

X20 JOINT STOCK COMPANY

**FINANCIAL STATEMENTS
4RD QUARTER 2024**

Ha Noi- January, 2025

**X20 JOINT STOCK COMPANY**

Form No. B01a - DN
(Issued under Circular No.202/2014/TT-BTC
dated 22/12/2014 of the Ministry of Finance)

BALANCE SHEET
As at 31 December 2024

Currency: VND

Item	Code	Note	31/12/2024	01/01/2024
A. Current assets	100		328.189.934.827	210.457.709.018
I. Cash and cash equivalents	110		190.950.080.012	31.445.186.704
1. Cash	111		190.950.080.012	31.445.186.704
2. Cash equivalents	112		0	0
II. Short - term financial investments	120		100.000.000	0
1. Trading securities	121		0	0
2. Allowances for decline in value of trading securities	122		0	0
3. Short-term held-to-maturity investments	123		100.000.000	0
III. Accounts receivable - short-term	130		115.951.348.777	140.327.920.320
1. Short-term account receivable from customers	131		47.974.950.878	144.158.486.630
2. Prepayments to suppliers	132		47.648.775.118	1.621.424.641
3. Short-term internal receivable	133		0	0
4. Receivables based on stages of construction contract	134		0	0
5. Short-term loans receivable	135		19.700.000.000	6.390.998.190
6. Other short-term receivables	136		627.622.781	91.139.111
7. Allowance for doubtful debts	137		0	-11.934.128.252
8. Shortage of assets awaiting resolution	139		0	0
IV. Inventories	140		19.799.690.041	38.048.353.160
1. Inventories	141		20.633.757.644	42.677.002.365
2. Allowance for inventories	149		-834.067.603	-4.628.649.205
V. Other current assets	150		1.388.815.997	636.248.834
1. Short-term prepaid expenses	151		1.388.815.997	217.579.060
2. Deductible value added tax	152		0	0
3. Taxes and others receivable from State Treasury	153		0	418.669.774
4. Government bond trading transaction	154		0	0
5. Other current assets	155		0	0
B. Long-term assets	200		193.407.628.754	199.925.135.175
I. Account receivable - long-term	210		0	0
1. Long-term account receivable from customers	211		0	0
2. Long-term prepayments to suppliers	212		0	0
3. Working capital provided to sub-units	213		0	0
4. Long-term internal receivable	214		0	0
5. Long-term loans receivable	215		0	0
6. Other long-term receivables	216		0	0
7. Long-term allowance for doubtful debts	219		0	0
II. Fixed assets	220		117.193.696.889	129.778.140.300
1. Tangible fixed assets	221		107.319.979.748	119.878.029.837
- Cost	222		330.203.300.494	327.847.417.252
- Accumulated depreciation	223		-222.883.320.746	-207.969.387.415
2. Finance lease fixed assets	224		0	0
- Cost	225		0	0
- Accumulated depreciation	226		0	0
3. Intangible fixed assets	227		9.873.717.141	9.900.110.463
- Cost	228		10.695.633.720	10.535.633.720
- Accumulated depreciation	229		-821.916.579	-635.523.257
III. Investment property	230		0	0
- Cost	231		0	0
- Accumulated depreciation	232		0	0
IV. Long-term work in progress	240		924.692.243	185.443.519
1. Long-term work in progress	241		0	0
2. Construction in progress	242		924.692.243	185.443.519
V. Long-term financial investments	250		63.394.835.186	63.394.835.186

Item	Code	Note	31/12/2024	01/01/2024
1. Investment in subsidiaries	251		61.735.835.186	61.735.835.186
2. Investment in associates	252		1.659.000.000	1.659.000.000
3. Equity investments in other entities	253		0	0
4. Allowance for long-term financial investments	254		0	0
5. Long-term held-to-maturity investments	255		0	0
VI. Other long-term assets	260		11.894.404.436	6.566.716.170
1. Long-term prepaid expenses	261		11.894.404.436	6.566.716.170
2. Deferred tax assets	262		0	0
3. Long-term equipment, supplies and spare parts for re	263		0	0
4. Other long-term assets	268		0	0
TOTAL ASSETS	270		521.597.563.581	410.382.844.193
C. LIABILITIES	300		244.553.757.217	160.535.088.849
I. Current liabilities	310		239.353.757.217	158.735.088.849
1. Short-term accounts payable to suppliers	311		115.132.786.317	111.592.214.691
2. Short-term advances from customers	312		28.958.971.238	3.513.594.515
3. Taxes and others payable to State Treasury	313		17.529.630.507	3.515.694.712
4. Payables to employees	314		24.695.241.197	21.999.902.466
5. Short-term accrued expenses	315		2.478.748.659	5.279.629.946
6. Short-term internal payable	316		0	0
7. Payable based on stages of construction contract sch	317		0	0
8. Short-term unearned revenue	318		30.000.000	0
9. Other short-term payables	319		8.454.911.884	4.403.284.876
10. Short-term borrowings	320		0	0
11. Allowance for short-term liabilities	321		39.744.382.079	3.052.439.862
12. Bonus and welfare fund	322		2.329.085.336	5.378.327.781
13. Price stabilization fund	323		0	0
14. Government bond trading transaction	324		0	0
II. Long-term liabilities	330		5.200.000.000	1.800.000.000
1. Long-term accounts payable to suppliers	331		0	0
2. Long-term advances from customers	332		0	0
3. Long-term payable expenses	333		0	0
4. Internal payable on capital	334		0	0
5. Long-term internal payable	335		0	0
6. Long-term unearned revenue	336		0	0
7. Other long-term payables	337		700.000.000	1.300.000.000
8. Long-term borrowings	338		0	0
9. Transition bonds	339		0	0
10. Preferred stocks	340		0	0
11. Deferred income tax liabilities	341		0	0
12. Allowance for long-term liabilities	342		0	0
13. Science and Technology Development Fund	343		4.500.000.000	500.000.000
D. OWNER' EQUITY	400		277.043.806.364	249.847.755.344
I. Owners' equity	410		277.043.806.364	249.847.755.344
1. Share capital	411		172.500.000.000	172.500.000.000
- Ordinary shares with voting rights	411a		172.500.000.000	172.500.000.000
- Preferred stocks	411b		0	0
2. Share premium	412		0	0
3. Conversion option on convertible bonds	413		0	0
4. Owners' other capital	414		0	0
5. Treasury shares	415		0	0
6. Differences upon asset revaluation	416		0	0
7. Foreign exchange differences	417		0	0
8. Investment and development fund	418		56.635.639.925	56.635.639.925
9. Enterprise reorganization assistance fund	419		0	0
10. Other equity fund	420		0	0
11. Retained profits	421		47.908.166.439	20.712.115.419
- Retained profits brought forward	421a		6.959.029.150	6.959.029.150
- Retained profits for the current period	421b		40.949.137.289	13.753.086.269
12. Non-controlling interest	422		0	0
II. Other funds	430		0	0

Item	Code	Note	31/12/2024	01/01/2024
1. Funds	431		0	0
2. Funds that form fixed assets	432		0	0
TOTAL RESOURCES	440		521.597.563.581	410.382.844.193

Prepared by:



Trần Thị Thúy Hằng

Chief Accountant



Ngô Thị Hoa

Ha Noi, 20 January, 2025

General Director



CHỦ TỊCH HĐQT
Chu Văn Đệ

STATEMENT OF INCOME

From 01/07/2024 to 30/09/2024

Currency: VND

Item	Code	Note	4rd quarter		Accumulated from the beginning	
			2024	2023	2024	2023
1. Revenue from sales of goods and provision of service	01		553.224.065.636	374.079.730.363	1.206.020.138.415	875.811.982.133
2. Revenue deductions	02		0	0	0	0
3. Net revenue	10		553.224.065.636	374.079.730.363	1.206.020.138.415	875.811.982.133
4. Cost of sales	11		455.598.298.311	334.630.906.717	1.039.913.872.041	793.380.409.613
5. Gross profit	20		97.625.767.325	39.448.823.646	166.106.266.374	82.431.572.520
6. Financial income	21		8.654.662.483	4.559.583.005	10.192.782.436	18.758.025.315
7. Financial expenses	22		-2.159.641.863	-726.747.426	82.401.260	29.706.038
<i>In which: Interest expense</i>	23		0	0	0	0
8. Selling expenses	25		29.078.903.584	9.452.018.509	31.895.147.553	15.742.572.774
9. General and administration expenses	26		43.761.011.900	30.074.230.688	94.999.145.541	71.182.345.117
10. Net operating profit	30		35.600.156.187	5.208.904.880	49.322.354.456	14.234.973.906
11. Other income	31		189.677.426	267.192.541	239.308.603	279.465.269
12. Other expenses	32		1	699	120.100.139	22.056.188
13. Results of other activities	40		189.677.425	267.191.842	119.208.464	257.409.081
14. Accounting profit before tax	50		35.789.833.612	5.476.096.722	49.441.562.920	14.492.382.987
15. Income tax expense - current	51		5.136.821.566	697.001.965	8.492.425.631	739.296.718
16. Income tax expense/(benefit) - deferred	52		0	0	0	0
17. Net profit after tax	60		30.653.012.046	4.779.094.757	40.949.137.289	13.753.086.269
18. Basic earnings per share	70		0	0		

Prepared by:



Trần Thị Thúy Hằng

Chief Accountant



Ngô Thị Hoa

Ha Noi, 20 January, 2025

General Director



CHỦ TỊCH HĐQT
Chu Văn Đệ



X20 JOINT STOCK COMPANY

Form No. B03a - DN
(Issued under Circular No.202/2014/TT-
date 22/12/2024 of the Ministry of Finance)STATEMENT OF CASH FLOWS
(Indirect method)
4rd quarter 2024

Item	Code	4rd quarter		Accumulated from the beginning	
		2024	2023	2024	2023
I. CASH FLOWS FROM OPERATING ACTIVITIES					
1. Profit before tax	01	35.789.833.612	9.065.455.386	49.441.562.920	17.966.622.852
2. Adjustments for		-	-	-	-
- Depreciation and amortisation	02	(2.190.887.113)	7.422.933.121	13.188.662.400	19.436.415.438
- Allowances and provisions	03	(14.948.229.988)	1.544.832.292	(15.728.709.854)	(1.671.308.351)
- Unrealised foreign exchange losses/(gains)	04	(38.682.740)	(455.974)	(63.364.862)	(3.781.654)
- Profits from investing activities	05	(774.361.606)	11.409.883.468	(2.078.705.905)	(2.621.106.085)
- Interest expense	06	-	-	-	-
- Other adjustments	07	4.000.000.000	-	4.000.000.000	-
3. Operating (loss)/profit before changes in working capital	08	21.837.672.165	29.442.648.293	48.759.444.699	33.106.842.200
- (Increase)/ decrease in receivables	09	(74.704.503.087)	(99.818.615.854)	14.765.944.735	(91.689.126.349)
- (Increase)/ decrease in inventories	10	65.897.195.172	1.247.715.970	22.043.244.721	(15.358.855.944)
- (Increase)/ decrease in payables	11	57.448.260.340	38.448.085.293	94.688.152.858	(8.192.358.645)
- (Increase)/ decrease in prepaid expenses	12	1.342.614.595	223.461.252	2.589.053.227	1.515.746.192
- (Increase)/ decrease in trading securities	13	-	-	-	-
- Interest paid	14	-	-	-	-
- Income tax paid	15	(1.353.840.382)	125.594.704	(2.936.934.291)	-
- Other revenues from operating activities	16	-	(12.272.728)	-	-
- Other expenses from operating activities	17	10.061.713.860	6.270.105.178	6.452.328.714	(2.724.471.249)
Net cash (inflows)/outflows from operating activities	20	80.529.112.663	(24.073.277.892)	186.361.234.663	(83.342.223.795)
II. CASH FLOWS FROM INVESTING ACTIVITIES					
1. Purchases of fixed assets and other long-term assets	21	(2.434.640.870)	3.470.983.515	(7.892.398.846)	(2.964.506.731)
2. Proceeds from disposals of fixed assets and long-term assets	22	236.222.223	29.629.630	236.222.223	29.629.630
3. Loans granted, purchases of debt instruments of other entities	23	(100.000.000)	-	(12.234.516.922)	-
4. Collection of loans, proceeds from sales of debt instruments of other entities	24	-	45.000.000.000	-	51.500.000.000
5. Payments for investments in other entities	25	-	(6.390.998.190)	-	(6.390.998.190)
6. Proceeds from investment in capital contributions to other entities	26	-	-	-	-
7. Receipts of dividends and interest	27	666.127.199	(4.622.275.537)	1.614.194.552	(2.307.172.480)
Net cash (inflows)/outflows from investing activities	30	(1.632.291.448)	37.487.339.418	(18.276.498.993)	39.866.952.229
III. CASH FLOWS FROM FINANCING ACTIVITIES					
3. Proceeds from borrowings	33	-	-	-	-
4. Payments to settle debts	34	-	(8.624.069.800)	-	-
5. Payments for financial lease principal	35	-	(8.624.069.800)	-	-
6. Dividends paid	36	(10.350.000.000)	4.789.991.726	(10.350.000.000)	(8.624.069.800)
Net cash (inflows)/outflows from financing activities	40	(8.636.570.519)	26.654.739.004	(8.636.570.519)	(8.624.069.800)
Net cash (inflows)/outflows in period (50 = 20+30+40)	50	70.260.250.696	455.974	159.448.165.151	(52.099.341.366)
Cash and cash equivalents at beginning of period	60	120.553.513.472	31.445.186.704	31.445.186.704	83.540.746.416
Effect of foreign exchange differences	61	136.315.844	-	56.728.157	3.781.654
Cash and cash equivalents at end of period (70 = 50+60+61)	70	190.950.080.012	31.445.642.678	190.950.080.012	31.445.186.704

Prepared by:

Trần Thị Thu Hiền

Chief Accountant

Ngô Thị Hoa

Hà Nội, 20 January, 2025
General Director

Châu Văn Đệ



GENERAL DEPARTMENT OF
LOGISTICS
X20 JOINT STOCK COMPANY

Form B 09 – DN/HN
(Issued under Circular
No.202/2014/TT-BTC dated 22
December 2014 of the Ministry of
Finance)

NOTES TO THE FINANCIAL STATEMENTS

4th QUARTER 2024

I. REPORTING ENTITY

1. Ownership structure

X20 Joint Stock Company (“the Company”) is a joint stock company established based on the equitization of 20 Company under the General Department of Logistics, according to Decision No. 3967/QĐ-BQP dated December 28, 2007, of the Ministry of National Defense. The Company was incorporated under the Business Registration Certificate No. 0103034095 issued by the Hanoi Department of Planning and Investment on December 31, 2008, and registered for the 10th change under No. 0100109339 on May 13, 2020.

The charter capital according to the Company's business registration is: VND 172,500,000,000 divided into 17,250,000 shares. Specific shares according to the Business Registration are as follows:

	<u>VND</u>	<u>Shares</u>	<u>%</u>
State capital	123.711.900.000	12.371.190	71,72%
Shareholders are employees in the company (1)	31.855.100.000	3.185.510	18,47%
Cai Mep investment joint stock company (2)	5.000.000.000	500.000	2,89%
Other shareholders (3)	11.933.000.000	1.193.300	6,92%
Total	172.500.000.000	17.250.000	100%

Note:

(1): Preferential shares for employees in the Company

(2): Shares sold to strategic investors

(3): Common shares sold to other shareholders

2. Business field

- Industrial production (textile, garment)
- Real estate business
- Retail and distribution

3. Principal activities

- Trading in textiles, dyeing, sewing, and raw materials for textiles, dyeing, and sewing.
- Trading in fuels, chemicals, and dyes for production and consumption.
- Trading in machinery, equipment, and spare parts for the textile, dyeing, and sewing industry.

- Consulting services on management and techniques in the textile, dyeing, and sewing industry.
- Manufacturing other metal products not classified elsewhere.
- Other manufacturing not classified elsewhere. Details: Manufacturing safety equipment such as fireproof clothing, safety belts, life buoys, etc.; manufacturing brooms and brushes, including brushes that are parts of machinery, hand-operated mechanical floor brushes, mops, feather dusters, paint brushes, rollers, etc.
- Construction of all types of houses.
- Training services for textile, dyeing, sewing, and labor supply.
- Advertising and advertising-related services.
- Supermarket business and store systems.
- Petrol and fuel sales agency.
- Trading in boxes, crates, and packaging of all kinds of products serving production and consumption.
- Trading in electronics, refrigeration, household appliances, and office supplies.
- Trading in agricultural products, aquatic products, seafood, and forestry products of all kinds.
- Trading in handicrafts and consumer goods.
- Trading in food, foodstuffs, and beverages serving production and consumption.

4. Company structure

4.1. List of joint ventures and associates

Company name: Joint Stock Company 199

Address: Thanh Ha - Thanh Liem - Ha Nam

Contributed capital: 1,659,000,000 VND, accounting for 33.4% of charter capital, equivalent to 165,900 shares.

4.2. List of subsidiaries

- Company name: X20 Thai Nguyen One Member Co., Ltd.

Address: Hoa Thuong Commune - Dong Hy District - Thai Nguyen Province

Contributed capital: 9,500,000,000 VND, accounting for 100% of charter capital.

- Company name: X20 Nam Dinh One Member Co., Ltd.

Address: Lot 1, Hoa Xa Industrial Park, Nam Dinh City, Nam Dinh Province.

Contributed capital: 38,235,835,186 VND, accounting for 100% of charter capital

- Company name: X20 Thanh Hoa One Member Co., Ltd.

Address: Lot 04, Tay Bac Ga Industrial Park, Dong Tho Ward, Thanh Hoa City, Thanh Hoa Province.

Contributed capital: 8,000,000,000 VND, accounting for 100% of charter capital.

- Company name: X20 Nghe An One Member Co., Ltd.

Address: No. 1 Tue Tinh Street, Hung Dung Ward - Vinh City - Nghe An Province.

Contributed capital: 6,000,000,000 VND, accounting for 100% of charter capital.

4.3. List of affiliated units:

Relatively independent accounting branches:

- Commercial enterprise: No. 35 Phan Dinh Giot, Phuong Liet Ward, Thanh Xuan, Hanoi.
- Military Tailoring Factory: Phuc Dong Ward - Long Bien - Hanoi.
- Kindergarten: No. 35 Phan Dinh Giot, Phuong Liet Ward, Thanh Xuan, Hanoi.
- Central Branch: No. 78 Tue Tinh, Loc Tho Ward, Nha Trang City, Khanh Hoa.

5. Statement on comparability of information in Financial Statements: Information in financial statements is completely comparable between years.

II. ACCOUNTING PERIOD, CURRENCY UNIT USED IN ACCOUNTING

1. Accounting period: The Company's accounting period begins on January 1 and ends on December 31 each year.

2. Accounting currency: The financial statements are presented in Vietnamese Dong (VND), using the historical cost principle and in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and relevant legal regulations in Vietnam.

III. ACCOUNTING STANDARDS AND REGIMES APPLIED

1. Applicable accounting regime

Applying accounting laws, Vietnamese accounting standards, Vietnamese accounting systems and relevant legal regulations in Vietnam.

Currently, the Company applies the enterprise accounting regime issued under Circular No. 200/2014/TT-BTC dated December 22, 2014 of the Ministry of Finance.

2. Declaration on compliance with Vietnamese accounting standards and accounting regime

X20 Joint Stock Company strictly and fully complies with the current accounting laws, accounting standards, Vietnamese enterprise accounting regime and regulations on financial management.

IV. ACCOUNTING POLICIES APPLIED

1. Basis for preparation of Financial Statements

The accompanying consolidated financial statements are presented in Vietnamese Dong (VND), according to the historical cost principle and in accordance with Vietnamese Accounting Standards and legal regulations related to the preparation and presentation of Financial Statements.

2. Exchange rates

For transactions arising in foreign currencies: Transactions arising in foreign currencies are translated at the exchange rate applicable at the time of the transaction, the exchange rate difference arising from these transactions is recorded as financial income and expenses in the statement of income.

Revaluation of foreign currency-based monetary items: at the time of preparing the Financial Statements, the Company did not re-evaluate foreign currency-based monetary items.

3. Cash and cash equivalents

Cash: Including Cash on hand, Bank deposits (no term)

Cash, Bank deposits are recorded on the basis of actual receipts and payments.

Cash equivalents: short-term investments, term deposits with a recovery or maturity of no more than 3 months from the date of investment, deposits that can be easily converted into a certain amount of cash and have no risk of conversion into cash at the time of reporting.

4. Investments

Investments in subsidiaries, joint ventures and other investments

Investments in associates and joint ventures: Investments in associates and joint ventures in which the Company has significant influence are presented using the historical cost principle.

Distributions of profits that the Company receives from the accumulated profits of the associated companies after the date the Company gains control are recorded in the Statement income for the year. Other distributions are considered as the recovery of investments and are deducted from the investment value.

Other investments: Recorded under the historical cost principle.

Allowance for losses on investments

Allowance for losses on investments in subsidiaries, joint ventures and associated companies is made when these companies suffer losses leading to the possibility of investors losing capital or the allowance is due to the decline in the value of investments in these companies (except for the case of planned losses determined in the business plan before the investment). The level of allowance is corresponding to the Company's capital contribution ratio in economic organizations according to the guidance in Circular 48/2019/TT-BTC dated August 8, 2019.

For other investments, the allowance for losses is based on the fair value of the investment at the time of allowance. In case the fair value cannot be determined, the allowance is based on the loss of the investee.

5. Receivables

Receivables are monitored in detail according to the receivable term, receivable objects, original currency and other factors according to the Company's management needs.

Receivables include receivables from customers and other receivables recorded according to the following principles:

Receivables from customers include receivables of a commercial nature arising from purchase-sale transactions between the Company and the buyer (an entity independent of the seller, including receivables between the parent company and subsidiaries, joint ventures, and associates). Commercial receivables are recorded in accordance with the Revenue Standard on the time of recording based on invoices and documents.

Other receivables include receivables of a non-commercial nature.

Internal receivables include receivables from affiliated units without legal status and dependent accounting.

Receivables are classified as Short-term and Long-term on the Balance Sheet based on the remaining term of the receivables at the date of the Financial Statements.

Allowance for doubtful debts: is made for each doubtful debt based on the overdue period of principal payment according to the original debt commitment (excluding debt extension

between the parties), or the expected loss level that may occur according to the guidance in Circular 48/2019/TT-BTC dated August 8, 2019.

6. Inventories

Inventories are determined on the basis of historical cost principle, in case the historical cost principle of inventory is higher than the net realizable value, it must be calculated according to the net realizable value. The historical cost principle of inventory includes the cost of direct materials, direct labor costs and general production costs, if any, to bring the inventory to its current location and condition. Net realizable value is determined as the estimated selling price less all costs of completion and costs to be incurred in marketing, selling and distribution.

Inventories are accounted for using the perpetual inventory method and are valued using the weighted average method.

The Company's allowance for inventories is made in accordance with current accounting regulations. Accordingly, the Company is allowed to make allowance for obsolete, damaged or substandard inventories in cases where the actual value of the inventories is higher than the net realizable value at the end of the accounting period.

7. Fixed assets

The Company manages, uses and depreciates fixed assets in accordance with the guidance in Circular 45/2013/TT-BTC issued on April 25, 2013 and Circular 147/2016/TT-BTC dated October 13, 2016 amending and supplementing a number of articles of Circular 45/2013/TT-BTC issued by the Ministry of Finance, Circular 28/2017/TT-BTC dated April 12, 2017 amending and supplementing a number of articles of Circular 45/2013/TT-BTC and Circular 147/2016/TT-BTC of the Ministry of Finance.

Accounting principles

Tangible fixed assets

Tangible fixed assets are reflected at historical cost principle, presented at historical cost principle minus accumulated depreciation. The historical cost principle of fixed assets includes all costs incurred by the Company to acquire the fixed assets up to the time the assets are ready for use.

When fixed assets are sold or liquidated, the historical cost principle and accumulated depreciation are written off and any gains or losses arising from the liquidation are included in other income or other expenses in the year.

Intangible fixed assets

Intangible fixed assets include the value of the long-term Use Rights at Garment Factory 20B according to Certificate No. B.330747 issued by the People's Committee of Thanh Hoa Province on October 28, 1994; Long-term Land Use Right at Lot 1, Alley 64/3 Phan Dinh Giot according to Land Use Right Certificate No. CT-DA00084 issued on February 25, 2016 issued by the Hanoi Department of Natural Resources and Environment on December 25, 2016. The Company depreciates the accounting software on a straight-line basis over a period of 03 years and other intangible fixed assets (land leveling costs to lease land in Nam Dinh and at Factory 20B),

Depreciation method

Tangible fixed assets are depreciated on a straight-line basis over their estimated useful lives. The specific depreciation periods are as follows:

	Time (Years)
Buildings	07 – 25
Machinery and equipment	05 - 12
Motor vehicles	05 - 10
Office equipment	04
Other tangible fixed assets	03

8. Prepaid expenses

Prepaid expenses reflect Accrued expenses that have been incurred but are related to the results of production and business activities of many accounting periods and the transfer of these expenses to production and business expenses of the following accounting periods.

Prepaid expenses: are recorded at historical cost principle and are classified into short-term and long-term on the Balance Sheet based on the prepayment period of each contract.

9. Construction in progress

Assets in the process of construction for production, rental, administration or any other purpose are recorded at historical cost principle. These costs include service expenses and related interest expenses in accordance with the Company's accounting policy. Depreciation of these assets is applied in the same way as other assets, starting when the assets are ready for use.

10. Payables

Payables are monitored in detail by payment term, payable objects and other factors according to the Company's management needs.

Payables include payables to sellers, payables to loans, internal payables and other payables which are payables with almost certain value and time and are recorded at no lower than the payment obligation, classified as follows:

Payables to sellers: includes payables of a commercial nature arising from transactions of purchasing goods, services, assets between the Company and the seller (an independent unit of the Company, including payables between the parent company and subsidiaries, joint ventures, and associates). These payables include payables when importing through a consignee (in consignment import transactions);

Other payables include non-commercial payables, not related to the purchase and sale, Allowance of goods and services;

11. Loans and financial lease liabilities

Including loans, financial lease liabilities, excluding loans in the form of issuing bonds or preferred shares with a clause requiring the issuer to repurchase at a certain time in the future.

The Company monitors loans and financial lease liabilities in detail for each debt object and classifies them as short-term and long-term according to the repayment period.

Costs directly related to loans are recorded in financial expenses, except for costs arising from loans specifically for the purpose of investing, constructing or producing unfinished assets, which are capitalized according to the Accounting Standard on Borrowing Costs.

12. Capitalization of borrowing costs

All interest costs are recorded in the Statement of Business Performance when incurred, unless capitalized according to the Allowances of the accounting standard "Borrowing Costs".

13. Accrued expenses

Accrued expenses that have not yet arisen but are deducted in advance from production and business expenses during the year to ensure that when Accrued expenses arise, they do not cause sudden changes in production and business expenses on the basis of ensuring the principle of matching between revenue and expenses. When such expenses arise, if there is a difference with the amount deducted, the accountant will record additional or reduce the expenses corresponding to the difference.

14. Owners' equity

The owner's investment capital is recorded according to the actual capital contributed by the owner.

Undistributed profits are determined based on the statement income after corporate income tax and the distribution of profits or loss handling of the Company.

Net profit after tax are distributed as dividends to shareholders after being approved by the Board of Shareholders at the Company's Annual General Meeting and after setting aside reserve funds according to the Company's Charter.

Dividends are announced and paid based on the estimated profits achieved. Official dividends are declared and paid in the following fiscal year from undistributed profits based on the approval of the Shareholders' Council at the Company's Annual General Meeting.

15. Revenue and other income

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

The Company has transferred the significant risks and rewards of ownership of the products or goods to the buyer;

The Company no longer retains management rights as the owner of the goods or control over the goods;

(c) The revenue can be measured reliably;

(d) It is probable that the economic benefits from the sale transaction will flow to the Company; and

(e) The costs related to the sale transaction can be measured reliably.

Revenue from a service transaction is recognized when the outcome of that transaction can be measured reliably. In case the service transaction involves many periods, revenue is recognized in the year according to the results of the work completed at the date of the Balance Sheet of that period. The outcome of a service transaction is recognised when all four (4) of the following conditions are met:

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

For interest, dividends and profits shared and other income: Revenue is recognised when it is probable that the economic benefits will flow to the entity and the amount of revenue can be measured reliably.

16. Cost of goods and services

Including cost of products, goods, services, investment real estate sold during the year (including depreciation costs; repair costs; operating lease costs of investment real estate, transfer and liquidation costs of investment real estate, etc.) are recorded in accordance with revenue consumed during the year.

For direct material costs consumed in excess of normal levels, labor costs, fixed general production costs not allocated to the value of products in stock are recorded immediately in cost of goods sold (after deducting compensation, if any) even when the products and goods have not been determined to be consumed.

17. Financial expenses

Borrowing costs: Recorded monthly based on the loan amount, loan interest rate and actual number of loan days.

18. Current and deferred income tax expenses

Income taxes include all income tax expenses and deferred income tax expenses (or current income tax income and deferred income tax income) when determining profit or loss of a period.

Current current and deferred income tax expenses: is the amount of corporate income tax payable calculated on taxable income in the year and the current corporate income tax rate. Current income tax is calculated based on taxable income and the tax rate applied in the tax year.

The difference between taxable income and accounting profit is due to the adjustment of differences between accounting profit and taxable income according to current tax policy.

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

Pursuant to Decision No. 2702/2004/QĐ-UB of the People's Committee of Nam Dinh Province dated October 25, 2004 on the promulgation of details on the continued implementation of the investment incentive mechanism in Hoa Xa Industrial Park. The Company is exempted from tax for 2 years and exempted from 50% of corporate income tax for the next 6 years when determining the current current and deferred income tax expenses arising at Nam Dinh Textile Enterprise.

19. Accounting estimates

The preparation of the Financial Statements in compliance with Vietnamese Accounting Standards, the current Vietnamese Enterprise Accounting Regime and legal regulations related to the preparation and presentation of Financial Statements requires the Board of Directors to make estimates and assumptions that affect the reported figures on liabilities, assets and the presentation of contingent liabilities and assets at the date of the Financial Statements as well as the reported figures on revenues and expenses during the financial year. Actual results may differ from those estimates and assumptions made.

20. Basic earnings per share

Basic earnings per share for ordinary shares is calculated by dividing the profit or loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of potentially dilutive ordinary shares, including convertible bonds and stock options.

III. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET

1. Cash and cash equivalents

	31/12/2024	01/01/2024
Cash	2.113.318.544	2.501.020.668
Cash in banks	188.836.761.468	28.944.166.036
Total	190.950.080.012	31.445.186.704

2. Other receivables

	31/12/2024	01/01/2024
Advances	-	-
Deposits received	110.000.000	11.500.000
Other receivables	6.541.932	24.503.991
- Loans to employees	-	-
- Social Insurance, Health Insurance, Unemployment Insurance	6.541.932	24.503.991
Receivable from other objects	511.080.849	55.135.120
Total	627.622.781	91.139.111

3. Inventories

	31/12/2024	01/01/2024
Raw materials	11.536.554.483	20.981.674.007
Tools and supplies	712.045	31.601.303
Work in progress	4.858.603.428	4.632.495.991
Finished goods	1.142.011.852	14.429.151.090
Merchandise inventories	3.095.875.836	2.602.079.974
Total	20.633.757.644	42.677.002.365

4. Prepaid expenses

	31/12/2024	01/01/2024
Short-term	1.388.815.997	217.579.060

Undistributed tools and supplies costs	1.388.815.997	217.579.060
Other short-term prepaid expense	-	-
Long-term	11.894.404.436	6.566.716.170
Undistributed tools and supplies costs	10.280.999.282	6.566.716.170
Other long-term prepaid expense	1.613.405.154	-
Total	13.283.220.433	6.784.295.230

6. Taxes and others payable to State Treasury

	<u>31/12/2024</u>	<u>01/01/2024</u>
VAT on domestic sales	12.156.424.928	3.483.710.175
Corporate income tax	5.136.821.566	-
Personal income tax	236.384.013	31.984.537
Total	17.529.630.507	3.515.694.712

7. Accrued expenses

	<u>31/12/2024</u>	<u>01/01/2024</u>
Short-term	2.478.748.659	5.279.629.946
Ministry of Defense land rental	-	3.507.926.147
Accrued on leave salary expenses	922.000.000	564.868.800
Accrued on electricity, water cost expenses	302.913.660	-
Other accrued expenses	1.253.834.999	1.206.834.999
Long-term		
Total	2.478.748.659	5.279.629.946

8. Other short-term payables

	<u>31/12/2024</u>	<u>01/01/2024</u>
Short-term	8.454.911.884	4.403.284.876
Trade union fees	436.865.775	251.582.509
Social insurance	-	-
Health insurance	-	-
Unemployment insurance	-	-
Deposits received	715.000.000	750.000.000
Other payables	656.644.200	324.790.767
- Dividends payable	222.630.200	222.630.200
- Non current mid-shift meal payable	384.984.434	40.885.634
- Severance allowance	49.029.566	61.274.933
Payables from other objects	6.646.401.909	3.076.911.600
Long-term	700.000.000	1.300.000.000
Deposits received	700.000.000	1.300.000.000
Total	9.154.911.884	5.703.284.876

Asset Adjustment Report

Item	Tangible fixed assets						Intangible fixed assets	Total
	Buildings	Machinery and equipment	Motor vehicles	Office equipment	Other tangible fixed assets	Total		
Increase/decrease fixed assets								
Opening balance	230.000.683.352	70.163.267.579	16.311.965.343	6.277.208.851	5.094.292.127	327.847.417.252	10.535.633.720	338.383.050.972
Additions during the period	4.144.972.649	3.916.397.268	2.284.792.087	1.364.467.276	0	11.710.629.280	160.000.000	11.870.629.280
- Transfer from completed construction	230.740.400				0	230.740.400	0	230.740.400
- Purchases	52.937.000	3.249.384.352	2.284.792.087	1.287.332.091	0	6.874.445.530	160.000.000	7.034.445.530
- Internal assets transfer	3.861.295.249	667.012.916		77.135.185	0	4.605.443.350	0	4.605.443.350
Subtractions during the period	3.861.295.249	4.901.315.604	0	592.135.185	0	9.354.746.038	0	9.354.746.038
- Liquidation of fixed assets		4.234.302.688		515.000.000		4.749.302.688	0	4.749.302.688
- Internal assets transfer	3.861.295.249	667.012.916		77.135.185		4.605.443.350	0	4.605.443.350
Closing balance	230.284.360.752	69.178.349.243	18.596.757.430	7.049.540.942	5.094.292.127	330.203.300.494	10.695.633.720	340.898.934.214
Accumulated depreciation								
Opening balance	134.579.037.836	54.407.849.382	9.813.326.956	4.788.881.140	4.380.292.127	207.969.387.441	635.523.264	208.604.910.672
Additions during the period	13.772.102.952	6.533.416.894	1.627.341.320	602.489.837	0	22.535.351.003	186.393.336	22.721.744.339
- Depreciation during the period	11.532.021.842	5.906.203.978	1.627.341.320	597.668.888		19.663.236.028	186.393.336	19.849.629.364
- Internal assets transfer	2.240.081.110	627.212.916		4.820.949		2.872.114.975		2.872.114.975
Subtractions during the period	2.240.081.110	4.861.515.604	0	519.820.949	0	7.621.417.699	0	7.621.417.699
- Liquidation of fixed assets		4.234.302.688		515.000.000		4.749.302.688	0	4.749.302.688
- Internal assets transfer	2.240.081.110	627.212.916		4.820.949		2.872.115.011	0	2.872.115.011
Closing balance	146.111.059.678	56.079.750.672	11.440.668.276	4.871.550.028	4.380.292.127	222.883.320.745	821.916.600	223.705.237.325
Net book value								
Opening balance	95.421.645.516	15.755.418.197	6.498.638.387	1.488.327.711	714.000.000	119.878.029.811	9.900.110.456	129.778.140.301
Closing balance	84.173.301.074	13.098.598.571	7.156.089.154	2.177.990.914	714.000.000	107.319.979.749	9.873.717.120	117.193.696.889

9. Owners' equity

Reconciliation table of equity fluctuations

	Owners' equity	Investment and development fund	Retained profits	Total
Previous period's opening balance	172.500.000.000	56.635.639.925	23.109.814.056	252.245.453.981
- Profits for the current period	-		13.753.086.269	13.753.086.269
- Distributed for funds	-	-	(7.525.784.906)	(7.525.784.906)
- Distribute dividends to shareholders	-		(8.625.000.000)	(8.625.000.000)
Previous period's closing balance	172.500.000.000	56.635.639.925	20.712.115.419	249.847.755.344
Current period's opening balance	172.500.000.000	56.635.639.925	20.712.115.419	249.847.755.344
- Profits for the current period	-		40.949.137.289	40.949.137.289
- Distributed for funds	-	-	(3.403.086.269)	(3.403.086.269)
- Distribute dividends to shareholders	-		(10.350.000.000)	(10.350.000.000)
Current period's closing balance	172.500.000.000	56.635.639.925	47.908.166.439	277.043.806.364

Details of owners' equity

	31/12/2024	01/01/2024
State capital	123.711.900.000	123.711.900.000
Shareholders are employees in the company	31.855.100.000	31.855.100.000
Cai Mep investment joint stock company	5.000.000.000	5.000.000.000
Other shareholders	11.933.000.000	11.933.000.000
Total	172.500.000.000	172.500.000.000

Stocks

	31/12/2024	01/01/2024
Number of shares registered to issue	17.250.000	17.250.000
Number of shares sold to the public	17.250.000	17.250.000
- Ordinary shares	17.250.000	17.250.000
- Preference shares		
Quantity of shares	17.250.000	17.250.000
- Ordinary shares	17.250.000	17.250.000
- Preference shares		

Current par value of shares: 10.000 VNĐ

IV. Additional information for items presented in the Statement of Income report

1. Revenue from sales of goods and provision of services

4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
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Revenue from merchandise inventories, finished goods	548.657.094.409	369.431.845.763	1.183.839.564.352	851.564.192.133
Revenue from renting premises and factories	4.566.971.227	4.647.884.600	22.180.574.063	24.247.790.000
Total	553.224.065.636	374.079.730.363	1.206.020.138.415	875.811.982.133

2. Cost

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Costs of finished goods, merchandise inventories	453.446.415.725	331.151.265.123	1.025.775.543.166	780.232.283.295
Costs of renting premises and factories	2.151.882.586	3.479.641.594	14.138.328.875	13.148.126.318
Total	455.598.298.311	334.630.906.717	1.039.913.872.041	793.380.409.613

3. Financial income

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Bank deposit interest	561.991.464	153.494.704	1.261.208.817	2.229.511.426
Dividends received from affiliated subsidiaries	-	82.950.000	248.850.000	82.950.000
Profits from enterprises	7.911.582.252	4.181.189.353	7.911.582.252	15.954.268.612
Loan interest	124.136.986	132.343.288	464.511.353	308.644.659
Interest on exchange rate differences arises	223.624	9.605.660	145.522.409	179.324.938
Interest on foreign exchange rate differences at the end of term	56.728.157	-	161.107.605	3.325.680
Total	8.654.662.483	4.559.583.005	10.192.782.436	18.758.025.315

4. Financial expenses

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Allowances for loss of financial investments	(2.159.641.863)	(754.671.797)	-	-
Loss of exchange rate differences arises	-	27.678.352	82.401.260	29.460.019
Interest on foreign exchange rate differences at the end of term	-	246.019	-	246.019
Total	(2.159.641.863)	(726.747.426)	82.401.260	29.706.038

5. Selling and general administration expenses

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Selling expenses	29.078.903.584	9.452.018.509	31.895.147.553	15.742.572.774
General administration expenses	43.761.011.900	30.074.230.688	94.999.145.541	71.182.345.117
Total	72.839.915.484	39.526.249.197	126.894.293.094	86.924.917.891

6. Other income

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Income from liquidation of fixed assets	189.000.000	29.629.630	236.222.222	29.629.630
Rent for public houses and shops	-	4.090.909	-	16.363.636
Other income	677.426	233.472.002	3.086.381	233.472.003
Total	189.677.426	267.192.541	239.308.603	279.465.269

7. Other Expenses

	4rd QUARTER 2024	4rd QUARTER 2023	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2024	Cumulative from the beginning of the year to the end of the 4rd QUARTER 2023
Other Expenses	1	699	120.100.139	22.056.188
Total	1	699	120.100.139	22.056.188

V. Comperision information

Comparative information is the figures on the audited financial statements for the fiscal year ending December 31, 2023 by Vietnam Auditing and Evaluation Co., Ltd. (VAE).

Ha Noi, 20 January 2025

Prepared by:

Tran Thi Thuy Hang

Tran Thi Thuy Hang

Chief Accountant

Ngo Thi Hoa

Ngo Thi Hoa

General Director



HỦ TỊCH HĐQT
Chu Văn Đệ