

PHUONG ANH
INTERNATIONAL JOINT
STOCK COMPANY

-----***-----

No: 10/2025/CBTT-PAS

THE SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

-----***-----

HungYen, March 29, 2025

**DISCLOSURE OF INFORMATION ON THE WEBSITE OF THE STATE
SECURITIES COMMISSION**

To : - Hanoi Stock Exchange

Company: **PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY**

Stock Code: PAS

Head Office Address: No. 60, Pham Ngu Lao Street, Tu My Ward, Phung Chi Kien, My Hao
Town, Hung Yen Province

Phone: 0221 394 82 68

Fax:

Person Responsible for Information Disclosure: Doan Thi Thu Thuy

Phone (Mobile, Office, Home): 0335724136

Type of information disclosure 24h 72h Extraordinary On demand Periodic

Content of Disclosed Information (*):

Phuong Anh International Joint Stock Company announces the audited 2024 separate financial report, along with an explanatory letter regarding the financial report.

This information has been disclosed on the company's official website on March 29, 2025, at the following link: <http://www.phuonganhgroup.com.vn>

We hereby confirm that the information disclosed is true, and we take full responsibility for the content of the disclosed information under the law.

Attachments:

- Content of the disclosed information and related documents.

Authorized Person for Information Disclosure

(Signature, Full Name, Title, Seal)



Doan Thi Thu Thuy

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY
AUDITED SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024



TABLE OF CONTENTS

<u>CONTENT</u>	<u>PAGES</u>
STATEMENT OF THE BOARD OF MANAGEMENT	2 - 3
INDEPENDENT AUDITORS' REPORT	4 - 5
SEPARATE BALANCE SHEET	6 - 7
SEPARATE INCOME STATEMENT	8
SEPARATE CASH FLOW STATEMENT	9
NOTES TO THE SEPARATE FINANCIAL STATEMENTS	10 - 35

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Phuong Anh International Joint Stock Company (hereinafter referred to as the “Company”) presents this report together with the audited separate financial statements for the year ended 31 December 2024.

BOARD OF GENERAL DIRECTORS AND BOARD OF MANAGEMENT

Members of the Board of Management and Board of General Directors of the Company who held office during the year ended 31 December 2024 and to the date of this report are as follows:

The Board of Management

Mr. Nguyen Hung Cuong	Chairman	
Ms. Phan Thi Thanh Thuy	Member	Dismissed on 24/04/2024
Ms. Nguyen Thi Ngoc Ha	Member	
Ms. Luu Thi Thu Thuy	Member	
Mr. Tran Duy Cuong	Member	
Ms. Le Hoang Yen	Independent member	Appointed on 24/04/2024

Board of General Directors and Chief Accountant

Mr. Tran Duy Cuong	General Director
Ms. Tran Thi Hong Khang	Chief Accountant

Supervisory Board

Ms. Nguyen Thi Thu Hang	Chief Supervisor
Mr. Le Hong Quan	Chief Supervisor
Mr. Pham Xuan Bac	Supervisor

EVENTS AFTER THE BALANCE SHEET DATE

The Board of Management confirms that there have been no significant events occurring after 31 December 2024 which would require adjustments to or disclosures to be made in the separate financial statements for the year ended 31 December 2024 of the Company.

THE AUDITOR

The separate financial statements have been audited by UHY Auditing and Consulting Company Limited.

STATEMENT OF THE BOARD OF MANAGEMENT (CONT'D)

THE BOARD OF MANAGEMENT' STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the Company 's financial position as at 31 December 2024, its results and cash flows for the year then ended. In preparing those financial statements, The Board of Management is required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements; and
- Prepare the separate financial statements on the going concerning basis unless it is inappropriate to presume that the Company will continue in business.
- Establish and implement an internal control system effectively to limit the risk of material misstatement due to fraud or error in preparing and presenting the Financial Statements.

The Board of Management confirms that the Company has complied with the above requirements in preparing the separate financial statements.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the separate financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other related legal regulations on preparation and presentation of the financial statements. It is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management commits that the Company does not violate obligations on information disclosure under Circular No.96/2020/TT-BTC dated 16 January 2020 by the Ministry of Finance on information disclosure in the stock market; Decree No. 155/2020/ND-CP dated 31 December 2020 of the Government detailing the implementation of a number of articles of the Securities Law and Circular No. 116/2020/TT-BTC dated 31 December 2020 of The Ministry of Finance guiding a number of articles on corporate governance applicable to public companies in Decree 155/2020/ND-CP.

For and on behalf of the Board of Management,



Nguyen Hung Cuong
Chairman

Hung Yen, 28 March 2025

No.: 423 /2025/UHY-BCKT

INDEPENDENT AUDITORS' REPORT

To: **Shareholders, Board of Management and Board of General Directors of
Phuong Anh International Joint Stock Company**

We have audited the separate financial statements of Phuong Anh International Joint Stock Company (hereinafter referred to as the "Company") which were prepared on 28 March 2025 as set out on pages 06 to 35 herein, including the Balance sheet as of 31 December 2024, related statements of Income, Cash Flow and Notes thereto for the year ended 31 December 2024.

Responsibilities of the Board of Management

The Board of Management of the Company is responsible for preparing and presenting the separate financial statements in a true and fair view in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and related legal regulations on the preparation and presentation of the separate financial statements and for such internal control as the Board of Management determines is necessary to enable the preparation and presentation of the separate financial statements that are free from material misstatements, whether due to fraud or error.

Responsibilities of the Auditors

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

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

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

Auditors' Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the financial position of Phuong Anh International Joint Stock Company as at 31 December 2024, and of the results of its operations and its cash flows for the year then ended, in accordance with Vietnamese Accounting standards, Vietnamese Corporate Accounting Systems and related legal regulations on the preparation and presentation of the financial statements

INDEPENDENT AUDITORS' REPORT (CONT'D)

Emphasis of Matter

We draw readers' attention to Note No. 29 - Comparative Figures, in the Explanatory Notes to the Financial Statements: Certain comparative figures have been restated by the Company due to the exclusion of interest expenses for enterprises with related party transactions under Decree No. 132/2020/ND-CP when calculating corporate income tax for the year 2023.

Our audit opinion is not related to this Emphasis of Matter



Phạm Gia Đạt
Deputy General Director
Auditor's Practicing Certificate
No. 0798-2023-112-1
For and on behalf of
UHY AUDITING AND CONSULTING COMPANY LIMITED
Hanoi, 28 March 2025

A blue signature of Hoang Thi Nga.

Hoang Thi Nga
Auditor
Auditor's Practicing Certificate
4079-2023-112-1

SEPARATE BALANCE SHEET

As at 31 December 2024

ASSETS	Code	Note	31/12/2024	01/01/2024
			VND	VND
CURRENT ASSETS	100		643,042,921,576	341,049,946,887
Cash and cash equivalents	110	5	18,532,914,362	4,291,422,319
Cash	111		18,532,914,362	4,291,422,319
Short-term financial investments	120		-	1,119,000,000
Held-to-maturity investments	123		-	1,119,000,000
Short-term receivables	130		318,235,150,502	40,145,879,868
Short-term trade receivables	131	6	196,022,758,111	88,098,429,196
Short-term repayments to suppliers	132	7	26,573,022,996	21,912,545,095
Other short-term receivables	136	8	131,217,727,472	3,559,131,799
Short-term allowances for doubtful debts	137	10	(35,578,358,077)	(73,424,226,222)
Inventories	140	9	305,088,575,088	294,794,297,593
Inventories	141		308,137,709,274	299,687,153,718
Allowances for devaluation of inventories	149		(3,049,134,186)	(4,892,856,125)
Other current assets	150		1,186,281,624	699,347,107
Short-term prepaid expenses	151		352,758,612	215,474,996
Deductible VAT	152		776,556,347	426,905,446
Taxes and other receivables from government budget	153	15	56,966,665	56,966,665
NON-CURRENT ASSETS	200		179,178,438,415	363,328,228,129
Fixed assets	220		45,251,838,099	45,806,221,120
Tangible fixed assets	221	12	45,251,838,099	45,806,221,120
- Historical costs	222		120,554,615,095	117,854,288,828
- Accumulated depreciation	223		(75,302,776,996)	(72,048,067,708)
Investment properties	230	13	31,581,783,000	31,581,783,000
- Historical costs	231		31,581,783,000	31,581,783,000
Long-term assets in progress	240		9,539,227,653	211,355,458,862
Construction in progress	242		9,539,227,653	211,355,458,862
Long-term investments	250	11	91,599,178,745	69,664,378,124
Investments in subsidiaries	251		92.514.252.062	-
Investments in jointly controlled entities and associates	252		-	47,114,252,062
Investments in other entities	253		100,000,000	30,000,000,000
Allowances for long-term investments	254		(1,015,073,317)	(7,449,873,938)
Other long-term assets	260		1,206,410,918	4,920,387,023
Long-term prepaid expenses	261		1,206,410,918	4,920,387,023
TOTAL ASSETS	270		822,221,359,991	704,378,175,016

SEPARATE BALANCE SHEET (CONT'D)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND
LIABILITIES	300		451,305,638,948	336,376,260,328
Short-term liabilities	310		451,305,638,948	336,376,260,328
Short-term trade payables	311	14	108,091,875,854	174,852,599,796
Short-term prepayments from customers	312		2,158,702,623	58,116,568,870
Taxes and other payables to government budget	313	15	5,081,544,474	9,105,638,810
Payables to employees	314		495,130,062	381,140,268
Short-term accrued expenses	315		889,468,478	457,024,572
Other short-term payments	319		926,718,000	6,272,400
Short-term loans and finance lease obligations	320	16	333,422,586,607	93,217,402,762
Bonus and welfare fund	322		239,612,850	239,612,850
OWNER'S EQUITY	400	17	370,915,721,043	368,001,914,688
Share capital	410		370,915,721,043	368,001,914,688
Capital	411		280,499,680,000	280,499,680,000
- Ordinary shares with voting rights	411a		280,499,680,000	280,499,680,000
Development and investment funds	418		556,025,698	556,025,698
Undistributed profit after tax	421		89,860,015,345	86,946,208,990
- Undistributed profit after tax brought forward	421a		86,946,208,990	89,220,235,535
- Undistributed profit after tax for the current period	421b		2,913,806,355	(2,274,026,545)
TOTAL LIABILITIES AND OWNERS' EQUITY	440		822,221,359,991	704,378,175,016

Hung Yen, 28 March 2025



Tran Thi Hong Khang
Preparer



Tran Thi Hong Khang
Chief Accountant



Nguyen Hung Cuong
Chairman

SEPARATE INCOME STATEMENT

For the year ended 31 December 2024

ITEMS	Code	Note	Year 2024	Year 2023
			VND	VND
Gross sales of merchandise and services	01	19	1,068,182,064,178	683,231,557,618
Revenue deductions	02	20	92,346,790	68,870,168
Net sales of merchandise and services	10		1,068,089,717,388	683,162,687,450
Cost of goods sold	11	21	1,051,410,663,104	684,142,632,959
Gross profit from sales of merchandise and	20		16,679,054,284	(979,945,509)
Financial income	21	22	144,956,466	10,386,821,271
Financial expenses	22	23	5,296,788,166	16,500,754,208
- In which: Interest expense	23		11,577,396,315	16,259,762,984
Selling expenses	25	24	2,374,177,477	1,475,585,432
General and administrative expenses	26	24	2,058,466,001	(9,316,314,227)
Net profits from operating activities	30		7,094,579,106	746,850,349
Other income	31		212,671	15,119,118
Other expenses	32	25	1,763,618,292	885,490,225
Profit from other activities	40		(1,763,405,621)	(870,371,107)
Net profit before tax	50		5,331,173,485	(123,520,758)
Current corporate income tax expense	51	26	2,417,367,130	2,150,505,787
Net profit after tax	60		2,913,806,355	(2,274,026,545)

Hung Yen, 28 March 2025


Tran Thi Hong Khang
Preparer

Tran Thi Hong Khang
Chief AccountantNguyen Hung Cuong
Chairman

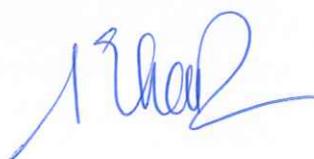
SEPARATE CASH FLOW STATEMENT

(Applying indirect method)

For the year ended 31 December 2024

Items	Codes	Note	Year 2024	Year 2023
			VND	VND
Cash flows from operating activities				
<i>Profit before tax</i>	01		5,331,173,485	(123,520,758)
<i>Adjustments for:</i>				
Depreciation and amortization	02		3,254,709,288	3,963,188,101
Provisions	03		(46,124,390,705)	(10,831,557,327)
Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04		(1,695,293)	3,511,339
Gains (losses) on investing activities	05		(49,195,361)	(9,776,676,586)
Interest expense	06		11,577,396,315	16,259,762,984
<i>Operating profit before movements in working capital</i>	08		(26,012,002,271)	(505,292,247)
Increase (decrease) in receivables	09		(31,512,302,951)	178,873,198,049
Increase (decrease) in inventories	10		(8,450,555,556)	16,402,146,652
Increase (decrease) in payables (exclusive of interest payables, enterprise income tax payables)	11		(123,438,838,489)	(137,365,546,385)
Increase (decrease) in prepaid expenses	12		3,576,692,489	(3,957,909,025)
Interest paid	14		(11,621,972,602)	(16,063,303,849)
Enterprise income tax paid	15		(4,963,461,283)	(5,678,862,144)
<i>Net cash flows from operating activities</i>	20		(202,422,440,663)	31,704,431,051
Cash flows from investing activities				
Purchase or construction of fixed assets and other long-term assets	21		(9,230,391,354)	(66,000,000)
Loans and purchase of debt instruments from other entities	23		-	(1,119,000,000)
Collection of loans and repurchase of debt instruments of other entities	24		1,119,000,000	-
Equity investments in other entities	25		(45,400,000,000)	-
Proceeds from equity investment in other entities	26		29,900,000,000	96,587,000,000
Interest and dividend received	27		49,195,361	3,179,256
<i>Net cash flows from investing activities</i>	30		(23,562,195,993)	95,405,179,256
Cash flows from financing activities				
Proceeds from borrowings	33		535,269,470,991	329,547,567,753
Repayment of borrowings	34		(295,064,287,146)	(454,768,566,121)
<i>Net cash flows from financial activities</i>	40		240,205,183,845	(125,220,998,368)
Net cash flows during the period	50		14,220,547,189	1,888,611,939
Cash and cash equivalents at the beginning of the period	60		4,291,422,319	2,406,321,719
Effect from changing foreign exchange rate	61		20,944,854	(3,511,339)
Cash and cash equivalents at the end of the period	70	5	18,532,914,362	4,291,422,319

Hung Yen, 28 March 2025



Tran Thi Hong Khang
Preparer



Tran Thi Hong Khang
Chief Accountant



Nguyen Hung Cuong
Chairman

NOTE TO THE SEPARATE FINANCIAL STATEMENTS

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

1. BUSINESS HIGHLIGHTS

1.1 THE COMPANY

Phuong Anh International Joint Stock Company, abbreviated as PAS (referred to as “the Company”); was established and operated under the business registration certificate No. 0900613295 issued by the Department of Planning and Investment of Hung Yen Province for the first time on 30 August 2010 and changed for the 19th time on January 24, 2024.

The Company's head office is located at: 60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province, Vietnam

On 13 November 2018, the State Securities Commission issued Official Dispatch No. 7595/UBCK-GSDC approving Phuong Anh International Joint Stock Company to become a public company.

On 21 November 2018, Phuong Anh International Joint Stock Company was granted Securities Registration Certificate No. 105/2018/GCNCP-VSD by the Vietnam Securities Depository (VSD) with the stock code PAS.

The charter capital of the Company as stated in the Business Registration Certificate is VND 280,499,680,000 (Two hundred and eighty billion, four hundred and ninety-nine million, six hundred and eighty thousand dong./.).

The total number of employees of the Company, including the Office as of 31 December 2024 is 46 people (as of 01 January 2024 is 40 people).

1.2 BUSINESS LINES AND PRINCIPAL ACTIVITIES

The Company's main business activities include:

- Manufacturing plastic products. Details: Manufacturing plastic packaging
- Other specialized wholesale not elsewhere classified. Details: Wholesale of scrap, metal and non-metal waste (except for those prohibited by the State)
- Wholesale of metals and metal ores. Details: Wholesale of iron and steel
- Mechanical processing; metal processing and coating
- Loading and unloading of goods (excluding loading and unloading of goods at airports)
- Short-term accommodation services
- Restaurants and mobile catering services (excluding bar, dance hall, karaoke room business)
- Construction of all types of houses
- Construction of railway and road works
- Wholesale of cars and other motor vehicles, etc.

Subsidiaries and associates: See details in Note 11 of the Notes to Financial Statements.

2. ACCOUNTING CONVENTION, ACCOUNTING PERIOD AND CURRENCY

The accounting period begins on 1 January and ends on 31 December of the calendar year.

The accompanying financial statements were prepared for the year ended 31 December 2024.

Accounting currency is Vietnam dong (VND).

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

3. ADOPTION OF ACCOUNTING STANDARDS AND SYSTEM

The Company adopted Vietnamese Corporate Accounting System issued under Circular No.200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance and Circular No. 53/2016/TT-BTC dated 21 March 2016 on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC.

The Company complies with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System for preparation and presentation of the financial statements for the year ended 31 December 2024.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted by the Company in the preparation of these financial statements are as follows:

4.1. BASIS OF PREPARATION

The separate financial statements, expressed in Vietnam Dong (VND), have been prepared under the cost principle in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and other related legal regulations on preparation and presentation of the separate financial statements.

4.2. ACCOUNTING ESTIMATES

Financial reporting in conformity with Vietnamese Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year (operating period). Actual results could differ from those estimates.

4.3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and at bank, cash in transit, deposits, mortgages, deposits and highly liquid investments that are readily convertible to known amounts of cash with an original maturity of less than three months and subject to an insignificant risk of changes in value.

4.4 RECEIVABLES

Receivables are presented at book value minus provision for doubtful debts.

The classification of receivables is conducted under the following principle:

- Trade receivables reflect commercial receivables arising from purchase and sale transactions between the Company and the buyer – independent of the Company.
- Other receivables reflect non-commercial receivables that are not related to purchase and sale transactions.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

4.4 RECEIVABLES (CONT'D)

Provision for doubtful debts is made for those that are overdue as prescribed in the economic contracts, contract commitments or debt commitment and repeatedly urged for repayment but not yet recovered. The determination of overdue receivables is made based on time of principal payment of the initial sales and purchase contract, other than debt rescheduling between parties; Allowance is also made for those that have not fallen due but debtors are on the verge of bankruptcy or finalizing procedures for dissolution, missing or fled and reversed when debts are recovered.

The increase or decrease in allowance for doubtful debts is accounted for in administrative expenses in the period.

4.5 INVENTORIES

Inventories are stated at the lower of cost and net realizable value. Cost comprises those that have been incurred in bringing the inventories to their present location and condition, namely purchase price, non-refundable taxes, stevedoring, loading and unloading, preservation cost, wastage norm and other costs directly attributable to purchase of inventories.

The Company applies the perpetual method to account for inventories. The cost of inventories is calculated using the weighted average method.

Provision for devaluation of inventories of the Company is made in accordance with current regulations. Accordingly, the Company is allowed to make an inventory impairment provision in case the original cost of inventory is higher than the net realizable value at the end of the accounting period.

4.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

The recognition of tangible fixed assets and depreciation of fixed assets are carried out in accordance with Vietnamese Accounting Standard No. 03 - Tangible Fixed Assets, Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the corporate accounting regime, Circular No. 45/2013/TT-BTC dated 25 April 2013 guiding the regime of management, use and depreciation of fixed assets and Circular No. 147/2016/TT-BTC dated October 13, 2016 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 28/2017/TT-BTC dated 12 April 2017 on amending and supplementing a number of articles of Circular No. 45/2013/TT-BTC and Circular No. 147/2016/TT-BTC of the Ministry of Finance.

The cost of tangible fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its ready in use. The costs of fixed assets constructed by contractors are the finally accounted cost of the work, directly related expenses and registration fee. The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Depreciation is calculated on a straight-line basis for all assets over their estimated useful lives. The principal annual depreciation rates in use are as follows:

Assets	Useful lives (years)
Buildings and structures	05 – 50
Machinery, equipment	05 – 15
Motor vehicles, transmission	03 - 10
Office equipment	03 – 10

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

4.7 INVESTMENT REAL ESTATE

Investment property is the right to use land owned by the Company to earn rental income or for capital appreciation, initially recorded at cost. The cost of investment property is the total cost that the Company has to pay or the fair value of the consideration given to acquire the investment property up to the time of purchase or completion of construction.

For investment property held for capital appreciation, no depreciation is made. In case there is solid evidence that the investment property held for capital appreciation has decreased compared to the market value and the decrease can be determined reliably, the investment property held for capital appreciation is recorded as a decrease in cost and the loss is recorded in cost of goods sold.

4.8 FINANCIAL INVESTMENTS

A subsidiary is an enterprise controlled by the Company. Control is achieved when the Company has the ability to govern the financial and operating policies of the investee to derive economic benefits from its activities.

Investments in subsidiaries are initially recognized at cost, including purchase price or capital contributions plus direct costs related to the investment. For investments made with non-monetary assets, the cost of the investment is recognized at the fair value of the non-monetary assets at the time of the transaction.

Investments in associates and joint ventures are accounted for using the cost method; net profit distributed by associates and joint ventures after the date of investment is recognized in the Income Statement. Other distributions (aside from net profit) are considered as recovery of investment and recognized as a reduction in the carrying amount of the investment.

Other investments are recorded and presented in the Separate Financial Statements using the cost method.

Provisions for investment losses are made at the time of financial statement preparation when investments are impaired relative to their initial cost. The Company applies the following methods for provisioning:

- For investments in listed stocks or investments with reliable fair value, the provision is based on the market value of the stocks.
- For investments with an uncertain fair value at the reporting date, the provision is determined based on the loss incurred by the investee (provision for investment losses in other entities) and the Company's equity ratio compared to the total actual capital of the investee.

In cases where no reference information is available to determine the impairment of investments, the value of other long-term investments will still be recorded and presented at cost in the Financial Statements.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

4.9 PAYABLES

Liabilities are amounts payable to suppliers and other parties. Liabilities are not recorded at an amount lower than the obligation to be paid

The classification of payables is carried out according to the following principles:

- Payables to sellers include commercial payables arising from purchasing goods, services, assets and the seller is an independent entity from the buyer, including payables between the parent company and subsidiaries, joint ventures, and associates. These payments include payments when importing through a consignee (in consignment import transactions);
- Other payments include non-commercial payables, not related to transactions of purchasing, selling, and providing goods and services.
- Payable expenses are actual expenses incurred but do not have full documents and are deducted in advance from production and business expenses in the period to ensure that when actual payments arise, they do not cause sudden changes in production and business expenses. Accounting for payable expenses in production and business expenses during the year must be carried out according to the principle of matching between revenue and expenses incurred during the period.

4.10 PREPAYMENT

Long-term prepayment expenses include expenses incurred during the fiscal year that are related to many periods of production and business activities. These expenses are recorded as long-term prepaid expenses to be gradually allocated to the business results in many periods.

The calculation and allocation of long-term prepaid expenses into production and business costs in each accounting period is based on the nature and level of each type of expense to select a reasonable allocation method and criteria.

4.11 BORROWING COSTS

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is debited to the cost of those assets.

Where a borrowing is intended for use in investment in construction or manufacturing of an asset, borrowing cost that is qualified for capitalization of that asset shall be determined as actually arisen from borrowings minus (-) income from temporary investments of these borrowings.

4.12 REVENUE AND EXPENSE RECOGNITION

Revenue is recognized when the Company may receive reliably measured economic benefits. Net sales are measured by the fair value of amounts received or receivable less trade discount, sales rebate and sales return. Also, revenue is recognized when the following requirements are met.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

4.12 REVENUE AND EXPENSE RECOGNITION (CONT'D)

Revenue from sales of goods is recognized when all the following conditions are satisfied:

- *Significant risks and rewards of ownership of products or goods are transferred to the buyer.*
- *The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.*
- *The amount of revenue can be reliably measured.*
- *It is probable that economic benefits associated with the transaction will flow to the Company.*
- *The costs incurred or to be incurred in respect of the transactions can be measured reliably.*

Sales of services is recognized when all following conditions are satisfied:

- *Revenue can be reliably measured.*
- *It is probable that economic benefits associated with the transaction will flow to the Company.*
- *Percentage of completion of services at the balance sheet date can be measured;*
- *Costs incurred in respect of rendering of services and costs incurred to completion of rendering of services can be measured.*

Financial income comprises bank interest, interest from investment, dividends, profits received from investing activities. Financial income is recognized when it is reliably measured and economic benefits from this transaction are possibly obtained.

Operating costs incurred and related to generation of revenue in year is gathered and estimated for the proper year.

4.13 TAX AND OBLIGATION TO THE STATES

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement (in case the Company makes adjustment to deferred tax or applies accounting policies reflecting revenue and expense different from those of the current year) and it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. It is calculated using the rate of 20% that has been enacted by the balance sheet date.

Taxable profit is determined based on the operation results after adjustment for non-taxable income and non-deductible expenses. The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and its ultimate determination depends on the results of tax authorities' examination.

Other taxes are in accordance with the prevailing regulations in Vietnam.

4.14 FOREIGN CURRENCIES

Transactions in foreign currencies are converted at the actual exchange rate applied on the transaction date. Exchange rate differences arising from these transactions will be recorded as revenue or expense in the period.

The balance of foreign currency items at the end of the accounting period is converted at the exchange rate on this date. The exchange rate difference resulting from the revaluation of the ending balance after offsetting the increase and decrease, the remaining difference is recorded as financial revenue or financial expense in the period.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

4.15 RELATED PARTIES

A party is considered a Related Party of the Company if it can control or exercise significant influence over the Company in making financial and operating decisions. A party can control the Company when it holds a significant role in voting rights and the right to decide on the financial and operating policies of the Company. In addition, the relationship of assets, liabilities and transactions with parties controlled by the same entity are also considered relationships and transactions with related parties. The controlling entity can be an economic unit or an individual investor or manager.

When considering each relationship of related parties, attention is paid to the nature of the relationship, not just the legal form of such relationships. Accordingly, all transactions and balances with related parties arising during the year are presented by the Company in the notes below.

5. CASH AND CASH EQUIVALENT

	31/12/2024	01/01/2024
	VND	VND
- Cash on hand	8,026,075,455	3,185,007,740
- Cash at bank	10,506,838,907	1,106,414,579
	<u>18,532,914,362</u>	<u>4,291,422,319</u>

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

6. TRADE RECEIVABLES

	31/12/2024		01/01/2024	
	Value VND	Provision VND	Value VND	Provision VND
Short-term trade receivables	196,022,758,111	(27,667,951,085)	88,098,429,196	(62,457,317,595)
- Asian Impex Ltd	26,618,330,643	(26,618,330,643)	26,618,330,643	(26,618,330,643)
- Viet Steel Trading One-Member Company Limited	33,534,705,665	-	-	-
- Southern Steel Production Company Limited	24,192,442,758	-	912,596,312	-
- Hung Quan Investment and Construction Company Limited	18,615,654,849	-	-	-
- Bac Giang Real Estate Investment Joint Stock Company	16,614,142,536	-	-	-
- C.H Consulting Trading Company Limited	12,935,042,274	-	-	-
- Blue Ocean Investment Construction and Trading Company Limited	-	-	30,683,278,231	(30,683,278,231)
- Lam Son Mineral Exploitation Joint Stock Company	8,598,998,773	-	-	-
- Nam Thang Long Consulting and Trading Company Limited	8,511,245,611	-	-	-
- Other customers	46,402,195,002	(1,049,620,442)	29,884,224,010	(5,155,708,721)
	196,022,758,111	(27,667,951,085)	88,098,429,196	(62,457,317,595)
Trade receivables from related parties	-	-	4,380,800,000	-

Trade receivables from related parties

(Note No. 28 for details)

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

7. ADVANCE TO SUPPLIERS

	31/12/2024		01/01/2024	
	Value VND	Provision VND	Value VND	Provision VND
Short term				
- Global Posco Co., Ltd	26,573,022,996	(7,910,406,992)	21,912,545,095	(10,966,908,627)
- Saigon Steel Joint Stock Company	7,910,406,992	(7,910,406,992)	9,126,341,127	(9,126,341,127)
- IPS Engineering Co., Ltd.	8,556,948,367	-	10,158,689,542	-
- Dong A International Joint Stock Company	8,761,727,061	-	1,660,500,000	(1,660,500,000)
- Other customers	1,343,940,576	-	967,014,426	(180,067,500)
	26,573,022,996	(7,910,406,992)	21,912,545,095	(10,966,908,627)
	8,556,948,367	-	10,158,689,542	-

Advances to supplier from related parties

(Note No. 28 for details)

8. OTHER RECEIVABLES

	31/12/2024		01/01/2024	
	Value VND	Provision VND	Value VND	Provision VND
Short-term				
- Receivables from employees	131,217,727,472	-	3,559,131,799	-
- Deposits	20,823,468	-	3,500,000,000	-
- Other receivables	216,904,004	-	307,004	-
	130,980,000,000	-	58,824,795	-
	131,217,727,472	-	3,559,131,799	-

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)*These notes are an integral part of and should be read in conjunction with the accompanying financial statements.***8. OTHER RECEIVABLES (CONT'D)****In which:**

- The entrusted investment pursuant to Resolution No. 21/2024/NQ-HĐQT dated 27 December 2024, of the Company's Board of Directors regarding the entrusted investment to Mr. Nguyen Hung Cuong for the acquisition of land use rights and attached assets in the Co Rua Hamlet area, Phu Man Commune, Quoc Oai District, Hanoi City, with a value of 83 billion VND. According to the handover record of assets dated 12 March 2025, Mr. Nguyen Hung Cuong has completed the investment under delegation and handed over the land use right certificates numbered AA 01283897, AA 00236712, AA 236173 issued by the Hanoi Land Registration Office, Quoc Oai District branch, with a total land use area of 5049.1 m² to the company.
- A receivable from Mr. Nguyen Hung Cuong valued at VND 47,980,000,000 (the Company fully recovered this receivable on 14 March 2025)

9. INVENTORIES

	31/12/2024		01/01/2024	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
- Goods in transit	12,076,591,090	-	2,384,590,680	-
- Raw materials	494,895,487	-	636,891,485	-
- Tools and supplies	93,981,692	-	82,249,925	-
- Finished goods	5,449,756,636	-	2,597,823,535	-
- Goods	290,022,484,369	(3,049,134,186)	293,985,598,093	(4,892,856,125)
	308,137,709,274	(3,049,134,186)	299,687,153,718	(4,892,856,125)

SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY
60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

10. DOUBTFUL DEBT

	31/12/2024		01/01/2024	
	Historical cost VND	Amount can be settled VND	Historical cost VND	Amount can be settled VND
Trade receivables				
<i>Debts overdue for 3 years or more</i>				
+ Dai Thanh Phat Steel Trading Service Company	-	-	2,260,582,089	-
+ TSC Hanoi Joint Stock Company	-	-	519,868,800	-
+ Minh Hieu Trading and Metal Company Limited	-	-	460,224,740	-
+ Lam Quan Thanh Production and Trading	-	-	421,548,384	-
+ Other objects	-	-	443,864,265	-
<i>Debts overdue from 2 years to less than 3 years</i>	-	-	-	-
+ Blue Ocean Investment Construction and Trading Company Limited	-	-	30,683,278,231	-
+ Asian Impex Ltd	26,618,330,643	26,618,330,643	26,618,330,643	-
+ Other customers	1,049,620,442	1,049,620,442	1,049,620,443	-
Prepayment to seller	-	-	-	-
<i>Debts overdue for 3 years or more</i>				
+ IPS Engineering Co., Ltd.	-	-	1,660,500,000	-
+ Global Posco Co.,Ltd	7,910,406,992	7,910,406,992	9,126,341,127	-
<i>Debts overdue from 2 years to less than 3 years</i>	-	-	-	-
+ Other customers	-	-	480,225,000	300,157,500
Total	35,578,358,077	35,578,358,077	73,724,383,722	300,157,500 73,424,226,222

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

11. LONG-TERM FINANCIAL INVESTMENTS

	31/12/2024		01/01/2024	
	Historical cost VND	Provision VND	Historical cost VND	Provision VND
Investments in equity of other entities	92,614,252,062	(1,015,073,317)	77,114,252,062	(7,449,873,938)
<i>Investments in subsidiaries</i>	<i>92,514,252,062</i>	<i>(1,015,073,317)</i>	-	-
- Vuon Dao Ha Long Hotel Joint Stock Company (*)	62,514,252,062	(989,612,736)	-	-
- Kien Ocean Hotel Joint Stock Company (**)	30,000,000,000	(25,460,581)	-	-
<i>Investments in joint ventures and associates</i>			<i>47,114,252,062</i>	<i>(7,390,049,092)</i>
- Vuon Dao Ha Long Hotel Joint Stock Company (*)	-	-	47,114,252,062	(7,390,049,092)
<i>Investments in equity of other entities</i>	<i>100,000,000</i>	-	<i>30,000,000,000</i>	<i>(59,824,846)</i>
- Thanh Lam Real Estate Joint Stock Company	100,000,000	-	30,000,000,000	(59,824,846)

(*): During the year, the Company purchased an additional 1,100,000 shares of Vuon Dao Ha Long Hotel Joint Stock Company at a price of 14,000 VND per share under Share Transfer Agreements No. 01/2024/HĐCN-VĐHL dated 12 October 2024, and No. 02/2024/HĐCN-VĐHL, increasing the ownership ratio from 40% to 51%.

(**): Phuong Anh International Joint Stock Company directly owns 3,000,000 shares of Kien Ocean Hotel JSC, equivalent to 25% of the charter capital. At the same time, it indirectly owns shares through Vuon Dao Ha Long Hotel Joint Stock Company with a ratio of 36.125%. Therefore, the total ownership of PAS in Kien Ocean Hotel JSC is 61.125%, and the control power is 95.83%.

As of 31 December 2024, the Company has no basis to determine the fair value of the investments for disclosure in the Separate Financial Statements due to the absence of market transactions for these investments or insufficient information to determine fair value. The fair value of these investments may differ from their carrying value

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

11. LONG-TERM FINANCIAL INVESTMENTS (CONT'D)

Detailed information about the Company's financial investments as at 31 December 2024 is as follows:

Company	Address	Benefit rate	Voting right rate	Business lines
Vuon Dao Ha Long Hotel Joint Stock Company	Ha Long - 4th area, Bai Chay ward, Ha Long city, Quang Ninh province, Viet Nam	51%	51%	Real estate business, land use rights owned, used or rented.
Kien Ocean Hotel Joint Stock Company	135 Tran Bach Dang, My An ward, Ngu Hanh Son district, Da Nang city, Viet Nam	61,125%	95,83%	Real estate business, land use rights owned, used or rented.
Thanh Lam real estate Joint Stock Company	97 Ly Trien, An Khe ward, Thanh Khe province, Da Nang city, Viet Nam	0,02%	0,02%	Real estate business, land use rights owned, used or rented.

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

12. INTANGIBLE FIXED ASSETS

Items	Building	Machinery & Equipment	Furniture & Equipment	Office Equipment	Other	Total
Cost						
01/01/2024	67,703,138,254	41,938,685,314	6,945,362,727	293,308,980	973,793,553	117,854,288,828
- New acquisitions	1,473,818,563	1,226,507,704	-	-	-	2,700,326,267
31/12/2024	<u>69,176,956,817</u>	<u>43,165,193,018</u>	<u>6,945,362,727</u>	<u>293,308,980</u>	<u>973,793,553</u>	<u>120,554,615,095</u>
Accumulated depreciation						
01/01/2024	24,821,190,108	39,501,517,642	6,739,947,554	293,308,980	692,103,424	72,048,067,708
- Depreciation	2,389,045,803	601,003,137	154,663,632	-	109,996,716	3,254,709,288
31/12/2024	<u>27,210,235,911</u>	<u>40,102,520,779</u>	<u>6,894,611,186</u>	<u>293,308,980</u>	<u>802,100,140</u>	<u>75,302,776,996</u>
Net book value						
01/01/2024	42,881,948,146	2,437,167,672	205,415,173	-	281,690,129	45,806,221,120
31/12/2024	<u>41,966,720,906</u>	<u>3,062,672,239</u>	<u>50,751,541</u>	<u>-</u>	<u>171,693,413</u>	<u>45,251,838,099</u>

- The carrying amount at the end of the year of tangible fixed assets used as collateral for loans as of 31 December 2024 (Note No 16 for more details)
- The cost of fixed assets at the end of the year that have been fully depreciated but are still in use as of 31 December 2024 is 49,799,140,736 VND (As of 01 January 2024, it is 49,799,140,736 VND)

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

13. INVESTMENT PROPERTY

Items	01/01/2024	Increase	Decrease	31/12/2024
	VND	VND	VND	VND
Historical Cost				
- Land use right	31,581,783,000	-	-	31,581,783,000
+ Land use rights of plot number 197 Da Nang (1)	31,581,783,000	-	-	31,581,783,000
	31,581,783,000	-	-	31,581,783,000
Net book value				
- Land use right	31,581,783,000	-	-	31,581,783,000

(1) Land use right of plot No. 18, map sheet No. 758 (now land plot No. 197, map sheet No. 79) at Lot B7 of Son Tra – Dien Ngoc urban, high-rise commercial service and front-line apartment complex, Tho Quang ward, Son Tra district, Da Nang city according to the land use right certificate No. BA 645774, registration number: CT01687 issued by Da Nang City People's Committee on 25 November 2010. Area: 1052.2 m2. Purpose of use: Residential land with trade, service, tourism purposes. Usage period: long-term.

The Company has not determined the fair value of the investment real estate as at 31 December 2024, so it has not been presented in the Notes to the Financial Statements. To determine this fair value, the Company will have to hire an independent consulting firm to assess the fair value of the investment property. Currently, the Company has not found a suitable consulting company to perform this work.

This investment property is used by the Company as collateral for a loan of Thanh Nam Group Joint Stock Company.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

14. TRADE ACCOUNTS PAYABLE

	31/12/2024		01/01/2024	
	Balance	Amount that can be settle	Balance	Amount that can be settle
	VND	VND	VND	VND
Short-term trade payables	108,091,875,854	108,091,875,854	174,852,599,796	174,852,599,796
- Marubeni-Itochu Steel Vietnam Company Limited	27,287,884,027	27,287,884,027	29,991,307,922	29,991,307,922
- Everland Phu Yen Joint Stock Company	6,966,953,368	6,966,953,368	32,046,691,702	32,046,691,702
- Xuan Dai Bay Investment Jonit Stock Company	8,355,792,434	8,355,792,434	47,744,090,586	47,744,090,586
- Viet Nam Infrastructure Development and Designing Consulting	10,838,704,924	10,838,704,924	8,603,094,409	8,603,094,409
- Thang Long Construction anh Service Company Limited	-	-	13,602,348,090	13,602,348,090
- Dong A Joint Stock Company	-	-	16,471,176,787	16,471,176,787
- China Steel Sumikin Viet Nam SJC	9,984,235,428	9,984,235,428	-	-
- Everland Group., JSC	17,041,515,218	17,041,515,218	-	-
- Others	27,616,790,455	27,616,790,455	26,393,890,300	26,393,890,300
	108,091,875,854	108,091,875,854	174,852,599,796	174,852,599,796

SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY
60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

15. TAXES AND PAYABLE TO STATE BUDGET

	01/01/2024		Amount rising during the year		Amount actually paid during the year		31/12/2024	
	VND	VND	VND	VND	VND	VND	VND	VND
Payables								
- Output VAT	9,105,638,810	108,430,844,477	112,454,938,813	5,081,544,474	-	-	-	-
- Corporate income tax	6,695,789,031	2,417,367,130	4,963,461,283	4,149,694,878	-	-	-	-
- Personal income tax	604,309,596	49,756,879	630,970,879	23,095,596	-	-	-	-
- Housing and land tax, and rental charges	832,004,798	574,257,600	1,406,162,398	100,000	-	-	-	-
- Environment protection tax	-	3,000,000	3,000,000	-	-	-	-	-
- Fees, charges and other payables	973,535,385	-	64,881,385	908,654,000	-	-	-	-
Receivables								
- Import, export VAT	56,966,665	4,542,104,174	4,542,104,174	56,966,665	-	-	-	-
- Import Tax	23,829,364	4,542,104,174	4,542,104,174	23,829,364	-	-	-	-
In which								
Payable	9,105,638,810	-	-	5,081,544,474	-	-	-	-
Receivable	56,966,665	-	-	56,966,665	-	-	-	-

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS
For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

16. BORROWING

Items	31/12/2024		During the year		01/01/2024	
	Balance	Amount can be settled	Increase	Decrease	Balance	Amount can be settled
	VND	VND	VND	VND	VND	VND
Short-term Loans	333,422,586,607	333,422,586,607	535,269,470,991	295,064,287,146	93,217,402,762	93,217,402,762
- Saigon Hanoi Commercial Joint Stock Bank - Vinh Phuc branch (1)	27,500,000,000	27,500,000,000	34,306,241,413	10,206,241,413	3,400,000,000	3,400,000,000
- Vietnam Prosperity Commercial Joint Stock Bank (2)	105,927,307,133	105,927,307,133	224,340,950,104	208,231,045,733	89,817,402,762	89,817,402,762
- Saigon Thuong Tin Commercial Joint Stock Bank - Thanh Tri branch (3)	199,995,279,474	199,995,279,474	276,622,279,474	76,627,000,000	-	-
	333,422,586,607	333,422,586,607	535,269,470,991	295,064,287,146	93,217,402,762	93,217,402,762

(1) Credit Line Contract No. 0126/2024/HDHM-PN/SHB.112500 dated 18 July 2024 signed between Saigon Hanoi Commercial Joint Stock Bank – Vinh Phuc Branch and Phuong Anh International Joint Stock Company, with the following detailed terms:

- Credit limit: VND 30,000,000,000;
- Loan purpose: Supplement working capital for steel trading activities;
- Term of the contract: 12 months;
- Loan interest rate: Specific regulations on each specific credit document;

The collateral are properties of the Company, specifically as follows:

- 01 HINO crane truck, license plate 89H-008.74, manufactured in 2015 in Vietnam according to the car registration certificate No. 277194 issued by the Traffic Police Department of Hanoi City Police to the Hanoi branch of Phuong Anh International Joint Stock Company on 09 August 2016.
- Land use right certificate and asset ownership document for the property at No. 8 Alley 63 Le Duc Tho Street, My Dinh 2 Ward, Nam Tu Liem District, Hanoi, issued to Mr. Nguyen Chinh Nghia and Ms. Nguyen Thanh Hang, and transferred to Mr. Nguyen Van Thu and Ms. Nguyen Thi Huong on 17 February 2022.
- Land use rights, house ownership, and other assets attached to land as per certificate number DN562845, recorded in certificate issuance book number CN/02854, issued by the Krong Pac District Branch of the Land Registration Office, Dak Lak Province on 08 May 2024, and certificate number DN562844, recorded in certificate issuance book number CN/02853, issued by the Krong Pac District Branch of the Land Registration Office, Dak Lak Province on 07 May 2024, issued to Ms. Nguyen Thi Kim Dung

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

16. BORROWING (CONT'D)

- (2) Credit contract No. CLC-2994-01 dated 20 March 2024 signed between Vietnam Prosperity Joint Stock Commercial Bank and Phuong Anh International Joint Stock Company, with the following detailed terms:

- Credit limit: VND 200,000,000,000;
- Loan purpose: Supplement working capital for steel trading activities.
- Term of the contract: 12 months.
- Loan interest rate: Specific regulations on each specific credit document.

The collateral are properties of the Company, specifically as follows:

- Land use right of plot No. 11, Map sheet No. 61, Lot No. 32, Area B1.25, Son Tra – Dien Ngoc Resettlement Area, Tho Quang Ward, Son Tra District, Da Nang City according to Certificate No. DG 261048 issued on 06 October 2022 in the names of Mr. Nguyen Van Thu and Ms. Nguyen Thi Huong according to the Mortgage Contract Notarization No. 004151 signed on 29 October 2022 and amendments, supplements and replacements (if any);
- Land use right of plot No. 12, map sheet No. 61, Lot No. 31, Area B1.25, Son Tra – Dien Ngoc resettlement area, Tho Quang ward, Son Tra district, Da Nang city according to the certificate No. DG 261049 issued on 06 October 2022 in the name of Mr. Nguyen Van Thu and Ms. Nguyen Thi Huong according to the Mortgage Contract Notarization No. 004152 signed on 29 October 2022 and amendments, supplements and replacements (if any);
- Land use right of plot No. 4, map sheet No. 756, Lot A22 of Son Tra – Dien Ngoc urban, high-rise commercial service and front-line apartment complex, Tho Quang Ward, Son Tra District, Da Nang City according to Certificate No. BA645833 issued on 09 December 2010 in the name of Mr. Nguyen Hung Cuong and Ms. Vu Thi Thu Huong according to the Mortgage Contract Notarization No. 000141 signed on 16 January 2023 and amendments, supplements and replacements (if any);
- Land use right of plot No. 34, map sheet No. 756, Lot B4.1-5 of Son Tra – Dien Ngoc urban, high-rise commercial service and front-line apartment complex, Tho Quang Ward, Son Tra District, Da Nang City according to Certificate No. BA645940 issued on 31 December 2010 in the name of Ms. Nguyen Thi Huong according to the Mortgage Contract Notarization No. 000140 signed on 16 January 2023 and amendments, supplements and replacements (if any);
- Factory located at land plot No. 186, map sheet No. 07, Phung Chi Kien Ward, My Hao Town, Hung Yen Province according to Certificate No. CV 380399 issued by Hung Yen Provincial People's Committee on 21 April 2020 according to Mortgage Contract No. 3143 signed on 09 June 2023 and amendments, supplements and replacement documents (if any).

- (3) Credit contract No. 202427705586 dated 23 May 2024 signed between Sai Gon Thuong Tin Commercial Joint Stock Bank and Phuong Anh International Joint Stock Company, with the following detailed terms:

- + Credit limit: 200,000,000 VND.
- + Purpose of loan: Supplementing working capital for steel production and trading of all kinds.
- + Term of the contract: 12 months.
- + Loan interest rate: Specific regulations on each debt acceptance contract.

PHUONG ANH INTERNATIONAL JOINT STOCK COMPANY

60 Pham Ngu Lao, Tu My Village, Phung Chi Kien Commune, My Hao District, Hung Yen Province

SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

16. BORROWING (CONT'D)

The collateral as follow:

- Real estate located at plot number: 16, map sheet number: 3, address: My Dinh 2 Ward, Nam Tu Liem District, Hanoi City as per the Land Use Right Certificate No. AD 722216 issued in the name of Mr. Nguyen Van Thu by the People's Committee of Tu Liem District, Hanoi City on 12/04/2006. Certificate entry number: H1578. Decision number: 1092/QĐ-UB
- Real estate located at plot number: 29, map sheet number: 29, address: Tran Voi, Phu Man, Quoc Oai, Ha Tay (now Hanoi City) as per the Land Use Right Certificate No. AH 196361 issued in the name of Ms. Dinh Thi Tho (transferred to Mr. Nguyen Hung Cuong on 20/01/2022) by the People's Committee of Quoc Oai District, Hanoi City on 30/09/2008
- Land Use Right, house ownership, and attached property Certificate No. BG 925313 issued by the People's Committee of Quoc Oai District on 05/01/2012 for Mrs. Phung Thi Mai Huong, transferred to Mr. Nguyen Hung Cuong on 20/01/2022
- Land Use Right, house ownership, and attached property Certificate No. AH498534 issued on 07/03/2007 by the People's Committee of Quoc Oai District for Ms. Dinh Thi Tho, amended and transferred to Ms. Nguyen Thi Thanh Nga on 22/02/2022
- Land use rights Certificate No. BA 412746 issued by the People's Committee of Tu Liem District (now Nam Tu Liem District) on 09/03/2010. Property owners: Mr. Nguyen Van Thu and Mrs. Nguyen Thi Huong. Plot number: 253, map number: 1, address: 86 Alley 63/5 Le Duc Tho, My Dinh 2, Nam Tu Liem District.
- Land Use Right, house ownership, and attached property Certificate for plot number: 254, map sheet number: 1, address: My Dinh Commune, Tu Liem District, Hanoi City, as per Certificate No. BA 412485. Certificate entry number: CH00032 issued by the People's Committee of Tu Liem District, Hanoi City on 09/03/2010
- Land Use Right, house ownership, and attached property Certificate No. CO033712 issued by the People's Committee of Quang Ninh Province on 11/10/2018 for the Halong Garden Hotel Joint Stock Company.

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

17. SHARE CAPITAL

17.1 CHANGES IN CAPITAL

Items	Contributed capital	Development investment fund	Net profit after tax	Total
01/01/2023	280,499,680,000	556,025,698	89,220,235,535	370,275,941,233
- Loss in the year	-	-	(2,274,026,545)	(2,274,026,545)
31/12/2023	<u>280,499,680,000</u>	<u>556,025,698</u>	<u>86,946,208,990</u>	<u>368,001,914,688</u>
01/01/2024	280,499,680,000	556,025,698	86,946,208,990	368,001,914,688
- Profit in the year	-	-	2,913,806,355	2,913,806,355
31/12/2024	<u>280,499,680,000</u>	<u>556,025,698</u>	<u>89,860,015,345</u>	<u>370,915,721,043</u>

17.2 EQUITY TRANSACTIONS WITH OWNERS

	Year 2024	Year 2023
	VND	VND
Share capital		
- Opening capital	280,499,680,000	280,499,680,000
- Closing capital	280,499,680,000	280,499,680,000

17.3 SHARE

	31/12/2024	01/01/2024
	Shares	Shares
- Number of shares registered for issuance	28,049,968	28,049,968
- Number of shares sold public market	28,049,968	28,049,968
+ <i>Common shares</i>	28,049,968	28,049,968
- Number of shares outstanding	28,049,968	28,049,968
+ <i>Common shares</i>	28,049,968	28,049,968
* Par value of shares outstanding (10,000 VND/shares)		

18. OFF-BALANCE SHEET ITEM

	31/12/2024	01/01/2024
- Foreign currencies (USD)	20,113.73	1,322.45
- Bad debt resolved (VND)	33,404,085,060	-

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

19. SALES OF MERCHANDISE AND SERVICES

	Year 2024 VND	Year 2023 VND
Sales of merchandise	1,044,200,465,307	671,874,971,710
Sales of services	23,981,598,871	11,356,585,908
	<u>1,068,182,064,178</u>	<u>683,231,557,618</u>
Revenues with Relates	59,228,442,089	1,724,346,532

(Note No.28 for more details)

20. LESS DEDUCTIONS

	Year 2024 VND	Year 2023 VND
Sales reduction	92,346,790	68,870,168
In which:		
+ Sales rebates	30,086,170	1,715,828
+ Sales returns	62,260,620	67,154,340

21. COST OF GOODS SOLD

	Year 2024 VND	Year 2023 VND
- Cost of goods	1,039,884,948,036	667,868,716,029
- Cost of services	13,369,437,007	11,381,060,805
- Provison of inventories	(1,843,721,939)	4,892,856,125
	<u>1,051,410,663,104</u>	<u>684,142,632,959</u>

22. FINANCIAL INCOME

	Year 2024 VND	Year 2023 VND
- Interests of deposits or loans	49,195,361	62,004,051
- Interests of exchange differences	94,065,812	610,144,685
- Interest of transfer shares	-	9,714,672,535
- Interest of revaluation of exchange	1,695,293	-
	<u>144,956,466</u>	<u>10,386,821,271</u>

23. FINANCIAL EXPENSE

	Year 2024 VND	Year 2023 VND
Interest expense	11,577,396,315	16,259,762,984
Loss of revaluation exchange rate	-	63,882,902
LC deferred interest expense	154,192,472	482,209,590
Reimbursement of provisions for	(6,434,800,621)	(308,612,605)
Loss of revaluation exchange rate at the	-	3,511,337
	<u>5,296,788,166</u>	<u>16,500,754,208</u>

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

24. SELLING EXPENSE AND GENERAL AND ADMINISTRATIVE EXPENSE

	Year 2024 VND	Year 2023 VND
General and administrative expenses	2,058,466,001	(9,316,314,227)
- Employee cost	2,154,521,458	1,941,476,201
- Tool and equipment	79,469,583	64,232,110
- Depreciation and amortization	20,086,884	20,086,884
- Provision/reimbursement	(4,441,783,075)	(14,677,555,099)
- Tax and other fee	4,009,900	(161,777,280)
- Out source services expenses	832,531,832	178,471,312
- Other administrative expenses	3,409,629,419	3,318,751,645
Selling expenses	2,374,177,477	1,475,585,432
- Tool and equipment	1,549,867	-
- Employee cost	1,179,728,250	966,159,646
- Depreciation and ammortization	201,611,988	201,611,988
- Out source services expenses	511,632,946	43,475,304
- Other selling expenses	479,654,426	264,338,494
	4,432,643,478	(7,840,728,795)

25. OTHER EXPENSES

	Year 2024 VND	Year 2023 VND
- Penalties	1,602,280,366	854,052,268
- Non deductible depreciation	6,600,000	3,300,000
- Other	154,737,926	28,137,957
	1,763,618,292	885,490,225

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

26. CURRENT CORPORATE INCOME TAX EXPENSE

	Year 2024	Year 2023
	VND	VND
Total accounting profit before CIT	5,331,173,485	(123,520,758)
Non-deductible expenses	6,755,662,166	10,876,049,694
- Late payment penalty fees	1,602,280,366	871,017,073
- Unreasonable cost	188,427,650	79,612,903
- Interest expense excluded according to Decree 132/ND-	4,964,954,150	9,925,419,718
Income subject to corporate income tax	12,086,835,651	10,752,528,936
Corporate income tax rate	20%	20%
Total Current corporate income tax expenses	2,417,367,130	2,150,505,787

27. EARNINGS PER SHARE

According to Vietnamese Accounting Standard No. 30 - Earnings per Share, in cases where the Company is required to prepare both Separate Financial Statements and Consolidated Financial Statements, information about basic earnings per share is only presented in the Consolidated Financial Statements. Therefore, the Company does not present this indicator in the Separate Financial Statements for the financial year ended 31 December 2024.

28. INFORMATION ABOUT RELATED PARTIES

No.	Related parties	Relationship
1	Thanh Nam Group Joint Stock Company	Related parties to the Chairman
2	Sai Gon Steel Joint Stock Company	Related parties to the Chairman
3	Vuon Dao Ha Long Hotel Joint Stock Company	Subsidiary
4	Thanh Lam Real Estate Joint Stock Company	Related party
5	Kien Ocean Hotel Joint Stock Company	Subsidiary

Transactions with related parties

	Year 2024	Year 2023
	VND	VND
Revenue from related parties	59,228,442,089	1,724,346,532
- Thanh Nam Group Joint Stock Company	672,000,000	1,485,982,897
- Sai Gon Steel Joint Stock Company	58,556,442,089	238,363,635
Purchase of goods from related parties	89,040,357,998	98,769,233,157
- Thanh Nam Group Joint Stock Company	-	14,966,769,402
- Sai Gon Steel Joint Stock Company	89,040,357,998	83,802,463,755

Balances with related parties

	31/12/2024	01/01/2024
	VND	VND
Trade receivables	-	4,380,800,000
- Thanh Nam Group Joint Stock Company	-	61,600,000
- Sai Gon Steel Joint Stock Company	-	46,200,000
- Vuon Dao Ha Long Hotel Joint Stock Company	-	4,273,000,000
Prepayment to seller	8,556,948,367	10,158,689,542
- Sai Gon Steel Joint Stock Company	8,556,948,367	10,158,689,542

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

28. INFORMATION ABOUT RELATED PARTIES (CONT'D)

Income of members of the Board of Directors and Executive Board

	Position	Year 2024 VND	Year 2023 VND
Board of Management		698,158,527	704,587,303
- Ms Nguyen Thi Ngoc Ha	Member of the BOD	320,045,317	338,178,578
- Ms Luu Thi Thu Thuy	Member of the BOD	161,282,132	148,313,725
- Mr Tran Duy Cuong	Member of the BOD	216,831,078	218,095,000
Board of General Directors		216,831,078	218,095,000
- Mr Tran Duy Cuong	General Director	216,831,078	218,095,000
Board of Supervisory		44,106,800	37,284,000
- Mr Le Hong Quan	Member of Board of Supervisory	44,106,800	37,284,000
Chief Accountant		285,802,911	250,236,333
- Ms Tran Thi Hong Khang	Chief Accountant	285,802,911	250,236,333

Use of Assets as Collateral by Related Parties

The Company has utilized investment property, specifically the land use rights for plot No. 18 on map No. 758 (now plot No. 197 on map No. 79), located at Lot B7, Complex Urban Area, High-rise Commercial Services, and Apartments at the starting point of Son Tra–Dien Ngoc, Tho Quang Ward, Son Tra District, Da Nang City, as collateral for a loan with Thanh Nam Group Joint Stock Company. (Reference to Note No. 13).

Use of Related Parties' Assets as Collateral for Loans

Vuon dao Ha Long Hotel Joint Stock Company used the Certificate of Land Use Rights, Ownership of Residential Housing, and Other Assets Attached to Land No. CO033712 issued by Quang Ninh Province People's Committee on 11 October 2018, as collateral for the company's loans. (Reference to Note No. 16)

Mr. Nguyen Hung Cuong, Chairman of the Board of Directors, and his relatives have used certain assets as collateral for the Company's loans. (Reference Note No. 16).

29. COMPARATIVE FIGURES

Comparative figures are the figures on the Company's audited Financial Statements for the fiscal year ended 31 December 2023. In 2024, the Company retrospectively adjusted the corporate income tax payable in 2023 and CIT in 2023 due to Phuong Anh International Joint Stock Company excluding the non-deductible interest expense when calculating CIT in 2023 with the amount of VND 1,985,083,943. The effects of the retrospective adjustment of the 2023 Separate Financial Statements are as follows:

NOTE TO THE SEPARATE FINANCIAL STATEMENTS (CONT'D)

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

29. COMPARATIVE FIGURES (CONT'D)

INDICATORS ON THE SEPARATE BALANCE SHEET AS OF 01/01/2024:

ITEMS	No	Before adjustment	After adjustment	Adjustment
		VND	VND	Increase VND
RESOURCES				
Taxes and other payables to government budget	313	7,120,554,867	9,105,638,810	1,985,083,943
Undistributed profit after tax	421	88,931,292,933	86,946,208,990	(1,985,083,943)
- Undistributed profit after tax for the current period	421b	(288,942,602)	(2,274,026,545)	(1,985,083,943)
TOTAL LIABILITIES AND OWNERS'EQUITY	440	704,378,175,016	704,378,175,016	-

INDICATORS ON THE REPORT OF SEPARATE BUSINESS RESULTS IN 2023:

ITEMS	No	Before adjustment	After adjustment	Adjustment
		VND	VND	Increase VND
Current corporate income tax expense	51	165,421,844	2,150,505,787	1,985,083,943
Net profit after tax	60	(288,942,602)	(2,274,026,545)	(1,985,083,943)

Hung Yen, 28 March 2025



Tran Thi Hong Khang
Preparer



Tran Thi Hong Khang
Chief Accountant




Nguyen Hung Cuong
Chairman