

POMINA STEEL CORPORATION

**Audited consolidated financial statements
for the fiscal year ended 31 December 2024**



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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Pomina Steel Corporation ("the Parent Company") has the pleasure in presenting this report and the audited consolidated financial statements of the Company and its subsidiaries ("the Group") to the fiscal year ended 31 December 2024.

1. General Information

Pomina Steel Corporation (briefly called "the Company") is a joint-stock company established through the equitization of Pomina Steel Company Limited. The Parent Company operates under Enterprise Registration Certificate No. 3700321364, originally issued by the Department of Planning and Investment of Binh Duong Province on 17 July 2008 and its subsequent amended Enterprise Registration Certificates, the lasted being the 14th amendment issued on 03 March 2023.

The Parent Company's charter capital as at 01 January 2024 and 31 December 2024 was VND 2,796,763,360,000, equivalent to 279,676,336 shares with a par value of VND 10,000 per share.

In 2024, the Parent Company's shares were listed and traded on the Hochiminh Stock Exchange (HOSE). Since 10 May 2024, the Parent Company's shares have been registered for trading on the Unlisted Public Company Market (UPCoM). Details are as follows:

- Type of shares: Common shares
- Stock code: POM
- Par value: VND 10,000/share
- Total number of shares: 279,676,336 shares
- Total value shares listed at par value: VND 2,796,763,360,000

The Parent Company's head office is located at No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.

The main business activities of the Group are: Manufacturing and processing of iron, steel, and cast iron; scrap recycling; wholesale of metals and metal ores; and other specialized wholesale not elsewhere classified.

In 2024, the Group's main business activities included steel rolling, wholesaling of steel products, manufacturing of iron, steel, and cast iron, metal scrap recycling, and trading in steel products.

The Group has been currently in the process of supplementing its business lines with "forging, pressing, stamping and roll-forming of metal; powder metallurgy" in order to complete the relevant procedures in accordance with applicable regulations.

2. The members of the Board of Management, the Board of Supervisors and the Board of General Directors

The members of the Board of Management, the Board of Supervisors and the Board of General Directors during the year and up to the date of this report include:

The Board of Management

Full name	Position	Appointed/ Dismissed
Mr. Do Duy Thai	Chairman	Appointed on 10 February 2023
Mr. Do Tien Si	Deputy Chairman	Appointed on 10 February 2023
Mr. Do Van Khanh	Member	Appointed on 10 March 2023
Mr. Do Hoai Khanh Linh	Member	Appointed on 25 June 2021
Mr. Do Xuan Chieu	Member	Appointed on 25 June 2021
Ms. Vo Thi Thu Hien	Member	Appointed on 27 April 2018

REPORT OF THE BOARD OF GENERAL DIRECTORS**The Board of Supervisors:**

Full name	Position	Full name
Mr. Tran To Tu	Chief Supervisor	Appointed on 25 June 2021
Ms. Nguyen Thi Hong Tham	Member	Appointed on 25 June 2021
Ms. Nguyen Ngoc My Hanh	Member	Resigned on 27 July 2024

Board of General Directors and Chief Accountant

Full name	Position	Appointed/ Dismissed
Mr. Do Tien Si	General Director	Appointed on 10 February 2023
Mr. Do Hoai Khanh Linh	General Director of Pomina 1	Appointed on 01 August 2020
Ms. Do Thi Kim Ngoc	General Director of Pomina 3	Appointed on 10 March 2023
Ms. Nguyen Ngoc My Hanh	Chief Accountant	Appointed on 21 July 2024
Mr. Nguyen Nhat Truong	Chief Accountant	Dismissed on 21 July 2024

Legal representative

The Legal Representative of the Company during the fiscal year ended 31 December 2024 and up to the date of this report is:

Full name	Nationality	Position	Appointed/ Dismissed
Mr. Do Tien Si	Vietnamese	General Director	Appointed on 10 February 2023

3. The Group's financial position and operating results

The Group's financial position for the fiscal year ended 31 December 2024 and its operating result for the year then ended are reflected in the accompanying consolidated financial statements.

4. Events subsequent to the balance sheet date

Pursuant to Resolution No. 1685/NQ-UBTVQH15 dated 16 June, 2025, on the reorganization of commune-level administrative units in Ho Chi Minh City in 2025, the Company's head office address was changed from: No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam to No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.

Other than the events described above, there have been no significant events occurring since the fiscal year ended 31 December 2024 that would require adjustments to, or disclosures in, the notes to the financial statements.

5. Auditors

AFC Vietnam Auditing Company Limited has been appointed to perform the audit the consolidated financial statements for the fiscal year ended 31 December 2024.

6. Statement of the Board of General Directors' responsibility in respect of the consolidated financial statements

The Board of General Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated results of operations and consolidated cash flows of the Company for the fiscal year ended 31 December 2024. In preparing these consolidated financial statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements 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 consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basic unless it is inappropriate to presume that the Group will continue in business; and

REPORT OF THE BOARD OF GENERAL DIRECTORS

- Design, implement and maintain the Group's internal control for prevention and detection of fraud and error in the preparation and presentation of consolidated financial statements;

The Board of General Directors is responsible for ensuring that the proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Group and to ensure that the accounting records comply with the Vietnamese Accounting Standards, Vietnamese Accounting system for enterprises and legal regulations relating to financial reporting. The Board of General Directors is also responsible for controlling the assets of the Group and therefore has taken the appropriate measures for the prevention and detection of fraud and other irregularities.

The Board of General Directors confirms that the Group has complied with the above requirements in preparing the consolidated financial statements.

As at 31 December 2024, the Company performed a physical inventory count and recognized the inventory balances in the financial statements based on the results of the physical count, reconciled to the accounting records and relevant supporting documentation.

The Board of General Directors has reviewed the inventory count records, inventory receipt, issue and balance documents, reconciliation results and other relevant supporting documents. Based on such review, the Board of General Directors believes that the inventory balance as at 31 December 2024 has been appropriately reflected in the financial statements.

The Board of General Directors believes that the inventory balances presented in the Company's financial statements are fairly stated in all material respects.

7. Publication of the consolidated financial statements

The Board of General Directors hereby publishes the accompanying consolidated financial statements. These financial statements give a true fair view of the financial position of the Group as at 31 December 2024 and of the results of its consolidated operations and its consolidated cash flows for the fiscal year ended 31 December 2024 in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting system for enterprises and legal regulations relevant to preparation and presentation of the consolidated financial statements.

On behalf of the Board of General Directors,



ĐO TIẾN SĨ

General Director

Ho Chi Minh City, 29 May 2026



INDEPENDENT AUDITORS' REPORT

To: **The Shareholders**
The Board of Management and The Board of General Directors of
POMINA STEEL CORPORATION

We have audited the accompanying consolidated financial statements of Pomina Steel Corporation (briefly called "The Parent Company") and its subsidiaries (briefly called "the Group") prepared on 29 May 2026 as set out from page 06 to page 47, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, and the consolidated cash flow statement for the fiscal year then ended, and Notes to the consolidated financial statements.

The Board of General Directors' responsibility

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

Auditors' Responsibility

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

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

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

Basis for Qualified Opinion

- We were unable to attend the inventory count observation at 31 December 2024 because we had not been appointed as auditors at that time. Based on the documentation currently available within the Group, we were also unable to obtain sufficient appropriate audit evidence regarding the existence and completeness of the inventory balance presented in the Consolidated Balance Sheet as at 31 December 2024, amounting to VND 803,979,574,892 (01 January 2024: VND 660,450,469,322), through alternative audit procedures. At the same time, we were unable to determine the necessary adjustments to both recorded and unrecorded inventories, as well as the related components of the consolidated balance sheet, the consolidated income statement and the consolidated cash flow statement.

INDEPENDENT AUDITORS' REPORT (Cont.)

Basis for Qualified Opinion (Cont.)

- On Note 9.4 to the consolidated financial statements, in which the Group incurred a net loss in the consolidated financial statements for the fiscal year ended 31 December 2024 of VND 1,009,777,378,785, and accumulated losses as at 31 December 2024 amounted to VND 2,656,719,344,012. As at the same date, the Group's current liabilities exceeded its current assets by VND 6,414,028,014,366 (as at 01 January 2024: VND 5,302,168,297,872). This condition, together with other matters described in Note 9.4, indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.
- The Board of General Directors of the Group has prepared the consolidated financial statements on a going concern basis. However, as at the date of this report, we have not been provided with a feasible and sufficient plan demonstrating that the Group is able to improve its financial position or secure funding sources to ensure its ability to continue its normal operations in the foreseeable future. Accordingly, we consider that there is a material uncertainty related to the Group's ability to continue as a going concern. The consolidated financial statements and the accompanying notes do not adequately disclose this matter and do not include any adjustments that may be necessary to the Group's assets and liabilities in the event that the Group is unable to continue as a going concern in the future.

Qualified opinion

In our opinion, except for the effects of the matters described in the section "Basis for Qualified Opinion", the consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, as well as its results of operations and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for enterprises, and the relevant statutory regulations regarding the preparation and presentation of consolidated financial statements.



ĐÀU NGUYEN LY HANG

Deputy General Director

Audit Practising Registration Certificate:

1169-2026-009-1

Authorized representative

AFC VIETNAM AUDITING COMPANY LIMITED

Ho Chi Minh City, 29 May 2026

BUI VAN BONG

Auditor

Audit Practising Registration Certificate:

0177-2023-009-1

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

	Code	Note	31/12/2024 VND	01/01/2024 VND
ASSETS				
CURRENT ASSETS	100		2,574,518,258,558	2,552,900,164,479
Cash and cash equivalents	110	5.1	58,765,361,462	8,125,792,793
Cash	111		44,923,661,028	8,124,792,793
Cash equivalents	112		13,841,700,434	1,000,000
Accounts receivable	130		1,079,429,783,507	1,245,854,473,064
Short-term trade receivables	131	5.2.1	1,035,222,937,869	1,200,555,149,599
Short-term advances to suppliers	132	5.3	68,900,963,835	69,229,644,447
Short-term loan receivables	135		-	-
Other short-term receivables	136	5.4.1	13,962,451,694	23,395,066,461
Provision for doubtful debts	137	5.5	(38,656,569,891)	(47,325,387,443)
Inventories	140	5.6	803,979,574,892	660,450,469,322
Inventories	141		804,383,967,932	661,945,871,444
Provision for decline inventories	149		(404,393,040)	(1,495,402,122)
Other current assets	150		632,343,538,697	638,469,429,300
Prepaid expenses	151	5.7.1	5,419,692,141	3,098,254,000
Value added tax deductibles	152		620,953,313,632	629,590,127,553
Taxes receivable	153		5,970,532,924	5,781,047,747
NON-CURRENT ASSETS	200		7,295,807,909,338	7,511,079,323,594
Long-term receivables	210		273,167,261,449	305,086,195,985
Long-term trade receivables	211	5.2.2	272,197,693,279	304,116,658,000
Other long-term receivables	216	5.4.2	969,568,170	969,537,985
Fixed assets	220		1,274,270,802,131	1,446,374,309,677
Tangible fixed assets	221	5.8	1,149,107,593,047	1,315,584,518,777
Historical cost	222		5,129,510,242,789	5,133,925,118,573
Accumulated depreciation	223		(3,980,402,649,742)	(3,818,340,599,796)
Finance leasehold assets	224	5.9	125,098,042,423	130,678,624,243
Historical cost	225		139,514,545,455	139,514,545,455
Accumulated depreciation	226		(14,416,503,032)	(8,835,921,212)
Intangible fixed assets	227	5.10	65,166,661	111,166,657
Historical cost	228		14,636,504,484	14,636,504,484
Accumulated amortisation	229		(14,571,337,823)	(14,525,337,827)
Long-term assets in progress	240	5.11	5,710,978,622,067	5,711,096,539,742
Construction in progress	242		5,710,978,622,067	5,711,096,539,742
Long-term financial investments	250	5.12	10,000,000,000	10,000,000,000
Other long-term investments	253		11,402,985,380	11,402,985,380
Provision for diminution in value of long-term investments	254		(11,402,985,380)	(11,402,985,380)
Held to maturity investment	255		10,000,000,000	10,000,000,000
Other long-term assets	260		27,391,223,692	38,522,278,190
Long-term prepaid expenses	261	5.7.2	25,475,132,240	36,882,638,843
Deferred income tax assets	262		1,916,091,452	1,639,639,347
TOTAL ASSETS	270		9,870,326,167,896	10,063,979,488,073

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

	Code	Note	31/12/2024 VND	01/01/2024 VND
RESOURCES				
LIABILITIES	300		9,664,621,279,704	8,847,526,996,881
Current liabilities	310		8,988,546,272,924	7,855,068,462,351
Short-term trade payables	311	5.13	2,325,639,598,951	1,648,341,062,117
Short-term advance from customers	312	5.14	23,246,067,735	24,326,722,142
Tax and payable to the State	313	5.15	1,831,319,056	5,491,944,095
Payable to employees	314		7,343,589,598	5,533,132,952
Short-term accrued expenses payable	315	5.16	1,017,967,423,607	458,459,785,405
Other short-term payables	319	5.17	58,340,957,960	234,323,072,755
Short-term loan and finance lease	320	5.18.1	5,554,158,340,297	5,478,573,767,165
Bonus and welfare funds	322		18,975,720	18,975,720
Long-term liabilities	330		676,075,006,780	992,458,534,530
Other long-term liabilities	337		-	149,216,500,000
Long-term loans and finance lease obligations	338	5.18.2	676,075,006,780	843,242,034,530
OWNER'S EQUITY	400		205,704,888,192	1,216,452,491,192
Capital	410	5.19	205,704,888,192	1,216,452,491,192
Owners' invested equity	411		2,796,763,360,000	2,796,763,360,000
Shares with voting rights	411a		2,796,763,360,000	2,796,763,360,000
Share premium	412		35,000,000,000	35,000,000,000
Treasury stocks	415		(31,347,567,000)	(31,347,567,000)
Investment and development fund	418		61,428,346,574	61,428,346,574
Retained earnings	421		(2,656,719,344,012)	(1,646,941,965,227)
Retained earnings in previous year	421a		(1,646,941,965,227)	(254,681,514,697)
Retained earnings in current year	421b		(1,009,777,378,785)	(1,392,260,450,530)
Non - control interest	429		580,092,630	1,550,316,845
TOTAL RESOURCES	440		9,870,326,167,896	10,063,979,488,073



NGUYEN THI PHUONG MAI
Prepared by



NGUYEN NGOC MY HANH
Chief Accountant




DO TIEN SI

General Director
Ho Chi Minh City, 29 May 2026

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

CONSOLIDATED INCOME STATEMENT

For the financial year ended 31 December 2024

	Code	Note	Year 2024 VND	Year 2023 VND
Gross sales of merchandise and services	01		2,377,855,649,860	3,070,813,585,218
Less deductions	02		-	2,677,689,200
Net sales	10	6.1	2,377,855,649,860	3,068,135,896,018
Cost of sales	11	6.2	2,404,179,131,693	3,353,521,127,361
Gross profit	20		(26,323,481,833)	(285,385,231,343)
Financial income	21	6.3	8,622,369,735	16,473,467,507
Financial expenses	22	6.4	727,034,380,730	700,665,272,239
<i>In which: Interest expenses</i>	23		688,038,520,719	674,452,697,485
Selling expenses	25	6.5	12,510,517,737	7,776,045,082
General and administration expenses	26	6.6	76,053,991,270	185,109,820,631
Operating profit	30		(833,300,001,835)	(1,162,462,901,788)
Other income	31	6.7	23,504,800,715	35,012,055,055
Other expenses	32	6.8	201,228,853,985	260,574,453,487
Other profit	40		(177,724,053,270)	(225,562,398,432)
Profit before tax	50		(1,011,024,055,105)	(1,388,025,300,220)
Current corporate income tax expense	51		-	6,680,057,945
Deferred corporate income tax expense	52		(276,452,105)	141,344,802
Net profit after tax	60		(1,010,747,603,000)	(1,394,846,702,967)
Net profit after tax of parent company	61		(1,009,777,378,785)	(1,392,260,450,530)
Net profit after tax of non control interest	62		(970,224,215)	(2,586,252,437)
Earnings per share	70	6.9	(3,625)	(4,998)
Diluted Earnings Per Share	71	6.9	(3,625)	(4,998)


NGUYEN THI PHUONG MAI
 Prepared by


NGUYEN NGOC MY HANH
 Chief Accountant



ĐO TIẾN SĨ
 General Director
 Ho Chi Minh City, 29 May 2026

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

CONSOLIDATED CASH FLOW STATEMENT (Indirect Method)

For the financial year ended 31 December 2024

	Code	Note	Year 2024 VND	Year 2023 VND
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax	01		(1,011,024,055,105)	(1,388,025,300,220)
Adjustments for :				
Depreciation and amortisation	02	5.8, 5.9 5.10	172,103,507,546	176,280,147,216
Provisions	03		4,690,219,123	(16,260,872,210)
Unrealised foreign exchange (gains)/losses	04		15,923,216,501	17,189,803,008
Profits/(losses) from investing activities	05		(1,126,718,680)	(715,599,248)
Interest expense	06		688,038,520,719	674,452,697,485
Operating income before changes in working capital	08		(131,395,309,896)	(537,079,123,969)
(Increase)/decrease in receivables	09		(184,121,425,931)	487,621,542,118
(Increase)/decrease in inventories	10		(142,438,096,487)	574,031,478,716
Increase/(decrease) in payables	11		708,341,065,783	(437,026,489,602)
(Increase)/decrease in prepaid expenses	12		9,086,068,462	26,913,281,992
Interest paid	14		(113,420,719,911)	(261,425,196,165)
Corporate income tax paid	15		(5,600,395,006)	-
Net cash flow from operating activities	20		140,451,187,014	(146,964,506,910)
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets and other long term assets	21		-	(870,000,000)
Proceed from disposal of FA and other LT assets	22		442,170,000	-
Payment for loan, purchase of debt instrument	23		(130,000,000,000)	(154,221,448,078)
Proceeds from loans, sale of debt instrument	24		615,000,000	195,217,719,740
Investment in other entities	25		-	(4,034,190,200)
Interest and dividends received	27		684,548,373	715,253,629
Net cash flow from investing activities	30		(128,258,281,627)	36,807,335,091
CASH FLOW FROM FINANCIAL ACTIVITIES				
Proceeds from capital contribution	31		-	4,034,190,200
Payment of capital to owners	32		-	-
Proceeds from borrowings	33	7.1	1,917,548,802,655	3,990,122,575,178
Repayments of borrowings	34	7.2	(1,879,131,257,273)	(4,082,185,674,256)
Net cash flow from financing activities	40		38,417,545,382	(88,028,908,878)
Net increase/decrease in cash	50		50,610,450,769	(198,186,080,697)
Cash and cash equivalents at beginning of year	60	5.1	8,125,792,793	206,282,951,855
Impact of exchange rate fluctuation	61		29,117,900	28,921,635
Cash and cash equivalents at the end of year	70	5.1	58,765,361,462	8,125,792,793

NGUYEN THI PHUONG MAI
Prepared by

NGUYEN NGOC MY HANH
Chief Accountant



DO TIEN SI
General Director
Ho Chi Minh City, 29 May 2026

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

These notes form an integral part of and should be read along with the accompanying consolidated financial statements.

1. GENERAL INFORMATION

1.1 Ownership

The Group includes: Pomina Steel Corporation ("the Parent Company") and Subsidiaries are Pomina 2 Steel Corporation, Pomina Steel 1 One Member Company Limited.

Pomina Steel Corporation (briefly called "the Parent Company") is a joint-stock company established through the equitization of Pomina Steel Company Limited. The Company operates under Enterprise Registration Certificate No. 3700321364, originally issued by the Department of Planning and Investment of Binh Duong Province on 17 July 2008 and its subsequent amended Enterprise Registration Certificates, with the latest amendment being the 14th amendment issued on 03 March 2023.

The Parent Company's charter capital as at 01 January 2024 and 31 December 2024 was VND 2,796,763,360,000, equivalent to 279,676,336 shares with a par value of VND 10,000 per share.

In 2024, the Parent Company's shares were listed and traded on the Hochiminh Stock Exchange (HOSE). Since 10 May 2024, the Company's shares have been registered for trading on the Unlisted Public Company Market (UPCoM). Details are as follows:

- Type of shares: Common shares
- Stock code: POM
- Par value: VND 10,000/share
- Total number of shares: 279,676,336 shares
- Total value shares listed at par value: VND 2,796,763,360,000

1.2 Scope of operating activities

The Group operates in the manufacturing sector.

1.3 Line of business

The Group's business activities are:

- Manufacturing of iron, steel, and cast iron;
- Other specialized wholesale activities not elsewhere classified, including trading in scrap metal and non-metal scrap (excluding scrap processing and recycling in Binh Duong Province), as well as wholesale of lime and limestone;
- Wholesale of metals and metal ores, including steel products;
- Recycling of scrap materials, specifically metal scrap recycling (excluding recycling activities in Binh Duong Province).

In 2024, the Group's main business activities included steel rolling, wholesaling of steel products, manufacturing of iron, steel, and cast iron, metal scrap recycling, and trading in steel products.

The Group is currently in the process of supplementing its business lines with "forging, pressing, stamping and roll-forming of metal; powder metallurgy" in order to complete the relevant procedures in accordance with applicable regulations.

1.4 Normal business and production cycle

Normal business and production cycle of the Group is not exceeding 12 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

1.5 Structure of the Group

List of subsidiaries are consolidated as at 31 December 2024, as follows:

Company's name	Address	Main business activity	The rate of contributions	The proportion of voting rights	The rate of benefits
Pomina 2 Steel Corporation	Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam	Manufacturing and trading of steel products; wholesale of metals and metal ores; scrap and waste metals and non-metallic scrap.	99.50%	99.50%	99.50%
Pomina Steel 1 One Member Company Limited.	No. 1, Street 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam	Production of iron, steel, and cast iron.	100.00%	100.00%	100.00%

1.6 Statement on information comparability in the consolidated financial statements

The figures presented in the consolidated financial statements for the fiscal year ended 31 December 2024 are comparable to the corresponding figures of the previous year.

1.7 Employees

As at 31 December 2024, the Group has 635 employees (as at 31 December 2023: 769 employees).

2. THE FINANCIAL YEAR, ACCOUNTING CURRENCY**2.1 Financial year**

The financial year of the Group is from 01 January and ended 31 December annually.

2.2 Accounting Currency

The Group maintains its accounting records in Vietnamese Dong ("VND") due to the revenues and expenditures are made primarily by currency VND.

3. APPLICABLE ACCOUNTING STANDARDS AND REGIME**3.1 Applicable Accounting Standards**

The Group applies Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance providing guidance on the preparation and presentation of consolidated financial statements.

3.2 Statement of compliance with Accounting Standards and Accounting System

The Group's Board of General Directors confirms that it has complied with the requirements of Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 202/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance providing guidance on the preparation and presentation of consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation the consolidated financial statements

The consolidated financial statements are prepared on the accrual basic (except for information relating to cash flow).

4.2 Basis for consolidating financial statements

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries for the fiscal year ended 31 December 2024.

The subsidiaries are fully consolidated from the acquisition date, being the date on which the Company obtains control over the subsidiary, and continue to be consolidated until the date on which the Company ceases to control the subsidiary.

The financial statements of the Parent Company and its subsidiaries used for consolidation are prepared for the same fiscal year and apply consistent accounting policies. Where necessary, the financial statements of subsidiaries are adjusted to ensure that the accounting policies applied by the Parent Company and its subsidiaries are consistent.

Balances of accounts in the statement of financial position between entities within the Group, as well as income and expenses, and unrealised intra-group gains or losses arising from these transactions, are fully eliminated.

Non - controlling interest

Non-controlling interests in the net assets of consolidated subsidiaries are determined as an item within equity in the consolidated balance sheet. Non-controlling interests comprise the value of non-controlling interests at the date of the initial business combination and the non-controlling interests' share of changes in total equity since the date of the business combination. Losses incurred by subsidiaries must be allocated proportionately to the ownership interest of non-controlling shareholders, even in cases where such losses exceed the non-controlling interests' share in the subsidiary's net assets.

Business combination and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination includes the fair value at the acquisition date of assets transferred, liabilities incurred or assumed, and equity instruments issued by the acquirer in exchange for obtaining control of the acquiree, as well as directly attributable costs of the business combination. Identifiable assets, liabilities, and contingent liabilities assumed in a business combination are recognized at their fair values at the acquisition date.

Goodwill arising from a business combination is initially recognized at cost, which is the excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities recognized. If the cost of the business combination is lower than the fair value of the net assets of the acquiree, the difference is recognized in the consolidated statement of profit or loss. After initial recognition, goodwill is measured at cost less accumulated amortization. Goodwill is amortized on a straight-line basis over its estimated useful life of ten (10) years.

4.3 Foreign currency transactions

Transactions in foreign currencies during the year have been translated into VND at exchange rates ruling at the date of the transaction. At year - end, monetary assets and liabilities denominated in foreign currencies are translated into VND at the exchange rates as announced at the balance sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Exchange differences incurred from transactions in currencies other than VND during the year are recorded in financial income or financial expense. Exchange differences incurred due to revaluation of accounts derived from foreign currencies at year - end are recorded net amount after offsetting gain and loss on exchange differences in financial income or financial expenses.

4.4 Cash and cash equivalents

Cash comprises cash on hand, cash at banks (demand deposits). Cash equivalents are short-term highly liquid investments with an original maturity of less than three months from the date of the investments that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value at the balance sheet date.

4.5 Investments

Held to maturity investment

An investment is classified as held-to-maturity when the Group has both the intention and the ability to hold it to maturity. Held-to-maturity investments include: term bank deposits (including treasury bills and promissory notes), bonds, redeemable preference shares that the issuer is required to repurchase at a specified future date, and loans held to maturity for the purpose of earning periodic interest, as well as other investments held to maturity.

Held to maturity investments are initially recognized at cost, including purchase price and transaction costs directly attributable to the acquisition of the investments. After initial recognition, these investments are subsequently measured at recoverable amount. Interest income from held-to-maturity investments after the acquisition date is recognized in the statement of profit or loss on an accrual basis. Interest accrued before the Group obtains the investments is deducted from the cost at the date of purchase.

When there is clear evidence that part or all of an investment may not be recoverable and the amount of the loss can be reliably measured, the loss is recognized as a financial expense in the period and directly deducted from the carrying amount of the investment.

Upon disposal of an investment, the difference between the net disposal proceeds and the carrying amount is recognized in profit or loss as income or expense.

Investments in equity of other companies

Investments in equity instrument of other companies include investments which the Group have no control, co-control or significant influence on the investee.

Investments in equity instrument of other companies are initially recorded at cost, including purchase price or capital contributions plus the costs directly related to investment. Dividends and profits from previous years of the investments before being purchased are accounted for the decrease in value of the investments. Dividends and profits of the following year are after being purchased is recognized in revenue. Dividends which received by shares are only followed up by the number of shares increases and recorded at face value.

Provision for diminution in value of investments in equity of other companies is appropriated as follows:

- For investments in listed shares or the fair value of the investments is determined reliably, the provision is based on the market value of shares.
- For investments have not determined the fair value at the time of reporting, the provision are made based on the loss of the investment at the rate equal to the difference between actual capital companies in other company and the equity ratio multiplied with the Corporation's capital contribution to the total actual capital contributions of all parties in other investee enterprise.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Increase or decrease in provision for diminution in value of long-term investments have recorded at the closing day and is recognized in the financial expenses.

4.6 Receivables

Trade and other receivables are stated at cost less provision for doubtful debts.

The classification of receivables is trade receivables and other receivables, which is complied with the following principles:

- Trade receivables reflect the nature of the receivables arising from commercial transactions with purchase-sale between the Group and buyer which is an independent unit against the Group.
- Other receivables reflect the nature of the receivables arising from non-commercial transactions, and not to be related to the purchase - sale transactions.

Provision for bad debts represents the expected value lost due to receivables not paid by customers arising from the balance of receivables at the time of preparing the Balance Sheet. The provision or reversal of provisions for bad debts is recorded in general and administration expenses in the income statement.

4.7 Inventories

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

The cost of inventories is determined as follows:

- Materials and goods: comprising all costs of purchase and related expenses directly incurred in bringing the inventories to their present location and condition.
- Work-in-progress: just include the cost of raw materials based on normal operating levels.
- Finished goods: including the cost of materials, direct labour and general manufacturing costs related to allocate on normal levels.

Net realizable value represents the estimated selling price of inventory during the normal production and business less the estimated costs to completion and the estimated costs necessary to consume them.

The cost of inventories is determined on the weighted average cost method and the perpetual inventory method is used to record inventories.

Provision for impairment of inventories is made for each inventory with the cost greater than the net value realizable. For service in progress, the provision for impairment is calculated for each type of service has a separate price. Increase or decrease in the balance of provision for impairment of inventories should be set aside at the fiscal year and is recognized in cost of goods sold.

4.8 Prepaid expenses

Prepaid expenses include expenses actually incurred but they are related to operation output of many accounting years. Prepaid expenses include:

Tools and supplies

Tools and supplies that have been put into use are amortised to expenses on a straight-line basis over a period not exceeding 36 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Repair cost

Significant one - off repair costs of assets are amortised to expenses on a straight-line basis over a period of 36 months.

Other prepaid expenses

Business advantages, land rental and other prepaid expenses are allocated to expenses using the straight-line method over the prepaid period, lease term, and/or the period during which the related future economic benefits are generated from these expenses.

4.9 Operating lease assets

An arrangement is classified as an operating lease if substantially all the risks and rewards incidental to ownership of the asset remain with the lessor. Operating lease payments are recognised as an expense on a straight-line basis over the lease term, irrespective of the payment method.

4.10 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The historical cost of tangible fixed assets includes all the expenses that the Group incurs to get fixed assets by the time the asset is put into a state ready for use. Costs incurred after initial recognition is only recorded as increase in cost of fixed assets if these costs are sure to increase economic benefits in the future by using these assets. The costs incurred are not satisfied conditions are recognized as an expense in the year.

When selling or liquidating assets, their cost and accumulated depreciation of the assets are written off in the financial statements and any gain or loss which are arising from disposal are recorded in the income statement.

Depreciation of tangible fixed assets which is calculated under the straight-line depreciation method with useful time of the asset is estimated as follows:

	Years
Buildings and structures	06 - 25
Machinery and equipment	05 - 12
Vehicles and transmission equipment	06 - 08
Office equipment	03 - 05

4.11 Intangible fixed assets

Intangible fixed assets determined at the initial costs less amortization.

The initial cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Costs relating to intangible assets incurred after initial recognition are recognized to the income statement, except for costs which are related to the specific intangible assets and increase benefits economic from these assets.

When assets are sold or liquidated, their cost and accumulated amortisation are removed from the balance sheet and any gain or loss resulting from their disposal is included in the income statement.

Intangible fixed assets of the Group include:

Computer software

The purchase cost of computer software that is not an integral part of related hardware is capitalised. The cost of computer software comprises all expenditures incurred by the Group up to the date the software is brought into use. Computer software is amortised on a straight-line basis over a period of 03 to 08 years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.12 Construction in progress

Construction in progress presents costs directly expenses related to the Corporation's assets which are in the status of the building, machinery in the status of assembling for manufacturing, leasing and managing as well as expenses related to repairing fixed assets (including interest expenses suitable for relevant accounting policies of the Corporation). Those assets are stated at cost and are not allowed to depreciate.

4.13 Accounts payables and accrued expenses

Accounts payable and accrued expenses are recognized for amounts to be paid in the future, which related to receive the goods and services. Accrued expenses are recorded based on reasonable estimates payment.

The classification of liabilities is trade payable, accrued expenses and other payables, which complied with the following principles:

- Trade payables reflect the nature of the payables arising from commercial transactions with purchase of goods, services, property between the Group and an independent seller including payable when imported through a trustee.
- Accrued expenses reflect the payables for goods and services received from the seller or provided with the purchaser but have not been paid until having invoices or having insufficient billing records, accounting records, and payables to employees including salary, production costs, sales must accruals.
- Other payables reflect the nature of the payables of non-commercial, not related to the purchase, sale, rendering service transactions.

4.14 Capital

Owner's equity

Owner's equity is recorded according to the amount actually invested by shareholders.

Share premium

Share premium is recorded at the difference between the issuance price and the face value upon the initial issuance, additional issuance or the difference between re-issuance price and the net book value of treasury shares. Direct expenses related to additional issuance and re-issuance of treasury shares are recorded as a decrease in share premium.

Funds

Funds are appropriated and utilised in accordance with the Group's Charter.

Treasury shares

When shares issued by the Company are repurchased, the consideration paid, including directly attributable transaction costs, is recognised as treasury shares and presented as a deduction from equity. Upon re-issuance, the difference between the re-issuance price and the carrying amount of treasury shares is recorded in "Share premium".

4.15 Profit distribution

Profit after tax is distributed to shareholders after an appropriation of funds under the Charter of the Group as same as the law and is approved by the General Meeting of Shareholders.

The distribution of profits to shareholders is considered to non-cash items in undistributed profit may affect cash flow and ability to pay dividends as profit from revaluation of assets contributed as capital, interest due to the revaluation of monetary items, the financial instruments and other non-cash items.

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.16 Revenue and income

Revenue from sale of goods

Revenue from the sale of goods shall be recognized if it simultaneously meets the following conditions:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably. When contracts define that buyers are entitled to return products, goods purchased under specific conditions, the Corporation shall only record turnovers if such specific conditions no longer exist and buyers are not entitled to return products, goods (unless the customer is entitled to return the goods under the form of exchange for other goods or services).
- It is probable that the economic benefits associated with the transaction will flow the company;
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from sales of service rendered

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. In case that a transaction involves the rendering of services is attributable to several years, revenue is recognised in each year by reference to the percentage of completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all following conditions are satisfied:

- The amount of revenue can be measured reliably. When contracts define that buyers are entitled to return services purchased under specific conditions, the Group shall only record turnovers if such specific conditions no longer exist and buyers are not entitled to return provided services;
- It is probable that the economic benefits associated with the transaction will flow to the company;
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably..

Interest

Interest is recognized on an accrual basis, are determined on the balance of cash in bank and the actual interest rate for each year.

Dividends and profits received

Dividends and profits received are recognized when the Group receive the notice of dividends or profit from the capital contribution. Dividends received in shares are only tracked by the number of additional shares, the value of shares received is not recorded. Dividends received relating to the year before the purchase of the investment are recorded as a reduction in the value of the investment.

4.17 Borrowing costs

Borrowing costs include interest and other costs incurred directly related to the borrowings.

Borrowing costs are recognized as expenses when incurred. Where the borrowing costs directly attributable to the acquisition, construction or production of uncompleted assets require a substantial year (over 12 months) to get ready for use or sales, borrowing costs can be capitalized. For specific loan serves the construction of fixed assets and real estate, interest is capitalized, regardless the year of construction is less than 12 months. The income arising from the temporary investment of the borrowings is deducted from the related asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

For general loans including use for purposes of the construction or production of uncompleted assets, the capitalization of borrowing costs is determined in proportion to the cost capitalization weighted average arising for basic construction or production of that asset. The capitalization rate is calculated in proportion to the weighted average rate of borrowings outstanding during the year, except for specific borrowings serving the purpose of a specific property.

4.18 Corporate income tax

Corporate income tax ("CIT") expenses for the year comprises current income tax and deferred income tax.

Current income tax

Current income tax is the tax amount is calculated on assessable income. Assessable income is different from accounting profit due to the adjustments of temporary differences between accounting and tax, non-deductible expenses as well as adjusted income are not taxed and losses be transferred.

Deferred income tax

Deferred income tax is the corporate income tax will pay or will be refunded by the temporary differences between the carrying amounts of assets and liabilities for the purpose of preparing the financial statements and the basis to calculate income tax. Deferred income tax is recognized for all temporary differences tax. Deferred tax assets are only recognized when the certainty of future get the taxable profits to use those temporary deductible differences.

The carrying amount of deferred tax assets are reconsidered at closing of the fiscal year and will be reversed to make sure that there is enough taxable profit to allow the benefit assets to be used fully or partly. The deferred tax assets were not previously recognized is reconsidered at closing of the fiscal year and is recognized when it is sure to enough taxable profit to be able to use this deferred tax assets.

Deferred tax assets and deferred income tax payable is calculated at the estimated tax rates that is applied in the asset is realized or the liability is settled in accordance with the tax rates in effect at closing fiscal year. Deferred income tax is recognized in the income statement and record directly to equity when the tax relates to items directly to equity.

Deferred tax assets and deferred income tax payables are off set as follows:

- The Group has a legal right to offset between current income tax assets and current income taxes payable; and
- Deferred tax assets and deferred income tax payables are related to corporate income tax is administered by the same tax authority:
 - For the same taxable company; or
 - The Group intends to pay current income taxes and deferred tax assets on the basis of net assets or recovered asset at the same with the payment of liabilities for each of years in future when the materiality of deferred income tax or deferred tax assets to be paid or recovered.

Tax settlement of the companies in the Group will be assessed by the Tax Department. Due to the application of laws and regulations on taxes for different incurred transactions which can be explained in many ways, tax payable presented in the financial statements can be immediately changed according to the decision of the tax authorities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.19 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit after tax attributable to the common shareholders of the Parent Company by the weighted average number of common shares outstanding during the year.

4.20 Financial Instruments

Financial assets

The classification of these financial assets depends on the nature and purpose of the financial assets and is determined at the initial recognition. The financial assets of the Group consist of cash and cash equivalents, trade receivables, other receivables, and short-term and long-term investments.

At the time of initial recognition, financial assets are determined at cost plus any costs directly acquisition, issuance of such financial assets.

Financial Liabilities

Classification of financial liabilities depends on the nature and purpose of the financial liability and is determined at the initial recognition. Financial liabilities of the Group consist of amounts payable to suppliers, borrowings and payables, accrued expenses, and other payables.

At the initial recognition, except for finance lease payables and convertible bonds, which are recognized at allocated prices, other financial liabilities are initially recognized at their original values net of transaction costs directly attributable to the financial liability.

The allocated value is determined as the initial recognition value of the financial liability, less principal repayments made, plus or minus cumulative allocations computed using the effective interest rate method based on the difference between the initial recognition value and the maturity value, less any reductions (either directly or through a provision account) due to impairment or recoverability.

The effective interest rate method is a method for calculating the allocation value of one or a group of financial liabilities and allocating interest income or interest expense in a relevant year. The effective interest rate is the discount rate that discounts the estimated cash flows to be paid or received in the future over the expected life of the financial instrument, or a shorter year, if necessary, to the net carrying amount of the financial liability.

Equity instruments

Equity instruments represent contracts that evidence residual interests in the Group's assets after deducting all its obligations.

Offsetting financial instruments

Financial assets and financial liabilities are only offset and presented on the statement of financial position at their net value when and only when the Group:

- Has a legally enforceable right to set off the recognized amounts; and
- Intends either to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

4.21 Related parties

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

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

The following parties are known as the Corporation's related parties:

Related parties	Location	Relationship
Viet Steel Co., Ltd	Vietnam	Parent Company
Pomina Steel Commerce Company Limited	Vietnam	Under common control of the same Parent Company
Pomina Flat Steel Joint Stock Company	Vietnam	Under common control of key management personnel until October 2024
The Board of Management, the Board of Supervisors and the Board of General Directors		Key management personnel

5. ADDITIONAL INFORMATION TO ITEMS IN THE CONSOLIDATED BALANCE SHEET**5.1 Cash and cash equivalents**

	31/12/2024 VND	01/01/2024 VND
Cash on hand - VND	59,795,672	96,092,806
Cash in bank (*)	44,863,865,356	8,028,699,987
Cash equivalents (**)	13,841,700,434	1,000,000
	58,765,361,462	8,125,792,793

(*) Details of bank deposit balances denominated in foreign currencies as at 31 December 2024:

	31/12/2024		01/01/2024	
	Original	Equivalent to VND	Original	Equivalent to VND
Cash in bank - USD	430,396.61	10,874,178,375	115,875.46	2,790,143,532
Cash in bank - EUR	1,190.64	31,053,082	1,189.45	31,016,098
		10,905,231,457		2,821,159,630

(**) As at 31 December 2024, cash equivalents comprised term deposits with maturities ranging from one to three months, bearing interest rates from 3.2% per year to 4.5% per year.

5.2 Trade receivables**5.2.1 Short - term trade receivables**

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Receivables from related parties				
Viet Steel Co., Ltd	677,083,387,034	-	1,140,150,455,278	-
Receivables from other customers				
Vina Nansei Mtv Company Limited	347,805,977,598	-	-	-
A Chau Steel Joint Stock Company	3,960,702,400	-	-	-
Lim Hok Chhourn Steel Co Limited	149,806,139	(149,806,139)	22,524,071,907	(149,806,139)
Nippon Sanso Vietnam Joint Stock Company	-	-	11,882,942,385	-
Other customers	6,223,064,698	(5,955,740,890)	25,997,680,029	(5,955,740,890)
	1,035,222,937,869	(6,105,547,029)	1,200,555,149,599	(6,105,547,029)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.2.2 Long-term trade receivables

	31/12/2024		01/01/2024	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
Receivables from related parties				
Mr. Do Xuan Chieu (*)	272,197,693,279	-	304,116,658,000	-
	272,197,693,279	-	304,116,658,000	-

(*) This is a receivable arising from the transfer of shares in Pomina Sheet Steel Joint Stock Company under capital transfer contracts No. 7/HD/22110, 7/HD/22167, 7/HD/22165 and 7/HD/22166 dated 20 July 2022, 10 November 2022, 09 November 2022 and 20 July 2022, respectively, with a total amount of VND 305,147,488,391. As at 31 December 2023, the parties had entered into a debt confirmation agreement with the following terms: Mr. Do Xuan Chieu agreed to assume repayment obligations on behalf of Ms. Do Dieu Huyen, Ms. Do Thi Kim Ngoc and Mr. Do Duc Chung, with a total amount of VND 70,000,000,000. The total amount owed by Mr. Do Xuan Chieu to the Company is VND 304,116,658,000. Pursuant to Appendix No. PL01/7/HD/22164 to the capital transfer contract dated 31 December 2023, this amount will be repaid within 36 months from the signing date of the appendix.

As at 31 December 2024, except for the receivable due from Mr. Do Xuan Chieu, the remaining short-term trade receivables were pledged as collateral for borrowings from commercial banks (Note 5.18).

5.3 Short-term advances to suppliers

	31/12/2024		01/01/2024	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
Advances to related parties				
Viet Steel Co., Ltd	24,199,362,140	-	24,751,750,000	-
Other advances to suppliers				
Asian Pacific Ecology Trade Co., Ltd	21,971,925,000	(21,971,925,000)	21,971,925,000	(21,971,925,000)
Cma-Cgm Vietnam Joint Stock Company	4,437,785,883	(4,437,785,883)	4,437,785,883	(4,437,785,883)
Other suppliers	18,291,890,812	(5,867,503,949)	18,068,183,564	(5,867,503,949)
	68,900,963,835	(32,277,214,832)	69,229,644,447	(32,277,214,832)

5.4 Other receivables**5.4.1 Other short - term receivables**

	31/12/2024		01/01/2024	
	Amount	Provision	Amount	Provision
	VND	VND	VND	VND
Receivables from related parties				
Mr. Truong Thanh Cong - Advances	441,990,542	-	441,990,542	-
Receivables from other organizations and individuals				
Bao Ngoc Thu One Member Limited Liability Company	-	-	12,179,986,011	-
Sales commission	12,024,638,963	-	-	-
Collateral, deposit	-	-	59,589,908	-
Advances	658,980,636	-	1,169,349,636	-
Other receivables	836,841,553	(273,808,030)	9,544,150,364	(8,942,625,582)
	13,962,451,694	(273,808,030)	23,395,066,461	(8,942,625,582)

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.4.2 Other long-term receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Receivables from related parties				
Viet Steel Co., Ltd - Rental deposit	10,000,000	-	10,000,000	-
Receivables from other organizations and individuals				
VietinBank Leasing Company Limited - Ho Chi Minh City Branch - Finance lease deposit	958,517,745	-	958,517,745	-
Other receivables	1,050,425	-	1,020,240	-
	969,568,170	-	969,537,985	-

5.5 Bad debt

	Overdue	31/12/2024		01/01/2024	
		Cost VND	Recoverable amount VND	Cost VND	Recoverable amount VND
Trading receivables					
Lim Hok Chhoun Steel Co., Ltd	> 3 year	149,806,139	-	149,806,139	-
Phat Loc Hung Company Limited	> 3 year	5,953,341,500	-	5,953,341,500	-
Yi Chakriya Co., Ltd	> 3 year	612,900	-	612,900	-
Hq Co., Ltd	> 3 year	424,490	-	424,490	-
Samsung C&T Co., Ltd	> 3 year	1,362,000	-	1,362,000	-
Short-term advances to suppliers					
Asian Pacific Ecology Trade Co., Ltd	> 3 year	21,971,925,000	-	21,971,925,000	-
Cma-Cgm Vietnam Joint Stock Company	> 3 year	4,437,785,883	-	4,437,785,883	-
Maersk Vietnam Limited	> 3 year	2,636,203,568	-	2,636,203,568	-
Other suppliers	> 3 year	3,231,300,381	-	3,231,300,381	-
Other short-term receivables					
Other receivables	2 - 3 year	391,154,328	117,346,298	9,316,373,132	373,747,550
		38,773,916,189	117,346,298	47,699,134,993	373,747,550

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.6 Inventories

	31/12/2024		01/01/2024	
	Cost	Provision	Cost	Provision
	VND	VND	VND	VND
Raw materials	425,544,529,625	(304,684,424)	416,695,511,229	-
Finished goods	329,370,358,822	(5,192,616)	160,077,134,985	(1,495,402,122)
Short-term work in progress	5,139,545,761	-	40,194,086,180	-
Tools and supplies	44,329,533,724	(94,516,000)	44,979,139,050	-
	804,383,967,932	(404,393,040)	661,945,871,444	(1,495,402,122)

As at 31 December 2024, all inventories had been pledged as collateral for borrowings from commercial banks (Note 5.18).

Movements in provision for devaluation of inventories in the year:

	Year 2024	Year 2023
	VND	VND
Opening balance	(1,495,402,122)	(43,109,736,775)
Reversal in year	1,490,209,506	41,986,280,105
Provision in year	(399,200,424)	(371,945,452)
Closing balance	(404,393,040)	(1,495,402,122)

5.7 Short - term, long - term prepaid expenses**5.7.1 Short - term prepaid expenses**

	31/12/2024	01/01/2024
	VND	VND
Tools and supplies	3,454,518,498	1,122,863,160
Insurance expenses	1,303,353,201	1,226,496,207
Repair costs	661,820,442	748,894,633
	5,419,692,141	3,098,254,000

5.7.2 Long - term prepaid expenses

	31/12/2024	01/01/2024
	VND	VND
Business advantages (*)	11,002,041,056	16,503,061,544
Land lease expenses (**)	8,895,598,187	9,543,114,683
Repair costs	1,369,971,953	7,082,224,101
Tools and supplies	3,809,743,261	3,754,238,515
Other	397,777,783	-
	25,475,132,240	36,882,638,843

(*) Business advantage determined when the Company changed from a limited liability company to a joint stock company, with an initial value of VND 125,339,707,447. The business advantage has been amortised to 2026 following the Minutes of Board of Management Meeting No. 3/12001/BB-HDQT dated 18 June 2012.

(**) Land lease expenses have been pledged as collateral for borrowings from commercial banks (Note 5.18).

POMINA STEEL CORPORATION
No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the fiscal year ended 31 December 2024

5.8 Increase/ Decrease of tangible fixed assets

	Buildings and structures VND	Machinery and equipment VND	Vehicles and transmission equipment VND	Office equipment VND	Other fixed assets VND	Total VND
Cost						
As at 01/01/2024	1,046,829,063,089	3,892,016,148,737	174,869,812,515	13,156,020,045	7,054,074,187	5,133,925,118,573
Increasing in year	-	(2,821,534,236)	(1,593,341,548)	-	-	(4,414,875,784)
As at 31/12/2024	1,046,829,063,089	3,889,194,614,501	173,276,470,967	13,156,020,045	7,054,074,187	5,129,510,242,789
Accumulated depreciation						
As at 01/01/2024	632,251,228,392	3,015,582,312,447	150,720,311,790	12,732,672,979	7,054,074,187	3,818,340,599,795
Depreciation in year	38,112,032,496	123,791,944,463	4,354,514,643	218,434,129	-	166,476,925,731
Disposal	-	(2,821,534,236)	(1,593,341,548)	-	-	(4,414,875,784)
As at 31/12/2024	670,363,260,888	3,136,552,722,674	153,481,484,885	12,951,107,108	7,054,074,187	3,980,402,649,742
Net book value						
As at 01/01/2024	414,577,834,697	876,433,836,290	24,149,500,725	423,347,066	-	1,315,584,518,777
As at 31/12/2024	376,465,802,201	752,641,891,827	19,794,986,082	204,912,937	-	1,149,107,593,047
<i>Cost of fully depreciated tangible fixed assets still in use:</i>						
As at 01/01/2024	142,449,268,406	1,474,731,561,498	130,295,893,057	11,761,263,188	7,054,074,187	1,766,292,060,336
As at 31/12/2024	216,744,112,325	1,482,730,146,602	140,350,190,503	12,502,213,880	7,054,074,187	1,859,380,737,497

As at 31 December 2024, all fixed assets had been pledged as collateral for borrowings from commercial banks (Note 5.18).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.9 Increase/ Decrease of finance leased fixed assets

	Machinery and equipment VND	Total VND
Cost		
As at 01/01/2024	139,514,545,455	139,514,545,455
Increasing in year	-	-
As at 31/12/2024	139,514,545,455	139,514,545,455
Accumulated depreciation		
As at 01/01/2024	8,835,921,212	8,835,921,212
Depreciation in year	5,580,581,820	5,580,581,820
As at 31/12/2024	14,416,503,032	14,416,503,032
Net book value		
As at 01/01/2024	130,678,624,243	130,678,624,243
As at 31/12/2024	125,098,042,423	125,098,042,423

The Group leases machinery and equipment currently operating in its production line. Under the finance lease agreement signed on 27 April 2022, the Group has the option to purchase the machinery and equipment upon expiry of the lease term on 27 April 2027. Commitments relating to future lease payments under the finance lease agreement are presented in Note 5.18.

5.10 Increase/ Decrease of intangible fixed assets

	Copyrights VND	Computer software VND	Total VND
Cost			
As at 01/01/2024	576,120,518	14,060,383,966	14,636,504,484
Increasing in year	-	-	-
As at 31/12/2024	576,120,518	14,060,383,966	14,636,504,484
Accumulated depreciation			
As at 01/01/2024	576,120,518	13,949,217,309	14,525,337,827
Depreciation in year	-	45,999,996	45,999,996
As at 31/12/2024	576,120,518	13,995,217,305	14,571,337,823
Net book value			
As at 01/01/2024	-	111,166,657	111,166,657
As at 31/12/2024	-	65,166,661	65,166,661

Cost of fully depreciated intangible fixed assets still in use:

As at 01/01/2024	576,120,518	7,381,498,281	7,957,618,799
As at 31/12/2024	576,120,518	7,381,498,281	7,957,618,799

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.11 Construction in progress

	31/12/2024 VND	01/01/2024 VND
Construction costs of the Blast Furnace Project (*)	5,710,978,622,067	5,711,096,539,742
	<u>5,710,978,622,067</u>	<u>5,711,096,539,742</u>

(*) Construction in progress mainly comprises direct costs and other related expenditures incurred in connection with the construction of the Steel Billet Plant with a capacity of 1 million tonnes per year at Phu My I Industrial Park, Ba Ria – Vung Tau Province ("Blast Furnace Project"). The project has currently been suspended due to maintenance requirements for equipment in the blast furnace workshop of the steel billet plant – a branch of Pomina Steel Joint Stock Company. The Parent Company decided to temporarily suspend blast furnace operations from 26 September 2022.

As at 31 December 2024, the entire value of the Blast Furnace Project has been pledged as collateral for borrowings from commercial banks (Note 5.18).

5.12 Long-term financial investments

	31/12/2024			01/01/2024		
	Cost	Provision	Fair value	Cost	Provision	Fair value
	VND	VND	VND	VND	VND	VND
Held to maturity investment						
Vietnam Joint Stock Commercial Bank for Industry and Trade - bonds ⁽ⁱ⁾	10,000,000,000	-	(*)	10,000,000,000	-	(*)
Tan Thanh My Joint Stock Company ⁽ⁱⁱ⁾	11,402,985,380	(11,402,985,380)	(*)	11,402,985,380	(11,402,985,380)	(*)
Total	<u>21,402,985,380</u>	<u>(11,402,985,380)</u>	<u>(*)</u>	<u>21,402,985,380</u>	<u>(11,402,985,380)</u>	<u>(*)</u>

(i) These are bond investments at Vietnam Joint Stock Commercial Bank for Industry and Trade with a ten (10)-year term, maturing on 24 September 2030, bearing a floating interest rate equal to the reference interest rate plus a margin of 1% per year.

(ii) This is an investment in Tan Thanh My Joint Stock Company with a value of VND 11,402,985,380. The company has currently ceased operations in accordance with Enforcement Decision on Asset Seizure and Disposal No. 46/QĐ-CCTHADS dated 26 September 2017 issued by the Civil Judgment Enforcement Department of Ba Ria - Vung Tau Province.

(*) As at the reporting date, the Group has not been able to determine the fair value of these investments for disclosure in the financial statements as there is no quoted market price, and Vietnamese Accounting Standards and the Vietnamese Accounting System currently do not provide guidance on determining fair value using valuation techniques. The fair value of these investments may differ from their carrying amounts.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.13 Short - term trade payables

	31/12/2024 Amount VND	01/01/2024 Amount VND
Related parties		
Viet Steel Co., Ltd	231,020	53,351,433,863
Other organizations and individuals		
Nansei Steel Co., Ltd	753,398,915,584	-
Nam Son Steel Corporation	556,243,580,560	519,587,351,680
Vesuvius Malaysia Sdn Bhd	64,610,043,765	65,720,555,926
Bao Ngoc Thu One Member Company Limited	40,935,694,980	48,992,371,174
Nippon Sanso Vietnam Joint Stock Company	32,198,396,403	44,437,838,369
Trung Viet Transportation Services Company Limited	21,083,378,578	21,211,740,972
Dai Quang Minh Real Estate Investment Corporation	39,802,130,209	31,463,013,697
Hung Trong Coal Import Export Company Limited	23,870,531,850	18,803,292,750
Logistics Vinacorp Joint Stock Company	20,274,207,018	20,252,958,312
China Machinery Industry International Cooperation Co., Ltd	1,469,068,797	181,604,230,506
Other suppliers	771,753,420,187	642,916,274,868
	2,325,639,598,951	1,648,341,062,117

As at 31 December 2024, the Group's overdue payables amounted to VND 1,017,323,799,297. Up to the date of issuance of the financial statements, the Group has settled overdue payables of VND 50,697,446,739.

5.14 Short-term advance from customers

	31/12/2024 VND	01/01/2024 VND
Other advances from customers		
Cong Thanh Cement Joint Stock Company	14,797,931,400	14,797,931,400
Thanh Dai Phu My Joint Stock Company	4,307,799,314	4,307,799,314
Others	4,140,337,021	5,220,991,428
	23,246,067,735	24,326,722,142

POMINA STEEL CORPORATION
No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
For the fiscal year ended 31 December 2024

5.15 Taxes and amounts payable/(receivable) to the State budget

	01/01/2024		Movement in the year		31/12/2024	
	Payable	Receivable VND	Payable VND	Paid/deducted VND	Payable	Receivable VND
Domestic VAT	71,432,891	-	191,538,477,691	(191,147,941,792)	461,808,790	-
Import VAT	-	-	97,361,407,178	(97,361,407,178)	-	-
Excise tax	-	(24,585,610)	-	-	-	(24,585,610)
Import and Export tax	-	(160,082,755)	4,207,055,565	(4,046,972,810)	-	-
Corporate income tax	5,198,410,981	(4,467,028,306)	1,357,511,589	(5,600,395,006)	955,527,564	(4,467,028,306)
Personal income tax	222,100,223	(1,106,261,210)	508,591,623	(1,401,993,826)	413,982,702	(1,454,183,714)
Other taxes	-	(23,089,866)	6,000,000	(7,645,428)	-	(24,735,294)
Total	5,491,944,095	(5,781,047,747)	294,979,043,646	(299,566,356,040)	1,831,319,056	(5,970,532,924)

Value added tax (VAT)

The companies in the Group apply the credit method for value added tax (VAT). The VAT rates applicable to domestic sales are 0% (exempt), 5%, 8% and 10%.

Corporate income tax ("CIT")

The companies in the Group are subject to corporate income tax at the standard rate of 20% on taxable income.

Property tax

Property tax is paid in accordance with notifications issued by the tax authorities.

Other taxes

The Companies within the Group declared and paid according to regulations.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.16 Short-term accrued expenses payable

	31/12/2024 VND	01/01/2024 VND
Accrued expenses payable - related parties		
Ms. Do Thi Kim Ngoc - Interest expense	1,549,002,033	1,151,638,716
Mr. Nguyen The Anh Tuan - Interest expense	1,342,367,050	1,342,367,050
Accrued expenses payable - other organizations and individuals		
Accrued interest expense	943,088,937,444	413,351,496,528
Interest expense on deferred payments to suppliers	-	7,388,092,436
Accrued raw material expenses	4,597,135,908	4,597,135,908
Accrued land rental expenses	39,683,988,328	19,144,775,466
Other accrued expenses	27,705,992,844	11,484,279,301
	1,017,967,423,607	458,459,785,405

5.17 Other short-term payables

	31/12/2024 VND	01/01/2024 VND
Other payables - related parties		
Viet Steel Co., Ltd - Borrowing	10,824,822,126	156,543,601,126
Mr. Do Tien Si - Borrowing	1,242,000,000	6,677,000,000
Mr. Do Hoai Khanh Linh - Dividend	2,548,383,419	2,548,383,419
Mr. Do Van Phuc - Dividend	2,290,750,000	2,290,750,000
Ms. Do Thi Kim Chi - Borrowing	5,200,000,000	-
Other payables - other organizations and individuals		
Joint Stock Commercial Bank for Industry and Trade of Vietnam – Penalty interest	6,152,209,060	-
Pomina Flat Steel Joint Stock Company	-	31,918,964,721
Dai Quang Minh Real Estate Investment Corporation - Interest payable	-	1,578,082,193
Health insurance, social insurance and unemployment insurance contributions	10,263,581,468	12,642,404,926
Investment cooperation payable	6,123,530,035	6,123,530,035
Trade union fund payable	5,051,014,290	4,889,587,445
Other payables	8,644,667,562	9,110,768,890
	58,340,957,960	234,323,072,755

5.18 Short-term, long-term loans and finance lease liabilities**5.18.1 Short-term loans and finance lease liabilities**

	31/12/2024 Amount VND	01/01/2024 Amount VND
Short-term loans and finance lease liabilities - other organizations and individuals		
Dai Quang Minh Real Estate Investment Corporation (a)	300,000,000,000	300,000,000,000
Viet Nam Joint Stock Commercial Bank for Industry and Trade (b)	2,705,959,295,594	2,682,668,433,057
Joint Stock Commercial Bank for Investment and Development of Vietnam (c)	1,687,155,695,432	1,689,243,747,868
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade (d)	42,898,781,590	12,098,153,950

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

	31/12/2024	01/01/2024
	Amount	Amount
	VND	VND
Short-term loans and finance lease liabilities - other organizations and individuals		
Orient Commercial Joint Stock Bank (e)	112,185,270,737	114,197,638,518
Joint Stock Commercial Bank for Foreign Trade of Vietnam (f)	475,218,105,320	488,477,793,772
Ho Chi Minh City Development joint Stock Commercial Bank (g)	191,888,000,000	191,888,000,000
Mr. Bui Quang Thuan (h)	25,000,000,000	-
Vina Nansei Co., Ltd (i)	13,853,191,624	-
	5,554,158,340,297	5,478,573,767,165

- (a) Loan Agreement No. 0116/HDV/THADICO-POM dated 16 January 2023 entered into between Dai Quang Minh Real Estate Investment Corporation and Pomina Steel Corporation, together with the related loan extension addenda.
- Loan amount: VND 300,000,000,000;
 - Interest rate: 12% per year;
 - Loan term: 6 months (subsequently extended through various addenda until 30 June 2026);
 - Purpose: To finance investment and business plans, particularly the restructuring of outstanding debts.
 - Collateral: 66,666,667 shares with a total value of VND 666,666,670,000, together with all rights, benefits and interests attached thereto, owned by Pomina Steel Corporation.

- (b) The borrowing comprises the following agreements:

- Credit Facility Agreement No. 21.7320086/2021-HDCVHM/NHCT900-POM3 dated 28 December 2021 and the amendment dated 1 November 2022 entered into among Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch, Pomina Steel Corporation and Steel Billet Plant – Branch of Pomina Steel Corporation.

- Credit limit: VND 2,000,000,000,000;
- Agreement term: From 28 December 2021 to 31 March 2023;
- Purpose: To supplement short-term working capital for business operations;
- Loan tenor: Not exceeding 6 months for each drawdown under the respective debt acknowledgment;
- Interest rate: As specified in each debt acknowledgment and any amendments thereto.
- Collateral includes:
 - + Inventories circulating in the ordinary course of business; all rights and benefits arising from contracts, reimbursements and other payments of Pomina Steel Corporation, Pomina Steel Mill 1 – Branch of Pomina Steel Corporation, and Steel Billet Plant – Branch of Pomina Steel Corporation;
 - + All future land-attached assets relating to the project "Further Investment in Upstream Stages of the Metallurgical Production Line at the Steel Billet Plant with a Capacity of 1.0 Million Tonnes of Steel Billets per Year" located in Phu My I Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam.
 - + Third-party collateral: Shares issued and outstanding by Pomina Steel Corporation, owned by Viet Steel Co., Ltd.

- Investment Project Loan Agreement No. 17.2680105/2017-HDCVDADT/NHCT900-POMINA dated 01 November 2017 entered into between Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch and Pomina Steel Corporation:

- Credit limit: VND 1,035,000,000,000;
- Agreement term: 96 months from the date of the first disbursement;
- Loan tenor: As specified in each individual debt acknowledgment;
- Purpose: Issuance of bank guarantees and opening of letters of credit;
- Interest rate: 10% – 10.8% per year;
- Collateral: The existing 1 million tonnes/year Steel Billet Plant, including all machinery and equipment, workshops, and attached assets.

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For the fiscal year ended 31 December 2024

- Credit Facility Agreement No. 21.7320088/2021-HDCVHM/NHCT900-POM1 dated 28 December 2021 entered into among Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch, Pomina Steel Corporation and Pomina Steel Mill 1 – Branch of Pomina Steel Corporation:
 - Credit limit: VND 250,000,000,000;
 - Purpose: To supplement short-term working capital for business operations;
 - Facility term: Up to 28 December 2022;
 - Loan tenor: As specified in each individual debt acknowledgment (6 or 7 months);
 - Interest rate: Determined for each drawdown under the respective debt acknowledgment;
 - Collateral includes:
 - + Inventories circulating in the ordinary course of business;
 - + Rights to receivables and entitlement to proceeds from such receivables; rights to receive, use, exploit and/or own allocated products; rights to claim refunds of advances, penalties, damages and related proceeds; and other rights, benefits and reimbursements arising from receivables, commercial contracts and sales contracts of Pomina Steel Corporation, Pomina 2 Steel Corporation and Pomina Steel Trading Company Limited;
 - + All machinery and equipment relating to the investment project of the 1,000,000-tonne-per-year steel billet plant located in Phu My I Industrial Park, Tan Thanh District, Ba Ria - Vung Tau Province, Vietnam;
 - + Land use rights over Land Plot No. 402, Map Sheet No. 19, Phu My Ward, Phu My Town, Ba Ria - Vung Tau Province and Land Plot No. 35, Map Sheet No. 05, Tan Phuoc Ward, Phu My Town, Ba Ria - Vung Tau Province, owned by Pomina Steel Corporation;
 - + Land-attached assets located on Land Plot No. 151, Map Sheet No. 76, Lot A1, Nhon Binh Industrial Cluster, Nhon Binh Ward, Quy Nhon City, Binh Dinh Province;
 - + Land Use Rights Certificate No. X065827, entered in the Land Use Rights Certificate Register under No. 0009 QSDD, issued by the People's Committee of Da Nang City on 03 November 2004, with the latest update of ownership/use rights registered on 12 February 2010;
 - + Land Use Rights Certificate No. AK280438, entered in the Land Use Rights Certificate Register under No. T01455, issued by the People's Committee of Da Nang City on 13 March 2008;
 - + Shares issued and outstanding by Pomina Steel Corporation.
- Credit Facility Agreement No. 22.8670021/2022-HDCVHM/NHCT900-POM2 dated 29 April 2022 and the related amendments and supplements entered into with Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch.
 - Credit limit: VND 1,200,000,000,000;
 - Purpose: To supplement working capital and for the issuance of bank guarantees and letters of credit (L/Cs) in support of the production and trading of steel billets and construction steel products;
 - Facility term: From 29 April 2022 to 30 April 2024;
 - Loan tenor: The term of each loan is specified in the relevant Debt Acknowledgement (in the form prescribed by the Lender) and shall not exceed six (6) months per Debt Acknowledgement. For disbursements relating to deferred-payment L/Cs or UPAS L/Cs, the maximum loan tenor shall be equal to six (6) months less the deferred payment period of the relevant L/C or UPAS L/C.
 - Interest rate: Determined for each drawdown under the respective debt acknowledgment;
 - Collateral: Revolving inventories pledged under Agreement No. 01/2013/HDTC-NHCT900-POM2 dated 23 December 2013 with a total collateral value of VND 800 billion, and property rights arising from receivables, economic contracts and sales contracts with customers and business partners in the ordinary course of business under Agreement No. 16.2680098/HDTCQTS/NHCT900-POM2 dated 14 October 2016 with a total collateral value of VND 866,273,000,000.

(c) The borrowing comprises the following agreements:

- Credit Facility Agreement No. 03/2023/94229/HDTD dated 15 November 2023 entered into among Joint Stock Commercial Bank for Investment and Development of Vietnam, Pomina Steel Corporation, Steel Billet Plant – Branch of Pomina Steel Corporation and Pomina Steel

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For the fiscal year ended 31 December 2024

Mill 1 – Branch of Pomina Steel Corporation. The credit facility includes all outstanding borrowings carried forward from Credit Agreement No. 01/2020/94229/HDTD dated 16 December 2020 and Credit Facility Agreement No. 01/2023/94229/HDTD dated 8 March 2023.

- Credit limit: VND 699,000,000,000;
- Outstanding balance: VND 696,788,193,093;
- Purpose: To finance working capital requirements and establish L/C margin deposits;
- Loan tenor: Not exceeding 6 months for each drawdown under the respective debt acknowledgment;
- Interest rate: As specified in each debt acknowledgment;
- Collateral includes:
 - + Land use rights under Land Use Rights Certificate No. 902/QSDD/2000 dated 24 November 2000 issued by the People's Committee of Binh Duong Province in respect of Lot M, Song Than II Industrial Park, Di An District, Binh Duong Province, together with the land-attached assets thereon;
 - + Machinery and equipment, including rolling mills, cooling beds, transformers, circuit breakers, reheating furnaces, water treatment systems, compressed air systems, oil tanks, capacitor banks, power cables and other related assets;
 - + Inventories of Pomina Steel Corporation, Steel Billet Plant – Branch of Pomina Steel Corporation and Pomina Steel Mill 1 – Branch of Pomina Steel Corporation;
 - + 79,600,000 shares in Pomina 2 Steel Corporation owned by Pomina Steel Corporation;
 - + Land use rights under Agreement No. 02/01/HD-14/0001820 dated 15 November 2001 entered into with Pomina Steel Corporation, evidenced by Land Use Rights Certificate No. 902/QSDD/2000 dated 24 November 2000 issued by the People's Committee of Binh Duong Province, together with the land-attached assets thereon.

- Credit Facility Agreement No. 01/2023/1770447/HDTD dated 13 November 2023 and the related amendments and supplements entered into with Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) – Ho Chi Minh City Branch:

- Credit limit: VND 1,000,000,000,000;
- Purpose: To supplement working capital, obtain bank guarantees and open letters of credit (L/Cs);
- Facility term: From the signing date of the agreement to 31 January 2025;
- Loan tenor: As specified in each individual credit agreement, specific guarantee agreement and issued letter of credit (L/C);
- Interest rate: As specified in each debt acknowledgment;
- Collateral: Existing and future warehouse-stored assets of Pomina 2 Steel Corporation, including assets arising from replacement, modification in form or nature, and value enhancements, located at Phu My I Industrial Park, Phu My Ward, Phu My Town, Ba Ria – Vung Tau Province, comprising assets attached to the land of the rolling mill and the steel billet plant with a designed capacity of 50,000 tonnes per year, together with all related rights, ownership interests and benefits associated with such land, as well as machinery and equipment, auxiliary equipment, transportation vehicles, and used management tools and equipment.

- (d) Finance Lease Agreement No. 33/2022/CN.MN-CTTC dated 27 April 2022 entered into between Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade – Ho Chi Minh City Branch and Pomina Steel Corporation:

- Provisional value of leased assets: VND 204,713,300,000;
- Purpose: The leased asset is a twin lime kiln system with a capacity of 600 tonnes per day at Steel Billet Plant – Branch of Pomina Steel Corporation;
- Interest rate: 7.5% per year for the first three months; for the remaining lease term, the interest rate shall be equal to the ceiling VND deposit rate for a 12-month term with interest payable at maturity, plus 3.5% per year;
- Lease term: 60 months.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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- (e) Credit Facility Agreement No. 0292/2023/HDTD-OCB-DN dated 22 December 2023 and the related amendments and supplements entered into with Orient Commercial Joint Stock Bank – Dong Nai Branch:
- Credit limit: VND 115,000,000,000;
 - Purpose: To supplement working capital for the production and trading of pig iron, steel and steel products, and for the importation or domestic purchase of raw materials used in the production and trading of pig iron, steel and steel products;
 - Loan tenor: As specified in each individual credit agreement;
 - Interest rate: As specified in each debt acknowledgment;
 - Security: 12,000,000 listed ordinary shares issued by Pomina Steel Corporation under Securities Pledge Agreement No. 0292/2023/BD dated 22 December 2022;
 - Outstanding balance as at 31 December 2024: VND 112,185,270,737.
- (f) The borrowings comprise the following facilities:
- Short-term borrowing under Credit Facility Agreement No. 032K22 entered into between Joint Stock Commercial Bank for Foreign Trade of Vietnam – Binh Duong Branch and Pomina Steel Mill 1 – Branch of Pomina Steel Corporation
 - Credit limit: VND 450,000,000,000;
 - Outstanding balance: VND 423,479,091,325;
 - Purpose: To finance business operations;
 - Facility term: Up to 11 May 2023;
 - Loan tenor: Not exceeding 6 months for each drawdown under the respective debt acknowledgment;
 - Interest rate: As specified in each debt acknowledgment;
 - Collateral includes:
 - + Land use rights and land-attached assets of Pomina Steel Corporation under Land Use Rights and Land-attached Assets Mortgage Agreement No. 047TC17 dated 4 April 2017;
 - + Land Use Rights Certificate No. T313914, registered under No. 98 QSDD/2003, issued by the People's Committee of Binh Duong Province on 28 March 2003 in Song Than II Industrial Park, Di An District, Binh Duong Province;
 - + Land-attached assets under Certificate of Ownership of Construction Works No. 747242594200246 located in Song Than II Industrial Park, Di An District, Binh Duong Province;
 - + Machinery and equipment of Pomina Steel Corporation under Machinery and Equipment Mortgage Agreement No. 048TC17 dated 4 April 2017, including SANYO forklift truck model FD35T9 (3.5 tonnes), provincial rolling mill, HL445 roughing mill and crawler excavator, among others;
 - + Inventories circulating in the ordinary course of production and business operations;
 - Third-party collateral:
 - + Term savings deposit certificate No. 065TC21 dated 6 May 2021 entered into between the Bank and Mr. Do Tien Si and Ms. Nguyen Tuyet Anh;
 - + 20,000,000 shares of Pomina Steel Corporation owned by Viet Steel Co., Ltd.
 - Loan Agreement No. 033B22 dated 12 May 2022 entered into between Joint Stock Commercial Bank for Foreign Trade of Vietnam – Binh Duong Branch and Steel Billet Plant – Branch of Pomina Steel Corporation
 - Credit limit: VND 450,000,000,000;
 - Expiry date: 11 May 2023;
 - Purpose: To finance business operations;
 - Loan tenor: 6 months from the date specified in each debt acknowledgment;
 - Interest rate: As specified in each debt acknowledgment;
 - Collateral includes:
 - + Machinery and equipment;
 - + Land use rights and land-attached assets;
 - + Savings deposits maintained with banks and all interest accrued thereon;

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- + Inventories, including inventories held in warehouses, inventories stored outside warehouses, future inventories and retained inventories located at the warehouses of Pomina Steel Mill 1 – Branch of Pomina Steel Corporation and Steel Billet Plant – Branch of Pomina Steel Corporation.
- Credit Facility Agreement No. 041/2228/N-CTD dated 10 May 2022 and the related amendments and supplements entered into with Joint Stock Commercial Bank for Foreign Trade of Vietnam – Ho Chi Minh City Branch:
 - Credit limit: VND 100,000,000,000;
 - Facility term: Up to 31 December 2023;
 - Purpose: As specified in the respective loan agreements;
 - Loan tenor: 6 months from the day following the disbursement date, as specified in each debt acknowledgment;
 - Interest rate: Determined on the loan disbursement date in accordance with the Bank's lending interest rate notice applicable from time to time and specified in each debt acknowledgment;
 - Security: Inventories circulating in the ordinary course of production and business operations under Inventory Mortgage Agreement No. 0123/1928/TCDN1 dated 29 November 2019.
- (g) Credit Facility Agreement No. 19425MN/HDTD dated 28 April 2022 and Appendix No. 19425/22MN/HDTD/PL01 dated 28 March 2023 entered into between Ho Chi Minh City Development Joint Stock Commercial Bank – Vung Tau Branch and Pomina Steel Corporation:
 - Credit limit: VND 210,000,000,000;
 - Outstanding balance: VND 191,888,000,000;
 - Expiry date: 28 June 2023;
 - Purpose: To supplement working capital;
 - Loan tenor: Not exceeding 6 months for each drawdown under the respective debt acknowledgment;
 - Collateral includes:
 - + Corporate guarantee provided by Viet Steel Co., Ltd;
 - + Revolving inventories financed by the loan proceeds, including steel, steel billets, iron, pig iron and other raw materials;
 - + Proceeds from discounted L/C and D/P documents owned by Pomina Steel Corporation.
- (h) Loan Agreement No. HDV24/001 dated 31 December 2024 entered into with Mr. Bui Quang Thuan:
 - Loan amount: VND 25,000,000,000;
 - Agreement term: 12 months;
 - Expiry date: 30 September 2024;
 - Purpose: To repay borrowings from Joint Stock Commercial Bank for Investment and Development of Vietnam – Ho Chi Minh City Branch;
 - Interest rate: 2.80% per year.
- (i) Loan Agreement No. VPL2413 dated 30 December 2024 entered into between Vina Nansei Co., Ltd and Pomina 2 Steel Corporation:
 - Purpose: To supplement working capital and finance business operations;
 - Credit limit: VND 13,853,191,625;
 - Loan term: The loan shall be repaid upon completion of its intended purpose or within 21 days from the date of receipt of the loan, whichever occurs earlier;
 - Interest rate: The demand deposit interest rate quoted by Vietnam Prosperity Joint Stock Commercial Bank (VPBank) at the loan repayment date;
 - Security: Unsecured.

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Details of movements in short-term loans and finance lease liabilities during the year are as follows:

	01/01/2024 VND	Incurred in year VND	Paid in year VND	Reclassification VND	31/12/2024 VND
Short-term bank loans					
Dai Quang Minh Real Estate Investment Corporation	300,000,000,000	-	-	-	300,000,000,000
Viet Nam Joint Stock Commercial Bank for Industry and Trade	2,682,668,433,057	460,831,512,548	(437,525,650,011)	(15,000,000)	2,705,959,295,594
Joint Stock Commercial Bank for Investment and Development of Vietnam	1,689,243,747,868	1,247,219,928,483	(1,249,307,980,919)	-	1,687,155,695,432
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade	12,098,153,950	-	-	30,800,627,640	42,898,781,590
Orient Commercial Joint Stock Bank	114,197,638,518	-	(2,012,367,781)	-	112,185,270,737
Joint Stock Commercial Bank for Foreign Trade of Vietnam	488,477,793,772	-	(13,259,688,452)	-	475,218,105,320
Mr. Bui Quang Thuan	-	25,000,000,000	-	-	25,000,000,000
Ho Chi Minh City Development Joint Stock Commercial Bank	191,888,000,000	-	-	-	191,888,000,000
Vina Nansei Co., Ltd	-	13,853,191,624	-	-	13,853,191,624
	<u>5,478,573,767,165</u>	<u>1,746,904,632,655</u>	<u>(1,702,105,687,163)</u>	<u>30,785,627,640</u>	<u>5,554,158,340,297</u>

5.18.2 Long-term loans and finance lease liabilities

	31/12/2024 Amount VND	01/01/2024 Amount VND
Long-term loans and finance lease liabilities - related parties		
Viet Steel Co., Ltd	-	127,000,000,000
Ms. Do Thi Kim Ngoc	-	1,548,346,920
Long-term loans and finance lease liabilities - other organizations and individuals		
Viet Nam Joint Stock Commercial Bank for Industry and Trade (a)	599,985,000,000	599,970,000,000
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade (b)	76,090,006,780	106,890,634,420
Other individual	-	7,833,053,190
	<u>676,075,006,780</u>	<u>843,242,034,530</u>

(a) Refer to Note b – 5.18.1

(b) Refer to Note d – 5.18.1.

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Details of movements in long-term loans and finance lease liabilities during the year are as follows:

	01/01/2024 VND	Incurred in year VND	Paid in year VND	Reclassification VND	31/12/2024 VND
Long-term loans and finance lease liabilities - related parties					
Viet Steel Co., Ltd	127,000,000,000	-	(127,000,000,000)	-	-
Ms. Do Thi Kim Ngoc	1,548,346,920	-	(1,548,346,920)	-	-
Long-term loans and finance lease liabilities - other organizations and individuals					
Viet Nam Joint Stock Commercial Bank For Industry And Trade	599,970,000,000	-	-	15,000,000	599,985,000,000
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade	106,890,634,420	-	-	(30,800,627,640)	76,090,006,780
Other individual	7,833,053,190	-	(7,833,053,190)	-	-
	843,242,034,530	-	(136,381,400,110)	(30,785,627,640)	676,075,006,780

5.18.3 Overdue loans and finance lease liabilities

	31/12/2024			01/01/2024		
	Principal amount VND	Interest expense VND	Total VND	Principal amount VND	Interest expense VND	Total VND
Viet Nam Joint Stock Commercial Bank For Industry And Trade	1,725,912,821,456	480,478,677,474	2,206,391,498,930	1,602,222,363,802	265,547,024,981	1,867,769,388,783
	1,725,912,821,456	480,478,677,474	2,206,391,498,930	1,602,222,363,802	265,547,024,981	1,867,769,388,783

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5.19 Owner's equity

5.19.1 Comparison schedule for changes in owner's equity

	Owners' Invested equity	Share premium	Treasury shares	Investment and development fund	Retained earnings	Non-controlling interests	Total
	VND	VND	VND	VND	VND	VND	VND
As at 01/01/2023	2,796,763,360,000	35,000,000,000	(31,347,567,000)	61,428,346,574	(254,681,514,697)	4,136,569,282	2,611,299,194,159
Loss for the year	-	-	-	-	(1,392,260,450,530)	(2,586,252,437)	(1,394,846,702,967)
As at 31/12/2023	2,796,763,360,000	35,000,000,000	(31,347,567,000)	61,428,346,574	(1,646,941,965,227)	1,550,316,845	1,216,452,491,192
As at 01/01/2024	2,796,763,360,000	35,000,000,000	(31,347,567,000)	61,428,346,574	(1,646,941,965,227)	1,550,316,845	1,216,452,491,192
Loss for the year	-	-	-	-	(1,009,777,378,785)	(970,224,215)	(1,010,747,603,000)
As at 31/12/2024	2,796,763,360,000	35,000,000,000	(31,347,567,000)	61,428,346,574	(2,656,719,344,012)	580,092,630	205,704,888,192

5.19.2 Detail of owner's equity

According to the (amended) Business Registration Certificate, the charter capital of the Parent Company is VND 2,796,763,360,000. As at 31 December 2024, the Parent Company's charter capital had been fully contributed by its members as follows:

	31/12/2024		01/01/2024		
	Number of shares	Amount VND	Number of shares	Amount VND	Rate %
Viet Steel Co., Ltd (*)	116,335,815	1,163,358,150,000	116,335,815	1,163,358,150,000	41.60
Other shareholders	163,340,521	1,633,405,210,000	163,340,521	1,633,405,210,000	58.40
	279,676,336	2,796,763,360,000	279,676,336	2,796,763,360,000	100.00

(*) Of which, 115,672,053 shares are blocked, corresponding to a value of VND 1,156,720,530,000 and representing 41.36% of the total owners' equity, which have been pledged as collateral for the Company's borrowings.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5.19.3 Shares

	31/12/2024 Shares	01/01/2024 Shares
Registered number of issued shares	279,676,336	279,676,336
Number of shares sold to the public	279,676,336	279,676,336
<i>Ordinary shares</i>	279,676,336	279,676,336
<i>Preferred shares</i>	-	-
Number of repurchased shares	(1,132,790)	(1,132,790)
<i>Ordinary shares</i>	(1,132,790)	(1,132,790)
<i>Preferred shares</i>	-	-
Number of shares in circulation	278,543,546	278,543,546
<i>Ordinary shares</i>	278,543,546	278,543,546
<i>Preferred shares</i>	-	-

Par value of shares in circulation is VND 10,000/share.

5.20 Off consolidated balance sheet items

5.20.1 Foreign currencies

	31/12/2024	01/01/2024
U.S Dollar (USD)	430,396.61	115,875.46
Euro (EUR)	1,190.64	1,189.45

6 ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED INCOME STATEMENT

6.1 Gross sales of merchandise and services

6.1.1 Net sale of merchandise and services

	Year 2024 VND	Year 2023 VND
Revenue from sales of finished goods	2,296,409,695,242	2,061,139,529,087
Revenue from sales of merchandise	27,445,582,020	944,793,915,221
Revenue from sales of scrap	11,423,194,990	33,043,973,290
Revenue from rendering of services	12,106,217,500	31,836,167,820
Revenue from sales of raw materials	30,470,960,108	-
Revenue deductions		
Sales returns	-	(2,677,689,200)
Net revenue	2,377,855,649,860	3,068,135,896,018

6.1.2 Revenue from sales of goods and rendering of services to related parties

	Year 2024 VND	Year 2023 VND
Viet Steel Co., Ltd	237,347,113,055	974,170,211,177
	237,347,113,055	974,170,211,177

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

6.2 Cost of sales

	Year 2024 VND	Year 2023 VND
Cost of finished goods sold	2,299,238,728,045	2,152,057,235,327
Cost of goods sold	57,351,756,065	770,648,844,557
Cost of scrap sold	32,663,224,297	22,727,821,458
Cost of services rendered	8,605,844,882	53,257,333,500
Cost of raw materials sold	7,038,642,034	359,408,663,462
Provision for/(reversal of) inventory write-down	(719,063,630)	(4,578,770,943)
	<u>2,404,179,131,693</u>	<u>3,353,521,127,361</u>

6.3 Financial income

	Year 2024 VND	Year 2023 VND
Interest on deposits, interest on loans	684,548,680	715,599,248
Interest on foreign exchange differences	7,937,821,055	15,757,868,259
	<u>8,622,369,735</u>	<u>16,473,467,507</u>

6.4 Financial expenses

	Year 2024 VND	Year 2023 VND
Interest expense	688,038,520,719	674,452,697,485
Foreign exchange losses	38,995,860,011	26,212,574,754
	<u>727,034,380,730</u>	<u>700,665,272,239</u>

6.5 Selling expenses

	Year 2024 VND	Year 2023 VND
Sales staff expenses	1,328,995,842	1,744,885,690
Transportation expenses	10,902,341,895	4,873,613,568
Other selling expenses	279,180,000	1,157,545,824
	<u>12,510,517,737</u>	<u>7,776,045,082</u>

6.6 General and administration expenses

	Year 2024 VND	Year 2023 VND
Management staff costs	37,403,206,720	88,168,368,130
Office supplies expenses	1,246,463,270	2,893,710,209
Depreciation expense	1,810,914,035	2,238,719,975
Taxes, duties and fees	34,900,225	33,733,640
Provision / (Reversal of provision) for bad debts	(8,668,817,552)	12,766,836,954
Purchased services	2,179,786,937	35,747,142,123
Other general and administrative expenses	42,047,537,635	43,261,309,600
	<u>76,053,991,270</u>	<u>185,109,820,631</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

6.7 Other income

	Year 2024 VND	Year 2023 VND
Gains on debt settlement	6,905,605,271	33,022,254,234
Sales support income	12,024,638,963	-
Rental income from premises and vehicles	2,647,250,309	559,635,820
Gain on disposal of fixed assets	442,170,000	-
Gain on early debt settlement	-	949,464,304
Gain on disposal of finance lease assets	658,744,616	-
Other income	826,391,556	480,700,697
	23,504,800,715	35,012,055,055

6.8 Other expenses

	Year 2024 VND	Year 2023 VND
Depreciation of unused fixed assets	115,466,198,276	116,878,601,648
Administrative penalties	21,406,820,988	-
Penalties and overdue interest charges	1,142,906,441	68,608,103,972
Shortage expenses	47,285,751,983	35,768,884,107
Penalties and damages	-	5,289,111,447
Inventory shortages upon stocktaking	-	9,991,189,893
Amortisation of Business advantages	5,501,020,488	5,501,020,488
Depreciation of finance lease assets	5,580,581,820	5,580,581,818
Vehicle disposal expenses	4,053,252,599	-
Other expenses	792,321,390	12,956,960,114
	201,228,853,985	260,574,453,487

6.9 Basic earnings per share

	Year 2024	Year 2023
Accounting profit after CIT	VND (1,009,777,378,785)	(1,392,260,450,530)
Adjustments to increase/(decrease) profit for determining the profit allocable to ordinary shareholders of the Parent Company	VND -	-
Net profit attributable to ordinary shareholders	VND (1,009,777,378,785)	(1,392,260,450,530)
Weighted average number of outstanding ordinary shares of the Parent Company during the year	Share 278,543,546	278,543,546
Earnings per share	VND/Share (3,625)	(4,998)

6.10 Production and business costs by element

	Year 2024 VND	Year 2023 VND
Raw materials, packaging materials and goods expenses	2,352,425,305,530	2,574,767,560,240
Staff expenses	90,292,438,738	169,046,908,108
Fixed assets depreciation expenses	56,637,309,270	59,401,545,568
Expenses for outside services	54,311,548,610	98,895,204,471
Provisions / (reversal of provisions)	2,858,436,921	13,816,222,524
Other expenses in cash	17,508,457,580	61,654,671,883
	2,574,033,496,649	2,977,582,112,794

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7 ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CONSOLIDATED CASH FLOW STATEMENT**7.1 Proceeds from borrowings**

	Year 2024 VND	Year 2023 VND
Proceeds from borrowings under normal contract	1,917,548,802,655	3,990,122,575,178
	<u>1,917,548,802,655</u>	<u>3,990,122,575,178</u>

7.2 Repayments of borrowings

	Year 2024 VND	Year 2023 VND
Repayments of borrowings under normal contract	1,879,131,257,273	4,082,185,674,256
	<u>1,879,131,257,273</u>	<u>4,082,185,674,256</u>

8 FINANCIAL INSTRUMENTS

The Group has financial assets such as trade receivables and other receivables, cash, and short-term deposits that arise directly from the operations of the Group. In addition, the financial liabilities of the Group mainly consist of loans, trade payables, and other payables. The main purpose of these financial liabilities is to gather the financial resources to serve the activities of the Group.

The Group incurs from market risk, credit risk and liquidity risk.

Operational risk management is indispensable operations for the entire business operations of the Group. the Group has developed a control system to ensure balance at a reasonable level between the costs when incurred risk and risk management costs. The Board of General Directors continually monitors the risk management process to ensure the right balance between risk and risk control.

The Board of General Directors considered and uniformly applied policies to manage each of these risks are summarized below:

i. Market risk

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

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash and short-term deposits.

The Group manages interest rate risk by analyzing market conditions to obtain favorable interest rates that meet its operational and financing requirements while remaining within its risk management limits.

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Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to foreign currency risk arises primarily from its operating activities.

The Group is exposed to foreign currency risk arising from purchases and sales transactions denominated in currencies other than its functional currency, primarily United States Dollars ("USD").

The Group manages its foreign currency risk by maintaining exposures within acceptable limits through the purchase or sale of foreign currencies at spot exchange rates, as necessary, to address short-term foreign exchange exposures that exceed established limits.

ii. Credit risk

Credit risk is the risk that one party of a financial instrument or contract not performing its obligations, resulting in financial losses. The Group has credit risk from its operating activities (primarily for trade receivables account), and its financial activities, including bank deposits and the other financial instruments.

Trade receivables

The Group regularly keeps track of the receivables, which is not yet collected. For big customers, the Group considered the decline in the credit quality of each customer at the reporting date. The Group seeks a way to remained the tight control of the receivables and arranging credit control staff to minimize credit risk. On this basis and the trade receivables of the Group related to various customers, credit risk is not significantly concentrated in a certain customer.

Cash in bank

The Group primarily maintains deposit balances at well-known banks in Vietnam. The credit risk of these deposit balances at banks is managed by the Treasury department of the Group in accordance with the Group's policies. The Group recognizes that the level of credit risk concentration on bank deposits is low.

The Board of General Directors of the Group assesses that all financial assets are mature and not impaired except for the receivables presented in Notes 5.2 and the investments presented in Notes 5.12.

iii. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in implementing its financial obligations due to lack of funds. The liquidity risk of the Group mainly arises from maturity mismatches of financial assets and financial liabilities.

The Group minimizes the liquidity risk by maintaining an amount of cash and cash equivalents and bank loans at a level that The Board of General Directors believes is sufficient to meet the Group's operations and minimize the risks due to the volatility of cash flows.

The table below sets out the remaining contractual maturities of the Group's financial liabilities based on undiscounted cash flows and the earliest date on which the Group can be required to make payment under the relevant contractual arrangements:

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	Less than 1 year VND	Over 1 year VND	Total VND
As at 31 December 2024			
Trade payables	2,325,639,598,951	-	2,325,639,598,951
Accrued payable	1,017,967,423,607	-	1,017,967,423,607
Other payables	43,026,362,202	-	43,026,362,202
Loans and finance lease liabilities	5,554,158,340,297	676,075,006,780	6,230,233,347,077
	8,940,791,725,057	676,075,006,780	9,616,866,731,837
As at 01 January 2024			
Trade payablest	1,648,341,062,117	-	1,648,341,062,117
Accrued payable	458,459,785,405	-	458,459,785,405
Other payables	216,791,080,384	149,216,500,000	366,007,580,384
Loans and finance lease liabilities	5,478,573,767,165	843,242,034,530	6,321,815,801,695
	7,802,165,695,071	992,458,534,530	8,794,624,229,601

The Group considers its exposure to concentration risk in respect of debt repayment to be low. The Board of General Directors believes that the Group will generate sufficient cash flows to meet its financial obligations when they fall due.

Collaterals

As at 31 December 2024:

The Group has pledged its fixed assets to secure its borrowings – refer to Note 5.18.

The Group did not hold any collateral from other parties as of 31 December 2024.

iv. Fair value

The table below presents the carrying amount and fair value of financial instruments as disclosed in the Group's consolidated financial statements:

	Carrying amount		Fair value	
	31/12/2024 VND	01/01/2024 VND	31/12/2024 VND	01/01/2024 VND
Financial assets				
Held-to-maturity financial assets	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
Receivables				
Trade receivables	1,301,315,084,119	1,498,566,260,570	1,301,315,084,119	1,498,566,260,570
Other receivables	13,557,240,656	12,841,100,701	13,557,240,656	12,841,100,701
Available-for-sale financial assets				
Cash and cash equivalents	58,765,361,462	8,125,792,793	58,765,361,462	8,125,792,793
	1,383,637,686,237	1,529,533,154,064	1,383,637,686,237	1,529,533,154,064
Financial liabilities				
Trade payables	2,325,639,598,951	1,648,341,062,117	2,325,639,598,951	1,648,341,062,117
Accrued payable	1,017,967,423,607	458,459,785,405	1,017,967,423,607	458,459,785,405
Other payables	43,026,362,202	366,007,580,384	43,026,362,202	366,007,580,384
Loans and finance lease liabilities	6,230,233,347,077	6,321,815,801,695	6,230,233,347,077	6,321,815,801,695
	9,616,866,731,837	8,794,624,229,601	9,616,866,731,837	8,794,624,229,601

The fair value of financial assets and liabilities is based on the value that a financial instrument can be exchanged in an existing transaction between the parties, except when required to sell or liquidate.

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The Group has not remeasured its financial assets and financial liabilities at fair value, as Circular No. 210/2009/TT-BTC dated 06 November 2009 issued by the Ministry of Finance, as well as the prevailing regulations, do not provide specific guidance on the determination of fair value. As at 01 January 2024 and 31 December 2024, the fair values of the Group's financial assets and financial liabilities approximated their respective carrying amounts. The Board of General Directors believes that the fair values of these financial assets and financial liabilities do not differ materially from their carrying amounts as at the financial year-end.

9 OTHER INFORMATION**9.1 Contingent liability**

Pursuant to Enforcement Decision No. 15624/QĐ-THADS dated 12 November 2025 issued by the Ho Chi Minh City Civil Judgment Enforcement Department, Pomina Steel Corporation is required to satisfy a judgment at the request of Bao Bao Minerals Company Limited. The Company is obligated to pay a total amount of VND 2,178,927,064, comprising an outstanding trade payable of VND 1,600,000,000 and late payment interest of VND 578,927,064 accrued up to the trial date (in accordance with Judgment No. 15/2025/KDTM-ST dated 29 August 2025 issued by the People's Court of Region 16 – Ho Chi Minh City). From the date of the enforcement request, the Company is also required to pay additional interest in accordance with the Civil Code until full settlement is made. As at the date of the consolidated financial statements, the Company has not recognized a provision for the liability relating to this case in its separate financial statements, as the enforcement decision was only recently issued and the enforcement process is still underway.

Pursuant to Enforcement Decision No. 13183/QĐ-THADS dated 6 November 2025 issued by the Ho Chi Minh City Civil Judgment Enforcement Department, Pomina Steel Corporation is required to satisfy a judgment at the request of Thien Long Investment Trading Company Limited. The Company is obligated to pay a total amount of VND 25,695,737,535, comprising an outstanding trade payable of VND 19,184,367,911 and late payment interest of VND 6,511,369,624 accrued up to the trial date (in accordance with Judgment No. 06/2025/KDTM-ST dated 22 July 2025 issued by the People's Court of Region 16 – Ho Chi Minh City). From the date of the enforcement request, the Company is also required to pay additional interest in accordance with the Civil Code until full settlement is made. As at the date of the consolidated financial statements, the Company has not recognized a provision for the liability relating to this case in its separate financial statements, as the enforcement decision was only recently issued and the enforcement process is still underway.

In addition, the Company is involved in a number of legal proceedings arising from overdue payment obligations as disclosed in Notes 5.13 and 5.18.3. As at the date of these financial statements, apart from liabilities recognized based on the related invoices, the Company has not recognized any additional provisions for interest or liabilities that may arise from these legal proceedings in its separate financial statements.

9.2 Transactions and balances with related parties

Related parties of the Group include key management members, individuals related to key management members and other related parties.

9.2.1 Transactions and balances with key management members and individuals related to key management members

Key management members include members of the Board of Management, the Board of Supervisors and members of the Executive Board. Individuals related to key management members include close members of the family of key management members.

Transactions with key management members, the individuals involved with key management members

POMINA STEEL CORPORATION

No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Related parties	Transactions	Year 2024 VND	Year 2023 VND
Mr. Do Xuan Chieu	Transfer of capital	-	304,116,658,000
	Acquisition of equity interest	31,918,964,721	-
Mr. Do Tien Si	Loan repayment	6,050,000,000	2,350,000,000
	Borrowing	615,000,000	2,577,000,000
Ms. Do Thi Kim Ngoc	Loan	9,374,036,940	1,548,346,920
	Debt offset	10,922,383,860	-
	Interest expenses	397,363,317	1,151,638,716
Mr. Nguyen The Anh Tuan	Loan	-	43,799,969,000
	Debt offset	-	43,799,969,000
	Interest expenses	-	1,342,367,050
Ms. Do Thi Kim Chi	Borrowing	5,200,000,000	-

Balances of receivables/ (payables) key management members and individuals related to key management members

Related parties	Transactions	Year 2024 VND	Year 2023 VND
Mr. Do Xuan Chieu	Long-term trade receivables	272,197,693,279	304,116,658,000
Mr. Do Tien Si	Other short-term payables	1,242,000,000	6,667,000,000
Ms. Do Thi Kim Ngoc	Short-term loans and finance lease liabilities	-	1,548,346,920
	Short-term accrued expenses	1,549,002,033	1,151,638,716
Mr. Nguyen The Anh Tuan	Short-term accrued expenses	1,342,367,050	1,342,367,050
Mr. Do Van Phuc	Other short-term payables	2,290,750,000	2,290,750,000
Mr. Do Hoai Khanh Linh	Other short-term payables	2,548,383,419	2,548,383,419
Ms. Do Thi Kim Chi	Other short-term payables	5,200,000,000	-
Mr. Truong Thanh Cong	Other short-term payables	441,990,542	441,990,542

Income of key management members:

	Year 2024 VND	Year 2023 VND
Mr. Nguyen The Anh Tuan	473,091,958	532,357,560
Mr. Truong Thanh Cong	433,753,149	499,487,825
Mr. Do Tien Si	676,799,283	662,511,635
Mr. Do Van Khanh	645,238,632	618,069,246
Mr. Do Hoai Khanh Linh	460,806,115	347,617,680
Mr. Mai Duy Khuong	459,658,767	204,336,998
	3,149,347,904	2,864,380,944

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

9.2.2 Transactions and balances with other related parties

During the year, the Group entered into significant transactions with related parties as follows:

Related parties	Transactions	Year 2024 VND	Year 2023 VND
Viet Steel Co., Ltd			
	Accrued interest expenses	2,099,316,940	6,349,999,996
	Sales of goods	235,518,567,055	973,167,714,777
	Provision of services	564,943,300	1,002,496,400
	Purchases of goods	9,305,433,128	1,329,622,338
	Purchases of services	922,844,525	305,546,142
	Borrowing of funds	4,319,750,000	-
	Loan debt offset	9,381,400,110	156,543,601,126

Balances with related parties

Related parties	Transactions	Year 2024 VND	Year 2023 VND
Viet Steel Co., Ltd			
	Short-term trade receivables	677,083,387,034	1,140,150,455,278
	Short-term advances to suppliers	24,199,362,140	24,751,750,000
	Rental deposit for office	10,000,000	10,000,000
	Short-term trade payables	231,020	53,351,433,863
	Other short-term payables	10,824,822,126	156,543,601,126
	Other long-term payables	-	149,216,500,000

9.3 Operating Lease Commitments

The Group is currently leasing land under operating lease agreements. As of the financial year ended 31 December 2024, the future minimum lease payments under non-cancellable operating leases are presented as follows:

	31/12/2024 VND	01/01/2024 VND
1 year or less	21,686,984,495	20,812,633,187
Over 1 year to 5 years	86,747,937,979	83,250,532,749
Over 5 years	412,866,955,188	417,030,871,243
	521,301,877,662	521,094,037,179

9.4 Going concern

The Group incurred a net loss of VND 1,009,777,378,785 for the fiscal year ended 31 December 2024, and accumulated losses amounted to VND 2,656,719,344,012 as at 31 December 2024. As of that date, the Group's current liabilities exceeded its current assets by VND 6,414,028,014,366 (As at 01 January 2024: VND 5,302,168,297,872).

Accordingly, the Group's ability to continue as a going concern is dependent upon its ability to generate sufficient cash flows from future operations and the continued financial support from banks.

As at the date of these financial statements, the Group's workforce had been significantly reduced, with only the Board of General Directors and the Chief Accountant remaining. The Board of General Directors has assessed the Group's ability to continue as a going concern and concluded as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

- As of the date of issuance of these financial statements, the Board of Management is formulating a plan to restore the Group's business operations;
- The Board of General Directors believes that the dynamic assessments above are appropriate. The Board of General Directors is committed to ensuring that the Group continues its business operations, and the Board of Management has established plans to expand business activities in the future.

In addition, the Group has proactively worked with credit institutions and has received commitments regarding the maintenance of current credit limits, the restructuring of existing loans, and the adjustment of loan tenors to align with the actual manufacturing and business operations of the Head Office. Accordingly, the Group's Board of General Directors assesses that the Group will be able to settle its obligations as they fall due and continue its operations for the next fiscal year. Based on these factors, the Board of General Directors believes that the preparation of the Group's financial statements on a going concern basis is appropriate.

Accordingly, the accompanying financial statements do not include any adjustments that might be necessary to the carrying amounts of assets and liabilities should the Group be unable to continue as a going concern in the future.

9.5 Events subsequent to the balance sheet date

Pursuant to Resolution No. 1685/NQ-UBTVQH15 dated 16 June 2025, on the reorganization of commune-level administrative units in Ho Chi Minh City in 2025, the Company's head office address was changed from: No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam to No. 1, Street No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.

Pomina Steel 1 One Member Company Limited was established under Enterprise Registration Certificate No. 3703120176 dated 11 April 2023. Its head office is located at No. 2, Street 27, Song Than 2 Industrial Park, Di An Ward, Di An City, Binh Duong Province, Vietnam. The Company's charter capital is VND 161,917,000,000. Its principal activity is the manufacture of iron, steel and cast iron. According to the Confirmation of Business Suspension Registration No. 70846/25 dated 08 May 2025, the Company has temporarily suspended its operations from 07 June 2025 to 06 June 2026.

Other than the events described above, there have been no significant events occurring after the balance sheet date that would require adjustments or disclosures to be made in the combined financial statements.



NGUYEN THI PHUONG MAI
Preparer



NGUYEN NGOC MY HANH
Chief Accountant



DO TIEN SI
General Director
Ho Chi Minh City, 29 May 2026