

SAO VANG RUBBER JOINT STOCK COMPANY

Audited Financial Statements
for the financial year ended 31 December 2025

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of SaoVang Rubber Joint Stock Company (“the Company”) presents its report and the Company’s Financial Statements for the financial year ended 31 December 2025 which are audited by the independent auditors.

Overview

SaoVang Rubber Joint Stock Company, formerly a state-owned enterprise, was equitized under the Decision No. 3500/QĐ-BCN dated 24 October 2005 of the Minister of the Ministry of Industry and operating as a joint stock company under the first Certificate of Business Registration No. 0103011568 issued by the Department of Planning and Investment of Hanoi city (currently known the Hanoi Department of Finance) dated 03 April 2006 and the subsequent Amendment Certificates of Business Registration with the 14th amended dated 22 July 2025 as the latest.

The principal activities of the Company during the years are as follows:

- Manufacturing and trading rubber products;
- Buying and selling automotive spare parts;
- Leasing services including shops, office spaces, factories, warehouses;
- Importing and exporting materials, machinery, equipment and chemicals for the rubber industry;
- Coal trade.

The Head Office of the Company is located at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam.

Board of Management, Board of General Directors, Chief Accountant and Board of Supervisors during the year and at the date of this report are as follows:

Board of Management

Mr. Pham Hoanh Son	Chairman
Mr. Nguyen Viet Hung	Member
Mr. Nguyen Thanh Tung	Member
Mr. Nguyen Dinh Son	Member
Mr. Luong Xuan Hoang	Member

Board of General Directors and Chief Accountant

Mr. Nguyen Viet Hung	General Director
Mr. Nguyen Quang Hao	Vice General Director
Mr. Nguyen Thanh Tung	Vice General Director
Mr. Tran Minh Tuan	Chief Accountant

Board of Supervisors

Mr. Nguyen Trung Hoa	Head of the Supervisory Board	
Mr. Hoang Van Hoa	Member	
Mr. Nguyen Quang Huy	Member	From 21 April 2025
Ms. Vu Thi Mai Nhung	Member	To 21 April 2025

Legal representative during the year and at the date of this report

Mr. Pham Hoanh Son	Chairman
Mr. Nguyen Viet Hung	General Director

SAOVANG RUBBER JOINT STOCK COMPANY

No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam

Report of the Board of General Directors (continued)

Auditors

Branch of NVA Auditing Co., Ltd (NVA) has audited the Financial Statements of the year 2025 for the Company.

Responsibility of the Board of General Directors for the Financial Statements

The Board of General Directors is responsible for the Financial Statements state of affairs of the Company which give a true and fair view of financial position, operation results and cash flows during the year. In preparing the Financial Statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- Prepare and present Financial Statements in compliance with accounting standards, accounting system and other current applicable regulations;
- Prepare the Financial Statements on going concern basis; unless it is inappropriate to presume that the Company will continue in business;
- Establish and implement an effective internal control system in order to minimize the risk of material misstatement due to fraud or error when prepare and present the Financial Statements.

The Company's Board of General Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the Financial Statements comply with current state regulations. Simultaneously, the Board of General Directors is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Company's Board of General Directors approves and commits that the Financial Statements have truly and fairly reflected the Company's financial situation as at 31 December 2025, as well as its operation results and cash flows for the financial year then ended, in accordance with Vietnamese accounting standards and regimes and in compliance with relevant current regulations.

On behalf of the Board of General Directors



Mr. Nguyen Viet Hung
General Director

Hanoi, 06 March 2026

No: 22.05.1.2/25/BCTC/NVA.CNHN

INDEPENDENT AUDITOR'S REPORT

**To: Shareholders, the Board of Management and the Board of General Directors
SaoVang Rubber Joint Stock Company**

We have audited the Financial Statements of SaoVang Rubber Joint Stock Company prepared on 06 March 2026, from page 06 to page 50, including the Balance Sheet as at 31 December 2025, the Income Statement, the Cash Flow Statement and the Notes to Financial Statements for the financial year ended 31 December 2025.

Responsibilities of the Board of General Directors

The Board of General Directors has responsibility to prepare and present the Financial Statements truly and fairly in conformity with the Accounting Standards of Vietnam, the accounting system and other current applicable regulations in relation to preparation and presentation of Financial Statements and responsibility on the internal control system that the Board of General Directors determine necessary to assure the preparation and presentation of financial statements free from material mistakes due to frauds or errors.

Responsibilities of the Auditor

Our responsibility is expressing the audit opinion on the Financial Statements based on our audit. We have conducted our audit in accordance with the Vietnamese Auditing Standards. These standards and regulations require that we comply with the requirements on the standards and professional ethics, to plan and perform the audit procedures to obtain a reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

Independent auditor's report (continued)

Auditor's Opinion

In our opinion, the Financial Statements of SaoVang Rubber Joint Stock Company give a true and fair view, in all material respects, of the financial position of the Corporation as at 31 December 2025, and of the results of its operations and its cash flows for the year ended in accordance with the Vietnamese Accounting Standards and Vietnamese Accounting System and comply with relevant statutory requirements.

Other matters

The Financial Statements of SaoVang Rubber Joint Stock Company for the year ended 31 December 2024 have been audited by other auditors and other auditing firms. The auditor expressed an unqualified opinion on these Financial Statements as at 11 March 2025.

Branch of NVA Auditing Co., Ltd
Vice Director



Nguyen Hai Linh

Registered Auditor Certificate No: 3407-2025-152-1

Hanoi, 06 March 2026

Auditor-in-charge

Do Thi Minh Duyen

Registered Auditor Certificate No: 5664-2023-152-1

BALANCE SHEET

As at 31 December 2025

Unit: VND

ASSETS	Code	Notes	Closing Balance	Opening Balance
A . CURRENT ASSETS	100		775,180,694,485	549,126,282,887
I. Cash and cash equivalents	110	V.1	31,713,845,250	29,711,953,512
1. Cash	111		19,713,845,250	14,711,953,512
2. Cash equivalents	112		12,000,000,000	15,000,000,000
II. Short-term financial investments	120		-	-
1. Trading securities	121		-	-
2. Provision for devaluation of stocks	122		-	-
3. Held-to-maturity securities	123		-	-
III. Short-term receivable	130		465,485,071,187	235,235,110,511
1. Short-term trade receivables	131	V.3	471,808,212,752	238,217,156,220
2. Short-term advances to suppliers	132	V.4	743,986,201	720,135,153
3. Short-term inter-corporation receivables	133		-	-
4. Receivables based on agreed progress of construction contract	134		-	-
5. Short-term loan receivables	135		-	-
6. Other short-term receivables	136	V.5	6,123,376,887	5,921,919,771
7. Provisions for short-term bad debts	137	V.6	(13,190,504,653)	(9,624,100,633)
IV. Inventories	140	V.7	270,360,302,626	250,315,400,799
1. Inventories	141		271,173,063,421	251,291,699,609
2. Provision for inventories obsolescence	149		(812,760,795)	(976,298,810)
V. Other current assets	150		7,621,475,422	33,863,818,065
1. Short-term prepaid expenses	151	V.8	1,449,755,033	949,024,039
2. VAT deductibles	152		512,452,621	1,952,962,417
3. Tax and receivables from state budget	153	V.16	5,659,267,768	30,961,831,609
4. State bonds repurchasing	154		-	-
5. Other current assets	155		-	-

SAOVANG RUBBER JOINT STOCK COMPANY
No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam
FINANCIAL STATEMENTS
Balance Sheet (continued)

Unit: VND

ASSETS	Code	Notes	Closing Balance	Opening Balance
B. NON - CURRENT ASSETS	200		566,201,432,775	659,813,031,320
I. Long-term receivables	210		2,013,000,000	97,823,430,950
6. Other long-term receivables	216	V.5	2,013,000,000	97,823,430,950
II. Fixed assets	220		46,379,013,255	48,295,006,758
1. Tangible fixed assets	221	V.9	31,095,616,333	31,792,162,129
- Cost	222		694,427,513,831	682,879,204,189
- Accumulated depreciation	223		(663,331,897,498)	(651,087,042,060)
2. Finance lease assets	224	V.11	5,177,622,570	13,104,992,707
- Cost	225		8,751,338,606	20,124,700,342
- Accumulated depreciation	226		(3,573,716,036)	(7,019,707,635)
3. Intangible fixed assets	227	V.10	10,105,774,352	3,397,851,922
- Cost	228		10,335,112,352	3,615,723,022
- Accumulated depreciation	229		(229,338,000)	(217,871,100)
III. Investment properties	230		-	-
- Cost	231		-	-
- Accumulated depreciation	232		-	-
IV. Long-term assets in progress	240	V.12	5,507,948,207	2,065,608,864
1. Long-term work in progress	241		-	-
2. Construction in progress	242		5,507,948,207	2,065,608,864
V. Long-term investments	250	V.2	509,648,027,705	508,505,488,913
2. Investments in joint-ventures and associates	252		505,000,000,000	505,000,000,000
3. Investments in other entities	253		8,444,062,358	8,444,062,358
4. Provision for devaluation of long-term investments	254		(3,796,034,653)	(4,938,573,445)
VI. Other long-term assets	260		2,653,443,608	3,123,495,835
1. Long-term prepaid expenses	261	V.8	2,653,443,608	3,123,495,835
TOTAL ASSETS	270		1,341,382,127,260	1,208,939,314,207

SAOVANG RUBBER JOINT STOCK COMPANY
 No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam
FINANCIAL STATEMENTS
Balance Sheet (continued)

Unit: VND

RESOURCES	Code	Notes	Closing Balance	Opening Balance
A. LIABILITIES	300		774,011,203,102	633,884,449,885
I. Current liabilities	310		620,836,712,221	482,034,437,507
1. Short-term trade payables	311	V.14	92,039,014,182	148,253,168,523
2. Short-term advances from customers	312	V.15	10,073,444,486	42,545,325,913
3. Tax and statutory obligations	313	V.16	5,615,346,310	329,996,742
4. Payables to employees	314		19,504,446,148	22,004,103,842
5. Short-term accrued expenses	315	V.17	6,247,141,610	3,746,675,146
8. Short-term unrealized revenue	318	V.19	20,833,331	-
9. Other short-term payables	319	V.18	3,110,815,533	5,725,515,452
10. Short-term finance lease loans and debts	320	V.13	470,997,604,774	255,679,533,163
11. Provisions for short-term payables	321	V.20	446,256,207	659,085,638
12. Bonus and welfare fund	322		12,781,809,640	3,091,033,088
II. Non-current liabilities	330		153,174,490,881	151,850,012,378
7. Others long-term payables	337	V.18	143,500,000,000	143,500,000,000
8. Long-term finance lease loans and debts	338	V.13	2,674,490,881	2,115,557,255
13. Science and technology development fund	343		7,000,000,000	6,234,455,123
B. OWNER'S EQUITY	400	V.21	567,370,924,158	575,054,864,322
I. Owner's Equity	410		567,370,924,158	575,054,864,322
1. Contributed legal capital	411		280,657,650,000	280,657,650,000
- Common shares with voting rights	411a		280,657,650,000	280,657,650,000
- Preference shares	411b		-	-
2. Share premium			3,605	3,605
5. Treasury shares	415		(23,970,000)	(23,970,000)
8. Development and investment funds			162,326,715,944	116,834,693,289
11. Undistributed profit after tax	421		124,410,524,609	177,586,487,428
- Undistributed profit after tax accumulated to the prior year end	421a		99,791,186,421	25,946,411,910
- Undistributed profit after tax of the current year	421b		24,619,338,188	151,640,075,518
II. Funding sources and other funds	430		-	-
TOTAL RESOURCES	440		1,341,382,127,260	1,208,939,314,207

Prepared by



Le Lan Phuong

Hanoi, 06 March 2026

Chief Accountant



Tran Minh Tuan

General Director




Nguyen Viet Hung

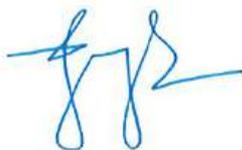
INCOME STATEMENT

Year 2025

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
1. Revenue from sale of goods and rendering of services	01	VI.1	1,490,284,526,110	1,063,350,074,195
2. Deductible items	02	VI.2	34,488,525,017	35,570,201,845
3. Net revenue from sale of goods and rendering of services	10		1,455,796,001,093	1,027,779,872,350
4. Cost of goods sold	11	VI.3	1,311,902,895,980	881,653,342,717
5. Gross profit from sale of goods and rendering of services	20		143,893,105,113	146,126,529,633
6. Financial income	21	VI.4	3,068,112,409	5,260,102,768
7. Financial expenses	22	VI.5	25,626,703,813	24,273,955,878
<i>In which: Interest expenses</i>	23		20,544,834,413	15,350,281,706
8. Selling expenses	25	VI.8	30,612,760,815	35,471,024,400
9. General and administration expenses	26	VI.9	66,062,213,340	63,611,727,491
10. Operating profit/(loss)	30		24,659,539,554	28,029,924,632
11. Other income	31	VI.6	7,695,990,154	306,883,950,654
12. Other expenses	32	VI.7	29,471,239	144,249,052,353
13. Other profit/(loss)	40		7,666,518,915	162,634,898,301
14. Profit before tax	50		32,326,058,469	190,664,822,933
15. Current corporate income tax expense	51	VI.11	7,706,720,281	39,024,747,415
16. Deferred income tax expense	52		-	-
17. Profit after tax	60		24,619,338,188	151,640,075,518
18. Earnings per share	70	VI.12	877	4,852
19. Diluted earnings per share	71	VI.12	877	4,852

Prepared by



Le Lan Phuong

Chief Accountant



Tran Minh Tuan

General Director



Nguyen Viet Hung

Hanoi, 06 March 2026

CASH FLOW STATEMENT
(Under Indirect method)
Year 2025

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
I. Cash flows from operating activities				
1. Profit before tax	01		32,326,058,469	190,664,822,933
2. Adjustments for				
- Depreciation of fixed assets and investment real properties	02		9,666,216,696	10,307,684,973
- Allowances and provisions	03		2,047,497,782	(971,635,676)
- (Gain)/loss on unrealized foreign exchange	04		(60,256,499)	(844,774,784)
- (Gain)/loss on investing activities	05		(347,837,236)	(163,071,526,358)
- Interest expenses	06		20,544,834,413	15,350,281,706
- Other adjustments	07		765,544,877	-
3. Operating income (loss) before changes in working capital	08		64,942,058,502	51,434,852,794
- Increase/Decrease in receivables	09		(114,600,677,106)	44,754,164,592
- Increase/Decrease in inventories	10		(19,881,363,812)	(20,313,376,735)
- Increase/Decrease in payables (excluding interest payables, enterprise income tax payables)	11		(91,983,615,465)	(57,347,589,198)
- Increase/Decrease in prepaid expenses	12		(30,678,767)	2,580,979,934
- Increase/Decrease in trading securities	13		-	-
- Interest paid	14		(20,398,402,413)	(15,283,881,706)
- Corporate income tax paid	15		-	(71,051,162,745)
- Other receipts from operating activities	16		-	-
- Other expenses on operating activities	17		(5,574,481,000)	(3,533,221,000)
Net cash flows from (used in) operating activities	20		(187,527,160,061)	(68,759,234,064)
II. Cash flows from investing activities				
1. Purchase and construction of fixed assets and other long-term assets	21		(9,784,381,461)	(3,655,358,089)
2. Proceeds from disposals of fixed assets and other long-term assets	22		-	300,799,569,173
3. Loans to other entities and purchase of debt instruments of other entities	23		-	(10,500,000,000)
4. Repayment from borrowers and proceeds from sales of debt instruments of other entities	24		-	10,500,000,000
5. Investments in other entities	25		-	-
6. Proceeds from sale of investments in other entities	26		-	-
7. Interest and dividends received	27		1,828,412,739	1,709,933,867
Net cash flows from (used in) investing activities	30		(7,955,968,722)	298,854,144,951

SAOVANG RUBBER JOINT STOCK COMPANY

No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam

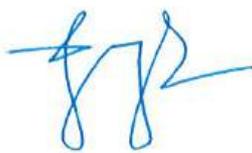
FINANCIAL STATEMENTS

Cash Flow Statement (continued)

Unit: VND

ITEMS	Code	Notes	Current year	Previous year
III. Cash flows from financing activities				
1. Receipts from stocks issuing and capital contribution from equity owners	31		-	-
2. Fund returned to equity owners, issued stock redemption	32		-	-
3. Long-term and short-term borrowings received	33		1,291,829,067,924	794,678,938,610
4. Loan repayment	34		(1,074,679,908,111)	(1,008,504,687,792)
5. Finance lease principle paid	35		(2,834,268,434)	(2,825,736,660)
6. Dividends, profit paid to equity owners	36		(16,829,128,997)	(16,795,136,460)
<i>Net cash flows from (used in) financing activities</i>	<i>40</i>		<i>197,485,762,382</i>	<i>(233,446,622,302)</i>
Net increase (decrease) in cash and cash equivalents	50		2,002,633,599	(3,351,711,415)
Cash and cash equivalents at the beginning of year	60		29,711,953,512	33,058,394,306
Impact of exchange rate fluctuation	61		(741,861)	5,270,621
Cash and cash equivalents at the end of the year	70	V.1	31,713,845,250	29,711,953,512

Prepared by



Le Lan Phuong

Chief Accountant



Tran Minh Tuan

General Director



Nguyen Viet Hung

Hanoi, 06 March 2026

NOTES TO THE FINANCIAL STATEMENTS

Year 2025

I. OPERATION FEATURES

1. Investment form

SaoVang Rubber Joint Stock Company, formerly a state-owned enterprise, was equitized under the Decision No. 3500/QĐ-BCN dated 24 October 2005 of the Minister of the Ministry of Industry and operating as a joint stock company under the first Certificate of Business Registration No. 0103011568 issued by the Department of Planning and Investment of Hanoi city (currently known as Hanoi Department of Finance) dated 03 April 2006 and the subsequent Amendment Certificates of Business Registration with the 14th amended dated 22 July 2025 as the latest.

The Head Office of the Company is located at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam.

2. Lines of business

The business lines of the Company are manufacturing and trading.

3. Business activities

The principal activities of the Company are as follows:

- Manufacturing and trading rubber products;
- Buying and selling automotive spare parts;
- Leasing services including shops, office spaces, factories, warehouses;
- Importing and exporting materials, machinery, equipment and chemicals for the rubber industry;
- Coal trade.

4. Regular manufacturing and business cycle

The Company's regular manufacturing and business cycle is 12 months.

5. Operational characteristics of the Company in the year that affect the Financial Statements

There were no unusual events or business activities that had an impact on the Company's Financial Statements.

6. Company structure

The total number of employees of the Company as at 31 December 2025 is 715 people (as at 31 December 2024 is 745 people).

- As at 31 December 2025, the Company has dependent branches as follows:

Branches	Address
Branch of SaoVang Rubber Joint Stock Company in Thai Binh	Tran Thu Do Street, Thai Binh Ward, Hung Yen Province
Branch of SaoVang Rubber Joint Stock Company in Da Nang	National Highway 1A, Hoa Xuan Ward, Da Nang City

7. Announcement on comparability of information in Financial Statements

During the year, the Company had no changes in accounting policies compared to the previous year, so it did not affect the comparability of information in the Financial Statements.

II. FINANCIAL YEAR AND STANDARD CURRENCY USED IN ACCOUNTING

1. Financial year

The financial year of the Company is from 1 January and ends on 31 December annually.

2. Accounting currency unit

The standard currency unit used is Vietnam Dong (VND).

III. ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM

1. Accounting System

The Company applied the Corporate Accounting Standard issued under the Circular No. 200/2014/TT-BTC (“Circular 200”) guides for accounting policies for enterprises issued by the Ministry of Finance dated 22 December 2014 and the Circular No. 53/2016/TT-BTC dated 21 March 2016 on amending and supplementing the Circular No. 200/2014/TT-BTC issued by the Ministry of Finance.

2. Announcement on compliance with Vietnamese standards and accounting system

The Company has applied Vietnamese Accounting Standards and issued Standard guidance documents. Financial Statements are prepared and presented in accordance with all provisions of each standard, circular guiding the implementation of standards and the current applicable regulations.

IV. ACCOUNTING POLICIES

1. The exchange rates applied in accounting

Economic transactions arising in foreign currencies are converted at the exchange rate on the date of the transaction. The balance of foreign currency monetary items at the end of accounting year is converted at the exchange rate on this date.

The exchange rate used to convert transactions in foreign currency is the actual exchange rate at the time of the transaction. The actual exchange rate for transactions in foreign currency is determined as follows:

- In case the contract does not specify the payment rate:
- + For receivables: The buying rate of the commercial bank where the enterprise designates the customer to make payment at the time the transaction occurs.
- + For payables: Selling rate of the commercial bank where the enterprise plans to transact at the time the transaction occurs.
- + For asset purchases or expenses paid immediately in foreign currency (not through accounts payable), the buying rate is the commercial bank where the enterprise makes the payment.

The exchange rate used to revalue the balance of foreign currency items at the end of accounting year is determined according to the following principles:

- + For foreign currency deposits at banks: Buying rate of the bank where the Company opens a foreign currency account.
- + For foreign currency monetary items classified as other assets: Foreign currency buying rate of the commercial bank where the Company regularly conducts transactions at the time of preparing the Financial Statements.

Actual exchange rate differences arising during the year from foreign currency transactions are recorded in financial income or financial expenses. Exchange rate differences due to revaluation of balances of monetary items at the end of accounting year after offsetting the increase with the decrease are recorded in financial income or financial expenses.

2. Recognition of cash and cash equivalents

Cash and cash equivalents include cash on hand, cash at bank.

Cash equivalents are short-term investments with maturity not exceeding 03 months that are easily convertible to known amounts of cash and are subject to an insignificant risk of changes in value since the date of purchase.

3. Recognition of financial investments

a. Investments in Joint venture and associated companies

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

b. Investment in other entities

Investments in equity instruments of other entities represent investments in equity instruments but the Company does not have control, joint control or significant influence over the investee.

Investments in equity instruments of other entities are stated at cost less provisions for investment diminution.

c. Provision for devaluation of investments in associates and capital contributions in other entities

Provision for devaluation of investments is made when there is solid evidence showing a decline in the value of these investments at the end of the financial year preparing the financial statements.

The difference between the increase or decrease in the provision for investments is recorded in financial expenses.

4. Recognition of trade receivables and other receivables

Receivables are presented at book value less provisions of bad debts.

The classification of receivables are trade receivables and other receivables is performed according to the principle:

- Trade receivables reflect receivables of a commercial nature arising from transactions including receivables from sales of export goods entrusted to other units.

- Other receivables reflect non-commercial receivables, not related to purchase and sale transactions.

The allowance for doubtful debts represents the portion of receivables that the Company expects to have a loss or is unlikely to be collected at the end of financial year. Increases or decreases to the allowance account balance are recorded as administrative expenses in the Income Statement.

Receivables are presented short-term, long-term based on the remaining term of the receivables.

5. Recognition of inventory

Inventories are recorded at the lower between historical cost and net realizable value.

The historical cost of inventories is determined as follows:

- Raw materials and goods: Includes purchasing costs and other directly related costs incurred to bring inventory to its current location and condition.

SAOVANG RUBBER JOINT STOCK COMPANY

No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, Vietnam

FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)**

- Finished goods: Includes primary material costs, direct labor costs, and related general manufacturing costs allocated based on regular operating levels.
- Work in progress: Includes primary raw material costs, direct labor costs, and general production costs.

Net realizable value is the difference between the estimated selling price of inventory at year-end and the estimated costs of completion and the estimated costs necessary to sell them.

Inventory value is calculated using the weighted average method and accounted for using the periodic inventory method.

Provision for inventories obsolescence is established for each inventory item whose historical cost is greater than its net realizable value. Increases and decreases in the balance of provision for inventories obsolescence that must be established at the end of financial year are recorded in cost of goods sold.

6. Recognition and depreciation of tangible, intangible fixed assets

Fixed assets are stated at cost less accumulated depreciation. The cost of fixed assets includes all costs that spent to acquire the fixed asset up to the time the asset put into a ready-to-use state. Costs incurred after initial recognition are only recorded as an increase in the historical cost of a fixed asset if these costs definitely increase future economic benefits due to the use of that asset. Incurred costs that do not satisfy the above conditions are recorded as production and business costs during the year.

When fixed assets are sold or liquidated, the original cost and accumulated depreciation are written off and profits, losses arising from the disposal are recorded in income or expenses during the year.

Fixed assets are depreciated using the straight-line method. The depreciation is estimated as follows:

Type of Assets	Depreciation period (years)	
	Current year	Previous year
Buildings & Architectures	03 – 22	03 – 22
Machinery & equipment	02 – 12	02 – 12
Means of transportation	03 – 10	03 – 10
Management tools and equipment	03 – 06	03 – 06
Intangible fixed assets are land use rights with a term	50	50
Intangible fixed assets are indefinite land use rights	No depreciation	No depreciation

The cost of fixed assets and depreciation period are determined according to Circular No. 45/2013/TT-BTC dated 25 April 2013 of the Ministry of Finance guiding the management, using and depreciating of fixed assets and other regulations.

7. Recognition and depreciation of financial leased fixed assets

The cost of finance leased fixed asset is recorded at the fair value of the leased asset or the present value of the minimum lease payments (if the fair value is higher than the present value of the minimum lease payments) plus initial direct costs incurred in connection with the finance lease.

Financial leased fixed assets are depreciated as fixed assets of the Company. For financial leased fixed assets that are not certain to be purchased, depreciation will be calculated according to the lease term when the lease term is shorter than the useful life of the leased asset.

8. Principle of capitalization of prepaid expenses

Prepaid expenses that are only related to annual production and business expenses are recorded as short-term prepaid expenses and are included in production and business expenses for the year.

The calculation and allocation the prepaid expenses to the operation expenses of each accounting year is depended on the characteristic, level of each expense in order to select the reasonable method and the allocation criteria. The expenses are allocated on a straight-line basis.

9. Principles of recognition of construction in progress costs

Construction in progress reflects costs directly related (including related interest expenses in accordance with the company's accounting policies) to assets that are in the process of being constructed. machinery and equipment being installed to serve production, rental and management purposes as well as costs related to ongoing repairs of fixed assets. These assets are recorded at cost and are not depreciated.

10. Recognition of payables and accrued expenses

The payables and accrued expenses are recorded for the amount payables in the future relating to the goods and service supplied. The accrued expenses are recorded in the basis of reasonable estimated amount payables.

The criteria for payables classification of trade payables, accrued expenses and other payables are as follows:

- Trade payables reflects the payable in the trading characteristic from purchasing goods, services, assets and the supplier are an independent unit with the Company, including the payables amounts of importing through the entrustor.
- Accrued expenses reflect the payables for the goods, services received from the seller or supplied to buyer but not yet paid due to no or insufficient invoice, accounting documents and the payable to employees on sabbatical salary, the accrued production expenses.
- Other expenses reflect the payable non-trading characteristic, not relating to purchasing goods, supplying services transactions.

11. Principle of recognition of borrowings and financial leases

The Company must keep track of the payable terms of loans. For loans with a repayment period of more than 12 months from the date of the financial statements, the accountant must present them as long-term borrowings and financial leases. For loans due within the next 12 months from the date of the Financial Statements, the accountant must present them as short-term borrowings and financial lease liabilities for a payment plan.

12. Principles of recognition of provisions for payables

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of financial year.

The difference between the unused provision established in the previous financial year and the provision established in the reporting year is reversed and recorded as a reduction in business expenses in the year, except for the larger difference of the provision for construction warranty payable which is reversed and recorded as other income in the year.

13. Principles of recognition of unrealized revenue

Unrealized revenue includes revenue received in advance, which is the amount of money customers have paid in advance for one or more financial years for leasing assets.

Unrealized revenue is transferred to sales and service revenue or financial revenue at the amount determined in accordance with each financial year.

14. Principles of recognition of science and technology development fund

The science and technology development fund is accounted for in the enterprise's management expenses to determine the business results of the year. The establishment and use of the enterprise's science and technology development fund must comply with the provisions of law.

15. Recognition of owner's equity

Owner's equity

Owner's investment capital is recognized according to the amount actually invested by the shareholders.

Share capital surplus

Share capital surplus is recorded as the difference between the issue price and the par value of shares when first issued, additional issued, the difference between the reissue price and the book value of treasury shares and the equity component of convertible bonds at maturity. Direct costs related to the additional issuance of shares and reissue of treasury shares are recorded as a decrease in share capital surplus.

Treasury stock

Treasury stock are shares issued by the Company and subsequently repurchased. Treasury shares are recorded at their actual value and presented on the Balance Sheet as a reduction in equity.

Distribution profit after tax

Profit after corporate income tax is distributed to shareholders after setting aside funds according to the Company's Charter as well as legal regulations and approved by the General Meeting of Shareholders.

The distribution of profits to shareholders takes into account non-monetary items in undistributed profits after tax that may affect cash flow and the ability to pay dividends such as interest from revaluation of contributed assets, interest from revaluation of monetary items, financial instruments and other non-monetary items.

Dividends payable to shareholders are recorded as payables in the Company's Balance Sheet after the Resolution of the Annual General Meeting of Shareholders, the Resolution of the Board of Management and the notice of dividend payment closing of the Securities Depository Center are established.

Development investment fund

The development investment fund is set aside from profits after corporate income tax and is used to invest in expanding the scale of production, business or in-depth investment of the enterprise.

Other funds

Other funds are set aside and used in accordance with the Company's Charter and the Resolution of the Annual Shareholders' Meeting.

16. Principles and method of recording revenue and income

Revenue is recognized when it is probable that the company will receive economic benefits that can be reliably determined. Revenue is determined at the fair value of amounts received or to be received after deducting trade discounts, sales rebates and sales returns. The following specific conditions must also be met before revenue is recognized as follows:

Revenue from sales of goods, finished goods

Revenue of goods sold should be recognized when all the following conditions have been satisfied:

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Notes to the Financial Statements (continued)

- Most of the risks and rewards associated with ownership of the product or its goods have been transferred to the buyer;
- The Company no longer holds control over the goods such as the ownership of the goods have been transferred to buyers;
- The revenue can be measured reliably. When the contract provides that the buyer is entitled to return products or goods purchased under specific conditions, the revenue is recognized only when those specific conditions cease to be available and the buyer is not entitled to return products, goods (unless customers have the right to return goods in exchange for other goods or services);
- The Company has received or will receive economic benefits from the sale;
- The costs related to the sale transaction is determined.

Revenue from services of leasing asset

Revenue from leasing assets that are operating leases is recognized in the income statement on a straight-line basis based on the term of the lease contract, regardless of payment method.

Future lease payments under operating leases are tracked over the period paid.

Revenue from rendering of services

Revenue from a service transaction is recognized when the outcome of the transaction can be measured reliably. Where services are performed over several periods, the revenue recognized in the year is based on the results of the work completed at the end of the financial year. The outcome of a service provision transaction is determined when all of the following conditions are satisfied:

- The revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the purchased service under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the service rendered;
- It is probable that economic benefits will flow from the transaction providing such services;
- Identify the work completed at the end of the financial year;
- Determine the costs incurred for the transaction and the cost to complete the transaction providing that service.

Interest

Interest is recognized on an accrual basis, determined on the balance of deposit accounts and the actual interest rate each year.

Dividends and profits distributed

Dividends and profits distributed are recognized by the Company when it is entitled to receive dividends or profits from capital contributions. Dividends received in shares are only tracked by the number of shares increased, not the value of shares received.

Revenue deductions

This item is used to reflect the amounts deducted from sales revenue and service provision arising during the year due to returned goods. This account does not reflect taxes deducted from revenue such as output VAT payable calculated by the direct method.

The revenue reduction adjustment is made as follows:

- Sales returns arising in the same period as the consumption of products, goods and services are adjusted to reduce the revenue of the arising period;

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- In case products, goods and services have been consumed in previous years, and the returned goods arise in the following period, the enterprise is allowed to reduce revenue according to the following principle:

+ If products, goods and services have been consumed in previous years and are returned in the following period but occur before the issuance of the Financial Statements, the accountant must consider this an adjusting event occurring after the date of the Balance Sheet and record a reduction in revenue on the Financial Statements of the reporting period (previous year).

+ In case products, goods and services are returned after the issuance of the Financial Statements, the enterprise shall reduce the revenue of the period in which they arise (the following period).

17. Cost of goods sold

Cost of goods sold reflects the cost of products, goods, services sold within the year.

Cost of goods sold in the year was recorded in accordance with the revenue generated in the year and ensured compliance with the prudent principle.

For the cost of direct materials consumed in excess of the normal rate, labor costs, and fixed production overheads that are not allocated to the value of warehoused products, the accountant must immediately calculate them into the cost of goods sold (after deducting compensation, if any) even if the product or goods have not been identified as being sold.

The provision for inventory price reduction is included in the cost of goods sold based on the quantity of inventory and the difference between the net realizable value being less than the original cost of inventory. When determining the volume of inventory with price reduction requiring provision, the accountant must exclude the volume of inventory for which a sales contract has been signed (with a net realizable value not lower than the book value) but has not been transferred to the customer if there is solid evidence that the customer will not abandon the contract.

18. Recognition of financial expenses

Reflecting expenses for financial activities including expenses or losses related to borrowing expenses, provision for loss on investment in other entities and exchange rate losses, ...

19. Recognition of selling expenses and general business administration expenses

Selling expenses reflect the actual costs incurred in the process of selling products, goods, providing services, including the costs of offering goods, introducing products, advertising products, sales commissions, expenses for product and goods warranty (except for construction activities), expenses for preservation, packing, transportation, ...

General and administration expenses reflect general management expenses of the enterprise, including expenses for salaries of employees of the enterprise management sections (salaries, wages, allowances ...); social insurance, health insurance, trade union funds, unemployment insurance of enterprise managers; expenses for office materials, labor tools, depreciation of fixed assets used for enterprise management; land rent, excise tax; provision for bad debts; Outbound services (electricity, water, telephone, fax, property insurance, fire, explosion, ...); Other monetary expenses (reception, ...).

20. Recognition of corporate income tax

Corporate income tax expense recorded on the income statement includes current corporate income tax expense.

Current corporate income tax expenses are calculated basing on taxable profits and income tax rate applied in the current year.

21. Segment performance

Segment performance includes a business segment or a geographical segment.

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Business segment: A partial component of an entity that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

Geographical segment: A distinguishable component of an entity that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

22. Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recorded at historical cost plus transaction costs that are directly attributable to the acquisition of the financial assets. The Company's financial assets include cash and cash equivalents, short-term receivables, other receivables and investments held to maturity.

Financial liabilities: At the date of initial recognition, financial liabilities are recorded at cost less transaction costs directly attributable to the issuance of such financial liabilities. The Company's financial liabilities include trade payables, other payables, accrued expenses and borrowings.

Reassessment after initial recording date

There are currently no regulations on revaluation of financial instruments after initial recognition.

23. Information about related parties

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

In considering the relationship between related parties, more emphasis is placed on the nature of the relationship than the legal form.

Transactions with related parties are presented in Note VIII.2.

V. SUPPLEMENTARY INFORMATION FOR THE ITEMS PRESENTED IN BALANCE SHEET

1. Cash and cash equivalents

	Closing Balance VND	Opening Balance VND
Cash on hand	736,881,743	1,144,061,226
Cash at bank	18,976,963,507	13,567,892,286
Cash equivalents (*)	12,000,000,000	15,000,000,000
Total	31,713,845,250	29,711,953,512

(*): These are bank deposits with a principal term of 1 month and an interest rate of 4.2 - 4.5%/year.

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Notes to the Financial Statements (continued)

2. Short-term investments

a. Investments in others entities

Unit: VND

	Closing Balance				Opening Balance			
	% owner-ship/voting right	Historical cost	Provision	Fair value	% owner-ship/voting right	Historical cost	Provision	Fair value
Investments in associates		505,000,000,000	(2,959,590,804)			505,000,000,000	(3,625,675,024)	
Sao Vang Hoanh Son Joint Stock Company (**)	30.6%	375,000,000,000	(1,623,589,689)	(*)	30.6%	375,000,000,000	(1,623,589,689)	(*)
Sao Vang - Hoanh Son Limited Company	26.0%	130,000,000,000	(1,336,001,115)	(*)	26.0%	130,000,000,000	(2,002,085,335)	(*)
Investment in other entities		8,444,062,358	(836,443,849)			8,444,062,358	(1,312,898,421)	
Phillips Carbon Black Vietnam Joint Stock Company	7.0%	8,444,062,358	(836,443,849)	(*)	7.0%	8,444,062,358	(1,312,898,421)	(*)
Total		513,444,062,358	(3,796,034,653)			513,444,062,358	(4,938,573,445)	

Changes in provision for impairment of long-term financial investments

	Current year VND
Opening Balance	4,938,573,445
Provisioning during the year	-
Reversal during the year	1,142,538,792
Closing Balance	3,796,034,653

(*): The Company has not determined the fair value of these investments as there are no quoted market prices for these investments and Vietnamese Accounting Standards currently do not provide guidance on how to determine fair value using valuation techniques. The fair value of these investments may differ from their book value.

(i): According to the Minutes of the Board of Managements Meeting No. 11A/BB-HĐQT dated 12 February 2025 and the Resolution of the Board of Managements No. 11B/NQ-HĐQT dated 12 February 2025 of SaoVang Rubber Joint Stock Company, SaoVang Rubber Joint Stock Company continues to maintain/hold its investment in Sao Vang - Hoanh Son Joint Stock Company. According to the Minutes of the 2025 Annual General Meeting of Shareholders No. 04-2025/BB-HĐQT dated 21 April 2025 and the Resolution of the 2025 Annual General Meeting of Shareholders No. 01-2025/NQ-ĐHĐCĐ dated 21 April 2025 of Sao Vang - Hoanh Son Joint Stock Company, Sao Vang - Hoanh Son Joint Stock Company will implement the following steps/procedures to carry out the projects within a 5-year period from 2025 to 2029 are as follows:

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Notes to the Financial Statements (continued)

- The application for a permit to implement the Radial automobile tire manufacturing plant project in Ha Tinh province has been submitted but has not yet been approved by the competent State agency. Sao Vang - Hoanh Son Joint Stock Company will continue to complete the Pre-feasibility Study Report for the project implementation to apply for a permit from the State;
- Collaborating with Hoanh Son Group Joint Stock Company to implement a project on a 2,698.8 m² plot of land located at No. 261 Vu Tong Phan Street, Khuong Dinh Ward, Thanh Xuan District, Hanoi, owned by SaoVang Rubber Joint Stock Company;
- Collaborating with Electrical Engineering Consulting and Services Joint Stock Company to acquire/legally use a plot of land with a total area of 8,128.6 m², including 7,353.5 m² outside the planned road boundary and 775.1 m² within the planned road boundary, located at No. 64 Trung Van Street, Nam Tu Liem District, Hanoi;
- Acquiring land use rights for approximately 30 hectares from Phonesack Vietnam Co., Ltd. in the supporting industrial zone, Ky Anh District, Ha Tinh Province.

Furthermore, according to the Minutes of the 2025 Annual General Meeting of Shareholders No. 04-2025/BB-HĐQT dated 21 April 2025 and the Resolution of the 2025 Annual General Meeting of Shareholders No. 01-2025/NQ-ĐHĐCĐ dated 21 April 2025 of Sao Vang - Hoanh Son Joint Stock Company, Sao Vang - Hoanh Son Joint Stock Company has approved the policy of distributing dividends for 2025 in cash from the profit of 2025: 5% of the contributed capital value to shareholders of SaoVang Rubber Joint Stock Company.

(ii): According to Investment Cooperation Agreement No. 18/2016/HĐHTĐT/SRC-HS dated 15 June 2016, between the Company and Hoanh Son Group Joint Stock Company, the parties agreed to establish Sao Vang – Hoanh Son Limited Company to implement the “Sao Vang – Hoanh Son Commercial and Residential Complex” project at 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City. The charter capital of Sao Vang – Hoanh Son Limited Company, according to the Certificate of Business Registration amended for the second time on 27 May 2022, is VND 500,000,000,000, of which SaoVang Rubber Joint Stock Company contributed VND 130,000,000,000, corresponding to an ownership ratio of 26%. Currently, Sao Vang – Hoanh Son Limited Company is implementing the project.

Material transactions between the Company and associates during the year: Details are presented in Note VIII.2.

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

3. Trade receivables

	Closing Balance	Opening Balance
	VND	VND
a. Short-term		
Hoanh Son International Transport General Trading Company Limited	-	83,841,817,500
Viet Nam Import Export and Trading joint Stock Company	387,285,428,580	62,316,529,740
Others	84,522,784,172	92,058,808,980
Total	471,808,212,752	238,217,156,220

b. Trade receivables are related parties: Details are presented in Note VIII.2.

The Company has mortgaged 50% of the value of property rights arising from economic contracts with parties having payment obligations to the Company to secure loans as presented in Note V.13.

4. Advance to suppliers

	Closing Balance	Opening Balance
	VND	VND
Short-term		
Consultant and Inspection Joint Stock Company of Construction Technology and Equipment - Coninco	378,000,000	-
Nhat Minh Environment Construction and Consulting Company Limited	134,951,600	134,951,600
Others	231,034,601	585,183,553
Total	743,986,201	720,135,153

5. Other receivables

	Closing Balance	Opening Balance
	VND	VND
a. Short-term		
Advances	1,650,000,000	-
Pledges, mortgages	307,938,135	610,060,278
Other receivables	4,165,438,752	5,311,859,493
- Interest receivable	25,511,868	1,506,087,371
- Phillips Carbon Black Vietnam Joint Stock Company	2,966,978,675	2,966,978,675
- Others	1,172,948,209	838,793,447
Total	6,123,376,887	5,921,919,771
b. Long-term		
Pledges, mortgages	2,013,000,000	97,823,430,950
Total	2,013,000,000	97,823,430,950

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Notes to the Financial Statements (continued)

Unit: VND

6. Bad debts

	Closing Balance			Opening Balance		
	Historical cost	Provision	Recoverable value	Historical cost	Provision	Recoverable value
Short-term						
Trade receivables	23,535,639,661	10,223,525,978	13,312,113,683	8,639,416,958	6,657,121,958	1,982,295,000
Development and Transport Lao – Viet Sole Company Limited	17,977,092,210	5,393,127,663	12,583,964,547	-	-	-
981 Investment Joint Stock Company	1,090,733,584	763,513,509	327,220,075	1,090,733,584	1,090,733,584	-
Nam Tien Limited Liability Company	-	-	-	2,831,850,000	849,555,000	1,982,295,000
Ms. Nguyen Thi Huong	2,208,428,046	2,208,428,046	-	2,208,428,046	2,208,428,046	-
Others	2,259,385,821	1,858,456,760	400,929,061	2,508,405,328	2,508,405,328	-
Other receivables	2,966,978,675	2,966,978,675	-	2,966,978,675	2,966,978,675	-
Phillips Carbon Black Vietnam Joint Stock Company	2,966,978,675	2,966,978,675	-	2,966,978,675	2,966,978,675	-
	-	-	-	-	-	-
Total	26,502,618,336	13,190,504,653	13,312,113,683	11,606,395,633	9,624,100,633	1,982,295,000

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Notes to the Financial Statements (continued)

7. Inventories

Unit: VND

	Closing Balance		Opening Balance	
	Historical cost	Provision	Historical cost	Provision
Goods in transit	5,653,351,682	-	1,910,925,768	-
Raw materials	115,719,893,707	-	132,424,692,992	-
Tools and equipment	2,041,593,825	-	2,388,412,028	-
Work in progress	9,525,566,916	-	10,167,740,955	-
Finished goods	137,531,942,972	(807,827,444)	103,422,784,358	(974,286,659)
Goods	195,010,909	-	11,549,979	-
Goods in transit for sale	505,703,410	(4,933,351)	965,593,529	(2,012,151)
Total	271,173,063,421	(812,760,795)	251,291,699,609	(976,298,810)

The Company has used all circulating inventory at Thai Binh Branch and 50% of inventory, semi-finished products, finished products at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City as collateral for bank loans as presented in Note V.13.

8. Prepaid expenses

	Closing Balance	Opening Balance
	VND	VND
a. Short-term		
Fire and explosion insurance	410,861,840	271,208,684
Billboard rental expenses	959,429,102	422,554,370
LC expenses	-	125,354,527
Others	79,464,091	129,906,458
Total	1,449,755,033	949,024,039
b. Long-term		
Cost of tools and equipment used	2,653,443,608	2,995,162,502
Others	-	128,333,333
Total	2,653,443,608	3,123,495,835

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Notes to the Financial Statements (continued)

Unit: VND

9. Movements in tangible fixed assets

	Buildings & architecture items	Machineries & equipment	Means of transportation	Management tools and equipment	Total
Historical cost					
Opening Balance	116,343,220,590	511,132,266,210	54,617,269,482	786,447,907	682,879,204,189
Increasing during the year	714,132,863	11,690,062,736	-	-	12,404,195,599
- Newly purchased	714,132,863	299,103,000	-	-	1,013,235,863
- Acquisition of leased assets	-	11,390,959,736	-	-	11,390,959,736
Decreasing during the year	(855,885,957)	-	-	-	(855,885,957)
- Sold, disposed	(855,885,957)	-	-	-	(855,885,957)
Closing Balance	116,201,467,496	522,822,328,946	54,617,269,482	786,447,907	694,427,513,831
Accumulated depreciation					
Opening Balance	101,150,749,710	506,258,187,316	42,891,657,127	786,447,907	651,087,042,060
Increasing during the year	1,778,319,082	9,533,136,677	1,789,285,636	-	13,100,741,395
- Depreciation	1,778,319,082	3,325,011,225	1,789,285,636	-	6,892,615,943
- Depreciation from the acquisition of leased assets	-	6,208,125,452	-	-	6,208,125,452
Decreasing during the year	(855,885,957)	-	-	-	(855,885,957)
- Sold, disposed	(855,885,957)	-	-	-	(855,885,957)
Closing Balance	102,073,182,835	515,791,323,993	44,680,942,763	786,447,907	663,331,897,498
Net book value					
Opening Balance	15,192,470,880	4,874,078,894	11,725,612,355	-	31,792,162,129
Closing Balance	14,128,284,661	7,031,004,953	9,936,326,719	-	31,095,616,333

As at 31 December 2025, the historical costs of tangible fixed assets were fully depreciated but still worth using is VND 626,372,082,874.

As at 31 December 2025, some tangible fixed assets with historical cost and net book value of VND 187,086,564,062 and VND 254,219,342 respectively, were mortgaged to secure the Company's loans at Joint Stock Commercial Bank for Investment and Development of Vietnam - Hanoi Branch and Vietnam Joint Stock Commercial Bank For Industry and Trade - Dong Da Branch (Note V.13).

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As at 31 December 2025, the assets located on the land at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City (assets to be liquidated, demolished and relocated to No. 484 Nguyen Van Linh Street, Xuan Hoa Ward, Phu Tho Province during the period from late 2025 to 2027) to return the land for the cooperation project "Sao Vang - Hoanh Son Commercial and Housing Complex" at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City (according to Note V.18) have the historical cost and net book value as follows:

As at 31 December 2025	Historical cost	Net book value
Buildings & Architectures	81,353,903,373	2,663,803,400
Machinery & equipment	453,755,425,865	6,256,616,558
Means of transportation	47,733,786,485	9,750,592,194
Management tools and equipment	786,447,907	-
Total	583,629,563,630	18,671,012,152

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

Unit: VND

10. Movements in intangible fixed assets

	Long-term land use rights	Term land use right	Total
Historical cost			
Opening Balance	3,042,378,022 ^(*)	573,345,000	3,615,723,022
Increasing during the year	6,719,389,330	-	6,719,389,330
- Newly purchased ^(**)	6,719,389,330	-	6,719,389,330
Decreasing during the year	-	-	-
- Sold, disposed	-	-	-
Closing Balance	9,761,767,352	573,345,000	10,335,112,352
Accumulated depreciation			
Opening Balance	-	217,871,100	217,871,100
Increasing during the year	-	11,466,900	11,466,900
- Depreciation	-	11,466,900	11,466,900
Decreasing during the year	-	-	-
- Sold, disposed	-	-	-
Closing Balance	-	229,338,000	229,338,000
Net book value			
Opening Balance	3,042,378,022	355,473,900	3,397,851,922
Closing Balance	9,761,767,352	344,007,000	10,105,774,352

The Company has mortgaged land use rights in Da Nang to secure loans (Note V.13).

(*) Land information is as follows:

- Map sheet number KT03/3;
- Address of the land plot: Hoa Chau commune, Hoa Vang district, Da Nang city (now Hoa Xuan ward, Da Nang city);
- Area: 2,475.0 m²;
- Purpose of land use: Land for production and business facilities (construction of parking lot and warehouse);
- Duration of use: Long-term;
- Origin of land use: State-allocated land with payment of land use fees.

(**) Land information is as follows:

- Land plot number 173, Map sheet number 16-A-II-d;
- Address of the land plot: Group 4, Cluster 1, Ha Dinh ward, Thanh Xuan district, Hanoi city (now Group 4, Cluster 1, Khuong Dinh ward, Hanoi city);
- Area: 45.5 m²;
- Type of land: Urban residential land.

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

Unit: VND

11. Movements in financial lease assets

	Machineries, Equipment	Total
Historical cost		
Opening Balance	20,124,700,342	20,124,700,342
Increasing during the year	-	-
- <i>Financial lease for the year</i>	-	-
Decreasing during the year	(11,373,361,736)	(11,373,361,736)
- <i>Sold, disposed</i>	(11,373,361,736)	(11,373,361,736)
Closing Balance	8,751,338,606	8,751,338,606
Accumulated depreciation		
Opening Balance	7,019,707,635	7,019,707,635
Increasing during the year	2,762,133,853	2,762,133,853
- <i>Depreciation</i>	2,762,133,853	2,762,133,853
Decreasing during the year	(6,208,125,452)	(6,208,125,452)
- <i>Sold, disposed</i>	(6,208,125,452)	(6,208,125,452)
Closing Balance	3,573,716,036	3,573,716,036
Net book value		
Opening Balance	13,104,992,707	13,104,992,707
Closing Balance	5,177,622,570	5,177,622,570

As at 31 December 2025, the assets on the land at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City (assets to be relocated to No. 484 Nguyen Van Linh Street, Xuan Hoa Ward, Phu Tho Province during the period from late 2025 to 2027) to return the land for the cooperation project "Sao Vang - Hoanh Son Commercial and Housing Complex" at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City (according to Note V.18)) have historical cost and net book value of VND 6,697,908,358 and VND 3,667,619,750.

12. Long-term assets in progress

Construction in progress

	Closing Balance	Opening Balance
	VND	VND
- Procurement	2,302,914,625	-
- Basic Construction	3,205,033,582	1,656,758,754
<i>Building warehouse, expanding factory in Xuan Hoa</i>	2,845,553,026	1,656,758,754
<i>Relocation project of Sao Vang Rubber factory at No. 231 Nguyen Trai street</i>	359,480,556	-
- Major repairs	-	408,850,110
Total	5,507,948,207	2,065,608,864

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)
13. Loans and finance lease liabilities

Unit: VND

	Closing Balance		Within the year		Opening Balance	
	Value	Recoverable value	Increases	Decreases	Value	Recoverable value
a. Short-term	470,997,604,774	470,997,604,774	1,292,915,379,298	1,077,597,307,687	255,679,533,163	255,679,533,163
Loans from bank	469,943,498,347	469,943,498,347	1,291,829,067,924	1,074,763,039,253	252,877,469,676	252,877,469,676
Vietnam Joint Stock Commercial Bank for Industry and Trade - Dong Da branch ^(a)	76,486,855,698	76,486,855,698	298,878,925,065	299,002,509,687	76,610,440,320	76,610,440,320
Vietnam Joint Stock Commercial Bank For Industry and Trade - Phuc Yen branch ^(b)	13,526,929,759	13,526,929,759	96,543,520,630	121,122,545,423	38,105,954,552	38,105,954,552
Joint Stock Commercial Bank for Investment and Development of Vietnam - Hanoi branch ^(c)	331,089,712,890	331,089,712,890	847,566,622,229	654,637,984,143	138,161,074,804	138,161,074,804
Vietnam Prosperity Joint Stock Commercial Bank ^(d)	48,840,000,000	48,840,000,000	48,840,000,000	-	-	-
Long-term loans due to date	1,054,106,427	1,054,106,427	1,086,311,374	2,834,268,434	2,802,063,487	2,802,063,487
BIDV - Sumi Trust Leasing Co.,ltd ^(e)	366,264,419	366,264,419	224,060,886	2,301,069,946	2,443,273,479	2,443,273,479
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade ^(f)	687,842,008	687,842,008	862,250,488	533,198,488	358,790,008	358,790,008
b. Long-term	2,674,490,881	2,674,490,881	2,216,340,000	1,657,406,374	2,115,557,255	2,115,557,255
Finance lease liabilities	2,674,490,881	2,674,490,881	2,216,340,000	1,657,406,374	2,115,557,255	2,115,557,255
BIDV - Sumi Trust Leasing Co.,ltd ^(e)	-	-	-	224,060,886	224,060,886	224,060,886
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade ^(f)	2,674,490,881	2,674,490,881	2,216,340,000	1,433,345,488	1,891,496,369	1,891,496,369
Total	473,672,095,655	473,672,095,655	1,295,131,719,298	1,079,254,714,061	257,795,090,418	257,795,090,418

(a) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Dong Da branch under Loan Contract No. 360/2025/HĐCVHM/NHCT126-CAOSUSAOVANG dated 27 June 2025 to supplement working capital for rubber tire production and business activities. The limit is VND 150 billion, the term and interest rate are specified on each Promissory note, but not exceeding 06 months for Promissory note. Interest rate as at 31 December 2025:

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FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)**

interest rate on VND is 6.8%/year, interest rate on USD is 5.2 – 5.3%/year. The foreign currency loan balance as at 31 December 2025 is USD 2,285,657.08. The collateral assets securing the loan includes:

- 50% of property rights arising from economic contracts with parties having payment obligations to the Company;
 - Land use rights in Hoa Chau Commune, Hoa Vang District, Da Nang City (currently as Hoa Xuan Ward, Da Nang City).
- (b) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - Phuc Yen branch under Loan Contract No. 06/2025/HĐCVHM/NHCT260-SRC dated 30 June 2025 to supplement working capital for rubber tire production and business activities. The limit is VND 50 billion, the limit maintenance period is until 30 June 2026 and the interest rate is specified on each Promissory note, but not exceeding 06 months for Promissory note. The interest rate on VND as at 31 December 2025 is 6.8%/year. The collateral assets securing the loan includes:
- All inventories at Thai Binh branch, including all kinds of tires, main raw materials, fuel, auxiliary materials and other goods with a current value of VND 15 billion;
 - Machinery and equipment at the company and the smelting workshop stated in the asset mortgage contract No. 1206045/HĐTC dated 15 November 2006, asset mortgage contract No. 1206034/HĐTC dated 01 June 2006.
- (c) Loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Hanoi branch under credit limit contract No. 01/2025/135074/HĐTD dated 31 July 2025 to supplement working capital, issue guarantees, open letters of credit to support rubber product manufacturing and coal trading activities. The maximum limit is VND 500 billion, the credit limit is valid until 31 July 2026, the term and interest rate are specified in each specific loan agreement. Interest rates as of 31 December 2025 for VND loans is 6.3-7%/year, USD loans is 4.4%/year. The foreign currency loan balance as at 31 December 2025 is USD 297,450. The collateral assets securing the loan includes:
- Assets attached to the Company's land at No. 261 Vu Tong Phan Street, Thanh Xuan District, Hanoi City (currently as No. 261 Vu Tong Phan Street, Khuong Dinh Ward, Hanoi City); at No. 63 Nguyen Binh Khiem Street, District 1, Ho Chi Minh City (currently as No. 63 Nguyen Binh Khiem Street, Tan Dinh Ward, Ho Chi Minh City); at land plot No. 1, map sheet No. 01/2012/TLĐC located in Tien Phong Ward, Thai Binh City, Thai Binh Province (currently as Thai Binh Ward, Hung Yen Province);
 - Assets attached to land of Vung Ang Investment and Development Joint Stock Company at the Social Housing Apartment for Soldiers of the Ministry of Public Security, No. 282 Nguyen Huy Tuong, Thanh Xuan Trung Ward, Thanh Xuan District, Hanoi City (currently as No. 282 Nguyen Huy Tuong, Thanh Xuan Ward, Hanoi City) according to the following land use rights certificates and assets attached to land:
 - + No. AA 01714638, Certificate of Land Use Right Registration Number: VP 10454, Hanoi Land Registration Office, issued on 23 April 2025;
 - + No. AA 01714639, Certificate of Land Use Right Registration Number: VP 10453, Hanoi Land Registration Office, issued on 23 April 2025;
 - + No. AA 01714642, Certificate of Land Use Right Registration Number: VP 10456, Hanoi Land Registration Office, issued on 23 April 2025;
 - + No. AA 01714645, Certificate of Land Use Right Registration Number: VP 10458, Hanoi Land Registration Office, issued on 23 April 2025;

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FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)**

-
- + No. AA 01714760, Certificate of Land Use Right Registration Number: VP 10459, Hanoi Land Registration Office, issued on 23 April 2025;
 - 50% of inventories, semi-finished products, finished products used for production, exchange, purchase, sale, lease within the scope of production and business activities and goods in the warehouse at No. 231 Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi City (currently as No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City);
- (d) Loan from Vietnam Prosperity Joint Stock Commercial Bank under Credit Limit Agreement No. BCLC-12376-01 dated 15 December 2025, for the purpose of supplementing working capital, issuing L/C, and issuing guarantees to serve the production and business activities of tires and coal trading. The limit is VND 300 billion, the limit is maintained until 15 December 2026, and the interest rate is specified on each Promissory Note, but not exceeding 6 months/Promissory Note. Interest rate on VND as of 31 December 2025 is 8.5%/year. The collateral securing the loan includes:
- Property rights related to the investment, construction, and development of the high-rise commercial, service, and residential complex project located at No. 231 Nguyen Trai Street, Thuong Dinh Ward, Thanh Xuan District, Hanoi (currently as No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi);
 - Future and existing debt claims approved by the Bank;
 - Personal guarantee of Mr. Pham Hoanh Son (Management Board).
- (e) Loans from BIDV - Sumi Trust Leasing Co.,ltd under the following loan contracts:
- Financial Lease Contract No. 21721000124/HĐCTTC dated 11 May 2021: The purpose of the loan is to lease the asset of fi250 pressure press machine. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 6.9%/year.
 - Financial Lease Contract No. 21721000125/HĐCTTC dated 11 May 2021: The purpose of the loan is to lease the asset of an automatic oil filling system. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 6.9%/year.
 - Financial Lease Contract No. 21721000126/HĐCTTC dated 11 May 2021: The purpose of the loan is to lease assets of motors and inverter cabinets. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 6.9%/year.
- (f) Loans from Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade under the following loan contracts:
- Financial Lease Contract No. 02.168/2023/TSC-CTTC dated 25 December 2023: The purpose of the loan is to lease the asset of a motorcycle tube connector. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 9.5%/year.
 - Financial Lease Contract No. 02.039/2024/TSC-CTTC dated 30 May 2024: The purpose of the loan is to lease the asset of a rometer rubber vulcanization measuring machine. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 9.5%/year.
 - Financial Lease Contract No. 02.024/2025/TSC-CTTC dated 27 March 2025: The purpose of the loan is to lease the asset specifically a motorcycle tire connector machine. The loan term is 60 months from the date of first loan disbursement and the loan interest rate is 9%/year.

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FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)***Unit: VND***Details of financial lease payment****Subject**

BIDV - Sumi Trust Leasing Co.,Ltd
Finance Leasing Company Limited - Vietnam Joint Stock
Commercial Bank for Industry and Trade

Total**From 01/01/2025 to 31/12/2025**

	Total lease payments	Interest payment	Principal repayment
BIDV - Sumi Trust Leasing Co.,Ltd	2,203,840,892	118,227,362	2,301,069,946
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade	759,656,352	226,457,864	533,198,488
Total	2,963,497,244	344,685,226	2,834,268,434

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

Unit: VND

14. Trade payables

	Closing Balance		Opening Balance	
	Amount	Recoverable Amount	Amount	Recoverable Amount
a. Short-term				
SAIC Hongyan Automobile Co., Ltd.	-	-	56,212,200,000	56,212,200,000
Ha Tinh Rubber Company Limited	16,746,115,050	16,746,115,050	10,877,456,100	10,877,456,100
Quang Tri Rubber Company Limited	16,066,071,000	16,066,071,000	16,684,206,000	16,684,206,000
Kim Truong Phuc Company Limited	13,361,998,198	13,361,998,198	13,185,364,997	13,185,364,997
Hanoi Industrial Textile Joint Stock Company	7,786,670,919	7,786,670,919	9,646,333,138	9,646,333,138
Others	38,078,159,015	38,078,159,015	41,647,608,288	41,647,608,288
Total	92,039,014,182	92,039,014,182	148,253,168,523	148,253,168,523

b. Trade payables are related parties: Details are presented in Note VIII.2.

15. Advances from customers

	Closing Balance	Opening Balance
	VND	VND
a. Short-term		
Hoanh Son Group Joint Stock Company	-	31,087,674,319
New Construction Investment Joint Stock Company	2,628,528,104	2,628,528,104
Others	7,444,916,382	8,829,123,490
Total	10,073,444,486	42,545,325,913

b. Advances from customers are related parties: Details are presented in Note VIII.2.

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Notes to the Financial Statements (continued)

Unit: VND

16. Tax payables and statutory obligations

	Opening Balance		Payable arising in the year	Paid during the year	Closing Balance	
	Receivable	Payable			Receivable	Payable
Value-added tax	-	206,965,598	6,491,664,862	6,697,500,330	-	1,130,130
Value-added tax on imported goods	-	-	16,675,033,042	16,675,033,042	-	-
Import & export tax	-	-	798,118,921	798,118,921	-	-
Corporate income tax	30,961,831,609	-	39,494,631,979	3,038,379,487	-	5,494,420,883
Personal income tax	-	123,031,144	852,878,713	856,114,560	-	119,795,297
Land tax, land rent (*)	-	-	8,529,447,641	14,188,715,409	5,659,267,768	-
Other types of taxes	-	-	25,488,003	25,488,003	-	-
Fees, charges and others	-	-	5,440,156	5,440,156	-	-
Total	30,961,831,609	329,996,742	72,872,703,317	42,284,789,908	5,659,267,768	5,615,346,310

(*) Details of land lease payments made during the year include:

- Land tax offset according to Decision No. 163987/QĐ-HAN-KDT dated 04 December 2025:	13,231,671,471
- Payment in cash:	957,043,938
Total (VND)	14,188,715,409

SAOVANG RUBBER JOINT STOCK COMPANY
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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

17. Accrued expenses

	Closing Balance VND	Opening Balance VND
Short-term		
Financial obligations related to recycling responsibility paid to the Environmental Protection Fund	4,188,720,609	2,155,063,590
Electricity expenses	819,506,845	557,052,846
Interest expenses	491,032,000	344,600,000
Others	747,882,156	689,958,710
Total	6,247,141,610	3,746,675,146

18. Other payables

	Closing Balance VND	Opening Balance VND
a. Short-term		
Trade union fee	326,970,123	249,166,725
Social insurance	-	954,480
Deposits received	505,726,000	3,389,497,355
Dividends, profits payable	1,126,793,761	1,117,901,958
Others	1,151,325,649	967,994,934
Total	3,110,815,533	5,725,515,452
b. Long-term		
Others	143,500,000,000	143,500,000,000
<i>Payable under investment cooperation contract (*)</i>	<i>143,500,000,000</i>	<i>143,500,000,000</i>
Total	143,500,000,000	143,500,000,000

(*) According to the Investment Cooperation Contract No. 18/2016/HĐHTĐT/SRC-HS dated 15 June 2016 between the Company and Hoanh Son Group Joint Stock Company, the parties agreed to establish Sao Vang - Hoanh Son Company Limited to implement the project "Sao Vang - Hoanh Son Commercial and Housing Complex" at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City. According to this contract, Sao Vang - Hoanh Son Company Limited will pay and support the Company with expenses related to the relocation of the factory at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City and invest in the new factory with a total amount of VND 435 billion and the Company has received the first and second installments from Sao Vang - Hoanh Son Company Limited with a total amount of VND 143.5 billion. According to the Board of Management Decision No. DD-01/QĐ-HĐQT dated 12 June 2025 approving the "Relocation of Sao Vang Rubber Factory" at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City, the Company will relocate its production facility from No. 231 Nguyen Trai to Xuan Hoa, Phu Tho province, expected time from 2025 - 2027.

c. Other payables are related parties: Details are presented in Note VIII.2.

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 FINANCIAL STATEMENTS
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19. Unrealized revenue

	Closing Balance VND	Opening Balance VND
Short-term		
Revenue received in advance	20,833,331	-
Total	20,833,331	-

20. Provisions for payables

	Closing Balance VND	Opening Balance VND
Short-term		
Provision for warranty of goods	446,256,207	659,085,638
Total	446,256,207	659,085,638

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FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

21. Owner's equity

Unit: VND

a) Movement in owner's equity

	Contributed legal capital	Share capital surplus	Treasury stock	Investment and development funds	Undistributed after tax profits	Total
As at 31/12/2023	280,657,650,000	3,605	(23,970,000)	108,014,502,579	54,701,336,990	443,349,523,174
Increasing in previous year	-	-	-	-	-	-
Profit in previous year	-	-	-	-	-	-
Distributing profits in the previous year	-	-	-	-	151,640,075,518	151,640,075,518
- <i>Development Investment Fund</i>	-	-	-	8,820,190,710	(28,754,925,080)	(19,934,734,370)
- <i>Bonus and welfare fund</i>	-	-	-	8,820,190,710	(8,820,190,710)	-
- <i>Executive Management Reward Fund</i>	-	-	-	-	(2,940,063,570)	(2,940,063,570)
- <i>Dividends</i>	-	-	-	-	(156,650,000)	(156,650,000)
	-	-	-	-	(16,838,020,800)	(16,838,020,800)
As at 31/12/2024	280,657,650,000	3,605	(23,970,000)	116,834,693,289	177,586,487,428	575,054,864,322
As at 31/12/2024	280,657,650,000	3,605	(23,970,000)	116,834,693,289	177,586,487,428	575,054,864,322
Increasing in current year	-	-	-	-	-	-
Profit in current year	-	-	-	-	-	-
Distributing profits in the current year (*)	-	-	-	-	24,619,338,188	24,619,338,188
- <i>Development Investment Fund</i>	-	-	-	45,492,022,655	(77,795,301,007)	(32,303,278,352)
- <i>Bonus and welfare fund</i>	-	-	-	45,492,022,655	(45,492,022,655)	-
- <i>Executive Management Reward Fund</i>	-	-	-	-	(15,164,007,552)	(15,164,007,552)
- <i>Dividends</i>	-	-	-	-	(301,250,000)	(301,250,000)
	-	-	-	-	(16,838,020,800)	(16,838,020,800)
As at 31/12/2025	280,657,650,000	3,605	(23,970,000)	162,326,715,944	124,410,524,609	567,370,924,158

(*) Profit distribution in the current year is in accordance with Resolution of the 2025 Annual General Meeting of Shareholders No. 60/NQ-DHĐCĐ dated 21 April 2025 of SaoVang Rubber Joint Stock Company.

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b) Details of contributed legal capital

	Closing Balance	%	Opening Balance	%
	VND		VND	
Hoanh Son Group Joint Stock Company	140,932,900,000	50.22	140,932,900,000	50.22
Vietnam National Chemical Group	101,041,150,000	36.00	101,041,150,000	36.00
Others	38,659,630,000	13.77	38,659,630,000	13.77
Treasury stock	23,970,000	0.01	23,970,000	0.01
Total	280,657,650,000	100	280,657,650,000	100

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

	Current year	Previous year
	VND	VND
Contributed capital		
Opening Balance	280,657,650,000	280,657,650,000
Increasing during the year	-	-
Decreasing during the year	-	-
Closing Balance	280,657,650,000	280,657,650,000
Distributed profits, dividends	16,838,020,800	16,838,020,800
- Dividends, profits divided on previous year's profits	16,838,020,800	16,838,020,800
- Provisional Dividends, profits on this year's profits	-	-

d) Stock

	Closing Balance	Opening Balance
Quantity of authorized issuing stocks	28,065,765	28,065,765
Quantity of issued stocks	28,065,765	28,065,765
- Common stocks	28,065,765	28,065,765
Quantity of repurchased stocks	2,397	2,397
- Common stocks	2,397	2,397
Quantity of circulation stocks	28,063,368	28,063,368
- Common stocks	28,063,368	28,063,368

- Par value per stock: VND 10,000/stock.

e) Funds of the Company

	Closing Balance	Opening Balance
Investment and development funds	162,326,715,944	116,834,693,289
Total	162,326,715,944	116,834,693,289

22. Off Balance Sheet items

	Closing Balance	Opening Balance
Foreign currency		
- USD	15,457.32	49,195.62
- RUB	9,821.11	6,398.11

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

VI. SUPPLEMENTARY INFORMATION FOR THE ITEMS PRESENTED IN INCOME STATEMENT

1. Revenue from sales of goods and rendering of services

	Current year	Previous year
	VND	VND
Revenue from sale of goods	673,913,352,646	192,445,447,986
Revenue from sale of finished goods	801,498,426,204	852,114,555,887
Revenue from rendering services	12,337,683,099	17,423,601,197
Revenue from selling of materials	2,241,321,730	1,096,002,300
Revenue from other activities	293,742,431	270,466,825
Total	<u>1,490,284,526,110</u>	<u>1,063,350,074,195</u>

Revenue from related parties: Details are presented in Note VIII.2.

2. Revenue deductions

	Current year	Previous year
	VND	VND
Trade discounts	34,293,330,620	35,570,201,845
Sales returns	195,194,397	-
Total	<u>34,488,525,017</u>	<u>35,570,201,845</u>

3. Cost of goods sold

	Current year	Previous year
	VND	VND
Cost of goods sold	644,533,797,522	189,162,073,354
Cost of finished goods sold	665,730,166,915	693,140,221,373
Cost of materials sold	1,802,469,558	823,198,460
Cost of goods sold reduction	(163,538,015)	(1,472,150,470)
Total	<u>1,311,902,895,980</u>	<u>881,653,342,717</u>

4. Financial income

	Current year	Previous year
	VND	VND
Interest income	347,837,236	2,981,238,755
Gain from foreign exchange rate difference	2,720,275,173	2,278,864,013
Total	<u>3,068,112,409</u>	<u>5,260,102,768</u>

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

5. Financial expenses	Current year VND	Previous year VND
Interest expenses	20,544,834,413	15,350,281,706
Payment discount, deferred sales interest	5,002,329,000	5,499,065,970
Loss from foreign exchange difference	1,222,079,192	1,395,521,030
Provision for (reversal of) loss on investment in associates and other companies	(1,142,538,792)	2,029,087,172
Total	25,626,703,813	24,273,955,878
6. Other income	Current year VND	Previous year VND
Income from transferring land lease rights and using infrastructure rights at Chau Son Industrial Park, Ha Nam	-	303,837,948,660
Reversal of the science and technology fund in 2020	6,234,455,123	-
Others	1,461,535,031	3,046,001,994
Total	7,695,990,154	306,883,950,654
7. Other expenses	Current year VND	Previous year VND
Expense from transferring land lease rights and using infrastructure rights at Chau Son Industrial Park, Ha Nam	-	143,747,661,057
Others	29,471,239	501,391,296
Total	29,471,239	144,249,052,353

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FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)****8. Selling expenses**

	Current year VND	Previous year VND
Expenses of staff	6,594,549,259	5,448,767,398
Expenses of materials, packaging	14,620,341	-
Depreciation of fixed asset	11,466,900	11,466,900
Expenses of outsourced services	18,907,327,032	23,244,670,407
Advertising expenses	1,392,549,096	1,686,826,325
Product warranty costs expenses	1,881,815,407	3,129,885,295
Others	1,810,432,780	1,949,408,075
Total	30,612,760,815	35,471,024,400

9. General and administration expenses

	Current year VND	Previous year VND
Expenses of administrative staff	24,401,048,815	25,601,016,691
Expenses of administrative material	1,256,946,614	-
Office supplies	350,259,977	-
Depreciation of fixed asset	2,446,558,093	2,148,035,502
Land tax, land rent	8,529,447,641	14,269,158,214
Expenses of outsourced services	10,231,227,782	9,732,027,594
Others	15,280,320,398	13,278,076,698
Provision expenses	3,566,404,020	(1,416,587,208)
Total	66,062,213,340	63,611,727,491

10. Business and productions cost by items

	Current year VND	Previous year VND
Raw materials	563,307,275,866	558,898,262,454
Labor expenses	109,709,337,747	112,230,123,063
Depreciation expenses	9,666,216,696	10,307,684,973
Expenses of outsourced services	60,724,154,046	66,152,249,557
Others	50,454,146,140	44,839,568,183
Provision expenses	3,190,036,574	(3,000,722,848)
Total	797,051,167,069	789,427,165,382

11. Current Corporate Income Tax (CIT) expenses

Corporate income tax payable is determined at a rate of 20% on taxable income.

The Company's tax settlement will be subject to examination by tax authorities. The application of tax laws and regulations to many different types of transactions is subject to different interpretations, the tax amounts presented in the Financial Statements may be subject to change at the determination of the tax authorities.

The below table presents the estimate current corporation income tax of the Company:

	Current year
	VND
Profit before tax	32,326,058,469
Adjustments to increase (decrease) accounting profit to determine taxable profit	
- Adjustments to increase	6,207,542,934
+ <i>Unrealized exchange rate difference</i>	4,012,675,976
+ <i>Allowance of non-executive members of the Board of Management and the Board of Supervisors</i>	126,000,000
+ <i>Non-deductible expenses</i>	2,068,866,958
- Adjustments to decrease	-
Taxable income	38,533,601,403
Income tax rate	20%
Current corporate income tax expense	7,706,720,281

12. Basic/diluted earnings per share

	Current year	Previous year
	VND	VND
Profit after tax	24,619,338,188	151,640,075,518
Adjustments to increase/(decrease) accounting profit	-	-
Profit or loss attributable to shareholders	24,619,338,188	151,640,075,518
Amount of deduction from bonus fund, welfare fund, executive board bonus fund (*)	-	15,465,257,552
Average common shares outstanding during the year	28,063,368	28,063,368
Earnings per share		
- Basic earnings per share	877	4,852
- Diluted earnings per share	877	4,852

There were no dilutive potential ordinary shares during the year and up to the date of this report.

(*) According to Resolution No. 60/NQ-DHĐCĐ dated 21 April 2025, of the Annual General Meeting of Shareholders of SaoVang Rubber Joint Stock Company.

VII. SUPPLEMENTARY INFORMATION FOR THE ITEMS PRESENTED IN THE CASH FLOW STATEMENT

No information

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FINANCIAL STATEMENTS**Notes to the Financial Statements (continued)****VIII. OTHER INFORMATION****1. Information on events after the end of the accounting year**

As at 6 March 2026, the Company is continuing the liquidation, demolition and relocation of assets located on the land at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City to Xuan Hoa, Phu Tho Province (according to Note V.9 and V.11) to return the land to Sao Vang - Hoanh Son Co., Ltd. (the company established to implement the "Sao Vang - Hoanh Son Commercial and Housing Complex" project at No. 231 Nguyen Trai Street, Khuong Dinh Ward, Hanoi City), with the expected implementation period from the end of 2025 to 2027.

Except for the event mentioned above, the Board of General Directors of the Company confirms there have been no significant events occurring after 31 December 2025 up to the date of this report, which would require adjustments or disclosures to be made in the Financial Statements.

2. Related parties transactions**2.1 List of related parties**

Related parties	Relationship
Hoanh Son Group Joint Stock Company	Parent company
Vietnam National Chemical Group	Major shareholder
Sao Vang Hoanh Son Joint Stock Company	Associates
Sao Vang - Hoanh Son Limited Company	Associates
Viet Anh Construction And Investment Consulting Trade Joint Stock Company	Company related to Chairman of the Board of Management
Hanoi Beer Group Joint Stock Company	Company related to Chairman of the Board of Management
Hoanh Son International Transport General Trading Company Limited	Company related to Chairman of the Board of Management
Hoanh Son Investment And Development Joint Stock Company	Company related to Chairman of the Board of Management
Sao Vang Group Beer Alcohol And Beverage Joint Stock Company	Company related to Chairman of the Board of Management

The key management members and the individuals involved are the member of the Board of Management, the Board of General Directors, Chief Accountant, the Board of Supervisors and the close members of these individuals' families.

2.2 Related parties transactions

During the year, the Company had transactions with related parties. Significant transactions are as follows:

Related parties	Content	Transaction value	
		Current year	Previous year
Hoanh Son Group Joint Stock Company	Sale of goods and rendering of services	198,101,328,073	24,507,442,849
	Dividends distribution	8,455,974,000	8,455,974,000
	Dividends payments	8,455,974,000	8,455,974,000
	Loan principal repayment	-	130,000,000,000
	Offset debt	-	7,000,000,000
Vietnam National Chemical Group	Dividends distribution	6,062,469,000	6,062,469,000
	Dividends payments	6,062,469,000	6,062,469,000
Hoanh Son International Transport General Trading Company Limited	Sale of goods	-	82,059,075,000
Sao Vang Group Beer Alcohol And Beverage Joint Stock Company	Purchase of goods	-	52,159,091
Sao Vang - Hoanh Son Limited Company	Purchase of goods, services	1,432,274,400	1,117,660,275

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Notes to the Financial Statements (continued)

Related parties	Content	Transaction value VND	
		Current year	Previous year
Hoanh Son Investmet And Development Joint Stock Company	Purchase of goods, services	-	1,872,000,000
Viet Anh Construction And Investment Consulting Trade Joint Stock Company	Purchase of goods, services	960,000,000	660,000,000

At the end of the financial year, amounts due to and due from with related parties were as follows:

Related parties	Closing Balance VND	Opening Balance VND
Trade receivables (Note V.3)	456,582,050	83,852,817,500
Hoanh Son Group Joint Stock Company	445,582,050	-
Hoanh Son International Transport General Trading Company Limited	-	83,841,817,500
Hanoi Beer Group Joint Stock Company	11,000,000	11,000,000
Trade payables (Note V.14)	2,753,929,449	1,207,073,097
Sao Vang - Hoanh Son Limited Company	2,753,929,449	1,207,073,097
Advances from customers (Note V.15)	-	31,087,674,319
Hoanh Son Group Joint Stock Company	-	31,087,674,319
Other short-term payables (Note V.18)	1,126,793,761	1,117,901,958
Other shareholders	1,126,793,761	1,117,901,958
Other long-term payables (Note V.18)	143,500,000,000	143,500,000,000
Sao Vang - Hoanh Son Limited Company	143,500,000,000	143,500,000,000

Allowance and remuneration of the Board of Management, the Board of General Directors, the Board of Supervisors, Chief Accountant during the year:

Name	Position	Current year VND	Previous year VND
Remuneration for Board of Management, the Board of General Directors			
Mr. Pham Hoanh Son	Chairman of B.O.M	60,000,000	60,000,000
Mr. Nguyen Viet Hung	General Director, Member of B.O.M	48,000,000	48,000,000
Mr. Nguyen Thanh Tung	Vice General Director, Member of B.O.M	48,000,000	48,000,000
Mr. Nguyen Dinh Son	Member of B.O.M	48,000,000	48,000,000
Mr. Luong Xuan Hoang	Member of B.O.M	48,000,000	48,000,000
Mr. Nguyen Trung Hoa	Head of the Supervisory Board	48,000,000	48,000,000
Mr. Hoang Van Hoa	Member of Board of Supervisors	30,000,000	30,000,000
Mr. Nguyen Quang Huy	Member of Board of Supervisors (appointed 21 April 2025)	20,000,000	-
Ms. Vu Thi Mai Nhung	Member of Board of Supervisors (dismissed 21 April 2025)	10,000,000	30,000,000
Total		360,000,000	360,000,000

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Notes to the Financial Statements (continued)

Name	Position	Current year VND	Previous year VND
Income of the Board of Directors, Chief Accountant and the Board of Supervisors			
Mr. Nguyen Viet Hung	General Director	631,039,400	640.921.200
Mr. Nguyen Thanh Tung	Vice General Director	522,585,400	534.461.200
Mr. Nguyen Quang Hao	Vice General Director	480,255,000	494.500.000
Mr. Tran Minh Tuan	Chief Accountant	475,315,000	479.780.000
Mr. Nguyen Trung Hoa	Head of the Supervisory Board	384,572,860	321.839.315
Mr. Hoang Van Hoa	Member of Board of Supervisors	274,152,977	275.057.009
Total		<u>2,767,920,637</u>	<u>2,746,558,724</u>

3. Segment performance

Segment performance information is presented by business segment and geographical segment. The primary segment reporting is by business sector based on the Company's internal organizational and management structure and financial reporting system.

Business segment

Information about the income statements, fixed assets and other long-term assets and value of non-cash significant expenses of sections by business line of the Company are as follows:

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FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

	<i>Unit: VND</i>			
	Manufacturing	Trading	Others	Total
From 01/01/2025 to 31/12/2025				
Net revenue from sales of goods to external	769,251,222,917	673,913,352,646	12,631,425,530	1,455,796,001,093
Net revenue from sales of goods to other parts	-	-	-	-
Total net revenue from selling of goods and rendering of services	769,251,222,917	673,913,352,646	12,631,425,530	1,455,796,001,093
Cost of segment	671,410,934,516	640,491,961,464	-	1,311,902,895,980
Business results by segment	97,840,288,401	33,421,391,182	12,631,425,530	143,893,105,113
Costs not allocated by segment				96,674,974,155
Operating profit				47,218,130,958
Financial income				3,068,112,409
Financial expenses				25,626,703,813
Other income				7,695,990,154
Other expenses				29,471,239
Current corporate income tax expense				7,706,720,281
Deferred corporate income tax expense				-
Profit after corporate income tax				24,619,338,188
Total cost incurred to purchase fixed assets and other long-term assets	9,385,072,646	-	-	9,385,072,646
Total depreciation and amortization of long-term prepaid expenses	12,315,890,707	-	-	12,315,890,707

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FINANCIAL STATEMENTS
Notes to the Financial Statements (continued)

	<i>Unit: VND</i>			
	Manufacturing	Trading	Others	Total
From 01/01/2024 to 31/12/2024				
Net revenue from sales of goods to external	817,640,356,342	192,445,447,986	17,694,068,022	1,027,779,872,350
Net revenue from sales of goods to other parts	-	-	-	-
Total net revenue from selling of goods and rendering of services	817,640,356,342	192,445,447,986	17,694,068,022	1,027,779,872,350
Cost of segment	698,265,955,817	183,387,386,900	-	881,653,342,717
Business results by segment	119,374,400,525	9,058,061,086	17,694,068,022	146,126,529,633
Costs not allocated by segment				99,082,751,891
Operating profit				47,043,777,742
Financial income				5,260,102,768
Financial expenses				24,273,955,878
Other income				306,883,950,654
Other expenses				144,249,052,353
Current corporate income tax expense				39,024,747,415
Deferred corporate income tax expense				-
Profit after corporate income tax				151,640,075,518
Total cost incurred to purchase fixed assets and other long-term assets	3,529,569,865	-	-	3,529,569,865
Total depreciation and amortization of long-term prepaid expenses	13,090,486,978	-	-	13,090,486,978
	Manufacturing	Trading	Others	Total
Closing Balance				
- Direct assets by segment	323,207,078,583	405,733,352,105	3,748,544,913	732,688,975,601
- Assets not allocated by segment				608,693,151,659
Total assets	323,207,078,583	405,733,352,105	3,748,544,913	1,341,382,127,260
- Direct payables by segment	98,699,839,244	3,399,619,898	12,999,526	102,112,458,668
- Payables not allocated by segment				671,898,744,434
Total liabilities	98,699,839,244	3,399,619,898	12,999,526	774,011,203,102

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FINANCIAL STATEMENTS

Notes to the Financial Statements (continued)

Unit: VND

	Manufacturing	Trading	Others	Total
Opening Balance				
- Direct assets by segment	314,370,249,114	166,406,634,935	1,818,686,165	482,595,570,214
- Assets not allocated by segment				726,343,743,993
Total assets	314,370,249,114	166,406,634,935	1,818,686,165	1,208,939,314,207
- Direct payables by segment	97,478,225,643	93,307,270,217	12,998,576	190,798,494,436
- Payables not allocated by segment				443,085,955,449
Total liabilities	97,478,225,643	93,307,270,217	12,998,576	633,884,449,885

Geographical areas:

The Company has geographical segment domestic and outside the territory of Vietnam:

	Domestic	Export	Total
From 01/01/2025 to 31/12/2025			
Net revenue from sales of goods	1,354,170,310,044	101,625,691,049	1,455,796,001,093
Total residual value of segment assets			1,341,382,127,260
Total costs incurred to purchase fixed assets and other long-term assets			9,385,072,646
From 01/01/2024 to 31/12/2024			
Net revenue from sales of goods	810,889,406,366	216,890,465,984	1,027,779,872,350
Total residual value of segment assets			1,208,939,314,207
Total costs incurred to purchase fixed assets and other long-term assets			3,529,569,865

4. Fair value of financial assets and payables

	Book value			
	Closing Balance		Opening Balance	
	Book value	Provision	Book value	Provision
Financial assets				
Cash and cash equivalents	31,713,845,250	-	29,711,953,512	-
Trade receivables and other receivables	479,944,589,639	(13,190,504,653)	341,962,506,941	(9,624,100,633)
Long-term financial investment	-	-	-	-
Total	511,658,434,889	(13,190,504,653)	371,674,460,453	(9,624,100,633)

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Unit: VND

	Book value	
	Closing Balance	Opening Balance
Financial liabilities		
Trade payables	92,039,014,182	148,253,168,523
Loans and debts	473,672,095,655	257,795,090,418
Accrued expenses	6,247,141,610	3,746,675,146
Other payables	146,610,815,533	149,225,515,452
Total	718,569,066,980	559,020,449,539

The Company has not determined the fair value of its financial assets and financial liabilities as at the end of the financial year as Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 as well as current regulations do not provide specific guidance on determining the fair value of financial assets and financial liabilities. Circular 210/2009/TT-BTC requires the application of International Financial Reporting Standards on the presentation of Financial Statements and disclosure of information for financial instruments but does not provide equivalent guidance for the evaluation and recognition of financial instruments including the application of fair value to comply with International Financial Reporting Standards.

5. Credit risks

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Trade receivables: The Company's customer credit risk is managed based on the Company's policies, procedures and controls relating to customer credit risk management.

Outstanding trade receivables are monitored on a regular basis. Provisioning analyses are performed on a customer-by-customer basis for major customers at the reporting date. On this basis, the Company is not exposed to concentration of credit risk. Bank deposits: The majority of the Company's bank deposits are held with reputable large banks in Vietnam. The Company considers that the concentration of credit risk in bank deposits is low.

6. Liquidity risks

Liquidity risks are risks when the Company faces difficulties in meeting financial obligations due to capital shortage. The Company's liquidity risk arises primarily from mismatches in the maturities of its financial assets and financial liabilities.

The Company monitoring liquidity risk by maintaining the ratio of cash and cash equivalents at a certain level of which the Board of General Directors considers as sufficient to support financially the operations of the Company and to minimize effects of changes in cash flows.

Information of the maturity periods of the financial liabilities of the Company based on the value of undiscounted payments under the contracts are as follows:

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Unit: VND

	Equal to or less than 01 year	From 01 year to 05 years	Total
Closing Balance	572,394,576,099	146,174,490,881	718,569,066,980
Trade payables	92,039,014,182	-	92,039,014,182
Loans and debts	470,997,604,774	2,674,490,881	473,672,095,655
Accrued expenses	6,247,141,610	-	6,247,141,610
Other payables	3,110,815,533	143,500,000,000	146,610,815,533
Opening Balance	413,404,892,284	145,615,557,255	559,020,449,539
Trade payables	148,253,168,523	-	148,253,168,523
Loans and debts	255,679,533,163	2,115,557,255	257,795,090,418
Accrued expenses	3,746,675,146	-	3,746,675,146
Other payables	5,725,515,452	143,500,000,000	149,225,515,452

The Company believes that the level of risk concentration on debt repayment is low. The Company has the ability to pay due debts from cash flow from business operations and proceeds from matured financial assets.

7. Market risks

Market risks are risks when fair values or future cash flows of financial instruments vary accordingly to changes in market prices. Market risks include foreign currency risks, interest risks and other risks on prices.

Foreign currency risks

Foreign currency risks are risks when fair values or future cash flows of financial instruments vary accordingly to changes in exchange rates.

The Company manages foreign currency risk by considering current and expected markets when planning for future transactions in foreign currencies. The Company monitors risks to its financial assets and liabilities in foreign currencies.

Interest risks

Interest risks are risks when fair values or future cash flows of financial instruments vary accordingly to changes of market interest rates. The Company's risk of changes in market interest rates is mainly related to short-term deposits and loans.

The Company manages interest rate risk by closely monitoring relevant market conditions to determine appropriate interest rate policies that are conducive to the Company's risk management purposes.

The Company does not perform a sensitivity analysis for interest rates because the risk of changes in interest rates at the reporting date is insignificant or the financial liabilities have fixed interest rates.

Other risks on prices

Other risks on prices are risks when fair values or future cash flows of financial instruments vary accordingly to changes of market prices other than changes of interest rates and exchange rates.

8. Going concern issues

During the year, there were no activities or events that may affect the Company's operations as a going concern. Thus, the Company's Financial Statements are prepared based on assumption of going concern.

