

**VIGLACERA HA LONG JOINT STOCK COMPANY**  
*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED SEPARATE  
FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**



**TABLE OF CONTENTS**

<b><u>CONTENTS</u></b>	<b><u>PAGE(S)</u></b>
STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS	1 - 2
INDEPENDENT AUDITORS' REPORT	3 - 4
BALANCE SHEET	5 - 6
INCOME STATEMENT	7
CASH FLOW STATEMENT	8 - 9
NOTES TO THE SEPARATE FINANCIAL STATEMENTS	10 - 36



## STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of Viglacera Ha Long Joint Stock Company (the "Company") presents this report together with the Company's separate financial statements for the year ended 31 December 2024.

### THE BOARDS OF DIRECTORS, EXECUTIVE OFFICERS AND SUPERVISORS

The members of the Boards of Directors, Executive Officers and Supervisors of the Company during the year and to the date of this report are as follows:

#### Board of Directors

Mr. Tran Hong Quang	Chairman
Mr. Nham Sy Tien	Vice Chairman
Mr. Dinh Quang Huy	Independent Member
Mr. Ngo Thanh Tung	Member
Mr. Tran Thanh	Member
Mr. Nguyen Duc Luyen	Member
Mr. Nguyen Huu Gam	Independent Member

#### Board of Executive Officers

Mr. Tran Thanh	Chief Executive Officer
Mr. Tran Duy Hung	Deputy Chief Executive Officer
Mr. Bui Van Quang	Deputy Chief Executive Officer

#### Board of Supervisors

Mr. Nguyen Quang Hai	Head
Ms. Pham Thi Hien	Member
Mr. Tran Trung Kien	Member

### THE BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY

The Board of Executive Officers of the Company is responsible for preparing the separate financial statements, which give a true and fair view of the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. In preparing these separate financial statements, the Board of Executive Officers is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;



**STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)**

- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the separate financial statements;
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the separate financial statements so as to minimize errors and frauds.

The Board of Executive Officers is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Company and that the separate financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Executive Officers is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executive Officers confirms that the Company has complied with the above requirements in preparing these separate financial statements.

For and on behalf of the Board of Executive Officers,



---

**Tran Thanh**  
**Chief Executive Officer**

*17 February 2025*

No.: 0438/VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders  
The Boards of Directors and Boards of Executive Officers  
Viglacera Ha Long Joint Stock Company**

We have audited the accompanying separate financial statements of Viglacera Ha Long Joint Stock Company (the "Company"), prepared on 17 February 2025 as set out from page 05 to page 36, which comprise the balance sheet as at 31 Decembers 2024, the income statement and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### ***The Board of Executive Officers' Responsibility***

The Board of Executive Officers is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as the Board of Executive Officers determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

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

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

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

## INDEPENDENT AUDITORS' REPORT (Continued)

### *Opinion*

In our opinion, the separate financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.



---

**Vu Duc Nguyen**  
Deputy General Director  
Audit Practising Registration Certificate  
No. 0764-2023-001-1

---

**Nguyen Anh Tuan**  
Auditor  
Audit Practising Registration Certificate  
No. 1472-2023-001-1

**DELOITTE VIETNAM AUDIT COMPANY LIMITED**

17 February 2025  
Hanoi, S.R. Vietnam

## BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>295,167,777,785</b>	<b>308,441,930,575</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>54,911,620,882</b>	<b>21,661,004,101</b>
1. Cash	111		6,911,620,882	11,661,004,101
2. Cash equivalents	112		48,000,000,000	10,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>	<b>5</b>	<b>30,089,870,171</b>	
1. Held-to-maturity investments	123		30,089,870,171	
<b>III. Short-term receivables</b>	<b>130</b>		<b>33,141,527,278</b>	<b>34,337,928,597</b>
1. Short-term trade receivables	131	6	7,546,654,019	7,542,055,572
2. Short-term advances to suppliers	132	7	4,217,203,844	2,759,634,640
3. Other short-term receivables	136	8	46,079,671,708	49,263,504,678
4. Provision for short-term doubtful debts	137	9	(24,702,002,293)	(25,227,266,293)
<b>IV. Inventories</b>	<b>140</b>	<b>10</b>	<b>176,859,176,887</b>	<b>251,076,385,725</b>
1. Inventories	141		194,230,417,100	269,691,002,083
2. Provision for devaluation of inventories	149		(17,371,240,213)	(18,614,616,358)
<b>V. Other short-term assets</b>	<b>150</b>		<b>165,582,567</b>	<b>1,366,612,152</b>
1. Short-term prepayments	151	11	165,582,567	248,967,470
2. Value added tax deductibles	152		-	1,117,644,682
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>273,968,229,758</b>	<b>338,146,097,653</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>10,952,414,231</b>	<b>9,725,403,109</b>
1. Long-term trade receivables	211	6	7,286,767,777	7,159,682,745
2. Other long-term receivables	216	8	3,665,646,454	2,565,720,364
<b>II. Fixed assets</b>	<b>220</b>		<b>59,466,304,894</b>	<b>87,852,749,491</b>
1. Tangible fixed assets	221	12	53,191,642,787	80,217,841,503
- Cost	222		1,272,073,986,782	1,270,818,834,055
- Accumulated depreciation	223		(1,218,882,343,995)	(1,190,600,992,552)
2. Finance lease assets	224	13	-	1,202,854,697
- Cost	225		-	1,255,152,727
- Accumulated depreciation	226		-	(52,298,030)
3. Intangible assets	227	14	6,274,662,107	6,432,053,291
- Cost	228		7,963,559,466	7,963,559,466
- Accumulated amortisation	229		(1,688,897,359)	(1,531,506,175)
<b>III. Long-term financial investments</b>	<b>250</b>	<b>5</b>	<b>203,401,621,746</b>	<b>224,232,225,481</b>
1. Investments in subsidiaries	251		189,855,000,000	189,855,000,000
2. Investments in associates	252		62,000,000,000	62,000,000,000
3. Equity investments in other entities	253		2,000,000,000	2,000,000,000
4. Provision for impairment of long-term financial investments	254		(50,453,378,254)	(29,622,774,519)
<b>IV. Other long-term assets</b>	<b>260</b>		<b>147,888,887</b>	<b>16,335,719,572</b>
1. Long-term prepayments	261	11	147,888,887	16,335,719,572
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>569,136,007,543</b>	<b>646,588,028,228</b>

The accompanying notes are an integral part of these separate financial statements

## BALANCE SHEET (Continued)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>127,920,946,882</b>	<b>139,785,992,614</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>112,143,391,339</b>	<b>123,074,278,425</b>
1. Short-term trade payables	311	15	28,322,606,837	43,734,700,337
2. Short-term advances from customers	312	16	1,354,409,397	805,552,140
3. Taxes and amounts payable to the State budget	313	17	2,464,028,913	619,445,002
4. Payables to employees	314		20,259,415,996	18,700,043,200
5. Short-term accrued expenses	315	18	2,878,816,959	2,705,767,663
6. Short-term unearned revenue	318	19	581,636,434	581,636,434
7. Other current payables	319	20	5,703,673,061	5,863,893,508
8. Short-term loans and obligations under finance leases	320	21	-	977,648,896
9. Short-term provisions	321	23	8,656,913,640	6,170,949,520
10. Bonus and welfare funds	322	24	41,921,890,102	42,914,641,725
<b>II. Long-term liabilities</b>	<b>330</b>		<b>15,777,555,543</b>	<b>16,711,714,189</b>
1. Long-term unearned revenue	336	19	8,436,759,764	9,018,396,198
2. Long-term loans and obligations under finance leases	338	22	2,276,300,000	2,628,822,212
3. Long-term provisions	342	23	2,750,000,000	2,750,000,000
4. Scientific and technological development fund	343		2,314,495,779	2,314,495,779
<b>D. EQUITY</b>	<b>400</b>		<b>441,215,060,661</b>	<b>506,802,035,614</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>25</b>	<b>441,215,060,661</b>	<b>506,802,035,614</b>
1. Owners' contributed capital	411		250,000,000,000	250,000,000,000
- Ordinary shares carrying voting rights	411a		250,000,000,000	250,000,000,000
2. Share premium	412		49,171,810,665	49,171,810,665
3. Investment and development fund	418		245,769,836,551	245,769,836,551
4. Other reserves	420		11,811,512,409	11,811,512,409
5. Accumulated (losses)	421		(115,538,098,964)	(49,951,124,011)
- (Loss)/Retained earnings accumulated to the prior year end	421a		(49,951,124,011)	14,539,049,015
- (Losses) of the current year	421b		(65,586,974,953)	(64,490,173,026)
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>569,136,007,543</b>	<b>646,588,028,228</b>

Nguyen Thi Tuyen  
Preparer

Dinh Thi Thu Hang  
Chief Accountant



Tran Thanh  
General Director

17 February 2025

The accompanying notes are an integral part of these separate financial statements



**INCOME STATEMENT**  
 For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold	01	27	484,835,832,054	563,980,815,457
2. Net revenue from goods sold (10=01)	10		484,835,832,054	563,980,815,457
3. Cost of sales	11	28	480,744,730,820	570,503,691,320
4. Gross profit/(loss) from goods sold (20=10-11)	20		4,091,101,234	(6,522,875,863)
5. Financial income	21	30	1,639,973,470	1,144,350,018
6. Financial expenses	22	31	21,033,718,698	23,649,747,960
- In which: Interest expense	23		42,458,202	1,410,444,339
7. Selling expenses	25	32	9,043,542,428	7,321,378,709
8. General and administration expenses	26	32	26,072,036,378	28,735,469,795
9. Operating (losses) (30=20+(21-22)-(25+26))	30		(50,418,222,800)	(65,085,122,309)
10. Other income	31	33	1,974,020,273	2,232,220,992
11. Other expenses	32	33	17,142,772,426	1,637,271,709
12. (Loss)/profit from other activities (40=31-32)	40		(15,168,752,153)	594,949,283
13. Accounting (losses) before tax (50=30+40)	50		(65,586,974,953)	(64,490,173,026)
14. Current corporate income tax expense	51	34	-	-
15. Net (losses) after corporate income tax (60=50-51)	60		(65,586,974,953)	(64,490,173,026)

Nguyen Thi Tuyen  
Preparer

Dinh Thi Thu Hang  
Chief Accountant



Trần Thanh  
General Director

17 February 2025

The accompanying notes are an integral part of these separate financial statements

**CASH FLOW STATEMENT**  
 For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>1. Losses before tax</b>	<b>01</b>	<b>(65,586,974,953)</b>	<b>(64,490,173,026)</b>
<b>2. Adjustments for:</b>			
Depreciation and amortisation of fixed assets	02	28,386,444,597	40,064,939,162
Provisions	03	21,547,927,710	29,075,024,647
Foreign exchange (gain)/loss arising from translating foreign currency items	04	(6,734,045)	13,212,546
(Gain) from investing activities	05	(271,885,245)	(582,937,809)
Interest expense	06	42,458,202	1,410,444,339
<b>3. Operating (loss)/profit before movements in working capital</b>	<b>08</b>	<b>(15,888,763,734)</b>	<b>5,490,509,859</b>
Changes in receivables	09	(502,253,123)	2,174,984,361
Changes in inventories	10	75,460,584,983	70,695,891,616
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	(8,921,135,501)	(58,797,490,293)
Changes in prepaid expenses	12	16,271,215,588	231,095,410
Interest paid	14	(121,474,502)	(1,454,184,539)
Corporate income tax paid	15	(3,190,673,405)	(472,861,287)
Other cash outflows	17	(992,751,623)	(15,347,004,085)
<b>Net cash generated by operating activities</b>	<b>20</b>	<b>62,114,748,683</b>	<b>2,520,941,042</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>1. Acquisition and construction of fixed assets and other long-term assets</b>	<b>21</b>	<b>-</b>	<b>(137,880,000)</b>
<b>2. Cash outflow for lending, buying debt instruments of other entities</b>	<b>23</b>	<b>(30,089,870,171)</b>	<b>-</b>
<b>3. Interest earned, dividends and profits received</b>	<b>27</b>	<b>2,391,907,225</b>	<b>1,041,030,584</b>
<b>Net cash (used in)/generated by investing activities</b>	<b>30</b>	<b>(27,697,962,946)</b>	<b>903,150,584</b>

The accompanying notes are an integral part of these separate financial statements

**CASH FLOW STATEMENT (Continued)**  
 For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	-	166,169,560,508
2. Repayment of borrowings	34	-	(166,365,460,508)
3. Repayment of obligations under finance leases	35	(764,711,108)	(352,561,619)
4. Dividends and profits paid	36	(402,721,915)	(97,876,653)
<b>Net cash (used in) financing activities</b>	<b>40</b>	<b>(1,167,433,023)</b>	<b>(646,338,272)</b>
<b>Net increases in cash (50=20+30+40)</b>	<b>50</b>	<b>33,249,352,714</b>	<b>2,777,753,354</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>21,661,004,101</b>	<b>18,896,667,297</b>
Effects of changes in foreign exchange rates	61	1,264,067	(13,416,550)
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>54,911,620,882</b>	<b>21,661,004,101</b>



Nguyen Thi Tuyen  
Preparer



Dinh Thi Thu Hang  
Chief Accountant



Tran Thanh  
General Director

17 February 2025

## **NOTES TO THE SEPARATE FINANCIAL STATEMENTS**

*These notes are an integral part of and should be read in conjunction with the accompanying separate financial statements*

### **1. GENERAL INFORMATION**

#### **Structure of ownership**

Viglacera Ha Long Joint Stock Company (the "Company") is an enterprise converted upon the equitization of Ha Long Ceramics and Construction Company into a joint stock company according to the Enterprise Registration Certificate of Joint Stock Company No. 57000101147 dated 01 March 2006 and amended certificates. The Company's charter capital according to the Enterprise Registration Certificate is VND 250,000,000,000. The Company was approved to become a public interest company according to Official Letter No. 5941/UBCK-GSDC dated 05 September 2016 by the State Security Commission of Vietnam. The Company has its shares officially listed on HNX with the stock code VHL since 25 November 2008.

The Company is headquartered in Quarter 2, An Tiem Street, Ha Khau District, Ha Long City, Quang Ninh Province, Vietnam.

The parent company of the Company is Viglacera Corporation - JSC.

The total number of employees of the Company as at 31 December 2024 was 1,018 (as at 31 December 2023: 1,132).

#### **Operating industry and principal activities**

The principal activities of the Company include:

- Producing construction materials from clay;
- Producing, exploiting and trading all kinds of construction materials. Design consultancy, application, technology transfer of construction materials production;
- Exploitation of stone, sand, gravel and clay;
- Trading in real estate, land use rights under ownership, usage or lease; and
- Investment in construction of civil and industrial works, urban infrastructure technical works, industrial parks.

The principal activities of the Company are to produce construction materials from clay, produce, exploit, trade and distribute all kinds of construction materials.

#### **Normal production and business cycle**

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

#### **The Company's structure**

Dependent units of the Company are as follow:

<b>Dependent units</b>	<b>Address</b>	<b>Principal activities</b>
Tuynel Tieu Giao Brick factory	Quang Ninh	Production of construction materials
Cotto Gieng Day Brick factory	Quang Ninh	Production of construction materials
Tuynel Hoanh Bo Brick factory	Quang Ninh	Production of construction materials
Life services enterprise	Quang Ninh	Animal husbandry, food and beverage service

As at 31 December 2024, details of subsidiaries and associates of the Company are as follows:

Company name	Place of Incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Main business
<b>Subsidiaries</b>				
Viglacera Ha Long Trading One Member Company Limited	Quang Ninh	100,00	100,00	Trading building materials
Viglacera Clinker Tile Joint Stock Company	Quang Ninh	99,92	99,92	Production of construction materials
<b>Associates</b>				
Viglacera Ha Long II Joint Stock Company	Quang Ninh	40,00	40,00	Production of construction materials
Viglacera Dong Trieu Joint Stock Company	Quang Ninh	40,00	40,00	Production of construction materials

**Disclosure of information comparability in the separate financial statements**

The comparative figures are the figures of the Company's audited separate financial statements for the year ended 31 December 2023.

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR**

**Accounting convention**

The accompanying separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting.

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

The Company also prepares its consolidated financial statements of the Group. These separate financial statements should be read together with the Company's consolidated financial statements for the year ended 31 December 2024 in order to obtain thorough understanding of the operation of the Company.

**Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these separate financial statements, are as follows:

**Estimates**

The preparation of separate financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting requires the Board of Executive Officers to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the separate financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executive Officers' best knowledge, actual results may differ from those estimates.

### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **Financial investments**

#### ***Held-to-maturity investments***

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits to earn periodic interest.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

#### ***Investments in subsidiaries and associates***

##### ***Investments in subsidiaries***

A subsidiary is an entity over which the Company has control. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

##### ***Investments in associates***

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

Investments in subsidiaries and associates are initially recognised at cost. The Company's share of the net profit of the investee after acquisition is recognised in the income statement. Other distributions received other than such profit share are deducted from the cost of the investments as recoverable amounts.

Investments in subsidiaries and associates are carried in the balance sheet at cost less provision for impairment of such investments (if any). Provisions for impairment of investments in subsidiaries and associates are made when there is reliable evidence for declining in value of these investment at the balance sheet date.

##### ***Equity investments in other entities***

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.



**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue for six months or more and difficult to recover, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.

**Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Issue price is calculated using the weighted average method. Net realizable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution. The Company applies perpetual method to account for inventories.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realizable values as at the balance sheet date.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working conditions and locations for their intended use.

Tangible fixed assets are depreciated using the straight-line method over their following estimated useful lives:

	<u>Years</u>
Buildings and structures	05 - 35
Machinery and equipment	06 - 20
Motor vehicles, transmission equipment	06 - 20
Management tools and equipment	03 - 10

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between the net process from sales or disposals of assets and their carrying amount and is recognised in the income statement.

**Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessor

Amounts due from lessees under finance leases are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. Revenue of operatin lease is recognized on a straight-line basic over the lease term. Initial direct costs incurred in negotiating and arranging an financial lease are charged to the income statement when incurred or charged to the income statement using straight-line method over the lease term.

The Company as lessee

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives, as follows:

	Years
Motor vehicles	08

**Intangible assets and amortization**

***Land use rights***

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Land use rights are amortised using the straight-line method over the period of 50 years.

***Computer software***

Cost of acquisition of new computer software, which is not an integral part of the related hardware, is capitalized and treated as an intangible asset. Computer software is amortized using the straight-line method over the period of 04 years.

**Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including initial cost of clay mines, insurance fees and other types of prepayments. The initial cost of the clay mines are allocated to the cost of mining land according to the ratio of the production output in the year divided by the estimated reserves of each mine.

Insurance fees including fire insurance, physical insurance and risk insurance for finance leased properties, have been paid for many years. Insurance fees are amortized to the income statement on a straight-line basis over the effective period.

Other types of prepayments comprise costs of tools and supplies issued for consumption, which are allocated to the income statement using the straight-line method in accordance with the current prevailing accounting regulations.



### **Payable provisions**

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Executive Officers's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

### **Unearned Revenue**

Unearned revenue is the amounts received in advance relating to one or more accounting periods for rental services of collective housing for employees that not have been provided or delivered yet. The Company recognizes unearned revenue in proportion to its obligations that the Company will have to perform in the future. When the revenue recognition conditions are satisfied, unearned revenue will be recognized in the income statement for the year corresponding to the portion that meets the revenue recognition conditions.

### **Revenue recognition**

#### ***Revenue from sales of goods***

Revenue from the sale of goods is recognized when all five (5) following conditions are satisfied:

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

#### ***Interest income***

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate.

Divedence income from investments is recognized when the Company 's right to receive payment has been established.

#### **Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the Income statement.

### Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

As at 31 December 2024, the Company has a tax loss that can be used to offset against future taxable profits within 5 years from the year the loss arises, but no deferred tax asset has been recognized because the Company is uncertain about its future profitability.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

#### 4. CASH AND CASH EQUIVALENTS

	Closing balance	Opening balance
	VND	VND
Cash on hand	591,493,497	169,986,804
Bank demand deposits	6,320,127,385	11,491,017,297
Cash equivalents (*)	48,000,000,000	10,000,000,000
	<b>54,911,620,882</b>	<b>21,661,004,101</b>

(\*) As at 31 December 2024, cash equivalents represent deposits with original term of 1 to 3 months at Commercial Banks with the interest rate from 4.2% per annum to 4.6% per annum (as at 31 December 2023: 3.6% per annum).

5. FINANCIAL INVESTMENTS

5.1. Short-term financial investments

	Closing balance		Opening balance	
	VND	VND	VND	VND
	Carrying amount	Cost	Carrying amount	Carrying amount
Short-term investments (*)	30,089,870,171	30,089,870,171	-	-
Term deposits	30,089,870,171	30,089,870,171	-	-

(\*) As at 31 December 2024, short-term financial investments represent time deposits with original term of 06 months at Commercial Banks with the interest rate from 5.2% per annum to 56% p.er annum.

5.2. Long-term financial investments

	Closing balance			Opening balance		
	VND	VND	VND	VND	VND	VND
	Provision	Fair value	Cost	Provision	Cost	Fair value
<b>Investments in subsidiaries</b>						
Viglacera Ha Long Trading One Member Company Limited (i)	-	10,000,000,000	10,000,000,000	-	-	-
Viglacera Clinker Tile Joint Stock Company (i)	-	179,855,000,000	179,855,000,000	-	-	-
	-	<b>189,855,000,000</b>	<b>189,855,000,000</b>	-	-	-
<b>Investments in associates</b>						
Viglacera Ha Long II Joint Stock Company (i)	13,778,355,856	22,000,000,000	22,000,000,000	8,099,029,484	8,099,029,484	18,000,000,000
Viglacera Dong Trieu Joint Stock Company (ii)	34,675,022,398	19,200,000,000	40,000,000,000	19,892,821,865	19,892,821,865	18,000,000,000
	<b>48,453,378,254</b>	<b>19,200,000,000</b>	<b>62,000,000,000</b>	<b>27,991,851,349</b>	<b>27,991,851,349</b>	<b>18,000,000,000</b>
<b>Investments in other entities</b>						
Viglacera Trading Joint Stock Company (i)	2,000,000,000	2,000,000,000	2,000,000,000	1,630,923,170	1,630,923,170	1,630,923,170
	<b>2,000,000,000</b>	<b>2,000,000,000</b>	<b>2,000,000,000</b>	<b>1,630,923,170</b>	<b>1,630,923,170</b>	<b>1,630,923,170</b>

(i) The Company has not assessed fair value of its the financial investments as at the balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of these financial investments in unlisted entities.

(ii) The fair value of this financial investment is assessed based on closing prices of shares on the HNX stock exchange on 31 December 2024 and 31 December 2023.

Operation situation of subsidiaries, associates:

	<u>Current year</u>	<u>Prior year</u>
<b>Subsidiaries</b>		
Viglacera Ha Long Trading One Member Company Limited	Operating at a profit	Operating at a profit
Viglacera Clinker Tile Joint Stock Company	Operating at a profit	Operating at a profit
<b>Associates</b>		
Viglacera Ha Long II Joint Stock Company	Operating at a loss	Operating at a loss
Viglacera Dong Trieu Joint Stock Company	Operating at a loss	Operating at a loss

During the year, the transactions between the Company and its subsidiaries and associates mainly related to production and trading of construction materials from clay and financial activities related to dividends, distributed profit (Details stated in Note 36).

**6. SHORT-TERM TRADE RECEIVABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Short-term trade receivables</b>		
Euto Inc.	3,024,228,689	2,789,017,599
Viglacera Clinker Tile Joint Stock Company	2,200,000,000	-
Viglacera Ha Long II Joint Stock Company	947,803,785	1,388,028,514
Others	1,374,621,545	3,365,009,459
	<b><u>7,546,654,019</u></b>	<b><u>7,542,055,572</u></b>
<i>In which:</i>		
Receivables from related parties (Details stated in Note 36)	4,153,744,581	4,731,512,861
<b>b. Long-term trade receivables</b>		
Viglacera Clinker Tile Joint Stock Company	5,144,018,079	7,159,682,745
Viglacera Dong Trieu Joint Stock Company	2,142,749,698	-
	<b><u>7,286,767,777</u></b>	<b><u>7,159,682,745</u></b>
<i>In which:</i>		
Receivables from related parties (Details stated in Note 36)	7,286,767,777	7,159,682,745

**7. SHORT-TERM ADVANCES TO SUPPLIERS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Viglacera Dap Cau Sheet Glass Joint Stock Company	2,000,000,000	2,000,000,000
Ha Long Group Joint Stock Company	1,703,920,896	-
Viglacera Dong Trieu Joint Stock Company	500,000,000	750,000,000
Others	13,282,948	9,634,640
	<b><u>4,217,203,844</u></b>	<b><u>2,759,634,640</u></b>
<i>In which:</i>		
Advances to related parties (Details stated in Note 36)	2,500,000,000	2,750,000,000

**8. OTHER RECEIVABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Current</b>		
Land use fees, compensation and other expenses (i)	33,642,634,419	33,642,634,419
Dividends receivable	5,414,635,245	7,534,657,225
Deposits and mortgages	2,552,232,179	2,552,232,179
Receivable related to technology transfer fee	811,616,000	1,760,568,000
Interest receivable	1,126,730,644	1,063,347,082
Others	2,531,823,221	2,710,065,773
	<u><b>46,079,671,708</b></u>	<u><b>49,263,504,678</b></u>
<b>b. Non-current</b>		
Deposits and mortgages	2,914,694,454	2,496,201,174
Receivable related to technology transfer fee	750,952,000	-
Others	-	69,519,190
	<u><b>3,665,646,454</b></u>	<u><b>2,565,720,364</b></u>
<i>In which:</i>		
Other receivables from related parties (Details stated in Note 36)	7,481,372,245	9,799,394,225

- (i) Represents costs of “the Project of Resettlement and housing for employees of Tuynel brick factory in Le Loi commune, Ha Long City” carried out for the purpose of building collective houses and residential areas for employees of the Company. The project has been implemented since 2009 but delayed after that due to many objective reasons about market demand, therefore, the Department of Planning and Investment of Quang Ninh Province issued Decision No. 3791/QD-KHDT dated 25 December 2017 on termination of investment in this project. On 10 January 2018, the People's Committee of Quang Ninh Province issued Decision No. 44/QD-UBND to recover the land previously assigned to the Company to implement the project and assigned the People's Committee of Ha Long City to propose a plan to deal with the land use costs and ground clearance expenses paid by the Company in accordance with the law. At present, the Company continues to coordinate with Ha Long City Land Fund Development Center to hand over land to the locality, determine the value and carry out procedures for reimbursement of expenses the Company invested in the project. As at 31 December 2024, the Company made a provision corresponding to the cost of ground leveling, project consulting and compensation amounting to VND 16.75 billion, following the principle of prudence (31 December 2023: VND 16.75 billion).

VIGLACERA HA LONG JOINT STOCK COMPANY  
NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

9. BAD DEBTS

	Closing balance			Opening balance		
	Cost	Provision	Recoverable amount	Cost	Provision	Recoverable amount
People's Committee of Ha Long City (Land use fees, compensation and other costs)	33,642,634,419	16,754,634,419	16,888,000,000	33,642,634,419	16,754,634,419	16,888,000,000
Viglacera Dong Trieu Joint Stock Company	3,693,701,698	1,799,854,883	1,893,846,815	3,858,101,698	2,099,854,883	1,758,246,815
Viglacera Dap Cau Sheet Glass Joint Stock Company	3,004,169,000	3,004,169,000	-	3,004,169,000	3,004,169,000	-
Viglacera Tu Liem Joint Stock Company	110,925,000	110,925,000	-	308,925,000	308,925,000	-
Viglacera Ba Hien Joint Stock Company	500,000,000	500,000,000	-	500,000,000	500,000,000	-
Viglacera Huu Hung Joint Stock Company	200,691,000	200,691,000	-	200,691,000	200,691,000	-
Others	2,331,727,991	2,331,727,991	-	2,358,991,991	2,358,991,991	-
	<b>43,483,849,108</b>	<b>24,702,002,293</b>	<b>18,781,846,815</b>	<b>43,873,513,108</b>	<b>25,227,266,293</b>	<b>18,646,246,815</b>

Recoverable amount is stated at cost less provision for doubtful debts recognized as at separate financial statements.

**10. INVENTORIES**

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Raw materials	102,590,707,470	-	133,102,719,658	-
Tools and supplies	21,420,096	-	26,138,096	-
Work in progress	15,781,089,750	-	17,022,758,571	-
Finished goods	75,837,199,784	(17,371,240,213)	119,539,385,758	(18,614,616,358)
	<b>194,230,417,100</b>	<b>(17,371,240,213)</b>	<b>269,691,002,083</b>	<b>(18,614,616,358)</b>

During the year, the Company has reversed a provision for devaluation of inventories VND 8,850,384,356 (2023: VND 6,469,881,276) and made additional provision for devaluation of inventories with an amount of VND 10,093,760,501 due to a change in net realisable value of inventories as of 31 December 2024, compared to net realisable value when calculating the provision at the beginning of the year.

As at 31 December 2024, all of the Company's inventories were used as collateral for loans at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Long Branch as presented in Note 21.

**11. PREPAYMENTS**

	Closing balance		Opening balance	
		VND		VND
<b>a. Current</b>				
Insurance fees		165,582,567		223,634,140
Others		-		25,333,330
		<b>165,582,567</b>		<b>248,967,470</b>
<b>b. Non-current</b>				
Initial cost of clay mines		-		16,138,972,072
Others		147,888,887		196,747,500
		<b>147,888,887</b>		<b>16,335,719,572</b>

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

COST	Buildings and structures	Machinery and equipment	Motor vehicles, transmission equipment	Management tools and equipment	Total
	VND	VND	VND	VND	VND
Opening balance	426,885,546,423	796,730,223,035	46,152,350,208	1,050,714,389	1,270,818,834,055
Purchase finance lease assets	-	-	1,255,152,727	-	1,255,152,727
<b>Closing balance</b>	<b>426,885,546,423</b>	<b>796,730,223,035</b>	<b>47,407,502,935</b>	<b>1,050,714,389</b>	<b>1,272,073,986,782</b>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	376,149,225,912	768,347,579,994	45,053,472,257	1,050,714,389	1,190,600,992,552
Charge for the year	13,298,351,442	14,223,157,259	563,725,135	-	28,085,233,836
Purchase finance lease assets	-	-	196,117,607	-	196,117,607
<b>Closing balance</b>	<b>389,447,577,354</b>	<b>782,570,737,253</b>	<b>45,813,314,999</b>	<b>1,050,714,389</b>	<b>1,218,882,343,995</b>
<b>NET BOOK VALUE</b>					
Opening balance	50,736,320,511	28,382,643,041	1,098,877,951	-	80,217,841,503
<b>Closing balance</b>	<b>37,437,969,069</b>	<b>14,159,485,782</b>	<b>1,594,187,936</b>	<b>-</b>	<b>53,191,642,787</b>

The cost of the Company's tangible fixed assets as at 31 December 2024 includes VND 999,924,188,610 (as at 31 December 2023: VND 947,591,345,662) of assets which have been fully depreciated but are still in use.

The Company has pledged its tangible fixed assets, which has the carrying value of VND 10,455,038,453 as at 31 December 2024 (31 December 2023: VND 21,979,518,752) to secure loans at Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Long Branch as presented in Note 21.



13. INCREASES, DECREASES IN FINANCE LEASE ASSETS

	Motor vehicles VND
<b>COST</b>	
Opening balance	1,255,152,727
Purchase finance lease assets	(1,255,152,727)
<b>Closing balance</b>	<b>-</b>
<b>ACCUMULATED DEPRECIATION</b>	
Opening balance	52,298,030
Charge for the year	143,819,577
Purchase finance lease assets	(196,117,607)
<b>Closing balance</b>	<b>-</b>
<b>NET BOOK VALUE</b>	
Opening balance	<b>1,202,854,697</b>
<b>Closing balance</b>	<b>-</b>

14. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND	Computer software VND	Total VND
<b>COST</b>			
Opening balance	7,869,559,466	94,000,000	7,963,559,466
<b>Closing balance</b>	<b>7,869,559,466</b>	<b>94,000,000</b>	<b>7,963,559,466</b>
<b>ACCUMULATED AMORTIZATION</b>			
Opening balance	1,437,506,175	94,000,000	1,531,506,175
Charge for the year	157,391,184	-	157,391,184
<b>Closing balance</b>	<b>1,594,897,359</b>	<b>94,000,000</b>	<b>1,688,897,359</b>
<b>NET BOOK VALUE</b>			
Opening balance	<b>6,432,053,291</b>	-	<b>6,432,053,291</b>
<b>Closing balance</b>	<b>6,274,662,107</b>	-	<b>6,274,662,107</b>

The cost of the Company's intangible assets as at 31 December 2024 includes VND 94,000,000 (as at 31 December 2023: VND 94,000,000) of assets which have been fully amortised but are still in use.

Land use rights represent the value of the land plot at Cotto dormitory area, Gieng Day Ward, Ha Long City, Quang Ninh Province with a total area of 2,976.92 m<sup>2</sup>, used for construction of residential areas and collective houses of the Company's employees in Gieng Day Ward, Ha Long City, Quang Ninh Province. The useful life is 50 years until 12 November 2064.

15. SHORT-TERM TRADE PAYABLES

	<u>Closing balance</u> Amount/Amount able to be paid off	<u>Opening balance</u> Amount/Amount able to be paid off
Ngoc Lam Production, Trading and Service Joint Stock Company	6,711,740,365	-
Company Branch 16 in Hanoi	3,301,689,820	15,973,880,340
Others	18,309,176,652	27,760,819,997
	<u>28,322,606,837</u>	<u>43,734,700,337</u>
<i>In which:</i>		
Trade payables to related parties (Details stated in Note 36)	629,433,104	811,169,456

16. SHORT-TERM ADVANCES FROM CUSTOMERS

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Viglacera Ha Long Trading One Member Company Limited	908,464,471	-
Others	445,944,926	805,552,140
	<u>1,354,409,397</u>	<u>805,552,140</u>
<i>In which:</i>		
Advances from related parties (Details stated in Note 36)	908,464,471	-

17. TAXES AMOUNTS PAYABLES TO THE STATE BUDGET

	<u>Opening balance</u> VND	<u>Payable during the year</u> VND	<u>Paid during the year</u> VND	<u>Closing balance</u> VND
Value added tax	-	11,884,240,575	10,041,462,187	1,842,778,388
Corporate income tax	-	3,190,673,405	3,190,673,405	-
Personal income tax	616,712,492	931,701,625	991,093,765	557,320,352
Natural resource tax	-	29,001,226	29,001,226	-
Land rentals	-	5,099,167,280	5,099,167,280	-
Others	2,732,510	4,236,828,861	4,175,631,198	63,930,173
	<u>619,445,002</u>	<u>25,371,612,972</u>	<u>23,527,029,061</u>	<u>2,464,028,913</u>

18. SHORT-TERM ACCRUED EXPENSES

	<u>Closing balance</u> VND	<u>Opening balance</u> VND
Accrued interest	1,455,756,736	1,534,773,036
Others	1,423,060,223	1,170,994,627
	<u>2,878,816,959</u>	<u>2,705,767,663</u>



**19. UNEARNED REVENUE**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Short-term unearned revenue</b>		
Revenue received in advance (i)	581,636,434	581,636,434
	<u>581,636,434</u>	<u>581,636,434</u>
<b>b. Long-term unearned revenue</b>		
Revenue received in advance (i)	8,436,759,764	9,018,396,198
	<u>8,436,759,764</u>	<u>9,018,396,198</u>

(i) Unearned revenue represents the house rentals from the Company's employees, which are paid in advance and recognized as revenue on a monthly basis.

**20. OTHER CURRENT PAYABLES**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Bonus for the management	1,448,374,730	1,448,374,730
Refund of unpaid employee advance	679,931,631	855,282,525
Training fee	661,371,511	661,371,511
Dividends and profits payable	484,592,435	887,314,350
Others	2,429,402,754	2,011,550,392
	<u>5,703,673,061</u>	<u>5,863,893,508</u>



21. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	Decreases	Amount	VND Amount able to be paid off
<b>Short-term loans (i)</b>	<b>267,560,000</b>	<b>267,560,000</b>	<b>27,185,302,188</b>	<b>27,452,862,188</b>	-	-
Personal loan	267,560,000	267,560,000	-	267,560,000	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Ha Long Branch	-	-	16,433,071,788	16,433,071,788	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Ninh Branch	-	-	10,752,230,400	10,752,230,400	-	-
<b>Current portion of long-term loans (see Note 22)</b>	<b>710,088,896</b>	<b>710,088,896</b>	<b>54,622,212</b>	<b>764,711,108</b>	-	-
	<b>977,648,896</b>	<b>977,648,896</b>	<b>27,239,924,400</b>	<b>28,217,573,296</b>	-	-

(i) Short-term loans include unsecured loans from salary of employees to supplement working capital for business operations. Details as follows:

Lenders	Currency	Interest rate	Maturity year	Form of guarantee	Purpose	Closing balance	
						VND	VND
Unsecured loans from salary of employees	VND	By agreement	Unsecured		Supplementing working capital	-	267,560,000
Vietnam International Commercial Joint Stock Bank - Ha Long Branch	VND	By agreement	2025	Mortgage with fixed assets, inventories, goods circulating in the business process	Supplementing working capital	-	-
- Loan agreement No.185972.2024.HM.00	VND	By agreement	2024	Soil composting house, coal warehouse, working floor and soil composting warehouse	Supplementing working capital	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Ninh Branch	VND	By agreement	2024	Soil composting house, coal warehouse, working floor and soil composting warehouse	Supplementing working capital	-	-
- Loan agreement No.01/2023/479152/HDTD	VND	By agreement	2024	Soil composting house, coal warehouse, working floor and soil composting warehouse	Supplementing working capital	-	-
						-	<b>267,560,000</b>

22. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year		Closing balance	
	Amount	VND Amount able to be paid off	Increases	VND Decreases	Amount	VND Amount able to be paid off
Long-term loans (i)	2,574,200,000	2,574,200,000	-	297,900,000	2,276,300,000	2,276,300,000
Golden hand loans	2,574,200,000	2,574,200,000	-	297,900,000	2,276,300,000	2,276,300,000
Long-term obligations under finance leases (ii)	764,711,108	764,711,108	-	764,711,108	-	-
	<b>3,338,911,108</b>	<b>3,338,911,108</b>	-	<b>1,062,611,108</b>	<b>2,276,300,000</b>	<b>2,276,300,000</b>
<b>In which:</b>						
- Amount due for settlement within 12 months	710,088,896	710,088,896				
- Amount due for settlement after 12 months	2,628,822,212	2,628,822,212			2,276,300,000	2,276,300,000

(i) Long-term loans include loans from officers and employees under the Company's Golden Hands policy. Details are as follows:

Lenders	Currency	Annual rate interest	Maturity year	Form of guarantee	Purpose	Closing balance	
						Unsecured	Supplementing working capital
Golden hand loans	VND	Demand deposit	By agreement			2,276,300,000	2,574,200,000
		interests				<b>2,276,300,000</b>	<b>2,574,200,000</b>

(ii) Details of long-term obligations under finance leases are as follows:

Lenders	Currency	Annual rate interest	Maturity year	Form of guarantee	Purpose	Closing balance	
						VND	VND
Chailease International Leasing Company Limited							
- Financial leasing contract No.	VND	Floating rate	2025	Deposit	Rent a Toyota car	-	764,711,108
B230827311 ngày 23/8/2023						-	<b>764,711,108</b>

Payment schedule of long-term loans and long-term obligations under finance lease are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
On demand or within one year	-	710,088,896
In the second year	-	54,622,212
After five years	2,276,300,000	2,574,200,000
	<u>2,276,300,000</u>	<u>3,338,911,108</u>
Less: Amount due for settlement within 12 months (shown under current liabilities)	-	710,088,896
<b>Amount due for settlement after 12 months</b>	<u><b>2,276,300,000</b></u>	<u><b>2,628,822,212</b></u>

**23. PROVISIONS**

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Short-term</b>		
Environmental decommissioning costs (i)	8,656,913,640	6,170,949,520
	<u>8,656,913,640</u>	<u>6,170,949,520</u>
<b>a. Long-term</b>		
Environmental decommissioning costs (i)	2,750,000,000	2,750,000,000
	<u>2,750,000,000</u>	<u>2,750,000,000</u>

(i) Environmental decommissioning costs are recorded in expense in the year and used by the Company when performing environmental restoration of clay mines.

**24. BONUS AND WELFARE FUND**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Opening balance	42,914,641,725	58,261,645,810
Utilization in the year	(992,751,623)	(15,347,004,085)
<b>Closing balance</b>	<u><b>41,921,890,102</b></u>	<u><b>42,914,641,725</b></u>

VIGLACERA HA LONG JOINT STOCK COMPANY  
 NOTES TO THE SEPARATE FINANCIAL STATEMENTS (Continued)

FORM B 09-DN

25. OWNERS' EQUITY

	Owners' contributed capital VND	Share premium VND	Investment and development fund VND	Other reserves VND	Retained earnings VND	Total VND
<b>For the year ended 31 December 2023</b>						
Opening balance	250,000,000,000	49,171,810,665	245,769,836,551	11,811,512,409	14,539,049,015	571,292,208,640
(Loss) for the year	-	-	-	-	(64,490,173,026)	(64,490,173,026)
Closing balance	<u>250,000,000,000</u>	<u>49,171,810,665</u>	<u>245,769,836,551</u>	<u>11,811,512,409</u>	<u>(49,951,124,011)</u>	<u>506,802,035,614</u>
<b>For the year ended 31 December 2024</b>						
Opening balance	250,000,000,000	49,171,810,665	245,769,836,551	11,811,512,409	(49,951,124,011)	506,802,035,614
(Loss) for the year	-	-	-	-	(65,586,974,953)	(65,586,974,953)
Closing balance	<u>250,000,000,000</u>	<u>49,171,810,665</u>	<u>245,769,836,551</u>	<u>11,811,512,409</u>	<u>(115,538,098,964)</u>	<u>441,215,060,661</u>

Shares	Closing balance	Opening balance
Number of shares registered to issue	25,000,000	25,000,000
Number of shares issued and fully paid	25,000,000	25,000,000
<i>Ordinary shares</i>	<i>25,000,000</i>	<i>25,000,000</i>
Number of outstanding shares in circulation	25,000,000	25,000,000
<i>Ordinary shares</i>	<i>25,000,000</i>	<i>25,000,000</i>
An ordinary share has par value of VND 10,000.		

#### Charter capital

According to the latest amended Enterprise Registration Certificate, the Company's charter capital is VND 250,000,000,000, the total number of share is 25,000,000 with par value of VND 10,000/share. The charter capital contributions by the shareholders as at 31 December 2024 were as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
Viglacera Corporation - JSC	126,192,500,000	50.48	126,192,500,000	50.48
Others	123,807,500,000	49.52	123,807,500,000	49.52
	<b>250,000,000,000</b>	<b>100</b>	<b>250,000,000,000</b>	<b>100</b>

#### 26. OFF BALANCE SHEET ITEMS

##### Foreign currency:

	Closing balance	Opening balance
United States Dollar (USD)	83,172.66	33,852.76

##### Operating lease commitment

	Closing balance	Opening balance
	VND	VND
Minimum lease payment in the future under non-cancellable operating lease under the following terms:		
Within one year	2,247,886,449	2,250,445,689
In the second to fifth year inclusive	8,659,966,491	8,838,268,810
After five years	40,903,333,094	44,595,695,412
	<b>51,811,186,034</b>	<b>55,684,409,911</b>

##### Bad debt resolved

	Closing balance	Opening balance
	VND	VND
Mr. Pham Minh Tuan	27,264,000	-
	<b>27,264,000</b>	<b>-</b>



**27. REVENUE FROM GOODS SOLD**

	Current year VND	Prior year VND
Revenue from selling finished goods	482,854,960,296	561,943,859,157
<i>Domestic sales</i>	407,947,560,697	500,773,740,940
<i>Export sales</i>	74,907,399,599	61,170,118,217
Revenue from selling clay, supplies and other revenue	1,980,871,758	2,036,956,300
	<b>484,835,832,054</b>	<b>563,980,815,457</b>
<i>In which:</i>		
Revenue from related parties (Details stated in Note 36)	402,978,429,348	501,060,336,380

**28. COST OF GOODS SOLD**

	Current year VND	Prior year VND
Cost of finished goods sold	480,007,235,207	561,996,853,744
<i>Cost of domestic sales</i>	405,541,615,643	500,818,268,435
<i>Cost of export sales</i>	74,465,619,564	61,178,585,309
Cost of clay, supplies (Reserved)/Provision made for inventory devaluation	1,980,871,758 (1,243,376,145)	2,036,956,300 6,469,881,276
	<b>480,744,730,820</b>	<b>570,503,691,320</b>

**29. PRODUCTION COST BY NATURE**

	Current year VND	Prior year VND
Raw materials and consumables	180,229,372,783	275,719,793,517
Labour	150,144,799,049	159,156,732,713
Major repair of fixed assets	8,258,882,658	7,212,705,005
Depreciation and amortisation	28,386,444,597	40,064,939,162
Out-sourced services	62,612,888,047	54,171,834,818
Others	38,558,607,964	31,402,149,756
Provision made for devaluation	744,587,975	6,962,410,088
	<b>468,935,583,073</b>	<b>574,690,565,059</b>

**30. FINANCIAL INCOME**

	Current year VND	Prior year VND
Foreign exchange gain	870,598,144	225,681,767
Dividends and profits received	271,885,245	582,937,809
Deposit interest	497,490,081	335,730,442
	<b>1,639,973,470</b>	<b>1,144,350,018</b>
<i>In which:</i>		
Financial income from related parties (Details in Note 36)	271,885,245	582,937,809

**31. FINANCIAL EXPENSES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Provision made for impairment of investments	20,830,603,735	22,112,614,559
Interest expense	42,458,202	1,410,444,339
Foreign exchange loss	160,656,761	126,689,062
	<u>21,033,718,698</u>	<u>23,649,747,960</u>

**32. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>General and administration expenses</b>		
Labour	12,378,920,644	13,371,801,573
Depreciation and amortisation	346,540,740	241,944,686
Out-sourced services	522,991,348	638,388,016
Reversal of provision for doubtful debts	(498,000,000)	(448,000,000)
Others	13,321,583,646	14,931,335,520
	<u>26,072,036,378</u>	<u>28,735,469,795</u>
<b>Selling expenses</b>		
Ocean freight	8,328,947,021	7,068,660,709
Tools and supplies	-	229,888,000
Others	714,595,407	22,830,000
	<u>9,043,542,428</u>	<u>7,321,378,709</u>

**33. OTHER INCOME AND OTHER EXPENSES**

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Other income</b>		
House rentals from to employees	794,591,034	787,543,334
Others	1,179,429,239	1,444,677,658
	<u>1,974,020,273</u>	<u>2,232,220,992</u>
<i>In which:</i>		
Other income from related parties (Details in Note 36)	615,999,988	348,727,264
<b>Other expenses</b>		
Cost of overcoming Typhoon Yagi	11,402,923,361	-
Current corporate income tax expense	3,190,673,405	578,140,969
Penalties	2,425,399,420	434,647,635
Others	123,776,240	624,483,105
	<u>17,142,772,426</u>	<u>1,637,271,709</u>

**34. CORPORATE INCOME TAX EXPENSE**

Current corporate income tax expense in the year is calculated as follows:

	Current year VND	Prior year VND
Loss before tax	(65,586,974,953)	(64,490,173,026)
Adjustments for taxable profit		
<i>Less: non-taxable income</i>	(271,885,245)	(582,937,809)
<i>Add back: non-deductible expenses</i>	18,495,940,917	5,395,049,264
<b>Taxable profit</b>	<b>(47,362,919,281)</b>	<b>(59,678,061,571)</b>
Taxable profit at normal tax rate of 20%	(47,362,919,281)	(59,678,061,571)
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>-</b>	<b>-</b>

As at 31 December 2024, the Company has tax losses that can be used to offset future profits. The tax losses will be examined and approved by the tax authorities and will be carried forward to offset against the Company's taxable profits within five (05) years from the year in which the tax losses arise. No deferred income tax assets are recognized for the losses as the Company is uncertain about future profits.

The Company's losses carried forward over the years are as follows:

Year of arising	Expiry Year	Tax loss (VND)	Loss carried forward as of 31 December 2024 (VND)	Unused tax loss as of 31 December 2024 (VND)
2023	2028	59,678,061,571	-	59,678,061,571
2024	2029	47,362,919,281	-	47,362,919,281
		<b>107,040,980,852</b>	<b>-</b>	<b>107,040,980,852</b>

**35. COMMITMENTS**

**Operating lease commitment**

The operating lease payments represent:

- Land lease contracts in Ha Long City for the purpose of building Hoanh Bo brick factory, dormitory area for employees, exploiting clay mines, construction of storage yards and raw material export port, etc. The land lease term is specified according to each land lease contract. Total leased land area of the Company in Ha Long City is 313,930.5 m<sup>2</sup>;
- Land lease contracts in Ha Khau Ward, Ha Long City for the purpose of building Company's office, Tieu Giao brick factory, land storage, exploiting clay mines, construction of ports and storage yards of finished products, etc. The land lease term is specified according to each land lease contract. The total leased land area of the Company in Ha Khau Ward, Ha Long City is 175,589.6 m<sup>2</sup>;
- Land lease contracts in Gieng Day Ward, Ha Long City for the purpose of building office areas and production workshops of Cotto brick factory, building residential areas and collective houses, exploiting clay mines, etc. The land lease term is specified according to each land lease contract. The total leased land area of the Company in Gieng Day Ward, Ha Long City is 143,958.2 m<sup>2</sup>;

**Other commitments**

As at 31 December 2024, the Company has committed to guarantee loans of Viglacera Clinker Tile Joint Stock Company - a subsidiary of the Company with a total value of guaranteed loans of VND 2,388,528,000 (as at 31 December 2023: VND 1,771,533,325).

**36. RELATED PARTY TRANSACTIONS AND BALANCES**

*List of related parties with significant transactions and balances for the year:*

<u>Related parties</u>	<u>Relationship</u>
Viglacera Corporation - JSC	Parent company
Viglacera Ha Long Trading One Member Company Limited	Subsidiary
Viglacera Clinker Tile Joint Stock Company	Subsidiary
Viglacera Ha Long II Joint Stock Company	Associate
Viglacera Dong Trieu Joint Stock Company	Associate
Viglacera Packings and Brake Linings Joint Stock Company	Affiliate
Viglacera Dap Cau Sheet Glass Joint Stock Company	Affiliate
Viglacera Tu Liem Joint Stock Company	Affiliate
Viglacera Huu Hung Joint Stock Company	Affiliate
Viglacera Van Hai Joint Stock Company	Affiliate

*During the year, the Company entered into the following significant transactions with its related parties:*

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Sales</b>	<b>402,978,429,348</b>	<b>501,060,336,380</b>
Viglacera Ha Long Trading One Member Company Limited	399,500,230,463	500,788,611,180
Viglacera Van Hai Joint Stock Company	3,333,687,885	-
Viglacera Ha Long II Joint Stock Company	144,511,000	177,099,200
Viglacera Clinker Tile Joint Stock Company	-	94,626,000
<b>Purchases</b>	<b>3,911,159,103</b>	<b>2,734,105,900</b>
Viglacera Packings and Brake Linings Joint Stock Company	1,758,901,300	1,356,749,900
Viglacera Dong Trieu Joint Stock Company	1,272,047,286	-
Viglacera Ha Long II Joint Stock Company	443,058,690	302,184,000
Viglacera Corporation - JSC	206,367,500	101,120,000
Viglacera Tu Liem Joint Stock Company	180,000,000	180,000,000
Viglacera Van Hai Joint Stock Company	46,280,007	-
Viglacera Clinker Tile Joint Stock Company	4,504,320	794,052,000
<b>Dividend income</b>	<b>271,885,245</b>	<b>582,937,809</b>
Viglacera Ha Long Trading One Member Company Limited	271,885,245	582,937,809
<b>Dividends received</b>	<b>2,391,907,225</b>	<b>1,041,030,584</b>
Viglacera Clinker Tile Joint Stock Company	2,250,000,000	600,000,000
Viglacera Ha Long Trading One Member Company Limited	141,907,225	441,030,584
<b>Other income</b>	<b>615,999,988</b>	<b>348,727,264</b>
Viglacera Clinker Tile Joint Stock Company	400,000,000	120,000,000
Viglacera Dong Trieu Joint Stock Company	123,272,724	136,000,000
Viglacera Ha Long II Joint Stock Company	92,727,264	92,727,264

*Significant related party balances as at the balance sheet date were as follows:*

	Closing balance	Opening balance
	VND	VND
<b>Short-term trade receivables</b>	<b>4,153,744,581</b>	<b>4,731,512,861</b>
Viglacera Clinker Tile Joint Stock Company	2,200,000,000	-
Viglacera Ha Long II Joint Stock Company	947,803,785	1,388,028,514
Viglacera Van Hai Joint Stock Company	705,940,796	-
Viglacera Dong Trieu Joint Stock Company	300,000,000	2,357,149,698
Viglacera Ha Long Trading One Member Company Limited	-	986,334,649
<b>Long-term trade receivables</b>	<b>7,286,767,777</b>	<b>7,159,682,745</b>
Viglacera Clinker Tile Joint Stock Company	5,144,018,079	7,159,682,745
Viglacera Dong Trieu Joint Stock Company	2,142,749,698	-
<b>Short-term advances to suppliers</b>	<b>2,500,000,000</b>	<b>2,750,000,000</b>
Viglacera Dap Cau Sheet Glass Joint Stock Company	2,000,000,000	2,000,000,000
Viglacera Dong Trieu Joint Stock Company	500,000,000	750,000,000
<b>Other short-term receivables</b>	<b>7,481,372,245</b>	<b>9,799,394,225</b>
Viglacera Clinker Tile Joint Stock Company	5,142,750,000	7,392,750,000
Viglacera Dap Cau Sheet Glass Joint Stock Company	1,004,169,000	1,004,169,000
Viglacera Dong Trieu Joint Stock Company	750,952,000	750,952,000
Viglacera Ha Long Trading One Member Company Limited	271,885,245	141,907,225
Viglacera Huu Hung Joint Stock Company	200,691,000	200,691,000
Viglacera Tu Liem Joint Stock Company	110,925,000	308,925,000
<b>Short-term trade payables</b>	<b>629,433,104</b>	<b>811,169,456</b>
Viglacera Packings and Brake Linings Joint Stock Company	629,433,104	811,169,456
<b>Short-term advances from customers</b>	<b>908,464,471</b>	-
Viglacera Ha Long Trading One Member Company Limited	908,464,471	-

**Total remuneration paid to the Company's Board of Directors, Board of Executive officers and Board of Supervisors during the year was as follows:**

	Current year	Prior year
	VND	VND
<b>Board of Executive Officers</b>	<b>1,708,097,200</b>	<b>1,763,002,700</b>
Mr. Tran Thanh	690,393,900	720,176,000
Mr. Tran Duy Hung	514,947,500	532,332,000
Mr. Bui Van Quang	502,755,800	202,462,700
Mr. Pham Duy Huan	-	308,032,000
<b>Board of Directors</b>	<b>1,202,719,100</b>	<b>2,077,111,700</b>
Mr. Tran Hong Quang	695,060,600	827,191,700
Mr. Nham Sy Tien	471,358,500	609,000,000
Mr. Nguyen Huu Gam	36,300,000	359,920,000
Mr. Dinh Quang Huy	-	72,000,000
Mr. Ngo Thanh Tung	-	60,000,000
Mr. Tran Duy Hung	-	61,000,000
Mr. Nguyen Duc Luyen	-	40,000,000
Mr. Hoang Kim Bong	-	28,000,000
Ms. Nguyen Thi Thanh Binh	-	20,000,000
<b>Board of Supervisors</b>	-	<b>146,900,000</b>
Ms. Pham Thi Hien	-	32,900,000
Ms. Pham Ngoc Bich	-	66,000,000
Mr. Tran Trung Kien	-	36,000,000
Ms. Bui Thi Thanh Nga	-	12,000,000

**37. SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION**

**Supplemental non-cash disclosures**

Interest income, dividends and profits distributed excluded VND 5,414,635,245 (2023: VND 7,534,657,225) which is the amount of dividends receivable from long-term investments. Therefore, a corresponding amount will be adjusted on the increase, decrease in receivables.

Interest paid excluded VND 1,455,756,736 (in 2023: VND 1,534,773,036) representing the accrued interest. Therefore, a corresponding amount will be adjusted on the increase, decrease in payables.

Dividends and profits paid to owners did not include VND 484,592,435 (2023: VND 887,314,350) which is the amount of dividends payable to shareholders. Therefore, a corresponding amount will be adjusted on the increase, decrease in payables.



\_\_\_\_\_  
**Nguyen Thi Tuyen**  
Preparer



\_\_\_\_\_  
**Dinh Thi Thu Hang**  
Chief Accountant



\_\_\_\_\_  
**Tran Thanh**  
General Director

17 February 2025

