

No.:320/BC-SCL

Hai Duong, March 18, 2025

**ANNUAL REPORT**  
**For the year 2024**

To: - The State Securities Commission;  
- The Hanoi Stock Exchange.

**I. General information**

1. General information

- Trading name: Song Da Cao Cuong Joint Stock Company
- Business Registration Certificate No.: 0800376530
- Charter capital: VND 186,608,950,000.
- Owner's capital: VND 186,608,950,000.
- Address: Km 28+100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong Province, Vietnam.
- Telephone: 02203.580.414
- Số fax/Fax:
- Website: [www.songdacaocuong.vn](http://www.songdacaocuong.vn)
- Securities code (if any): SCL
- Establishment and development process

Song Da Cao Cuong Joint Stock Company (the Company) was formerly known as Song Da 12 - Cao Cuong Joint Stock Company, established and operating under Business Registration Certificate No. 0800376530 issued by the Hai Dupng Department of Planning and Investment for the first time on April 17, 2007, and amended for the 16th time on January 2, 2024. The Company's initial charter capital was VND 30 billion, with its primary business focus being the production of fly ash. In October 2007, the Company conducted a private placement of 2,000,000 shares, increasing its charter capital to VND 50,000,000,000. In the same year, the Company began constructing its first fly ash production plant, laying the foundation for subsequent development.



- In 2008, The Company received the WIPO Award - Vietnam Science and Technology Creativity Award for its fly ash production technology line. It was the first company in Vietnam to research, design, manufacture, install, guide operations, conduct trial runs, train, and transfer technology for a fly ash production line using wet separation and synchronized drying technology from waste ash and slag of the Pha Lai Thermal Power Plant. This modern technology ensures high productivity, quality, efficiency, and environmental protection. The current capacity for processing thermal power plant ash and slag to produce fly ash exceeds 1,000,000 tons/year. In August 2008, the Company conducted another private placement of 1,000,000 shares, raising its charter capital to VND 60,000,000,000.

- In 2009: The fly ash processing line was granted a copyright certificate by the Copyright Office of Vietnam and received a commendation from the Prime Minister.

- In 2010: On April 22, 2010, the Company officially changed its name to Song Da Cao Cuong Joint Stock Company. On September 15, 2010, its shares were officially listed on the Hanoi Stock Exchange with an initial listing of 9,000,000 shares. In terms of production, the Company began constructing a lightweight autoclaved aerated concrete (AAC) block plant and a dry-mixed mortar plant, expanding its business scope and scale.

- In 2011: The Company successfully invested in and operationalized an AAC lightweight block plant with a capacity of 200,000 m<sup>3</sup>/year, one of the largest in Vietnam, pioneering the production of lightweight concrete block to replace traditionally fired bricks. This aligns with the national plan for developing non-fired construction materials. Notably, the Company uses processed ash and slag from the Phả Lại Thermal Power Plant as raw materials, contributing to waste management from thermal power plants.

- In 2012: The Company inaugurated a dry-mixed mortar plant, producing tile adhesives and grouts; this facility has since been upgraded, achieving a capacity of approximately 1,300,000 tons/year.

- In 2013: The Company received the National Green Environment Award and became a member of the Vietnam Green Building Council.

- In 2014: The Company was certified as a Science and Technology Enterprise.

- From 2016 to 2019: The Company underwent several changes in its governance structure, reorganized its management framework, and prepared resources and plans to meet the requirements for sustainable development and operational optimization.



- In 2020: The Company's shares were delisted from the Hanoi Stock Exchange on May 8, 2020, and officially began trading on the UPCoM market of the Hanoi Stock Exchange.

- From 2022 to 2024: The Company was among the capable entities winning bids to process ash and slag at the Vinh Tân thermal power cluster in Binh Thuan. Currently, the factory complex project there has been substantially completed and is awaiting environmental permits to commence operations.

- In 2024: The Company was awarded a certificate of commendation by the Vietnam Association for Building Materials for outstanding achievements in implementing circular economy practices, investing in green building material production, contributing to the modern and sustainable development of Vietnam's building materials industry, and actively participating in activities to strengthen the association.

- Other events:

The Company has undertaken numerous national-level research projects, designing, manufacturing, installing, and operating technology lines for processing ash, slag, and gypsum from coal-fired thermal power plants and chemical fertilizer plants to produce building materials.

## 2. Business lines and locations of the business:

- Business lines: The Company's primary business is the production of building materials. Key products include fly ash, autoclaved aerated concrete (AAC) products (lightweight AAC block, ALC panel), dry-mixed mortar, tile adhesives, grouts, etc.
- Location of business:
  - + Domestic market: The Company primarily operates in northern Vietnam provinces.
  - + Export market: Fly ash has been supplied to the Nam Sam 3 Hydropower Project in Laos and exported to other Southeast Asian countries. Other building materials such as AAC lightweight block, ALC panel, and dry-mixed mortar have been exported to the Philippines market.

## 3. Information about governance model, business organization and managerial apparatus

- Governance model: General Meeting of Shareholders, Board of Directors, Board of Supervisors, and General Director.
- Management structure:



+ Board of Management: Includes the General Director and Deputy General Director.

+ Functional Departments: Finance and Accounting Department; Organizational and Administrative Department; Technical Department; Technology Department; Sales Department.

+ Production Complex: Pha Lai Fly Ash Plant; Mortar Production Plant; Tile Adhesive Plant; AAC Concrete Plant; Equipment Manufacturing Plant; Factory Offices; Laboratory.

+ Vinh Tan Ash and Slag Processing Project Management Board: Project management, construction, and operation team; Vinh Tan Fly Ash, Dry Mortar, and Tile Adhesive Plants

- Subsidiaries, associated companies:

+ Dinh Vu Gypsum Joint Stock Company: Address: Lot GI-7, Dinh Vu Economic Zone, Dong Hai 2 Ward, Hai An District, Hai Phong City. Main business sector: Gypsum production. Contributed Capital: VND 21,191,600,000 accounting for 16.38% of the company's total charter capital. Due to underperformance, on January 15, 2024, the Board of Directors of Song Da Cao Cuong approved the complete withdrawal of capital from this company. As of December 31, 2024, Dinh Vu Gypsum Joint Stock Company is no longer an associated company of Song Da Cao Cuong Joint Stock Company.

+ Vinh Tan Concrete Joint Stock Company: Address : Vinh Phuc Village, Vinh Tan Commune, Tuy Phong District, Binh Thuan Province. Main business sector: Production of concrete and cement- and gypsum-based products. Contributed Capital: VND 1,200,000,000 accounting for 48% of the company's total charter capital. Due to difficulties in project implementation, on June 21, 2024, the General Meeting of Shareholders of Vinh Tan Concrete approved its dissolution. The dissolution was completed on December 27, 2024. As of December 31, 2024, Vinh Tan Concrete Joint Stock Company is no longer an a associated company of Song Da Cao Cuong Joint Stock Company.

+ Pha Lai People's Credit Fund: Address: Km 28+500, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong Province. Main business sector: Monetary, credit, and banking services. Contributed Capital: VND 800,450,000 accounting for 9.95% of the fund's total charter capital.

#### 4. Development orientations

- Main objectives of the Company.



Ensure rapid, stable, and sustainable growth, becoming a leading enterprise in technology for producing high-quality building materials from industrial waste; continuously enhance the Company's reputation and brand, achieve high profits, preserve and grow shareholders' capital, meet the targets set by the General Meeting of Shareholders, ensure stock value, shareholder dividends, and employee income.

- Development strategies in medium and long term.

+ Continue to promote production and business in new building materials and additives for concrete and cement, ensuring sustainable growth, expanding the domestic market, meeting increasing customer and societal demands for quality, quantity, pricing, variety, size, design, and style of products in line with contemporary trends and market preferences. Expand exports globally, focusing on building materials and new products while seizing opportunities for high profitability, ensuring shareholder benefits, employee welfare, and contributing to business development.

+ Enhance and expand production of products and equipment, transfer technology in fly ash, AAC lightweight block, dry-mixed mortar, tile adhesives, and environmental processing; strive to become Vietnam's leading company in fly ash and AAC lightweight block production, mortar, and other non-fired material projects to meet market demands and align with Vietnam's building materials development strategy and the government's non-fired material program.

+ Develop and implement a project to establish a factory for manufacturing and supplying equipment and transferring technology in fly ash production, AAC lightweight blocks, aerated concrete, precast concrete components, dry-mixed mortar, environmental processing, and factory structures.

+ Strengthen joint ventures and cooperation with domestic and international organizations, individuals, and research institutes to expand investment and business scale, both in depth and breadth, particularly in technology and new building materials.

+ Focus on recruiting and attracting talent, enhancing on-site training to improve management skills, expertise, and technical proficiency of staff, and reorganizing labor allocation rationally.

- Corporate objectives with regard to Corporate environment, society and community Sustainability.

Over its 18-year journey, the Company has consistently pursued sustainable development goals, prioritizing environmental, social, and community responsibilities.



+ Environment: The Company pioneers the circular economy model, utilizing waste from coal-fired thermal power plants and chemical fertilizer plants to produce green building materials. Continuous investment in modern technology and closed-loop production processes not only reduces ash and slag waste released into the environment but also cuts greenhouse gas emissions compared to traditional methods, conserving finite mineral resources. The Company's products are certified as green, meeting stringent environmental standards amid worsening climate change. It aims for Net Zero by 2050, contributing to a green future.

+ Society and Community: The Company emphasizes stable job creation for local workers, ensuring a safe and healthy work environment and improving the material and spiritual well-being of employees. It actively collaborates with local authorities in social welfare activities, such as supporting the poor, honoring national contributors, and participating in meaningful community programs.

+ Short-Term Goals: Complete and operationalize Phase 1 of the ash and slag processing and new building materials production plant in Tuy Phong District, Binh Thuan Province (ash and slag separation line) as soon as possible to address the backlog of ash and slag at the Vinh Tan Thermal Power Center while meeting the demand for green materials in southern markets.

+ Medium-Term Goals: Increase total ash and slag processing capacity to 2 million tons/year with the combined operations of plants in Hai Duong and Binh Thuan, while expanding the domestic and international market for green products. These programs reinforce the Company's position in the building materials industry and demonstrate its commitment to a sustainable future for the environment and community.

## 5. Risks

- Economic and market risks: The emergence of new competitors in the non-fired building materials market increases competition, pressuring price reductions and profit margins. A downturn in the construction and real estate sectors due to economic recession reduces product consumption, impacting revenue and profits. The Company's products depend on construction project progress and civil construction development. Limited adoption of non-fired materials in residential construction poses challenges to AAC block sales. The Company's raw material supply relies on waste from coal-fired thermal power plants and chemical fertilizer plants; any reduction in their output or shift to alternative technologies could disrupt raw material supply, affecting production.



- Environmental and natural disaster risks: The Company faces risks from natural disasters and extreme weather events such as storms, floods, and droughts, which could damage raw material warehouses, equipment, and production infrastructure. Climate change-induced high summer temperatures affect machinery efficiency, increasing operating costs.

- Pandemic risks: Outbreaks like the global COVID-19 pandemic disrupt supply chains, reduce labor productivity, increase costs for health and safety measures, and limit raw material and product transportation. Prolonged pandemics reduce construction activities, affecting the Company's consumption output.

- Technical and technological risks: The technology for processing waste into green building materials is complex; equipment failures or inadequate maintenance can interrupt production. Failure to timely invest in and upgrade technology may cause the Company to lose its competitive edge to peers with more advanced systems. Additionally, raw materials from diverse sources may vary in quality, potentially affecting product consistency and the Company's reputation.

- Financial risks: Building a closed-loop circular economy and green technology requires significant capital. Poor cash flow management or difficulties in raising funds could lead to financial instability.

To achieve its business and sustainable development goals, the Company needs a comprehensive risk management strategy, combining technological investment, legal compliance, and flexible adaptation to factors impacting operations.

## **II. Operations in the Year**

### **1. Situation of production and business operations**

- Results of business operations in the year:

- + Total income: VND 431.1 billion.

- + Total costs: VND 397.5 billion.

- + Profit before tax: VND 33.6 billion.

- + Profit after tax: VND 26.6 billion.

- Implementation situation/actual progress against the plan

- + Total revenue in 2024 reached 89% of 2023's revenue and 105% of the 2024 adjusted plan.

- + Total costs in 2024 were 93% of 2023's costs.

- + Profit before tax in 2024 was 60% of 2023's profit before tax and 106% of the 2024 adjusted plan.



+ Profit after tax in 2024 was 61% of 2023's profit after tax and 105% of the 2024 adjusted plan. The Company's 2024 after-tax profit decreased compared to 2023 mainly due to the following main reasons:

In 2024, the real estate market continued to face significant difficulties in 2024 and had not yet recovered as expected. As a company primarily engaged in building material production, it was inevitably affected by industry-wide challenges. The Company's total revenue in 2024 reach VND 431.1 billion (decreased by 11% compared to 2023), mainly due to lower market demand, delays, and extended timelines for large construction projects. This led to a sharp decline in product sales volume. The Company also faced fierce competition from industry peers, forcing it to reduce selling prices multiple times to maintain market share.

In 2024, the Company also faced difficulties due to rising costs of raw materials (such as electricity, cement, and labor ...), further pressured the Company's profit margins, while it was unable to increase product selling prices accordingly. The Company was also affected by Typhoon No. 3, which caused damages and forced a temporary halt in factory operations for repairs and recovery. Additionally, bank loans for project investments led to increased financial costs, while those projects had not yet been put into operational use. The above reasons lead to a decrease in the Company's after-tax profit in 2024 compared to 2023.

## 2. Organization and Human resource

### - List of the Board of Management

#### + **General Director:**

Full name: Vu Van Chien      Gender: Male

Ethnicity: Kinh      Nationality: Vietnam

Expertise: Electrical Automation Engineer

Hometown: Pha Lai, Chi Linh, Hai Duong

Permanent Residence: Pha Lai, Chi Linh, Hai Duong

Shares Owned: 292,680 shares

#### + **Deputy General Director:**

Full name: Pham Van Thu      Gender: Male

Ethnicity: Kinh      Nationality: Vietnam

Expertise: Construction Engineering, Bachelor of Business Administration

Hometown: Pha Lai, Chi Linh, Hai Duong

Permanent Residence: Pha Lai, Chi Linh, Hai Duong



Shares Owned: 58,298 shares

**+ Chief Accountant:**

Full name: Tran Van Hoan      Gender: Male

Ethnicity: Kinh      Nationality: Vietnam

Expertise: Bachelor of Accounting, Chief Accountant Certificate

Hometown: Cong Hoa, Chi Linh, Hai Duong

Permanent Residence: Cong Hoa, Chi Linh, Hai Duong

Shares Owned: 38,880 shares

- Changes in the Board of Management: None

- Number of staffs: As of December 31, 2024, the Company had 336 employees, including: 1 PhD, 3 Masters, 58 university graduates, 26 college graduates, 27 vocational school graduates, 113 technical workers, 108 operational workers; 52 females and 284 males.

**3. Investment activities, project implementation**

**a) Major investments**

The temporary ash and slag separation line at Vinh Tan, Binh Thuan, invested by the Company to process and consume ash and slag from the Vinh Tan thermal power cluster, has been substantially completed. It is currently in the trial operation phase and awaiting environmental permits. Once operational, it will process ash and slag to produce building materials for southern markets and exports.

**b) Subsidiaries, associated companies**

- Dinh Vu Gypsum Joint Stock Company: No longer an associated company as of December 31, 2024.

- Vinh Tan Concrete Joint Stock Company: No longer an associated company as of December 31, 2024.

- Pha Lai People's Credit Fund: Operating normally, profitable, and compliant with regulations.

**4. Financial situation**

**a) Financial situation**

| Indicators  | Year 2023       | Year 2024       | Change (%) |
|-------------|-----------------|-----------------|------------|
| Total asset | 474.333.071.357 | 623.708.701.079 | 31         |
| Net revenue | 473.477.182.250 | 408.377.807.293 | -14        |



|                                 |                |                |     |
|---------------------------------|----------------|----------------|-----|
| Profit from business activities | 55.145.796.775 | 31.184.534.549 | -43 |
| Other profits                   | 564.405.745    | 2.417.892.954  | 328 |
| Profit before tax               | 55.710.202.520 | 33.602.427.503 | -40 |
| Profit after tax                | 43.887.554.527 | 26.566.151.200 | -39 |
| Payout ratio (%)                | 20             | 9 <sup>1</sup> | -55 |

- Other figures:

In 2023, revenue reached VND 473.48 billion (up 40% from 2022), and profit after tax was VND 43.9 billion (up 2.7 times from 2022), driven by cost optimization and market expansion. The Company's products have been supplied to large projects and an expanding distribution system.

In 2024, revenue and profit declined compared to 2023 but exceeded the 2024 adjusted plan.

b) Major financial indicators:

| Indicators                            | Year 2023 | Year 2024 | Note |
|---------------------------------------|-----------|-----------|------|
| 1. Solvency ratio                     |           |           |      |
| + Current ratio:                      | 1,022     | 0,905     |      |
| Short term Asset/Short term debt      |           |           |      |
| + Quick ratio:                        |           |           |      |
| <u>Short term Asset - Inventories</u> | 0,924     | 0,79      |      |
| Short term Debt                       |           |           |      |
| 2. Capital structure Ratio            |           |           |      |
| + Debt/Total assets ratio             | 0,463     | 0,56      |      |
| + Debt/Owner's Equity ratio           | 0,862     | 1,30      |      |
| 3. Operation capability Ratio         |           |           |      |
| + Inventory turnover:                 | 13,763    | 13,29     |      |
| Cost of goods sold/Average inventory  |           |           |      |
| + Total asset turnover:               |           |           |      |
| Net revenue/Average Total Assets      | 0,998     | 0,757     |      |

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<sup>1</sup> Plan to present to the GMS



|   |       |      |  |
|---|-------|------|--|
| 4. Profitability                                    |       |      |  |
| + Profit after tax/Net revenue Ratio                |       |      |  |
| + Profit after tax/total capital Ratio              | 0,093 | 0,07 |  |
| + Profit after tax/Total assets Ratio               | 0,172 | 0,10 |  |
| + Profit after tax/Total assets Ratio               | 0,093 | 0,04 |  |
| + Profit from business activities/Net revenue Ratio | 0,116 | 0,08 |  |

#### 5. Shareholders structure, change in the owner's equity

##### a) Shares:

- Total Outstanding Shares: 18,660,895
- Type: Common shares
- Freely Transferable Shares: 18,660,895
- Restricted Shares: None

##### b) Shareholders structure:

- Major Shareholders: 2 shareholders holding 4,595,721 shares (24.628%); small shareholders holding 14,065,174 shares (75.372%).
- Institutional Shareholders: 2,821,677 shares (15.12%).
- Individual Shareholders: 15,839,218 shares (84.88%).
- Maximum Foreign Ownership: 0%.

##### c) Change in the owner's equity

- The company's initial charter capital was VND 30 billion. In October 2007, the company conducted a private placement of 2,000,000 shares, increasing its charter capital to VND 50 billion.

- In August 2008, the Company continued with a private placement of 1,000,000 shares, raising its charter capital to VND 60 billion.

- In 2009, the Company conducted a public offering of 3,000,000 shares, increasing its charter capital to VND 90 billion.

- In 2015, the Company issued 1,889,973 shares to pay dividends, bringing its charter capital to VND 108.899.730.000.

- In 2016, the Company completed an additional issuance of 3,000,000 shares, increasing its charter capital to VND 138.899.730.000.



- In 2022, the Company issued an additional 3,388,915 shares under an employee stock ownership plan and an offering to existing shareholders, raising its charter capital to VND 172.788.880.000

- In 2023, the Company issued 1,382,007 shares to pay the 2022 dividends, increasing its charter capital to VND 186.608.950.000.

d) Transaction of treasury stocks: None

e) Other securities: None

## 6. Environment-Social-Governance (ESG) Report of the Company

### 6.1. Environmental Impact

Measures and initiatives to reduce GHG emission.

The Company is a leading entity in Vietnam for processing thermal power plant ash and slag waste and providing consultancy, design, manufacturing, and technology transfer for environmental processing lines, particularly for industrial waste from thermal power and chemical fertilizer plants. It continuously improves technology, adjusts material ratios to save resources and electricity, and shortens production time while maintaining product quality.

### 6.2. Management of raw materials:

The Company utilizes waste such as ash, slag, and gypsum from coal-fired thermal power plants and chemical fertilizer plants as input materials.

Waste from AAC block production is reused to produce mortar.

### 6.3. Energy consumption:

a) Energy consumption - directly and indirectly: Electricity and coal.

b) Energy savings through initiatives of efficiently using energy: Reduced emissions through recycling waste materials to produce large volumes of useful products like fly ash and lightweight concrete.

c) The report on energy saving initiatives

The company has been a pioneer in researching and applying fly ash treatment technology to produce non-fired building materials. The reuse of fly ash as a substitute for traditional raw materials such as clay, sand, and stone helps reduce energy consumption during the extraction and production of conventional building materials. Non-fired block production eliminates the need for coal or fossil fuel combustion, significantly reducing electricity and thermal energy consumption.

The company implements a closed-loop circular economy model, maximizing the reuse of all resources, including exhaust gases, wastewater, and fly ash. The



closed production system minimizes energy losses in material transportation and processing. The utilization of exhaust gases and recycled water reduces the need for additional energy from the power grid or fossil fuels.

#### 6.4. Water consumption

The company utilizes recycled water discharged from thermal power plants. After fly ash treatment and sedimentation to clarify the water, it is pumped back into the plant for reuse, thereby eliminating the need for additional water consumption from other sources.

#### 6.5 Compliance with the law on environmental protection

- a) Number of times the company is fined for failing to comply with laws and regulations on environment: None
- b) The total amount to be fined for failing to comply with laws and regulations on the environment: None

#### 6.6. Policies related to employees

- a) Number of employees, average wages of workers: Average workforce in 2024: 314 employees. average wages of workers: VND 13.8 million/month.

- b) Labor policies to ensure health, safety and welfare of workers:

Workplace improvements and technology upgrades to enable workers to operate machinery with minimal manual intervention. Implementation of rest and vacation policies, allowances, and additional benefits for regular workers to enhance their quality of life. Regular health check-ups for employees.

- c) Employee training:

On-site training in production technology, occupational safety, emergency response, and fire prevention. Skill assessments and professional certification exams to evaluate employees' operational and production capabilities, supporting labor classification and appropriate management and training policies.

#### 6.7. Report on responsibility for local community

The community investments and other community development activities, including financial assistance to community service.

The Company creates jobs for local workers, boosting the local economy, and participates in local initiatives such as supporting the poor, honoring contributors, and promoting green environments.

#### 6.8. Report on green capital market activities under the guidance of the SSC



The Company is one of Vietnam's pioneers in the production of environmentally friendly green building materials. It has upgraded and expanded production lines for fly ash, AAC lightweight block, ALC panel, and pre-mixed dry mortar, integrating digital transformation and circular production practices. This reduces energy costs, enhances competitiveness, and aligns with the standards of projects funded by green bonds or green credit sources.

The reuse of fly ash instead of landfill disposal significantly reduces CO<sub>2</sub> emissions associated with conventional material production. The production of non-fired lightweight block and panels as an alternative to traditional fired bricks contributes to Vietnam's Nationally Determined Contribution (NDC) target of reducing 9-27% of greenhouse gas emissions.

The Company is preparing to enter the carbon market by conducting greenhouse gas inventories and registering carbon credits for emission reduction projects. With its current capacity for fly ash treatment and green building material production, the company has the potential to generate a significant amount of carbon credits. Additionally, it is expanding exports to markets in Southeast Asia, the Middle East, and the U.S., opening opportunities to join the global green supply chain, where carbon credits are increasingly required.

### III. Reports and assessments of the Board of Management

#### 1. Assessment of operating results

| No. | Item/Indicator              | Unit     | 2024 Plan | 2024 Actual | % Plan Achievement |
|-----|-----------------------------|----------|-----------|-------------|--------------------|
| I   | <b>LABOR AND SALARY</b>     |          |           |             |                    |
| 1   | Total Employees at Year-End | Persons  |           | 336         |                    |
| 2   | Average Working Employees   | Persons  | 334       | 314         | 94                 |
| 3   | Average Income              | Mil. VND | 13,5      | 13,8        | 102                |
| II  | <b>FINANCIAL PLAN</b>       |          |           |             |                    |
| 1   | Total Revenue               | Bil. VND | 408,96    | 431,07      | 105                |
| 2   | Profit Before Tax           | Bil. VND | 31,59     | 33,60       | 106                |
| 3   | Current Income Tax Expense  | Bil. VND | 6,32      | 7,04        | 111                |
| 4   | Profit After Tax            | Bil. VND | 25,27     | 26,57       | 105                |



|   |                                 |           |       |                |     |
|---|---------------------------------|-----------|-------|----------------|-----|
| 5 | Budget Contribution             | Bil. VND  |       | 12,82          |     |
| 6 | Basic Earnings per Share (Avg.) | VND/Share | 1,693 | 1,801          | 106 |
| 7 | Dividend Payout Ratio           | %         | 10    | 9 <sup>2</sup> | 90  |

Due to the increasing demand for infrastructure and housing construction, especially in major urban areas and industrial zones, despite numerous challenges, the construction materials market in 2024 has experienced stable growth. However, the green construction materials market, including autoclaved aerated concrete AAC block, ALC panel, and ready-mixed dry mortar, while benefiting from sustainability trends and emissions reduction policies, still faces many challenges. The key challenges include: Fierce competition from traditional building materials; High investment costs and the need for advanced technological innovations; Limited consumer awareness of green construction materials; Fluctuations in raw material prices (such as fly ash and cement ...). To achieve the set production and business plan, the Board of Management has made efforts to flexibly adapt to the market, optimized production, invested in digital transformation and energy-saving technology, and promoted green material benefits, surpassing the 2024 plan and reinforcing the Company's leadership in sustainable development.

- The Company's achievements.

In 2024, the Company maintained and signed new export contracts for fly ash, blocks, panels, and mortar, supplying products to major projects and expanding distribution networks.

## 2. Financial Situation

### a) Assets

- Total assets in 2024: VND 623.71 billion (up 31.5% from VND 474.33 billion in 2023).

- Inventory: VND 24.22 billion (up 38.6% from VND 17.47 billion).

- Fixed Assets: VND 259.38 billion (VND up 89% from 137.22 billion).

Asset growth was driven by long-term investments, particularly the Vinh Tan plant, though these have not yet yielded immediate returns, contributing to a 21.7% gross profit drop (from VND 167.71 billion in 2023 to VND 131.40 billion in 2024). Improved debt collection reduced short-term receivables, but bad debts increased.

- Receivables: VND 92.42 billion (down 34.7% from VND 141.47 billion).

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<sup>2</sup> Plan to present to the GMS



- Bad Debts: VND 4.321 billion (up 62% from VND 2.668 billion).

The company has improved its debt recovery, resulting in a significant reduction in short-term receivables compared to 2023. However, as some receivables have become bad debts, the allowance for doubtful short-term receivables has increased considerably compared to 2023.

#### b) Debt Payable:

As of December 31, 2024, the company's debt situation is as follows:

- Total Liabilities: VND 352.25 billion (up 60% from VND 219.63 billion).
- Short-term Loans: VND 203 billion (down 7.6% from VND 219.63 billion).
- Long-term Loans: VND 149.25 billion (up 252.9% from VND 42.289 billion).

- Payables to Suppliers: VND 44.15 billion (up 1.3% from VND 43.6 billion).
- Other Payables: VND 0.86 billion (down 95.5% from VND 19.06 billion).

- Current debt situation, major fluctuations in debt: In 2024, the company's total debt increased significantly, particularly long-term debt, which rose by 252.9%. This sharp increase was primarily due to the company's intensified investment in the Fly Ash Separation Line Project in Vinh Tan, Binh Thuan. Additionally, the Company has expanded its short-term borrowings to finance its business activities and investments, leading to a considerable rise in short-term debt. The increase in total debt has heightened the company's financial pressure, especially as both revenue and profit have declined. However, in general, the company has managed its payables effectively.

- Analysis of bad debts, impacts of the exchange rate changes on operating results of the Company and impacts of lending rate changes:

Overdue Payables: Minimal impact due to stable supplier and cost payables.

Exchange Rate Differences Exchange rate difference: Although exchange rate difference loss is a small factor and does not have a large impact, it still contributes to reducing the Company's profits.

Interest Expense: Interest expenses in 2024 increased significantly compared to 2023. Interest rate differences have had a major impact on the Company's profits. The sharp rise in interest expenses has increased the Company's financial pressure.

### 3. Improvements in organizational structure, policies, and management.

To specialize and improve work efficiency, in 2024, the Company separated the Technical – Technology Department into two independent departments: the



Technical Department and the Technology Department. This restructuring allows each department to focus more effectively on its area of expertise, avoiding overlapping responsibilities. The separation also enhances the Company's research and development capabilities. The Technology Department focuses on developing new products, improving production technology, and participating in scientific research projects. This is a crucial mission for the Company, especially as it positions itself as a leading enterprise in the green building materials industry. Meanwhile, the Technical Department concentrates on providing technical support for projects and production operations, ensuring the stable functioning of machinery and equipment. This structure enables the Company to maintain stable production while simultaneously fostering innovation and increasing market competitiveness.

Recognizing the importance of scientific and technological value in production, in 2024, the Company established the Science and Technology Committee, with key responsibilities including: Researching and applying scientific and technological advancements to the Company's business operations to drive product development, enhance productivity, improve product quality, and reduce costs, thereby increasing overall efficiency. Developing new products and standardizing technical specifications, functionalities, and regulatory compliance for each product type. Conducting market research, providing strategic consulting, and promoting trade activities to align product development with the Company's business objectives. Participating in scientific conferences and seminars both domestically and internationally.

#### 4. Development plans in future

- Regarding production: The Company will continue investing in, constructing, and completing the production of building materials, including masonry mortar, tile adhesive, green cement, precast concrete components, autoclaved aerated concrete (AAC) blocks, autoclaved lightweight concrete (ALC) panels, and rooftop solar power at Vinh Tan, Binh Thuan (Phase 2). Additionally, the Company will invest in supplementary projects for producing ALC panels, mortar, tile adhesive, as well as setting up a concrete mixing plant, a cement-based block and colored roof tile production line, and a plant for grinding branches and leaves to produce wood mulch for fuel in manufacturing. Furthermore, the Company will continue investing in research and development, technological innovation, upgrading production lines, purchasing additional machinery and equipment, and renovating factories and office buildings.

- Regarding the market: The Company aims to maintain and expand the domestic and export markets for dry fly ash, dry mortar, tile adhesive, lightweight



blocks, and ALC panels. It plans to expand its distribution network, strengthen its sales workforce both in quantity and quality, and establish representative offices to facilitate trade and product sales in Southeast Asian countries and beyond.

5. Explanation of the Board of Management for auditor's opinions (if any) - (In case the auditor's opinions are not unqualified: None

6. Assessment Report related to environmental and social responsibilities of the Company

a. Assessment concerning the environmental indicators.

The Company uses wet separation and integrated drying technology to process coal ash from thermal power plants. The wet separation process requires a significant amount of water to wash and separate the coal ash. Additionally, the production of autoclaved aerated concrete AAC and dry-mix mortar also involves water usage for mixing and autoclaving. However, the Company currently utilizes recycled water discharged from the Pha Lai Thermal Power Plant, which, after treatment, is pumped back into the factory for reuse, ensuring that no additional water sources are consumed.

The Company focuses on the production of non-fired building materials, which consume less energy compared to traditional fired bricks.

Each year, the Company processes approximately 2 million tons of slag and ash from thermal power plants to manufacture green building materials, helping to reduce greenhouse gas emissions compared to conventional fired-material production methods.

b. Assessment concerning the labor issues

Employees at the Company are trained to operate modern equipment and optimize production processes, strictly adhering to manufacturing protocols to minimize solid waste and air pollution emissions.

c. Assessment concerning the corporate responsibility for the local community

The Company recycles coal ash from the Phả Lại Thermal Power Plant, which helps reduce landfill waste, addressing a major environmental issue for communities living near thermal power plants.

#### **IV. Assessments of the Board of Directors on the Company's operation (for joint stock companies**

1. Assessments of the Board of Directors on the Company's operation, including the assessment related to environmental and social responsibilities.



- Business Performance:

The Board of Directors (BOD) highly appreciates the positive business results achieved by the Company in 2024, affirming its sustainable growth and competitive capability in the building materials market. The investment strategy in constructing a factory in Vinh Tan, Binh Thuan, along with the continued upgrade of production lines in the North, has created strong momentum for long-term growth.

- Development Strategy:

The BOD positively evaluates the Company's strategic direction in pioneering the production of green building materials and participating in the green capital market. However, the BOD also recognizes the need to accelerate the application of digital transformation technology and prepare for green financial mechanisms such as green bonds and carbon credits to fully leverage global trends.

- Internal Governance:

The Company is moving towards amending its Charter to remove restrictions on foreign investors. The Employee Stock Ownership Plan (ESOP) demonstrates the commitment to aligning the interests of shareholders, management, and employees. The Company consistently maintains a high-quality workforce through training programs focused on green production skills. However, further improvements are needed in enhancing transparency, particularly in financial and environmental reporting, to meet the corporate governance standards of HOSE and the expectations of foreign investors.

- Environmental Responsibility:

The closed-loop circular economy model, which involves wastewater reuse and optimized production lines, serves as proof of the Company's commitment to green manufacturing and environmental protection.

- Social Responsibility:

The Company has made significant contributions by providing stable employment for hundreds of local workers in Hai Duong and Binh Thuan. Additionally, the Company has been actively involved in local activities such as charity initiatives and educational sponsorships.

2. Assessment of Board of Directors on Board of Management's performance.

Under the leadership of the General Director – Mr. Vu Van Chien, the Board of Management has successfully fulfilled its management and operational responsibilities, contributing to the Company's significant achievements and strengthening its position in Vietnam's green building materials industry. The Board



of Management has demonstrated keen market insight, optimized production activities, and expanded market reach. The BOD acknowledges the Board of Management's efforts in overcoming challenges to complete investment procedures and initiate the construction of the factory in Vinh Tan, Binh Thuan.

The Board of Management has played a pivotal role in realizing the Company's sustainable development strategy, especially in positioning the Company as a pioneer in green building material production. The BOD highly appreciates the successful upgrades and capacity expansion of the fly ash processing lines, AAC lightweight block production, and dry-mix mortar manufacturing, aligning with digital transformation and the circular economy model.

The Board of Management has excelled in fulfilling the Company's environmental commitments, a key pillar of the Company's strategy. Under its leadership, the Company processes approximately 2 million tons of slag and ash annually from thermal power plants, reducing landfill waste and greenhouse gas emissions.

Additionally, the Board of Management has made notable contributions to social responsibility by creating stable employment for hundreds of workers in Hai Duong and Binh Thuan.

### 3. Plans and orientations of the Board of Directors.

- Economic Growth and Market Expansion: Increase charter capital through share issuance. The BOD continues to oversee the transition of SCL stock from UPCoM to being listed on the Ho Chi Minh City Stock Exchange (HOSE).

Establish domestic (Da Nang) and international (Singapore, Philippines) representative offices to build a distribution network and expand into domestic and global markets.

- Technology and Green Product Development: Continue Phase 2 investments at the Vinh Tan, Binh Thuan building materials complex to manufacture: Mortar, tile adhesive, green cement, precast concrete components, AAC lightweight blocks, ALC panels, and rooftop solar power systems... In Hai Duong, invest in additional projects for: ALC panel production, mortar, tile adhesive, concrete batching plants, cement-based blocks, colored tiles, and biomass fuel production from shredded leaves and branches.

- Entering the Green Market: Prepare for participation in the carbon market by: Conducting greenhouse gas inventory; Registering carbon credits from emission reduction projects.



- Environmental and Social Responsibility: Continue to provide stable employment for local workers in Hai Duong and Binh Thuan. Improve working conditions by investing in and modernizing production facilities. Enhance participation in local initiatives, including: Charitable activities, educational sponsorships, and infrastructure development support.

## **V. Corporate governance**

### **1. Board of Directors**

#### **a) Members and structure of the Board of Directors:**

##### **- Full name: Kieu Van Mat**

Gender: Male

Date of Birth: August 25, 1969

Place of Birth: Pha Lai, Chi Linh, Hai Duong

ID Number: 030069008716      Issued on: June 3, 2022

Nationality: Vietnam      Ethnicity: Kinh

Permanent Residence: Pha Lai, Chi Linh, Hai Duong

Position in the Company: Chairman of the BOD

Other Positions: Chairman of the BOD of Cao Cuong Industrial Service Joint Stock Company

Shares held: 4,595,721 shares (24.62% of charter capital)

Representative shares for another organization: 2,390,090 shares (Cao Cuong Industrial Service Joint Stock Company)

Direct ownership: 2,205,631 shares

##### **- Full name: Kieu Quang Vong**

Gender: Male

Date of Birth: November 22, 1956

Place of Birth: Pha Lai, Chi Linh, Hai Duong

ID Number: 030056000171      Issued on: June 8, 2022

Nationality: Vietnam      Ethnicity: Kinh

Permanent Residence: Pha Lai, Chi Linh, Hai Duong

Position in the Company: BOD Member

Other Positions: None

Shares Owned: 350,514 shares (1.878% of charter capital)



Representative shares: None     Direct ownership: 350,514 shares

**- Full name: Nguyen Hong Quyen**

Gender: Male

Date of Birth: September 1, 1950

Place of Birth: Hoang Xuyen, Hoang Hoa, Thanh Hoa

ID Number: 038050004296     Issued on: April 11, 2019

Nationality: Vietnam     Ethnicity: Kinh

Permanent Residence: 1BT8, Lideco Urban Area, Tram Troi, Hoai Duc, Hanoi

Position in the Company: BOD Member

Other Positions: None

Shares Owned: 106 shares (0.0006% of charter capital)

Representative shares: None     Direct ownership: 106 shares

**- Full name: Nguyen Anh Dung**

Gender: Male

Date of Birth: May 28, 1975

Place of Birth: Chi Linh, Hai Duong

ID Number: 030075006847     Issued on: July 10, 2021

Nationality: Vietnam     Ethnicity: Kinh

Permanent Residence: 17/126 Kim Hoa, Phuong Lien, Dong Da, Hanoi

Position in the Company: BOD Member

Other Positions: None

Shares Owned: 478,792 shares (2.564% of charter capital)

Representative shares: None     Direct ownership: 478,792 shares

**- Full name: Nguyen Anh Hong**

Gender: Male

Date of Birth: March 23, 1978

Place of Birth: Hai Duong

ID Number: 038078034811     Issued on: December 22, 2021

Nationality: Vietnam     Ethnicity: Kinh

Permanent Residence: Sao Do Ward, Chi Linh City, Chi Linh Province

Position in the Company: BOD Member



Other Positions: Officer at VCB Bank, Chi Linh, Chi Linh

Shares Owned: 602,854 shares (3.231% of charter capital)

Representative shares: None      Direct ownership: 602,854 shares

b) The committees of the Board of Directors:

Board of Directors Secretariat Subcommittee: Participates in Board meetings;

Drafts meeting minutes and resolutions; Updates and provides information to BOD and Board of Supervisors members.

Members:

| No. | Full name          | Position                             |
|-----|--------------------|--------------------------------------|
| 1   | Le Van Duong       | Secretary of the Chairman of the BOD |
| 2   | Bui Thi Thanh Ngan | Company Secretary                    |

c) Activities of the Board of Directors:

The members of the BOD perform their duties in accordance with their assigned responsibilities and legal regulations. The BOD holds regular meetings once per quarter, in addition to extraordinary meetings as required for company management and direction. In 2024, a total of 10 meetings were held, with a 100% approval rate for each meeting. To enhance the efficiency of corporate governance, each board member is assigned to oversee specific operational areas such as production, engineering, investment, finance, and market activities. During each quarterly meeting, members present reports evaluating their assigned governance responsibilities. All members are reimbursed for travel expenses incurred when attending these meetings.

The resolutions of the BOD are formulated collectively, ensuring objectivity and leveraging the collective intelligence of its members.

The BOD has carried out its functions and duties in accordance with the company's Charter and operational regulations.

Additionally, the BOD has effectively amended, supplemented, and issued new policies and regulations in compliance with legal requirements and aligned with the company's practical operations.

- Activities of Non-Executive Board Members: Non-executive BOD members have actively participated in monitoring, providing critical feedback, formulating BOD resolutions, and supporting the executive management team.

d) Activities of the Board of Directors' independent members: None



e) The list of members of the Board of Directors possessing certificates on corporate governance. The list of members of the Board of Directors participating in corporate governance training programs in the year: All members of the Company's BOD have attended corporate governance training courses.

## 2. Board of Supervisors

### a) Members and structure of the Board of Supervisors

#### **- Full name: Dao Xuan Quynh**

Gender: Male

Date of birth: February 14, 1982

Place of birth: Chi Linh, Hai Duong

ID number: 030082004912      Issued on: April 25, 2021

Nationality: Vietnam      Ethnicity: Kinh

Permanent Residence: Pha Lai Ward, Chi Linh City, Hai Duong Province

Position in the company: Head of the Board of Supervisors

Position in other organizations: Chief Accountant of Dinh Vu Gypsum Joint Stock Company

Shares Owned: 42,984 shares, accounting for 0.23% of the company's charter capital, including:

Representative shares: None      Direct ownership: 42,984 shares

#### **- Full name: Nguyen Thi Thu Hoai**

Gender: Female

Date of birth: October 16, 1982

Place of birth: Nhat Tan, Tien Lu, Hung Yen

ID number: 033182004804      Issued on: April 25, 2021

Nationality: Vietnam      Ethnicity: Kinh

Permanent Residence: Pha Lai Ward, Chi Linh City, Hai Duong Province

Position in the company: Member of the Board of Supervisors

Position in other organizations: Employee at Cao Cuong Industrial - Services Joint Stock Company

Shares Owned: 2,160 shares, accounting for 0.012% of the company's charter capital, including:

Representative shares: None      Direct ownership: 2,160 shares



**- Full name: Bui Thi Ve**

Gender: Female

Date of birth: December 23, 1975

Place of birth: Pha Lai Ward, Chi Linh City, Hai Duong Province

ID number: 030175007385      Issued on: April 13, 2020

Nationality: Vietnam      Ethnicity: Kinh

Permanent Residence: Pha Lai Ward, Chi Linh City, Hai Duong Province

Position in the company: Member of the Board of Supervisors

Position in other organizations: Employee at Pha Lai People's Credit Fund

Shares Owned: 1,080 shares, accounting for 0.006% of the company's charter capital, including:

Representative shares: None      Direct ownership: 1,080 shares

**b) Activities of the Board of Supervisors**

The Board of Supervisors members perform their duties as assigned by the Head of the Board of Supervisors and in accordance with legal regulations. Regular meetings are held every six months, with additional extraordinary meetings convened as required to oversee the company's activities in response to shareholder requests or when irregularities are detected. In 2024, the Board of Supervisors held two meetings, achieving a 100% attendance and voting rate. To enhance the effectiveness of corporate supervision, the Board of Supervisors provides quarterly reports on its oversight activities during the Board of Directors' regular meetings.

**3. Transactions, remunerations and benefits of the Board of Directors, Board of Management and Board of Supervisors**

**a) Salary, rewards, remuneration and benefits**

| <b>Full Name</b>    | <b>Position</b>                  | <b>2024 Income<br/>(VND)</b> |
|---------------------|----------------------------------|------------------------------|
| Kieu Van Mat        | Chairman of the BOD (Full-time)  | 1.050.000.000                |
| Nguyen Anh Dung     | Board Member, Specialist         | 266.000.000                  |
| Nguyen Hong Quyen   | BOD Member                       | 138.000.000                  |
| Nguyen Anh Hong     | BOD Member                       | 138.000.000                  |
| Kieu Quang Vong     | BOD Member                       | 376.000.000                  |
| Dao Xuan Quynh      | Head of the Board of Supervisors | 236.000.000                  |
| Nguyen Thi Thu Hoai | Board of Supervisors member      | 83.000.000                   |



|               |                             |               |
|---------------|-----------------------------|---------------|
| Bui Thi Ve    | Board of Supervisors member | 48.000.000    |
| Vu Van Chien  | General Director            | 1.000.000.000 |
| Pham Van Thu  | Deputy General Director     | 547.401.442   |
| Tran Van Hoan | Chief Accountant            | 470.672.596   |

b) Share transactions by internal shareholders

| No. | Transaction executor | Relationship with internal persons         | Number of shares owned at the beginning of the period |            | Number of shares owned at the end of the period |            | Reasons for increasing, decreasing |
|-----|----------------------|--|---|------------|---|------------|------------------------------------|
|     |                      |  | Number of shares                                      | Percentage | Number of shares                                | Percentage |                                    |
| 1   | Kieu Thi Nhung       | Substantial shareholder, Affiliated person | 1,411,166   | 7.56       | 408,766   | 2.19       | Sell                               |
| 2   | Kieu Van Cao         | Affiliated person                          | 21,468  | 0.12       | 221,468   | 1,187      | Buy                                |
| 3   | Kieu Quang Vong      | Member of BOD                              | 50,514  | 0.27       | 350,514   | 1,878      | Buy                                |
| 4   | Nguyen Anh Dung      | Member of BOD                              | 669,492   | 3.59       | 478,792   | 2,564      | Sell                               |
| 5   | Kieu Thi Dung        | Affiliated person                          | 4,789   | 0.026      | 0   | 0          | Sell                               |
| 6   | Kieu Thi Mien        | Affiliated person                          | 10,800  | 0.058      | 800   | 0.004      | Sell                               |

c) Contracts or transactions with internal shareholders

| No. | Name of organization/ individual                    | Relationship with the Company | NSH No. *, date of issue, place of issue                                    | Address  | Time of transactions with the Company | Resolution No. or Decision No. approved by General Meeting of Shareholders/ Board of Directors (if any, specifying date of issue)                 | Content, quantity, total value of transaction  |
|-----|---|-------------------------------|---|--|---------------------------------------|---|--|
| 1   | Cao Cuong Industrial - Services Joint Stock Company | Affiliated person             | 0800263713 on 30/12/2021 at Hai Duong Department of Planning and Investment | Km 28+500m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong Province | August 5, 2024                        | Resolution No. 633/NQ-HĐQT, dated August 5, 2024 of the Board of Directors approving the loan of Cao Cuong Industry - Service Joint Stock Company | Song Da Cao Cuong Joint Stock Company borrowed VND 50,000,000,000 from Cao Cuong Industrial - Services Joint Stock Company |

d) Assessing the implementation of regulations on corporate governance: Well done.



## **VI. Financial statements**

### **1. Auditor's opinions**

The financial statements fairly and accurately reflect, in all material respects, the financial position of Song Da Cao Cuong Joint Stock Company as of December 31, 2024, as well as its business performance and cash flow situation for the fiscal year ended December 31, 2024, in accordance with accounting standards, Vietnamese enterprise accounting regulations, and relevant legal provisions on the preparation and presentation of financial statements.

2. Audited financial statements: Attached.

#### **Recipients:**

- As addressed;
- Office records./

#### **CONFIRMATION BY THE COMPANY'S LEGAL REPRESENTATIVE**

**General Director**



**Vu Van Chien**



SONG DA CAO CUONG JOINT STOCK COMPANY

**FINANCIAL STATEMENTS**  
for fiscal year ended 31/12/2024  
(Audited)



**CONTENTS**

|  | <b>Page</b> |
|--|-------------|
| <b>Report of the Board of General Director</b> | 02-03       |
| <b>Independent Auditors' Report</b>            | 04-05       |
| <b>Audited Financial statements</b>            |             |
| Balance sheet                                  | 06-07       |
| Statement of comprehensive income              | 08          |
| Statement of cash flows                        | 09          |
| Notes to the financial statements              | 10-30       |



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**REPORT OF THE BOARD OF GENERAL DIRECTOR**

The Board of General Directors of Song Da Cao Cuong Joint stock company (the "Company") presents its report and the Company's Financial statements for fiscal year ended 31/12/2024.

**Company**

Song Da Cao Cuong Joint stock company.

**Business Registration Certificate No.**

No. 0800376530, registered for the first time on 17/04/2007, registered for the sixteenth time on 02/01/2024, Issued by the Department of Planning and Investment of Hai Duong Province.

**Head office**

Km28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong .

**Board of management**

The Board of Management in the fiscal year and to the reporting date are:

|                       |          |
|-----------------------|----------|
| Mr. Kieu Van Mat      | Chairman |
| Mr. Nguyen Hong Quyen | Member   |
| Mr. Nguyen Anh Dung   | Member   |
| Mr. Nguyen Anh Hong   | Member   |
| Mr. Kieu Quang Vong   | Member   |

**Board of General Director and Chief Accountant**

The Board of General Directors in the fiscal year and to the reporting date are:

|                   |                         |
|-------------------|-------------------------|
| Mr. Vu Van Chien  | General Director        |
| Mr. Pham Van Thu  | Deputy General Director |
| Mr. Tran Van Hoan | Chief Accountant        |

**Board of Supervision**

The members of the Board of Supervision in the fiscal year and to the reporting date are:

|                          |                           |
|--------------------------|---------------------------|
| Mr. Dao Xuan Quynh       | Head of Supervisory board |
| Mrs. Bui Thi Ve          | Member                    |
| Mrs. Nguyen Thi Thu Hoai | Member                    |

**Legal representative**

|                  |                  |
|------------------|------------------|
| Mr. Vu Van Chien | General Director |
|------------------|------------------|

**Auditors**

Vietnam Auditing and Valuation Company Limited (AVA).



### Responsibilities of The Board of General Director for Financial statements

The Board of General Directors is responsible for the Financial statements of each financial year which give a true and fair view of the state of affairs of the Company and of its operation results and cash flows for the period. In preparing those Financial statements, the Board of General Directors is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the financial position of Company and to ensure that the accounting records comply with the registered accounting system. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

We, the Board of General Directors, confirm that Financial statements as at 31/12/2024 prepared by us, give a true and fair view of the financial position, its operation result for the accounting period ended at the same day accordance with the Vietnamese Accounting System and comply with relevant statutory requirements.

The Board of Directors of the Company commits that the Company complies with Decree 155/2020/ND-CP dated 31/12/2020 detailing the implementation of a number of articles of the Securities Law and the Company does not violate the obligation to disclose information as prescribed in Circular No. 96/2020/TT-BTC dated 16/11/2020 of the Ministry of Finance guiding the disclosure of information on the Stock market.

Hai Duong, 21/02/2025

On behalf of the Board of General Directors

General Director



Vu Van Chien





No.: 161/BCKT-TC/AVA.NV5

## INDEPENDENT AUDITOR'S REPORT

**To: Shareholders, Board of Management, Board of Supervision and Board of General Director  
Song Da Cao Cuong Joint Stock Company**

We have audited the Financial statements of Song Da Cao Cuong Joint stock company, prepared on 21/02/2025, as set out on pages 06 to 30, including Statement of financial position as at 31/12/2024, Statement of comprehensive income, Statement of cash flows for fiscal year ended 31/12/2024 and Notes to financial statements.

### **Board of General Director' Responsibility**

The Board of General Director is responsible for the preparation of Financial statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of financial statements and for such internal control as management determines is necessary to enable the preparation of Financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards, ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial statements are free from material misstatement.

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

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



### Auditor's opinion

In our opinion, the Financial statements give a true and fair view, in all material respects, of the financial position of Song Da Cao Cuong Joint stock company as at 31/12/2024, and of the results of its operations and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of financial statements.

### Other issues

The Company's financial statements for the fiscal year ended 31/12/2023 have been audited by auditors and other Auditing Firms. The Auditor has issued a full acceptance opinion on this Financial Statement on March 25, 2024.



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Nguyen Viet Long  
Vice General Director  
Registration certificate  
0692-2023-126-1  
Ha Noi, 26/02/2025

A blue ink signature of Bui Xuan Nguyen.

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Bui Xuan Nguyen  
Auditor  
Registration certificate  
4029-2023-126-1



## BALANCE SHEET

As at 31/12/2024

Unit: VND

| ITEMS   | Code       | Note        | 31/12/2024             | 01/01/2024             |
|---|------------|-------------|------------------------|------------------------|
| <b>A. CURRENT ASSETS</b>  | <b>100</b> |             | <b>183.695.368.379</b> | <b>164.272.754.967</b> |
| <b>I. Cash and cash equivalents</b>                                 | <b>110</b> | <b>V.1</b>  | <b>47.440.866.194</b>  | <b>6.209.854.889</b>   |
| 1. Cash   | 111        |             | 42.440.866.194         | 6.209.854.889          |
| 2. Cash equivalents   | 112        |             | 5.000.000.000          | -                      |
| <b>II. Short-term accounts receivable</b>                           | <b>130</b> |             | <b>92.417.417.293</b>  | <b>123.066.735.671</b> |
| 1. Short-term trade receivables                                     | 131        | V.3         | 78.072.868.218         | 107.634.366.756        |
| 2. Short-term advances to suppliers                                 | 132        | V.4         | 15.250.513.028         | 17.488.804.548         |
| 3. Other receivables  | 136        | V.5         | 3.415.124.612          | 611.568.291            |
| 4. Provisions for short-term bad debts (*)                          | 137        | V.6         | (4.321.088.565)        | (2.668.003.924)        |
| <b>III. Inventories</b>   | <b>140</b> | <b>V.7</b>  | <b>24.222.975.062</b>  | <b>17.467.624.083</b>  |
| 1. Inventories  | 141        |             | 24.222.975.062         | 17.467.624.083         |
| <b>IV. Other current assets</b>                                     | <b>150</b> |             | <b>19.614.109.830</b>  | <b>17.528.540.324</b>  |
| 1. Short-term prepaid expenses                                      | 151        | V.8         | 3.665.674.667          | 2.457.024.747          |
| 2. VAT deductible   | 152        |             | 15.500.244.781         | 14.609.950.419         |
| 3. Taxes and other receivables from the State                       | 153        | V.12        | 448.190.382            | 461.565.158            |
| <b>B. NON - CURRENT ASSETS</b>                                      | <b>200</b> |             | <b>440.013.332.700</b> | <b>291.652.997.050</b> |
| <b>I. Fixed assets</b>  | <b>220</b> |             | <b>259.376.176.858</b> | <b>137.217.254.223</b> |
| 1. Tangible fixed assets  | 221        | V.9         | 259.376.176.858        | 137.217.254.223        |
| - Cost  | 222        |             | 410.548.206.557        | 268.274.892.167        |
| - Accumulated depreciation (*)                                      | 223        |             | (151.172.029.699)      | (131.057.637.944)      |
| <b>II. Long-term assets in progress</b>                             | <b>240</b> | <b>V.10</b> | <b>173.377.630.254</b> | <b>124.039.827.283</b> |
| 1. Construction in progress   | 242        |             | 173.377.630.254        | 124.039.827.283        |
| <b>III. Long-term financial investments</b>                         | <b>250</b> | <b>V.2</b>  | <b>800.450.000</b>     | <b>21.710.530.370</b>  |
| 1. Investments in joint-ventures, associates                        | 252        |             | -                      | 1.200.000.000          |
| 2. Equity investments in other entities                             | 253        |             | 800.450.000            | 21.992.050.000         |
| 3. Provision for devaluation of long-term financial investments (*) | 254        |             | -                      | (1.481.519.630)        |
| <b>IV. Other long-term assets</b>                                   | <b>260</b> |             | <b>6.459.075.588</b>   | <b>8.685.385.174</b>   |
| 1. Long-term prepaid expenses                                       | 261        | V.8         | 6.459.075.588          | 8.685.385.174          |
| <b>TOTAL ASSETS(270=100+200)</b>                                    |            |             | <b>623.708.701.079</b> | <b>455.925.752.017</b> |

**BALANCE SHEET**

As at 31/12/2024

(Continuous)

Unit: VND

| ITEMS   | Code       | Note | 31/12/2024             | 01/01/2024             |
|---|------------|------|------------------------|------------------------|
| <b>C. LIABILITIES</b>                               | <b>300</b> |      | <b>352.251.184.500</b> | <b>201.380.386.638</b> |
| <b>I. Current liabilities</b>                       | <b>310</b> |      | <b>203.005.253.264</b> | <b>159.091.800.326</b> |
| 1. Short-term Trade payables                        | 311        | V.11 | 44.149.189.699         | 43.604.752.212         |
| 2. Short-term Advances from customers               | 312        |      | 329.355.500            | 169.857.245            |
| 3. Tax payables and statutory obligations           | 313        | V.12 | 7.072.003.039          | 11.845.035.446         |
| 4. Payables to employees                            | 314        |      | 7.319.529.534          | 8.022.967.121          |
| 5. Short-term Accrued expenses                      | 315        | V.13 | 257.533.341            | 162.931.729            |
| 6. Short-term other payables                        | 319        | V.14 | 860.655.008            | 810.490.808            |
| 7. Short-term loans and debts                       | 320        | V.15 | 134.161.150.482        | 89.673.190.050         |
| 8. Bonus and welfare fund                           | 322        |      | 8.855.836.661          | 4.802.575.715          |
| <b>II. Long-term liabilities</b>                    | <b>330</b> |      | <b>149.245.931.236</b> | <b>42.288.586.312</b>  |
| 1. Long-term loans and debts                        | 338        | V.15 | 149.245.931.236        | 42.288.586.312         |
| <b>D. OWNER'S EQUITY</b>                            | <b>400</b> |      | <b>271.457.516.579</b> | <b>254.545.365.379</b> |
| <b>I. Equity</b>                                    | <b>410</b> | V.16 | <b>271.612.460.419</b> | <b>254.700.309.219</b> |
| 1. Contributed capital                              | 411        |      | 186.608.950.000        | 186.608.950.000        |
| - Ordinary shares with voting rights                | 411a       |      | 186.608.950.000        | 186.608.950.000        |
| 2. Share capital surplus                            | 412        |      | 4.804.928.341          | 4.804.928.341          |
| 3. Investment and development fund                  | 418        |      | 15.901.168.560         | 13.707.168.560         |
| 4. Undistributed earnings                           | 421        |      | 64.297.413.518         | 49.579.262.318         |
| - Undistributed profit after tax of previous period | 421a       |      | 37.731.262.318         | 5.691.707.791          |
| - Undistributed profit after tax of current period  | 421b       |      | 26.566.151.200         | 43.887.554.527         |
| <b>II. Other capital and funds</b>                  | <b>430</b> | V.17 | <b>(154.943.840)</b>   | <b>(154.943.840)</b>   |
| 1. Subsidized not-for-profit funds                  | 431        |      | (154.943.840)          | (154.943.840)          |
| <b>TOTAL RESOURCES(440=300+400)</b>                 |            |      | <b>623.708.701.079</b> | <b>455.925.752.017</b> |

Prepared by



Do Thi Ngoc Hoi

Chief Accountant



Tran Van Hoan

Hai Duong, 21/02/2025

General Director



Vu Van Chien



## STATEMENT OF COMPREHENSIVE INCOME

Year 2024

Unit: VND

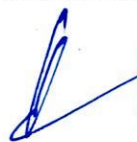
| ITEMS  | Code      | Note  | Year 2024              | Year 2023              |
|--|-----------|-------|------------------------|------------------------|
| 1. Revenue from sale of goods and rendering of services                        | 01        | VI.1  | 427.718.279.682        | 478.963.103.604        |
| 2. Deductible items  | 02        | VI.2  | 19.340.472.389         | 5.485.921.354          |
| <b>3. Net revenue from sale of goods and rendering of services (10=01-02)</b>  | <b>10</b> |       | <b>408.377.807.293</b> | <b>473.477.182.250</b> |
| 4. Cost of sales   | 11        | VI.3  | 276.976.491.453        | 305.766.708.855        |
| <b>5. Gross profit from sale of goods and rendering of services (20=10-11)</b> | <b>20</b> |       | <b>131.401.315.840</b> | <b>167.710.473.395</b> |
| 6. Revenue from financial activities   | 21        | VI.4  | 650.091.135            | 734.997.633            |
| 7. Finance costs   | 22        | VI.5  | 8.376.149.071          | 5.228.189.730          |
| <i>In which: Interest expenses</i>   | 23        |       | 9.310.312.298          | 5.278.063.613          |
| 8. Selling expenses  | 25        | VI.6  | 69.933.491.086         | 85.015.592.584         |
| 9. General Administrative expenses   | 26        | VI.6  | 22.557.232.269         | 23.055.891.939         |
| <b>10. Net profit from operating activities {30=20+(21-22)-(25+26)}</b>        | <b>30</b> |       | <b>31.184.534.549</b>  | <b>55.145.796.775</b>  |
| 11. Other income   | 31        | VI.7  | 2.697.381.883          | 1.984.590.390          |
| 12. Other expense  | 32        | VI.8  | 279.488.929            | 1.420.184.645          |
| <b>13. Other profit (loss) (40=31-32)</b>                                      | <b>40</b> |       | <b>2.417.892.954</b>   | <b>564.405.745</b>     |
| <b>14. Total profit before tax (50=30+40)</b>                                  | <b>50</b> |       | <b>33.602.427.503</b>  | <b>55.710.202.520</b>  |
| 15. Current corporate income tax expenses                                      | 51        | VI.10 | 7.036.276.303          | 11.822.647.993         |
| <b>16. Profit after tax (60=50-51-52)</b>                                      | <b>60</b> |       | <b>26.566.151.200</b>  | <b>43.887.554.527</b>  |
| <b>17. Earnings per Share</b>  | <b>70</b> | VI.11 | <b>1.424</b>           | <b>1.974</b>           |
| <b>18. Diluted earnings per Share</b>  | <b>71</b> | VI.12 | <b>1.184</b>           | <b>1.974</b>           |

Prepared by



Do Thi Ngoc Hoi

Chief Accountant



Tran Van Hoan

Hai Duong, 21/02/2025

General Director



Vu Van Chien

## STATEMENT OF CASH FLOWS

(Indirect method)

Year 2024

Unit: VND

| ITEMS   | Code | Note | Year 2024         | Year 2023         |
|---|------|------|-------------------|-------------------|
| <b>I. Cash flows from operating activities</b>  |      |      |                   |                   |
| 1. Profit before tax  | 01   |      | 33.602.427.503    | 55.710.202.520    |
| 2. Adjustment for   |      |      |                   |                   |
| - Depreciation and amortisation   | 02   |      | 20.114.391.755    | 14.317.728.702    |
| - Provisions  | 03   |      | 171.565.011       | 1.089.706.251     |
| - Gain/loss from unrealized foreign exchange difference                                       | 04   |      | (195.815.177)     | (52.890.068)      |
| - Gain/loss from investment activities  | 05   |      | (133.769.276)     | (516.790.313)     |
| - Interest expense  | 06   |      | 9.310.312.298     | 5.278.063.613     |
| - Other adjustments   | 07   |      | -                 | -                 |
| 3. Profit from operating activities before changes in working capital                         | 08   |      | 62.869.112.114    | 75.826.020.705    |
| - Increase/Decrease in receivables  | 09   |      | 28.902.833.993    | (68.954.454.477)  |
| - Increase/Decrease in inventories  | 10   |      | (6.755.350.979)   | 9.498.718.900     |
| - Increase/Decrease in payables (excluding interest payables/ enterprise income tax payables) | 11   |      | 71.099.638        | 13.350.312.034    |
| - Increase/Decrease in prepaid expenses   | 12   |      | 1.017.659.666     | 89.073.036        |
| - Increase/Decrease in trading securities   | 13   |      | -                 | -                 |
| - Interest expenses paid  | 14   |      | (9.215.710.686)   | (5.270.546.798)   |
| - Corporate Income taxes paid   | 15   |      | (11.822.647.993)  | (3.166.442.898)   |
| - Other expenses on operating activities  | 17   |      | (5.600.739.054)   | (3.838.748.000)   |
| Net cash flows from operating activities  | 20   |      | 59.466.256.699    | 17.533.932.502    |
| <b>II. Cash flows from investing activities</b>   |      |      |                   |                   |
| 1. Purchase of fixed assets and other long-term assets  | 21   |      | (191.611.117.361) | (139.662.135.502) |
| 2. Investments in other entities  | 25   |      | -                 | (150.000)         |
| 3. Investment returns from other entities   | 26   |      | 21.644.855.316    | -                 |
| 4. Interest, dividends and profit received  | 27   |      | 96.994.118        | 516.790.313       |
| Net cash flows from investing activities  | 30   |      | (169.869.267.927) | (139.145.495.189) |
| <b>III. Cash flows from financing activities</b>  |      |      |                   |                   |
| 1. Proceeds from short - term, long - term borrowings   | 33   |      | 440.583.436.375   | 407.354.353.512   |
| 2. Loan repayment   | 34   |      | (289.138.131.019) | (332.492.348.416) |
| 3. Dividends, profit paid to equity owners  | 36   |      | (7.098.000)       | (948.000)         |
| Net cash flows from financing activities  | 40   |      | 151.438.207.356   | 74.861.057.096    |
| Net decrease/increase in cash and cash equivalents  | 50   |      | 41.035.196.128    | (46.750.505.591)  |
| Cash and cash equivalents at beginning of the year  | 60   |      | 6.209.854.889     | 52.907.470.412    |
| Impact of foreign exchange fluctuation  | 61   |      | 195.815.177       | 52.890.068        |
| Cash and cash equivalents at end of the year  | 70   |      | 47.440.866.194    | 6.209.854.889     |

Prepared by



Do Thi Ngoc Hoi

Chief Accountant



Tran Van Hoan

Hai Duong, 21/02/2025

General Director



Vu Van Chien



**NOTES TO THE FINANCIAL STATEMENTS**

Year 2024

**I. Background****1. Forms of Ownership**

Song Da Cao Cuong Joint stock company.

The company operates under Business Registration Certificate No. 0800376530, registered for the first time on 17/04/2007, registered for the sixteenth time on 02/01/2024, Issued by the Department of Planning and Investment of Hai Duong Province.

Head office: Km28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong .

The Company's charter capital: VND 186.608.950.000.

**2. Business field**

Business fields of the Company is Industrial manufacturing.

**3. Business activities**

The main business activities of the company during the period are the production of fly ash, autoclaved aerated concrete (AAC) light bricks, panels, ready-mixed dry mortar, and tile adhesive for the construction materials industry.

**4. The Company's normal business period**

The Company's normal business period is 12 months.

**5. Statement of ability to compare information on Financial Statements**

The financial statements of the Company are prepared to ensure comparability.

**6. Business Structure**

As at 31/12/2024, the Company had 336 employees (as at 01/01/2024, had 319 employees).

**II. Accounting period and accounting monetary unit****1. Accounting period**

Annual accounting period commences from 1<sup>st</sup> January and ends on 31<sup>st</sup> December.

**2. Accounting monetary unit**

Monetary unit used in accounting is Viet Nam Dong (National symbol is "đ"; International symbol is "VND").

**III. Accounting standards and Accounting system****1. Accounting System**

The company applies Enterprise Accounting System issued under Circular No. 200/2014/TT-BTC dated 22 December, 2014 by Minister of Finance on guideline enterprise accounting and Circular No. 53/2016/TT-BTC dated 21 March, 2016 by Ministry of Finance amending and supplementing some articles of Circular No. 200/2014/TT-BTC.

**2. Announcement on compliance with Vietnamese standards and accounting system**

The company applies Vietnamese Accounting Standards and supplement documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplement documents as well as with current accounting system.

**IV. Accounting policies****1. Exchange rates applied in accounting system**

The Company which has transactions in foreign currencies performs accounting records and prepares financial statements in one consistent currency - VND. The conversion of foreign currencies into VND is based on:

- Actual transacted exchange rate;
- Accounting recorded exchange rate.

**2. Recognition of cash and cash equivalents**

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

Funds deposited by other businesses and individuals as collateral or security at the Company are managed and accounted for as the Company's own funds.

When arising transactions in foreign currencies, foreign currencies shall be converted into Vietnam dong under the principle: Debit transactions are applied with actual exchange rates; Credit transactions are applied with weighted average exchange rates in book.

When preparing financial statements, in accordance with the law, balances in foreign currencies are re-evaluated at actual buying exchange rates of the commercial banks, specifically: The actual transaction exchange rate applied when re-evaluating the balance of cash and bank deposits in foreign currency is the foreign currency buying rate of the commercial bank where the Company regularly conducts transactions at the time of preparing the Financial Statements.

**3. Financial investment****Investment in subsidiaries; joint-ventures, associates**

Investments in subsidiaries over which the Company has control rights are stated at original cost. Distributions from accumulated net profits from subsidiaries arising subsequent to the date of acquisition are recognized in the Statement of comprehensive income. Other distributions received (in excess of such profits) are considered a recovery of investment and are deducted to the cost of the investment.

Investments in associates over which the Company has significant influence are stated at original cost. Distributions from accumulated net profits from associates arising subsequent to the date of acquisition are recognized in the Statement of comprehensive income. Other distributions received (in excess of such profits) are considered a recovery of investment and are deducted to the cost of the investment.

Investment in a joint venture entity is accounted by cost method and kept unadjusted thereafter for the post acquisition change in the venture's share of net assets of the joint venture entity. The Statement of comprehensive income reflects the venture's share of the net accumulated profits of the joint venture entity arising as from the contribution date.

Provision for devaluation of investment is made at the end of the year. The level of provision is determined based on the financial statements at the time of provisioning of the economic organization.

**Invest in other company's capital tools**

Investments in other Company's capital instruments are presented at cost.

Provisions for investment devaluation are established at the end of the year, representing the difference between the original cost recorded in the accounting books and their market value at the time the provision is made. Alternatively, the provision amount is determined based on the financial statements at the time the provision is made by the economic organization when the market value cannot be determined.

**4. Receivables**

The classification of receivables into customer receivables, internal receivables, and other receivables is carried out according to the following principles:

Customer receivables include commercial receivables arising from sales transactions, such as: receivables from sales of goods, provision of services, liquidation, and transfer of assets (fixed assets, investment properties, financial investments) between the Company and buyers (who are independent of the seller, including receivables between parent and subsidiary companies, joint ventures, and associates). These receivables also include receivables from export sales of the consignor through the consignee.



Other receivables include non-commercial receivables, not related to sales transactions, such as:

- Receivables generating financial income, such as: receivables from loan interest, deposits, dividends, and distributed profits;
- Payments made on behalf of third parties that are entitled to reimbursement; Receivables from export consignees on behalf of consignors;
- Non-commercial receivables such as asset loans, receivables from fines, compensation, and pending asset shortages...

When preparing financial statements, accountants classify receivables as long-term or short-term based on their remaining maturity. The receivable items on the Balance Sheet may include items reflected in accounts other than receivable accounts, such as: loans reflected in account 1283; deposits and security deposits reflected in account 244, advances reflected in account 141...

Receivables denominated in foreign currencies are revalued at the end of the period when preparing the financial statements. The actual exchange rate used to revalue the receivables denominated in foreign currencies at the time of preparing the financial statements is the exchange rate published by the commercial bank where the enterprise frequently transacts (chosen by the Company when dealing with the debtor).

Provisions for doubtful debts are made for each doubtful receivable according to the regulations in Circular No. 48/2019/TT-BTC issued by the Ministry of Finance on August 8, 2019.

The identification of necessary provision for doubtful debts is based on the items that are classified as short-term, long-term receivables on Balance Sheet. Provision for doubtful debts is made for each one based on the age of overdue debts or the estimated losses that may occur.

## 5. Inventory

### Principles of recognizing inventories

The Company's inventories consist of assets purchased for production or for sale during the normal course of business operations.

For work-in-progress inventory, if the production and turnover time exceeds a normal operating cycle, it is not presented as inventory on the Balance Sheet but is presented as a long-term asset.

Products, goods, materials, and assets held in custody, on consignment, under import-export entrustment, or for processing, etc., that are not owned or controlled by the Company, shall not be reflected as inventory.

Inventories are stated at original cost. Where the net realizable value is lower than cost, inventories should be measured at the net realizable value. The costs of inventories comprise the purchase price, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

### Method of calculating inventories

The cost of inventory at the year-end is calculated by weighted average method.

### Method of accounting inventories

Inventory is recorded by perpetual.

### Method of setting up provision for devaluation of inventories

Provisions for devaluation of inventories made at the end of the year are the excess of original cost of inventory over their net realizable value.

## 6. Fixed assets and depreciation of fixed assets

### Fixed assets

Fixed assets (tangible and intangible) are stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and net book value.

Leased financial fixed assets are recognized at original cost, which is the fair value or present value of the minimum lease payments (excluding VAT) and the initial direct costs incurred related to the leased financial fixed assets. During the usage period, leased financial fixed assets are recorded at original cost, accumulated depreciation, and net book value.

Depreciation of the Company's fixed assets is estimated appropriately and implemented using the straight-line method based on the estimated useful life. Details are as follows:

- |   |               |
|---|---------------|
| - Buildings                                   | 04 - 35 years |
| - Machine, equipment                          | 05 - 25 years |
| - Transportation equipment                    | 06 - 30 years |
| - Other management equipment and fixed assets | 05 years      |

The difference between the net proceeds from the disposal or sale of fixed assets and their net book value is recognized as income or expense in the Statement of Comprehensive Income.



**7. Prepaid expenses**

Prepaid expenses only related to present fiscal year are recognised as short-term prepaid expenses and are recorded into operating costs.

Prepaid expenses incurred during the financial year that relate to the business results of multiple accounting periods are accounted for as long-term prepaid expenses, to be gradually allocated into the business results of subsequent accounting periods.

The calculation and allocation of long-term prepaid expenses to profit and loss account in the period should be based on nature of those expenses to select a reasonable method and allocated factors. Prepaid expenses are allocated partly into operating expenses on a straight-line basis.

**8. Payables**

The classification of payables into trade payables, internal payables, and other payables is carried out according to the following principles:

- Trade payables include commercial payables arising from transactions for the purchase of goods, services, and assets with sellers (who are independent entities from the buyer, including payables between parent and subsidiary companies, joint ventures, and associates). These payables also include payables for imports through consignees (in import consignment transactions);
- (ii) Other payables include non-commercial payables, not related to transactions for the purchase, sale, or provision of goods and services:
- Payables related to financial expenses, such as: payables for loan interest, dividends and payable profits, and payable financial investment operating expenses;
  - Payables due to third parties making payments on behalf; Funds received by consignees from related parties for payments as directed in import-export consignment transactions;
  - Non-commercial payables such as payables for borrowed assets, payables for fines, compensation, pending asset surpluses, payables for social insurance, health insurance, unemployment insurance, trade union fees...

When preparing financial statements, accountants base on the remaining term of payables to classify them as short-term or long-term.

When there are evidences that a loss likely occurs, accountants need to immediately record a payable according to the precautionary principle.

Payables in foreign currencies need to be re-evaluated at the year end when preparing financial statements. Actual transacted exchange rate when re-evaluating payables in foreign currencies at the time of preparing financial statements is the published exchange rate of the commercial bank with which the Company often have transactions (selected by the Company when transacting with payable subjects).

**9. Recognition of borrowings**

Borrowings whose maturity time is over 12 months from the date of financial statements are presented as long-term borrowings and financial lease liabilities. Borrowings whose maturity time is within 12 months from the date of financial statements are presented as short-term borrowings and financial lease liabilities to prepare settlement plan.

Borrowing costs directly related to a loan (excluding interest payable), such as appraisal fees, audit fees, loan application fees, etc., are accounted for as financial expenses. If these costs arise from a specific loan for the purpose of investing in, constructing, or producing a qualifying asset, they are capitalized.

When preparing financial statements, borrowings' balances in foreign currencies are re-evaluated in actual transacted exchange rate at the time of preparing financial statements.

Differences of exchange rate arising from payments and re-evaluation at the year end are recorded into financial incomes or expenses.

**10. Recognition and capitalization of borrowing costs**

Borrowing costs are recognized into operating costs during the period, except for which directly attributable to the acquisition, construction or production of a qualifying asset included (capitalized) in the cost of that asset, when gather sufficient conditions as regulated in VAS No. 16 "Borrowing costs".

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset that takes more than 12 months to put into use under certified purposes or for sale should be included (capitalized) in the cost of that asset, including interest on borrowings, amortization of discounts or premiums relating to issuing bonds and ancillary costs incurred in connection with the arrangement of borrowings.

For specific loans used for the construction of fixed assets or investment properties, interest expenses are capitalized even if the construction period is less than 12 months.



**11. Accrued expenses**

Payables for goods and services that are already received from suppliers or already supplied to buyers in the reported period but not actually paid due to shortage of bills or accounting files and documents are recognized as operating expenses of the reported period.

Recognizing accrued expenses into operating expenses in the period needs to be performed according to the matching principle between revenues and expenses incurred in the period.

Accrued expenses shall be balanced with actual incurred expenses. The difference between accrued and actual expenses shall be reversed.

**12. Owner's equity****Principles of recognizing owner's equity, share premium, convertible bonds and other owner's equity**

Owner's equity is stated at actually contributed capital of owners.

**Recognition Undistributed profit**

Profit after tax retained is the profit of business operations after deduction (-) regulated items due to applying a change in accounting retrospectively or to make a retrospective restatement to correct materiality in previous years. The profit is available for appropriation to investors after approval by Board of Management and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

**13. Revenue****Sale of goods**

Revenue from sale of goods should be recognized when all the following conditions have been satisfied:

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

**Rendering of services**

When the outcome of a transaction involving the rendering of services can be estimated reliable, revenue associate with the transaction shall be recognised by reference to the stage of completion of the transaction at the end of reporting period. The outcome of a transaction can be estimated reliable when all the following conditions are satisfied:

- The amount of the revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The stage of the completion of the transaction at the end of the reporting period can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliable.

The stage of the completion of the transaction may be determined by surveys of work completed methods.

**Financial income**

Revenue arising from the used by the others of entity assets yielding interest, royalties and dividends shall be recognised when:

- It is probable that the economic benefits associated with the transaction will flow to the entity;
- The amount of the revenue can be measured reliably.

Dividends shall be recognised when the shareholder's right to receive payment is established.

**Other revenues**

Recognition of other revenues beside the entity's business activities includes:

- Revenue from liquidation of fixed assets;
- Revenue from fines paid by customers for breaching contracts;
- Revenue from the third party's compensation for a loss of property (e.g. insurance compensation, compensation for relocating business office and other similar revenues);
- Collection of bad debts which have been written off;
- Revenue from payables which is not identified;
- Other revenues than those listed above.

**14. Cost of goods sold**

Reflecting the cost value of products, goods and services sold in the period.

The provision for devaluation of inventories is included in the cost of goods sold on the basis of the number of inventories and the difference between the net realizable value is less than the cost of inventories.

As for the value of inventory shrinkage and loss, accountants immediately count towards cost of goods sold (after deducting the compensation, if any).

As for the cost of direct materials consumed in excess of normal level, labour cost, fixed general operation unallocated to the value of products stocked, accountants immediately count them towards in cost of goods sold (after deducting the compensation, if any) even if the products and goods have not been determined to be consumed.

Import duties, special consumption taxes and environmental protection taxes have been included in the value of purchased goods, and when the goods are sold, those taxes are refunded, the decrease of the cost of goods sold is recorded.

As for costs of goods sold unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income tax payable.

**15. Financial expenses**

Reflecting financial expenses including expenses or losses related to financial investment activities, expenses of lending and borrowing equity, expenses of contributing in joint ventures, associates, losses of transferring short-term securities, expenses of selling securities transactions; Provision for devaluation of trading securities, provision for loss of investments in other entities, losses of selling foreign currencies, losses of exchange rate...

As for financial expenses unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income tax payable.

**16. Selling expenses and administrative expenses**

Expenses recognized as selling expenses include: Expenses actually arising in process of selling products, goods and rendering services including expenses for offering, introducing, advertising products, sale commissions, expenses for products' warranty, storage, packing, transporting, ...

Expenses recognized as administrative expenses include: Expenses for administrative labour (salaries, wages, allowances,...); social insurance, health insurance, union fund, unemployment insurance of administrative staffs; expenses of office commodities, working tools, depreciation of fixed assets used for administration; land rent, excise; provision for doubtful receivables; outside purchasing costs (electricity, water, telephone, fax, asset insurance, fire insurance...); other costs in cash (guest receptions, customer conferences...).

As for selling expenses and administrative expenses unrecognized as corporate income taxable expenses under the regulations of Tax law but with full of invoices and documents and accounted reasonably under Accounting system, the Company does not reduce accounting expenses but adjusts in the corporate income tax settlement to increase corporate income tax payable.

**17. Principles and methods of recognizing current corporate income tax and differed corporate income tax charge****Current corporate income tax charge**

Current corporate income tax expense is the amount of corporate income tax payable counted on taxable income in the period and prevailing tax rate.



**18. Other accounting principles and methods****18.1. Financial instruments***Initial Recognition***Financial Assets**

The Company's financial assets include cash and cash equivalents, accounts receivable, other receivables, loans, short-term and long-term investments. At the time of initial recognition, financial assets are measured at purchase price plus issuance costs and other costs directly attributable to the acquisition or issuance of the financial asset.

**Financial Liabilities**

The Company's financial liabilities include loans, accounts payable, other payables, and accrued expenses. At the time of initial recognition, financial liabilities are measured at the issue price plus costs directly attributable to the issuance of the financial liability.

*Subsequent Measurement*

Currently, there are no regulations on the revaluation of financial instruments after initial recognition.

**18.2. Related parties**

Enterprises and individuals that directly or indirectly through one or more intermediaries, have control on or are under control of the Company, or are under common control with the Company, including parent companies, subsidiaries and associates are related parties. Associates and individuals that directly or indirectly hold voting right of the Company and have a significant impact on the Company, key management personnel including Board of Directors and employees of the Company, closed family members of these individuals or these associates or companies associated with these individuals are also considered as related parties.

In considering each relationship of related parties, it is necessary to pay attention to the nature of the relationship, not only its legal form.

## V. Descriptive information in addition to items presented in the Balance sheet

Unit: VND

## 1. Cash

|                  | 31/12/2024            | 01/01/2024           |
|------------------|-----------------------|----------------------|
| Cash on hand     | 1.028.318.126         | 1.435.967.000        |
| Demand deposits  | 41.412.548.068        | 4.773.887.889        |
| Cash equivalents | 5.000.000.000         | -                    |
|                  | <b>47.440.866.194</b> | <b>6.209.854.889</b> |

## 2. Financial investments

## Equity investments in other entities

|                             | 31/12/2024         |            | 01/01/2024            |                        |
|-----------------------------|--------------------|------------|-----------------------|------------------------|
|                             | Original cost      | Provisions | Original cost         | Provisions             |
| Investments in associates   |                    |            |                       |                        |
| Vinh Tan Concrete JSC.      | -                  | -          | 1.200.000.000         | -                      |
| Other long-term investments |                    |            |                       |                        |
| Dinh Vu Gypsum JSC.         | -                  | -          | 21.191.600.000        | (1.481.519.630)        |
| Pha Lai Credit Fund         | 800.450.000        | -          | 800.450.000           | -                      |
|                             | <b>800.450.000</b> | <b>-</b>   | <b>23.192.050.000</b> | <b>(1.481.519.630)</b> |

## Information about the Company's subsidiaries as of 31/12/2024 is as follows:

- (1) Investment with a capital holding ratio of 48%, voting rights ratio of 40%. Vinh Tan Concrete JSC has completed the procedures for dissolution in accordance with legal regulations and has not yet returned the remaining contributed capital to the shareholders.
- (2) Investment with a capital holding ratio as of January 1, 2024, of 16.38%. During the period, the Company transferred all its ownership in this Company according to the Share Purchase Agreement dated February 7, 2024, between the shareholders of Dinh Vu Gypsum Joint Stock Company and the Investors.
- (3) Investment with a capital holding ratio of 9.95%.

- (\*) The Company has not been able to determine the fair value of these financial investments for disclosure in the financial statements because these investments do not have listed prices on the market and the Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and the legal regulations related to the preparation and presentation of financial statements do not have detailed guidance on how to calculate fair value. The fair value of these financial investments may differ from their carrying amount.

## 3. Receivables

|   | 31/12/2024            | 01/01/2024             |
|---|-----------------------|------------------------|
| Short-term  |                       |                        |
| Trong Phong Company Limited                         | 13.232.336.472        | 5.535.528.721          |
| Philecement Corporation                             | 4.190.895.091         | 9.656.006.780          |
| Vincons Construction Development and Investment JSC | 38.076.338.880        | 70.424.256.226         |
| Van Thien An JSC                                    | 3.285.955.197         | 2.668.873.164          |
| Delta Construction Group Company Limited            | 2.044.504.216         | 2.849.742.670          |
| T.M.T Trading and Construction JSC                  | -                     | 1.223.035.345          |
| Others  | 17.242.838.362        | 15.276.923.850         |
|   | <b>78.072.868.218</b> | <b>107.634.366.756</b> |



**4. Advances for suppliers**

|   | 31/12/2024            | 01/01/2024            |
|---|-----------------------|-----------------------|
| <b>Short-term</b>                                   |                       |                       |
| Dai Viet Business International Joint Stock Company | 10.269.630.000        | 4.238.917.221         |
| Gemtec Joint Stock Company                          | -                     | 4.815.374.636         |
| Cuong Dung Production and Trading Company Limited   | -                     | 2.132.233.675         |
| Geotech Company Limited                             | 1.441.272.900         | 756.591.700           |
| Madini Joint Stock Company                          | 1.203.120.000         | -                     |
| Others  | 2.336.490.128         | 5.545.687.316         |
|   | <b>15.250.513.028</b> | <b>17.488.804.548</b> |

**5. Other receivables**

|                        | 31/12/2024           |                    | 01/01/2024         |           |
|------------------------|----------------------|--------------------|--------------------|-----------|
|                        | Value                | Provision          | Value              | Provision |
| <b>Short-term</b>      |                      |                    |                    |           |
| Advances               | 555.729.583          | -                  | 81.251.241         | -         |
| Other                  | 2.859.395.029        | 274.045.630        | 530.317.050        | -         |
| Dinh Vu Gypsum JSC.    | 783.519.842          | -                  | -                  | -         |
| Vinh Tan Concrete JSC. | 925.954.370          | 274.045.630        | -                  | -         |
| Others                 | 1.149.920.817        | -                  | 530.317.050        | -         |
|                        | <b>3.415.124.612</b> | <b>274.045.630</b> | <b>611.568.291</b> | <b>-</b>  |

(\*) Advances to employees, purpose of advance: Advances for expenses serving production and business activities.

(1) Outstanding receivable from Dinh Vu Gypsum Joint Stock Company according to the share transfer agreement dated February 7, 2024.

(2) According to the notice of enterprise dissolution dated December 23, 2024, of Vinh Tan Concrete JSC, the enterprise has paid off all debts, other asset obligations, and there are no disputes to be resolved. Based on the national business registration database, the dissolution status has been changed. In report No. 30/BCTLTS.VTCR dated December 23, 2024, sent to the Binh Thuan Provincial Business Registration Office, the Board of Directors has conducted asset liquidation and only 2.314.885.924 VND in cash remains, which is intended to be returned to the shareholders according to their capital contribution ratio. As of the current time, Song Da Cao Cuong JSC has not yet received the aforementioned amount.

## 6. Bad debts

|   | 31/12/2024           |                      | 01/01/2024           |                    |
|---|----------------------|----------------------|----------------------|--------------------|
|   | Original value       | Recoverable amount   | Original value       | Recoverable amount |
| The total value of overdue receivables and loans, or those not yet overdue but with doubtful collectibility |                      |                      |                      |                    |
| Viet Nam GYPRO Plaster JSC  | 929.500.000          | -                    | 929.500.000          | -                  |
| Pham Thi Anh  | 1.236.061.593        | 618.030.796          | -                    | -                  |
| Kaola Vietnam Company Limited   | 960.727.831          | 480.363.915          | -                    | -                  |
| CMC/ITD/SONGDA Jont venture<br>Laos Nam theun 1 hydropower  | 377.622.000          | -                    | 377.622.000          | -                  |
| An Hung Materials Technology<br>Company Limited   | 417.627.493          | 208.813.746          | -                    | -                  |
| Others  | 2.057.961.925        | 351.203.820          | 1.360.881.924        | -                  |
|   | <b>5.979.500.842</b> | <b>1.658.412.277</b> | <b>2.668.003.924</b> | <b>-</b>           |

## 7. Inventories

|                 | 31/12/2024            |           | 01/01/2024            |           |
|-----------------|-----------------------|-----------|-----------------------|-----------|
|                 | Original value        | Provision | Original value        | Provision |
| Raw material    | 16.277.023.544        | -         | 11.519.275.858        | -         |
| Tools, supplies | 162.688.066           | -         | 118.102.364           | -         |
| Work in process | -                     | -         | 322.011.000           | -         |
| Finished goods  | 7.783.263.452         | -         | 5.508.234.861         | -         |
|                 | <b>24.222.975.062</b> | <b>-</b>  | <b>17.467.624.083</b> | <b>-</b>  |

All the company's inventory is used as collateral to secure a short-term loan under the asset mortgage framework contract No. 02/2024/1605829/HĐBĐ dated 29/3/2024 between Song Da Cao Cuong Joint Stock Company and Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong branch.

## 8. Prepaid expenses

|                                       | 31/12/2024           | 01/01/2024           |
|---------------------------------------|----------------------|----------------------|
| <b>Short-term</b>                     |                      |                      |
| Instruments and tools                 | 590.244.272          | 337.389.579          |
| Property repair expenses              | 1.208.522.265        | 530.750.159          |
| Vinh Tan Port Land Rental Fee         | 1.411.200.000        | 1.411.200.000        |
| Insurance expenses                    |                      |                      |
| Others                                | 369.108.489          | 177.685.009          |
| <b>Total</b>                          | <b>3.665.674.667</b> | <b>2.457.024.747</b> |
| <b>Long-term</b>                      |                      |                      |
| Instruments and tools                 | 722.740.756          | 2.273.036.735        |
| Compensation and site clearance costs | 4.568.677.037        | 4.750.149.621        |
| Land rent                             | 945.430.923          | 1.163.607.291        |
| Repair expenses                       | 188.726.872          | 495.247.512          |
| Others                                | 33.500.000           | 3.344.015            |
|                                       | <b>6.459.075.588</b> | <b>8.685.385.174</b> |



**9. Tangible fixed assets****Appendix No. 01****10. Long-term assets in progress**

| <b>Construction in progress</b>  | <b>31/12/2024</b>      | <b>01/01/2024</b>      |
|--|------------------------|------------------------|
| Project of fly ash storage silo system and shipping at Vinh Tan                                    | -                      | 87.997.309.267         |
| Vinh Tan 2 ash and slag treatment plant  | 155.519.082.072        | 18.534.090.276         |
| Costs of renovating and installing fly ash drying and sorting furnaces                             | 4.738.007.927          | 8.743.696.677          |
| Renovation, repair, expansion, and equipment installation of the mortar factory                    | 817.844.793            | 3.562.679.414          |
| Unfinished basic construction of the AAC brick factory   | 56.506.967             | -                      |
| Repair and maintenance of brick factory equipment  | 5.474.444.092          | -                      |
| Costs of testing Vinh Tan concrete components & processing of separated equipment (sorting system) | 3.625.205.603          | 3.625.205.603          |
| Capital Construction Costs for Panel Sample House (New Product)                                    | 1.554.968.300          | -                      |
| Construction Investment Consultancy Expense  | 1.591.570.500          | -                      |
| Costs of renovating and upgrading the 8-ton boiler (brick factory)                                 | -                      | 1.576.846.046          |
|  | <b>173.377.630.254</b> | <b>124.039.827.283</b> |

**11. Payables to suppliers**

|  | <b>Value and Realizable value</b> |                       |
|--|-----------------------------------|-----------------------|
|  | <b>31/12/2024</b>                 | <b>01/01/2024</b>     |
| <b>Short-term</b>                                      |                                   |                       |
| Long Thanh Hai Company Limited                         | 41.052.497                        | 1.346.966.049         |
| Nghia Vinh Company Limited                             | 1.664.945.975                     | 89.731.416            |
| Pha Lai Thermal Power Joint Stock Company.             | 2.701.954.496                     | 915.745.520           |
| Van Thien An Joint Stock Company.                      | 1.281.124.385                     | 820.108.800           |
| LS International Import & Export Company Limited       | 309.485.920                       | 1.132.051.564         |
| Loi Loc Trading and Transport Services Company Limited | 870.281.213                       | 2.178.863.237         |
| Song Anh ETC Company Limited                           | 1.280.884.000                     | 625.824.000           |
| Nhat Linh Trading Company Limited                      | 184.907.398                       | 3.584.639.723         |
| Orient Wealth Company Limited                          | 5.502.121.408                     | 636.421.088           |
| Phuc Thinh Trading and Transport Company Limited       | 552.646.000                       | 4.966.544.000         |
| An Phat BG Trade and Investment Company Limited        | 3.828.068.336                     | 2.413.584.201         |
| TP 26 Trading and Service Company Limited              | 274.642.138                       | 3.677.893.400         |
| TK Holdings Joint Stock Company                        | 2.850.408.360                     | 4.844.728.800         |
| Others   | 22.179.955.244                    | 16.371.650.414        |
| <b>Related parties</b>                                 |                                   |                       |
| Cao Cuong Industry - Services Joint Stock Company      | 626.712.329                       | -                     |
|  | <b>44.149.189.699</b>             | <b>43.604.752.212</b> |

**12. Taxes and payables to the state budget****12.1. Payables**

|                            | <b>31/12/2024</b>    | <b>Payables</b>      | <b>Already paid</b>   | <b>01/01/2024</b>     |
|----------------------------|----------------------|----------------------|-----------------------|-----------------------|
| VAT on imported goods      | -                    | 430.919.342          | 430.919.342           | -                     |
| Export, import duties      | -                    | 245.800              | 245.800               | -                     |
| Corporate income tax       | 7.036.276.303        | 7.036.276.303        | 11.822.647.993        | 11.822.647.993        |
| Personal income tax        | 35.726.736           | 531.812.455          | 518.473.172           | 22.387.453            |
| Other taxes                | -                    | 3.000.000            | 3.000.000             | -                     |
| Fees and other obligations | -                    | 44.620.000           | 44.620.000            | -                     |
|                            | <b>7.072.003.039</b> | <b>8.046.873.900</b> | <b>12.819.906.307</b> | <b>11.845.035.446</b> |

## 12.2. Receivables

|                              | 31/12/2024         | Receivables        | Received           | 01/01/2024         |
|------------------------------|--------------------|--------------------|--------------------|--------------------|
| Property tax and land rental | 448.190.382        | 231.551.144        | 218.176.368        | 461.565.158        |
|                              | <b>448.190.382</b> | <b>231.551.144</b> | <b>218.176.368</b> | <b>461.565.158</b> |

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

## 13. Accrued expenses

|                           | 31/12/2024         | 01/01/2024         |
|---------------------------|--------------------|--------------------|
| <b>Short-term</b>         |                    |                    |
| Accrued interest expenses | 257.533.341        | 162.931.729        |
|                           | <b>257.533.341</b> | <b>162.931.729</b> |

## 14. Other payables

|                           | 31/12/2024         | 01/01/2024         |
|---------------------------|--------------------|--------------------|
| <b>Short-term</b>         |                    |                    |
| Trade Union Fees          | 96.826.080         | 39.563.880         |
| Dividend, Profit payables | 763.828.928        | 770.926.928        |
|                           | <b>860.655.008</b> | <b>810.490.808</b> |

## 15. Loans and debts

## 15.1. Short-term loans and debts

|   | 31/12/2024             | Increase               | Decrease               | Value and able to pay<br>01/01/2024 |
|---|------------------------|------------------------|------------------------|-------------------------------------|
| <b>Banks</b>  | <b>110.561.150.482</b> | <b>299.826.091.451</b> | <b>272.138.131.019</b> | <b>82.873.190.050</b>               |
| Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong branch (1) | 110.561.150.482        | 299.826.091.451        | 272.138.131.019        | 82.873.190.050                      |
| <b>Current portion of long-term loans</b>   | <b>23.600.000.000</b>  | <b>23.600.000.000</b>  | <b>6.800.000.000</b>   | <b>6.800.000.000</b>                |
| Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong branch (2) | 23.600.000.000         | 23.600.000.000         | 6.800.000.000          | 6.800.000.000                       |
|   | <b>134.161.150.482</b> | <b>323.426.091.451</b> | <b>278.938.131.019</b> | <b>89.673.190.050</b>               |

## 15.2. Long-term loans and debts

|   | 31/12/2024             | Increase               | Decrease              | Value and able to pay<br>01/01/2024 |
|---|------------------------|------------------------|-----------------------|-------------------------------------|
| <b>Loans from banks</b>   |                        |                        |                       |                                     |
| Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong branch (2) | 99.245.931.236         | 90.757.344.924         | 33.800.000.000        | 42.288.586.312                      |
| Cao Cuong Industry - Services Joint Stock Company (3)   | 50.000.000.000         | 50.000.000.000         | -                     | -                                   |
|   | <b>149.245.931.236</b> | <b>140.757.344.924</b> | <b>33.800.000.000</b> | <b>42.288.586.312</b>               |



**Detail information on Short-term loans as at 31/12/2024**

(1) Short-term loan from Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong branch under Contract No. 01/2024/1605829/HDTD dated March 23, 2024, credit limit of VND 130 billion, loan term of 12 months, loan purpose: supplement working capital, guarantee, open L/C. The interest rate is determined in each specific Credit Contract according to the Bank's interest rate regime in each period. The loan is secured by the following assets:

- Entire input raw materials, supplies, semi-finished products, finished products... used for production, exchange, purchase, sale, lease and all goods in warehouses at the Company's production warehouses under Contract 02/2024/1605829/HDBĐ dated March 29, 2024. The value of the collateral at the time of signing the contract is VND 10.000.000.000.
- Receivables of the Pledgor arising under all Contracts within the scope of production and business activities, the total value of collateral at the time of signing the contract is VND 107.634.366.756 under Contract 01/2024/1605829/HDBĐ dated March 29, 2024.
- Machinery and equipment according to Article 2 under Contract 05/2024/1605829/HDBĐ dated March 29, 2024, the total value of pledged machinery and equipment assets is VND 41.085.215.000.
- Asset mortgage contract 06/2024/1605829/HDBĐ dated March 29, 2024, collateral includes 3 cars with a total pledge value of VND 2.450.000.000.

(2) Loan from Joint Stock Commercial Bank for Investment and Development of Viet Nam - Bac Hai Duong Branch under 02 Credit Limit Contracts:

(2.1) Credit Limit Contract No. 02/2023/1605829/HDTD dated April 20, 2023, loan amount of VND 65 billion but not exceeding 61,45% of the total investment (including VAT) of project No. 01/2023/1605829/HDTD dated April 20, 2023, loan term of 84 months, loan purpose to pay eligible and legal expenses to implement the project of building a warehouse and shipping system at Vinh Tan port. Interest rate in the year was from 9,5%/year to 10,5%/year. The loan is secured by:

- Future formed assets: Technology equipment, production vehicles, office equipment and electrical part of the warehouse and shipping system at Vinh Tan port of the Company;
- Land-attached assets formed in the future of the investment project: Building a warehouse and shipping system at Vinh Tan port, address: Area behind wharf No. 1 of Vinh Tan International Port in Vinh Phuc village, Vinh Tan commune, Tuy Phong district, Binh Thuan province of the Company leased from Vinh Tan International Port Joint Stock Company under Lease Contract No. 120/2022/HD/VTIP - SCL dated July 28, 2022;
- Rights, ownership and benefits to the following assets:

Entitlement to all benefits and profits derived from the business and exploitation of the warehouse value, property rights arising from the warehouse lease contract No. 120/2022/HD/VTIP-SCL dated July 28, 2022 between the Company and Vinh Tan Port Joint Stock Company, including but not limited to the following rights: Ownership of works on the warehouse, right to use infrastructure services;

Right to claim debts, right to request payment, right to compensation for damages, right to receive insurance benefits, right to transfer contracts, other property rights arising from the warehouse lease contract;

All rights, profits, benefits, reimbursements (including those for property damaged due to third-party fault), other payments and other assets that the Company receives or will receive in replacement of, belonging to or relating to, and all assets of any nature and type for exchange, change or replacement of, any rights and assets mentioned above.

(2.2) Credit Limit Contract No. 03/2023/1605829/HDTD dated October 11, 2023, loan amount of VND 135 billion but not exceeding 68,96% of the actual total investment (including VAT) of the project to invest in an ash separation line at Vinh Tan Thermal Power Plant, loan term of 72 months, loan purpose to pay eligible and legal expenses for the project. Interest rate in the year was 9,5%/year. The loan is secured by:

- Future assets formed from loan capital and equity belonging to the investment project: Ash separation line at the ash yard of Vinh Tan Thermal Power Plant in Vinh Tan commune, Tuy Phong district, Binh Thuan province of the Company;
- Land-attached assets formed in the future of the investment project: Ash separation line at the ash yard of Vinh Tan Thermal Power Plant in Vinh Tan commune, Tuy Phong district, Binh Thuan province;
- Future formed assets: Mechanical-technology equipment, control equipment, equipment and machines serving production, equipment belonging to the investment project: Ash separation line of Vinh Tan Thermal Power Plant in Vinh Tan commune, Tuy Phong district, Binh Thuan province of the Company.

(3) Loan contract No. 268/HDV/SCL-DVCC dated August 6, 2024 between Cao Cuong Industry - Service Joint Stock Company and Song Da Cao Cuong Joint Stock Company. Loan amount of VND 50.000.000.000 (Fifty billions). Loan purpose to supplement capital for the Company's production and business activities and investment activities in 2024. Loan term of 24 months. Loan interest rate of 7,5%/year. Principal repayment in one or more installments but no later than the loan maturity date, the borrower is allowed to repay before the maturity date without incurring a penalty fee. Balance as at December 31, 2024 was VND 50.000.000.000.



**16. Owner's equity****16.1. Increase and decrease in owner's equity****Appendix No. 02**

According to the Resolution of the 2024 Annual General Meeting of Shareholders No. 336/NQ-ĐHĐCĐ dated April 22, 2024, the Company will distribute profits as follows:

**Earnings distribution**

|                                  | Year 2024             | Year 2023             |
|----------------------------------|-----------------------|-----------------------|
| Investment and development fund  | 2.194.000.000         | 798.386.600           |
| Welfare Fund                     | 4.388.000.000         | 1.596.773.200         |
| Reward Fund                      | 2.194.000.000         | 798.386.600           |
| Executive Board Bonus            | 3.072.000.000         | 798.386.600           |
| Dividend Payment                 | 37.731.262.318        | 13.820.070.000        |
| <b>Total Profit Distribution</b> | <b>49.579.262.318</b> | <b>17.812.003.000</b> |

**16.2. The details of the owner's equity**

|  | 31/12/2024    |                        | 01/01/2024    |                        |
|--|---------------|------------------------|---------------|------------------------|
|  | Rate (%)      | Value                  | Rate (%)      | Value                  |
| Mr. Kieu Van Mat                                 | 11,82         | 22.056.310.000         | 10,94         | 20.421.917.727         |
| Mr. Nguyen Anh Dung                              | 3,59          | 6.694.920.000          | 5,47          | 10.199.727.586         |
| Mrs. Kieu Thi Nhung                              | 7,56          | 14.111.660.000         | 7,00          | 13.066.295.106         |
| Cao Cuong Industry - Service Joint Stock Company | 12,81         | 23.900.900.000         | 11,86         | 22.130.799.750         |
| Others   | 64,22         | 119.845.160.000        | 64,73         | 120.790.209.831        |
|  | <b>100,00</b> | <b>186.608.950.000</b> | <b>100,00</b> | <b>186.608.950.000</b> |

**16.3. Capital transactions with owners and distribution of dividends and profits**

|   | Year 2024       | Year 2023       |
|---|-----------------|-----------------|
| <b>Owner's Equity</b>                     |                 |                 |
| Opening balance                           | 186.608.950.000 | 172.788.880.000 |
| Increase in the period                    | -               | 13.820.070.000  |
| Decrease in the period                    | -               | -               |
| Closing balance                           | 186.608.950.000 | 186.608.950.000 |
| <b>Dividends, distributed profits (*)</b> | -               | -               |

(\*) The dividend payment was approved according to the Resolution of the 2024 Annual General Meeting of Shareholders No. 336/NQ-ĐHĐCĐ dated April 22, 2024. The Company plans to pay dividends in shares, with the estimated profit for dividend distribution being VND 37.731.262.318. As of the present time, the Company has not yet made a decision, has not finalized the list of shareholders, and has not announced the dividend payment to shareholders.

**16.4. Stock**

|  | 31/12/2024        | 01/01/2024        |
|--|-------------------|-------------------|
| <b>Quantity of registered issuing stocks</b> | <b>18.660.895</b> | <b>18.660.895</b> |
| <b>Quantity of Authorized issuing stocks</b> | -                 | -                 |
| Common stocks                                | 18.660.895        | 18.660.895        |
| Preferred shares (classified as equity)      | -                 | -                 |
| <b>Quantity of repurchased stocks</b>        | -                 | -                 |
| Common stocks                                | -                 | -                 |
| Preferred shares (classified as equity)      | -                 | -                 |
| <b>Quantity of Outstanding Stocks</b>        | -                 | -                 |
| Common stocks                                | 18.660.895        | 18.660.895        |
| Preferred shares (classified as equity)      | -                 | -                 |
| <b>Par value of Stocks</b>                   | <b>10.000</b>     | <b>10.000</b>     |

**16.5. Funds in Company**

|                                 | 31/12/2024     | 01/01/2024     |
|---------------------------------|----------------|----------------|
| Development and Investment Fund | 15.901.168.560 | 13.707.168.560 |



## 17. Subsidized not-for-profit funds

|                              | Year 2024            | Year 2023            |
|------------------------------|----------------------|----------------------|
| Receipt in the period        | 18.252.375.500       | 18.252.375.500       |
| Not-for-profit expenditure   | (18.407.319.340)     | (18.407.319.340)     |
| <b>The end of the period</b> | <b>(154.943.840)</b> | <b>(154.943.840)</b> |

Research to complete the design technology and manufacture of Phostphogypsum (PG) processing lines from DAP Dinh Vu as an additive for cement and raw materials for the production of construction gypsum boards. Project code ĐTDLCN.67/15 under decision No. 91/QĐ-KHCN dated January 20, 2016 of the Ministry of Science and Technology on "Approving the host organization, principal investigator, funding and implementation time for the national-level science and technology task

## 18. Items outside the Balance Sheet

## 18.1. Foreign currency

|     | 31/12/2024 | 01/01/2024 |
|-----|------------|------------|
| USD | 357.443,20 | 29.857,83  |
| EUR | -          | -          |

## VI. Descriptive information in addition to the items presented in the Income statement

Unit: VND

## 1. Total revenues from sale of goods and rendering of services

| Revenue from sale of goods                      | Year 2024              | Year 2023              |
|---|------------------------|------------------------|
| Revenue from rendering of services construction | 427.718.279.682        | 478.963.103.604        |
|   | <b>427.718.279.682</b> | <b>478.963.103.604</b> |

## 2. Deductible items

|                | Year 2024             | Year 2023            |
|----------------|-----------------------|----------------------|
| Trade discount | 19.340.472.389        | 5.485.921.354        |
|                | <b>19.340.472.389</b> | <b>5.485.921.354</b> |

## 3. Cost of good sold

|                      | Year 2024              | Year 2023              |
|----------------------|------------------------|------------------------|
| Cost of construction | 276.976.491.453        | 305.766.708.855        |
|                      | <b>276.976.491.453</b> | <b>305.766.708.855</b> |

## 4. Financial incomes

|  | Year 2024          | Year 2023          |
|--|--------------------|--------------------|
| Interests of bank deposits and loans               | 50.570.885         | 455.955.813        |
| Exchange rate difference gain                      | 318.410.836        | 7.944.432          |
| Year-end exchange rate difference gain assessment. | 226.357.414        | 52.890.068         |
| Dividends, distributed profits                     | 54.752.000         | 218.107.320        |
| Others   | -                  | 100.000            |
|  | <b>650.091.135</b> | <b>734.997.633</b> |

## 5. Financial expenses

|  | Year 2024            | Year 2023            |
|--|----------------------|----------------------|
| Interest Expenses  | 9.310.312.298        | 5.278.063.613        |
| Exchange Rate Losses During the Period                           | 36.040.301           | 536.107.068          |
| Exchange Rate Losses Due to Revaluation at the End of the Period | (1.207.474.000)      | (585.980.951)        |
| Financial investment loss at Dinh Vu Gypsum                      | 237.270.472          | -                    |
|  | <b>8.376.149.071</b> | <b>5.228.189.730</b> |

**6. Selling and general administrative expenses**

|  | Year 2024             | Year 2023             |
|--|-----------------------|-----------------------|
| <b>Selling expenses</b>                |                       |                       |
| Labour expenses                        | 3.792.305.901         | 2.448.016.080         |
| Tools, utensils                        | 219.578.606           | 1.590.122.109         |
| Depreciation expenses                  | 3.932.299.973         | 1.012.715.820         |
| Expenses from external services        | 60.426.705.988        | 79.250.415.745        |
| Other expenses by cash                 | 1.562.600.618         | 714.322.830           |
|  | <b>69.933.491.086</b> | <b>85.015.592.584</b> |
| <b>General administrative expenses</b> |                       |                       |
| Management staff                       | 10.534.652.049        | 11.139.784.838        |
| Raw materials                          | 1.068.918.405         | 1.051.423.767         |
| Depreciation expenses                  | 611.038.022           | 644.475.531           |
| Tax, Charge, Fee                       | 628.000.706           | 3.000.000             |
| Provision expenses                     | 1.653.084.641         | 1.675.687.202         |
| Expenses from external services        | 470.448.397           | 714.579.049           |
| Other expenses by cash                 | 7.591.090.049         | 7.826.941.552         |
|  | <b>22.557.232.269</b> | <b>23.055.891.939</b> |

**7. Other incomes**

|                          | Year 2024            | Year 2023            |
|--------------------------|----------------------|----------------------|
| Income from surplus cash | 2.438.416.943        | 1.604.882.379        |
| Other income             | 258.964.940          | 379.708.011          |
|                          | <b>2.697.381.883</b> | <b>1.984.590.390</b> |

**8. Other expenses**

|   | Year 2024          | Year 2023            |
|---|--------------------|----------------------|
| Rental cost of excavator for dismantling foam workshop  | -                  | 2.017.050            |
| Depreciation expense of fixed assets, allocation of tools and supplies not serving production and business activities | 107.377.693        | 21.792.980           |
| Land rental costs and non-deductible VAT at the fly ash plant   | -                  | 688.291.715          |
| Processing costs of equipment for Dinh Vu Gypsum plant  | -                  | 268.108.000          |
| Contract penalty costs  | 172.104.653        | -                    |
| Other expenses  | 6.583              | 439.974.900          |
|   | <b>279.488.929</b> | <b>1.420.184.645</b> |

**9. Business and productions cost by items**

|                                 | Year 2024              | Year 2023              |
|---------------------------------|------------------------|------------------------|
| Cost of materials               | 214.563.565.550        | 234.757.583.490        |
| Labour cost                     | 45.438.369.497         | 41.424.871.535         |
| Depreciation                    | 25.685.036.925         | 14.414.719.732         |
| Expenses from external services | 89.365.348.853         | 96.132.552.971         |
| Other expenses by cash          | 9.933.749.132          | 24.681.495.576         |
| Provision expenses              | 1.653.084.641          | 1.675.687.202          |
|                                 | <b>386.639.154.598</b> | <b>413.086.910.506</b> |



**10. Income Tax**

|  | Year 2024             | Year 2023             |
|--|-----------------------|-----------------------|
| <b>Corporate income tax from main business field</b>                                   | <b>33.602.427.503</b> | <b>55.710.202.520</b> |
| <b>Increase</b>  | <b>1.860.063.428</b>  | <b>3.493.587.214</b>  |
| <i>Depreciation of fixed assets due to inactivity and exceeding norms</i>              | <i>172.901.527</i>    | <i>264.701.162</i>    |
| <i>Remuneration for non-executive Board of Directors and Supervisory Board members</i> | <i>357.773.241</i>    | <i>308.000.000</i>    |
| <i>Land rental costs and VAT at the fly ash plant</i>                                  | <i>1.329.388.660</i>  | <i>2.067.500.581</i>  |
| <i>Others</i>  | <i>-</i>              | <i>853.385.471</i>    |
| <b>Decrease</b>  | <b>281.109.414</b>    | <b>90.549.768</b>     |
| <i>Exchange rate difference</i>  | <i>226.357.414</i>    | <i>29.615.268</i>     |
| <i>Dividends received</i>  | <i>54.752.000</i>     | <i>60.834.500</i>     |
| <i>Others</i>  | <i>-</i>              | <i>100.000</i>        |
| Corporate income tax taxable income  | 35.181.381.517        | 59.113.239.966        |
| Corporate income tax (20%)   | 7.036.276.303         | 11.822.647.993        |
| <b>Current corporate income tax expense</b>  | <b>7.036.276.303</b>  | <b>11.822.647.993</b> |

**11. Earnings per Share**

|  | Year 2024      | Year 2023      |
|--|----------------|----------------|
| Profit after tax                               | 26.566.151.200 | 43.887.554.527 |
| Adjustment:                                    | -              | -              |
| Distributed profit for shareholders            | 26.566.151.200 | 43.887.554.527 |
| Amount allocated to bonus and welfare fund (*) | -              | 9.654.000.000  |
| Average quantity of authorized issuing stocks  | 18.660.895     | 17.343.255     |
|  | <b>1.424</b>   | <b>1.974</b>   |

(\*) The Company lacks a basis for provisional allocation to the 2024 bonus and welfare fund.

**12. Diluted earnings per Share**

|  | Year 2024      | Year 2023      |
|--|----------------|----------------|
| Profit after tax                               | 26.566.151.200 | 43.887.554.527 |
| Adjustment:                                    | -              | -              |
| Distributed profit for shareholders            | 26.566.151.200 | 43.887.554.527 |
| Amount allocated to bonus and welfare fund (*) | -              | 9.654.000.000  |
| Average quantity of authorized issuing stocks  | 18.660.895     | 17.343.255     |
| Expected additional issuance of common stock   | 3.773.126      | -              |
| <b>Diluted earnings per Share</b>              | <b>1.184</b>   | <b>1.974</b>   |

(\*) The Company lacks a basis for provisional allocation to the 2024 bonus and welfare fund.

**VII. Other information****1. Events after the reporting period**

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the financial statements.

**2. Information on related parties****2.1. List of related parties**

| Related parties   | Relationship                             |
|---|--|
| Cao Cuong Industry - Service Joint Stock Company                              | Capital contributions from shareholders  |
| Pha Lai Credit Fund   | Other investments                        |
| Dinh Vu Gypsum Joint Stock Company  | Other investments                        |
| Vinh Tan Concrete Joint Stock Company   | Joint venture and associated investments |
| Members of the Board of Directors, General Management Board, Chief Accountant | Key management personnel                 |

## 2.2. During operation, there are a number of transactions between the company and related parties as follows:

| Contents/ Related parties                               | Year 2024      | Year 2023     |
|---|----------------|---------------|
| <b>Cao Cuong Industry - Service Joint Stock Company</b> |                |               |
| Purchase of goods and services                          | 1.123.054.014  | 1.522.955.000 |
| Payment for purchase of goods and services              | 1.047.848.800  | 2.178.321.424 |
| Long-term borrowing                                     | 50.000.000.000 | -             |
| Loan interest payable                                   | 1.520.547.946  | -             |
| Loan interest paid                                      | 893.835.617    | -             |
| <b>Pha Lai Credit Fund</b>                              |                |               |
| Receipt of dividends                                    | 54.752.000     | 60.834.500    |
| <b>Dinh Vu Gypsum Joint Stock Company</b>               |                |               |
| Investment divestment                                   | 21.191.600.000 | -             |
| <b>Vinh Tan Concrete Joint Stock Company</b>            |                |               |
| Dissolution   | 1.200.000.000  | -             |

## 2.3. Transactions with other related parties are as follows

| Remuneration to members of Board of Management and Board of Directors | Year 2024            | Year 2023            |
|---|----------------------|----------------------|
| Salaries and bonuses  | 3.075.889.423        | 2.403.089.421        |
| Remuneration  | 1.440.000.000        | 444.000.000          |
|   | <b>4.515.889.423</b> | <b>2.847.089.421</b> |

## Detailed income of key management personnel in 2024

| Full name                | Position                        | Salaries and bonuses | Remuneration         | Total                |
|--------------------------|---------------------------------|----------------------|----------------------|----------------------|
| Mr. Kieu Van Mat         | Chairman                        | 330.000.000          | 720.000.000          | 1.050.000.000        |
| Mr. Nguyen Hong Quyen    | Member                          | 42.000.000           | 96.000.000           | 138.000.000          |
| Mr. Kieu Quang Vong      | Member                          | 280.000.000          | 96.000.000           | 376.000.000          |
| Mr. Nguyen Anh Dung      | Member                          | 170.000.000          | 96.000.000           | 266.000.000          |
| Mr. Nguyen Anh Hong      | Member                          | 42.000.000           | 96.000.000           | 138.000.000          |
| Mr. Vu Van Chien         | General Director                | 1.000.000.000        | -                    | 1.000.000.000        |
| Mr. Pham Van Thu         | Deputy General Director         | 547.401.442          | -                    | 547.401.442          |
| Mr. Tran Van Hoan        | Chief Accountant                | 470.672.596          | -                    | 470.672.596          |
| Mr. Dao Xuan Quynh       | Head of the Supervisory Board   | 44.000.000           | 192.000.000          | 236.000.000          |
| Mrs. Bui Thi Ve          | Member of the Supervisory Board | -                    | 48.000.000           | 48.000.000           |
| Mrs. Nguyen Thi Thu Hoai | Member of the Supervisory Board | 35.000.000           | 48.000.000           | 83.000.000           |
| Mr. Nguyen Huu Luc       | Secretary                       | 114.815.385          | 28.000.000           | 142.815.385          |
| Mrs. Bui Thi Thanh Ngan  | Secretary                       | -                    | 20.000.000           | 20.000.000           |
| <b>Total</b>             |                                 | <b>3.075.889.423</b> | <b>1.440.000.000</b> | <b>4.515.889.423</b> |

## 3. Segment reporting of assets, revenues, and operating income

## Segment reporting by business line

We do not present segment reporting by business line in the Financial Statements because the General Management Board has assessed and concluded that the Company does not have more than one segment to report as required by Accounting Standards. The Company currently operates mainly in the industrial production sector.

The Company's main operations are distributed domestically and for export. The Company does not track information and business results, fixed assets, other long-term assets, and the value of significant non-cash expenses by segment by geographical area based on customer location.

## Segment reporting by geographical area

|                             | Year 2024              | Year 2023              |
|-----------------------------|------------------------|------------------------|
| Net export revenue          | 29.144.858.391         | 122.038.085.425        |
| Net domestic revenue        | 379.232.948.902        | 351.439.096.825        |
| <b>Net revenue</b>          | <b>408.377.807.293</b> | <b>473.477.182.250</b> |
|                             | <b>Year 2024</b>       | <b>Year 2023</b>       |
| Cost of export goods sold   | 9.048.822.803          | 64.330.514.573         |
| Cost of domestic goods sold | 267.927.668.650        | 241.436.194.282        |
| <b>Cost of goods sold</b>   | <b>276.976.491.453</b> | <b>305.766.708.855</b> |



## 4. Comparative information

Comparative figures are figures stated on for the period from for fiscal year ended 31/12/2023 reviewed and audited. Some indicators are re-presented to ensure comparability of information.

| Items                                    | Code | Numbers presented in<br>2023 financial<br>statements | Retroactive<br>adjustment | Numbers<br>presented in 2024<br>financial<br>statements |
|--|------|--|---------------------------|---|
| <b>Balance sheet</b>                     |      |  |                           |   |
| <b>Assets</b>                            |      |  |                           |   |
| Other short-term receivables             | 136  | 19.018.887.631                                       | (18.407.319.340)          | 611.568.291   |
| Short-term prepaid expenses              | 151  | 1.045.824.747  | 1.411.200.000             | 2.457.024.747   |
| Long-term prepaid expenses               | 261  | 10.096.585.174                                       | (1.411.200.000)           | 8.685.385.174   |
| <b>Equity</b>                            |      |  |                           |   |
| Other short-term payables                | 319  | 19.062.866.308                                       | (18.252.375.500)          | 810.490.808   |
| Funding sources                          | 431  | -  | (154.943.840)             | (154.943.840)   |
| <b>Income Statement</b>                  |      |  |                           |   |
| Revenue from sales and service provision | 01   | 473.477.182.250                                      | 5.485.921.354             | 478.963.103.604   |
| Revenue deductions                       | 02   | -  | 5.485.921.354             | 5.485.921.354   |
| Basic earnings per share                 | 70   | 2.531  | (557)                     | 1.974   |
| Diluted earnings per share               | 71   | 2.531  | (557)                     | 1.974   |

## 5. Other information


During the year, there were no activities or events that had a significant impact on the Company's ability to continue operating. Therefore, the Company's financial statements are prepared on the assumption that the Company will continue to operate.

Prepared by



Do Thi Ngoc Hoi

Chief Accountant



Tran Van Hoan



Hai Duong, 21/02/2025

General Director

Vu Van Chien

**SONG DA CAO CUONG JOINT STOCK COMPANY**

Km28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong

**Financial statements**

for fiscal year ended 31/12/2024

**Appendix No. 01**

**9. Tangible fixed assets**

| Items                               | Buildings             | Machinery,<br>Equipment | Mean of<br>Transportation | Office equipment<br>and furniture | Total                  |
|-------------------------------------|-----------------------|-------------------------|---------------------------|-----------------------------------|------------------------|
| <b>Original cost</b>                |                       |                         |                           |                                   |                        |
| As at 01/01/2024                    | 81.544.758.818        | 169.367.579.254         | 17.277.054.095            | 85.500.000                        | 268.274.892.167        |
| Purchase in the period              | -                     | 144.843.207.034         | 1.103.256.363             | 160.000.000                       | 146.106.463.397        |
| Finished construction<br>investment | 5.970.621.285         | -                       | -                         | -                                 | 5.970.621.285          |
| Other decreases                     | (3.377.431.624)       | (6.395.338.668)         | -                         | (31.000.000)                      | (9.803.770.292)        |
| <b>As at 31/12/2024</b>             | <b>84.137.948.479</b> | <b>307.815.447.620</b>  | <b>18.380.310.458</b>     | <b>214.500.000</b>                | <b>410.548.206.557</b> |
| <b>Accumulated depreciation</b>     |                       |                         |                           |                                   |                        |
| As at 01/01/2024                    | 38.365.465.105        | 81.872.551.644          | 10.779.830.876            | 39.790.319                        | 131.057.637.944        |
| Depreciation in period              | 4.008.079.867         | 20.231.556.870          | 814.777.942               | 38.486.206                        | 25.092.900.885         |
| Other decreases                     | (1.665.824.270)       | (3.281.684.860)         | -                         | (31.000.000)                      | (4.978.509.130)        |
| <b>As at 31/12/2024</b>             | <b>40.707.720.702</b> | <b>98.822.423.654</b>   | <b>11.594.608.818</b>     | <b>47.276.525</b>                 | <b>151.172.029.699</b> |
| <b>Net carrying amount</b>          |                       |                         |                           |                                   |                        |
| As at 01/01/2024                    | 43.179.293.713        | 87.495.027.610          | 6.497.223.219             | 45.709.681                        | 137.217.254.223        |
| <b>As at 31/12/2024</b>             | <b>43.430.227.777</b> | <b>208.993.023.966</b>  | <b>6.785.701.640</b>      | <b>167.223.475</b>                | <b>259.376.176.858</b> |

Original cost at the end of the period of tangible fixed assets used as collateral for loans: 165.551.686.844 VND

Net book value at the end of the period of tangible fixed assets used as collateral for loans: 127.860.688.756 VND

Original cost at the end of the period of fully depreciated tangible fixed assets that are still in use: 4.579.140.105 VND



Km28 + 100m, National Highway 18, Pha Lai Ward, Chi Linh City, Hai Duong

for fiscal year ended 31/12/2024

## 16. Owner's equity

### 16.1. Increase and decrease in owner's equity

|                             | Owner's Equity         | Share capital surplus | Development and Investment Fund | Retained earnings     | Total                  |
|-----------------------------|------------------------|-----------------------|---------------------------------|-----------------------|------------------------|
| As at 01/01/2023            | 172.788.880.000        | 4.804.928.341         | 12.908.781.960                  | 23.503.710.791        | 214.006.301.092        |
| Increase in capital         | 13.820.070.000         |                       | 798.386.600                     |                       | 14.618.456.600         |
| Profit/(loss) in period     |                        |                       |                                 | 43.887.554.527        | 43.887.554.527         |
| Development investment fund |                        |                       |                                 | (798.386.600)         | (798.386.600)          |
| Bonus and welfare fund      |                        |                       |                                 | (3.193.546.400)       | (3.193.546.400)        |
| Dividend payment by shares  |                        |                       |                                 | (13.820.070.000)      | (13.820.070.000)       |
| <b>As at 31/12/2023</b>     | <b>186.608.950.000</b> | <b>4.804.928.341</b>  | <b>13.707.168.560</b>           | <b>49.579.262.318</b> | <b>254.700.309.219</b> |
| As at 01/01/2024            | 186.608.950.000        | 4.804.928.341         | 13.707.168.560                  | 49.579.262.318        | 254.700.309.219        |
| Increase in capital         |                        |                       | 2.194.000.000                   |                       | 2.194.000.000          |
| Profit/(loss) in period     |                        |                       |                                 | 26.566.151.200        | 26.566.151.200         |
| Development investment fund |                        |                       |                                 | (2.194.000.000)       | (2.194.000.000)        |
| Bonus and welfare fund      |                        |                       |                                 | (9.654.000.000)       | (9.654.000.000)        |
| <b>As at 31/12/2024</b>     | <b>186.608.950.000</b> | <b>4.804.928.341</b>  | <b>15.901.168.560</b>           | <b>64.297.413.518</b> | <b>271.612.460.419</b> |

