

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

**SEPARATE FINANCIAL STATEMENTS FOR IV QUARTER
FOR THE YEAR ENDED 31 DECEMBER 2024**

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG

**SEPARATE FINANCIAL STATEMENTS FOR IV QUARTER
FOR THE YEAR ENDED 31 DECEMBER 2024**

TABLE OF CONTENTS	PAGE
Corporate information	1
Statement of the Board of Management	2
Separate balance sheet for IV quarter (Form B 01a - DN)	3
Separate income statement for IV quarter (Form B 02a - DN)	5
Separate cash flow statement for IV quarter (Form B 03a - DN)	6
Notes to the separate financial statements for IV quarter (Form B 09a - DN)	7

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG

CORPORATE INFORMATION

Enterprise Registration Certificate No. 0101452588 dated 5 March 2004

The Enterprise Registration Certificate was initially issued by Hanoi Department for Planning and Investment on 5 March 2004. The latest amendment (22nd) to the Enterprise Registration Certificate was issued on 6 October 2022.

Board of Directors

Mr. Dao Huu Huyen	Chairman
Mr. Dao Huu Duy Anh	Member
Mr. Pham Van Hung	Member
Mr. Luu Bach Dat	Member
Ms. Nguyen Thi Thu Ha	Independent member (appointed on 29 March 2024)
Mr. Nguyen Van Quang	Independent member (appointed on 29 March 2024)

Board of Supervision

Mr. Nguyen Van Kien	Chief Supervisor
Mr. Vu Van Ngo	Member
Ms. Pham Thi Thoa	Member

Board of Management

Mr. Dao Huu Duy Anh	General Director
Mr. Pham Van Hung	Deputy General Director
Mr. Luu Bach Dat	Deputy General Director

Legal Representative

Mr. Dao Huu Huyen	Chairman of Board of Directors
Mr. Dao Huu Duy Anh	Member of Board of Directors/ General Director

Registered Office No. 18 Lane 44, Duc Giang Street, Thuong Thanh Ward, Long Bien District, Hanoi, Vietnam

Auditor Branch of PwC (Vietnam) Limited in Hanoi

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG

STATEMENT OF THE BOARD OF MANAGEMENT

Responsibility of the Board of Management in respect of the separate financial statements for IV quarter.

The Board of Management of Duc Giang Chemicals Group Joint Stock Company (“the Company”) is responsible for preparing interim consolidated financial statements of the Company and its subsidiaries (together, “the Group”) which give a true and fair view of the separate financial position for IV quarter of the Group as at 31 December 2024, and the separate results of its operations and its cash flows for the year then ended. In preparing these separate financial statements for IV quarter, 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 interim consolidated financial statements on a going-concern basis unless it is inappropriate to presume that the Group 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 separate financial position for IV quarter of the Group and enable the separate financial statements for IV quarter to be prepared which comply with the basis of accounting set out in Note 2 to the separate financial statements for IV quarter. The Board of Management is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the separate financial statements for IV quarter

We hereby, approve the accompanying separate financial statements for IV quarter as set out on pages 5 to 37. The separate financial statements for IV quarter give a true and fair view of the consolidated financial position of the Group as at 30 June 2024 and of the interim consolidated results of its operations and its IV quarter separate 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 IV quarter separate financial statements.

Users of these separate financial statements of the Company should read them together with the consolidated financial statements of the Company and its subsidiaries (“the Group”) for the year ended 31 December 2024 in order to obtain full information of the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group.

On behalf of the Board of Management



Đào Hữu Duy Anh
General Director
Legal Representative

Hanoi, SR Vietnam
22 January 2025

SEPARATE BALANCE SHEET FOR IV QUARTER

Code	ASSETS	Note	As at	
			31.12.2024 VND	31.12.2023 VND
100	CURRENT ASSETS		3,609,497,916,889	3,076,838,340,480
110	Cash and cash equivalents	3	5,494,085,885	953,586,361,543
111	Cash		5,494,085,885	6,086,361,543
112	Cash equivalents		-	947,500,000,000
120	Short-term investments		3,449,668,736,986	1,982,617,069,999
123	Investments held to maturity	4(a)	3,449,668,736,986	1,982,617,069,999
130	Short-term receivables		90,643,678,159	89,036,853,582
131	Short-term trade accounts receivable	5	15,438,980,702	17,309,890,089
132	Short-term prepayments to suppliers		1,089,426,954	8,968,467,050
136	Other short-term receivables	6(a)	74,115,270,503	62,758,496,443
140	Inventories	7	62,489,215,212	49,887,018,729
141	Inventories		62,489,215,212	49,887,018,729
150	Other current assets		1,202,200,647	1,711,036,627
151	Short-term prepaid expenses		1,202,200,647	1,678,586,372
152	Value added tax ("VAT") to be reclaimed		-	32,450,255
200	TÀI SẢN DÀI HẠN		5,345,534,803,967	5,099,679,613,891
210	Long-term receivables		6,996,859,984	5,724,645,692
216	Other long-term receivables	6(b)	6,996,859,984	5,724,645,692
220	Fixed assets		147,468,445,208	178,382,794,290
221	Tangible fixed assets	9(a)	147,468,445,208	178,382,794,290
222	Historical cost		389,650,117,820	382,924,760,769
223	Accumulated depreciation		(242,181,672,612)	(204,541,966,479)
227	Intangible fixed assets	9(b)	-	-
228	Historical cost		265,000,000	265,000,000
229	Accumulated amortisation		(265,000,000)	(265,000,000)
250	Long-term investments		5,084,952,700,800	4,784,952,700,800
251	Investments in subsidiaries	4(b)	5,084,952,700,800	4,784,952,700,800
260	Other long-term assets		106,116,797,975	130,619,473,109
261	Long-term prepaid expenses	8	106,116,797,975	130,619,473,109
270	TỔNG TÀI SẢN		8,955,032,720,856	8,176,517,954,371

The notes on pages 9 to 38 are an integral part of these IV quarter separate financial statements.

SEPARATE BALANCE SHEET FOR IV QUARTER
(CONTINUED)

Code	Note	As at	
		31.12.2024 VND	31.12.2023 VND
RESOURCES			
300	LIABILITIES	384,760,116,835	1,496,793,428,579
310	Short-term liabilities	384,760,116,835	1,496,793,428,579
311	Short-term trade accounts payable	8,273,139,662	9,875,915,427
312	Short-term advances from customers	77,850,681	202,283,270
313	Tax and other payables to the State	91,110,240,978	28,814,807,554
314	Payables to employees	18,354,883,183	25,852,155,999
319	Other short-term payables	3,316,883,039	1,142,546,779,534
322	Bonus and welfare fund	263,627,119,292	289,501,486,795
400	OWNERS' EQUITY	8,570,272,604,021	6,679,724,525,792
410	Capital and reserves	8,570,272,604,021	6,679,724,525,792
411	Owners' capital	3,797,792,860,000	3,797,792,860,000
411a	- Owners' capital with voting rights	3,797,792,860,000	3,797,792,860,000
412	Share premium	1,786,667,372,400	1,786,667,372,400
415	Treasury shares	(8,730,000)	(8,730,000)
418	Investment and development fund	1,300,586,693,646	865,777,128,989
421	Undistributed earnings	1,685,234,407,975	229,495,894,403
421a	- Undistributed post-tax profits of previous years	-	-
421b	- Undistributed post-tax profit of current period/year	1,685,234,407,975	229,495,894,403
440	TOTAL RESOURCES	8,955,032,720,856	8,176,517,954,371



Hoang Thuy Ha
Preparer



Dao Thi Mai
Chief Accountant



Dao Huu Duy Anh
General Director
Legal Representative
22 January 2025

The notes on pages 9 to 38 are an integral part of these IV quarter separate financial statements.

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG

SEPARATE INCOME STATEMENT FOR IV QUARTER

Code	Note	IV QUARTER		For the year ended	
		2024	2023	2024	2023
		VND	VND	VND	VND
01	Revenue from sales of goods and rendering of services	128,316,550,455	267,324,280,111	672,447,226,259	658,484,904,099
02	Less deductions	-	-	-	-
10	Net revenue from sales of goods and rendering of services	128,316,550,455	267,324,280,111	672,447,226,259	658,484,904,099
11	Cost of goods sold and services rendered	(81,952,164,029)	(182,455,161,223)	(402,539,743,581)	(412,966,259,909)
20	Gross profit from sales of goods and rendering of services	46,364,386,426	84,869,118,888	269,907,482,678	245,518,644,190
21	Financial income	1,840,623,750,824	1,085,243,192,519	3,127,497,250,336	2,012,691,835,585
22	Financial expenses	(106,854,293)	(46,328,341)	(61,876,817)	(296,339,767)
25	Selling expenses	(9,586,979,314)	(23,782,010,702)	(75,279,314,623)	(70,951,875,392)
26	General and administration expenses	(11,915,263,404)	(17,534,410,177)	(44,131,321,605)	(37,882,321,085)
30	Net operating profit	1,865,379,040,239	1,865,379,040,239	1,128,749,562,187	3,277,932,219,969
31	Other income	-	75,000,000	1,788,153,319	652,754,126
32	Other expenses	(7,500,000)	-	(588,348,231)	-
40	Net other expenses	(7,500,000)	75,000,000	1,199,805,088	652,754,126
50	Net accounting profit before tax	1,865,371,540,239	1,128,824,562,187	3,279,132,025,057	2,149,732,697,657
51	Corporate income tax ("CIT") - current	(13,849,508,271)	(24,080,333,483)	(61,350,204,952)	(55,780,208,462)
52	CIT - deferred	-	-	-	-
60	Net profit after tax	1,851,522,031,968	1,104,744,228,704	3,217,781,820,105	2,093,952,489,195




 Dao Thi Mai
 Chief Accountant

Hoang Thuy Ha
 Preparer

Dao Huu Duy Anh
 General Director
 Legal Representative
 22 January 2025

The notes on pages 9 to 38 are an integral part of these IV quarter separate financial statements.

SEPARATE CASH FLOW STATEMENT FOR IV QUARTER
(Indirect method)

Code	Note	For the year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Net accounting profit before tax	3,279,132,024,920	2,149,732,697,657
	Adjustments for:		
02	Depreciation and amortisation of fixed assets and goodwill	37,639,706,133	37,357,428,475
04	Unrealised foreign exchange (gains)/losses	2,081,960	17,205,126
05	Profits from investing activities	(3,127,425,512,790)	(2,013,189,042,422)
08	Operating profit before changes in working capital	189,348,300,223	173,918,288,836
09	Decrease/(increase) in receivables	8,708,543,446	4,375,157,373
10	(Increase)/decrease in inventories	(12,602,196,483)	(10,935,134,375)
11	Decrease in payables	32,877,678,709	(14,809,214,437)
12	Decrease in prepaid expenses	24,979,060,859	30,558,733,418
15	CIT paid	(43,602,924,942)	(33,120,060,479)
17	Other payments on operating activities	(211,223,570,780)	(35,579,196,253)
20	Net cash inflows from operating activities	(11,515,108,968)	114,408,574,083
CASH FLOWS FROM INVESTING ACTIVITIES			
21	Purchases of fixed assets and other long-term assets	(255,299,067,051)	(14,163,323,168)
22	Proceeds from disposals of fixed assets and long-term assets	-	545,454,546
23	Loans granted, purchases of debt instruments of other entities	(2,702,335,917,808)	(1,770,900,000,000)
24	Collection of loans, proceeds from sales of debt instruments of other entities	1,268,682,533,013	1,757,158,178,082
25	Investments in other entities	(51,426,290,000)	(134,857,878,400)
27	Dividends and interest received	3,082,472,098,538	1,594,140,901,021
30	Net cash outflows from investing activities	1,342,093,356,692	1,431,923,332,081
CASH FLOWS FROM FINANCING ACTIVITIES			
36	Dividends paid, profits distributed to owners	(2,278,670,478,000)	(1,519,113,652,000)
40	Net cash outflows from financing activities	(2,278,670,478,000)	(1,519,113,652,000)
50	Net decrease in cash and cash equivalents of the period	(948,092,230,276)	27,218,254,164
60	Cash and cash equivalents at beginning of period	953,586,361,543	926,367,818,818
61	Effect of foreign exchange differences	(45,382)	288,561
70	Cash and cash equivalents at end of period	5,494,085,885	953,586,361,543

The significant non-cash transactions during the period is presented in Note 25.

Hoang Thuy Ha
Preparer

Dao Thi Mai
Chief Accountant

Dao Huu Duy Anh
General Director
Legal Representative
22 January 2025



The notes on pages 9 to 38 are an integral part of these IV quarter separate financial statements.

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

1 GENERAL INFORMATION

Duc Giang Chemicals Group Joint Stock Company (“the Company”) is a joint stock company established in SR Vietnam pursuant to the Enterprise Registration Certificate No. 0101452588 dated 5 March 2004 issued by Hanoi Department for Planning and Investment. The latest amendment (22nd) to the Enterprise Registration Certificate was issued on 6 October 2022.

The Company's shares are listed on the Ho Chi Minh City Stock Exchange with the stock trading code ‘DGC’.

The business sector of the Company is manufacturing industrial products.

The principal activities of the Company are:

- Producing basic chemicals: producing of raw materials and chemical products;
- Producing fertilizers and nitrogen compounds: producing fertilizer products;
- Trading in rubber, paints, plastic and fertilizer products; trading in raw materials and chemical products;
- Producing plastics and synthetic rubber in primary form;
- Freight transport by road; and
- Mining.

The normal business cycle of the Company is 12 months.

As at 31 December 2024, the Company had three (03) dependent accounting units (Hung Yen Branch, Binh Duong Branch and Lao Cai Branch) and nine (09) subsidiaries. The details are as follows:

Subsidiaries	Principal activities	Place of incorporation and operation	As at 31.12.2024 and 31.12.2023	
			% of vnership	% of voting rights
1. Duc Giang Lao Cai Chemicals Limited Company	Industrial manufacturing	Bao Thang District, Lao Cai	100%	100%
2. Duc Giang - Dinh Vu Chemicals One Member Company Limited	Warehousing and storage business	Hai An District, Hai Phong	100%	100%
3. Duc Giang Nghi Son Chemicals Company Limited	Industrial manufacturing	Tinh Gia District, Thanh Hoa	100%	100%
4. Duc Giang Chemicals Sport One Member Company Limited	Sports activities	Long Bien District, Hanoi	100%	100%
5. Duc Giang Land One Member Company Limited	Real estates	Long Bien District, Hanoi	100%	100%

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

1 GENERAL INFORMATION (CONTINUED)

Subsidiaries	Principal activities	Place of incorporation and operation	As at 31.12.2024 and 31.12.2023	
			% of ownership	% of voting rights
6. Duc Giang - Dak Nong Chemical Limited Company	Industrial manufacturing	Cu Jut District, Dak Nong	100%	100%
7. Tia Sang Battery Joint Stock Company	Industrial manufacturing	An Duong District, Hai Phong	51%	51%
8. Vietnam Apatite - Phosphorus Joint Stock Company	Industrial manufacturing	Bao Thang District, Lao Cai	51%	51%
9. Phosphorus 6 One Member Limited Company	Industrial manufacturing	Bao Thang District, Lao Cai		100%

On November 28, 2024, 9. Phosphorus 6 One Member Limited Company was merged into 1. Duc Giang Lao Cai Chemicals Limited Company. Accordingly, Phosphorus 6 One Member Limited Company will transfer all assets, rights and obligations, and other legal interests of Duc Giang Lao Cai Chemicals Limited Company and cease to exist from the date of merger.

As at 31 December 2024, company had 326 employees (as at 31 December 2023: 317 employees).

Disclosure of information comparability in the IV quarter separate financial statements

The comparative figures presented on the IV quarter separate balance sheet and the relevant notes are the figures of the audited financial statements for the year ended 31 December 2023. The comparative figures presented on the IV quarter separate income statement, the IV quarter separate cash flow statement and the relevant notes are the figures of the IV quarter separate financial statements for the year ended 31 December 2023.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the interim consolidated financial statements

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

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

The accompanying IV quarter separate 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's. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

2.1 Basis of preparation of the IV quarter separate financial statements (continued)

Separately, the Company has also prepared IV quarter separate financial statements of the Company and its subsidiaries (together, "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese (Corporate) Accounting System and applicable regulations on preparation and presentation of IV quarter separate financial statements. In the consolidated financial statements, subsidiary undertakings, which are those companies over which the Group has the power to govern the financial and operating policies, have been fully consolidated.

Users of these IV quarter separate financial statements of the Company should read them together with the consolidated IV quarter financial statements of the Group for the year ended 31 December 2024 in order to obtain full information of the consolidated IV quarter financial position and consolidated IV quarter results of operations and consolidated IV quarter cash flows of the Group.

2.2 Fiscal year

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

2.3 Currency

The interim IV quarter separate financial statements are measured and presented in the Vietnamese Dong ("VND"), which is the Company's accounting currency.

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 bank where the Group regularly transacts. The Group 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 the result of operations during the accounting period. 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 bank. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

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

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****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 and rendering of services 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 period and the provision of the previous period is recognised as an increase or decrease of general and administrative expenses in the period. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the IV quarter separate balance sheet based on the remaining period from the IV quarter separate 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.

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

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

2.8 Investments**(a) 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 bank deposits with a term of more than 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 accounting period are recorded as an increase or decrease

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

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 IV quarter separate balance sheet based on the remaining period from the quarter separate balance sheet date to the maturity date.

(b) Investments in subsidiaries

Subsidiaries are all entities whose financial and operating policies the Company has the power to govern in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

Investments in subsidiaries are initially recorded at cost of acquisition plus other expenditures directly attributable to the investment. Subsequently, the Board of Management reviews all outstanding investments to determine the amount of provision to recognise at the year end.

(c) Provision for investments in subsidiaries

Provision for investments in subsidiaries is made when there is a diminution in value of the investments at the year end.

Provision for investments in subsidiaries is calculated based on the loss of investees.

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.

2.9 Fixed assets*Tangible and intangible 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 which is incurred subsequently and 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 interim consolidated income statement when incurred in the period.

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.9 Fixed assets (continued)***Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line basis, except for machinery and equipment for mining activities which are depreciated using the units of production 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. Depreciation and amortisation are included in the operating expenses of the year, other than those related to fixed assets funded by the Bonus and Welfare Fund (Note 2.17(b)).

The estimated useful lives of each asset class are as follows:

Plant and buildings	6 – 25 years
Machinery	3 – 10 years
Motor vehicles (*)	5 – 8 years
Office equipment	3 – 6 years
Computer software	5 years

(*) Motor vehicles used for apatite ore mining at Mine 25 are depreciated based on the estimated exploitation volume, which is expected to be within 6 years (2021 – 2026).

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 IV quarter separate income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or 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.

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.10 Leased assets**

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the IV quarter separate income statement on a straight-line basis over the term of the lease.

2.11 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the IV quarter separate balance sheet. Short-term prepaid expenses reflect 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 reflect prepayments for Apatite ore mining; 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 land lease terms. Land clearance costs related to the leased land are allocated in proportion to the lease term.

Fees for mineral exploitation right in connection with mining apatite ore at Mine 25 are amortised based on the estimated exploitation volume, expected within 6 years (2021 - 2026).

2.12 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 short-term and long-term payables on the IV quarter separate balance sheet based on the remaining period from the IV quarter separate balance sheet date to the maturity date.

2.13 Borrowings

Borrowings and finance lease liabilities include borrowings and finance leases from banks, financial institutions, financial companies and other entities.

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

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.13 Borrowings (continued)**

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 Group 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 Group's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the IV quarter separate income statement when incurred.

2.14 Accrued expenses

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

2.15 Provisions

Provisions are recognised when the Group 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 level of 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 accounting period are recorded as an increase or decrease in operating expenses.

2.16 Capital and reserves

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

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Owners' other capital represents the difference between the consideration transferred from the acquirer and the net asset value of the acquiree in business combination involving entities under common control (Note 2.6).

Treasury shares bought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Company and bought back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities. Treasury shares brought after 1 January 2021 will be cancelled and adjusted to reduce equity.

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

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.17 Appropriation of profit**

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

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

The Group's funds are as below:

(a) Investment and development fund

The investment and development fund is appropriated from profit after CIT of the Group 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 Group.

(b) Bonus and welfare fund

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

In addition, in accordance to Circular 200/2014/TT-BTC issued on 22 December 2014 by the Ministry of Finance, the fund is also used to purchase fixed assets for cultural and welfare activities for employees. Accordingly, the Company recognises fixed assets in the IV quarter separate financial statements and depreciates them over their estimated useful lives (Note 2.9). However, the depreciation of these fixed assets is not recognised to the profit or loss in the year, but is recorded as a decrease to the fund.

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

Revenue from sale of goods is recognised in the interim consolidated income statement when all five (5) following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group 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 Group; 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.

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**2.18 Revenue recognition (continued)****(b) Revenue from rendering of services**

Revenue from rendering of services is recognised in the IV quarter separate income statement when the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue from the sale of services is only recognised when all four (4) of the following conditions are satisfied:

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

(c) Interest income

Interest income is recognised on the basis of the actual time and interest rates for each period when both conditions are simultaneously satisfied:

- It is probable that economic benefits will be generated; and
- Income can be measured reliably.

(d) Dividends income

Income from dividends profits is recognised in the income statement when both (2) of the following conditions are satisfied:

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

Income from dividends is recognised when the Company has established receiving rights from investees.

Dividends and profits from subsidiaries distributed from the subsidiary's after-tax profits formed after the investment date are accounted for in financial revenue in the accounting period. For dividends, profits distributed from the after-tax profits of subsidiaries formed before the investment date are accounted for, reducing the value of the investment in the Company's subsidiaries (Note 2.8(b)).

Dividends received in shares are only tracked by the number of additional shares, the value of shares received is not recorded.

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.19 Sales deductions**

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that period.

Sales deductions for sales of products, goods or rendering of services which are sold or rendered in the period but are incurred after the IV quarter separate balance sheet date but before the issuance of the IV quarter separate financial statements are recorded as a deduction from the revenue of the period.

2.20 Cost of goods sold and services rendered

Cost of goods sold and services rendered are the cost of finished goods, merchandise, materials sold or services rendered during the period and recorded on the basis of matching with revenue and on a prudent basis.

2.21 Financial expenses

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

2.22 Selling expenses

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

2.23 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes of the Company.

2.24 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

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

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.24 Current and deferred income tax (continued)

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 IV quarter separate 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 IV quarter separate 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.

2.25 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, Board of Supervision, Board of Management 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 relationship, not merely the legal form.

2.26 Segment reporting

A segment is a component which can be separated by the Group engaged in sales of goods or rendering of services ("business segment"), or sales of goods or rendering of services 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 Group's business segment or the Group's geographical segment.

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2.27 Critical accounting estimates

The preparation of IV quarter separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of IV quarter separate 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 IV quarter separate financial statements and the reported amounts of revenues and expenses during the accounting period.

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

- Estimated useful lives of fixed assets (Note 2.9);
- Corporate income tax (Note 22); and
- Contingent liabilities and other commitments (Note 28).

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

3 CASH AND CASH EQUIVALENTS

	31.12.2024 VND	31.12.2023 VND
Cash on hand	384,382,805	813,531,145
Cash at banks	5,109,703,080	5,272,830,398
Cash equivalents (*)	-	947,500,000,000
	5,494,085,885	953,586,361,543
	5,494,085,885	953,586,361,543

(*) The balance of cash equivalents at 31 December 2023 included deposits at domestic commercial banks with original maturity of three months or less with interest rate are in range from 3.2% to 3.5% per annum.

4 INVESTMENTS HELD TO MATURITY

(a) Investments held to maturity

	31.12.2024		31.12.2023	
	Cost VND	Book value VND	Cost VND	Book value VND
Short-term bank deposits	2,142,117,487,671	2,142,117,487,671	1,982,617,069,999	1,982,617,069,999
	2,142,117,487,671	2,142,117,487,671	1,982,617,069,999	1,982,617,069,999
	2,142,117,487,671	2,142,117,487,671	1,982,617,069,999	1,982,617,069,999

The period-end balance included term deposits at domestic commercial banks with original terms over 3 months and the remaining terms less than 12 months and interest rates are in range from 4.1% to 5.8% per annum (2023: 4.3% to 9.2% per annum).

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

As at 31 December 2024, short-term term deposits of VND 130 billion were used for securing bank loans and participating in bidding of Company (as at 31 December 2023: VND 145 billion).

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG
THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

Mẫu số B 09a - DN

4 INVESTMENTS HELD TO MATURITY (CONTINUED)

(b) Investments in subsidiaries

	31.12.2024			31.12.2023		
	Cost VND	Fair value VND	Provision VND	Cost VND	Fair value VND	Provision VND
Duc Giang Lao Cai Chemicals Limited Company	2,785,094,822,400	(*)	-	2,785,094,822,400	(*)	-
Duc Giang - Dinh Vu Chemicals One Member Company Limited	60,000,000,000	(*)	-	60,000,000,000	(*)	-
Duc Giang Nghi Son Chemicals Company Limited	1,000,000,000,000	(*)	-	1,000,000,000,000	(*)	-
Duc Giang Chemicals Sport One Member Company Limited	5,000,000,000	(*)	-	5,000,000,000	(*)	-
Duc Giang Land One Member Company Limited	500,000,000,000	(*)	-	500,000,000,000	(*)	-
Duc Giang - Dak Nong Chemical Limited Company	600,000,000,000	(*)	-	300,000,000,000	(*)	-
Tia Sang Battery Joint Stock Company (**)	134,857,878,400	168,228,322,800	-	134,857,878,400	151,371,088,000	-
	<u>5,084,952,700,800</u>	<u>168,228,322,800</u>	<u>-</u>	<u>4,784,952,700,800</u>	<u>151,371,088,000</u>	<u>-</u>

(*) Fair value disclosure: As of 31 December 2024 and 31 December 2023, the Company has not determined the fair value of investments in these subsidiaries to disclose in the separate financial statements for IV quarter because these investments do not have listed prices on the market. The fair value of these financial investments may differ from their carrying value.

(**) The fair value of this investment is determined by reference to the closing price (at the end of the accounting period or the date of the closest transaction to the end of the accounting period) of the Company's shares. The company is listed on the Hanoi Stock Exchange ("HNX").

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	31.12.2024 VND	31.12.2023 VND
Third parties	3,761,466,848	3,610,116,839
Related parties (Note 25(b))	11,677,513,854	13,699,773,250
	<u>15,438,980,702</u>	<u>17,309,890,089</u>

As at 31 December 2024 and 31 December 2023, company does not have any trade accounts receivable which were past due or not past due but doubtful amounted.

6 OTHER RECEIVABLES

	31.12.2024 VND	31.12.2023 VND
(a) Short-term		
Interest receivable from bank deposits	73,845,937,571	62,290,805,511
Others	269,332,932	467,690,932
	<u>74,115,270,503</u>	<u>62,758,496,443</u>
(b) Long-term		
Environmental protect fund of Lao Cai Province (*)	<u>6,996,859,984</u>	<u>5,724,645,692</u>

(*) According to Decision 1057/QĐ-BTNMT dated 7 May 2020 issued by the Ministry of Natural Resources and Environment, the total estimated costs of environmental rehabilitation and restoration related to the exploitation of apatite ore mines at Mine 25 is VND 8,005,545,000. This amount will be deposited into the Environmental Protection Fund of Lao Cai province in six instalments from 2021 to 2026 to guarantee the fulfilment of the Company's obligation of rehabilitating and restoring the environment. The balance as at 31 December 2024 is the amount that the Company has contributed to the Fund in accordance with the Decision.

7 INVENTORIES

	31.12.2024		31.12.2023	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	27,499,998,426	-	21,647,142,885	-
Tools and supplies	184,289,781	-	50,651,863	-
Finished goods	34,804,927,005	-	28,189,223,981	-
	<u>62,489,215,212</u>	<u>-</u>	<u>49,887,018,729</u>	<u>-</u>

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

8 LONG-TERM PREPAID EXPENSES

	31.12.2024 VND	31.12.2023 VND
Expenses incurred for mining apatite ore at Mine 25 (*)	59,271,786,555	81,994,461,681
Land rental fees (**)	46,845,011,420	48,625,011,428
	<u>106,116,797,975</u>	<u>130,619,473,109</u>

(*) Expenses related to mining apatite ore at Mine 25 which mainly include expenses for site clearance, fees for using data and information on results of mineral assessment, fees for mineral exploitation right and are amortised based on the exploitation volume over 6 years (2021 – 2026).

(**) This is a one-time prepayment for land rental fees and are amortized on straight-line basis from 29 years to 37 years in accordance with the durations of the land rental contracts.

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG
THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO KỶ 6 THÁNG KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

Mẫu số B 09a - DN

9	FIXED ASSETS	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
(a)	Tangible fixed assets					
	Historical cost					
	As at 1 January 2024	82,665,695,834	151,996,882,891	147,464,414,558	797,767,486	382,924,760,769
	New purchases	-	4,137,320,802	2,588,036,249	-	6,725,357,051
	As at 31 December 2024	82,665,695,834	156,134,203,693	150,052,450,807	797,767,486	389,650,117,820
	Accumulated depreciation					
	As at 1 January 2024	(30,246,646,166)	(101,328,742,537)	(72,435,066,350)	(531,511,426)	(204,541,966,479)
	Charge for the period	(3,766,602,667)	(10,819,925,482)	(23,003,657,205)	(49,520,779)	(37,639,706,133)
	As at 31 December 2024	(34,013,248,833)	(112,148,668,019)	(95,438,723,555)	(581,032,205)	(242,181,672,612)
	Net book value					
	As at 1 January 2024	52,419,049,668	50,668,140,354	75,029,348,208	266,256,060	178,382,794,290
	As at 31 December 2024	48,652,447,001	43,985,535,674	54,613,727,252	216,735,281	147,468,445,208

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 31 December 2024 was VND 92,198,476,125 (as at 31 December 2023: VND 87,943,262,230).

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

9 FIXED ASSETS (CONTINUED)

(b) Intangible fixed assets

	Computer software VND
Historical cost	
As at 1 January 2024	265,000,000
As at 31 December 2024	<u>265,000,000</u>
Accumulated depreciation	
As at 1 January 2024	(265,000,000)
As at 31 December 2024	<u>(265,000,000)</u>
Net book value	
As at 1 January 2024	-
As at 31 December 2024	<u>-</u>

The historical cost of intangible fixed assets that were fully amortised but still in use as at 31 December 2024 was VND 265,000000 (as at 31 December 2023: VND 265,000000).

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 (*)	5,782,570,446	5,782,570,446	6,085,740,177	6,085,740,177
Related parties (Note 25(b))	2,490,569,216	2,490,569,216	3,790,175,250	3,790,175,250
	<u>8,273,139,662</u>	<u>8,273,139,662</u>	<u>9,875,915,427</u>	<u>9,875,915,427</u>

(*) Details for third-party suppliers accounting for 10% or more of the total trade account payable balance are as follows:

	31.12.2024 VND	31.12.2023 VND
Quang Thanh Transport Joint Stock Company	1,474,046,850	897,468,760
Bao Thang Transport Company Limited		821,977,360
Anh Minh Lao Cai Company Limited		656,010,960
	<u></u>	<u></u>

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

11 TAXES AND PAYABLES TO THE STATE

Movements in tax and other payables to the State during the period were as follows:

	As at 1.1.2024 VND	Payable during the period VND	Payment during the period VND	As at 31.12.2024 VND
VAT	193,291,108	13,295,382,414	(10,275,650,586)	3,213,022,936
Import, export tax	-	22,154,736	(22,154,736)	-
Corporate income tax	25,908,852,409	32,329,581,214	(28,226,195,236)	30,012,238,387
Personal income tax	1,513,782,517	46,573,417,900	(47,714,866,008)	372,334,409
Natural resource taxes	456,960,000	20,599,698,984	(16,554,195,021)	4,502,463,963
Others	741,921,520	15,716,939,481	(12,023,940,521)	4,434,920,480
	<u>28,814,807,554</u>	<u>128,537,174,729</u>	<u>(114,817,002,108)</u>	<u>42,534,980,175</u>

12 OTHER SHORT-TERM PAYABLES

	31.12.2024 VND	31.12.2023 VND
Dividends payable	-	1,139,335,239,000
Others	3,316,883,039	3,211,540,534
	<u>3,316,883,039</u>	<u>1,142,546,779,534</u>

13 BONUS AND WELFARE FUND

	From 1.1.2024 to 31.12.2024 VND	From 1.1.2024 to 31.12.2024 VND
Beginning of period/year	289,501,486,795	21,995,741,233
Increase in period/year (Note 15)	185,349,203,277	303,084,941,815
Transfer funds to subsidiaries (Note 25(a))	(190,000,000,000)	-
Utilisation in period/year	(21,223,570,780)	(35,579,196,253)
End of period/year	<u>263,627,119,292</u>	<u>289,501,486,795</u>

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

14 OWNERS' CAPITAL

(a) Number of shares

	31.12.2024 Ordinary shares	31.12.2023 Ordinary Shares
Number of shares registered	379,779,286	379,779,286
Number of shares issued	379,779,286	379,779,286
Number of shares repurchased	(873)	(873)
Number of existing shares in circulation	379,778,413	379,778,413

(b) Details of owners' shareholding

	31.12.2024		31.12.2023	
	Ordinary shares	%	Ordinary shares	%
Mr. Dao Huu Huyen	69,794,354	18,378	69,794,354	18,378
Ms. Ngo Thi Ngoc Lan	25,205,068	6,637	25,205,068	6,637
Mr. Dao Huu Kha	22,667,148	5,969	22,667,148	5,969
Other shareholders	262,111,843	69,015	262,111,843	69,015
Treasury shares	873	0,001	873	0,001
Number of shares issued	379,779,286	100	379,779,286	100

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG
THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

Mẫu số B 09a - DN

OWNERS' CAPITAL (CONTINUED)
(c) Movement of share capital

	Number of shares	Ordinary shares VND	Treasury shares VND	Total VND
As at 1 January 2023	379,779,286	3,797,792,860,000	(8,730,000)	3,797,784,130,000
As at 31 December 2023	379,779,286	3,797,792,860,000	(8,730,000)	3,797,784,130,000
As at 31 December 2024	379,779,286	3,797,792,860,000	(8,730,000)	3,797,784,130,000

Par value per share: VND 10,000.

CÔNG TY CỔ PHẦN TẬP ĐOÀN HÓA CHẤT ĐỨC GIANG

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO KỶ NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

Mẫu số B 09a – DN

15 MOVEMENTS IN OWNERS' EQUITY

	Owners' Capital VND	Share premium VND	Treasury shares VND	Investment and development funds VND	Undistributed Earnings VND	Total VND
As at 1 January 2023	3,797,792,860,000	1,786,667,372,400	(8,730,000)	597,813,550,169	229,964,281,056	6,412,229,333,625
Net profit for the year	-	-	-	-	2,093,952,489,195	2,093,952,489,195
Appropriation to investment and development funds	-	-	-	272,222,282,033	(272,222,282,033)	-
Utilisation development investment fund in the year	-	-	-	(4,258,703,213)	-	(4,258,703,213)
Appropriation to bonus and welfare funds (Note 13)	-	-	-	-	(303,084,941,815)	(303,084,941,815)
Cash dividend distribution	-	-	-	-	(1,519,113,652,000)	(1,519,113,652,000)
As at 31 December 2023	3,797,792,860,000	1,786,667,372,400	(8,730,000)	865,777,128,989	229,495,894,403	6,679,724,525,792
Net profit for the year	-	-	-	-	711,005,297,572	711,005,297,572
Appropriation to investment and development funds (*)	-	-	-	437,358,864,119	(437,358,864,119)	-
Utilisation development investment fund in the year	-	-	-	(2,549,299,462)	-	(1,050,234,775)
Appropriation to bonus and welfare funds (Note13) (*)	-	-	-	-	(185,349,203,277)	(185,349,203,277)
Cash dividend distribution	-	-	-	-	(1,139,335,239,000)	(1,139,335,239,000)
As at 31 December 2024	3,797,792,860,000	1,786,667,372,400	(8,730,000)	1,300,586,693,646	317,793,124,579	7,204,330,385,312

(*) Appropriation of 2023 profit was conducted in accordance with the Resolution of the Annual General Meeting of Shareholders No. 01/2024/NQ-DHDCD of Duc Giang Chemicals Group Joint Stock Company dated 29 March 2024

(**) Company make an advance dividend of 30% according to Board of Directors resolution No. 13/2024/NQ-HĐQT dated 23 October 2024.

**THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024**

16 OFF BALANCE SHEET ITEMS

Foreign currencies

As at 31 December 2024, included in cash and cash equivalents were balances held in currencies other than VND of USD 635,70 (as at 31 December 2023: USD 431).

17 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2024 VND	2023 VND
Revenue		
Revenue from sales of merchandise	3,189,484,620	3,891,562,692
Revenue from sales of finished goods	587,282,083,961	563,967,011,036
Revenue from rendering of services	81,975,657,678	90,626,330,371
	<u>672,447,226,259</u>	<u>658,484,904,099</u>
Sales deductions		
Sales rebates	-	-
	<u>-</u>	<u>-</u>
Net revenue from sales of goods and rendering of services		
Net revenue from sales of merchandise	3,189,484,620	3,891,562,692
Net revenue from sales of finished goods	587,282,083,961	563,967,011,036
Net revenue from rendering of services	81,975,657,678	90,626,330,371
	<u>672,447,226,259</u>	<u>658,484,904,099</u>

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

18 COST OF GOODS SOLD AND SERVICES RENDERED

	2024 VND	2023 VND
Cost of merchandise sold	2,970,364,759	3,527,537,706
Cost of finished goods sold	328,360,942,076	335,212,851,555
Cost of services rendered	71,208,436,746	74,225,870,648
	<u>402,539,743,581</u>	<u>412,966,259,909</u>

19 FINANCIAL INCOME

	2024 VND	2023 VND
Dividends and profits are distributed	3,001,912,780,112	1,878,720,126,000
Interest income from deposits	125,573,449,053	133,971,555,354
Realised foreign exchange gains	11,021,171	154,231
	<u>3,127,497,250,336</u>	<u>2,012,691,835,585</u>

20 SELLING EXPENSES

	2024 VND	2023 VND
Staff costs	12,400,622,527	10,502,933,340
Outsourcing service costs	60,865,639,236	59,042,312,908
Depreciation and amortisation	629,176,618	641,980,892
Others	1,384,131,140	764,648,252
	<u>43,343,428,392</u>	<u>70,951,875,392</u>

21 GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Staff costs	23,960,798,182	21,094,753,057
Depreciation and amortisation	6,815,852,478	6,687,638,912
External services	6,720,818,184	5,184,332,113
Others	6,633,852,761	4,915,597,003
	<u>44,131,321,605</u>	<u>37,882,321,085</u>

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

22 CORPORATE INCOME TAX (“CIT”)

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

	2024 VND	2023 VND
Accounting profit before tax	3,279,131,770,159	2,149,732,697,657
Tax calculated at a rate of 20%	655,826,354,032	429,946,539,531
Effect of:		
Tax reduction, exemption (*)	(600,382,556,022)	(375,744,025,200)
Expenses not deductible for tax purposes	3,212,283,430	1,576,508,945
Shortage provision of the previous year	2,694,072,533	1,185,185
CIT charge (**)	<u>61,350,153,972</u>	<u>55,780,208,462</u>
Charged/(credited) to the separate income statement for IV quarter:		
CIT - current	61,350,153,972	55,780,208,462
CIT - deferred	-	-
CIT charge (**)	<u>61,350,153,972</u>	<u>55,780,208,462</u>

(*) Non-taxable income related to dividends and profits distributed during the year (Note 19).

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

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

23 SEGMENT REPORTING

The Board of Management of the Company determines that the managerial decisions of the Company are based primarily on the type of products and services 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)

Segment reports according to the Company's business fields are as follows:

	From 1.1.2024 to 31.12.2024		
	Sales of goods VND	Service rendered VND	Total VND
Net revenue from external sales	590,471,568,581	81,975,657,678	672,447,226,259
Total depreciation and amortisation of fixed assets and allocation of long-term prepaid expenses	61,758,173,456	8,573,938,451	70,332,111,907
Total amount of significant non-cash expenses other than depreciation and amortisation (*)	(*)	(*)	3,127,497,250,336
Net operating profit/(loss)	(*)	(*)	2,149,079,943,531
Total expense incurred for purchases of fixed assets	257,396,320,802	2,588,036,249	257,396,320,802
	As at 31.12.2024		
	Sales of goods VND	Service rendered VND	Total VND
Segment assets	364,336,112,465	50,581,084,720	414,917,197,185
Unallocated assets (**)	(**)	(**)	8,540,115,523,671
Total assets	(**)	(**)	8,955,032,720,856
Segment liabilities	117,816,318,422	3,051,385,791	120,867,704,213
Unallocated liabilities (**)	(**)	(**)	263,892,616,540
Total liabilities	(**)	(**)	384,760,320,753

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

23 SEGMENT REPORTING (CONTINUED)

Secondary segment report (geographical segments)

	From 1.1.2024 to 31.12.2024		
	Sales of goods VND	Service rendered VND	Total VND
Net revenue from external sales	567,858,573,728	90,626,330,371	658,484,904,099
Total depreciation and amortisation of fixed assets and allocation of long-term prepaid expenses	(58,950,944,092)	(9,408,166,016)	(68,359,110,108)
Total amount of significant non- cash expenses other than depreciation and amortisation (*)	(*)	(*)	2,012,691,835,585
Net operating profit/(loss)	(*)	(*)	2,149,079,943,531
Total expense incurred for purchases of fixed assets	8,551,614,076	5,611,709,092	14,163,323,168
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
	As at 31.12.2023		
	Sales of goods VND	Service rendered VND	Total VND
Segment assets	392,691,029,328	62,670,792,701	455,361,822,029
Unallocated assets (**)	(**)	(**)	7,721,156,132,342
Total assets	(**)	(**)	8,176,517,954,371
Segment liabilities	64,745,162,250	2,832,885,791	67,578,048,041
Unallocated liabilities (**)	(**)	(**)	1,429,215,380,538
Total liabilities	(**)	(**)	1,496,793,428,579
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

(*) Total amount of significant non-cash expenses other than depreciation and amortisation mainly includes results from financial revenue and financial expenses incurred during the period.

(**) Unallocated assets mainly includes cash, savings deposits and investments in subsidiaries. Unallocated debt is mainly related to bonus and welfare funds and dividends payable.

Secondary segment report (geographical segments)

The Company does not present segment reports by geographical area because the Company's revenue mainly comes from domestic customers and the Company only operates in one geographical area, the territory of Vietnam.

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

24 ADDITIONAL INFORMATION ON CERTAIN ITEMS OF THE SEPARATE STATEMENT OF CASH FLOW FOR IV QUARTER.

	2024 VND	2023 VND
Rolled over interest income	33,398,282,192	18,999,069,999
Contribute capital to subsidiaries with assets (Note 26(a))	248,573,710,000	-

25 RELATED PARTY DISCLOSURES

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

Related parties	Relationship
Duc Giang Lao Cai Chemicals Limited Company	Subsidiary
Duc Giang - Dinh Vu Chemicals One Member Company Limited	Subsidiary
Duc Giang Nghi Son Chemicals Company Limited	Subsidiary
Duc Giang Chemicals Sport One Member Company Limited	Subsidiary
Duc Giang Land One Member Company Limited	Subsidiary
Duc Giang - Dak Nong Chemical Limited Company	Subsidiary
Tia Sang Battery Joint Stock Company	Subsidiary
Vietnam Apatite - Phosphorus Joint Stock Company	Subsidiary
Phosphorus 6 One Member Limited Company	Subsidiary
Van Minh Company Limited	Under common control of the Company's Chairman
Member of the Board of Directors ("BOD"), Board of Management, Board of Supervision ("BOS"), Chief Accountant and other related individuals	Key management / Share holders

(a) Related party transactions

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

	2024 VND	2023 VND
i) Duc Giang Lao Cai Chemicals Limited Company		
Purchases of goods and services	4,311,957,316	1,990,266,895
Sales of goods and rendering services	423,016,210,799	289,032,559,283
Profits are distributed	3,000,000,000,000	860,000,000,000
Allocate bonus and welfare funds (Note 13)	190,000,000,000	-
ii) Vietnam Apatite - Phosphorus Joint Stock Company		
Sales of goods and rendering services	5,312,201,638	396,228,864
Purchases of goods and services	1,245,151,200	409,003,000

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

25 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions (continued)

	2024 VND	2023 VND
iii) Duc Giang - Dinh Vu Chemicals One Member Company Limited		
Sales of goods and rendering services	5,963,434	3,534,151
Profits are distributed	-	7,000,000,000
	<u>5,963,434</u>	<u>7,000,000,000</u>
iv) Duc Giang - Dak Nong Chemical Limited Company		
Sales of goods and rendering services	1,219,548,806	108,170,690
Purchases of goods and services	1,130,000	-
Purchases of assets	227,554,169	-
Contribute capital with assets	248,573,710,000	-
Contribute capital in cash	51,426,290,000	-
	<u>1,219,548,806</u>	<u>108,170,690</u>
v) Duc Giang Chemicals Sport One Member Company Limited		
Sales of goods and rendering services	2,649,041	11,192,946
	<u>2,649,041</u>	<u>11,192,946</u>
vi) Tia Sang Battery Joint Stock Company		
Sales of goods and rendering services	1,279,809,391	30,644,821
Purchases of goods and services	201,214,460	10,270,400
Dividends are distributed	1,912,780,112	1,720,126,000
	<u>1,279,809,391</u>	<u>30,644,821</u>
vii) Van Minh Company Limited		
Purchases of goods and services	107,693,903,313	46,285,951,117
Sales of goods and rendering services	42,922,077,498	24,658,921,691
	<u>107,693,903,313</u>	<u>46,285,951,117</u>

THUYẾT MINH BÁO CÁO TÀI CHÍNH RIÊNG QUÝ IV
CHO NĂM TÀI CHÍNH KẾT THÚC NGÀY 31 THÁNG 12 NĂM 2024

25 RELATED PARTY DISCLOSURES (CONTINUED)

(b) Period/year-end balances with related parties

	31.12.2024 VND	31.12.2023 VND
i) Short-term trade accounts receivable (Note 5)		
Duc Giang Lao Cai Chemicals Limited Company	10,164,246,113	13,568,525,458
Vietnam Apatite - Phosphorus Joint Stock Company	460,268,509	-
Tia Sang Battery Joint Stock Company	108,838,704	131,247,792
Duc Giang - Dak Nong Chemical Limited Company	944,160,528	-
	<u>11,677,513,854</u>	<u>13,699,773,250</u>
ii) Short-term trade accounts payable (Note 10)		
Van Minh Company Limited	2,457,715,184	3,751,565,250
Vietnam Apatite - Phosphorus Joint Stock Company	-	38,610,000
Tia Sang Battery Joint Stock Company	32,854,032	-
	<u>2,490,569,216</u>	<u>3,790,175,250</u>
iii) Other short-term payables		
Dividends payable to the Board of Directors, Board of Supervisors, Board of General Directors, Chief Accountant and related individuals of these members	-	251,462,193,000
	<u>-</u>	<u>251,462,193,000</u>

The separate financial statements for the year ended 31 December 2024 were approved by the Board of Management of the Company on 01 January 2025.

Hoang Thuy Ha
Preparer

Dao Thi Mai
Chief Accountant



Dao Huu Duy Anh
General Director
Legal Representative