

# **Vicostone Joint Stock Company**

Consolidated financial statements

For the fourth quarter of 2024



# Vicostone Joint Stock Company

## GENERAL INFORMATION

### THE COMPANY

Vicostone Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate for joint stock company No. 0500469512 issued by the Department of Planning and Investment of Ha Tay province (now known as Hanoi city) on 2 June 2005 and its subsequent amendments with the latest being the 20<sup>th</sup> amendment dated 16 January 2025.

On 5 December 2007, the Company's shares were listed at the Hanoi Stock Exchange (now known as HNX) with the stock code VCS according to the Listing Decision No. 670/QĐ-TTGDHN with permission of the Hanoi Stock Exchange Center.

The current principal activities of the Company are to manufacture and distribute quartz-based compound stone related products.

The Company's head office is located at Hoa Lac Hi-Tech Park, Thach Hoa commune, Thach That district, Hanoi city, Vietnam.

### BOARD OF DIRECTORS

Members of the Board of Directors during the period and at the date of this report are:

Mr Ho Xuan Nang	Chairman	
Mr Pham Tri Dzung	Member	
Ms Tran Lan Phuong	Member	
Mr Nguyen Quang Hung	Member	
Ms Le Thi Minh Thao	Member	Appointed on 12 April 2024
Mr Pham Anh Tuan	Member	Resigned on 12 April 2024

### AUDIT COMMITTEE

Member of Audit committee during the period and at the date of this report are:

Mr Nguyen Quang Hung	Head of Audit committee
Ms Tran Lan Phuong	Member

### MANAGEMENT

Members of the management during the period and at the date of this report are:

Mr Pham Tri Dzung	General Director	
Mr Nguyen Quang Anh	Deputy General Director	
Mr Luu Cong An	Deputy General Director	
Mr Nguyen Chi Cong	Deputy General Director	
Mr Dong Quang Thuc	Deputy General Director	
Ms Tran Thi Thu Huong	Deputy General Director	Appointed on 25 September 2024

### LEGAL REPRESENTATIVE

The legal representative of the Company during the period and at the date of this report is Mr Ho Xuan Nang, Chairman. Mr Pham Tri Dzung is authorised by Mr Ho Xuan Nang to sign the accompanying consolidated financial statements for the fourth quarter of the fiscal year ended 31 December 2024 in accordance with the Letter of Authorisation No. 2702/2023 UQ/VCS-CTHDQT dated 27 February 2023.



Management of Vicostone Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiary (collectively referred to as the "Company and its subsidiary") for the fourth quarter of the fiscal year ended 31 December 2024.

## MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial period which give a true and fair view of the consolidated financial position of the Company and its subsidiary and of the consolidated results of its operations and its consolidated cash flows for the period. In preparing those consolidated financial statements, management 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 consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company and its subsidiary will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and its subsidiary and ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Company and its subsidiary and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statement.

## STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company and its subsidiary as at 31 December 2024 and of the consolidated results of its operations and its consolidated cash flows for the fourth quarter in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of management:



Pham Tri Dung  
General Director

30 January 2025



CONSOLIDATED BALANCE SHEET  
as at 31 December 2024

Currency: VND

ASSETS	Code	Notes	31 December 2024	31 December 2023
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>5,474,954,538,482</b>	<b>5,515,837,061,167</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4.1</b>	<b>1,584,696,798,036</b>	<b>1,403,055,900,429</b>
1. Cash	111		326,596,798,036	348,555,900,429
2. Cash equivalents	112		1,258,100,000,000	1,054,500,000,000
<b>II. Short-term investments</b>	<b>120</b>		<b>670,000,000,000</b>	<b>47,700,000,000</b>
1. Held-to-maturity investments	123	4.1	670,000,000,000	47,700,000,000
<b>III. Current accounts receivable</b>	<b>130</b>		<b>1,328,693,368,799</b>	<b>1,217,001,138,364</b>
1. Short-term trade receivables	131	4.2	1,327,073,083,688	1,223,292,160,866
2. Short-term advances to suppliers	132		19,547,116,693	9,103,586,823
3. Other short-term receivables	136	4.3	5,745,573,306	3,074,253,102
4. Provision for doubtful short-term receivables	137		(23,672,404,888)	(18,468,862,427)
<b>IV. Inventories</b>	<b>140</b>	<b>4.4</b>	<b>1,816,451,063,141</b>	<b>2,644,021,541,821</b>
1. Inventories	141		1,854,125,512,763	2,662,013,547,007
2. Provision for obsolete inventories	149		(37,674,449,622)	(17,992,005,186)
<b>V. Other current assets</b>	<b>150</b>		<b>75,113,308,506</b>	<b>204,058,480,553</b>
1. Short-term prepaid expenses	151	4.8	3,431,668,832	3,680,963,024
2. Value-added tax deductible	152		71,681,639,674	200,377,517,529
3. Tax and other receivables from the State	153		-	-
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>993,523,472,901</b>	<b>952,411,723,174</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>836,798,010</b>	<b>-</b>
1. Other long-term receivables	216		836,798,010	-
<b>II. Fixed assets</b>	<b>220</b>		<b>790,145,802,475</b>	<b>867,639,822,196</b>
1. Tangible fixed assets	221	4.5	787,334,951,715	865,635,384,164
Cost	222		2,243,751,326,387	2,192,866,677,165
Accumulated depreciation	223		(1,456,416,374,672)	(1,327,231,293,001)
2. Intangible fixed assets	227	4.6	2,810,850,760	2,004,438,032
Cost	228		32,321,927,247	30,228,958,497
Accumulated amortisation	229		(29,511,076,487)	(28,224,520,465)
<b>III. Long-term assets in progress</b>	<b>240</b>	<b>4.7</b>	<b>184,382,312,159</b>	<b>67,337,480,379</b>
1. Construction in progress	242		184,382,312,159	67,337,480,379
<b>IV. Other long-term assets</b>	<b>260</b>		<b>18,158,560,257</b>	<b>17,434,420,599</b>
1. Long-term prepaid expenses	261	4.8	13,551,809,276	13,967,967,410
2. Deferred tax assets	262		4,606,750,981	3,466,453,189
<b>TOTAL ASSETS</b>	<b>270</b>		<b>6,468,478,011,383</b>	<b>6,468,248,784,341</b>



CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024


Currency: VND

RESOURCES	Code	Notes	31 December 2024	31 December 2023
<b>C. LIABILITIES</b>	<b>300</b>		<b>1,358,855,867,553</b>	<b>1,482,430,376,070</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>1,328,147,808,599</b>	<b>1,440,717,987,416</b>
1. Short-term trade payables	311	4.9	182,811,430,731	118,290,143,449
2. Short-term advances from customers	312		15,379,988,802	15,139,506,800
3. Statutory obligations	313	4.10	102,554,763,371	114,372,971,569
4. Payables to employees	314		8,371,060,257	11,074,723,345
5. Short-term accrued expenses	315	4.11	4,327,053,635	1,651,512,402
6. Other short-term payables	319	4.12	4,873,515,862	4,861,752,844
7. Short-term loans	320	4.14	936,393,637,213	1,064,487,093,976
8. Bonus and welfare fund	322	4.13	73,436,358,728	110,840,283,031
<b>II. Non-current liabilities</b>	<b>330</b>		<b>30,708,058,954</b>	<b>41,712,388,654</b>
1. Long-term loans	338	4.14	28,764,048,954	39,899,263,054
2. Long-term provisions	342		1,944,010,000	1,813,125,600
<b>D. OWNERS' EQUITY</b>	<b>400</b>		<b>5,109,622,143,830</b>	<b>4,985,818,408,271</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>4.15</b>	<b>5,109,622,143,830</b>	<b>4,985,818,408,271</b>
1. Issued share capital	411		1,600,000,000,000	1,600,000,000,000
- Ordinary shares with voting rights	411a		1,600,000,000,000	1,600,000,000,000
2. Share premium	412		290,584,886	290,584,886
3. Investment and development fund	418		87,711,466,023	88,958,137,122
4. Other funds belonging to owners' equity	420		18,551,233,538	18,551,233,538
5. Undistributed earnings	421		3,403,068,859,383	3,278,018,452,725
- Undistributed earnings by the end of prior period	421a		3,264,512,387,757	3,096,462,138,386
- Undistributed earnings of current period	421b		138,556,471,626	181,556,314,339
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>440</b>		<b>6,468,478,011,383</b>	<b>6,468,248,784,341</b>

  
Tran Thi Huong Thu  
Preparer

  
Nguyen Phuong Anh  
Chief Accountant



  
Phạm Tri Dũng  
General Director

Hanoi, Vietnam

30 January 2025

## CONSOLIDATED INCOME STATEMENT

for the fourth quarter of the fiscal year ended 31 December 2024

Currency: VND

ITEMS	Code	Notes	4 <sup>th</sup> quarter		For the twelve-month period ended 31 December	
			2024	2023	2024	2023
1. Revenue from sale of goods	01	5.1	1,122,014,431,796	1,162,863,136,494	4,345,179,877,664	4,363,038,846,159
2. Deductions	02	5.1	19,678,882,004	9,090,162,150	23,108,484,843	9,177,702,587
<b>3. Net revenue from sale of goods</b>	<b>10</b>	<b>5.1</b>	<b>1,102,335,549,792</b>	<b>1,153,772,974,344</b>	<b>4,322,071,392,821</b>	<b>4,353,861,143,572</b>
4. Cost of goods sold	11	5.2	815,628,913,455	813,029,720,497	3,143,979,224,163	3,132,968,514,512
<b>5. Gross profit from sale of goods</b>	<b>20</b>		<b>286,706,636,337</b>	<b>340,743,253,847</b>	<b>1,178,092,168,658</b>	<b>1,220,892,629,060</b>
6. Finance income	21	5.3	24,824,121,444	23,706,093,869	102,492,688,205	102,570,373,296
7. Finance expenses	22	5.4	16,347,589,736	21,617,777,051	62,367,729,950	101,362,107,133
<i>In which: Interest expense</i>	23		<i>8,811,366,901</i>	<i>13,543,623,948</i>	<i>34,586,850,582</i>	<i>56,637,446,942</i>
8. Selling expenses	25	5.5	51,179,009,536	44,468,444,446	191,654,021,101	156,494,238,157
9. General and administrative expenses	26	5.6	19,649,127,170	15,017,794,936	65,915,265,249	58,714,711,756
<b>10. Operating profit</b>	<b>30</b>		<b>224,355,031,339</b>	<b>283,345,331,283</b>	<b>960,647,840,563</b>	<b>1,006,891,945,310</b>
11. Other income	31	5.7	87,851,063	61,060,440	852,244,403	738,337,805
12. Other expenses	32	5.8	1,820,267,473	1,933,037,454	8,155,515,470	8,190,303,720
<b>13. Other loss</b>	<b>40</b>		<b>(1,732,416,410)</b>	<b>(1,871,977,014)</b>	<b>(7,303,271,067)</b>	<b>(7,451,965,915)</b>
<b>14. Accounting profit before tax</b>	<b>50</b>		<b>222,622,614,929</b>	<b>281,473,354,269</b>	<b>953,344,569,496</b>	<b>999,439,979,395</b>
15. Current corporate income tax expenses	51	5.10	32,939,932,333	44,467,081,147	147,362,677,737	154,124,624,117
16. Deferred tax income	52		492,832,015	124,334,893	(1,140,297,792)	(1,065,074,405)
<b>17. Net profit after tax</b>	<b>60</b>		<b>189,189,850,581</b>	<b>236,881,938,229</b>	<b>807,122,189,551</b>	<b>846,380,429,683</b>
18. Basic earnings per share	70		1,133	1,416	4,824	5,041
19. Diluted earnings per share	71		1,133	1,416	4,824	5,041

Tran Thi Huong Thu  
Preparer

Nguyen Phuong Anh  
Chief AccountantPham Tri Dung  
General DirectorHanoi, Vietnam  
30 January 2025



## CONSOLIDATED CASH FLOW STATEMENT

for the twelve-month period of the fiscal year ended 31 December 2024

Currency: VND

ITEMS	Code	Notes	For the twelve-month period ended 31 December 2024	For the twelve- month period ended 31 December 2023
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Accounting profit before tax</b>	<b>01</b>		<b>953,344,569,496</b>	<b>999,439,979,395</b>
<i>Adjustments for:</i>				
Depreciation of tangible fixed assets and amortisation of intangible fixed assets and land rental allocation	02		132,066,275,193	135,807,177,136
Provisions	03		25,016,871,297	4,781,997,662
Foreign exchange (gains)/losses arising from revaluation of monetary accounts denominated in foreign currency	04		11,632,281,156	2,972,492,165
Profits from investing activities	05		(40,886,009,361)	(25,886,870,267)
Interest expenses	06		34,586,850,582	56,637,446,942
<b>Operating profit before changes in working capital</b>	<b>08</b>		<b>1,115,760,838,363</b>	<b>1,173,752,223,033</b>
Decrease in receivables	09		24,235,612,145	437,656,155,991
Decrease/(increase) in inventories	10		807,888,034,244	(67,402,085,855)
(Decrease)/increase in payables	11		41,378,477,419	37,617,253,121
(Increase)/decrease in prepaid expenses	12		390,719,925	5,328,174,439
Interest paid	14		(34,324,419,109)	(57,615,551,413)
Corporate income tax paid	15		(155,784,046,681)	(96,085,399,056)
Other cash outflows for operating activities	17		(80,722,378,295)	(103,808,815,649)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>1,718,822,838,011</b>	<b>1,329,441,954,611</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchase and construction of fixed assets	21		(162,237,585,330)	(31,368,122,595)
Proceeds from disposals of fixed assets	22		80,000,000	111,387,500
Loans to other entities and payments for purchase of debt instruments of other entities	23		(1,050,000,000,000)	(47,700,000,000)
Loans to other entities and proceeds from sale of debt instruments of other entities	24		427,700,000,000	50,129,329
Interest and dividend received	27		37,569,880,565	25,926,535,243
<b>Net cash flows used in investing activities</b>	<b>30</b>		<b>(746,887,704,765)</b>	<b>(52,980,070,523)</b>

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the twelve-month period of the fiscal year ended 31 December 2024

Currency: VND

ITEMS	Code	Notes	For the twelve-month period ended 31 December 2024	For the twelve-month period ended 31 December 2023
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Drawdown of borrowings	33		1,401,357,103,317	2,015,429,362,496
Payment of borrowings	34		(1,551,439,944,291)	(2,350,412,789,438)
Dividends paid to shareholders	36		(639,827,276,600)	(640,589,431,575)
<b>Net cash flows used in financing activities</b>	<b>40</b>		<b>(789,910,117,574)</b>	<b>(975,572,858,517)</b>
<b>Net increase in cash for the period</b>	<b>50</b>		<b>182,025,015,672</b>	<b>300,889,025,571</b>
<b>Cash and cash equivalents at beginning of period</b>	<b>60</b>		<b>1,403,055,900,429</b>	<b>1,101,676,090,814</b>
Impact of foreign exchange rate fluctuation	61		(384,118,065)	490,784,044
<b>Cash and cash equivalents at end of period</b>	<b>70</b>		<b>1,584,696,798,036</b>	<b>1,403,055,900,429</b>



Tran Thi Huong Thu  
Preparer



Nguyen Phuong Anh  
Chief Accountant



Pham Tri Dung  
General Director

Hanoi, Vietnam

30 January 2025



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the fourth quarter of 2024

**1. CORPORATE INFORMATION**

Vicostone Joint Stock Company ("the Company") is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate for joint stock company No. 0500469512 issued by the Department of Planning and Investment of Ha Tay Province (now known as Hanoi City) on 2 June 2005 and its subsequent amendments with the latest being the 20<sup>th</sup> amendment dated 16 January 2025.

On 5 December 2007, the Company's shares were listed at the Hanoi Stock Exchange (now known as HNX) with the stock code VCS according to the Listing Decision No. 670/QD-TTGDHN with permission of the Hanoi Stock Exchange Center.

The current principal activities of the Company are to manufacture and distribute quartz-based compound stone related products.

The Company and its subsidiary's normal course of business cycle is 12 months.

The Company's head office is located at Hoa Lac Hi-Tech Park, Thach Hoa commune, Thach That district, Hanoi city, Vietnam.

The Company's total number of employees as at 31 December 2024 is 827 (31 December 2023: 842).

***Corporate structure***

As at 31 December 2024, the Company has a subsidiary which is Phenikaa Hue Investment and Processing Mineral One Member Company Limited ("Phenikaa Hue Company") (31 December 2023: 1)

Phenikaa Hue Company is a one-member limited liability company incorporated under the Law on Enterprise of Vietnam pursuant to the Business Registration Certificate No. 3301601070 issued by the Department of Planning and Investment of Thua Thien Hue province on 21 December 2016 and the amended Business Registration Certificates with the latest being the 8<sup>th</sup> amendment dated 6 July 2025. The head office of Phenikaa Hue Company is located at Lot CN15 Zone B, Phong Dien Industry Park, Phong Hoa commune, Phong Dien district, Thua Thien Hue province. The principal activities of Phenikaa Hue Company are to invest and process minerals.

As at 31 December 2024, the Company holds 100% equity in this subsidiary.

**2. BASIS OF PREPARATION**

**2.1 *Accounting standards and system***

The consolidated financial statements of the Company and its subsidiary, which are expressed in Vietnam Dong ("VND"), are prepared in accordance with Vietnamese Enterprise Accounting System and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**2. BASIS OF PREPARATION** (continued)

**2.1 Accounting standards and system** (continued)

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

**2.2 Fiscal year**

The Company and its subsidiary's fiscal year applicable for the preparation of its consolidated financial statements start on 1 January and ends on 31 December.

**2.3 Accounting currency**

The consolidated financial statements are prepared in VND, which is also the Company's accounting currency.

**2.4 Basis of consolidation**

The consolidated financial statements comprise the financial statements of the Company and its subsidiary for the fourth quarter of the fiscal year ended 31 December 2024.

The subsidiary is fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of the subsidiary are prepared for the same reporting period as the Company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Company and its subsidiary are presented separately in the consolidated income statement and within equity in the consolidated balance sheet, separately from shareholders' equity.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**3.1 Cash and cash equivalents**

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.2 Inventories**

Inventories are measured at their historical costs. The cost of inventories comprises costs of purchase, costs of processing (including raw materials, direct labor cost, other directly related cost, manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition. In case the net realizable value is lower than the original price, it must be calculated according to the net realizable value.

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

The perpetual method is used to record inventories, which are valued as follows:

Raw materials and merchandise goods	- Cost of purchase on a weighted average basis.
Finished goods and work-in process	- Cost of finished goods and work-in process on a weighted average basis.

*Provision for obsolete inventories*

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of raw materials, finished goods, and other inventories owned by the Company and its subsidiary, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolescence, damage or become useless, the difference between the provision previously made and the historical cost of inventories are included in the consolidated income statement.

**3.3 Receivables**

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, after provision for doubtful debts.

The provision for doubtful debts represents amounts of outstanding receivables at the consolidated balance sheet date which are doubtful of being recovered. Increases and decreases to the provision balance are recorded as general and administrative expense in the consolidated income statement. When bad debts are determined as unrecoverable and accountant written off those bad debts, the differences between the provision for doubtful receivables previously made and historical cost of receivables are included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.4 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 condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

**3.5 Leased assets**

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at inception date and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset and the arrangement conveys a right to use the asset.

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

*Where the Company is the lessee*

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the lease term.

**3.6 Intangible fixed assets**

Intangible fixed assets are stated at cost less accumulated amortisation.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible fixed asset for its intended use.

Expenditures for additions, improvements are added to the carrying amount of the assets and other expenditures are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.7 Depreciation and amortisation**

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

Buildings and structures	4 - 25 years
Machinery and equipment	3 - 20 years
Means of transportation	4 - 10 years
Office equipment	3 - 8 years
Other tangible fixed assets	5 - 9 years
Computer software	3 - 12 years
Other intangible fixed assets	5 years

**3.8 Borrowing costs**

Borrowing costs consist of interest and other costs that the Company and its subsidiary incur in connection with the borrowing of funds. Borrowing costs are recorded as expense during the period in which they are incurred, except to the extent that they are capitalized as explained in the following paragraph.

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that necessarily take a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset.

**3.9 Prepaid expenses**

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated balance sheet and amortised over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

The following types of expenses are recorded as long-term prepaid expenses and are amortised to the consolidated income statement:

- ▶ Tools and consumables with large value issued into production;
- ▶ Substantial expenditures on fixed asset overhauls incurred one time; and
- ▶ Other prepaid expenses.

*Prepaid land rental*

The prepaid land rental represents the unamortised balance of advance payment made in accordance with lease contract signed with Bac Phu Cat Industrial Zone on 30 May 2008 for a period of 48 years 7 months 19 days and with Phong Dien Industrial Zone, Thua Thien Hue province on 24 March 2017 for a period of 39 years 9 months 8 days. According to Circular 45/2013/TT-BTC on 25 April 2013, such prepaid rental is recognised as long-term prepaid expenses for allocation to the consolidated income statement over the remaining period of the lease contract.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.10 Business combinations and goodwill**

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, liabilities incurred or assumed and equity instruments issued at the date of exchange plus any costs directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination are measured initially at fair values at the date of business combination.

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Company and its subsidiary's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortisation. Goodwill is amortised over 10-year period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

**3.11 Investments**

*Held-to-maturity investments*

Held-to-maturity investments are stated at their acquisition costs. After initial recognition, held-to-maturity investments are measured at recoverable amount. Any impairment loss incurred is recognised as expense in the consolidated financial statements and deducted against the value of such investments.

**3.12 Payables and accruals**

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Company and its subsidiary.

**3.13 Accrual for severance pay**

The severance pay to employee is accrued at the end of each reporting year for employees who have been worked for more than 12 months at the Company and its subsidiary. The accrued amount is calculated at the rate of one-half of the average monthly salary for each year of service qualified for severance pay in accordance with the Labor Code and related implementing guidance. The average monthly salary used in this calculation will be adjusted at the end of each reporting period following the average monthly salary of the last 6-month period up to the reporting date. Increase or decrease to the accrued amount other than actual payment to employee will be taken to the consolidated income statement.

This accrued severance pay is used to settle the termination allowance to be paid to employee upon termination of their labor contract following Article 46 of the Labor Code.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

#### **3.14 Foreign currency transactions**

Transactions in currencies other than the Company and its subsidiary's reporting currency of VND are recorded at the actual transaction exchange rates at transaction dates which are determined as follows:

- ▶ transaction resulting in receivables are recorded at the buying exchange rates of the commercial banks where the Company and its subsidiary designated for collection;
- ▶ transactions resulting in payables are recorded at the selling exchange rates of the commercial banks where the Company and its subsidiary designated for payment; and
- ▶ transactions for purchasing assets or expenses which were immediately settled (not recorded via liabilities) are recorded at the buying exchange rates of the commercial banks destined for payments.

At the end of the period, monetary items denominated in foreign currencies are re-translated at the actual transaction exchange rates at the balance sheet date which are determined as follows:

- ▶ monetary items which are classified as assets are translated at buying exchange rate of the commercial bank where the Company and its subsidiary conduct regular transactions; and
- ▶ monetary items which are classified as liabilities are translated at selling exchange rate of the commercial bank where the Company and its subsidiary conduct regular transactions.

All foreign exchange differences incurred during the period are taken to the consolidated income statement.

#### **3.15 Appropriation of net profits**

Net profit after tax is available for appropriation to shareholders after approval in the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company and its subsidiary and Vietnam's regulatory requirements.

The Company and its subsidiary maintain the following reserve funds which are appropriated from the Company and its subsidiary's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

##### *Investment and development fund*

This fund is set aside for use in the Company and its subsidiary's expansion of its operation or in-depth investments.

##### *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits and presented as a liability on the consolidated balance sheet.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.16 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and its subsidiary, and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognised:

##### *Sale of goods*

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually upon the delivery of the goods.

##### *Interest income*

Interest income is recognised as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

#### 3.17 Taxation

##### *Current income tax*

Current income tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiary to set off current tax assets against current tax liabilities and when the Company and its subsidiary intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for the consolidated financial reporting purposes.

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; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.17 Taxation (continued)**

*Deferred tax (continued)*

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which is deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiary, associate, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is 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 all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognised directly to equity, in which case the deferred tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Company intends either 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.18 Earnings per share**

Basic earnings per share amounts are calculated by dividing net profit after tax for the period attributable to ordinary shareholders of the Company and its subsidiary (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Company and its subsidiary (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**3.19 Related parties**

Parties are considered to be related parties of the Company and its subsidiary if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Company and its subsidiary and other party are under common control or under common significant influence. Related parties can be enterprise or individual, including close members of the family of any such individual.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4. ADDITIONAL INFORMATION FOR ITEMS IN THE BALANCE SHEET**

**4.1. CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENT**

**a. Cash and cash equivalents**

	Currency: VND	
	31 December 2024	31 December 2023
Cash on hand	2,504,783,121	1,773,970,179
Cash at banks	324,092,014,915	346,781,930,250
Cash equivalents	1,258,100,000,000	1,054,500,000,000
<b>TOTAL</b>	<b>1,584,696,798,036</b>	<b>1,403,055,900,429</b>

**b. Held-to-maturity investments**

Held-to-maturity investments as at 31 December 2024 include deposits in VND at banks, with original maturity of 6 months.

**4.2. SHORT-TERM TRADE RECEIVABLES**

	Currency: VND	
	31 December 2024	31 December 2023
Trade receivables from customers	579,739,326,985	448,693,509,946
Trade receivables from related parties	747,333,756,703	774,598,650,920
<b>TOTAL</b>	<b>1,327,073,083,688</b>	<b>1,223,292,160,866</b>
Provision for doubtful debts	(23,672,404,888)	(18,468,862,427)

**4.3. OTHER SHORT-TERM RECEIVABLES**

	Currency: VND	
	31 December 2024	31 December 2023
Other receivables from employees	479,727,536	348,161,853
Interest receivable from bank deposits and loan	3,982,191,781	-
Advance to employees	1,283,653,989	2,498,091,249
Other short-term receivables	-	228,000,000
<b>TOTAL</b>	<b>5,745,573,306</b>	<b>3,074,253,102</b>
Other receivables from related parties	-	228,000,000

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.4. INVENTORIES**

**a. Inventories**

Currency: VND

	31 December 2024	31 December 2023
Goods in transit	73,988,061,550	19,169,093,749
Raw materials	179,882,759,533	159,948,823,810
Tools and supplies	65,718,972,224	80,299,128,106
Work in process	48,500,707,213	25,124,948,522
Finished goods	331,323,327,585	420,447,125,599
Merchandise goods	1,154,711,684,658	1,957,024,427,221
<b>TOTAL</b>	<b>1,854,125,512,763</b>	<b>2,662,013,547,007</b>

**b. Provision for obsolete inventories**

Currency: VND

	31 December 2024	31 December 2023
Finished goods	(1,897,919,707)	(1,869,227,390)
Merchandise goods	(35,776,529,915)	(16,122,777,796)
<b>TOTAL</b>	<b>(37,674,449,622)</b>	<b>(17,992,005,186)</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

4.5. TANGIBLE FIXED ASSETS

Currency: VND

	Buildings and structures	Machinery and equipment	Means of transportation	Office equipment	Other fixed assets	Total
<b>Cost:</b>						
As at 30 September 2024	297,482,164,764	1,836,054,493,200	42,259,381,985	19,264,918,260	993,146,108	2,196,054,104,317
- New purchase in the period	-	30,345,527,924	80,000,000	-	-	30,425,527,924
- Transfer from construction in progress	17,271,694,146	-	-	-	-	17,271,694,146
- Disposal	-	-	-	-	-	-
- Other reductions	-	-	-	-	-	-
As at 31 December 2024	314,753,858,910	1,866,400,021,124	42,339,381,985	19,264,918,260	993,146,108	2,243,751,326,387
<b>Accumulated depreciation:</b>						
As at 30 September 2024	197,084,928,397	1,171,560,790,190	36,039,545,374	18,680,936,419	693,133,224	1,424,059,333,604
- Depreciation for the period	3,701,135,351	27,851,736,479	617,972,143	155,161,279	31,035,816	32,357,041,068
- Disposal	-	-	-	-	-	-
- Other reductions	-	-	-	-	-	-
As at 31 December 2024	200,786,063,748	1,199,412,526,669	36,657,517,517	18,836,097,698	724,169,040	1,456,416,374,672
<b>Net carrying amount:</b>						
As at 30 September 2024	100,397,236,367	664,493,703,010	6,219,836,611	583,981,841	300,012,884	771,994,770,713
As at 31 December 2024	113,967,795,162	666,987,494,455	5,681,864,468	428,820,562	268,977,068	787,334,951,715

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.6. INTANGIBLE FIXED ASSETS**

	Currency: VND		
	Computer software	Others	Total
<b>Cost:</b>			
As at 30 September 2024	32,283,927,247	38,000,000	32,321,927,247
- Increase in the period	-	-	-
As at 31 December 2024	32,283,927,247	38,000,000	32,321,927,247
<b>Accumulated amortisation:</b>			
As at 30 September 2024	29,217,065,084	38,000,000	29,255,065,084
- Amortisation for the period	256,011,403	-	256,011,403
As at 31 December 2024	29,473,076,487	38,000,000	29,511,076,487
<b>Net carrying amount:</b>			
As at 30 September 2024	3,066,862,163	-	3,066,862,163
As at 31 December 2024	2,810,850,760	-	2,810,850,760

**4.7. CONSTRUCTION IN PROGRESS**

	Currency: VND	
	31 December 2024	31 December 2023
Purchase	75,574,393,349	65,406,198,477
Construction in progress	108,197,121,783	1,822,937,508
Repair	610,797,027	108,344,394
<b>TOTAL</b>	<b>184,382,312,159</b>	<b>67,337,480,379</b>

**4.8. PREPAID EXPENSES**

**Short-term**

	Currency: VND	
	31 December 2024	31 December 2023
Tools and supplies	904,614,434	1,382,569,317
Others	2,527,054,398	2,298,393,707
<b>TOTAL</b>	<b>3,431,668,832</b>	<b>3,680,963,024</b>

**Long-term**

	Currency: VND	
	31 December 2024	31 December 2023
Tools and supplies	4,648,605,181	4,201,670,850
Overhaul cost of fixed assets	918,226,987	630,443,279
Prepaid land rental fee	5,013,866,320	5,288,598,721
Others	2,971,110,788	3,847,254,560
<b>TOTAL</b>	<b>13,551,809,276</b>	<b>13,967,967,410</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.9. SHORT-TERM TRADE PAYABLES**

Currency: VND

	<i>Value and payable amount</i>	
	<i>31 December 2024</i>	<i>31 December 2023</i>
Payables to other suppliers	172,906,485,208	99,499,575,671
Trade payables to related parties	9,904,945,523	18,790,567,778
<b>TOTAL</b>	<b>182,811,430,731</b>	<b>118,290,143,449</b>

**4.10. STATUTORY OBLIGATIONS**

Currency: VND

<b>Payables</b>				
	<i>31 December 2023</i>	<i>Payable for the period</i>	<i>Payment made in the period</i>	<i>31 December 2024</i>
Value added tax	3,196,339,936	45,649,705,009	48,846,044,945	-
Import, export duties	2,866,874	5,737,826,659	5,594,571,545	146,121,988
Corporate income tax	110,381,858,065	147,362,677,737	155,784,046,681	101,960,489,121
Personal income tax	791,906,694	11,608,748,082	11,952,502,514	448,152,262
Other taxes	-	944,385,009	944,385,009	-
<b>TOTAL</b>	<b>114,372,971,569</b>	<b>211,303,342,496</b>	<b>223,121,550,694</b>	<b>102,554,763,371</b>

**Receiveables**

	<i>31 December 2024</i>	<i>31 December 2023</i>
Corporate income tax	-	-
Personal income tax	-	-
<b>TOTAL</b>	<b>-</b>	<b>-</b>

**4.11. SHORT-TERM ACCRUED EXPENSES**

Currency: VND

	<i>31 December 2024</i>	<i>31 December 2023</i>
Accrued interest expense	1,393,427,575	1,130,996,102
Shipping costs	801,960,000	-
Others	2,131,666,060	520,516,300
<b>TOTAL</b>	<b>4,327,053,635</b>	<b>1,651,512,402</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

#### 4.12. OTHERS SHORT-TERM PAYABLES

	<i>Currency: VND</i>	
	<i>31 December 2024</i>	<i>31 December 2023</i>
Dividends, profits payable	4,554,182,075	4,381,458,675
Trade union fees	-	-
Deposits received	92,587,337	269,675,637
Others	226,746,450	210,618,532
<b>TOTAL</b>	<b>4,873,515,862</b>	<b>4,861,752,844</b>

#### 4.13. BONUS AND WELFARE FUNDS

	<i>Currency: VND</i>	
	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
Beginning balance	90,963,036,627	112,926,999,033
Appropriated during the period	2,920,657,960	22,055,360,986
Utilised during the period	(20,447,335,859)	(24,142,076,988)
<b>Ending balance</b>	<b>73,436,358,728</b>	<b>110,840,283,031</b>

#### 4.14. LOANS

	<i>Currency: VND</i>	
	<i>Value and payable amount</i>	
	<i>31 December 2024</i>	<i>31 December 2023</i>
<b>Short-term loans</b>		
Loans from banks	896,494,374,159	1,011,288,076,572
Current portion of long-term loans	39,899,263,054	53,199,017,404
Loans from related parties	-	-
<b>TOTAL</b>	<b>936,393,637,213</b>	<b>1,064,487,093,976</b>
<b>Long-term loans</b>		
Loans from banks	28,764,048,954	39,899,263,054
Loans from related parties	-	-
<b>TOTAL</b>	<b>28,764,048,954</b>	<b>39,899,263,054</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.15. OWNERS' EQUITY**

**a. Increase and decrease in owners' equity**

Currency: VND

	Issued share capital	Share premium	Investment and development fund	Other funds belonging to owners' equity	Undistributed earnings	Total
<b>3rd quarter 2024</b>						
As at 30 June 2024	1,600,000,000,000	290,584,886	88,958,137,122	18,551,233,538	3,374,898,356,166	5,082,698,311,712
- Net profit for the period	-	-	-	-	161,949,881,232	161,949,881,232
- Bonus and welfare funds appropriation	-	-	-	-	(48,570,636)	(48,570,636)
- Other reductions	-	-	(317,220,676)	-	-	(317,220,676)
As at 30 September 2024	1,600,000,000,000	290,584,886	88,640,916,446	18,551,233,538	3,536,799,666,762	5,244,282,401,632
<b>4th quarter 2024</b>						
As at 30 September 2024	1,600,000,000,000	290,584,886	88,640,916,446	18,551,233,538	3,536,799,666,762	5,244,282,401,632
- Net profit for the period	-	-	-	-	189,189,850,581	189,189,850,581
- Bonus and welfare funds appropriation	-	-	-	-	(2,920,657,960)	(2,920,657,960)
- Advance dividends	-	-	-	-	(320,000,000,000)	(320,000,000,000)
- Other reductions	-	-	(929,450,423)	-	-	(929,450,423)
As at 31 December 2024	1,600,000,000,000	290,584,886	87,711,466,023	18,551,233,538	3,403,068,859,383	5,109,622,143,830

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.15. OWNERS' EQUITY (continued)**

**b. Owner's equity details**

Currency: VND

	31 December 2024	31 December 2023
Parent Company's Capital Contributions	1,346,470,820,000	<b>1,346,470,820,000</b>
Other Shareholders' Capital Contributions	253,529,180,000	253,529,180,000
<b>TOTAL</b>	<b>1,600,000,000,000</b>	<b>1,600,000,000,000</b>

**c. Capital transactions with owners and distribution of dividends, profits**

**Capital contributed by owners**

Currency: VND

	4th quarter 2024	4th quarter 2023
Beginning balance	1,600,000,000,000	1,600,000,000,000
Ending balance	1,600,000,000,000	1,600,000,000,000
Dividends paid during the period	317,097,819,200	317,169,671,600

**d. Shares**

Currency: VND

	31 December 2024 Quantity	31 December 2023 Quantity
<b>Authorized shares</b>	<b>160,000,000</b>	<b>160,000,000</b>
<b>Issued shares</b>	<b>160,000,000</b>	<b>160,000,000</b>
Ordinary shares	160,000,000	160,000,000
Preference shares	-	-
<b>Treasury shares</b>	-	-
Ordinary shares	-	-
Preferred shares	-	-
<b>Shares in circulation</b>	<b>160,000,000</b>	<b>160,000,000</b>
Ordinary shares	160,000,000	160,000,000
Preference shares	-	-

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



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**4.16. OFF CONSOLIDATED BALANCE SHEET ITEMS**

<i>ITEM</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Foreign currencies		
- US Dollar (USD)	6,749,673	7,493,693
- Euro (EUR)	359,933	197,623
- Canadian Dollar (CAD)	4,786,316	1,742,129

**5. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT**

**5.1 REVENUE**

	<i>Currency: VND</i>	
	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
<b>Gross revenue</b>	1,122,014,431,796	1,162,863,136,494
<i>Sale of finished goods and merchandises</i>	1,122,014,431,796	1,162,863,136,494
<b>Sales deductions</b>	<b>19,678,882,004</b>	<b>9,090,162,150</b>
<i>Trade discount</i>	<u>19,678,882,004</u>	<u>9,090,162,150</u>
<b>Net revenue</b>	<b><u>1,102,335,549,792</u></b>	<b><u>1,153,772,974,344</u></b>

**5.2. COST OF GOODS SOLD**

	<i>Currency: VND</i>	
	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
Cost of goods sold	814,092,050,060	815,586,191,391
Provision for inventories	<u>1,536,863,395</u>	<u>(2,556,470,894)</u>
<b>TOTAL</b>	<b><u>815,628,913,455</u></b>	<b><u>813,029,720,497</u></b>

**5.3. FINANCE INCOME**

	<i>Currency: VND</i>	
	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
Interest income from bank deposits and loan receivables	13,831,806,000	4,985,934,560
Foreign exchange gain	<u>10,992,315,444</u>	<u>18,720,159,309</u>
<b>TOTAL</b>	<b><u>24,824,121,444</u></b>	<b><u>23,706,093,869</u></b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**5.4. FINANCE EXPENSES**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
Interest expenses	8,811,366,901	13,543,623,948
Payment discount	329,866,091	-
Foreign exchange losses	7,206,356,744	8,074,153,103
<b>TOTAL</b>	<b>16,347,589,736</b>	<b>21,617,777,051</b>

**5.5. SELLING EXPENSES**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
- Labour costs	2,794,788,870	3,221,306,479
- Materials and tools	11,900,156,676	8,253,796,947
- Depreciation	355,484,048	195,491,772
- Outside service	32,599,908,466	29,354,114,047
- Others	3,528,671,476	3,443,735,201
<b>TOTAL</b>	<b>51,179,009,536</b>	<b>44,468,444,446</b>

**5.6. GENERAL AND ADMINISTRATIVE EXPENSES**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
- Labour costs	6,668,832,413	6,940,559,612
- Materials and tools	569,692,207	636,893,060
- Depreciation	731,383,061	1,911,684,515
- Outside service	3,925,394,991	4,344,686,834
- Others	7,753,824,498	1,183,970,915
<b>TOTAL</b>	<b>19,649,127,170</b>	<b>15,017,794,936</b>

**5.7. OTHER INCOME**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
- Disposal of fixed assets	-	-
- Others	87,851,063	61,060,440
<b>TOTAL</b>	<b>87,851,063</b>	<b>61,060,440</b>

**5.8. OTHER EXPENSES**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
- Remaining value of fixed assets and costs of Disposal of fixed assets	-	-
- Others	1,820,267,473	1,933,037,454
<b>TOTAL</b>	<b>1,820,267,473</b>	<b>1,933,037,454</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**5.9. PRODUCTION AND OPERATING COSTS**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
Raw materials and merchandises	759,357,845,380	747,467,763,409
Labour costs	24,644,073,751	27,138,918,140
Depreciation and amortisation of fixed assets	32,260,143,002	33,794,716,429
Expenses for external services	48,099,354,308	41,871,352,507
Other expenses	4,549,981,058	2,063,630,381
<b>TOTAL</b>	<b>868,911,397,499</b>	<b>852,336,380,866</b>

**5.10. CORPORATE INCOME TAX**

	Currency: VND	
	4th quarter 2024	4th quarter 2023
Current CIT expenses	32,570,452,592	44,467,081,147
Adjustment for under accruals of CIT in prior years	369,479,741	-
<b>TOTAL</b>	<b>32,939,932,333</b>	<b>44,467,081,147</b>

**6. OTHER INFORMATION**

**6.1 OPERATING LEASE COMMITMENTS**

The Company and its subsidiary lease land under operating lease arrangements. As at 31 December 2024, payables for rental fee in the future under the operating lease agreements is as follows:

	Currency: VND	
	31 December 2024	31 December 2023
Less than 1 year	937,335,450	937,335,450
From 1 to 5 years	3,749,341,800	3,749,341,800
More than 5 years	19,949,085,275	20,945,681,100
<b>TOTAL</b>	<b>24,635,762,525</b>	<b>25,632,358,350</b>

In addition, the Company also leases 27,451 m<sup>2</sup> land area at Plot 2A, Bac Phu Cat Industrial Zone under the operating lease contract No. 10/VC/HDKT-TLDKCNBPC dated 30 May 2008 with the lease term of 48 years, 7 months and 19 days commencing from the contract date. The fees of land rental are VND 10,000/m<sup>2</sup> per annum and management service charge is VND 3,500/m<sup>2</sup> per annum. The land rental price for the remaining year (from 2043 until the end of the lease term) can be adjusted depending on agreement between the Company and the Industrial Zone management in subsequent discussions.

Phenikaa Hue Company leases 37,300 m<sup>2</sup> land area lot CN15 Zone B, Phong Dien Industry Park, Phong Hoa Commune, Phong Dien District, Thua Thien Hue Province under the operating lease contract No. 2403/2017/HĐTĐ/PHXH-TP dated 24 March 2017 with the lease term of 39 years, 9 months and 8 days commencing from the contract date. The fees of land rental are VND 15,015/m<sup>2</sup> per annum and management service charge of VND 4,050/m<sup>2</sup> per annum (Land rent and management fee above do not include VAT). Land rental and management fee is paid annually as specified under this contract.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

## 6.2. COMMITMENT RELATING TO OPERATING COSTS

The company has made contractual commitments to purchase raw materials and spare parts with a total value of approximately VND 55.77 billion for use in production and business activities.

## 6.3. INFORMATION ABOUT RELATED PARTIES

### a. The Company's related parties during the period and at the end of the reporting period are as follows:

Related parties have transactions and outstanding debts with the Company

<i>Related parties</i>	<i>Relationship</i>
A&A Green Phoenix Group Joint Stock Company	Parent company
Style Stone Joint Stock Company	Fellow subsidiary
Vietnam Stone Work - Top Fabrication Joint Stock Company	Fellow subsidiary
Stylenquaza LLC	Associate of parent company
Sec G3 Center Joint Stock Company	Fellow subsidiary
Tran Long Industry Joint Stock Company	Fellow subsidiary
Phenikaa University	Fellow subsidiary
Vinh Thien Medical Joint Stock Company	Fellow subsidiary
Bao Toan A Joint Stock Company	Fellow subsidiary

In addition to the above Companies, the Company also has other related parties, specifically presented in the "Company Governance Report" for 2024 has been made public disclosure on 21 January 2025.

### b. Significant transactions of the Company and its subsidiary with related parties during the period were as follows:

		<i>Currency: VND</i>	
<i>Related parties</i>	<i>Transactions</i>	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
A&A Green Phoenix Group Joint Stock Company	Sales of materials, consumables	143,949,732,924	91,859,731,219
	Purchase of merchandise, services	129,822,931,020	223,561,222,131
	Dividend payables	269,294,164,000	269,294,164,000
	Dividend paid	269,294,164,000	269,294,164,000
Style Stone Joint Stock Company	Sales of materials, consumables	19,973,255,961	34,329,033,763
	Purchase of merchandise, services	57,949,553,096	168,678,662,181
Vietnam Stone Work - Top Fabrication Joint Stock Company	Sales of finished goods, consumables	63,553,404,725	56,077,815,580
	Purchase of merchandise, services	103,654,130,962	114,965,773,254
Stylenquaza LLC	Sales of finished goods, consumables	182,665,036,922	234,693,831,713
Sec G3 Center Joint Stock Company	Purchase of merchandise, services	1,786,966,950	2,101,984,920



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

<i>Related parties</i>	<i>Transactions</i>	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
Tran Long Industry Joint Stock Company	Sales of finished goods, consumables	21,919,625,055	27,124,746,135
	Purchase of merchandise, services	34,846,640,447	28,461,666,550
Vinh Thien Medical Joint Stock Company	Sales of finished goods	7,205,678,694	16,080,281,502
	Purchase of merchandise, services	550,848,507	-

c. **As at 31 December 2024, amounts due to and due from related parties were as follows:**

**Short-term receivables from related parties**

*Currency: VND*

<i>Related parties</i>	<i>Transactions</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
A&A Green Phoenix Group Joint Stock	Receivables from sales of materials, consumables	38,581,855,378	15,106,340,370
Style Stone Joint Stock Company	Receivables from sales of materials, consumables	-	6,165,098,280
Stylenquaza LLC	Receivables from sales of finished goods, consumables	290,829,375,521	206,340,781,936
Vietnam Stone Work - Top Fabrication Joint Stock Company	Receivables from sales of finished goods, consumables	284,957,231,743	448,612,004,739
Tran Long Industry Joint Stock Company (*)	Receivables from sales of finished goods, consumables	90,117,521,868	80,550,224,024
Phenikaa University	Receivables from sales of finished goods	3,031,560,000	457,497,549
Vinh Thien Medical Joint Stock Company	Receivables from sales of finished goods	39,816,212,193	17,366,704,022
<b>Total</b>		<b><u>747,333,756,703</u></b>	<b><u>774,598,650,920</u></b>

**Other receivables from related parties**

<i>Related parties</i>	<i>Transactions</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
Bao Toan A Joint Stock Company	Receivables from sales of finished goods	-	228,000,000
		<u>-</u>	<u>228,000,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

**Payable to related parties**

<i>Related parties</i>	<i>Transactions</i>	<i>31 December 2024</i>	<i>31 December 2023</i>
A&A Green Phoenix Group Joint Stock Company	Purchase of merchandise, services	7,239,765,751	14,771,349,327
Style Stone Joint Stock Company	Purchase of merchandise, services	796,673,862	2,143,784,800
Vietnam Stone Work - Top Fabrication Joint Stock Company	Purchase of merchandise, services	3,445,368	-
Sec G3 Center Joint Stock Company	Purchase of merchandise, services	1,318,244,042	1,875,433,651
Vinh Thien Medical Joint Stock Company	Purchase of merchandise, services	546,816,500	-
<b>Total</b>		<b>9,904,945,523</b>	<b>18,790,567,778</b>

**d. Transactions with other related parties**

Remuneration to members of the Board of Directors and Management for 4<sup>th</sup> quarter of 2024

Currency: VND

<i>Name</i>	<i>Position</i>	<i>4th quarter 2024</i>	<i>4th quarter 2023</i>
Mr Ho Xuan Nang	Chairman	18,000,000	18,000,000
Ms Le Thi Minh Thao	Member of Board of Directors	15,000,000	-
Mr Pham Tri Dzung	Member of Board of Directors, General Director	810,481,500	741,848,800
Mr Pham Anh Tuan	Member of Board of Directors	-	15,000,000
Mr Nguyen Quang Hung	Member of Board of Directors, Head of Audit committee	15,000,000	15,000,000
Ms Tran Lan Phuong	Member of Board of Directors, Member of Audit committee	15,000,000	15,000,000
Mr Luu Cong An	Deputy General Director	600,850,900	632,020,400
Mr Nguyen Chi Cong	Deputy General Director	571,046,507	615,286,400
Mr Dong Quang Thuc	Deputy General Director	486,545,422	434,269,676
Mr Nguyen Quang Anh	Deputy General Director	672,282,842	634,761,003
Ms Tran Thi Thu Huong	Deputy General Director	292,710,951	-
<b>Total</b>		<b>3,496,918,122</b>	<b>3,121,186,279</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the fourth quarter of 2024

## 7. EVENTS AFTER THE BALANCE SHEET DATE

There is no matter or circumstance that has arisen since the consolidated balance sheet date that requires adjustment or disclosure in the consolidated financial statements of the Company and its subsidiary.



Tran Thi Huong Thu  
Preparer



Nguyen Phuong Anh  
Chief Accountant



Pham Tri Dzung  
General Director

Hanoi, Vietnam

30 January 2025

