

# **TOMOE TRADING VIETNAM CO., LTD**

Audited Financial Statements  
for the year ended 30 September 2024  
Tax code: 0109616982

## CONTENTS

	Pages
General information	1
Report of the Board of General Directors	2
Independent auditor's report	3 - 4
Statement of Financial Position	5 - 6
Statement of Income	7
Statement of Cash Flows	8 - 9
Notes to the Financial Statements	10 - 23

## Abbreviation and notation

Bal'	Balance
CIT	Corporate Income Tax
VAT	Value Added Tax
USD	United States Dollar
VND	Vietnamese Dong

## GENERAL INFORMATION

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<b>Investment Registration Certificate</b>	Investment Registration Certificate for project No. 3262028986 was issued on 25 March 2021 by Hanoi Authority for Planning and Investment.	
	Investment Registration Certificate of Tomoe Trading Vietnam Co., Ltd has been amended on 29 March 2023.	
	The Amended Investment Registration Certificate is valid for 20 years from 25 March 2021.	
<b>Enterprise Registration Certificate</b>	Enterprise code: 0109616982, was issued on 29 April 2021 by Hanoi Authority for Planning and Investment and the latest version is on 04 November 2024.	
<b>Board of General Directors</b>	Mr. Umeki Kouhei	General Director <i>(from 01 November 2024)</i>
	Mr. Naoki Iida	General Director <i>(until 31 October 2024)</i>
<b>Legal Representative</b>	Mr. Umeki Kouhei	General Director <i>(from 04 November 2024)</i>
	Mr. Naoki Iida	General Director <i>(until 03 November 2024)</i>
	Mr. Umeki Kouhei is appointed to approve and sign on the Financial Statements for the year ended 30 September 2024.	
<b>Head office location</b>	Room 1618, 16th Floor, Icon4 Building, 243A De La Thanh, Lang Thuong Ward, Dong Da District, Hanoi City, Vietnam.	
<b>Auditor</b>	Crowe Vietnam Co., Ltd Member Crowe Global	

## **REPORT OF THE BOARD OF GENERAL DIRECTORS**

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The Board of General Directors of Tomoe Trading Vietnam Co., Ltd (“the Company”) presents this Report and the Financial Statements of the Company for the year ended 30 September 2024.

### **THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Board of General Directors is responsible for the preparation and presentation of the Financial Statements of each annual accounting period which give a true and fair view of the financial position of the Company and of its financial performance and its cash flows in compliance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and the legal requirements relevant to financial reporting. In preparing the Financial Statements, the Board of General Directors is required to:

- select appropriate accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been conformed, subject to any material departures disclosed and explained in the Financial Statements;
- design and implement an effective internal control system for properly preparing and presenting the financial statements so as to minimise misstatements whether due to fraud or error; and
- prepare the Financial Statements on the going concern basis unless the going concern assumption is inappropriate.

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

The Board of General Directors is responsible for ensuring that accounting records that are complete, transparent, verifiable and controllable are kept which timely disclose the financial position of the Company and for ensuring that the accounting records comply with the Accounting Law. The Board of General Directors 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.

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

We hereby approve the accompanying Financial Statements which give a true and fair view of the financial position of the Company as at 30 September 2024 and of its financial performance and its cash flows for the year then ended in compliance with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and the legal requirements relevant to financial reporting.

On behalf of the Board of General Directors

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**Umeki Kouhei**  
**General Director**

28 November 2024

Reference No.: HN/20241104

## INDEPENDENT AUDITOR'S REPORT

**To:           The Investors and Board of General Directors  
              Tomoe Trading Vietnam Co., Ltd**

We have audited the accompanying Financial Statements of Tomoe Trading Vietnam Co., Ltd ("the Company") dated 28 November 2024 as set out from page 05 to page 23, which comprise the Statement of Financial Position as at 30 September 2024, the Statement of Income and the Statement of Cash Flows for the year then ended and the explanatory Notes thereto.

### **The Board of General Directors' responsibility for the Financial Statements**

The Board of General Directors of the Company is responsible for the preparation and fair presentation of the Financial Statements in accordance with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and the legal requirements relevant to financial reporting, and for such internal control as the Board of General Directors determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility**

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

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

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

**Auditor's opinion**

In our opinion, the Financial Statements present fairly, in all material respects, the financial position of Tomoe Trading Vietnam Co., Ltd as at 30 September 2024, and its financial performance and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and the legal requirements relevant to financial reporting.

**Crowe Vietnam Co., Ltd**  
**Member Crowe Global**

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**Le Thi Nga**  
**Deputy General Director**  
Certificate No. 3308-2020-172-1

Ha Noi City, Vietnam  
28 November 2024

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**Pham Manh Tuan**  
**Auditor**  
Certificate No. 4862-2024-172-1

**STATEMENT OF FINANCIAL POSITION**

as at 30 September 2024

Unit: VND

(The accompanying Notes are an integral part of these Financial Statements)

ASSETS	Code	Notes	Ending bal'	Beginning bal'
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>8,458,566,071</b>	<b>8,066,368,979</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>6,270,753,793</b>	<b>6,605,748,426</b>
▪ Cash	111		6,270,753,793	6,605,748,426
<b>II. Short-term financial investments</b>	<b>120</b>		-	-
<b>III. Short-term receivables</b>	<b>130</b>		<b>1,610,487,157</b>	<b>1,111,750,165</b>
▪ Short-term receivables from customers	131	6	787,548,208	706,266,798
▪ Short-term advances to suppliers	132		19,175,523	91,360
▪ Other short-term receivables	136	7	803,763,426	405,392,007
<b>IV. Inventories</b>	<b>140</b>	<b>8</b>	<b>335,576,938</b>	<b>123,228,000</b>
▪ Inventories	141		335,576,938	123,228,000
<b>V. Other current assets</b>	<b>150</b>		<b>241,748,183</b>	<b>225,642,388</b>
▪ Short-term prepaid expenses	151	9	118,340,962	101,595,093
▪ Deductible VAT	152		-	124,047,295
▪ Taxes and other receivables from the State	153	11	123,407,221	-
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>42,213,240</b>	<b>36,788,023</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>10,867,634</b>	<b>20,697,626</b>
▪ Tangible fixed assets	221		10,867,634	20,697,626
- Historical cost	222		39,320,000	39,320,000
- Accumulated depreciation	223		(28,452,366)	(18,622,374)
<b>III. Investment properties</b>	<b>230</b>		-	-
<b>IV. Long-term assets in progress</b>	<b>240</b>		-	-
<b>V. Long-term financial investments</b>	<b>250</b>		-	-
<b>VI. Other non-current assets</b>	<b>260</b>		<b>31,345,606</b>	<b>16,090,397</b>
▪ Long-term prepaid expenses	261		31,345,606	16,090,397
<b>TOTAL ASSETS</b>	<b>270</b>		<b>8,500,779,311</b>	<b>8,103,157,002</b>

**STATEMENT OF FINANCIAL POSITION** (continued)

as at 30 September 2024

Unit: VND

(The accompanying Notes are an integral part of these Financial Statements)

<i>RESOURCES</i>	<i>Code</i>	<i>Notes</i>	<i>Ending bal'</i>	<i>Beginning bal'</i>
<b>A. LIABILITIES</b>	<b>300</b>		<b>931,169,856</b>	<b>647,748,393</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>931,169,856</b>	<b>647,748,393</b>
▪ Short-term payables to suppliers	311	10	396,562,352	158,914,500
▪ Taxes and other obligations to the State	313	11	20,709,338	129,447,947
▪ Payables to employees	314		48,145,085	24,422,231
▪ Short-term accrued expenses	315	12	419,095,788	309,852,397
▪ Other short-term payables	319		46,657,293	25,111,318
<b>II. Non-current liabilities</b>	<b>330</b>		-	-
<b>B. OWNERS' EQUITY</b>	<b>400</b>		<b>7,569,609,455</b>	<b>7,455,408,609</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>13</b>	<b>7,569,609,455</b>	<b>7,455,408,609</b>
▪ Contributed capital	411		13,746,000,000	13,746,000,000
▪ Accumulated losses	421		(6,176,390,545)	(6,290,591,391)
- Previous years' accumulated losses	421a		(6,290,591,391)	(4,171,107,126)
- Current year's retained profits/(losses)	421b		114,200,846	(2,119,484,265)
<b>II. Other reserves and funds</b>	<b>430</b>		-	-
<b>TOTAL RESOURCES</b>	<b>440</b>		<b>8,500,779,311</b>	<b>8,103,157,002</b>

Le Thi Hang  
Preparer/Chief Accountant  
Certificate No. 0912/2024/KET

Umeki Kouhei  
General Director

28 November 2024

**Branch of I-glocal Co., Ltd in Hanoi City**  
R.1206, 12th Floor, Indochina Plaza Hanoi Tower,  
No. 241 Xuan Thuy Street, Dich Vong Hau Ward,  
Cau Giay District, Ha Noi, Viet Nam



**STATEMENT OF INCOME**

for the year ended 30 September 2024

Unit: VND

(The accompanying Notes are an integral part of these Financial Statements)

Items	Code	Notes	Current year	Previous year
▪ <b>Revenue</b>	<b>01</b>	<b>15</b>	<b>7,803,418,411</b>	<b>4,549,080,176</b>
▪ Deductions	02		-	-
▪ <b>Net revenue</b>	<b>10</b>		<b>7,803,418,411</b>	<b>4,549,080,176</b>
▪ Cost of sales	11	16	5,387,434,959	3,242,159,655
▪ <b>Gross profit</b>	<b>20</b>		<b>2,415,983,452</b>	<b>1,306,920,521</b>
▪ Financial incomes	21	17	155,096,781	153,066,398
▪ Financial expenses	22		30,855,626	18,199,109
▪ Selling expenses	25	18	1,661,577,807	2,135,001,587
▪ General & administrative expenses	26	19	696,746,922	1,427,152,682
▪ <b>Net operating profit/(loss)</b>	<b>30</b>		<b>181,899,878</b>	<b>(2,120,366,459)</b>
▪ Other incomes	31		4,084,968	882,194
▪ Other expenses	32		71,784,000	-
▪ <b>Other (loss)/profit</b>	<b>40</b>		<b>(67,699,032)</b>	<b>882,194</b>
▪ <b>Net profit/(loss) before tax</b>	<b>50</b>		<b>114,200,846</b>	<b>(2,119,484,265)</b>
▪ Current CIT expenses	51	20	-	-
▪ Deferred CIT (incomes)/expenses	52	21	-	-
▪ <b>Net profit/(loss) after tax</b>	<b>60</b>		<b>114,200,846</b>	<b>(2,119,484,265)</b>

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**Le Thi Hang**  
**Preparer/Chief Accountant**  
 Certificate No. 0912/2024/KET

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**Umeki Kouhei**  
**General Director**

28 November 2024

**Branch of I-glocal Co., Ltd in Hanoi City**  
 R.1206, 12th Floor, Indochina Plaza Hanoi Tower,  
 No. 241 Xuan Thuy Street, Dich Vong Hau Ward,  
 Cau Giay District, Ha Noi, Viet Nam

**STATEMENT OF CASH FLOWS** (indirect method)

for the year ended 30 September 2024

Unit: VND

(The accompanying Notes are an integral part of these Financial Statements)

Items	Code	Notes	Current year	Previous year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
▪ Profit/(loss) before tax	01		114,200,846	(2,119,484,265)
<b>Adjustments for:</b>				
▪ Depreciation	02		9,829,992	9,829,992
▪ Exchange rate difference loss/(gain) on revaluation of foreign currency items	04		26,002,382	(111,761,257)
▪ Gains from investing activities	05	17	(997,616)	(883,588)
<b>Operating profit/(loss) before changes in working capital</b>	08		149,035,604	(2,222,299,118)
▪ Increase in receivables	09		(375,817,028)	(730,064,108)
▪ (Increase)/decrease in inventories	10		(212,348,938)	73,368,620
▪ Increase/(decrease) in payables (excluding interest, CIT payables)	11		283,120,148	(269,850,420)
▪ Increase in prepaid expenses	12		(32,001,078)	(884,571)
▪ CIT paid	15	11	(123,407,221)	-
<b>Net cash flows from operating activities</b>	20		(311,418,513)	(3,149,729,597)
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
▪ Interest income, dividends and profit received	27		997,616	883,588
<b>Net cash flows from investing activities</b>	30		997,616	883,588

**STATEMENT OF CASH FLOWS** (indirect method - continued)

for the year ended 30 September 2024

Unit: VND

(The accompanying Notes are an integral part of these Financial Statements)

Items	Code	Notes	Current year	Previous year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Net cash flows from financing activities	40		-	-
Net cash flows during the period	50		(310,420,897)	(3,148,846,009)
Cash and cash equivalents at the beginning of year	60	5	6,605,748,426	9,642,782,778
▪ Impacts of foreign exchange difference	61		(24,573,736)	111,811,657
Cash and cash equivalents at the end of year	70	5	6,270,753,793	6,605,748,426

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**Le Thi Hang**  
 Preparer/Chief Accountant  
 Certificate No. 0912/2024/KET

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**Umeki Kouhei**  
 General Director

28 November 2024

**Branch of I-glocal Co., Ltd in Hanoi City**  
 R.1206, 12th Floor, Indochina Plaza Hanoi Tower,  
 No. 241 Xuan Thuy Street, Dich Vong Hau Ward,  
 Cau Giay District, Ha Noi, Viet Nam

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 September 2024

Unit: VND

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### 1. THE COMPANY'S OPERATION CHARACTERISTIC

#### 1.1 Ownership

Tomoe Trading Vietnam Co., Ltd ("the Company") is a limited liability company with one member established in Vietnam by Tomoe Engineering Co., Ltd which has head office located in 5-15, Kitashinagawa 5-chome, Shinagawa-ku, Tokyo, Japan.

The number of employees as at 30 September 2024 is 3 (as at 30 September 2023: 2).

#### 1.2 Operating business and industry

The principal activities of the Company are:

- + Performing the right to import and export, the right to wholesale distribution (without establishing a wholesale), and the right to retail distribution (without establishing a retail) of goods in accordance with Vietnamese law (CPC 622, 632);
- + Management consulting services (excluding legal, financial, accounting, auditing, tax and securities consulting) (CPC 865); and
- + Providing services related to manufacturing, detail: repair, maintenance and installation services for machinery and industrial equipment (CPC 884, 885).

The company's normal operating cycle is 12 months.

### 2. ANNUAL ACCOUNTING PERIOD AND ACCOUNTING CURRENCY

#### 2.1 Annual accounting period

The Company's annual accounting period starts on 01 October and ends on 30 September.

#### 2.2 Accounting currency

The currency that the Company selected and uses in its accounting records is Vietnamese Dong ("VND"). Therefore, the Financial Statements are prepared and presented in VND.

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

for the year ended 30 September 2024

Unit: VND

**3. BASIS OF PREPARATION AND PRESENTATION OF THE FINANCIAL STATEMENTS**

The Financial Statements are prepared and presented in accordance with the Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System stipulated by Circular No. 200/2014/TT-BTC dated 22 December 2014, Circular No. 53/2016/TT-BTC dated 21 March 2016 and legal requirements relevant to financial reporting.

The Financial Statements, except for the Statement of Cash Flows, are prepared on the accrual basis using the historical cost concept. The Statement of Cash Flows is prepared using the indirect method.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****4.1 Foreign currency***Foreign currency transactions*

Transactions in currencies other than VND during the year have been translated into VND at actual exchange rates ruling at the transaction dates. The actual exchange rates applied to account for foreign currency transactions are determined as follows:

- Exchange rate applied to buying or selling foreign currency is the exchange rate stipulated in the currency exchange contract between the Company and the bank.
- Exchange rate applied to capital received is the foreign currency buying rate at the transaction date quoted by the bank through which the contributed capital is received.
- Exchange rate applied to recognise trade and other receivables is the foreign currency buying rate at the transaction date quoted by the bank to which the Company's customer or counterparty is requested to make payment.
- Exchange rate applied to recognise liabilities is the foreign currency selling rate at the transaction date quoted by the bank through which the Company intends to make payment for the liability.
- For asset acquisitions or expenses that are paid immediately in foreign currencies, the exchange rate applied is the foreign currency buying rate at the transaction date quoted by the bank through which the Company makes payment.

Monetary assets and liabilities denominated in currencies other than VND are revaluated into VND at actual exchange rates ruling at the date of the financial statements. The actual exchange rates applied to revalue monetary items denominated in foreign currency at the reporting date are determined as follows:

- For monetary assets: the foreign currency buying rate at the date of the financial statements quoted by the commercial bank where the Company frequently conducts transactions. Cash at bank and bank deposits are revaluated using the foreign currency buying rate of the bank where the Company deposits the money or maintains those bank accounts.
- For monetary gold: the gold buying price quoted by the State Bank of Vietnam, or in absence of such price, the gold buying price quoted by an authorized gold trading organization.
- For monetary liabilities: the foreign currency selling rate at the date of the financial statements quoted by the commercial bank where the Company frequently conducts transactions.

All foreign exchange differences are taken to the Statement of Income.

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

for the year ended 30 September 2024

Unit: VND

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**4.2 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash in banks, cash in transit, and short-term investments with maturity of three months or less from the date of acquisition that are readily convertible into known amounts of cash and that are subject to an insignificant risk of change in value.

**4.3 Receivables**

Receivables are stated at cost less provision for doubtful debts.

Principles of reclassifying receivables from customers and other receivables are as follows:

- Receivables from customers are derived from the trade transactions between the Company and customers, including receivables arising when the Company is trusted to sell and export the goods on behalf of the third parties.
- Other receivables are receivables that are not receivables from customers and inter-company receivables.

*Short-term receivables*

This item represents the total value of short-term receivables with a recovery term of within 12 months or within a normal operating cycle at the time of reporting.

The provision for doubtful debts represents amounts of outstanding receivables at the date of the financial statements which are doubtful of being recovered. Increases or decreases in the provision balance are recorded as general and administrative expenses in the Statement of Income.

**4.4 Inventories**

The Company uses perpetual method to record inventories. Inventories are stated at the lower of cost and net realisable value.

*Costs of inventories*

The cost of inventories includes all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is assigned by using the weighted average method.

Cost of services rendered primarily consists of the labour and other costs of personnel directly engaged in providing the service, including supervisory personnel, and attributable overheads.

*Net realisable value*

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

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

for the year ended 30 September 2024

*Unit: VND*

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*Provision for devaluation of inventories*

At the end of the annual accounting period, when the net realisable value of inventories is lower than their cost, provision for inventory devaluation is recognised by the Company. Inventories are written down to net realisable value on an item by item basis.

For services incompletely rendered, the provision for inventory devaluation is recognised for each type of service with a separately charged selling price.

Increases or decreases in the provision balance are recorded into the cost of sales account in the Statement of Income.

**4.5 Prepaid expenses**

Prepaid expenses are expenses actually incurred but have not yet been charged to production and trade expenses and amortised over the period for which these expenses are paid or the period in which economic benefits are generated in relation to these expenses.

*Short-term prepaid expenses*

This item represents the prepaid amount for the provision of goods or services with a term of no more than 12 months or a normal operating cycle from the time of prepayment.

*Long-term prepaid expenses*

This item represents the prepaid amount for the provision of goods or services with a term of more than 12 months or a normal operating cycle from the time of prepayment.

*Tools and supplies*

Tools and supplies include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND 30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and supplies is amortised on a straight-line basis over a period of 03 years as maximum.

**4.6 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working for its intended use. Subsequent expenditure relating to an item of tangible fixed assets that has already been recognised is added to the carrying amount of the asset when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing asset, will flow to the Company. All other subsequent expenditure should be recognised as an expense in the period in which it is incurred.

When tangible fixed assets are sold or retired, their costs and accumulated depreciation are removed from the Statement of Financial Position and any gain or loss resulting from their disposal are included in the Statement of Income.

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

for the year ended 30 September 2024

Unit: VND

**4.7 Depreciation**

Depreciation and amortisation of tangible fixed assets is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Office equipment	04 years
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**4.8 Payables to suppliers and other payables**

Payables to suppliers and other payables are recognised at historical cost.

Principles of reclassifying payables to suppliers and other payables are as follows:

- Payables to suppliers are derived from the trade transactions between the Company and suppliers, including payables arising when the Company trusts the third parties to purchase and import the goods on behalf of the Company.
- Other payables are payables that are not payables to suppliers, accrued expenses and inter-company payables.

*Short-term payables*

This item represents the total value of outstanding liabilities due within 12 months or within a normal operating cycle at the time of reporting.

*Long-term payables*

This item represents the total value of outstanding liabilities due with a term of more than 12 months or a normal operating cycle at the time of reporting.

**4.9 Accrued expenses**

Accruals are recognised on the base of reasonable estimation for costs that have been incurred but not yet paid, including outsourcing expenses and other expenses.

*Short-term accrued expense*

This item represent the value of outstanding liabilities arising from receipt of goods and services but for which invoices have not been issued or expenses of the reporting period for which complete documentation is not yet available but which are certain to occur and need to be accrued in advance as production and business costs and will be paid within 12 months or within the next normal operating cycle at the time of reporting, including outsource service expenses and other expenses.

*Long-term accrued expense*

This item represent the value of outstanding liabilities arising from receipt of goods and services but for which invoices have not been issued or expenses of the reporting period for which complete documentation is not yet available but which are certain to occur and need to be accrued in advance as production and business costs and will be paid after 12 months or the next normal operating cycle at the time of reporting, such as interest payable of reporting period which is paid at the maturity of the long-term loan contract, including interest expenses and other expenses.



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

for the year ended 30 September 2024

*Unit: VND*

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**4.10 Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provision at initial recognition and the subsequent increase or decrease in provision balance are recognised in the Statement of Income in the period in which it is incurred.

Where the effect of the time value of money is material, the amount of a provision shall be the present value of the expenditures expected to be required to settle the obligation. The discount rate shall be a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**4.11 Owners' equity***Contributed capital*

Contributed capital is recognised on the contribution date at the actual amount contributed less any directly attributable transaction costs.

**4.12 Revenue and other incomes**

Revenue is measured at the fair value of the consideration received or receivable after deducting trade discount, sales rebate and sales return.

*Sales of goods*

Revenue from sales of goods is recognised when all following conditions are satisfied:

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

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

for the year ended 30 September 2024

Unit: VND

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**4.12 Revenue and other incomes (continue)***Rendering of services*

Revenue from the rendering of services is recognised when the outcome of the transaction can be estimated reliably. When a transaction involving the rendering of services is attributable to several periods, the revenue is determined by reference to the stage of completion of transactions at the date of the financial statements. The outcome of a transaction can be estimated reliably when all the following conditions are satisfied:

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

*Interest income*

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**4.13 Operating lease payments**

Payments made under operating leases are recognised in the Statement of Income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the Statement of income as an integral part of the total lease expense.

**4.14 Corporate Income Tax ("CIT") and deferred CIT**

CIT for the year comprises current CIT and deferred CIT.

Current CIT is the expected amount of CIT payable (or receivable) on the taxable profit for the year using tax rates that have been enacted during the current year.

Deferred CIT is provided in full, using the balance sheet liability method, on temporary differences between the tax bases of assets and liabilities and their carrying amount in the Financial Statements.

Deferred tax liabilities are recognised for all taxable temporary differences, except where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilized, except where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss;

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

for the year ended 30 September 2024

*Unit: VND*

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**4.14 Corporate Income Tax ("CIT") and deferred CIT (continued)**

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply for the year when the asset is realized or the liability is settled, based on the tax rates and regulations that have been enacted at the end of the annual accounting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred CIT relate to the same tax authority.

**4.15 Related parties**

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

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

for the year ended 30 September 2024

Unit: VND

**5. CASH AND CASH EQUIVALENTS**

	<i>Ending bal'</i>	<i>Beginning bal'</i>
Cash in banks	6,270,753,793	6,605,748,426
<b>Total</b>	<b>6,270,753,793</b>	<b>6,605,748,426</b>

**6. SHORT-TERM RECEIVABLES FROM CUSTOMERS**

	<i>Ending bal'</i>	<i>Beginning bal'</i>
Related parties [Note 22]		
Tomoe Engineering Co., Ltd.	152,828,208	13,068,000
Third parties		
Novaref Refractory Development Joint Stock Company	361,810,000	-
Resoco Refractory Solution Joint Stock Company	224,400,000	228,800,000
Hiep Phu Corporation	48,510,000	209,000,000
Le Vy Refractory Material Company Limited	-	114,400,000
Viet Trung Refractory Material	-	106,260,000
Construction Joint Stock Company		
Other companies	-	34,738,798
<b>Total</b>	<b>787,548,208</b>	<b>706,266,798</b>

**7. OTHER SHORT-TERM RECEIVABLES**

	<i>Ending bal'</i>	<i>Beginning bal'</i>
Receivables from related parties [Note 22]	655,467,640	257,105,940
Deposit for other services	148,099,200	148,099,200
Others	196,586	186,867
<b>Total</b>	<b>803,763,426</b>	<b>405,392,007</b>

**8. INVENTORIES**

	<i>Ending bal'</i>		<i>Beginning bal'</i>	
	<i>Historical cost</i>	<i>Provision</i>	<i>Historical cost</i>	<i>Provision</i>
Goods in transit	335,576,938	-	123,228,000	-
<b>Total</b>	<b>335,576,938</b>	<b>-</b>	<b>123,228,000</b>	<b>-</b>

**9. SHORT-TERM PREPAID EXPENSES**

	<i>Ending bal'</i>	<i>Beginning bal'</i>
House rental fee	67,100,000	67,099,999
Outsourced service expenses	31,308,000	14,927,401
Tools and supplies	682,960	317,443
Others	19,250,002	19,250,250
<b>Total</b>	<b>118,340,962</b>	<b>101,595,093</b>

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

for the year ended 30 September 2024

Unit: VND

**10. SHORT-TERM PAYABLES TO SUPPLIERS**

	<i>Ending bal'</i>		<i>Beginning bal'</i>	
	<i>Carrying</i>	<i>Amount within</i>	<i>Carrying</i>	<i>Amount within</i>
	<i>amount</i>	<i>payment capacity</i>	<i>amount</i>	<i>payment capacity</i>
Risingsky International Trade (Shanghai) Co.,Ltd.	188,073,480	188,073,480	-	-
Qinghai Lantian Environmental Protection Technology Co, Ltd.	133,596,000	133,596,000	-	-
Meiko Trans (Vietnam) Co., Ltd.	59,208,899	59,208,899	-	-
Hubei Fengjiashan Wollastonite Fiber Co., LTD	-	-	123,278,400	123,278,400
Other companies	15,683,973	15,683,973	35,636,100	35,636,100
<b>Total</b>	<b>396,562,352</b>	<b>396,562,352</b>	<b>158,914,500</b>	<b>158,914,500</b>

**11. TAX AND OTHER (RECEIVABLES FROM) / OBLIGATIONS TO THE STATE**

	<i>Beginning bal'</i>	<i>During the year</i>		<i>Ending bal'</i>
		<i>Payable</i>	<i>Paid</i>	
Value added tax	-	742,607,125	725,251,159	17,355,966
VAT of imported goods	-	347,378,243	347,378,243	-
Export tax, import tax	-	5,295,224	5,295,224	-
Corporate income tax	-	-	123,407,221	(123,407,221)
Personal income tax	129,447,947	1,089,738,549	1,215,833,124	3,353,372
Foreign contractor tax	-	9,485,942	9,485,942	-
Other taxes, fees	-	3,640,000	3,640,000	-
<b>Total</b>	<b>129,447,947</b>	<b>2,198,145,083</b>	<b>2,430,290,913</b>	<b>(102,697,883)</b>

**In which:**

Tax and other receivables from the State	-	(123,407,221)
Tax and other obligations to the State	129,447,947	20,709,338

**12. SHORT-TERM ACCRUED EXPENSES**

	<i>Ending bal'</i>	<i>Beginning bal'</i>
Outsource service expenses	112,946,045	99,401,721
Accrual of personal income tax	306,149,743	210,450,676
<b>Total</b>	<b>419,095,788</b>	<b>309,852,397</b>

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

for the year ended 30 September 2024

Unit: VND

**13. OWNERS' EQUITY*****Increase and decrease in the owners' equity***

	<i>Contributed capital</i>	<i>Foreign exchange difference</i>	<i>Accumulated gain/ (losses)</i>	<i>Total</i>
<b>Previous year</b>				
Beginning balance	13,746,000,000	-	(4,171,107,126)	9,574,892,874
Losses for the year	-	-	(2,119,484,265)	(2,119,484,265)
Ending balance	13,746,000,000	-	(6,290,591,391)	7,455,408,609
<b>Current year</b>				
Beginning balance	13,746,000,000	-	(6,290,591,391)	7,455,408,609
Profits for the year	-	-	114,200,846	114,200,846
Ending balance	13,746,000,000	-	(6,176,390,545)	7,569,609,455

***Contributed Charter Capital***

<i>Investor</i>	<i>Registered Charter Capital</i>		<i>Contributed Charter Capital</i>	
	<i>USD</i>	<i>%</i>	<i>USD</i>	<i>VND equivalent</i>
Tomoe Engineering Co., Ltd	600,000	100%	600,000	13,746,000,000
<b>Total</b>	<b>600,000</b>	<b>100%</b>	<b>600,000</b>	<b>13,746,000,000</b>

**14. OFF-STATEMENT OF FINANCIAL POSITION ITEMS*****Currency other than accounting currency***

	<i>Ending bal'</i>	<i>Beginning bal'</i>
USD	185,640.67	236,058.00

**15. REVENUE**

	<i>Current year</i>	<i>Previous year</i>
Sales of merchandise	6,421,735,813	4,453,905,440
Sales of services rendered	1,381,682,598	95,174,736
<b>Total</b>	<b>7,803,418,411</b>	<b>4,549,080,176</b>

**16. COST OF SALES**

	<i>Current year</i>	<i>Previous year</i>
Cost of merchandise sold	4,749,752,753	3,224,076,581
Cost of services rendered	637,682,206	18,083,074
<b>Total</b>	<b>5,387,434,959</b>	<b>3,242,159,655</b>

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

for the year ended 30 September 2024

Unit: VND

**17. FINANCIAL INCOMES**

	<i>Current year</i>	<i>Previous year</i>
Interest incomes	997,616	883,588
Realised foreign exchange gains	154,099,165	40,421,553
Unrealised foreign exchange gains	-	111,761,257
<b>Total</b>	<b>155,096,781</b>	<b>153,066,398</b>

**18. SELLING EXPENSES**

	<i>Current year</i>	<i>Previous year</i>
Labor cost	697,006,165	1,234,384,231
Office rental fee	240,187,181	313,914,777
Depreciation and amortisation expenses	4,914,996	4,914,996
Others	719,469,465	581,787,583
<b>Total</b>	<b>1,661,577,807</b>	<b>2,135,001,587</b>

**19. GENERAL & ADMINISTRATIVE EXPENSES**

	<i>Current year</i>	<i>Previous year</i>
Labor cost	226,168,731	805,237,232
Professional fee	227,322,131	358,054,636
Office rental fee	80,181,681	104,638,259
Depreciation and amortisation expenses	4,914,996	4,914,996
Others	158,159,383	154,307,559
<b>Total</b>	<b>696,746,922</b>	<b>1,427,152,682</b>

**20. CORPORATE INCOME TAX**

The Company's corporate income tax ("CIT") is determined in accordance with the law on corporate income tax and relevant legal requirements.

According to the terms of law on corporate income tax, the Company has an obligation to pay the State corporate income tax at the rate of 20% of assessable incomes.

The Company's current CIT obligation is subject to examination by the tax authority. As the application of law on corporate income tax and relevant legal requirements is susceptible to varying interpretations, the CIT payables reported in the Financial Statements can be subsequently changed and finally determined by the tax authority.

The Company does not incur current CIT expenses for the year ended 30 September 2024.

**21. DEFERRED INCOME TAX**

No deferred CIT expenses have been recognised due to uncertainty of future assessable expenses.

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

for the year ended 30 September 2024

Unit: VND

**22. RELATED PARTIES****a. Tomoe Engineering Co., Ltd. - the Investor**

Significant transactions during the year were as follows:

<i>Transactions</i>	<i>Original Currency</i>	<i>Original amount</i>	<i>VND equivalent</i>
Sale from consulting service (excluding VAT)	USD	47,746	1,187,008,170
Purchases of merchandise	USD	17,500	435,109,000
Reimbursement of salary expenses from the Investor	USD	80,600	1,979,325,214
Reimbursement of school fee of Mr. Iida's son from the Investor	VND	102,361,412	102,361,412
Reimbursement of business trip from the Investor	VND	20,417,000	20,417,000
	USD	2,124	52,972,560
	JPY	191,756	33,616,744
Salary expenses paid on behalf of the Investor	USD	94,624	2,324,836,354
Other expenses paid on behalf of the Investor	VND	21,357,000	21,357,000
	JPY	191,756	33,616,744

Amounts due to and due from at the date of the financial statements were as follows:

<i>Transactions</i>	<i>Ending bal' Receivables/ (Payables)</i>	<i>Beginning bal' Receivables/ (Payables)</i>
Receivables regarding sales of consulting service	152,828,208	13,068,000
Other receivables regarding reimbursement of salary expenses from the Investor	602,617,080	257,105,940
Other receivables regarding reimbursement of business trip from the Investor	52,850,560	-

**b. Transactions with other related parties**

Remuneration to members of the Board of Directors

	<i>Current year</i>	<i>Previous year</i>
Salary and related expenses	2,369,985,690	2,332,268,141
Other benefits	804,408,000	898,182,695
<b>Total</b>	<b>3,174,393,690</b>	<b>3,230,450,836</b>



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

for the year ended 30 September 2024

Unit: VND

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**23. COMMITMENTS**

There is no significant commitment as at date of the financial statements which would require disclosures to be made in the Financial Statements for the year ended 30 September 2024.

**24. CONTINGENT LIABILITIES**

There is no significant contingent liability as at date of the financial statements which would require disclosures to be made in the Financial Statements for the year ended 30 September 2024.

**25. EVENTS AFTER THE REPORTING PERIOD**

There have been no significant events occurring after the reporting period which would require adjustments or disclosures to be made in the Financial Statements for the year ended 30 September 2024.

**26. COMPARATIVE FIGURES**

The comparative figures of the Financial Statements for the year ended 30 September 2024 are extracted from the Financial Statements for the year ended 30 September 2023.

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**Le Thi Hang****Preparer/Chief Accountant**  
Certificate No. 0912/2024/KET

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**Umeki Kouhei**  
**General Director**

28 November 2024

**Branch of I-glocal Co., Ltd in Hanoi City**R.1206, 12th Floor, Indochina Plaza Hanoi Tower,  
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