

## **GKM HOLDINGS JOINT STOCK COMPANY**

Audited financial statements  
For the fiscal year ended 31<sup>st</sup> December 2024



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**GKM HOLDINGS JOINT STOCK COMPANY**

Chau Son Industrial Park, Le Hong Phong Ward, Phu Ly City, Ha Nam Province

**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of GKM Holdings Joint Stock Company (hereinafter called "the Company") presents this report together with the financial statements of the Company for the fiscal year ended 31<sup>st</sup> December 2024.

**GENERAL INFORMATION**

GKM Holdings Joint Stock Company (The formerly is Khang Minh Group Joint Stock Company - hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0700510750 for the first time on 23<sup>th</sup> September 2010, and the 10<sup>th</sup> amendment dated 18<sup>th</sup> October 2023 issued by the Ha Nam Department of Planning and Investment.

**THE MEMBERS OF THE BOARD OF MANAGEMENT , THE BOARD OF SUPERVISORS, AND THE BOARD OF GENERAL DIRECTORS**

The members of the Board of Management, the Audit Committee, and the Board of General Directors of the Company during the year and to the date of this statement are as follows:

**The Board of Management**

Full name	Position
Mr. Dang Viet Le	Chairman
Mr. Hoang Van Hai	Member
Mr. Nguyen Cong Duy	Member
Mr. Nguyen Huu Phu	Member
Mr. Do Minh Duc	Independent member

**The Audit Committee**

Full name	Position
Mr. Do Minh Duc	Chairman
Mr. Nguyen Cong Duy	Member

**The Board of Directors**

Full name	Position	Date of appointment/Dismissal
Mr. Nguyen Huu Phu	General Director	
Mr. Hoang Van Hai	Deputy General Director	
Mr. Nguyen Van Tiem	Deputy General Director in charge of production and equipment	Dismissed on 16/04/2024

**Legal representatives**

The legal representative of the Company during the year and to the date of this statement is Mr. Dang Viet Le – The Chairman.

**EVENTS ARISING AFTER THE END OF THE YEAR**

There are no significant events occurring after the year ended 31 December 2024, which needs to be adjusted or presented in these financial statements.

**AUDITORS**

International Auditing and Valuation Company Limited has been appointed to audit the financial statements of the Company for the year ended 31<sup>st</sup> December 2024.



## **STATEMENT OF THE BOARD OF MANAGEMENT (Continued)**

### **DISCLOSURE OF THE BOARD OF MANAGEMENT'S RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS**

The Board of Management of the Company is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31<sup>st</sup> December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these financial statements, The Board of General Director is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Management of the Company is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

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

### **APPROVAL OF THE FINANCIAL STATEMENTS**

The Board of Management approves the attached financial statements. The financial statements reflected truly and fairly the Company's financial position as at 31<sup>st</sup> December 2024, as well as the financial performance and cash flows for the year ended 31<sup>st</sup> December 2024, in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

### **COMMITMENT ON INFORMATION DISCLOSURE**

The Board of Management confirms to have complied with Decree 155/2020/ND-CP dated 31<sup>st</sup> December 2020 elaborating some articles of the Law on Securities and the Company does not violate the obligation to disclose information under Circular No. 96/2020/TT-BTC dated 16<sup>th</sup> November 2020 of the Ministry of Finance guiding some articles on disclosure of information on the securities market.

For and on behalf of the The Board of Management,



**Mr. DANG VIET LE**

The chairman

Ha Nam, 09<sup>th</sup> April 2025



No: 1707/2024/BCTC/IAV

## INDEPENDENT AUDITORS' REPORT

**To:** The shareholders  
The Board of Management, the Audit Committee, and the Board of General Director of GKM Holdings Joint Stock Company

We have audited the accompanying financial statements of GKM Holdings Joint Stock Company (hereinafter called "the Company"), prepared on 09<sup>th</sup> April 2025, as set out from page 06 to page 46, which comprise the statement of financial position as at 31<sup>st</sup> December 2024, the statement of income, and statement of cash flows for the year then ended, and the notes to the financial statements.

### The Board of Management's Responsibility

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

### Auditors' Responsibility

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

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

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

### Basis for qualified opinion

As presented in Note 4.5 – Other short-term receivables: Receivable from the transfer agreement No.01/2024/HDCN/KMQ dated 25<sup>th</sup> June 2024 between GKM Holdings Joint Stock Company and Khang Minh Quartz Stone Joint Stock Company regarding the transfer of 2,650,000 shares of Khang Minh Quartz Stone Joint Stock Company, equivalent to a transfer value of 33,390,000,000 VND. The company has received a payment of 11,000,000,000 VND. The remaining unpaid amount is 22,390,000,000 VND. As of March 2025, the total amount received is 20,730,000,000 VND. The remaining unpaid amount as of the preparation of the financial statement is 12,555,000,000 VND. With the documentation provided at the time of the audit, we were unable to gather sufficient audit evidence to assess the recoverability of this receivable, nor could we determine whether it is necessary to adjust the financial statements (if applicable) due to the impact of this issue.



## **INDEPENDENT AUDITORS' REPORT (Continued)**

### **Basis for qualified opinion (Continued)**

As presented in Note 4.16 – Loans and Financial Leases: As of 31<sup>st</sup> December 2024, the Company has a bond debt of 44,900,000,000 VND, with corresponding bond interest of 3,411,455,322 VND. This bond debt was due for payment on 20<sup>th</sup> September 2024; however, as of the date of this financial report, the Company has not yet made the payment of the principal and interest on the bonds, and has not yet organized a bondholders' meeting to agree on the plan to address the overdue bond debt as required by regulations. With the documentation provided at the time of the audit, we were unable to gather sufficient reliable audit evidence to assess the Company's ability to repay this overdue bond debt, nor could we determine whether it is necessary to adjust the financial statements (if applicable) due to the impact of this issue, or whether the Company's short-term going concern assumption needs to be reconsidered.

As presented in Note 8.1 – Commitments, the collateral for the above issued bond has not been reconciled, confirmed and valued at fair value by the asset management organization in 31<sup>st</sup> December 2024. With the current document, we are unable to gather sufficient appropriate evidence to access the existence, collateral value, and other commitments related to the collateral of the above issued bond, nor can we assess the potential impact of this issue on the financial statements (if applicable).

### **Qualified Opinion**

In our opinion, except for the impact of the issue mentioned in the "Basis for Qualified Opinion", the financial statements give a true and fair view, in all material respects, of the financial position of the Company as at 31<sup>st</sup> December 2024, and of the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

### **Emphasis of Matters**

As presented in Note 4.4.1 - Short-term loans receivable: The Company is lending money to financial organizations with the loan unsecured loan guarantee, with balances as of 1<sup>st</sup> January 2024, and 31<sup>st</sup> December 2024, of 5,000,000,000 VND and 33,457,000,000 VND, respectively.

As presented in Note 4.8 – Taxes and amounts receivable and payable to the State: The Company has a cumulative income tax payable as of 31<sup>st</sup> December 2024 of 6,801,669,092 VND.

As presented in Note 4.17 – Equity: In 2024, the General Shareholders' Meeting passed resolutions regarding the issuance of shares to employees, issuance of shares to existing shareholders, and public offering of shares. However, due to the impact of the highlighted issue in the previous year's audit report, and the effect of the issue mentioned in the "Basis for Qualified Opinion" section, we assess that these share issuance plans may not be executed.

The emphasis of matters is not related to our qualified audit opinion in this report

## INDEPENDENT AUDITORS' REPORT (Continued)

### Other Matters

The financial statements of the Company for the year ended 31<sup>st</sup> December 2023 were audited by another independent audit firm. The auditor expressed an unmodified opinion on those statements on 21<sup>st</sup> March 2024.



**NGUYEN MINH TU**  
**Deputy Director**

Audit Practising Registration Certificate No. 2721-2023-283-1

**INTERNATIONAL AUDITING AND VALUATION COMPANY LIMITED**

Hanoi, 09<sup>th</sup> April 2025

**DUONG VAN THIEU**  
**Auditor**

Audit Practising Registration Certificate No.5353-2025-283-1



## STATEMENT OF FINANCIAL POSITION

As at 31<sup>st</sup> December 2024

ASSETS	Code	Note	Closing balance VND	Opening balance VND
<b>A. SHORT-TERM ASSETS</b>	<b>100</b>		<b>157,262,876,370</b>	<b>259,959,864,091</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>37,701,101</b>	<b>11,219,568,365</b>
1. Cash	111		37,701,101	11,219,568,365
<b>II. Short-term investments</b>	<b>120</b>		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>134,227,352,186</b>	<b>240,961,627,827</b>
1. Short-term trade receivables	131	4.2	35,696,112,583	14,934,616,451
2. Short-term advances to suppliers	132	4.3	42,535,759,607	69,536,369,607
3. Short-term loan receivables	135	4.4	33,457,000,000	5,000,000,000
4. Other short-term receivables	136	4.5	22,538,479,996	151,490,641,769
<b>IV. Inventories</b>	<b>140</b>	<b>4.6</b>	<b>14,648,345,350</b>	-
1. Inventories	141		14,648,345,350	-
<b>V. Other short-term assets</b>	<b>150</b>		<b>8,349,477,733</b>	<b>7,778,667,899</b>
1. Short-term prepaid expenses	151	4.7	22,275,597	6,000,455
2. Value added tax deductibles	152		766,028,500	-
3. Taxes and other receivables from the State budget	153	4.8	7,561,173,636	7,772,667,444
<b>B. LONG-TERM ASSETS</b>	<b>200</b>		<b>305,369,450,925</b>	<b>172,754,310,823</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	<b>45,000,000,000</b>
1. Long-term loans receivable	215	4.4	-	45,000,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>527,254,814</b>	<b>865,833,012</b>
1. Tangible fixed assets	221	4.9	527,254,814	865,833,012
- Cost	222		12,707,165,099	12,707,165,099
- Accumulated depreciation	223		(12,179,910,285)	(11,841,332,087)
<b>III. Investment properties</b>	<b>230</b>	<b>4.10</b>	<b>37,729,297,440</b>	<b>29,249,988,459</b>
- Cost	231		53,794,294,087	42,872,413,754
- Accumulated depreciation	232		(16,064,996,647)	(13,622,425,295)
<b>IV. Long-term assets in progress</b>	<b>240</b>		-	-
<b>V. Long-term financial investments</b>	<b>250</b>	<b>4.11</b>	<b>256,750,000,000</b>	<b>87,544,183,172</b>
1. Investments in joint-ventures, associates	252		60,000,000,000	60,000,000,000
2. Equity investments in other entities	253		196,750,000,000	27,544,183,172
<b>VI. Other long-term assets</b>	<b>260</b>		<b>10,362,898,671</b>	<b>10,094,306,180</b>
1. Long-term prepaid expenses	261	4.7	10,362,898,671	10,094,306,180
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>462,632,327,295</b>	<b>432,714,174,914</b>

## STATEMENT OF FINANCIAL POSITION (Continued)

As at 31<sup>st</sup> December 2024

RESOURCES	Code	Note	Closing balance VND	Opening balance VND
<b>C. LIABILITIES</b>	<b>300</b>		<b>122,463,517,828</b>	<b>96,390,959,118</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>122,463,517,828</b>	<b>96,390,959,118</b>
1. Short-term trade payables	311	4.12	45,705,580,570	30,244,719,847
2. Short-term advances from customers	312	4.13	3,417,968,898	2,873,741,620
3. Taxes and amounts payable to the State budget	313	4.8	6,940,525,208	7,886,620,091
4. Short-term accrued expenses	315	4.14	3,411,455,322	464,872,972
5. Other short-term payables	319	4.15	3,966,892,480	2,790,388,424
6. Short-term borrowings and finance lease liabilities	320	4.16	59,021,095,350	52,130,616,164
<b>II. Long-term liabilities</b>	<b>330</b>		<b>-</b>	<b>-</b>
<b>D. EQUITY</b>	<b>400</b>		<b>340,168,809,467</b>	<b>336,323,215,796</b>
<b>I. Owner's equity</b>	<b>410</b>	4.17	<b>340,168,809,467</b>	<b>336,323,215,796</b>
1. Owner's contributed capital	411		314,342,370,000	314,342,370,000
- Ordinary shares with voting rights	411a		314,342,370,000	314,342,370,000
2. Share premium	412		8,416,059,091	8,416,059,091
3. Retained earnings	421		17,410,380,376	13,564,786,705
- Retained earnings/(losses) accumulated to the prior year end	421a		13,564,786,705	-
- Retained earnings/(losses) of the current year	421b		3,845,593,671	13,564,786,705
<b>II. Other resources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES</b> (440=300+400)	<b>440</b>		<b>462,632,327,295</b>	<b>432,714,174,914</b>

  
Preparer  
DUONG MANH CUONG

  
Chief Accountant  
DUONG MANH CUONG

  
Chairman  
DANG VIET LE  
Ha Nam, Viet Nam  
09<sup>th</sup> April 2025





# STATEMENT OF INCOME

For the fiscal year ended 31<sup>st</sup> December 2024

ITEMS	Code	Note	Current year VND	Prior year VND
1. Gross revenue from goods sold and services rendered	01	5.1	145,483,895,789	27,070,368,700
2. Deductions	02		-	-
3. Net revenue from goods sold and services rendered (10 = 01 - 02)	10		145,483,895,789	27,070,368,700
4. Cost of goods sold and services rendered	11	5.2	142,540,284,151	24,313,213,328
5. Gross profit from goods sold and services rendered (20 = 10 - 11)	20		2,943,611,638	2,757,155,372
6. Financial income	21	5.3	16,406,476,212	62,873,896,733
7. Financial expenses	22	5.4	7,403,754,438	9,462,986,560
In which: Interest expense	23		6,334,370,598	7,036,316,325
8. Selling expenses	25	5.5	428,255,576	757,348,498
9. General and administration expenses	26	5.6	3,649,310,503	6,231,905,801
10. Net operating profit {30 = 20 + (21 - 22) - (25 + 26)}	30		7,868,767,333	49,178,811,246
11. Other income	31	5.7	-	123,590,306
12. Other expenses	32	5.8	2,714,168,659	661,905,856
13. Other losses (40 = 31 - 32)	40		(2,714,168,659)	(538,315,550)
14. Accounting profit before tax (50=30+40)	50		5,154,598,674	48,640,495,696
15. Current corporate income tax expense	51	5.9	1,309,005,003	5,618,118,232
16. Deferred corporate tax expense	52		-	-
17. Net profit after corporate income tax (60 = 50 - 51 - 52)	60		3,845,593,671	43,022,377,464
18. Basic earnings per share	70	5.10	122	1,369
19. Diluted earnings per share	71	5.10	122	1,369

Preparer  
DUONG MANH CUONG

Chief Accountant  
DUONG MANH CUONG



Chairman  
DANG VIET LE  
Ha Nam, Viet Nam  
09<sup>th</sup> April 2025



**STATEMENT OF CASH FLOWS**  
For the fiscal year ended 31<sup>st</sup> December 2024  
(Indirect method)

ITEMS	Code	Current year VND	Prior year VND
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Profit before tax	01	5,154,598,674	48,640,495,696
2. Adjustments for:			
- Depreciation and amortisation of fixed assets and investment properties	02	2,781,149,550	2,917,855,347
- (Gains)/losses from investing activities	05	(16,406,476,212)	(62,294,032,872)
- Interest expense	06	6,334,370,598	7,036,316,325
3. Operating profit before changes in working capital	08		
- Change in receivables	09	59,940,275,641	(20,068,616,240)
- Change in inventories	10	(14,648,345,350)	842,526,000
- Change in payables (excluding accrued loan interest and corporate income tax payable)	11	2,891,827,633	(600,187,074)
- Change in prepaid expenses	12	(284,867,633)	564,514,388
- Interest paid	14	(3,287,788,248)	(9,158,922,399)
- Corporate income tax paid	15	(1,133,030,277)	(5,392,348,679)
Net cash flows from operating activities	20	41,341,714,376	(37,512,399,508)
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(10,921,880,333)	-
2. Cash outflow for lending, buying debt instruments of other entities	23	(35,942,000,000)	(5,000,000,000)
3. Cash recovered from lending, selling debt instruments of other entities	24	52,485,000,000	-
4. Equity investments in other entities	25	(188,100,000,000)	(60,000,000,000)
5. Cash recovered from equity investment in other entities	26	108,536,000,000	66,637,000,000
6. Interest earned, dividends and profits received	27	15,598,203,343	14,441,971,253
Net cash flows from investing activities	30	(58,344,676,990)	16,078,971,253
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	59,341,784,050	24,745,030,304
2. Repayment of borrowings	34	(53,520,688,700)	(42,174,000,000)
Net cash flows from financing activities	40	5,821,095,350	(17,428,969,696)
Net increase/(decrease) in cash for the year (50=20+30+40)	50	(11,181,867,264)	(38,862,397,951)
Cash and cash equivalents at the beginning of the year	60	11,219,568,365	50,081,966,316
Effects of changes in foreign exchange rates	61	-	-
Cash and cash equivalents at the end of the year (70=50+60+61)	70	37,701,101	11,219,568,365

Preparer  
DUONG MANH CUONG

Chief Accountant  
DUONG MANH CUONG

Chairman  
DANG VIET LE  
Ha Nam, Viet Nam  
09<sup>th</sup> April 2025

## **NOTES TO THE FINANCIAL STATEMENTS**

*For the fiscal year ended 31<sup>st</sup> December 2024*

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

### **1. GENERAL INFORMATION**

#### **1.1. Structure of ownership**

GKM Holdings Joint Stock Company (The formerly is Khang Minh Group Joint Stock Company - hereinafter referred to as "the Company") is a Joint Stock Company established and operating in Vietnam under the Certificate of Business Registration No.0700510750 for the first time on 23<sup>th</sup> September 2010, and the 10<sup>th</sup> amendment dated 18<sup>th</sup> October 2023 issued by the Ha Nam Department of Planning and Investment.

The Company's charter capital is 314,342,370,000 VND (In words: Three hundred fourteen billion, three hundred forty-two million, three hundred seventy thousand VND). The total number of shares is 31.434.237 shares.

The number of employees as at 31<sup>st</sup> December 2024 was 08 people (31<sup>st</sup> December 2023: 08 people).

#### **1.2. Business area**

The Company's main business area are financial provision, commercial support services, and asset leasing.

#### **1.3. Business activities**

During the year, the Company's main business activities are Manufacturing products from plastics; Manufacturing products from other non-metallic minerals not classified elsewhere; Other business support services not classified elsewhere (Details: Import-export business); Wholesale of metals and metal ores; Wholesale of construction materials and other installation equipment; Road freight transportation; Manufacturing other metal products not classified elsewhere; Manufacturing concrete and concrete products, cement, and gypsum; Real estate business, land use rights owned, used, or leased; Financial support services not classified elsewhere (Details: Investment consulting activities); Management consulting activities; Wholesale of agricultural and forestry raw materials (except wood, bamboo, rattan) and live animals (Details: Wholesale of rice, corn, and other grains; Wholesale of seeds, nuts; Wholesale of animal feed and feed materials for livestock, poultry, and aquatic products); Wholesale of rice, wheat, other grains, and wheat flour; Wholesale of food (Details: Wholesale of vegetables and fruits); Goods brokerage and auction services (Details: - Agents selling goods: Construction wood and raw materials, construction materials; - Brokers selling goods: Construction wood and raw materials, construction materials); Wholesale trade; Retail of foodstuffs in specialized stores (Details: Retail of rice, wheat, wheat flour, corn in specialized stores; Retail of vegetables and fruits in specialized stores).

#### **1.4. Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months.



1.5. The Company's structure

Name	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activities
<b>Joint-ventures, associates</b>				
Power Trade Joint Stock Company	Hong Vi Village, Chien Thang Commune, Bac Son District, Lang Son Province	20.00%	20.00%	Electricity transmission and distribution; Electricity production, trading and other related activities
<b>Other entities</b>				
Green Umbrella Internet Technology Joint Stock Company	Cluster 9, Phung Thuong commune, Phuc Tho district, Hanoi Capital	5.00%	5.00%	Food wholesale
Khang Minh Quartz Stone Joint Stock Company	Kien Khe Town, Thanh Liem District, Ha Nam Province	19.07%	19.07%	Manufacture of concrete and products from cement and plaster
Khang Minh Aluminum Joint Stock Company	Chau Son Industrial Park, Le Hong Phong Ward, Phu Ly City, Ha Nam Province	17.00%	17.00%	Production of non-ferrous and precious metals
ECO HT Joint Stock Company	No. 21, Lane 64, Trung Tiet Street, Thach Quy Ward, Ha Tinh City, Ha Tinh Province	19.00%	19.00%	Real estate business
APG ECO Hoa Binh Joint Stock Company	House No. 85, Zone 4, Cao Phong town, Cao Phong district, Hoa Binh province	10.13%	10.13%	Mixed crop and livestock farming
APG Energy Nghe An Joint Stock Company	Industrial Cluster of Nghia Dung Commune, Tan Ky District, Nghe An Province	9.00%	9.00%	Real estate business

1.6. Characteristics of the company's activities during the accounting period affecting the financial statements

The Company transitioned its operational model and business sectors starting from 18<sup>th</sup> October 2023. The main business activities during the fiscal year were wholesale trade of foodstuffs, financial support services, and factory leasing activities. The change in the primary business activities has led to significant growth in revenue during the accounting period.

1.7. Disclosure of information comparability in the financial statements

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

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD



**2.1. Accounting convention**

The accompanying financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

**2.2. Going concern assumption**

There have been no events that cast significant doubt on its ability to continue as a going concern. The company neither intends nor is forced to cease operations, or significantly scale back its operations

**2.3. Financial year**

The Company's financial year begins on 01 January and ends on 31 December. For the fiscal year ending 31<sup>st</sup> December 2024, the Company prepares the financial statements in accordance with the provisions of the accounting standards, the Vietnamese accounting system, and other related legal regulations.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1. Estimates**

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires The Board of General Director to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial year (reporting period). Although these accounting estimates are based on The Board of General Director's best knowledge, actual results may differ from those estimates.

**3.2. Transactions in foreign currencies**

Transactions arising in currencies other than the Company's accounting currency (USD) are accounted for at the actual exchange rate on the date of the transaction according to the following principles:

- Operations giving rise to receivables are accounted for at the buying exchange rate of the commercial bank where the Company appoints customers to pay;
- Operations giving rise to payables are accounted for at the selling exchange rate of the commercial bank where the Company plans to transact; and
- For purchases of assets or expenses to be paid immediately in foreign currency (not using accounts payable): purchasing foreign exchange rate of commercial banks where the company makes the payment.

Foreign exchange rate used to reassess the balance of monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are determined according to the following principles:

- For monetary items denominated in foreign currencies are classified as other assets: purchasing foreign exchange rate of the Bank company regularly traded; and
- For monetary items denominated in foreign currencies are classified as liabilities: selling foreign exchange rate of Bank company regularly traded.

All actual exchange rate differences arising during the year and differences due to reassessment of foreign currency balances at the end of the period are accounted for in the results of operations.

**3.3. Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**3.4. Financial investments**

**Held-to-maturity investments**

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits (commercial bills), bonds, preference shares which the issuer shall redeem at a certain date in the future, loans held to maturity to earn periodic interest and other held-to-maturity investments.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less allowance for doubtful debts.

Allowance for doubtful debts relating to held-to-maturity investments is made in accordance with prevailing accounting regulations.

**Loan receivables**

Loan receivables are measured at cost less provision for doubtful debts. Allowance for doubtful debts relating to loan receivables is made in accordance with prevailing accounting regulations.

**Investments in subsidiaries, joint ventures, associates**

***Investments in associates***

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in subsidiaries, joint ventures and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries, joint ventures and associates are carried in the Statement of Financial Position at cost less allowance for impairment of such investments (if any). Allowance for impairment of investments in subsidiaries, joint ventures and associates are made when there is reliable evidence for declining in value of these investments at the statement of financial position date

**Equity investments in other entities**



Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less allowance for impairment.

### **3.5. Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less allowance for doubtful debts.

Allowance for doubtful debts is made for receivables that are overdue for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

### **3.6. Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition

G Cost is calculated using the weighted average method.

Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary allowance for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the statement of financial position date.

### **3.7. Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs (if applicable)

	<b>Current year</b>	<b>Prior year</b>
	<b>[Years]</b>	<b>[Years]</b>
Buildings and structures	05 – 15	05 – 15
Machinery and equipment	03 – 05	03 – 05
Office equipment	03 – 05	03 – 05
Motor vehicles	06 – 08	06 – 08
Others	05 – 08	05 – 08

### **3.8. Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor



Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

#### The Company as lessee

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

### **3.9. Investment properties**

Investment properties including land use right, a building or a part of building, infrastructure held by the company or by the lessee under a financial lease are used to earn rental or for capital appreciation. Investment properties are determined by their historical costs less accumulated depreciation. Historical cost of investment properties includes all the expenses paid by the company or the fair value of other consideration given to acquire the assets at the time of its acquisition or construction.

Subsequent expenses relating to investment properties that have already been recognized should be added to the net book value of the investment properties when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment properties, will flow to the company.

When the investment properties are sold, its historical cost and accumulated depreciation are write off, the any profit or loss arisen are posted into the income or the expenses.

The transfer from properties owners or inventory using a real estate investment only when owners cease using the properties and begin operating lease to another party or at the end of the construction phase. The transfer from investment properties to properties owners or inventory used only when the owner began to use this asset or initiated for the purpose of sale. The transfer from investment properties to properties for owner's using or inventories do not change the cost or value of the properties remaining at the date of conversion.

Investment properties are depreciated in accordance with the straight-line method over their estimated useful live from 06 to 15 years.

### **3.10. Construction in progress**

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

### **3.11. Prepaid expenses**

Prepaid expenses are expenses which have already been paid but relate to results of operations of multiple accounting periods. Prepaid expenses of the Company include the following expenses:

#### ***Tools and equipment***



The tools and equipment have been put into use and are amortized to expense under the straight-line method to time allocation not too 26 months.

***Repair costs of fixed assets***

Repair costs of fixed assets incurred once to have a large value are amortized to expense under the straight-line method in 36 months.

***Prepaid land rental***

Prepaid land rental represents an amount paid for the land which the company is using. Prepaid land rental is amortized on a straight-line basis to the lease term respectively 45 years. The entire amount of prepaid land rent is settled from compensation and site clearance costs, and is gradually deducted from the annual land rent as per the notification from the tax authority until fully deducted.

**3.12. Accounts payable and accrued expenses**

Payables and accrued expenses are recognized as the amount of money to be paid in the future related to the goods and services received. Payable expenses are recognized based on a reasonable estimate of the payable.

Payables are classified as payable to suppliers, accrued expenses, and other payables according to the following principles:

- Payables to suppliers reflect the trade payables arising from commercial transactions between the Company and the seller, which is an independent entity of the Company, including the number of payables on imports through trustees.
- Accrued expenses reflect the payables for goods and services received from the seller or provided for the buyer, for which no invoices have yet been received from suppliers. Those payables also reflect the number of payables to employees on vacation wages, production, and business costs that must accrue.
- Internal payables reflect the payable between superior and subordinate units have no legal with dependent accounting.
- Other payables reflect non-commercial receivables, not related to the purchase and sale transactions.

**3.13. Borrowings and finance lease liabilities**

Borrowings are tracked according to each object, each contract and the repayment term. In case of borrowings in foreign currency, detailed tracking is done in the original currency.

**3.14. Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.



**3.15. Unearned revenue**

Unearned revenue is defined as revenue that is received ahead of schedule for one or more accounting periods. This primarily consists of client prepayments for lengthy asset rentals. The Company records unearned revenues corresponding to the obligations that the Company will have to perform in the future. When the conditions for revenue recognition are satisfied, unearned revenue will be shown in the statement of income for the year that corresponds to the portion that satisfies the requirements for revenue recognition.

**3.16. Straight bond issued**

Bonds are issued as long-term borrowings.

Carrying value of straight bonds is recorded on net basis, equal to bonds' nominal amount less (-) Bond discount plus (+) Bond premium.

The Company accounts for the issued bonds' discount and premium individually and recognises their amortisation for the purpose of determining borrowing costs which are recorded as expenses or capitalised during each period, as follows:

- Bond discount is amortised gradually during bonds' life, accounted for as borrowing costs;
- Bond premium is amortised gradually during bonds' life, reducing borrowing costs.

Effective interest rate method or straight-line method may be applied for amortisation of bonds' discount and premium as follows:

- Effective interest rate method: the amortised amount of discount or premium for each period is equal to the difference between the borrowing costs (calculated by opening carrying amount of bond multiplied by (x) effective interest rate) and corresponding interest payment;
- Straight-line method: the amount of discount or premium for each period is equally amortised during bonds' life.

**3.17. Owner's equity**

Capital is recorded according to the amount actually invested by shareholders.

**3.18. Distribution of net profits**

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

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

Dividends are recognized as liabilities when approved by the General Meeting of Shareholders [or Dividends are recorded as a payable at the shareholder's rights date].

**4.18 Revenue and earnings**

**Revenue from sales of finished goods and merchandise goods**

Revenue from sales of finished goods and merchandise goods is recorded when simultaneously satisfy the following conditions:

- The Company has transferred to the buyer the significant risks and rewards of ownership of the goods.
- The Company retains neither continuing managerial involvement to the degree usually associated with; ownership nor effective control over the goods sold.
- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company; and.
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Revenue from service rendered**

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognised in each period by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transaction will flow to the Company.
- The percentage of completion of the transaction at the balance sheet date can be measured reliably; and.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### **Revenue from leasing operations**

Revenue from leasing operation are recognized on a straight-line basis during the leasing period. Rentals received in advance of several periods are allocated to revenue consistent with the lease period.

In case that the rental period covers at least 90% of the useful time of the asset, revenue is recognized only once for the all of rental amount received in advance if they simultaneously satisfy the following conditions:

- The lessee has no right of cancellable leases and the Company has no obligation to repay the advance received in all cases and in all forms.
- The amount received in advance from the lease is not less than 90% of total estimated rental under the contract during leasing time and the lessee must pay the entire amount of rental within 12 months from the inception of the lease.
- Almost the risks and benefits associated with ownership of the leased asset is transferred to the lessee.
- Cost of leasing is relatively adequately estimated.

#### **Financial income**

##### ***Interest***

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

##### ***Dividends and profits received***



Dividends and profit shared are recognized when the Company receive the notice of dividends or profit from the capital contribution. Dividends which received by shares, only follow up the number of shares increases, no recognition of the value of shares.

**3.19. Cost of goods sold and service rendered**

Cost of goods sold includes the cost of products, goods and service rendered during the year and is recorded in accordance with revenue during the year. The cost of direct raw materials consumed in excess of normal levels, labor costs, and fixed general production costs that are not allocated to the value of warehoused products must be immediately calculated into the cost of goods sold (after minus compensation, if any) even when the products and goods have not been determined to be consumed.

**3.20. Selling expenses**

Selling expenses reflect the actual expenses in the process of sales of goods and services rendered. Mainly includes sales staff salaries, sales promotion expenses, product introduction expenses, advertising expenses and sales commissions.

**3.21. General and administration expenses**

General and administration expenses reflect actual expenses incurred during the general management of the Company, mainly including expenses for labour of management department salaries; social insurance, health insurance, trade union fees, unemployment insurance for labour; office equipment expenses; depreciation and amortisation; provision expenses; outside services and other expenses.

**3.22. Taxation**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

**3.23. Financial instruments**

***Initial recognition***

*Financial assets:* At the date of initial recognition, financial assets are recognised at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. [Depending on each company, items to be included or excluded, the listing of financial assets should be thoroughly reviewed and presented consistently with those in Note 52]. Financial assets of the Company comprise cash, cash equivalents, trade and other receivables, deposits, financial investments and derivative financial instruments.

*Financial liabilities:* At the date of initial recognition financial liabilities are recognised at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. [Depending on each company, items to be included or excluded, the financial liabilities should be thoroughly reviewed and presented consistently with those in Note 52]. Financial liabilities of the Company comprise trade

and other payables, accrued expenses, obligations under finance leases, borrowings and derivative financial instruments.

***Subsequent measurement after initial recognition***

Currently, there are no requirements for the subsequent measurement of the financial instruments after initial recognition.

**3.24. Related parties**

The parties are considered to be related if that party has the ability to control or significantly influence the other party in making decisions on financial policies and operations. Parties are considered a related party of the Company in case that party is able to control the company or to cause material effects on the financial decisions.

In considering the relationship of the parties involved, the nature of the relationship is more emphasized than the legal form of the relationship.

**4. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF FINANCIAL POSITION**

**4.1. Cash and cash equivalents**

	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Cash	15,669,281	95,935,226
Demand deposits in banks	22,031,820	11,123,633,139
	<b>37,701,101</b>	<b>11,219,568,365</b>

**4.2. Short-term trade receivables**

	<b>Closing balance VND</b>	<b>Opening balance VND</b>
APC Holdings Joint Stock Company	31,686,505,000	8,210,650,000
Khang Minh Aluminum Joint Stock Company	2,564,101,213	5,278,460,081
Receivables from other customers	1,445,506,370	1,445,506,370
	<b>35,696,112,583</b>	<b>14,934,616,451</b>
<b>Short-term trade receivables from related parties (Details stated in Note 8.4)</b>	<b>3,496,028,583</b>	<b>6,210,387,451</b>



4.3. Short-term advances to suppliers

	Closing balance VND	Opening balance VND
ANGIMEX Food Processing Company Limited (i)	17,462,000,000	40,700,000,000
Hai-Nhut Company Limited (i)	-	26,549,810,000
Hong Viet Trading and Import Export JSC	2,286,559,607	2,286,559,607
An Khang Import Export Investment and Development JSC (i)	17,745,000,000	-
Phat Dat Trading and Construction Materials Company Limited	4,895,000,000	-
Prepayment to sellers is other entities	147,200,000	-
	<b>42,535,759,607</b>	<b>69,536,369,607</b>

(i) These are advance payments according to the terms of the rice purchase contract with a fixed unit price, with the rice to be delivered later at specific time milestones as stipulated in the contract.

4.4. Loans receivables

4.4.1. Short-term loans receivables

	Closing balance VND	Opening balance VND
Phat Dat Trading and Construction Materials JSC	-	5,000,000,000
Dai An Real Estate Investment and Trading JSC (i)	3,932,000,000	-
Bao Minh Khang Construction Materials JSC (ii)	29,525,000,000	-
	<b>33,457,000,000</b>	<b>5,000,000,000</b>

(i) Loan Agreement No. 2812/2022/HDCV dated 28<sup>th</sup> December 2022, Appendix No. 2812/2022 dated 30<sup>th</sup> December 2022, and Appendix No. 2906/2024/HDCV/PL03 dated 28<sup>th</sup> June 2024, between Khang Minh Group Joint Stock Company (now GKM Holdings Joint Stock Company – the lender) and Dai An Real Estate Investment and Trading Joint Stock Company (the borrower):

- Loan limit: 45,000,000,000 VND;
- Loan term: 18 months from the date of signing the contract, the loan agreement has been extended according to the attached appendices.
- Interest rate: 8% per year for the principal balance extension of 3,932,000,000 VND;
- Loan collateral: Unsecured.

(ii) Loan Agreement No. 6/2024/HDCV/GKM-BMK dated 31<sup>st</sup> December 2024, between GKM Holdings Joint Stock Company (the lender) and Bao Khang Minh Construction Materials Joint Stock Company (the borrower):

- Loan amount: 29,525,000,000 VND;
- Loan term: 12 months from the date of signing the contract;
- Interest rate: 10% per year;
- Loan collateral: Unsecured.

4.4.2. Long-term loans receivables

	Closing balance VND	Opening balance VND
Dai An Real Estate Investment and Trading JSC (i)	-	45,000,000,000
	<b>-</b>	<b>45,000,000,000</b>

4.5. Short-term other receivables

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Advance	-	-	358,000,000	-
Dividends and profit distribution	-	-	7,273,720,000	-
Receivables from investment	22,285,000,000	-	97,536,000,000	-
divestment				
- <i>Dai An Real Estate Investment and Trading JSC (i)</i>	22,285,000,000	-	51,424,000,000	-
- <i>Bao Minh Khang Construction Materials JSC</i>	-	-	46,112,000,000	-
Rreceivables from share purchase	-	-	39,892,500,000	-
deposits				
Receivables from loan interest	16,597,809	-	6,430,421,769	-
Other receivables	236,882,187	-	-	-
	<b>22,538,479,996</b>	<b>-</b>	<b>151,490,641,769</b>	<b>-</b>
<b>Short-term other receivables from related parties (Details stated in Note 8.4)</b>	<b>53,109,587</b>		<b>7,330,169,166</b>	

(i) Receivables from share transfer under Share Transfer Contract No. 01/2024/HĐCN/KMQ dated 25<sup>th</sup> June 2024, between GKM Holdings Joint Stock Company (the transferor) and Phat Dat Construction Materials Investment and Trading Joint Stock Company regarding the transfer of 2,650,000 shares of Khang Minh Quartz Stone Joint Stock Company, with a transfer value of 33,390,000,000 VND. The transferee has paid 11,000,000,000 VND at the time of purchase.

4.6. Inventories

	Closing balance		Opening balance	
	Value VND	Allowance VND	Value VND	Allowance VND
Merchandise	14,648,345,350	-	-	-
	<b>14,648,345,350</b>	<b>-</b>	<b>-</b>	<b>-</b>



4.7. Prepaid expenses

4.7.1. Short-term prepaid expenses

	Closing balance VND	Opening balance VND
Insurance costs	11,897,115	-
Other prepaid expenses	10,378,482	6,000,455
	<b>22,275,597</b>	<b>6,000,455</b>

4.7.2. Long-term prepaid expenses

	Closing balance VND	Opening balance VND
Tools and supplies used	37,194,447	157,238,349
Repair prepaid expenses	1,283,978,694	606,910,845
Land clearance and leveling prepaid expenses (i)	9,041,725,530	9,293,902,938
Other prepaid expenses	-	36,254,048
	<b>10,362,898,671</b>	<b>10,094,306,180</b>

(i) This includes the compensation for site clearance, which will be offset against the annual land rental, with the balances as of 1<sup>st</sup> January 2024, and 31<sup>st</sup> December 2024, being 6,940,531,212 VND and 6,751,673,220 VND, respectively.

## NOTES TO THE FINANCIAL STATEMENTS (Continued)

## 4.8. Taxes and amounts payable to the State budget

	Opening balance		Movement in the year		Closing balance	
	Taxes Payable VND	Taxes Receivable VND	Amount payable VND	Amount paid VND	Taxes Payable VND	Taxes Receivable VND
VAT on domestic sales	919,431,503	-	8,934,771,224	9,804,586,037	49,616,690	-
Corporate income tax	6,625,694,366	-	1,309,005,003	1,133,030,277	6,801,669,092	-
Personal income tax	260,607,742	-	102,632,645	274,000,961	89,239,426	-
Land and housing tax	-	7,772,667,444	211,493,808	-	-	7,561,173,636
Other taxes	-	-	25,956,400	25,956,400	-	-
Fees, charges and other payables	80,886,480	-	1,128,453,033	1,209,339,513	-	-
	<b>7,886,620,091</b>	<b>7,772,667,444</b>	<b>11,712,312,113</b>	<b>12,446,913,188</b>	<b>6,940,525,208</b>	<b>7,561,173,636</b>

The Company's tax settlement will be subject to inspection by the tax authorities. As the application of laws and tax regulations for various types of transactions can be interpreted in different ways, the tax amount presented in the financial statements may be subject to change based on the tax authority's decision.



## NOTES TO THE FINANCIAL STATEMENTS (Continued)

## 4.9. Increases, decreases in tangible fixed assets

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Others	Total
	VND	VND	VND	VND	VND	VND
<b>COST</b>						
Opening balance	5,583,935,775	2,660,607,980	3,599,122,722	663,735,850	199,762,772	12,707,165,099
Increase in the year	-	-	-	-	-	-
Decrease in the year	-	-	-	-	-	-
Closing balance	5,583,935,775	2,660,607,980	3,599,122,722	663,735,850	199,762,772	12,707,165,099
<b>ACCUMULATED DEPRECIATION</b>						
Opening balance	5,508,570,439	2,660,607,980	3,096,039,945	405,902,279	170,211,444	11,841,332,087
Increase in the year	59,110,056	-	164,390,340	90,289,256	24,788,546	338,578,198
- Depreciation charged	59,110,056	-	164,390,340	90,289,256	24,788,546	338,578,198
Decrease in the year	-	-	-	-	-	-
Closing balance	5,567,680,495	2,660,607,980	3,260,430,285	496,191,535	194,999,990	12,179,910,285
<b>NET BOOK VALUE</b>						
- Opening balance	75,365,336	-	503,082,777	257,833,571	29,551,328	865,833,012
- Closing balance	16,255,280	-	338,692,437	167,544,315	4,762,782	527,254,814
Cost of tangible fixed assets that have been fully depreciated but are still in use:						
- Opening balance	5,170,165,368	2,660,607,980	2,284,000,000	37,772,722	36,400,000	10,188,946,070
- Closing balance	5,170,165,368	2,660,607,980	2,284,000,000	76,227,267	110,590,060	10,301,590,675

4.10. Investment properties for lease

	Opening balance VND	Increase VND	Decrease VND	Closing Balance VND
<b>Investment property for lease</b>				
<b>Cost</b>	42,872,413,754	10,921,880,333	-	53,794,294,087
- Infrastructure	42,872,413,754	10,921,880,333	-	53,794,294,087
+ <i>Factory building</i>	42,431,504,663	6,434,274,330	-	48,865,778,993
+ <i>Others</i>	440,909,091	4,487,606,003	-	4,928,515,094
<b>Accumulated depreciation</b>				
- Infrastructure	13,622,425,295	2,442,571,352	-	16,064,996,647
+ <i>Factory building</i>	13,181,516,204	2,258,214,523	-	15,439,730,727
+ <i>Others</i>	440,909,091	184,356,829	-	625,265,920
<b>Net book value</b>	-	-	-	-
- Infrastructure	29,249,988,459	10,921,880,333	2,442,571,352	37,729,297,440
+ <i>Factory building</i>	29,249,988,459	6,434,274,330	2,258,214,523	33,426,048,266
+ <i>Others</i>	-	4,487,606,003	184,356,829	4,303,249,174
Cost of investment property that have been fully depreciated but are still in use:				
- Infrastructure	9,569,991,963	-	-	9,643,971,772
+ <i>Factory building</i>	9,129,082,872	-	-	9,203,062,681
+ <i>Others</i>	440,909,091	-	-	440,909,091



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4.11. Long-term financial investments

	Closing balance		Fair value VND	Opening balance		Fair value VND
	Cost VND	Allowance VND		Cost VND	Allowance VND	
<i>Investments in joint ventures, associates</i>	60,000,000,000	-	-	60,000,000,000	-	-
Power Trade Joint Stock Company	60,000,000,000	-	(i)	60,000,000,000	-	(i)
<i>Investments in others entities</i>	196,750,000,000	-	-	27,544,183,172	-	-
Green Umbrella Internet Technology Joint Stock Company	1,000,000,000	-	(i)	1,000,000,000	-	(i)
Khang Minh Quartz Stone Joint Stock Company	-	-	(i)	18,894,183,172	-	(i)
Khang Minh Aluminum Joint Stock Company	7,650,000,000	-	(i)	7,650,000,000	-	(i)
ECO HT Joint Stock Company	85,500,000,000	-	(i)	-	-	(i)
APG ECO Hoa Binh Joint Stock Company	54,000,000,000	-	(i)	-	-	(i)
APG Energy Nghe An Joint Stock Company	48,600,000,000	-	(i)	-	-	(i)
	256,750,000,000	-	-	87,544,183,172	-	-

(i) The company has not determined the fair value of unlisted investments due to the lack of specific guidelines on how to determine the fair value.

4.12. Short-term trade payables

	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
Xuan Tung Stone Exploitation Limited Liability Company	11,870,749,521	11,870,749,521	10,547,007,201	10,547,007,201
Northeast Resources Joint Stock Company	6,069,618,612	6,069,618,612	6,069,618,612	6,069,618,612
Phuong Lam Limited Liability Company	4,999,507,719	4,999,507,719	4,999,507,719	4,999,507,719
Phu Nguyen Mechanical and Construction Materials Joint Stock Company	7,338,666,663	7,338,666,663	3,834,872,805	3,834,872,805
Hai Nhut Company Limited (i)	9,710,040,000	9,710,040,000	-	-
Others	5,716,998,055	5,716,998,055	4,793,713,510	4,793,713,510
	<b>45,705,580,570</b>	<b>45,705,580,570</b>	<b>30,244,719,847</b>	<b>30,244,719,847</b>
Short-term trade payables to related parties (Details stated in Note 8.4)	<b>1,377,022,500</b>	<b>1,377,022,500</b>	<b>1,500,000,000</b>	<b>1,500,000,000</b>

4.13. Short-term advances from customers

	Closing balance	Opening balance
	VND	VND
Bao Minh Khang Construction Materials JSC	-	2,687,517,454
Eastern Asia Plastic Investment JSC	3,231,744,732	-
Other customers	186,224,166	186,224,166
	<b>3,417,968,898</b>	<b>2,873,741,620</b>

4.14. Short-term accrued expenses

	Closing balance	Opening balance
	VND	VND
Provision for interest and bond interest	3,411,455,322	364,872,972
Other accounts	-	100,000,000
	<b>3,411,455,322</b>	<b>464,872,972</b>
Short-term accrued expenses to related parties (Details stated in Note 8.4)	<b>3,411,455,322</b>	<b>364,872,972</b>



4.15. Short-term other payables

	Closing balance VND	Opening balance VND
Union funds	866,928,541	863,633,073
Social insurance	52,604,959	36,661,371
Receive deposits and short-term bets	2,991,269,260	1,834,004,260
Other payables and payables	56,089,720	56,089,720
	<b>3,966,892,480</b>	<b>2,790,388,424</b>

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4.16. Borrowings and finance lease liabilities

4.16.1. Short-term borrowings and finance lease liabilities

	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Short-term borrowings</b>	<b>8,000,000,000</b>	<b>8,000,000,000</b>	<b>59,341,784,050</b>	<b>53,220,688,700</b>	<b>14,121,095,350</b>	<b>14,121,095,350</b>
Bank for Investment and Development of Vietnam - Chau Thanh Saigon Branch (i)	8,000,000,000	8,000,000,000	22,121,095,350	16,000,000,000	14,121,095,350	14,121,095,350
Vietnam Prosperity Joint Stock Commercial Bank - Hanoi Branch	-	-	26,800,000,000	26,800,000,000	-	-
Short-term loans from other entities	-	-	10,420,688,700	10,420,688,700	-	-
<b>Bonds due for payment</b>	<b>44,130,616,164</b>	<b>44,130,616,164</b>	<b>1,069,383,836</b>	<b>300,000,000</b>	<b>44,900,000,000</b>	<b>-</b>
<b>Short-term borrowings and finance lease liabilities</b>	<b>52,130,616,164</b>	<b>52,130,616,164</b>	<b>60,411,167,886</b>	<b>53,520,688,700</b>	<b>59,021,095,350</b>	<b>14,121,095,350</b>

Detailed information related to short-term borrowings and finance lease liabilities:

No	Items	Value	Term	Purposes	Interest rate	Method of guarantee	The principal balance able to be paid at the end of the year
(i)	Bank for Investment and Development of Vietnam - Chau Thanh Saigon Branch	20,000,000,000	12 months	Supplement working capital, provide guarantees, open L/C	Floating interest rate	APG stock with a quantity of 2,500,000 shares.	14,121,095,350
							<b>14,121,095,350</b>



## 4.16.2. Long-term borrowings and finance lease liabilities

	Opening balance		In the year		Closing balance	
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
	VND	VND	VND	VND	VND	VND
<b>Bonds issued</b>						
- Value of bonds issued	44,130,616,164	44,130,616,164	1,069,383,836	300,000,000	44,900,000,000	-
	44,130,616,164	44,130,616,164	1,069,383,836	300,000,000	44,900,000,000	-
<b>In which:</b>						
<b>Amount due for settlement within 12 months:</b>						
Bonds issued	44,130,616,164	44,130,616,164			44,900,000,000	-
	44,130,616,164	44,130,616,164			44,900,000,000	-

## 4.16.3. Straight bonds

	Closing balance		Opening balance	
	Amount	Coupon rate	Amount	Coupon rate
	VND	%	VND	%
<b>Straight bonds issued</b>				
Bond at par value	44,130,616,164	12.6%	44,900,000,000	12.6%
Bond issuance costs	45,200,000,000 (1,069,383,836)	3 years	44,900,000,000	12.6%
	44,130,616,164		44,900,000,000	

Additional information for the issued bonds: The type of bond is a non-convertible corporate bond, without warrants, and secured by assets. The face value is 10,000,000 VND per bond. The number of bonds issued is 10,000 bonds, with a total value of 100,000,000 VND. The interest rate is 12.6% per year. The bond maturity period is 36 months, with a maturity date of 20<sup>th</sup> September 2024. The issuance method is private placement. The purpose of the issuance is to increase the capital scale for business operations. The collateral consists of 7 million shares of GKM shares from Khang Minh Group Joint Stock Company (now GKM Holdings Joint Stock Company). As of 31<sup>st</sup> December, 2024, the Company and the bondholders have not yet organized a bondholders' meeting to approve plans for handling overdue bond debt and managing the collateral according to current regulations.

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4.17. Owner's equity

4.17.1. Reconciliation table of equity

	Owner's contributed capital VND	Share premium VND	Retained earnings VND	Total VND
Prior year's opening balance	238,139,000,000	8,556,059,091	46,745,779,241	293,440,838,332
Increase in the year	76,203,370,000	-	43,022,377,464	119,225,747,464
- Profit distribution	76,203,370,000	-	-	76,203,370,000
- Profit for the year	-	-	43,022,377,464	43,022,377,464
Decrease in the year	-	(140,000,000)	(76,203,370,000)	(76,343,370,000)
- Distribute dividends in the form of shares	-	-	(76,203,370,000)	(76,203,370,000)
- Cost of issuing shares	-	(140,000,000)	-	(140,000,000)
Prior year's closing balance	314,342,370,000	8,416,059,091	13,564,786,705	336,323,215,796
Current year's opening balance	314,342,370,000	8,416,059,091	13,564,786,705	336,323,215,796
Increase in the year	-	-	3,845,593,671	3,845,593,671
- Profit for the year	-	-	3,845,593,671	3,845,593,671
Decrease in the year	-	-	-	-
Current year's closing balance	314,342,370,000	8,416,059,091	17,410,380,376	340,168,809,467



4.17.2. Details of owner's investment capital

	Actual contributed capital	Ratio	Actual contributed capital	Ratio
	VND	%	VND	%
APG Securities Joint Stock Company	23,555,640,000	7.49%	62,458,219,449	19.12%
Mr. Dang Viet Le	7,709,760,000	2.45%	33,636,649,223	10.70%
Others	283,076,970,000	90.05%	218,247,501,328	70.18%
	<b>314,342,370,000</b>	<b>100.00%</b>	<b>314,342,370,000</b>	<b>100.00%</b>

4.17.3. Capital transactions with owners and dividend distribution, profit sharing

	Current year VND	Prior year VND
<b>Owner's invested equity</b>	-	-
Capital contribution at the beginning of the year	314,342,370,000	238,139,000,000
Contributed capital increased during the year	-	76,203,370,000
Contributed capital decreased during the year	-	-
Capital contribution at the end of the year	314,342,370,000	314,342,370,000
<b>Dividends and distributed profits</b>	-	<b>76,203,370,000</b>

4.17.4. Shares

	Closing balance VND	Opening balance VND
- Number of shares registered for issuance	31,434,237	31,434,237
- Number of shares issued to the public	31,434,237	31,434,237
+ Ordinary shares	31,434,237	31,434,237
+ Preference shares	-	-
- Number of shares repurchased	-	-
+ Ordinary shares	-	-
+ Preference shares	-	-
- Number of outstanding shares in circulation	31,434,237	31,434,237
+ Ordinary shares	31,434,237	31,434,237
+ Preference shares	-	-

An ordinary share has par value of 10,000 VND/share.

4.17.5. Profits distribution

	Current year VND	Prior year VND
Undistributed profit at the beginning of the year	13,564,786,705	46,745,779,241
Profit from business activities in the year	3,845,593,671	43,022,377,464
Other adjustments to increase profit	-	-
Other items adjusted to increase profits	-	-
Dividends or distributed profits to funds during the year	17,410,380,376	89,768,156,705
Distribution of funds and dividends, including:	-	(76,203,370,000)
- Dividends this year	-	(76,203,370,000)
Remaining undistributed profit	17,410,380,376	13,564,786,705

4.18. Off Statement of Financial Position items

Operating lease assets

	Closing balance VND	Opening balance VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms	-	-
- Within one year	2,612,566,600	1,412,566,600
- In the second to fifth year inclusive	7,299,853,200	2,499,853,200
- After five years	-	-

5. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF INCOME

5.1. Revenue from goods sold and services rendered

	Current year VND	Prior year VND
Revenue from sale of goods	140,620,760,000	21,707,856,700
Revenue from services rendered	4,863,135,789	5,362,512,000
	145,483,895,789	27,070,368,700
Revenue from related parties (Details stated in Note 8.4)	1,457,236,364	6,209,718,700

5.2. Cost of goods sold and services rendered

	Current year VND	Prior year VND
Cost of finished goods sold	139,482,450,000	21,428,716,000
Cost of services rendered	3,057,834,151	2,884,497,328
	142,540,284,151	24,313,213,328



5.3. Financial income

	Current year VND	Prior year VND
Bank and loan interest	1,910,659,383	6,285,237,755
Dividends and profits received	-	21,715,658,978
Interest on instalment sales	14,495,816,828	34,873,000,000
Revenue from other financial activities	1	-
	<b>16,406,476,212</b>	<b>62,873,896,733</b>
<b>Financial income from related parties (Details stated in Note 8.4)</b>	<b>53,109,587</b>	<b>21,715,658,978</b>

5.4. Financial expenses

	Current year VND	Prior year VND
Interest expenses and interest on bonds	6,334,370,598	7,036,316,325
Interest on instalment purchase	-	1,155,639,931
Other financial expenses	1,069,383,840	1,271,030,304
	<b>7,403,754,438</b>	<b>9,462,986,560</b>
<b>Financial expenses related to related parties (Details stated in Note 8.4)</b>	<b>5,681,288,220</b>	<b>7,039,872,989</b>

5.5. Selling expenses

	Current year VND	Prior year VND
The cost of tools, tools, utensils	-	260,274,391
Fixed asset depreciation expenses	200,515,204	497,074,107
Cost of outsourced services	27,907,200	-
Others	199,833,172	-
	<b>428,255,576</b>	<b>757,348,498</b>

5.6. General and administration expenses

	Current year VND	Prior year VND
Management staff costs	1,980,002,994	1,297,053,464
Cost of tools, instruments and supplies	164,776,370	15,736,965
Fixed asset depreciation expense	222,050,638	162,595,128
Taxes, charges and fees	27,756,400	24,956,400
Cost of outsourced services	875,774,631	4,599,016,327
Others	378,949,470	132,547,517
	<b>3,649,310,503</b>	<b>6,231,905,801</b>

5.7. Other income

	Current year VND	Prior year VND
Others	-	123,590,306
	-	123,590,306

5.8. Other expenses

	Current year VND	Prior year VND
Fines for administrative violations and late payment	1,356,093,007	579,254,341
Interest expenses on overdue payments	1,323,742,320	-
Other costs	34,333,332	82,651,515
	2,714,168,659	661,905,856

5.9. Corporate income tax expense

	Current year VND	Prior year VND
Corporate income tax expense based on taxable profit in the current year (i)	1,309,005,003	5,618,118,232
<b>Total current corporate income tax expense</b>	<b>1,309,005,003</b>	<b>5,618,118,232</b>

(i) The current corporate income tax expense for the year was computed as follows:

	Current year VND	Prior year VND
<b>Profit/(Loss) before tax</b>	<b>5,154,598,674</b>	<b>48,640,495,696</b>
- Adjustments increase	1,390,426,339	661,905,856
+) <i>Expenses are not deductible</i>	1,356,093,007	579,254,341
+) <i>Other non-deductible expenses</i>	34,333,332	82,651,515
- Adjustments decrease	-	(21,839,249,284)
+) <i>Dividends and profits received</i>	-	(21,839,249,284)
<b>Profits subject to corporate income tax</b>	<b>6,545,025,013</b>	<b>27,463,152,268</b>
Income is subject to a preferential tax rate of 10%	-	-
Income is subject to a preferential tax rate of 20%	6,545,025,013	27,463,152,268
<b>Estimated corporate income tax payable</b>	<b>-</b>	<b>-</b>
CIT expense from previous years' collection	-	125,487,778
CIT expense at tax rate 20%	1,309,005,003	5,492,630,454
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>1,309,005,003</b>	<b>5,618,118,232</b>



5.10. Basic earnings per share and Diluted earnings per share

	Current year	Prior year
<b>a) Basic earnings per share</b>	-	-
Accounting profit after corporate income tax (VND)	3,845,593,671	43,022,377,464
Increasing or decreasing adjustments to accounting profit to determine profit or loss attributable to ordinary shareholders:	-	-
- Increasing adjustments (VND)	-	-
- Decreasing adjustments (VND)	-	-
Profit or loss attributable to ordinary shareholders (VND)	3,845,593,671	43,022,377,464
Average ordinary shares in circulation for the year (shares)	31,434,237	31,434,237
<b>Basic earnings per share (VND/Share)</b>	<b>122</b>	<b>1,369</b>
<b>b) Diluted earnings per share</b>		
Number of additional shares expected to be issued (shares)	-	-
- Increase capital from equity	-	-
- Increase capital under employee stock option program (ESOP)	-	-
- Increase capital from offering shares to existing shareholders	-	-
- Increase capital from private offering of shares to professional securities investors	-	-
<b>Diluted earnings per share (VND/Share)</b>	<b>122</b>	<b>1,369</b>

The impairment loss on shares affecting the dilution of shares according to the Resolution of the General Shareholders' Meeting No. 01/NQ/2024/ĐHĐCĐ-KM dated 23th April 2024, of the General Shareholders' Meeting of GKM Holdings Joint Stock Company, which plans to issue additional shares to increase capital in 04 phases, with a total number of shares to be issued estimated at 31,224,685 shares, equivalent to 312,246,850,000 VND in chartered capital.

**In which:**

- Increase capital from equity capital	2,000,000	Shares
- Increase capital through the Employee Stock Ownership Plan (ESOP)	1,671,711	Shares
- Increase capital from the sale of shares to existing shareholders	17,552,974	Shares
- Increase capital from the private placement of shares to professional securities investors	10,000,000	Shares

As of the date of the financial statements, the Company's additional share issuance programs have not been approved by the State Securities Commission. Therefore, the dilution from the planned share issuances in 2024 will not affect the earnings per share (EPS) reduction of the Company.

5.11. Production cost by nature

	Current year VND	Prior year VND
Raw materials and consumables	30,240,000	-
Labour	1,082,517,090	804,619,050
Cost of tools, instruments and supplies	1,755,197,239	26,794,583
Depreciation and amortisation	1,303,246,612	1,544,823,189
Taxes, charges and fees	134,122,504	108,746,904
Cost of outsourced services	338,689,150	2,834,693,368
Others	67,809,482	1,786,561,362
	<b>4,711,822,077</b>	<b>7,106,238,456</b>

6. ADDITIONAL INFORMATION ON THE PRESENTED SECTIONS ON THE STATEMENT OF CASH FLOWS

6.1. Actual amounts of borrowings received during the year

	Current year VND	Prior year VND
Proceeds from borrowings under normal contracts	59,341,784,050	24,745,030,304
	<b>59,341,784,050</b>	<b>24,745,030,304</b>

6.2. Actual amounts of principal paid during the year

	Current year VND	Prior year VND
Repayment of borrowings under normal contracts	53,220,688,700	38,374,000,000
Principal repayment on common bonds	300,000,000	3,800,000,000
	<b>53,520,688,700</b>	<b>42,174,000,000</b>

7. FINANCIAL INSTRUMENTS

7.1. Capital risk management

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The capital structure of the Company consists of net debt (borrowings as disclosed in Note 4.18. Borrowings and financial lease liabilities less cash and cash equivalents, offset by cash and cash equivalents) and shareholders' equity (comprising capital, reserves and retained earnings).

*Gearing ratio*

The gearing ratio of the Company as at the balance sheet date was as follows:

	Current year VND	Prior year VND
Borrowings	59,021,095,350	52,130,616,164
Less: Cash and cash equivalents	37,701,101	11,219,568,365
Net debt	58,983,394,249	40,911,047,799
Equity	340,168,809,467	336,323,215,796
<b>Net debt to equity ratio</b>	<b>0,17</b>	<b>0,12</b>



7.2. Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial assets and financial liabilities and equity instruments are disclosed in Note 3.

7.3. Categories of financial instruments

	Carrying amounts	
	Closing balance VND	Opening balance VND
<b>Financial assets</b>		
Cash and cash equivalents	37,701,101	11,219,568,365
Trade and other receivables	58,234,592,579	166,425,258,220
Loan receivables	33,457,000,000	50,000,000,000
Long-term financial investments	256,750,000,000	87,544,183,172
	<b>348,479,293,680</b>	<b>315,189,009,757</b>
	Carrying amounts	
	Closing balance VND	Opening balance VND
<b>Financial liabilities</b>		
Trade payables, Other payables	49,672,473,050	33,035,108,271
Accrued expenses	3,411,455,322	464,872,972
Borrowings and lease	59,021,095,350	52,130,616,164
	<b>112,105,023,722</b>	<b>85,630,597,407</b>

The Company has not assessed fair value of its financial assets and liabilities as at the balance sheet date since there is no comprehensive guidance under Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 ("Circular 210") and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular 210 refers to the application of International Financial Reporting Standards ("IFRS") on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

7.4. Financial risk management objectives

The Company has set up risk management system to identify and assess the risks exposed by the Company and designed control policies and procedures to manage those risks at an acceptable level. Risk management system is reviewed on a regular basis to reflect changes in market conditions and the Company's operations.

Financial risks include market risk (including foreign currency risk, interest rate risk and price risk), credit risk and liquidity risk.

**Market risk**

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates, interest rates and prices. The Company does not hedge these risk exposures due to the lack of active market for the trading activities of financial instruments.

**Foreign currency risk management**

The company conducts some transactions denominated in foreign currencies, and as such, the company will be exposed to risks arising from fluctuations in exchange rates.

*Interest rate risk management*

The Company has significant interest rate risks arising from interest bearing loans which are arranged. The risk is managed by the Company by maintaining an appropriate level of borrowings and analysing market competition to enjoy favourable interest rates from appropriate lenders.

*Share price risk management*

The Company is [also] exposed to equity price risks arising from investments in subsidiaries and associates. The Company's Board of Management assesses and approves decisions on investments in subsidiaries and associates such as operating industry, investees, etc. Investments in subsidiaries and associates are held for long-term strategic investments rather than trading purposes. The Company does not have intention to trade these investments in the foreseeable future.

*Commodity price risk management*

The Company purchases materials, commodities from local and foreign suppliers for business purpose. Therefore, the Company is exposed to the risk of changes in selling prices of materials, commodities.

**Credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a credit policy in place and the exposure to credit risk is monitored on an on-going basis. The Company does not have any significant credit risk exposure to any counterparty because receivables consist of a large number of customers, spread across diverse industries and geographical areas.

**Liquidity risk management**

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any period is kept to manageable levels relative to the amount of funds that the Company believes can generate within that period. The Company policy is to regularly monitor current and expected liquidity requirements to ensure that the Company maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners [shareholders] to meet its liquidity requirements in the short and longer term.

The following table details the Company's remaining contractual maturity for its non-derivative financial assets and financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial assets and undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Closing balance</b>				
Cash and cash equivalents	37,701,101	-	-	37,701,101
Trade and other receivables	58,234,592,579	-	-	58,234,592,579
Loan receivables	33,457,000,000	-	-	33,457,000,000
Long-term financial investments	-	-	256,750,000,000	256,750,000,000
	<b>91,729,293,680</b>	<b>-</b>	<b>256,750,000,000</b>	<b>348,479,293,680</b>



	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Tổng VND
<b>Closing balance</b>				
Trade payables, Other payables	49,672,473,050	-	-	49,672,473,050
Accrued expenses	3,411,455,322	-	-	3,411,455,322
Borrowings and lease	59,021,095,350	-	-	59,021,095,350
	<b>112,105,023,722</b>	<b>-</b>	<b>-</b>	<b>112,105,023,722</b>
	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Cash and cash equivalents	11,219,568,365	-	-	11,219,568,365
Trade and other receivables	166,425,258,220	-	-	166,425,258,220
Loan receivables	5,000,000,000	45,000,000,000	-	50,000,000,000
Long-term financial investments	-	-	87,544,183,172	87,544,183,172
	<b>182,644,826,585</b>	<b>45,000,000,000</b>	<b>87,544,183,172</b>	<b>315,189,009,757</b>
	Less than 1 year VND	From 1 - 5 years VND	More than 5 years VND	Total VND
<b>Opening balance</b>				
Trade payables, Other payables	33,035,108,271	-	-	33,035,108,271
Accrued expenses	464,872,972	-	-	464,872,972
Borrowings and lease	52,130,616,164	-	-	52,130,616,164
	<b>85,630,597,407</b>	<b>-</b>	<b>-</b>	<b>85,630,597,407</b>

The management assessed the liquidity risk at low level. The management believes that the Company will be able to generate sufficient funds to meet its financial obligations as and when they fall due.

## 8. OTHER INFORMATION

### 8.1. Commitments

#### *Operating lease commitments*

1. Land Lease Agreement No. 39/HĐTĐ dated 10<sup>th</sup> July 2019 between the Committee of Ha Nam Province (Lessor) and Khang Minh Group Joint Stock Company (now GKM Holdings Joint Stock Company – Lessee). The two parties agreed to sign the land lease contract with the following terms:

- Leased land area: 40,660 m<sup>2</sup> (Forty thousand six hundred sixty square meters) at Chau Son Industrial Park (formerly the expanded southwest industrial cluster of Phu Ly city), Le Hong Phong Ward, Phu Ly City, Ha Nam Province.
- Location and boundary of the land: The land is identified at plot number 6, map sheet number 25, Le Hong Phong Ward, Phu Ly City.
- Lease term: Until 23<sup>th</sup> September 2060.
- Purpose of land use: Construction of a non-fired building material factory.

- Land rent: Khang Minh Group Joint Stock Company (formerly Khang Minh Brick Joint Stock Company) has completed the payment of annual land rent from July 2015 to September 2060, as the compensation for site clearance is deducted from the annual land rent (according to Notice No. 3113/TB-CT dated 17<sup>th</sup> November 2015 from the Ha Nam Tax Department).
2. Factory Lease Agreement No. 0106/2024/HĐTK dated 1<sup>st</sup> June 2024 between An Giang Import-Export Joint Stock Company (Lessor) and GKM Holdings Joint Stock Company (Lessee) regarding the leasing of a factory and all machinery and equipment for the storage and processing of rice, with the following terms:
- Factory specifications: Land area: 11,597 m<sup>2</sup>; Factory area: 8,600 m<sup>2</sup>.
  - Location: Ha Bao 2 Hamlet, Da Phuoc Commune, An Phu District, An Giang Province, Vietnam.
  - Lease payment: Fixed at 110,000,000 VND/month (One hundred ten million VND), including 10% VAT.
  - Deposit: To ensure the execution of the contract, Party A will deposit 110,000,000 VND (One hundred ten million VND) as a security deposit to Party B within 5 days from the signing date.
  - Lease term: 5 years starting from the handover date.
  - Agreed handover date: 1<sup>st</sup> June 2024.
3. House Lease Agreement No. 01052002-KM/HĐTN dated 1<sup>st</sup> May 2022 between Mr. Nguyen Anh Tuan and Mr. Dang Ngoc Huong (Lessor) and Khang Minh Group Joint Stock Company (Lessee) regarding the leasing of a house with the following terms:
- Leased property: The entire SH19 apartment, Lot B4, Nam Trung Yen New Urban Area, Cau Giay, Hanoi, with a floor area of 360,6 m<sup>2</sup>; land area of 120 m<sup>2</sup>; 5 floors.
  - Purpose of lease: For company office and showroom.
  - Lease payment: 4,331 USD/month (Four thousand three hundred thirty-one US dollars), with the exchange rate calculated based on the Vietcombank buy-in rate at the time of payment. The rental price includes all rent and taxes.
  - Payment method: For the first year of the lease, the lessee will pay rent quarterly. Starting from the second year, rent will be paid semi-annually.
  - Deposit: The lessee deposits 3,750 USD to the lessor.
  - Lease term: Until December 31, 2026.
4. Contract No. 96/2023/HĐKT dated 1<sup>st</sup> October 2023 between the Ha Nam Industrial Park Infrastructure Management and Consulting Center (Service Provider) and GKM Holdings Joint Stock Company (Recipient) regarding the provision and use of services in the industrial park:
- Services provided outside the enterprise's fence: Infrastructure services outside the industrial park's fence, security, and environmental services.
  - Contract term: 1 year from the start date.
  - Unit price: 4,000 VND/m<sup>2</sup>/year.
  - Area used to calculate the unit price: 40,660 m<sup>2</sup>.

**Commitment on collateral**

As presented in Note. 4.16. Borrowings and financial lease liabilities, the collateral for the issued bond is 7,172,513 GKM shares held by 27 shareholders of GKM Holdings Joint Stock Company. The Company has not yet reconciled, confirmed and valued the collateral at fair value as of 31<sup>st</sup> December 2024.

**8.2. Assets under operating leases**

As at the end of fiscal year, the future minimum lease payments under non-cancellable operating leases were:



	Closing balance VND	Opening balance VND
Within 1 year	9,000,469,693	11,143,200,000
Over 1 year to 5 years	33,583,309,091	39,210,288,000
After 5 years	13,115,127,273	17,342,064,000
	<b>55,698,906,056</b>	<b>67,695,552,000</b>

The leased assets are the factory buildings and equipment serving the factory within the enterprise's fence at Chau Son Industrial Park, Le Hong Phong Ward, Phu Ly City, Ha Nam Province.

### 8.3. Events arising after the end of the year

The Board of Management of the Company affirms that, in the identity of the Board of Management, in terms of material aspects, no unusual events occurred after the end of the fiscal year that would affect the financial situation and The Company's activities need to be adjusted or presented in these financial statements.

### 8.4. Transactions and balances with related parties

The related parties with the Company include key management members, the individuals involved with key management members and other related parties.

#### 8.4.1. Transactions and balances with key management members, the individuals involved with key management members.

Key management members include members of the Board of Management, and The Board of Directors (The Board of General Director, Chief Financial Officer, Chief Accountant). Individuals associated with key management members are close members in the family of key management members.

#### *Income of key management members*

Total remuneration paid to the Company's Board of Management and Board of Directors:

	Content	Current year VND	Prior year VND
<b>The Board of Management</b>			
Mr. Dang Viet Le	Chairman	529,986,000	486,516,000
Mr. Hoang Van Hai	Member	-	-
Mr. Nguyen Cong Duy	Member	-	-
Mr. Do Minh Duc	Independent member	-	-
Mr. Nguyen Huu Phu	Member	-	-
<b>Audit Committee</b>			
Mr. Do Minh Duc	Chairman	-	-
Mr. Nguyen Cong Duy	Member	-	-
<b>The Board of General Directors</b>			
Mr. Nguyen Huu Phu	General Director	268,500,000	-
Mr. Nguyen Viet Ha	General Director	-	347,310,000
	Deputy General		
Mr. Duong Manh Cuong	Director/ Chief	39,849,800	-
	Accountant		
Mr. Le Van Hoa	Chief Accountant	20,400,000	-
Ms. Nguyen Thi Duyen	Chief Accountant	185,981,600	-
		<b>1,044,717,400</b>	<b>833,826,000</b>

**Transactions with key members of management and individuals related to key members of management.**

The Company does not have transactions related to sales and provision of services to key management members and individuals related to key management members.

**Balances with key management members and individuals associated with key management members.**

At the end of the year, the Company had no balances with key management members and individuals related to key management members.

**8.4.2. Transactions and balances with other related parties**

Other related parties to the Company include subsidiaries, joint-ventures, associates controlled businesses, individuals with direct or indirect voting rights at the Company and intimately members within their families, businesses run by key management employees and individuals with direct or indirect voting rights of the Company and intimately members of their families.

**List of other related parties**

Other related parties	Location	Relationship
Power Trade Joint Stock Company	Lang Son	Associated company
Green Umbrella Internet Technology Joint Stock Company	Ha Noi	Financial investment
Khang Minh Quartz Stone Joint Stock Company	Ha Nam	Financial investment (Divested in 2024)
Khang Minh Aluminum Joint Stock Company	Ha Nam	Financial investment
ECO HT Joint Stock Company	Ha Tinh	Financial investment
APG ECO Hoa Binh Joint Stock Company	Hoa Binh	Financial investment
APG Energy Nghe An Joint Stock Company	Nghe An	Financial investment
APG Securities Joint Stock Company	Ha Noi	Major shareholders

**Transactions with other related parties**

During this fiscal year, there were major transactions with related companies as follows:

Revenue from goods sold and services	Content	Current year VND	Prior year VND
Khang Minh Quartz Stone Joint Stock Company	Revenue from sales and service rendered	-	847,206,700
Khang Minh Aluminum Joint Stock Company	Revenue from asset leasing	1,457,236,364	5,362,512,000
		<b>1,457,236,364</b>	<b>6,209,718,700</b>
Financial income	Content	Current year VND	Prior year VND
Khang Minh Quartz Stone Joint Stock Company	Interest on deposits and loans	53,109,587	-
Khang Minh Aluminum Joint Stock Company	Dividends and profits received	-	21,715,658,978
		<b>53,109,587</b>	<b>21,715,658,978</b>



**GKM HOLDINGS JOINT STOCK COMPANY**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

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<b>Financial expenses</b>	<b>Content</b>	<b>Current year VND</b>	<b>Prior year VND</b>
APG Securities Joint Stock Company	Interest on loans, interest on issued bonds	5,681,288,220	5,768,842,685
APG Securities Joint Stock Company	Bond issuance and custodial fees	-	1,271,030,304
		<b>5,681,288,220</b>	<b>7,039,872,989</b>
<b>Purchase of goods and services</b>	<b>Content</b>	<b>Current year VND</b>	<b>Prior year VND</b>
Khang Minh Aluminum Joint Stock Company	Purchase of goods	970,321,408	-
		<b>970,321,408</b>	<b>-</b>
<b>Other transactions</b>	<b>Content</b>	<b>Current year VND</b>	<b>Prior year VND</b>
Power Trade Joint Stock Company	Capital contribution	-	60,000,000,000
ECO HT Joint Stock Company	Capital contribution	85,500,000,000	-
Mr. Dang Viet Le	Stock dividend	-	8,154,249,223
APG Securities Joint Stock Company	Stock dividend	-	15,141,219,449
APG ECO Hoa Binh Joint Stock Company	Capital contribution	54,000,000,000	-
APG Energy Nghe An Joint Stock Company	Capital contribution	48,600,000,000	-
Phat Dat Trading and Construction Materials Company Limited	Sale of capital contribution	18,894,183,172	-
Khang Minh Aluminum Joint Stock Company	Divestment	-	15,300,000,000
Khang Minh Quartz Stone Joint Stock Company	Divestment	-	112,000,000,000
HG Investment Joint Stock Company	Capital withdrawal	-	2,000,000,000
Khang Minh Aluminum Joint Stock Company	Short-term loan	2,485,000,000	-

**Balance of accounts receivable/(payable) with other related parties**

<b>Short-term trade receivables</b>	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Khang Minh Aluminum JSC	2,564,101,213	5,278,460,081
Khang Minh Quartz Stone JSC	931,927,370	931,927,370
	<b>3,496,028,583</b>	<b>6,210,387,451</b>
<b>Other short-term receivables</b>	<b>Closing balance VND</b>	<b>Opening balance VND</b>
Khang Minh Aluminum JSC	53,109,587	56,449,166
Khang Minh Quartz Stone JSC	-	7,273,720,000
	<b>53,109,587</b>	<b>7,330,169,166</b>

Short-term trade payables	Closing balance		Opening balance	
	Amount	Amount able to be paid off	Amount	Amount able to be paid off
	VND	VND	VND	VND
APG Securities Joint Stock Company	1,377,022,500	1,377,022,500	1,500,000,000	1,500,000,000
	<b>1,377,022,500</b>	<b>1,377,022,500</b>	<b>1,500,000,000</b>	<b>1,500,000,000</b>
Short-term accrued expenses	Closing balance		Opening balance	
	VND		VND	
APG Securities Joint Stock Company	3,411,455,322		364,872,972	
	<b>3,411,455,322</b>		<b>364,872,972</b>	

#### 8.5. Information of Department

The company is not required to prepare segment reports because it does not satisfy one of the three conditions for preparing segment reports by geographical area as prescribed in Circular 20/2006/TT-BTC dated 20th March, 2006 of the Ministry of Finance regarding guidance on the implementation of six (06) accounting standards issued under Decision No. 12/2005/QĐ-BTC dated 15th February, 2005 of the Ministry of Finance.

#### 8.6. Comparative figures

The comparative figures are data on the financial statements for the fiscal year ended 31st December 2023 of the Company audited by AFC Vietnam Auditing Company Limited - North Branch.



Preparer  
DUONG MANH CUONG



Chief Accountant  
DUONG MANH CUONG



Chairman  
DANG VIET LE  
Ha Nam, Viet Nam  
09<sup>th</sup> April 2025