

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

COMBINED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2025

audited

TABLE OF CONTENTS

CONTENTS	PAGE
REPORT OF THE MANAGEMENT	02 – 03
INDEPENDENT AUDITOR’S REPORT	04 – 05
AUDITED COMBINED FINANCIAL STATEMENTS	
Combined Balance Sheet	06 – 08
Combined Statement of Income	09
Combined Statement of Cash Flows	10 – 11
Notes to the Combined Financial Statements	12 – 29
Appendix 01: Details of Written-off Bad Debts	30 – 32

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Report of the Management (continued)

REPORT OF THE MANAGEMENT

The Management of Giai Phong Automobile Joint Stock Company (hereinafter referred to as the "Company") presents this Report together with the Company's Combined Financial Statements for the fiscal year ended 31 December 2025, which have been audited by independent auditors.

Overview of the Company

Giai Phong Automobile Joint Stock Company, formerly known as Ha Giang Electromechanical Joint Stock Company, operated under Business Registration Certificate No. 1003000001, first registered on 10 October 2001 by the Department of Planning and Investment of Ha Giang Province. On 03 October 2008, the Company changed its name to Giai Phong Automobile Joint Stock Company.

During the course of operation, the Company has been granted 19 Enterprise Registration Certificates in respect of changes in the legal representative, supplementation of business lines, changes in the Company's name and increases in charter capital. The 19th amended Enterprise Registration Certificate of the Joint Stock Company No. 5100165283 was issued by the Business Registration Division of the Department of Planning and Investment of Ha Giang Province (now the Department of Finance of Tuyen Quang Province) on 12 June 2025.

Charter capital under the 19th amended Business Registration Certificate: VND 293,885,890,000

Head office

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Telephone: 02193882204

Fax: 02193882204

Email: info@giaiphong.com.vn

Tax code: 5 1 0 0 1 6 5 2 8 3

Branches:

Branch name	Address
Branch of Giai Phong Automobile Joint Stock Company (former name: Branch of Ha Giang Electromechanical Joint Stock Company in Hanoi)	No. 539 Minh Khai Street, Vinh Tuy Ward, Hanoi City Branch code: 5100165283 – 001
Branch of Giai Phong Automobile Joint Stock Company – Giai Phong Automobile Factory	Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province Branch code: 5100165283 – 002

Events after the accounting closing date for preparation of the Combined Financial Statements

There have been no material events occurring after the date of the Combined Financial Statements requiring adjustment or disclosure in the Combined Financial Statements.

Board of Directors, Management and Supervisory Board during the year and up to the date of this Report were as follows:

Board of Directors

Full name	Position	
Mr. Nguyen Duy Kien	Chairman	Appointed on 30 May 2025
Mr. Nguyen Cuong	Chairman	Dismissed on 30 May 2025
Mr. Nguyen Cuong	Vice Chairman	Appointed on 30 May 2025
Mr. Tran Tan Hong Cuong	Member	
Mr. Vu Hai Anh	Member	
Mr. Pham Nguyen Hoang	Member	

Supervisory Board

Full name	Position
Ms. Le Thi Hang	Head

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Report of the Management (continued)

<u>Full name</u>	<u>Position</u>
Mr. Quach Nguyen Van Hoc	Member
Ms. Pham Hong Yen	Member

Management

<u>Full name</u>	<u>Position</u>	
Mr. Pham Nguyen Hoang	General Director	Appointed on 30 May 2025

Chief Accountant : The Chief Accountant is Mrs Dinh Thi Ngan.

Auditor

NVA Auditing Company Limited – Northern Branch (NVA) has audited the Combined Financial Statements for the fiscal year ended 31 December 2025.

Statement of responsibility of the Management for the Combined Financial Statements

The Management of the Company is responsible for the preparation of the Combined Financial Statements which give a true and fair view of the combined operating results, combined business performance and combined cash flows of the Company for the year. In preparing the Combined Financial Statements, the Management of the Company confirms that it has complied with the following requirements:

- To select appropriate accounting policies and apply them consistently;
- To make judgments and estimates that are reasonable and prudent;
- To prepare and present the Combined Financial Statements in compliance with current accounting standards, accounting regime and relevant regulations;
- To prepare the Combined Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue its business operations.
- To establish and operate an effective internal control system in order to minimize the risk of material misstatement due to fraud or error in the preparation and presentation of the Combined Financial Statements.

The Management of the Company assures that the accounting books are maintained so as to reflect the combined financial position of the Company, with a true and fair view, at any time and to ensure that the Combined Financial Statements comply with current regulations of the State. It is also responsible for safeguarding the assets of the Company and for taking appropriate measures to prevent and detect fraud and other violations.

The Management of the Company approves and confirms that the accompanying Combined Financial Statements have fairly and truly reflected the combined financial position of the Company as at 31 December 2025, as well as its combined business performance and combined cash flows for the fiscal year then ended, in accordance with Vietnamese accounting standards and regime and in compliance with relevant current regulations.

Tuyen Quang, 30 March 2026

General Director



Pham Nguyen Hoang

No.: 09.06.1.2/25/BCTC/NVA.CNPB

INDEPENDENT AUDITOR'S REPORT

To: **The Board of Directors and the Management**
Giai Phong Automobile Joint Stock Company

We have audited the accompanying financial statements of Giai Phong Automobile Joint Stock Company, prepared on 30 March 2026, from page 06 to page 32, which comprise the Combined Balance Sheet as at 31 December 2025, the Combined Statement of Income, the Combined Statement of Cash Flows for the fiscal year then ended, and the Notes to the Combined Financial Statements.

Responsibility of the Management

The Management of the Company is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations relating to the preparation and presentation of financial statements, and for such internal control as the Management determines is necessary to enable the preparation and presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 as to whether the Company's 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 Company'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 Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the 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 audit opinion.

Auditor's Opinion

In our opinion, the Combined Financial Statements present fairly, in all material respects, the combined financial position of Giai Phong Automobile Joint Stock Company as at 31 December 2025, and its combined results of operations and combined cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System and relevant legal regulations relating to the preparation and presentation of the Combined Financial Statements.

Emphasis of Matter

We draw readers' attention to Note VIII.5 regarding the following matter: the loss for the fiscal year ended 31 December 2025 amounted to VND 14,710,668,267 and the accumulated losses as at 31 December 2025 amounted to VND 360,558,522,024, which exceeded the owners' investment capital. In addition, as at 31 December 2025, current liabilities exceeded current assets by VND 44,983,426,565. These factors give rise to doubt about the Company's ability to continue as a going concern. The Company is implementing a number of measures to address the current situation through the implementation of a private share issuance plan to supplement business capital and expand the factory.. The Management of the Company undertakes to use personal resources to settle the overdue debts if the proposed measures are not sufficient. Accordingly, the Combined Financial Statements for the fiscal year ended 31 December 2025 have continued to be prepared on the going concern basis.

Other Matter

The Combined Financial Statements for the fiscal year ended 31 December 2024 of Giai Phong Automobile Joint Stock Company were audited by another audit firm. That auditor expressed an unqualified opinion on those Combined Financial Statements on 28 March 2025.

Hanoi, 30 March 2026

NVA Auditing Company Limited – Northern Branch

Deputy Director



Nguyen Thi Nguyen Nhung

Certificate of Audit Practising Registration No.:
3360-2025-152-1

Auditor

Nguyen Thi Thu Thuy

Certificate of Audit Practising Registration No.:
6182-2023-152-1

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

COMBINED BALANCE SHEET

As at 31 December 2025

Unit: VND

STT	Asset	Co de	Explan ation	Ending balance	Beginning balance
A.	SHORT-TERM ASSETS	100		3,862,006,570	13,656,648,181
I.	Cash and cash equivalents	110	V.1	1,427,240,079	275,347,200
1.	Cash	111		1,427,240,079	275,347,200
2.	Cash equivalents	112		-	-
II.	Short-term financial investment	120		-	-
1.	Trading securities	121		-	-
2.	Provision for impairment of trading securities	122		-	-
3.	Held to maturity investment	123		-	-
III.	Short-term receivables	130		1,954,330,893	377,873,389
1.	Short-term trade receivables	131	V.2	54,750,000	54,750,000
2.	Short-term vendor advance	132		2,152,000	46,142,130
3.	Short-term internal receivables	133		-	-
4.	Receivable according to construction contract progress plan	134		-	-
5.	Short-term loan receivable	135		-	-
6.	Other short-term receivables	136	V.3	142,594,097	276,981,259
7.	Provision for doubtful short-term receivables	137	V.4	(27,375,001)	-
8.	Assets missing pending resolution	139	V.5	1,782,209,797	-
IV.	Inventory	140		474,148,682	12,559,271,155
1.	Inventory	141	V.6	474,148,682	13,894,119,689
2.	Provision for inventory write-down	149		-	(1,334,848,534)
V.	Other short-term assets	150		6,286,916	444,156,437
1.	Short-term prepaid expenses	151		-	-
2.	Deductible value added tax	152		6,286,916	444,156,437
3.	Taxes and other amounts receivable from the State	153		-	-
4.	Government bond repurchase transaction	154		-	-
5.	Other short-term assets	155		-	-

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Combined Balance Sheet (continued)

Unit: VND

STT	Asset	Code	Expla nation	Ending balance	Beginning balance
B.	LONG-TERM ASSETS	200		16,088,190,130	20,155,990,146
I.	Long-term receivables	210		-	-
1.	Long-term receivables from customers	211		-	-
2.	Long-term prepayment to seller	212		-	-
3.	Working capital in affiliated units	213		-	-
4.	Long-term internal receivables	214		-	-
5.	Long-term loan receivable	215		-	-
6.	Other long-term receivables	216		-	-
7.	Provision for doubtful long-term receivables (*)	219		-	-
II.	Fixed assets	220		16,088,190,130	20,155,990,146
1.	Tangible fixed assets	221	V.7	16,088,190,130	20,155,990,146
	- Original price	222		79,681,145,328	79,636,045,328
	- Accumulated depreciation (*)	223		(63,592,955,198)	(59,480,055,182)
2.	Financial lease fixed assets	224		-	-
	- Original price	225		-	-
	- Accumulated depreciation (*)	226		-	-
3.	Intangible fixed assets	227		-	-
	- Original price	228		-	-
	- Accumulated depreciation (*)	229		-	-
III.	Investment real estate	230		-	-
1.	Original price	231		-	-
2.	Accumulated depreciation (*)	232		-	-
IV.	Long-term unfinished assets	240		-	-
1.	Long-term unfinished production and business costs	241		-	-
2.	Cost of unfinished basic construction	242		-	-
V.	Long-term financial investment	250		-	-
1.	Investment in subsidiaries	251		-	-
2.	Investment in joint ventures and associates	252		-	-
3.	Investing in other entities	253		-	-
4.	Long-term financial investment reserve	254		-	-
5.	Held to maturity investment	255		-	-
VI.	Other long-term assets	260		-	-
1.	Long-term prepaid expenses	261		-	-
2.	Deferred income tax assets	262		-	-
3.	Long-term replacement equipment, supplies and spare parts	263		-	-
4.	Other long-term assets	268		-	-
	Total Asset	270		19,950,196,700	33,812,638,327

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Combined Balance Sheet (continued)

Unit: VND

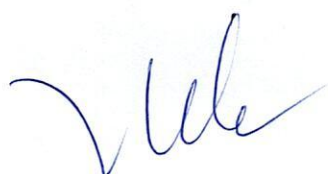
STT	CAPITAL SOURCE	Code	Explan ation	Ending balance	Beginning balance
C.	LIABILITIES PAYABLE	300		85,839,358,910	84,991,132,270
I.	Short-term liabilities	310		48,845,433,135	52,096,843,261
1.	Short-term trade payables	311	V.8	2,196,911,073	3,242,223,473
2.	Short-term advances from customers	312	V.9	1,655,246,800	3,022,864,408
3.	Taxes and amounts payable to the State	313	V.10	5,447,668	10,040,601
4.	Payables to employees	314		195,446,450	151,099,400
5.	Short-term accrued expenses	315	V.11	1,085,294,517	1,644,698,630
9.	Other short-term payables		V.12	23,273,361,034	20,957,178,201
10.	Short-term borrowings and finance lease liabilities	320	V.13a	20,433,725,593	23,068,738,548
II.	Long-term liabilities	330		36,993,925,775	32,894,289,009
8.	Long-term borrowings and finance lease liabilities	338	V.13b	36,993,925,775	32,894,289,009
D.	OWNER'S EQUITY	400		(65,889,162,210)	(51,178,493,943)
I.	Equity	410	V.14	(65,889,162,210)	(51,178,493,943)
1.	Owner's equity	411		293,885,890,000	293,885,890,000
	- Common shares with voting rights	411a		293,885,890,000	293,885,890,000
	- Preferred stock	411b		-	-
2.	Capital surplus	412		783,469,814	783,469,814
11.	Undistributed profit after tax	421		(360,558,522,024)	(345,847,853,757)
	Undistributed profit after tax accumulated to the end of previous year	421a		(345,847,853,757)	(326,303,210,310)
	Undistributed profit this year	421b		(14,710,668,267)	(19,544,643,447)
12.	Source of capital for basic construction investment	422		-	-
II.	Other funding sources and funds	430		-	-
1.	Funding sources	431		-	-
2.	Funds for forming fixed assets	432		-	-
	Total Capital	440		19,950,196,700	33,812,638,327

Tuyen Quang, 30 March 2026

Prepared by

Chief Accountant

General Director



Dinh Thi Ngan



Dinh Thi Ngan



Pham Nguyen Hoang

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

COMBINED STATEMENT OF INCOME

Year 2025

Unit: VND

STT	ITEMS	Code	Explanat ion	Current year	Previous year
1.	Sales and service revenue	01	VI.1	114,855,617,422	22,619,246,102
2.	Revenue deductions	02		-	-
3.	Net revenue from sales and services	10		114,855,617,422	22,619,246,102
4.	Cost of goods sold	11	VI.2	115,998,673,529	28,975,504,412
5.	Gross profit from sales and service provision	20		(1,143,056,107)	(6,356,258,310)
6.	Financial income	21	VI.3	2,688,572	1,750,139
7.	Financial expenses	22	VI.4	10,958,643,667	10,844,915,385
	<i>Including: interest expense</i>	23		10,736,519,045	10,273,886,418
8.	Selling expenses	25	VI.5	384,501,674	326,965,712
9.	Administrative expenses	26	VI.6	2,227,155,401	2,018,254,179
10.	Net profit from operating activities	30		(14,710,668,277)	(19,544,643,447)
11.	Other income	31		10	-
12.	Other expenses	32		-	-
13.	Other profit	40		10	-
14.	Accounting profit before tax	50		(14,710,668,267)	(19,544,643,447)
15.	Current corporate income tax expense	51	VI.7	-	-
16.	Deferred corporate income tax expense	52		-	-
17.	Profit after corporate income tax	60		(14,710,668,267)	(19,544,643,447)
18.	Basic earnings per share	70	VI.8	(501)	(665)
19.	Diluted earnings per share	71	VI.8	(501)	(665)

Prepared by



Dinh Thi Ngan

Chief Accountant



Dinh Thi Ngan

Tuyen Quang, 30 March 2026

General Director



Pham Nguyen Hoang

COMBINED STATEMENT OF CASH FLOWS

(Indirect method)

Year 2025

Unit: VND

STT	ITEMS	Co de	Explan ation	Current year	Previous year
I.	Cash flows from operating activities				
1.	<i>Profit before tax</i>	01		(14,710,668,267)	(19,544,643,447)
2.	<i>Adjustments for</i>				
-	Depreciation of fixed assets and investment properties	02		4,112,900,016	4,158,866,216
-	Provisions	03		(1,307,473,533)	1,048,158,426
-	Foreign exchange gains or losses arising from revaluation of monetary items denominated in foreign currencies	04		-	181,028,967
-	Gains or losses from investing activities	05		(2,688,572)	(1,750,139)
-	Interest expenses	06		10,736,519,045	10,273,886,418
-	Other adjustments	07		-	-
3.	<i>Profit from operating activities before changes in working capital</i>	08		(1,171,411,311)	(3,884,453,559)
-	Increase or decrease in receivables	09		(1,165,962,984)	776,935,671
-	Increase or decrease in inventories	10		13,419,971,007	7,469,500,692
-	Increase or decrease in payables (excluding interest payable and corporate income tax payable)	11		(2,137,116,118)	(2,863,309,437)
-	Increase or decrease in prepaid expenses	12		-	-
-	Increase or decrease in trading securities	13		-	-
-	Interest paid	14		(1,253,343,287)	(190,413,699)
-	Corporate income tax paid	15		-	-
-	Other cash receipts from operating activities	16		-	-
-	Other cash payments for operating activities	17		-	-
	<i>Net cash flows from operating activities</i>	20		7,692,137,307	1,308,259,668
II.	Cash flows from investing activities				
1.	Cash payments for purchases and construction of fixed assets and other long-term assets	21		(45,100,000)	(130,240,000)
2.	Cash receipts from disposal and sale of fixed assets and other long-term assets	22		-	-
3.	Cash payments for lending and purchase of debt instruments of other entities	23		-	-
4.	Cash receipts from collection of loans and resale of debt instruments of other entities	24		-	-
5.	Cash payments for investments in other entities	25		-	-
6.	Cash receipts from recovery of investments in other entities	26		-	-
7.	Interest received, dividends and profits received	27		2,688,572	1,750,139
	<i>Net cash flows from investing activities</i>	30		(42,411,428)	(128,489,861)

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Combined Statement of Cash Flows (continued)

Unit: VND

STT	ITEMS	Co de	Explan ation	Current year	Previous year
III.	Cash flows from financing activities				
1.	Cash receipts from issuing shares and receiving capital contributions from owners	31		-	-
2.	Cash payments for returning capital contributions to owners and repurchasing issued shares	32		-	-
3.	Cash receipts from borrowings	33		8,492,500,000	8,152,000,000
4.	Cash payments for repayment of borrowings	34		(14,990,333,000)	(9,067,356,000)
5.	Cash payments for repayment of finance lease liabilities	35		-	-
6.	Dividends and profits paid to owners	36		-	-
	Net cash flows from financing activities	40		(6,497,833,000)	(915,356,000)
	Net cash flows during the year (50 = 20+30+40)	50		1,151,892,879	264,413,807
	Cash and cash equivalents at beginning of year	60		275,347,200	10,933,393
	Effect of exchange rate changes on cash and cash equivalents	61		-	-
	Cash and cash equivalents at end of year (70 = 50+60+61)	70		1,427,240,079	275,347,200

Prepared by



Dinh Thi Ngan

Chief Accountant



Dinh Thi Ngan

Tuyen Quang, 30 March 2026

General Director



Pham Nguyen Hoang

NOTES TO THE COMBINED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2025

I. CHARACTERISTICS OF THE ENTERPRISE'S OPERATION

1. Capital ownership form

The Company is a Joint Stock Company.

2. Business sector

The Company operates in the Manufacturing and Trading sector.

3. Business lines

- Manufacture of motor vehicles;
- Sale of spare parts and auxiliary parts of automobiles and other motor vehicles;
- Trading of motorcycles of all kinds./.

4. Normal production and business cycle

The normal production and business cycle of the Company does not exceed 12 months.

5. Characteristics of the enterprise's operation during the fiscal year affecting the Financial Statements

None.

6. Enterprise structure

Branches:

Branch name	Address
Branch of Giai Phong Automobile Joint Stock Company (former name: Branch of Ha Giang Electromechanical Joint Stock Company in Hanoi)	No. 539 Minh Khai Street, Vinh Tuy Ward, Hanoi City Branch code: 5100165283 – 001
Branch of Giai Phong Automobile Joint Stock Company – Giai Phong Automobile Factory	Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province Branch code: 5100165283 – 002

The total number of employees of the Company as at 31 December 2025 was 29 persons (as at 31 December 2024: 24 persons).

II. FISCAL YEAR AND ACCOUNTING CURRENCY USED

1. Fiscal year

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

2. Accounting currency

The accounting currency used in accounting records is Vietnam Dong (VND).

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

III. ACCOUNTING STANDARDS AND SYSTEM APPLIED

1. Accounting system applied

The Company applies the Vietnamese Enterprise Accounting System promulgated under Circular No. 200/2014/TT-BTC ("Circular 200") guiding the accounting regime for enterprises issued by the Ministry of Finance on 22 December 2014, and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing Circular No. 200/2014/TT-BTC issued by the Ministry of Finance.

2. Statement of compliance with accounting standards and accounting system

The Company has applied Vietnamese Accounting Standards and the issued guidance documents on accounting standards. The Financial Statements have been prepared and presented in full compliance with all requirements of each standard, circulars guiding the implementation of the standards, and the current applicable accounting regime.

3. New accounting policies issued but not yet applied

On 27 October 2025, the Ministry of Finance issued Circular No. 99/2025/TT-BTC ("Circular 99") guiding the Vietnamese Enterprise Accounting System. This Circular will take effect from 01 January 2026 and apply to fiscal years beginning on or after 01 January 2026. This Circular replaces Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance guiding the accounting regime for enterprises, Circular No. 75/2015/TT-BTC dated 18 May 2015 of the Ministry of Finance amending and supplementing Article 128 of 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 amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance. The Management of the Company is assessing the impact of the adoption of Circular 99 on the Company's future Financial Statements.

IV. ACCOUNTING POLICIES APPLIED

1. Basis of preparation of the Financial Statements

The Financial Statements are prepared on the accrual basis of accounting (except for information relating to cash flows).

2. Exchange rates applied in accounting and principles for accounting for exchange differences

The Company has transactions denominated in foreign currency: USD

Transactions denominated in foreign currencies are translated at the exchange rates prevailing on the transaction dates. Ending balances of foreign currency monetary items at the end of the accounting period are translated at the exchange rates prevailing at that date.

Exchange differences arising during the period from foreign currency transactions are recognized in financial income or financial expenses. Exchange differences arising from the revaluation of foreign currency monetary items at the end of the accounting period, after offsetting exchange gains and exchange losses, are recognized in financial income or financial expenses.

The exchange rates used to translate transactions denominated in foreign currencies are the actual exchange rates at the transaction dates of the commercial bank where the Company conducts the transactions. The exchange rates used to revalue ending balances of foreign currency monetary items at year-end are the buying rates of the commercial bank, or the average buying rates of the commercial banks where the Company opens accounts, as announced at the end of the accounting period.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

3. Principles for recognition of cash and cash equivalents

Cash and cash equivalents comprise cash on hand, bank deposits, cash in transit and short-term investments with recovery periods or maturities of not more than 3 months from the date of purchase, which are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

4. Receivables

Receivables are presented at carrying amount less allowance for doubtful receivables.

The classification of receivables into trade receivables and other receivables is made in accordance with the following principles:

- Trade receivables reflect receivables of a commercial nature arising from purchase and sale transactions, including receivables from proceeds of export sales entrusted to other entities.
- Other receivables reflect receivables that are not of a commercial nature and are unrelated to purchase and sale transactions.

Allowance for doubtful receivables is made for each doubtful receivable based on the aging of overdue debts or the estimated level of loss that may arise, specifically as follows:

- For overdue receivables:
 - 30% of value for receivables overdue from 6 months to under 1 year.
 - 50% of value for receivables overdue from 1 year to under 2 years.
 - 70% of value for receivables overdue from 2 years to under 3 years.
 - 100% of value for receivables overdue for 3 years or more.
- For receivables not yet overdue but unlikely to be recovered: allowance is made based on the estimated level of loss.

5. Principles for recognition of inventories

Inventories are recognized at the lower of cost and net realizable value.

The cost of inventories is determined as follows:

- Raw materials and goods: includes purchase costs and other directly attributable costs incurred to bring the inventories to their present location and condition.
- Finished goods: includes raw material costs, direct labor and related production overhead allocated based on normal operating levels / land use right costs, direct costs and related common costs incurred in the process of investment in and construction of real estate finished goods.
- Work in progress: includes only main raw material costs (or other cost elements, as appropriate).

Net realizable value is the estimated selling price of inventories in the normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories is determined using the weighted average method and accounted for under the perpetual inventory method.

Provision for decline in inventory value is made at year-end when net realizable value falls below the cost of inventories.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

6. Principles for recognition and depreciation of fixed assets

a) Principles for recognition and depreciation of tangible fixed assets

Tangible fixed assets are stated at original cost less accumulated depreciation. The original cost of tangible fixed assets includes all costs incurred by the Company to acquire the tangible fixed assets up to the time the assets are ready for use. Costs incurred subsequent to initial recognition are only added to the original cost of tangible fixed assets if such costs are certain to increase future economic benefits from the use of those assets. Costs that do not satisfy the above condition are recognized immediately as expenses.

When tangible fixed assets are sold or liquidated, their original cost and accumulated depreciation are derecognized, and any gains or losses arising from the liquidation are recognized in income or expenses for the year.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives. The depreciation periods for categories of tangible fixed assets are as follows:

<u>Category of fixed assets</u>	<u>Years</u>
Buildings and structures	20
Machinery and equipment	10
Means of transport and transmission equipment	6-8
Management equipment and tools	3-5

b) Construction in progress costs

Construction in progress costs reflect costs directly related (including capitalized borrowing costs, if any) to assets under construction, machinery and equipment under installation, as well as costs related to repairs of fixed assets in progress. These assets are recognized at cost and are not depreciated.

7. Accounting principles for prepaid expenses

Prepaid expenses record actual costs already incurred but relating to the production and business results of multiple accounting periods, and the allocation of these costs to the production and business expenses of subsequent accounting periods.

Tools and supplies

Tools and supplies that have been put into use are allocated to expenses using the straight-line method over a period not exceeding 3 years.

8. Accounting principles for liabilities and accrued expenses

Liabilities and accrued expenses are recognized for amounts payable in the future relating to goods and services received. Accrued expenses are recognized based on reasonable estimates of the amounts payable.

The classification of liabilities into trade payables, accrued expenses and other payables is made in accordance with the following principles:

- Trade payables reflect payables of a commercial nature arising from purchases of goods, services and assets from sellers that are independent entities from the Company, including payables arising from imports through entrusted import agents.
- Accrued expenses reflect payables for goods and services received from sellers or provided to buyers but not yet paid due to the absence of invoices or incomplete accounting documents

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

and supporting records, as well as payables to employees for annual leave salaries and production and business expenses that must be accrued in advance.

Other payables reflect payables that are not of a commercial nature and are unrelated to the purchase, sale or provision of goods and services.

9. Principles for recognition of borrowings and finance lease liabilities

The Company shall monitor in detail the maturity profile of borrowings and finance lease liabilities. Amounts with repayment terms of more than 12 months from the date of preparation of the Financial Statements are presented as long-term borrowings and finance lease liabilities. Amounts due for repayment within the next 12 months from the date of preparation of the Financial Statements are presented as short-term borrowings and finance lease liabilities in order to plan for settlement.

Foreign currency borrowings and debts must be translated into the accounting currency at the actual exchange rates prevailing at the transaction dates;

- Upon repayment, foreign currency borrowings are translated using the specific actual book exchange rate for each item;
- At the date of preparation of the Financial Statements, the balances of foreign currency borrowings and finance lease liabilities must be revalued at the actual exchange rates prevailing at that date.
- Exchange differences arising from settlement and period-end revaluation of foreign currency borrowings and finance lease liabilities are recognized in financial income or financial expenses.

10. Principles and methods for recognition of provisions

Payables not yet incurred because goods or services have not yet been received but are accrued in advance into production and business expenses of the current period to ensure that, when they actually arise, they do not cause abnormal fluctuations in production and business expenses are reflected as provisions.

The carrying amount of a provision is the best estimate of the expenditure required to settle the present obligation at the end of the annual accounting period or at the end of the accounting period.

A provision is recognized at the date of preparation of the Financial Statements. Where the provision required to be made in the current accounting period is greater than the unused provision made in the previous accounting period, the difference is recognized in production and business expenses of that accounting period. Where the provision required to be made in the current accounting period is less than the unused provision made in the previous accounting period, the difference shall be reversed and recognized as a reduction in production and business expenses of that accounting period.

11. Principles for recognition of equity

Owners' investment capital

Owners' investment capital is recognized based on the actual capital contributed by the capital-contributing members.

Undistributed earnings

This reflects business results (profit or loss) after corporate income tax and the distribution of profits or treatment of losses of the enterprise.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Other funds

Funds are appropriated and used in accordance with the Company's Charter and as approved annually by the Company's Management.

12. Principles and methods for revenue recognition

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

- The significant risks and rewards associated with ownership of the products or goods have been transferred to the buyer;
- The Company no longer retains the right to manage the goods as the owner of the goods or the right to control the goods;
- Revenue can be measured reliably;
- The Company has received or will receive economic benefits from the sales transaction;
- The costs related to the sales transaction can be determined./.

13. Accounting principles for cost of sales.

Cost of sales for the year is recognized consistently with revenue generated during the period and ensures compliance with the prudence principle.

For direct material costs consumed in excess of normal levels, labor costs, and fixed production overheads not allocated to the value of inventories, the accountant must recognize such amounts immediately in cost of sales (after deducting compensation, if any), even when the products or goods have not yet been determined as sold.

Provision for decline in inventory value is charged to cost of sales on the basis of the quantity of inventories and the difference where net realizable value is lower than the cost of inventories. In determining the quantity of inventories subject to a decline in value requiring provision, the accountant must exclude the quantity of inventories for which sales contracts have been signed (whose net realizable value is not lower than carrying amount) but which have not yet been delivered to customers, if there is reliable evidence that customers will not cancel performance of the contracts.

14. Accounting principles for borrowing costs

Borrowing costs include interest on borrowings and other costs directly related to borrowings.

Borrowing costs are recognized as expenses when incurred. Where borrowing costs are directly related to the investment in the construction or production of assets in progress that require a substantial period of time (over 12 months) to be ready for their intended use or sale, such borrowing costs are capitalized. For specific borrowings used for the construction of fixed assets or investment properties, borrowing costs are capitalized even when the construction period is less than 12 months. Income arising from the temporary investment of such borrowings is deducted from the original cost of the related assets.

For general borrowings partly used for investment in construction or production of assets in progress, borrowing costs eligible for capitalization are determined based on the capitalization rate applied to the weighted average accumulated expenditures incurred for construction or production of such assets. The capitalization rate is calculated based on the weighted average interest rate of outstanding borrowings during the year, excluding specific borrowings used for the purpose of acquiring a qualifying asset.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

15. Accounting principles for selling expenses and administrative expenses

Selling expenses reflect actual costs incurred in the process of selling products and goods and rendering services, including costs of promotion, product introduction, product advertising, sales commissions, warranty expenses for products and goods (excluding construction activities), preservation, packing, transportation, etc.

Administrative expenses reflect the general administrative expenses of the enterprise, including expenses for salaries of administrative staff (salaries, wages, allowances, etc.); social insurance, health insurance, trade union funds, and unemployment insurance of administrative staff; office materials, labor tools, depreciation of fixed assets used for administration; land rental, business license tax; allowance for doubtful receivables; outsourced services (electricity, water, telephone, fax, asset insurance, fire and explosion insurance, etc.); and other cash expenses (hospitality, customer conferences, etc.).

16. Principles and methods for recognition of current corporate income tax expense

Corporate income tax expense is current income tax, determined based on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses, as well as adjustments for non-taxable income and loss carryforwards.

The Company is subject to corporate income tax at the rate of 15% under Investment Incentive Certificate No. 874/GCNUD dated 02 May 2002.

17. Segment reporting

A business segment is a separately identifiable component engaged in the production or provision of products or services and is subject to risks and economic returns that are different from those of other business segments.

A geographical segment is a separately identifiable component engaged in the production or provision of products or services within a particular economic environment and is subject to risks and economic returns that are different from those of components operating in other economic environments.

18. Related parties

Parties are considered related parties of the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and the other party are under common control or common significant influence. The related parties referred to above may be companies or individuals, including their close family members.

Transactions with related parties during the year are presented in Note VIII.1.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)**V. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET**

Unit: VND

1. Cash and cash equivalents

	Ending balance	Beginning balance
Cash on hand	13,825,734	82,208
Demand deposits at banks	1,413,414,345	275,264,992
Total	1,427,240,079	275,347,200

2. Short-term trade receivables

	Ending balance	Beginning balance
Dong Do Quang Ninh Joint Stock Company	54,750,000	54,750,000
Total	54,750,000	54,750,000

3. Other short-term receivables

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
<i>Receivables from organizations and individuals</i>	142,594,097	-	276,981,259	-
Advances	90,268,819	-	224,655,981	-
Other short-term receivables	52,325,278	-	52,325,278	-
Total	142,594,097	-	276,981,259	-

4. Allowance for doubtful receivables

	Ending balance		Beginning balance	
	Original cost	Provision	Original cost	Provision
Dong Do Quang Ninh Joint Stock Company	54,750,000	(27,375,001)	54,750,000	-
Total	54,750,000	(27,375,001)	54,750,000	-

5. Asset shortage pending resolution

This represents the value of inventory, including demo vehicles and auto parts, that is short compared to the physical stocktaking, as stated in Confirmation Minutes No. 01/BB-XN dated January 5, 2026. The Company is currently reviewing the causes and will propose appropriate handling measures once the results are available.

6. Inventories

	Ending balance		Beginning balance	
	Value	Provision	Value	Provision
Raw materials and supplies	-	-	2,025,932,249	-
Finished goods	-	-	10,497,707,774	(1,334,848,534)
Goods	-	-	535,929,993	-
Goods sent for sale	474,148,682	-	834,549,673	-
Total	474,148,682	-	13,894,119,689	(1,334,848,534)

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

7. Movements in tangible fixed assets

	Unit: VND			
	Buildings and structures	Machinery and equipment	Means of transport and transmission equipment	Total
Historical costs				
Beginning balance	47,225,072,226	31,110,700,283	960,323,675	79,636,045,328
Additions during the year	-	45,100,000	-	45,100,000
Ending balance	47,225,072,226	31,155,800,283	960,323,675	79,681,145,328
Of which: fully depreciated but still in use	419,935,606	18,595,042,633	780,323,675	20,135,251,058
Accumulated depreciation				
Beginning balance	30,497,557,460	27,719,724,903	922,823,675	59,480,055,182
Increase due to depreciation during the year	3,317,677,980	772,722,036	22,500,000	4,112,900,016
Ending balance	33,815,235,440	28,492,446,939	945,323,675	63,592,955,198
Net carrying amount				
Beginning balance	16,727,514,766	3,390,975,380	37,500,000	20,155,990,146
Ending balance	13,409,836,786	2,663,353,344	15,000,000	16,088,190,130

Tangible fixed assets with original cost and net carrying amount of VND 78,217,372,509 and VND 15,939,715,738, respectively, were pledged as collateral for the loan from Mr. Vuong Van Tuong as presented in Note V.12a.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Unit: VND

8. Short-term trade payables

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to other suppliers</i>	<i>2,196,911,073</i>	<i>3,242,223,473</i>
Saigon - Hanoi Securities Joint Stock Company	1,096,422,315	1,146,422,315
Son Lien Hop Company Limited	488,495,099	488,495,099
FAW VN Import Export Company Limited	-	785,312,400
Other suppliers	611,993,659	821,993,659
Total	<u>2,196,911,073</u>	<u>3,242,223,473</u>

9. Short-term advances from customers

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Advances from other customers</i>	<i>1,655,246,800</i>	<i>3,022,864,408</i>
Long Giang International Investment Joint Stock Company	-	2,101,584,398
FAW VN Import Export Company Limited	-	750,000,000
Ms. Do Trang Nhung	1,000,000,000	-
Ms. Pham Thi Bich Yen	533,966,800	-
Other customers	121,280,000	171,280,010
Total	<u>1,655,246,800</u>	<u>3,022,864,408</u>

10. Taxes payable to the State

	<u>Beginning balance</u>	<u>Arising during the year</u>	<u>Paid during the year</u>	<u>Ending balance</u>
Value added tax on domestic sales	10,040,601	779,042,306	(783,635,239)	5,447,668
Personal income tax	-	72,196,362	(72,196,362)	-
Land tax	-	110,467,225	(110,467,225)	-
Other taxes	-	3,000,000	(3,000,000)	-
Total	<u>10,040,601</u>	<u>964,705,893</u>	<u>(969,298,826)</u>	<u>5,447,668</u>

11. Short-term accrued expenses

	<u>Ending balance</u>	<u>Beginning balance</u>
Accrued loan interest expenses	1,072,294,517	1,644,698,630
Other expenses	13,000,000	-
Total	<u>1,085,294,517</u>	<u>1,644,698,630</u>

12. Other short-term payables

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan interest payable to Ms. Le Thi Van Anh (*)	23,258,134,197	-
Loan interest payable to Eximbank (*)	-	20,942,886,515
Other short-term payables	15,226,837	14,291,686
Total	<u>23,273,361,034</u>	<u>20,957,178,201</u>

(*) This represents current and overdue loan interest payable to Vietnam Export Import Commercial Joint Stock Bank under the credit agreement since 2010. On 17 December 2025, the Bank sent a notice to the Company regarding the transfer of this debt to Ms. Le Thi Van Anh under Debt Purchase and Sale Agreement No. 07/2025/HĐMBN/EIB-CN dated 25 November 2025 between the Bank and Ms. Le Thi Van Anh.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

13. Borrowings and finance lease liabilities

Unit: VND

	Beginning balance		Arising during the year		Ending balance	
	Value	Overdue debts unpaid	Increase	Decrease	Value	Overdue debts unpaid
a. Short-term borrowings liabilities	23,068,738,548	-	15,830,903,516	18,465,916,471	20,433,725,593	-
Short-term borrowings from related parties	-	-	5,293,000,000	5,293,000,000	-	-
Ms. Nguyen Thi Nga	-	-	998,000,000	998,000,000	-	-
Mr. Nguyen Cuong	-	-	4,295,000,000	4,295,000,000	-	-
Short-term bank borrowings	6,645,791,849	-	222,124,622	6,867,916,471	-	-
Vietnam Export Import Bank (1)	6,645,791,849	-	222,124,622	6,867,916,471	-	-
Short-term borrowings from individuals	16,422,946,699	-	10,315,778,894	6,305,000,000	20,433,725,593	-
Mr. Nguyen Ky Xuan (2)	7,822,946,699	-	1,447,862,423	705,000,000	8,565,809,122	-
Mr. Vuong Van Tuong (3)	8,600,000,000	-	-	5,600,000,000	3,000,000,000	-
Mr. Nguyen Huy Hoang (4)	-	-	2,000,000,000	-	2,000,000,000	-
Ms. Le Thi Van Anh (1)	-	-	6,867,916,471	-	6,867,916,471	-
b. Long-term borrowings liabilities	32,894,289,009	-	7,491,969,766	3,392,333,000	36,993,925,775	-
Long-term borrowings from related individuals	32,894,289,009	-	7,491,969,766	3,392,333,000	36,993,925,775	-
Mr. Nguyen Ha Duc (5)	32,894,289,009	-	7,491,969,766	3,392,333,000	36,993,925,775	-
Total	55,963,027,557	-	23,322,873,282	21,858,249,471	57,427,651,368	-

(1) This represents the loan from Vietnam Export Import Commercial Joint Stock Bank under the credit limit agreement since 2010 for the purpose of supplementing automobile trading capital, bearing interest at rates under each debt withdrawal note ranging from 8.1% per annum to 8.4% per annum; overdue interest is charged at 1.5 times the applicable interest rate at each point in time. On 17 December 2025, the Bank sent a notice to the Company regarding the transfer of this debt to Ms. Le Thi Van Anh under Debt Purchase and Sale Agreement No. 07/2025/HĐMBN/EIB-CN dated 25 November 2025 between the Bank and Ms. Le Thi Van Anh.

(2) This represents the loan from Mr. Nguyen Ky Xuan under Agreement No. 1407/22/HĐKT dated 14 July 2022 and the related appendices thereto, extended until 14 July 2026, with a loan amount of VND 5,000,000,000, a loan term of 12 months and an interest rate of 18% per annum.

(3) This represents the loan from Mr. Vuong Van Tuong under Agreement No. 2509/2023/HĐV dated 25 September 2023 and the related appendices thereto. The loan amount is VND 20,000,000,000, the loan term is 12 months, and the interest rate is 15% per annum. The purpose of the loan is for business capital. The loan is secured by land use rights together with assets attached to the factory of Giai Phong Automobile Joint Stock Company.

(4) This represents the loan from Mr. Nguyen Huy Hoang under loan agreements in 2025, with terms of 6 to 12 months from the disbursement date and interest rates ranging from 6% to 12% per annum.

(5) This represents the loan from Mr. Nguyen Ha Duc under loan agreements with a term of 24 months and an interest rate of 18% per annum.

The loan repayment term has been extended until December 31, 2027.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Unit: VND

14. Equity

	<i>Statement of changes in equity</i>			Total
	Owners' contributed capital	Share premium	Undistributed after-tax profits	
Previous year beginning balance	293,885,890,000	783,469,814	(326,303,210,310)	(31,633,850,496)
Profit for the previous year	-	-	(19,544,643,447)	(19,544,643,447)
Previous year ending balance	293,885,890,000	783,469,814	(345,847,853,757)	(51,178,493,943)
Current year beginning balance	293,885,890,000	783,469,814	(345,847,853,757)	(51,178,493,943)
Profit for the current year	-	-	(14,710,668,267)	(14,710,668,267)
Current year ending balance	293,885,890,000	783,469,814	(360,558,522,024)	(65,889,162,210)

Details of the owner's contributed capital

	Ending balance	Percentage	Beginning balance	Percentage
Mr Dam Than Manh	116,031,870,000	39.48%	116,031,870,000	39.48%
Mr Nguyen Ha Duc	26,016,630,000	8.85%	26,016,630,000	8.85%
Mr Nguyen Cuong	24,509,820,000	8.34%	24,509,820,000	8.34%
Mr Nguyen Duy Kien	19,705,000,000	6.70%	19,705,000,000	6.70%
Other	107,622,570,000	36.62%	107,622,570,000	36.62%
Total	293,885,890,000	100.00%	293,885,890,000	100.00%

Shares

	Ending balance	Beginning balance
Number of authorized shares	29,388,589	29,388,589
Number of issued shares	29,388,589	29,388,589
- Ordinary shares	29,388,589	29,388,589
- Preference shares	-	-
Number of repurchased shares	-	-
- Ordinary shares	-	-
- Preference shares	-	-
Number of outstanding shares	29,388,589	29,388,589
- Ordinary shares	29,388,589	29,388,589
- Preference shares	-	-

Par value of outstanding shares: VND 10,000.

15. Off-balance sheet items of the Combined Balance Sheet

	Ending balance	Beginning balance
Written-off bad debts (*)	13,364,745,531	13,364,745,531

(*) Details of written-off bad debts are presented in Appendix 01.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

VI. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF INCOME

Unit: VND

1. Revenue from sales and rendering of services

	Current year	Previous year
Revenue from sale of goods	5,207,361,199	416,666,667
Revenue from sale of finished goods	109,648,256,223	22,202,579,435
Total	114,855,617,422	22,619,246,102

2. Cost of sales

	Current year	Previous year
Cost of goods sold	5,268,400,593	343,326,782
Cost of finished goods sold	107,109,099,678	27,584,019,204
Cost of suspended production stage	4,956,021,792	-
Provision/(reversal of provision) for decline in inventory value	(1,334,848,534)	1,048,158,426
Total	115,998,673,529	28,975,504,412

3. Financial income

	Current year	Previous year
Interest income from demand deposits	2,688,572	1,750,139
Total	2,688,572	1,750,139

4. Financial expenses

	Current year	Previous year
Borrowing costs	10,736,519,045	10,273,886,418
Cost of borrowing collateralized assets	-	390,000,000
Realized foreign exchange losses	222,124,622	-
Foreign exchange losses from revaluation of monetary items denominated in foreign currencies	-	181,028,967
Total	10,958,643,667	10,844,915,385

5. Selling expenses

	Current year	Previous year
Purchased services expenses	384,501,674	326,965,712
Total	384,501,674	326,965,712

6. Administrative expenses

	Current year	Previous year
Staff costs	1,451,091,629	1,255,426,133
Depreciation of fixed assets	52,547,472	52,547,472
Taxes, fees and charges	121,914,614	118,058,916
Allowance for doubtful receivables	27,375,001	-
Purchased services expenses	165,592,593	98,195,935
Other expenses	408,634,092	494,025,723
Total	2,227,155,401	2,018,254,179

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Unit: VND

7. Current corporate income tax expense

Current corporate income tax payable for the year is estimated as follows:

	Current year	Previous year
Total accounting profit before tax	(14,710,668,267)	(19,544,643,447)
Adjustments increasing/(decreasing) accounting profit to determine taxable income:		
- Increasing adjustments	1,994,250,855	1,878,741,632
<i>Interest expense exceeding 150% of the bank base interest rate</i>	<i>1,994,250,855</i>	<i>1,878,741,632</i>
- Decreasing adjustments	-	-
Taxable income	(12,716,417,412)	(17,665,901,815)
Tax-exempt income	-	-
Losses brought forward from previous years	-	-
Assessable income	(12,716,417,412)	(17,665,901,815)
Corporate income tax rate	15%	15%
Total current corporate income tax expense	-	-

8. Basic/diluted earnings per share

	Current year	Previous year
Profit after corporate income tax	(14,710,668,267)	(19,544,643,447)
Adjustments increasing/(decreasing) accounting profit to determine profit attributable to ordinary shareholders:	-	-
Profit for calculation of basic/diluted earnings per share	(14,710,668,267)	(19,544,643,447)
Weighted average number of ordinary shares outstanding during the year	29,388,589	29,388,589
Basic/diluted earnings per share Basic/diluted earnings per share	(501)	(665)

Average ordinary shares outstanding during the year are calculated as follows:

	Current year	Previous year
Ordinary shares outstanding at the beginning of the year	29,388,589	29,388,589
Effect of shares issued for debt conversion during the year	-	-
Weighted average ordinary shares outstanding during the year	29,388,589	29,388,589

9. Operating expenses by element

	Current year	Previous year
Raw materials and supplies expenses	93,223,606,425	14,792,656,000
Labour costs	3,466,091,629	1,255,426,133
Provision expenses	(1,307,473,533)	-
Depreciation of fixed assets	4,112,900,016	4,158,866,216
Purchased services expenses	165,592,593	98,195,935
Other expenses	2,526,919,891	1,769,316,901
Total	102,187,637,021	22,074,461,185

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)**VII. SUPPLEMENTARY INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF CASH FLOWS****1. Non-cash transactions**

During the year, the Company had the following non-cash transaction:

	Current year	Previous year
Capitalized loan interest	7,740,332,189	6,940,478,855

Unit: VND

VIII. OTHER INFORMATION**1. Transactions and balances with related parties**

Related parties of the Company include key management personnel, individuals related to key management personnel and other related parties.

i. Transactions and balances with key management personnel and individuals related to key management personnel

Key management personnel comprise members of the Board of Directors and members of the Management. Individuals related to key management personnel are close family members of key management personnel.

Key management personnel and related individuals	Position/Relationship
Mr. Nguyen Cuong	Vice Chairman of the Board of Directors
Ms. Nguyen Thi Nga	Wife of Mr. Nguyen Cuong – Vice Chairman of the Board of Directors

Transactions with related parties

Major transactions arising during the year between the Company and key management personnel and individuals related to key management personnel were as follows:

	Current year	Previous year
Payable for borrowing assets from Ms. Nga	-	390,000,000
Payment for borrowed assets to Ms. Nga	-	390,000,000
Loan borrowed from Mr. Cuong	4,295,000,000	-
Loan repaid to Mr. Cuong	4,295,000,000	-
Loan borrowed from Ms. Nga	998,000,000	-
Loan repaid to Ms. Nga	998,000,000	-

As at the end of the fiscal year, there were no outstanding balances with key management personnel and individuals related to key management personnel.

Income of key management personnel was as follows:

	Current year	Previous year
Income of the Management		
Mr. Nguyen Cuong	183,912,400	180,301,804
Mr. Pham Nguyen Hoang	202,825,450	114,182,429
Ms. Dinh Thi Ngan	178,175,535	117,543,434

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

ii. Transactions with other related parties

Other related parties of the Company include:

Other related party	Relationship
Mr. Nguyen Ha Duc	Major shareholder holding 8.85% of owners' contributed capital

Transactions arising during the year between the Company and other related parties were as follows:

	<i>Unit: VND</i>	
	Current year	Previous year
Mr. Nguyen Ha Duc		
Borrowings (including capitalized interest)	7,491,969,766	13,793,242,301
Repayment of borrowings	3,392,333,000	5,467,356,000

As at the end of the fiscal year, balances with other related parties are presented in Note V.12./.

2. Segment information

Segment information is presented by business segment and geographical area. The primary segment reporting format is by business segment based on the Company's internal organizational and management structure and internal financial reporting system.

Segment reporting by business segment

The Company's principal business activity is assembly and sale of automobiles and motorcycles; therefore, segment reporting by business segment is not presented.

Segment reporting by geographical area

The Company operates only within Vietnam; therefore, segment reporting by geographical area is not presented.

3. Financial risk management

a. Credit risk

Credit risk is the risk that one party to a contract will fail to perform its obligations, resulting in a financial loss to the Company.

The Company is exposed to credit risk arising from its operating activities (mainly in respect of trade receivables) and financing activities (bank deposits).

Trade receivables

The Company minimizes credit risk by dealing only with entities having good financial capacity, and receivables accounting staff regularly monitor receivables in order to urge collection. On that basis, and since the Company's receivables relate to many different customers, credit risk is not concentrated on any particular customer.

Bank deposits

Most of the Company's bank deposits are placed with large and reputable banks in Vietnam. The Company considers the concentration of credit risk relating to bank deposits to be low.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to a shortage of cash.

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

The Management has ultimate responsibility for liquidity risk management. The Company's liquidity risk mainly arises from mismatches in the maturities of financial assets and financial liabilities.

The Company manages liquidity risk by maintaining an appropriate level of cash and cash equivalents and borrowings at levels which the Management considers sufficient to meet the Company's operating needs, thereby minimizing the impact of fluctuations in cash flows.

The maturity profile of financial liabilities based on contractual undiscounted expected payments is as follows:

Unit: VND

	Within 1 year	Over 1 year to 5 years	Total
Ending balance			
Borrowings and debts	20,433,725,593	36,993,925,775	57,427,651,368
Trade payables	2,196,911,073	-	2,196,911,073
Other payables	23,273,361,034	-	23,273,361,034
Total	45,903,997,700	36,993,925,775	82,897,923,475
Beginning balance			
Borrowings and debts	23,068,738,548	32,894,289,009	55,963,027,557
Trade payables	3,242,223,473	-	3,242,223,473
Other payables	20,957,178,201	-	20,957,178,201
Total	47,268,140,222	32,894,289,009	80,162,429,231

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices. Market risk comprises three types: foreign currency risk, interest rate risk and other price risk.

The sensitivity analyses presented below are prepared on the basis that the value of net debt and the proportion between fixed-rate debt and floating-rate debt remain unchanged.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates.

The Company's interest rate risk mainly relates to cash, short-term deposits and borrowings.

The Company manages interest rate risk by analyzing market conditions in order to obtain the most favorable interest rates while still remaining within its risk management limits. The changes in interest rates used for the analysis are assumed based on observable current market conditions.

d. Fair value of financial assets and financial liabilities

	Book value		Fair value	
	Ending balance	Beginning balance	Ending balance	Beginning balance
Financial assets				
Cash and cash equivalents	1,427,240,079	275,347,200	1,427,240,079	275,347,200
Trade receivables	54,750,000	54,750,000	(*)	(*)
Other receivables	142,594,097	276,981,259	(*)	(*)
Total	1,624,584,176	607,078,459		

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

	Book value		Fair value	
	Ending balance	Beginning balance	Ending balance	Beginning balance
Financial liabilities				
Borrowings and debts	57,427,651,368	55,963,027,557	(*)	(*)
Trade payables	2,196,911,073	3,242,223,473	(*)	(*)
Other payables	23,273,361,034	20,957,178,201	(*)	(*)
Total	82,897,923,475	80,162,429,231		

(*) The Company has not determined the fair values of these financial instruments because quoted market prices are not available and Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System currently do not provide guidance on determining fair value using valuation techniques. Accordingly, the Company has not disclosed the fair values of these financial assets and financial liabilities. The fair values of these financial instruments may differ from their carrying amounts.

4. Comparative information

The comparative figures are the Combined Financial Statements for the fiscal year ended 31 December 2024, audited by Nhan Tam Viet Auditing Company Limited.

Certain items were reclassified in the 2024 Financial Statements as follows:

	Code	Figures as previously reported	Reclassified figures
Balance Sheet			
Short-term accrued expenses	315	22,587,585,145	1,644,698,630
Other short-term payables	319	14,291,686	20,957,178,201

5. Going concern information

The loss for the fiscal year ended 31 December 2025 amounted to VND 14,710,668,267 and the accumulated losses as at 31 December 2025 amounted to VND 360,558,522,024, which exceeded the owners' investment capital. In addition, as at 31 December 2025, current liabilities exceeded current assets by VND 44,983,426,565. These factors give rise to doubt about the Company's ability to continue as a going concern. The Company is implementing a number of measures to address the current situation through the implementation of a private share issuance plan to supplement business capital and expand the factory. The Management of the Company undertakes to use personal resources to settle the overdue debts if the proposed measures are not sufficient. Accordingly, the Combined Financial Statements for the fiscal year ended 31 December 2025 have continued to be prepared on the going concern basis.

Prepared on 30 March 2026

Prepared by

Chief Accountant

General Director



Dinh Thi Ngan



Dinh Thi Ngan



Phạm Nguyễn Hoàng

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Unit: VND

Appendix 01: Details of Written-off Bad Debts

	Ending balance		Beginning balance	
	Value	Reason for write-off	Value	Reason for write-off
Branch of Giai Phong Automobile Joint Stock Company (Ha Giang Province)	163,714,025	Unrecoverable debts	163,714,025	Unrecoverable debts
Dai A Chau Construction and Trading Company Limited	138,217,050	Unrecoverable debts	138,217,050	Unrecoverable debts
Hung Tuyen Private Trading Enterprise	90,522,525	Unrecoverable debts	90,522,525	Unrecoverable debts
Thanh Tam Automobile Company Limited	402,565,959	Unrecoverable debts	402,565,959	Unrecoverable debts
Yuejin Vietnam Automobile Joint Stock Company	4,795,057,367	Unrecoverable debts	4,795,057,367	Unrecoverable debts
Mr. Can Van Minh	71,963,000	Unrecoverable debts	71,963,000	Unrecoverable debts
Mr. Do Dinh Tuan	96,933,650	Unrecoverable debts	96,933,650	Unrecoverable debts
Mr. Dao Hong Minh	68,251,650	Unrecoverable debts	68,251,650	Unrecoverable debts
Mr. Can Dinh Phong	64,013,650	Unrecoverable debts	64,013,650	Unrecoverable debts
Mr. Nguyen Huu Chinh	44,140,578	Unrecoverable debts	44,140,578	Unrecoverable debts
Mr. Le Trung Kien	19,702,500	Unrecoverable debts	19,702,500	Unrecoverable debts
Mr. Nguyen Thanh Son	18,880,000	Unrecoverable debts	18,880,000	Unrecoverable debts
Mr. Nguyen Van Dung	86,255,650	Unrecoverable debts	86,255,650	Unrecoverable debts
Hung Giang Law Company	125,000,000	Unrecoverable debts	125,000,000	Unrecoverable debts
Saigon Hanoi Securities Joint Stock Company	60,000,000	Unrecoverable debts	60,000,000	Unrecoverable debts
Mr. Nguyen Van Chien	420,000,000	Unrecoverable debts	420,000,000	Unrecoverable debts
An Loc Phat Company Limited	1,269,090,442	Unrecoverable debts	1,269,090,442	Unrecoverable debts
Nam Chau Duy Nhat Company	23,001,998	Unrecoverable debts	23,001,998	Unrecoverable debts
An Phuc Trading & Services Company Limited	68,708,000	Unrecoverable debts	68,708,000	Unrecoverable debts
Bao Long Company Limited	141,336,617	Unrecoverable debts	141,336,617	Unrecoverable debts
Vietnam Electromechanical Joint Stock Company	196,980,411	Unrecoverable debts	196,980,411	Unrecoverable debts
Dai Phat Hang Company Limited	274,507,222	Unrecoverable debts	274,507,222	Unrecoverable debts
Quoc Thinh Automobile Company Limited	146,491,504	Unrecoverable debts	146,491,504	Unrecoverable debts
Hoang Long Hiep Services and Trading Company Limited	43,797,000	Unrecoverable debts	43,797,000	Unrecoverable debts
Hoang Hai Automobile Enterprise	184,527,248	Unrecoverable	184,527,248	Unrecoverable

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)

Appendix 01: Details of Written-off Bad Debts

	Ending balance		Beginning balance	
	Value	Reason for write-off debts	Value	Reason for write-off debts
Hoang Nam Company Limited	29,612,000	Unrecoverable debts	29,612,000	Unrecoverable debts
Kim Hoang Hao Joint Stock Company	14,300,000	Unrecoverable debts	14,300,000	Unrecoverable debts
Hoang Loi Company Limited	149,812,931	Unrecoverable debts	149,812,931	Unrecoverable debts
Hai Phong Automobile Industry Trading Joint Stock Company	51,245,501	Unrecoverable debts	51,245,501	Unrecoverable debts
Hong Quan Private Enterprise	224,313,000	Unrecoverable debts	224,313,000	Unrecoverable debts
Hung Tuyen Private Enterprise	466,953,000	Unrecoverable debts	466,953,000	Unrecoverable debts
Huynh De Automobile Joint Stock Company	78,574,840	Unrecoverable debts	78,574,840	Unrecoverable debts
Lam Viet Company Limited	23,693,500	Unrecoverable debts	23,693,500	Unrecoverable debts
Thai Binh One Member Limited Liability Company	197,546,940	Unrecoverable debts	197,546,940	Unrecoverable debts
Nam Mai Company Limited	15,460,696	Unrecoverable debts	15,460,696	Unrecoverable debts
Ngoc Khanh Joint Stock Company	33,396,498	Unrecoverable debts	33,396,498	Unrecoverable debts
Ngoc Hung Company Limited	61,815,250	Unrecoverable debts	61,815,250	Unrecoverable debts
Quang Loi Company Limited	31,925,500	Unrecoverable debts	31,925,500	Unrecoverable debts
Dai Phat Steel Company Limited	26,091,000	Unrecoverable debts	26,091,000	Unrecoverable debts
Thanh Do Joint Stock Company	23,384,999	Unrecoverable debts	23,384,999	Unrecoverable debts
Thanh Tam Automobile Company Limited	101,356,000	Unrecoverable debts	101,356,000	Unrecoverable debts
Thien Phu Company Limited	496,948,022	Unrecoverable debts	496,948,022	Unrecoverable debts
Tan Dat Trading Import Export Company Limited	65,721,999	Unrecoverable debts	65,721,999	Unrecoverable debts
Thinh Hung Company Limited	176,344,000	Unrecoverable debts	176,344,000	Unrecoverable debts
Tuan Nam Trang Automobile Joint Stock Company	493,337,810	Unrecoverable debts	493,337,810	Unrecoverable debts
Trung Son Company Limited	13,059,600	Unrecoverable debts	13,059,600	Unrecoverable debts
Trong Thien Private Enterprise	74,636,547	Unrecoverable debts	74,636,547	Unrecoverable debts
Yuejin Vietnam Joint Stock Company	420,000,000	Unrecoverable debts	420,000,000	Unrecoverable debts
Quality Consulting and Technology Development Company Limited	76,000,000	Unrecoverable debts	76,000,000	Unrecoverable debts
Architectural and Construction Consulting Center	45,000,000	Unrecoverable debts	45,000,000	Unrecoverable debts

GIAI PHONG AUTOMOBILE JOINT STOCK COMPANY

Address: Thanh Thuy Border Gate Economic Zone, Thanh Thuy Commune, Tuyen Quang Province

Notes to the combined Financial Statement (continued)**Appendix 01: Details of Written-off Bad Debts**

	Ending balance		Beginning balance	
	Value	Reason for write-off	Value	Reason for write-off
Canh Thinh Trading Production Company Limited	34,095,000	Unrecoverable debts	34,095,000	Unrecoverable debts
Ha Linh Specialized Automobile Company Limited	739,935,000	Unrecoverable debts	739,935,000	Unrecoverable debts
Phu Ha Environment Company Limited	10,000,000	Unrecoverable debts	10,000,000	Unrecoverable debts
Mr. Dang Quoc Khanh	50,000,000	Unrecoverable debts	50,000,000	Unrecoverable debts
Other parties	126,527,852	Unrecoverable debts	126,527,852	Unrecoverable debts
Total	13,364,745,531		13,364,745,531	