

**THAI BINH CEMENT JOINT
STOCK COMPANY**

No :/XMTB2025

"V/v Regarding the explanation of the
difference in after-tax profit of the
audited financial statements for 2024
compared to the audited financial
statements for 2023"

SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom - Happiness

Thai Binh, March 12, 2025

**To: - State Securities Commission
- Hanoi Stock Exchange**

Fulfill the information disclosure obligations of listed organizations according to the provisions of Circular 155 TT/BTC dated October 6, 2016 of the Ministry of Finance.

Thai Binh Cement Joint Stock Company would like to explain the main reasons related to the difference in profits after enterprise income tax of the audited financial statements for 2024 compared to the audited financial statements for 2023 as follows:

No	ITEMS	YEAR 2024 (VND)	YEAR 2023 (VND)	Increase Decrease (VND)
1	Revenue from sales and services rendered	17.804.147.615	18.240.566.077	(436.418.462)
2	Costs of goods sold	13.971.561.761	14.687.823.275	(716.261.514)
3	Net profits from operating activities	82.476.784	-292.250.697	374.727.481
4	Other profits	19.393.025	33.065.953	(13.672.928)
5	Profit after enterprise income tax	101.869.809	(259.184.744)	361.054.553

Looking back at the production and business process in 2024 compared to the production and business results in 2023, we see that the company's profits after enterprise income tax increased by 361 million VND.

In difficult economic conditions, the unstable market situation led to a decrease in revenue of 436 million. With the policy of tightening production and business costs, the cost of goods sold decreased by 716 million VND, higher than the decrease in revenue. That is the reason why the Company's after-tax profit increased by 361 million VND compared to the same period in 2023.

Thai Binh Cement Joint Stock Company explains the difference in production and business results in 2024 compared to 2023 to the State Securities Commission, Hanoi Stock Exchange and TBX shareholders.

Best regards!

Receiving place :

- As directed
- Save Company

THAI BINH CEMENT JOINT STOCK COMPANY



TỔNG GIÁM ĐỐC
Phạm Văn Chế

Qualified Services
with Global
Understanding and Vision

Local Expertise
International Presence



THAI BINH CEMENT JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2024

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THAI BINH CEMENT JOINT STOCK COMPANY

No 01 Quach Dinh Bao, Phong Phu Industrial Cluster, Tien Phong Ward, Thai Binh City, Viet Nam

STATEMENT OF THE BOARD OF GENERAL DIRECTORS

The Board General of Directors of Thai Binh Cement Joint Stock Company presents this report together with the audited financial statements for the year ended 31 December 2024.

COMPANY

Thai Binh Cement Joint Stock Company ("the Company") was formerly Thai Binh Cement Enterprise, established under Decision No. 163/TC dated December 15, 1979 of the People's Committee of Thai Binh Province. The Company was converted into Thai Binh Cement Joint Stock Company under Decision No. 1343/QĐ-UB dated October 22, 2001 of the People's Committee of Thai Binh Province. The Business Registration Certificate No. 1000283494 issued by the Thai Binh Planning and Investment Department on December 24, 2001, the 11th change was on 08 May 2023.

The Company's charter capital according to the eleventh amended Business Registration Certificate is VND 15,102,800,000 (*Fifteen billion, one hundred and two million, eight hundred thousand Vietnamese Dongs*), divided into 1,510,280 shares, with a par value of VND 10,000 per share.

The Company is listed on the Ha Noi Stock Exchange (HNX). The company's stock code is TBX.

Head office : No. 01 Quach Dinh Bao, Phong Phu Industrial Cluster, Tien Phong Ward, Thai Binh City, Thai Binh Province, Vietnam.

BOARD OF MANAGEMENT, BOARD OF SUPERVISORS AND BOARD OF GENERAL DIRECTORS

Members of Boards of Management, Supervisors and General Directors who held the Company during the year and at the date of this report are as follows:

Board of Management

Mrs. Bui Thi Nguyen Hanh	Chairman
Mr. Vu Tien Dung	Member
Mr. Pham Van He	Member
Mr. Vu Tien Nghia	Member
Mr. Bui Duc Anh	Member

Board of Supervisors

Mrs. Nguyen Thi Minh Thanh	Head of the Board
Mrs. Nguyen Thi Phuong Lan	Member
Mrs. Do Thi Tam	Member

Board of General Directors

Mr. Pham Van He	General Director
Mr. Pham Van Tien	Deputy General Director

SUBSEQUENT EVENTS

According to the Board of General Directors, in the material respects, no significant events occurred after the balance sheet date, affecting the financial position and operation of the Company that would require adjustments or disclosures to be made in the financial statements for the year ended 31 December 2024.

THAI BINH CEMENT JOINT STOCK COMPANY

No 01 Quach Dinh Bao, Phong Phu Industrial Cluster, Tien Phong Ward, Thai Binh City, Viet Nam

STATEMENT OF THE BOARD OF GENERAL DIRECTORS (Continued)

AUDITORS

The Company's separate financial statements for the year ended December 31st, 2023 have been audited by CPA VIETNAM Auditing Company limited - A Member Firm of INPACT.

RESPONSIBILITY OF THE BOARD OF GENERAL DIRECTORS

The Company's Board of General Directors is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31/12/2024 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of separate financial statements. In preparing these separate financial statements, the Board of General Directors is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Company are followed or not, and all the material differences from these standards are disclosed and explained in the separate financial statements;
- Design and effectively implement the internal control system in order to ensure that the preparation and presentation of the separate financial statements are free from material misstatements due to frauds or errors;
- Prepare the Separate financial statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and to ensure that the separate financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the separate financial statements. 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 frauds and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing the separate financial statements.

For and on behalf of the Board of General Directors,



Phạm Văn He
General Director

Thai Binh, 06 March, 2025

No: 93/2025/BCKT-CPA VIETNAM-NVI

INDEPENDENT AUDITORS' REPORT

To: Shareholders
Boards of Management, Supervisors and General Directors
Thai Binh Cement Joint Stock Company

We have audited the accompanying financial statements of Thai Binh Cement Joint Stock Company, prepared on 06 March, 2025, from page 06 to page 26, including Balance Sheet as of December 31, 2024, and the Statement of income, and statement of cash flows for the year then ended, and Notes to the financial statements.

The Board of General Directors responsibility

The Board of Director's are responsible for the preparation and presentation of these financial statements to comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparing and financial statements and for such internal control as the Board of Director determine 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 Vietnam Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Auditors Opinion

In our opinion, the financial statements give a true and fair view of, in all material respects, the financial position of the Company at 31 December 2024, and of its financial performance and its cash flows for the year ended in accordance with Vietnamese Standards on Accounting, Vietnamese Accounting System and related legal regulations in preparing financial statements.



Phan Thanh Nam**Deputy General Director**

Audit Practising Registration Certificate

No: 1009-2023-137-1

*Power of Attorney No: 02/2025/UQ-CPA VIETNAM of Chairman of Management Board dated 02/01/2025
For and on behalf of***CPA VIETNAM AUDITING COMPANY LIMITED****An Independent member of INPACT***Hanoi, 06 March 2025*

Luu Anh Tuan**Auditor**

Audit Practising Registration Certificate

No: 1026-2024-137-1

**THAI BINH CEMENT
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,
Tien Phong ward, Thai Binh, Viet Nam

Form B 01 - DN

Issued under Circular 200/2014/TT-BTC dated
22/12/2014 of the Ministry of Finance

BALANCE SHEET
As at 31 December 2024

ASSETS	Code	Note	31/12/2024 VND	01/01/2024 VND
A - CURRENT ASSETS (100 = 110+130+140+150)	100		16,169,547,953	14,518,510,326
I. Cash and cash equivalents	110	5.1	2,706,569,564	219,580,829
1. Cash	111		2,706,569,564	219,580,829
II. Short-term receivables	130		7,807,531,281	6,558,061,394
1. Short-term receivables from customers	131	5.2	5,266,193,535	3,886,162,454
2. Prepayments to suppliers in short-term	132		68,760,000	119,200,000
3. Other short-term receivables	136	5.3	2,793,890,346	2,874,011,540
4. Short-term allowances for doubtful debts	137	5.4	(321,312,600)	(321,312,600)
III. Inventories	140	5.5	5,655,447,108	7,712,209,638
1. Inventories	141		5,655,447,108	7,712,209,638
IV. Other current assets	150		-	28,658,465
1. Taxes and State receivables	153	5.11	-	28,658,465
B - NON-CURRENT ASSETS (200 = 210+220+240+250+260)	200		8,126,484,768	9,516,774,883
I. Long-term receivables	210		-	-
II. Fixed assets	220		900,453,156	1,890,299,633
1. Tangible fixed assets	221	5.7	900,453,156	1,890,299,633
<i>Historical costs</i>	222		54,883,851,942	54,883,851,942
<i>Accumulated depreciation</i>	223		(53,983,398,786)	(52,993,552,309)
2. Intangible fixed assets	227	5.8	-	-
<i>Historical costs</i>	228		33,500,000	33,500,000
<i>Accumulated amortization</i>	229		(33,500,000)	(33,500,000)
III. Long-term assets in progress	240		7,207,341,241	7,604,953,711
1. Construction in progress	242	5.9	7,207,341,241	7,604,953,711
V. Other long-term assets	260		18,690,371	21,521,539
1. Long-term prepaid expenses	261	5.6	18,690,371	21,521,539
TOTAL ASSETS (270 = 100+200)	270		24,296,032,721	24,035,285,209

**THAI BINH CEMENT
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,
Tien Phong ward, Thai Binh, Viet Nam

Form B 01 - DN

Issued under Circular 200/2014/TT-BTC dated
22/12/2014 of the Ministry of Finance

BALANCE SHEET (CONTINUED)

As at 31 December 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND
C- LIABILITIES (300 = 310+330)	300		4,078,372,875	3,919,495,172
I. Short-term liabilities	310		4,078,372,875	3,919,495,172
1. Short-term trade payables	311	5.10	1,847,416,682	1,797,672,857
2. Taxes and other payables to government budget	313	5.11	226,740,447	170,100,703
3. Payables to employees	314		726,357,659	650,969,525
4. Short-term accrued expenses	315	5.12	44,000,000	44,000,000
5. Other short-term payments	319	5.13	438,633,421	431,027,421
6. Short-term borrowings and finance lease liabilities	320	5.14	-	-
7. Bonus and welfare fund	322		795,224,666	825,724,666
B- OWNERS' EQUITY	400		20,217,659,846	20,115,790,037
I. Owners' equity	410	5.15	20,217,659,846	20,115,790,037
1. Contributed capital	411		15,102,800,000	15,102,800,000
- Ordinary shares with voting rights	411a		15,102,800,000	15,102,800,000
2. Other capital	414		1,125,670,663	1,125,670,663
3. Development and investment funds	418		3,485,918,238	3,485,918,238
4. Undistributed profit after tax	421		503,270,945	401,401,136
- Undistributed profit after tax brought forward	421a		401,401,136	660,585,880
- Undistributed profit after tax for the current year	421b		101,869,809	(259,184,744)
TOTAL RESOURCES	440		24,296,032,721	24,035,285,209
(440 = 300+400)				

Prepared



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Lan

Thai Binh, 06 March 2025

General Director



Pham Van He

**THAI BINH CEMENT
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,
Tien Phong ward, Thai Binh, Viet Nam

Form B 02 - DN

Issued under Circular 200/2014/TT-BTC dated
22/12/2014 of the Ministry of Finance

INCOME STATEMENT
For the year ended 31 December 2024

ITEMS	Code	Note	Year 2024 VND	Year 2023 VND
1. Revenues from sales and services rendered	01	6.1	17,804,147,615	18,240,566,077
2. Revenue deductions	02		-	-
3. Net revenues from sales and services rendered (10 = 01-02)	10		17,804,147,615	18,240,566,077
4. Costs of goods sold	11	6.2	13,971,561,761	14,687,823,275
5. Gross revenues from sales and services rendered (20 = 10-11)	20		3,832,585,854	3,552,742,802
6. Financial income	21	6.3	265,031	233,877
7. Financial expenses	22	6.4	10,985,750	-
<i>In which: Interest expenses</i>	23		10,985,750	-
8. Selling expenses	25	6.5	-	-
9. General administration expenses	26	6.5	3,739,388,351	3,845,227,376
10. Net profits from operating activities {30 = 20+(21-22)+24-(25+26)}	30		82,476,784	(292,250,697)
11. Other income	31	6.6	32,350,690	40,000,979
12. Other expenses	32	6.6	12,957,665	6,935,026
13. Other profits (40 = 31-32)	40		19,393,025	33,065,953
14. Total net profit before tax (50 = 30+40+45)	50		101,869,809	(259,184,744)
15. Current corporate income tax expenses	51	6.7	-	-
16. Profits after enterprise income tax (60 = 50-51-52)	60		101,869,809	(259,184,744)
17. Basic earnings per share	70	6.8	67.45	(171.61)

Prepared



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Lan

Thai Binh, 06 March 2025

General Director



Pham Van He

**THAI BINH CEMENT
JOINT STOCK COMPANY**

01 Quach Dinh Bao, Phong Phu Industrial zone,
Tien Phong ward, Thai Binh, Viet Nam

Form B 03 - DN

Issued under Circular 200/2014/TT-BTC dated
22/12/2014 of the Ministry of Finance

CASH FLOW STATEMENT
(Direct method)

For the year ended 31 December 2024

ITEM	Code	Notes	Year 2024 VND	Year 2023 VND
I. Cash flow generated from (used in) operating activity			-	
1. Income from sales of merchandises, services rendered	01		17,890,543,562	20,691,141,732
2. Payments to suppliers of merchandises and services	02		(7,182,924,129)	(10,083,869,881)
3. Payments to employees	03		(6,146,507,554)	(7,462,250,209)
4. Interest payment	04		(10,340,750)	-
5. Other income from operating activity	06		799,629,147	1,465,397,073
6. Other payments for operating activity	07		(2,863,676,572)	(4,666,256,915)
from (used in) operating activity	20		2,486,723,704	(55,838,200)
II. Cash flow generated from (used in) investing activity			-	-
1. Payments for fixed asset purchase, construction	21			(350,000,000)
2. Income from liquidation and sale of fixed assets and other non-current assets	22			44,000,000
3. Interest income, dividends and profits are distributed	27		265,031	233,877
from (used in) investing activity	30		265,031	(305,766,123)
III. Cash flow generated from (used in) financing activity			-	-
1. Current, non-current loans received	33		2,600,000,000	-
2. Payments for the principal	34		(2,600,000,000)	-
Net cash flow generated from (used in) financing activity	40		-	-
Net cash flows for the year (50=20+30+40)	50		2,486,988,735	(361,604,323)
Cash and cash equivalents at beginning of the year	60		219,580,829	581,185,152
Effect of change of foreign exchange rate	61		-	-
Cash and cash equivalents at end of the year (70=50+60+61)	5.1		2,706,569,564	219,580,829

Prepared



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Lan

Thai Binh, 06 March 2025

General Director



Pham Van He

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31st December 2024

1. GENERAL INFORMATION

1.1. Structure of ownership

Thai Binh Cement Joint Stock Company was formerly Thai Binh Cement Enterprise, established under Decision No. 163/TC dated December 15, 1979 of the People's Committee of Thai Binh Province. The Company was converted into Thai Binh Cement Joint Stock Company under Decision No. 1343/QD-UB dated October 22, 2001 of the People's Committee of Thai Binh Province. The Business Registration Certificate No. 1000283494 issued by the Thai Binh Planning and Investment Department on December 24, 2001, the 11th change was on 08 May 2023.

The Company's charter capital according to the eleventh amended Business Registration Certificate is VND 15,102,800,000 (*Fifteen billion, one hundred and two million, eight hundred thousand Vietnamese Dongs*), divided into 1,510,280 shares, with a par value of VND 10,000 per share.

The Company is listed on the Ha Noi Stock Exchange (HNX). The company's stock code is TBX.

Head office : No. 01 Quach Dinh Bao, Phong Phu Industrial Cluster, Tien Phong Ward, Thai Binh City, Thai Binh Province, Vietnam.

The total number of employees of the Company as of December 31, 2024 is 67 people (as of December 31, 2023, it is 78 people).

1.2. Operating industry and principal activities

Detail:

- Manufacturing of cement, clinker, lime, and gypsum (*Details: Cement production*).
- Manufacturing of concrete and products made from cement and gypsum.
- Saling construction materials and other installation equipment (*Details: Saling cement*).
- Retail of hardware, paint, glass, and other installation equipment for construction in specialized stores (*Details: Retail of cement*).

The main business activity include cement sales, white clinker sales, and leasing of white portland cement production lines.

1.3. Normal production and business cycle

The Company's normal production and business cycle: no more than 12 months.

1.4. Disclosure of information comparability in the financial statements

The Company consistently applies accounting policies according to the Enterprise Accounting System issued together with Circular No. 200/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance, Circular No. 53/ 2016/TT-BTC dated 21/3/2016 amending and supplementing a number of articles of Circular 200/2014/TT-BTC dated 22/12/2014; therefore, the information and figures presented in the financial statements are comparable.

2. ACCOUNTING PERIOD, MONETARY UNIT IN ACCOUNTING

Accounting period

The Company's financial year begins on 1 January and ends on 31 December.

Monetary unit in accounting

Monetary unit in accounting is Vietnamese Dong (VND).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2023

3. ADOPTED ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM

Adopted Accounting System

The Company adopted Vietnamese Enterprise Accounting Systems promulgated under Circular No.200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No.53/2016/TT-BTC amending and supplementing some articles of Circular No.200/2014/TT-BTC-Guidance on Vietnamese Enterprise Accounting Systems.

Statements for the compliance with Accounting Standards and System

The Company's Board of General Directors confirmed to completely comply with Vietnamese Accounting Standards and System promulgated and taken effect relating to preparation and presentation of the financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following are the main accounting policies applied by the Company in preparing financial statements:

Basis of preparation of the financial statements

The accompanying financial statements are presented in Vietnam Dong (VND), according to the principle of historical cost and in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting Regime and relevant legal regulations. regarding the preparation and presentation of financial statements.

Estimates

The preparation of financial statements in conformity with Vietnamese Standards on Accounting, Vietnamese Enterprise Accounting System and other prevailing accounting regulations in Vietnam requires The Board of General Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the financial period. Actual results could differ from those estimates and assumptions.

Cash and cash equivalents

Cash: Including cash, cash in bank.

Cash and bank deposits are recorded on the basis of actual revenue and expenditure.

Receivables

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2023

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are measured at the lower of cost and net realizable value. Cost of inventories comprise costs of direct materials, direct labor, and general operation (if any) incurred in bringing the inventories to their present location and conditions.

Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution. The Company uses the perpetual inventory method and inventory cost is calculated by weighted average method.

Allowance for bad debts of held-to-maturity investments is made in conformity with current accounting regulations.

The Company's allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of purchased tangible fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use.

Whenever tangible fixed assets are sold or disposed, the gain or loss arising from the disposal are included in other income or other expenses during the year.

	<u>(Years)</u>
Buildings, structures	05 - 18
Machines and equipment	05 - 17
Motor vehicles	06 - 10
Office equipment	03 - 05

Accounting principles and depreciation of intangible fixed assets

The Company's intangible fixed assets are computer software and other intangible assets expressed at cost less accumulated depreciation.

The historical cost of an intangible fixed asset is all the costs that the Company must spend to acquire the intangible fixed asset up to the time the asset is put into a ready-to-use state.

Computer Software is amortized on a straight-line method over an estimated useful life of 3 years.

Construction in progress

Construction in progress reflects the Properties in progress for production, leasing, administrative purposes, or for any other purposes are recognized at the historical cost. This cost includes relevant service fees, interest fees in accordance with the Company's accounting policies.

Prepaid expenses

Prepaid expenses include actual expenses that have been incurred but are related to the results of production and business activities of many accounting periods.

Tools and supplies

Tools and supplies are recorded to expenses and allocated to on a straight-line basis with useful life of not exceeding 3 years.

Repair expenses

major repairs expenses which have significant value incurring one time which are recorded to expenses and allocated on a straight-line basis with 24 months.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2023

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Payables

The payables are monitored in detail by maturity terms, subjects, kind of currency and other factors according to management demand of the Company.

The payables include payable to suppliers, loans payables and other payables which are determined almost certainly about the recorded value and duration which are not less than the obligation payable, they are classified as follows:

Trade payables: includes commercial payables arising from the purchase of goods, services and assets between the Company and the seller.

Other payables include of non-commercial payables, non-related transactions of purchasing and selling of goods and services.

Accrued expenses

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on the matching principle between income and expenses.

Owners' equity

Capital is recorded according to the actual amounts invested by shareholders.

Other sources of capital are due to the supplementation from business profits, revaluation of assets and net carrying values between the fair values of the assets gifted or granted to the Company after deducting taxes payable (if any) related to these assets.

Profit after corporate income tax is distributed to shareholders after setting up funds in accordance with the Company's Charter as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends are recognized as a liability when approved by the General Meeting of Shareholders.

Revenue recognition, other income

Revenue from sale of goods and products

Revenue from sale of goods shall be recognized if it simultaneously meets the following five (5) conditions:

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

Revenue from services

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- a) The amount of revenue can be measured reliably;
- b) It is probable that the economic benefits associated with the transaction will flow to the Company.;
- c) Identify the completed work as at the balance sheet date;
- d) Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2023

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition, other income (Continued)

Financial income

Revenue arising from interest, royalties and other financial revenues is recognized when the following two (2) conditions are simultaneously met:

- Is likely to gain benefits from that transaction;
- The revenue can be measured reliably.

Cost of goods sold

Cost of goods sold including of cost of products, goods and services, real estate sold in the period are recognized in accordance with revenue in the period. Expenses in excess of the normal level of inventory are recognized immediately in cost of goods sold.

Current corporate income tax, deferred tax expenses and others

Corporate income tax expense (tax income): is the total amount of current income tax expense and deferred income tax expense (or income) in determining of profit or loss for the period.

- Current income tax expenses are income tax payables computed on taxable income during year and current income tax rate. Taxable income is different from accounting profit is adjusted by the difference between accounting profit and taxable income under current tax policies.
- Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable income.

The determination of corporate income tax is based on the current tax regulations. However, these regulations change from time to time and the final determination of corporate income tax depends on the inspection results of the competent tax authority.

Other taxes are applied in accordance with applicable tax laws in Vietnam.

Earnings per share

Basic earnings per shares is calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

Related parties

A party is considered a related party of the Company in case that party is able to control the Company or to cause material effects on the financial decisions as well as the operations of the Company. A party is also considered a related party of the Company in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of General Directors confirms that the Company's core activities involve manufacturing products and providing services related to white portland cement, primarily operating in a single segment within the geographical area of Vietnam. Therefore, the Company does not present segment reports by business sector or geographical area in accordance with Vietnamese Accounting Standard No. 28 – Segment Reporting.

**THAI BINH CEMENT
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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2023

5. INFORMATION SUPPLEMENTING THE ITEMS IN THE BALANCE SHEET AND INCOME STATEMENT

5.1. Cash and cash equivalents

	31/12/2024 VND	01/01/2024 VND
Cash on hand	2,702,737,793	182,372,274
Cash at bank	3,831,771	37,208,555
Total	2,706,569,564	219,580,829

5.2. Receivables

	31/12/2024 VND	01/01/2024 VND
Short-term	5,266,193,535	3,886,162,454
Fujisan Viet Nam Joint Stock Company	4,944,880,935	3,564,849,854
Others	321,312,600	321,312,600
Total	5,266,193,535	3,886,162,454
<i>Receivables from customers are related parties</i>	<i>4,944,880,935</i>	<i>3,564,849,854</i>

(Detail in note No.7.1)

5.3. Other Receivables

	31/12/2024 (VND)		01/01/2024 (VND)	
	Book value	Allowances	Book value	Allowances
Short-term	2,793,890,346	-	2,874,011,540	-
Advance	2,231,390,346	-	2,305,843,640	-
Deposits	562,500,000	-	562,500,000	-
Others	-	-	5,667,900	-
Total	2,793,890,346	-	2,874,011,540	-

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For the year ended 31st December 2023

5.4. Bad debts

	31/12/2024 (VND)		01/01/2024 (VND)	
	Historical Cost	Recoverable value	Historical Cost	Recoverable value
The total value of accounts receivable, overdue or not overdue but it is unlikely that recovery	321,312,600	-	321,312,600	-

in which that number were prevention:

	Overdue 6 months-1 year	Overdue 1-2 years	Overdue 2-3 years	Overdue more than 3 years
Rongvang Trading Company Limited	-	-	-	79,226,750
Mrs. Tran Thi Hoa	-	-	-	50,584,300
Others	-	-	-	191,501,550

5.5. Inventories

	31/12/2024 (VND)		01/01/2024 (VND)	
	Historical Cost	Allowances	Historical Cost	Allowances
Tools and supplies	5,069,584,664	-	4,809,535,500	-
Finished goods	585,862,444	-	2,902,674,138	-
Total	5,655,447,108	-	7,712,209,638	-

5.6. Prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Long-term	18,690,371	21,521,539
Tools and instruments	18,690,371	21,521,539
Total	18,690,371	21,521,539

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

5.7. Tangible fixed assets

Unit: VND

	Buildings and Structures	Machinery, equipment	Office equipment	Total
HISTORICAL COST				
As at 01/01/2024	10,871,426,734	43,975,025,208	37,400,000	54,883,851,942
Increase	-	-	-	-
Decrease	-	-	-	-
As at 31/12/2024	10,871,426,734	43,975,025,208	37,400,000	54,883,851,942
ACCUMULATED DEPRECIATION				
As at 01/01/2024	10,637,214,423	42,318,937,886	37,400,000	52,993,552,309
Increase	121,345,226	868,501,251	-	989,846,477
Depreciation	121,345,226	868,501,251	-	989,846,477
Decrease	-	-	-	-
As at 31/12/2024	10,758,559,649	43,187,439,137	37,400,000	53,983,398,786
NET BOOK VALUE				
As at 01/01/2024	234,212,311	1,656,087,322	-	1,890,299,633
As at 31/12/2024	112,867,085	787,586,071	-	900,453,156

The original price of tangible fixed assets that have been fully depreciated but still in use as of December 31, 2024 is 51,562,295,878 VND (as of December 31, 2023, it is 36,162,977,223 VND).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

5.8. Intangible fixed assets

Unit: VND

	<u>Computer software</u>	<u>Total</u>
HISTORICAL COST		
As at 01/01/2024	33,500,000	33,500,000
As at 31/12/2024	<u>33,500,000</u>	<u>33,500,000</u>
ACCUMULATED AMORTISATION		
As at 01/01/2024	33,500,000	33,500,000
As at 31/12/2024	<u>33,500,000</u>	<u>33,500,000</u>
NET BOOK VALUE		
As at 01/01/2024	-	-
As at 31/12/2024	<u>-</u>	<u>-</u>

The original price of an intangible fixed asset that has been fully amortized but still in use as of December 31, 2024 is 33,500,000 VND (as of December 31, 2024, it is 33,500,000 VND).

5.9. Construction in progress

	<u>31/12/2024</u>	<u>01/01/2024</u>
	<u>VND</u>	<u>VND</u>
Cost of the project to build the QUARTZ Super White factory	7,101,940,283	7,131,849,505
Major repair of machinery	105,400,958	473,104,206
Total	<u>7,207,341,241</u>	<u>7,604,953,711</u>

5.10. Trade payables

	<u>31/12/2024 (VND)</u>		<u>01/01/2024 (VND)</u>	
	<u>Book value</u>	<u>Repayable amount</u>	<u>Book value</u>	<u>Repayable amount</u>
Short-term	1,847,416,682	1,847,416,682	1,797,672,857	1,797,672,857
Trung Thanh Thai Nguyen n Limited Liability Company	839,384,168	839,384,168	839,384,168	839,384,168
Mong Son Joint Stock Company	401,100,001	401,100,001	401,100,001	401,100,001
Thai Binh Power Company - Branch Of Northern Power Corporation	182,383,606	182,383,606	19,177,258	19,177,258
Others	424,548,907	424,548,907	538,011,430	538,011,430
Total	<u>1,847,416,682</u>	<u>1,847,416,682</u>	<u>1,797,672,857</u>	<u>1,797,672,857</u>

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For the year ended 31st December 2024

5.11. Taxes and payables to, receivables from the State Treasury

	01/01/2024 VND	Payables for the year VND	Payment for the year VND	31/12/2024 VND
Payables	170,100,703	1,170,072,334	1,113,432,590	226,740,447
Value Added Tax	170,100,703	916,261,031	860,266,287	226,095,447
Personal Income Tax	-	5,373,181	4,728,181	645,000
Land tax, Land rental charges	-	238,931,871	238,931,871	-
Other taxes	-	9,506,251	9,506,251	-

	01/01/2024 VND	Receivable for the year VND	Collected For the year VND	31/12/2024 VND
Receivables	28,658,465	-	28,658,465	-
Land tax, Land rental charges	28,658,465	-	28,658,465	-

5.12. Accrued expenses

	31/12/2024 VND	01/01/2024 VND
Short-term	44,000,000	44,000,000
Other	44,000,000	44,000,000
Total	44,000,000	44,000,000

5.13. Other payables

	31/12/2024 VND	01/01/2024 VND
Short-term	438,633,421	431,027,421
Union funds	184,720,091	177,114,091
Others	253,913,330	253,913,330
Total	438,633,421	431,027,421

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

5.14. Borrowings

	31/12/2024 (VND)		Movement during the year		01/01/2024 (VND)	
	Carrying value	Amount within repayment capacity	Increase	Decrease	Carrying value	Amount within repayment capacity
Short-term borrowings	-	-	2,600,000,000	2,600,000,000	-	-
Vu Tien Dung	-	-	2,600,000,000	2,600,000,000	-	-
Total	-	-	2,600,000,000	2,600,000,000	-	-

5.15. Owners' equity

	Share capital		Other capital		Development and Investment Fund		Retained earnings		Total	
As at 01/01/2023	15,102,800,000	-	1,125,670,663	-	3,485,918,238	-	660,585,880	-	20,374,974,781	-
Decrease	-	-	-	-	-	-	(259,184,744)	-	(259,184,744)	-
Loss in the previous year	-	-	-	-	-	-	(259,184,744)	-	(259,184,744)	-
As at 31/12/2023	15,102,800,000	-	1,125,670,663	-	3,485,918,238	-	401,401,136	-	20,115,790,037	-
As at 01/01/2024	15,102,800,000	-	1,125,670,663	-	3,485,918,238	-	401,401,136	-	20,115,790,037	-
Increase in the year	-	-	-	-	-	-	101,869,809	-	101,869,809	-
Profit this year	-	-	-	-	-	-	101,869,809	-	101,869,809	-
As at 31/12/2024	15,102,800,000	-	1,125,670,663	-	3,485,918,238	-	503,270,945	-	20,217,659,846	-

Unit: VND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

5.15 Owners' equity (Continued)

a. Details of owners' equity

	31/12/2024	01/01/2024
	VND	VND
Treelife Architecture & Fine Arts Joint Stock Company	2,975,750,000	2,975,750,000
Mr. Vu Tien Dung	3,600,000,000	3,600,000,000
Mr. Vu Tien Nghia	3,500,000,000	3,500,000,000
Others	5,027,050,000	5,027,050,000
Total	15,102,800,000	15,102,800,000

b. Capital transactions with shareholders and appropriation of profits and dividends

	Year 2024	Year 2023
	VND	VND
Shareholders' capital		
Opening balance	15,102,800,000	15,102,800,000
Increased during the year	-	-
Decreased during the year	-	-
Closing balance	15,102,800,000	15,102,800,000
Dividend, Profit distribution	-	-

d. Shares

	31/12/2024	01/01/2024
	Shares	Shares
Quantity of registered shares	1,510,280	1,510,280
Quantity of issued shares	1,510,280	1,510,280
Common shares	1,510,280	1,510,280
Outstanding shares	1,510,280	1,510,280
Common shares	1,510,280	1,510,280
<i>Par value of outstanding shares (VND/ shares)</i>	<i>10,000</i>	<i>10,000</i>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

6. ADDITIONAL INFORMATION ON THE ITEMS OF THE SEPARATE INCOME STATEMENT

6.1. Revenues from sales and services rendered

	Year 2024	Year 2023
	VND	VND
Revenues from goods sold	1,913,943,538	2,211,402,073
Revenues from finished product	2,400,994,400	1,582,530,000
Revenue from provision of services	13,489,209,677	14,446,634,004
Total	17,804,147,615	18,240,566,077

6.2. Cost of good sold

	Year 2024	Year 2023
	VND	VND
Cost of goods sold	1,884,447,122	2,163,279,192
Cost of finished goods sold	2,318,061,694	1,527,043,965
Cost of service	9,769,052,945	10,997,500,118
Total	13,971,561,761	14,687,823,275

6.3. Financial income

	Year 2024	Year 2023
	VND	VND
Interest income from deposits and loans	265,031	233,877
Total	265,031	233,877

6.4. Financial expenses

	Year 2024	Year 2023
	VND	VND
Interest expense	10,985,750	-
Total	10,985,750	-

6.5. General and administrative expenses

	Year 2024	Year 2023
	VND	VND
General and administration expenses	3,739,388,351	3,845,227,376
Labor expenses	2,144,611,163	2,300,283,514
Chi phí vật liệu quản lý	171,158,268	190,877,168
Office supplies expenses	30,758,142	70,313,729
Taxes, fees and charges	325,152,378	277,678,774
Outsourcing expenses	740,727,957	728,537,945
Other expenses in cash	326,980,443	277,536,246
Total	3,739,388,351	3,845,227,376

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

6.6. Other Income/Other Expenses

	Year 2024	Year 2023
	VND	VND
Other income		
Income from liquidation of assets	-	40,000,000
Handling overdue accounts payable	32,349,665	-
Others	1,025	979
Total	32,350,690	40,000,979
Other expenses		
Late payment of insurance	7,165,665	-
Others	5,792,000	6,935,026
Total	12,957,665	6,935,026
Other income/other expenses (net)	19,393,025	33,065,953

6.7. Current corporate income tax expense

	Year 2024	Year 2023
	VND	VND
Total accounting profit before tax	101,869,809	(259,184,744)
Non-deductible expenses	7,165,665	6,935,026
Loss transfer	(109,035,474)	-
Taxable income	-	(252,249,718)
Corporate Income Tax rate	20%	20%
Current corporate income tax expense	-	-
Total	-	-

6.8. Basic earnings per share

	Year 2024	Year 2023
	VND	VND
Profit after corporate income tax (VND)	101,869,809	(259,184,744)
Profit / Loss distributable to common shareholders	101,869,809	(259,184,744)
Common stock	1,510,280	1,510,280
Quantity of outstanding common share	1,510,280	1,510,280
Diluted earnings per share (VND/ share)	67.45	(171.61)

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For the year ended 31st December 2024

6.9. Production and business expenses by factors

	Year 2024 VND	Year 2023 VND
Cost of raw materials.	171,158,268	190,877,168
Employee expenses	7,193,628,863	7,431,858,557
Depreciation expenses	989,846,477	1,783,531,980
Chi phí dự phòng	325,152,378	-
Outsourcing expenses	740,727,957	798,851,674
Other expenses	326,980,443	555,215,020
Total	9,747,494,386	10,760,334,399

7. OTHER INFORMATION

7.1. Transactions and balances with related parties

a. Related parties of the Company including:

<u>Related parties</u>	<u>Relationship</u>
Fujisan Viet Nam Joint Stock Company	Company related to the Board of Directors
Fujisan Viet Nam Joint Stock Company - Hanam Branch	Company related to the Board of Directors
Treelife Architecture & Fine Arts Joint Stock Company	Major shareholder
Members of the Board of Management, Board of Supervisors, Board of General Directors, other managers and close individuals in the families of these members	Significant impact

b. Dealing with key personnel

Remuneration of the Board of Directors

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Board of Directors		Remuneration		
Bui Thi Nguyen Hanh	Chairman of the Board		33,465,600	33,465,600
Vu Tien Dung	Board Member		20,916,000	20,916,000
Bui Duc Anh	Board Member		20,916,000	20,916,000
Pham Van He	Board Member		20,916,000	20,916,000
Vu Tien Nghia	Board Member		20,916,000	20,916,000
Total			117,129,600	117,129,600

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31st December 2024

7.1 Transactions and balances with related parties (Continued)

Remuneration of the Supervisory Board

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Board of Supervisors		Remuneration		
Nguyen Thi Minh Thanh	Head of Supervisory Board		12,549,600	12,549,600
Nguyen Thi Phuong Lan	Board of Supervisors		12,549,600	12,549,600
Do Thi Tam	Board of Supervisors		12,549,600	12,549,600
Total			37,648,800	37,648,800

Income of key personnel

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Board of General Directors		Salary, bonus		
Bui Thi Nguyen Hanh	Chairman of the Board		149,065,385	149,065,385
Pham Van He	General Director		282,278,539	317,233,538
Pham Van Tien	Deputy General Director		262,323,692	292,342,923
Nguyen Thi Lan	Chief Accountant		150,939,654	158,970,154
Nguyen Xuan Nam	Authorized person to disclose information		18,000,000	36,847,831
Total			862,607,270	954,459,831

c. Transaction with related parties

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Selling goods and services			17,755,056,706	18,191,475,168
Fujisan Viet Nam Joint Stock Company	Company related to the Board of Directors	Sales and service	17,755,056,706	17,971,483,168
Fujisan Viet Nam Joint Stock Company - Hanam Branch	Company related to the Board of Directors	Sales and service	-	219,992,000
Short term loan			2,600,000,000	-
Vu Tien Dung	Board Member	Loan	2,600,000,000	-
Loan repayment			2,600,000,000	-
Vu Tien Dung	Board Member	Loan repayment	2,600,000,000	-

d. Balance with related parties

Related parties	Relationship	Transaction nature	31/12/2024 VND	01/01/2024 VND
Trade receivables			4,944,880,935	3,564,849,854
Fujisan Viet Nam Joint Stock Company	Company related to the Board of Directors	Trade receivables	4,944,880,935	3,564,849,854

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For the year ended 31st December 2024

7.2 Comparative figures

Comparative figures on the balance sheet and related notes are taken from the financial statements for the year ended 31 December 2023 which are audited by CPA VIETNAM Auditing Company Limited - A Member of INPACT.

Prepared



Nguyen Thi Phuong

Chief Accountant



Nguyen Thi Lan

Thai Binh, 06 March 2025

General Director



Pham Van He





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