**HLC: Explanation related to the Financial Statements 2023**

On March 20, 2024, Vinacomin - HaLam Coal JSC announced Official Dispatch No. 553/HLC-KTTC explaining the difference in profit after tax in 2023 before and after the Audit as follows:

Unit: VND

|  |  |  |  |
| --- | --- | --- | --- |
| Targets | 2023 after audit | 2023 before audit | Difference |
| Profit after tax | 99,167,556,270 | 88,521,260,823 | 10,646,295,447 |

Profit after tax in 2023 after audit increased by VND 10,646,295,447 due to the adjustment in coal purchase prices by the Vietnam National Coal - Mineral Industries Holding Corporation Limited, as stated in Decision No. 422/QD-TKV dated March 5, 2024.

On March 20, 2024, Vinacomin - HaLam Coal JSC announced Official Dispatch No. 554/HLC-KTTC explaining the difference in profit after tax in the Audited Financial Statements 2023 compared to that of the same period last year as follows:

Unit: VND

|  |  |  |  |
| --- | --- | --- | --- |
| Targets | 2023 | 2022 | Difference |
| Profit after tax | 99,167,556,270 | 82,242,355,928 | 16,925,200,342 |

Profit after tax in 2023 after audit increased by VND 16,925,200,342 compared to the same period of the previous year. This increase was attributed to the stable production situation of the company in 2023 and the successful implementation of the planned targets assigned by the Vietnam National Coal - Mineral Industries Holding Corporation Limited.

On March 20, 2024, Vinacomin - HaLam Coal JSC announced Official Dispatch No. 555/HLC-KTTC explaining the data used to compare the targets in the Financial Statements 2023 as follows:

The data used to compare the targets in the Financial Statements 2023 is based on the Financial Statements for the fiscal year ending on December 31, 2022, which has been audited by PKF Vietnam Company Limited. Retroactive adjustment were made to certain targets at the beginning of the year on the balance sheet for 2023, income statement 2023, and the cash flow statement 2023, details as follows:

1. Balance sheet

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Targets | Code | January 01, 2023  (previously presented in the previous year's statement) | Retroactive adjustment | January 01, 2023 (Represented figure) |
| Long-term assets | 200 | 1,787,837,551,391 | 4,522,796,594 | 1,792,360,347,985 |
| Other long-term assets | 260 | 174,224,514,765 | 4,522,796,594 | 178,747,311,359 |
| Long-term prepaid expense | 261 | 163,507,333,019 | 4,522,796,594 | 168,030,129,613 |
| Total assets | 270 | 2,860,263,353,681 | 4,522,796,594 | 2,864,786,150,275 |
| Payables | 300 |  |  |  |
| Short-term payables | 310 | 2,487,698,623,902 | 904,559,319 | 2,488,603,183,221 |
| Taxes and other payables to the State | 313 | 1,661,975,541,123 | 904,559,319 | 1,662,880,100,442 |
| Owners’ equity | 400 | 98,731,073,594 | 904,559,319 | 99,635,632,913 |
| Owners’ equity | 410 | 372,564,729,779 | 3,618,237,275 | 376,182,967,054 |
| Undistributed profit after tax | 421 | 372,564,729,779 | 3,618,237,275 | 376,182,967,054 |
| Undistributed profit after tax in this period | 421b | 78,624,118,653 | 3,618,237,275 | 82,242,355,928 |
| TOTAL CAPITAL SOURCE | 440 | 78,624,118,653 | 3,618,237,275 | 82,242,355,928 |

1. Report on production and business results:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Targets | Code | January 01, 2023  (previously presented in the previous year's statement) | Retroactive adjustment | January 01, 2023 (Represented figure) |
| Cost of goods sold | 11 | 3,361,035,845,789 | - 4,522,796,594 | 3,356,513,049,195 |
| Gross profit from goods sales and service provision (20=10-11) | 20 | 390,321,795,080 | 4,522,796,594 | 394,844,591,674 |
| Net profit from business activities [30 = 20+(21-22)-(24+25)] | 30 | 97,960,807,504 | 4,522,796,594 | 102,483,604,098 |
| Total profit before tax (50=30+40) | 50 | 99,021,551,905 | 4,522,796,594 | 103,544,348,499 |
| Current corporate income tax | 51 | 31,114,614,998 | 904,559,319 | 32,019,174,317 |
| Profit after tax (60=50-51-52) | 60 | 78,624,118,653 | 3,618,237,275 | 82,242,355,928 |

1. Cash Flow Statement

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Targets | Code | January 01, 2023  (previously presented in the previous year's statement) | Retroactive adjustment | January 01, 2023 (Represented figure) |
| Profit before tax | 01 | 99,021,551,905 | 4,522,796,594 | 103,544,348,499 |
| Profit from business activities before working capital changes | 08 | 638,457,412,545 | 4,522,796,594 | 642,980,209,139 |
| Increase/decrease in prepaid expense | 12 | 93,016,944,240 | - 4,522,796,594 | 88,494,147,646 |

Reason for retroactive adjustment: In accordance with Decision No. 196/QD-TTr dated September 18, 2023, by the Ministry of Finance regarding the financial inspection at TKV, and Minutes No. 03/BBTTr-TKV dated November 3, 2023, on the results of the inspection at Vinacomin - HaLam Coal JSC, the company made a supplementary corporate income tax payment of VND 904,559,319 for the year 2022; the undistributed profit after tax for this period increased by VND 3,618,237,275, and long-term prepaid expenses increased by VND 4,522,796,594.