



**CENTRAL PETROVIETNAM FERTILIZER AND CHEMICALS JSC**  
*(Incorporated in the Socialist Republic of Vietnam)*

# **AUDITED FINANCIAL STATEMENTS**

**For the year ended 31 December 2024**



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## STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of Central PetroVietnam Fertilizer and Chemicals JSC (the "Company") presents this report together with the Company's financial statements for the year ended 31 December 2024.

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

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

#### Board of Directors

Mr. Mai Thanh Hai	Chairman
Mr. Trinh Van Chuong	Member
Mr. Nguyen Quang Doan	Member

#### Board of Executive Officers

Mr. Luong Anh Tuan	Director (Appointed on 01 January 2025)
Mr. Trinh Van Chuong	Director (Resigned on 01 January 2025)
Mr. Ta Quoc Phuong	Deputy Director

#### Board of Supervisors

Ms. Nguyen Thi Kim Anh	Head of Board of Supervisors
Mr. Pham Thanh Long	Member
Ms. Tran Thi Hai Yen	Member

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

The Board of Executive Officers of the Company is responsible for preparing the 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 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;
- state whether applicable accounting principles 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; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

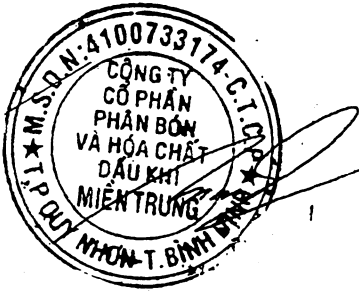
STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)

THE BOARD OF EXECUTIVE OFFICERS' STATEMENT OF RESPONSIBILITY (Continued)

The Board of Executive Officers of the Company 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 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 financial statements.

For and on behalf of the Board of Executive Officers,



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Luong Anh Tuan  
Director

05 March 2025



**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>292,841,733,819</b>	<b>195,691,508,442</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>164,497,235,561</b>	<b>146,164,668,850</b>
1. Cash	111		74,497,235,561	76,164,668,850
2. Cash equivalents	112		90,000,000,000	70,000,000,000
<b>II. Short-term receivables</b>	<b>130</b>		<b>126,689,677,805</b>	<b>49,025,262,050</b>
1. Short-term trade receivables	131	5	21,761,341,272	35,582,587,158
2. Short-term advances to suppliers	132	6	103,905,340,072	13,389,931,058
3. Other short-term receivables	136		1,022,996,461	52,743,834
<b>III. Inventories</b>	<b>140</b>	<b>7</b>	<b>980,381,541</b>	<b>4,253,815</b>
1. Inventories	141		980,381,541	4,253,815
<b>IV. Other short-term assets</b>	<b>150</b>		<b>674,438,912</b>	<b>497,323,727</b>
1. Short-term prepayments	151	8	674,438,912	497,323,727
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>31,424,729,866</b>	<b>32,402,871,306</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>38,000,000</b>	<b>38,000,000</b>
1. Other long-term receivables	216		38,000,000	38,000,000
<b>II. Fixed assets</b>	<b>220</b>		<b>26,964,423,759</b>	<b>27,713,786,255</b>
1. Tangible fixed assets	221	9	6,309,447,384	6,945,029,272
- Cost	222		78,573,405,125	77,758,216,296
- Accumulated depreciation	223		(72,263,957,741)	(70,813,187,024)
2. Intangible assets	227	10	20,654,976,375	20,768,756,983
- Cost	228		22,256,641,250	22,256,641,250
- Accumulated amortisation	229		(1,601,664,875)	(1,487,884,267)
<b>III. Other long-term assets</b>	<b>260</b>		<b>4,422,306,107</b>	<b>4,651,085,051</b>
1. Long-term prepayments	261	8	4,422,306,107	4,651,085,051
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>324,266,463,685</b>	<b>228,094,379,748</b>

The accompanying notes are an integral part of these financial statements

**BALANCE SHEET (Continued)**

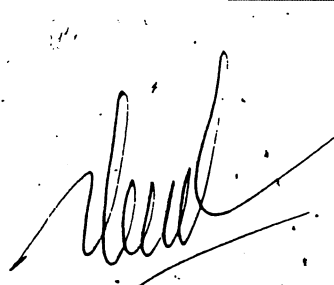
As at 31 December 2024

Unit: VND

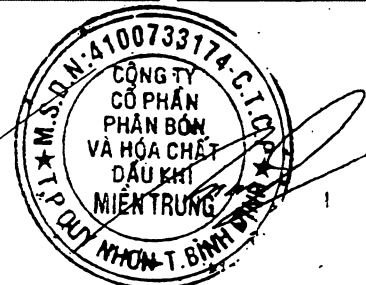
RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>129,413,300,746</b>	<b>41,416,268,885</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>129,413,300,746</b>	<b>41,416,268,885</b>
1. Short-term trade payables	311	11	7,870,421,128	4,893,622,852
2. Short-term advances from customers	312	12	103,222,806,098	20,588,506,356
3. Taxes and amounts payable to the State budget	313	13	1,997,489,281	1,198,960,450
4. Payables to employees	314		7,830,522,206	7,251,144,085
5. Short-term accrued expenses	315	14	590,876,426	648,035,302
6. Short-term unearned revenue	318		18,181,819	18,181,819
7. Other current payables	319		980,872,744	133,273,390
8. Bonus and welfare funds	322		6,902,131,044	6,684,544,631
<b>D. EQUITY</b>	<b>400</b>		<b>194,853,162,939</b>	<b>186,678,110,863</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>15</b>	<b>194,853,162,939</b>	<b>186,678,110,863</b>
1. Owner's contributed capital	411		100,000,000,000	100,000,000,000
- Ordinary shares carrying voting rights	411a		100,000,000,000	100,000,000,000
2. Investment and development fund	418		24,884,718,104	24,884,718,104
3. Retained earnings	421		69,968,444,835	61,793,392,759
- Retained earnings accumulated to the prior year end	421a		47,793,392,759	45,531,052,895
- Retained earnings of the current year	421b		22,175,052,076	16,262,339,864
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>324,266,463,685</b>	<b>228,094,379,748</b>



**Vo Thi My Le**  
Preparer



**Le Thanh Vien**  
Chief Accountant



**Luong Anh Tuan**  
Director



05 March 2025

The accompanying notes are an integral part of these financial statements

**INCOME STATEMENT**

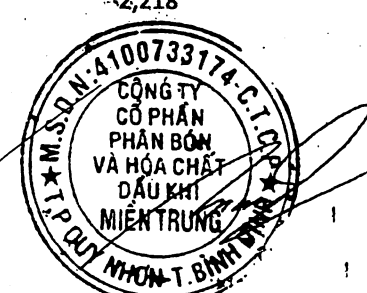
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	18	3,216,594,822,427	3,230,271,713,987
2. Deductions	02	18	66,242,417,268	56,283,715,101
3. Net revenue from goods sold and services rendered (10=01-02)	10	18	3,150,352,405,159	3,173,987,998,886
4. Cost of sales	11	19	3,069,911,648,377	3,093,308,962,912
5. Gross profit from goods sold and services rendered (20=10-11)	20		80,440,756,782	80,679,035,974
6. Financial income	21	21	1,368,679,725	1,618,513,232
7. Financial expenses	22		330,753,424	411,671,233
- In which: Interest expense	23		330,753,424	411,671,233
8. Selling expenses	25	22	50,174,804,567	43,254,504,748
9. General and administration expenses	26	22	20,910,517,972	22,190,456,901
10. Operating profit (30=20+(21-22)-(25+26))	30		10,393,360,544	16,440,916,324
11. Other income	31	23	24,567,779,691	10,169,036,880
12. Other expenses	32	23	126,631,771	226,489,185
13. Profit from other activities (40=31-32)	40	23	24,441,147,920	9,942,547,695
14. Accounting profit before tax (50=30+40)	50		34,834,508,464	26,383,464,019
15. Current corporate income tax expense	51	24	7,115,693,369	5,332,365,936
16. Deferred corporate tax expense	52		-	112,041,134
17. Net profit after corporate income tax (60=50-51-52)	60		27,718,815,095	20,939,056,949
18. Basic earnings per share	70	25	-2,218	1,626

Vo Thi My Le  
Preparer

Le Thanh Vien  
Chief Accountant



Luong Anh Tuan  
Director

05 March 2025

The accompanying notes are an integral part of these 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>			
1. Profit before tax	01	34,834,508,464	26,383,464,019
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	1,866,380,720	1,886,762,126
Provisions	03	-	(15,364,987,421)
Gain from investing activities	05	(1,384,593,361)	(1,618,513,232)
Interest expense	06	330,753,424	411,671,233
3. Operating profit before movements in working capital	08	35,647,049,247	11,698,396,725
Changes in receivables	09	(77,705,749,326)	1,093,006,686
Changes in inventories	10	(976,127,726)	146,460,027,773
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	87,564,372,174	(27,186,771,626)
Changes in prepaid expenses	12	51,663,759	352,911,555
Interest paid	14	(330,753,424)	(411,671,233)
Corporate income tax paid	15	(6,895,400,095)	(4,674,221,115)
Other cash inflows	16	271,908,916	1,825,716,175
Other cash outflows	17	(5,576,176,606)	(7,598,484,772)
Net cash generated by/(used in) operating activities	20	32,050,786,919	121,558,910,168
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(1,117,018,224)	(2,552,438,374)
2. Proceeds from sale, disposal of fixed assets	22	15,913,636	
3. Interest earned, dividends and profits received	27	1,388,104,380	1,578,869,398
Net cash generated by/(used in) investing activities	30	286,999,792	(973,568,976)

The accompanying notes are an integral part of these financial statements

CASH FLOW STATEMENT (Continued)

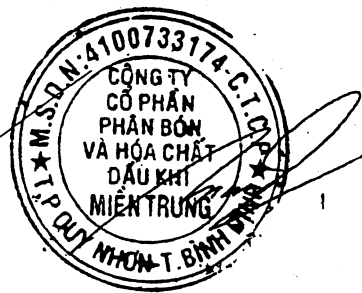
For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	205,000,000,000	245,000,000,000
2. Repayment of borrowings	34	(205,000,000,000)	(245,000,000,000)
3. Dividends and profits paid	36	(14,005,220,000)	(30,022,480,000)
<i>Net cash used in financing activities</i>	<b>40</b>	<b>(14,005,220,000)</b>	<b>(30,022,480,000)</b>
Net increases in cash (50=20+30+40)	50	18,332,566,711	90,562,861,192
Cash and cash equivalents at the beginning of the year	60	146,164,668,850	55,601,807,658
Cash and cash equivalents at the end of the year (70=50+60)	70	164,497,235,561	146,164,668,850

Vo Thi My Le  
Preparer

Le Thanh Vien  
Chief Accountant



Luong Anh Tuan  
Director

05 March 2025

The accompanying notes are an integral part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION****Structure of ownership**

Central PetroVietnam Fertilizer and Chemicals JSC (hereinafter referred to as the "Company"), formerly known as Central PetroVietnam Fertilizer and Chemicals Company Limited, established under the Enterprise Registration Certificate No. 4100733174 issued on 31 December 2010, issued by the Department of Planning and Investment of Binh Dinh province, as amended, with the latest (9th) amendment dated 8 January 2025. The Company's shares are listed on Hanoi City Stock Exchange from 23 July 2015 with the stock symbol as "PCE".

The Parent Company of the Company is PetroVietnam Fertilizer and Chemicals Corporation - JSC ("the Corporation").

The total number of employees of the Company as at 31 December 2024 is 52 (as at 31 December 2023: 52).

**Operating industries and principal activities**

The Company's operating industries include: Trading agricultural and forestry products; Trading fertilizers and chemical products; Technical services in the production and business of fertilizers and related chemical products; Freight transportation services by truck and inland waterways; Warehousing business.

The principal activity of the Company is trade in fertilizers.

**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.

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

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

**2. ACCOUNTING CONVENTION AND FINANCIAL YEAR****Accounting convention**

The accompanying 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 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.

**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 financial statements, are as follows:

**Estimates**

The preparation of 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 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's 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.

**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, 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 realisable value. Cost comprises purchase price and where applicable, any directly attributable costs that have been incurred in bringing the inventories to their present location and condition. Inventories are recorded under the perpetual method. Issue cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

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 realisable 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 estimated useful lives, as follows:

	<u>Years</u>
Buildings, structures	3 - 25
Machinery, equipment	6
Motor vehicles	5 - 6
Office equipment	3 - 5

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

#### Intangible assets and amortization

Intangible fixed assets included computer software, finite land use rights and infinite land use rights, which are stated at cost less accumulated amortisation.

Finite land use rights are amortized using the straight-line method over the land use term; infinite land use rights are not amortized; computer software is amortized over the estimated useful life, as follows:

	<u>Years</u>
Finite land use rights	31 - 50
Computer software	3

#### Prepayments

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods, including land rental and other types of prepayments.

The Company leases 20,000 m<sup>2</sup> of land at Nhon Binh Industrial Park for 42 years starting from 2010. The prepaid lease payment is recognized in the income statement using the straight-line method corresponding to the lease term.

Other types of prepayments included tools and supplies issued for consumption and others which are expected to provide future economic benefits to the Company and charged to the income statement on the straight-line basis, with a maximum allocation period of 3 years in accordance with the current prevailing accounting regulations.

#### Revenue recognition

Revenue from the sale of goods is recognised 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.

Revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognised in each year by reference to the percentage of

completion of the transaction at the balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

- (a) the amount of revenue can be measured reliably;
- (b) it is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) the percentage of completion of the transaction at the balance sheet date can be measured reliably;  
and
- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

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

#### **Sales deductions**

Sales deductions include trade discounts.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the financial statements, the Company recorded as revenue deductions for the year.

#### **Borrowing costs**

Borrowing costs are recognised in the income statement in the year when incurred.

#### **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. The Company is obliged to pay corporate income tax at the rate of 20% on taxable income.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the 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 recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. 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.

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

4. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	339,411,067	352,222,230
Bank demand deposits	74,157,824,494	75,812,446,620
Cash equivalent (*)	90,000,000,000	70,000,000,000
	<u>164,497,235,561</u>	<u>146,164,668,850</u>

(\*) Representing the balance of deposits at commercial banks with an original term of 01 month at interest rates ranging from 3.7% per annum to 4.4% per annum (as at 31 December 2023: from 2.3% per annum to 3.6% per annum).

5. SHORT-TERM TRADE RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
PetroVietnam Fertilizer and Chemicals Corporation	21,756,030,888	17,383,903,947
Thien Long Trading Company Limited	-	17,624,000,000
Others	5,310,384	574,683,211
	<u>21,761,341,272</u>	<u>35,582,587,158</u>
<b>In which: Short-term trade receivables from related parties (Details stated in Note 26)</b>	<b>21,756,030,888</b>	<b>17,384,342,851</b>

6. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
PetroVietnam Fertilizer and Chemicals Corporation	103,905,340,072	13,265,131,058
Others	-	124,800,000
	<u>103,905,340,072</u>	<u>13,389,931,058</u>
<b>In which: Short-term advances to related parties (Details stated in Note 26)</b>	<b>103,905,340,072</b>	<b>13,265,131,058</b>

7. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Work in progress	42,672,250	-	2,482,425	-
Merchandise	937,709,291	-	1,771,390	-
	<u>980,381,541</u>	<u>-</u>	<u>4,253,815</u>	<u>-</u>

8. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
<b>a. Current</b>		
Tools and supplies pending allocation (within one year)	38,625,588	48,738,270
Others	635,813,324	448,585,457
	<u>674,438,912</u>	<u>497,323,727</u>
<b>b. Non-current</b>		
Land rental expenses for Nhon Binh Industrial (*)	4,112,415,233	4,265,198,461
Others	309,890,874	385,886,590
	<u>4,422,306,107</u>	<u>4,651,085,051</u>

(\*) On 01 January 2010, the Company received the right to lease land at Nhon Binh Industrial Cluster, Binh Dinh Province, covering an area of 20,000 m<sup>2</sup> from the Petrochemical Fertilizer and Chemical Corporation ("Corporation") according to Decision No. 908D/QD-PBHC dated 30 September 2010, by the Chief Executive Officer of the Corporation. The Company allocates the land lease rights cost over a period of 42 years starting from 01 January 2010. This cost is paid lump sum by the Company and charged to the income statement corresponding to the lease term.



9. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total
	VND	VND	VND	VND	VND
<b>COST</b>					
Opening balance	62,240,609,457	454,718,500	10,846,240,890	4,216,647,449	77,758,216,296
Additions	-	-	1,040,018,224	77,000,000	1,117,018,224
Disposals	-	-	-	(301,829,395)	(301,829,395)
Closing balance	<u>62,240,609,457</u>	<u>454,718,500</u>	<u>11,886,259,114</u>	<u>3,991,818,054</u>	<u>78,573,405,125</u>
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	60,079,485,686	454,718,500	7,434,149,604	2,844,833,234	70,813,187,024
Charge for the year	143,969,328	-	1,033,869,240	574,761,544	1,752,600,112
Disposals	-	-	-	(301,829,395)	(301,829,395)
Closing balance	<u>60,223,455,014</u>	<u>454,718,500</u>	<u>8,468,018,844</u>	<u>3,117,765,383</u>	<u>72,263,957,741</u>
<b>NET BOOK VALUE</b>					
Opening balance	<u>2,161,123,771</u>	<u>-</u>	<u>3,412,091,286</u>	<u>1,371,814,215</u>	<u>6,945,029,272</u>
Closing balance	<u>2,017,154,443</u>	<u>-</u>	<u>3,418,240,270</u>	<u>874,052,671</u>	<u>6,309,447,384</u>

The cost of the Company's tangible fixed assets as at 31 December 2024 includes VND 66,202,289,177 (as at 31 December 2023: VND 65,968,986,972) of tangible fixed assets which have been fully depreciated but are still in use.

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10. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights	Computer software	Total
	VND	VND	VND
<b>COST</b>			
Opening balance	22,102,927,889	153,713,361	22,256,641,250
Closing balance	22,102,927,889	153,713,361	22,256,641,250
<b>ACCUMULATED AMORTISATION</b>			
Opening balance	1,334,170,906	153,713,361	1,487,884,267
Charge for the year	113,780,608	-	113,780,608
Closing balance	1,447,951,514	153,713,361	1,601,664,875
<b>NET BOOK VALUE</b>			
Opening balance	20,768,756,983	-	20,768,756,983
Closing balance	20,654,976,375	-	20,654,976,375

The cost of the Company's intangible assets as at 31 December 2024 includes VND 153,713,361 (as at 31 December 2023: VND 153,713,361) of intangible assets which have been fully amortized but are still in use.

11. SHORT-TERM TRADE PAYABLES

	Closing balance		Opening balance	
	Amount	VND Amount able to be paid off	Amount	VND Amount able to be paid off
Global Asia Tourism and Events Joint Stock Company	1,658,015,730	1,658,015,730	1,101,600,000	1,101,600,000
Minh Chau International Household Joint Stock Company	1,497,247,200	1,497,247,200	804,600,000	804,600,000
Saigon Marketing and Media Joint Stock Company	105,705,000	105,705,000	958,500,000	958,500,000
Others	4,609,453,198	4,609,453,198	2,028,922,852	2,028,922,852
	<u>7,870,421,128</u>	<u>7,870,421,128</u>	<u>4,893,622,852</u>	<u>4,893,622,852</u>
In which: Short-term trade payables to related parties (Details stated in Note 26)	251,610,702	251,610,702	217,016,510	217,016,510

12. SHORT-TERM ADVANCES FROM CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Minh Tan Fertilizer Import-Export Joint Stock Company	78,006,999,022	-
Thien Long Trading Company Limited	7,079,689,741	6,227,755,936
Kim Vu Bich Trading Company Limited	3,856,246,664	3,369,339,314
Da Nang Agricultural Materials II Joint Stock Company	2,879,391,690	6,098,791,336
Son Nguyet Trading and Services One Member Company Limited	1,803,839,013	-
Quang Ngai Agro-Forestry Technical Materials Joint Stock Company	1,060,709,912	481,722,800
T&A Manufacturing, Trading, and Services Company Limited	763,704,025	404,088,060
Duc Trung Agricultural Services Company Limited	309,034,600	201,564,750
Others	7,463,191,431	3,805,244,160
	<u>103,222,806,098</u>	<u>20,588,506,356</u>
In which: Short-term advances from related parties (Details stated in Note 26)	78,006,999,022	-

13. TAXES AND OTHER RECEIVABLES FROM/PAYABLES TO THE STATE BUDGET

	<u>Opening balance</u>	<u>Payable during the year</u>	<u>Paid during the year</u>	<u>Closing balance</u>
	VND	VND	VND	VND
Value added tax	143,505,327	775,582,207	526,278,756	392,808,778
Corporate income tax	759,650,794	7,115,693,369	6,895,400,095	979,944,068
Personal income tax	295,804,329	3,622,899,728	3,293,967,622	624,736,435
Land use tax	-	2,400,000	2,400,000	-
Others	-	172,083,063	172,083,063	-
	<u>1,198,960,450</u>	<u>11,688,658,367</u>	<u>10,890,129,536</u>	<u>1,997,489,281</u>

14. ACCRUED EXPENSES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Transportation, loading and storage costs	437,754,026	255,312,902
Others	153,122,400	392,722,400
	<u>590,876,426</u>	<u>648,035,302</u>

15. OWNERS' EQUITY

Changes in owners' equity

	Owner's contributed capital VND	Development Investment Fund VND	Retained earnings VND	Total VND
Prior year's opening balance	100,000,000,000	24,884,718,104	75,531,052,895	200,415,770,999
Profit for the year	-	-	20,939,056,949	20,939,056,949
Appropriation to the fund	-	-	(4,676,717,085)	(4,676,717,085)
Dividends paid	-	-	(30,000,000,000)	(30,000,000,000)
<b>Prior year's closing balance</b>	<b>100,000,000,000</b>	<b>24,884,718,104</b>	<b>61,793,392,759</b>	<b>186,678,110,863</b>
Current year's opening balance	100,000,000,000	24,884,718,104	61,793,392,759	186,678,110,863
Profit for the year	-	-	27,718,815,095	27,718,815,095
Appropriation to the fund (i)	-	-	(5,543,763,019)	(5,543,763,019)
Dividends paid (i)	-	-	(14,000,000,000)	(14,000,000,000)
<b>Current year's closing balance</b>	<b>100,000,000,000</b>	<b>24,884,718,104</b>	<b>69,968,444,835</b>	<b>194,853,162,939</b>

(i) According to Resolution No. 46/NQ-DHDCD dated 5 April 2024 of the General Meeting of Shareholders, the Company has:

- Temporarily appropriated to the bonus and welfare fund from the after-tax profit in 2024 with a total amount of VND 5,543,763,019 (according to the rate approved by the General Meeting of Shareholders);
- Made dividend distribution from the after-tax profit in 2023, amounting to VND 14,000,000,000.

Shares	Closing balance	Opening balance
	Share	Share
Number of shares issued to the public	10,000,000	10,000,000
<i>Ordinary shares</i>	<i>10,000,000</i>	<i>10,000,000</i>
Number of outstanding shares in circulation	10,000,000	10,000,000
<i>Ordinary shares</i>	<i>10,000,000</i>	<i>10,000,000</i>

A common share has par value of VND 10,000.

#### Charter capital

According to amended Enterprise Registration Certificate, the Company's charter capital is VND 100,000,000,000. The charter capital was fully contributed by the shareholders as at 31 December 2024 as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND		VND	
PetroVietnam Fertilizer and Chemicals Corporation	75,000,000,000	75%	75,000,000,000	75%
Danang Chemical Industries Joint Stock Company	5,000,000,000	5%	5,000,000,000	5%
Mr. Nguyen Huu Luan	8,500,000,000	8.5%	8,500,000,000	8.5%
Others	11,500,000,000	11.5%	11,500,000,000	11.5%
	<b>100,000,000,000</b>	<b>100%</b>	<b>100,000,000,000</b>	<b>100%</b>

#### Dividends

The Company made a dividend distribution in cash at a rate of 14% of the par value of shares, from the after-tax profit up to the end of 2023, amounting to VND 14,000,000,000. The dividend entitlement date is the day before 4 September 2024. During the year, the Company made the dividend payment on 4 October 2024, amounting to VND 14,005,220,000 (which includes the dividend payable from the previous year and paid in the current year).

#### 16. BUSINESS AND GEOGRAPHICAL SEGMENTS

The Company's principal activities are trade in fertilizers used in agriculture. During the year, the Company had no other significant production and business activities, accordingly, the information as presented in the balance sheet as at 31 December 2024 and the revenue, expenses as presented in the income statement for the year ended 31 December 2024 relate mainly to the trade of fertilizers. Revenue and cost of sales by each product line and business are presented in Note 18 and Note 19.

During the year, the Company's fertilizer products were mainly consumed in the Central Highland provinces. The Company did not have any business activities outside of Vietnam; therefore, the Company did not prepare a segment report by geographical area.

17. OFF BALANCE SHEET ITEMS

Goods held under trust

Inventory	Closing balance	Opening balance
	Ton	Ton
Inventory held on behalf of PetroVietnam Fertilizer and Chemicals Corporation	29,049	37,759
Inventory held on behalf of customers	14,123	10,385
	<u>43,172</u>	<u>48,144</u>

18. REVENUE FROM SALE OF MERCHANDISE AND SERVICES

	Current year	Prior year
	VND	VND
Sales of fertilizers	3,171,240,588,400	3,183,131,419,500
Sales of services	45,354,234,027	47,140,294,487
	<u>3,216,594,822,427</u>	<u>3,230,271,713,987</u>
<b>Deductions</b>		
Sales discount	66,242,417,268	56,283,715,101
Net revenue from sales of goods and provision of services	<u>3,150,352,405,159</u>	<u>3,173,987,998,886</u>
In which: Sales with related parties (Details stated in Note 26)	<u>824,096,763,721</u>	<u>954,888,030,876</u>

19. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of fertilizers sold	3,019,070,443,935	3,049,167,798,884
Cost of services	50,841,204,442	44,141,164,028
	<u>3,069,911,648,377</u>	<u>3,093,308,962,912</u>

20. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Labour	35,011,582,535	29,171,112,894
Depreciation and amortisation	1,866,380,720	1,886,762,126
Provision expenses	-	(15,364,987,421)
Out-sourced services	64,201,432,044	62,982,488,100
Other monetary expenses	21,696,131,968	16,483,153,089
	<u>122,775,527,267</u>	<u>95,158,528,788</u>

21. FINANCIAL INCOME

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Bank interest income	1,368,679,725	1,618,513,232
	<u>1,368,679,725</u>	<u>1,618,513,232</u>

22. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Selling expenses</b>		
Sales staff costs	21,431,921,724	15,510,057,728
Materials, tools and supplies cost	215,919,911	705,040,697
Depreciation and amortisation	1,469,054,314	1,479,993,345
Out-sourced services	7,388,273,319	11,195,795,730
Others	19,669,635,299	14,363,617,248
	<u>50,174,804,567</u>	<u>43,254,504,748</u>
<b>General and administration expenses</b>		
Administration staff costs	13,579,660,811	13,661,055,166
Office equipment cost	265,262,782	232,207,795
Depreciation and amortisation	397,326,406	388,520,510
Out-sourced services	4,641,771,304	5,790,137,589
Others	2,026,496,669	2,118,535,841
	<u>20,910,517,972</u>	<u>22,190,456,901</u>

23. OTHER PROFIT

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Sale, disposal of fixed assets	15,913,636	-
Contract violation penalties	575,363,139	1,657,832,880
Income from promotional goods received	23,954,594,000	8,511,204,000
Others	21,908,916	-
<b>Other income</b>	<u>24,567,779,691</u>	<u>10,169,036,880</u>
Other expenses	126,631,771	226,489,185
<b>Other expenses</b>	<u>126,631,771</u>	<u>226,489,185</u>
<b>Other profit</b>	<u>24,441,147,920</u>	<u>9,942,547,695</u>

24. CORPORATE INCOME TAX EXPENSE

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
<b>Current corporate income tax expense</b>		
Corporate income tax expense based on taxable profit in the current year	7,071,532,049	5,276,209,486
Adjustments for corporate income tax expense in previous years to the current year	44,161,320	56,156,450
<b>Total current corporate income tax expense</b>	<u><u>7,115,693,369</u></u>	<u><u>5,332,365,936</u></u>

The current corporate income tax expense for the year was computed as follows:

	<u>Current year</u>	<u>Prior year</u>
	VND	VND
Profit before tax	34,834,508,464	26,383,464,019
Adjustments for taxable profit	523,151,779	(2,416,591)
<i>Add back: non-deductible expenses</i>	523,151,779	690,701,135
<i>Less: non-deductible expenses carry-forward</i>	-	(693,117,726)
Taxable profit	35,357,660,243	26,381,047,428
Tax rate	20%	20%
<b>Corporate income tax expense based on taxable profit in the current year</b>	<u><u>7,071,532,049</u></u>	<u><u>5,276,209,486</u></u>

25. BASIC EARNINGS PER SHARE

The calculation of basic earnings per share allocated to the shareholders holding the Company's ordinary shares is based on the following figures:

	<u>Current year</u>	<u>Prior year</u>
<b>Accounting profit after corporate income tax (VND)</b>	<u>27,718,815,095</u>	<u>20,939,056,949</u>
Distributions to bonus and welfare fund (VND)	(5,543,763,019)	(4,676,717,085)
<b>Profit for calculating basic earnings per share (VND)</b>	<u>22,175,052,076</u>	<u>16,262,339,864</u>
Average ordinary shares in circulation for the year (shares)	10,000,000	10,000,000
<b>Basic earnings per share (VND/share)</b>	<u><u>2,218</u></u>	<u><u>1,626</u></u>

The 2024 bonus and welfare fund is provisionally allocated during the year; therefore, the basic earnings per share for the financial year ended 31 December 2024, may change upon approval.



26. RELATED PARTY TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam Oil and Gas Group	Ultimate Parent Company
PetroVietnam Fertilizer and Chemicals Corporation	Parent Company
Minh Tan Fertilizer Import-Export Joint Stock Company	Mr. Nguyen Huu Luan (Major Shareholder) as Legal Representative
Danang Chemical Industries Joint Stock Company	Major Shareholder

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

	Current year VND	Prior year VND
<b>Sales of fertilizers</b>	<b>779,707,850,000</b>	<b>908,748,850,000</b>
Minh Tan Fertilizer Import-Export Joint Stock Company	779,707,850,000	908,748,850,000
<b>Sales of services</b>	<b>44,388,913,721</b>	<b>46,139,180,876</b>
PetroVietnam Fertilizer and Chemicals Corporation	43,850,710,094	46,087,049,381
Minh Tan Fertilizer Import-Export Joint Stock Company	538,203,627	52,131,495
<b>Income from promotional goods received</b>	<b>23,954,594,000</b>	<b>8,511,204,000</b>
PetroVietnam Fertilizer and Chemicals Corporation	23,954,594,000	8,511,204,000
<b>Other income</b>	<b>182,199,873</b>	<b>1,121,276,759</b>
Minh Tan Fertilizer Import-Export Joint Stock Company	182,199,873	1,121,276,759
<b>Purchasing</b>	<b>3,047,642,692,867</b>	<b>2,941,555,456,864</b>
PetroVietnam Fertilizer and Chemicals Corporation	2,922,906,234,008	2,875,223,898,967
Minh Tan Fertilizer Import-Export Joint Stock Company	122,050,420,440	63,485,910,472
Danang Chemical Industries Joint Stock Company	2,686,038,419	2,845,647,425
<b>Sales discount received</b>	<b>63,113,949,683</b>	<b>61,488,531,900</b>
PetroVietnam Fertilizer and Chemicals Corporation	63,113,949,683	61,488,531,900
<b>Trademark usage fee</b>	<b>277,026,372</b>	<b>396,886,081</b>
Vietnam Oil and Gas Group	277,026,372	396,886,081
<b>Dividends paid</b>	<b>12,390,000,000</b>	<b>26,550,000,000</b>
PetroVietnam Fertilizer and Chemicals Corporation	10,500,000,000	22,500,000,000
Danang Chemical Industries Joint Stock Company	700,000,000	1,500,000,000
Mr. Nguyen Huu Luan	1,190,000,000	2,550,000,000

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>21,756,030,888</b>	<b>17,384,342,851</b>
PetroVietnam Fertilizer and Chemicals Corporation	21,756,030,888	17,383,903,947
Minh Tan Fertilizer Import-Export Joint Stock Company	-	438,904
<b>Short-term advances to suppliers</b>	<b>103,905,340,072</b>	<b>13,265,131,058</b>
PetroVietnam Fertilizer and Chemicals Corporation	103,905,340,072	13,265,131,058
<b>Other short-term receivables</b>	<b>60,000,000</b>	<b>-</b>
PetroVietnam Fertilizer and Chemicals Corporation	60,000,000	-
<b>Short-term trade payables</b>	<b>251,610,702</b>	<b>217,016,510</b>
Danang Chemical Industries Joint Stock Company	251,610,702	217,016,510
<b>Short-term advances from customers</b>	<b>78,006,999,022</b>	<b>-</b>
Minh Tan Fertilizer Import-Export Joint Stock Company	78,006,999,022	-
<b>Other current payables</b>	<b>900,000,000</b>	<b>-</b>
PetroVietnam Fertilizer and Chemicals Corporation	900,000,000	-

Remunerations of Board of Executive Officers, Board of Directors and Board of Supervisors in the year as below:

	Position	Current year	Prior year
		VND	VND
Mr. Mai Thanh Hai	Chairman	1,526,202,266	1,633,307,614
Mr. Nguyen Quang Doan	Member of Board of Directors	48,000,000	48,000,000
Mr. Trinh Van Chuong	Member of Board of Directors/ Director (Resigned)	1,387,583,282	1,475,026,730
Mr. Ta Quoc Phuong	Deputy Director	1,199,736,473	1,260,701,135
Mrs. Nguyen Thi Kim Anh	Head of Supervisor	42,000,000	42,000,000
Mr. Pham Thanh Long	Member of Supervisor	30,000,000	30,000,000
Mrs. Tran Thi Hai Yen	Member of Supervisor	30,000,000	30,000,000
		<b>4,263,522,021</b>	<b>4,519,035,479</b>

  
Vo Thi My Le  
Preparer

  
Le Thanh Vien  
Chief Accountant

  
Luong Anh Tuan  
Director

05 March 2025