

INTERIM SEPARATE FINANCIAL STATEMENTS

**THAI NGUYEN IRON AND STEEL JOINT STOCK
CORPORATION**

For the period from 01/01/2025 to 30/06/2025

(Reviewed)

M.S.D.N.
★

CONTENTS

	Page
Report of the Board of Management	02 - 03
Review report on Interim Financial Information	04 - 05
Reviewed Interim Separate Financial Statements	06 - 52
Interim Separate Statement of Financial position	06 - 07
Interim Separate Statement of Income	08
Interim Separate Statement of Cash flows	09
Notes to the Interim Separate Financial Statements	10 - 52

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Thai Nguyen Iron and Steel Joint Stock Corporation ("the Company") presents its report and the Company's Interim Separate Financial Statements for the period from 01 January 2025 to 30 June 2025.

THE COMPANY

Thai Nguyen Iron and Steel Joint Stock Corporation was equitized from the state-owned enterprise - Thai Nguyen Iron and Steel Corporation under Vietnam Steel Corporation according to Decision No. 996/QĐ-VNS dated November 30, 2007 of the Board of Directors of Vietnam Steel Corporation. The Company operates under the Business Registration Certificate of a joint stock company No. 4600100155, initially issued by the Department of Planning and Investment of Thai Nguyen province on June 24, 2009, and changes, with the most recent change (12th time) on July 31, 2025.

The Company's head office is located at: Cam Gia 13 residential group, Gia Sang ward, Thai Nguyen province, Vietnam.

BOARD OF DIRECTORS

Members of the Board of Directors during the period and to the reporting date are:

Mr. Nghiem Xuan Da	Chairman	
Mr. Nguyen Minh Hanh	Member	
Mr. Le Thanh Thuc	Member	
Mr. Tran Trong Manh	Member	
Mr. Thieu Dinh Tinh	Member	(Appointed on 26 April 2025)
Mr. Tran Thai Dung	Member	(Appointed on 26 April 2025)
Mrs. Nguyen Thi Nguyet	Member	(Appointed on 26 April 2025)
Mr. Le Minh Tu	Member	(Resigned on 26 April 2025)
Mr. Le Hong Khue	Member	(Resigned on 26 April 2025)
Mr. Tran Quang Tien	Member	(Resigned on 26 April 2025)

BOARD OF MANAGEMENT

Members of the Board of Management during the period and to the reporting date are:

Mr. Nguyen Minh Hanh	General Director	(Reappointed on 01 April 2025)
Mr. Ha Tuan Hung	Vice General Director	
Mr. Tran Thai Dung	Vice General Director	(Appointed on 10 June 2025)
Mr. Tran Quang Tien	Vice General Director	(Resigned on 01 July 2025)

LEGAL REPRESENTATIVE

The legal representative of the Company during period and until the preparation of this Interim Separate Financial Statements is Mr. Nguyen Minh Hanh - General Director.

BOARD OF SUPERVISION

Members of the Board of Supervision:

Mr. Tran Anh Dung	Head	
Mr. Bui Quang Hung	Member	
Mrs. Nguyen Thi Hue	Member	
Mr. Nguyen Hong Van	Member	
Mr. Do Quang Kien	Member	(Appointed on 26 April 2025)
Mrs. Nguyen Thuy Ha	Member	(Resigned on 26 April 2025)

AUDITORS

The auditors of AASC Auditing Firm Company Limited have conducted the audit of Interim Separate Financial Statements for the Company.

STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE INTERIM SEPARATE FINANCIAL STATEMENTS

The Board of Management is responsible for the Interim Separate Financial Statements which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the year. In preparing those Interim Separate Financial Statements, the Board of Management is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Separate Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Interim Separate Financial Statements;
- Prepare the Interim Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of the Interim Financial Statements;
- Prepare the Interim Separate Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Interim Separate Financial Statements comply with the current State's regulations. It is 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 confirms that the Interim Separate Financial Statements give a true and fair view of the financial position at 30 June 2025, its operation results and cash flows for the period from 01 January 2025 to 30 June 2025 of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the Interim Financial Statements.

Other commitments

The Board of Management pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 on detailing and guiding the implementation of a number of articles of the Law on Securities and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market and the Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 96/2020/TT-BTC.

On behalf of the Board of Management



Nguyễn Minh Hạnh
General Director

Thai Nguyen, 20 August 2025

No. 200825.001/BCTC.KT5

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

**To: Shareholders, Board of Directors and Board of Management
Thai Nguyen Iron and Steel Joint Stock Corporation**

We have reviewed the accompanying Interim Separate Financial Statements of Thai Nguyen Iron and Steel Joint Stock Corporation ("the Company") prepared on 20 August 2025, as set out on pages 06 to 52, including: Interim Separate Statement of Financial position as at 30 June 2025, Interim Separate Statement of Income, Interim Separate Statement of Cash flows and Notes to the Interim Separate Financial Statements for the year ended as at 30 June 2025.

Board of Management's Responsibility

Board of Management of Thai Nguyen Iron and Steel Joint Stock Corporation is responsible for the preparation and presentation of Interim Separate Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Interim Financial Statements and for such internal control as Board of Management determines is necessary to enable the preparation and presentation of Interim Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an conclusion on these Interim Separate Financial Statements based on our view. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Qualified conclusion

As presented in Note 13 and Note 33 of the Notes to the Interim Separate Financial Statements, the Phase 2 Production Expansion Project of Thai Nguyen Iron and Steel Corporation ("Project") commenced construction in 2007 but has been suspended since 2013 due to various issues. The Vietnamese Government and relevant authorities are in the process of addressing violations and finding solutions to overcome difficulties and obstacles to complete the project. We were unable to fully assess the impact of transactions and events related to the Project on the preparation and presentation of the accompanying Interim Separate Financial Statements, including:

- (i) The value of the items "Prepayments to suppliers", "Construction in progress", "Trade payables", "Exchange rate differences" related to the Project, as presented in Notes 6, 13, 14, 21 as well as other related indicators.
- (ii) The value of capitalized borrowing costs related to the Project (as presented in Note 13) from the point at which the Project became delayed.
- (iii) And, the potential impairment losses related to the Project as well as their impact on other relevant indicators presented in the Interim Separate Financial Statements.

As presented in Note 16 to the Interim Separate Financial Statements: on 20 June 2025, the Tax Department of Region VII issued Decision No. 1165/QD-XP HC regarding an administrative violation for the incorrect declaration of environmental protection fees for low-grade raw ore exploited from 2017 to 2024 at Tien Bo Iron Mine. The total amount payable by the Company as of the decision issuance date is VND 225.52 billion (which includes administrative violation fines, environmental protection fees and late payment penalties for environmental protection fees.). As of 30 June 2025, the Company is in the process of collecting supporting documents, reviewing, and assessing the basis for the complaint. Accordingly, the Company has not recognized the payable obligations under the above-mentioned decision, nor any related obligations (if any) in the accompanying Interim Separate Financial Statements. At the date of this review report, we have not been able to obtain sufficient appropriate audit evidence to determine the impact and necessary adjustments to the accompanying Interim Separate Financial Statements related to this issue.

Qualified conclusion

Based on our review, except for the matters described in the "Basis for Qualified Conclusion" paragraph, nothing has come to our attention that causes us to believe that the accompanying Interim Separate Financial Statements do not give a true and fair view, in all material respects, of the financial position of Thai Nguyen Iron and Steel Joint Stock Company as at 30 June 2025, and the results of its operations and cash flows for the six-month period then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System, and the statutory requirements relevant to the preparation and presentation of Interim Separate Financial Statements.

Emphasis of Matter

As presented in Note 1 to the Interim Separate Financial Statements, as of 30 June 2025, the Company's short-term liabilities exceeded its short-term assets by VND 3,048.35 billion (as of 01 January 2025, it was VND 3,080.72 billion); The Company's Phase 2 production expansion project commenced in 2007 but has been suspended since 2013, significantly impacting the Company's financial situation and business operation. Additionally, some principal and interest payables to banks related to the project are overdue (Note 17). These factors indicate the existence of material uncertainties that may cast significant doubt about the Company's ability to continue as a going concern. However, the accompanying Interim Separate Financial Statements have been prepared by the Company's Board of Management on a going concern basis for the reasons stated in Note 1.

Our review report on the interim financial information for the 6-month accounting period ended June 30, 2025, provides conclusions only on the financial position of Thai Nguyen Iron and Steel Joint Stock Corporation as at June 30, 2025, as well as its operating results and cash flow for the accounting period then ended. However, it does not provide conclusions on the value of construction work-in-progress presented under code 242 on the Interim Separate Statement of Financial position. The value of these construction work-in-progress costs is audited in accordance with Vietnamese Standard on Auditing (VSA) 1000 - Audit of the Final Settlement Report of the Completed Project.

These Emphasis of Matter paragraphs do not modify our qualified conclusion expressed above.

AASC Auditing Firm Company Limited



Phạm Anh Tuấn

Phạm Anh Tuấn
Deputy General Director
Registered Auditor No. 0777-2023-002-1
Hanoi, 20 August 2025

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

Code	ASSETS	Note	30/06/2025 VND	01/01/2025 VND
100	A. CURRENT ASSETS		2,785,191,044,733	3,272,810,300,818
110	I. Cash and cash equivalents	3	125,394,095,078	176,544,497,420
111	1. Cash		125,394,095,078	176,544,497,420
120	II. Short-term investments	4	8,627,790,000	8,627,790,000
123	1. Held-to-maturity investments		8,627,790,000	8,627,790,000
130	III. Short-term receivables		943,766,568,681	1,246,054,852,986
131	1. Short-term trade receivables	5	1,209,196,063,696	1,496,078,318,628
132	2. Short-term prepayments to suppliers	6	1,881,179,061	3,740,068,728
136	3. Other short-term receivables	7	84,045,906,213	96,626,604,721
137	4. Provision for short-term doubtful debts		(351,546,311,380)	(350,579,870,182)
139	5. Shortage of assets awaiting resolution		189,731,091	189,731,091
140	IV. Inventories	9	1,639,183,427,585	1,772,911,576,404
141	1. Inventories		1,645,400,939,381	1,776,590,518,449
149	2. Provision for devaluation of inventories		(6,217,511,796)	(3,678,942,045)
150	V. Other short-term assets		68,219,163,389	68,671,584,008
151	1. Short-term prepaid expenses	10	30,862,989,917	31,743,168,442
152	2. Deductible VAT		148,758,822	224,124,875
153	3. Taxes and other receivables from State budget	16	37,207,414,650	36,704,290,691
200	B. NON-CURRENT ASSETS		7,288,250,198,927	7,263,117,999,036
210	I. Long-term receivables		65,950,625,926	63,800,488,952
212	1. Long-term prepayments to suppliers	6	21,046,613,341	21,046,613,341
216	2. Other long-term receivables	7	44,904,012,585	42,753,875,611
220	II. Fixed assets		361,706,470,501	387,777,271,478
221	1. Tangible fixed assets	11	328,218,660,620	353,034,446,237
222	- Historical cost		3,409,910,634,392	3,408,337,130,943
223	- Accumulated depreciation		(3,081,691,973,772)	(3,055,302,684,706)
227	2. Intangible fixed assets	12	33,487,809,881	34,742,825,241
228	- Historical cost		163,242,607,855	163,242,607,855
229	- Accumulated depreciation		(129,754,797,974)	(128,499,782,614)
240	III. Long-term assets in progress		6,419,537,928,934	6,369,610,766,433
242	1. Construction in progress	13	6,419,537,928,934	6,369,610,766,433
250	IV. Long-term investments	4	302,915,549,470	301,381,762,917
251	1. Investments in subsidiaries		468,846,333,510	468,846,333,510
252	2. Investments in joint ventures and associates		31,179,438,046	31,179,438,046
253	3. Equity investments in other entities		31,612,891,603	31,612,891,603
254	4. Provision for devaluation of long-term investments		(228,723,113,689)	(230,256,900,242)
260	V. Other long-term assets		138,139,624,096	140,547,709,256
261	1. Long-term prepaid expenses	10	138,139,624,096	140,547,709,256
270	TOTAL ASSETS		10,073,441,243,660	10,535,928,299,854

INTERIM SEPARATE STATEMENT OF FINANCIAL POSITION
As at 30 June 2025
(Continued)

Code	CAPITAL	Note	30/06/2025 VND	01/01/2025 VND
300	C. LIABILITIES		8,597,613,513,378	8,983,401,606,968
310	I. Current liabilities		5,833,542,277,904	6,353,532,791,437
311	1. Short-term trade payables	14	1,027,917,006,297	1,596,904,105,035
312	2. Short-term prepayments from customers	15	12,588,250,426	20,580,249,496
313	3. Taxes and other payables to State budget	16	93,795,598,077	16,091,101,625
314	4. Payables to employees		41,699,122,046	64,651,358,360
315	5. Short-term accrued expenses	17	1,828,489,006,135	1,757,357,645,878
318	6. Short-term unearned revenue		147,272,726	4,727,273
319	7. Other short-term payables	19	355,601,135,911	337,023,007,038
320	8. Short-term borrowings and finance lease liabilities	20	2,447,254,350,523	2,535,467,564,129
321	9. Provisions for short-term payables	18	2,836,850,222	2,114,874,722
322	10. Bonus and welfare fund		23,213,685,541	23,338,157,881
330	II. Non-current liabilities		2,764,071,235,474	2,629,868,815,531
331	1. Long-term trade payables	14	290,685,177,521	287,282,707,744
333	2. Long-term accrued expenses	17	689,473,604,852	611,484,901,721
337	3. Other long-term payables	19	330,000,000	345,000,000
338	4. Long-term borrowings and finance lease liabilities	20	1,733,657,951,978	1,684,284,955,551
342	5. Provisions for long-term payables	18	49,924,501,123	46,471,250,515
400	D. OWNER'S EQUITY		1,475,827,730,282	1,552,526,692,886
410	I. Owner's equity	21	1,475,827,730,282	1,552,526,692,886
411	1. Contributed capital		1,840,000,000,000	1,840,000,000,000
411a	- Ordinary shares with voting rights		1,840,000,000,000	1,840,000,000,000
415	2. Treasury shares		(41,070,000)	(41,070,000)
417	3. Exchange rate differences		(479,803,668,166)	(397,837,384,978)
418	4. Development and investment funds		29,908,837,239	29,908,837,239
421	5. Retained earnings		85,763,631,209	80,496,310,625
421a	- Retained earnings accumulated to previous year		80,496,310,625	88,880,777,819
421b	- Retained earnings of the current period		5,267,320,584	(8,384,467,194)
440	TOTAL CAPITAL		10,073,441,243,660	10,535,928,299,854



Tran Nguyen Anh
Preparer



Hoang Danh Son
Chief Accountant





Nguyen Minh Hanh
General Director

Thai Nguyen, 20 August 2025

INTERIM SEPARATE STATEMENT OF INCOME
For the period from 01/01/2025 to 30/06/2025

Code	ITEMS	Note	The first 6 months of 2025 VND	The first 6 months of 2024 VND
01	1. Revenue from sales of goods and rendering of services	23	9,129,208,327,340	7,631,794,127,667
10	2. Net revenue from sales of goods and rendering of services		9,129,208,327,340	7,631,794,127,667
11	3. Cost of goods sold and services rendered	24	8,953,631,236,029	7,466,978,722,261
20	4. Gross profit from sales of goods and rendering of services		175,577,091,311	164,815,405,406
21	5. Financial income	25	10,696,311,584	14,386,748,640
22	6. Financial expense	26	45,879,776,757	46,921,024,832
23	<i>In which: Interest expense</i>		46,041,695,809	55,374,890,805
25	7. Selling expense	27	30,145,298,242	23,573,738,221
26	8. General and administrative expenses	28	108,456,658,098	105,474,219,205
30	9. Net profit from operating activities		1,791,669,798	3,233,171,788
31	10. Other income	29	11,060,265,619	2,301,445,368
32	11. Other expenses	30	311,736,387	1,142,356,828
40	12. Other profit		10,748,529,232	1,159,088,540
50	13. Total net profit before tax		12,540,199,030	4,392,260,328
51	14. Current corporate income tax expense	31	7,272,878,446	-
60	15. Profit after corporate income tax		<u>5,267,320,584</u>	<u>4,392,260,328</u>



Tran Nguyet Anh
Prepare



Hoang Danh Son
Chief Accountant




Nguyen Minh Hanh
General Director
Thai Nguyen, 20 August 2025

INTERIM SEPARATE STATEMENT OF CASH FLOW
For the period from 01/01/2025 to 30/06/2025
(Indirect mothod)

Code	ITEMS	Note	The first 6 months of 2025 VND	The first 6 months of 2024 VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		12,540,199,030	4,392,260,328
	2. Adjustment for			
02	- Depreciation and amortization of fixed assets and investment properties		27,886,879,547	30,372,405,676
03	- Provisions		6,146,450,504	(11,379,919,050)
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currency		409,130,082	144,328,688
05	- Gains / losses from investment activities		(50,929,787)	(2,191,156,500)
06	- Interest expense		46,041,695,809	55,374,890,805
08	3. Operating profit before changes in working capital		92,973,425,185	76,712,809,947
09	- Increase / decrease in receivables		298,743,948,227	59,508,258,122
10	- Increase / decrease in inventories		131,189,579,068	(258,459,434,515)
11	- Increase / decrease in payables		(495,898,865,906)	132,046,394,801
12	- Increase / decrease in prepaid expenses		3,288,263,685	(39,786,095,670)
14	- Interest paid		(44,381,807,641)	(53,191,841,044)
15	- Corporate income tax paid		(9,052,747,441)	-
16	- Other receipts from operating activities		66,997,949,125	203,506,035
17	- Other payments on operating activities		(1,080,000)	-
20	Net cash flow from operating activities		43,858,664,302	(82,966,402,324)
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(6,762,214,147)	(8,556,681,025)
22	2. Proceeds from disposals of fixed assets and other long-term assets		-	1,626,815,400
27	3. Interest and dividend received		50,929,787	564,341,100
30	Net cash flow from investing activities		(6,711,284,360)	(6,365,524,525)
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
33	1. Proceeds from borrowings		2,464,316,949,209	2,418,883,975,214
34	2. Repayment of principal		(2,552,616,470,604)	(2,266,724,087,384)
40	Net cash flow from financing activities		(88,299,521,395)	152,159,887,830
50	Net cash flows in the period		(51,152,141,453)	62,827,960,981
60	Cash and cash equivalents at the beginning of the year		176,544,497,420	110,240,961,933
61	Effect of exchange rate fluctuations		1,739,111	7,272,784
70	Cash and cash equivalents at the end of the period	3	125,394,095,078	173,076,195,698



Tran Nguyen Anh
Prepare



Hoang Danh Son
Chief Accountant



Nguyen Minh Hanh
General Director

Thai Nguyen, 20 August 2025

NOTES TO THE INTERIM SEPARATE FINANCIAL STATEMENTS
For the period from 01/01/2025 to 30/06/2025

1 GENERAL INFORMATION

Form of ownership

Thai Nguyen Iron and Steel Joint Stock Corporation was equitized from the state-owned enterprise - Thai Nguyen Iron and Steel Corporation under Vietnam Steel Corporation according to Decision No. 996/QĐ-VNS dated November 30, 2007 of the Board of Directors of the Vietnam Steel Corporation. The Company operates under the Business Registration Certificate of a joint-stock company No. 4600100155, initially issued by the Department of Planning and Investment of Thai Nguyen Province on June 24, 2009, and changes, with the most recent change (12th time) on July 31, 2025.

The Company's head office is located at: Cam Gia 13 residential group, Gia Sang ward, Thai Nguyen province, Vietnam.

The Company's charter capital is VND 1,840,000,000,000, equivalent to 184,000,000 shares, with par value of VND 10,000 per share.

The number of employees of the Company as at 30 June 2025 is: 3,125 people (as at 01 January 2025 là: 3,199 people).

Business field: industrial manufacturing.

Business activities: Main business activities of the Company and its subsidiaries include:

- Manufacturing of iron, steel, and cast iron;
- Production of metal products, coke and coke oven products, metallurgical products, ferroalloys, refractory materials, construction materials, carbide, electrode paste, acetylene, oxygen, and various industrial gases; processing of food and agricultural products.

The Company's operation in the period that affects the Interim Separate Financial Statements

In the first six months of 2025, the steel market showed signs of improvement in both demand and selling prices at certain times. During the period, the Company implemented various measures to address existing difficulties, stabilize production, minimize costs, and flexibly apply sales pricing policies to support consumption activities. This has led to a significant increase in the Company's revenue and gross profit for the period compared to the same period last year, with revenue increasing by VND 1,497.41 billion (equivalent to an increase of 19.62%), and the gross profit margin on sales of finished goods reaching 3.03% (compared to 2.97% in the same period last year).

In addition, during the period, the Company recorded other income from the reduction of land rental fees for 2024 at the Tuyen Quang Iron Ore and Steel Plant, the Phan Me Coal Mine, the Tien Bo Iron Ore Mine, and the Trai Cau Iron Ore Mine, with a total amount of VND 10,839,166,533.

These factors resulted in an increase in total accounting profit before tax for the period of VND 8.15 billion, equivalent to a rise of 185.51% compared to the same period last year.

Applying the going concern assumption

As of June 30, 2025, the Company's current liabilities exceeded its current assets by VND 3,048.35 billion (as of 01 January 2025: VND 3,080.72 billion); Overdue principal bank loans payable amounted to VND 1,075.87 billion (as of 01 January 2025: VND 1,076.07 billion); and the overdue interest payable totaled VND 1,333.1 billion (as of 01 January 2025: VND 1,268.96 billion); The Company's Phase 2 production expansion project, which commenced in 2007 but has been suspended since 2013, has significantly impacted the Company's financial position and business operations. These indicators suggest the existence of material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern. However, the

accompanying Interim Separate Financial Statements have been prepared by the Company's Board of Management on a going concern basis for the following reasons:

- (i) The resolution of outstanding issues and obstacles related to the Company's Phase 2 production expansion project ("the Project") has shown positive progress. The Board of Management believes that, under the direction and supervision of the relevant state authorities, the Company will soon overcome these difficulties, develop an optimal resolution plan for the Project, and focus on restructuring, stabilizing business operations, and making further investments.
- (ii) In conclusion on the Project, the Government Inspectorate recommended that "The Ministry of Finance, the State Bank of Vietnam, and the Ministry of Planning and Investment should review and address outstanding issues, apply a mechanism to reduce interest expenses incurred during the suspension period of the Project, which TISCO is unable to repay, and report to the Prime Minister for further resolution (if necessary)." Accordingly, in 2024, the Company was granted a waiver by the Vietnam Development Bank- Bac Kan regional, Thai Nguyen branch for interest charges accrued on overdue interest related to the Project, amounting to VND 506.57 billion. The Company continues to negotiate with banks to secure approval for principal debt deferrals and interest waivers for the Project.
- (iii) The Company has formulated plans and measures to meet its working capital needs for business operations, including: implementing effective debt collection strategies; negotiating to maintain credit limits with banks; arranging advance payments from distributors; procuring raw materials and supplies on deferred payment terms; and closely monitoring cash flow, inventory, and raw materials to optimize production efficiency, etc.

The Board of Management has assessed and believes that the Company will have sufficient working capital for its business operations and adequate cash flow to meet its obligations for at least the next 12 months from the issuance date of these Interim Separate Financial Statements. Accordingly, the Company's Interim Separate Financial Statements for the period from 01/01/2025 to 30/06/2025, have been prepared on a going concern basis.

Corporate structure

The Company's member entities are as follows:

<u>Name</u>	<u>Address</u>	<u>Main business activities</u>
LuuXa Steel Roofing Factory	Gia Sang Ward, Thai Nguyen Province	Manufacturing and trading steel products
Thai Nguyen Steel Roofing Factory	Gia Sang Ward, Thai Nguyen Province	Manufacturing and trading steel products
Cast Iron Making Factory	Gia Sang Ward, Thai Nguyen Province	Manufacturing and trading cast iron products, construction materials
LuuXa Steel Making Factory	Gia Sang Ward, Thai Nguyen Province	Manufacturing and trading cast iron, steel billets, and acetylene
Coking Plant	Gia Sang Ward, Thai Nguyen Province	Manufacturing coke and coke-based products
Energy Enterprise	Tich Luong Ward, Thai Nguyen Province	Manufacturing and trading industrial gases, operating and transmitting industrial water supply, etc.
Railway Transport Enterprise	Gia Sang Ward, Thai Nguyen Province	Rail freight transportation, repair, and construction of railway infrastructure, etc.

<u>Name</u>	<u>Address</u>	<u>Main business activities</u>
Phan Me Coal Mine	Phu Luong Commune, Thai Nguyen Province	Trading, selecting, and mining coal
Trai Cau Iron Ore Mine	Trai Cau Commune, Thai Nguyen Province	Mining, selecting, and trading iron ore and non-ore materials
Phu Tho Quartzite Mine	Thanh Son Commue, Phu Tho Province	Mining, selecting, and trading quartz ore
Tuyen Quang steel Rolling & Iron Ore Mine	An Tuong ward, Tuyen Quang Province	Mining, selling, and selecting iron ore, rolled steel
Branch in Quang Ninh	Viet Hung ward, Quang Ninh Province	Trading in construction materials, metals, etc.
Metallurgical Design Consulting Enterprise	Gia Sang ward, Thai Nguyen Province	Consulting, surveying, designing, constructing, and executing projects in mining, metallurgy, power lines, substations, etc.
Service Center	Gia Sang ward, Thai Nguyen Province	Providing venue rental services, event organization
Tien Bo Iron Ore Mine	Linh Son ward, Thai Nguyen Province	Mining, selecting, buying, and selling iron ore, non-ore materials, road freight transport, car and other motor vehicle repairs

Information of Subsidiaries, Associates of the Company is provided in Note No 04.

2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting period and accounting currency

Annual accounting period commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies

Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

2.3 Basis for preparation of the Interim Separate Financial Statements

The Interim Separate Financial Statements are presented based on historical cost principle.

The Interim Separate Financial Statements of the Company are prepared based on summarization of transactions incurred of dependent accounting entities and the head office of the Company.

The Users of this Separate Financial Statements should study the Interim Separate Financial Statements combined with the Consolidated Financial Statements of the Company and its subsidiaries for the period 01/01/2025 to 30/06/2025 in order to gain enough information regarding the financial position, operating results and cash flows of the Company.

2.4 Accounting estimates

The preparation of Interim Separate Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the Interim Separate financial statements and the reported amounts of revenues and expenses during the accounting period.

The estimates and assumptions that have a material impact in the Interim Separate Financial Statements include:

- Provision for bad debts;
- Provision for devaluation of inventory;
- Provision for payables;
- Estimated allocation of prepaid expenses;
- Estimated useful life of fixed assets;
- Classification and provision of financial investments;
- Estimated income tax.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of Management to be reasonable under the circumstances.

2.5 Foreign currency transactions

Foreign currency transactions during the period are translated into Vietnam Dong using the actual rate at transaction date.

Actual exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Interim Separate Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transactions.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the period.

Regarding foreign exchange differences related to the Phase 2 production expansion project of Thai Nguyen Iron and Steel Corporation: Since 2015, pursuant to Official Dispatch No. 15172/BTC-TCDN dated 26 October 2015, issued by the Ministry of Finance, foreign exchange differences arising from the implementation of the construction investment project, as well as those from the revaluation of year-end foreign currency balances related to this project, are separately accumulated and presented on the Balance Sheet. Once the project is completed and put into operation, the total accumulated foreign exchange differences will be gradually allocated to financial income or financial expenses over a period not exceeding 05 years from the commencement of operations.

2.6 Cash

Cash comprises cash on hand, demand deposits.

2.7 Financial investments

Held-to-maturity investments are term bank deposits held to maturity with the aim of earning periodic interest.

Investments in subsidiaries, joint ventures or associates are initially recognized at original cost. After initial recognition, value of these investments is measured at original cost less provision for devaluation of investments.

Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the period as follows:

Investments in subsidiaries, associates: provision for loss investments shall be recognized when the investee incurs a loss, based on the Financial Statements of subsidiaries, joint ventures or associates at the provision date.

For long-term investments (not classified as trading securities) and without significant influence on the investee: if the investment is in listed shares or the fair value of the investment is reliably determined, the provision is based on the market value of the shares; if the investment's fair value cannot be determined at the reporting date, the provision is based on the financial statements at the time of provisioning of the investee.

Investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

2.8 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables shall be classified into short-term receivables or long-term receivables on the Interim Separate Financial Statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating the possible losses.

2.9 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual period.

Method for valuation of work in process at the end of the year: The value of work in progress is recorded based on actual cost incurred for each unfinished product in inventory at various production stages as of the year-end; and the cost of materials sent out for processing under outsourcing arrangements.

Provision for devaluation of inventories made at the end of the period is based on the excess of original cost of inventory over their net realizable value.

2.10 Fixed asset

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Subsequent measurement after initial recognition

If these costs augment future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost.

Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Separate Statement of Income in the year in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful life as follows:

- Buildings, structures	10 - 50 years
- Other Machinery, equipment	03 - 15 years
- Vehicles, Transportation equipment	06 - 30 years
- Office equipment and furniture	03 - 05 years
- Other tangible fixed assets	03 years
- Land use rights	30 - 50 years
- Management software	03 years
- Other intangible fixed assets	10 - 20 years

2.11 Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

2.12 Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to Statement of Income on a straight-line basis over the period of the lease.

2.13 Prepaid expenses

The expenses incurred but related to operating results of several accounting periods are recorded as prepaid expenses and are allocated to the operating results in the following accounting periods.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting period should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for

recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 03 to 36 months.

Fees for accessing and utilizing geological and mineral information and data, paid by the Company to regulatory authorities for access to and utilization of geological and mineral information and data. The Company allocates this fee over the extraction period of the respective mines.

The mineral extraction licensing fee is recognized based on the amount paid as notified by the competent authorities and is also allocated by the Company over the mining period.

The costs of underground roadway preparation and overburden removal are allocated based on the actual extraction output at the mines.

The cost of steel rolling equipment and spare parts is recognized based on issue price from warehouse of equipment and spare parts used in the steel rolling process. This cost is allocated to the production cost of steel products based on the Company's established technical and economic consumption standards.

Other prepaid expenses are recognized at their original cost and allocated on a straight-line basis from 03 to 36 months.

2.14 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the Interim Separate Financial Statements according to their remaining terms at the reporting date.

2.15 Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreement and terms of borrowings and finance lease liabilities. In case of borrowings or liabilities denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16 Borrowing costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred excepting those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

Interest expenses and overdue interest on borrowings incurred since 2007 for the Phase 2 production expansion project of Thai Nguyen Iron and Steel Corporation are separately tracked and capitalized into the project's investment value. These amounts will be deducted from the project investment value if the lender issues a notice of forgiveness of interest debt.

2.17 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting period, but the payments for such goods or services have not been made and other payables such as electricity and water expenses; compensation costs; interest expenses payable, etc which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18 Provision for payable

Provision for payables is only recognized when meeting all of the following conditions:

- The Company has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payables is the most reasonably estimated amount required to settle the current debt obligation at the end of the accounting period.

Only expenses related to the previously recorded provision for payables shall be offset by that provision for payables.

Provisions for payables are recorded as operating expenses of the accounting period. In case provision made for the previous accounting period but not used up exceeds the one made for the current accounting period, the difference is recorded as a decrease in operating expenses.

2.19 Unearned revenues

Unearned revenues include prepayments from customers for one or many accounting periods relating to asset leasing, are transferred to revenue from sale of goods and rendering of services with the amount corresponding to each accounting period.

2.20 Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Treasury shares bought before the effective date of the Securities Law 2019 (January 1, 2021) are shares issued by the Company and bought-back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities. Treasury shares bought after January 1, 2021 will be cancelled and adjusted to reduce equity.

Foreign exchange differences arise from exchange rate fluctuations occurring during the implementation of the construction investment project, as well as from the revaluation of year-end foreign currency balances related to the Phase 2 production expansion project of Thai Nguyen Iron and Steel JSC. These differences have been cumulatively recognized on the balance sheet since 2015. Once the project is completed and put into operation, the total accumulated foreign exchange differences will be gradually allocated to financial income or financial expenses over a period not exceeding five years from the commencement of operations, in accordance with Official Dispatch No. 15172/BTC-TCDN dated October 26, 2015, issued by the Ministry of Finance.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profits appropriation or loss handling of the Company.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Directors and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

2.21 Revenue

Revenue is recognized to extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measures regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue:

Revenue from sale of goods

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The company no longer holds the right to manage the goods as the goods owner, or the right to control the goods.

Revenue from rendering of services

- The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

Financial income

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the company shall be recognised when the two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and;
- The amount of the revenue can be measured reliably.

Dividend income shall be recognised when the Company's right to receive dividend is established.

2.22 Cost of goods sold and services rendered

Cost of goods sold and services rendered are cost of finished goods, merchandises, materials sold or services rendered during the period, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, labour cost and fixed manufacturing overheads not allocated to the value of inventory, provision for devaluation of inventory, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc is recognized fully and promptly into cost of goods sold in the period even when products and goods have not been determined as sold.

2.23 Financial expenses

Items recorded into financial expenses comprise: expenses or losses relating to financial investment activities; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc. The above items are recorded by the total amount arising in the period without offsetting against financial income.

2.24 Selling expenses

Selling expenses reflect the actual costs incurred during the process of selling products, goods, and providing services. These expenses primarily include salaries of sales personnel, costs of raw materials and supplies, depreciation of fixed assets used for sales activities, outsourced service costs, and other related expenses.

2.25 General and administrative expenses

General and administrative expenses reflect the Company's overall management costs, primarily including salaries of management personnel, social insurance, health insurance, trade union fees, unemployment insurance for management staff, office supplies, work tools, depreciation of fixed assets used for corporate management, provisions for doubtful debts, outsourced service costs, and other related expenses.

2.26 Corporate income tax

Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the period and current corporate income tax rate.

Current corporate income tax rate

The Company applies the corporate income tax rate of 20% for the operating activities which has taxable income for the period from 01/01/2025 to 30/06/2025.

2.27 Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individual;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Interim Separate Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

2.28 Segment information

As the Company's primary operations involve the production and trading of iron, pig iron, and steel products mainly within Vietnam, while other activities in different territories account for an insignificant proportion of its overall operations, the Company does not prepare segment reports by business segment and geographical segment in this Interim Separate Financial Statement.

3 CASH

	30/06/2025	01/01/2025
	VND	VND
Cash on hand	1,102,147,815	1,568,641,781
Demand deposits	124,291,947,263	174,975,855,639
	<u>125,394,095,078</u>	<u>176,544,497,420</u>

4 FINANCIAL INVESTMENTS

a) Held to maturity investments

	30/06/2025		01/01/2025	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Short-term	8,627,790,000	-	8,627,790,000	-
Term deposits (i)	8,627,790,000	-	8,627,790,000	-
	<u>8,627,790,000</u>	<u>-</u>	<u>8,627,790,000</u>	<u>-</u>

- (i) As of June 30, 2025, held-to-maturity investment in a one-year term deposit valued at 8,627,790,000 VND was placed at Military Commercial Joint Stock Bank - Thai Nguyen Branch with an annual interest rate of 5.2%. This deposit has been used as a guarantee for the implementation of the investment project in the construction of the Canh Chim underground mining facility at the Phan Me Coal Mine, located in Phu Luong Commune, Thai Nguyen Province.

b) Equity investments in other entities

	Stock Code	30/06/2025		01/01/2025	
		Original cost	Provision	Original cost	Provision
		VND	VND	VND	VND
Investments in subsidiaries		468,846,333,510	(189,258,621,830)	468,846,333,510	(190,792,408,383)
- Thai Trung Steel Rolling JSC (i)	TTS	467,316,333,510	(187,728,621,830)	467,316,333,510	(189,262,408,383)
- Thai Trung Mineral exploiting and processing JSC		1,530,000,000	(1,530,000,000)	1,530,000,000	(1,530,000,000)
Investments in joint ventures and associates		31,179,438,046	(31,179,438,046)	31,179,438,046	(31,179,438,046)
- Gia Sang Steel JSC (ii)		31,179,438,046	(31,179,438,046)	31,179,438,046	(31,179,438,046)
Investments in other entities		31,612,891,603	(8,285,053,813)	31,612,891,603	(8,285,053,813)
- Thai Nguyen Refractories Materials JSC		3,423,387,421	-	3,423,387,421	-
- Thai Nguyen Steel and Transport JSC		1,527,714,510	-	1,527,714,510	-
- Thai Nguyen Iron and Steel Alloy JSC		844,433,611	-	844,433,611	-
- Natsteelvina Co.,Ltd		9,729,031,615	(785,053,813)	9,729,031,615	(785,053,813)
- Phu Tho Ferro - Alloy JSC		7,500,000,000	(7,500,000,000)	7,500,000,000	(7,500,000,000)
- Steel and Casting Mechanical JSC		8,588,324,446	-	8,588,324,446	-
		531,638,663,159	(228,723,113,689)	531,638,663,159	(230,256,900,242)

The Company has not determined the fair value of these financial investments because Vietnamese Accounting Standards and the Vietnamese corporate accounting framework do not provide specific guidance on fair value measurement.

- (i) The shares of Thai Trung Steel Rolling JSC are listed on the UPCoM market under the ticker TTS. However, trading volume is very limited, and therefore the Company has no observable basis to measure the fair value of this investment.
- (ii) The investment in Gia Sang Steel JSC ("GISCO") had an initial cost of VND 19,832,000,000 and was revalued to VND 31,179,438,046 based on a business valuation for equitization in 2007. GISCO ceased operations on 1 January 2013. On 15 July 2022, the People's Court of Thai Nguyen Province declared GISCO bankrupt (Decision No. 01/2022/QĐ-TBPS). On 10 April 2023, the High People's Court in Hanoi issued Decision No. 44/2023/QĐ-PT to review and annul that bankruptcy decision and remanded the case to the People's Court of Thai Nguyen Province. On 1 October 2024, the Supreme People's Court issued Decision No. 19/2024/QĐ PS, which annulled Decision No. 44/2023/QĐ-PT and upheld the original bankruptcy declaration (Decision No. 01/2022/QĐ-TBPS). The Company has recognised an impairment provision for the investment in GISCO based on its assessment of recoverability.

Detailed information about the investee entities as of 30 June 2025 is as follows:

Name of financial investments	Head office	Rate of voting	Operating status	Principal activities
Subsidiary company				
Thai Trung Steel Roofing JSC	Thai Nguyen	93.68%	Currently in operation	Steel rolling
Thai Trung Mineral exploiting and processing JSC	Tuyen Quang	51.00%	Ceased operations	Exploration, mining, and mineral processing; forestry product exploitation, processing, and trading
Associate company				
Gia Sang Steel JSC	Thai Nguyen	39.66%	Currently in the process of bankruptcy	Steel billet trading and production; steel rolling and drawing
Investment in other entities				
Thai Nguyen Refractories Materials JSC	Thai Nguyen	4.34%	Currently in operation	Production of refractory products...
Thai Nguyen Steel and Transport JSC	Thai Nguyen	6.47%	Currently in operation	Freight transportation, trading of metals, auto parts, iron ore mining...
Thai Nguyen Iron and Steel Alloy JSC	Thai Nguyen	0.80%	Currently in operation	Mining of metal ores, iron ore, wholesale of iron alloys, metals, metal ores...
Natsteelvina Co.,Ltd	Thai Nguyen	6.80%	Currently in operation	Production and trading of steel products
Phu Tho Ferro - Alloy JSC	Phu Tho	16.30%	Currently in the process of liquidation	Production of building materials, production and trading of iron alloys, cast iron, and steel products
Steel and Casting Mechanical JSC	Thai Nguyen	1.91%	Currently in operation	Trading, production of cast iron, steel, non-ferrous metals, and metal products.

5 SHORT-TERM TRADE RECEIVABLES

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Related parties	626,608,327,458	(5,240,071,552)	595,842,463,939	(5,240,071,552)
Thai Trung Steel Roofing JSC	521,041,339,998	-	584,392,961,915	-
Gia Sang Steel JSC (i)	5,880,475,784	(5,240,071,552)	5,880,475,784	(5,240,071,552)
Thai Hung Trading JSC	99,686,511,676	-	5,569,026,240	-
Others	582,587,736,238	(288,750,609,190)	900,235,854,689	(288,790,609,190)
Trung Dung Trading and Tourism Co., Ltd (i)	251,899,841,715	(147,566,440,981)	251,899,841,715	(147,566,440,981)
Ha Nam Trading and Construction Co., Ltd (i)	127,372,235,803	(87,343,026,871)	127,372,235,803	(87,343,026,871)
Luong Tho Co., Ltd (i)	50,872,614,401	(26,688,093,327)	50,872,614,401	(26,688,093,327)
Tan Hong Import - Export JSC (i)	24,384,272,840	(17,216,184,178)	24,384,272,840	(17,216,184,178)
Hong Trang Co., Ltd (ii)	24,675,235,824	-	24,675,235,824	-
B.C.H JSC	46,643,270,217	-	223,487,547,063	-
Others	56,740,265,438	(9,936,863,833)	197,544,107,043	(9,976,863,833)
	<u>1,209,196,063,696</u>	<u>(293,990,680,742)</u>	<u>1,496,078,318,628</u>	<u>(294,030,680,742)</u>

(i) For receivables from Gia Sang Steel JSC, Trung Dung Trading and Tourism Co., Ltd., Ha Nam Trading and Construction Co., Ltd., and Luong Tho Co., Ltd. and Tan Hong - Import Export JSC, the Company has made a 100% provision for the principal receivables. However, the overdue interest of VND 176,355,623,634 from these parties has been recognized as an increase in receivables and an increase in other payables in accordance with the State Audit's recommendation, therefore, no provision is required for this overdue interest (See Note 19).

(ii) The receivable from Hong Trang Co., Ltd. in the amount of VND 24,675,235,824 represents overdue interest, which has been recognized as an increase in receivables and an increase in other payables in accordance with the State Audit's recommendation, therefore, no provision is required for this overdue interest (Additional information is provided in Note 19).

6. PREPAYMENTS TO SUPPLIERS

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Related parties	524,000,000	-	-	-
MDC - Vnsteel	524,000,000	-	-	-
Consulting Co., Ltd				
Others	1,357,179,061	-	3,740,068,728	-
Dhatu International	-	-	2,296,097,573	-
Pte Ltd				
Other suppliers	1,357,179,061	-	1,443,971,155	-
	1,881,179,061	-	3,740,068,728	-
b) Long-term				
Others	21,046,613,341	-	21,046,613,341	-
Lilama Hanoi Joint	12,998,581,845	-	12,998,581,845	-
Stock Company				
Lilama 10 Joint Stock	6,956,837,496	-	6,956,837,496	-
Company				
Others	1,091,194,000	-	1,091,194,000	-
	21,046,613,341	-	21,046,613,341	-

- (i) All long-term prepayments to suppliers are monitored by the Project Management Unit, including prepayments related to the Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation and other prepayments. On 20 February 2019, the Government Inspectorate issued a notification 'Inspection Conclusion on the Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation.' The prepayments to suppliers related to the project may be subject to adjustments following the implementation of the Government Inspectorate's recommendations (Additional information regarding the Project is presented in Note 33).

7 OTHER RECEIVABLES

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Details by content				
Fines, receivables for imported scrap steel that lacks quality assurance	56,944,319,618	(56,769,974,503)	56,772,807,696	(55,748,647,869)
Receivables from the People's Committee of Dong Hy District for land use fees for the resettlement of the Trai Cau iron ore mine	8,583,028,500	-	8,583,028,500	-
Collateral & deposit	1,416,177,737	-	17,728,033,956	-
Late payment interest for goods purchase	10,189,464,379	-	8,404,200,120	-
Labor agreement, social and cultural fund	2,148,487,788	-	732,601,900	-
Receivables from advances	1,987,995,053	-	1,410,385,781	-
Outstanding payments for goods from individuals at the Quang Ninh branch	849,722,423	(690,790,589)	874,722,423	(743,622,244)
Receivables from employees for various insurance contributions	527,833,605	-	782,780,350	-
Receivables from interest on deposits	170,853,880	-	170,853,880	-
Other receivables	1,228,023,230	-	1,167,190,115	-
	84,045,906,213	(57,460,765,092)	96,626,604,721	(56,492,270,113)
Detail by object				
Related party	5,369,441,400	-	4,165,021,091	-
Thai Hung Trading JSC	5,369,441,400	-	4,165,021,091	-
Others	78,676,464,813	(57,460,765,092)	92,461,583,630	(56,492,270,113)
Jinsu Resources Ltd	23,514,884,834	(23,514,884,834)	23,514,884,834	(23,514,884,834)
Asia Global Commodities Pte Ltd	14,632,997,101	(14,632,997,101)	14,632,997,101	(14,632,997,101)
People's Committee of Dong Hy District	8,583,028,500	-	8,583,028,500	-
B.C.H JSC	3,550,266,082	-	4,053,398,428	-
Others	28,395,288,296	(19,312,883,157)	41,677,274,767	(18,344,388,178)
	84,045,906,213	(57,460,765,092)	96,626,604,721	(56,492,270,113)

7 OTHER RECEIVABLES (CONTINUED)

	30/06/2025		01/01/2025	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
b) Long-term				
Details by content				
Mortgages	44,904,012,585	-	42,753,875,611	-
	44,904,012,585	-	42,753,875,611	-
Detail by object				
Thai Nguyen Provincial Environmental Protection Fund	44,451,914,074	-	42,027,448,305	-
Others	452,098,511	-	726,427,306	-
	44,904,012,585	-	42,753,875,611	-

8 DOUBTFUL DEBTS

Receivables that are overdue or not yet overdue but difficult to recover:

	30/06/2025		01/01/2025	
	Original cost	Recoverable value	Original cost	Recoverable value
	VND	VND	VND	VND
Luong Tho Co., Ltd (i)	50,872,614,401	24,184,521,074	50,872,614,401	24,184,521,074
Ha Nam Trading and Construction Co., Ltd (i)	127,372,235,803	40,029,208,932	127,372,235,803	40,029,208,932
Trung Dung Trading and Tourism Co., Ltd (i)	251,899,841,715	104,333,400,734	251,899,841,715	104,333,400,734
Hong Trang Co., Ltd (i)	24,675,235,824	24,675,235,824	24,675,235,824	24,675,235,824
Gia Sang Steel JSC (ii)	5,880,475,784	640,404,232	5,880,475,784	640,404,232
Tan Hong Import - Export JSC (i)	24,384,272,840	7,168,088,662	24,384,272,840	7,168,088,662
Jinsu Resources Ltd	23,514,884,834	-	23,514,884,834	-
Asia Global	14,632,997,101	-	14,632,997,101	-
Others	29,568,409,915	223,797,379	29,666,243,108	1,288,071,770
	552,800,968,217	201,254,656,837	552,898,801,410	202,318,931,228
Receivables for late interest arising from overdue debts but not recognized as revenue (ii)	201,030,859,458		201,030,859,458	

(i) The recoverable value of these receivables corresponds to the overdue interest as mentioned in the section (ii).

(ii) The entire amount of VND 201,030,859,458 is overdue interest on past-due receivables stipulated in the contracts. The Company has recognized an increase in trade receivables and other payables items on the balance sheet according to the adjustment made by the State Audit in 2013 (See Note 19).

9 INVENTORIES

	30/06/2025		01/01/2025	
	Original cost VND	Provision VND	Original cost VND	Provision VND
Goods in transit	-	-	5,677,952,918	-
Raw materials	1,064,624,950,137	-	1,330,342,555,165	-
Tools, supplies	4,787,333,883	-	4,458,849,267	-
Work in progress	21,600,863,442	-	20,608,411,592	-
Finished goods	500,917,960,319	(6,217,511,796)	414,662,417,385	(3,678,942,045)
Goods	53,469,831,600	-	840,332,122	-
	<u>1,645,400,939,381</u>	<u>(6,217,511,796)</u>	<u>1,776,590,518,449</u>	<u>(3,678,942,045)</u>

As of June 30, 2025, the value of inventory pledged as collateral for securing liabilities amounted to VND 1,517,253,851,537 (as of January 01, 2025, it was VND 1,430,865,674,118).

10 PREPAID EXPENSES

	30/06/2025 VND	01/01/2025 VND
a) Short-term		
Cost of tunnel preparation for production	14,721,052,237	16,729,870,842
Allocated value of materials and equipment	7,523,794,171	7,712,335,051
Advertising billboard costs	3,000,419,292	4,669,114,843
Insurance expenses	1,343,188,800	1,174,888,093
Dispatched tools and supplies	207,049,083	227,409,214
Other short-term prepaid expenses	4,067,486,334	1,229,550,399
	<u>30,862,989,917</u>	<u>31,743,168,442</u>
b) Long-term		
Spare parts for steel rolling mill components	58,219,182,048	59,872,012,819
Lubricants and equipment supplies for machinery components	38,473,998,727	38,761,531,723
Fee for the use of geological documents	34,041,266,837	36,091,594,553
Mineral-exploration license fee	3,688,713,167	3,760,506,273
Dispatched tools and supplies	617,245,836	693,902,144
Compensation costs for land clearance	751,149,340	813,839,230
Major repair costs of fixed assets awaiting allocation	139,772,403	209,658,603
Other long-term prepaid expenses	2,208,295,738	344,663,911
	<u>138,139,624,096</u>	<u>140,547,709,256</u>

11 TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Vehicles, transportation equipment	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
Historical cost						
Beginning balance	980,536,146,976	1,798,109,388,107	454,824,269,499	21,636,993,017	153,230,333,344	3,408,337,130,943
Purchase in the period	-	1,912,500,000	-	33,990,910	-	1,946,490,910
Other decrease	(372,987,461)	-	-	-	-	(372,987,461)
Ending balance of the period	980,163,159,515	1,800,021,888,107	454,824,269,499	21,670,983,927	153,230,333,344	3,409,910,634,392
Accumulated depreciation						
Beginning balance	809,430,498,337	1,679,481,741,788	405,044,110,105	13,759,113,316	147,587,221,160	3,055,302,684,706
Depreciation in the period	8,440,414,292	12,183,768,667	5,090,282,120	754,694,066	293,117,382	26,762,276,527
- Depreciation of assets used for production activities	8,310,001,952	12,183,768,667	5,090,282,120	754,694,066	293,117,382	26,631,864,187
- Depreciation of assets formed from the welfare and reward fund	130,412,340	-	-	-	-	130,412,340
Other decrease	(372,987,461)	-	-	-	-	(372,987,461)
Ending balance of the period	817,497,925,168	1,691,665,510,455	410,134,392,225	14,513,807,382	147,880,338,542	3,081,691,973,772
Net carrying amount						
Beginning balance	171,105,648,639	118,627,646,319	49,780,159,394	7,877,879,701	5,643,112,184	353,034,446,237
Ending balance	162,665,234,347	108,356,377,652	44,689,877,274	7,157,176,545	5,349,994,802	328,218,660,620

The remaining value of the tangible fixed assets used as collateral to secure loans as of June 30, 2025 is VND 189,840,503,442 (as of January 01, 2025, it was VND 199,799,197,544).

The original cost of tangible fixed assets that have been fully depreciated but are still in use as of June 30, 2025 is VND 2,351,468,647,656 (as of January 01, 2025, it was VND 2,326,338,248,577).

12 INTANGIBLE FIXED ASSETS

	Land use rights (i) VND	Manager software VND	Other intangible fixed assets VND	Total VND
Historical cost				
Beginning balance	44,090,882,400	8,520,589,627	110,631,135,828	163,242,607,855
Ending balance of the period	44,090,882,400	8,520,589,627	110,631,135,828	163,242,607,855
Accumulated depreciation				
Beginning balance	10,142,579,802	7,726,066,984	110,631,135,828	128,499,782,614
Depreciation in the period	517,413,546	737,601,814	-	1,255,015,360
Ending balance of the period	10,659,993,348	8,463,668,798	110,631,135,828	129,754,797,974
Net carrying amount				
Beginning balance	33,948,302,598	794,522,643	-	34,742,825,241
Ending balance	33,430,889,052	56,920,829	-	33,487,809,881

(i) Including the value of land use rights of the Company in Hanoi, Da Nang, Quang Ninh, Nghe An and Thai Nguyen. These land plots are being used to serve the Company's production and business purposes.

The original cost of intangible fixed assets that have been fully depreciated but are still in use as of June 30, 2025 is VND 119,056,725,455 as of January 01, 2025, it was VND 113,584,192,625).

13 LONG-TERM ASSET IN PROGRESS

	30/06/2025 VND	01/01/2025 VND
Construction in progress	6,416,999,016,094	6,369,610,766,433
- Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation (i)	6,406,766,675,746	6,359,941,808,903
- Other constructions	10,232,340,348	9,668,957,530
Major repairs of fixed assets	2,538,912,840	-
- Major repairs of fixed assets	2,538,912,840	-
	6,419,537,928,934	6,369,610,766,433

(i) Detailed information on the Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation is as follows:

- The Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation ("the Project") was initially approved with a total investment of VND 3,843.67 billion, which was later adjusted to VND 8,104.91 billion. The contract with the main contractor (EPC contractor) number 01#EPC/TISCO-MCC was signed with Metallurgical Corporation of China Limited (MCC) on July 12, 2007.
- The Project commenced in 2007 but has been temporarily suspended since 2013. The Company's management, together with Vietnam Steel Corporation (VNSteel), is still negotiating with the contractors and coordinating with relevant state authorities to resolve project-related difficulties.

- On February 20, 2019, the Government Inspectorate issued an announcement on its Inspection Conclusion for the Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation. The Government Inspectorate's recommendations are still in the process of being implement.
- On 11 November 2021, the Hanoi High People's Court issued Judgment No. 531/2021/HS-PT related to the Project. According to the judgment, the damage identified in the case is the actual interest expenses incurred by TISCO had to be paid to the banks due to the project's delay (from 31 May 2011) up to the date of prosecution, amounting to VND 830,253,115,150. The defendants named in the judgment are required to compensate TISCO for this amount.
- On 13 February 2023, the Civil Judgment Enforcement Department of Hanoi City issued Decision No. 624/QD-CTHADS regarding the enforcement of the judgment against the defendants, requiring them to compensate TISCO. The Company has received compensation amounting to VND 146,122,476,910 from the Civil Judgment Enforcement Department of Hanoi City. This amount was collected from the defendants by the Department. The Company has recorded a reduction in the capitalized interest expenses of the Project corresponding to the aforementioned amount.
- Interest expenses and late payment interest on project-related loans incurred from 2007 to date have been separately tracked and capitalized into the project's investment value. As of 31 December 2024, the Thai Nguyen Branch of Bac Kan Regional Development Bank issued Notification No. 460/TB.NHPT.BK-TN, confirming the waiver of the accrued interest on overdue payments that remained uncollected as of 21 December 2023, amounting to VND 506,567,725,220. Accordingly, the Company has recorded a reduction in the project's investment value corresponding to the waived interest amount.
- As at 30 June 2025, the total remaining investment value of the Project is VND 6,406.77 billion, of which capitalized interest expenses amount to VND 3,189.88 billion. The primary expense incurred during the period was capitalized interest expenses.

(Additional information related to the Project is presented in Note 33).

14 TRADE PAYABLES

	30/06/2025		01/01/2025	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
a) Short-term				
Related parties	460,794,242,875	460,794,242,875	680,381,937,308	680,381,937,308
Thai Trung Steel	460,794,242,875	460,794,242,875	571,414,906,648	571,414,906,648
Roolling JSC				
Vnsteel -	-	-	67,124,574,660	67,124,574,660
HoChiMinh City				
Metal Corporation				
Thai Hung	-	-	41,842,456,000	41,842,456,000
Trading JSC				
Others	567,122,763,422	567,122,763,422	916,522,167,727	916,522,167,727
Trung Thanh Thai	50,360,715,764	50,360,715,764	127,436,960,280	127,436,960,280
Nguyen Limited				
Liability Company				
Dai Viet Limited	14,556,714,095	14,556,714,095	64,281,884,936	64,281,884,936
Liability Company				
Thai Nguyen	34,057,714,100	34,057,714,100	35,552,512,900	35,552,512,900
Ferrous				
Metallurgy JSC				
Hiep Huong Trade	155,610,838,060	155,610,838,060	3,248,712,300	3,248,712,300
JSC				
Toan Thang Steel	-	-	136,660,664,800	136,660,664,800
JSC				
Others	312,536,781,403	312,536,781,403	549,341,432,511	549,341,432,511
	1,027,917,006,297	1,027,917,006,297	1,596,904,105,035	1,596,904,105,035
b) Long-term (i)				
Others			290,685,177,521	287,282,707,744
China Metallurgical Group Corporation			138,386,485,102	135,076,785,516
Lilama 45.3 JSC			34,458,870,572	34,458,870,572
Quang Minh General Investment and Trading JSC			23,877,604,252	23,877,604,252
Viet Nami Industrial Construction Corporation			20,237,364,786	20,237,364,786
MakSteel Industrial Equipment JSC			17,811,372,974	17,811,372,974
Other suppliers			55,913,479,835	55,820,709,644
			290,685,177,521	287,282,707,744

(i) Long-term trade payables monitored by the Project Management Unit include amounts related to the Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation. On February 20, 2019, the Government Inspectorate issued its Inspection Conclusion on the Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation. The payable amounts related to the project may be subject to adjustments following the implementation of the Government Inspectorate's recommendations.

(Additional information related to the Project is presented in Note 33).

15 SHORT-TERM PREPAYMENTS FROM CUSTOMERS

	30/06/2025	01/01/2025
	VND	VND
Related parties	185,695,332	41,094,509
Vnsteel - Hanoi Steel Corporation	185,695,332	41,094,509
Others	12,402,555,094	20,539,154,987
Duc Minh Trading Co., Ltd	-	14,685,000,000
Quynh Minh Corporation Trading and Construction	120,066,107	3,189,118,821
Branch of Tan Phu Automobile Transport Cooperative	2,280,654,941	-
Hiep Huong Trade JSC	6,189,734,295	-
Others	3,812,099,751	2,665,036,166
	<u>12,588,250,426</u>	<u>20,580,249,496</u>

16 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of year	Tax payable at the beginning of year	Tax payable in the period	Tax paid in the period	Tax receivable at the end of the period	Tax payable at the end of the period
	VND	VND	VND	VND	VND	VND
Value-added tax	-	146,876,833	68,842,594,879	8,571,793,565	-	60,417,678,147
Export, import duties	-	-	3,788,283,181	3,788,283,181	-	-
Corporate income tax	-	9,052,747,442	7,272,878,446	9,052,747,441	-	7,272,878,447
Personal income tax	65,816,564	2,197,000	1,159,849,304	1,212,285,424	116,055,684	-
Natural resource tax	-	4,574,867,612	19,867,595,207	21,543,206,484	-	2,899,256,335
Land tax and land rental	190,666,536	-	22,629,375,172	1,136,792,809	632,636,265	21,934,552,092
Environmental protection tax	-	77,753,100	410,808,150	420,414,750	-	68,146,500
Fees, charges and other payables	36,447,807,591	2,236,659,638	15,811,072,394	16,855,560,586	36,458,722,701	1,203,086,556
	36,704,290,691	16,091,101,625	139,782,456,733	62,581,084,240	37,207,414,650	93,795,598,077

The Company's tax settlement will be subject to examination by the tax authorities. Due to the fact that the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts presented in the Interim Separate Financial Statements could be change at a later date upon final determination by the tax authorities.

On June 20, 2025, the Regional Tax Department VII issued Administrative Sanction Decision No. 1165/QĐ-XPHC for the act of incorrect declaration of environmental protection fees in relation to low-grade raw ore extracted from 2017 to 2024 at the Tien Bo iron mine. The total amount payable by the Company as of the date of the decision was VND 225,519,406,216 (including an administrative penalty of VND 9,000,000, environmental protection fees of VND 151,576,393,320, and late payment interest on environmental protection fees of VND 73,934,012,896). Currently, the Company is in the process of compiling documentation, reviewing, and reconciling relevant grounds to work with the competent authorities. Therefore, the Company has not recognized the payable obligations under the above decision or any arising obligations (if any) as at June 30, 2025, in these Interim Separate Financial Statements.

17 ACCRUED EXPENSES

	30/06/2025 VND	01/01/2025 VND
a) Short-term		
Interest expenses for production and business	2,160,372,000	1,408,650,000
Interest expense for the Phase 2 Production expansion project - Thai Nguyen Iron and Steel Corporation (i)	1,809,535,363,438	1,745,409,022,817
Accrued electricity and water expenses	6,969,688,152	7,326,871,244
Regular maintenance costs, major repair	7,864,327,623	-
Provision for distributor bonuses	-	2,126,000,000
Provision for furnace dust treatment costs	638,811,551	69,326,095
Other accrued expenses	1,320,443,371	1,017,775,722
	1,828,489,006,135	1,757,357,645,878
b) Long-term		
Interest expenses for the Phase 2 production expansion project - Thai Nguyen Iron and Steel Corporation (i)	689,473,604,852	611,484,901,721
	689,473,604,852	611,484,901,721
c) In which: Accrued expenses from related parties		
Interest payable on loans from Viet Nam Development Bank of the Bac Kan Region - Thai Nguyen Branch	1,333,089,669,798	1,268,963,329,177
	1,333,089,669,798	1,268,963,329,177

(i) Regarding the interest expenses of the Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation, the Company will continue working with the lending banks on interest settlements. Additionally, as per the Government Inspectorate's conclusion, it recommended that the Ministry of Finance, the State Bank of Vietnam, and the Ministry of Planning and Investment review and address existing issues, apply mechanisms to reduce interest expenses incurred during the suspension period when TISCO was unable to make payments, and report to the Prime Minister for guidance on any remaining obstacles. On 31 December 2024, the Bac Kan Regional Development Bank - Thai Nguyen Branch issued Notice No. 460/TB.NHPT.BK TN, cancelling accrued interest on overdue interest not collected as at 21 December 2023 for the Project, amounting to VND 506,567,725,220. Accordingly, the Company recognized a reduction in the project investment value equal to the cancelled interest.

18 PROVISIONS FOR PAYABLES

	30/06/2025 VND	01/01/2025 VND
a) Short-term		
Cost of sludge treatment and furnace dust	2,836,850,222	2,114,874,722
	2,836,850,222	2,114,874,722
b) Long-term		
Environmental restoration costs	37,351,613,615	36,471,250,515
Mineral exploitation rights fees	2,572,887,508	-
Provision for major repair	10,000,000,000	10,000,000,000
	49,924,501,123	46,471,250,515

19 OTHER PAYABLES

	30/06/2025 VND	01/01/2025 VND
a) Short-term		
Late payment interest receivable is recognized simultaneously with an increase in accounts receivable from customers and an increase in other payables (i)	201,030,859,458	201,030,859,458
Commercial discount payable to the agent	63,667,792,402	57,874,197,490
Short-term deposits and collateral	40,637,241,675	27,606,134,019
Compensation and support for subsidence caused by mining in deep ore mountain layers (ii)	25,640,172,758	25,640,172,758
Payable to the People's Committee of Thai Nguyen Province for the value of Ban Co Lake and Cua Lang Lake (iii)	10,188,115,550	10,188,115,550
Funding for the construction of the Ho Chi Minh Memorial House	6,602,303,802	6,216,200,242
Collective labor agreement fund	705,241,702	2,984,712,220
Trade union funds and mandatory insurance	1,326,484,970	1,353,076,896
Meal allowances and refreshments	1,059,431,370	861,608,598
Dividends payable	107,640,000	107,640,000
Charitable and social-cultural funds	830,503,184	256,238,184
Liability for the shortage of goods	131,100,179	131,100,179
Collection of funds for the resettlement area	800,000,000	800,000,000
Bid deposit, price quotation, and contract deposit	450,000,000	450,000,000
Other payables	2,424,248,861	1,522,951,444
	355,601,135,911	337,023,007,038
b) Long-term		
Long-term deposits, collateral received	330,000,000	345,000,000
	330,000,000	345,000,000
c) In which: Other payables to related parties		
Thai Trung Steel Roofing JSC	60,000,000	60,000,000
Vnsteel - Hanoi Steel Corporation	2,770,955,270	1,964,723,820
Vnsteel - HoChiMinh City Metal Corporation	531,227,818	-
	3,362,183,088	2,024,723,820

- (i) Late payment interest on overdue trade receivables, per contract terms, is recognized as an increase to trade receivables and other payables on the balance sheet, in accordance with the 2013 State Audit adjustments (see Note 08).
- (ii) These costs relate to compensation and support for households affected by subsidence caused by mining activities at the Deep Layer Ore Mountain Mine, according to the approved compensation plan and the payment decision.
- (iii) Capitalized investment in Cua Lang Lake and Ban Co Lake transferred by the Thai Nguyen Provincial People's Committee for management and operation to support the production activities of the Tien Bo Iron Mine.

20 BORROWINGS

a) Borrowings for operating activities

	01/01/2025		During the period		30/06/2025	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
Short-term borrowings (i)						
Short-term debts	1,430,865,674,118	1,430,865,674,118	2,464,316,949,209	2,552,416,470,604	1,342,766,152,723	1,342,766,152,723
	<u>1,430,865,674,118</u>	<u>1,430,865,674,118</u>	<u>2,464,316,949,209</u>	<u>2,552,416,470,604</u>	<u>1,342,766,152,723</u>	<u>1,342,766,152,723</u>

b) Borrowings for Phase 2 Production Expansion Project - Thai Nguyen Iron and Steel JSC

	01/01/2025	During the period		30/06/2025
	Outstanding balance	Increase	Decrease	Outstanding balance
	VND	VND	VND	VND
Current portion of long-term debts	1,104,601,890,011	86,307,789	200,000,000	1,104,488,197,800
	<u>1,104,601,890,011</u>	<u>86,307,789</u>	<u>200,000,000</u>	<u>1,104,488,197,800</u>
Long-term borrowings				
Long-term debts (ii)	2,788,886,845,562	49,459,304,216	200,000,000	2,838,146,149,778
	<u>2,788,886,845,562</u>	<u>49,459,304,216</u>	<u>200,000,000</u>	<u>2,838,146,149,778</u>
Amount due for settlement within 12 months	(1,104,601,890,011)	(86,307,789)	(200,000,000)	(1,104,488,197,800)
Amount due for settlement after 12 months	<u>1,684,284,955,551</u>			<u>1,733,657,951,978</u>

As of the date of these Interim Separate Financial Statements, the Company does not have sufficient basis to assess its ability to repay the borrowings related to the TISCO Phase II Expansion Project, as it is still seeking solutions to settle these debts.

c) Overdue borrowings

	30/06/2025		01/01/2025	
	Principal VND	Interest VND	Principal VND	Interest VND
Vietnam Development Bank - Regional Development Bank Branch Bac Kan - Thai Nguyen	1,075,868,691,352	1,333,089,669,798	1,076,068,691,352	1,268,963,329,177
	<u>1,075,868,691,352</u>	<u>1,333,089,669,798</u>	<u>1,076,068,691,352</u>	<u>1,268,963,329,177</u>

(i) Detailed information on Short-term borrowings and Current portion of long-term debts:

	Currency	Interest Rate	Maturity	Loan limit	Loan purpose	Guarantee	30/06/2025	01/01/2025
							VND	VND
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	VND	Per disbursement	From 31/12/2024 to 30/11/2025	From 31/12/2024 to 31/03/2025 : VND 640 billion and USD 3.8 million From 01/04/2025 : VND 620 billion and USD 3.8 million	Working capital, L/C issuance, and guarantee issuance for business operations	Asset-backed collateral	650,712,443,932	722,142,936,465
Vietnam Joint Stock Commercial Bank for Industry and Trade - Luu Xa Branch	VND	Per disbursement	From 14/10/2025 to 31/07/2025	VND 480 billion	Working capital for production	Asset-backed collateral	457,425,048,901	472,463,192,660
Vietnam Joint Stock Commercial Bank for Industry and Trade - Nam Thai Nauen Branch	VND	Per disbursement	From 17/10/2024 to 31/07/2025	VND 70 billion	Working capital for production and business	Asset-backed collateral	69,828,802,636	69,622,971,948
Military Commercial Joint Stock Bank - Thai Nguyen Branch	VND	Per disbursement	From 16/06/2025 to 15/05/2026	VND 170 billion	Working capital for production	Asset-backed collateral	164,799,857,254	166,636,573,045
							<u>1,342,766,152,723</u>	<u>1,430,865,674,118</u>

The borrowings from banks are secured by mortgage contracts with the lenders and have been fully registered for secured transactions.

(ii) The long-term borrowings are loans used to implement the second phase of production expansion project - Thai Nguyen Iron and Steel Corporation, as follows:

Bank	Currency	Interest rate	Loan Term	30/06/2025				01/01/2025			
				Long- term loan principal		Current portion of long- term borrowings		Long- term loan principal		Current portion of long- term borrowings	
				Original currency	VND	Original currency	VND	Original currency	VND	Original currency	VND
Vietnam Development Bank - Regional Development Bank Branch Bac Kan - Thai Nguyen											
Contract No.	VND	7.8%-	180	1,075,868,691,352		1,075,868,691,352		1,076,068,691,352		1,076,068,691,352	
21/2006/HĐTD		9.6%	months								
dated											
13/05/2006											
Vietnam Joint Stock Commercial Bank for Industry and Trade- Hanoi Branch											
Contract No.	USD	5.50%	174	66,033,784	1,736,688,519,200	115,230.69	3,030,567,222	66,033,784	1,687,229,214,984	115,230.69	2,944,259,433
01/2010/HĐTD-			months								
TISCO dated											
25/01/2010											
Contract No.	VND	9.50%	174	25,588,939,226		25,588,939,226		25,588,939,226		25,588,939,226	
01/2010/HĐTD-			months								
TISCO dated											
25/01/2010											
				<u>2,838,146,149,778</u>		<u>1,104,488,197,800</u>		<u>2,788,886,845,562</u>		<u>1,104,601,890,011</u>	

The security for the above borrowings comprises mortgaged assets formed from the borrowings under mortgage contracts with the lenders, duly registered as secured transactions.

For the borrowings related to the Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation, the Government Inspectorate, in its conclusion, recommended that the Ministry of Finance, the State Bank of Vietnam, and the Ministry of Planning and Investment review and address outstanding issues, apply mechanisms to reduce interest accrued during the suspension period when TISCO was unable to make payments, and report to the Prime Minister for guidance on resolving any remaining obstacles (if any)".

21 OWNER'S EQUITY

a) Changes in owner's equity

	Contributed capital	Treasury shares	Exchange rate differences	Development and investment funds	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	1,840,000,000,000	(41,070,000)	(277,431,341,922)	29,908,837,239	88,880,777,819	1,681,317,203,136
Profit for previous period	-	-	-	-	4,392,260,328	4,392,260,328
Transfer of foreign exchange differences related to investment project (i)	-	-	(111,371,198,680)	-	-	(111,371,198,680)
Ending balance of previous period	1,840,000,000,000	(41,070,000)	(388,802,540,602)	29,908,837,239	93,273,038,147	1,574,338,264,784
Beginning balance of current year	1,840,000,000,000	(41,070,000)	(397,837,384,978)	29,908,837,239	80,496,310,625	1,552,526,692,886
Profit for this period	-	-	-	-	5,267,320,584	5,267,320,584
Transfer of foreign exchange differences related to investment project (i)	-	-	(81,966,283,188)	-	-	(81,966,283,188)
Ending balance of this period	1,840,000,000,000	(41,070,000)	(479,803,668,166)	29,908,837,239	85,763,631,209	1,475,827,730,282

(i) The exchange rate differences related to Phase 2 Expansion Project - Thai Nguyen Iron and Steel Corporation is cumulatively reflected on the Balance Sheet according to Official Dispatch No. 15172/BTC-TCDN dated October 26, 2015 of the Ministry of Finance.

b) Details of Contributed capital

	30/06/2025	Rate	01/01/2025	Rate
	VND	%	VND	%
Vietnam Steel Corporation	1,196,000,000,000	65.00	1,196,000,000,000	65.00
Thai Hung Trading JSC	368,000,000,000	20.00	368,000,000,000	20.00
Other shareholders	275,889,000,000	14.99	275,889,000,000	14.99
Treasury shares	111,000,000	0.01	111,000,000	0.01
	1,840,000,000,000	100	1,840,000,000,000	100

c) Capital transactions with owners and distribution of dividends and profits

	The first 6 months of 2025	The first 6 months of 2024
	VND	VND
Owner's contributed capital		
- At the beginning of the year	1,840,000,000,000	1,840,000,000,000
- At the end of the period	1,840,000,000,000	1,840,000,000,000
Distributed dividends and profit		
- Dividend payable at the beginning of the year	107,640,000	107,640,000
- Dividend payable at the end of the period	107,640,000	107,640,000

d) Share

	30/06/2025	01/01/2025
Quantity of Authorized issuing shares	184,000,000	184,000,000
Quantity of issued shares	184,000,000	184,000,000
- Common shares	184,000,000	184,000,000
Quantity of shares repurchased (Treasury shares)	11,100	11,100
- Common shares	11,100	11,100
Quantity of outstanding shares in circulation	183,988,900	183,988,900
- Common shares	183,988,900	183,988,900
Par value per share: VND 10,000/ share		

e) Company's reserves

	30/06/2025	01/01/2025
	VND	VND
Development and investment funds	29,908,837,239	29,908,837,239
	29,908,837,239	29,908,837,239

22 OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT

a) Leased Assets

The Company signs land lease contracts with the state for business purposes. According to these contracts, the company must pay annual land lease fees until the contract expires under current state regulations. The details of the leased land plots are as follows:

No	Land location	Area (m ²)	Lease Duration
I	Company Office		
1	Plot No. 04, cadastral map No. 05, Tich Luong ward, Thai Nguyen province	7,861.70	Until 2047
2	Cadastral map No. 128, Tich Luong ward, Thai Nguyen province	3,210.00	Until 2047
3	Expanded production area phase 2 (Gia Sang ward, Thai Nguyen province)	31,723.20	Until 2036
4	Green planting area (Gia Sang ward, Thai Nguyen province)	423,191.80	Until 2047
5	Fenced area (Gia Sang ward, Thai Nguyen province)	1,297,342.90	Until 2047
6	Guest House (Gia Sang ward, Thai Nguyen province)	14,974.40	Until 2047
7	Cultural House (Tich Luong ward, Thai Nguyen province)	549.00	Until 2047
8	Service Kiosk (Tich Luong ward, Thai Nguyen province)	478.00	Until 2047
II	Tien Bo Mine		
1	Mine site area (Linh Son ward, Van Han Commune, Thai Nguyen province)	2,224,785.80	Until 2038
2	Explosives storage area (Linh Son ward, Thai Nguyen province)	29,848.80	Until 2038
3	Cau river's water pipeline, transportation road area (Linh Son ward, Thai Nguyen province)	18,672.00	Until 2038
4	Road to Mine Office (Linh Son ward, Thai Nguyen province)	2,140.40	Until 2038
III	Trai Cau Mine		
1	Rented land at Trai Cau town, Thai Nguyen province		
-	Rented land until 2047	696,913.10	Until 2047
-	Rented land until 2036	279,217.10	Until 2036
-	Rented land until 2025	13,223.50	Until 2025
-	Rented land until 2020	137,219.20	Until 2020
2	Land leased in Nam Hoa commune, Thai Nguyen province		
-	Land leased in D mountain (Nam Hoa commune)	18,559.30	Until 2047
-	Land leased in D mountain (Nam Hoa commune)	21,241.20	Until 2050
3	Land leased in Trai Cau commune, Thai Nguyen province	217,726.00	Until 2047
4	Land leased in Nam Hoa commune, Thai Nguyen province		
-	Land leased in D mountain	88,015.00	Until 2050
-	Land leased in D mountain	3,085.70	Under renewal
-	Land leased in the deep ore mountain layer	4,669.20	Until 2020
-	Land leased in the deep ore mountain layer	9,529.30	Until 2025

TT	Land location	Area (m ²)	Lease duration
IV	Phan Me Mine		
1	Cadastral map sheet No. 10 and 166, Phu Luong commune, Thai Nguyen province (Office area and mine area)	305,860.00	Until 2047
2	Cadastral map sheet No. 33 and 169, An Khanh commune, Thai Nguyen province (Residential area and mine area)	139,980.00	Until 2047
3	Cadastral map sheets No. 45, 46, 47, 57, 58, and 59, Phu Lac commune, Thai Nguyen province (Mine area)	436,257.00	Until 2047
4	Cadastral map sheets No. 57, 65, 66, 67, 68, 73, 74 and 75 Phu Lac commune, Thai Nguyen province (Waste dump area)	751,660.00	Until 2028
5	Cadastral map sheets No. 57, 68, and 69, Phu Lac commune, Thai Nguyen province (Extended mine area, explosion belt area 3)	258,931.00	Until 2028
6	Cadastral map excerpt for Phu Luong commune, Thai Nguyen province (Phan Me coal mine waste dump area)	187,200.00	Under renewal
V	Tuyen Quang Iron ore and steel rolling		
1	Service and Protection Packaging Area (Residential Group 1, An Tuong ward, Tuyen Quang province)	1,139.00	Until 2043
2	Office and Production Area (Residential Group 1, An Tuong ward, Tuyen Quang province)	45,829.00	Until 2043
VI	Quac Zit Phu Tho Mine	-	
1	Office Building Land (Ha Son Street, Thanh Son Commune, Phu Tho Province)	2,034.00	Under renewal
2	Mining Land (Soi Residential Area, Thanh Son Commune, Phu Tho Province)	222,000.00	Under renewal
3	Storage Land (Soi Residential Area, Thanh Son Commune, Phu Tho Province)	22,400.00	Under renewal
VII	Railway Transport Enterprise	-	
1	From Station 48 to Cay Thi Commune (Trai Cau Commune, Thai Nguyen Province)	5,000.00	Until 2047
VIII	Quang Ninh branch	-	
1	Viet Hung ward, Ha Long City	5,740.10	Under renewal
IX	Thai Nguyen Steel Rolling Factory		
1	Gia Sang ward, Ha Long City	62,196.90	Until 2047
X	Luu Xa Steel Rolling Factory		
1	Product Showroom (Tich Luong ward, Thai Nguyen Province)	4,607.00	Until 2047
XI	Energy Enterprise		
1	Office (Tich Luong ward, Thai Nguyen Province)	5,150.00	Until 2047
2	Pumping Station Area (Gia Sang ward, Thai Nguyen Province)	1,290.00	Until 2047

b) Assets held under trust

	30/06/2025	01/01/2025
Related parties		
Rolled steel (tons)	2,399.17	6,657.10
- Thai Hung Trading Joint Stock Company	2,366.00	6,610.45
- Vnsteel - Hanoi Steel Corporation	33.17	46.65
Others		
Rolled steel (tons)	2,031.38	13,590.76
Billets (tons)	13,624.77	34,420.40
Australia Bituminous coal (tons)	-	13,383.19
Russia Bituminous coal (tons)	-	5,745.23
Granulated blast furnace slag (tons)	265,479.43	306,257.41
Bituminous coal (tons)	3,731.99	-
Pig Iron for Steelmaking (tons)	2,625.12	2,737.40
Ferrosilicon (tons)	-	101.66
Hot repair materials (tons)	-	57.85

c) Foreign currencies

	30/06/2025	01/01/2025
USD	2,960.55	2,102.12

d) Doubtful debts written-off

	30/06/2025	01/01/2025
	VND	VND
Doubtful debts written-off	4,033,133,561	4,033,133,561

23 TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	The first 6 months of 2025	The first 6 months of 2024
	VND	VND
Revenue from sale of goods	3,002,916,708,905	2,428,251,840,063
Revenue from rendering of services	6,117,347,076,169	5,191,675,477,620
Other revenue	8,944,542,266	11,866,809,984
	9,129,208,327,340	7,631,794,127,667
In which: Revenue from related parties (Detailed in Note 36)	5,116,891,435,034	4,240,499,682,845

24 COST OF GOODS SOLD

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Cost of goods sold	3,003,268,559,360	2,421,719,038,627
Cost of finished goods sold	5,931,898,849,358	5,037,521,157,581
Cost of services rendered	7,213,352,976	8,575,902,246
Provision for devaluation of inventories	2,538,569,751	(1,576,633,853)
Others	8,711,904,584	739,257,660
	8,953,631,236,029	7,466,978,722,261
In which: Purchase from related parties		
Total purchase value: (Detailed in Note 36)	3,529,172,618,075	2,662,669,349,875

25 FINANCIAL INCOME

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Interest income	50,929,787	52,491,486
Interest from deposit and collaterals	377,764,271	365,129,614
Dividends or profits received	-	146,720,000
Gains on exchange difference in the period	78,153,147	132,694,427
Interest from deferred payment sale or payment discount	10,189,464,379	13,689,713,113
	10,696,311,584	14,386,748,640
In which: Financial income received from related parties (Detailed in Note 36)	5,369,441,400	6,748,775,476

26 FINANCIAL EXPENSES

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Interest expenses	46,041,695,809	55,374,890,805
Interest income from received deposits and collaterals	269,764,384	304,350,685
Loss on exchange difference in the period	161,745,217	404,774,521
Loss on exchange difference at the period-end	409,130,082	144,328,688
Provision for diminution in value of trading securities	(1,533,786,553)	(9,307,319,867)
	531,227,818	-
	45,879,776,757	46,921,024,832

27 SELLING EXPENSES

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Raw materials	665,466,237	620,000,227
Labour expenses	3,618,212,740	3,570,906,867
Depreciation expenses	580,808,777	586,489,430
Expenses of outsourcing services	18,236,772,115	12,506,407,852
Other expenses in cash	7,044,038,373	6,289,933,845
	30,145,298,242	23,573,738,221
In which: Expenses purchased from related parties		
Total purchase value:	392,727,276	392,727,276
(Detailed in Note 36)		

28 GENERAL AND ADMINISTRATIVE EXPENSE

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Raw materials	3,383,815,033	3,550,323,114
Labour expenses	39,854,602,097	38,905,030,366
Depreciation expenses	2,920,238,798	3,274,222,148
Tax, Charge, Fee	33,757,665,957	33,667,546,303
Provision expenses/ (Reversal) of provision expenses	966,441,198	(108,133,440)
Expenses of outsourcing services	5,587,235,617	4,493,047,546
Other expenses in cash	21,986,659,398	21,692,183,168
	108,456,658,098	105,474,219,205

29 OTHER INCOME

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Gain from liquidation, disposal of fixed assets	-	1,626,815,400
Land rental fee reduction (i)	10,839,166,533	166,638,947
Others	221,099,086	507,991,021
	11,060,265,619	2,301,445,368

- (i) During the first six months of 2025, the Company was approved for a land rental reduction for the year 2024 at the Tuyen Quang Iron and Steel Rolling Mine, the Phan Me Coal Mine, the Tien Bo Iron Mine, and the Trai Cau Iron Mine.

30 OTHER EXPENSES

	The first 6 months of 2025	The first 6 months of 2024
	VND	VND
Fines	123,359,795	424,768,082
Prior-year taxes	-	528,255,531
Non- deductible depreciation	182,166,384	185,514,083
Others	6,210,208	3,819,132
	311,736,387	1,142,356,828

31 CURRENT CORPORATE INCOME TAX EXPENSES

	The first 6 months of 2025	The first 6 months of 2024
	VND	VND
Total profit before tax	12,540,199,030	4,392,260,328
Increase	23,824,193,201	29,132,220,345
- Non-deductible interest expense according to Decree No. 132/2020/ND-CP	23,289,971,412	28,388,415,554
- Ineligible expenses	534,221,789	743,804,791
Decrease	-	(146,720,000)
- Dividend payment	-	(146,720,000)
Taxable income	36,364,392,231	33,377,760,673
Loss carried forward	-	(33,377,760,673)
Current CIT expense (tax rate 20%)	7,272,878,446	-
Tax payable at the beginning of the year	9,052,747,442	-
Tax paid in the period	(9,052,747,441)	-
Corporate income tax payable at the end of the period	7,272,878,447	-

Loan interest expenses exceeding the prescribed threshold

The portion of interest expense that is non deductible under Decree 132/2020/ND CP dated 5 November 2020 issued by the Ministry of Finance may be carried forward to subsequent tax periods to determine the total deductible interest expense, provided that deductible interest in the subsequent tax period is lower than the prescribed limit. The carryforward period for such interest is limited to a maximum of five consecutive years, commencing from the year following the year in which the non deductible interest was incurred. The actual amounts carried forward for tax purposes are subject to review and approval by the tax authorities and may differ from the amounts presented in the Interim Separate Financial Statements. Interest expenses exceeding 30% of EBITDA in accordance with Decree No. 132/2020/ND-CP dated November 5, 2020 of the Ministry of Finance are estimated to be deductible against the Company's taxable income in future periods as follows:

Year	Year of able to change into interest expense	The inspections by tax authorities and the state audit	Interest expenses that exceed the threshold cannot be deducted from year to year VND	Non-deductible interest expenses are used and expire on 30/06/2025 VND	Non-deductible interest expenses can be able to carry forward to the following tax years as of 30/06/2025 VND
2020	2025	Audited (State audit)	35,541,292,016	-	35,541,292,016
2021	2026	Non-inspection	-	-	-
2022	2027	Non-inspection	42,002,723,252	-	42,002,723,252
2023	2028	Non-inspection	129,643,777,529	-	129,643,777,529
2024	2029	Non-inspection	76,279,396,922	-	76,279,396,922
			283,467,189,719	-	283,467,189,719

The Board of Management of the Company assesses that the Company's ability to carry forward these non-deductible interest expenses to future years is uncertain. Therefore, no deferred income tax assets related to these amounts have been recognized in this year's interim balance sheet.

32 BUSINESS AND PRODUCTIONS COST BY ITEMS

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Raw materials	5,875,991,010,050	5,030,867,013,226
Labour expenses	187,696,735,600	187,386,466,969
Depreciation expenses	27,886,879,547	30,372,405,676
Provisions	966,441,198	(108,133,440)
Expenses of outsourcing services	29,811,551,306	154,256,797,358
Other expenses in cash	84,236,658,049	79,758,459,275
	6,206,589,275,750	5,482,533,009,064

33 ISSUES RELATED TO THE PHASE 2 EXPANSION PROJECT - THAI NGUYEN IRON AND STEEL COMPANY

The Phase 2 Expansion Project of Thai Nguyen Iron and Steel Corporation ("the Project") was approved in principle by the Prime Minister (Document No. 342/TTg CN dated 5 April 2005). The Vietnam Steel Corporation ("VNS") was assigned to organize the appraisal and approval process, and Thai Nguyen Iron and Steel Corporation was designated as the project investor.

The Project's total investment was approved by the VNS Board of Directors in Decision No. 684/QĐ ĐT dated 5 October 2005 at VND 3,843 billion and was later adjusted to VND 8,104.91 billion under Decision No. 489/QĐ GTTN dated 15 May 2013 by the Chairman of the Board of Directors of Thai Nguyen Iron and Steel Joint Stock Corporation ("TISCO").

Metallurgical Corporation of China Limited ("MCC") was awarded the EPC contract. On 12 July 2007, Contract No. 01#EPC/TISCO MCC was signed between TISCO and MCC. During contract execution, TISCO and MCC signed subsequent amendment appendices. Under the fourth amendment appendix dated 31 August 2009, the schedule for EPC Contract No. 01# EPC/TISCO was adjusted to 21 months from the effective date of that appendix.

To date, the Project has extended beyond its originally planned schedule and remains incomplete. According to Report No. 434/GTTN TKCTy dated 2 June 2014 submitted by the Company to VNS,

construction work on site ceased in the first quarter of 2013; since then, contractors have only been present to provide site supervision, security and to process payment documentation.

On 20 February 2019, the Government Inspectorate issued Notice No. 199/TB TTCP announcing the inspection conclusions for the Phase 2 Expansion Project (based on Document No. 167/KL TTCP and the Deputy Prime Minister's directives in Document No. 1388/VPCP V.I dated 20 February 2019).

Following publication of the inspection conclusions, TISCO's Board of Directors issued an action plan to implement Conclusion No. 167/KL TTCP.

In implementing Conclusion No. 167/KL TTCP: with respect to matters involving MCC, the Company has reconstituted the Steering Committee and working groups to carry out procedures to terminate and liquidate EPC Contract No. 01#EPC/TISCO MCC and related subcontracts; tasks were assigned to groups and members to review documentation and to liaise with MCC, subcontractors, supervision consultants and lending banks. Regarding review and deductions related to consulting contractors APAVE and SOFRECO, the Company has issued multiple official letters requesting review and action in accordance with Conclusion No. 167/KL TTCP, but these contractors have not accepted or implemented the Company's requests. Regarding recovery of incorrect payments (Part C) to subcontractors per Form 02 KLTT, the Company likewise issued multiple official letters requesting review and action under Conclusion No. 167/KL TTCP, but the subcontractors have not accepted or implemented the Company's requests.

On 11 November 2021, the High People's Court in Hanoi issued Judgment No. 531/2021/HS PT relating to the Phase 2 Expansion Project. The judgment determined damages equal to the actual interest amounts TISCO paid to banks attributable to the Project's delay (from 31 May 2011 until the prosecution date), totaling VND 830,253,115,150, and ordered the defendants named in the judgment to compensate TISCO for that amount.

On 13 February 2023, the General Department of Civil Judgment Enforcement — Civil Judgment Enforcement Department of Hanoi issued Enforcement Decision No. 624/QĐ CTHADS to execute the judgment against the defendants named therein. The Company received VND 146,122,476,910 from the Civil Judgment Enforcement Department of Hanoi; this amount was collected from the defendants. The Company reduced the Project's capitalized borrowing costs by the corresponding amount.

In 2024, under directions from competent state authorities and VNS, progress was made in addressing the Project's outstanding issues. The Company coordinated with MCC and independent consultants to inventory equipment on site, strengthened protection and preservation of equipment, supplemented personnel, reorganized the Steering Committee and working groups, and actively engaged MCC on EPC contract matters and in developing a Project resolution plan.

On 31 December 2024, Bac Kan Regional Development Bank — Thai Nguyen Branch issued Notice No. 460/TB.NHPT.BK TN cancelling interest accrued on overdue interest not collected up to 21 December 2023 for the Project, amounting to VND 506,567,725,220.

On 17 April 2025, the Company and China Metallurgical Group Corporation (MCC) signed an agreement to terminate and liquidate Contract No. 01#EPC/TISCO MCC for the Phase 2 Expansion Project. Under the agreement, the Company is not required to pay MCC the remaining fees for the Engineering portion (Part E), costs for equipment not delivered to site, or costs for remaining equipment already delivered to site. MCC also agreed to compensate the Company USD 12,685,678.3 within 60 days from the agreement's effective date and upon completion of all project handover work. The Project is currently in the process of handover; the handover period is 90 days from the date of the agreement.

As of the date of preparation of these Interim Separate Financial Statements, the Company is still implementing Conclusion No. 167/KL TTCP and following directives from competent state authorities to address the Project's outstanding issues and obstacles. Related line items in the separate financial statements will be adjusted as appropriate based on the Government Inspectorate's conclusions and the enforcement of Judgment No. 531/2021/HS PT.

34 OTHER INFORMATION

Information on certain major lawsuits of the Company that are currently in litigation

Lawsuit concerning Bank for Investment and Development of Vietnam (BIDV) as payment guarantor - receivable from Luong Tho Company Limited ("Luong Tho")

In Criminal Appellate Judgment No. 68/2019/HSPT dated 20 February 2019, the civil component recorded BIDV's agreement to perform the payment obligation under the guarantee in the amount of VND 51,337,050,857 on behalf of Luong Tho. (As at 31 December 2021, BIDV had paid TISCO VND 51,337,050,857) The judgment also recorded Ms. Nguyen Thi Nhung's responsibility to repay TISCO VND 21,178,281,328.

For the remaining amount of VND 5,509,812,327, Judgment No. 68/2019/HSPT dated 20 February 2019 did not specify which party is liable to pay TISCO that amount.

On 9 January 2024, TISCO filed a lawsuit against Luong Tho with the People's Court of Soc Son District. On 28 February 2024, the People's Court of Soc Son District issued a notice accepting the case.

On 25 July 2024, the People's Court of Soc Son District, Hanoi issued Decision No. 05/2024/QDST KDTM to suspend the commercial lawsuit between plaintiff TISCO and defendant Luong Tho. TISCO is working with a law firm to refile the lawsuit.

Lawsuit concerning Vietnam International Commercial Joint Stock Bank - Hanoi Branch ("VIB Bank") as payment guarantor - receivable from Ha Nam Trading and Construction Co., Ltd. ("Ha Nam Construction")

The Company sued VIB Bank as guarantor.

On 7 March 2016, the High People's Court in Hanoi issued Decision No. 03/2016/KDTM GĐT regarding the commercial dispute over a goods sale contract, annulling the first instance judgment of the People's Court of Thai Nguyen City and the appellate judgment of the People's Court of Thai Nguyen Province and ordering a retrial.

On 5 July 2017, the Supreme People's Court issued Notice No. 171/TB TANDTC VGĐKTII stating there were no grounds to review Decision No. 03/2016/KDTM GĐT under cassation proceedings as requested by the Company.

On 29 December 2017, TISCO formally requested the People's Court of Thai Nguyen City to proceed with the case.

TISCO, together with the law firm HERMAN HENRY & DOMINIC, provided all required documentation. The People's Court of Thai Nguyen City accepted the case and held the first mediation on 31 October 2023, but the parties maintained their positions.

On 22 March 2024, the People's Court of Thai Nguyen City held the first instance trial in the sales contract dispute between TISCO and Ha Nam Construction. The court partially upheld TISCO's claim, ordering Ha Nam Construction to pay principal and interest under Steel Scrap Sales Contract No. 05 dated 1 January 2011 and permitting enforcement over the secured asset of 2,420,853 shares under the Share Pledge Contract No. 02/GTTN TCKT dated 7 October 2011. However, the court rejected TISCO's request to compel VIB Bank to perform under the guarantee.

On 9 April 2024, TISCO filed an appeal with the People's Court of Thai Nguyen City, requesting that the Thai Nguyen Provincial Court overturn the first instance judgment and order VIB Bank to pay the full principal and accrued interest covered by the guarantee.

On 16 July 2024, the People's Court of Thai Nguyen Province heard the appeal and dismissed TISCO's request to hold VIB Bank liable under the guarantee. TISCO continues to coordinate with its law firm to file a complaint with the Supreme Court.

On 23 June 2025, TISCO submitted a petition to the High People's Procuracy and the High People's Court requesting a cassation review of Appellate Judgment No. 08/2024/KDTM PT dated 16 July 2024 issued by the People's Court of Thai Nguyen Province. The petition requests that the Chief Justice of the High People's Court and the Head of the High People's Procuracy issue a protest against the appellate judgment, seeking annulment of the decision and a ruling that rejects TISCO's lawsuit requesting that VIB Bank perform its guarantee obligations for a total guaranteed value of VND 80 billion. To date, TISCO has not received a response from these two authorities.

Lawsuit related to receivables from Tan Hong Import Export Joint Stock Company ("Tan Hong")

The People's Court of Hanoi held a first instance trial and ruled that Tan Hong must pay its debt to the Company.

The Company appealed and requested the Vietnam Bank for Agriculture and Rural Development - Hong Ha Branch to perform its payment guarantee obligations.

On 19 March 2018, the High People's Court in Hanoi issued Judgment No. 125/2018/HSPT, later amended by Notice No. 04/2020/TB TA on 6 January 2020, ordering Mr. Trinh Khanh Hong (Chairman of the Board and General Director of Tan Hong) to compensate the Company.

On 27 February 2024, the Civil Judgment Enforcement Department of Hanoi issued Enforcement Decision No. 333/QĐ CCTHADS HS to commence enforcement proceedings against Mr. Trinh Khanh Hong based on the judgment.

On 1 October 2024, the Judgment Execution Sub Department of Nam Tu Liem District — Hanoi issued Decision No. 01/QĐ CCTHADS stating that Mr. Trinh Khanh Hong currently lacks sufficient assets to satisfy his debt of VND 17,216,187,178 to TISCO.

The Company will continue to work with enforcement authorities to monitor and recover the debt should enforceable assets become available.

Lawsuit relating to receivables from Mr. Phan Thanh Phuong (former Store Manager of the Gieng Day I Store - Quang Ninh Branch of Thai Nguyen Iron and Steel Joint Stock Corporation)

According to the First Instance Judgment No. 25/2025/DS-ST dated June 16, 2025 of the People's Court of Ha Long City, Quang Ninh Province, the Court ruled that Mr. Phan Thanh Phuong must pay the Company an amount of VND 6,534,374,873, comprising VND 3,732,311,692 in principal and VND 2,802,063,181 in interest.

35 SUBSEQUENT EVENTS

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Interim Separate Financial Statements.

36 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

List and relations between related parties and the Company are as follows:

Related parties	Relation
Thai Trung Roofing JSC	Subsidiary company
Gia Sang Steel JSC	Affiliated company
Viet Nam Steel Corporation	Parent company
Vnsteel - Hanoi Steel Corporation	Under same parent company
Vnsteel - HoChiMinh City Metal Corporation	Under same parent company
MDC - Vnsteel Consulting Company Limited	Under same parent company
Thai Hung Trading JSC	Major shareholders have significant
The members of the Board of Directors, the Board of Management, the Board of Supervision, other managers of the Company	Key management members of the company

In addition to the information with related parties presented in the above Notes, during the period, the Company has transactions with related parties as follows:

	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Sales of goods and rendering of services	5,116,891,435,034	4,240,499,682,845
Thai Trung Roofing JSC	2,897,665,467,204	2,424,629,542,835
Thai Hung Trading JSC	1,950,823,786,760	1,618,526,235,210
Vnsteel - Hanoi Steel Corporation	268,402,181,070	197,343,904,800
Purchase of goods and services	3,529,565,345,351	2,663,062,077,151
Thai Trung Roofing JSC	3,127,945,686,875	2,573,904,876,775
Thai Hung Trading JSC	377,770,992,000	88,764,473,100
Vnsteel - HoChiMinh City Metal Corporation	23,455,939,200	-
Branch of Thai Hung Trading JSC	392,727,276	392,727,276
Late payment interest	5,369,441,400	6,748,775,476
Thai Hung Trading JSC	5,369,441,400	6,748,775,476

The terms and conditions of the transaction with related parties

The transactions of purchasing and selling goods with Thai Trung Roofing JSC ("Thai Trung") primarily involve the Company acting as the seller of steel billets to Thai Trung and simultaneously as the buyer of concrete reinforcing steel produced by this subsidiary. Accordingly, the Company supplies standard steel billets sourced from either imports or domestic production to Thai Trung, in quantities sufficient for Thai Trung to produce in accordance with the Company's manufacturing plans. The selling prices are specified in each contract appendix and are on a delivered to Thai Trung's warehouse basis using the Company's transportation. Additionally, the Company purchases concrete reinforcing steel products produced by Thai Trung. The Company provides Thai Trung with the production schedule and product specifications for each purchasing period. Purchased goods will be delivered to Thai Trung's warehouse using the Company's transportation, at prices mutually agreed at the time of purchase and set out in the relevant contract appendix.

For sales to Thai Hung Trading JSC and VnSteel - Hanoi Steel Corporation, transactions are primarily conducted under annual distribution agreements for the sale of all TISCO branded reinforcing steel products. Sales volumes are based on the Company's production and the distributors' committed off take, within designated territories under the Company's market segmentation policy. Terms and pricing are consistent with those applied to other Company distributors.

Other related party transactions are conducted on an arm's length basis, with prices and terms comparable to ordinary commercial transactions as stipulated in the respective contracts.

Remuneration, salaries and other income of members of the Board of Directors, General Director, Supervisory Board and other managers are as follows:

	Position	The first 6 months of 2025 VND	The first 6 months of 2024 VND
Mr. Nghiem Xuan Da	Chairman of the Board of Directors (Appointed on 19/04/2024)	36,000,000	14,076,923
Mr. Pham Cong Thao	Chairman of the Board of Directors (Relieved on 19/04/2024)	-	21,923,077
Mr. Tran Trong Manh	Member of the Board of Directors (Appointed on 19/04/2024)	178,516,667	45,000,000
Mr. Thieu Dinh Tinh	Member of the Board of Directors (Appointed on 16 April 2025)	10,000,000	-
Mr. Tran Thai Dung	Member of the Board of Directors (Appointed on 16 April 2025), Deputy General Director (Appointed on 10 June 2025)	36,470,410	-
Mrs. Nguyen Thi Nguyen	Member of the Board of Directors (Appointed on 16 April 2025)	10,000,000	-
Mr. Tran Tuan Dung	Vice Chairman of the Board of Directors (Resigned on 19/04/2024)	-	20,096,154
Mr. Le Minh Tu	Member of the Board of Directors (Resigned on 16 April 2025)	20,000,000	30,000,000
Mr. Le Hong Khue	Member of the Board of Directors (Resigned on 16 April 2025)	20,000,000	30,000,000
Mr. Le Thanh Thuc	Member of the Board of Directors	30,000,000	30,000,000
Mr. Nguyen Minh Hanh	Member of the Board of Directors, General Director	228,024,000	195,372,000
Mr. Tran Quang Tien	Member of the Board of Directors (Resigned on 26 April 2025), Deputy General Director (Resigned on 01 July 2025)	187,720,000	159,120,000
Mr. Do Trung Kien	Deputy General Director (Retired since 01 June 2023)	-	1,533,332
Mr. Ha Tuan Hung	Deputy General Director	190,120,000	164,046,000
Mr. Tran Anh Dung	Head of the Supervisory Board	171,414,000	139,500,000
Mr. Bui Quang Hung	Member of the Supervisory Board	21,000,000	21,000,000
Mr. Nguyen Hong Van	Members of the Supervisory Board (Appointed on 19 April 2024)	21,000,000	8,211,538
Mr. Tran Quoc Viet	Members of the Supervisory Board (Resigned on 19 Appointed 2024)	-	12,788,462
Mrs. Nguyen Thi Hue	Member of the Supervisory Board	74,400,000	61,900,000
Mr. Do Quang Kien	Members of the Supervisory Board (Appointed on 26 April 2025)	7,000,000	-
Mrs. Nguyen Thuy Ha	Members of the Supervisory Board (Resigned on 26 April 2025)	14,000,000	21,000,000

In addition to the above related parties' transactions, other related parties did not have any transactions during the year and have no balance at the end of the accounting fiscal year with the Company.

37 COMPARATIVE FIGURES

The comparative figures on the Interim Separate Statement of Financial Position and corresponding Notes are taken from the Separate Financial Statements for the fiscal year ended as at 31 December 2024, which was audited by AASC Auditing Firm Company Limited. The comparative figures on the Interim Separate Statement of income, Interim Separate Statement of Cash flows and corresponding Notes are taken from the Interim Separate Financial Statements which have been reviewed for the period from 01/01/2024 to 30/06/2024.



Tran Nguyet Anh
Prepaper



Hoang Danh Son
Chief Accountant



Nguyen Minh Hanh
General Director

Thai Nguyen, 20 August 2025

