

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

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

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DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

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 (23rd) to the Enterprise Registration Certificate was issued on 26 December 2024.

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 (from 29 March 2024)
Mr. Nguyen Van Quang	Independent member (to 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

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

STATEMENT OF THE BOARD OF MANAGEMENT

Responsibility of the Board of Management in respect of the separate financial statements.

The Board of Management of Duc Giang Chemicals Group Joint Stock Company (“the Company”) is responsible for preparing separate financial statements which give a true and fair view of the separate financial position of the Company as at 31 December 2024, and the results of its separate financial performance and its separate cash flows for the year then ended. In preparing these separate 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 separate 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 separate financial position of the Company and enable separate financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the separate 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 separate financial statements

We hereby, approve the accompanying separate financial statements as set out on pages 5 to 39 which give a true and fair view of the separate financial position of the Company as at 31 December 2024 and of the results of its separate financial performance and its 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 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 financial performance and consolidated cash flows of the Group.

On behalf of the Board of Management



Dao Huu Duy Anh
General Director
Legal Representative

Hanoi, SR Vietnam
26 February 2025



**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS AND BOARD OF DIRECTORS OF
DUC GIANG CHEMICALS COMPANY JOINT STOCK COMPANY**

We have audited the accompanying separate financial statements of Duc Giang Chemicals Company Joint Stock Company ("the Company") which were prepared on 31 December 2024 and approved by the Board of Management of the Company on 26 February 2025. The separate financial statements comprise the separate balance sheet as at 31 December 2024, the separate income statement, the separate cash flow statement for the year then ended, and explanatory notes to the separate financial statements including significant accounting policies, as set out on pages 5 to 39.

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 separate 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 separate financial statements, and for such internal controls which the Board of Management determines is necessary to enable the preparation and presentation of separate 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 separate 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 separate 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 separate financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control of the Company relevant to preparation and true and fair presentation of the separate 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 separate 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 separate financial statements present fairly, in all material respects, the separate financial position of the Company as at 31 December 2024, its separate financial performance and its separate 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 separate 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 Thế
Audit Practising License:
2043-2023-006-1
Authorised Representative

Report reference number: HAN 3887
Hanoi, 26 February 2025

Nguyen Van Nam
Audit Practising License:
5082-2024-006-1

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

Form B 01 – DN

SEPARATE BALANCE SHEET

Code	ASSETS	Note	As at 31 December	
			2024 VND	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	LONG-TERM ASSETS		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	TOTAL ASSETS		8,955,032,720,856	8,176,517,954,371

The notes on pages 9 to 39 are an integral part of these separate financial statements.

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

Form B 01 – DN

SEPARATE BALANCE SHEET
(CONTINUED)

Code	RESOURCES	Note	As at 31 December	
			2024 VND	2023 VND
300	LIABILITIES		384,760,320,753	1,496,793,428,579
310	Short-term liabilities		384,760,320,753	1,496,793,428,579
311	Short-term trade accounts payable	10	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	11	91,110,444,896	28,814,807,554
314	Payables to employees		18,354,883,183	25,852,155,999
319	Other short-term payables	12	3,316,883,039	1,142,546,779,534
322	Bonus and welfare fund	13	263,627,119,292	289,501,486,795
400	OWNERS' EQUITY		8,570,272,400,103	6,679,724,525,792
410	Capital and reserves		8,570,272,400,103	6,679,724,525,792
411	Owners' capital	14,15	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	15	1,786,667,372,400	1,786,667,372,400
415	Treasury shares	14,15	(8,730,000)	(8,730,000)
418	Investment and development fund	15	1,300,586,693,646	865,777,128,989
421	Undistributed earnings	15	1,685,234,204,057	229,495,894,403
421a	- Undistributed post-tax profits of previous years		-	-
421b	- Undistributed post-tax profit of current year		1,685,234,204,057	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
26 February 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

DUC GIANG CHEMICALS GROUP JOINT STOCK COMPANY

Form B 02 – DN

SEPARATE INCOME STATEMENT

Code	Note	For the year ended 31 December	
		2024 VND	2023 VND
01	Revenue from sales of goods and rendering of services	672,447,226,259	658,484,904,099
02	Less deductions	-	-
10	Net revenue from sales of goods and rendering of services	672,447,226,259	658,484,904,099
11	Cost of goods sold and services rendered	(402,539,743,718)	(412,966,259,909)
20	Gross profit from sales of goods and rendering of services	269,907,482,541	245,518,644,190
21	Financial income	3,127,497,250,336	2,012,691,835,585
22	Financial expenses	(61,876,817)	(296,339,767)
25	Selling expenses	(75,279,569,521)	(70,951,875,392)
26	General and administration expenses	(44,131,321,605)	(37,882,321,085)
30	Net operating profit	3,277,931,964,934	2,149,079,943,531
31	Other income	1,788,153,319	652,754,126
32	Other expenses	(588,348,231)	-
40	Net other income	1,199,805,088	652,754,126
50	Accounting profit before tax	3,279,131,770,022	2,149,732,697,657
51	Corporate income tax ("CIT") - current	(61,350,153,972)	(55,780,208,462)
52	CIT - deferred	-	-
60	Profit after tax	3,217,781,616,050	2,093,952,489,195

Hoang Thuy Ha
Preparer

Dao Thi Mai
Chief Accountant



Dao Huu Duy Anh
General Director
Legal Representative
26 February 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

SEPARATE CASH FLOW STATEMENT
(Indirect method)

Code	Note	For the year ended 31 December	
		2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		3,279,131,770,022	2,149,732,697,657
	Adjustments for:		
02	Depreciation and amortisation of fixed assets	37,639,706,133	37,357,428,475
04	Unrealised foreign exchange 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	189,348,045,325	173,918,288,836
09	Decrease in receivables	8,708,543,446	4,375,157,373
10	Increase in inventories	(12,602,196,483)	(10,935,134,375)
11	Decrease in payables	(11,361,496,043)	(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 (outflows)/inflows from operating activities	(55,754,538,618)	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, saving deposits at banks	(2,702,335,917,808)	(1,770,900,000,000)
24	Collection of loans, saving deposits at banks	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 inflows 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	(2,234,431,048,350)	(1,519,113,652,000)
40	Net cash outflows from financing activities	(2,234,431,048,350)	(1,519,113,652,000)
50	Net decrease in cash and cash equivalents of year	(948,092,230,276)	27,218,254,164
60	Cash and cash equivalents at beginning of year	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 year	5,494,085,885	953,586,361,543

Hoang Thuy Ha
Preparer

Dao Thi Mai
Chief AccountantDao Huu Duy Anh
General Director
Legal Representative
26 February 2025

The notes on pages 9 to 39 are an integral part of these separate financial statements.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 (23rd) to the Enterprise Registration Certificate was issued on 26 December 2024.

The Company's shares are listed on the Ho Chi Minh City Stock Exchange (“HOSE”) 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), seven (07) direct subsidiaries and one (01) indirect subsidiary. The details are as follows:

Subsidiaries	Principal activities	Place of incorporation and operation	As at 31.12.2024 and 31.12.2023	
			% of ownership	% 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%

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 (<i>direct subsidiary of Duc Giang Lao Cai Chemicals Limited Company</i>)	Industrial manufacturing	Bao Thang District, Lao Cai	51%	51%

(*) Duc Giang Lao Cai Chemicals Limited Company acquired 100% shareholding of Phosphorus 6 One Member Limited Company on 10 July 2023 which was merged to Duc Giang Lao Cai Chemicals Limited Company since 01 December 2024.

As at 31 December 2024, the Company had 325 employees (as at 31 December 2023: 317 employees).

Disclosure of information comparability in the separate financial statements

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of the separate financial statements

The 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 separate financial statements. The separate financial statements have been prepared under the historical cost convention.

The accompanying 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.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.1 Basis of preparation of the separate financial statements (continued)**

Separately, the Company has also prepared consolidated 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 consolidated 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 separate financial statements of the Company should read them together with the consolidated financial statements of the Group for the year ended 31 December 2024 in order to obtain full information of the consolidated financial position and consolidated results of consolidated financial performance and consolidated cash flows of the Group.

The separate financial statements in the Vietnamese language are the official statutory separate financial statements of the Company. The separate 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 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 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 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 separate income statement.

Monetary assets and liabilities denominated in foreign currencies at the separate balance sheet date are translated at the transfer rate at the separate balance sheet date of the commercial bank where the Company 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 separate 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.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****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 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 short-term and long-term receivables on the separate balance sheet based on the remaining period from the 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 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**(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 term deposits with terms of more than three months and other held-to-maturity investments. Those investments are initially accounted for at cost. Subsequently, the Board of Management 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 the remaining period from the separate balance sheet date to the maturity date.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.8 Investments (continued)****(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. Dividends/profits received from subsidiaries in cash or non-monetary assets for the period before the investment date are accounted for as a reduction in the value of the investment in the subsidiary. Dividends/profits distributed in cash or non-monetary assets for the period after the investment date are accounted for in the financial income of the year at the date of entitlement. Dividends/profits received from subsidiaries will be determined in the period before the investment date based on the notification of dividend/profit sources from the subsidiary, or based on the reduction between the remaining undistributed profits after dividend/profit distribution of the subsidiary compared to the undistributed profits at the date of investment in the subsidiary according to the Company's separate monitoring information. 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 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 separate income statement when incurred in the year.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 separate 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).

Land use rights comprise of land use rights granted by the State for which land use fees are collected, land use rights acquired in a legitimate transfer, and prepaid land use rights obtained under land rental contracts which are effective before the effective date of land law 2003 (ie. 1 July 2004) and which land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consist of its purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

Indefinite land use rights are stated at costs and not amortised.

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 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.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 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 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 prepaid 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 separate balance sheet based on the remaining period from the 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 separate balance sheet based on the remaining period from the separate balance sheet date to the maturity date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 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 separate income statement when incurred.

2.14 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.

2.15 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 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 year 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.

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 bought 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.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.17 Appropriation of profit**

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

Net profit after CIT/BIT could be distributed to shareholders after approval at a 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 after CIT and subject to shareholders approval at the General Meeting of shareholders. This fund is presented as a liability on the 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 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 separate income statement when all five (5) 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.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****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 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 Company;
- The percentage of completion of the transaction at the separate 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 in the income statement on the basis of the actual time and interest rates for each period 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.

(d) Dividends and distributable profits income

Income from dividends/distributable 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.

Dividends and profits from subsidiaries distributed from the after-tax profits of subsidiaries established after the investment date are accounted for in financial income in the fiscal year. Dividends and profits distributed from the after-tax profits of subsidiaries established before the investment date are accounted for as a reduction in the value of the Company's investment in subsidiaries (Note 2.8(b)).

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

2.19 Sales deductions

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

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

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****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 year 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 year for financial activities including 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 year taxable profits at the current year tax rates. Current and deferred income tax are 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 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 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.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****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 Company 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. The Board of Management of the Company has determined that the business's risk and profitability are primarily influenced by differences in the types of products and services the Company provides. As a result, the primary segment reporting of the Company is presented in respect of the Company's business segments.

2.27 Critical accounting estimates

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

The areas involving significant estimates and assumptions in the 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.

NOTES TO THE SEPARATE 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	384,382,805	813,531,145
Cash at banks	5,109,703,080	5,272,830,398
Cash equivalents (*)	-	947,500,000,000
	<u>5,494,085,885</u>	<u>953,586,361,543</u>

(*) As at 31 December 2024, the balance of cash equivalent was nil. As at 31 December 2023, the balance of cash equivalents 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	<u>3,449,668,736,986</u>	<u>3,449,668,736,986</u>	<u>1,982,617,069,999</u>	<u>1,982,617,069,999</u>

The year-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 (As at 31 December 2023: 4.3% to 9.2% per annum).

As at 31 December 2024, the Company's term deposits with amount of VND 143 billion were used as collaterals for the subsidiaries' bank loans (as at 31 December 2023: VND 170 billion).

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

4 INVESTMENTS HELD TO MATURITY

(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	147,930,836,000	-	134,857,878,400	151,371,088,000	-
	<u>5,084,952,700,800</u>	<u>147,930,836,000</u>	<u>-</u>	<u>4,784,952,700,800</u>	<u>151,371,088,000</u>	<u>-</u>

(*) As at 31 December 2024 and 31 December 2023, the Company had not determined the fair value of these investments for disclosure in the separate financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

(**) The fair value of this investment is determined by referencing the closing prices (as of the end of the fiscal year or the date of the most recent transaction closest to the end of the fiscal year) of the company's shares listed on the Hanoi Stock Exchange ("HNX").

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 26(b))	11,677,513,854	13,699,773,250
	<u>15,438,980,702</u>	<u>17,309,890,089</u>

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/QD-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 (Note 28).

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>

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

8 LONG-TERM PREPAID EXPENSES

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

- (i) 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).
- (ii) This is a one-time payment 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.

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

9 FIXED ASSETS

(a) Tangible fixed assets

	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
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 year	(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 100,294,148,852 (as at 31 December 2023: VND 87,943,262,230).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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 and 31 December 2023 were VND 265,000,000.

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 26(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 Trading Company Limited	<u>1,474,046,850</u>	<u>855,900,790</u>

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

11 TAXES AND PAYABLES TO THE STATE

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

	As at 1.1.2024 VND	Payable during the year VND	Payment during the year VND	As at 31.12.2024 VND
VAT on domestic sales	193,291,108	20,054,374,890	(18,364,169,426)	1,883,496,572
VAT on importation	-	4,636,491,896	(4,636,491,896)	-
Import, export tax	-	106,619,768	(106,619,768)	-
CIT	25,908,852,409	61,350,153,972	(43,602,924,942)	43,656,081,439
Personal income tax	1,513,782,517	93,522,048,525	(50,504,037,699)	44,531,793,343
Natural resource taxes and mineral exploitation rights fees	456,960,000	32,859,990,434	(32,858,822,772)	458,127,662
Others	741,921,520	22,296,073,772	(22,457,049,412)	580,945,880
	<u>28,814,807,554</u>	<u>234,825,753,257</u>	<u>(172,530,115,915)</u>	<u>91,110,444,896</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 1.1.2023 to 31.12.2023 VND
Beginning of year	289,501,486,795	21,995,741,233
Increase in year (Note 15)	185,349,203,277	303,084,941,815
Transfer of funds to subsidiaries (Note 26(a))	(190,000,000,000)	-
Utilisation in year	(21,223,570,780)	(35,579,196,253)
End of year	<u>263,627,119,292</u>	<u>289,501,486,795</u>

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

(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.

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

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	-	-	-	-	(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	-	-	-	-	3,217,781,616,050	3,217,781,616,050
Appropriation to investment and development funds (*)	-	-	-	437,358,864,119	(437,358,864,119)	-
Utilisation of investment and development funds in the year	-	-	-	(2,549,299,462)	-	(2,549,299,462)
Appropriation to bonus and welfare funds (Note 13) (*)	-	-	-	-	(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	1,685,234,204,057	8,570,272,400,103

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

(**) The Company distributed a cash dividend in accordance with the Resolution of the Board of Directors No. 13/2024/NQ-HĐQT dated 23 October 2024 amounting to VND 1,139,335,239,000.

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

16 OFF SEPARATE 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 635.7 (as at 31 December 2023: USD 431).

Payment guarantee

As of 31 December 2024, the Company has issued payment guarantees for the loans of its subsidiaries as follows:

- Duc Giang Lao Cai Chemicals Limited Company with the amount of VND 1,660 billion (as of 31 December 2023: VND 1,859 billion and USD 5 million); and
- Vietnam Apatite - Phosphorus Joint Stock Company with the amount of VND 200 billion with banks (as of 31 December 2023: VND 225 billion).

17 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	2024 VND	2023 VND
Revenue from sales of goods and services		
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>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 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	328,360,942,213	335,212,851,555
Cost of services rendered	71,208,436,746	74,225,870,648
	<u>402,539,743,718</u>	<u>412,966,259,909</u>

19 FINANCIAL INCOME

	2024 VND	2023 VND
Dividends income	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
Transportation	53,876,727,210	53,597,418,665
Depreciation and amortisation	629,176,618	641,980,892
Others	8,373,043,166	6,209,542,495
	<u>75,279,569,521</u>	<u>70,951,875,392</u>

21 GENERAL AND ADMINISTRATION EXPENSES

	2024 VND	2023 VND
Staff costs	23,853,178,028	21,094,753,057
Depreciation and amortisation	6,815,852,478	6,687,638,912
Land rent, taxes, fees, charges	6,518,422,481	5,184,332,113
Others	6,943,868,618	4,915,597,003
	<u>44,131,321,605</u>	<u>37,882,321,085</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**22 CORPORATE INCOME TAX (“CIT”)**

The CIT on the Company’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	3,279,131,770,022	2,149,732,697,657
Tax calculated at a rate of 20%	655,826,354,004	429,946,539,531
Effect of:		
Tax reduction, exemption (*)	(600,382,556,022)	(375,744,025,200)
Expenses not deductible for tax purposes	3,212,283,457	1,576,508,945
Provision for shortage from the previous year	2,694,072,533	1,185,186
CIT charge (**)	<u>61,350,153,972</u>	<u>55,780,208,462</u>
Charged/(credited) to the separate income statement:		
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 shared during the year (Note 19).

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

23 COSTS OF OPERATION BY FACTOR

Costs of operation by factor represent expenses incurred during the year from the Company's production and business activities, excluding the purchase price of goods incurred in trading activities. Details are presented as follows:

	2024 VND	2023 VND
Raw materials	209,061,605,167	220,655,479,837
External services	134,992,762,129	132,119,210,274
Staff costs	92,566,062,261	94,437,445,636
Depreciation and amortisation of fixed assets	37,639,706,133	37,357,428,475
Others	51,335,837,419	46,647,948,395
	<u>525,595,973,109</u>	<u>531,217,512,617</u>

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

24 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 information based on the business activities of the Company is as follows:

	For the financial year ended 31.12.2024		
	Sales of goods VND	Rendering of services VND	Total VND
Net revenue from external sales of goods and rendering of services	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	57,052,190,192	7,920,602,891	64,972,793,083
Unallocated net income (*)	(*)	(*)	3,127,497,250,336
Net operating profit/(loss)	(*)	(*)	3,277,931,964,934
Total expense incurred for purchases of fixed assets	252,711,030,802	2,588,036,249	255,299,067,051
	As at 31.12.2024		
	Sales of goods VND	Rendering of services 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

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

24 SEGMENT REPORTING (CONTINUED)

Primary segment report (business segments) (continued)

	For the year ended 31.12.2023		
	Sales of goods VND	Rendering of services VND	Total VND
Net revenue from external sales of goods and rendering of services	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)
Unallocated net income (*)	(*)	(*)	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
	As at 31.12.2023		
	Sales of goods VND	Rendering of services 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

(*) Unallocated net income mainly includes the results from financial activity revenue and financial expenses incurred during the year.

(**) Unallocated segment assets primarily include cash, savings deposits, and investments in subsidiaries. Unallocated segment liabilities mainly relate to the reward and welfare fund and dividends payable.

Secondary segment report (geographical segments)

The Company does not present segment reporting by geographical area because its revenue primarily comes from domestic customers, and the Company operates in one geographical area that is Vietnam.

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

26 RELATED PARTY DISCLOSURES (CONTINUED)

(a) Related party transactions (continued)

	2024 VND	2023 VND
vii) <i>Van Minh Company Limited</i>		
Purchases of goods and services	107,693,903,313	99,232,040,885
Sales of goods and services	42,922,077,498	42,261,038,619
	<u>150,615,980,811</u>	<u>141,493,079,504</u>
viii) <i>Compensation of key management</i>		
Mr. Dao Huu Huyen – Chairman of the BOD	357,608,000	386,608,000
Mr. Dao Huu Duy Anh – Member of the BOD/ General Director	2,481,565,092	2,324,575,041
Mr. Pham Van Hung – Member of the BOD/ Deputy General Director	96,000,000	96,000,000
Mr. Luu Bach Dat – Member of the BOD/ Deputy General Director	96,000,000	96,000,000
Mr. Nguyen Van Quang – Independent member of the BOD	24,000,000	256,000,000
Ms. Nguyen Thi Thu Ha – Independent member of the BOD	72,000,000	-
Mr. Nguyen Van Kien – Head of BOS	811,267,934	790,451,612
Mr. Vu Van Ngo – Member of BOS	72,000,000	92,000,000
Mrs. Pham Thi Thoa – Member of BOS	432,328,697	401,592,486
Mrs. Dao Thi Mai – Chief Accountant	1,916,176,837	1,843,062,047
	<u>6,358,946,560</u>	<u>6,286,289,186</u>

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

26 RELATED PARTY DISCLOSURES (CONTINUED)

(b) Year-end balances with related parties

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

27 COMMITMENTS UNDER OPERATING LEASES

Commitments under operating leases represents land rental of the Company. The future minimum lease payments under non-cancellable operating leases were as follows:

	31.12.2024 VND	31.12.2023 VND
Land rental:		
Within one year	4,376,551,228	4,376,551,228
Between one and five years	17,506,204,912	17,506,204,912
Over five years	103,724,264,104	108,100,815,332
Total minimum payments	<u>125,607,020,244</u>	<u>129,983,571,472</u>

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

28 CONTINGENT LIABILITIES

Obligation to rehabilitate and restore the environment - Apatite ore at Mine 25

The Company exploits apatite ore at Mine 25 within 6 years (2021 – 2026) and is obliged to rehabilitate and restore the environment for this ore mine after the mining period. According to Decision 1057/QD-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 mining apatite ore at Mine 25 is VND 8,005,545,000. This amount will be deposited in six instalments from 2021 to 2026 into the Environmental Protection Fund of Lao Cai Province to guarantee the fulfilment of the Company's obligation to rehabilitate and restore the environment (Note 6(b)).

Land restoration obligations

The Company signed land lease contracts and carried out the construction of building and infrastructure on these leased lands. Most of these land lease contracts do not state the Company's land restoration obligations. The Board of Management of the Company assessed that the Company may have future obligations related to dismantling, removing the Company's assets from the lands and restoring the lands to their original conditions at the end of the lease terms, and these obligations can only be ascertained when there are further events such as additional discussions with the lessors or when the competent authority promulgates additional legal documents clarifying the lessee's obligations when the land lease contract does not state the land restoration obligations. Accordingly, the Company did not recognise a provision for leased land restoration obligations in the Company's separate financial statements for the year ended 31 December 2024.

The separate financial statements for the year ended 31 December 2024 were approved by the Board of Management of the Company on 26 February 2025.



Hoang Thuy Ha
Preparer



Dao Thi Mai
Chief Accountant



Dao Huu Duy Anh
General Director
Legal Representative