



CÔNG TY CỔ PHẦN
PHỐT PHO APATIT VIỆT NAM
VIET NAM APATITE
PHOSPHORUS JOINT STOCK
COMPANY

Số/ No: 25/2025/CV-PAT

CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập – Tự do – Hạnh phúc
THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness

Lào Cai, ngày 19 tháng 02 năm 2025

Lao Cai, February 19, 2025

CÔNG BỐ THÔNG TIN ĐỊNH KỲ BÁO CÁO TÀI CHÍNH
REGULAR DISCLOSURE OF INFORMATION ON FINANCIAL STATEMENTS

Kính gửi/To: Sở Giao dịch Chứng khoán Hà Nội/Hanoi Stock Exchange

Thực hiện quy định tại khoản 3 Điều 14 Thông tư số 96/2020/TT-BTC ngày 16/11/2020 của Bộ Tài chính hướng dẫn công bố thông tin trên thị trường chứng khoán, CTCP Phốt Pho Apatit Việt Nam thực hiện công bố thông tin báo cáo tài chính (BCTC) 2024 với Sở Giao dịch Chứng khoán Hà Nội như sau/Implementing the regulations in Clause 3, Article 14 of Circular No. 96/2020/TT-BTC dated November 16th, 2020 of the Ministry of Finance guiding information disclosure on the stock market, Vietnam Apatit Phosphorus Joint Stock Company has implemented currently announces the 2024 Audited Financial Statements information with the Hanoi Stock Exchange as follows:

- Tên tổ chức/Organization name: Công ty cổ phần Phốt pho Apatit Việt Nam/Viet Nam Apatite Phosphorus Joint Stock Company
 - Mã chứng khoán/Stock code: PAT
 - Địa chỉ/Address: Khu Công nghiệp Tăng Loong, huyện Bảo Thắng, tỉnh Lào Cai/ Tang Long Industrial Park, Bao Thang District, Lao Cai Province.
 - Điện thoại liên hệ/Tel: 038.999.5673 Fax:
 - Email: quynhnga7390@gmail.com
 - Website: <https://pacvietnam.vn/>.
- Nội dung thông tin công bố/ Content of published information:
 - BCTC kiểm toán năm 2024/ 2024 audited financial statement:
 - BCTC riêng (TCNY không có công ty con và đơn vị kế toán cấp trên có đơn vị trực thuộc)/ Listed company has no subsidiaries and the superior accounting unit has affiliated units);
 - BCTC hợp nhất (TCNY có công ty con)/ Consolidated financial statements (Listed company has subsidiaries);
 - BCTC tổng hợp (TCNY có đơn vị kế toán trực thuộc tổ chức bộ máy kế toán riêng)/ Consolidated financial statements (Listed company has an affiliated accounting unit that organizes its own accounting apparatus).
 - Các trường hợp thuộc diện phải giải trình nguyên nhân/ Cases subject to explanation of reasons:
 - + Tổ chức kiểm toán đưa ra ý kiến không phải là ý kiến chấp nhận toàn phần đối với BCTC (đối với BCTC đã được soát xét/kiểm toán)/ The auditing organization gives an opinion that is not a full acceptance opinion on the financial statements (for the 2024 audited financial statement):
 - Có/ Yes
 - Không/ No



Văn bản giải trình trong trường hợp tích có/ *Document explaining text in case of accumulation includes:*

Có/ *Yes*

Không/ *No*

+ Lợi nhuận sau thuế trong kỳ báo cáo có sự chênh lệch trước và sau kiểm toán từ 5% trở lên, chuyển từ lỗ sang lãi hoặc ngược lại (đối với BCTC được kiểm toán năm 2024)/ *Profit after tax in the reporting period has a difference of 5% or more before and after auditing, moving from loss to profit or vice versa (for 2024 audited financial statement):*

Có/ *Yes*

Không/ *No*

Văn bản giải trình trong trường hợp tích có/ *Document explaining text in case of accumulation includes:*

Có/ *Yes*

Không/ *No*

+ Lợi nhuận sau thuế thu nhập doanh nghiệp tại báo cáo kết quả kinh doanh của kỳ báo cáo thay đổi từ 10% trở lên so với báo cáo cùng kỳ năm trước/ *Profit after corporate income tax in the business results report of the reporting period has changed by 10% or more compared to the same period last year:*

Có/ *Yes*

Không/ *No*

Văn bản giải trình trong trường hợp tích có/ *Document explaining text in case of accumulation includes:*

Có/ *Yes*

Không/ *No*

+ Lợi nhuận sau thuế trong kỳ báo cáo bị lỗ, chuyển từ lãi ở báo cáo cùng kỳ năm trước sang lỗ ở kỳ này hoặc ngược lại/ *Profit after tax in the reporting period is lost, changing from profit in the same period last year to loss in this period or vice versa:*

Có/ *Yes*

Không/ *No*

Văn bản giải trình trong trường hợp tích có/ *Document explaining text in case of accumulation includes:*

Có/ *Yes*

Không/ *No*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày: 19/02/2025 tại đường dẫn: <https://pacvietnam.vn/category/quan-he-co-dong/>.

This information was published on the Company's website on: 19/02/2025 at the link: <https://pacvietnam.vn/category/quan-he-co-dong/>.

Tài liệu đính kèm/
Attached documents:
- BCTC kiểm toán 2024/
2024 audited financial statement.

Đại diện tổ chức/ Organization Representative

Người đại diện theo pháp luật

Legal Representative

(Ký, ghi rõ họ tên, chức vụ, đóng dấu)

(Sign, state full name, position, seal)



GIÁM ĐỐC
Dặng Tiên Đức

VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**



VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

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VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

CORPORATE INFORMATION

Enterprise Registration Certificate

No. 5300656602 dated 13 January 2014

The Enterprise Registration Certificate was initially issued by the Department for Planning and Investment of Lao Cai Province on 13 January 2014. The latest amendment (7th) to the Enterprise Registration Certificate was issued on 20 December 2024.

Investment Registration Certificate

No. 2486541018 dated 21 June 2017

The Investment Registration Certificate was initially issued by the People's Committee of Lao Cai Province on 23 October 2014. The latest amendment (5th) to the Investment Registration Certificate was issued on 10 September 2021.

Board of Directors

Mr. Dao Huu Huyen	Chairman
Mr. Dao Huu Duy Anh	Member
Mr. Pham Van Hung	Member
Mr. Dang Tien Duc	Member
Mr. Vuong Quoc Hung	Member

Board of Supervision

Ms. Pham Thi Bich	Head
Mr. Tran Van Cuong	Member
Mr. Pho Duc Tung	Member

Board of Management

Mr. Dang Tien Duc	Director
Mr. Nguyen Hung Cuong	Deputy Director

Legal Representative

Mr. Dang Tien Duc	Director
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Registered office

Lot KTB – 01, B28 Tang Loong Industrial Zone, Tang Loong Town, Bao Thang District, Lao Cai Province, Vietnam

Auditor

Branch of PwC (Vietnam) Limited in Hanoi

VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

STATEMENT OF THE BOARD OF MANAGEMENT

Responsibility of the Board of Management of the Company in respect of the financial statements

The Board of Management of Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) is responsible for preparing financial statements of the Company which give a true and fair view of the financial position of the Company as at 31 December 2024, and the results of its financial performance and its cash flows for the year then ended. In preparing these financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and enable financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the financial statements

We hereby, approve the accompanying financial statements as set out on pages 5 to 33. The financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and the results of its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements.

On behalf of the Board of Management



Dang Tien Duc
Director
Legal Representative

Lao Cai, SR Vietnam
19 February 2025



**INDEPENDENT AUDITOR'S REPORT
TO SHAREHOLDERS AND THE BOARD OF DIRECTORS OF
VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY**

We have audited the accompanying financial statements of Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) which were prepared on 31 December 2024 and approved by the Board of Management of the Company on 19 February 2025. The financial statements comprise the balance sheet as at 31 December 2024, the income statement, and the cash flow statement for the year then ended, and explanatory notes to the financial statements including significant accounting policies, as set out on pages 5 to 33.

The Board of Management’s responsibility

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation 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 the financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the financial statements of the Company 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 an assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of 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.

Auditor's opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of financial statements.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of Branch of PwC (Vietnam) Limited in Hanoi



Tran Khắc The
Audit Practising License
No. 2043-2023-006-1
Authorised Representative



Nguyen Van Nam
Audit Practising License
No. 5082-2024-006-1

Report reference number: HAN 3878
Hanoi, 19 February 2025

BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2024 VND	2023 VND
100	CURRENT ASSETS		619,450,520,441	847,418,472,361
110	Cash and cash equivalents	3	7,285,796,455	61,642,004,700
111	Cash		7,285,796,455	1,642,004,700
112	Cash equivalents		-	60,000,000,000
120	Short-term investments		424,123,068,493	528,000,000,000
123	Investments held to maturity	4	424,123,068,493	528,000,000,000
130	Short-term receivables		101,859,411,092	165,433,262,917
131	Short-term trade accounts receivable	5	89,658,173,144	140,451,316,934
132	Short-term prepayments to suppliers		2,181,620,952	2,137,655,969
136	Other short-term receivables	6	10,019,616,996	22,844,290,014
140	Inventories	7	84,699,844,431	89,015,906,644
141	Inventories		84,699,844,431	89,015,906,644
150	Other current assets		1,482,399,970	3,327,298,100
151	Short-term prepaid expenses		995,790,133	2,960,544,618
152	Value Added Tax ("VAT") to be reclaimed		-	366,753,482
153	Tax and other receivables from the State	12(a)	486,609,837	-
200	LONG-TERM ASSETS		313,167,267,536	357,364,581,255
210	Long-term receivables		2,000,000,000	2,000,000,000
216	Other long-term receivables		2,000,000,000	2,000,000,000
220	Fixed assets		287,149,386,223	333,420,833,113
221	Tangible fixed assets	8	287,149,386,223	333,420,833,113
222	Historical cost		565,042,407,218	564,207,426,170
223	Accumulated depreciation		(277,893,020,995)	(230,786,593,057)
240	Long-term assets in progress		2,583,610,047	64,036,000
242	Construction in progress		2,583,610,047	64,036,000
260	Other long-term assets		21,434,271,266	21,879,712,142
261	Long-term prepaid expenses	9	21,434,271,266	21,879,712,142
270	TOTAL ASSETS		932,617,787,977	1,204,783,053,616

The notes on pages 9 to 33 are an integral part of these financial statements.

BALANCE SHEET
(CONTINUED)

Code	RESOURCES	Note	As at 31 December	
			2024 VND	2023 VND
300	LIABILITIES		363,897,086,209	684,776,603,493
310	Short-term liabilities		363,897,086,209	684,776,603,493
311	Short-term trade accounts payable	10	189,097,605,148	24,207,294,403
312	Short-term advances from customers	11	2,201,556,760	26,524,379,435
313	Tax and other payables to the State	12	2,468,090,642	2,700,007,553
314	Payables to employees		14,791,530,380	23,103,138,282
315	Short-term accrued expenses		117,464,646	4,686,640,653
319	Other short-term payables	13	603,202,803	225,404,934,114
320	Short-term borrowings and finance lease liabilities	14	84,758,485,633	316,639,439,733
322	Bonus and welfare fund	15	69,859,150,197	61,510,769,320
400	OWNERS' EQUITY		568,720,701,768	520,006,450,123
410	Capital and reserves		568,720,701,768	520,006,450,123
411	Owners' capital	16,17	250,000,000,000	250,000,000,000
411a	- Ordinary shares with voting rights		250,000,000,000	250,000,000,000
418	Investment and development fund	17	228,779,348,646	209,414,785,539
421	Undistributed earnings	17	89,941,353,122	60,591,664,584
421a	- Undistributed post-tax profits of previous years		-	-
421b	- Undistributed post-tax profit of current year		89,941,353,122	60,591,664,584
440	TOTAL RESOURCES		932,617,787,977	1,204,783,053,616



Pham Thi Thu Loan
Preparer



Pham Thi Bich Phuong
Chief Accountant



Dang Tien Duc
Director
Legal Representative
19 February 2025

The notes on pages 9 to 33 are an integral part of these financial statements.

INCOME STATEMENT

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
01	Revenue from sales of goods and rendering of services	1,721,435,530,826	1,710,610,589,564
02	Less deductions	-	-
10	Net revenue from sales of goods and rendering of services	1,721,435,530,826	1,710,610,589,564
11	Cost of goods sold and services rendered	(1,358,226,176,340)	(1,344,396,287,199)
20	Gross profit from sales of goods and rendering of services	363,209,354,486	366,214,302,365
21	Financial income	49,310,500,450	53,185,135,550
22	Financial expenses	(18,988,125,121)	(18,231,088,409)
23	- Including: Interest expenses	(4,308,464,193)	(6,952,894,581)
25	Selling expenses	(98,878,900,321)	(82,468,035,063)
26	General and administration expenses	(15,494,647,867)	(17,943,676,564)
30	Net operating profit	279,158,181,627	300,756,637,879
50	Accounting profit before tax	279,158,181,627	300,756,637,879
51	Corporate income tax ("CIT") - current	(14,216,828,505)	(15,164,973,295)
52	CIT - deferred	-	-
60	Profit after tax	264,941,353,122	285,591,664,584
70	Basic earnings per share	9,995	10,775
71	Diluted earnings per share	9,995	10,775



Pham Thi Thu Loan
Preparer



Pham Thi Bich Phuong
Chief Accountant




Dang Tien Duc
Director
Legal Representative
19 February 2025

The notes on pages 9 to 33 are an integral part of these financial statements.

CASH FLOW STATEMENT
 (Indirect method)

Code	Note	Year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		279,158,181,627	300,756,637,879
	Adjustments for:		
02	Depreciation and amortisation	47,106,427,938	48,341,285,903
04	Unrealised foreign exchange (gain)/losses	(322,395,218)	1,949,600,777
05	Profits from investing activities	(23,285,764,170)	(33,694,213,707)
06	Interest expenses	4,308,464,193	6,952,894,581
08	Operating profit before changes in working capital	306,964,914,370	324,306,205,433
09	Decrease in receivables	52,050,152,128	9,451,416,443
10	Decrease/(increase) in inventories	4,316,062,213	(21,695,817,335)
11	Increase in payables	124,683,646,621	15,186,455,489
12	Decrease/(increase) in prepaid expenses	2,410,195,361	(133,008,120)
14	Interest paid	(3,116,770,554)	(8,129,197,167)
15	CIT paid	(15,474,045,864)	(25,409,518,896)
17	Other payments on operating activities	(7,878,720,600)	(6,792,125,200)
20	Net cash inflows from operating activities	463,955,433,675	286,784,410,647
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(834,981,048)	(3,283,970,172)
22	Proceeds from disposals of fixed assets and long-term assets	-	3,751,924,789
23	Loans granted, purchases of debt instruments of other entities	(354,123,068,493)	(560,000,000,000)
24	Collection of loans, proceeds from sales of debt instruments of other entities	458,000,000,000	385,000,000,000
27	Dividends and interest received	35,593,849,845	26,114,268,154
30	Net cash inflows/(outflows) from investing activities	138,635,800,304	(148,417,777,229)
CASH FLOWS FROM FINANCING ACTIVITIES			
33	Proceeds from borrowings	541,269,721,009	565,754,753,171
34	Repayments of borrowings	(773,217,641,444)	(329,267,407,230)
36	Dividends paid, profits distributed to owners	(425,000,000,000)	(516,375,000,000)
40	Net cash outflows from financing activities	(656,947,920,435)	(279,887,654,059)
50	Net decrease in cash and cash equivalents	(54,356,686,456)	(141,521,020,641)
60	Cash and cash equivalents at beginning of year	61,642,004,700	203,163,595,618
61	Effect of foreign exchange differences	478,211	(570,277)
70	Cash and cash equivalents at end of year	7,285,796,455	61,642,004,700



 Pham Thi Thu Loan
 Preparer



 Pham Thi Bich Phuong
 Chief Accountant



 Dang Tien Duc
 Director
 Legal Representative
 19 February 2025

The notes on pages 9 to 33 are an integral part of these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****1 GENERAL INFORMATION**

Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) is a joint stock company established in SR Vietnam pursuant to the Enterprise Registration Certificate No. 5300656602 dated 13 January 2014 issued by the Department for Planning and Investment of Lao Cai Province. The latest amendment (7th) to the Enterprise Registration Certificate was issued on 20 December 2024.

The Company’s shares are traded in the unlisted public company market (“UPCOM”) with stock ticker code ‘PAT’.

The Company’s business sector is industrial manufacturing. The Company’s principal activity is to manufacture chemical products.

The normal business cycle of the Company is 12 months.

As at 31 December 2024, the Company had 256 employees (as at 31 December 2023: 252 employees).

Disclosure of information comparability in the financial statements

The comparative figures presented in the financial statements for the financial year ended 31 December 2024 are those of the audited financial statements for the financial year ended 31 December 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of the financial statements**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements. The financial statements have been prepared under the historical cost convention.

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

The financial statements in the Vietnamese language are the official statutory financial statements of the Company. The financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Company’s fiscal year is from 1 January to 31 December.

2.3 Currency

The financial statements are measured and presented in Vietnamese Dong (“VND”), which is the Company’s accounting currency.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.4 Exchange rates**

Transactions arising in foreign currencies are translated at an exchange rate which is the rate approximating the average transfer exchange rate of the buying and selling rates of the commercial banks where the Company regularly transacts. The Company ensures that the disparity of the approximate exchange rate does not exceed +/- 1% compared with the average transfer exchange rate and does not materially impact the financial position and result of operations during the fiscal year. The average transfer exchange rate is determined daily based on the average between the daily buying transfer rate and selling transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the income statement.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the transfer rate at the balance sheet date of the commercial banks where the Company regularly transacts. The transfer rate is the buying rate, or selling rate or average transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the income statement.

2.5 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and other short-term investments with an original maturity of three months or less.

2.6 Receivables

Receivables represent trade receivables from customers arising from sales of goods or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of general and administration expenses in the year. Bad debts are written off when identified as uncollectible.

Receivables are classified into long-term and short-term receivables on the balance sheet based on the remaining period from the balance sheet date to the maturity date.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other directly-related costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.7 Inventories (continued)

The Company applies the periodic system (for finished goods and main materials) and the perpetual system (for sub-materials, tools and spare parts) for accounting inventories.

Provision is made, where when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this year and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the year.

2.8 Investments held to maturity

Investments held to maturity are investments which the Company has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits with maturity over three months and other investments held to maturity. Those investments are initially accounted for at cost. Subsequently, the Company reviews all outstanding investments to determine the amount of provision to recognise at the year end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the balance sheet based on remaining period from the balance sheet date to the maturity date.

2.9 Fixed assets

Tangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the income statement when incurred in the year.

Depreciation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. The estimated useful lives of each asset class are as follows:

Plant and buildings	7 – 17 years
Machinery	6 – 10 years
Motor vehicles	6 – 7 years
Office equipment	10 years

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.9 Fixed assets (continued)***Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.10 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a systematic basis over their estimated useful lives.

Prepayments for land rental contracts which are effective after the effective date of the land law 2003 (ie. 1 July 2004) or which land use right certificates are not granted are recorded as prepaid expenses and allocated using the straight-line method over the lease term. Land clearance costs related to the leased land are allocated in proportion to the lease term.

2.11 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into long-term and short-term payables on the balance sheet based on the remaining period from the balance sheet date to the maturity date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.12 Borrowings**

Borrowings include borrowings from banks, financial institutions, financial companies and other entities.

Borrowings are classified into long-term and short-term borrowings on the balance sheet based on the remaining period from the balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the year, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the income statement when incurred.

2.13 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting year.

2.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the fiscal year are recorded as an increase or decrease in operating expenses.

2.15 Capital and reserves

Owners' capital is recorded according to the actual amounts contributed at the par value of the shares.

Undistributed earnings record the Company's results after CIT at the reporting date.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.16 Appropriation of net profit**

The Company's dividends are recognised as a liability in the Company's financial statements in the year in which the dividends are approved by the Company's General Meeting of shareholders.

Net profit after CIT could be distributed to shareholders after approval at General Meeting of shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's funds are as below:

(a) Investment and development fund

The investment and development fund is appropriated from profit after CIT of the Company and approved by shareholders in the General Meeting of shareholders. This fund is used to expand the scale of business or in-depth investment of the Company.

(b) Bonus and welfare fund

The bonus and welfare fund is appropriated from the Company's profit CIT and subject to shareholders approval at the General Meeting of shareholders. This fund is presented as a liability on the balance sheet. The fund is used to pay bonus and benefits to the Company's employees in accordance with the Company's bonus and welfare policies.

2.17 Revenue recognition**(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the income statement when all five following conditions are satisfied:

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

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sales obligation.

(b) Interest income

Interest income is recognised to the income statement on the basis of the actual time and interest rates for each period when both (2) conditions below are simultaneously satisfied:

- It is probable that economic benefits associated with the transaction will flow to the Company; and
- Income can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.18 Cost of goods sold**

Cost of goods sold are the cost of finished goods, merchandise, materials sold during the year and recorded on the basis of matching with revenue and on a prudence basis.

2.19 Financial expenses

Financial expenses are expenses incurred in the year for financial activities including expenses of borrowings and losses from foreign exchange differences.

2.20 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products, and goods.

2.21 General and administration expenses

General and administration expenses represent expenses for administrative purposes.

2.22 Current and deferred income tax

Income tax include all Income tax which are based on taxable profits. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax should be recognised as an income or an expense and included in the profit or loss of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.23 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors, the Board of Supervision, the Board of Management of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Company considers the substance of the relationships, not merely the legal form.

2.24 Segment reporting

A segment is a component which can be separated by the Company engaged in sales of goods (“business segment”), or sales of goods within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company’s business segment or geographical segment.

2.25 Critical accounting estimates

The preparation of financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities 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 year.

The areas involving significant estimates and assumptions in the financial statements are as follows:

- Estimated useful lives of fixed assets (Note 2.9);
- Corporate income tax (Note 26); and
- Contingent liabilities (Note 31).

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a material financial impact on the Company’s financial statements and that are assessed by the Board of Management to be reasonable under the circumstances.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 CASH AND CASH EQUIVALENTS

	31.12.2024 VND	31.12.2023 VND
Cash on hand	268,272,997	292,983,251
Cash in banks	7,017,523,458	1,349,021,449
Cash equivalent	-	60,000,000,000
	<u>7,285,796,455</u>	<u>61,642,004,700</u>

4 SHORT-TERM INVESTMENT HELD TO MATURITY

	<u>31.12.2024</u>		<u>31.12.2023</u>	
	Cost VND	Book value VND	Cost VND	Book value VND
Bank deposits	<u>424,123,068,493</u>	<u>424,123,068,493</u>	<u>528,000,000,000</u>	<u>528,000,000,000</u>

Included term deposits at domestic commercial banks with original terms more than 3 months and remaining terms less than 12 months with interest rates ranging from 4.4% to 5.5% per annum (2023: from 4.7% to 9.2% per annum).

As at 31 December 2024, a deposit amounting to VND 70 billion with the original term of 12 months at Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch was used as collateral to guarantee for electricity payment obligations. (31 December 2023: VND 70 billion)

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	31.12.2024 VND	31.12.2023 VND
Third parties (*)	89,658,173,144	140,361,335,240
Related parties (Note 29(b))	-	89,981,694
	<u>89,658,173,144</u>	<u>140,451,316,934</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE (CONTINUED)

(*) Details for third party customers accounting for 10% or more of the total short-term trade accounts balance as follows:

	31.12.2024 VND	31.12.2023 VND
United Phosphorus Limited	-	136,732,751,232
K.S International	28,806,113,749	-
Italmatch Chemicals S.P.A	41,209,632,000	-
ICL Specialty Products Inc	12,325,114,104	-
	-	-

6 OTHER SHORT-TERM RECEIVABLES

	31.12.2024 VND	31.12.2023 VND
Interest income from bank deposits	9,959,005,263	22,255,926,023
Others	60,611,733	588,363,991
	10,019,616,996	22,844,290,014

7 INVENTORIES

	31.12.2024		31.12.2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	18,754,934,861	-	19,499,236,099	-
Tools and supplies	12,731,184	-	1,296,548	-
Finished goods	65,932,178,386	-	69,515,373,997	-
	84,699,844,431	-	89,015,906,644	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8 TANGIBLE FIXED ASSETS

	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
Historical cost					
As at 1 January 2024	300,295,843,947	232,571,473,880	30,835,388,724	504,719,619	564,207,426,170
New purchase in the year	-	834,981,048	-	-	834,981,048
As at 31 December 2024	<u>300,295,843,947</u>	<u>233,406,454,928</u>	<u>30,835,388,724</u>	<u>504,719,619</u>	<u>565,042,407,218</u>
Accumulated depreciation					
As at 1 January 2024	(96,470,285,445)	(108,469,976,216)	(25,562,632,618)	(283,698,778)	(230,786,593,057)
Charge for the year	(18,913,709,295)	(24,482,095,577)	(3,663,453,682)	(47,169,384)	(47,106,427,938)
As at 31 December 2024	<u>(115,383,994,740)</u>	<u>(132,952,071,793)</u>	<u>(29,226,086,300)</u>	<u>(330,868,162)</u>	<u>(277,893,020,995)</u>
Net book value					
As at 1 January 2024	<u>203,825,558,502</u>	<u>124,101,497,664</u>	<u>5,272,756,106</u>	<u>221,020,841</u>	<u>333,420,833,113</u>
As at 31 December 2024	<u>184,911,849,207</u>	<u>100,454,383,135</u>	<u>1,609,302,424</u>	<u>173,851,457</u>	<u>287,149,386,223</u>

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 31 December 2024 was VND 27,998,301,989 (as at 31 December 2023: VND 3,630,478,182).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 LONG-TERM PREPAID EXPENSES

	31.12.2024 VND	31.12.2023 VND
Land clearance costs (*)	16,006,389,613	17,634,158,040
Overhaul of fixed assets	5,427,881,653	4,245,554,102
	<u>21,434,271,266</u>	<u>21,879,712,142</u>

(*) Included expenses incurred for land clearance which are allocated to the income statement on straight-line basis over 16 years in accordance with the land lease term.

10 SHORT-TERM TRADE ACCOUNTS PAYABLE

	31.12.2024		31.12.2023	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties (*)	26,957,438,642	26,957,438,642	18,015,601,352	18,015,601,352
Related parties (Note 29(b))	162,140,166,506	162,140,166,506	6,191,693,051	6,191,693,051
	<u>189,097,605,148</u>	<u>189,097,605,148</u>	<u>24,207,294,403</u>	<u>24,207,294,403</u>

(*) Details for suppliers accounting for 10% or more of the total balance of short-term trade accounts payable are as follows:

	31.12.2024 VND	31.12.2023 VND
SBM Energy Service JSC	<u>11,013,336,180</u>	<u>7,113,221,140</u>

11 SHORT-TERM ADVANCES FROM CUSTOMERS

	31.12.2024 VND	31.12.2023 VND
Third parties	<u>2,201,556,760</u>	<u>26,524,379,435</u>

Details for suppliers accounting for 10% or more of the total balance of short-term advances from customers are as follows:

	31.12.2024 VND	31.12.2023 VND
K.S. International	-	26,357,921,762
Van Giang – Van Nam Export-Import Limited Company	<u>2,000,236,152</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12 TAXES AND OTHER RECEIVABLES/ PAYABLES TO THE STATE

Movements in tax and other receivables/ payables to the State during the year were as follows:

(a) Receivables

	As at 1.1.2024 VND	Receivable during the year VND	Collection during the year VND	Reclassification VND	As at 31.12.2024 VND
Personal income tax	-	-	-	486,609,837	486,609,837

(b) Payables

	As at 1.1.2024 VND	Payable during the year VND	Payment during the year VND	Reclassification VND	As at 31.12.2024 VND
Value added tax for domestic sales	-	28,803,866,321	(27,718,531,615)	-	1,085,334,706
Value added tax for imported goods	-	865,180,466	(865,180,466)	-	-
Import, export tax	-	69,296,248,545	(69,296,248,545)	-	-
CIT	2,639,973,295	14,216,828,505	(15,474,045,864)	-	1,382,755,936
Personal income tax	60,034,258	13,681,546,945	(14,228,191,040)	486,609,837	-
Others	-	3,000,000	(3,000,000)	-	-
	<u>2,700,007,553</u>	<u>126,866,670,782</u>	<u>(127,585,197,530)</u>	<u>486,609,837</u>	<u>2,468,090,642</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

13 OTHER SHORT-TERM PAYABLES

	31.12.2024 VND	31.12.2023 VND
Dividends payable	-	225,000,000,000
Others	603,202,803	404,934,114
	<u>603,202,803</u>	<u>225,404,934,114</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

14 SHORT-TERM BORROWINGS

	As at 1.1.2024 VND	Addition VND	Repayment VND	Loss on foreign currency translation VND	As at 31.12.2024 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam – Transaction Office					
• Short-term borrowing - VND	70,544,731,116	93,177,537,750	(163,722,268,866)	-	-
• Factoring L/C with recourse	136,896,793,018	-	(136,896,793,018)	-	-
HSBC Vietnam – Hanoi Branch	54,483,869,916	26,400,867,570	(80,884,737,486)	-	-
Bank for Investment and Development of Vietnam – Ha Thanh Branch (i)					
• Short-term borrowing - USD	-	12,994,536,240	-	66,966,335	13,061,502,575
• Short-term borrowing - VND	32,965,983,893	408,696,779,449	(369,965,780,284)	-	71,696,983,058
Shinhan Bank (Vietnam) Ltd – Pham Hung Branch	21,748,061,790	-	(21,748,061,790)	-	-
	<u>316,639,439,733</u>	<u>541,269,721,009</u>	<u>(773,217,641,444)</u>	<u>66,966,335</u>	<u>84,758,485,633</u>

Details of outstanding short-term borrowing balances as at 31 December 2024 are as follows:

No	Lenders	Credit limit and period	Year-end balance VND	Interest rate	Purpose	Collaterals
(i)	Joint Stock Commercial Bank for Investment and Development of Vietnam - Ha Thanh Branch	Credit limit of VND 200 billion. The borrowing period doesn't exceed 6 months from the date of drawdown.	84,758,485,633	2.9% - 3.2%	Working capital funding	- Payment guarantee from the parent company with a limit of VND 200 billion. - Payment guarantee from Duc Giang Chemicals Group JSC, the ultimate parent company with a limit of VND 200 billion.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 BONUS AND WELFARE FUND

	2024 VND	2023 VND
Beginning of year	61,510,769,320	13,560,776,099
Appropriation in year (Note 17)	16,227,101,477	54,742,118,421
Utilisation in year	(7,878,720,600)	(6,792,125,200)
End of year	<u>69,859,150,197</u>	<u>61,510,769,320</u>

16 OWNERS' CAPITAL

(a) Number of shares

	31.12.2024 Ordinary shares	31.12.2023 Ordinary shares
Number of shares registered	<u>25,000,000</u>	<u>25,000,000</u>
Number of shares issued	<u>25,000,000</u>	<u>25,000,000</u>
Number of existing shares in circulation	<u>25,000,000</u>	<u>25,000,000</u>

(b) Details of owners' shareholding

	31.12.2024		31.12.2023	
	Ordinary shares	%	Ordinary shares	%
Duc Giang Lao Cai Chemicals Limited Company	12,750,422	51.00	12,750,422	51.00
Mr. Dao Huu Duy Anh	2,258,333	9.03	2,258,333	9.03
Mr. Dao Huu Huyen	1,921,666	7.69	1,921,666	7.69
Others	8,069,579	32.28	8,069,579	32.28
Number of shares issued	<u>25,000,000</u>	<u>100</u>	<u>25,000,000</u>	<u>100</u>

(c) Movement of share capital

	Number of shares	Total VND
As at 1 January 2023	<u>25,000,000</u>	<u>250,000,000,000</u>
As at 31 December 2023	<u>25,000,000</u>	<u>250,000,000,000</u>
As at 31 December 2024	<u>25,000,000</u>	<u>250,000,000,000</u>

Par value per share: VND 10,000.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

17 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Investment and development fund VND	Undistributed earnings VND	Total VND
As at 1 January 2023	250,000,000,000	67,278,744,713	463,253,159,247	780,531,903,960
Net profit for the year	-	-	285,591,664,584	285,591,664,584
Appropriation to investment and development fund	-	142,136,040,826	(142,136,040,826)	-
Appropriation to bonus and welfare fund	-	-	(54,742,118,421)	(54,742,118,421)
Cash dividend payment	-	-	(491,375,000,000)	(491,375,000,000)
As at 31 December 2023	250,000,000,000	209,414,785,539	60,591,664,584	520,006,450,123
Net profit for the year	-	-	264,941,353,122	264,941,353,122
Appropriation to investment and development fund (*)	-	19,364,563,107	(19,364,563,107)	-
Appropriation to bonus and welfare fund (Note 15) (*)	-	-	(16,227,101,477)	(16,227,101,477)
Cash dividend payment (**)	-	-	(200,000,000,000)	(200,000,000,000)
As at 31 December 2024	250,000,000,000	228,779,348,646	89,941,353,122	568,720,701,768

(*) The appropriation to investment and development fund, to bonus and welfare fund for the year 2023 was made in accordance with the resolution of the Annual General Meeting of Shareholders No. 01/2024/NQ-DHDCD dated 27 March 2024.

(**) The cash dividend payment was made in accordance with the resolution of the Annual General Meeting of Shareholders No. 05/2024/NQ-DHDCD dated 1 April 2024 and the resolution of the Board of Directors No. 10/2024/NQ-HDQT dated 23 October 2024 amounting to VND 200,000,000,000.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

18 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the year excluding ordinary shares repurchased by the Company and held as treasury shares. The details were as follows:

	2024	2023
Net profit attributable to shareholders (VND)	264,941,353,122	285,591,664,584
Less amount allocated to bonus and welfare fund (VND) (*)	(15,055,592,518)	(16,229,069,860)
Profit for calculation basic profit per share	249,885,760,604	269,362,594,724
Weighted average number of ordinary shares in issue (shares)	25,000,000	25,000,000
Basic earnings per share (VND)	<u>9,995</u>	<u>10,775</u>

(*) The bonus and welfare fund of the year 2024 is temporarily calculated at the same rate of last year.

(b) Diluted earnings per share

The diluted earnings per share of the Company is equal to the basic earnings per share as the Company did not have any potential ordinary shares to be dilutive during the year and up to the date of these financial statements.

19 OFF BALANCE SHEET ITEMS

Foreign currencies

As at 31 December 2024, included in cash and cash equivalents were balances held in foreign currencies of USD 10,568.15 and Euro 72.26 (as at 31 December 2023: USD 4,684.68).

20 NET REVENUE FROM SALES OF GOODS

	2024 VND	2023 VND
Net revenue from sales of merchandise	88,376,570,919	2,813,906,720
Net revenue from sales of finished goods	1,633,058,959,907	1,707,796,682,844
	<u>1,721,435,530,826</u>	<u>1,710,610,589,564</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

21 COST OF GOODS SOLD

	2024 VND	2023 VND
Cost of merchandise sold	87,633,703,613	2,855,432,042
Cost of finished goods sold	1,270,592,472,727	1,341,540,855,157
	<u>1,358,226,176,340</u>	<u>1,344,396,287,199</u>

22 FINANCIAL INCOME

	2024 VND	2023 VND
Interest income from deposits	23,296,929,085	33,704,084,602
Realised foreign exchange gains	25,691,176,147	19,481,050,948
Net gain from foreign currency translation at year-end	322,395,218	-
	<u>49,310,500,450</u>	<u>53,185,135,550</u>

23 FINANCIAL EXPENSES

	2024 VND	2023 VND
Interest expenses	4,308,464,193	6,952,894,581
Realised foreign exchange losses	14,679,660,928	9,328,593,051
Net loss from foreign currency translation at year-end	-	1,949,600,777
	<u>18,988,125,121</u>	<u>18,231,088,409</u>

24 SELLING EXPENSES

	2024 VND	2023 VND
Transportation expenses	67,712,599,838	37,965,031,288
Commission expenses	23,991,015,208	40,197,362,535
Others	7,175,285,275	4,305,641,240
	<u>98,878,900,321</u>	<u>82,468,035,063</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

25 GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Staff costs	10,359,716,543	13,067,726,405
Depreciation of tangible fixed assets	2,365,633,908	2,365,633,908
External services	2,458,587,667	1,508,925,538
Others	310,709,749	1,001,390,713
	<u>15,494,647,867</u>	<u>17,943,676,564</u>

26 CORPORATE INCOME TAX (“CIT”)

The CIT tax on the Company’s accounting profit before tax differs from theoretical amount that would arise using the applicable standard tax rate of 20% as follows:

	2024 VND	2023 VND
Accounting profit before tax	279,158,181,627	300,756,637,879
Tax calculated at a rate of 20%	55,831,636,325	60,151,327,576
Effect of:		
Expenses not deductible for tax purposes	246,516,445	408,565,605
Tax deductions/exemption (*)	(41,861,324,265)	(45,419,919,886)
Additional CIT	-	25,000,000
CIT charge (**)	<u>14,216,828,505</u>	<u>15,164,973,295</u>
Charged to the income statement:		
CIT – current	14,216,828,505	15,164,973,295
CIT – deferred	-	-
CIT charge (**)	<u>14,216,828,505</u>	<u>15,164,973,295</u>

(*) The Company’s yellow phosphorus project is entitled to preferential tax rate of 10% over 15 years from the operation of yellow phosphorus project (from 2018 to 2032), and tax exemption over 4 years from the first year of having income (from 2018 to 2021) and 50% tax deduction over the next 9 consecutive years (from 2022 to 2030).

(**) The CIT charge for the year is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

27 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent all costs incurred during the year from the Company's operating activities, excluding cost of merchandise for trading activities. The details are as follows:

	2024	2023
	VND	VND
Raw materials	757,174,670,195	852,300,244,633
External services	491,656,831,873	466,407,435,478
Labour costs	78,001,069,231	86,465,100,639
Depreciation of tangible fixed assets	47,106,427,938	48,341,285,903
Others	7,442,344,567	8,065,953,792
	<u>1,381,381,343,804</u>	<u>1,461,580,020,445</u>

28 SEGMENT REPORTING

The Board of Management of the Company determines that the management decisions of the Company are based primarily on the types of product and service provided by the Company. As a result, the primary segment reporting of the Company is presented in respect of the Company's business segments.

Primary segment report (business segments)

During the year ended 31 December 2024, revenue from sales of finished goods (mainly yellow phosphorus) accounted for 94.8% of the Company's total revenue (2023: 99.8%). Accordingly, the Company does not present Segment report by business sector.

Secondary segment report (geographical segments)

Segment information of net revenue from sales of goods based on the geographical location of the Company's customers is as follows:

	2024		
	Domestic	Overseas	Total
	VND	VND	VND
Total revenue	348,690,985,718	1,372,744,545,108	1,721,435,530,826
Total segment assets at year-end (unallocated)	(*)	(*)	932,617,787,977
Total expenses incurred for purchases of fixed assets (unallocated)	(*)	(*)	<u>834,981,048</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

28 SEGMENT REPORTING (CONTINUED)

Secondary segment report (geographical segments) (continued)

	2023		Total VND
	Domestic VND	Overseas VND	
Total revenue	665,839,546,178	1,044,771,043,386	1,710,610,589,564
Total segment assets at year-end (unallocated)	(*)	(*)	1,204,783,053,616
Total expenses incurred for purchases of fixed assets (unallocated)	(*)	(*)	3,283,970,172

(*) The Company does not present assets and liabilities on geographical segment report because the Company operates in only one geographical area that is Vietnam and does not monitor assets and liabilities by customers' location.

29 RELATED PARTY DISCLOSURES

The Company is controlled by Duc Giang Lao Cai Chemicals Limited Company, which owns 51% of the Company's charter capital. The ultimate parent of the Company is Duc Giang Chemicals Group Joint Stock Company, a company incorporated in Vietnam.

Details of the key related parties and relationship are given as below:

Related parties	Relationship
Duc Giang Chemicals Group Joint Stock Company	Ultimate parent company
Duc Giang Lao Cai Chemicals Limited Company	Parent company
Duc Giang – Dinh Vu Chemicals One Member Company Limited	Group subsidiary
Duc Giang Nghi Son Chemicals Limited Company	Group subsidiary
Duc Giang Chemicals Sport One Member Company Limited	Group subsidiary
Duc Giang Real Estate Limited Company	Group subsidiary
Duc Giang – Dak Nong Chemicals Limited Company	Group subsidiary
Tia Sang Battery Joint Stock Company	Group subsidiary
Photphorus 6 One Member Limited Company (until 28 November 2024)	Group subsidiary
Van Minh Limited Company	Under common control of the Chairman
Member of the Board of Directors, the Board of Supervision, the Board of Management, Chief Accountant and related individuals	Key management

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

29 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions

The primary transactions with related parties incurred in the the year are:

	2024 VND	2023 VND
i) Duc Giang Chemicals Group Joint Stock Company		
Purchases of goods and services	5,312,201,638	817,932,890
Sales of finished goods and materials	1,245,151,200	1,012,139,700
ii) Duc Giang Lao Cai Chemicals Limited Company		
Purchases of goods	533,621,926,334	622,408,419,456
Sales of finished goods	297,974,553,690	658,259,307,720
Sales of merchandise and materials	15,029,144,131	1,908,973,870
Dividend declared this year	102,003,376,000	250,609,544,410
Payment of dividends declared last year	114,753,798,000	127,504,220,000
Payment of dividends declared this year	102,003,376,000	135,855,746,410
iii) Phosphorus 6 One Member Limited Company		
Purchases of goods	92,588,802,584	281,310,770
Sales of goods	11,253,574,448	673,403,761
Disposals of fixed assets	-	3,751,924,789
iv) Duc Giang – Dak Nong Chemicals Limited Company		
Sales of goods	1,288,571,490	-
v) Van Minh Limited Company		
Purchases of goods	362,695,605	271,131,089
Sales of finished goods	-	20,580,000
vi) Tia Sang Battery Joint Stock Company		
Purchases of goods	5,100,000	-
vii) Mr. Dao Huu Huyen		
Dividend declared this year	15,373,328,000	37,770,345,230
Payment of dividends declared last year	17,294,994,000	19,216,660,000
Payment of dividends declared this year	15,373,328,000	20,475,351,230
viii) Mr. Dao Huu Duy Anh		
Dividend declared this year	18,066,664,000	44,387,535,115
Payment of dividends declared last year	20,324,997,000	22,583,330,000
Payment of dividends declared this year	18,066,664,000	24,062,538,115



NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

29 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions (continued)

	2024 VND	2023 VND
viii) Compensation of key management		
Mr. Dao Huu Huyen – Chairman of BOD	96,000,000	96,000,000
Mr. Dao Huu Duy Anh – Member of BOD	84,000,000	84,000,000
Mr. Dang Tien Duc – Member of BOD	2,132,935,230	2,075,688,475
Mr. Pham Van Hung – Member of BOD	84,000,000	84,000,000
Mr. Vuong Quoc Hung – Member of BOD	84,000,000	63,000,000
Mr. Nguyen Hung Cuong – Deputy Director	363,303,462	1,128,676,538
Ms. Pham Thi Bich Phuong – Chief Accountant	920,573,678	889,066,167
Ms. Pham Thi Bich – Head of BOS	72,000,000	72,000,000
Mr. Tran Van Cuong – Member of BOS	448,373,294	452,348,895
Mr. Pho Duc Tung – Member of BOS	48,000,000	48,000,000
	4,333,185,664	4,992,780,075
	4,333,185,664	4,992,780,075
(b) Year-end balances with related parties		
	31.12.2024 VND	31.12.2023 VND
i) Short-term trade accounts receivables (Note 5)		
Duc Giang Chemicals Group Joint Stock Company	-	38,610,000
Photphorus 6 One Member Limited Company	-	51,371,694
	-	89,981,694
	-	89,981,694
ii) Short-term trade account payables (Note 10)		
Duc Giang Lao Cai Chemicals Limited Company	161,592,955,397	6,187,075,052
Duc Giang Chemicals Group Joint Stock Company	460,268,509	-
Van Minh Limited Company	86,942,600	4,617,999
	162,140,166,506	6,191,693,051
	162,140,166,506	6,191,693,051
iii) Other short-term payables		
Duc Giang Lao Cai Chemicals Limited Company	-	114,753,798,000
Mr. Dao Huu Duy Anh	-	20,324,997,000
Mr. Dao Huu Huyen	-	17,294,994,000
	-	152,373,789,000
	-	152,373,789,000

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

30 COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases were as follows:


	Land rental fee	
	31.12.2024 VND	31.12.2023 VND
Between one and five years	767,570,379	649,211,022
Over five years	3,450,809,825	4,277,428,247
Total minimum payments	<u>4,218,380,204</u>	<u>4,926,639,269</u>

31 CONTINGENT LIABILITIES

Land restoration obligations

The Company signed land rental contracts and carried out the construction of building and infrastructure on these lands. These contracts do not contain any clause on land restoration obligation. Therefore, the Board of Management of the Company assesses that the Company may have future obligations related to dismantling, removing the Company's assets from the lands and restoring the lands to original conditions at the end of the lease term, and these obligations can only be ascertained when there are further events such as additional negotiation with the lessor and when the competent authority promulgates additional legal documents clarifying the lessee's obligations when the land rental contract does not contain any clause on land restoration obligation. Accordingly, the Board of Management does not recognise a provision for land restoration obligations in the Company's financial statements for the year ended 31 December 2024.

The financial statements for the year ended 31 December 2024 were approved by the Board of Management of the Company on 19 February 2025.



Pham Thi Thu Loan
Preparer



Pham Thi Bich Phuong
Chief Accountant



Dang Tien Duc
Director
Legal Representative