

POMINA STEEL CORPORATION

**Audited financial statements
For the fiscal year ended 31 December 2024**



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THE BOARD OF GENERAL DIRECTORS'S REPORT

The Board of General Directors of Pomina Steel Corporation (hereinafter referred to as "the Company") has the pleasure in presenting this report and the audited financial statements of the Company for the fiscal year ended 31 December 2024.

1. General information

Pomina Steel Corporation is a joint stock company established from the equitisation of Pomina Steel Limited Liability Company and operates under Enterprise Registration Certificate No. 3700321364 issued by the Department of Planning and Investment of Binh Duong Province on 17 July 2008 and subsequent amended Enterprise Registration Certificates, with the lasted being the 14th amendment issued on 03 March 2023.

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

At the beginning of 2024, the Company's shares were traded on the Ho Chi Minh Stock Exchange (HOSE). From 10 May 2024, the Company's shares have been traded on the Unlisted Public Company Market (UPCoM), with the following details:

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

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

The Company has the following branches:

- Pomina Steel Mill 1 - Branch of Pomina Steel Corporation, located at No. 2, Street 27, Song Than 2 Industrial Park, Di An Ward, Vietnam.
- Steel Billet Smelting Plant - Branch of Pomina Steel Corporation, located at Street No. 9, Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City.

The Company's principal business activities are: Manufacturing and processing of iron, steel, and cast iron; recycling of scrap; wholesale of metals and metal ores; and other specialised wholesale not elsewhere classified.

During the year, the Company's principal business operations were steel rolling, wholesale of steel products, and metal scrap recycling.

The Company 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. Members of the Board of Management, Supervisory Board and Board of General Directors

The members of the Board of Management, Supervisory Board and Board of General Directors during the fiscal year ended 31 December 2024 and up to the date of this report are:

Board of Management

Full name	Position	Date of appointment/dismissal
Mr. Do Duy Thai	Chairman	Appointed on 10 February 2023
Mr. Do Tien Si	Vice 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

THE BOARD OF GENERAL DIRECTORS'S REPORT**Board of Supervisory:**

Full name	Position	Date of appointment/dismissal
Mr. Tran To Tu	Head	Appointed on 25 June 2021
Ms. Nguyen Thi Hong Tham	Member	Appointed on 25 June 2021
Ms. Nguyen Ngoc My Hanh	Member	Resigned on 21 July 2024

Board of General Directors and Chief Accountant

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

Legal representative

Full name	Nationality	Position	Date of appointment/dismissal
Mr. Do Tien Si	Vietnam	General Director	Appointed from 10 February 2023

3. The Company's financial position and operating results

The Company's operating results for the fiscal year ended 31 December 2024 and financial position as at the same date are presented in the accompanying financial statements.

4. Events subsequent to the balance sheet date

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

Apart from the above, there have been no other significant events occurring after the balance sheet date of 31 December 2024 which would require adjustments or disclosures to be made in the financial statements.

5. Auditors

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

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

The Board of General Directors is responsible for the financial statements which give a true and fair view of the financial position, results of operations and cash flows for the fiscal year ended 31 December 2024. In preparing those 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 financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design, implement and maintain an effective internal control system to minimise the risk of material misstatements due to fraud or error in the preparation and presentation of the financial statements.

THE BOARD OF GENERAL DIRECTORS'S REPORT

The Board of General Directors ensures that the relevant accounting records are properly maintained to reflect, with reasonable accuracy at any time, the financial position and operations of the Company, and that the accounting records comply with the applicable accounting regime. The Board of General Directors is also responsible for safeguarding the assets of the Company and has therefore taken appropriate measures to prevent and detect fraud and other irregularities.

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

As at 31 December 2024, the Company conducted a physical inventory count and recorded the figures in the financial statements based on the actual count results, reconciled against the accounting books and relevant supporting documents.

The Board of General Directors has reviewed the inventory records, goods receipt/issue/balance vouchers, reconciliation results and related documents. On this basis, the Board of Directors considers 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 balance presented in the Company's financial statements is reasonable in all material respects.

7. Approval of the financial statements

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



DO TIEN SI

General Director

Ho Chi Minh City, 29 May 2026



INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of Pomina Steel Corporation ("the Company"), prepared on 29 May 2026, as set out from page 6 to page 47, which comprise the balance sheet as at 31 December 2024, the Income statement, the Cash flow statement for the fiscal year ended on the same date and the Notes to the financial statements.

The Board of General Directors' Responsibility

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

Auditor's Responsibility

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

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

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

Basis for Qualified Opinion

- We were unable to attend the physical inventory count as at 31 December 2024 as we had not been appointed as auditors at that time, and with the documents available at the Company, we were also unable to obtain sufficient appropriate audit evidence regarding the existence and completeness of the inventory balance presented on the balance sheet as at 31 December 2024 of VND 256,497,080,720 (as at 31 December 2023: VND 372,493,813,355) by means of other alternative audit procedures. Furthermore, we were unable to determine the necessary adjustments, if any, to inventories recognised and not recognised, as well as related elements of the balance sheet, the Statement of income and the Statement of cash flows.
- As disclosed in Note 9.4 to the financial statements, the Company incurred a net loss in the financial statements for the fiscal year ended 31 December 2024 of VND 1,009,813,684,935, with accumulated losses as at 31 December 2024 of VND 2,653,367,445,580 (2023 net loss of VND 1,202,575,950,531 and accumulated losses as at 31 December 2023 of VND 1,643,553,760,645). Also, as at this date, the Company's current liabilities exceeded its current assets by VND 5,894,547,834,479 (as at 01 January 2024: VND 4,865,210,361,326), and the Company had overdue debts as presented in Note 5.18.3 to the financial statements and equity. These conditions, along with other matters as presented in Note 9.4, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

INDEPENDENT AUDITOR'S REPORT (continued)

The Board of General Directors has prepared the financial statements on a going concern basis. However, as at the date of this auditor's report, we have not been provided with a feasible and adequate plan to demonstrate that the Company is able to improve its financial position or has sufficient capital to ensure that the Company can continue its normal operations in the future. Therefore, we are of the view that there is a material uncertainty relating to the Company's ability to continue as a going concern. The financial statements and accompanying notes have not fully disclosed this matter and do not include any adjustments that may be required in relation to the Company's assets and liabilities in the event that the Company is unable to continue as a going concern.

Qualified Opinion

In our opinion, except for the effects of the matters described in the paragraph entitled "Basis for Qualified Opinion", the financial statements give a true and fair view, in all material respects, of the financial position of Pomina Steel Corporation as at 31 December 2024, and of its financial performance and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



ĐAU 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

BALANCE SHEET

As at 31 December 2024

	Code	Note	31/12/2024 VND	01/01/2024 VND
ASSETS				
CURRENT ASSETS	100		885,292,169,903	1,011,019,972,597
Cash and cash equivalents	110	5.1	29,275,303,003	6,538,029,564
Cash	111		29,274,303,003	6,537,029,564
Cash equivalents	112		1,000,000	1,000,000
Accounts receivable	130		47,539,855,637	85,346,303,118
Short-term trade receivables	131	5.2	45,786,820,931	69,729,955,577
Short-term advances to suppliers	132	5.3	28,359,850,482	29,369,733,815
Other short-term receivables	136	5.4.1	1,744,464,283	23,266,711,337
Provision for doubtful debts	137	5.5	(28,351,280,059)	(37,020,097,611)
Inventories	140	5.6	256,491,888,104	370,998,411,233
Inventories	141		256,497,080,720	372,493,813,355
Provision for decline inventories	149		(5,192,616)	(1,495,402,122)
Other current assets	150		551,985,123,159	548,137,228,682
Prepaid expenses	151	5.7.1	1,015,601,509	2,051,705,595
Value added tax deductibles	152		546,503,629,020	541,807,470,206
Taxes receivable	153	5.15	4,465,892,630	4,278,052,881
NON-CURRENT ASSETS	200		6,906,099,535,254	7,239,421,076,430
Long-term receivables	210		969,568,170	969,537,985
Other long-term receivables	216	5.4.2	969,568,170	969,537,985
Fixed assets	220		1,040,750,011,616	1,167,122,122,987
Tangible fixed assets	221	5.8	915,586,802,532	1,036,332,332,087
Historical cost	222		3,071,911,300,908	3,071,911,300,908
Accumulated depreciation	223		(2,156,324,498,376)	(2,035,578,968,821)
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		8,187,618,799	8,187,618,799
Accumulated amortisation	229		(8,122,452,138)	(8,076,452,142)
Long-term assets in progress	240	5.11	5,711,470,007,930	5,711,587,925,604
Construction in progress	242		5,711,470,007,930	5,711,587,925,604
Long-term financial investments	250	5.12	127,788,200,593	321,317,488,836
Investment in subsidiary company	251		800,034,190,200	800,034,190,200
Investment in Joint-venture and associates	252		-	-
Provision for diminution in value of long-term investments	254		(682,245,989,607)	(488,716,701,364)
Held to maturity investment	255		10,000,000,000	10,000,000,000
Other long-term assets	260		25,121,746,945	38,424,001,018
Long-term prepaid expenses	261	5.7.2	23,303,932,665	36,882,638,843
Deferred income tax assets	262		1,817,814,280	1,541,362,175
TOTAL ASSETS	270		7,791,391,705,156	8,250,441,049,026


POMINA STEEL CORPORATION

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

BALANCE SHEET

As at 31 December 2024

	Code	Note	31/12/2024 VND	01/01/2024 VND
RESOURCES				
LIABILITIES	300		7,582,915,011,162	7,032,150,670,097
Current liabilities	310		6,779,840,004,382	5,876,230,333,923
Short-term trade payables	311	5.13	1,553,653,701,094	1,570,565,760,558
Short-term advance from customers	312	5.14	19,626,776,177	39,607,942,010
Tax and payable to the State	313	5.15	1,422,589,236	5,272,373,544
Payable to employees	314		1,079,224,336	2,094,499,586
Short-term accrued expenses payable	315	5.16	900,725,960,068	442,537,830,167
Other short-term payables	319	5.17	516,014,302,815	243,860,458,610
Short-term loan and finance lease	320	5.18.1	3,787,317,450,656	3,572,291,469,448
Long-term liabilities	330		803,075,006,780	1,155,920,336,174
Other long-term liabilities	337		-	153,437,948,076
Long-term loans and finance lease obligations	338	5.18.2	803,075,006,780	1,002,482,388,098
OWNER'S EQUITY	400		208,476,693,994	1,218,290,378,929
Capital	410	5.19	208,476,693,994	1,218,290,378,929
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		(2,653,367,445,580)	(1,643,553,760,645)
Retained earnings in previous year	421a		(1,643,553,760,645)	(440,977,810,114)
Retained earnings in current year	421b		(1,009,813,684,935)	(1,202,575,950,531)
TOTAL RESOURCES	440		7,791,391,705,156	8,250,441,049,026


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

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		71,692,313,817	1,165,932,740,480
Less deductions	02		-	(18,501,529,500)
Net sales	10	6.1	71,692,313,817	1,147,431,210,980
Cost of sales	11	6.2	123,333,756,126	1,176,845,527,428
Gross profit	20		(51,641,442,309)	(29,414,316,448)
Financial income	21	6.3	671,506,126	1,074,001,948
Financial expenses	22	6.4	715,342,432,099	793,913,141,952
<i>In which: Interest expenses</i>	23		505,879,925,368	513,560,504,503
Selling expenses	25	6.5	1,414,540,950	2,266,948,280
General and administration expenses	26	6.6	53,072,462,202	146,197,822,820
Operating profit	30		(820,799,371,434)	(970,718,227,552)
Other income	31	6.7	11,037,991,752	34,982,731,258
Other expenses	32	6.8	200,328,757,358	260,019,051,490
Other profit	40		(189,290,765,606)	(225,036,320,232)
Profit before tax	50		(1,010,090,137,040)	(1,195,754,547,784)
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		(1,009,813,684,935)	(1,202,575,950,531)



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

CASH FLOW STATEMENT (Indirect Method)

For the financial year ended 31 December 2024

	Code	Year 2024 VND	Year 2023 VND
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax	01	(1,010,090,137,040)	(1,195,754,547,784)
Adjustments for :			
Depreciation and amortisation	02	126,372,111,371	128,147,434,100
Provisions	03	183,370,261,185	236,199,392,292
Unrealised foreign exchange (gains)/losses	04 6.4	15,923,216,501	16,924,814,050
Profits/(losses) from investing activities	05	(670,472,580)	(708,451,865)
Interest expense	06 6.4	505,879,925,368	513,560,504,503
Operating income before changes in working capital	08	(179,215,095,195)	(301,630,854,704)
(Increase)/decrease in receivables	09	41,314,784,180	186,903,105,327
(Increase)/decrease in inventories	10	115,996,732,635	328,055,082,711
Increase/(decrease) in payables	11	19,870,022,084	(147,446,718,886)
(Increase)/decrease in prepaid expenses	12	14,614,810,264	11,626,586,208
Interest paid	14	(611,809,572)	(78,775,844,376)
Corporate income tax paid	15	(5,600,395,006)	-
Net cash flow from operating activities	20	6,369,049,390	(1,268,643,720)
CASH FLOW FROM INVESTING ACTIVITIES			
Investment in other entities	25	-	(4,034,190,200)
Interest and dividends received	27	670,472,580	708,451,865
Net cash flow from investing activities	30	670,472,580	(3,325,738,335)
CASH FLOW FROM FINANCIAL ACTIVITIES			
Proceeds from borrowings	33 7.1	155,000,000,000	1,376,479,604,099
Repayments of borrowings	34 7.2	(139,381,400,110)	(1,568,578,942,667)
Net cash flow from financing activities	40	15,618,599,890	(192,099,338,568)
Net increase/decrease in cash	50	22,658,121,860	(196,693,720,623)
Cash and cash equivalents at beginning of year	60 5.1	6,538,029,564	203,174,585,582
Impact of exchange rate fluctuation	61	79,151,579	57,164,605
Cash and cash equivalents at the end of year	70 5.1	29,275,303,003	6,538,029,564


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 FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

1. BUSINESS CHARACTERISTICS

1.1 Form of ownership

Pomina Steel Corporation is a joint stock company established from the equitisation of Pomina Steel Limited Liability Company and operates under Enterprise Registration Certificate No. 3700321364 issued by the Department of Planning and Investment of Binh Duong Province on 17 July 2008 and subsequent amended Enterprise Registration Certificates, with the most recent amendment being the 14th amendment issued on 3 March 2023.

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

At the beginning of 2024, the Company's shares were traded on the HOSE listed securities exchange. From 10 May 2024, the Company's shares have been traded on the Unlisted Public Company Market (UPCoM), with details 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 Company's registered office is located at No. 1, Road No. 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.

1.2 Scope of operating activities

The Company operates in the manufacturing and trading sector

1.3 Principal business activities

The Company's principal business activities are: Manufacturing and processing of iron, steel and cast iron; recycling of scrap; wholesale of metals and metal ores; other specialised wholesale not elsewhere classified.

During the year, the Company's principal business activities comprised steel rolling, wholesale of steel products and recycling of metal scrap.

The Company 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 Business cycle

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

1.5 Structure of the Company

Subsidiaries

Company name	Principal office address	Principal business activities	Capital contribution ratio	Voting rights ratio	Benefit ratio
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, metal and non-metal scrap and waste.	99.50%	99.50%	99.50%

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Company name	Principal office address	Principal business activities	Capital contribution ratio	Voting rights ratio	Benefit ratio
Pomina Steel 1 One Member Company Limited.	No. 2, Street 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.	Manufacturing of iron, steel and pig iron	100%	100%	100%

Dependent units

Unit name	Address
Pomina Steel Mill 1 - Branch of Pomina Steel Corporation	No. 2, Street 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam.
Steel Billet Smelting Plant - Branch of Pomina Steel Corporation	Street No. 9, Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam.

1.6 Comparability of information in the financial statements

The figures presented in the financial statements for the financial year ended 31 December 2024 are comparable with the corresponding figures of the prior year.

1.7 Employees

As at 31 December 2024, the Company has 146 employees (31 December 2023: 416 employees).

2. ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

2.1 Financial year

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

2.2 Accounting currency

The Company maintains its accounting records in Vietnamese dong (VND) due to the collections and payments being made primarily in VND.

3. APPLICABLE ACCOUNTING STANDARDS AND REGIME

3.1 Applicable accounting standards and regime

The financial statements are prepared and presented in accordance with the Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 of the Ministry of Finance providing guidance on the preparation and presentation of financial statements and Vietnamese Accounting Standards.

The Company applies the Vietnamese Accounting Standards and Corporate Accounting Regime issued under Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC and other circulars of the Ministry of Finance guiding the implementation of Vietnamese Accounting Standards in the preparation and presentation of financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

3.2 Statement of compliance with Accounting Standards and Regime

The Board of Directors of the Company confirms that the Company has complied with the requirements of Vietnamese Accounting Standards, Vietnamese Accounting Regime for enterprises promulgated under Circular No. 200/2014/TT-BTC, Circular No. 53/2016/TT-BTC as well as other circulars guiding the implementation of Vietnamese Accounting Standards issued by the Ministry of Finance in the preparation of the financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of preparation of the financial statements

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

4.2 Foreign currency transactions

During the year, transactions denominated in currencies other than VND are translated into VND at the actual transaction exchange rate at the date of the transaction. At the end of the fiscal year, foreign currency bank deposits and monetary items denominated in foreign currencies classified as assets are translated into VND at the buying transfer exchange rate announced by the bank on that date; monetary items denominated in foreign currencies classified as liabilities are translated into VND at the selling exchange rate announced by the bank on that date.

Exchange differences arising during the year from foreign currency transactions are recognised in financial income or financial expenses. Exchange differences arising from the revaluation of foreign-currency-denominated monetary items at the end of the fiscal year, after netting the favourable and unfavourable differences, are recognised in financial income or financial expenses.

4.3 Cash and cash equivalents

Cash comprises cash on hand, demand deposits and cash in transit. Cash equivalents are short-term investments with an original maturity of not more than three months from the date of investment, which are readily convertible into a known amount of cash and which are not subject to a significant risk of changes in value at the reporting date.

4.4 Receivables

Receivables are stated at cost less provision for doubtful debts.

Receivables are classified into trade receivables and other receivables in accordance with the following principles:

- Trade receivables represent commercial receivables arising from buy-sell transactions between the Company and buyers who are independent from the Company.
- Other receivables represent non-commercial receivables that do not relate to buy-sell transactions.

Provision for doubtful debts represents the estimated losses arising from receivables that cannot be collected from customers, based on the outstanding receivable balances at the balance sheet date. The increase or reversal of the provision for doubtful debts is recognised in general and administration expenses in the statement of income.

4.5 Inventories

Inventories are stated at the lower of cost and net realisable value.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

The cost of inventories is determined as follows:

- Raw materials and merchandise: comprise purchase cost and other directly related costs incurred in bringing the inventories to their present location and condition.
- Finished goods: comprise the cost of raw materials, direct labour and relevant production overheads allocated based on the normal level of activity.
- Work in progress: comprises only the cost of principal raw materials.

Net realisable value is the estimated selling price of inventories in the normal course of production and business less the estimated costs of completion and the estimated costs necessary for the sale.

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

Provision for inventory write-down is made for each inventory item whose cost exceeds its net realisable value. For services in progress, the provision is calculated for each type of service with a separate price. Increases or decreases in the provision for inventory write-down required at the end of the fiscal year are recognised in cost of goods sold.

4.6 Prepaid expenses

Prepaid expenses comprise actual costs incurred that relate to the production and business results of more than one fiscal year. The Company's prepaid expenses include the following:

Tools and equipment

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

Repair costs

Significant repair costs incurred at one time are allocated to expenses using the straight-line method over a period not exceeding 3 years.

Other prepaid expenses

Business advantages, land rental and other prepaid expenses are amortized on a straight-line basis over the prepayment period, the lease term, or the period over which the corresponding economic benefits are generated.

4.7 Operating lease assets

A lease is classified as an operating lease if substantially all the risks and rewards incidental to ownership of the asset are retained by the lessor. Operating lease payments are recognised as expenses using the straight-line method over the lease term, regardless of the payment method.

4.8 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of a tangible fixed asset comprises the total costs incurred by the Company to bring the asset to the condition ready for its intended use. Subsequent costs are capitalised only when it is probable that they will give rise to future economic benefits. All other subsequent expenditure is recognised as production or business expenses in the period in which it is incurred.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

When assets are sold or disposed of, the cost and accumulated depreciation of the assets are removed from the financial statements and any gains or losses arising from disposal are recognised in the statement of income.

Depreciation of tangible fixed assets is calculated using the straight-line method over the estimated useful lives of the assets as follows:

Type of fixed asset	Number of years
Buildings and structures	06 - 25
Machinery and equipment	05 - 12
Vehicles and transmission equipment	06 - 08
Office equipment	03 - 05

4.9 Finance lease fixed assets

A lease is classified as a finance lease if substantially all the risks and rewards incidental to ownership of the asset are transferred to the lessee. Finance lease fixed assets are stated at cost less accumulated depreciation. The cost of a finance lease fixed asset is the lower of the fair value of the leased asset at the inception of the lease and the present value of the minimum lease payments. The discount rate used to calculate the present value of the minimum lease payments is the interest rate implicit in the lease or the rate stated in the lease contract. Where it is not practicable to determine the implicit rate, the lessee's incremental borrowing rate at the inception of the lease is used.

Finance lease fixed assets are depreciated using the straight-line method over the estimated useful life. Where there is no reasonable certainty that the Company will obtain ownership of the asset at the end of the lease term, the asset is depreciated over the shorter of the lease term and its estimated useful life. The depreciation periods for finance lease fixed assets are as follows:

Type of fixed asset	Number of years
Buildings and structures	25

4.10 Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises the total costs incurred by the Company to bring the asset to the condition ready for its intended use. Subsequent expenditure related to an intangible fixed asset is recognised as production or business expenses in the period in which it is incurred unless such expenditure is directly attributable to a specific intangible fixed asset and increases the economic benefits from that asset.

When intangible fixed assets are sold or disposed of, the cost and accumulated amortisation are derecognised and any gains or losses arising from disposal are recognised in income or expenses in the period.

The Company's intangible fixed assets comprise:

Computer software

The purchase cost of computer software that does not form an integral part of the related hardware is capitalised. The cost of computer software comprises the total costs incurred by the Company up to the date the software is put into use. Computer software is amortised using the straight-line method over 03 - 08 years.

4.11 Construction in progress

Construction in progress presents costs directly related (including relevant capitalised borrowing costs in accordance with the Company's accounting policies) to assets under construction, machinery and equipment under installation for production, leasing and management purposes, as well as costs related to the repair of fixed assets in progress. These assets are stated at cost and are not depreciated.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.12 Payables and accrued expenses

Payables and accrued expenses are recognised for amounts to be paid in the future for goods and services received. Accrued expenses are recognised based on reasonable estimates of the amounts payable.

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

- Trade payables represent commercial payables arising from transactions for the purchase of goods, services and assets, where the supplier is independent from the Company.
- Accrued expenses represent amounts payable for goods or services already received from suppliers or already provided to customers but not yet paid due to the absence of invoices or supporting accounting documents, and amounts payable to employees for leave pay and production or business costs to be accrued.
- Other payables represent non-commercial payables that do not relate to the purchase or sale of goods and services.

4.13 Owner's equity

Owners' invested capital

Owners' invested capital is recognised at the actual amount of capital contributed by the shareholders.

Share premium

Share premium is recognised as the difference between the issue price and the par value of shares upon initial public offering and additional issuance, the difference between the re-issue price and the book value of treasury shares, and the equity component of convertible bonds upon maturity. Direct costs relating to additional share issuance and treasury share re-issuance are deducted from share premium.

Reserves

Reserves are appropriated and utilised in accordance with the Company's Charter.

Treasury shares

When shares issued by the Company are repurchased, the consideration paid including any directly attributable transaction costs is recognised as treasury shares and is presented as a deduction from owner's equity. When treasury shares are re-issued, the difference between the re-issue price and the book value of treasury shares is recorded in "Share premium".

4.14 Profits distribution

Profit after corporate income tax is distributed to shareholders after appropriation to reserves in accordance with the Company's Charter and the relevant regulations and after approval by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into consideration non-cash items included in retained earnings that may affect cash flows and the ability to pay dividends, such as gains from revaluation of assets contributed as capital, gains from revaluation of monetary items, financial instruments, and other non-cash items.

Dividends are recognised as a liability when approved by the General Meeting of Shareholders.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.15 Revenue and income

Revenue from sales of goods is recognised when all five (5) of the following conditions are simultaneously satisfied:

- (a) The Company has transferred to the buyer the significant risks and rewards of ownership of the products or goods;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) The amount of revenue can be measured reliably; where the contract allows the buyer to return the products or goods under specific conditions, revenue is recognised only when those specific conditions no longer exist and the buyer is not entitled to return the products or goods (except where the customer has the right to return goods in the form of exchange for other goods or services);
- (d) It is probable that the economic benefits associated with the transaction will flow to the company;
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from rendering of services

Revenue from rendering of services is recognised when the outcome of the transaction can be measured reliably. Where services are performed over more than one period, revenue is recognised in each period based on the results of the work completed at the end of that accounting period. The outcome of a transaction involving the rendering of services can be measured reliably when all four (4) of the following conditions are satisfied:

- (a) The amount of revenue can be measured reliably. Where the contract allows the buyer to return the services purchased under specific conditions, revenue is recognised only when those specific conditions no longer exist and the buyer is not entitled to return the services provided;
- (b) The economic benefits from the transaction involving the rendering of services have been or will be collected;
- (c) The stage of completion of the transaction at the reporting date can be determined;
- (d) The costs incurred for the transaction and the costs to complete the transaction can be determined.

Interest income

Interest income is recognised on an accrual basis, determined on the balances of deposit accounts and the actual interest rate for each period.

4.16 Borrowing costs

Borrowing costs comprise interest on borrowings and other costs directly related to the borrowings.

Borrowing costs are recognised in financial expenses during the year unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset. Capitalisation of borrowing costs ceases when the principal activities necessary to prepare the qualifying asset for its intended use or sale are completed. For specific borrowings used for the construction of fixed assets or investment property, borrowing costs are capitalised regardless of whether the construction period is less than 12 months. Income earned from the temporary investment of specific borrowings is deducted from the cost of the related asset.

For general borrowings used for the purpose of acquisition, construction or production of a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the weighted average cumulative expenditures on that asset. The capitalisation rate is the weighted average interest rate of the outstanding borrowings during the year, other than specific borrowings for the purpose of obtaining a particular asset.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Capitalisation of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is abnormally interrupted. During such periods, borrowing costs incurred are recognised as production or business expenses until the acquisition, construction or production resumes.

4.17 Corporate income tax

Corporate income tax expense comprises current income tax and deferred income tax.

Current income tax

Current income tax is the amount of tax computed on taxable income. Taxable income differs from accounting profit due to adjustments for temporary differences between tax and accounting, non-deductible expenses and non-taxable income and losses brought forward.

Deferred income tax

Deferred income tax is the amount of corporate income tax payable or recoverable in future periods arising from temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised only when it is probable that taxable profit will be available against which the deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each fiscal year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of those deferred tax assets to be utilised. Previously unrecognised deferred tax assets are reviewed at the end of each fiscal year and are recognised to the extent that it has become probable that sufficient taxable profit will be available to allow those deferred tax assets to be utilised.

Deferred tax assets and deferred tax liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates effective at the end of the fiscal year. Deferred income tax is recognised in the statement of income and is recognised directly in equity only when the tax relates to items that are recognised directly in equity.

Corporate income tax incentives

Pursuant to Investment Certificate No. 49221000139, the 5th amendment dated 19 November 2020 issued by the Management Board of Industrial Zones of Ba Ria - Vung Tau Province. The project commenced operations from January 2008. The Steel Billet Smelting Plant - Branch of Pomina Steel Corporation is entitled to the following incentives for the project:

- + Tax rate of 10% on profits earned for 15 years from the commencement of business operations (from 2012 to 2026), and 28% on profits earned in subsequent years.
- + Exemption from corporate income tax for 04 years from the first year of taxable income and 50% reduction of tax payable for the subsequent 9 years.

The Company's tax returns are subject to examination by the tax authorities. Due to the application of tax legislation to various types of transactions and the differing interpretations and acceptances, the figures reported in the financial statements may differ from those determined by the tax authorities.

4.18 Basic earnings per share

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

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.19 Segment reporting

A business segment is an identifiable component that is engaged in providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is an identifiable component that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of segments operating in other economic environments.

4.20 Financial instruments

Financial assets

The classification of financial assets depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. The Company's financial assets comprise cash and cash equivalents, trade receivables, other receivables, loans and long-term investments.

At initial recognition, financial assets are recognised at cost plus transaction costs directly attributable to the financial assets.

Financial liabilities

The classification of financial liabilities depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition. The Company's financial liabilities comprise trade payables, borrowings and debts, and other payables.

At initial recognition, except for liabilities relating to finance leases and convertible bonds which are recognised at amortised cost, other financial liabilities are initially recognised at cost less transaction costs directly attributable to those financial liabilities.

Amortised cost is determined as the initially recognised amount of the financial liabilities less principal repayments, plus or minus the cumulative amortisation using the effective interest method of the difference between the initially recognised amount and the maturity amount, less any reduction (directly or through the use of an allowance account) for impairment or uncollectibility.

The effective interest method is a method of calculating the amortised cost of a financial liability or a group of financial liabilities and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial liabilities.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Off setting financial instruments

Financial assets and financial liabilities shall only be offset and presented on a net basis on the balance sheet when, and only when, the Company:

- Has a legally enforceable right to set off the recognised amounts; and
- Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

4.21 Related parties

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

The following individuals/companies are considered related parties:

Individual/Company	Location	Relationship
Viet Steel Co., Ltd	Vietnam	Parent company
Pomina 2 Steel Corporation	Vietnam	Subsidiary
Pomina Steel 1 One Member Company Limited	Vietnam	Subsidiary
Pomina Steel Commerce Company Limited	Vietnam	Under common control of the same Parent Company
Pomina Flat Steel Joint Stock Company	Vietnam	Same key management member until October 2024
Board of Management, Board of Supervisors, Board of General Directors and individuals related to key management members		Key management members

5. SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE BALANCE SHEET

5.1 Cash and cash equivalents

	31/12/2024 VND	01/01/2024 VND
Cash on hand - VND	30,526,145	58,632,787
Bank deposits (*)		
- VND	27,170,254,260	3,697,678,544
- USD	2,042,469,516	2,749,702,135
- EUR	31,053,082	31,016,098
Cash equivalents (**)	1,000,000	1,000,000
	29,275,303,003	6,538,029,564

(*) Details of foreign currency bank deposit balances as at 31 December 2024:

	31/12/2024		01/01/2024	
	Original currency	VND equivalent	Original currency	VND equivalent
Bank deposits - USD	80,739.56	2,042,469,516	114,207.12	2,749,702,135
Bank deposits - EUR	1,190.64	31,053,082	1,189.45	31,016,098
		2,073,522,598		2,780,718,233

(**) Cash equivalents are bank deposits with a term of 01 month, with deposit interest rates ranging from 3.0%/year to 3.25%/year.

5.2 Short-term trade Receivables

	31/12/2024 VND	01/01/2024 VND
Receivables from related parties		
Viet Steel Co., Ltd	32,580,562,314	42,273,219,205
Pomina 2 Steel Corporation	2,899,308,611	47,916,900

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

	31/12/2024 VND	01/01/2024 VND
Receivables from other customers		
Lim Hok Chhoun Steel Co., Ltd	149,806,139	149,806,139
A Chau Steel Joint Stock Company	3,960,702,400	-
Nippon Sanso Vietnam Joint Stock Company	-	11,882,942,385
Thien Long Electronic Commerce Company Limited	-	2,426,365,116
Phat Loc Hung One Member Company Limited	5,953,341,500	5,953,341,500
Binh An Investment and Services Joint Stock Company	-	6,545,968,000
Other customers	243,099,967	450,396,332
	45,786,820,931	69,729,955,577

5.3 Short-term advances to suppliers

	31/12/2024 Amount VND	01/01/2024 Amount VND
Advances to other suppliers		
Century Valuation Joint Stock Company - Ho Chi Minh City Branch	27,000,000	27,000,000
Asian Pacific Ecology Trade Co., Ltd	21,971,925,000	21,971,925,000
Other suppliers	6,360,925,482	7,370,808,815
	28,359,850,482	29,369,733,815

5.4 Other short-term and long-term Receivables

5.4.1 Other short-term Receivables

	31/12/2024		01/01/2024	
	Amount VND	Provision VND	Amount VND	Provision VND
Receivables from related parties				
Pomina 2 Steel Corporation - Dividends	99,422,108	-	99,422,108	-
Mr. Truong Thanh Cong - Advances	441,990,542	-	441,990,542	-
Receivables from other organisations				
Bao Ngoc Thu One Member Company Limited - VAT number of entity abandoned business address per tax minutes	-	-	12,179,986,011	-
Short-term deposits and pledges	-	-	59,589,908	-
Advances	658,980,636	-	1,169,349,636	-
Other Receivables (*)	544,070,997	(273,808,030)	9,316,373,132	(8,942,625,582)
	1,744,464,283	(273,808,030)	23,266,711,337	(8,942,625,582)

(*) In the assessment of the Board of Directors, this receivable is not recoverable as it is the VAT amount of an entity that abandoned its business address per tax minutes and accordingly the Company has fully provided for this receivable.

NOTES TO THE 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 - Premises lease deposit	10,000,000	-	10,000,000	-
Receivables from other organisations and individuals				
Vietinbank Finance Leasing Company Limited - Ho Chi Minh City Branch - Finance lease deposit	958,517,745	-	958,517,745	-
Ho Chi Minh City Development Bank - Deposit	1,050,425	-	1,020,240	-
	969,568,170	-	969,537,985	-

5.5 Overdue Receivables

	Overdue period	31/12/2024		01/01/2024	
		Cost VND	Recoverable value VND	Cost VND	Recoverable value VND
Short-term trade Receivables					
Lim Hok Chhourn Steel Co.,Ltd	> 3 years	149,806,139	-	149,806,139	-
Phat Loc Hung One Member Company Limited	> 3 years	5,953,341,500	-	5,953,341,500	-
Yi Chakriya Co., Ltd	> 3 years	612,900	-	612,900	-
Hq Co., Ltd	> 3 years	424,490	-	424,490	-
Samsung C&T Co., Ltd	> 3 years	1,362,000	-	1,362,000	-
Short-term advances to suppliers					
Asian Pacific Ecology Trade Co., Ltd	> 3 years	21,971,925,000	-	21,971,925,000	-
Other short-term Receivables					
Other Receivables	1 - 2 years	391,154,328	117,346,298	9,316,373,132	373,747,550
		28,468,626,357	117,346,298	37,393,845,161	373,747,550

5.6 Inventories

	31/12/2024		01/01/2024	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials and supplies	203,037,197,965	-	275,214,087,735	-
Tools and equipment	43,790,229,324	-	44,467,142,821	-
Short-term work in progress	5,139,545,761	-	40,194,086,180	-
Finished goods	4,530,107,670	(5,192,616)	12,618,496,619	(1,495,402,122)
	256,497,080,720	(5,192,616)	372,493,813,355	(1,495,402,122)

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Movements in provision for devaluation of inventories in the year:

	Year 2024 VND	Year 2023 VND
Opening balance	(1,495,402,122)	(43,109,736,775)
Other decreases	-	37,407,509,162
Additional provision	1,490,209,506	4,206,825,491
Closing balance	(5,192,616)	(1,495,402,122)

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

	31/12/2024 VND	01/01/2024 VND
Insurance expenses	682,814,391	1,226,496,207
Service expenses	-	141,030,788
Tools and equipment expenses	332,787,118	684,178,600
	1,015,601,509	2,051,705,595

5.7.2 Long-term prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Land rental costs (*)	8,895,598,187	9,543,114,683
Business advantages (**)	11,002,041,056	16,503,061,544
Service expenses	397,777,783	1,591,111,111
Tools and equipment expenses	3,008,515,639	9,245,351,505
	23,303,932,665	36,882,638,843

(*) Land rental costs have been used as collateral for loans at commercial banks (note 5.18).

(**) 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.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.8 Movement in Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles and transmission equipment	Office equipment and tools	Other fixed assets	Total
	VND	VND	VND	VND	VND	VND
Cost						
At 01/01/2024	642,760,721,900	2,296,126,042,412	130,042,005,993	2,867,530,603	115,000,000	3,071,911,300,908
Additions during the year	-	-	-	-	-	-
At 31/12/2024	642,760,721,900	2,296,126,042,412	130,042,005,993	2,867,530,603	115,000,000	3,071,911,300,908
Accumulated depreciation						
At 01/01/2024	323,099,058,024	1,601,328,745,470	108,587,865,397	2,448,299,930	115,000,000	2,035,578,968,821
Depreciation for the year	25,770,034,226	91,327,946,079	3,433,231,514	214,317,736	-	120,745,529,555
At 31/12/2024	348,869,092,250	1,692,656,691,549	112,021,096,911	2,662,617,666	115,000,000	2,156,324,498,376
Net book value						
At 01/01/2024	319,661,663,876	694,797,296,942	21,454,140,596	419,230,673	-	1,036,332,332,087
At 31/12/2024	293,891,629,650	603,469,350,863	18,020,909,082	204,912,937	-	915,586,802,532
<i>Cost of Tangible fixed assets that has been fully depreciated but still in use:</i>						
At 01/01/2024	35,826,134,114	592,676,308,977	92,161,362,535	2,213,724,438	115,000,000	722,992,530,064
At 31/12/2024	39,520,096,091	601,068,383,452	101,320,353,165	2,213,724,438	115,000,000	744,237,557,146

As at 31 December 2024, all fixed assets have been pledged as collateral for loans at commercial banks (note 5.18).

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.9 Movement in finance lease assets

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

5.10 Movement in intangible fixed assets

	Copyright VND	Computer software VND	Total VND
Cost			
At 01/01/2024	576,120,518	7,611,498,281	8,187,618,799
Additions during the year	-	-	-
At 31/12/2024	576,120,518	7,611,498,281	8,187,618,799
Accumulated depreciation			
At 01/01/2024	576,120,518	7,500,331,624	8,076,452,142
Depreciation for the year	-	45,999,996	45,999,996
At 31/12/2024	576,120,518	7,546,331,620	8,122,452,138
Net book value			
At 01/01/2024	-	111,166,657	111,166,657
At 31/12/2024	-	65,166,661	65,166,661

Cost of intangible fixed assets that have been fully amortised but still in use:

At 01/01/2024	576,120,518	7,006,940,781	7,583,061,299
At 31/12/2024	576,120,518	7,006,940,781	7,583,061,299

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.11 Construction in progress

	31/12/2024 VND	01/01/2024 VND
Blast Furnace Project construction costs (*)	5,711,470,007,930	5,711,587,925,604
	<u>5,711,470,007,930</u>	<u>5,711,587,925,604</u>

(*) These are direct construction costs and other costs related to the investment and construction of the Steel Billet Smelting Plant Project (expansion of the upstream investment comprising the Sintering Line and Blast Furnace constructed at Phu My 1 Industrial Park, Phu My Town, Ba Ria - Vung Tau Province). The total construction area (entire zone) is 149,498.80 m². The project objective is to construct a steel billet smelting plant with a capacity of 1 million tonnes per year. The project has currently been suspended due to maintenance and repair requirements for equipment at the blast furnace workshop of Steel Billet Smelting Factory - Branch of Pomina Steel Corporation. Pomina Steel Corporation decided to temporarily suspend blast furnace production from 26 September 2022.

As at 31 December 2024, the entire value arising from the Blast Furnace Project has been pledged as collateral for loans at 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
Investments in subsidiaries						
Pomina 2 Steel Corporation ⁽ⁱ⁾	796,000,000,000	(680,583,755,136)	(*)	796,000,000,000	(487,486,947,889)	(*)
Pomina Steel 1 One Member Company Limited ⁽ⁱⁱ⁾	4,034,190,200	(1,662,234,471)	(*)	4,034,190,200	(1,229,753,475)	(*)
Held-to-maturity investments						
Vietnam Joint Stock Commercial Bank for Industry and Trade - bonds ⁽ⁱⁱⁱ⁾	10,000,000,000	-	(*)	10,000,000,000	-	(*)
Total	<u>810,034,190,200</u>	<u>(682,245,989,607)</u>	<u>(*)</u>	<u>810,034,190,200</u>	<u>(488,716,701,364)</u>	<u>(*)</u>

- (i) Pomina 2 Steel Corporation (POM 2) was incorporated under the Law on Enterprises of Vietnam under Enterprise Registration Certificate No. 4903000349 issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province on 4 June 2007 and subsequent amended certificates. The charter capital of POM 2 is VND 800,000,000,000, of which the Company holds VND 796,000,000,000 equivalent to 99.5% of the charter capital. The registered office of POM 2 is at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam. The principal activity of POM 2 during the current year is manufacturing and trading of steel products.
- (ii) (Pomina Steel 1 One Member Company Limited was incorporated under Enterprise Registration Certificate No. 3703120176 dated 11 April 2023, at No. 2, Road 27, Song Than 2 Industrial Park, Di An Ward, Ho Chi Minh City, Vietnam. The charter capital is VND 161,917,000,000, of which the Company holds 100% of the charter capital. The principal activity is manufacturing of iron, steel and cast iron. Pursuant to the Business Suspension Certificate No. 70846/25 dated 08 May 2025, the company has temporarily suspended business from 07 June 2025 to 06 June 2026.
- (iii) These are bond investments at Vietnam Joint Stock Commercial Bank for Industry and Trade ("VietinBank") with a term of ten (10) years, maturing on 24 September 2030, and bearing a floating interest rate equal to the reference rate plus a margin of 1%/year.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

- (*) As at the reporting date, the Company has not been able to determine the fair value of these investments for disclosure in the financial statements as there are no quoted market prices and the Vietnamese Accounting Standards and Corporate Accounting Regime currently provide no guidance on calculating fair value using valuation techniques. The fair value of these investments may differ from their carrying amounts.

Movement in provision for financial investments is as follows:

	Year 2024	Year 2023
Opening balance	(488,716,701,364)	(225,951,147,030)
Additional provision	(193,529,288,243)	(262,765,554,334)
Closing balance	(682,245,989,607)	(488,716,701,364)

5.13 Short-term trade payables

	31/12/2024 VND	01/01/2024 VND
Payables to related parties		
Viet Steel Co., Ltd	231,020	53,351,433,863
Pomina 2 Steel Corporation	75,428,757,393	55,447,591,560
Payables to other suppliers		
China machinery Industry International Cooperation Co.,Ltd	190,061,885,002	181,604,230,506
China 15th Metallurgical Construction Group Co.,Ltd	69,139,726,025	38,116,885,543
Dai Quang Minh Real Estate Investment Joint Stock Company	39,802,130,209	31,463,013,697
Chinatech Tanrry Technology Co.,Ltd	6,004,438,000	5,750,920,000
Southern Gas Trading Joint Stock Company - Dong Nai Branch	9,798,153,455	7,208,825,083
Dai Phat Thinh Construction Investment Company Limited	3,238,577,224	4,088,577,224
Nam Son Steel Joint Stock Company	548,870,721,367	519,587,351,680
Other suppliers	611,309,081,399	673,946,931,402
	1,553,653,701,094	1,570,565,760,558

As at 31 December 2024, the Company's overdue and unpaid payables amounted to VND 1,017,323,799,297. By the date of issuance of this report, the Company had repaid overdue payables of VND 50,697,446,739.

5.14 Short-term advances from customers

	31/12/2024 VND	01/01/2024 VND
Advances from related parties		
Pomina 2 Steel Corporation	-	19,981,165,833
Advances from other customers		
Cong Thanh Cement Joint Stock Company	14,797,931,400	14,797,931,400
SMC Commercial Investment Joint Stock Company	-	-
Thanh Dai Phu My Joint Stock Company	4,307,799,314	4,307,799,314
Other customers	521,045,463	521,045,463
	19,626,776,177	39,607,942,010

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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

	01/01/2024		Arising during the year		31/12/2024	
	Payable	Receivable	Amount payable	Amount paid/ Offset	Payable	Receivable
	VND	VND	VND	VND		VND
Domestic VAT	71,432,891	-	8,548,166,145	(8,157,790,246)	461,808,790	-
Excise Tax	-	(24,585,610)	-	-	-	(24,585,610)
Import and export tax	-	(160,082,755)	1,789,277,169	(1,629,194,414)	-	-
Corporate income tax	5,198,410,981	(2,987,028,306)	1,357,511,589	(5,600,395,006)	955,527,564	(2,987,028,306)
Personal income tax	2,529,672	(1,106,261,210)	508,591,623	(853,790,917)	5,252,882	(1,454,183,714)
Other taxes	-	(95,000)	2,000,000	(2,000,000)	-	(95,000)
	5,272,373,544	(4,278,052,881)	12,205,546,526	(16,243,170,583)	1,422,589,236	(4,465,892,630)

Value added tax

The Company pays value added tax using the deduction method. The value added tax rates applicable to domestically consumed goods are exempt, 5%, 8% and 10%.

Corporate income tax

The Company is obligated to pay corporate income tax at the standard rate of 20% on taxable income.

Corporate income tax ("CIT") payable during the year is estimated as follows:

	Year 2024 VND	Year 2023 VND
Total accounting profit before tax	(1,010,090,137,040)	(1,195,754,547,784)
Adjustments to increase (decrease) accounting profit to determine CIT taxable income		
- Upward adjustments	548,571,523,583	587,537,236,430
- Downward adjustments	-	(3,015,243)
Taxable income	(461,518,613,457)	(608,220,326,597)
Preferential CIT rate	10%	10%
Standard CIT rate	20%	20%
CIT payable	-	-
Prior year CIT adjustment	-	6,680,057,945
Current CIT expense	-	6,680,057,945

Land and building tax

Land and building tax is paid in accordance with notices issued by the tax authorities.

Other taxes

The Company declares and pays in accordance with applicable regulations.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.16 Short-term accrued expenses

	31/12/2024 VND	01/01/2024 VND
Payable to 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
Payable to other organisations and individuals		
Land rental expense	35,361,599,135	16,773,301,942
Accrued interest expense	854,554,643,849	407,237,657,025
Penalty interest expense	4,597,135,908	4,597,135,908
Late payment interest to suppliers	-	7,388,092,436
Electricity expense	28,246,113	38,051,800
Other accrued expenses	3,292,965,980	4,009,585,290
	900,725,960,068	442,537,830,167

5.17 Other short-term and long-term payables

5.17.1 Other short-term payables

	31/12/2024 VND	01/01/2024 VND
Payable to related parties		
Viet Steel Co., Ltd		
+ Borrowings	8,324,749,998	156,543,601,126
+ Loan interest	3,201,095,888	-
Pomina 2 Steel Corporation		
+ Borrowings	186,947,011,189	-
+ Loan interest	79,199,752,459	66,105,637,910
+ Expenses paid on behalf	211,175,081,555	1,668,739,932
Truong Do Thi Cam Huong – expenses paid on behalf	290,000,000	9,091,455
Pomina Steel 1 One Member Company Limited – Borrowings	3,606,448,078	-
Payable to other organisations and individuals		
Vietnam Joint Stock Commercial Bank for Industry and Trade – Penalty interest	5,451,185,300	-
Dai Quang Minh Real Estate Investment Joint Stock Company – Interest	-	1,578,082,193
SSI Securities Corporation – Dividend paid on behalf	149,822,500	149,822,500
Social insurance	8,587,014,599	7,998,319,217
Trade union funds	4,385,505,922	4,224,079,077
Other payables	4,696,635,327	5,583,085,200
	516,014,302,815	243,860,458,610

5.17.2 Other long-term payables

	31/12/2024 VND	01/01/2024 VND
Payable to related parties		
Viet Steel Co., Ltd – Borrowings	-	149,216,500,000
Pomina Steel 1 One Member Company Limited – Capital borrowings	-	4,221,448,078
	-	153,437,948,078

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For the fiscal year ended 31 December 2024

5.18 Short-term and long-term loans and finance lease liabilities

5.18.1 Short-term loans and finance lease liabilities

	31/12/2024 VND	01/01/2024 VND
Short-term loans and finance lease liabilities – related parties		
Pomina 2 Steel Corporation (a)	225,115,209,624	222,115,209,624
Pomina 2 Steel Corporation – long-term borrowings due for repayment	159,240,353,568	-
Short-term loans and finance lease liabilities – other organisations and individuals		
Dai Quang Minh Real Estate Investment Joint Stock Company (b)	300,000,000,000	300,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade (c)	1,725,907,821,456	1,725,922,821,456
Vietnam Joint Stock Commercial Bank for Investment and Development (d)	696,788,193,093	696,788,193,093
Finance Leasing Company Limited of Vietnam Joint Stock Commercial Bank for Industry and Trade (e)	42,898,781,590	12,098,153,950
Vietnam Bank for Foreign Trade – Binh Duong Branch (f)	420,479,091,325	423,479,091,325
Ho Chi Minh City Development Joint Stock Commercial Bank (g)	191,888,000,000	191,888,000,000
Bui Quang Thuan (h)	25,000,000,000	-
	3,787,317,450,656	3,572,291,469,448

- (a) Loan Agreement No. 08/PO3/822001 dated 27 October 2021, Extension Addendum No. PL03/08/PO3/822001 dated 01 January 2024, and Interest Rate Adjustment Addendum No. PL04/08/PO3/822001 dated 01 January 2024 with Pomina 2 Steel Corporation.

- Outstanding balance: VND 225,115,209,624;
- Current portion of long-term borrowings: VND 159,240,353,568;
- Loan term: 12 months from 01 January 2024;
- Purpose: To purchase raw materials for production;
- Interest rate: 2.80%/year;
- Collateral: Unsecured.

- (b) Agreement No. 0116/HĐV/THADICO-POM dated 16 January 2023 between Dai Quang Minh Real Estate Investment Joint Stock Company and Pomina Steel Corporation, and its extension addenda.

- Outstanding balance: VND 300,000,000,000;
- Interest rate: 12%/year;
- Loan term: 6 months (extended multiple times until 30/06/2026);
- Purpose: To implement investment/business plans, particularly for debt restructuring.
- Collateral: 66,666,667 shares equivalent to a value of VND 666,666,670,000 and all rights, dividends, and benefits owned by Pomina Steel Corporation.

- (c) Outstanding balance: VND 1,725,907,821,456, including the following loan agreements:

- (i) Investment Project Loan Agreement No. 17.2680105/2017-HĐCVDADT/NHCT900-POMINA dated 01 November 2017 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 term: As specified in each specific Promissory Note;
- Purpose: To issue guarantees and open LCs;
- Interest rate: 10.00% - 10.80%/year.

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- (ii) Credit Line Loan Agreement No. 21.7320086/2021-HĐCVHM/NHCT900-POM3 dated 28 December 2021 with Vietnam Joint Stock Commercial Bank for Industry and Trade - Ho Chi Minh City Branch, Pomina Steel Corporation, and Steel Billet Smelting 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 production and business activities;
 - Loan term: Not exceeding 06 months per each Promissory Note;
 - Interest rate: Per each Promissory Note and adjustment (if any);
- (iii) Credit Line Loan Agreement No. 21.7320088/2021-HĐCVHM/NHCT900-POM1 dated 28 December 2021 between the parties: 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 production and business activities;
 - Limit duration: Until the end of 28 December 2022;
 - Loan term: As specified in each specific Promissory Note (6 months or 7 months);
 - Interest rate: Determined per each drawing.

The list of collateral corresponding to the above Loan Agreements includes:

- + All machinery and equipment related to the 1,000,000 tons/year steel billet smelting plant investment project at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam owned by Pomina Steel Corporation.
- + All assets attached to land plot No. 402, map sheet No. 19, Phu My Ward, Phu My Town, Ba Ria - Vung Tau Province related to the 1,000,000 tons/year steel billet smelting plant investment project at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam owned by Pomina Steel Corporation.
- + The entire machinery and equipment system related to the project "Further investment in upstream stages of the metallurgical line at the steel billet smelting plant with a capacity of 1.0 million tons of steel billets/year" at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam owned by Pomina Steel Corporation.
- + All future land-attached assets related to the project "Further investment in upstream stages of the metallurgical line at the steel billet smelting plant with a capacity of 1.0 million tons of steel billets/year" at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam owned by Pomina Steel Corporation.
- + Property rights of Pomina Steel Corporation arising from the project "Further investment in upstream stages of the metallurgical line at the steel billet smelting plant with a capacity of 1.0 million tons of steel billets/year" at Phu My 1 Industrial Park, Phu My Ward, Ho Chi Minh City, Vietnam.
- + Property rights including but not limited to: rights, interests, property rights, and benefits attached to or arising from the land use rights at: Land plot No. 402, map sheet No. 19, Phu My Ward, Ho Chi Minh City, Vietnam and Land plot No. 35, map sheet No. 05, Tan Phuoc Ward, Phu My Ward, Ho Chi Minh City, Vietnam of Pomina Steel Corporation.
- + Average floating inventories under the ownership, management, and use rights of Pomina Steel Corporation financed by bank loans.
- + Property rights of Pomina Steel Corporation arising from receivables.
- + Land-attached assets at land plot No. 151, map sheet No. 76, address: Lot A1 Nhon Binh Industrial Cluster, Quy Nhon Dong Ward, Quy Nhon City, Binh Dinh Province owned by Viet Steel Co., Ltd.
- + Land use rights of the Mortgagor for the land plot under Land Use Rights Certificate No. X065827, certificate issuance book entry No. 0009 issued by Da Nang City People's Committee on 03 November 2004. Address: Hoa Xuan Ward, Cam Le District, Da Nang City owned by Viet Steel Co., Ltd.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

- + 20 million shares issued and outstanding by Pomina Steel Corporation owned by Viet Steel Co., Ltd under Pledge of Valuable Papers Agreement No. 21.732055/2021/HĐBD/NHCT900-THEPVIET dated 22 June 2021 and its amendments and supplements.
 - + 20 million shares issued and outstanding by Pomina Steel Corporation owned by Viet Steel Co., Ltd under Pledge of Valuable Papers Agreement No. 21.732087/2021/HĐBD/NHCT900-THEPVIET dated 03 December 2021 and its amendments and supplements.
 - + Average floating inventories under the ownership, management, and use rights of Viet Steel Co., Ltd.
 - + Property rights of Viet Steel Co., Ltd arising from receivables.
- (d) Credit Line Agreement No. 03/2023/94229/HĐTD dated 15 November 2023 between the parties: Joint Stock Commercial Bank for Investment and Development of Vietnam, Pomina Steel Corporation, Steel Billet Smelting Plant - Branch of Pomina Steel Corporation, and Pomina Steel Mill 1 - Branch of Pomina Steel Corporation. The credit limit includes the entire outstanding loan balance carried forward from Credit Agreement No. 01/2020/94229/HĐTD dated 16 December 2020 and Credit Line Agreement No. 01/2023/94229/HĐTD dated 08 March 2023.
- Credit limit: VND 699,000,000,000;
 - Outstanding balance: VND 696,788,193,093;
 - Purpose: Working capital financing and opening L/C lines;
 - Loan term: Not exceeding 06 months per each Promissory Note;
 - Interest rate: Per each drawing;
 - Collateral includes:
 - + Land use rights: Land Use Rights Certificate No. 902/QSĐĐ/2000 dated 24 November 2000 issued by Binh Duong Province People's Committee at Lot M, Song Than II Industrial Park, Di An District, Binh Duong Province, and the mortgaged land-attached assets.
 - + Asset list according to the inventory includes: Steel rolling mill, cooling bed, transformer, circuit breaker, heating furnace, water treatment system, compressed air system, oil tank, capacitor bank, power cable, etc.
 - + Inventories at Pomina Steel Corporation, Steel Billet Smelting Plant - Branch of Pomina Steel Corporation, and Pomina Steel Mill 1 - Branch of Pomina Steel Corporation financed by bank loans.
 - + 79,600,000 shares owned by Pomina Steel Corporation in Pomina 2 Steel Corporation.
 - + Land use rights No. 02/01/HD-14/0001820 dated 15 November 2001 with Pomina Steel Corporation under Land Use Rights Certificate No. 902/QSĐĐ/2000 dated 24 November 2000 issued by Binh Duong Province People's Committee and land-attached assets.
- (e) Finance Lease Agreement No. 33/2022/CN.MN-CTTC dated 27 April 2022 between Vietinbank Leasing Company Limited - Ho Chi Minh City Branch and Pomina Steel Corporation.
- Provisional value of leased assets: VND 204,713,300,000;
 - Purpose: Leased asset is a double lime kiln system with a capacity of 600 tons/day at Pomina Steel Plant 3;
 - Interest rate: 7.5%/year for the first 3 months; for the remaining term, it equals the ceiling 12-month VND deposit interest rate (paid in arrears) + 3.5%/year;
 - Lease term: 60 months.

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- (f) Outstanding balance: VND 420,479,091,325, including the following loan agreements:
- (i) Credit Facility Agreement No. 032K22 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 serve production and business activities;
 - Limit duration: Until the end of 11 May 2023;
 - Loan term: Not exceeding 06 months per each Promissory Note;
 - Interest rate: Per each drawing;
 - Collateral includes:
 - + Land use rights and land-attached assets of Pomina Steel Corporation under Mortgage Agreement of Land Use Rights and Land-Attached Assets No. 047TC17 dated 04 April 2017.
 - + Land use rights, issuance No. T313914, book entry No. 98 QSDĐ/2003 issued by Binh Duong Province People's Committee on 28 March 2003 at Song Than 2 Industrial Park, Di An District, Binh Duong Province.
 - + Land-attached assets under Ownership Certificate of Construction Works issuance No. 747242594200246 at Song Than 2 Industrial Park, Di An District, Binh Duong Province.
 - + Machinery and equipment of Pomina Steel Corporation under Machinery and Equipment Mortgage Agreement No. 048TC17 dated 04 April 2017 including SANYO forklift, model FD35T9 - 3.5 tons, finishing mill stand 436, roughing mill stand HL445, crawler excavator, etc.
 - + Floating goods/inventories in the production and business process.
 - + 20,000,000 shares of Pomina Steel Corporation owned by Viet Steel Co., Ltd.
- (ii) Loan Agreement No. 033B22 dated 12 May 2022 between Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Duong Branch and Steel Billet Smelting Plant - Branch of Pomina Steel Corporation.
- Credit limit: VND 450,000,000,000;
 - Expiry date: 11 May 2023;
 - Purpose: To serve production and business activities;
 - Loan term: 06 months from the date specified on each Promissory Note;
 - Interest rate: Per each drawing;
 - Collateral includes:
 - + Machinery and equipment;
 - + Land use rights and land-attached assets;
 - + Savings deposits at the Bank and all arising interest;
 - + Inventories including: goods in warehouse, goods outside warehouse, future goods, located at: warehouse at Pomina Steel Mill 1 - Branch of Pomina Steel Corporation and warehouse at Steel Billet Smelting Plant - Branch of Pomina Steel Corporation.
- (g) Credit Line Agreement No. 19425MN/HĐTD dated 28 April 2022 and Credit Agreement Addendum No. 19425/22MN/HĐTD/PL01 dated 28 March 2023 between Ho Chi Minh City Development Joint Stock Commercial Bank 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 term: Not exceeding 06 months per each Promissory Note;
 - Interest rate: Per each drawing;
 - Collateral includes:
 - + Guarantee from Viet Steel Co., Ltd;
 - + Floating inventories financed by loan proceeds (steel, steel billets, iron, pig iron, and other raw materials);
 - + Revenue generated from LC discounting and DP shipping documents owned by Pomina Steel Corporation.

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(h) Loan Agreement No. HDV24/001 dated 31 December 2024 with Mr. Bui Quang Thuan

- Loan amount: VND 25,000,000,000;
- Agreement term: 12 months;
- Expiry date: 30 September 2024;
- Purpose: To settle the loan at Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch;
- Interest rate: 2.80%/year;
- Collateral: Unsecured.

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

	01/01/2024	Loans during the year	Repayments during the year	Reclassification	31/12/2024
	VND	VND	VND	VND	VND
Short-term loans and finance lease liabilities – related parties					
Pomina 2 Steel Corporation	222,115,209,624	3,000,000,000	-	159,240,353,568	384,355,563,192
Short-term loans and finance lease liabilities – other organisations and individuals					
Dai Quang Minh Real Estate	300,000,000,000	-	-	-	300,000,000,000
Investment Joint Stock Company					
Vietnam Joint Stock Commercial Bank for Industry and Trade	1,725,922,821,456	-	-	(15,000,000)	1,725,907,821,456
Vietnam Joint Stock Commercial Bank for Investment and Development	696,788,193,093	-	-	-	696,788,193,093
Finance Leasing Company Limited of Vietnam Joint Stock Commercial Bank for Industry and Trade	12,098,153,950	-	-	30,800,627,640	42,898,781,590
Vietnam Bank for Foreign Trade – Binh Duong Branch	423,479,091,325	-	(3,000,000,000)	-	420,479,091,325
Ho Chi Minh City Development Joint Stock Commercial Bank	191,888,000,000	-	-	-	191,888,000,000
Bui Quang Thuan	-	25,000,000,000	-	-	25,000,000,000
	3,572,291,469,448	28,000,000,000	(3,000,000,000)	190,025,981,208	3,787,317,450,656

5.18.2 Long-term loans and finance lease liabilities

	31/12/2024	01/01/2024
	VND	VND
Long-term loans and finance lease liabilities – related parties		
Viet Steel Co., Ltd (a)	-	127,000,000,000
Pomina 2 Steel Corporation (b)	127,000,000,000	159,240,353,568
Do Thi Kim Ngoc	-	1,548,346,920
Long-term loans and finance lease liabilities – other organisations and individuals		
Vietnam Joint Stock Commercial Bank for Industry and Trade (c)	599,985,000,000	599,970,000,000
Finance Leasing Company Limited of Vietnam Joint Stock Commercial Bank for Industry and Trade (d)	76,090,006,780	106,890,634,420
Other individual borrowings	-	7,833,053,190
	803,075,006,780	1,002,482,388,098

(a) Agreement No. 001/2022/HDV dated 22 June 2022 between Viet Steel Co., Ltd and Pomina Steel Corporation

- Loan amount: VND 127,000,000,000;
- Interest rate: 5%/year;

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- Loan term: 36 months from the disbursement date (either in a lump sum or installments), unless otherwise agreed by the parties;
- Purpose: To invest in the development of the blast furnace project;
- Collateral: Unsecured.

(b) Outstanding balance: VND 127,000,000,000, including the following agreements:

- (i) Agreement No. 002/HDV-PO3/2021 dated 18 May 2021, Extension Addendum No. PL03/002/HDV-POM3/2021 dated 01 July 2023, and Interest Rate Adjustment Addendum No. PL04/002/HDV-PO3/2021 dated 01 April 2024 with Pomina 2 Steel Corporation.
- Outstanding balance: VND 55,000,000,000;
 - Term: 24 months;
 - Purpose: To invest in the development of the blast furnace project;
 - Interest rate: 2.80%/year;
 - Collateral: Unsecured.
- (ii) Loan Agreement No. 08/PO3/820001 dated 20 October 2020, Extension Addendum No. PL04/08/PO3/820001 dated 01 July 2023, and Interest Rate Adjustment Addendum No. PL04/08/PO3/820001 dated 01 January 2024 with Pomina 2 Steel Corporation.
- Loan amount: VND 101,374,402,824;
 - Term: 24 months;
 - Purpose: To purchase raw materials for production;
 - Interest rate: 2.80%/year;
 - Collateral: Unsecured.
- (iii) Loan Agreement No. 08/PO3/820002 dated 17 November 2020, Extension Addendum No. PL03/08/PO3/820002 dated 01 July 2023, and Interest Rate Adjustment Addendum No. PL04/08/PO3/820002 dated 01 January 2024 with Pomina 2 Steel Corporation.
- Loan amount: VND 2,865,950,744;
 - Term: 24 months;
 - Purpose: To purchase raw materials for production;
 - Interest rate: 2.80%/year;
 - Collateral: Unsecured.

(c) Refer to Note 5.18.1 (c)

(d) Refer to Note 5.18.1 (e)

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

	01/01/2024	Loans during the year	Repayments during the year	Reclassification	31/12/2024
	VND	VND	VND	VND	VND
Long-term loans and finance lease liabilities – related parties					
Viet Steel Co., Ltd	127,000,000,000	-	(127,000,000,000)	-	-
Pomina 2 Steel Corporation	159,240,353,568	127,000,000,000	-	(159,240,353,568)	127,000,000,000
Do Thi Kim Ngoc	1,548,346,920	-	(1,548,346,920)	-	-
Long-term loans and finance lease liabilities – other organisations and individuals					
Vietnam Joint Stock Commercial Bank for Industry and Trade	599,970,000,000	-	-	15,000,000	599,985,000,000
Finance Leasing Company Limited of Vietnam Joint Stock Commercial Bank for Industry and Trade	106,890,634,420	-	-	(30,800,627,640)	76,090,006,780
Other individual borrowings	7,833,053,190	-	(7,833,053,190)	-	-
	1,002,482,388,098	127,000,000,000	(136,381,400,110)	(190,025,981,208)	803,075,006,780

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.18.3 Overdue loans and finance lease liabilities

	31/12/2024			01/01/2024		
	Principal	Interest	Total	Principal	Interest	Total
	VND	VND	VND	VND	VND	VND
Vietnam 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
	<u>1,725,912,821,456</u>	<u>480,478,677,474</u>	<u>2,206,391,498,930</u>	<u>1,602,222,363,802</u>	<u>265,547,024,981</u>	<u>1,867,769,388,783</u>

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

5.19.3 Shares

	31/12/2024 Shares	01/01/2024 Shares
Number of registered 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>Preference shares</i>	-	-
Number of shares repurchased	(1,132,790)	(1,132,790)
<i>Ordinary shares</i>	(1,132,790)	(1,132,790)
<i>Preference shares</i>	-	-
Number of shares in circulation	278,543,546	278,543,546
<i>Ordinary shares</i>	278,543,546	278,543,546
<i>Preference shares</i>	-	-

Par value of shares in circulation: VND 10,000 per share.

5.20 Off-balance sheet items

5.20.1 Foreign currencies

	31/12/2024	01/01/2024
US Dollar (USD)	80,739.56	114,207.12
Euro (EUR)	1,190.64	1,189.45

6 SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF INCOME

6.1 Revenue from provision of services

6.1.1 Net Revenue from sales of goods and provision of services

	Year 2024 VND	Year 2023 VND
Revenue from sales of goods	38,236,830,227	761,565,554,638
Revenue from sale of finished products	18,167,791,100	368,092,523,222
Revenue from sale of scrap materials	3,180,474,990	4,438,495,000
Revenue from provision of services	12,107,217,500	31,836,167,620
Revenue deductions		
<i>Goods returned</i>	-	(18,501,529,500)
	71,692,313,817	1,147,431,210,980

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

	Year 2024 VND	Year 2023 VND
Viet Steel Co., Ltd	730,329,900	336,052,557,750
Pomina Steel 1 One Member Company Limited	-	1,039,321,200
Pomina 2 Steel Corporation	10,792,248,297	16,237,003,117
	11,522,578,197	353,328,882,067

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

6.2 Cost of goods sold

	Year 2024 VND	Year 2023 VND
Cost of goods sold	67,399,088,820	785,802,158,974
Cost of finished products sold	43,291,001,400	353,091,280,799
Cost of scrap materials sold	5,156,085,078	272,124,155
Cost of processing services	8,605,844,882	42,258,734,443
Provision/(Reversal of provision) for devaluation of inventories	(1,118,264,054)	(4,578,770,943)
	<u>123,333,756,126</u>	<u>1,176,845,527,428</u>

6.3 Financial income

	Year 2024 VND	Year 2023 VND
Bond interest income	665,000,000	660,000,000
Bank deposit interest income	5,472,580	48,451,865
Foreign exchange gains during the year	1,033,546	365,550,083
	<u>671,506,126</u>	<u>1,074,001,948</u>

6.4 Financial expenses

	Year 2024 VND	Year 2023 VND
Interest expenses on borrowings	505,879,925,368	513,560,504,503
Foreign exchange loss during the year	10,001,987	662,269,065
Foreign exchange loss from revaluation of monetary items denominated in foreign currencies at the end of the period	15,923,216,501	16,924,814,050
Provision for financial investments	193,529,288,243	262,765,554,334
	<u>715,342,432,099</u>	<u>793,913,141,952</u>

6.5 Selling expenses

	Year 2024 VND	Year 2023 VND
Sales staff expenses	1,135,360,950	1,335,832,900
Advertising expenses	279,180,000	781,029,393
Other selling expenses	-	150,085,987
	<u>1,414,540,950</u>	<u>2,266,948,280</u>

6.6 General and administrative expenses

	Year 2024 VND	Year 2023 VND
Management staff costs	24,446,513,183	72,963,315,822
Office supplies expenses	1,246,463,270	2,875,731,909
Fixed asset depreciation	1,326,126,343	1,326,126,345
Taxes, fees and charges	30,733,640	30,733,640
Provision for bad debts	(8,668,817,552)	2,461,547,122
Security service expense	1,510,365,069	1,568,008,603
Service expenses	669,421,868	33,492,872,275
Other general and administrative expenses	32,511,656,381	31,479,487,104
	<u>53,072,462,202</u>	<u>146,197,822,820</u>

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

6.7 Other income

	Year 2024 VND	Year 2023 VND
Gains from debt settlement	6,905,605,271	33,022,254,234
Gains from early payment	-	949,464,304
Income from renting premises and vehicles	658,744,616	559,635,820
Inventory surplus	2,647,250,309	-
Income from debt resolution	-	181,123,863
Other income	826,391,556	270,253,037
	11,037,991,752	34,982,731,258

6.8 Other expenses

	Year 2024 VND	Year 2023 VND
Amortisation of investment goodwill	5,501,020,488	5,501,020,488
Inventory shortfall on stocktake	-	9,991,189,893
Depreciation of idle fixed assets	115,466,198,276	116,878,601,648
Depreciation of finance lease assets	5,580,581,820	5,580,581,818
Administrative penalty	161,473,629	335,128,458
Wastage expenses	4,053,252,599	35,768,884,107
Costs during suspension of production	21,406,820,988	3,668,767,382
Penalty interest and overdue interest	47,285,751,983	68,608,103,972
Fines and compensation payments	60,079,117	5,289,111,447
Other expenses	813,578,458	8,397,662,277
	200,328,757,358	260,019,051,490

6.9 Basic earnings per share

Information on earnings per share is presented in the consolidated financial statements.

6.10 Production and business costs by nature

	Year 2024 VND	Year 2023 VND
Raw materials, packaging materials	14,655,787,856	287,024,336,834
Staff costs	28,011,588,129	95,037,526,467
Fixed asset depreciation	10,905,913,095	11,268,832,452
Provision expenses	2,858,436,921	5,515,187,023
Purchased service expenses	28,562,145,798	47,325,571,986
Other cash expenses	1,023,051,667	32,279,076,759
	86,016,923,466	478,450,531,521

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

7 SUPPLEMENTARY INFORMATION TO ITEMS PRESENTED IN THE STATEMENT OF CASH FLOWS

7.1 Proceeds from borrowings

	Year 2024 VND	Year 2023 VND
Proceeds from borrowings under normal contract	155,000,000,000	1,376,479,604,099
	<u>155,000,000,000</u>	<u>1,376,479,604,099</u>

7.2 Repayments of principal on borrowings

	Year 2024 VND	Year 2023 VND
Proceeds from borrowings under normal contract	139,381,400,110	1,568,578,942,667
	<u>139,381,400,110</u>	<u>1,568,578,942,667</u>

8 FINANCIAL INSTRUMENTS

The Company has financial assets such as trade receivables, other receivables, investments, cash and short-term deposits arising directly from its operations. The Company's financial liabilities primarily comprise trade payables, accrued expenses and other payables. The principal purpose of these financial liabilities is to raise funds to finance the Company's operations.

The Company is exposed to market risk, credit risk and liquidity risk.

Risk management is integral to all of the Company's business activities. The Company has not yet implemented measures to hedge against these risks due to a lack of market for purchasing financial instruments.

The Board of General Directors reviews and agrees on risk management policies for the above risks as follows:

i. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises four types of risk: interest rate risk, 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 Company's exposure to market risk due to changes in interest rates primarily relates to the Company's cash and short-term deposits.

The Company manages interest rate risk by analysing the competitive environment to obtain interest rates favourable for its purposes while remaining within its risk management parameters.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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 Company is exposed to risk from changes in foreign exchange rates directly related to its business activities.

The Company has foreign exchange risk arising from purchase and sale transactions denominated in currencies other than the Company's functional currency, primarily the US Dollar (USD).

The Company's foreign exchange risk is managed by maintaining risk at an acceptable level through buying or selling foreign currency at spot rates when necessary to address short-term foreign exchange risk exposure that exceeds acceptable limits.

ii. Credit risk

Credit risk is the risk that a counterparty to a financial instrument or transaction contract will fail to fulfil its obligations, resulting in a financial loss. The Company is exposed to credit risk from its operating activities (primarily in respect of trade Receivables) and from its financing activities, including bank deposits and other financial instruments.

Trade Receivables

The Company regularly monitors outstanding Receivables. For major customers, the Company reviews the decline in the credit quality of each customer at the reporting date. The Company seeks to maintain close control over outstanding Receivables and assigns credit control personnel to minimise credit risk. On this basis, and given that the Company's trade Receivables involve a diverse range of customers, credit risk is not significantly concentrated with any one customer.

Bank deposits

The Company maintains deposit balances primarily with well-known banks in Vietnam. Credit risk of bank deposit balances is managed by the Company's treasury department in accordance with the Company's policies. The Company's maximum credit risk exposure for balance sheet items at the end of the financial year is the carrying amount as presented in Note 5.1. The Company considers the concentration of credit risk with respect to bank deposits to be low.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its financial obligations due to a shortage of funds. The Company's liquidity risk arises primarily from mismatches in the maturities of financial assets and financial liabilities.

The Company mitigates liquidity risk by maintaining a level of cash and cash equivalents that the Board of Directors considers sufficient to meet the Company's operational needs and minimise risk arising from cash flow fluctuations.

The table below summarises the maturity profile of the Company's financial liabilities based on contractually undiscounted payments:

	Less than 1 year	From 1 to 5 years	VND Total
As at 31 December 2024			
Trade payables	1,553,653,701,094	-	1,553,653,701,094
Accrued expenses	900,725,960,068	-	900,725,960,068
Other payables	503,041,782,294	-	503,041,782,294
Loans and finance lease liabilities	3,787,317,450,656	803,075,006,780	4,590,392,457,436
	6,744,738,894,112	803,075,006,780	7,547,813,900,892

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

	Less than 1 year	From 1 to 5 years	VND Total
As at 01 January 2024			
Trade payables	1,570,565,760,558	-	1,570,565,760,558
Accrued expenses	442,537,830,167	-	442,537,830,167
Other payables	231,638,060,316	153,437,948,076	385,076,008,392
Loans and finance lease liabilities	3,572,291,469,448	1,002,482,388,098	4,574,773,857,546
	5,817,033,120,489	1,155,920,336,174	6,972,953,456,663

The Company considers the concentration of repayment risk to be low. The Company has adequate access to the necessary sources of funds.

Collateral

- The Company has pledged its assets as security for bank borrowings – see note 5.18.
- The Company does not hold any collateral from other parties as at 31 December 2024.

iv. Fair value

Comparison of fair value and carrying amount

The following table shows the Company's financial assets and financial liabilities:

	Carrying amount		Fair value	
	31/12/2024 VND	01/01/2024 VND	31/12/2024 VND	01/01/2024 VND
Financial assets				
Receivables				
Trade Receivables	39,681,273,902	63,624,103,638	39,681,273,902	63,624,103,638
Other receivables	1,339,253,245	13,682,283,562	1,339,253,245	13,682,283,562
Held-to-maturity investments	10,000,000,000	10,000,000,000	10,000,000,000	10,000,000,000
Available-for-sale financial assets				
Cash and cash equivalents	29,275,303,003	6,538,029,564	29,275,303,003	6,538,029,564
	80,295,830,150	93,844,416,764	80,295,830,150	93,844,416,764
Financial liabilities				
Trade payables	1,553,653,701,094	1,570,565,760,558	1,553,653,701,094	1,570,565,760,558
Accrued expenses	900,725,960,068	442,537,830,167	900,725,960,068	442,537,830,167
Other payables	503,041,782,294	385,076,008,392	503,041,782,294	385,076,008,392
Borrowings and finance lease liabilities	4,590,392,457,436	4,574,773,857,546	4,590,392,457,436	4,574,773,857,546
	7,547,813,900,892	6,972,953,456,663	7,547,813,900,892	6,972,953,456,663

The fair value of financial assets and financial liabilities is reflected at the amount at which a financial instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following methods and assumptions to estimate fair value for presentation in the financial statements:

- The fair value of cash and demand bank deposits, trade payables, accrued expenses and other payables approximates their carrying amount due to the short-term nature of these instruments.
- The fair value of trade receivables and other receivables is assessed by the Company based on information regarding repayment by each customer and debtor. On this basis, the Company estimates a provision for the portion of these receivables expected to be uncollectible. At the end of the financial year, the Company assesses that the carrying amount of receivables, net of provision, does not differ materially from fair value.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

- The fair value of unlisted securities and financial investments for which fair value cannot be reliably determined due to the absence of a liquid market for such securities and financial investments is presented at carrying amount.
- Bank borrowings for which fair value cannot be reliably determined due to the absence of a liquid market for such borrowings are presented at carrying amount.

9 OTHER INFORMATION

9.1 Contingent liabilities

According to Decision No. 15624/QĐ-THADS dated 12 November 2025 of the Ho Chi Minh City Civil Judgment Enforcement Department, Pomina Steel Corporation must execute the judgment at the request of Bao Bao Mineral Company Limited. The Company is obliged to pay a total amount of VND 2,178,927,064, which includes VND 1,600,000,000 of outstanding payables for goods and VND 578,927,064 of late payment interest calculated up to the trial date (pursuant to Judgment No. 15/2025/KDTM-ST dated 29 August 2025 of the Regional 16 People's Court - Ho Chi Minh City). From the date of the enforcement request, the Company is also liable for additional interest in accordance with the provisions of the Civil Code until full settlement is made. As at the date of the financial statements, the Company has not recognized a provision for additional liabilities and interest payable arising from this case in its separate financial statements, as the enforcement decision was recently issued and the execution is still in progress.

According to Decision No. 13183/QĐ-THADS dated 06 November 2025 of the Ho Chi Minh City Civil Judgment Enforcement Department, Pomina Steel Corporation must execute the judgment at the request of Thien Long Investment Trading Company Limited. The Company is obliged to pay a total amount of VND 25,695,737,535, which includes VND 19,184,367,911 of outstanding payables for goods and VND 6,511,369,624 of late payment interest calculated up to the trial date (pursuant to Judgment No. 06/2025/KDTM-ST dated 22 July 2025 of the Regional 16 People's Court - Ho Chi Minh City). From the date of the enforcement request, the Company is also liable for additional interest in accordance with the provisions of the Civil Code until full settlement is made. As at the date of the financial statements, the Company has not recognized a provision for additional liabilities and interest payable arising from this case in its separate financial statements, as the enforcement decision was recently issued and the execution is still in progress.

In addition, the Company is involved in multiple legal disputes arising from overdue payments as disclosed in notes 5.13 and 5.18.3. As at the date of preparation of these financial statements, other than the amounts already recognised based on invoices incurred, the Company has not recognised any provisions for additional interest and liabilities arising from these legal proceedings in the separate financial statements.

9.2 Transactions and balances with related parties

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

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

Key management personnel include: members of the Board of General Directors and individuals related to key management personnel.

Transactions with key management personnel and individuals related to key management personnel

Related party	Nature of transaction	Year 2024 VND	Year 2023 VND
Ms. Do Thi Kim Ngoc	Borrowings	-	1,548,346,920
	Offset of borrowings	1,548,346,920	-

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

Related party	Nature of transaction	Year 2024 VND	Year 2023 VND
Mr. Nguyen The Anh Tuan	Advances	285,593,760	39,045,210
	Repayment of advances	285,593,760	39,045,210
Ms. Truong Do Thi Cam Huong	Advances	3,736,147,380	14,873,810,158
	Repayment of advances	4,017,055,925	14,882,901,613
Ms. Nguyen Thanh Lan	Cash borrowings	-	500,000,000
	Repayment of cash borrowings	-	500,000,000
Mr. Phung Ngoc Quy	Advances	239,400,106	183,870,624
	Repayment of advances	239,400,106	188,870,624

The Company has not entered into any sales of goods or provision of services transactions with key management personnel or individuals related to key management personnel.

Balances with key management personnel and individuals related to key management personnel

Balances with key management personnel and individuals related to key management personnel:

Related party	Description	31/12/2024 VND	01/01/2024 VND
Ms. Do Thi Kim Ngoc	Long-term borrowings	-	1,548,346,920
	Accrued expenses	1,549,002,033	1,151,638,716
Mr. Nguyen The Anh Tuan	Accrued expenses	1,342,367,050	1,342,367,050
Ms. Truong Do Thi Cam Huong	Other short-term payables – expenses paid on behalf	290,000,000	9,091,455
Mr. Truong Thanh Cong	Advances	441,990,542	441,990,542

Remuneration of key management personnel:

	Year 2024 VND	Year 2023 VND
Mr. Do Van Khanh	103,011,541	618,069,246
Mr. Nguyen The Anh Tuan	452,559,079	532,357,560
Mr. Truong Thanh Cong	425,721,005	499,487,825
Mr. Phung Ngoc Quy	343,897,015	643,678,396
Mr. Mai Duy Khuong	450,203,945	204,336,998
Mr. Do Hoai Khanh Linh	460,806,115	302,076,161
Ms. Nguyen Thanh Lan	428,086,023	219,102,224
	2,664,284,723	3,019,108,410

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

9.2.2 Transactions and balances with other related parties

During the year, the Company had the following principal transactions with related parties:

Related party	Nature of transaction	Year 2024 VND	Year 2023 VND
Viet Steel Co., Ltd			
	Interest accrued	2,099,316,940	6,349,999,996
	Sales	165,386,600	335,253,337,350
	Service provision	564,943,300	799,220,400
	Purchase of services	210,000,000	210,000,000
	Cash borrowings	-	68,137,000,000
	Repayment of borrowings by debt offset	-	68,137,000,000
	Transportation fees	-	-
	Debt offset against borrowings	335,506,341,623	156,543,601,126
	Capital borrowings	8,324,750,000	-
Pomina 2 Steel Corporation			
	Sales	10,353,173,007	16,192,635,617
	Service provision	439,075,200	44,367,500
	Purchase of raw materials	-	226,372,210,400
	Goods returned	-	18,501,529,500
	Repayment of borrowings	-	195,217,719,740
	Interest	13,094,114,549	24,630,581,541
	Borrowings	130,000,000,000	-
	Debt offset	209,506,341,623	-
Pomina Steel 1 One Member Company Limited			
	Capital contribution	-	4,034,190,200
	Steel sales	-	1,039,321,200
	Capital borrowings	-	9,125,000,000
	Repayment of borrowings (insurance payment on behalf, months 4-5)	630,000,000	4,903,551,922
Balances with related parties:			
		31/12/2024 VND	01/01/2024 VND
Viet Steel Co., Ltd			
	Trade Receivables	32,580,562,314	42,273,219,205
	Other long-term receivables	10,000,000	10,000,000
	Short-term trade payables	231,020	53,351,433,862
	Other short-term payables	11,525,845,886	156,543,601,126
	Other long-term payables	-	149,216,500,000
	Long-term borrowings and finance lease liabilities	-	127,000,000,000
Pomina 2 Steel Corporation			
	Trade Receivables	2,899,308,611	47,916,900
	Other short-term receivables	99,422,108	99,422,108
	Short-term trade payables	75,428,757,393	55,447,591,560
	Other short-term payables	477,321,845,203	67,774,377,842
	Advances from customers	-	19,981,165,833
	Short-term borrowings and finance lease liabilities	384,355,563,192	222,115,209,624
	Long-term borrowings and finance lease liabilities	127,000,000,000	159,240,353,568
	Long-term financial investments	796,000,000,000	796,000,000,000

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

	31/12/2024 VND	01/01/2024 VND
Pomina Steel 1 One Member Company Limited		
Other short-term payables	3,606,448,078	-
Other long-term payables	-	4,221,448,078
Long-term financial investments	4,034,190,200	4,034,190,200

9.3 Operating lease commitments

The Company currently leases land under operating lease agreements. At the end of the financial year, future minimum lease payments under operating leases are as follows:

	31/12/2024 VND	01/01/2024 VND
Up to 1 year	16,437,383,400	15,795,402,600
Between 1 and 5 years	65,749,533,600	63,181,610,400
Over 5 years	312,310,284,600	315,908,052,000
	394,497,201,600	394,885,065,000

9.4 Going concern

The Company incurred a net loss in the financial statements for the fiscal year ended 31 December 2024 of VND 1,009,813,684,935, with accumulated losses as at 31 December 2024 of VND 2,653,367,445,580. As at the same date, the Company's current liabilities exceeded its current assets by VND 5,894,547,834,479 (as at 01 January 2024: VND 4,865,210,361,326), and the Company had overdue debts as disclosed in Note 5.18.3 to the financial statements. These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Accordingly, the Company's ability to continue as a going concern depends on its ability to continue generating cash flows from future operations and continued financial support from banks.

At the date of preparation of these financial statements, the number of employees has decreased significantly, with only the Board of General Directors and the Chief Accountant being retained. The Board of General Directors has assessed the Company's ability to continue as a going concern as follows:

- Pursuant to Resolution No. 2910/HDQT/2025 dated 29 October 2025, the record date was set for shareholders to attend the General Meeting of Shareholders, along with the voting rights ratio to approve the Pomina Group restructuring plan.
- As of the date of issuance of this report, the Board of Management is developing a plan to restore the Company's operations;
- The Board of General Directors believes the above assessments are sound. The Board of General Directors is committed to continuing the Company's business operations, and the Board of Management has plans to expand its business activities in the future.

In addition, the Company has proactively engaged with credit institutions and received commitments from them to continue maintaining credit limits and to review the restructuring of borrowings, adjusting repayment schedules to align with the Company's actual production and business operations. Accordingly, the Board of General Directors of the Company assesses that the Company will be able to repay its debts when due and continue operating in the next financial year. On this basis, the Board of General Directors considers it appropriate to prepare the Company's financial statements on a going concern basis.

Accordingly, the accompanying financial statements do not include any adjustments that might be required to the Company's assets and liabilities in the event that the Company is unable to continue as a going concern.

NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

9.5 Events subsequent to the balance sheet date

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

Except for the matters 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