTD dated July 30, 2019. The short-term loan and L/C opening limit is 570 billion VND. The maximum short-term loan balance is 270 billion VND. The discount limit is 100 billion VND. The loan purpose is to supplement working capital, guarantee, and open L/C. The credit limit granting period is 06 months from the contract signing date but not beyond January 31, 2020. The loan term and interest rate are determined according to each specific credit contract. The collateral includes machinery assets belonging to the 1,740-ton production line, auxiliary materials warehouse, mortgage contract of apartment ownership dated June 13, 2016, signed between Mr. Lê Mạnh Thường, Ms. Bùi Thị Hằng, and the bank, pledge contract No. 01/2017/1497403/CC/HĐBĐ dated February 20, 2017, signed between the company and the bank, combing and baling machine, coarse carding machine, yarn tensile strength tester, server and auxiliary systems, etc.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

21. Long-term financial lease liabilities and debts.

	'01 Jan 2025		'31 Mar 2025	
	Value	The number has the ability to repay the debt.	Increase	Reduce
	VND	VND	VND	VND
Long-term loan	354.069.293.365	354.069.293.365	169.259.570	354.238.552.935
The long-term loans of the Company.	94.497.667.853	94.497.667.853	66.955.570	94.564.623.423
<i>Borrowing from credit institutions in VND.</i>	85.199.940.781	85.199.940.781	-	85.199.940.781
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (ii)	50.595.561.349	50.595.561.349		50.595.561.349
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (i)	34.604.379.432	34.604.379.432		34.604.379.432
<i>Borrowing from a credit institution in USD.</i>	9.297.727.072	9.297.727.072	66.955.570	9.364.682.642
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (i)	9.297.727.072	9.297.727.072	66.955.570	9.364.682.642
Inherited loans from Dai Cuong Group Joint Stock Company.	259.571.625.512	259.571.625.512	102.304.000	259.673.929.512
<i>Borrowing from credit institutions in VND.</i>	245.365.269.512	245.365.269.512	-	245.365.269.512
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (iii)	237.605.269.512	237.605.269.512		237.605.269.512
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (iv)	7.760.000.000	7.760.000.000		7.760.000.000
<i>Borrowing from a credit institution in USD.</i>	14.206.356.000	14.206.356.000	102.304.000	14.308.660.000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (iv)	14.206.356.000	102.304.000	14.308.660.000	14.308.660.000
Repay long-term debt due.	346.364.766.365	7.873.786.570	-	354.238.552.935
Sum	7.704.527.000			-

Details of long-term debt due for repayment.

	'01 Jan 2025		'31 Mar 2025	
	Value	The number has the ability to repay the debt.	Value	The number has the ability to repay the debt.
	VND	VND	VND	VND
The company's loans.				
Loan in VND				
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (iv)	94.497.667.853	94.497.667.853	94.564.623.423	94.564.623.423
	85.199.940.781	85.199.940.781	85.199.940.781	85.199.940.781
	50.595.561.349	50.595.561.349	50.595.561.349	50.595.561.349
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (vi)	34.604.379.432	34.604.379.432	34.604.379.432	34.604.379.432
Loan in USD				
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (vi)	9.297.727.072	9.297.727.072	9.364.682.642	9.364.682.642
	9.297.727.072	9.297.727.072	9.364.682.642	9.364.682.642
Các khoản vay kế thừa từ Công ty Cổ phần Tập đoàn Đại Cường	251.867.098.512	251.867.098.512	259.673.929.512	259.673.929.512
Loan in VND				
Interest expenses from the Vietnam Development Bank - Thai Binh Branch (v)	237.660.742.512	237.660.742.512	245.365.269.512	245.365.269.512
	229.900.742.512	229.900.742.512	237.605.269.512	237.605.269.512
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (vii)	7.760.000.000	7.760.000.000	7.760.000.000	7.760.000.000
Loan in USD				
Vietnam Joint Stock Commercial Bank for Industry and Trade - Hanoi North Branch (vii)	14.206.356.000	14.206.356.000	14.308.660.000	14.308.660.000
	14.206.356.000	14.206.356.000	14.308.660.000	14.308.660.000
Sum	346.364.766.365	346.364.766.365	354.238.552.935	354.238.552.935

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

Long-Term Loans and Finance Leases (Continued)

(i) Including the following loan contracts:

Contract No. 150/2007/0320 dated March 6, 2007, and the supplementary long-term credit contract No. 150/2007/0320/PL dated October 6, 2016, with a total loan amount of 49 billion VND, including converted foreign currency, not exceeding 70% of the actual total investment of the project. The loan purpose is to finance machinery and construction of the Đại Cường Thái Bình textile factory project with a capacity of 4,500 tons/year. The loan term is 84 months from the first loan receipt date, with the final principal repayment period in Q4 2021. The loan interest rate is floating. The loan security includes: all assets formed after the investment from own capital and loans from the Joint Stock Commercial Bank for Investment and Development of Vietnam – North Hanoi Branch, which is Đức Quân 2 Factory (capacity of 4,500 tons/year) and other assets owned by the Company and third parties; revenue from economic contracts where the Company is the beneficiary; all account balances of the Company at the Joint Stock Commercial Bank for Investment and Development of Vietnam – North Hanoi Branch and other credit institutions.

Long-term loan contract number 15082000222569 has been replaced by contract number 401500222569 according to official dispatch number 109/BIDV.LBHN-KH2 dated September 1, 2023, with the amount of 20,696,920,000 VND, disbursed on September 28, 2018. The loan term is 10 years. The loan purpose is to invest in Đức Quân 6 factory.

(ii) Including the following loan contracts

Investment credit loan contract No. 03/2007/HĐTD dated January 10, 2007, and the amended and supplemented contract No. 03/2014/HĐTDĐT-NHPT dated December 31, 2014. The total loan amount from state investment credit sources is up to 90,400,000,000 VND, but the total loan from both sources shall not exceed 70% of the total fixed asset investment. The loan purpose is to implement the investment project for the Đại Cường Thái Bình spinning and weaving factory (Đức Quân 2 factory). The loan term is 15 years from the first loan receipt date, with principal and interest payments arising monthly from December 2014 onward. The unpaid interest until November 30, 2014, will be repaid according to the detailed repayment schedule in the amended and supplemented contract from January 2016 to January 2023. The on-time interest rate is 7.8% per annum, and the overdue interest rate is 150% of the on-time interest rate. The loan security includes assets formed from own capital and loans from VDB – Thai Binh Branch, which is Đức Quân 2 factory (capacity of 4,500 tons/year) of the Company; other collateral assets of the Company equivalent to at least 10% of the total loan amount to secure the loan.

ODA KFW loan contract No. 01/2007/HĐTD dated January 10, 2007, and the amended and supplemented contract No. 01A/2014/HĐODA-NHPT dated December 31, 2014. The total loan amount from ODA sources is up to 34,600,000,000 VND, but the total loan from both sources shall not exceed 70% of the total fixed asset investment. The loan purpose is to implement the investment project for the Đại Cường Thái Bình spinning and weaving factory (Đức Quân 2 factory). The loan term is 15 years from February 2008, with principal and interest payments arising monthly from December 2014 onward. The unpaid interest until November 30, 2014, will be repaid according to the detailed repayment schedule in the amended and supplemented contract from January 2016 to January 2023. The on-time interest rate is 9%, and the overdue interest rate is 150% of the on-time interest rate. The loan security includes assets formed after the investment from own capital and loans from VDB – Thai Binh Branch, which is Đức Quân 2 factory (capacity of 4,500 tons/year) of the Company; other collateral assets of the Company equivalent to at least 10% of the total loan amount to secure the loan.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)

Long-Term Loans and Finance Leases (Continued)

- (iii) *Contract No. 08/2008/HĐTD dated March 26, 2008. The loan term is 15 years from the first loan receipt date. The on-time loan interest rate is 6.9% per annum, and the overdue interest rate is 150% of the on-time interest rate. The loan balance at the time of inheritance is 205,304,527,000 VND. The collateral includes machinery and equipment formed after the investment (including both loan and own capital) of the Đại Cường 5 factory construction project (capacity of 8,700 tons/year); benefits and yields from the mortgaged assets*
- Contract No. 01/2011/HĐTĐĐT-NHPT dated January 28, 2008. The loan term is 14 years from the first loan receipt date. The on-time loan interest rate is 9.6% per annum, and the overdue interest rate is 150% of the on-time interest rate. The loan balance at the time of inheritance is 82,700,000,000 VND. The collateral includes machinery and equipment formed after the investment (including both loan and own capital) of the Đại Cường 5 factory construction project (capacity of 8,700 tons/year); benefits and yields from the mortgaged assets.*
- (iv) *According to the long-term debt transfer contract No. 150/1497403/HĐ/01 dated December 31, 2015, the Company receives the transfer of all loans (including principal and unpaid interest) corresponding to the contributed assets from Đại Cường Group Joint Stock Company. The transferred loan is based on the original contract No. 150/2006/151 dated February 13, 2006. The total principal debt received is 27,500,000,000 VND and 556,000 USD. The principal repayment period is quarterly, with the final principal repayment period in Q4 2020. The interest rate is floating. The loan security includes assets formed from the loan capital, including workshops and machinery of the PE workshop (part of Đại Cường 1 factory) of the Company; the Company's deposit accounts at the bank; receivables from economic contracts in which the Company is the beneficiary.*

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (CONTINUED)**22. EQUITY**

	<u>31 Mar 2024</u>	<u>01 Jan 2024</u>
	VND	VND
Owner's investment capital		
- Initial capital contribution at the beginning of the year	500.000.000.000	500.000.000.000
- Initial capital contribution at the beginning of the year.	-	-
- Capital contribution decreased during the year.	-	-
- Year-end capital contribution	500.000.000.000	500.000.000.000

Equity capital (continued)

Stocks

	Year-end number	The number at the beginning of the year.
	Stocks	Stocks
The number of shares registered for issuance.	50.000.000	50.000.000
The number of shares that have been sold to the public.	50.000.000	50.000.000
- Common stock	50.000.000	50.000.000
The number of shares repurchased.		
- Common stock		
The number of shares outstanding.	50.000.000	50.000.000
- Common stock	50.000.000	50.000.000

23. REVENUE FROM GOODS AND SERVICE PROVISION

	Quarter I of 2025	Quarter I of 2024
	VNĐ	VNĐ
Total revenue from sales and service provision	44.098.532.213	40.383.529.470
Revenue reduction items		
Net revenue from sales of goods and provision of services.	44.098.532.213	40.383.529.470

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BUSINESS OPERATIONS REPORT**24. COST OF GOODS SOLD**

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Cost of goods sold.	57.732.693.531	39.380.811.827
Cost of goods sold		
Sum	57.732.693.531	39.380.811.827

25. FINANCIAL OPERATING REVENUE

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Financial operating revenue	76.684.799	68.446.283
Sum	76.684.799	68.446.283

26. FINANCIAL COSTS

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Loan interest	17.944.630.356	17.578.358.670
Exchange rate gains (losses)	1.604.337.462	4.617.099.451
Sum	19.548.967.818	22.195.458.121

27. The management and selling expenses incurred during the period.

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Management expenses incurred during the period.		
Salary and deductions from salary	1.411.310.385	1.793.090.721
Security service fee	252.000.000	294.000.000
Allocation of fixed asset costs.	3.516.261	182.470.780
Bank fees	72.378.485	80.753.068
Depreciation of fixed assets	584.148.420	619.143.762
Other expenses	710.079.016	603.362.763
Sum	3.033.432.567	3.572.821.094
Selling expenses incurred during the period.		
Selling expenses	285.786.260	238.724.357
Sum	285.786.260	238.724.357

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

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

28. OTHER INCOME

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Other sources of income	56.750.898	1.078.585.267
Sum	56.750.898	1.078.585.267

29. OTHER EXPENSES

	Quarter I of 2025 VNĐ	Quarter I of 2024 VNĐ
Other expenses	2.755.480.945	2.605.591.150
Costs due to production stoppage (depreciation, prepaid expenses, electricity for machine operation, etc.)		16.233.129.057
Sum	2.755.480.945	18.838.720.207

VII. OTHER INFORMATION

1. Segment Reporting

According to Standard No. 28 and the guiding Circular of this Standard, the Company is required to prepare segment reports. Accordingly, a segment is a distinguishable part of the Company involved in providing related products or services (business segment) or providing products and services within a specific economic environment (geographical segment), each of which is subject to risks and generates economic benefits different from other segments. The Board of Directors assesses that the Company operates in one main business segment, which is yarn production, and the main geographical segment is in Vietnam. Therefore, the Company does not prepare segment reports

2. Transactions and balances with related parties.

<u>Related parties</u>	<u>The relationship</u>
Công ty CP đầu tư 3GR	The company is involved.

	01 Jan 2025 VNĐ	31 Mar 2025 VNĐ
Accounts receivable from customers	10.767.329.593	10.767.329.593
Công ty Cổ phần Đầu tư 3GR	10.767.329.593	10.767.329.593
Pay in advance to the short-term seller.	72.219.248.110	72.219.248.110
Công ty Cổ phần Đầu tư 3GR	72.219.248.110	72.219.248.110

Trần Thị Quý
Preparer

Đào Văn Nam
Chief Accountant

Đỗ Văn Sinh
General Director
April 18, 2025