



**THIEN NAM TRADING - IMPORT EXPORT JOINT STOCK COMPANY**

Thien Nam Office Building, No. 111-121 Ngo Gia Tu , Vuon Lai Ward, Ho Chi Minh City

**TAX CODE: 0301172041**

--- oOo ---

# **CONSOLIDATED FINANCIAL STATEMENTS QUARTER IV/2025**

## **TABLE OF CONTENTS**

	Page
1. TABLE OF CONTENTS	
2. INTERIM CONSOLIDATED BALANCE SHEET	1 – 4
3. INTERIM CONSOLIDATED STATEMENT OF INCOME	5
4. INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	6 - 7
5. NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS	8 – 29

\*\*\*\*\*



**CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**(FULL FORM)**  
**As at 31 December 2025**

ITEMS	Code	Note	Unit: VND	
			Balance at the end of the period	Balance at the beginning of the year
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>1.809.755.423.867</b>	<b>1.647.733.242.904</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>8.764.112.858</b>	<b>8.830.785.669</b>
1. Cash	111		8.764.112.858	8.730.785.669
2. Cash equivalents	112		-	100.000.000
<b>II. Short-term investments</b>	<b>120</b>	<b>V.2</b>	<b>-</b>	<b>-</b>
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>709.831.228.520</b>	<b>546.530.002.680</b>
1. Short-term trade receivables	131	V.3	496.830.711.141	506.294.812.368
2. Short-term prepayments to suppliers	132	V.4	1.094.316.270	794.905.550
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of constru	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5a	212.060.952.914	39.595.036.567
7. Allowance for short-term doubtful debts	137		(175.039.911)	(175.039.911)
8. Deficit assets for treatment	139	V.6	20.288.106	20.288.106
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>1.087.162.757.844</b>	<b>1.088.392.101.859</b>
1. Inventories	141		1.087.414.533.374	1.088.392.101.859
2. Allowance for inventories	149		(251.775.530)	-
<b>V. Other current assets</b>	<b>150</b>		<b>3.997.324.645</b>	<b>3.980.352.696</b>
1. Short-term prepaid expenses	151	V.8a	93.132.497	44.489.655
2. Deductible VAT	152		3.030.894.472	3.062.565.365
3. Taxes and other receivables from the State	153		873.297.676	873.297.676
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-



ITEMS	Code	Note	Balance at the end of the period	Balance at the beginning of the year
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>390.229.153.837</b>	<b>433.067.310.117</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>3.338.071.922</b>	<b>3.638.068.023</b>
1. Long-term trade receivables	211		-	-
2. Long-term prepayment to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	3.338.071.922	3.638.068.023
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>35.755.257.672</b>	<b>37.502.172.201</b>
1. Tangible fixed assets	221	V.9	8.840.495.860	10.587.410.389
- <i>Historical cost</i>	222		43.699.505.692	47.916.124.147
- <i>Accumulated depreciation</i>	223		(34.859.009.832)	(37.328.713.758)
2. Financial leased assets	224		-	-
- <i>Historical cost</i>	225		-	-
- <i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.10	26.914.761.812	26.914.761.812
- <i>Initial cost</i>	228		28.194.999.917	28.194.999.917
- <i>Accumulated amortization</i>	229		(1.280.238.105)	(1.280.238.105)
<b>III. Investment property</b>	<b>230</b>	<b>V.11</b>	<b>52.798.770.513</b>	<b>56.960.390.955</b>
- Historical costs	231		105.976.978.489	106.202.325.022
- Accumulated depreciation	232		(53.178.207.976)	(49.241.934.067)
<b>IV. Long-term assets in process</b>	<b>240</b>		-	<b>128.730.000</b>
1. Long-term work-in-process	241		-	-
2. Construction-in-progress	242		-	128.730.000
<b>V. Long-term investments</b>	<b>250</b>	<b>V.2</b>	<b>297.904.633.599</b>	<b>332.289.497.587</b>
1. Investments in subsidiaries	251		-	-
2. Investments in joint ventures and associates	252		165.008.533.599	194.393.397.587
3. Investments in other entities	253		120.496.100.000	120.496.100.000
4. Provision for devaluation of long-term financial investments	254		-	-
5. Held-to-maturity investments	255		12.400.000.000	17.400.000.000
<b>VI. Other non-current assets</b>	<b>260</b>		<b>432.420.131</b>	<b>2.548.451.351</b>
1. Long-term prepaid expenses	261	V.8b	432.420.131	2.548.451.351
2. Deferred income tax assets	262		-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill			-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>2.199.984.577.704</b>	<b>2.080.800.553.021</b>

**Consolidated Interim Financial Statements (cont.)**

ITEMS	Code	Note	Balance at the end of the period	Balance at the beginning of the year
<b>C - LIABILITIES</b>	<b>300</b>		<b>1.759.851.163.891</b>	<b>1.579.737.439.513</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>1.745.908.554.254</b>	<b>1.569.857.427.428</b>
1. Short-term trade payables	311	V.12	542.722.340.055	685.163.162.754
2. Short-term advances from customers	312	V.13	195.748.002.586	95.208.360.444
3. Taxes and other obligations to the State Budget	313	V.14	22.141.467.288	4.901.622.696
4. Payables to employees	314	V.15	449.823.697	195.548.847
5. Short-term accrued expenses	315	V.16	125.482.659.712	70.906.754.356
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction	317		-	-
8. Short-term unearned revenue	318	V.17	94.916.364	962.666.739
9. Other short-term payables	319	V.18a	375.953.281.832	204.952.590.177
10. Short-term borrowings and financial leases	320	V.19a	483.316.062.720	507.566.721.415
11. Provisions for short-term payables	321		-	-
12. Bonus and welfare funds	322	V.20	-	-
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>13.942.609.637</b>	<b>9.880.012.085</b>
1. Long-term trade payables	331		-	-
2. Long-term prepayment from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337	V.18b	13.942.609.637	9.880.012.085
8. Long-term borrowing and financial leases	338	V.19b	-	-
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development funds	343		-	-



ITEMS	Code	Note	Balance at the end of the period	Balance at the beginning of the year
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>440.133.413.813</b>	<b>501.063.113.508</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.22</b>	<b>440.133.413.813</b>	<b>501.063.113.508</b>
1. Capital	411		495.762.640.000	495.762.640.000
- Common shares carrying voting rights	411a		495.762.640.000	495.762.640.000
- Preferred shares	411b		-	-
2. Share premiums	412		4.034.353.637	4.034.353.637
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		(11.978.525.300)	(11.978.525.300)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment development fund	418		31.763.082.105	31.763.082.105
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421		(73.441.301.634)	(12.982.536.378)
- Retained earnings accumulated to the end of the previous period	421a		(25.843.835.439)	48.189.454.790
- Retained earnings of the current period	421b		(47.597.466.195)	(61.171.991.168)
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429		(6.006.834.995)	(5.535.900.556)
<b>II. Other sources and funds</b>	<b>430</b>		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQU</b>	<b>440</b>		<b>2.199.984.577.704</b>	<b>2.080.800.553.021</b>

Ho Chi Minh City, January 28, 2026



Nguyen Thi Thu Hien  
Preparer

Le Thi Thanh Thao  
Chief Accountant

Nguyen Van Nghia  
General Director



# CONSOLIDATED INTERIM INCOME STATEMENT (FULL FORM) QUARTER IV/2025

Unit: VND

ITEMS	Code	Note	QUARTER IV		Accumulated from the beginning of the year to the end of this period	
			Current year	Previous year	Current year	Previous year
1. Revenue from sales and rendering of services	01	VI.1	32.556.391.055	528.598.027.764	327.652.482.072	1.247.023.214.781
2. Deductions from revenue	02	VI.2	-	-	-	-
3. Net revenue from sales and rendering of services	10		32.556.391.055	528.598.027.764	327.652.482.072	1.247.023.214.781
4. Cost of goods sold	11	VI.3	19.245.142.256	522.965.573.950	287.145.604.727	1.213.761.412.562
5. Gross profit from sales and rendering of services	20		13.311.248.799	5.632.453.814	40.506.877.345	33.261.802.219
6. Financial income	21	VI.4	1.597.055	(1.193.556.309)	456.113.611	3.815.254.590
7. Financial expenses	22	VI.5	27.871.597.070	10.611.794.305	62.447.702.449	50.695.170.047
Of which: interest expenses	23		11.343.431.616	10.602.380.475	45.863.850.818	50.487.920.344
8. Share of profit or loss of joint ventures and associates	24		(16.523.564.928)	-	(16.523.564.928)	-
9. Selling expenses	25	VI.6	2.138.703.406	2.499.830.730	6.624.373.091	11.453.099.728
10. General and administration expenses	26	VI.7	4.993.071.888	16.370.938.069	20.800.623.540	35.539.303.582
11. Net operating profit	30		(38.214.091.438)	(25.043.665.599)	(65.433.273.052)	(60.610.516.548)
12. Other income	31	VI.8	18.035.451.565	869.588.321	18.190.527.318	2.229.806.493
13. Other expenses	32	VI.9	361.190.900	955.886.964	4.463.864.596	3.272.860.885
14. Other profit	40		17.674.260.665	(86.298.643)	13.726.662.722	(1.043.054.392)
15. Total accounting profit before tax	50		(20.539.830.773)	(25.129.964.242)	(51.706.610.330)	(61.653.570.940)
16. Current income tax	51	V.11	-	-	12.885.355.233	-
17. Deferred corporate income tax	52		-	-	-	-
18. Profit after tax	60	V.12	(20.539.830.773)	(25.129.964.242)	(64.591.965.563)	(61.653.570.940)
19. Profit after tax attributable to owners of the parent	61		(20.462.756.662)	(25.003.441.524)	(64.121.031.123)	(61.171.991.168)
20. Profit after tax attributable to non-controlling interests	62		(77.074.111)	(126.522.718)	(470.934.440)	(481.579.772)
21. Basic earnings per share	70	VI.13	(416)	(508)	(1.302)	(1.243)
22. Diluted earnings per share	71		(416)	(508)	(1.302)	(1.243)

Ho Chi Minh City, January 28, 2026

Nguyen Thi Thu Hien  
Preparer

Le Thi Thanh Thao  
Chief Accountant



Nguyen Van Nghia  
General Director



**CONSOLIDATED INTERIM CASH FLOW STATEMENT****(Full form)****(Indirect method)****For the fiscal year ended December 31, 2025**

Unit: VND

ITEMS	Code	Current year	Previous year
<b>I. Cash flows from operating activities</b>			
1. <i>Profit before tax</i>	01	(51.706.610.330)	(61.653.570.940)
2. <i>Adjustments</i>			
- Depreciation of fixed assets and investment properties	02	5.539.539.889	7.028.721.653
- Provisions and allowances	03	33.298.905.386	(412.135.250)
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04	4.600.526	9.340.613
- Gain/(loss) from investing activities	05	(396.644.222)	(2.085.665.251)
- Interest expenses	06	45.863.850.818	50.487.920.344
- Others	07	-	-
3. <i>Operating profit before changes of working capital</i>	08	32.603.642.067	(6.625.388.831)
- Increase/(decrease) of receivables	09	(160.840.687.561)	71.559.921.453
- Increase/(decrease) of inventories	10	977.568.485	30.325.177.793
- Increase/(decrease) of payables	11	146.386.390.585	(64.898.489.064)
- Increase/(decrease) of prepaid expenses	12	2.067.388.378	2.783.000.134
- Increase/(decrease) of trading securities	13	-	-
- Interest paid	14	(2.473.213.563)	(83.992.126.848)
- Corporate income tax paid	15	-	(2.615.855.674)
- Other cash inflows	16	-	-
- Other cash outflows	17	(426.871.285)	(817.880.772)
<i>Net cash flows from operating activities</i>	20	18.294.217.106	(54.281.641.809)
<b>II. Cash flows from investing activities</b>			
1. Purchases and construction of fixed assets and other non-current assets	21	354.076.533	(128.730.000)
2. Proceeds from disposals of fixed assets and other non-current assets	22	95.454.545	1.390.909.091
3. Cash outflow for lending, buying debt instruments of other entities	23	-	25.375.501.268
4. Cash recovered from lending, selling debt instruments of other entities	24	5.000.000.000	86.480.000.000
5. Investments into other entities	25	-	-
6. Withdrawals of investments in other entities	26	-	-
7. Interest earned, dividends and profits received	27	444.838.226	2.804.501.285
<i>Net cash flows from investing activities</i>	30	5.894.369.304	115.922.181.644

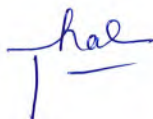


ITEMS	Code	Current year	Previous year
<b>III. Cash flows from financing activities</b>			
1. Proceeds from issuing stocks and capital contributions fro	31	-	-
2. Repayment for capital contribution and re-purchases of stocks already issued	32	-	-
3. Proceeds from borrowings	33	64.977.501.004	77.150.909.468
4. Repayment for loan principal	34	(89.228.159.699)	(140.688.637.929)
5. Payments for financial leased assets	35	-	-
6. Dividends and profit paid to the owners	36	-	-
<i>Net cash flows from financing activities</i>	<i>40</i>	<i>(24.250.658.695)</i>	<i>(63.537.728.461)</i>
<b>Net cash flows during the year</b>	<b>50</b>	<b>(62.072.285)</b>	<b>(1.897.188.626)</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>8.830.785.669</b>	<b>10.732.400.076</b>
Effect of fluctuations in foreign exchange rates	61	(4.600.526)	(4.425.781)
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>8.764.112.858</b>	<b>8.830.785.669</b>

Ho Chi Minh City, January 28, 2026



\_\_\_\_\_  
**Nguyen Thi Thu Hien**  
Preparer



\_\_\_\_\_  
**Le Thi Thanh Thao**  
Chief Accountant



\_\_\_\_\_  
**Nguyen Van Nghia**  
General Director

## THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY

### Notes to the Consolidated Interim Financial Statements

## NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS QUARTER 4/2025

### I. GENERAL INFORMATION

#### 1. Ownership Form

Thien Nam Trading- Import Export Joint Stock Company (hereinafter referred to as ‘the Company’ or ‘the Parent Company’) is a joint stock company.

#### 2. Operating field

The Group's business sectors include trading, services, and manufacturing.

#### 3. Principal business activities

Principal business activities of the Company are to trade, act as an agent for consignment of technology products, food, foodstuffs, materials and equipment, vehicles, alcohol, agricultural products, aquatic products, electromechanical equipment, construction materials, interior decoration, fertilizers, pesticides, supplies, machinery and equipment, cosmetics; act as an agent for goods consignment; purchase and process agricultural, aquatic and marine products for export (not operating at the head office); lease travel vehicles; trade iron and steel, metal scrap and provide service of dismantling old ships and cars (not operating at the head office); trade cars; provide customs declaration service; provide freight forwarding services; trade real estate.

#### 4. Normal operating cycle

The Company's normal operating cycle is within 12 months.

#### 5. Structure of the Group

The Group consists of the Parent Company and 03 subsidiaries, which are under the control of the Parent Company. All subsidiaries are consolidated in this consolidated financial statement.

##### 5a. List of subsidiaries to be consolidated

Subsidiary	Address	Principal business activities	Capital contribution Rate	Benefit Rate	Voting Rate
Thien Nam Foodstuff Technology Company Limited	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward Vuon Lai, Ho Chi Minh City	Wholesale of foodstuff and technological products	98%	98%	98%
Thien Nam Education Investment Corporation	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward 2, District 10, Ho Chi Minh City	Development of services related to education	68%	68%	68%
Nahaviwel Joint Stock Company	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward 2, District 10, Ho Chi Minh City	Manufacturing and trading of welding materials.	94,5%	94,5%	94,5%

##### 5b. Associates reflected in the Consolidated Financial Statements using equity method

According to Enterprise Registration Certificate No. 0314760724, amended for the 6th time on December 24, 2022, issued by the Department of Planning and Investment of Ho Chi Minh City, the Company contributed 202.000.000.000 VND, accounting for 47,53% of the charter capital.

According to Enterprise Registration Certificate No. 3502401667 dated July 26, 2019, issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province, the Company invested 120.000.000.000 VND in Vung Tau Housing Development Joint Stock Company, equivalent to 20% of the charter capital.



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

Notes to Consolidated Interim Financial Statements (cont.)

---

### **6. Statement on the Comparability of Information in the Consolidated Financial Statements**

The corresponding figures of the previous year are comparable to the figures of this year.

### **7. Employees**

As of the financial year-end, the Group had 28 employees working at its companies (compared to 57 employees at the beginning of the year).

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

### **1. Fiscal year**

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

### **2. Accounting currency unit**

The currency used in accounting is Vietnamese Dong (VND) as most transactions are conducted in VND.

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

### **1. Accounting System**

The Group applies Vietnamese Accounting Standards and the Vietnamese Accounting System for Enterprises issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, guiding the Enterprise Accounting System, Circular No. 202/2014/TT-BTC dated December 22, 2014, guiding the preparation and presentation of Consolidated Financial Statements, and other circulars issued by the Ministry of Finance providing guidance on the implementation of accounting standards in the preparation and presentation of Consolidated Financial Statements.

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

The Board of Management ensures compliance with the requirements of the accounting standards, the Vietnamese Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014; Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing certain provisions of Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance guiding the enterprise accounting system; Circular No. 202/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance guiding the methods for preparing and presenting consolidated financial statements, as well as other circulars that guide the implementation of accounting standards of the Ministry of Finance in preparing and presenting consolidated financial statements.

## **IV. ACCOUNTING POLICIES**

### **1. Consolidation basis:**

The consolidated financial statements are prepared in accordance with Circular No. 202/2014/TT-BTC dated December 22, 2014, issued by the Ministry of Finance, as well as other circulars guiding the implementation of accounting standards issued by the Ministry of Finance for the preparation and presentation of consolidated financial statements.

#### ***Subsidiary***

Subsidiaries are entities over which the Group has the power to govern financial and operating policies, typically accompanied by holding more than half of the voting rights. Potential voting rights that can be exercised will be considered when assessing whether the Group has control over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date control begins until the date control ceases.

#### ***Non-controlling interests***



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

Non-controlling interests (NCI) are measured at the proportionate share of the non-controlling interest's ownership in the net assets of the acquired entity at the acquisition date.

Changes in the Group's equity in a subsidiary that do not result in a loss of control are accounted for similarly to equity transactions. The difference between the value of the change in the Group's ownership interest in the subsidiary's net assets and the cash paid or received from the equity change in the subsidiary is recognized in retained earnings within equity.

#### ***Loss of control***

When control over a subsidiary is lost, the Group stops recognizing the assets and liabilities of the subsidiary, as well as non-controlling interests (NCI) and other equity items. Any gain or loss arising from this event is recognized in the consolidated income statement. After divesting the remaining interest in the subsidiary, the remaining carrying amount of the investment on the consolidated financial statements is adjusted according to the corresponding share of changes in equity since the acquisition, if the Group still has significant influence over the investee. If the Group no longer has significant influence, the remaining investment is presented at its fair value.

#### ***Associates***

An associate is any entity in which the Group has significant influence but does not control, typically represented by holding between 20% and 50% of the voting rights in that entity. An associate is accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of the associate, accounted for under the equity method, adjusted according to the Group's accounting policies, from the date the Group begins to have significant influence until the date such influence ceases.

When the share of losses of an associate that the Group must share exceeds the Group's interest in the associate, as accounted for under the equity method, the carrying amount of the investment (including any long-term investments, if applicable) is reduced to zero, and further losses are no longer recognized, except for losses to the extent that the Group has an obligation to pay or has already paid on behalf of the associate.

#### ***Eliminated Transactions in Consolidation***

Intercompany balances within the Group and unrealized income and expenses from intercompany transactions are eliminated in the consolidation of financial statements. Unrealized gains and losses arising from transactions with associates accounted for using the equity method are deducted from the investment to the extent of the Group's interest in the associate.

#### ***Business Combination***

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date when control is transferred to the Group. Control exists when the Group has the ability to govern the financial and operating policies of the entity in order to obtain economic benefits from its activities. The assessment of control takes into account potential voting rights that are currently exercisable.

### **2. Foreign exchange rates:**

The recognition, evaluation, and handling of exchange rate differences during the period are carried out in accordance with Circular No. 200/2014/TT-BTC dated December 22, 2014, and Circular No. 53/2016/TT-BTC dated March 21, 2016, which amends and supplements several provisions of Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance, guiding the enterprise accounting system.

### **3. Cash and cash equivalents:**

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

#### **4. Financial investments:**

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

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. These held-to-maturity investments include term deposits with banks (including bills of exchange, promissory notes), bonds, preferred shares with mandatory redemption at a specified future date, loans held to maturity for the purpose of earning periodic interest, and other held-to-maturity investments.

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

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

#### **4.1 Borrowings:**

Loans are recognized at their cost, less any allowance for doubtful debts. The allowance for doubtful debts on loans is established based on the estimated level of losses that may occur.

#### **4.2 Investments in Subsidiaries, joint venture, and associates**

##### ***Subsidiaries***

Subsidiary is an entity that is controlled by the Company. Control is the Company's power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

##### ***Joint venture***

A joint venture is a business entity established based on an agreement between the Company and other parties, in which the participants undertake economic activities on the basis of joint control. Joint control is understood as the requirement for consensus among the participants in making strategic decisions related to the operational and financial policies of the joint venture.

##### ***Associates***

An associate company is a business in which the Company has significant influence but does not have control over financial and operational policies. Significant influence is evidenced by the right to participate in decisions regarding financial and operational policies of the investee company but without controlling those policies.

Investments in subsidiaries, joint ventures, and associates are initially recognized at cost, which includes the purchase price or the capital contribution along with any directly attributable investment costs. In the case of investments made through non-monetary assets, the investment is recognized at the fair value of the non-monetary assets at the time the investment is made.

Dividends and profits from periods before the investment was acquired are recognized as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is acquired are recognized as revenue. Dividends received in the form of additional shares are only recorded as an increase in the number of shares, without recognizing the value of the shares received or at their nominal value.

A provision for impairment of investments in subsidiaries, joint ventures, and associates is made when the subsidiary, joint venture, or associate incurs losses. The provision is calculated as the difference between the actual contribution of the parties to the subsidiary, joint venture, or associate and the actual equity value, multiplied by the Company's ownership percentage in relation to the total actual contributions of the parties



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

involved. If the subsidiary, joint venture, or associate is preparing consolidated financial statements, the basis for determining the provision for impairment is the consolidated financial statements.

The increase or decrease in the provision for impairment of investments in subsidiaries, joint ventures, and associates that needs to be recognized at the end of the financial year is recorded as a financial expense.

#### **4.3 Investments in equity instruments of other entities:**

Investments in the equity instruments of another entity include equity instrument investments where the Group does not have control, joint control, or significant influence over the invest.

Investments in equity instruments of another entity are initially recognized at cost, which includes the purchase price or capital contribution plus any directly related investment costs. Dividends and profits from periods before the investment was made are accounted for as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is made are recognized as revenue. Stock dividends received are only tracked in terms of the additional number of shares, without recognizing the value of the received shares.

Provision for impairment of investments in equity instruments of another entity is made as follows:

- For investments in listed shares or where the fair value of the investment can be reliably determined, the provision is based on the market value of the shares.
- For investments where the fair value cannot be determined at the reporting date, the provision is made based on the losses of the investee, calculated as the difference between the actual capital contribution of the parties to the other entity and the actual equity, multiplied by the Group's ownership percentage compared to the total actual capital contributions of all parties in the other entity.

The increase or decrease in the provision for impairment of investments in equity instruments of another entity to be recognized at the end of the fiscal year is recorded as a financial expense.

#### **5. Receivables:**

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

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

- Trade receivables reflect amounts due from commercial transactions arising from buy-sell agreements between the Company and independent buyers. This includes receivables from the sale of goods that have been exported and entrusted to another entity for sale.
- Inter-company Receivables reflect amounts due from subsidiaries or units without legal personality and dependent accounting, which are part of the Company's internal transactions.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Provision for doubtful debts is established for each receivable based on the aging of overdue debts or anticipated losses. Specifically:

- For overdue receivables:
  - 30% of the value for receivables overdue between 6 months and less than 1 year.
  - 50% of the value for receivables overdue between 1 year and less than 2 years.
  - 70% of the value for receivables overdue between 2 years and less than 3 years.
  - 100% of the value for receivables overdue 3 years or more.
- For doubtful debts but not yet overdue: provision is based on the estimated level of potential loss.



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

#### **6. Inventories:**

##### **6.1 Inventories accounting:**

Inventory is valued at cost. If the net realizable value is lower than the cost, the inventory must be valued at its net realizable value. The cost of inventory includes purchase costs, processing costs, and other directly related costs incurred to bring the inventory to its present location and condition.

The cost of inventory purchased from external suppliers includes the purchase price, non-refundable taxes, transportation, handling, and storage costs incurred during the purchase process, as well as other costs directly related to purchasing the inventory.

The cost of inventory produced internally includes direct material costs, direct labor costs, fixed production overhead, and variable production overhead incurred during the transformation of raw materials into finished goods.

**6.2 Method for Determining the Value of Ending Inventory:** The value of ending inventory is determined using the specific identification method.

**6.3 Inventory Accounting Method:** The company applies the periodic inventory system.

##### **6.4 Allowances for inventories:**

Allowances for inventories are made for each inventory item whose cost exceeds its net realizable value. For unfinished services, the provision for the decline in value is determined based on the individual service with a distinct price. Increases or decreases in the balance of the provision for inventory decline at the end of the financial year are recognized in the cost of goods sold.

#### **7. Depreciation accounting of fixed assets:**

##### **7.1 Fixed assets:**

- Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all expenses incurred by the Company to acquire the asset and bring it to a state of readiness for use.
- Subsequent costs are capitalized to increase the asset's carrying amount only if these costs are expected to provide future economic benefits through the use of the asset. Costs that do not meet this condition are recognized as expenses in the period incurred.
- Depreciation is calculated using the straight-line method and is based on depreciation rates determined by the regulations in Circular No. 45/2013/TT-BTC dated April 25, 2013, and Circular No. 147/2016/TT-BTC dated October 13, 2016, amending and supplementing certain provisions of Circular No. 45/2013/TT-BTC.

##### **7.2 Finance leased fixed assets**

Leases are classified as finance leases if the majority of the risks and rewards associated with ownership of the asset are transferred to the lessee. Finance leased fixed assets are presented at cost less accumulated depreciation. The cost of finance leased fixed assets is the lower of the fair value of the leased asset at the inception of the lease and the present value of the minimum lease payments. The discount rate used to calculate the present value of the minimum lease payments for the lease of the asset is the implicit interest rate in the lease agreement or the rate specified in the contract. If the implicit interest rate cannot be readily determined, the borrowing rate at the inception of the lease is used.

Financial lease assets are depreciated using the straight-line method based on their estimated useful life. In cases where it is uncertain whether the Group will have ownership of the asset at the end of the lease term, the asset will be depreciated over the shorter of the lease term and the estimated useful life. The depreciation periods for various types of financial lease assets are as follows:



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

#### **7.3 Investment property:**

Investment property refers to land use rights, buildings, part of a building, or infrastructure owned by the Company or held under a finance lease, intended to generate rental income or for capital appreciation. Investment property is stated at cost less accumulated depreciation. The cost of investment property includes all expenses incurred by the Company or the fair value of assets exchanged to acquire the investment property up to the point of purchase or completion of construction.

Subsequent costs related to investment property are expensed, unless these costs are expected to provide additional future economic benefits, in which case they are capitalized to increase the cost of the property.

When investment property is sold, the original cost and accumulated depreciation are written off, and any resulting gains or losses are recognized in the income or expenses for the year.

The transfer from property held for use or inventory to investment property occurs only when the owner ceases using the asset and begins leasing it to another party or when construction is completed. Conversely, the transfer from investment property to property held for use or inventory occurs when the owner starts using the asset or begins preparing it for sale. The transfer from investment property to property held for use or inventory does not change the original cost or carrying value of the asset at the transfer date.

#### **8. Prepaid expenses:**

Prepaid expenses related only to the current fiscal year are recognized as operating expenses in the fiscal year.

The allocation of long-term prepaid expenses to operating costs for each accounting period is based on the nature and degree of each type of expense, in order to select appropriate methods and criteria for allocation.

#### **9. Payables and accrued expenses:**

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

The classification of payables into accounts payable to vendors, accrued expenses, internal payables, and other payables is carried out according to the following principles:

- Accounts payable to vendors reflect amounts owed from commercial transactions related to the purchase of goods, services, or assets, where the seller is an independent entity to the Company, including amounts payable for imports via agents.
- Accrued expenses reflect amounts owed for goods or services received from vendors or provided to buyers but not yet paid, due to the absence of invoices or incomplete accounting documents, as well as payables for employee wages, vacation pay, and accrued production and business expenses.
- Internal payables reflect amounts owed between the parent company and its subsidiaries without legal entity status for accounting purpose.
- Other payables reflect amounts owed that are non-commercial and unrelated to the purchase, sale, or provision of goods or services.

#### **10. Provisions:**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that settling the obligation will result in an outflow of economic benefits and the amount of the obligation can be reliably estimated.

If the time value of money is material, provisions will be determined by discounting the future outflows required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks of the obligation. The increase in the provision due to the passage of time is recognized as a financial expenses.



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

#### **11. Recognition Principles for Owner's Equity:**

##### **11.1 Capital:**

Owner's contributions are recorded according to the actual capital contributed by the shareholders or owners.

##### **11.2 Share premiums:**

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

##### **11.3 Other owner's equity:**

Other equity is formed from the results of business operations, asset revaluation, and the remaining value after deducting taxes payable (if any) related to donated, gifted, or sponsored assets.

##### **11.4 Treasury shares:**

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

#### **12. Sales and income:**

##### **12.1 Sales of merchandises and finished goods:**

Sales of merchandises and finished goods are recognized when the following conditions are satisfied:

- The majority of risks and benefits associated with the ownership of the product or goods have been transferred to the buyer;
- The Company no longer retains control over the goods or the management rights of the goods as the owner;
- Revenue is reasonably certain;
- The Company has received or will receive economic benefits from the transaction;
- The costs related to the transaction can be determined.

##### **12.2 Sales of service provision:**

Revenue is recognized when the results of the transaction can be reliably determined. In cases where the service involves multiple periods, revenue is recognized for the portion of work completed as of the balance sheet date of the respective period. The results of the service transaction are determined when the following conditions are satisfied:

- Revenue is reasonably certain;
- It is probable that economic benefits will flow from the transaction ;
- The portion of work completed as of the balance sheet date can be determined;
- The costs incurred for the transaction and the costs to complete the service transaction can be determined.

##### **12.3 Financial income:**

Revenue from interest, royalties, dividends, profits, and other financial activity income is recognized when both of the following conditions are satisfied:

- It is probable that economic benefits will flow from the transaction;
- The revenue is reasonably certain.

Dividends and profits are recognized when the Company is entitled to receive dividends or profits from its investments.

---



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

Notes to Consolidated Interim Financial Statements (cont.)

---

### **13. Financial expenses:**

Financial expenses include costs related to financial investment activities, borrowing and lending, investments in other entities, losses from short-term securities transfers, securities transaction costs, provisions for devaluation of trading securities, investments in other entities, losses from foreign currency sales, exchange rate losses, etc.

The following items should not be recorded as financial expenses:

- Expenses related to product manufacturing, service provision;
- Selling expenses;
- Administrative expenses;
- Real estate business expenses;
- Investment and construction expenses;
- Expenses covered by other funding sources;
- Other expenses.

Costs related to bond issuance are gradually allocated based on the bond term and recognized as financial expenses if the bond issuance is for regular production and business purposes.

Interest on convertible bonds is calculated as a financial expense for the period, determined by multiplying the initial bond principal at the beginning of the period by the market interest rate for similar bonds without conversion rights or by the general borrowing rate on the market at the time of the convertible bond issuance.

If preferred shares are classified as debt, the related dividends are considered as interest expenses and should be recorded as financial expenses.

### **14. Corporate income tax:**

#### **14.1 Current corporate income tax:**

Current income tax is the tax calculated based on taxable income. The difference between taxable income and accounting profit is due to adjustments for temporary differences between tax and accounting, non-deductible expenses, as well as adjustments for non-taxable income and carried-forward losses.

#### **14.2 Deferred corporate income tax:**

Deferred income tax is the corporate income tax that will be payable or refunded due to temporary differences between the book value of assets and liabilities for financial statement purposes and their tax bases. Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are only recognized when it is probable that taxable income will be available in the future to utilize the deductible temporary differences.

The book value of deferred tax assets is reviewed at the end of each financial year and adjusted to ensure that sufficient taxable profits will be available to allow for the utilization of all or part of the deferred tax asset. Deferred tax assets that have not been previously recognized are reviewed at the end of the financial year and recognized when it is certain that sufficient taxable profits will be available to use these previously unrecognized deferred tax assets.

Deferred tax assets and liabilities are determined based on the tax rates expected to be applied in the year in which the asset will be recovered or the liability settled, based on the tax rates that are in effect at the end of the financial year. Deferred income tax is recognized in the income statement and is only recognized directly in equity when the tax is related to items directly recorded in equity.

Deferred tax assets and deferred tax liabilities are offset when:



## **THIEN NAM TRADING – IMPORT EXPORT JOINT STOCK COMPANY**

### **Notes to Consolidated Interim Financial Statements (cont.)**

---

- The company has a legal right to offset current income tax assets against current income tax liabilities;
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority;
- They relate to the same taxable entity;

The company expects to settle the current tax payable and the current tax asset on a net basis, or to recover the asset simultaneously with the payment of the liability in future periods when significant portions of deferred tax liabilities or assets are settled or recovered.

#### **15. Related parties**

Parties are considered related if one party has the ability to control or exercise significant influence over the other in making decisions related to financial and operational policies. Parties are also considered related if they are subject to joint control or significant joint influence.

When considering the relationship between related parties, the substance of the relationship is emphasized more than the legal form.

#### **16. Segment reporting**

A business segment is a component that can be clearly identified, participates in the production or provision of goods or services, and has risks and economic benefits distinct from those of other business segments.

A geographical segment is a component that can be clearly identified, participates in the production or provision of goods or services within a specific economic environment, and has risks and economic benefits distinct from those of other segments in different economic environments.

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

**V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

**1. Cash and cash equivalents**

	Balance at the end	Balance at the beginning
Cash on hand	1.728.119.534	1.227.030.987
Term deposits at banks	7.035.993.324	7.503.754.682
Cash equivalents		100.000.000
<i>In which, bank deposits of which the principal maturity is within 3 months</i>		-
- Vietinbank		100.000.000
<b>Total</b>	<b>8.764.112.858</b>	<b>8.830.785.669</b>

**2. Financial investments**

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

	Balance at the end of the period		Balance at the beginning of the year	
	Original value	Carrying value	Original value	Carrying value
<b>Long-term</b>	<b>12.400.000.000</b>	<b>12.400.000.000</b>	<b>17.400.000.000</b>	<b>17.400.000.000</b>
Term deposits	12.400.000.000	12.400.000.000	12.400.000.000	12.400.000.000
Bonds		-	5.000.000.000	5.000.000.000
<b>Total</b>	<b>12.400.000.000</b>	<b>12.400.000.000</b>	<b>17.400.000.000</b>	<b>17.400.000.000</b>

**2b. Investments in other entities**

	Balance at the end of the period		Balance at the beginning of the year	
	Original amounts	Provisions	Original amounts	Provisions
<b>Investments in joint ventures, associates</b>	<b>181.532.098.526</b>	<b>-</b>	<b>194.393.397.587</b>	<b>-</b>
Sai Gon 168 Trading Business Development Corporation <sup>(i)</sup>	181.532.098.526	-	194.393.397.587	-
<b>Investments in other entities</b>	<b>120.496.100.000</b>	<b>-</b>	<b>120.496.100.000</b>	<b>-</b>
Vung Tau Housing Development Corporation <sup>(ii)</sup>	120.000.000.000	-	120.000.000.000	-
Mien Bac Nahaviwel Joint Stock Company <sup>(iii)</sup>	496.100.000	-	496.100.000	-
<b>Total</b>	<b>302.028.198.526</b>	<b>-</b>	<b>314.889.497.587</b>	<b>-</b>

(i) Investment in an associate - Sai Gon 168 Trading Business Development Corporation is recognized in accordance to equity method

(ii) According to the Business Registration Certificate No. 3502401667 dated 26 July 2019, granted by Department of Planning and Investment of Ba Ria — Vung Tau Province, the Group invests an amount of VND 120.000.000.000 in Vung Tau Housing Development Corporation,

(iii) The Company does not have significant influence on operations of Mien Bac Nahaviwel Joint Stock Company, so this investment is presented as investments in other entities.

**Fair value**

The group has not identified the fair value of the investments because there was no instruction given on identification method

**3. Short-term trade receivables**

	Balance at the end	Balance at the beginning
<b>Receivables from related parties</b>	<b>25.356.230.887</b>	<b>17.588.030.887</b>
Sai Gon 168 Trading Business Development Corporation	329.442.887	329.442.887
Thien Nam Hoa Service Trading Joint Stock Company	25.026.788.000	17.258.588.000
<b>Receivables from customers that account for more than 10% of the total trade receivables</b>	<b>164.954.574.333</b>	<b>167.004.574.333</b>
Nguyen Minh Steel Group Joint Stock Company	164.954.574.333	167.004.574.333
<b>Receivables from other customers</b>	<b>306.519.905.921</b>	<b>321.702.207.148</b>
- Other customers	306.519.905.921	321.702.207.148
<b>Total</b>	<b>496.830.711.141</b>	<b>506.294.812.368</b>



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

	Balance at the end	Balance at the beginning
<i>Prepayments to suppliers whose balance accounts for more than 10% of the prepayments</i>	<i>1.048.497.830</i>	<i>688.709.830</i>
Visa Steel Manufacturing Trading And Import Export Co., Ltd	688.709.830	688.709.830
Tri Viet Investment Service Trading Joint Stock Company	359.788.000	-
<i>Other suppliers</i>	<i>45.818.440</i>	<i>106.195.720</i>
<b>Total</b>	<b>1.094.316.270</b>	<b>794.905.550</b>

#### 5. Other receivables

##### 5a. Other short-term receivables

	Balance at the end of the period		Balance at the beginning of the year	
	Original amounts	Provisions	Original amounts	Provisions
<i>Receivables form related parties</i>	<i>77.258.261.987</i>	-	<i>8.460.000.000</i>	-
Mr. Nguyen Quang Hoa	4.624.403.124	-	1.740.000.000	-
Sai Gon 168 Trading Business Development Corporation	66.563.858.863	-	-	-
Thien Nam Hoa Service Trading Joint Stock Company	6.070.000.000	-	6.720.000.000	-
<i>Receivables from other organizations and indiv.</i>	<i>134.802.690.927</i>	-	<i>31.135.036.567</i>	-
Receivables from employees	105.481.126	-	78.513.574	-
Deposits and collaterals	155.600.000	-	155.600.000	-
Board of Directors' fund overspent beyond available balance	9.405.472.703	-	8.978.601.418	-
Tinh Phat Vina Trading Service Company Limite	102.497.100.000	-	-	-
SoHo NewYork Trading Investment Corporation	20.375.000.000	-	20.375.000.000	-
Other short-term receivables	2.264.037.098	-	1.547.321.575	-
<b>Total</b>	<b>212.060.952.914</b>	-	<b>39.595.036.567</b>	-

##### 5b. Other long-term receivables

	Balance at the end of the period		Balance at the beginning of the year	
	Original amounts	Provisions	Original amounts	Provisions
Deposits and collaterals	3.158.350.540	-	3.458.346.641	-
Other long-term receivables	179.721.382	-	179.721.382	-
<b>Total</b>	<b>3.338.071.922</b>	-	<b>3.638.068.023</b>	-

#### 6. Deficit assets for treatment

	Balance at the end	Balance at the beginning
Inventories	20.288.106	20.288.106
<b>Total</b>	<b>20.288.106</b>	<b>20.288.106</b>

#### 7. Inventories

	Balance at the end of the period		Balance at the beginning of the year	
	Original amounts	Provisions	Original amounts	Provisions
Raw materials and materials	867.407.830	-	876.611.423	-
Tools and equipment	64.878.818	-	64.878.818	-
Work in progress	442.554.555	-	442.554.555	-
Finished goods	17.180.635	-	23.842.165	-
Merchandise	1.086.022.511.536	(251.775.530)	1.086.984.214.898	-
<i>Of which:</i>				
- Purchase cost of merchandise	1.044.801.091.524	(251.775.530)	1.045.742.794.886	-
- Gifted merchandise	156.000.000	-	176.000.000	-
- Real estate merchandise	41.065.420.012	-	41.065.420.012	-
<b>Total</b>	<b>1.087.414.533.374</b>	<b>(251.775.530)</b>	<b>1.088.392.101.859</b>	-

## 8. Prepaid expenses

### 8a. Short-term prepaid expenses

	Balance at the end	Balance at the beginning
Tools and equipment expenses	42.090.000	42.090.000
Construction and repair expenses	48.762.497	-
Expenses on UPAS L/C	2.280.000	2.280.000
Other short-term prepaid expenses	-	119.655
<b>Total</b>	<b>93.132.497</b>	<b>44.489.655</b>

### 8b. Long-term prepaid expenses

	Balance at the end	Balance at the beginning
Construction and repair expenses	378.666.445	588.667.173
Transfer fee for leasehold rights	41.666.690	291.666.686
Credit insurance premium	-	1.549.999.996
Other long-term prepaid expenses	12.086.996	118.117.496
<b>Total</b>	<b>432.420.131</b>	<b>2.548.451.351</b>

## 9. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Transportation and transmission equipment	Transportation and transmission equipment	Total
<b>Historical cost</b>					
Balance at the beginning of the year	14.903.899.727	27.297.650.468	5.610.955.762	103.618.190	47.916.124.147
Liquidation of fixed assets during the period	-	(324.370.000)	(3.892.248.455)	-	(4.216.618.455)
<b>Balance at the end of the year</b>	<b>14.903.899.727</b>	<b>26.973.280.468</b>	<b>1.718.707.307</b>	<b>103.618.190</b>	<b>43.699.505.692</b>
In which: Assets fully depreciated but still in use	8.042.687.409	18.342.277.855	30.065.250	138.278.000	26.553.308.514
<b>Depreciation</b>					
Balance at the beginning of the year	11.818.621.157	21.031.034.905	4.391.900.666	87.157.030	37.328.713.758
Depreciation during the period	301.520.585	984.828.605	310.936.770	5.980.020	1.603.265.980
Liquidation of fixed assets during the period	-	(324.370.000)	(3.539.656.546)	-	(3.864.026.546)
<b>Balance at the end of the year</b>	<b>12.120.141.742</b>	<b>21.691.493.510</b>	<b>954.237.530</b>	<b>93.137.050</b>	<b>34.859.009.832</b>
<b>Net book values</b>					
Balance at the beginning of the year	3.085.278.570	6.266.615.563	1.219.055.096	16.461.160	10.587.410.389
<b>Balance at the end of the year</b>	<b>2.783.757.985</b>	<b>5.281.786.958</b>	<b>764.469.777</b>	<b>10.481.140</b>	<b>8.840.495.860</b>

Some tangible fixed assets with a net book value of VND 2,736,320,052 have been pledged and mortgaged as collateral for the Company's bank loans (refer to Note V.19a).

## 10. Intangible fixed assets

	Land use right	Ground leveling	Computer software	Total
<b>Initial cost</b>				
Balance at the beginning of the year	25.255.147.500	2.620.320.917	319.531.500	28.194.999.917
<b>Balance at the end of the period</b>	<b>25.255.147.500</b>	<b>2.620.320.917</b>	<b>319.531.500</b>	<b>28.194.999.917</b>
In which: assets fully amortized but still in use			319.531.500	319.531.500
<b>Amortization</b>				
Balance at the beginning of the year	-	960.706.605	319.531.500	1.280.238.105
<b>Balance at the end of the period</b>	<b>-</b>	<b>960.706.605</b>	<b>319.531.500</b>	<b>1.280.238.105</b>



#### Net book value

Balance at the beginning of the year	25.255.147.500	1.659.614.312	-	26.914.761.812
<b>Balance at the end of the period</b>	<b>25.255.147.500</b>	<b>1.659.614.312</b>	<b>-</b>	<b>26.914.761.812</b>

- Some intangible fixed assets, of which the net book values are 25.255.147.500 VND have been mortgaged to secure the loans from BIDV - Ho Chi Minh City Branch (see Note No. V.19).

#### 11. Investment property

Investment property of the Group only includes infrastructure and land use right. Details are as follows:

	Historical costs	Accumulated depreciation	Net book values
Balance at the beginning of the year	106.202.325.022	49.241.934.067	56.960.390.955
Depreciation during the period		4.161.620.442	
Decrease during the period	(225.346.533)	(225.346.533)	
<b>Balance at the end of the period</b>	<b>105.976.978.489</b>	<b>53.178.207.976</b>	<b>52.798.770.513</b>

- The historical cost of fully depreciated investment properties that are still leased out or held for capital appreciation amounted to VND 2,529,317,949

- All investment properties with a net book value of VND 52,798,770,513 have been pledged and mortgaged as collateral for bank loans (refer to Note V.19).

- During the year, the Company transferred the house located at No. 01-03 Ngo Gia Tu Street, Vuon Lai Ward, Ho Chi Minh City.

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

	Historical costs	depreciation	Net book values
House, No. 451-453 Nguyen Tri Phuong Street	141.035.215	141.035.215	-
House, No. 355-365 Ngo Gia Tu Street	1.090.075.017	955.874.694	134.200.323
House, No. 192-198 Ngo Gia Tu Street	523.520.568	523.520.568	-
House, No. 07-09 Ly Thai To Street	59.117.794	59.117.794	-
Office, No. 355 Ngo Gia Tu Street	291.231.724	255.377.769	35.853.955
Office, No. 192-198 Ngo Gia Tu Street	1.627.213.182	1.627.213.182	-
Office, No. 451-453 Nguyen Tri Phuong Street	178.431.190	178.431.190	-
Office Building, No.111-121 Ngo Gia Tu Street	22.794.709.320	13.900.004.344	8.894.704.976
Store and Office, No.277B Cach Mang Thang 8 Street	79.271.644.479	35.537.633.220	43.734.011.259
<b>Total</b>	<b>106.202.325.022</b>	<b>53.178.207.976</b>	<b>52.798.770.513</b>

#### 12. Short-term trade payables

	Balance at the end	Balance at the beginning
International Logistics Goods Joint Stock Company	125.021.930.548	181.558.578.033
SoHo NewYork Trading Investment Corporation	79.165.217.482	121.753.112.106
Hanwa Vietnam Company Limited	82.136.602.042	82.166.602.042
<b>Other suppliers</b>	<b>256.398.589.983</b>	<b>299.684.870.573</b>
<b>Total</b>	<b>542.722.340.055</b>	<b>685.163.162.754</b>

#### 13. Short-term advances from customers

	Balance at the end	Balance at the beginning
<b>a. Advances from related parties (see Note No.34)</b>	<b>-</b>	<b>49.667.103.523</b>
Sai Gon 168 Trading Business Development Corporation	-	49.667.103.523
<b>b. Advances from the third party</b>	<b>195.748.002.586</b>	<b>45.541.256.921</b>
United Nations International Investment Joint Stock Company	36.870.147.194	36.870.147.194
Long Hoang Import – Export Trading Company Limited	121.548.048.014	-
Tinh Phat Vina Trading Service Company Limited	18.519.279.237	2.431.306.795
Trieu Hai Automobile Tire Company Limited	18.648.837.209	-
Other customers	161.690.932	6.239.802.932
<b>Total</b>	<b>195.748.002.586</b>	<b>95.208.360.444</b>



#### 14. Tax and other obligations to the State Budget

	Balance at the beginning of the year	Payables during the period	Amount paid	Balance at the end of the period
VAT on local sales	4.296.739.168	6.271.841.733	(5.874.982.375)	4.693.598.526
Corporate income tax	(849.080.400)	12.885.355.233	-	12.036.274.833
Personal income tax	572.919.278	109.149.740	(8.419.547)	673.649.471
License tax	-	12.000.000	(12.000.000)	-
Other taxes	(21.853.026)	12.000.000	(12.000.000)	(21.853.026)
Fees and other payables	29.600.000	3.886.499.808	(29.600.000)	3.886.499.808
<b>Total</b>	<b>4.028.325.020</b>	<b>23.176.846.514</b>	<b>(5.937.001.922)</b>	<b>21.268.169.612</b>
In which:				
Taxes and other receivables to the State Budget	873.297.676			873.297.676
Taxes and other payables to the State Budget	4.901.622.696			22.141.467.288
	<b>4.028.325.020</b>			<b>21.268.169.612</b>

#### Value added tax (VAT)

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

- Export goods	0%
- Local sales	5%
- Goods for domestic consumption and other services	10%

#### Export-import duties

The Group companies have declared and paid these duties in line with the Customs' notices.

#### Excise tax

The Group companies have declared and paid these duties in line with the Customs' notices.

#### Corporate income tax

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

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

#### 15. Payables to employees

	Balance at the end	Balance at the beginning
Salary to be paid	449.823.697	195.548.847
<b>Total</b>	<b>449.823.697</b>	<b>195.548.847</b>

#### 16. Short-term accrued expenses

	Balance at the end	Balance at the beginning
Loan interest expenses	74.873.765.207	31.483.127.952
Personal income tax paid on other's behalf	508.200.000	643.200.000
Accruals for land rental expenses	229.263.716	563.878.004
Accruals for UPAS L/C expenses	49.767.794.770	38.008.819.014
Other short-term accrued expenses	103.636.019	207.729.386
<b>Total</b>	<b>125.482.659.712</b>	<b>70.906.754.356</b>

#### 17. Short-term unearned revenue

	Balance at the end	Balance at the beginning
Advance kindergarten tuition payment	-	870.563.105
Advance investment properties leases	94.916.364	92.103.634
<b>Total</b>	<b>94.916.364</b>	<b>962.666.739</b>



## 18. Other payables

### 18a. Other short-term payables

	Balance at the end	Balance at the beginning
<i>Payables to related parties</i>	<i>20.591.647.996</i>	<i>54.186.744.872</i>
Mr. Nguyen Quang Hoa	20.591.647.996	46.812.744.872
Sai Gon 168 Trading Business Development Corporation	-	7.374.000.000
<i>Payables to other organizations and individuals</i>	<i>355.361.633.836</i>	<i>150.765.845.305</i>
Saigon Joint Stock Commercial Bank - Payment guarantee	147.253.598.838	147.253.598.838
Tri Viet Investment Service Trading Joint Stock Company	200.541.000.000	-
Short-term deposits, collateral	1.801.350.000	298.610.000
Other short-term payables	5.765.684.998	3.213.636.467
<b>Total</b>	<b>375.953.281.832</b>	<b>204.952.590.177</b>

### 18b. Other long-term payables

	Balance at the end	Balance at the beginning
Receipt of long-term deposits, collateral	13.942.609.637	9.880.012.085
<b>Total</b>	<b>13.942.609.637</b>	<b>9.880.012.085</b>

## 19. Borrowings and financial lease

Details of short-term borrowings and financial lease arise as follows:

	Balance at the beginning of the year	Arising during the period		Balance at the end of the period
		Loans disbursed during the period	Loans repaid during the period	
<b>Short-term loans from banks</b>	<b>496.616.721.415</b>	<b>64.977.501.004</b>	<b>(89.228.159.699)</b>	<b>472.366.062.720</b>
- BIDV - HCMC Branch	326.875.004.152	-	(21.517.250.000)	305.357.754.152
- VPBank - HCMC Branch	117.831.800.203	-	(15.834)	117.831.784.369
- Sinopac - HCMC Branch	16.856.892.195	-	(5.000.000)	16.851.892.195
- BIDV - Hoc Mon Branch	35.053.024.865	64.977.501.004	(67.705.893.865)	32.324.632.004
<b>Other short-term borrowings</b>	<b>10.950.000.000</b>	<b>-</b>	<b>-</b>	<b>10.950.000.000</b>
<b>Total</b>	<b>507.566.721.415</b>	<b>64.977.501.004</b>	<b>(89.228.159.699)</b>	<b>483.316.062.720</b>

Summary of short-term borrowings and financial lease arise as follows:

	Balance at the beginning of the year	Arising during the period		Balance at the end of the period
		Loans disbursed during the period	Loans repaid during the period	
<b>Short-term loans from banks</b>	<b>496.616.721.415</b>	<b>64.977.501.004</b>	<b>(89.228.159.699)</b>	<b>472.366.062.720</b>
<b>Other short-term borrowings</b>	<b>10.950.000.000</b>	<b>-</b>	<b>-</b>	<b>10.950.000.000</b>
<b>Total</b>	<b>507.566.721.415</b>	<b>64.977.501.004</b>	<b>(89.228.159.699)</b>	<b>483.316.062.720</b>

## 20. Bonus and welfare funds

	Balance at the beginning of the year	appropriation from profit	Decrease during the period	Balance at the end of the period
Bonus fund	430.995.987	-	(305.000.000)	125.995.987
Welfare fund	170.459.625	300.000.000	(220.687.000)	249.772.625
Bonus fund for the Executive Officers	(9.580.057.030)	-	(201.184.285)	(9.781.241.315)
<b>Total</b>	<b>(8.978.601.418)</b>	<b>300.000.000</b>	<b>(726.871.285)</b>	<b>(9.405.472.703)</b>



**21. Off-consolidated balance sheet items**

	Balance at the end	Balance at the beginning
* Foreign currencies		
- USD	1.302,43	1.352,44
<b>Total</b>	<b>1.302,43</b>	<b>1.352,44</b>

**22. Owner's equity**

**22a. Details of owner's equity**

	Percentage	Balance at the end of the period	Balance at the beginning of the year
- Capital contribution from other organizations and individuals	100%	495.762.640.000	495.762.640.000
<b>Total</b>	<b>100%</b>	<b>495.762.640.000</b>	<b>495.762.640.000</b>

**22b. Capital transactions, dividend and profit distribution**

	Current period	Previous period
- Capital		
+ Balance at the beginning of the year	495.762.640.000	495.762.640.000
+ Increases during the period		
+ Decreases during the period		
+ Balance at the end of the period	495.762.640.000	495.762.640.000
- Dividend, profit distributed		

**22c. Shares**

	end	beginning
- Number of shares registered to be issued	49.576.264	49.576.264
- Number of shares sold to the public	49.576.264	49.576.264
+ Common shares	49.576.264	49.576.264
+ Preferred shares		
- Number of shares repurchased	344.954	344.954
+ Common shares	344.954	344.954
+ Preferred shares		
- Number of outstanding shares	49.231.310	49.231.310
+ Common shares	49.231.310	49.231.310
+ Preferred shares		

\* Face value of outstanding shares: 10.000 VND per share

**22d. Dividends**

- Dividends disclosed after the end of fiscal year
+ Dividends on common stock
+ Dividends on preferred stock
- Accumulated unrealized dividends on preferred stock

**21d. Funds**

	31.763.082.105	31.763.082.105
- Investment and Development Fund	31.763.082.105	31.763.082.105



22e. Statement of fluctuation in owner's equity

	Capital	Share premiums	Treasury shares	Investment and development fund	Retained earnings	Non-controlling interest	Total
Beginning balance of the previous period	495.762.640.000	4.034.353.637	(11.978.525.300)	31.763.082.105	67.150.227.154	(5.054.320.784)	581.677.456.812
Profit in the previous period	-	-	-	-	(61.171.991.168)	(481.579.772)	(61.653.570.940)
Appropriation for bonus and welfare funds in the previous period	-	-	-	-	(500.229.102)	-	(500.229.102)
Board of Directors and the Supervisory Board in the previous period.	-	-	-	-	(250.114.551)	-	(250.114.551)
Other increases/(decreases) during the current period – Adjustment to accumulated undistributed profit after tax up to the end of the previous period.	-	-	-	-	(18.210.428.711)	-	(18.210.428.711)
<b>Balance at the end of the previous period</b>	<b>495.762.640.000</b>	<b>4.034.353.637</b>	<b>(11.978.525.300)</b>	<b>31.763.082.105</b>	<b>(12.982.536.378)</b>	<b>(5.535.900.556)</b>	<b>501.063.113.508</b>
Balance at the beginning of the current year	495.762.640.000	4.034.353.637	(11.978.525.300)	31.763.082.105	(12.982.536.378)	(5.535.900.556)	501.063.113.508
Profit in the previous period	-	-	-	-	(64.121.031.123)	(470.934.439)	(64.591.965.562)
Appropriation for bonus and welfare funds in the previous period	-	-	-	-	-	-	-
Board of Directors and the Supervisory Board in the previous period.	-	-	-	-	-	-	-
Other increases/(decreases) during the current period – Adjustment to accumulated undistributed profit after tax up to the end of the previous period.	-	-	-	-	3.662.265.867	-	3.662.265.867
<b>Balance at the end of the previous period</b>	<b>495.762.640.000</b>	<b>4.034.353.637</b>	<b>(11.978.525.300)</b>	<b>31.763.082.105</b>	<b>(73.441.301.634)</b>	<b>(6.006.834.995)</b>	<b>440.133.413.813</b>



## VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT

### 1. Sales

	Quarter IV/2025	Quarter IV/2024
Revenue from sale of goods	16.583.488.388	513.007.373.416
Revenue from investment property operations	14.937.794.736	12.646.878.552
Revenue from other services	1.035.107.931	2.943.775.796
<b>Total</b>	<b>32.556.391.055</b>	<b>528.598.027.764</b>

### 2. Sales deductions

### 3. Cost of goods sold

	Quarter IV/2025	Quarter IV/2024
Cost of merchandises sold	16.491.153.421	518.211.736.026
Expenses for investment property trading	2.197.150.900	3.295.571.024
Cost of other services provided	305.062.405	1.870.402.150
Allowance for inventories	251.775.530	-
Reversal of allowance for inventories	-	(412.135.250)
<b>Total</b>	<b>19.245.142.256</b>	<b>522.965.573.950</b>

### 4. Financial income

	Quarter IV/2025	Quarter IV/2024
Term deposit interest	284.068	(1.200.457.670)
Demand deposit interest	1.312.987	1.539.356
Realised foreign exchange gains	-	5.288.788
Unrealised foreign exchange gains from remeasurement of foreign currency monetary items	-	73.217
<b>Total</b>	<b>1.597.055</b>	<b>(1.193.556.309)</b>

### 5. Financial expenses

	Quarter IV/2025	Quarter IV/2024
Loan interest expenses	11.343.431.616	10.602.380.475
Realised foreign exchange losses	55.686.177	(151.749.253)
Unrealised foreign exchange losses from remeasurement of foreign currency monetary items	(51.085.651)	161.163.083
Provisions for devaluation of investments	16.523.564.928	-
<b>Total</b>	<b>27.871.597.070</b>	<b>10.611.794.305</b>

### 6. Selling expenses

	Quarter IV/2025	Quarter IV/2024
Staff costs	551.616.739	512.670.500
Materials, packages	-	200.000
Depreciation/amortization of fixed assets	23.587.923	192.855.389
External services rendered	1.292.772.332	1.178.815.533
- Utility expenses	275.585.348	257.100.697
- Warehouse rental and maintenance expenses	769.448.109	848.827.961
- Other purchased services	247.738.875	72.886.875
Other cash expenses	270.726.412	615.289.308
<b>Total</b>	<b>2.138.703.406</b>	<b>2.499.830.730</b>



**7. General and administration expenses**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
Staff costs	1.079.668.500	1.809.481.860
Materials, packages	32.748.397	36.652.484
Depreciation/amortization of fixed assets	286.888.647	291.959.898
External services rendered	3.186.715.368	13.976.241.047
Other expenses	407.050.976	256.602.780
<b>Total</b>	<b>4.993.071.888</b>	<b>16.370.938.069</b>

**8. Other income**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
Gain on disposal of property, plant and equipment	45.454.545	181.818.182
Penalty income from breach of contracts	-	687.354.506
Income from transfer of premises at 1-3 Ngo Gia Tu	14.459.000.000	-
Collection of compensation for site clearance - 7/1/2A Dao Duy Tu	3.524.997.020	-
Other income	6.000.000	415.633
<b>Total</b>	<b>18.035.451.565</b>	<b>869.588.321</b>

**9. Other expenses**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
Loss on disposal of property, plant and equipment and investment	-	220.470.335
Administrative penalties	13.642.280	34.296.316
Tax penalties and additional tax assessments	325.281.415	503.494.182
Contractual penalties	169.078	194.772.276
Other expenses	22.098.127	2.853.855
<b>Total</b>	<b>361.190.900</b>	<b>955.886.964</b>

**10. Operating costs**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
Materials and supplies	32.748.397	36.852.484
Labor costs	1.631.285.239	2.704.282.137
Depreciation/amortization of fixed assets	1.412.309.586	1.597.128.773
External services rendered	5.622.937.700	17.672.602.017
Other expenses	934.707.677	2.025.876.562
<b>Total</b>	<b>9.633.988.599</b>	<b>24.036.741.973</b>

**11. Corporate income tax**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
- Current corporate income tax expense	-	-
- Deferred corporate income tax expense	-	-
<b>Total</b>		

**12. Corporate income tax payable and earning after tax**

	<b>Quarter IV/2025</b>	<b>Quarter IV/2024</b>
Total accounting profit before tax	(20.539.830.773)	(25.129.964.242)
- Upward adjustments	346.287.900	1.959.573.390
- Downward adjustments	-	-
<b>Taxable income</b>	<b>(20.193.542.873)</b>	<b>(23.170.390.852)</b>
Corporate income tax	20%	20%
<b>Corporate income tax payable</b>	<b>-</b>	<b>-</b>
<b>Earning after tax</b>	<b>(20.539.830.773)</b>	<b>(25.129.964.242)</b>



### 13. Earning per share

#### 13a. Basic earning per share

	Quarter IV/2025	Quarter IV/2024
Accounting profit after tax	(20.462.756.662)	(25.003.441.524)
-Appropriation for bonus and welfare funds	-	-
Profit used to calculate basic earning per share	(20.462.756.662)	(25.003.441.524)
The weighted average number of common shares outstanding during the year	49.231.310	49.231.310
<b>Basic earning per share</b>	<b>(416)</b>	<b>(508)</b>

### VII. OTHER DISCLOSURE

#### 1. Transactions with related parties

##### 1a. Related parties

##### Organizations

Organizations	Relationship
Thien Nam Foodstuff Technology Company Limited	Subsidiary
Thien Nam Education Investment Corporation	Subsidiary
Nahaviwel Joint Stock Company	Subsidiary
Sai Gon 168 Trading Business Development Corporation	Associated company
Thien Nam Hoa Service Trading Joint Stock Company	Under common management
Ba Ria - Vung Tau House Development Joint Stock Company	Related parties
Board of Management, Institute of Internal Auditors, Board of Supervisors, Board of Directors, Chief Accountant	Executive management and key management personnel
- Mr Nguyen Quang Hoa	Chairman of the Board of Directors

1b. During the fourth quarter of 2025, the Company entered into transactions with related parties mainly as follows:

Related parties	Description of transactions	Transaction value
Mr Nguyen Quang Hoa	Advance payments for project expenses	395.000.000
	Receipt of advances	530.000.000
	Borrowings	900.000.000
	Repayment of borrowings	1.768.000.000
Sai Gon 168 Trading Business Development Corporation	Receipt from sales	21.000.000.000
	Disbursement of loans	198.000.000.000

1c. As at 31 December 2025, the balances of receivables and payables with related parties were as follows:

Related parties	Description of transactions	Transaction value
Mr Nguyen Quang Hoa	Other receivables	4.624.403.124
	Other payables	20.591.647.996
Sai Gon 168 Trading Business Development Corporation	Short-term receivables	329.442.887
	Advances from customers	-
	Other receivables	66.563.858.863
	Other payables	-
Thien Nam Hoa Service Trading Joint Stock Company	Short-term receivables	25.026.788.000
	Other receivables	6.070.000.000

**1d. Income of key managers during the period:**

	Quarter IV/2025	Quarter IV/2024
Mr. Nguyen Van Nghia – General Director	145.200.000	222.173.913
Mr. Nguyen Minh Thu – Deputy General Director	92.400.000	216.000.000
Ms. Le Thi Thanh Thao – Chief Accountant	84.600.000	84.600.000
<b>Total</b>	<b>322.200.000</b>	<b>522.773.913</b>

**2. Segment information**

- Segment information by geographical area: The entire territory of Vietnam.
- Segment information by business activities: The Company's principal activities are trading and trading of steel products; therefore, no segment information is presented.

**3. Subsequent events**

There are no material subsequent events which are required adjustments or disclosures in the Consolidated Financial Statements

Ho Chi Minh City, January 28, 2026



Nguyen Thi Thu Hien  
Preparer



Le Thi Thanh Thao  
Chief Accountant



Nguyen Van Nghia  
General Director