



2024

# ANNUAL REPORT



**Thien Nam Trading - Import Export Joint Stock Company**

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# 01

## GENERAL INFORMATION

Overview information

Formation and development process

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Overview  
**Information**

Vietnamese name: Công ty Cổ phần Thương mại Xuất nhập khẩu Thiên Nam

Trading name: Thien Nam Group

International name: Thien Nam Trading - Import Export Joint Stock Company

Business registration certificate number: 0301172041 issued by the Department of Planning and Investment of Ho Chi Minh City on November 01, 2000, 26th issue on February 16, 2023.

Stock code: TNA

Charter capital: 495,762,640,000 VND

Address: 111 – 121 (11th – 12th floors) Ngo Gia Tu Ward 2, District 10, Ho Chi Minh City

Phone number: (028) 3834.8980

Fax: (028) 3834.8983

Website: [thiennamgroup.vn](http://thiennamgroup.vn)

Logo:



**Formation  
Development process**

**2000**

Date November 01, 2000, Thien Nam Trading - Import Export Joint Stock Company was successfully converted into a joint-stock company, the first district-level trade and service enterprise in Ho Chi Minh City to implement the Government's policy on equitization of state-owned enterprises.



**2005**

On July 20, 2005, Thien Nam Group shares were listed on the Ho Chi Minh City Stock Exchange, with a charter capital of 13 billion VND



**2007**

The company successfully issued 2 million shares, increasing its charter capital to 33 billion VND.



**2009**

The company's revenue exceeded 700 billion VND, ranking it among the top 500 largest private enterprises in Vietnam. The company also established Thien Nam Foodstuff Technology Company Limited, in which Thien Nam holds 80% of the charter capital.

**2010**

The inauguration of the Commercial and Office Building at 277B Cách Mạng Tháng Tám, Ward 12, District 10.



**2016**

The company issued 2,104,777 bonus shares, increasing its charter capital to 101,047,770,000 VND. Revenue exceeded 3,000 billion VND, with profits surpassing 100 billion VND.

**2017**

**2019**

The company issued 2,487,390 bonus shares, increasing its charter capital to 125,921,670,000 VND. It established Saigon 168 Business Development Joint Stock Company (Thiên Nam Land).



Established Thien Nam Education Investment Corporation, with 68% of the charter capital belonging to Thien Nam Group. The charter capital was increased to 301,272,960,000 VND and later to 345,940,600,000 VND. Established Nahaviwel Joint Stock Company, with 65% of the charter capital belonging to Thien Nam Group.

**2020**

**2021**

Increased charter capital to 397,308,840,000 VND. Introduced a new logo and updated the Thiên Nam Group brand identity. Adjusted the capital contribution ratio at Thiên Nam Food: Thiên Nam Group now holds 51% of the charter capital.



Issued 9,845,380 shares as dividend payment for the year 2020.

Increased charter capital to 495,762,640,000 VND.

**2022**

Constructed the Nahaviwel factory. Adjusted the capital contribution ratio at Thiên Nam Land: Thiên Nam Group owns 47.53% of the charter capital.

**2023**

Opened Dong Nai Steel Business Center. Adjusted the capital contribution ratio at NAHAVIWEL Joint Stock Company: Thiên Nam Group owns 94.5% of the charter capital.

**2024**

Appointed senior personnel as the new General Director and Chief Accountant. Built an organizational operating apparatus according to a centralized management model, streamlining the apparatus to suit the company's business operations.

## Business lines

The company operates based on main business lines



### Trading in iron and steel

Iron and steel is one of the 5 key business lines of Thien Nam Group. This is also a business line with a long history and creates the brand of Thien Nam today. Thien Nam steel is currently a leading supplier specializing in providing many types of steel products and welding rod materials for the steel industry, infrastructure, construction, etc.

### Real estate

Office leasing and real estate projects are also one of Thien Nam's main business areas.

Includes a system of modern office buildings for lease with high-class interior equipment and utility services that bring a professional office environment. Developing and investing in land plot projects and complexes

The company mainly operates in the field of steel trading and real estate business. Company

currently owns more than 10 locations in many different locations in Ho Chi Minh City, and is currently investing in the construction of office buildings for sale and lease

### Trading in electronics

Not only stopping at long-standing key economic sectors, Thien Nam is gradually expanding its business scope into many other fields. Including operations in the field of electronics: distributor of reputable electronics products from leading brands in the world, providing for high-end apartment projects in the market.

### Education

In the field of Education, Thien Nam Group wishes to bring a healthy development environment to the future young generation, nurturing the qualities of children from a young age. Thien Nam Group has established Thien Nam Education Investment Joint Stock Company and South Sky Kindergarten Bilingual Kindergarten - A unique school applying the Reggio Emilia Education Philosophy.

### Food Technology - Thien Nam food

Thien Nam Food Technology Company Limited in 2009.

Bringing world-renowned Food Technology products with high quality and stylish designs

luxurious designs, affordable prices to Vietnamese consumers and jointly making the community's life better.

### Welding materials

NAHAVIWEL Joint Stock Company is a manufacturer of welding materials, a package supplier of welding and mechanical - electrical materials in Vietnam. The distribution system is present in all provinces and cities in Vietnam and exports to 30 countries around the world.

## Business location

The company mainly operates in Ho Chi Minh City, Dong Nai and Long An



**Governance model**



**Subsidiaries, Affiliated companies**



**NAHAVIWEL  
JOINT STOCK COMPANY**

**Address:** Thien Nam Building, 111 - 112 Ngo Gia Tu, Ward 2, District 10, Ho Chi Minh City

**Business lines:** Manufacturing welding rods, welding wires, welding materials, Wholesaling machinery, equipment and industrial spare parts

**Charter capital:** 90,000,000,000 VND (90 Billion VND)

**Ownership ratio of Thien Nam Group:** 98.78% Charter capital



**THIEN NAM EDUCATION  
INVESTMENT CORPORATION**

**Address:** Thien Nam Building, 111 - 112 Ngo Gia Tu, Ward 2, District 10, Ho Chi Minh City

**Business lines:** Developing services related to education

**Charter capital:** 80,000,000,000 VND (80 Billion VND)

**Ownership ratio of Thien Nam Group:** 68% Charter capital



**THIEN NAM FOODSTUFF  
TECHNOLOGY COMPANY LIMITED**

**Address:** Thien Nam Building, 111-121 Ngo Gia Tu, Ward 2, District 10, Ho Chi Minh City

**Business lines:** Trading and dealing in food technology products

**Charter capital:** 15,000,000,000 VND (15 Billion VND)

**Ownership ratio of Thien Nam Group:** 51% Charter capital



**SAI GON 168 TRADING BUSINESS  
DEVELOPMENT CORPORATION**

**Address:** Thien Nam Building, 111 - 112 Ngo Gia Tu, Ward 2, District 10, Ho Chi Minh City

**Business lines:** Real estate business, Wholesale distribution of electronics

**Charter capital:** 425,000,000,000 VND (425 Billion VND)

**Ownership ratio of Thien Nam Group:** 47.53% Charter capital

**Vission** .....

Thien Nam Group always aims to become an Enterprise that receives a lot of trust from customers, investors and partners, building the image of a strong Corporation, always spreading its wings wide in the air to rise high, firmly overcoming all challenges, to increasingly develop and achieve many new achievements.

**Mission** .....

- Providing products and services with high quality, affirming the reputation of the Thien Nam brand
- Meeting the expectations and trust that shareholders have entrusted
- Fully fulfilling the responsibilities of the enterprise towards employees
- Fulfilling obligations to the State and responsibilities to society and the community.

**Core values** .....

**Integrity:** "Honesty, Integrity, Uprightness" in behavior and in all transactions.

**Fairness:** being responsible for acting Fairly with: Employees; Customers; Suppliers; Relevant parties.

**Creativity:** pioneering in innovation, always aiming for Truth - Goodness - Beauty as the foundation for TNA's sustainable development through: thinking; action.

**Challenge:** be ready to challenge, challenge is an opportunity for development motivation and success.



### Economic risk

In 2024, the world economy is forecast to continue to grow, but with cautious adjustments from international organizations. Organizations such as the OECD, IMF and EU have all forecast global GDP growth of about 3.2%. These forecasts are similar, showing stability in assessing the global economic outlook. However, there are also organizations that offer different forecasts, such as Fitch Ratings with a 2.8% forecast and the United Nations with 2.7%. This difference reflects different views on the factors affecting economic growth.

Global economic growth in 2024 is supported by a number of positive factors. Global merchandise trade shows signs of stabilization, inflation continues to fall in many countries, and the labor market in developed countries shows signs of easing. However, the world economy also faces many challenges and risks. Factors such as geopolitical tensions, conflicts, social instability, commodity price fluctuations, and issues related to public debt and real estate markets in some countries may negatively affect economic growth.

In Vietnam, despite many difficulties and challenges, the national economy still maintains stable growth momentum. According to the General Statistics Office, the country's GDP growth in 2024 is estimated to increase by 7.09% compared to the previous year, only lower than the growth rate of 2018, 2019 and 2022 in the 2011-2024 period. In which, according to the Foreign Investment Agency, the Ministry of Planning and Investment, the total implemented capital of foreign investment projects (FDI) in 2024 is estimated at 25.35 Billion VND, an increase of 9.4% compared to 23.2 Billion VND in 2023, marking the highest disbursement level ever.

In 2024, Thien Nam Group with 2 main business lines, real estate and steel, continues to face an unfavorable real estate market situation and a sluggish steel market. However, besides the existing difficulties, businesses in the real estate industry in general and the Company in particular also receive positive signals. Accordingly, the Government and the State Bank have issued policies to remove difficulties, support and stimulate the economy, including the disbursement of public investment capital; safe credit growth; The amended Land Law with clearer regulations on compensation and site clearance procedures will unlock supply and contribute to helping the real estate market warm up again. Facing the general situation of the economy in 2024, the Company's Board of Directors always closely monitors and updates market fluctuation information to make quick policies and decisions, in order to bring efficiency to the Company's business activities.

### Legal risk

Thien Nam Trading - Import Export Joint Stock Company is a public company, so it must comply with Vietnamese legal regulations such as the Enterprise Law, the Securities Law and related legal documents. The legal system in Vietnam is still in the process of being completed and is regularly updated and adjusted to suit the economic situation and practical requirements. Therefore, the Company needs to continuously monitor changes in legal regulations to promptly adjust operations and minimize unwanted legal risks.



## Risks (Continued)

### Monetary policy risk

In 2024, fluctuations in the real estate and corporate bond markets, along with people's concerns about high gold prices, strongly impacted banking operations. This poses a major challenge for the SBV in balancing the goals of controlling inflation, supporting economic growth, but ensuring the safety of banking operations; both reducing interest rates and stabilizing exchange rates. In managing interest rates, the State Bank continued to maintain the refinancing and rediscount interest rates at low levels, creating conditions for credit institutions to reduce lending interest rates in the market. According to the interest rate report of commercial banks, the general level of lending interest rates by December 2024 decreased by about 0.96%/year compared to the end of 2023. Along with the US Federal Reserve (FED) cutting interest rates 3 times in a row from September 2024, it has contributed to bringing the general level of deposit interest rates of commercial banks to maintain at a stable low level in 2024. Regarding credit growth, as of December 13, 2024, credit to the entire economy increased by about 12.5% compared to the end of 2023. In which, the SBV has twice adjusted the credit growth target for credit institutions on August 28 and November 28 to promptly meet capital for the economy and support production and business.

For Thien Nam Group, in 2024, the company's leadership regularly updates and re-evaluates loans based on national interest rate market developments, proactively making reasonable adjustments between short-term and long-term loan capital sources, and implementing conversions when necessary to optimize costs for the business.



### Risks in the Iron and Steel business

In 2023, our country's steel industry witnessed a sharp decline due to the frozen real estate market and reduced construction projects, in addition to being affected by the weakening of the Chinese industry. However, from the end of 2023 to the beginning of 2024, the steel industry has received initial recovery signals. Regarding the steel consumption situation, according to the Vietnam Steel Association (VSA), in 2024 it reached 29.09 Million tons, an increase of 10.4% over the same period, of which construction steel increased by 9.3%. However, these are only initial signs of recovery, this recovery is still uncertain and unsustainable due to consumption demand not really breaking through. In addition, the world steel industry still faces many difficulties due to the negative impact from the Chinese steel crisis. Accordingly, cheap steel from China and India is creating great competitive pressure for domestic steel businesses. Specifically, imports of finished steel products of all kinds into Vietnam are about 17.713 Million tons with a value of more than 12.583 Billion USD, an increase of 32.88% in volume and an increase of 20.64% in value compared to the same period in 2023.

In 2024, the domestic construction steel price situation is under pressure to adjust down from weak demand and new competition from imported Chinese steel prices. Specifically, the price of CB240 rebar reached 14.34 Million VND/ton in March 2024, a decrease of about 10.4% compared to the price of around 16 Million VND/ton in the same period in 2023. After 4 months of going sideways due to the steel industry returning to sluggishness, construction steel prices in 2024 hit bottom in September and began to turn up slightly again after the rainy season ended.

Facing the difficult developments of the steel industry, Thien Nam Group needs to grasp the situation and come up with effective business strategies. Specifically, the Company focuses on trading domestic goods, focusing on importing goods with high profit margins, diversifying export partners, and managing inventory in accordance with steel price developments on the market. In addition, the Company also needs to improve management and administration quality, optimize costs, and closely monitor the macroeconomic situation and public investment policies to make accurate forecasts about the market and steel prices.



## Risks (Continued)

### Risks in the Real estate business

According to the Vietnam Association of Real Estate Brokers (VARs), for the whole year of 2024, the real estate market recorded nearly 81 thousand real estate products for sale, an increase of more than 40% compared to 2023. Accordingly, the supply of residential real estate grew strongly, with large-scale projects opening for sale at the end of the year along with preferential and flexible payment policies. In addition, the three Laws related to the real estate market, the Land Law of 2024, the Housing Law of 2023 and the Real Estate Business Law of 2023 officially took effect from August 01, 2024, which are expected to have a positive impact, removing legal barriers that have existed for a long time, creating new momentum to promote the recovery and development of the domestic real estate market.

For the office for lease market, in 2024, a series of companies agreed to relocate, expand existing areas, or open new offices. This contributes to creating a new source of demand for the market, increasing the absorption rate of vacant space in the office market in 2025. Besides, businesses with good finances also prioritize the option of extending current office space to save costs and time setting up a new office. According to CBRE Vietnam's Q3/2024 real estate market report, the Ho Chi Minh City office market has 02 new Grade B buildings completed in District 1 and in the Tan Thuan Export Processing Zone, District 7, bringing the total office space for rent in Ho Chi Minh City to over 1.7 million m<sup>2</sup>. This poses a risk for existing businesses, as most new office buildings have better standards in terms of both floor space and building technical conditions. Furthermore, with strong economic growth, the office for lease market is recording many new trends such as working from home models, applying technology in the workspace, and green office projects.

Given the above context, Thien Nam Group continuously captures updated market information and improves product quality by maintaining, upgrading old premises, and improving service quality to retain customers. In addition, the Company also plans to seek and invest in new offices, and exploit new types of products such as shared offices and service offices suitable for the needs of the central area of Ho Chi Minh City. Not only that, Thien Nam Group needs to launch many promotions and provide many incentives to attract new tenants, strengthen advertising and communications to quickly fill the vacant premises of the buildings.

### Other risks

In addition to the risks mentioned, the Company may also face force majeure risks such as natural disasters, floods, fires, etc. Although these risks do not occur frequently, they can seriously affect the Company's business operations. Therefore, the Company always focuses on training officials and employees on disaster prevention measures to minimize damage to people and property. Purchasing natural disaster insurance is also an important factor that the Company needs to consider to prevent risks and quickly recover after an incident.





# 02

## ORGANIZATION AND PERSONNEL

[List of the Board of Directors](#)

[List of Audit Committee](#)

[List of Board of Management](#)

[Number of officers and employees](#)

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## List of the Board of Directors

### List of Board of Directors' members

No.	Member of the Board of Directors	Position	Note (Independent member/ executive/non-executive)	Number of shares and ownership ratio
1	Nguyen Quang Hoa	Chairman	Non-executive	8,559,569 shares, representing 17.27% of charter capital
2	Ho Van Tuyen	Member	Independent non-executive	0 shares, representing 0.00% of charter capital
3	Nguyen Minh Thu	Member	Executive	2000 shares, representing 0.0001% of charter capital

### Changes in the Board of Directors

No.	Members of Board of Directors	Date of appointment	Date of discharge
1	Tran Thi Hien	-	29/6/2024
2	Nguyen Tran Thao Huong	-	29/6/2024

### Curriculum vitae of Board of Directors' members

**1. Mr. Nguyen Quang Hoa**  
Chairman of the BOD

Year of birth: 1968

Nationality: Vietnamese

Education level: 12/12

Qualification: University degree in physical education and sports

Current position at the Company: Chairman of the Board of Directors

Current position in other organizations: Chairman of the BOD of Thien Nam Hoa Service Trading JSC, Chairman of the Board of Members of Thien Nam Foodstuff Technology Co. Ltd, BOD' members of Sai Gon 168 Trading Business Development Corporation, Chairman of the BOD of Thien Nam Education Investment Corporation, Chairman of the BOD of NAHAVIWEL JSC

Number of personal shares currently held: 8,559,569 shares, accounting for 17.27% of charter capital

Number of shares held by affiliated persons at the present time: 11,880,602 shares - accounting for 23.96% of the charter capital

**2. Mr. Ho Van Tuyen**  
Member of the BOD

Year of birth: 1972

Nationality: Vietnamese

Education level: 12/12

Qualification: Bachelor of Economics from Ho Chi Minh City University of Economics, M.Sc. in Business Administration from Gloucestershire University – UK, Dr. in Business Administration (DBA) International American University – US, M.Sc. in Finance and Chief Financial Officer - Min MBA-AAFM Program

Current position at the Company: Board of Directors' member

Current position in other organizations: Chairman of the Board of Directors at Rim Investment Joint Stock Company, Board of Directors' member of Rang Dong Plastics Joint Stock Company

Number of personal shares currently held: 0 shares - accounting for 0.00% of charter capital

Number of shares held by affiliated persons at the present time: None

**3. Mr. Nguyen Minh Thu**  
Member of the BOD,  
Deputy General Director

Year of birth: 1974

Nationality: Vietnamese

Education level: 12/12

Qualification: Bachelor of Economics

Current position at the Company: Board of Directors' member, Deputy General Director

Current position in other organizations: Board of Directors' member of Sai Gon 168 Trading Business Development Corporation, Board of Directors' member of CP Nahaviwel Company.

Number of personal shares currently held: 2000 shares - accounting for 0.0001% of charter capital

Number of shares held by affiliated persons at the present time: None

## List of Audit Committee

### List of Audit Committee member

No.	Member of the Audit Committee	Position	Number of shares and ownership ratio
1	Mr. Ho Van Tuyen	Chairman of the Audit Committee	0 shares, accounting for 0.00% of charter capital

### Changes in the Audit Committee

No.	Member of the Audit Committee	Date of appointment	Date of discharge
1	Nguyen Tran Thao Huong		29/06/2024

### Curriculum vitae of Audit Committee's member

1. **Mr. Nguyen Quang Hoa**  
Chairman of the BOD

Please refer to the Board of Directors section

## List of Board of Management

### List of Board of Management member

No.	Member of the Board of Management	Position	Number of shares and ownership ratio
1	Mr. Nguyen Van Nghia	General Director	0 shares, representing 0.00% of Charter capital
2	Mr. Nguyen Minh Thu	Deputy General Director	2000 shares, representing 0.0001% of charter capital

### Changes in Board of Management

No.	Member of the Board of Management	Date of appointment	Date of discharge
1	Mr. Nguyen Van Nghia	10/07/2024	-

### Curriculum vitae of the Board of Management's member

1. **Mr. Nguyen Van Nghia**  
General Director

Year of birth: 1973

Nationality: Vietnamese

Education level: 12/12

Qualification: Bachelor of Economics

Current position at the Company: General Director

Current position in other organizations: None

Number of personal shares currently held: None

Number of shares held by affiliated persons at the present time: None

2. **Mr. Nguyen Minh Thu**  
Member of the BOD,  
Deputy General Director

Please refer to the Board of Directors section

## Number of Officers and employees

No.	Criteria	Year 2024	
		Quantity (people)	Proportion (%)
<b>I</b>	<b>By labor level</b>		
1	University and Postgraduate level	21	58
2	College level, professional secondary school	5	13
3	Elementary and Technical Workers	2	6
4	Unskilled workers	8	22
<b>II</b>	<b>By gender</b>		
1	Male	21	58
2	Female	15	41
<b>III</b>	<b>By term of labor contract</b>		
1	Short-term contracts under 1 year	2	6
2	Fixed-term contracts from 1 to 3 years	9	25
3	Indefinite-term contracts	25	69
<b>IV</b>	<b>By management level</b>		
1	Senior management	3	8
2	Middle management	6	17
3	Branch-level management	0	0
4	Specialists, staff	27	75
<b>V</b>	<b>By age</b>		
1	From 18 to 25 years old	0	0
2	From 26 to 35 years old	1	3
3	From 36 to 45 years old	13	36
4	Over 45	22	61
<b>TOTAL</b>			

## Average income

Year	2022	2023	2024
Total number of employees (people)	72	73	36
Average income of employees (VND/person)	23,722,967	13,199,842	14,000,000



## Remuneration and benefits policy

Thien Nam always focuses on building comprehensive welfare and remuneration policies to protect the legitimate rights and improve the lives of its staff and employees. We aim to create a cohesive working environment that promotes the dedication and long-term commitment of each member of the Thien Nam collective.

Regarding remuneration policies, the company applies a bonus mechanism based on work performance, ensuring transparency, fairness, and encouraging employees to maximize their capabilities. In addition, Thien Nam also implements many other bonus policies such as holiday bonuses, Tet bonuses, seniority bonuses, excellent achievement bonuses, etc. to recognize the contributions of employees.

Thien Nam always pays attention to welfare, especially the health and spiritual life of its staff. The company maintains an annual periodic health check program and encourages employees to participate in sports, cultural, and recreational activities to improve both physical and mental well-being.

In addition, we regularly organize events such as birthday parties, teambuilding activities, and resort vacations to connect the collective and create a friendly, dynamic, and enthusiastic working environment.

## Recruitment policy

At Thien Nam, we design recruitment policies suitable for each job position to ensure that the selection process focuses on the most important competencies and qualities. Thanks to a rigorous and thorough recruitment process, we seek outstanding candidates who fully meet the requirements for expertise, experience, and professional work attitude.



## Employee training and development policy

At Thien Nam, the company always pays special attention to improving the capacity of its staff through well-organized and in-depth training programs. From the moment they join, each employee will participate in a training program specifically designed to suit their expertise and essential soft skills for the job position. These programs harmoniously combine theoretical and practical knowledge, helping employees quickly master their expertise as well as improve the necessary skills to meet job requirements.

In addition, Thien Nam also regularly organizes short-term training courses on soft skills, including communication, leadership, teamwork, etc., to support employees in developing comprehensively and perfecting their professional style. With an effective training policy, the company is committed to providing an optimal development environment, where each employee has the opportunity to unlock their potential and contribute positively to the overall development of the business.

## Safety and labor protection policy

At Thien Nam, the safety of employees is always a top priority. The company is committed to creating a safe and healthy working environment by: providing adequate equipment for work; ensuring the office has a system of lighting, water source, machinery, uniforms, labor protection and stationery, etc., to meet the needs of work; fully equipping fire prevention and fighting equipment such as fire extinguishers, fire alarm systems and organizing periodic training on fire prevention and fighting for employees; conducting regular inspection and maintenance of equipment and machinery; building and strictly implementing labor safety procedures; and organizing labor safety training courses for new employees as well as periodically for the entire team. In addition, the company also has a reward system for individuals and collectives with excellent achievements in ensuring labor safety. Thanks to constant efforts, Thien Nam is building a safe and reliable working environment, helping employees feel secure in their work and maximize their capacity.



# 03

## OPERATING SITUATION DURING THE YEAR

Production and business activities

Financial situation

Investment situation, project implementation situation

Shareholder structure, changes in owner's investment capital

Report on the company's environmental and social impacts

**Production and business activities**

Unit: Million VND

No.	Target	Year 2023	Year 2024 (*)	% Year 2024/ Year2023
1	Revenue from sales and service provision	4,690,814	1,247,023	26.58%
2	Net revenue	4,690,386	1,247,023	26.59%
3	Cost of goods sold	4,552,828	1,213,761	26.66%
4	Gross profit on sales and service provision	137,558	33,262	24.18%
5	Net profit from business activities	5,111	(60,611)	-
6	Profit before corporate income tax	3,767	(61,654)	-

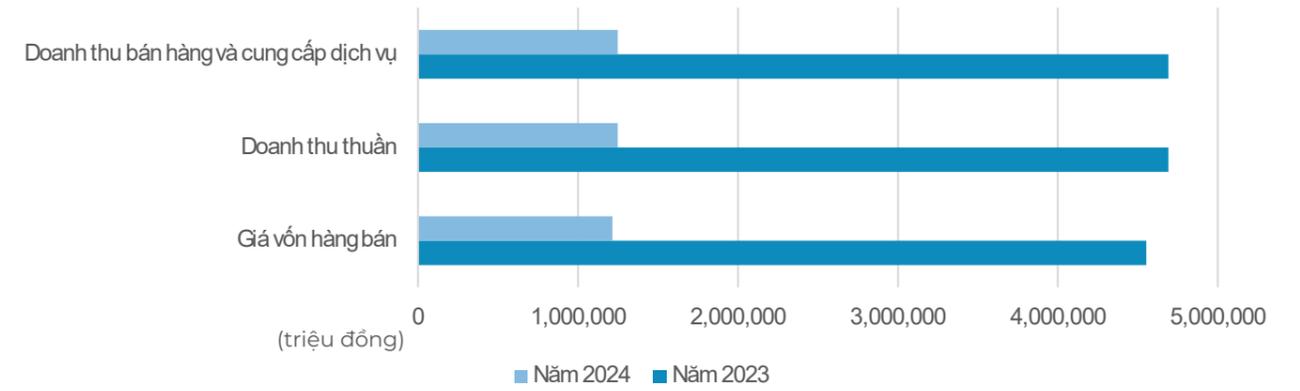
(\*) Data according to the self-prepared Quarter IV/2024 Financial Statements of the Company

**Implementation status compared to plan**

Unit: Million VND

No.	Indicator	Year 2023	Year 2024		Implementation Rate Year 2024 compared to	
			Plan	Actual(*)	2023 Actual	2024 Plan
1	Revenue	4,690,814	1,479,000	1,247,023	26.58%	84.32%
2	Profit before corporate income tax	3,767	1,000	(61,654)	-	-

(\*) Data according to the self-prepared Quarter IV/2024 Financial Statements of the Company



**Major investments**

**1** Project **Rose Gardent**

<b>Project name</b>	Rose Garden
<b>Project location</b>	Truong Van Hai Street, Hiep Phu Ward, Thu Duc City
<b>Investor's name</b>	TN9 Construction Trading Service Joint Stock Company and Thien Nam Land
<b>Investment form</b>	Cooperation and project development
<b>Investment objective</b>	Apartments and schools
<b>Scale</b>	6.09 ha
<b>Total investment</b>	2,800 Billion VND
<b>Time and progress</b>	Q3/2023 - Q4/2025

**3** Project **Binh Chanh**

<b>Project name</b>	Binh Chanh
<b>Project location</b>	Vinh Loc B Commune, Binh Chanh District, Ho Chi Minh City
<b>Investor's name</b>	Thien Nam Land
<b>Investment form</b>	Cooperation and project development
<b>Investment objective</b>	Infrastructure construction, land plot division for sale
<b>Scale</b>	0.77 ha
<b>Total investment</b>	125 Billion VND
<b>Time and progress</b>	Q2/2023 - Q2/2025

**2** Project **Suoi Rao**

<b>Project name</b>	Suoi Rao
<b>Project location</b>	Suoi Rao Lake, Suoi Rao Commune, Chau Duc District, Ba Ria - Vung Tau Province
<b>Investor's name</b>	Thien Nam Land
<b>Investment form</b>	Cooperation and project development
<b>Investment objective</b>	Villas, resorts
<b>Scale</b>	8.88 ha
<b>Total investment</b>	590 Billion VND
<b>Time and progress</b>	Q2/2023 - Q3/2026

## Company's subsidiaries, affiliated companies

**1**

**Content**

**Thien Nam Foodstuff Technology Company Limited**

- Expanding new brands to enrich the product portfolio such as Bernique, Cherque (Malaysia) chocolate brands; expanding the group of dry distribution foods, seafood, Estrella beer (Spain), distributing spices...
- Developing its own food brand named Uiza with a commitment to bringing customers products with unique value and reasonable prices, helping the company penetrate the retail market better.
- Building an e-commerce sales channel system, gradually completing the sales distribution chain to serve current needs and future strategies

**2**

**Content**

**Thien Nam Education Investment Corporation**

- SSK strives to become a pioneer school in the Reggio Emilia early education method and form a system of bilingual kindergartens with leading comprehensive education quality.
- In 2022, the SSK school system was heavily affected by the Covid epidemic but still maintained good care and teaching of children according to advanced methods, ensuring the lives of school employees.

**3**

**Content**

**NAHAVIWEL Joint Stock Company**

- Grasping the market situation of welding rods, Nahaviwel has been invested by Thien Nam Group to build a welding rod factory with a capacity of 200-300 tons in Duc Hoa district, Long An province. The company boldly invests in advanced welding machinery and technology to stabilize quality for export, actively associating and cooperating with many manufacturers and distributors at home and abroad to enhance the presence and market share occupation.

**4**

**Content**

**Sai Gon 168 Trading Business Development Corporation**

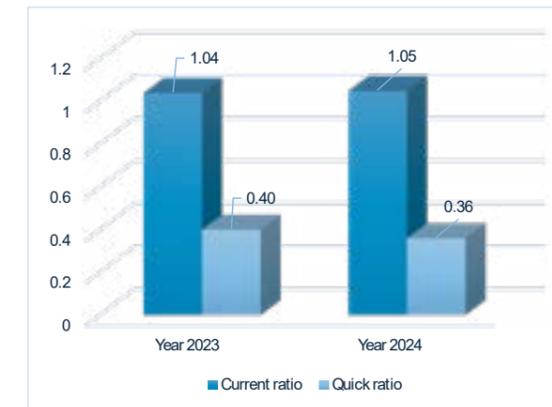
- Although real estate projects still face difficulties due to the general market situation, the progress of the projects is still trying to ensure the schedule. In addition to the successful transfer of the Phuoc Binh project, in general, the projects are still in a good trend of exploitation in the future when the real estate market is cleared. For example, the Rose Garden project to build apartments and schools in District 9 and the Suoi Rao Resort Villa project in Ba Ria - Vung Tau province.

## Key financial indicators

Indicator	Unit	Year 2023	Year 2024 (*)
<b>Solvency indicators</b>			
Current ratio	Time	1.04	1.05
Quick ratio	Time	0.40	0.36
<b>Capital structure indicators</b>			
Debt/Total Assets Ratio	Time	0.75	0.76
Debt/Equity Ratio	Time	3.00	3.15
<b>Operational capacity indicators</b>			
Inventory turnover	Round	4.33	1.10
Total asset turnover	Round	1.88	0.57
<b>Profitability indicators</b>			
After-tax Profit/Net Revenue Ratio	%	0.07%	-
After-tax Profit/Average Equity Ratio	%	0.58%	-
After-tax Profit/Average Total Assets Ratio	%	0.14%	-
Profit from production and business activities/Net revenue ratio	%	0.11%	-

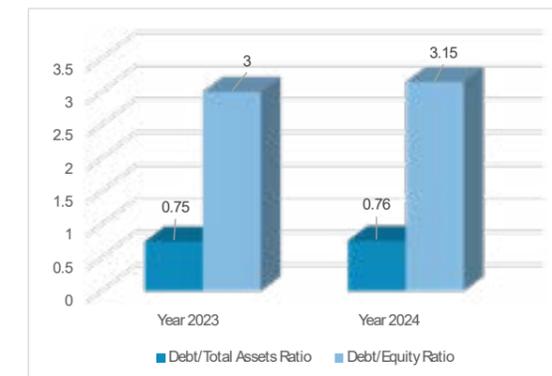
(\*) Data according to the Company's Q4 2024 (self-prepared) financial statements

## Solvency indicators



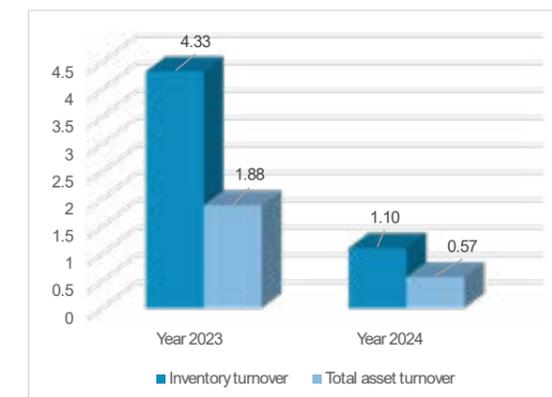
The Company's current ratio remains balanced, showing that the company has sufficient liquidity to pay off short-term debts, slightly increasing from 1.04 times in 2023 to 1.05 times in 2024. The quick ratio decreased slightly from 0.40 times to 0.36, in which the Company has made active efforts in settling short-term accounts payable to sellers in the face of the general difficulties of the industry.

## Capital structure indicators



The Company's Debt/Total Assets ratio at the end of 2024 is 0.76 times, approximately the same as at the end of 2023, the Debt/Equity ratio increased slightly from 3 times to 3.15 times. In addition to the decrease in profit compared to 2023, the Company has made great improvements in reducing short-term loans and settling all long-term debts, advocating limiting the use of financial leverage and reducing dependence on borrowed capital.

## Operating capacity indicators



The Company's inventory turnover decreased from 4.33 times in 2023 to 1.10 times in 2024, due to the Company's slower sales of goods than in previous years due to the difficult economic situation of the industry and weak demand for the steel industry. In addition, the Company still actively manages inventory, strives to find export partners and focuses on domestic business.

Total asset turnover decreased from 1.88 times in 2023 to 0.57 times in 2024, due to the Company's net revenue decreasing compared to the previous period, but it has achieved more than 84% of the plan set by the Board of Directors.

## Profitability indicators

In 2024, the steel industry still has many fluctuations, from input material prices, weak output markets, and reduced output selling prices, while also being under pressure from cheap steel products from China. This has more or less affected the business results of enterprises in the industry in general and Thien Nam Group in particular, causing the Company's profits to stagnate during the recession. In addition, thanks to efforts in corporate governance, the company's business operations are still stable and maintain its market share in the office leasing segment in 2024.

**Changes in owner's investment capital****Shares**Stock symbol: **TNA**

Total number of issued shares: 49,576,264 shares

- Number of outstanding shares: 49,231,310 shares
- Number of treasury shares: 344,954 shares

Number of shares restricted from transfer: 0 shares

Type of shares: common shares

Par value per share: 10,000 VND/share

**Shareholder structure**

(As of: 03/06/2024)

No.	Object	Number of shares	Ownership Percentage/Charter Capital (%)	Number of shareholders
<b>I</b>	<b>State shareholders</b>	-	-	<b>0.00%</b>
<b>II</b>	<b>Domestic shareholders</b>	<b>2,538</b>	<b>48,149,020</b>	<b>97.12%</b>
1	Individual	2,520	47,605,472	96.02%
2	Organization	18	543,548	1.10%
<b>III</b>	<b>Foreign shareholders</b>	<b>74</b>	<b>1,082,290</b>	<b>2.18%</b>
1	Individual	60	535,092	1.08%
2	Organization	14	547,198	1.10%
<b>IV</b>	<b>Treasury shares</b>	-	<b>344,954</b>	<b>0.70%</b>
<b>Total (I+II+III)</b>		<b>2,612</b>	<b>49,576,264</b>	<b>100.00%</b>

Maximum foreign ownership ratio: 0%

**Status of changes in owners' investment capital**

Thien Nam Trading - Import Export Joint Stock Company officially transformed into a joint-stock company in 2000 with a charter capital of 13 Billion VND. In 2005, the Company officially listed 1.3 million shares on the Hochiminh City Stock exchanges.

Up to now, after many stock issuances, the Company's current charter capital is 495,762.64 Million VND.

**Treasury share transactions**

None

**Other securities**

None



## Impact on the environment

Thien Nam Group is well aware that, although it does not directly participate in the production process, the company's operations still have certain impacts on the environment. Therefore, Thien Nam Group always puts environmental protection first, considering it a core element in its sustainable development strategy. The company strictly complies with environmental laws and regulations, and prioritizes the application of modern technology to minimize resource consumption.

In addition, the company also focuses on training and raising awareness for its staff and employees, helping them to be able to respond flexibly to emerging environmental issues. These efforts not only help minimize negative impacts but also contribute to building a business that develops in a sustainable and environmentally friendly direction.

### Management of raw and material resources

Thien Nam Group is constantly seeking and implementing modern solutions to optimize costs and use energy resources efficiently, while maintaining high product quality. In particular, the company focuses on improving the transportation process, helping to reduce incurred costs and maximize fuel efficiency.

### Energy consumption

Thien Nam Group focuses on implementing electricity saving measures. The company prioritizes the use of energy-saving light bulbs, maintains regular inspection and maintenance of electrical equipment, and maximizes the use of natural light to minimize electricity consumption.



### Water consumption

Thien Nam Group always prioritizes wastewater treatment, ensuring compliance with environmental standards. The company has invested in building a synchronous drainage system and cooperates with specialized units to treat wastewater effectively. As a result, wastewater is treated to meet standards before being released into the environment, minimizing negative impacts on the ecosystem.

Regarding emission control, the company's activities do not generate smoke or toxic emissions. However, Thien Nam Group still focuses on optimizing the natural ventilation system and expanding green spaces in the workplace. This not only helps improve air quality but also contributes to building a healthy, friendly and sustainable working environment for all employees.

### Compliance with environmental protection laws

Thien Nam always strictly complies with legal regulations related to the environment and has never been penalized for any violations in this area.

## Policies related to employees

Labor policies to ensure the health, safety and welfare of employees - Organization:

- Health check-ups once a year for employees.
- Caring for female employees on International Women's Day March 08, and Vietnamese Women's Day October 20.
- Paying attention to the relatives of employees during vacations organized for employees to go with their families, taking care of employees' children on International Children's Day June 01, and awarding Nguyen Duc Canh scholarships.



## Report on responsibility to the local community

Thien Nam Group always actively participates in charitable activities and contributes to the community, especially in 2024. The company has implemented various support programs and donated gifts to people in difficult circumstances, contributing to easing the burden on society. In addition, Thien Nam Group also pays attention to the lives of employees. Through the Employee Conference held annually, the Board of Directors has the opportunity to meet directly with employees to listen to their thoughts and aspirations and promptly remove obstacles in their work and life. Not only that, the company also regularly organizes collective activities, creating a healthy exchange environment, connecting employees, and contributing to building a sustainable corporate culture.





04

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## REPORT AND ASSESSMENT OF THE BOARD OF MANAGEMENT

Evaluation of production and business results

Financial situation

Improvements in organizational structure, policies, and management

Future development plan

General context for the Company's 02 main industries

## Steel industry situation in 2024

The steel industry in 2024 continued to experience notable fluctuations:

- In the first 10 months of 2024, total domestic consumption reached 17 million tons, an increase of 18% over the same period last year thanks to the growth of construction steel and hot-dip galvanized steel. The recovery of production was mainly due to a sharp increase in housing supply.
- According to the World Steel Association (WSA), global steel production in the first 10 months of 2024 decreased by 1.6% compared to the same period last year due to production cuts in China. China's blast furnace capacity this year averaged 79% (down from 83% in 2023) to address oversupply and production losses. In addition, the Chinese government is focusing on the "Net Zero" target by 2050, forcing some major manufacturers to reduce production scale.
- In 2024, according to the World Steel Association, global steel demand is expected to decrease by 0.9% compared to the same period, mainly due to weakening demand from China, the world's largest steel producer, experiencing a real estate market crisis. Steel consumption in China is expected to decrease by 3% to 883 tons, lower than the level in 2023. Furthermore, some major countries such as the United States, Japan and South Korea reported negative growth due to difficulties in the construction industry. Meanwhile, India remains a bright spot for global steel as consumption increased by 8% over the same period to 138 tons.

In general, the oversupply and low demand are the main reasons leading to the decrease in steel prices in 2024, at the same time, each country has its own fluctuations depending on the macroeconomic conditions and industrial policies in the locality before the general situation of the global steel industry.

## Real estate industry situation in 2024

In 2024, the number of transactions in the real estate market continued to grow steadily as the supply improved in both quantity and quality. The demand for real estate, including both housing and investment, is very high and is constantly increasing along with the rate of urbanization and economic development, based on a complete legal corridor.

- Investment and market situation: FDI capital into Vietnam in 2024 is estimated at 25.35 Billion USD, an increase of 9.4% compared to 23.2 Billion USD in 2023, marking the highest disbursement ever. In which, Singapore leads with a total investment of nearly 10.21 Billion USD, accounting for 26.7% of the total capital. South Korea ranked second with nearly 7.06 Billion USD, accounting for 18.5%. Followed by China, Hong Kong and Japan.
- Housing and apartment market: the average primary apartment price in Hanoi also grew at a compound rate of 16% in the period from 2019 to Q3/2024, in Ho Chi Minh City this figure is 19%, due to the scarcity of supply and demand always maintained at a high level. This shows that market confidence has gradually returned and investor sentiment has improved significantly, thereby further promoting investment Decisions.

In general, Vietnam's real estate industry in 2024 has been more positive with many supporting macroeconomic factors, interest rates have returned to attractive levels to stimulate market development, the completion of the legal framework will help the market develop sustainably, and at the same time, there is more motivation to recover from the flow of overseas remittances. The real estate industry is expected to grow more strongly in 2025.

### **Steel business segment**

Thien Nam Steel is a leading supplier of a wide range of steel products for various industries, including steel for infrastructure, construction, and products such as wire rods, steel for reinforcement, steel pipes, and other materials for customers such as manufacturing plants, construction works, etc. Due to the overall challenges in the steel industry, the company's business activities face difficulties, leading to lower revenue and production in this segment.



### **Foodstuff Technology segment (Thien Nam Food)**

Introduce a variety of new snack and ready-to-eat food products to the market under its own brand.



### **Real estate and office for lease segment**

#### **Office for lease segment**

Thien Nam Group manages numerous prime locations, warehouses, and office buildings for lease, consistently enhancing and upgrading their value to meet customer needs. Additionally, Thien Nam Group invests in and develops several large-scale land projects in Ho Chi Minh City and neighboring provinces. In 2023, the real estate business remained stable, with the primary revenue source coming from leasing office buildings.



#### **Real estate segment**

The strategy for 2024 is to continue maintaining the stability of the office leasing segment, while Thien Nam Group will focus on completing the legal procedures for its projects and accelerating the progress of transferring these projects.



### **Kindergarten system segment**

Continue enrolling students to optimize classroom capacity and the operational structure to meet international standards.



### **Welding material array (Nahaviwel)**

The new welding rod production plant in Long An has been operational, producing products to meet both domestic and export market demands. The company will continue to operate the plant at maximum capacity and actively seek customers both domestically and internationally.



*Improvements in*  
**Organizational structure, policies, and management**

In 2024, the Company has carried out a restructuring, adjusted policies and strengthened management to improve operational efficiency. Besides, despite achieving positive results, the Company still faces a number of challenges, requiring continued search for optimal solutions to further improve in the future.



### Asset situation

Unit: Million VND

Indicator	Year 2023	Proportion 2023	Year 2024	Proportion 2024	%2024/2023
Short-term assets	1,802,905	77.51%	1,647,733	79.19%	91.39%
Long-term assets	523,014	22.49%	433,067	20.81%	82.80%
<b>Total Assets</b>	<b>2,325,919</b>	<b>22.49%</b>	<b>2,080,800</b>	<b>100.00%</b>	<b>89.46%</b>



As of December 31, 2024, the Company's total assets decreased from 2,326 Million VND to approximately 2,081 Million VND, a decrease of 10.5% compared to the end of 2023. In which, short-term assets in 2024 accounted for 91.4%, long-term assets accounted for 8.6% compared to the same period last year. Mainly due to the Company's debt recovery, reducing short-term receivables from customers and financial investments.

Regarding the asset structure at the end of 2024, there was not much change compared to the same period, with the proportion of short-term assets accounting for mainly more than 79%, slightly increasing compared to the previous year, long-term assets accounted for about 21%, slightly decreasing compared to the level of 23% at the end of 2023.

### Liabilities situation

Unit: Million VND

Indicator	Year 2023	Proportion 2023	Year 2024	Proportion 2024	%2024/2023
Short-term debt	1,732,075	99.30%	1,569,857	99.37%	90.63%
Long-term debt	12,167	0.70%	9,880	0.63%	81.20%
<b>Total liabilities</b>	<b>1,744,242</b>	<b>100.00%</b>	<b>1,579,737</b>	<b>100.00%</b>	<b>90.57%</b>



The Company's total liabilities as of December 31, 2024 decreased from more than 1,744 Million VND, reaching 1,580 Million VND, a decrease of 9.4% compared to the same period last year, mainly the company strongly reduced short-term payables to sellers by approximately 228 Million VND, while reducing short-term loans, which not only reduces the short-term financial burden but also improves liquidity and reduces interest rate risk.

Regarding the debt structure, short-term debt still accounts for a large proportion of the company's debt structure, with 99.37% of total liabilities, long-term debt only accounting for a small portion of the liability structure at 0.63% on December 31, 2024, and both of these debt groups did not change much compared to the same period last year.

### **Some plans and orientations for key solutions**

- Expand the sales network and penetrate the market, focusing on customer care for existing clients as well as developing relationships with new customers, in order to enhance sales performance in the country's key economic regions.
- Strengthen forecasting, planning, and sales and inventory management to ensure flexible business operations in the face of unpredictable economic fluctuations.
- Continue to expand the office leasing market, increase the occupancy rate of new spaces, and diversify products/services to meet the growing demands of customers.
- Optimize office space and amenities for investors and lessors, adjust services, and collaborate with partner companies. Update and adjust green office operation regulations to meet the trend of upgrading and renovating old buildings, along with developing customer care policies and special offers for current clients.
- Concentrate all resources on restructuring short-term, medium-term, and long-term capital sources to ensure financial stability and cash flow for the company's operations.
- Apply information technology to improve operational efficiency within the company.
- Build and maintain a stable workforce, while evaluating employee quality and conducting screening; provide training, coaching, and advancement opportunities for high-performing employees; and develop training programs for the succession workforce.



# 05

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## **ASSESSMENT OF THE BOARD OF DIRECTORS ON THE COMPANY'S OPERATIONS**

Assessment of the Board of Directors on the Company's operations

Assessment of the Board of Directors on the operations of the Company's Board of Management

Plans and orientations of the Board of Directors

## *Assessment of The Board of Directors on the Company's operations*

The Board of Directors strictly implements governance in accordance with the regulations on Corporate Governance applicable to public companies, as well as the Charter and Governance Regulations of Thien Nam Trading - Import Export Joint Stock Company. The members of the Board of Directors carry out their responsibilities and authority as outlined in the Charter, Governance Regulations of the Company, and as delegated by the Chairman of the Board, with honesty; they adhere to the standards, behavior, and professional ethics expected of Board members; and always act in the best interest of the Company and its shareholders.

The Board of Directors leads and oversees the activities of the Executive Board, providing the best conditions in terms of mechanisms, policies, resources, and infrastructure to help the Executive Board accomplish its assigned tasks. At the same time, the Board of Directors establishes and maintains the effective operation of the internal audit department and its subcommittees.

The Board of Directors and the Executive Board work closely together in their professional relationship, based on the following principles:

- Always act in the best interest of the Company and its shareholders.
- Strictly comply with legal regulations, the Charter, and the Governance Regulations of the Company.
- Implement the principles of centralization, democracy, openness, and transparency.
- Collaborate with a high sense of responsibility, honesty, cooperation, and proactively work together to resolve issues and challenges.

## *Assessment of The Board of Directors on the operations of the Company's Board of Management*

The Board of Directors oversees the General Director and coordinates the activities between the Board of Directors and the Board of Management as specified in the Company's Charter and Governance Regulations. By adhering to proper procedures and processes, the coordination between the Board of Directors and the Board of Management has always been smooth and effective. The Board of Management faces no obstacles in managing the business, and the supervision by the Board of Directors is maintained regularly and rigorously, ensuring that the Company's activities comply with the decisions made by the Shareholders' Meeting and the Board of Directors.

On a quarterly basis, the Board of Directors requires the General Director to report on the business results, the progress of implementing the Board's decisions, as well as challenges and advantages encountered during the business operations. Based on the reports and actual performance, the Board of Directors holds meetings to review and assess the results of the management, and directs the Board of Management to carry out new tasks.

In the past year, the General Director has fully met the responsibility of reporting, explaining, and publicly disclosing business activities in a complete and transparent manner. The General Director has adhered to the requirements for presenting and seeking the Board of Directors' approval for matters under its authority at both regular and extraordinary meetings. Daily business operations are conducted in accordance with established procedures and management. Moreover, in 2023, the Company's business activities ensured compliance with current legal regulations.

## *Plans and Orientations of the Board of Directors*

- Continue to closely follow the directives set forth by the Shareholders' Meeting resolutions.
- Develop plans for implementing projects immediately after completing the necessary legal procedures.
- Direct and work closely with the Board of Management to achieve the set targets and plans.
- Continue to monitor the situation regarding the pandemic, domestic and global steel prices, and the real estate market throughout the year to propose suitable and swift business strategies.
- Disclose information in accordance with legal requirements.





# 06

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## **CORPORATE GOVERNANCE**

Activities of the Board of Directors

Audit Committee

Transactions, remuneration, and benefits of the Board of Directors,  
Board of Management, and Audit Committee

## Board of Directors

### Meetings of the Board of Directors

No.	Board of Directors' member	Number of meetings attended (in per-son/online/mail...)	Attendance rate	Reasons for not attending
1	Mr. Nguyen Quang Hoa	09/09	100%	
2	Mr. Ho Van Tuyen	09/09	100%	
3	Mr. Nguyen Minh Thu	09/09	100%	
4	Ms. Tran Thi Hien	01/09	11.1%	Dismissal on June 29, 2024
5	Ms. Nguyen Tran Thao Huong	01/09	11.1%	Dismissal on June 29, 2024

### Subcommittees of the Board of Directors

- **Finance Subcommittee:** Fully implemented the Company's financial supervision in accordance with the Resolution of the General Meeting of Shareholders and as required by the Board of Directors in 2024.
- **Project Subcommittee:** Supervising the operation of the Company's ongoing investment projects.

### Supervisory activities of the Board of Directors towards the Board of Management

The direction and supervision of the Board of Directors with the Board of Management are carried out regularly in 2024, through the following activities:

1. Directing and supervising the organization of the 2024 Annual GMS in accordance with regulations; developing the 2024 business plan and content of the proposals to be submitted to the GMS; changing the number of Member of the BOD, dismissing Member of the BOD of the Company.
2. In 2024, the Company faced many difficulties in the production and business of key product lines, business was not effective, so it did not achieve revenue, only reaching about 85%/KH, pre-tax profit lost more than 60 Billion VND.
3. The BOD regularly supervises the implementation of the Resolutions/Decisions of the General Meeting of Shareholders and the BOD in accordance with the set procedures and progress.

4. Regularly organize meetings to assess the implementation of the business plan in order to have timely direction measures.

5. During the year, the BOD appointed a new General Director and Chief Accountant of the Company, controlling the centralized governance model operation system from the Parent Company to member and affiliated companies in the group.

6. Thien Nam Company system:

- Member companies:
  - » Thien Nam Foodstuff Technology Company Limited.
  - » Thien Nam Education Investment Corporation.
  - » NAHAVIWEL Joint Stock Company.

• Affiliated and related companies:

- » Sai Gon 168 Trading Business Development Corporation.
- » Vung Tau Housing Development Corporation.

7. Supervising the implementation of information disclosure of the 2024 reports in accordance with regulations, specifically:

- Annual report for 20223
- Management report for 2023 and the first 6 months of 2024
- Reports for the fourth quarter of 2023 and the first, second, and third quarters of 2024

8. Regarding the implementation of information disclosure for the audited financial statements of 2023 and the review of the first 06 months of 2024, the Company is currently late in submitting these reports due to discrepancies in data between the Company and the auditing unit during the audit process. The Company has explained this in official letters and announcements to the State Securities Commission of Vietnam, The Hochiminh Stock Exchange, and The Hanoi Stock Exchange (Upcom), and acknowledges this oversight to the authorities and shareholders. The Company will continue to work with the auditing unit, with the earliest expected time in the first quarter of 2025 to disclose the audited financial statements for 2023 and the semi-annual reviewed financial statements for 2024 as per regulations.

9. Decision to select the auditing firm for the company's 2024 financial statements as AASCS

10. Monitoring the process of information disclosure in accordance with the regulations of the State Securities Commission of Vietnam and The Stock Exchange.

11. Monitoring the Company's operations to ensure compliance with the Law on Enterprises, the Company's Charter, and current legal regulations.

## Board of Directors (Continued)

### Activities of the Board of Directors

Resolutions/Decisions of the Board of Directors in 2024

No.	Number of Resolutions/ Decisions	Date	Content
1	Resolution No. 02/2024/QD-HDQT	01/02/2024	Approving contracts and transactions between Thien Nam Trading - Import Export Joint Stock Company and related parties in 2024
2	Resolution No. 09/2024/NQ-HDQT	24/04/2024	Extending the time to hold the 2024 Annual General Meeting of Shareholders.
3	Resolution No. 11/2024/NQ-HDQT	13/05/2024	Finalizing the last registration date to exercise rights, the date of holding the 2024 Annual General Meeting of Shareholders
4	Decision No. 41/ QĐ-CT	20/05/2024	Dismissal of the Company's Chief Accountant
5	Decision No. 42/ QĐ-CT	20/05/2024	Appointment of the Company's Chief Accountant
6	Decision No. 45/ QĐ-CT	24/05/2024	Dismissal of the Company's Financial Director
7	Decision No. 46/ QĐ-CT	24/05/2024	Establishment of the Organizing Committee for the 2024 Annual General Meeting of Share-holders
8	Decision No. 20/2024/QD-HDQT	10/07/2024	Appointment of the Company's General Director.
9	Decision No. 23/2024/QD-HDQT	15/07/2024	Change of legal representative
10	Decision No. 28/2024/QD-HDQT	16/08/2024	Selection of the Company's auditing firm for 2024
11	Decision No. 40/2024/QD-HDQT	17/12/2024	Transfer of contributed share capital to member companies.

### List of Board member with corporate governance training certificates

None



## Audit Committee

### Membership and structure of the Audit Committee

No.	Audit Committee's Member	Position	Start Date as Audit Committee Member	Number of shares and ownership ratio
1	Mr. Ho Van Tuyen	Chairman of the Audit Committee	23/06/2023	

### Changes in the Audit Committee

No.	Audit Committee's Member	Appointment Date	Date of dismissal
1	Nguyen Tran Thao Huong		29/06/2024

### Audit Committee Meetings

No.	Audit Committee's Member	Number of meetings attended (in person/online/mail...)	Attendance rate	Reasons for not attending
1	Mr. Ho Van Tuyen	4/4	100%	
2	Ms. Nguyen Tran Thao Huong	2/4	100%	Change from 29/06/2024

### Oversight activities of the Audit Committee towards the BOD, the Board of Management, and shareholders

- Monitoring and evaluating the implementation of the business plan compared to the assigned plan of the Company and its Subsidiary Companies to report and propose recommendations to the Board of Directors; control is carried out monthly, quarterly, every 6 months, 9 months, annually, and ad hoc when requested by the Company's Board of Directors;
- Inspecting and evaluating compliance with accounting processes, regulations, policies, and standards;
- Reviewing accounting books and appraising financial statements during the year; specifically, regarding the audited financial statements for 2023 and the review of the first 06 months of 2024, the Audit Committee has worked with the Company's leadership team and urged implementation with the auditing unit on several occasions. However, due to disagreements on the data in the report, the Company will continue to work with the auditing unit, with the earliest expected time in the first quarter of 2025 to disclose the audited financial statements for 2023 and the semi-annual reviewed financial statements for 2024 as per regulations;
- Inspecting compliance with the provisions of the Law and the Company's Charter, and the implementation of Resolutions of the General Meeting of Shareholders and Resolutions of the Board of Directors.

### Coordination of activities between the Audit Committee and the activities of the BOD, the Board of Management of Management, and other management personnel

- Advising the Board of Directors on the issuance of policies and regulations regarding the content and timing of reporting on the business performance of the entire Company system.
- Centralized control of the entire system to standardize, apply technology, synchronize data, and use common resources that are optimally allocated for the most efficient entire system.



## Transactions

### Remuneration, and benefits of the Board of Directors, Board of Management, and Audit Committee

#### Salaries, bonuses, remuneration, and benefits

Salaries, bonuses, remuneration, and benefits of the company's leadership are determined based on clear, reasonable criteria that are appropriate for job performance and the company's operating results. These payments are intended to ensure work motivation and encourage the leadership to continue to contribute and develop the company sustainably in the long term. The salary, bonus, and remuneration levels are established based on references to companies in the industry, ensuring competitiveness and fairness. Detailed information on the salaries, bonuses, remuneration, and benefits of the leadership has been presented by the Company in its annual Quarterly Financial Statements.

#### Share transactions by internal persons

No.	Transaction Executor	Position	Number of shares at beginning of period		Number of shares at end of period		Reason for Increase/Decrease
			Number of shares	Rate %	Number of shares	Rate %	
1	Mr. Ho Van Tuyen	Independent member of the BOD	210,000	0.42%	0	0.00%	Sell
2	Mr. Nguyen Minh Thu	Member of the BOD cum General Director	102,000	0.21%	2000	0,0001%	Sell



#### Contracts or transactions with internal persons

No.	Name of organization/individual	Relationship with the Company	Transaction Date	Resolution/Decision approved	Content, Quantity, and Total Transaction Value
1	Thien Nam Hoa Trading and Service Joint Stock Company	Company with Board of Directors' member	2024		About 46 billion VND
2	SG 168 Trading Development Joint Stock Company	Associated company	2024		About 1,533 billion VND
3	Nguyen Quang Hoa	Internal person	2024		About 196 billion VND

#### Evaluation of the implementation of regulations on corporate governance

In the past financial year, the implementation of regulations on corporate governance has been emphasized and closely monitored. The company has conducted a thorough review of all governance processes, policies, and practices to ensure transparency, fairness, and accountability in the company's operations.

The regulations on corporate governance have been implemented synchronously and consistently, from the construction of the organizational structure to the implementation of financial reporting procedures. The company has strengthened training and raised awareness for member of the leadership as well as employees about the importance of complying with these regulations.

We are committed to continuing to monitor and improve the regulations on corporate governance, in order to continuously improve the value and sustainability for the company in the future.



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**CONSOLIDATED  
FINANCIAL STATEMENTS FOR  
QUARTER IV OF 2024**

CONSOLIDATED BALANCE SHEET  
As of December 31, 2024

ITEMS	Code	Note	Unit: VND	
			Balance at the end of the period	Balance at the beginning of the year
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>1.647.733.242.904</b>	<b>1.802.904.917.581</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>8.830.785.669</b>	<b>10.732.761.633</b>
1. Cash	111		8.730.785.669	9.860.761.633
2. Cash equivalents	112		100.000.000	872.000.000
<b>II. Short-term investments</b>	<b>120</b>	<b>V.2</b>	-	<b>52.575.501.268</b>
1. Trading securities	121		-	-
2. Provisions for devaluation of trading securities	122		-	-
3. Held-to-maturity investments	123		-	52.575.501.268
<b>III Short-term receivables</b>	<b>130</b>		<b>546.530.002.680</b>	<b>615.892.318.879</b>
1. Short-term trade receivables	131	V.3	506.294.812.368	564.949.978.564
2. Short-term prepayments to suppliers	132	V.4	794.905.550	1.009.577.068
3. Short-term inter-company receivables	133		-	-
4. Receivables according to the progress of constructic	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5a	39.595.036.567	50.058.116.859
7. Allowance for short-term doubtful debts	137		(175.039.911)	(145.641.718)
8. Deficit assets for treatment	139	V.6	20.288.106	20.288.106
<b>IV Inventories</b>	<b>140</b>	<b>V.7</b>	<b>1.088.392.101.859</b>	<b>1.118.305.144.402</b>
1. Inventories	141		1.088.392.101.859	1.118.717.279.652
2. Allowance for inventories	149		-	(412.135.250)
<b>V. Other current assets</b>	<b>150</b>		<b>3.980.352.696</b>	<b>5.399.191.399</b>
1. Short-term prepaid expenses	151	V.8a	44.489.655	501.461.235
2. Deductible VAT	152		3.062.565.365	4.024.420.607
3. Taxes and other receivables from the State	153		873.297.676	873.309.557
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

ITEMS	Code	Note	Balance at the end of	Balance at the
			the period	beginning of the year
<b>B - NON-CURRENT ASSETS</b>	<b>200</b>		<b>433.067.310.117</b>	<b>523.014.233.067</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>3.638.068.023</b>	<b>6.796.096.440</b>
1. Long-term trade receivables	211		-	-
2. Long-term prepayment to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216	V.5b	3.638.068.023	6.796.096.440
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>37.502.172.201</b>	<b>40.347.881.242</b>
1. Tangible fixed assets	221	V.9	10.587.410.389	13.433.119.430
- Historical cost	222		47.916.124.147	51.430.986.532
- Accumulated depreciation	223		(37.328.713.758)	(37.997.867.102)
2. Financial leased assets	224		-	-
- Historical cost	225		-	-
- Accumulated depreciation	226		-	-
3. Intangible fixed assets	227	V.10	26.914.761.812	26.914.761.812
- Initial cost	228		28.194.999.917	28.194.999.917
- Accumulated amortization	229		(1.280.238.105)	(1.280.238.105)
<b>III Investment property</b>	<b>230</b>	<b>V.11</b>	<b>56.960.390.955</b>	<b>61.128.252.051</b>
- Historical costs	231		106.202.325.022	106.202.325.022
- Accumulated depreciation	232		(49.241.934.067)	(45.074.072.971)
<b>IV Long-term assets in process</b>	<b>240</b>		<b>128.730.000</b>	-
1. Long-term work-in-process	241		-	-
2. Construction-in-progress	242		128.730.000	-
<b>V. Long-term investments</b>	<b>250</b>	<b>V.2</b>	<b>332.289.497.587</b>	<b>409.867.523.429</b>
1. Investments in subsidiaries	251		-	18.298.025.842
2. Investments in joint ventures and associates	252		194.393.397.587	194.393.397.587
3. Investments in other entities	253		120.496.100.000	120.496.100.000
4. Provision for devaluation of long-term financial inv	254		0	-
5. Held-to-maturity investments	255		17.400.000.000	76.680.000.000
<b>VI Other non-current assets</b>	<b>260</b>		<b>2.548.451.351</b>	<b>4.874.479.905</b>
1. Long-term prepaid expenses	261	V.8b	2.548.451.351	4.874.479.905
2. Deferred income tax assets	262		-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
5. Goodwill			-	-

ITEMS	Code	Note	Balance at the end of the period	Balance at the beginning of the year
<b>C - LIABILITIES</b>	<b>300</b>		<b>1.579.737.439.513</b>	<b>1.744.241.693.836</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>1.569.857.427.428</b>	<b>1.732.075.116.607</b>
1. Short-term trade payables	311	V.12	685.163.162.754	912.723.343.785
2. Short-term advances from customers	312	V.13	95.208.360.444	37.010.447.691
3. Taxes and other obligations to the State Budget	313	V.14	4.901.622.696	5.993.089.785
4. Payables to employees	314	V.15	195.548.847	444.556.483
5. Short-term accrued expenses	315	V.16	70.906.754.356	17.322.023.268
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction cor	317		-	-
8. Short-term unearned revenue	318	V.17	962.666.739	1.107.701.978
9. Other short-term payables	319	V.18a	204.952.590.177	188.519.527.775
10. Short-term borrowings and financial leases	320	V.19a	507.566.721.415	568.954.425.842
11. Provisions for short-term payables	321		-	-
12. Bonus and welfare funds	322	V.20	-	-
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>9.880.012.085</b>	<b>12.166.577.229</b>
1. Long-term trade payables	331		-	-
2. Long-term prepayment from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for operating capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337	V.18b	9.880.012.085	10.018.952.675
8. Long-term borrowing and financial leases	338	V.19b	-	2.147.624.554
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liabilities	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development funds	343		-	-

ITEMS	Mã số	Thuyết minh	Số cuối kỳ	Số đầu năm
<b>D - OWNER'S EQUITY</b>	<b>400</b>		<b>501.063.113.508</b>	<b>581.677.456.812</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.22</b>	<b>501.063.113.508</b>	<b>581.677.456.812</b>
1. Capital	411		495.762.640.000	495.762.640.000
- Common shares carrying voting rights	411a		495.762.640.000	495.762.640.000
- Preferred shares	411b		-	-
2. Share premiums	412		4.034.353.637	4.034.353.637
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415		(11.978.525.300)	(11.978.525.300)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment development fund	418		31.763.082.105	31.763.082.105
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421		(12.982.536.378)	67.150.227.154
- Retained earnings accumulated to the end of the previous period	421a		48.189.454.790	65.020.266.439
- Retained earnings of the current period	421b		(61.171.991.168)	2.129.960.715
12. Construction investment fund	422		-	-
13. Benefits of non-controlling shareholders	429		(5.535.900.556)	(5.054.320.784)
<b>II. Other sources and funds</b>	<b>430</b>		-	-
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNER'S EQUITY</b>	<b>440</b>		<b>2.080.800.553.021</b>	<b>2.325.919.150.648</b>

Ho Chi Minh City, January 24, 2025

  
 Nguyen Thi Thu Hien  
Preparer

  
 Le Thi Thanh Thao  
Chief Accountant

  
 Nguyen Van Nghia  
General Director





ITEMS	Code	Current year	Previous year
<b>III. Cash flows from financing activities</b>			
1. Proceeds from issuing stocks and capital contributions from own	31	-	-
2. Repayment for capital contribution and re-purchases of stocks already issued	32	-	-
3. Proceeds from borrowings	33	77.150.909.468	1.782.197.406.582
4. Repayment for loan principal	34	(140.688.637.929)	(2.457.406.128.645)
5. Payments for financial leased assets	35	-	(443.071.150)
6. Dividends and profit paid to the owners	36	-	-
<b>Net cash flows from financing activities</b>	<b>40</b>	<b>(63.537.728.461)</b>	<b>(675.651.793.213)</b>
<b>Net cash flows during the year</b>	<b>50</b>	<b>(1.897.188.626)</b>	<b>(53.879.321.846)</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	<b>10.732.400.076</b>	<b>64.614.953.201</b>
Effect of fluctuations in foreign exchange rates	61	(4.425.781)	(2.869.722)
<b>Ending cash and cash equivalents</b>	<b>70</b>	<b>8.830.785.669</b>	<b>10.732.761.633</b>

Ho Chi Minh City, January 24, 2025

  
Nguyen Thi Thu Hien  
Preparer

  
Le Thi Thanh Thao  
Chief Accountant



  
Nguyen Van Nghia  
General Director

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS QUARTER IV/2024

### I. GENERAL INFORMATION

#### 1. Ownership Form

Thien Nam Trading- Import Export Joint Stock Company (hereinafter referred to as "the Company" or "the Parent Company") is a joint stock company.

#### 2. Operating field

The Group's business sectors include trading, services, and manufacturing.

#### 3. Principal business activities

Principal business activities of the Company are to trade, act as an agent for consignment of technology products, food, foodstuffs, materials and equipment, vehicles, alcohol, agricultural products, aquatic products, electromechanical equipment, construction materials, interior decoration, fertilizers, pesticides, supplies, machinery and equipment, cosmetics; act as an agent for goods consignment; purchase and process agricultural, aquatic and marine products for export (not operating at the head office); lease travel vehicles; trade iron and steel, metal scrap and provide service of dismantling old ships and cars (not operating at the head office); trade cars; provide customs declaration service; provide freight forwarding services; trade real estate.

#### 4. Normal operating cycle

The Company's normal operating cycle is within 12 months.

#### 5. Structure of the Group

The Group consists of the Parent Company and 03 subsidiaries, which are under the control of the Parent Company. All subsidiaries are consolidated in this consolidated financial statement.

#### 5a. List of subsidiaries to be consolidated

Subsidiary	Address	Principal business activities	Capital contribution rate	Benefit rate	Voting Rate
Thien Nam Foodstuff Technology Company Limited	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward 2, District 10, Ho Chi Minh City	Wholesale of foodstuff and technological products	98%	98%	98%
Thien Nam Education Investment Corporation	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward 2, District 10, Ho Chi Minh City	Development of services related to education	68%	68%	68%
Nahaviwel Joint Stock Company	Thien Nam Building, 111-112 Ngo Gia Tu Street, Ward 2, District 10, Ho Chi Minh City	Manufacturing and trading of welding materials.	94,5%	94,5%	94,5%

#### 5b. Associates reflected in the Consolidated Financial Statements using equity method

According to Enterprise Registration Certificate No. 0314760724, amended for the 6th time on December 24, 2022, issued by the Department of Planning and Investment of Ho Chi Minh City, the Company contributed 202.000.000.000 VND, accounting for 47,53% of the charter capital.

According to Enterprise Registration Certificate No. 3502401667 dated July 26, 2019, issued by the Department of Planning and Investment of Ba Ria - Vung Tau Province, the Company invested 120.000.000.000 VND in Vung Tau Housing Development Joint Stock Company, equivalent to 20% of the charter capital.

#### 6. Statement on the Comparability of Information in the Consolidated Financial Statements

The corresponding figures of the previous year are comparable to the figures of this year.

#### 7. Headcount

As of the financial year-end, the Group had 57 employees working at its companies (compared to 138 employees at the beginning of the year).

### II. FISCAL YEAR AND ACCOUNTING CURRENCY

#### 1. Fiscal year

The fiscal year of the Company is from 01 January to 31 December annually.

#### 2. Accounting currency unit

The currency used in accounting is Vietnamese Dong (VND) as most transactions are conducted in VND.

### III. ACCOUNTING STANDARDS AND SYSTEM

#### 1. Accounting System

The Group applies Vietnamese Accounting Standards and the Vietnamese Accounting System for Enterprises issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, guiding the Enterprise Accounting System, Circular No. 202/2014/TT-BTC dated December 22, 2014, guiding the preparation and presentation of Consolidated Financial Statements, and other circulars issued by the Ministry of Finance providing guidance on the implementation of accounting standards in the preparation and presentation of Consolidated Financial Statements.

#### 2. Statement of the compliance with the Accounting Standards and System

The Board of Management ensures compliance with the requirements of the accounting standards, the Vietnamese Accounting System issued under Circular No. 200/2014/TT-BTC dated December 22, 2014; Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing certain provisions of Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance guiding the enterprise accounting system; Circular No. 202/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance guiding the methods for preparing and presenting consolidated financial statements, as well as other circulars that guide the implementation of accounting standards of the Ministry of Finance in preparing and presenting consolidated financial statements.

### IV. ACCOUNTING POLICIES

#### 1. Consolidation basis

The consolidated financial statements are prepared in accordance with Circular No. 202/2014/TT-BTC dated December 22, 2014, issued by the Ministry of Finance, as well as other circulars guiding the implementation of accounting standards issued by the Ministry of Finance for the preparation and presentation of consolidated financial statements.

##### *Subsidiary*

Subsidiaries are entities over which the Group has the power to govern financial and operating policies, typically accompanied by holding more than half of the voting rights. Potential voting rights that can be exercised will be considered when assessing whether the Group has control over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date control begins until the date control ceases.

##### *Non-controlling interests*

Non-controlling interests (NCI) are measured at the proportionate share of the non-controlling interest's ownership in the net assets of the acquired entity at the acquisition date.

Changes in the Group's equity in a subsidiary that do not result in a loss of control are accounted for similarly to equity transactions. The difference between the value of the change in the Group's ownership interest in the subsidiary's net assets and the cash paid or received from the equity change in the subsidiary is recognized in retained earnings within equity.

##### *Loss of control*

When control over a subsidiary is lost, the Group stops recognizing the assets and liabilities of the subsidiary, as well as non-controlling interests (NCI) and other equity items. Any gain or loss arising from this event is recognized in the consolidated income statement. After divesting the remaining interest in the subsidiary, the remaining carrying amount of the investment on the consolidated financial statements is adjusted according to the corresponding share of changes in equity since the acquisition, if the Group still has significant influence over the investee. If the Group no longer has significant influence, the remaining investment is presented at its fair value.

##### *Associates*

An associate is any entity in which the Group has significant influence but does not control, typically represented by holding between 20% and 50% of the voting rights in that entity. An associate is accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of the associate, accounted for under the equity method, adjusted according to the Group's accounting policies, from the date the Group begins to have significant influence until the date such influence ceases.

When the share of losses of an associate that the Group must share exceeds the Group's interest in the associate, as accounted for under the equity method, the carrying amount of the investment (including any long-term investments, if applicable) is reduced to zero, and further losses are no longer recognized, except for losses to the extent that the Group has an obligation to pay or has already paid on behalf of the associate.

##### *Eliminated Transactions in Consolidation*

Intercompany balances within the Group and unrealized income and expenses from intercompany transactions are eliminated in the consolidation of financial statements. Unrealized gains and losses arising from transactions with associates accounted for using the equity method are deducted from the investment to the extent of the Group's interest in the associate.

##### *Business Combination*

Business combinations are accounted for using the acquisition method at the acquisition date, which is the date when control is transferred to the Group. Control exists when the Group has the ability to govern the financial and operating policies of the entity in order to obtain economic benefits from its activities. The assessment of control takes into account potential voting rights that are currently exercisable.

#### 2. Foreign exchange rates :

The recognition, evaluation, and handling of exchange rate differences during the period are carried out in accordance with Circular No. 200/2014/TT-BTC dated December 22, 2014, and Circular No. 53/2016/TT-BTC dated March 21, 2016, which amends and supplements several provisions of Circular No. 200/2014/TT-BTC dated December 22, 2014, of the Ministry of Finance, guiding the enterprise accounting system.

### 3. Cash and cash equivalents:

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

### 4. Financial investments:

#### Held-to-maturity investments :

Investments are classified as held-to-maturity investments that the Company intends and is able to hold to maturity. These held-to-maturity investments include term deposits with banks (including bills of exchange, promissory notes), bonds, preferred shares with mandatory redemption at a specified future date, loans held to maturity for the purpose of earning periodic interest, and other held-to-maturity investments.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the year while the investment value is derecognized.

#### 4.1 Borrowings:

Loans are recognized at their cost, less any allowance for doubtful debts. The allowance for doubtful debts on loans is established based on the estimated level of losses that may occur.

#### 4.2 Investments in Subsidiaries, joint venture, and associates

##### Subsidiaries

Subsidiary is an entity that is controlled by the Company. Control is the Company's power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

##### Joint venture

A joint venture is a business entity established based on an agreement between the Company and other parties, in which the participants undertake economic activities on the basis of joint control. Joint control is understood as the requirement for consensus among the participants in making strategic decisions related to the operational and financial policies of the joint venture.

##### Associates

An associate company is a business in which the Company has significant influence but does not have control over financial and operational policies. Significant influence is evidenced by the right to participate in decisions regarding financial and operational policies of the investee company but without controlling those policies.

Investments in subsidiaries, joint ventures, and associates are initially recognized at cost, which includes the purchase price or the capital contribution along with any directly attributable investment costs. In the case of investments made through non-monetary assets, the investment is recognized at the fair value of the non-monetary assets at the time the investment is made.

Dividends and profits from periods before the investment was acquired are recognized as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is acquired are recognized as revenue. Dividends received in the form of additional shares are only recorded as an increase in the number of shares, without recognizing the value of the shares received or at their nominal value.

A provision for impairment of investments in subsidiaries, joint ventures, and associates is made when the subsidiary, joint venture, or associate incurs losses. The provision is calculated as the difference between the actual contribution of the parties to the subsidiary, joint venture, or associate and the actual equity value, multiplied by the Company's ownership percentage in relation to the total actual contributions of the parties involved. If the subsidiary, joint venture, or associate is preparing consolidated financial statements, the basis for determining the provision for impairment is the consolidated financial statements.

The increase or decrease in the provision for impairment of investments in subsidiaries, joint ventures, and associates that needs to be recognized at the end of the financial year is recorded as a financial expense.

#### 4.3 Investments in equity instruments of other entities:

Investments in the equity instruments of another entity include equity instrument investments where the Group does not have control, joint control, or significant influence over the investee.

Investments in equity instruments of another entity are initially recognized at cost, which includes the purchase price or capital contribution plus any directly related investment costs. Dividends and profits from periods before the investment was made are accounted for as a reduction in the value of the investment itself. Dividends and profits from periods after the investment is made are recognized as revenue. Stock dividends received are only tracked in terms of the additional number of shares, without recognizing the value of the received shares.

Provision for impairment of investments in equity instruments of another entity is made as follows:

- For investments in listed shares or where the fair value of the investment can be reliably determined, the provision is based on the market value of the shares.
- For investments where the fair value cannot be determined at the reporting date, the provision is made based on the losses of the investee, calculated as the difference between the actual capital contribution of the parties to the other entity and the actual equity, multiplied by the Group's ownership percentage compared to the total actual capital contributions of all parties in the other entity.

The increase or decrease in the provision for impairment of investments in equity instruments of another entity to be recognized at the end of the fiscal year is recorded as a financial expense.

#### 5. Receivables:

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables or other receivables is made according the following principles:

- Trade receivables reflect amounts due from commercial transactions arising from buy-sell agreements between the Company and independent buyers. This includes receivables from the sale of goods that have been exported and entrusted to another entity for sale.
- Inter-company Receivables reflect amounts due from subsidiaries or units without legal personality and dependent accounting, which are part of the Company's internal transactions.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Provision for doubtful debts is established for each receivable based on the aging of overdue debts or anticipated losses. Specifically:

- For overdue receivables:
  - 30% of the value for receivables overdue between 6 months and less than 1 year.
  - 50% of the value for receivables overdue between 1 year and less than 2 years.
  - 70% of the value for receivables overdue between 2 years and less than 3 years.
  - 100% of the value for receivables overdue 3 years or more.
- For doubtful debts but not yet overdue: provision is based on the estimated level of potential loss.

## 6. Inventories :

### 6.1 Inventories accounting:

Inventory is valued at cost. If the net realizable value is lower than the cost, the inventory must be valued at its net realizable value. The cost of inventory includes purchase costs, processing costs, and other directly related costs incurred to bring the inventory to its present location and condition.

The cost of inventory purchased from external suppliers includes the purchase price, non-refundable taxes, transportation, handling, and storage costs incurred during the purchase process, as well as other costs directly related to purchasing the inventory.

The cost of inventory produced internally includes direct material costs, direct labor costs, fixed production overhead, and variable production overhead incurred during the transformation of raw materials into finished goods.

**6.2 Method for Determining the Value of Ending Inventory:** The value of ending inventory is determined using the specific identification method.

**6.3 Inventory Accounting Method:** The company applies the periodic inventory system.

### 6.4 Allowances for inventories:

Allowances for inventories are made for each inventory item whose cost exceeds its net realizable value. For unfinished services, the provision for the decline in value is determined based on the individual service with a distinct price. Increases or decreases in the balance of the provision for inventory decline at the end of the financial year are recognized in the cost of goods sold.

## 7. Depreciation accounting of fixed assets:

### 7.1 Fixed assets :

- Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed assets includes all expenses incurred by the Company to acquire the asset and bring it to a state of readiness for use.
- Subsequent costs are capitalized to increase the asset's carrying amount only if these costs are expected to provide future economic benefits through the use of the asset. Costs that do not meet this condition are recognized as expenses in the period incurred.
- Depreciation is calculated using the straight-line method and is based on depreciation rates determined by the regulations in Circular No. 45/2013/TT-BTC dated April 25, 2013, and Circular No. 147/2016/TT-BTC dated October 13, 2016, amending and supplementing certain provisions of Circular No. 45/2013/TT-BTC.

### 7.2 Finance leased fixed assets

Leases are classified as finance leases if the majority of the risks and rewards associated with ownership of the asset are transferred to the lessee. Finance leased fixed assets are presented at cost less accumulated depreciation. The cost of finance leased fixed assets 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 for the lease of the asset is the implicit interest rate in the lease agreement or the rate specified in the contract. If the implicit interest rate cannot be readily determined, the borrowing rate at the inception of the lease is used.

Financial lease assets are depreciated using the straight-line method based on their estimated useful life. In cases where it is uncertain whether the Group will have ownership of the asset at the end of the lease term, the asset will be depreciated over the shorter of the lease term and the estimated useful life. The depreciation periods for various types of financial lease assets are as follows:

## 7.3 Investment property:

Investment property refers to land use rights, buildings, part of a building, or infrastructure owned by the Company or held under a finance lease, intended to generate rental income or for capital appreciation. Investment property is stated at cost less accumulated depreciation. The cost of investment property includes all expenses incurred by the Company or the fair value of assets exchanged to acquire the investment property up to the point of purchase or completion of construction.

Subsequent costs related to investment property are expensed, unless these costs are expected to provide additional future economic benefits, in which case they are capitalized to increase the cost of the property.

When investment property is sold, the original cost and accumulated depreciation are written off, and any resulting gains or losses are recognized in the income or expenses for the year.

The transfer from property held for use or inventory to investment property occurs only when the owner ceases using the asset and begins leasing it to another party or when construction is completed. Conversely, the transfer from investment property to property held for use or inventory occurs when the owner starts using the asset or begins preparing it for sale. The transfer from investment property to property held for use or inventory does not change the original cost or carrying value of the asset at the transfer date.

## 8. Prepaid expenses:

Prepaid expenses related only to the current fiscal year are recognized as operating expenses in the fiscal year.

The allocation of long-term prepaid expenses to operating costs for each accounting period is based on the nature and degree of each type of expense, in order to select appropriate methods and criteria for allocation.

## 9. Payables and accrued expenses:

Payables and accrued expenses are recognized for amounts owed in the future related to goods and services already received. Accrued expenses are recognized based on reasonable estimates of the amounts owed.

The classification of payables into accounts payable to vendors, accrued expenses, internal payables, and other payables is carried out according to the following principles:

- Accounts payable to vendors reflect amounts owed from commercial transactions related to the purchase of goods, services, or assets, where the seller is an independent entity to the Company, including amounts payable for imports via agents.
- Accrued expenses reflect amounts owed for goods or services received from vendors or provided to buyers but not yet paid, due to the absence of invoices or incomplete accounting documents, as well as payables for employee wages, vacation pay, and accrued production and business expenses.
- Internal payables reflect amounts owed between the parent company and its subsidiaries without legal entity status for accounting purpose.
- Other payables reflect amounts owed that are non-commercial and unrelated to the purchase, sale, or provision of goods or services.

## 10. Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that settling the obligation will result in an outflow of economic benefits and the amount of the obligation can be reliably estimated.

If the time value of money is material, provisions will be determined by discounting the future outflows required to settle the obligation using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks of the obligation. The increase in the provision due to the passage of time is recognized as a financial expenses.

## 11. Recognition Principles for Owner's Equity:

### 11.1 Capital:

Owner's contributions are recorded according to the actual capital contributed by the shareholders or owners.

### 11.2 Share premiums:

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury stocks and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of stocks and the re-issuance of treasury stocks are recorded as a decrease in share premiums.

### 11.3 Other owner's equity:

Other equity is formed from the results of business operations, asset revaluation, and the remaining value after deducting taxes payable (if any) related to donated, gifted, or sponsored assets.

### 11.4 Treasury shares:

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in share premiums.

## 12. Sales:

### 12.1 Sales of merchandises and finished goods:

Sales of merchandises and finished goods are recognized when the following conditions are satisfied:

- The majority of risks and benefits associated with the ownership of the product or goods have been transferred to the buyer;
- The Company no longer retains control over the goods or the management rights of the goods as the owner;
- Revenue is reasonably certain;
- The Company has received or will receive economic benefits from the transaction;
- The costs related to the transaction can be determined.

### 12.2 Sales of service provision:

Revenue is recognized when the results of the transaction can be reliably determined. In cases where the service involves multiple periods, revenue is recognized for the portion of work completed as of the balance sheet date of the respective period. The results of the service transaction are determined when the following conditions are satisfied:

- Revenue is reasonably certain;
- It is probable that economic benefits will flow from the transaction ;
- The portion of work completed as of the balance sheet date can be determined;
- The costs incurred for the transaction and the costs to complete the service transaction can be determined.

### 12.3 Financial income :

Revenue from interest, royalties, dividends, profits, and other financial activity income is recognized when both of the following conditions are satisfied:

- It is probable that economic benefits will flow from the transaction;
- The revenue is reasonably certain.

Dividends and profits are recognized when the Company is entitled to receive dividends or profits from its investments.

## 13. Financial expenses:

Financial expenses include costs related to financial investment activities, borrowing and lending, investments in other entities, losses from short-term securities transfers, securities transaction costs, provisions for devaluation of trading securities, investments in other entities, losses from foreign currency sales, exchange rate losses, etc.

The following items should not be recorded as financial expenses:

- Expenses related to product manufacturing, service provision;
- Selling expenses;
- Administrative expenses;
- Real estate business expenses;
- Investment and construction expenses;
- Expenses covered by other funding sources;
- Other expenses.

Costs related to bond issuance are gradually allocated based on the bond term and recognized as financial expenses if the bond issuance is for regular production and business purposes.

Interest on convertible bonds is calculated as a financial expense for the period, determined by multiplying the initial bond principal at the beginning of the period by the market interest rate for similar bonds without conversion rights or by the general borrowing rate on the market at the time of the convertible bond issuance.

If preferred shares are classified as debt, the related dividends are considered as interest expenses and should be recorded as financial expenses.

## 14. Corporate income tax:

### 14.1 Current corporate income tax:

Current income tax is the tax calculated based on taxable income. The difference between taxable income and accounting profit is due to adjustments for temporary differences between tax and accounting, non-deductible expenses, as well as adjustments for non-taxable income and carried-forward losses.

### 14.2 Deferred corporate income tax:

Deferred income tax is the corporate income tax that will be payable or refunded due to temporary differences between the book value of assets and liabilities for financial statement purposes and their tax bases. Deferred income tax liabilities are recognized for all taxable temporary differences. Deferred income tax assets are only recognized when it is probable that taxable income will be available in the future to utilize the deductible temporary differences.

The book value of deferred tax assets is reviewed at the end of each financial year and adjusted to ensure that sufficient taxable profits will be available to allow for the utilization of all or part of the deferred tax asset. Deferred tax assets that have not been previously recognized are reviewed at the end of the financial year and recognized when it is certain that sufficient taxable profits will be available to use these previously unrecognized deferred tax assets.

Deferred tax assets and liabilities are determined based on the tax rates expected to be applied in the year in which the asset will be recovered or the liability settled, based on the tax rates that are in effect at the end of the financial year. Deferred income tax is recognized in the income statement and is only recognized directly in equity when the tax is related to items directly recorded in equity.

Deferred tax assets and deferred tax liabilities are offset when:

- The company has a legal right to offset current income tax assets against current income tax liabilities;
- The deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority;
- They relate to the same taxable entity;

The company expects to settle the current tax payable and the current tax asset on a net basis, or to recover the asset simultaneously with the payment of the liability in future periods when significant portions of deferred tax liabilities or assets are settled or recovered.

#### 15. Related parties

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

When considering the relationship between related parties, the substance of the relationship is emphasized more than the legal form.

#### 16. Segment reporting

A business segment is a component that can be clearly identified, participates in the production or provision of goods or services, and has risks and economic benefits distinct from those of other business segments.

A geographical segment is a component that can be clearly identified, participates in the production or provision of goods or services within a specific economic environment, and has risks and economic benefits distinct from those of other segments in different economic environments.

Segment information is prepared and presented in accordance with the accounting policies applied in the preparation and presentation of the Company's financial statements.

### V. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED BALANCE SHEET

#### 1. Cash and cash equivalents

	Balance at the end of the period	beginning of the year
Cash on hand	1.227.030.987	1.450.963.885
Term deposits at banks	7.503.754.682	8.409.797.748
Cash equivalents	100.000.000	872.000.000
<i>In which, bank deposits of which the principal maturity is within 3 months</i>		
- Vietinbank	100.000.000	872.000.000
<b>Total</b>	<b>8.830.785.669</b>	<b>10.732.761.633</b>

#### 2. Financial investments

##### 2a. Held-to-maturity investments

	Balance at the end of the period		Balance at the beginning of the year	
	Original value	Carrying value	Original value	Carrying value
<i>Short-term</i>	-	-	52.575.501.268	52.575.501.268
Term deposits			52.575.501.268	52.575.501.268
<i>Long-term</i>	17.400.000.000	17.400.000.000	76.680.000.000	76.680.000.000
Term deposits	12.400.000.000	12.400.000.000	51.050.000.000	51.050.000.000
Bonds	5.000.000.000	5.000.000.000	25.630.000.000	25.630.000.000
<b>Total</b>	<b>17.400.000.000</b>	<b>17.400.000.000</b>	<b>129.255.501.268</b>	<b>129.255.501.268</b>

##### 2b. Investments in other entities

	Balance at the end of the period		Balance at the beginning of the year	
	Original amounts	Provisions	Original amounts	Provisions
<i>Investments in joint ventures, associates</i>	194.393.397.587	-	194.393.397.587	-
Sai Gon 168 Trading Business Development	194.393.397.587		194.393.397.587	
<i>Investments in other entities</i>	120.496.100.000		120.496.100.000	
Vung Tau Housing Development Corporatic	120.000.000.000		120.000.000.000	
Mien Bac Nahaviwel Joint Stock Company	496.100.000		496.100.000	
<b>Total</b>	<b>314.889.497.587</b>	<b>-</b>	<b>314.889.497.587</b>	<b>-</b>

(i) Investment in an associate - Sai Gon 168 Trading Business Development Corporation is recognized in accordance to equity method

(ii) According to the Business Registration Certificate No. 3502401667 dated 26 July 2019, granted by Department of Planning and Investment of Ba Ria — Vung Tau Province, the Group invests an amount of VND 120.000.000.000 in Vung Tau Housing Development

(iii) The Company does not have significant influence on operations of Mien Bac Nahaviwel Joint Stock Company, so this investment is presented as investments in other entities.

#### Fair value

The group has not identified the fair value of the investments because there was no instruction given on identification method

3. Short-term trade receivables

	Balance at the end of the period	beginning of the year
<i>Receivables from related parties</i>	17,588,030,887	3,526,392,335
Sai Gon 168 Trading Business Development Corporation	329,442,887	1,110,159,835
Thien Nam Hoa Service Trading Joint Stock Company	17,258,588,000	2,416,232,500
<i>receivables</i>	179,484,068,254	297,769,693,653
Nguyen Minh Steel Group Joint Stock Company	167,004,574,333	152,055,476,485
Nguyen Minh Steel Manufacturing - Trading Corporation	12,479,493,921	34,716,493,921
Tinh Phat Vina Trading Service Company Limited	-	110,997,723,247
<i>Receivables from other customers</i>	309,222,713,227	263,653,892,576
Other customers	309,222,713,227	263,653,892,576
<b>Total</b>	<b>506,294,812,368</b>	<b>564,949,978,564</b>

4. Short-term prepayments to suppliers

	Balance at the end of the period	Balance at the beginning of the
<i>Prepayments to suppliers whose balance accounts for more than 10% of the prepayments</i>	688,709,830	26,372,685
Visa Steel Manufacturing Trading And Import Export Co., Ltd	688,709,830	26,372,685
<i>Other suppliers</i>	106,195,720	983,204,383
<b>Total</b>	<b>794,905,550</b>	<b>1,009,577,068</b>

5. Other receivables

5a. Other short-term receivables

	Balance at the end of the period		Balance at the beginning of the year	
	Value	Allowance	Value	Allowance
<i>Receivables form related parties</i>	8,460,000,000	-	37,002,892,000	-
Mr. Nguyen Quang Hoa	1,740,000,000	-	32,502,892,000	-
Sai Gon 168 Trading Business Development Stock Company	6,720,000,000	-	3,900,000,000	-
<i>Receivables from other organizations and</i>	31,135,036,567	-	13,055,224,859	-
Receivables from employees	78,513,574	-	133,142,886	-
Interest to be received	-	-	1,936,584,957	-
Short-term deposits, collateral	155,600,000	-	160,600,000	-
Over-disbursement fund	8,978,601,418	-	9,046,138,537	-
SoHo NewYork Trading Investment Corpor	20,375,000,000	-	-	-
Other short-term receivables	1,547,321,575	-	1,778,758,479	-
<b>Total</b>	<b>39,595,036,567</b>	<b>-</b>	<b>50,058,116,859</b>	<b>-</b>

5b. Other long-term receivables

	Balance at the end of the period		Balance at the beginning of the year	
	Value	Allowance	Value	Allowance
Long-term deposits, collateral	3,458,346,641	-	6,613,487,718	-
Other long-term receivables	179,721,382	-	182,608,722	-
<b>Total</b>	<b>3,638,068,023</b>	<b>-</b>	<b>6,796,096,440</b>	<b>-</b>

6. Deficit assets for treatment

	the period	beginning of the year
Inventories	20,288,106	20,288,106
<b>Total</b>	<b>20,288,106</b>	<b>20,288,106</b>

7. Inventories

	Balance at the end of the period		Balance at the beginning of the year	
	Original costs	Allowance	Original costs	Allowance
Goods in transit	-	-	573,475,516	-
Materials and supplies	876,611,423	-	958,656,564	-
Tools	64,878,818	-	64,878,818	-
Work-in-process	442,554,555	-	442,554,555	-
Finished goods	23,842,165	-	3,562,828,638	-
Merchandises	1,086,984,214,898	-	1,113,114,885,561	(412,135,250)
<i>In which</i>				
- Cost of goods	1,045,742,794,886	-	1,050,504,708,678	(412,135,250)
- Gifts	176,000,000	-	176,000,000	-
- Real estate	41,065,420,012	-	62,434,176,883	-
<b>Total</b>	<b>1,088,392,101,859</b>	<b>-</b>	<b>1,118,717,279,652</b>	<b>(412,135,250)</b>

Fluctuations in allowances for inventories are as follows

	Current year	Previous year
Balance at the beginning of the year	412,135,250	4,616,815,037
Additional allowance	-	388,727,923
Reversal of allowance	(412,135,250)	(4,593,407,710)
<b>Balance at the end of the period</b>	<b>-</b>	<b>412,135,250</b>

8. Prepaid expenses

8a. Short-term prepaid expenses

	Balance at the end of the period	Balance at the beginning of the
Expenses of tools	42,090,000	48,270,004
Constructing and repairing expenses	-	253,268,500
Expenses on UPAS L/C	2,280,000	-
Other short-term prepaid expenses	119,655	199,922,731
<b>Total</b>	<b>44,489,655</b>	<b>501,461,235</b>

8b. Long-term prepaid expenses

	Balance at the end of the period	beginning of the year
Tools	-	7,904,720
Repairing expenses	588,667,173	975,765,385
Fee on transfer of premises lease right	291,666,686	541,666,682
Credit insurance expenses	1,549,999,996	3,100,000,000
Other long-term prepaid expenses	118,117,496	249,143,118
<b>Total</b>	<b>2,548,451,351</b>	<b>4,874,479,905</b>

9. Tangible fixed assets

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
<b>Historical cost</b>					
Balance at the beginning	14,903,899,727	27,297,650,468	9,125,818,147	103,618,190	51,430,986,532
assets during the	-	-	(3,514,862,385)	-	(3,514,862,385)
<b>Balance at the end of</b>	<b>14,903,899,727</b>	<b>27,297,650,468</b>	<b>5,610,955,762</b>	<b>103,618,190</b>	<b>47,916,124,147</b>

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In which: Assets fully depreciated but still in use	7,743,507,747	18,317,792,855	3,569,721,796	88,278,000	29,719,300,398
<b>Depreciation</b>					
Balance at the beginning	11,011,075,593	19,846,979,439	7,056,240,428	83,571,642	37,997,867,102
Depreciation during the period	807,545,564	1,184,055,466	645,203,804	3,585,388	2,640,390,222
Balance at the end of	11,818,621,157	21,031,034,905	4,391,900,666	87,157,030	37,328,713,758
<b>Net book values</b>					
Balance at the beginning	3,892,824,134	7,450,671,029	2,069,577,719	20,046,548	13,433,119,430
Balance at the end of	3,085,278,570	6,266,615,563	1,219,055,096	16,461,160	10,587,410,389

Some tangible fixed assets, of which the net book values are 3,012,726,437 VND, have been mortgaged to secure the loans from banks (see Note No. V.19a).

10. Intangible fixed assets

	Land use right	Ground leveling	Computer software	Total
<b>Initial cost</b>				
Balance at the beginning of the year	25,255,147,500	2,620,320,917	319,531,500	28,194,999,917
Balance at the end of the period	25,255,147,500	2,620,320,917	319,531,500	28,194,999,917
<i>In which: assets fully amortized but still in use</i>				
			319,531,500	319,531,500
<b>Amortization</b>				
Balance at the beginning of the year	-	960,706,605	319,531,500	1,280,238,105
Balance at the end of the period	-	960,706,605	319,531,500	1,280,238,105
<b>Net book value</b>				
Balance at the beginning of the year				
Balance at the end of the period	25,255,147,500	1,659,614,312	-	26,914,761,812
	25,255,147,500	1,659,614,312	-	26,914,761,812

- Some intangible fixed assets, of which the net book values are 25,255,147,500 VND have been mortgaged to secure the loans from BIDV - Ho Chi Minh City Branch (see Note No. V.19a).

11. Investment property

Investment property of the Group only includes infrastructure and land use right. Details are as follows:

	Historical costs	depreciation	Net book values
beginning of the year	106,202,325,022	45,074,072,971	61,128,252,051
the period		4,167,861,096	
the period	106,202,325,022	49,241,934,067	56,960,390,955

- Investment property that fully depreciated but still for lease or holding: 2,005,797,381 VND.

- All investment properties, of which the net values are 59,044,321,503 VND have been mortgaged to secure the loans from banks (see Note No. V.19a).

List of investment properties as at the balance sheet date as follows:

	Historical costs	depreciation	Net book values
House, No. 451-453 Nguyen Tri Phuong Street	141,035,215	141,035,215	-
House, No. 01-03 Ngo Gia Tu Street	225,346,533	218,210,528	7,136,005
House, No. 355-365 Ngo Gia Tu Street	1,090,075,017	912,271,698	177,803,319
House, No. 192-198 Ngo Gia Tu Street	523,520,568	506,942,539	16,578,029
House, No. 07-09 Ly Thai To Street	59,117,794	59,117,794	-
Office, No. 355 Ngo Gia Tu Street	291,231,724	243,728,505	47,503,219
Office, No. 192-198 Ngo Gia Tu Street	1,627,213,182	1,627,213,182	-
Office, No. 451-453 Nguyen Tri Phuong Street	178,431,190	178,431,190	-
Office Building, No.111-121 Ngo Gia Tu Street	22,794,709,320	12,988,215,976	9,806,493,344
Store and Office, No.277B Cach Mang Thang 8 Street	79,271,644,479	32,366,767,440	46,904,877,039
<b>Total</b>	<b>106,202,325,022</b>	<b>49,241,934,067</b>	<b>56,960,390,955</b>

12. Short-term trade payables

	the period	beginning of the period
<b>payables</b>	<b>385,478,292,181</b>	<b>647,541,916,191</b>
SoHo NewYork Trading Investment Corporation	121,753,112,106	299,090,852,082
International Logistics Goods Joint Stock Company	181,558,578,033	266,284,462,067
Hanwa Vietnam Company Limited	82,166,602,042	82,166,602,042
Marubeni - Itochu Steel Vietnam Co., Ltd - Ho Chi Minh Branch	-	-
<b>Other suppliers</b>	<b>299,684,870,573</b>	<b>265,181,427,594</b>
<b>Total</b>	<b>685,163,162,754</b>	<b>912,723,343,785</b>

13. Short-term advances from customers

	the period	beginning of the period
<b>a. Advances from related parties (see Note No.34)</b>	<b>49,667,103,523</b>	<b>-</b>
Sai Gon 168 Trading Business Development Corporation	49,667,103,523	-
<b>b. Advances from the third party</b>	<b>45,541,256,921</b>	<b>37,010,447,691</b>
United Nations International Investment Joint Stock Company	36,870,147,194	36,870,147,194
Other customers	8,671,109,727	140,300,497
<b>Total</b>	<b>95,208,360,444</b>	<b>37,010,447,691</b>

14. Tax and other obligations to the State Budget

	Balance at the beginning of the year	Payables during the period	Amount paid	Balance at the end of the period
VAT on local sales	2,823,648,907	4,544,545,556	(3,071,455,295)	4,296,739,168
VAT on imports	-	91,276,932	(91,276,932)	-
Export-import duties	(11,881)	-	-	-
Corporate income tax	1,766,775,274	-	(2,615,855,674)	(849,080,400)
Personal income tax	417,808,796	207,632,505	(52,522,023)	572,919,278
License tax	-	21,000,000	(21,000,000)	-
Other taxes	111,559,132	17,000,000	(17,000,000)	(21,853,026)
Fees and other payables	-	139,599,998	(243,412,156)	29,600,000
<b>Total</b>	<b>5,119,780,228</b>	<b>5,021,054,991</b>	<b>(6,112,522,080)</b>	<b>4,028,325,020</b>

In which:

Taxes and other receivables to the State Budget	873,309,557	873,297,676
Taxes and other payables to the State Budget	5,993,089,785	4,901,622,696
<b>Total</b>	<b>5,119,780,228</b>	<b>4,028,325,020</b>

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**Value added tax (VAT)**

The Group companies have paid VAT in accordance with the deduction method. The tax rates applied are as follows

- Export goods	0%
- Local sales	5%
- Goods for domestic consumption and other services	10%

**Export-import duties**

The Group companies have declared and paid these duties in line with the Customs' notices.

**Excise tax**

The Group companies have declared and paid these duties in line with the Customs' notices.

**Corporate income tax**

The Group companies have to pay corporate income tax on taxable income at the rate of 20%.

Determination of corporate income tax liability of the Group is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Consolidated Financial Statements can be changed upon the inspection of tax authorities.

**15. Payables to employees**

	Balance at the end of the period	Balance at the beginning of the period
Salary to be paid	195.548.847	444.556.483
<b>Total</b>	<b>195.548.847</b>	<b>444.556.483</b>

**16. Short-term accrued expenses**

	Balance at the end of the period	Balance at the beginning of the year
Loan interest expenses	31.483.127.952	2.021.078.552
Personal income tax paid on other's behalf	643.200.000	517.000.000
Accruals for land rental expenses	563.878.004	-
Accruals for UPAS L/C expenses	38.008.819.014	14.503.482.020
Other short-term accrued expenses	207.729.386	280.462.696
<b>Total</b>	<b>70.906.754.356</b>	<b>17.322.023.268</b>

**17. Short-term unearned revenue**

	Balance at the end of the period	Balance at the beginning of the period
Advance kindergarten tuition payment	870.563.105	958.780.163
Advance investment properties leases	92.103.634	148.921.815
<b>Total</b>	<b>962.666.739</b>	<b>1.107.701.978</b>

**18. Other payables**

**18a. Other short-term payables**

	Balance at the end of the period	Balance at the beginning of the period
<b>Payables to related parties</b>	<b>54.186.744.872</b>	<b>-</b>
Mr. Nguyen Quang Hoa	46.812.744.872	-
Sai Gon 168 Trading Business Development Corporation	7.374.000.000	-
<b>Payables to other organizations and individuals</b>	<b>150.765.845.305</b>	<b>188.519.527.775</b>
Saigon Joint Stock Commercial Bank - Payment guarantee	147.253.598.838	185.903.598.838
Short-term deposits, collateral	298.610.000	133.410.000
Loan interest payable	-	13.012.865
Other short-term payables	3.213.636.467	2.469.506.072
<b>Total</b>	<b>204.952.590.177</b>	<b>188.519.527.775</b>

**18b. Other long-term payables**

	Balance at the end of the period	Balance at the beginning of the period
Receipt of long-term deposits, collateral	9.880.012.085	10.018.952.675
<b>Total</b>	<b>9.880.012.085</b>	<b>10.018.952.675</b>

**19. Borrowings and financial lease**

**19a. Short-term borrowings and financial lease**

Details of short-term borrowings and financial lease arise as follows:

	at the beginning of the period	Arising during the period		Transfer from long-term borrowings	Balance at the end of the period
		Increasing during the period	Amount paid during the period		
<b>Short-term loans from banks</b>	<b>551.551.635.275</b>	<b>71.425.784.468</b>	<b>(126.360.698.328)</b>	<b>-</b>	<b>496.616.721.415</b>
- BIDV - HCMC Branch	360.345.632.270	-	(33.470.628.178)	-	326.875.004.152
- VPBank - HCMC Branch	117.865.225.044	-	(33.424.841)	-	117.831.800.203
- TPBank - Ben Thanh Branch	90.090.000	-	(90.090.000)	-	-
- Sanopac - HCMC Branch	16.856.892.195	-	-	-	16.856.892.195
- MBBank	16.637.993.634	-	(16.637.993.634)	-	-
- BIDV - Hoc Mon Branch	39.755.802.132	71.425.784.468	(76.128.561.735)	-	35.053.024.865
<b>Other short-term borrowings</b>	<b>16.393.290.567</b>	<b>6.140.000.000</b>	<b>(11.583.290.567)</b>	<b>-</b>	<b>10.950.000.000</b>
<b>Current Portion of Long-term debt (MBBank)</b>	<b>1.009.500.000</b>	<b>-</b>	<b>(2.929.124.554)</b>	<b>1.919.624.554</b>	<b>-</b>
<b>Total</b>	<b>568.954.425.842</b>	<b>77.565.784.468</b>	<b>(140.873.113.448)</b>	<b>1.919.624.554</b>	<b>507.566.721.415</b>

Summary of short-term borrowings and financial lease arise as follows:

	at the beginning of the period	Arising during the period		Transfer from long-term borrowings	Balance at the end of the period
		Increasing during the period	Amount paid during the period		
<b>Short-term loans from banks</b>	<b>551.551.635.275</b>	<b>71.425.784.468</b>	<b>(126.360.698.328)</b>	<b>-</b>	<b>496.616.721.415</b>
<b>Other short-term borrowings</b>	<b>16.393.290.567</b>	<b>6.140.000.000</b>	<b>(11.583.290.567)</b>	<b>-</b>	<b>10.950.000.000</b>
<b>Current Portion of Long-term debt (MBBank)</b>	<b>1,009,500,000</b>	<b>-</b>	<b>(2,929,124,554)</b>	<b>1,919,624,554</b>	<b>-</b>
<b>Total</b>	<b>568,954,425,842</b>	<b>77,565,784,468</b>	<b>(140,873,113,448)</b>	<b>1,919,624,554</b>	<b>507,566,721,415</b>

**19b. Long-term borrowings and financial lease**

	Balance at the beginning of the year	Arising during the period		Transfer from short-term borrowings	Balance at the end of the period
		Increasing during the period	Amount paid during the period		
- MBBank - SGD 2	89.375.000	-	-	(89.375.000)	-
- BIDV - Hoc Mon Branch	2.058.249.554	-	-	(2.058.249.554)	-
<b>Total</b>	<b>2.147.624.554</b>	<b>-</b>	<b>-</b>	<b>(2.147.624.554)</b>	<b>-</b>

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20. Bonus and welfare funds

	Balance at the beginning of the year	Gain due to appropriation from profit	Other increases	Disbursement during the year	Balance at the end of the period
Bonus fund	430,995,987	-	-	-	430,995,987
Welfare fund	(12,187,755)	500,229,102	1,587,000	(319,168,722)	170,459,625
Bonus fund for the Exo	(9,464,946,769)	250,114,551	-	(365,224,812)	(9,580,057,030)
<b>Total</b>	<b>(9,046,138,537)</b>	<b>750,343,653</b>	<b>1,587,000</b>	<b>(684,393,534)</b>	<b>(8,978,601,418)</b>

21. Off-consolidated balance sheet items

	Balance at the end of the period	beginning of the year
* Foreign currencies		
- USD	1,352,44	1,425,04
<b>Total</b>	<b>1,352,44</b>	<b>1,425,04</b>

22. Owner's equity

22a. Details of owner's equity

	Percentage	Balance at the end of the period	beginning of the year
- Capital contribution from other organizations and individuals	100%	495,762,640,000	495,762,640,000
<b>Total</b>	<b>100%</b>	<b>495,762,640,000</b>	<b>495,762,640,000</b>

22b. Capital transactions, dividend and profit distribution

	Current period	Previous period
- Capital		
+ Balance at the beginning of the year	495,762,640,000	495,762,640,000
+ Increases during the period		
+ Decreases during the period		
+ Balance at the end of the period	495,762,640,000	495,762,640,000
- Dividend, profit distributed		

22c. Shares

	Balance at the end of the period	beginning of the year
- Number of shares registered to be issued	49,576,264	49,576,264
- Number of shares sold to the public	49,576,264	49,576,264
+ Common shares	49,576,264	49,576,264
+ Preferred shares		
- Number of shares repurchased	344,954	344,954
+ Common shares	344,954	344,954
+ Preferred shares		
- Number of outstanding shares	49,231,310	49,231,310
+ Common shares	49,231,310	49,231,310
+ Preferred shares		

\* Face value of outstanding shares: 10,000 VND per share

22d. Dividends

- Dividends disclosed after the end of fiscal year	
+ Dividends on common stock	
+ Dividends on preferred stock	
- Accumulated unrealized dividends on preferred stock	

21d. Funds

- Investment and Development Fund	31,763,082,105	31,763,082,105
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22e. Statement of fluctuation in owner's equity

	Capital	Share premiums	Treasury shares	Investment and development fund	Retained earnings	Non-controlling interest	Total
Beginning balance of the previous period	495,762,640,000	4,034,353,637	(11,978,525,300)	31,763,082,105	64,089,914,291	(4,096,396,867)	579,575,04
Capital increase/(decrease) from profit during the previous period	-	-	-	-	-	(7,900,000,000)	(7,900,000)
Profit/(loss) in the previous period	-	-	-	-	838,331,767	(783,583,697)	54,74
Appropriation for bonus and welfare funds in the previous period	-	-	-	-	(1,752,971,649)	-	(1,752,971)
Appropriation for fund of Executive Officers in the previous period	-	-	-	-	(876,485,820)	-	(876,485)
Appropriation for social works in the previous period	-	-	-	-	(1,000,000,000)	-	(1,000,000)
Adjustment of corporate income tax payable for the years 2019-2022 during this period	-	-	-	-	(2,443,653,712)	-	(2,443,653)
Impact due to capital transfer from subsidiary to affiliated company in the last period	-	-	-	-	14,729,123,100	-	14,729,123
Adjustment due to changes in non-controlling rate	-	-	-	-	(7,725,659,780)	7,725,659,780	-
Adjustment of the provision due to changes in the non-controlling interest ratio during this period	-	-	-	-	1,291,628,948	-	1,291,628
<b>Balance at the end of the previous period</b>	<b>495,762,640,000</b>	<b>4,034,353,637</b>	<b>(11,978,525,300)</b>	<b>31,763,082,105</b>	<b>67,150,227,154</b>	<b>(5,054,320,784)</b>	<b>581,677,45</b>
Balance at the beginning of the current year	495,762,640,000	4,034,353,637	(11,978,525,300)	31,763,082,105	67,150,227,154	(5,054,320,784)	581,677,45
Capital increase/(decrease) from profit during the previous period	-	-	-	-	-	-	-
Profit/(loss) in the previous period	-	-	-	-	(61,171,991,168)	(481,579,772)	(61,653,579)
Appropriation for bonus and welfare funds in the previous period	-	-	-	-	(500,229,102)	-	(500,229)
Appropriation for fund of Executive Officers in the previous period	-	-	-	-	(250,114,551)	-	(250,114)
Increase/decrease during the period - adjustments to accumulated retained earnings until the previous period	-	-	-	-	(18,210,428,711)	-	(18,210,428)
<b>Balance at the end of the current period</b>	<b>495,762,640,000</b>	<b>4,034,353,637</b>	<b>(11,978,525,300)</b>	<b>31,763,082,105</b>	<b>(2,982,536,378)</b>	<b>(5,535,900,556)</b>	<b>501,063,11</b>

VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE CONSOLIDATED INCOME STATEMENT

	Quarter IV/2024	Quarter IV/2023
<b>1. Sales</b>		
Sales of merchandises	513.007.373.416	736.483.487.700
Sales of finished goods	12.646.878.552	13.655.155.312
Sales of other services	2.943.775.796	3.462.944.334
<b>Total</b>	<b>528.598.027.764</b>	<b>753.601.587.346</b>
<b>2. Sales deductions</b>		
Sales returns	-	292.096.800
<b>Total</b>	<b>-</b>	<b>292.096.800</b>
<b>3. Cost of sales</b>		
Cost of merchandises sold	518.211.736.026	711.840.158.307
Expenses for investment property trading	3.295.571.024	4.672.915.606
Cost of other services provided	1.870.402.150	2.184.395.378
Allowance for inventories	-	388.727.923
Reversal of allowance for inventories	(412.135.250)	(126.047.361)
<b>Total</b>	<b>522.965.573.950</b>	<b>718.960.149.853</b>
<b>4. Financial income</b>		
Term deposit interest	(1.200.457.670)	3.668.677.108
Demand deposit interest	1.539.356	8.011.251
Interest on bonds	-	286.388.294
Interest on deferred payment	-	2.059.751.422
Exchange gain arising	5.288.788	(66.541.677)
Exchange gain due to the revaluation of monetary items in foreign currencies	73.217	81.113.710
<b>Total</b>	<b>(1.193.556.309)</b>	<b>6.037.400.108</b>
<b>5. Financial expenses</b>		
Loan interest expenses	10.602.380.475	25.171.789.236
Exchange loss arising	(151.749.253)	252.652.980
Exchange loss due to the revaluation of monetary items in foreign currencies	161.163.083	382.651.313
Provisions for devaluation of investments	(0)	(2.038.615.132)
Interest on deferred payment	-	246.258.917
<b>Total</b>	<b>10.611.794.305</b>	<b>24.014.737.314</b>

6. Selling expenses

	Quarter IV/2024	Quarter IV/2023
Staff costs	512.670.500	2.481.563.015
Materials, packages	200.000	45.663.389
Depreciation/amortization of fixed assets	192.855.389	270.986.566
External services rendered	1.178.815.533	1.252.214.898
- Utility expenses	257.100.697	140.972.280
- Warehouse rental and maintenance expenses	848.827.961	774.902.702
- Bank charges	-	2.821.482
- Cost of receiving self-trading goods	-	330.748.392
- Other external services rendered	72.886.875	2.770.042
Other expenses	615.289.308	1.334.908.782
<b>Total</b>	<b>2.499.830.730</b>	<b>5.385.336.650</b>

7. General and administration expenses

	Quarter IV/2024	Quarter IV/2023
Staff costs	1.809.481.860	2.166.378.840
Materials, packages	36.652.484	113.299.334
Depreciation/amortization of fixed assets	291.959.898	215.759.636
External services rendered	13.976.241.047	17.010.012.257
Other expenses	256.602.780	201.260.360
<b>Total</b>	<b>16.370.938.069</b>	<b>19.706.710.427</b>

8. Other income

	Quarter IV/2024	Quarter IV/2023
Proceeds from liquidation, disposal of fixed assets	181.818.182	(324.423.315)
Fines from violation of the contract	687.354.506	41.920.000
Other income	415.633	62.744.592
<b>Total</b>	<b>869.588.321</b>	<b>(219.758.723)</b>

9. Other expenses

	Quarter IV/2024	Quarter IV/2023
Losses from liquidation, disposal of fixed assets and investment proper	220.470.335	(343.933.717)
Fines for administrative violation	34.296.316	8.000.000
Tax arrears	503.494.182	5.802.205
Fines for violation of the contract	194.772.276	414.077.806
Other expenses	2.853.855	59.369.776
<b>Total</b>	<b>955.886.964</b>	<b>143.316.070</b>

10. Operating costs

	Quarter IV/2024	Quarter IV/2023
Materials and supplies	36.852.484	2.118.494.833
Labor costs	2.704.282.137	5.182.874.140
Depreciation/amortization of fixed assets	1.597.128.773	1.842.296.781
External services rendered	17.672.602.017	19.911.729.658
Other expenses	2.025.876.562	5.407.774.111
<b>Total</b>	<b>24.036.741.973</b>	<b>34.463.169.523</b>



**2. Segment information**

- Mainly implemented in the territory of Vietnam

- Principal business activities: commercial trading, trading iron and steel

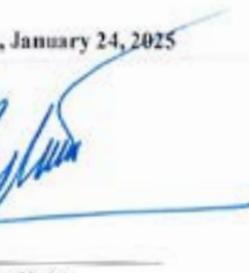
**3. Subsequent events**

There are no material subsequent events which are required adjustments or disclosures in the Consolidated Financial Statements

Hu Chi Minh City, January 24, 2025



Nguyen Thi Thu Hien  
Preparer



Le Thi Thanh Thao  
Chief Accountant

Nguyen Van Nghia  
General Director

## Thien Nam Trading - Import Export Joint Stock Company

Ho Chi Minh City, April 18, 2025

Legal Representative  
General Director



Nguyen Van Nghia

**CÔNG TY CỔ PHẦN THƯƠNG MẠI XUẤT NHẬP KHẨU THIÊN NAM**

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