

APPENDIX IV  
ANNUAL REPORT

(Promulgated with the Circular No 96/2020/TT-BTC on 2020-11-16 of the Minister of Finance)

SONADEZI CORPORATION  
DONG NAI PAINT CORPORATION

SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom – Happiness

No.: 01/2025/BCTN-SDN

*Dong Nai, March 17, 2025*

**ANNUAL REPORT 2024**

To: - Hanoi Stock Exchange  
- Company Shareholders

**I- GENERAL INFORMATION:**

**1/- General information:**

- Trading name: DONG NAI PAINT CORPORATION
- Business Registration Certificate No: 3600451024, amended for the 11th time on 23/10/2023, issued by the Department of Planning and Investment of Dong Nai Province.
- Charter capital: VND 30,364,360,000
- Address: Road 7, Bien Hoa 1 Industrial Park, An Binh Ward, Bien Hoa City, Dong Nai Province.
- Telephone: 02513.931.355
- Fax: 02513.836.091
- Website: [www.dongnaipaint.com.vn](http://www.dongnaipaint.com.vn)
- Stock code: SDN
- Manufacturing plant in cooperation with PPG Vietnam Co., Ltd. at AMATA Industrial Park: Road No. 5, AMATA Industrial Park, Long Binh Ward, Bien Hoa City, Dong Nai Province.
- Logo:



- Slogan: Enhancing Value
- Establishment and development process:
  - + Establishment: Dong Nai Paint Corporation, formerly Dong Nai Paint Factory, was established in 1987, previously a state-owned enterprise under the Dong Nai

Department of Industry (now the Department of Industry and Trade). The enterprise was converted into a Joint Stock Company under Decision No. 4636/QĐ-UBT dated March 1, 2000, issued by the People's Committee of Dong Nai Province.

+ Process of Share Listing: The Company was granted a license by the State Securities Commission under License No. 106/UBCK-GPNY dated December 8, 2006, with the following details:

Securities Name: Shares of Dong Nai Paint Corporation.

Stock code: SDN

Par value: 10,000 VND/share.

Total listed securities volume: 1,140,000 shares (One million one hundred forty thousand shares).

Total listed securities value: VND 11,400,000,000 (Eleven billion four hundred million Vietnamese dong)

Effective listing date: December 8, 2006

Official trading date: December 25, 2006

+ On September 16, 2008, the Ho Chi Minh City Stock Exchange (HOSE) issued a decision approving the Company's additional listing of newly issued shares with the following details:

Stock name: Shares of Dong Nai Paint Corporation.

Stock code: SDN

Par value: VND 10,000

Additional listed securities volume: 209,641 shares (Two hundred nine thousand six hundred forty-one shares).

Additional listed value: VND 2,096,410,000 (Two billion ninety-six million four hundred ten thousand Vietnamese dong).

Total listed securities volume: 1,349,641 shares (One million three hundred forty-nine thousand six hundred forty-one shares).

Total listed securities value: VND 13,496,410,000 (Thirteen billion four hundred ninety-six million four hundred ten thousand Vietnamese dong).

+ On September 14, 2010, the Company was approved for an additional listing of newly issued shares with the following details:

Stock name: Shares of Dong Nai Paint Corporation.

Stock code: SDN

Par value: 10,000 VND

Additional listed securities volume: 168,577 shares (One hundred sixty-eight thousand five hundred seventy-seven shares).

Additional listing value: VND 1,685,770,000 (One billion six hundred eighty-five million seven hundred seventy thousand Vietnamese dong).

Total listed securities volume: 1,518,218 shares (One million five hundred eighteen thousand two hundred eighteen shares).

Total listed securities value: VND 15,182,180,000 (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

On October 16, 2023, the Hanoi Stock Exchange (HNX) issued a decision approving the Company's additional listing of shares with the following details:

Stock name: Shares of Dong Nai Paint Corporation.

Stock code: SDN

Par value: 10,000 VND.

Additional listed securities volume: 1,518,218 shares (One million five hundred eighteen thousand two hundred eighteen shares).

Additional listed value: VND 15,182,180,000 (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

Total listed securities volume: 3,036,436 shares (Three million thirty-six thousand four hundred thirty-six shares).

Total listed securities value: VND 30,364,360,000 (Thirty billion three hundred sixty-four million three hundred sixty thousand Vietnamese dong).

- Other events:

On March 1, 2000, the Dong Nai Department of Planning and Investment issued the first Business Registration Certificate. Charter capital: VND 7,200,000,000. (Seven billion two hundred million Vietnamese dong).

On September 18, 2002, the Dong Nai Department of Planning and Investment issued the 1st amended Business Registration Certificate. Charter capital: VND 7,200,000,000. (Seven billion two hundred million Vietnamese dong).

On May 19, 2005, the Dong Nai Department of Planning and Investment issued the 2nd amended Business Registration Certificate. Charter capital: VND 11,400,000,000.

On September 22, 2008, the Dong Nai Department of Planning and Investment issued the 3rd amended Business Registration Certificate. Charter capital: VND 13,496,410,000. (Thirteen billion four hundred ninety-six million four hundred ten thousand Vietnamese dong).



On September 14, 2010, the Dong Nai Department of Planning and Investment issued the 4th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong.)

On December 28, 2012, the Dong Nai Department of Planning and Investment issued the 5th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong)

On April 5, 2013, the Dong Nai Department of Planning and Investment issued the 6th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

On May 16, 2014, the Dong Nai Department of Planning and Investment issued the 7th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

On August 30, 2016, the Dong Nai Department of Planning and Investment issued the 8th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

On April 17, 2020, the Dong Nai Department of Planning and Investment issued the 9th amended Business Registration Certificate. Charter capital: VND 15,182,180,000. (Fifteen billion one hundred eighty-two million one hundred eighty thousand Vietnamese dong).

On April 11, 2023, the Department of Planning and Investment of Dong Nai province issued the 10th amended Business Registration Certificate. Charter capital: VND 15,182,180,000 (Fifteen billion one hundred eighty-two million one hundred eighty thousand dong)

On October 23, 2023, the Department of Planning and Investment of Dong Nai province issued the 11th amended Business Registration Certificate. Charter capital: VND 30,364,360,000 (Thirty billion three hundred sixty-four million three hundred sixty thousand dong)

**2/- Business lines and locations of the business:**

- Main business lines:

Manufacture of paints, varnishes and similar coatings, printing ink and mastics:  
Paint production; Putty (wall filler) production

Wholesale of other construction materials and equipment: Wholesale of paint.



Manufacture of other chemical products n.e.c.: Glue production

Other specialized wholesale not elsewhere classified: Wholesale of adhesives, import and export of raw materials and products related to paints and adhesives. Wholesale of putty (wall filler).

- Location of business:

Southeast Region (Ho Chi Minh City, Dong Nai, Vung Tau, Binh Duong, Tay Ninh...)

Central Highlands and South Central Region (Dak Lak, Lam Dong, Ninh Thuan, Binh Thuan...)

Mekong Delta Region (Tien Giang, Can Tho, Long An, Soc Trang...)

The company is currently manufacturing paint products for partners who are leading paint production groups in the world: AKZONOBEL (NETHERLANDS), PPG (USA). The paint is used for constructions and equipment with high technical and quality requirements such as oil rigs, ships, mobile phones, motorbikes...

## ISSUED CERTIFICATES

ISO 9001:2015 Quality  
Management System Certificate



Certificate of Conformity  
No. 32-13



Certificate of Standard  
Compliance



## IMAGES OF SOME TYPICAL PRODUCTS OF THE COMPANY



Sơn Super Coat - Sơn Nội thất Cao cấp



Chống Thấm INTEC 24\_Tường/Sàn



Sơn Exterior - Sơn Ngoại thất



Sơn Flintcoat - Sơn ngoại thất Cao cấp



Sơn New Interior - Sơn Nội thất



Sơn HiTech Plus - Sơn Ngoại thất Cao cấp



Sơn lót Anti - Sơn lót chống kiềm



Sơn kem 2 trong 1



Sơn Alkyd



Sơn Epoxy



Bột trét Donasa



Bột trét Lucky



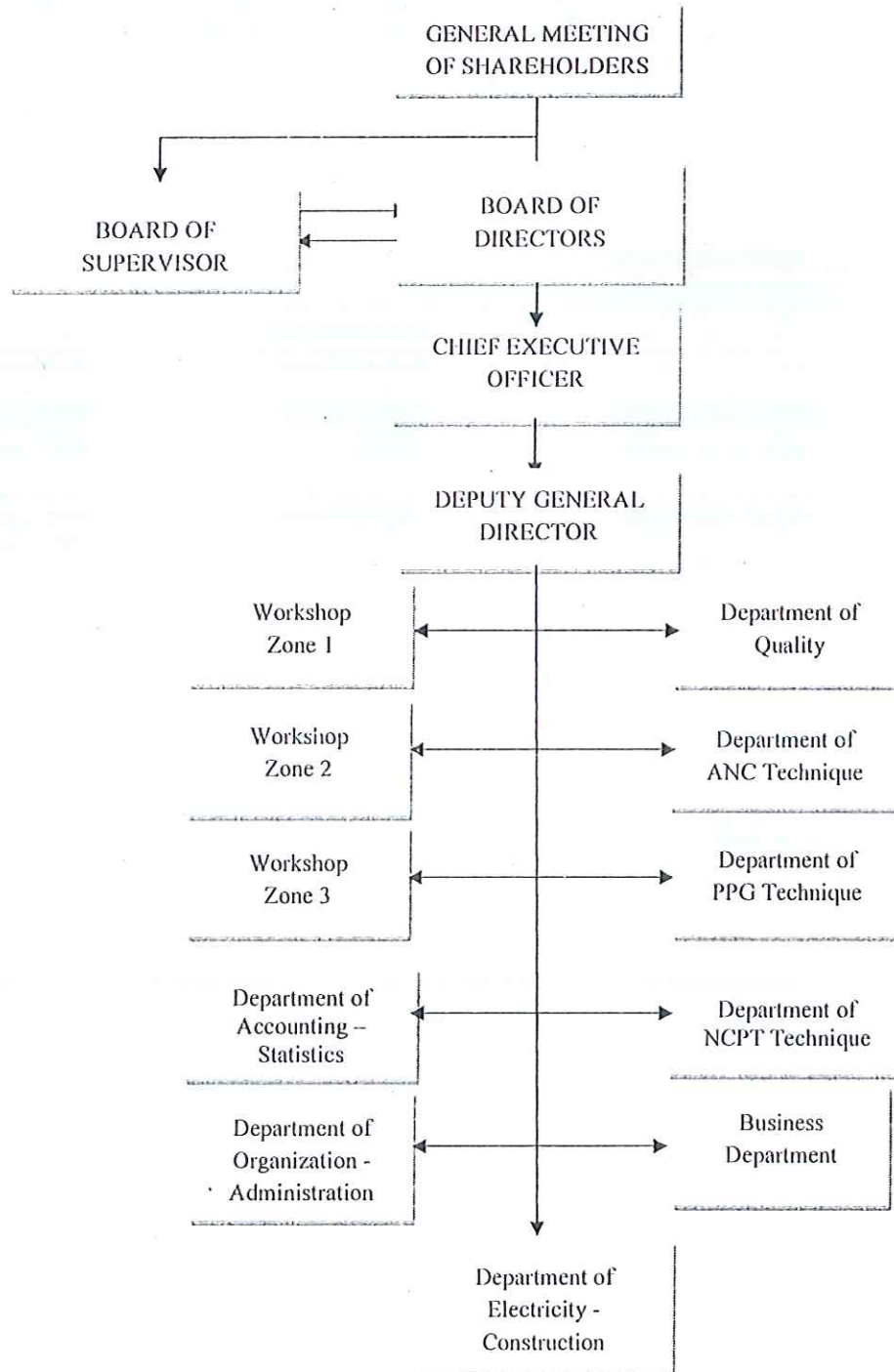
Bột trét Powdercoat



3/- Information on management model, business organization and management apparatus:

- Management model: According to the provisions of Point a, Clause 1, Article 137 of the Law on Enterprises.

### DONG NAI PAINT CORPORATION



#### 4/- Development orientation:

- The main objectives of the Company in 2025.

No.	Indicator	Unit (VND)	Plan
01	Total Production Value	Million	315,896
02	Revenue	Million	114,000
03	Profit after tax	Million	7,600
04	Budget contribution	Million	7,700
05	Average Salary per Person per Month	Million	11,296
06	Total output	Ton	12,030
07	Expected Dividend Distribution	%	15

- Development strategies in medium and long term.

+ Product development strategy orientation: Continue to develop and improve the production capacity of products in the domestic region. Besides developing the main and spearhead product lines, focus on developing a variety of strong product lines to meet all customer segments.

+ Quality strategy orientation: DONASA brand Dong Nai Paint products are manufactured in accordance with the National Standards of the Ministry of Construction; JIS K 5663:2003 Standard Certificate of Japan; products are quality managed according to ISO 9001:2015 international standard. Products are announced to be compliant with regulations at the Department of Construction of Dong Nai and the Department of Industry and Trade.

+ Business strategy orientation: Maintain a stable distribution system as a foundation and develop the project and construction customer segment through distributors who are construction and mechanical companies. Actively cooperate with manufacturers of construction materials in the Sonadezi Corporation, consulting units, designers, and contractors to create a sustainable and long-term cooperation chain.

+ Brand development strategy orientation: Promote product brands through media, unify and diversify marketing communication activities, focusing on the role of network communication, community social activities, press...to enhance prestige and competitiveness in the market.

+ Organizational Orientation: The management model is adjusted to suit the development scale of each stage, based on which to proactively plan and train high-quality human resources, meeting the needs of quantity and quality for future development goals.

+ Financial Management Strategy Orientation: Standardize business production processes to ensure short-term financial efficiency, while aiming for the long-term sustainable development of the Company. Balance and harmonize the interests of all parties with high consensus among shareholders, employees, and the community.

+ Sustainable Development Goal Orientation: All business production activities of the Company must comply with the law, contribute to a healthy business environment, create abundant jobs, and participate in the global supply chain. Fulfill tax obligations to the state, protect the environment, and actively participate in social activities for the community.

#### **5/- Risks:**

- Business environment risks: The war between Russia and Ukraine continues, regional conflicts persist, and the real estate market has not yet recovered.

Management measures: Closely monitor the domestic and international political and economic situation at each point in time, combined with sharp intuition to make appropriate decisions. On that basis, take advantage of opportunities and find advantages even in difficulties.

- Risks from fluctuations in raw material prices: Increased costs due to high raw material prices.

Management measures: Always maintain a minimum of three suppliers to limit monopolies. Forecast the falling point of raw material prices to have the best storage plan.

- Fire risks. Fires and explosions occur during the production and storage of raw materials and production supplies.

Management measures: Arrange decentralized warehouses. Purchase fire and explosion insurance. Do a good job of fire prevention and fighting and periodically train in the use of fire fighting equipment. Every year, there is a training, coaching, and on-site fire-fighting drill program.

## **II- OPERATIONS IN 2024:**

### **1/- Situation of production and business operations**

#### **1.1/- Results of business operations in 2024:**

##### **1.1.1/- Implemented economic indicators:**

No.	INDICATOR	Unit	PLAN 2024	RESULT 2024	RESULT 2023	ACTUAL/ PLAN (%)	AC/PY (%)
1	Total Production Value	Million VND	325.181	333.420	312.017	103	107
2	Total revenue	"	114.000	123.706	125.095	108	99
3	Output of Various Products	Ton	12.400	12.106	11.553	98	105



No.	INDICATOR	Unit	PLAN 2024	RESULT 2024	RESULT 2023	ACTUAL/ PLAN (%)	AC/PY (%)
4	Profit after tax	Million VND	7.748	8.850	16.469	114	54
5	Budget Contribution (Payable)	Million VND	8.000	8.480	6.361	106	133
6	Average salary income	"	10,571	12,215	10,077	114	114

## 2/- Organization and Human resource:

### 2.1/- List of the Board of Management (no change in period).

No.	Full Name	Position	Date of appointment	Note
1	Nguyen Duc Nhlen	General Director	10/04/2020	
2	Nguyen Pham Thuyen	Deputy General Director	10/04/2020	
3	Huynh Nguyen Thanh Uyen	Deputy General Director	25/03/2020	
4	Huynh Thi Thanh Huong	Chief Accountant	03/02/2020	

### 2.1.1/- Summary of personal profiles of members of the Board of Management

#### - Summary of Mr. Nguyen Duc Nhlen personal profile

Full name: Nguyen Duc Nhlen

Gender: Male

Date of birth: 5/1/1972

Nationality: Vietnamese

Ethnicity: Kinh

Qualification: Master of Business Administration

Work experience:

- From March 1998 to June 2002: Employee of Economic Planning Department, Head of Hieu Liem Agricultural Station, Tri An Sugarcane Company, Vinh Cuu, Dong Nai

- From June 2002 - November 2009: Staff, Team Leader of the Marketing Team, business Department, Dong Nai Paint Corporation.

- From November 2009 - February 2012: Deputy Head of the business Department, Dong Nai Paint Corporation.

- From February 2012 - October 2019: Head of the business Department, Dong Nai Paint Corporation.

- From November 2019 - March 2020: Deputy General Director of Dong Nai Paint Corporation.

- From April 2020 – Present: Vice Chairman of the Board of Directors - General Director of Dong Nai Paint Corporation.

- Other positions in other organizations: Member of the Members' Council of Thien Nhat Thien Company Limited.

Number of shares held at Dong Nai Paint Corporation (as of 04/03/2025): 13,200 shares, accounting for 0.43% of charter capital.

+ Representative of the owner: 607,392 (as of 04/03/2025) shares, accounting for 20% of charter capital:

Holding commitments (if any): None

Related persons holding shares of the listed organization:

Debts to the Company: None

Related interests to the Company: None

Conflicting interests with the Company: None

#### **- Summary of Nguyen Pham Thuyen personal profile**

Full name: Nguyen Pham Thuyen

Gender: Male

Date of birth: 30/9/1973

Nationality: Vietnamese

Ethnicity: Kinh

Qualification: - Chemical Engineer

- Bachelor of International Economic Relations

Work experience:

- From May 1996 - June 2000: Technical staff of Dong Nai Paint Factory

- From July 2000 - October 2019: Head of Technical Department of Dong Nai Paint Corporation

- From November 2019 - March 2020: Deputy General Director of Dong Nai Paint Corporation

- From April 2020 - Present: Chairman of the Board of Directors, Deputy General Director of Dong Nai Paint Corporation

- Other positions in other organizations: Member of the Members' Council of Thien Nhat Thien Company Limited.

Number of shares held at Dong Nai Paint Corporation (as of 04/03/2025): 8,000 shares, accounting for 0.26% of charter capital.

Holding commitments (if any) : None

Related persons holding shares of the listed organization: None

Debts to the Company: None

Related interests to the Company: None

Conflicting interests with the Company: None

**- Summary of Ms. Huynh Nguyen Thanh Uyen personal profile**

Full name: Huynh Nguyen Thanh Uyen

Gender: Female

Date of birth: 29/3/1969

Nationality: Vietnamese

Ethnicity: Kinh

Qualification: - Chemical Engineer

Work experience:

- From May 1993 - June 2004: Technical staff of Dong Nai Paint Factory
- From July 2004 - July 2005: Deputy Manager of Dong Nai Paint Corporation
- From August 2005 - February 2020: Manager of Dong Nai Paint Corporation
- From March 2020 - Present: Deputy General Director of Dong Nai Paint Corporation

- Other positions in other organizations: None

Number of shares held at Dong Nai Paint Corporation (as of 04/03/2025): 0 shares, accounting for 0% of charter capital.

Commitments held (if any): None

Related parties holding shares of the reporting organization: None

Debts to the Company: None

Related Party Transactions with the Company: None

Conflicting interests with the Company: None



**- Summary of Ms. Huynh Thi Thanh Huong personal profile**

Full name: Huynh Thi Thanh Huong

Gender: Female

Date of birth: 16/09/1979

Nationality: Vietnamese

Ethnicity: Kinh

Qualification: Bachelor of Finance and Accounting

Work experience:

- From year 2003-year 2011: Accountant staff of Dong Nai Paint Corporation.

- From year 2012-year 2018: Accountant staff, Member of Board of Supervisor of Dong Nai Paint Corporation.

- From year 2019 – Present : Chief Accountant Dong Nai Paint Corporation.

- Other positions in other organizations: None

Number of shares held at Dong Nai Paint Corporation (as of 04/03/2025): 0 shares, accounting for 0% of charter capital.

+ Representative of the owner: 0 (as of 04/03/2025) shares, accounting for 0% of charter capital:

Holding commitments (if any): None

Related persons holding shares of the listed organization: None

Debts to the Company: None

Related interests to the Company: None

Conflicting interests with the Company: None

**2.1.2/- Chief Accountant, information disclosure officer**

<b>No.</b>	<b>Name</b>	<b>Position</b>	<b>Date of appointment</b>
1	Huynh Thi Thanh Huong	Chief Accountant	03/02/2020
2	Nguyen Van Linh	Authorized Person for Information Disclosure	01/09/2012

### 2.1.3/- Number of staffs.

No.	Indicator	As of 31/12/2024	
		Quantity (People)	Percentage (%)
1	Labor trained at University and above	41	27
2	Intermediate, College, Vocational, Technical Worker	25	17
3	Unskilled Labor	83	66
Total		149	100

### 3/- /Investment activities, project implementation:

#### 3.1 Financial investment: 819 million VND.

- Shares in Nhon Trach Investment Joint Stock Company: 819 million VND, equivalent to 81,900 shares, in 2024 Nhon Trach Investment Joint Stock Company will not pay dividends.

#### 3.2. Land rental payment status at Ho Nai Industrial Park as of Date 2024-12-31.

- Land rental cost at Ho Nai Industrial Park: VND 71,180,039,027 (Including 10% VAT and at the exchange rate on Date 31/12/2022).

- The Company has made the payment: VND 63,900,632,804

- Remaining amount to be paid: 8,431,830,000 VND (equivalent to 330,000 USD at the exchange rate on Date 31/12/2024).

### 4/- Financial situation:

#### Financial situation

Indicator	Year 2024	Year 2023	Increase/ decrease (%)
Total asset value	109.332.757.705	105.158.227.175	Tăng: 3%
Net revenue	119.647.971.540	110.535.437.606	Tăng: 8%
Profit from Business Activities	7.714.791.871	17.353.306.996	Giảm: 44%
Other profit	3.441.648.542	3.396.479.537	Tăng: 1%
Profit from Business Activities	11.156.440.413	20.749.786.533	Giảm: 53%
Profit after tax	8.849.948.307	16.468.647.332	Giảm: 53%
Profit ratio to pay dividends	61,75	27,65	Tăng: 223%

b) Major financial indicators

Indicators	Year 2024	Year 2023	Note
<i>1. Liquidity Ratios</i>			
+ Current Ratio: Current Assets/Short-term Liabilities.	1,2	1,2	
+ Quick Ratio: <u>Short term Asset - Inventories</u> Short term Debt	0,7	0,6	
<i>2. Capital structure Ratio</i>			
+ Debt/Total assets ratio.	0,38	0,39	
+ Debt/Owner's Equity ratio.	0,63	0,63	
<i>3. Operation capability Ratio</i>			
+ Inventory turnover: Cost of goods sold/Average inventory.	4,11	3,7	
+ Total asset turnover: Net revenue/Average Total Assets.	1,0	1,0	
<i>4. Profitability</i>			
+ profit after tax/Net revenue Ratio.	0,07	0,14	
+ profit after tax/total capital Ratio	0,13	0,25	
+ profit after tax/Total assets Ratio.	0,08	0,15	
+ Profit from business activities/Net revenue Ratio.	0,06	0,15	

**5/- Shareholders structure, change in the owner's equity:**

a) Shares

- Total number of shares and type of shares outstanding: 3,036,436 shares
- Number of freely transferable shares: 3,036,436 shares
- Number of restricted shares: 0 shares

b) Shareholder structure (as of 4/03/2025)

Index	Number of shareholders	Number of shares owned	Percentage (%)
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1	2	3	4
<b>1. Major shareholders</b>	<b>04</b>	<b>1.575.996</b>	<b>51</b>
<b>2. Minority shareholders</b>	<b>301</b>	<b>1.460.440</b>	<b>49</b>
<b>3. Domestic</b>	<b>279</b>	<b>2.353.806</b>	<b>77,5</b>
a. individual shareholders	274	1.112.196	36,6
b. institutional	5	1.241.610	40,8
<b>3. Foreign</b>	<b>26</b>	<b>682.630</b>	<b>22,5</b>
a. individual shareholders	20	567.706	18,6
b. institutional	6	114.924	3,7
<b>4. State shareholders</b>	<b>01</b>	<b>911.088</b>	<b>30</b>
<b>5. Other shareholders</b>	<b>304</b>	<b>2.125.348</b>	<b>70</b>

c) Changes in owner's investment capital:

On October 23, 2023, Dong Nai Department of Planning and Investment issued the 11th amended Business Registration Certificate. Charter capital: VND 30,364,360,000 (Thirty billion three hundred sixty-four million three hundred sixty thousand dong)

d) Treasury stock transactions: None

e) Other securities: None

6. Environment-Social-Governance (ESG) Report of the Company.

6.1 Environmental impact.

- Total direct and indirect GHG emission: 638 CO<sub>2</sub>e

- Measures and initiatives to reduce GHG emission: None.

6.2 Management of raw materials.

a. Total amount of raw materials for product manufacturing and packaging in the year: 824.136 kg (including packaged products and 2% raw material loss rate in production).

b. The percentage of materials recycled to produce products and services of the organization: None.

6.3 Energy consumption:

a. Energy consumption - directly and indirectly (Electricity): Average consumption 56.000 KW/month.

b. Energy savings through initiatives of efficiently using energy: None.

c. The report on energy saving initiatives (providing products and services to save energy or use renewable energy); report on the results of these initiatives: None.

6.4. Water consumption:

a. Water supply and usage: Supplied by Dong Nai Water Joint Stock Company: Average consumption 445m<sup>3</sup>/month.

b. Percentage and total amount of recycled and reused water: None.

6.5. Compliance with the law on environmental protection:

a. Number of times penalized for violating environmental laws and regulations: None.

b. Total amount of fines for violating environmental laws and regulations: None.

6.6. Policies related to employees:

a. Number of employees, average salary for employees: 149people, income level: 12.200.000 VND/person/month.

b. Labor policies to ensure health, safety and welfare of workers: Implemented according to the regulations of the State and local authorities.

c. Employee training.

- The average number of training hours per year, according to the staff and classified staff: 16 hours/year. Training on regulations on Occupational Safety and Health - Fire Prevention and Fighting, other professional skills.

- The skills development and continuous learning program to support workers employment and career development: Internal and external training, based on the functions and tasks of each Department, Workshop, and job position.

6.7. Report on responsibility for local community:

Community investment and other community development activities, including financial support to serve the community: The company has participated in community-oriented programs: Supporting the Gratitude Fund, Supporting the Agent Orange/dioxin Victims Fund, Supporting poor families for Tet; Supporting the Blind Association of districts in Dong Nai province.

6.8 Report on green capital market activities under the guidance of the SSC: None.



### **III/- REPORTS AND ASSESSMENTS OF THE BOARD OF MANAGEMENT:**

#### **1/- Assessment of operating results.**

#### **1.1. Production-Business-Sales Management.**

##### **1.1.1 Regarding production organization.**

- In 2024, the workshops arranged labor reasonably, meeting the requirements for overtime and shift work, thereby meeting the delivery schedule as required by Partners and Customers. Implemented 12,106 tons of various products, this is a great effort of the staff at the production area, in which absolute requirements for occupational safety, environment, and fire and explosion along with product quality are prioritized.

- The production workshops have taken many measures to utilize the capacity of machinery and equipment, worked diligently, actively worked overtime, and coordinated well with the technical departments, which are also factors contributing to the stability of the company's production.

- The company has handed over to PPG Viet Nam Co., Ltd. the entire status of the factory, machinery and equipment, personnel, and legal documents at Yen Phong-Bac Ninh factory. The company officially terminated all production and business activities at Bac Ninh Branch, from 1/8/2024.

- The company is signing a processing contract with 3 foreign partners: PPG Viet Nam Co., Ltd., PPG Yung Chi Coatings Co., Ltd., and Akzo Nobel Viet Nam LTD. This is an important premise for us to feel secure in organizing production in the coming years.

##### **1.1.2. Regarding Business-Sales:**

- Faced with increasingly difficult production and business circumstances due to the impact of the real estate and construction materials market, leading to a decrease in construction projects, the sales team actively expanded their search for new markets and customers, regularly analyzing consumer trends to develop appropriate marketing and sales plans.

- In 2024, due to the difficult economic situation, television advertising activities were reduced, but the Company still maintained advertising for DONASA Hitech Plus water-based paint at the Bien Hoa I Industrial Park Water Tank and billboard advertising at the gateway to Bien Hoa City (30/4 Park - Bien Hoa), and in 2024, the consumption output of DONASA Hitech Plus water-based paint doubled compared to 2023.

- Dong Nai Paint products - DONASA brand are currently being consumed at 93 Dealer stores, 65 direct-consuming businesses, and more than 100 level 2 distribution stores of the Distribution System. The Company continuously develops promotional programs with various and diverse forms to increase sales and stimulate consumption to achieve the set economic targets.

- To increase sales for 2024 and also as a customer appreciation and engagement activity, in the last 5 months of the year, the Company launched a customer conference tourism promotion program in South Korea held in March 2025 with 69 participants.

- In sales and collection activities: The Accounting and Business Department strengthened urging customers to pay debts and strictly controlled old and newly arising debts. The



ratio of receivables to revenue at the end of the year decreased compared to the same period.

## **1.2. Tasks ensuring Production and Business.**

### **1.2.1. Regarding Technical-Production Supervision work.**

- The Company's products during production and consumption are managed by the ISO 9001:2015 Quality Management System. Product quality complies with QCVN 16:2019/BXD; QCVN 08/BCT and Japanese standard JIS K 5663:2003.

- The Company always focuses on improving quality and product packaging to meet customer needs and increase competitiveness in the decorative paint market. At the same time, diversify different products to increase market share; during the year, the hotmeil product line - traffic line marking paint - was launched into the market.

- To increase competitive advantage, the Company is also developing a set of DONASA medium-high-grade water-based paints (including primer, interior and exterior paints) which are being tested in the Bien Hoa and Kien Giang markets, and when reliable quality results are available, they are expected to be commercialized in 2025.

- The R&D technical team has researched and created many water-based and solvent-based products to diversify products and increase competitiveness in the market. These products are being evaluated for quality and suitability for climatic conditions when put into practical use.

### **1.2.2. Regarding Accounting-Statistics work.**

- Ensuring financial resources in internal payments as well as in transactions with foreign partners. Debts incurred during business operations have been strictly controlled.

- In processing and analyzing data within the month and quarter, it is reflected promptly from the 2nd to the 12th of each month, thereby helping the Board of Management make timely and effective business decisions.

- From the results of the semi-annual and annual audits by RSM Vietnam Auditing Company and the supervision activities of the Board of Supervisors, the accounting work has been carried out in accordance with the law and the Company's financial regulations.

### **1.2.3. Regarding Electromechanical-Construction Works.**

- Maintenance and equipment upkeep activities have been effective, limiting breakdowns and strictly controlling electrical safety requirements.

- All incidents related to the electrical system, machinery, and equipment operation have been addressed with corrective and preventive actions. In 2024, no major machinery damage leading to production downtime will be allowed.

- The Mechanical - Construction Department has consistently taken the initiative in improving and manufacturing machinery and equipment for the workshop to meet production demands and reduce costs for the Company.

#### 1.2.4. Regarding Organization-Administration-Human Resources.

- Human resource development and training are always prioritized, with on-site training activities maintained. Labor allocation is rational, meeting the production and professional work requirements of the entire company.

- Advised and assisted the Board of Directors and Board of Management in complying with legal regulations, emulation and commendation, Party-Union activities, stock market matters, etc.

- Implemented employee policies regarding salaries, income, working hours, rest time, labor insurance, etc., in accordance with labor law regulations.

- Political Security and Order inside and outside the company are prioritized; Complaints and questions about salary regimes and labor policies did not occur - The company maintains a cooperative and harmonious working environment.

- Occupational safety and health requirements, fire prevention and fighting, environmental protection, and health protection are maintained and implemented effectively. Contributing to ensuring safe and efficient business operations.

#### 1.3. Caring for working conditions and employee life.

- Labor relations at the company are harmonious, democratic, transparent, and ensure fairness between contribution and benefits. The working environment at the company is constantly being improved to ensure employee health.

- In 2024, the economic situation was difficult, while many companies and enterprises in the construction and building materials industry had to close, go bankrupt, or operate at a reduced capacity, with employees taking turns off work, but Dong Nai Paint Corporation employees still have stable jobs and guaranteed income, higher than in 2023. Cultural and sports activities, gifts for employees' children on the Mid-Autumn Festival, school opening, and school closing are still maintained.

- In 2024, the Executive Board organized a vacation for all employees in the company to Da Nang City, which was also the first long trip for all employees in many years. This long vacation helped employees increase solidarity and attachment to the company.

- All policies for employees regarding: Working environment, rest, personal protective equipment, insurance regimes, hazardous work, periodic health check-ups, occupational health examinations... are implemented in accordance with legal regulations.

#### 1.4. Activities of part-time representative bodies.

- The company has a Labor Protection Council, Salary Council, Emulation and Discipline Council, Initiative Council, ISO Committee, Environmental Protection Committee, Digital Transformation Committee, 5S Assessment Cluster, Fire Prevention



and Fighting Cluster, and Occupational Safety and Health Network Cluster. These organizations and clusters always strive to fulfill their assigned roles and responsibilities.

- The company has also facilitated socio-political organizations: Party Cell, Trade Union, Youth Union, and Veterans Association to properly promote their functions, duties, as well as their leadership and guidance roles.

### **1.5. Occupational Safety - Labor Hygiene, Fire Prevention and Fighting, Healthcare, and Environmental Protection.**

- Coordinated with relevant authorities to organize training programs on Occupational Safety - Labor Hygiene, Industrial Hygiene, Fire Prevention and Fighting, Healthcare, and Environmental Protection. Throughout the year, fire drills and competitions were organized and participated in at Son Đồng Nai and AMATA, achieving high results.

- The company has proactively developed measures to prevent and control workplace hazards and risks. No occupational accidents or occupational diseases occurred during the year.

- Organized periodic health check-ups and occupational health examinations for all employees. The results of these examinations ensured production and work.

- In 2024, the company conducted environmental monitoring and periodic occupational environment monitoring in two areas, Dong Nai Paint Corporation and Amata, to improve working conditions in accordance with state regulations.

### **1.6. Emulation and Commendation, Community Activities:**

#### **1.6.1. Regarding Emulation and Commendation:**

- During the year, a short-term emulation campaign was launched to celebrate the company's founding anniversary, the 30/4 and 01/5 holidays, and the 79th anniversary of Factory. This created an enthusiastic emulation atmosphere, contributing to increased production output and product quality, and employees adhered well to company regulations and safety in production and business.

- Emulation activities among employees were not perfunctory, and timely encouragement was given to employees. The annual organization of emulation months not only brings economic and material significance but also raises awareness and enlightenment for workers and has become a Dong Nai Paint Culture.

#### **1.6.2. Regarding Gratitude and Community-Oriented Activities:**

The company participated in community-oriented programs: Supporting the Fund for Gratitude, Supporting the poor during Tet, and Supporting the Blind Association in Đồng Nai province.



## **2/- Financial Situation:**

### **a) Asset**

- Total Capital Sources: 109.332.757.705 VND.

- The use of capital sources followed the Resolution of the Annual General Meeting of Shareholders, under the direction and supervision of the Board of Directors and the Supervisory Board, so capital sources were used rationally and safely, without any risks.

- Regarding bad debt: Based on the 2024 audit report, the total bad debt is 2.270.219.432 VND. This debt has been provisioned for doubtful receivables, and the company is actively working with customers to recover the debt.

### **b) Debt Payable**

- Payable debt: 42.397.189.957 VND

- These debts are for: Investment in machinery and equipment; purchase of raw materials from customers; loans from financial institutions, etc. The value of these debts does not significantly affect the company's production and business situation.

3. Improvements in organizational structure, policies, and management: According to the organizational needs and tasks of the company.

4. Future Development Plan: According to the company's general objectives.

5. Explanation of the Board of Directors regarding audit opinions (if any): None.

6. Assessment Report related to environmental and social responsibilities of the Company: Well implemented.

a. Assessment concerning the environmental indicators (water consumption, energy, emissions, etc.): Well implemented.

b. Assessment related to labor issues: Well implemented.

c. Assessment related to corporate responsibility to the local community: Well implemented.

## **IV- BOARD OF DIRECTORS' ASSESSMENT OF COMPANY ACTIVITIES:**

### **1/- Assessments of the Board of Directors on the Company's operation, including the assessment related to environmental and social responsibilities:**

- The Board of Directors consists of 5 members, including 02 members directly managing and operating the Company. Based on the Resolution of the General Meeting of Shareholders, the Board of Directors maintains a work program through quarterly meetings. Meeting content ensures compliance with legal regulations and the Company's Charter, with the participation of members of the Supervisory Board.

- In 2024, the Board of Directors held 04 regular meetings and 6 times sent written requests for opinions from Board members to direct, orient production and business

objectives, and decide on arising issues in the Company's management and administration.

- As a chemical production enterprise (various paints and putties), generating waste sources, the Company always has strict measures to manage waste sources, absolutely not allowing any waste to be released into the environment. The Company always strictly complies with environmental protection regulations and reports periodically to environmental protection agencies. In community social activities, the Company actively participates in support.

## **2/- Assessment of Board of Directors on Board of Management's performance:**

- In 2024, due to the influence of the economy, the Company's production and business activities faced many difficulties; however, the Company's Board of Directors directed all aspects of production and business activities, completing the assigned tasks according to the Resolution of the General Meeting of Shareholders. Specifically, the Board of Management's directed the implementation of a series of tasks: From production organization, sales, human resources - salaries, debt collection, audit organization, organizing gratitude activities, consolidating organizations, and mass organizations to operate effectively, etc.

## **3/- Plans and orientations of the Board of Directors.**

- 2025 and the following years are assessed to be very difficult due to the influence of the domestic and global economy and the Russia-Ukraine war. The Board of Directors determines to develop and increase the proportion of domestic paint production, including solvent-based and water-based paints, reducing dependence on two foreign partners, in the context of a significant reduction in output from the two partners.

- Focus on mobilizing finance, ensuring capital sources for production and business activities, and ensuring the relocation progress according to Dong Nai province's policy. Propose a plan to build a new factory in Ho Nai Industrial Park when Bien Hoa 1 Industrial Park relocates.

- Continue to cooperate in production with PPG Group (USA) and Akzo Nobel (Netherlands) according to the signed contracts.

## **V- CORPORATE GOVERNANCE:**

### **1/- Board of Directors**

#### **a) Members and structure of the Board of Directors:**

No.	Name	Position	Non-executive	Board of Directors' members	Number of shares owned at the end of the period
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				of other companies	Number of shares	Ownership percentage
1	Nguyen Pham Thuyen	Chairman			8,000	0.26
2	Nguyen Duc Nhlen	Members			13,200	0.43
3	Dao Dinh De	Members	x		155,768	5.13
4	Vu Nguyen Thi Hanh	Members	x		3,400	0.11
5	Tran Trung Kien	Members	x	x	0	0

b) The committees of the Board of Directors: Internal Audit Committee

c) Activities of the Board of Directors:

- Meetings of the Board of Directors:

No.	Board of Directors' members	Number of meetings attended by Board of Directors	Meeting attendance rate	Reasons for absence
1	Nguyen Pham Thuyen	04	100	
2	Nguyen Duc Nhlen	04	100	
3	Tran Trung Kien	01	25	On business
4	Dao Dinh De	03	75	On business
5	Vu Nguyen Thi Hanh	04	100	

- Resolutions/Decisions of the Board of Directors:

No.	Resolution Number	Date	Content	Approval rate (%)
1	28/2024/NQ-HĐQT	25/01/2024	<ul style="list-style-type: none"> <li>- Approve the 2023 business results.</li> <li>- Approve the 2024 business plan.</li> <li>- Approve in principle the plan for the 2024 Annual General Meeting of Shareholders.</li> <li>- Approve the first interim dividend payment for 2023 at 5%/par value. Implementation time in Quarter 1/2024.</li> <li>- Approve the 2024 salary scale plan.</li> </ul>	100



No.	Resolution Number	Date	Content	Approval rate (%)
2	30/2024/NQ-HDQT	19/03/2024	<ul style="list-style-type: none"> <li>- Approve the Quarter 1/2024 business results (Estimated implementation).</li> <li>- Approve the Quarter 2/2024 business plan and assign the Executive Board to implement it.</li> <li>- Approve the 2023 dividend payment of 15%/par value.</li> <li>- Increase the 2023 Investment and development fund from 15% to 30% and allocate an additional VND 10,000,000,000 from the remaining profit of previous years to the 2023 Investment and development fund.</li> <li>- Approve the content of the 2024 Annual General Meeting of Shareholders.</li> <li>- Approve the date of the 2024 Annual General Meeting of Shareholders on April 10, 2024 (1/2 day).</li> </ul>	100
3	31/2024/NQ-HDQT	04/06/2024	<ul style="list-style-type: none"> <li>- Approved the selection of RSM Vietnam Auditing and Consulting Co., Ltd. as the auditor for the 2024 financial statements. Assigned the Executive Board to sign the contract with the auditing unit in accordance with the law.</li> </ul>	100
4	34/2024/NQ-HDQT	16/08/2024	<ul style="list-style-type: none"> <li>- Approved the Business Production Results for the first 6 months of 2024.</li> <li>- Approved the Business Production Plan and other tasks for quarter 3 and the last 6 months of 2024.</li> <li>- Approved the distribution of the remaining 2023 dividends according to the Resolution of the 2024 Annual General Meeting of Shareholders at a rate of 10%/par value of shares. Implementation time in September 2024.</li> </ul>	100

No.	Resolution Number	Date	Content	Approval rate (%)
5	36/2024/NQ-HĐQT	30/08/2024	Approved the termination of the Bac Ninh branch - Dong Nai Paint Corporation, effective from 2024-09-01.	100
6	38/2024/NQ-HĐQT	06/11/2024	- Approved the Business Production Results for the first 9 months of 2024. - Approved the Business Production Plan and other tasks for quarter 4/2024.	100

d. Activities of the Board of Directors' independent members: The company does not yet have independent Board of Directors members.

e. List of Board of Directors members with corporate governance training certificates: Currently attending training courses.

## 2/- Board of Supervisors and Internal Audit Committee.

a) Members and structure of the Board of Supervisors.

List of members of the Board of Supervisors:

No.	Name	Position	Number of shares owned at the end of the period	
			Number of shares	Percentage (%)
1	Dang Le Bich Phuong	Head of the Board of Supervisors	0	0
2	Bui Thi Thuy Lien	Member of the Board of Supervisors	0	0
3	Trinh Thi Ngoc Huong	Member of the Board of Supervisors	0	0

b) Activities of the Board of Supervisors:

- Meetings of the Board of Supervisors

No.	Time	Content
1	28/02/2024	- Reviewed the 2023 financial statements. - Results of monitoring the Company's operations and financial situation. - Evaluation of the management of the Board of Directors and the Board of Management.

		<ul style="list-style-type: none"> <li>- Report on the activities of the Board of Supervisors.</li> <li>- Evaluation of related party transactions.</li> <li>- Recommendations to the Board of Directors and the Executive Board on management and business administration at the Company.</li> <li>- Work plan of the Board of Supervisors for 2024.</li> </ul>
2	29/04/2024	<ul style="list-style-type: none"> <li>- Approved the Report of the Board of Supervisors on the inspection and supervision of the business production activities for the first 6 months of 2024 of Dong Nai Paint Corporation.</li> </ul>
3	17/08/2024	<ul style="list-style-type: none"> <li>- Reviewed the financial statements for the first 6 months of 2024.</li> <li>- Results of monitoring the Company's operations and financial situation.</li> <li>- Evaluation of the management of the Board of Directors and the Board of Management.</li> <li>- Report on the activities of the Board of Supervisors.</li> <li>- Evaluation of related party transactions.</li> <li>- Recommendations to the Board of Directors and the Executive Board on management and business administration at the Company.</li> </ul>

c) Members and structure of the Internal Audit Board:

List of members of the Internal Audit Board:

No.	Name	Position	Number of shares owned at the end of the period	
			Number of shares	Percentage (%)
1	Kieu Thi Thanh Loan	Head of the Internal Audit Committee	0	0

d) Activities of the Internal Audit Board: The Internal Audit Board conducts internal audits according to the plan approved by the Board of Directors.

**3/- Transactions, remuneration, and benefits of the Board of Directors, Board of Management, Board of Supervisors, and Internal Audit Board.**

a) Salary, bonus, remuneration, other benefits:



No.	Name	Position	unit	Total income
1	Nguyen Pham Thuyen	Chairman / Deputy General Director	VND	590.245.000
2	Nguyen Duc Nhlen	Vice Chairman /General Director	VND	634.547.000
3	Dao Dinh De	Member	VND	113.992.000
4	Tran Trung Kien	Member	VND	113.992.000
5	Vu Nguyen Thi Hanh	Member	VND	113.992.000
6	Dang Le Bich Phuong	Head of the BoS	VND	113.992.000
7	Trinh Thi Ngoc Huong	Member of BoS	VND	64.996.000
8	Bui Thi Thuy Lien	Member of BoS	VND	192.999.000
9	Kieu Thi Thanh Loan	Head of the Internal Audit Committee	VND	258.970.000
10	Huynh Nguyen Thanh Uyen	Deputy General Director	VND	433.389.000

b) Insider share transactions: Details in the Appendix 4 in Report 02/2025/BCQT-SDN dated 20/01/2025 on the corporate governance situation in 2024 (Attached appendix 4).

c) Contracts or transactions with insiders:

Information on contracts or transactions signed or executed during the year with the Company, subsidiaries, companies controlled by members of the Board of Directors, members of the Board of Supervisors/Audit Committee, Directors (General Director), managers, and related persons: Details in the Appendix 2 in Report 02/2025/BCQT-SDN dated 20/01/2025 on the corporate governance situation in 2024 (Attached appendix 2).

d) Evaluation of the implementation of regulations on corporate governance: The Company has complied with the provisions of the law on corporate governance.

**VI. Financial statements: Attached document.**

**LEGAL REPRESENTATIVE**  
GENERAL DIRECTOR

*Nguyễn Đức Nhlen*

*Nguyễn Đức Nhlen*



**Phụ lục 2:** Giao dịch giữa công ty với người có liên quan của công ty; hoặc giữa công ty với cổ đông lớn, người nội bộ, người có liên quan của người nội bộ năm 2024 (Đính kèm Báo cáo số 02/2024/BCQT-SDN ngày 20/01/2025 về tình hình quản trị Công ty năm 2024).

*Appendix 2: Transactions between the company and related persons of the company; or between the company and major shareholders, insiders, and related persons of insiders in 2024 (Attached is Report No. 02/2024/BCQT-SDN dated January 20, 2025).*

STT	Tên tổ chức/cá nhân Name of organization / individual	Mối quan hệ liên quan với công ty Relationship with the Company	Số Giấy NSH*, ngày cấp, nơi cấp NSH No.*, date of issue, place of issue	Địa chỉ trụ sở chính/ Địa chỉ liên hệ/ Address	Thời điểm giao dịch với công ty Time of transactions with the Company	Số Nghị quyết/Quyết định của ĐHĐCĐ/HĐQT... thông qua (nếu có, nêu rõ ngày ban hành)/Resolution No. or Decision No. approved by General Meeting of Shareholders / Board of Directors (if any, specifying date of issue)	Nội dung, số lượng, tổng giá trị giao dịch/Content, quantity, total value of transaction	Ghi chú Note
1	Tổng công ty CP Phát triển KCN  Industrial Park Development Joint Stock Corporation	Cổ đông lớn major shareholders	36003 35363	Số 1, Đường 1, KCN Biên Hòa 1, P. An Bình, TP. Biên Hòa, T. Đồng Nai  No. 1, Road 1, Bien Hoa Industrial Park, An Binh Ward,	42/HĐT Đ/BH1 ngày 9/10/2003  42/HĐT Đ/BH1 dated 9/10/2003	08/2022/NQ-HĐQT Ngày 29/07/2022  08/2022/NQ-HĐQT dated 29/07/2022	-Nội dung: Thuê đất tại KCN Biên Hòa 1. -Tổng giá trị giao dịch: 240.466.263 đồng. Content: Land lease at Bien Hoa 1 Industrial Park. -Total transaction value:	





				Bien Hoa City, Dong Nai Province			240.466.263 VND	
2	Công ty CP Dịch Vụ Sonadezi Sonadezi Service Joint Stock Corporation	Người có liên quan Related person	36008 90938	Tầng 8, Tòa nhà Sonadezi, Số 01, Đường 1, KCN Biên Hòa 1, P. An Bình, TP. Biên Hòa, T. Đồng Nai 8th floor, Sonadezi Building, No. 1, Road 1, Bien Hoa 1 Industrial Zone, An Binh Ward, Bien Hoa City, Dong Nai Province.	151/2020/HĐNT .XLCT Ngày 13/07/2020 151/2020/HĐNT .XLCT dated 13/07/2020	08/2022/NQ -HĐQT Ngày 29/07/2022 08/2022/NQ -HĐQT dated 29/07/2022	-Nội dung: Thuê dịch vụ xử lý nước thải. Tổng giá trị giao dịch: 29.147.479 đồng Content: Renting wastewater treatment services. Total transaction value 29.147.479 VND	
3	Công ty Cổ phần Môi trường Sonadezi Sonadezi Environment Joint Stock Corporation	Người có liên quan Related person	36002 74914	Số 12, đường Huỳnh Văn Nghệ, P.Bửu Long, TP. Biên Hòa, T. Đồng Nai No. 12, Huynh Van Nghe Street, Buu	26/2022/HĐ.RT Ngày 31/12/2021 26/2022/HĐ.RT dated 31/12/2021	08/2022/NQ -HĐQT Ngày 29/07/2022 08/2022/NQ -HĐQT dated 29/07/2022	-Nội dung: Thuê dịch vụ xử lý chất thải -Tổng giá trị giao dịch: 46.000.000 đồng Content: Waste treatment service rental -Total transaction value: 46.000.000 VND	

				Long Ward, Bien Hoa City, Dong Nai Province				
4	Công ty CP Cấp Nước Đồng Nai  Dong Nai Water Joint Stock Corporation	Người có liên quan  Related person	36002 59296	Số 48, đường Cách mạng tháng Tám, P. Quyết Thắng, TP. Biên Hoà, T. Đồng Nai  No. 48, Cach Mang Thang Tam Street, Quyet Thang Ward, Bien Hoa City, Dong Nai Province	Số hợp đồng:  Ngày ký:	08/2022/NQ -HDQT Ngày 29/07/2022  08/2022/NQ -HDQT dated 29/07/2022	-Nội dung: Mua nước sinh hoạt, nước uống. -Tổng giá trị giao dịch: 108.420.000 đồng -Content: Purchase of domestic water, drinking water. -Total transaction value: 108,420,000 VN	
5	Công ty TNHH Thiên Nhất Thiên  Thien Nhat Company Limited	Tổ chức có liên quan  Related organizations Người có liên quan  Related person	36033 09918	40A, Tổ 14, KP4. P. Tân Phong, TP. Biên Hòa, T. Đồng Nai  40A, group 1 Quarter 14,  Tan Phong Ward, Bien Hoa City, Dong Nai	01/2008/ SDN- TNT Ngày 7/11/201 8 01/2008/ SDN- TNT dated 7/11/201 8	10/2022/NQ -HDQT ngày 25/10/2020  10/2022/NQ -HDQT dated 25/10/2020	-Nội dung: Thuê nhà xưởng Tổng giá trị giao dịch: 904.473.290 đồng -Content: Factory rental Total transaction value: 904,473,290 VND	



				Province				
6	Công ty TNHH Phuong Đông  Phuong Dong Company Limited	Người có liên quan  Related person	37004 04099	Đường ĐT 746, KP. Bình Khánh, P.Khánh Bình, TX. Tân Uyên, T. Bình Dương  DT 746 Street, Quarter Khanh Bình, Khanh Bình Ward, Tan Uyen City, Bình Dương Province	31/CT/S DN- 2022  Ngày 03/01/20 22  31/CT/S DN- 2022 dated 03/01/20 22	10/2022/NQ -HĐQT ngày 25/10/2020  10/2022/NQ -HĐQT dated 25/10/2020	-Nội dung: Bán vật liệu xây dựng -Tổng giá trị giao dịch: 12.121.850 đồng -Content: Selling construction materials -Total transaction value: 12,121,850 VND	



**Phụ lục 4:** Giao dịch của người nội bộ và người có liên quan đối với cổ phiếu của công ty.

(Đính kèm Báo cáo số 02/2024/BCQT-SDN ngày 20/01/2025 về tình hình quản trị Công ty năm 2024)

*Appendix 4: Transactions of internal persons and affiliated persons with shares of the Company. (Attached is Report No. 02/2024/BCQT-SDN dated January 20, 2025).*

TT	Người thực hiện giao dịch Transaction executor	Quan hệ với người nội bộ Relationship with internal persons	Số cổ phiếu sở hữu đầu kỳ Number of shares owned at the beginning of the period		Số cổ phiếu sở hữu cuối kỳ Number of shares owned at the end of the period		Lý do tăng, giảm (mua, bán, chuyển đổi, thưởng...) Lý do tăng, giảm (mua, bán, chuyển đổi, thưởng...) Reasons for increasing, decreasing (buying, selling, converting, rewarding, etc.)
			Số cổ phiếu Number of shares	Tỷ lệ Percentage	Số cổ phiếu Number of shares	Tỷ lệ Percentage	
1	Ông Đào Đình Đề (Thành viên Hội đồng Quản trị Members of Board of Directors)		162.768	5,36%	149.168	4,91	Đã bán/selling 13.600



## **DONGNAI PAINT CORPORATION**

**AUDITED FINANCIAL STATEMENTS**  
For the financial year ended 31 December 2024





**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province,  
Vietnam

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**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam

**THE MANAGEMENT'S REPORT**

The management of Dongnai Paint Corporation (hereinafter referred to as "the Company") hereby presents its report and the audited financial statements of the Company for the financial year ended 31 December 2024.

**MEMBERS OF THE BOARD OF DIRECTORS, THE SUPERVISORY COMMITTEE AND THE MANAGEMENT**

Members of the Board of Directors during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Nguyen Pham Thuyen	Chairperson
Mr Nguyen Duc Nhlen	Vice chairperson
Mr Dao Dinh De	Member
Mr Tran Trung Kien	Member
Ms Vu Nguyen Thi Hanh	Member

Members of the Supervisory Committee during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Ms Dang Le Bich Phuong	Head
Ms Bui Thi Thuy Lien	Member
Ms Trinh Thi Ngoc Huong	Member

Members of management during the year and on the date of this report include:

<u>Full name</u>	<u>Position</u>
Mr Nguyen Duc Nhlen	General Director
Mr Nguyen Pham Thuyen	Vice General Director
Ms Huynh Nguyen Thanh Uyen	Vice General Director

**AUDITOR**

The accompanying financial statements of the Company for the financial year ended 31 December 2024 were audited by RSM Vietnam Auditing & Consulting Company Limited, a member firm of RSM International.

**RESPONSIBILITY OF THE MANAGEMENT**

The Company's management is responsible for preparing the financial statements of each period which give a true and fair view of the financial position of the Company and the results of its operations and its cash flows. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any departures that need to be disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement the internal control system effectively for a fair preparation and presentation of the financial statements so as to mitigate error or fraud.

**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam

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**THE MANAGEMENT'S REPORT (CONTINUED)**

The management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and ensure that the financial statements comply with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam. The management is also 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 management confirms that the Company has complied with the above requirements in preparing these financial statements.

**STATEMENT BY THE MANAGEMENT**

In the management's opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and the results of its operations and its cash flows for the financial year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and prevailing accounting regulations in Vietnam.

For and on behalf of management,



**Nguyễn Dục Nhiên**  
**General Director**

*Dong Nai Province, 20 February 2025*



No.: 34/2025/KT-RSMHCM

**INDEPENDENT AUDITOR'S REPORT**

**To:** **Shareholders**  
**Members of the Board of Directors**  
**Members of the management**  
**DONGNAI PAINT CORPORATION**

**Report on the financial statements**

We have audited the accompanying financial statements of Dongnai Paint Corporation (hereinafter referred to as "the Company") prepared on 20 February 2025 as set out from page 05 to page 36 which comprise the statement of financial position as at 31 December 2024, and the income statement, cash-flow statement for the financial year then ended, and the notes to the financial statements.

***The management's Responsibility***

The management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System and relevant legislation as to the preparation and presentation of financial statements and for such internal control as the management determines is necessary to enable the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

***Auditors' Responsibility***

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the 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 the 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)

**Opinion**

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Dongnai Paint Corporation as at 31 December 2024, and of the results of its financial performance and its cash flows for the financial year then ended in accordance with Vietnamese Accounting Standards and Vietnamese Corporate Accounting System issued under Circular 200/2014/TT-BTC dated 22 December 2014 and Circular 53/2016/TT-BTC dated 21 March 2016 by Ministry of Finance and relevant legislation as to the preparation and presentation of financial statements.

**pp GENERAL DIRECTOR****Lúc Thị Van****Vice General Director**Audit Practice Registration Certificate:  
0172-2023-026-1**Nguyen Thi Xuan Kieu**  
**Auditor**Audit Practice Registration Certificate:  
5547-2025-026-1**RSM Vietnam Auditing & Consulting Company Limited***Ho Chi Minh City, 20 February 2025*

*As disclosed in Note 2.1 to the financial statements, the accompanying financial statements are not intended to present the financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.*



**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province,  
Vietnam

Form B 01 - DN

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

Expressed in VND

ASSETS	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>53,058,109,947</b>	<b>48,206,682,488</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>		<b>4,588,484,559</b>	<b>4,209,000,623</b>
1. Cash	111	4.1	4,588,484,559	4,209,000,623
<b>II. Current account receivables</b>	<b>130</b>		<b>27,869,367,682</b>	<b>21,733,398,811</b>
1. Trade receivables	131	4.2	29,225,045,261	23,095,666,935
2. Advances to suppliers	132		45,232,960	-
3. Other current receivables	136		869,308,893	809,898,125
4. Provision for doubtful debts	137	4.3	(2,270,219,432)	(2,172,166,249)
<b>III. Inventories</b>	<b>140</b>	4.4	<b>20,600,257,706</b>	<b>21,547,882,220</b>
1. Inventories	141		20,665,775,006	21,624,063,016
2. Provision for decline in value of inventories	149		(65,517,300)	(76,180,796)
<b>IV. Other current assets</b>	<b>150</b>		<b>-</b>	<b>716,400,834</b>
1. Value added tax deductible	152		-	716,400,834
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>56,274,647,758</b>	<b>56,951,544,687</b>
<b>I. Non-current account receivables</b>	<b>210</b>		<b>-</b>	<b>750,000,000</b>
1. Other non-current receivables	216		-	750,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>1,165,944,996</b>	<b>1,471,356,953</b>
1. Tangible fixed assets	221	4.5	1,165,944,996	1,471,356,953
Cost	222		31,743,783,133	32,362,232,888
Accumulated depreciation	223		(30,577,838,137)	(30,890,875,935)
<b>III. Non-current financial investments</b>	<b>250</b>		<b>715,047,543</b>	<b>819,000,000</b>
1. Investment in other entities	253		819,000,000	819,000,000
2. Provision for non-current investments	254		(103,952,457)	-
<b>IV. Other non-current assets</b>	<b>260</b>		<b>54,393,655,219</b>	<b>53,911,187,734</b>
1. Non-current prepayments	261	4.6	54,170,970,034	53,688,502,549
2. Deferred income tax assets	262		222,685,185	222,685,185
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>109,332,757,705</b>	<b>105,158,227,175</b>

(See the next page)



**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province,  
Vietnam

Form B 01 - DN

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

As at 31 December 2024

Expressed in VND

RESOURCES	Code	Notes	As at 31 Dec. 2024	As at 01 Jan. 2024
<b>C. LIABILITIES</b>	<b>300</b>		<b>42,397,189,957</b>	<b>40,851,963,039</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>42,197,189,957</b>	<b>40,164,272,489</b>
1. Trade payables	311	4.7	17,374,326,002	18,845,554,769
2. Advances from customers	312		216,077,660	139,177,830
3. Taxes and amounts payable to the state budget	313	4.8	824,947,540	610,395,870
4. Payables to employees	314	4.9	2,930,807,205	2,312,291,381
5. Accrued expenses	315	4.10	3,373,103,725	537,241,769
6. Current loans and obligations under finance leases	320	4.11	13,474,768,889	12,046,505,869
7. Bonus and welfare fund	322	4.12	4,003,158,936	5,673,105,001
<b>II. Non-current liabilities</b>	<b>330</b>		<b>200,000,000</b>	<b>687,690,550</b>
1. Other non-current payables	337		200,000,000	687,690,550
<b>D. OWNER'S EQUITY</b>	<b>400</b>		<b>66,935,567,748</b>	<b>64,306,264,136</b>
<b>I. Equity</b>	<b>410</b>	4.13	<b>66,935,567,748</b>	<b>64,306,264,136</b>
1. Owner's contributed capital	411		30,364,360,000	30,364,360,000
2. Investment and development fund	418	4.13.6	21,270,364,407	6,587,580,230
3. Other reserves	420	4.13.6	1,518,200,000	1,518,200,000
4. Retained earnings	421		13,782,643,341	25,836,123,906
Beginning accumulated retained earnings	421a		8,811,172,806	15,122,130,194
Retained earnings of the current year	421b		4,971,470,535	10,713,993,712
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>109,332,757,705</b>	<b>105,158,227,175</b>



\_\_\_\_\_  
**Nguyen Duc Nhen**  
 General Director

\_\_\_\_\_  
**Huynh Thi Thanh Huong**  
 Chief Accountant

\_\_\_\_\_  
**Nguyen Bac Trung**  
 Preparer

Dong Nai Province, 20 February 2025

**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province,  
Vietnam

Form B 02 - DN

**INCOME STATEMENT**

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
1. Revenue	01	5.1	124,476,353,785	116,390,575,198
2. Deductions	02	5.2	4,828,382,245	5,855,137,592
3. Net revenue	10		119,647,971,540	110,535,437,606
4. Cost of sales	11	5.3	84,726,675,218	80,013,219,301
5. Gross profit	20		34,921,296,322	30,522,218,305
6. Finance income	21	5.4	33,394,909	10,245,572,302
7. Finance expense	22	5.5	4,470,930,992	4,792,906,519
<i>Of which, interest expense</i>	23		1,054,595,433	1,386,022,332
8. Selling expense	25	5.6	8,460,346,058	6,732,178,033
9. General and administrative expense	26	5.7	14,308,622,310	11,889,399,059
10. Operating profit/(loss)	30		7,714,791,871	17,353,306,996
11. Other income	31	5.8	4,024,328,338	4,313,731,006
12. Other expense	32		582,679,796	917,251,469
13. Net other income/(loss)	40		3,441,648,542	3,396,479,537
14. Accounting profit/(loss) before tax	50		11,156,440,413	20,749,786,533
15. Current corporate income tax expense	51	5.10	2,306,492,106	4,421,139,201
16. Deferred corporate income tax expense	52		-	(140,000,000)
17. Net profit/(loss) after tax	60		8,849,948,307	16,468,647,332
18. Basic earnings per share	70	4.13.4	2,366	4,342
19. Diluted earnings per share	71	4.13.4	2,366	4,342



Nguyễn Đức Nhiên  
General Director

Huỳnh Thị Thanh Hương  
Chief Accountant

Nguyễn Bắc Trung  
Preparer

Dong Nai Province, 20 February 2025



**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam

Form B 03 - DN

**CASH FLOW STATEMENT**

(Indirect method)

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
1. Net profit /(loss) before taxes	01		11,156,440,413	20,749,786,533
2. Adjustment for:				
Depreciation and amortisation	02	5.9	692,121,772	1,022,192,994
Provisions	03		191,342,144	(5,320,365)
Foreign exchange gains/losses from revaluation of foreign currency monetary items	04		-	(12,571,500)
Gains/losses from investment	05		(38,516,675)	(24,075,802)
Interest expense	06	5.5	1,054,595,433	1,386,022,332
3. Operating profit /(loss) before adjustments to working capital	08		<b>13,055,983,087</b>	<b>23,116,034,192</b>
Increase or decrease in accounts receivable	09		(4,767,621,220)	1,731,819,806
Increase or decrease in inventories	10		958,288,010	3,300,403,106
Increase or decrease in accounts payable (excluding interest expense and CIT payable)	11		2,115,680,571	(3,497,150,551)
Increase or decrease prepaid expenses	12		(482,467,485)	(8,539,099,183)
Increase or decrease in trading securities	13		-	2,450,000,000
Interest paid	14		(1,054,595,433)	(1,386,022,332)
Corporate income tax paid	15	4.8	(2,597,200,385)	(4,388,306,804)
Other cash inflows from operating activities	16		7,615,000	1,490,000
Other cash outflows from operating activities	17		(3,343,551,760)	(2,551,615,000)
Net cash from operating activities	20		<b>3,892,130,385</b>	<b>10,237,553,234</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
1. Acquisition and construction of fixed assets and other long-term assets	21		(424,772,144)	(133,438,000)
2. Proceeds from disposals of fixed assets and other long-term assets	22		25,000,000	-
3. Interest and dividends received	27		13,516,675	24,075,802
Net cash from investing activities	30		<b>(386,255,469)</b>	<b>(109,362,198)</b>

(See the next page)



**DONGNAI PAINT CORPORATION**

Address: Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province,  
Vietnam

Form B 03 - DN

**CASH FLOW STATEMENT  
(Indirect method)**

For the financial year ended 31 December 2024

Expressed in VND

ITEMS	Code	Notes	Year 2024	Year 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
1. Proceeds from borrowings	33	6.1	37,047,284,257	36,207,347,768
2. Repayment of borrowings	34	6.2	(35,619,021,237)	(42,071,764,871)
3. Dividends paid	36	4.13.5	(4,554,654,000)	(5,313,763,000)
<b>Net cash from financing activities</b>	<b>40</b>		<b>(3,126,390,980)</b>	<b>(11,178,180,103)</b>
<b>NET INCREASE/(DECREASE) IN CASH (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>379,483,936</b>	<b>(1,049,989,067)</b>
Cash and cash equivalents at beginning of year	60		4,209,000,623	5,258,989,690
Impact of exchange rate fluctuation	61		-	-
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR (70 = 50 + 60 + 61)</b>	<b>70</b>	4.1	<b>4,588,484,559</b>	<b>4,209,000,623</b>



Nguyễn Đức Nhiên  
General Director

Huỳnh Thị Thanh Hương  
Chief Accountant

Nguyễn Bắc Trung  
Preparer

Dong Nai Province, 20 February 2025

**NOTES TO THE FINANCIAL STATEMENTS****1. CORPORATE INFORMATION****1.1. Structure of ownership**

Dongnai Paint Corporation (hereinafter referred to as "the Company") – former name is Dongnai Paint Factory – a state-owned enterprise under Dong Nai Department of Industry. On 13 December 1999, the Company was converted into a joint stock company called Dong Nai Paint Corporation in accordance with Business Registration Certificate No. 3600451024 dated 01 March 2000 granted by Dong Nai Province's Department of Planning and Investment and other amended certificates thereafter with the latest one dated 23 October 2023.

The charter capital as stipulated in the Business Registration Certificate is VND 30,364,360,000.

The Company's registered head office is Bien Hoa 1 Industrial Park, Road No. 7, An Binh Ward, Bien Hoa City, Dong Nai Province, Vietnam.

The number of employees as at 31 December 2024 was 149 (31 December 2023: 167).

**1.2. Business field**

Manufacturing.

**1.3. Operating industry and principal activities**

The Company is principally engaged in production and trading of paint products, production of putty (wall putty).

**1.4. Normal operating cycle**

The Company's normal operating cycle is carried out for a period of 12 months.

**1.5. Operating activities in the financial year impacting the financial statements**

According to the Resolution No. 32/2024/NQ-HĐQT dated 12 June 2024 and the Resolution No. 36/2024/NQ-HĐQT dated 30 August 2024, the Board of Directors approved the termination of operations at the Bac Ninh branch due to the expiration of the investment project's duration and the decision not to extend the investment, the date of termination is from 01 September 2024. Currently, the Company is in the process of completing the procedures to dissolve the branch.

**2. BASIS OF PREPARATION****2.1. Accounting standards, accounting system**

The accompanying financial statements, expressed in Vietnamese Dong ("VND"), are prepared under the historical cost convention, and in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System, and prevailing accounting regulations in Vietnam.

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

**2.2. Forms of accounting records**

The form of accounting records applied in the Company is the General Journal.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**2.3. Financial year**

The Company's financial year is from 01 January to 31 December.

**2.4. Reporting and functional currency**

The Company maintains its accounting records in VND.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**3.1. Foreign currencies**

- The exchange rate applied in accounting is the actual transaction exchange rate at the time of transaction;
- The exchange rate applicable to asset re-evaluation is the foreign currency-buying rate;
- The exchange rate applicable to liability re-evaluation is the foreign currency-selling rate;

Transactions in foreign currencies are recorded, on initial recognition, in the reporting currency, by applying to the foreign currency amount the spot exchange rate between the reporting currency and the foreign currency at the date of the transaction. The exchange differences arising on the settlement of monetary items are recognised in profit or loss in the year in which they arise. At the end of the reporting year, monetary items excluding advances to suppliers, prepaid expenses, and unearned revenues, which are denominated in foreign currency, are reported using the closing rate and resultant exchange differences resulting from the reporting after offset are recognised in profit or loss in the year in which they arise.

**3.2. Use of estimates**

The preparation of the financial statements requires the management to make estimates and assumptions that impact the carrying value of certain assets and liabilities, contingent assets as at 31 December 2024 and liabilities reported in the notes as well as revenues and expenses for the financial year ended 31 December 2024. Although these estimates are based on the management's best knowledge of all relevant information available at the date when the financial statements are prepared, this does not prevent actual figures differing from estimates.

**3.3. Cash**

Cash comprise cash in hand and cash at bank as at the end of reporting year.

**3.4. Account receivables**

***Recognition method***

Account receivables are stated at the carrying amounts of trade receivables and other receivables less provisions for doubtful debts.

***Provision for doubtful debts***

As of the date of the financial statements, provisions for doubtful debts are recognised for past-due accounts receivable and for accounts receivable where circumstances indicate that they might be uncollectible or for uncollectible debts due to liquidation, bankruptcy, or similar difficulties.

The difference between the required balance and the existing balance of provision for doubtful debts is recorded as a general and administrative expense in the income statement.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.5. Inventories**

***Inventory measurement***

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

The costs of inventories shall comprise all costs of purchase, costs of conversion, and other costs incurred in bringing inventories to their present location and condition. The cost of work in progress and finished goods includes materials, direct labour and attributable production overheads based on normal levels of activity.

The costs of purchase of inventories comprise the purchase price, non-reimbursable taxes and duties, and transport, handling, and other costs directly attributable to the acquisition of inventories. Trade discounts and sales rebates on substandard and obsolete goods purchased are deducted from the costs of purchase.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

***Method of accounting for inventories***

Inventories are measured using the weighted average method and are recorded under the perpetual inventory method.

***Provisions for decline in value of inventories***

As of the date of the financial statements, provisions are recognised for obsolete, slow-moving, defective inventory, and for inventory stated at cost higher than net realisable value.

The difference between the required balance and the existing balance of the provisions for a decline in value of inventories is included in cost of sales in the income statement.

Inventories are written down to net realizable value item by item. For services being rendered, provision is made in respect of each service for which a separate selling price is charged.

Materials and other supplies held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

**3.6. Tangible fixed assets**

Tangible fixed assets are measured at cost less accumulated depreciation.

***Tangible fixed asset recognition***

Tangible fixed assets are initially recognised at their cost. The cost of purchased tangible fixed assets comprises the purchase price and any directly attributable costs of bringing the assets to their present location and working condition for their intended use. Accessories added to fixed assets when purchased are recognised separately at their fair values and deducted from the historical cost of the respective tangible fixed assets.

***Depreciation***

The costs of fixed assets are depreciated on a straight-line method over their estimated useful lives.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.6. Tangible fixed assets (Continued)**

The estimated useful lives are as follows:

▪ Buildings, structures	05 – 25 years
▪ Machinery and equipment	03 – 10 years
▪ Motor vehicles	05 – 15 years
▪ Management equipment	03 – 05 years

**3.7. Leases**

***Lease classification***

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

***Operating leases***

Lease payments under an operating lease are recognised as an expense on a straight-line basis over the lease term.

**3.8. Prepayment**

Prepayment is classified as non-current based on their original term and mainly cost related to prepaid infrastructure rentals.

Infrastructure rental is recorded as prepaid expenses which are amortised over the rental period.

**3.9. Liabilities**

Liabilities are classified into trade payables and other payables based on the following rules: Trade payables represent those arising from purchase and sale related transactions of goods, services or assets and the seller is independent of the buyer; the remaining payables are classified as other payables.

Liabilities are also classified according to the maturity date, the remaining term from the date of the financial statements, original currency, and each creditor.

Liabilities are recognised at no less than the payment obligation.

**3.10. Borrowing costs**

***Capitalisation of borrowing costs***

Borrowing costs directly attributable to the acquisition, construction, or production of qualifying assets, that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets until the assets are put into use or sale.

Investment income earned on temporary investment of borrowings is deducted from the cost of the respective assets.

All other borrowing costs are recognised as an expense in the income statement when incurred.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.11. Accrued expenses**

Accrued expenses represent expenses that will be paid in the future for goods or services received but not yet paid due to lack of invoices or accounting documents. These expenses are recognised as operating expenses of the reporting year.

**3.12. Owners' equity**

***The owners' contributed equity***

The owners' contributed equity is recognised when contributed.

***Dividends***

Dividends are recognised as a liability at the date of declaring dividends.

***Reserves***

Reserves are created at certain percentages of profit after tax as prescribed in the Company's charter

***Retained earnings***

Net profit after income tax can be distributed to shareholders after the distribution is approved the Annual General Meeting of Shareholders and reserves are created in accordance with the Company's Charter and legal regulations in Vietnam.

**3.13. Revenue**

***Revenue from selling goods***

Revenue from selling goods is measured at the fair value of the consideration received or receivable. In most cases, revenue is recognised when transferring the risks and rewards of ownership to the buyer.

***Revenue involving the rendering of services***

Revenue of a transaction involving the rendering of services is recognised when the outcome of this transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, each period's revenue is recognised by reference to the stage of completion at the end of the reporting period.

**3.14. Deductions**

Deductions include trade discounts and sale returns.

Deductions arising in the reporting year from consumption of products, goods and services are recognised as decreases in revenue in that year; Deductions arising after the end of the reporting year but prior to issuing the financial statements for the reporting year are recognised as decreases in revenue of the reporting year; Deductions arising after the end of the reporting year and after issuing the financial statements for the reporting year are recognised as decreases in revenue of the next year.

**3.15. Cost of sales**

Cost of sales and services provided represents total costs of finished products, goods, services which are sold in the year in accordance with the matching principle. Abnormal amounts of production costs of inventories are recognised immediately in cost of sales.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.16. Finance expense**

Finance expenses represent all expenses incurred in the reporting year which mainly include payment discount, borrowing costs, provision for impairment of investment in other entities, and losses from exchange rates.

**3.17. Selling expense and general and administrative expense**

Selling expenses represent expenses incurred during the process of selling products, goods, and rendering services, which include expenses relating to raw materials, packaging; offering, introducing products, advertising products; promotion; sales commissions; product warranty; transportation costs, loading and unloading costs, sundry expenses (entertainment, etc.).

General and administrative expenses represent common expenses, which include payroll costs for office employees' (salaries, wages, allowances, etc.); social insurance, health insurance, trade union fees and unemployment insurance; stationery expenses, material expenses, depreciation expenses of fixed assets used for administration activities; land rental, license tax; utility services (electricity expenses, water expenses, phone, fax, warranty expenses, etc.); sundry expenses (entertainment, customer conference, etc.).

**3.18. Taxation**

***Corporate income tax***

***Current corporate income tax expense***

Current corporate tax expense is determined on the basis of taxable income and the rate of corporate income tax (CIT) of the current year at 20%.

***Deferred corporate income tax expense***

Deferred corporate tax expense is determined on the basis of the deductible temporary differences, taxable temporary differences and the estimated CIT rate that will be applied for the years that assets and liabilities will be recovered. The tax rates used will be the tax rates (and tax laws) that are in effect at the financial year end.

Deferred tax liability is recognised for all taxable temporary differences, unless:

- The deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss);
- All taxable temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures when the parent, investor or venturer is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised, unless:

- The deferred tax asset arises from the initial recognition of an asset or liability in a transaction which at the time of transaction, affects neither accounting profit nor taxable profit (tax loss);
- The deferred tax assets for all deductible temporary differences associated with investments in subsidiaries, branches and associates, and interests in joint ventures are only recognised when it is probable that the temporary difference will reverse in the foreseeable future; and taxable profit will be available against which the temporary difference can be utilised.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**3.18. Taxes (Continued)**

The carrying amount of a deferred tax asset shall be reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised. Any such reduction shall be reverted to the extent it becomes probable that sufficient taxable profit will be available.

Current and deferred tax are recognised as income or an expense and included in profit or loss for the year except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred tax assets and deferred tax liabilities are only offset if, and only if, the Company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority and the Company intends to settle current tax liabilities and assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

***Value added tax***

The goods sold and services rendered by the Company are subject to value added tax 10%.

***Other taxes***

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

The tax reports of the Company will be inspected by the Tax Department. Application of the laws and regulations on tax to different transactions can be interpreted by many ways; therefore, the tax amounts presented in the financial statements can be amended in accordance with the Tax Department's final assessment for the Company.

**3.19. Earnings per share**

Basic earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year, excluding ordinary shares bought back by the Company and held as treasury shares.

**3.20. Diluted earnings per share**

Diluted earnings per share are calculated by dividing the net profit attributable to ordinary shareholders (after adjusted for bonus and welfare funds), by the weighted average number of ordinary shares outstanding during the year and total ordinary shares that would be issued on the conversion, excluding ordinary shares bought back by the Company and held as treasury shares.

**3.21. Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in producing or providing related products or services (business segment), or in producing or providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****3.22. Related parties**

Related parties are individuals or entities that have the ability, directly or indirectly through one or more intermediaries, to control the Company or are controlled by, or are subject to common control with the Company. Associates, individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the management and officers of the Company and close family members or associates of such individuals are also considered to be related parties.

**4. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE STATEMENT OF FINANCIAL POSITION****4.1. Cash**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Cash in hand	354,793,468	604,525,032
Cash at banks	4,233,691,091	3,604,475,591
<b>Total</b>	<b>4,588,484,559</b>	<b>4,209,000,623</b>

**4.2. Current trade receivables**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
PPG Viet Nam Company Limited	4,566,700,839	2,906,680,081
Gia Gia Phat Trading and Service Company Limited	2,258,555,620	2,384,051,111
Other customers (*)	22,399,788,802	17,804,935,743
<b>Total</b>	<b>29,225,045,261</b>	<b>23,095,666,935</b>

(\*) As at 31 December 2024, any component of current trade receivables from other customers was less than 10% total current trade receivables.

Current trade receivables of at least VND 15 billion have been used as collateral, pledge, or security for loans – Refer to Note 4.11.

**4.3. Doubtful debts**

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Cost	Recoverable amount	Cost	Recoverable amount
Overdue trade receivables	2,289,930,132	19,710,700	2,192,166,249	20,000,000

The management assessed the ability to recover the overdue receivables as low because receivables has been outstanding for many years.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.3. Doubtful debts (Continued)**

Movements of provisions for doubtful debts are detailed as follows:

	Year 2024 VND	Year 2023 VND
Carrying amount at the start of the year	2,172,166,249	2,148,181,433
Additional provisions recognised	98,053,183	47,445,334
Unused amounts reversed	-	(23,460,518)
<b>Carrying amount at the end of the year</b>	<b>2,270,219,432</b>	<b>2,172,166,249</b>

Overdue trade receivables are analysed by debtor as follows:

	As at 31 Dec. 2024 VND			As at 01 Jan. 2024 VND		
	Cost	Recoverable amount	Overdue days	Cost	Recoverable amount	Overdue days
Nguyen Van San Store	1,096,000,000	-	Over 3 years	1,096,000,000	-	Over 3 years
Minh Khoi Trading & Construction Co., Ltd.	367,017,470	-	Over 3 years	367,017,470	-	Over 3 years
Other customers	826,912,662	19,710,700	From 1 year – Over 3 years	729,148,779	20,000,000	Over 3 years
<b>Total</b>	<b>2,289,930,132</b>	<b>19,710,700</b>		<b>2,192,166,249</b>	<b>20,000,000</b>	

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.4. Inventories**

	As at 31 Dec. 2024		As at 01 Jan. 2024	
	VND		VND	
	Cost	Provisions	Cost	Provisions
Raw materials	7,783,313,681	(36,501,117)	7,019,906,889	(34,401,117)
Tools and supplies	825,294,792	-	778,608,147	(5,936,182)
Semi-finished goods	594,722,824	-	625,902,809	-
Finished goods	11,461,769,701	(29,016,183)	13,197,535,549	(35,843,497)
Merchandise	674,008	-	2,109,622	-
<b>Total</b>	<b>20,665,775,006</b>	<b>(65,517,300)</b>	<b>21,624,063,016</b>	<b>(76,180,796)</b>

Minimum inventory value of VND 15 billion has been used as collateral, pledge, or guarantee for loans – Refer to Note 4.11.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.5. Tangible fixed assets**

Items	Buildings, structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Cost:</b>					
As at 01 Jan. 2024	7,953,820,577	16,615,096,212	7,620,555,554	172,760,545	32,362,232,888
Purchase	-	386,709,815	-	-	386,709,815
Disposals	-	(1,005,159,570)	-	-	(1,005,159,570)
<b>As at 31 Dec. 2024</b>	<b>7,953,820,577</b>	<b>15,996,646,457</b>	<b>7,620,555,554</b>	<b>172,760,545</b>	<b>31,743,783,133</b>
<b>Accumulated depreciation:</b>					
As at 01 Jan. 2024	7,782,162,602	16,016,497,334	6,957,742,954	134,473,045	30,890,875,935
Depreciation	171,657,975	292,238,041	214,725,756	13,500,000	692,121,772
Disposals	-	(1,005,159,570)	-	-	(1,005,159,570)
<b>As at 31 Dec. 2024</b>	<b>7,953,820,577</b>	<b>15,303,575,805</b>	<b>7,172,468,710</b>	<b>147,973,045</b>	<b>30,577,838,137</b>
<b>Net book value:</b>					
As at 01 Jan. 2024	171,657,975	598,598,878	662,812,600	38,287,500	1,471,356,953
<b>As at 31 Dec. 2024</b>	<b>-</b>	<b>693,070,652</b>	<b>448,086,844</b>	<b>24,787,500</b>	<b>1,165,944,996</b>

Amount of year-end cost and net book value of tangible fixed assets pledged, mortgaged as loan security are VND 4,983,378,447 and VND 0, respectively – Refer to Note 4.11.

The historical cost of tangible fixed assets fully depreciated but still in use totalled VND 28,950,516,272.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.6. Non – current prepayments**

Representing land rental and infrastructure usage costs at Ho Nai Industrial Park, Ho Nai 3 Commune, Trang Bom District, Dong Nai Province with a lease term from 06 June 2022 to 31 May 2065.

**4.7. Current trade payables**

	As at 31 Dec. 2024 VND		As at 01 Jan. 2024 VND	
	Amount	Payable amount	Amount	Payable amount
Trade payables to related parties	-	-	65,691,038	65,691,038
Trade payables:				
Da Trang				
Transport and Trading				
Production				
Company Limited	1,763,047,188	1,763,047,188	2,369,832,800	2,369,832,800
Other suppliers (*)	15,611,278,814	15,611,278,814	16,410,030,931	16,410,030,931
<b>Total</b>	<b><u>17,374,326,002</u></b>	<b><u>17,374,326,002</u></b>	<b><u>18,845,554,769</u></b>	<b><u>18,845,554,769</u></b>

(\*) As at 31 December 2024, any component of current trade payables to other suppliers was less than 10% of the total current trade payables.

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## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### 4.8. Tax and amounts payable to the state budget

	As at 31 Dec. 2024 VND	Movement in year VND	As at 01 Jan. 2024 VND
	Payable	Payable	Payable
Output value added tax (*)	531,100,637	5,088,356,156	27,939,203
Value added tax on imported goods	-	556,683,270	-
Corporate income tax	147,939,844	2,306,492,106	438,648,123
Personal income tax	145,907,059	524,905,797	143,808,544
Other taxes	-	4,000,000	-
<b>Total</b>	<b>824,947,540</b>	<b>8,480,437,329</b>	<b>610,395,870</b>

(\*) Of which, output value added tax is detailed as follows:

	As at 31 Dec. 2024 VND	Movement in year VND	As at 01 Jan. 2024 VND
	Payable	Deducted	Payable
Output value added tax	531,100,637	7,417,409,875	27,939,203

### 4.9. Payables to employees

Representing the 12<sup>th</sup>-month salary and 13<sup>th</sup>-month salary in year 2024 payable to employees as at 31 December 2024.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.10. Current accrued expenses**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Accrued promotional program expense	2,189,013,000	2,040,000
Accrued electricity	773,137,717	423,363,186
Accrued payment discount	304,549,950	-
Accrued other expenses	106,403,058	111,838,583
<b>Total</b>	<b>3,373,103,725</b>	<b>537,241,769</b>

**4.11. Current loans and finance lease liabilities**

	As at 31 Dec. 2024 VND		Movements in the year VND		As at 01 Jan. 2024 VND	
	Amount	Payable amount	Increase	Decrease	Amount	Payable amount
Bank loans	13,474,768,889	13,474,768,889	37,047,284,257	35,619,021,237	12,046,505,869	12,046,505,869

Representing current loans in VND at Vietnam Joint Stock Commercial Bank for Industry and Trade with the term not exceeding 12 months, the credit limit is VND 30 billion and the interest rate for each loan on the debt receipt from 7.5% to 8.2% per year, the purpose of the loan is to supplement the Company's working capital and serve its production and business, secured by the following collaterals:

- Rights to trade receivables that have been and/or will be formed in the future with a minimum value of VND 15 billion – Refer to Note 4.2;
- Total value of inventory with a minimum maintaining level of VND 15 billion – Refer to Note 4.4;
- Fixed assets with cost and residual value as at 31 December 2024 are VND 4,983,378,447 and VND 0, respectively – Refer to Note 4.5.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.12. Bonus and welfare fund**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
As at 01 January	5,673,105,001	4,938,873,481
Distribution in year	1,665,990,695	3,284,356,520
Other increase	7,615,000	1,490,000
Using in year	(3,343,551,760)	(2,551,615,000)
<b>As at 31 December</b>	<b>4,003,158,936</b>	<b>5,673,105,001</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.13. Owners' equity****4.13.1. Changes in owners' equity**

	Items of owners' equity				Total VND
	Owners' contributed capital VND	Development investment fund VND	Other fund VND	Retained earnings VND	
As at 01 Jan. 2023	15,182,180,000	19,299,463,130	1,518,200,000	20,435,893,194	56,435,736,324
Previous year's capital increase	15,182,180,000	(15,182,180,000)	-	-	-
Previous year's profits	-	-	-	16,468,647,332	16,468,647,332
Distributed Development investment fund for the year 2023	-	2,470,297,100	-	(2,470,297,100)	-
Distributed Bonus and welfare fund for the year 2023	-	-	-	(3,284,356,520)	(3,284,356,520)
Dividend for the year 2022	-	-	-	(5,313,763,000)	(5,313,763,000)
As at 01 Jan. 2024	30,364,360,000	6,587,580,230	1,518,200,000	25,836,123,906	64,306,264,136
Current year's profits	-	-	-	8,849,948,307	8,849,948,307
Additional distributed Development investment fund for the year 2023 (*)	-	12,470,297,100	-	(12,470,297,100)	-
Distributed Development investment fund for the year 2024 (*)	-	2,212,487,077	-	(2,212,487,077)	-
Distributed Bonus and welfare fund for the year 2024 (*)	-	-	-	(1,665,990,695)	(1,665,990,695)
Dividend for the year 2023 (*)	-	-	-	(4,554,654,000)	(4,554,654,000)
<b>As at 31 Dec. 2024</b>	<b>30,364,360,000</b>	<b>21,270,364,407</b>	<b>1,518,200,000</b>	<b>13,782,643,341</b>	<b>66,935,567,748</b>

(\*) Distribution of profits, funds, and dividends for the year 2023 and 2024 according to the Resolution of the Annual General Meeting of Shareholders No. 02/NQ-SDN/DHCĐ2024 dated 10 April 2024.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.13.2. Details of owners' equity**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Sonadezi Corporation	9,110,880,000	9,110,880,000
Capital contributed by others	21,253,480,000	21,253,480,000
<b>Total</b>	<b>30,364,360,000</b>	<b>30,364,360,000</b>

**4.13.3. Shares**

	As at 31 Dec. 2024	As at 01 Jan. 2024
Number of ordinary shares registered for issue	3,036,436	3,036,436
Number of ordinary shares sold to public	3,036,436	3,036,436
Number of ordinary shares outstanding	3,036,436	3,036,436

Par value per outstanding share: VND 10,000 per share.

**4.13.4. Basic and diluted earnings per share**

	Year 2024 VND	Year 2023 VND
Profit after tax attributable to ordinary share holders	8,849,948,307	16,468,647,332
Distribution to Bonus and welfare fund (*)	(1,665,990,695)	(3,284,356,520)
Earnings for the purpose of calculating basic and diluted earnings per share	7,183,957,612	13,184,290,812
Weighted average number of ordinary shares outstanding during the year (**)	3,036,436	3,036,436
<b>Basic and diluted earnings per share</b>	<b>2,366</b>	<b>4,342</b>

(\*) Bonus and welfare fund deducted when calculating basic and diluted earnings per share in year 2024 which is provisionally calculated.

(\*\*) Weighted average number of ordinary shares outstanding during the year was calculated as follows:

	Year 2024	Year 2023
Ordinary shares outstanding at the beginning of year	3,036,436	1,518,218
Impact of 1,518,218 ordinary shares issued on 27 October 2023 from development investment fund is adjusted to increase according to the regulation of Vietnamese Accounting Standard No. 30	-	1,518,218
<b>Weighted average number of ordinary shares outstanding during the period</b>	<b>3,036,436</b>	<b>3,036,436</b>



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****4.13.5. Dividends**

	Year 2024 VND	Year 2023 VND
Opening balance	-	-
Dividends payable	4,554,654,000	5,313,763,000
Dividends paid of ordinary shares (*)	(4,554,654,000)	(5,313,763,000)
<b>Ending balance</b>	<b>-</b>	<b>-</b>
(*) Of which, dividends paid to related parties – Refer to Note 8	(1,630,584,000)	(1,922,298,000)

**4.12.6. Corporate funds**

	Development investment fund VND	Other funds VND
As at 01 Jan. 2024	6,587,580,230	1,518,200,000
Distributed in year	14,682,784,177	-
<b>As at 31 Dec. 2024</b>	<b>21,270,364,407</b>	<b>1,518,200,000</b>

**4.14. Off statement of financial position items**

	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Leased assets: Total minimum amount of irrevocable operating leases classified by term:		
Within one year	283,953,928	283,953,928
Later than one year but within five years	686,252,061	686,252,061
Later than five years	2,470,507,420	2,745,008,244
<b>Total</b>	<b>3,440,713,409</b>	<b>3,715,214,233</b>
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND

Doubtful debts written off:

Written off according to Board of Directors Resolution dated 23 July 2013	333,886,504	333,886,504
Written off according to Board of Directors Resolution dated 31 July 2015	1,111,934,750	1,111,934,750

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****5. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE INCOME STATEMENT****5.1. Revenue from selling goods and rendering services**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Sale of goods	96,432,342,903	91,728,002,636
Sale of paint processing	28,044,010,882	24,662,572,562
<b>Total</b>	<b>124,476,353,785</b>	<b>116,390,575,198</b>
Of which, the revenue from selling goods and rendering services to related parties – Refer to Note 8	12,121,850	42,250,975

**5.2. Deductions**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Trade discounts	4,287,951,045	4,639,430,908
Sales returns	540,431,200	1,215,706,684
<b>Total</b>	<b>4,828,382,245</b>	<b>5,855,137,592</b>

**5.3. Cost of sales**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Cost of merchandise sold	64,157,649,313	61,089,475,621
Cost of paint processing	20,569,025,905	18,923,743,680
<b>Total</b>	<b>84,726,675,218</b>	<b>80,013,219,301</b>

**5.4. Finance income**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Gains from realized exchange differences	19,878,234	12,571,500
Deposit interest	13,516,675	24,075,802
Income from liquidation and sale of financial investments	-	10,208,925,000
<b>Total</b>	<b>33,394,909</b>	<b>10,245,572,302</b>

The finance income this year has significantly decreased compared to the previous year because the Company sold all its shares in Sonadezi Chau Duc Joint Stock Company last year and recorded a profit of VND 10.2 billion.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****5.5. Finance expense**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Payment discounts	3,282,241,695	3,387,377,360
Interest expense	1,054,595,433	1,386,022,332
Provision for decline in value of investment impairment loss	103,952,457	-
Losses from exchange differences	30,141,407	19,506,827
<b>Total</b>	<b>4,470,930,992</b>	<b>4,792,906,519</b>

**5.6. Selling expense**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Material and packaging expense	1,153,328,667	1,129,422,181
Depreciation expense	70,400,796	52,144,074
Trade promotion expenses	4,234,829,938	2,411,264,611
Rendered services expenses	516,963,719	516,894,403
Sundry expenses in cash	2,484,822,938	2,622,452,764
<b>Total</b>	<b>8,460,346,058</b>	<b>6,732,178,033</b>

The selling expenses this year have increased by approximately 26% compared to previous year, mainly due to the Company's intensified trade promotion activities, including promotions and advertising.

**5.7. General and administrative expense**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Employee expenses	6,257,651,563	6,086,652,891
Material expenses	557,623,616	544,173,243
Office stationery expenses	112,243,172	99,451,661
Depreciation expense	278,573,878	298,715,544
Taxes, fees and charge	98,860,439	129,246,573
Infrastructure usage expenses	3,220,514,333	700,000,000
Provision for doubtful debts	98,053,183	23,984,816
Rendered services expenses	571,867,115	498,063,789
Sundry expenses in cash	3,113,235,011	3,509,110,542
<b>Total</b>	<b>14,308,622,310</b>	<b>11,889,399,059</b>

The general and administrative expenses this year have increased by more than 20% compared to previous year, mainly due to the Company's additional recognition of infrastructure usage costs from previous years.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****5.8. Other income**

	Year 2024 VND	Year 2023 VND
Income from warehouse leasing and management	3,169,204,884	3,150,530,048
Income from surplus materials and goods	616,252,780	972,882,885
Other income	238,870,674	190,318,073
<b>Total</b>	<b><u>4,024,328,338</u></b>	<b><u>4,313,731,006</u></b>

**5.9. Production and business costs by element**

	Year 2024 VND	Year 2023 VND
Material expenses	54,947,078,066	51,607,332,283
Employee expense	27,523,405,204	25,271,492,405
Depreciation expense	692,121,772	1,022,192,994
Provision for doubtful debts	98,053,183	23,984,816
Rendered services expenses	13,529,006,807	10,152,436,678
Sundry expenses in cash	8,939,032,721	6,947,404,698
<b>Total</b>	<b><u>105,728,697,753</u></b>	<b><u>95,024,843,874</u></b>

**5.10. Current corporate income tax expense**

CIT expense calculated on the taxable income of the current year is determined as follows:

	Year 2024 VND	Year 2023 VND
Accounting profit before tax for the year	11,156,440,413	20,749,786,533
Add: Adjustments according to CIT law	789,446,044	1,769,335,396
Less: Adjustments according to CIT law	(413,425,926)	(413,425,926)
Taxable income from business activities	11,532,460,531	22,105,696,003
Current CIT rate	20%	20%
Current CIT expense from business activities	2,306,492,106	4,421,139,201
<b>Current CIT expense for the year</b>	<b><u>2,306,492,106</u></b>	<b><u>4,421,139,201</u></b>

The adjustments for the increases (decreases) in the taxable income are mainly non – tax – deductible items as regulated by CIT law, such as:

- Expenses without invoices and vouchers;
- Accrual expenses without invoice;
- Remuneration of non-operational Board of Directors.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****6. ADDITIONAL INFORMATION FOR ITEMS SHOWN IN THE CASH FLOW STATEMENT****6.1. Cash receipts from loans in the year**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Cash receipts from loans under normal contracts	37,047,284,257	36,207,347,768

**6.2. Cash repayments of principal amounts borrowed**

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Cash repayment of principal amounts under normal contracts	(35,619,021,237)	(42,071,764,871)

*(See the next page)*

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****7. SEGMENT REPORTING**

For management purposes, the Company is organised on a nation - wide basis into the following manufacturing sector::

- Paint production;
- Paint processing.

**For the financial year ended 31 December 2024**

	Paint production		Paint processing		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
<b>Revenue</b>						
External sales	91,603,960,658	85,872,865,044	28,044,010,882	24,662,572,562	119,647,971,540	110,535,437,606
<b>Total</b>	<b>91,603,960,658</b>	<b>85,872,865,044</b>	<b>28,044,010,882</b>	<b>24,662,572,562</b>	<b>119,647,971,540</b>	<b>110,535,437,606</b>
<b>Result</b>						
Segment result	7,636,018,819	9,719,327,079	4,516,309,135	2,181,314,134	12,152,327,954	11,900,641,213
Financial income					33,394,909	10,245,572,302
Financial expense					(4,470,930,992)	(4,792,906,519)
Other income					4,024,328,338	4,313,731,006
Other expense					(582,679,796)	(917,251,469)
Profit before tax					11,156,440,413	20,749,786,533
Income tax expense					(2,306,492,106)	(4,281,139,201)
<b>Net profit</b>					<b>8,849,948,307</b>	<b>16,468,647,332</b>





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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**7. SEGMENT REPORTING (CONTINUED)**

**Other information**

	Paint production		Paint processing		Total	
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Segment assets	42,771,604,726	39,259,281,503	6,122,027,377	5,260,787,282	48,893,632,103	44,520,068,785
Unallocated assets					60,439,125,602	60,638,158,390
<b>Total assets</b>					<b>109,332,757,705</b>	<b>105,158,227,175</b>

	Paint production		Paint processing		Total	
	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND	As at 31 Dec. 2024 VND	As at 01 Jan. 2024 VND
Segment liabilities	31,065,172,551	31,031,238,468	-	-	31,065,172,551	31,031,238,468
Unallocated liabilities					11,332,017,406	9,820,724,571
<b>Total liabilities</b>					<b>42,397,189,957</b>	<b>40,851,963,039</b>

	Paint production		Paint processing		Total	
	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND	Year 2024 VND	Year 2023 VND
Cost of purchasing assets	424,772,144	132,307,000	-	-	424,772,144	132,307,000
Depreciation expense	504,564,635	808,845,642	187,557,137	213,347,352	692,121,772	1,022,192,994

There is no segment reporting according to the geographical area as the operation of the Company is mainly in Dong Nai Province, so there is no difference in risk and economic benefits which are necessary to be disclosed.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****8. RELATED PARTIES**

<b>No.</b>	<b>List of related parties</b>	<b>Relationship</b>
1.	Sonadezi Corporation	Significant influence shareholder
2.	Sonadezi Enviroment Joint Stock Company	Fellow company
3.	Sonadezi Services Joint Stock Company	Fellow company
4.	Dong Nai Water Joint Stock Company	Fellow company
5.	Thien Nhat Thien Company Limited	The company has the same key management personnel
6.	Phuong Dong Company Limited	The company has the same key management personnel
7.	Board of Directors, management, and Supervisory Committee	Key management personnel

During the reporting year, the Company has had related party transactions as follows:

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Rendering services – Refer to Note 5.1:		
Phuong Dong Company Limited	12,121,850	42,250,975
	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Purchasing and receiving services:		
Sonadezi Corporation	240,466,263	238,616,850
Dong Nai Water Joint Stock Company	108,420,000	104,761,000
Sonadezi Enviroment Joint Stock Company	46,000,000	48,280,000
Sonadezi Services Joint Stock Company	29,147,479	26,776,035
Thien Nhat Thien Company Limited	-	2,478,314,325
<b>Total</b>	<b>424,033,742</b>	<b>2,896,748,210</b>
	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Dividends paid:		
Sonadezi Corporation	1,366,632,000	1,594,404,000
Mr Nguyen Pham Thuyen	12,000,000	14,000,000
Mr Nguyen Duc Nhen	19,800,000	23,100,000
Mr Dao Dinh De	227,052,000	284,844,000
Ms Vu Nguyen Thi Hanh	5,100,000	5,950,000
<b>Total – Refer to Note 4.13.5</b>	<b>1,630,584,000</b>	<b>1,922,298,000</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****8. RELATED PARTIES (CONTINUED)**

Remunerations of the Board of Directors, the management, and the Supervisory Committee are as follows:

<b>Name</b>	<b>Position</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Mr Nguyen Pham Thuyen	Chairperson cum Vice General Director	590,245,000	541,345,000
Mr Nguyen Duc Nhlen	Vice chairperson cum General Director	634,547,000	580,679,000
Mr Dao Dinh De	Member of the Board of Directors	113,992,000	112,592,000
Mr Tran Trung Kien	Member of the Board of Directors	113,992,000	112,592,000
Ms Vu Nguyen Thi Hanh	Member of the Board of Directors	113,992,000	101,692,000
Ms Huynh Nguyen Thanh Uyen	Vice General Director	433,389,000	382,256,000
Ms Dang Le Bich Phuong	Head of Supervisory Committee	113,992,000	112,592,000
Ms Bui Thi Thuy Lien	Member of Supervisory Committee	64,996,000	64,396,000
Ms Trinh Thi Ngoc Huong	Member of Supervisory Committee	64,996,000	64,396,000
<b>Total</b>		<b>2,244,141,000</b>	<b>2,072,540,000</b>

**9. COMMITMENT UNDER OPERATING LEASES**

The Company rents land and factories under operating leases. The leases are for an average period of 48 years, with fixed rentals over the same year.

	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Payments under operating leases recognised as an expense in the year	238,616,850	238,616,850
As at 31 December 2024, the Company has outstanding commitments under non-cancellable operating leases that fall due as follows:		
	<b>As at 31 Dec. 2024 VND</b>	<b>As at 01 Jan. 2024 VND</b>
Within one year	283,953,928	283,953,928
Later than one year but within five years	686,252,061	686,252,061
Later than five years	2,470,507,420	2,745,008,244
<b>Total</b>	<b>3,440,713,409</b>	<b>3,715,214,233</b>



**DONGNAI PAINT CORPORATION**

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****10. COMPARATIVE FIGURES**

The following comparative figures have been restated:

Financial statement notes (excerpted):

	As at 01 Jan. 2024 VND (Reclassified)	As at 31 Dec. 2023 VND (As previously reported)
Inventories:		
Raw materials	7,019,906,889	7,019,906,889
Tools and supplies	778,608,147	778,608,147
Semi-finished goods	625,902,809	-
Finished goods	13,197,535,549	13,823,438,358
Merchandise	2,109,622	2,109,622
<b>Total</b>	<b><u>21,624,063,016</u></b>	<b><u>21,624,063,016</u></b>

The restatement for notes of inventory items is to align with the presentation of the financial statements for the current financial period. The management believes that the restatement will provide useful information to the users of the financial statements.

**11. EVENTS AFTER THE END OF THE REPORTING YEAR**

No other matter or circumstance has arisen since 31 December 2024 that has significantly affected, or may significantly affect the Company's operations, the results of those operations, or the Company's state of affairs in future financial years.



**Nguyen Duc Nien**  
General Director

**Huynh Thi Thanh Huong**  
Chief Accountant

**Nguyen Bac Trung**  
Preparer

Dong Nai Province, 20 February 2025