



ECU WORLDWIDE VIETNAM JOINT STOCK COMPANY

Audited financial statements
For the fiscal year ended 31 December 2022

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REPORT OF THE BOARD OF DIRECTORS

The Board of Director of Ecu Worldwide Vietnam Joint Stock Company has the pleasure in presenting this report and the financial statements for the financial year ended 31 December 2022.

1. General information

Ecu Worldwide Vietnam Joint Stock Company ("the Company") (formerly known as Ecu Line Vietnam Co., Ltd) is a foreign-invested company which is established in accordance with the Investment Registration Certificate No. 4320834787 (conversion the Investment Certificate No. 411022000605) first Certificate dated 03 February 2016, eighth Amendment dated 19 October 2022 issued by the Department of Planning and Investment of Ho Chi Minh City.

The Company is operating under the Enterprise Registration Certificate No. 0304258307 first Certificate dated 03 August 2011, eighth Amendment dated 05 September 2022 issued by Department of Planning and Investment of Ho Chi Minh City.

Headquarter:

- Address : No. 23, 8A Street, Nam Long Residential Area, Tan Thuan Dong Ward, District 7, Ho Chi Minh City
- Telephone : (028) 37 733 737

Operation duration of the Company is 50 (fifty) years since 09 March 2006.

2. The Management

The members of the Board of Management and the Board of Directors of the Company during the year and at the date of this report are:

The Board of Management

| <u>Full name</u> | <u>Nationality</u> | <u>Position</u> | <u>Date of appointment</u> |
|--------------------------|--------------------|-----------------|----------------------------|
| Mr. Udaya Kumar Shetty | Indian | Chairman | - |
| Mr. Choudhary Siddhartha | Indian | Member | 11 August 2021 |
| Ms. Wong Sau Lan, Becky | Chinese | Member | 28 June 2021 |

The Board of Directors

| <u>Full name</u> | <u>Nationality</u> | <u>Position</u> | <u>Date of appointment</u> |
|--------------------------|--------------------|------------------|----------------------------|
| Mr. Choudhary Siddhartha | Indian | General Director | 28 June 2021 |

Legal representative

The Company's legal representative during the year at the date of this report is Mr. Choudhary Siddhartha (appointed on 28 June 2021).

3. The Company's financial position and operating results

The Company's financial position as at 31 December 2022 and its operating result for the fiscal year then ended are reflected in the accompanying financial statements.

4. Events subsequent to the balance sheet date

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the financial statements.

ECU WORLDWIDE VIETNAM JOINT STOCK COMPANY
No. 23, 8A Street, Nam Long Residential Area, Tan Thuan Dong Ward, District 7, Ho Chi Minh City
REPORT OF THE BOARD OF DIRECTORS

5. Auditors

AFC Vietnam Auditing Co., Ltd has been appointed to audit the financial statements for the fiscal year ended 31 December 2022.

6. Statement of the Board of Directors' responsibility in respect of the financial statements

The Board of Director is responsible for the preparation of these financial statements which give a true and fair view of the state of affair of the Company and of its results and cash flows for the fiscal year then ended. In preparing those financial statements, the Board of Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basic unless it is inappropriate to presume that the Company will continue in business; and
- Design, implement and maintain the Company's internal control for prevention and detection of fraud and error.

The Board of Directors is responsible for ensuring that the proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of the Company and to ensure that the accounting records comply with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Director is also responsible for controlling the assets of the Company and therefore has taken the appropriate measures for the prevention and detection of fraud and other violations.

The Board of Director confirmed that it has complied with the above requirements in preparing the financial statements.

7. Disclosure of the financial statements

We hereby disclose the accompanying financial statements which give a true and fair view of the financial position of Company as at 31 December 2022 and the results of its operations and cash flows of the Company for the fiscal year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements.



CHOU DHARY SIDDHARTHA
General Director

Ho Chi Minh City, 08 March 2023



Công ty TNHH Kiểm Toán AFC Việt Nam
AFC Vietnam Auditing Co., Ltd.

Thành viên tập đoàn PKF Quốc tế
Member firm of PKF International

PKF

Accountants &
business advisers

No.: 229/2023/BCKT-HCM.00074

INDEPENDENT AUDITOR'S REPORT

To: The members of the Board of Management and the Board of Directors of
Ecu Worldwide Vietnam Joint Stock Company

We have audited the accompanying financial statements of Ecu Worldwide Vietnam Joint Stock Company ("the Company"), prepared on 08 March 2023, as set out from page 04 to page 31, which comprise the Balance sheet as at 31 December 2022, and the income statement, the cash flow statement for the fiscal year ended, and notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements in accordance with the Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as management 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 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 of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of Directors, as well as evaluating the presentation of the financial statements.

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

Auditor's opinion

In our opinion, the accompanying financial statements give a true and fair view of, in all material respects, the financial position of Ecu Worldwide Vietnam Joint Stock Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements.



NGUYỄN NGỌC THUY DUNG
Deputy General Director

Audit Practicing Registration Certificate:
2782-2019-009-1

AFC VIETNAM AUDITING COMPANY LIMITED
Ho Chi Minh City, 08 March 2023

BUI NHAT HUY
Auditor

Audit Practicing Registration Certificate:
5545-2021-009-1

BALANCE SHEET

As at 31 December 2022

| ITEMS | Code | Note | 31/12/2022 VND | 01/01/2022 VND |
|---|------------|-------|------------------------|------------------------|
| ASSETS | | | | |
| CURRENT ASSETS | 100 | | 115,700,256,411 | 239,914,233,382 |
| Cash and cash equivalents | 110 | 5.1 | 13,128,659,146 | 2,851,736,936 |
| Cash | 111 | | 13,128,659,146 | 2,851,736,936 |
| Short-term investments | 120 | | 700,000,000 | - |
| Held to maturity investments | 123 | 5.2 | 700,000,000 | - |
| Short-term receivables | 130 | | 101,243,972,129 | 234,995,823,634 |
| Short-term trade receivables | 131 | 5.3 | 74,767,538,652 | 228,951,388,615 |
| Short-term advances to suppliers | 132 | | 292,747,444 | 3,236,588,442 |
| Other short-term receivables | 136 | 5.4.1 | 26,779,341,233 | 2,841,093,411 |
| Provision for doubtful short-term debts | 137 | 5.5 | (595,655,200) | (33,246,834) |
| Inventories | 140 | | - | - |
| Other current assets | 150 | | 627,625,136 | 2,066,672,812 |
| Prepaid expenses | 151 | 5.6.1 | 627,625,136 | 270,484,372 |
| Value added tax deductibles | 152 | 5.10 | - | 1,796,188,440 |
| ASSETS | | | | |
| NON-CURRENT ASSETS | 200 | | 1,722,373,114 | 2,810,541,351 |
| Long-term receivables | 210 | | 270,633,950 | 1,071,379,025 |
| Other long-term receivables | 216 | 5.4.2 | 270,633,950 | 1,071,379,025 |
| Fixed assets | 220 | | 921,567,208 | 1,102,676,792 |
| Tangible fixed assets | 221 | 5.7 | 921,567,208 | 1,102,676,792 |
| Cost | 222 | | 2,802,564,811 | 2,800,564,811 |
| Accumulated depreciation | 223 | | (1,880,997,603) | (1,697,888,019) |
| Finance leasehold assets | 224 | | - | - |
| Intangible fixed assets | 227 | 5.8 | - | - |
| Cost | 228 | | 267,323,874 | 267,323,874 |
| Accumulated amortisation | 229 | | (267,323,874) | (267,323,874) |
| Investment Property | 230 | | - | - |
| Long-term assets in progress | 240 | | - | - |
| Long-term financial investments | 250 | | - | - |
| Other long-term assets | 260 | | 530,171,956 | 636,485,534 |
| Long-term prepaid expenses | 261 | 5.6.2 | 530,171,956 | 636,485,534 |
| TOTAL ASSETS | 270 | | 117,422,629,525 | 242,724,774,733 |

ECU WORLDWIDE VIETNAM JOINT STOCK COMPANY

No. 23, 8A Street, Nam Long residential Area, Tan Thuan Dong Ward, District 7, Ho Chi Minh City

BALANCE SHEET

As at 31 December 2022

| ITEMS | Code | Note | 31/12/2022 VND | 01/01/2022 VND |
|--|------------|------|------------------------|------------------------|
| RESOURCES | | | | |
| LIABILITIES | 300 | | 50,717,574,052 | 198,867,529,474 |
| Current liabilities | 310 | | 50,562,297,481 | 198,712,252,903 |
| Short-term trade payables | 311 | 5.9 | 41,027,750,629 | 170,918,847,491 |
| Short-term advance from customers | 312 | | 312,199,321 | 3,928,408,255 |
| Tax and payable to the State | 313 | 5.10 | 4,332,300,877 | 3,143,352,863 |
| Payable to employees | 314 | | 4,768,080,471 | 6,625,496,993 |
| Short-term accrued expenses payable | 315 | 5.11 | 118,966,183 | 295,149,389 |
| Other payables | 319 | 5.12 | 3,000,000 | 13,800,997,912 |
| Long-term liabilities | 330 | | 155,276,571 | 155,276,571 |
| Long-term contingent exp. payables | 342 | 5.13 | 155,276,571 | 155,276,571 |
| RESOURCES | | | | |
| OWNER'S EQUITY | 400 | | 66,705,055,473 | 43,857,245,259 |
| Capital | 410 | 5.14 | 66,705,055,473 | 43,857,245,259 |
| Owners' invested equity | 411 | | 1,594,560,000 | 1,594,560,000 |
| Retained earnings | 421 | | 65,110,495,473 | 42,262,685,259 |
| Accumulated retained earnings of previous year | 421a | | - | - |
| Retained earnings of this year | 421b | | 65,110,495,473 | 42,262,685,259 |
| Other capital, funds | 430 | | - | - |
| TOTAL RESOURCES | 440 | | 117,422,629,525 | 242,724,774,733 |

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DOAN NGOC HANH
Preparer

Handwritten signature of Nguyen Thang Thong

NGUYEN THANG THONG
Chief Accountant



CHOUDHARY SIDDHARTHA
General Director

Ho Chi Minh City, 08 March 2023

ECU WORLDWIDE VIETNAM JOINT STOCK COMPANY

No. 23, 8A Street, Nam Long residential Area, Tan Thuan Dong Ward, District 7, Ho Chi Minh City

INCOME STATEMENT

For the year ended 31 December 2022

| ITEMS | Code | Note | 2022 VND | 2021 VND |
|---|------|------|-------------------|-------------------|
| Gross sales of merchandise and services | 01 | 6.1 | 1,773,869,139,574 | 2,360,555,306,354 |
| Less deduction | 02 | | - | - |
| Net sales | 10 | | 1,773,869,139,574 | 2,360,555,306,354 |
| Cost of sales | 11 | 6.2 | 1,550,081,530,204 | 2,193,557,303,299 |
| Gross profit/(loss) | 20 | | 223,787,609,370 | 166,998,003,055 |
| Financial income | 21 | 6.3 | 3,764,114,810 | 311,929,272 |
| Financial expenses | 22 | 6.4 | 3,018,118,880 | 5,366,952,960 |
| <i>In which : Interest expenses</i> | 23 | | - | - |
| Selling expenses | 25 | 6.5 | 61,168,863,026 | 41,838,530,676 |
| General and administration expenses | 26 | 6.6 | 79,597,873,445 | 65,943,398,762 |
| Operating profit/(loss) | 30 | | 83,766,868,829 | 54,161,049,929 |
| Other income | 31 | | 274,789,790 | 64,351,334 |
| Other expenses | 32 | | 407,520,235 | 281,554,650 |
| Other profit/(loss) | 40 | | (132,730,445) | (217,203,316) |
| Profit/(loss) before tax | 50 | | 83,634,138,384 | 53,943,846,613 |
| Current corporate income tax expense | 51 | 5.10 | 18,523,642,911 | 11,681,161,354 |
| Deferred corporate income tax expense | 52 | | - | - |
| Net profit/(loss) after tax | 60 | | 65,110,495,473 | 42,262,685,259 |

DOAN NGOC HANH
Preparer

NGUYEN THANG THONG
Chief Accountant



CHOUDHARY SIDDHARTHA
General Director

Ho Chi Minh City, 08 March 2023

CASH FLOW STATEMENT*(Indirect method)*

For the year ended 31 December 2022

| ITEMS | Code | Note | 2022 VND | 2021 VND |
|--|-----------|------|-------------------------|-------------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | | |
| Net profit before tax | 01 | | 83,634,138,384 | 53,943,846,613 |
| <i>Adjustments for :</i> | | | | |
| Depreciation and amortisation | 02 | 5.7 | 237,109,584 | 183,349,056 |
| Provisions | 03 | 5.5 | 562,408,366 | (197,555,434) |
| (Gains)/losses from foreign exchange difference on revaluation of monetary items | 04 | | 298,274,173 | (717,802,315) |
| (Profits)/losses from investing activities | 05 | | (16,834,014) | (23,978,952) |
| <i>Operating income before changes in working capital</i> | 08 | | 84,715,096,493 | 53,187,858,968 |
| (Increase)/decrease in receivables | 09 | | 135,793,591,895 | (161,686,304,012) |
| Increase/(decrease) in payables | 11 | | (148,297,663,376) | 127,486,799,227 |
| (Increase)/decrease in prepaid expenses | 12 | | (250,827,186) | (295,506,900) |
| Corporate income tax paid | 15 | 5.10 | (18,331,531,220) | (12,285,298,340) |
| Net cash flow from operating activities | 20 | | 53,628,666,606 | 6,407,548,943 |
| CASH FLOW FROM INVESTING ACTIVITIES | | | | |
| Purchase of fixed assets and other long term assets | 21 | 5.7 | (56,000,000) | (1,194,360,001) |
| Proceed from disposal of FA and other LT assets | 22 | | 500,000 | - |
| Payment for loan, purchase of debt instrument | 23 | 5.2 | (700,000,000) | - |
| Interest and dividends received | 27 | | 16,334,014 | 23,978,952 |
| Net cash flow from investing activities | 30 | | (739,165,986) | (1,170,381,049) |
| CASH FLOW FROM FINANCIAL ACTIVITIES | | | | |
| Dividends paid | 36 | 5.14 | (42,262,685,259) | (15,809,567,660) |
| Net cash flow from financing activities | 40 | | (42,262,685,259) | (15,809,567,660) |
| Net increase/decrease in cash | 50 | | 10,626,815,361 | (10,572,399,766) |
| Cash and cash equivalents at beginning of year | 60 | 5.1 | 2,851,736,936 | 12,993,858,696 |
| Impact of exchange rate fluctuation | 61 | | (349,893,151) | 430,278,006 |
| Cash and cash equivalents at the end of year | 70 | 5.1 | 13,128,659,146 | 2,851,736,936 |


DOAN NGOC HANH
Preparer

NGUYEN THANG THONG
Chief AccountantCHOUDHARY SIDDHARTHA
General Director

Ho Chi Minh City, 08 March 2023

NOTES TO FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

These notes form an integral part of and should be read along with the accompanying financial statements.

1. GENERAL INFORMATION

1.1 Ownership

Ecu Worldwide Vietnam Joint Stock Company ("the Company") (formerly known as Ecu Line Vietnam Co., Ltd) is a foreign-invested company and established in accordance with the Enterprise Registration Certificate No. 0304258307 eighth Amendment dated 05 September 2022 and Investment Certificate No. 4320834787 (conversion Investment Certificate No. 411022000605) eight Amendment dated 19 October 2022 issued by the Department of Planning and Investment of Ho Chi Minh City. The Company's shareholders as follows:

| Shareholders | Address/ Nationality | Capital contribution ratio as at 31/12/2022 (%) |
|------------------------|----------------------|--|
| Ecuhold NV | Belgium | 99,990 |
| Prism Global Limited | China | 0,005 |
| Mr. Nguyen Thang Thong | Vietnamese | 0,005 |
| | | <u>100,000</u> |

1.2 Scope of operating activities

The Company operates in services field.

1.3 Business lines

The principal activities of the Company are:

- Freight forwarding services;
- Goods inspection services;
- Warehouse services; and
- Customer clearance services.

During the year, the Company's principal activities are freight forwarding services, goods inspection services, warehouse services and customer clearance services.

1.4 Normal business and production cycle

Normal business and production cycle of the Company is not exceeding 12 months.

1.5 Comparative information in financial statements

The figures in financial statements for the financial year ended 31 December 2022 are comparable to the prior year's corresponding figures.

1.6 Structure of the Company

Dependent units:

| Branch's name | Location |
|---|---|
| Ecu Worldwide Vietnam Joint Stock Company at Da Nang City | 10 Hai Phong Street, Hai Chau 1 Ward, Hai Chau District, Da Nang City |
| Ecu Worldwide Vietnam Joint Stock Company at Hai Phong City | 03 Le Thanh Tong Street, May To Ward, Ngo Quyen District, Hai Phong City |
| Ecu Worldwide Vietnam Joint Stock Company at Ha Noi City | 14-16 Ham Long Street, Phan Chu Trinh Ward, Hoan Kiem District, Ha Noi City |