



# ANNUAL REPORT



<https://hgm.vn/>

No. 390, Nguyen Trai Street, Nguyen Trai Ward,  
Ha Giang City, Ha Giang Province, Vietnam

# TABLE OF CONTENTS

## Chapter

### 01

#### INTRODUCTION

- 9. Message from the Chairman of the Board of Directors.
- 10. Summary of financial information for the period 2020 - 2024.
- 10. Vision and Mission.

## Chapter

### 02

#### COMPANY INTRODUCTION

- 14. Overview of the company.
- 22. Industry and business location.
- 26. Management model and business structure.
- 30. Introduction of the management.
- 44. Development orientation.
- 48.
- 50. Risks

## Chapter

### 03

#### OPERATIONAL SITUATION DURING THE YEAR

- 56. Production and business situation.
- 60. Organization and personnel.
- 64. Investment situation and investment project implementation.
- 66. Financial situation.
- 68. Shareholder structure, change in equity.
- 72. Report on environmental and social impact.

## Chapter

### 04

#### REPORT OF THE BOARD OF MANAGEMENT

- 82. Evaluation of operating performance in 2024.
- 84. Financial situation.
- 87. Improvements in organizational structure and management policies.
- 88. Development direction in 2025.
- 90. Assessment of environmental and social responsibility.

## Chapter

### 05

#### BOARD OF DIRECTORS' ASSESSMENT OF COMPANY PERFORMANCE

- 94. Board of Directors' assessment of the company's operations.
- 100. Board of Directors' assessment of the performance of the Board of Management.
- 101. Plan and orientation of the Board of Directors.

## Chapter

### 06

#### CORPORATE GOVERNANCE

- 104. Board of Directors.
- 110. Board of Supervisors.
- 111. Transactions and remuneration of the Board of Directors, Board of Supervisors, and Board of Management.
- 114. Strengthening corporate governance.

## Chapter

### 07

#### FINANCIAL REPORT

- 118. Audited financial statements for 2024.

# LIST OF CONCEPTS AND ABBREVIATIONS

|                            |  |
|----------------------------|--|
| <b>Company/<br/>HGM</b>    | Ha Giang Mineral and Mechanics Joint Stock Company |
| <b>Commission</b>          | State Securities Commission                        |
| <b>HNX</b>                 | Hanoi Stock Exchange                               |
| <b>JSC</b>                 | Joint Stock Company                                |
| <b>General Meeting</b>     | General Meeting of Shareholders                    |
| <b>BOD</b>                 | Board of Directors                                 |
| <b>Chairman of the BOD</b> | Chairman of the Board of Directors                 |
| <b>BOS</b>                 | Board of Supervisors                               |
| <b>BOM</b>                 | Board of Management                                |
| <b>CEO</b>                 | Director   |



# INTRODUCTION



Message from the Chairman of the Board of Directors

Summary of financial information for the period 2020 - 2024.

Vision and Mission.

## MESSAGE FROM THE CHAIRMAN OF THE BOARD OF DIRECTORS



### Dear Shareholders, Customers and Partners

In 2024, the Company entered a business phase amid market conditions that were not entirely favorable. Consumer demand in the first half of the year did not experience strong growth, while production costs and industry competition remained high. However, the Company remained steadfast in its sustainable development strategy, maintaining stable operations and positioning itself to seize opportunities as market conditions evolved.

Moving into the fourth quarter, fluctuations in the international market had a significant impact on metal prices, creating more favorable conditions for the Company's business activities. By proactively adapting and effectively capitalizing on opportunities, the Company achieved impressive growth results. Full-year revenue is estimated to exceed 370 billion VND, nearly doubling the initial target. Pre-tax profits are estimated to reach over 229 billion VND, increasing 331 times compared to the previous year. This success reflects the Company's agile management capabilities and its strategic alignment with market conditions.

Despite these positive results, we recognize that the favorable market factors may not persist throughout 2025. Geopolitical uncertainties and global economic trends still pose unpredictable challenges. Therefore, the Company will continue to focus on technological investments, productivity enhancement, cost optimization, and expanding partnerships to ensure sustainable long-term growth.

On behalf of the Board of Directors, I would like to extend my sincere gratitude to our esteemed shareholders, valued customers, and partners for their trust and support. With a strong foundation and a well-executed strategy, we are confident in the Company's stable and sustainable growth in the future.

Best regards

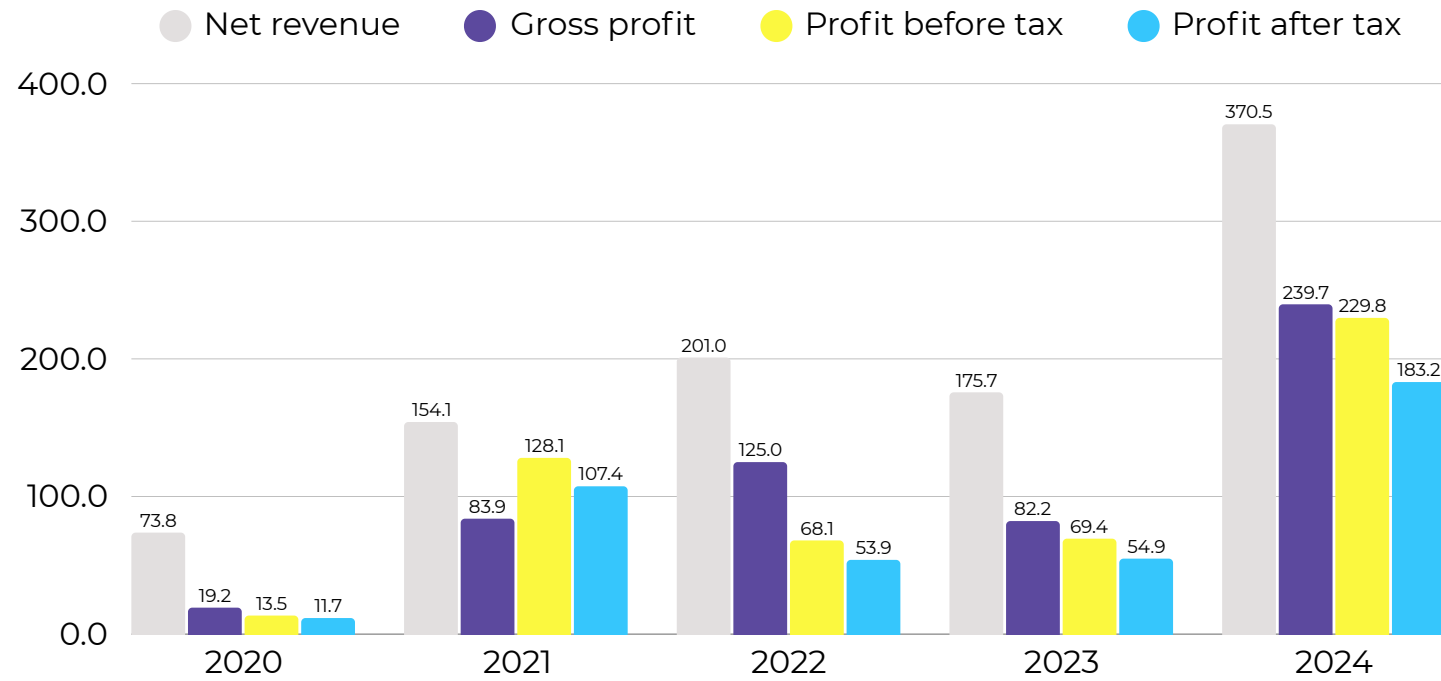
**Chairman of the Board of  
Directors**

**Pham Thanh Do**

# SUMMARY OF FINANCIAL INFORMATION FOR THE PERIOD 2020 - 2024

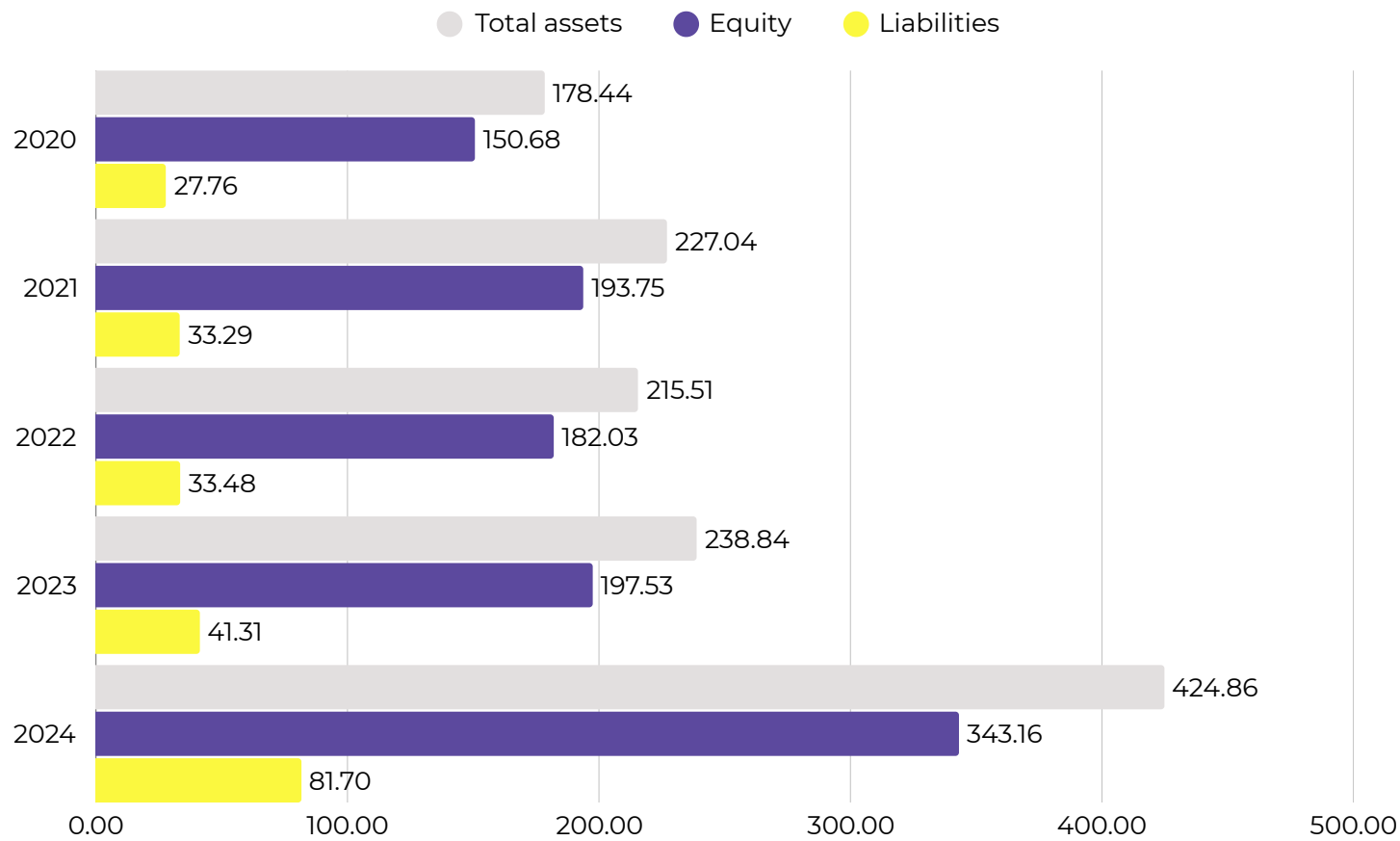
## Operating results

Unit: Billion VND



## Balance sheet indicators

Unit: Billion VND



## Key financial indicators

| Indicators                      | 2020  | 2021   | 2022   | 2023   | 2024   |
|---------------------------------|-------|--------|--------|--------|--------|
| Return on Average Assets (ROAA) | 6,55% | 52,98% | 24,38% | 24,15% | 55,19% |
| Return on Average Equity (ROAE) | 7,73% | 62,37% | 28,71% | 28,90% | 67,75% |



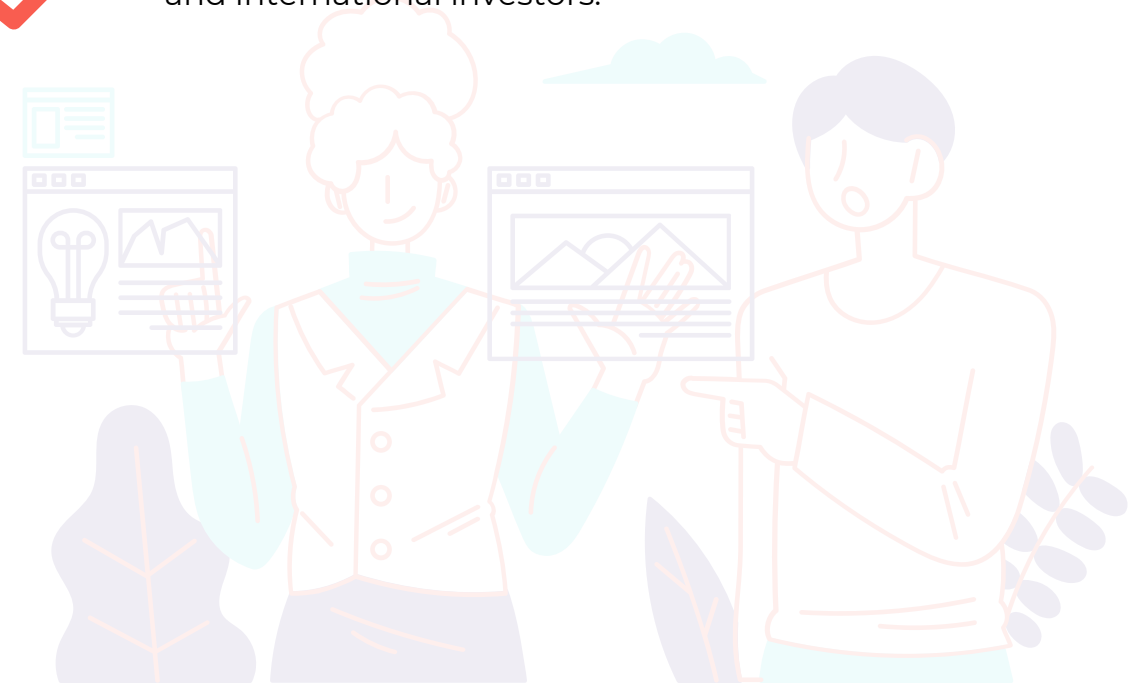
### Vision

· Become one of the leading companies in manufacturing and supplying Antimony metal (A-H) products that meet export standards to European, American and Asian markets



### Mission

Establish HGM as a strong and reputable brand among domestic and international investors.



# COMPANY INTRODUCTION



Overview of the company.

Industry and business location.

Management model and business structure.

Introduction of the management.

Development orientation.

Risks



## OVERVIEW OF THE COMPANY

### General information

#### Ha Giang Mineral and Mechanics Joint Stock Company

|  |                       |
|--|-----------------------|
| <b>International transaction name</b>        | : HaGiang Mining      |
| <b>Business Registration Certificate No.</b> | : 5100101762          |
| <b>Charter capital</b>                       | : 126.000.000.000 VND |
| <b>Owner's capital</b>                       | : 126.000.000.000 VND |



|                            |  |
|----------------------------|--|
| <b>Stock code</b>          | : HGM  |
| <b>Head office address</b> | : No. 390, Nguyen Trai Street, Nguyen Trai Ward, Ha Giang City, Ha Giang Province, Vietnam |
| <b>Phone number</b>        | : 02193 866708   |
| <b>Fax</b>                 | : 02193867068  |
| <b>Website</b>             | : <a href="https://www.hgm.vn">https://www.hgm.vn</a>                                      |



## MILESTONES IN FORMATION AND DEVELOPMENT

- The 1995** The predecessor of Ha Giang Mineral and Mechanics Joint Stock Company is Ha Giang Mechanical Enterprise - merged with Ha Giang Mineral Exploitation and Processing Company to form Ha Giang Mineral Exploitation and Mechanical Company under the People's Committee of Ha Giang province.
- The 1996** Ha Giang Mineral Exploitation and Mechanical Company was granted a license to exploit Antimony ore at Mau Due mine, Mau Due commune, Yen Minh, Ha Giang.
- The 2002** The Antimony ore refining line produces the first export-standard A-H 99,95% Metal product.
- The 2003** Ha Giang Mineral Exploitation and Mechanical Company received a license to exploit Lead and Zinc minerals at the ore site in Minh Son commune, Bac Me district, Ha Giang province. g tại xã Minh Sơn, huyện Bắc Mê, tỉnh Hà Giang.
- The 2004** Antimony A-H Metal product won the Gold Medal for Antimony metal products at the EXPO International Trade Fair, the Vietnam Gold Quality Award and many other awards.
- The 2005** Ha Giang Mineral and Mechanics Company was equitized according to Decision No.2050/QĐ-UBND of Ha Giang Provincial People's Committee. Ha Van Joint Venture Enterprise was established through a partnership between Chung Thao Van Nam Trading Co., Ltd. (China) and Ha Giang Mineral and Mechanics Company (Vietnam) for lead and zinc ore selection.

- The 2021** Change of business registration for the 8th time on June 1, 2021. A-H Metal products are in the Top 20 famous brands in 2021.
- The 2015** Participating in investing capital in the Associate Company is Hai Duong Mineral Exploitation and Processing Joint Stock Company (code: KHD) with an ownership of 35,7%.
- The 2014** Completed participation in capital contribution investment in Cao Bang Iron and Steel Joint Stock Company (code: CBI) with ownership ratio of 9,6%.
- The 2013** The company issued bonus shares to existing shareholders at a ratio of 1:1, increasing charter capital from 60 billion to 126 billion VND. Number of shares listed on HNX stock exchange is 12.600.000 shares.
- The 2012** Establishment of Hanoi branch - Ha Giang Mineral and Mechanics Joint Stock Company and liquidation of Ha Van Joint Venture Enterprise due to expiration of operation.
- The 2009** Listed on the stock exchange on December 21, 2009. The Company's shares were listed and traded for the first time on the Hanoi Stock Exchange (HNX) with the stock code: HGM. The number of listed shares is 6.000.000 shares.
- The 2006** The company converted its form of operation from a State-owned enterprise to a Joint Stock Company model. First business registration on February 28, 2006 issued by the Department of Planning and Investment of Ha Giang province.



**Năm 2022**

Ministry of Natural Resources and Environment decides to approve the adjustment of the coordinates of the Exploitation License. Announcement on the Company's foreign ownership ratio; Ministry of Natural Resources and Environment approves the upgrading of Mau Due mine reserves.

**Năm 2023**

Divestment at KHD; Prepared documentation for Environmental License application; Prepare documents to adjust Mineral Exploitation License;

**Năm 2024**

Top 10 Most Trusted Enterprises in Vietnam. ISO 9001:2015 Quality Management System Certification for Antimony ore mining and processing. Golden List of Top 20 Sustainable Development Enterprises in 2024. TOP 20 Global Excellent Brands in 2024; Ministry of Natural Resources and Environment issues Environmental License.

**NET REVENUE**

**370,45** billion VND

**↑111%** Year over year

**PROFIT BEFORE TAX**

**229,79** billion VND

**↑231%** Year over year

**PROFIT AFTER TAX**

**183,16** billion VND

**↑234%** Year over year

**TOTAL ASSETS**

**424,86** billion VND

**↑78%** Year over year

**EQUITY**

**343,16** billion VND

**↑74%** Year over year

**BASIC EARNINGS PER SHARE**

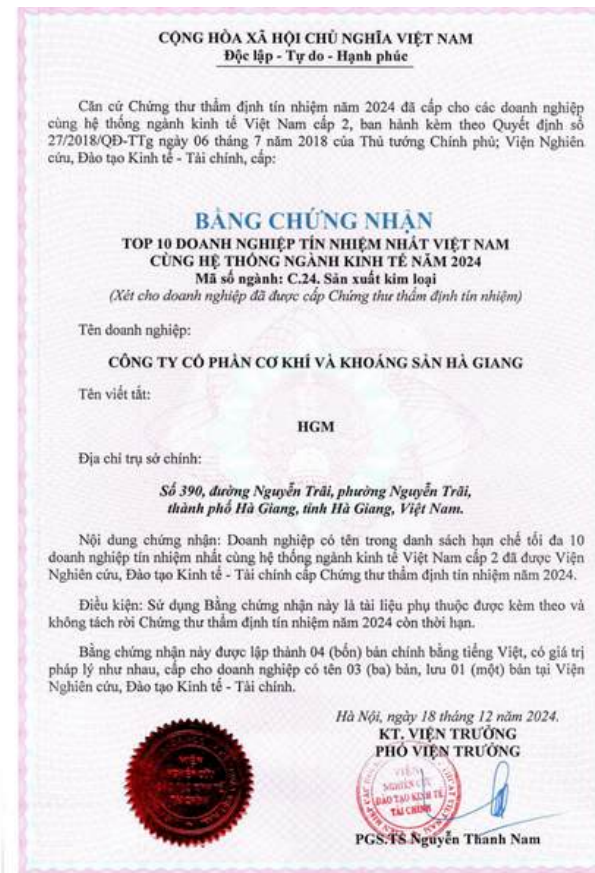
**14.394** VND/share

**↑229%** Year over year

## OTHER NOTABLE EVENTS

### TOP 10 MOST TRUSTED ENTERPRISES IN VIETNAM

Certificate of Top 10 Most Trusted Enterprises in Vietnam granted by the Institute of Research and Training of Economics and Finance. This is a significant award, helping enterprises affirm their position and reputation in the market, an advantage in bidding, market expansion and international cooperation.



### TOP 20 GLOBAL EXCELLENT BRANDS 2024 HELD IN INDONESIA

Honored in the top 20 Global Excellent Brands 2024 held in Indonesia. The Global Excellent Brands 2024 Awards is an international program to honor businesses with excellent products and services globally. This event not only recognizes prestigious brands but also creates opportunities for more than 300 leading Asian businesses to exchange, connect and cooperate.



### ISO 9001:2015 QUALITY MANAGEMENT SYSTEM CERTIFICATE

ISO 9001:2015 Quality Management System Certificate for Antimony Ore Mining and Processing. This is a certificate confirming that a business or organization has applied and maintained a quality management system (QMS) according to international standards issued by the International Organization for Standardization (ISO). This is a globally recognized set of standards, demonstrating professional management, creating a competitive advantage in the market, helping businesses easily export or cooperate with international partners.



### OTHER CERTIFICATES AND MEDALS

- Commemorative medal for the good Vietnamese products program for consumer rights in 2024.
- Certificate of Merit for the grassroots Trade Union with outstanding achievements in implementing the "Trade Union Shelter" program for the period 2019-2023 of the Ha Giang Provincial Labor Federation.
- Certificate of Merit from the Provincial People's Committee for outstanding achievements in implementing tax law policies in 2023.
- Medal for developing partnership between customs, businesses and stakeholders.
- Enterprise meets cultural standards in 2024.
- Certificate of Top 10 Most Trusted Enterprises in Vietnam in 2024.
- Nominated by the Ministry of Science and Technology for the Vietnam Quality Award 2024.
- Nominated by the Provincial People's Committee for the Government's Emulation Flag in 2024.

## INDUSTRY AND BUSINESS LOCATION

Main business field

Main: Production of Antimony Metal  $\geq 99,65\%$  for export (Product code A-H)



Organization of exploration and processing of minerals.



Mining of other non-ferrous metal ores.



Manufacturing and processing mechanical products, construction and installation of small and medium-sized electrical works with voltage level up to 35 KV



Organizing import and export business services



Constructing and installing industrial, traffic and construction works



Other activities not prohibited by law

## Area of operation

**Company headquarters address:** 390 Nguyen Trai Street, Ha Giang City

**Antimony mine and metal processing factory** in Mau Due commune - Yen Minh district, Ha Giang province includes Antimony ore mining workshop and Antimony smelting workshop.

**Branch of the Company: Address: Prime** Center Building, No. 53, Quang Trung Street - Nguyen Du - Hai Ba Trung - Hanoi. Responsible for transaction relations, foreign affairs and market development functions, customer searching.

**For export market:** Antimony A-H metal products with 99,65% or more are mainly exported to Japan, Europe, America, Korea and some other markets such as India.



# MANAGEMENT MODEL AND BUSINESS STRUCTURE

Management model

Business Organization Chart

Currently, HGM is applying the governance model according to Point a, Clause 1, Article 137 of the Enterprise Law No. 59/2020/QH14 issued on June 17, 2020 by the National Assembly of the Socialist Republic of Vietnam, which includes the General Meeting of Shareholders, Board of Directors, Board of Supervisors and Board of Management

## GENERAL MEETING OF SHAREHOLDERS

The highest governing body, has the right to decide on issues within the duties and powers prescribed by law and the Company's charter

## BOARD OF SUPERVISORS

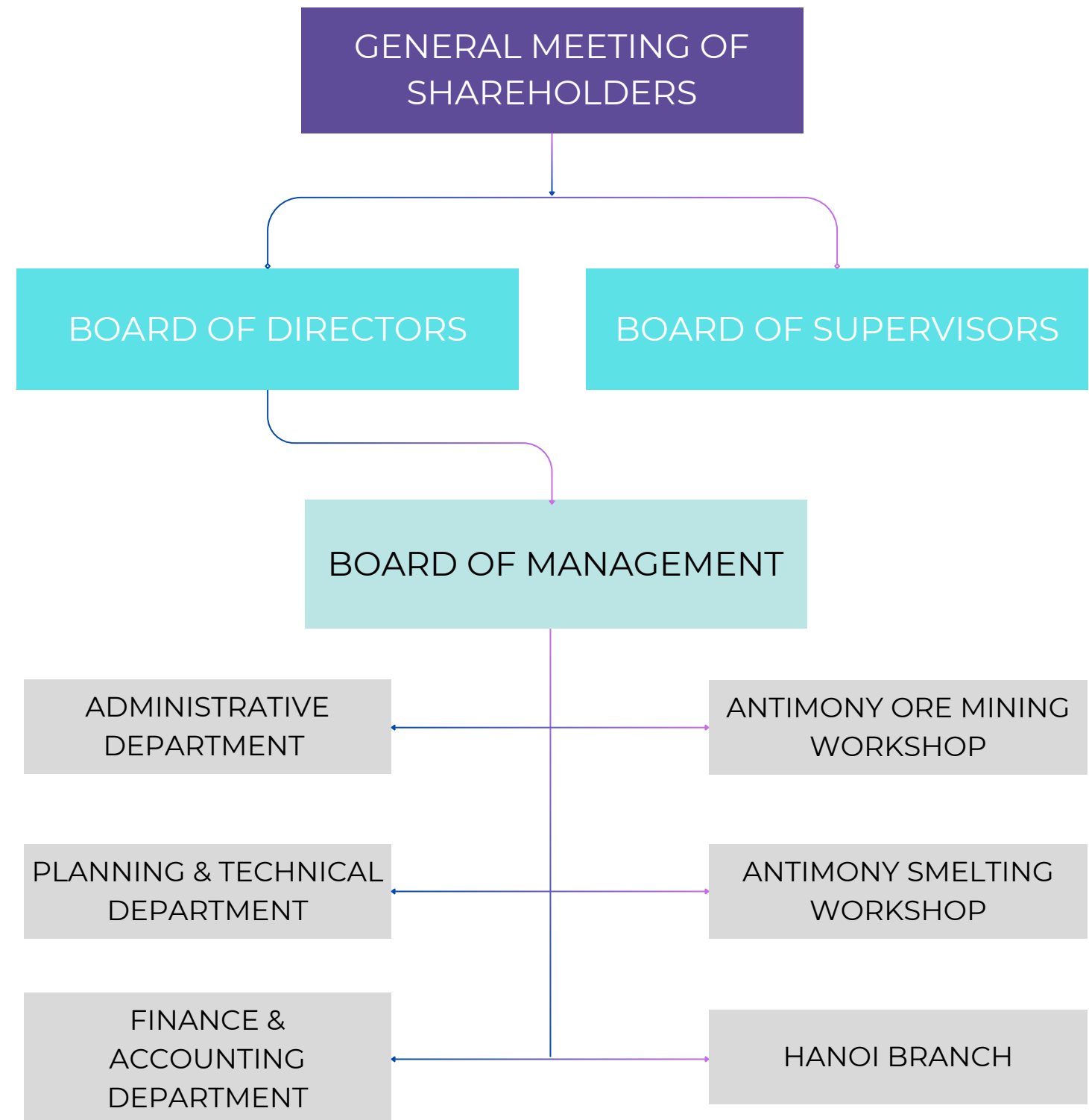
Consisting of 03 members, comprehensively inspects and supervises all activities of the Company in accordance with the Law on Enterprises 2020, the Company Charter and guiding documents. The Board of Supervisors reviews the annual Financial Report, inspects each specific issue related to financial activities when deemed necessary or by decision of the General Meeting of Shareholders or at the request of major shareholders. The Board of Supervisors reports to the General Meeting of Shareholders on the accuracy and operation of the internal control system.

## BOARD OF DIRECTORS

Consists of 07 members, 01 chairman, 01 vice chairman. The Board of Directors is the management of the Company, with full authority on behalf of the Company to decide on issues related to the Company's interests, except for issues under the authority of the General Meeting of Shareholders. The Board of Directors is elected by the General Meeting of Shareholders for a term of 5 years and performs the function of supervising the Company's production and operating activities, internal control and risk management.

## BOARD OF MANAGEMENT

Consists of 04 members appointed by the Board of Directors, subject to the supervision of the Board of Directors. The Board of Management is responsible to the General Meeting of Shareholders, the Board of Directors and before the law for the implementation of assigned rights and duties. The Company's Board of Management consists of 01 Director and 03 Deputy Directors



## Subsidiaries, affiliates

**Subsidiaries:** Ha Giang Mineral and Mechanics Joint Stock Company has no subsidiaries

**Affiliated companies:** Cao Bang Iron and Steel Joint Stock Company (code CBI)

| No. | Affiliated companies                                   | Address   | Main business and production field               | Charter capital (billion VND) | HGM's ownership ratio |
|-----|--|---|--|-------------------------------|-----------------------|
| 1   | Cao Bang Iron and Steel Joint Stock Company (code CBI) | No. 52 Kim Dong Street, Hop Giang Ward, Cao Bang City | Production of cast iron and steel, steel billets | 430.063.660.000               | 9,6%                  |



Affiliated companies: Cao Bang Iron and Steel Joint Stock Company (code CBI)

## INTRODUCTION OF THE MANAGEMENT

### Board of Directors

#### CHAIRMAN OF THE BOD

##### Mr. Pham Thanh Do

#### General information

|                                   |                       |
|-----------------------------------|-----------------------|
| Position                          | : Chairman of the BOD |
| Year of birth                     | : 1978                |
| Nationality                       | : Vietnam             |
| Professional qualification        | : Master of Finance   |
| Number of shares personally owned | : 399.800 shares      |

#### Work experience

| Time           | Position            | Work unit   |
|----------------|---------------------|---|
| 2000 - 2003    | Specialist          | Department of Planning and Investment, Ministry of Industry |
| 2003 - 2006    | Deputy Director     | D&P Company Limited   |
| 2006 - 2014    | BOD Member          | Ha Giang Mineral and Mechanics Joint Stock Company          |
| 2014 - present | Chairman of the BOD | Ha Giang Mineral and Mechanics Joint Stock Company          |
| 2011 - present | BOD Member          | Cao Bang Iron and Steel Corporation                         |
| 2016 - present | BOD Member          | Vietnam Foreign Trade Logistics Joint Stock Company         |

#### VICE CHAIRMAN OF THE BOD

##### Mr. Nguyen Viet Phuong

#### General information

|                                   |  |
|-----------------------------------|--|
| Position                          | : Vice Chairman of the BOD - Non-executive |
| Year of birth                     | : 1979                                     |
| Nationality                       | : Vietnam                                  |
| Professional qualification        | : Master of Economics                      |
| Number of shares personally owned | : 0 shares                                 |

#### Work experience

| Time              | Position                                     | Work unit                                     |
|-------------------|--|---|
| 01/2004 - 12/2004 | Appraisal Board Specialist                   | Central Development Support Fund              |
| 01/2005 - 05/2007 | Deputy Head of General Department, Secretary | Central Development Support Fund              |
| 05/2007 - 12/2008 | Head of Foreign Capital Management           | Transaction Office 1 Vietnam Development Bank |
| 01/2009 - 06/2015 | Deputy Head of Export Credit Department      | Vietnam Development Bank Headquarters         |
| 08/2015 - present | Deputy Head of Investment 3                  | State Capital Investment Corporation          |



## Board of Directors

**BOD MEMBER****Mr. Tran Nguyen Nam****General information**

|                                   |                              |
|-----------------------------------|------------------------------|
| Position                          | : BOD Member - Non-executive |
| Year of birth                     | : 1971                       |
| Nationality                       | : Vietnam                    |
| Professional qualification        | : PhD in Economics           |
| Number of shares personally owned | : 0 shares                   |

**Work experience**

| Time           | Position   | Work unit  |
|----------------|--|--|
| 2006 - 2010    | Chief of Office                                  | Academy of Finance, Ministry of Finance                |
| 2010 - 2011    | Deputy Director                                  | Institute of Finance and Economics, Academy of Finance |
| 2011 - 2012    | Deputy Head of Personnel Organization Department | State Capital Investment Corporation                   |
| 2012 - 2014    | Chief of Executive Office                        | State Capital Investment Corporation                   |
| 2014 - 2019    | Deputy Head of General Planning Department       | State Capital Investment Corporation                   |
| 2019 - present | Head of General Planning                         | State Capital Investment Corporation                   |

**BOD MEMBER****Mr. Do Khac Hung****General information**

|                                   |                         |
|-----------------------------------|-------------------------|
| Position                          | : BOD Member, Director  |
| Year of birth                     | : 1974                  |
| Nationality                       | : Vietnam               |
| Professional qualification        | : Bachelor of Economics |
| Number of shares personally owned | : 28.000 shares         |

**Work experience**

| Time           | Position         | Work unit  |
|----------------|------------------|--|
| 1991 - 1993    | Accountant       | Xi Man District Commercial Center                    |
| 1993 - 1995    | Accountant       | Ha Giang Mechanical Enterprise                       |
| 1995 - 1996    | Sales Officer    | Ha Giang Mineral Exploitation and Mechanical Company |
| 2000 - 2006    | Accountant       | Ha Giang Mineral Exploitation and Mechanical Company |
| 2006 - 2020    | Chief Accountant | Ha Giang Mineral Exploitation and Mechanical Company |
| 2021 - present | Director         | Ha Giang Mineral Exploitation and Mechanical Company |

## Board of Directors

**BOD MEMBER****Mr. Ta Hong Thang****General information**

|                                   |                          |
|-----------------------------------|--------------------------|
| Position                          | : Independent BOD Member |
| Year of birth                     | : 1977                   |
| Nationality                       | : Vietnam                |
| Professional qualification        | : Bachelor of Laws       |
| Number of shares personally owned | : 32.400 shares          |

**Work experience**

| Time           | Position         | Work unit                                     |
|----------------|------------------|---|
| 2000 - 2014    | Staff            | Thang Long GTC Company Limited                |
| 2014 - present | Head of Division | Value Added Service Solutions Company Limited |

**BOD MEMBER****Mr. Nguyen Trung Hieu****General information**

|                                   |                          |
|-----------------------------------|--------------------------|
| Position                          | : Independent BOD Member |
| Year of birth                     | : 1967                   |
| Nationality                       | : Vietnam                |
| Professional qualification        | : Bachelor of Physics    |
| Number of shares personally owned | : 70.100 shares          |

**Work experience**

| Time           | Position            | Work unit  |
|----------------|---------------------|--|
| 1989 - 1991    | Physicist           | Vietnam Academy of Science and Technology  |
| 2001 - 2010    | Deputy Director     | Minh Son Joint Stock Company   |
| 2010 - present | Chairman of the BOD | COMA25 Construction and Trading Joint Stock Company<br>Bac Ky Investment Joint Stock Company |
| 2010 - present | Chairman of the BOD | Bac Ky Investment Joint Stock Company  |
| 2010 - present | Chairman of the BOD | Vietnam Petroleum Transport Joint Stock Company  |

## Board of Directors

## BOD MEMBER

## Mr. Trinh Ngoc Hieu

## General information

|                                   |                                |
|-----------------------------------|--------------------------------|
| Position                          | : BOD Member - Deputy Director |
| Year of birth                     | : 1965                         |
| Nationality                       | : Vietnam                      |
| Professional qualification        | : Bachelor of Economics        |
| Number of shares personally owned | : 245.200 shares               |

## Work experience

| Time           | Position                   | Work unit  |
|----------------|----------------------------|--|
| 1992 - 1996    | Technical planning officer | Ha Giang Mechanical Enterprise                       |
| 1996 - 2000    | Deputy Director            | Ha Giang Mineral Exploitation and Mechanical Company |
| 2000 - 2006    | Deputy Director            | Ha Giang Mineral Exploitation and Mechanical Company |
| 2006 - 2009    | Deputy Director            | Ha Giang Mineral and Mechanics Joint Stock Company   |
| 2009 - 2016    | Director                   | Ha Giang Mineral and Mechanics Joint Stock Company   |
| 2016 - present | Deputy Director            | Ha Giang Mineral and Mechanics Joint Stock Company   |

## Board of Supervisors

## HEAD OF BOARD OF SUPERVISORS

## Mr. Nguyen Ngoc Tuan

## General information

|                                   |                                |
|-----------------------------------|--------------------------------|
| Position                          | : Head of Board of Supervisors |
| Year of birth                     | : 1979                         |
| Nationality                       | : Vietnam                      |
| Professional qualification        | : Master of Economics          |
| Number of shares personally owned | : 0 shares                     |

## Work experience

| Time           | Position   | Work unit  |
|----------------|------------|--|
| 2003 - 2008    | Specialist | Ministry of Industry and Trade                     |
| 2008 - 2013    | Staff      | BIDV Securities Company                            |
| 2013 - present | Staff      | Ha Giang Mineral and Mechanics Joint Stock Company |

## MEMBER OF BOARD OF SUPERVISORS

### Mrs. Nguyen Thi Luong Thanh

#### General information

|                                   |                                     |
|-----------------------------------|-------------------------------------|
| Position                          | : Member of Board of Supervisors    |
| Year of birth                     | : 1978                              |
| Nationality                       | : Vietnam                           |
| Professional qualification        | : Master of Business Administration |
| Number of shares personally owned | : 0 shares                          |

#### Work experience

| Time        | Position                | Work unit                                |
|-------------|-------------------------|--|
| 2001 - 2009 | Chief Accountant        | Hoang Dao Investment Joint Stock Company |
| 2009 - nay  | Investment Specialist 3 | State Capital Investment Corporation     |

## Board of Supervisors

## MEMBER OF BOARD OF SUPERVISORS

### Mr. Nguyen Huu Trong

#### General information

|                                   |                                  |
|-----------------------------------|----------------------------------|
| Position                          | : Member of Board of Supervisors |
| Year of birth                     | : 1980                           |
| Nationality                       | : Vietnam                        |
| Professional qualification        | : Bachelor of Economics          |
| Number of shares personally owned | : 200 shares                     |

#### Work experience

| Time           | Position                                | Work unit  |
|----------------|---|--|
| 2007 - 2023    | Staff                                   | Ha Giang Mineral and Mechanics Joint Stock Company |
| 2023 - present | Deputy foreman of the smelting workshop | Ha Giang Mineral and Mechanics Joint Stock Company |

## Board of Management

### DIRECTOR

**Mr. Do Khắc Hưng**

(Introduced in the Board of Directors section)

### DEPUTY DIRECTOR

**Mr. Trinh Ngọc Hieu**

(Introduced in the Board of Directors section)

### DEPUTY DIRECTOR

**Mr. Nguyen Van Bien**

#### General information

|                                   |                   |
|-----------------------------------|-------------------|
| Position                          | : Deputy Director |
| Year of birth                     | : 1964            |
| Nationality                       | : Vietnam         |
| Professional qualification        | : Mining Engineer |
| Number of shares personally owned | : 9.700 shares    |

#### Work experience

| Time           | Position                | Work unit  |
|----------------|-------------------------|--|
| 1992 - 1993    | Staff                   | Ha Giang Department of Industry                      |
| 1993 - 1994    | Deputy Manager          | Ha Giang Mineral Exploitation and Processing Company |
| 1994 - 2002    | Mining workshop manager | Ha Giang Mineral Exploitation and Processing Company |
| 2002 - 2006    | Deputy Manager          | Ha Giang Mineral Exploitation and Processing Company |
| 2006 - present | Deputy Manager          | Ha Giang Mineral and Mechanics Joint Stock Company   |

## Board of Management

## DEPUTY DIRECTOR

## Mr. Vu Thang Binh

## General information

|                                   |                       |
|-----------------------------------|-----------------------|
| Position                          | : Deputy Director     |
| Year of birth                     | : 1977                |
| Nationality                       | : Vietnam             |
| Professional qualification        | : Master of Economics |
| Number of shares personally owned | : 0 shares            |

## Work experience

| Time           | Position                    | Work unit  |
|----------------|-----------------------------|--|
| 2002 - 2008    | Specialist                  | Ministry of Commerce   |
| 2008 - 2012    | Head of Investment Analysis | Branch of Ha Giang Mineral and Mechanics Joint Stock Company |
| 2012 - 2013    | Deputy Branch Manager       | Branch of Ha Giang Mineral and Mechanics Joint Stock Company |
| 2013 - present | Branch Manager              | Ha Giang Mineral and Mechanics Joint Stock Company           |
| 2021 - present | Deputy Director             | Ha Giang Mineral and Mechanics Joint Stock Company           |

## CHIEF ACCOUNTANT

## Mrs. Hoang Le Khanh

## General information

|                                   |                         |
|-----------------------------------|-------------------------|
| Position                          | : Chief Accountant      |
| Year of birth                     | : 1977                  |
| Nationality                       | : Chief Accountant      |
| Professional qualification        | : Bachelor of Economics |
| Number of shares personally owned | : 3.800 shares          |

## Work experience

| Time           | Position           | Work unit  |
|----------------|--------------------|--|
| 1998 - 2006    | Accountant         | Ha Giang Mineral Exploitation and Mechanical Company |
| 2006 - 2017    | Payment Accountant | Ha Giang Mineral and Mechanics Joint Stock Company   |
| 2017 - 2021    | General Accountant | Ha Giang Mineral and Mechanics Joint Stock Company   |
| 2021 - present | Chief Accountant   | Ha Giang Mineral and Mechanics Joint Stock Company   |

## DEVELOPMENT ORIENTATION

### The main objectives of the Company



### Medium and long term development orientation

For market development

The company focuses on export markets, focusing on traditional markets such as Japan, Europe, India, in parallel with expanding the domestic market, taking advantage of the competitive advantage of a stable customer base after many years of operation and continuing to develop from there



For production

- Invest in completing the Antimony ore processing line to fully exploit mineral resources.
- Invest in completing the incineration and smelting line to improve recovery efficiency.
- Organize exploration and upgrade of Mau Due Antimony ore reserves to put into exploitation to serve as raw materials for the smelter.
- Expand consumption markets and strengthen the purchase of high-grade ore to support raw materials for smelters.
- Improve the quality of deep processing products.

For brand development and communication

- Develop a corporate brand identity system by attaching the logo to products on the hgm.vn link so that customers can easily access and learn about the company.
- Communicate in many forms, focusing on the role of network communication working with press agencies to report on the company participating in product awards.



For financial activities

Ensure short-term financial efficiency but still have long-term sustainability and harmony on the basis of balancing the interests of all parties.



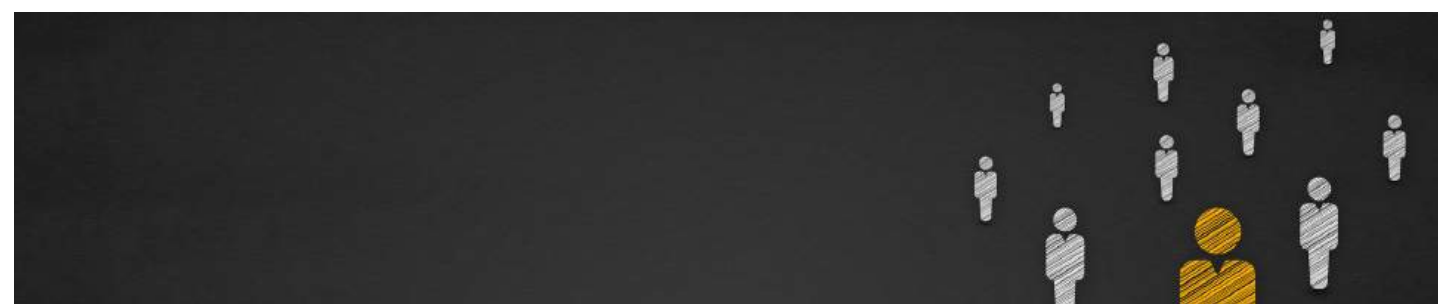
For organization structure and management

- Apply advanced management models, suitable for the scale of development in each stage.
- Build an organizational structure with a clear and coherent hierarchy.
- Expand the scope and capacity of business operations.



For human resources

- Strengthen training and improve the qualifications of staff.
- Innovate and improve labor use and salary payment mechanisms.
- Implement well labor regulations and build corporate culture.



For technology, machinery and equipment

- Conduct research and apply new technologies in production to improve ore recovery efficiency.
- Invest in modern machinery and equipment, apply science and technology in production to improve labor productivity.





## SUSTAINABLE DEVELOPMENT GOALS

The company sets sustainable development goals based on three main pillars: economic efficiency, environmental protection and social responsibility.

### Strong economic development

Take advantage of the opportunity from the increase in antimony prices in the international market (reaching about 40,000 USD/ton by the end of 2024) to optimize production, increase revenue and profit.

Improve mining and processing technology to increase productivity and reduce operating expenses.

Expand the market, find new partners and maintain relationships with strategic customers to ensure stable output for products.



### Minimize environmental impact

Apply pollution control measures in mining and smelting, reduce gas emissions and solid waste into the environment.

Invest in wastewater and solid waste treatment systems that meet standards before discharging into the environment.

Plant trees and renovate mining areas upon completion to restore local ecosystems.

Strictly comply with environmental protection regulations according to domestic and international standards.

### Contribute to the development of local communities

Continue to support social security programs such as building infrastructure, schools, and local health stations.

Create more jobs and increase income for local people through recruitment and vocational training programs.

Coordinate with local authorities to raise awareness of environmental protection and sustainable development.

With the above goals, the company aims for long-term development, balancing economic benefits and responsibility to the environment and community, contributing to the sustainable development of the mining industry and the local economy.





## RISKS

### Economic risk

Market fluctuations: Changes in demand and supply in the international market may affect the Company's revenue and profit margin. In 2024, the world situation is complicated and unpredictable, the world economy and trade recover slowly and unevenly among countries, and geopolitical conflicts escalate, posing many risks for countries with large trade openness, including Vietnam. For the manufacturing sector, existing risks from world economic fluctuations include: tightening trade policies, increasing protection in major export markets, supply chain stagnation caused by trade tensions - political conflicts, increasing input expenses, increasing competitive pressure, risks from instability in energy security, etc. In addition, exchange rate fluctuations affect the cost of importing raw materials and export value.



### Legal risks

The field of mineral production and trading is increasingly subject to the management of state agencies including the Law on Minerals, the Law on Protection of Natural Resources and Environment, the Law on Tax Administration... Therefore, if there is a change in the State's legal policies, it will affect the strategy and production and business results of the enterprise.

In addition, mineral exploitation and processing generally have an impact on the natural environment, so production and operating activities are at great risk of falling into related legal disputes.



### Input material risk

Minerals are non-renewable resources, and because these resources are located deep underground, it is impossible to accurately explore their reserves. Therefore, factors related to reserves and mineral quality directly affect the Company's business results.



## Weather Risk

Due to the nature of the mining industry, which is open-pit mining or underground mining, the impact of weather, such as heavy rain, directly affects the Company's mining activities.



## Environmental risks

Due to the nature of the mineral mining and processing industry, which affects the natural environment, the Company always focuses on developing sustainable production and operating activities along with environmental protection. Waste products, emissions, and wastewater from the mining and manufacturing process are always treated by the enterprise in accordance with state regulations, so that the impact on the surrounding environment is at a minimum. In addition, the Company also has policies to recycle and reuse some input materials to both protect the environment and save input expenses.



## Safety risks at work

As A manufacturing enterprise operating in high-temperature metallurgy. The production environment has many potential risks of technical safety leading to incidents with equipment, machinery and people.



## Other force major risks

Some risks of force majeure beyond the Company's control such as natural disasters, fires, etc. are risks that can cause damage to the Company's production and operating activities and operating efficiency. These are risks of force majeure, which, if they occur, will cause great damage to assets, people and the general operation of the enterprise. The Company can only limit these risks by purchasing insurance for assets as well as strengthening forecasting and prediction to somewhat limit the consequences if risks occur.



# OPERATIONAL SITUATION 31

## DURING THE YEAR



Production and business situation.

Organization and personnel.

Investment situation and investment project implementation.

Financial situation.

Shareholder structure, change in equity.

Report on environmental and social impact.

## PRODUCTION AND BUSINESS SITUATION

### Advantages



In 2024, the Company's production and business achieve new milestones in all indicators with outstanding results compared to the same period in previous years. To achieve this milestone, in addition to the increasing price of antimony metal, it is also the tireless efforts of the entire staff of the Company.

In addition, the Company's consumer market continues to maintain stability, with domestic demand tending to increase. Customers increasingly trust in the product quality as well as the Company's reasonable pricing policy, creating favorable conditions for expanding market share and increasing revenue.

The company also pays special attention to training and improving the skills of employees to build a strong workforce, ready to meet the requirements when more factories recruit and expand capacity. During the year, the company organized training and study tours for company staff.

Another important factor that helps the Company maintain stability in production activities is the ability to be financially independent, not having to borrow capital for production. This helps to ensure the uninterrupted supply of raw materials for production, ensuring timely service to maintain production.



### Challenges

In 2024, Ha Giang Mineral and Mechanics Joint Stock Company faced many challenges in its production and operating activities. First, the shortage of input materials, low coal content, and high raw material prices have greatly affected production expenses and mining efficiency. In addition, adverse weather conditions and frequent natural disasters have disrupted the mining process, reduced output and affected the raw material supply chain.

In addition, the progress of the Company's key projects is still slow due to many objective and subjective reasons. The settlement of legal procedures, capital mobilization, as well as the impact of market fluctuations have made it impossible for some projects to be implemented as planned, affecting the Company's long-term development strategy.

Faced with these difficulties, the Company will continue to seek optimal solutions to ensure stable raw material sources, improve mining efficiency and speed up the implementation of key projects to maintain sustainable development in the coming time.



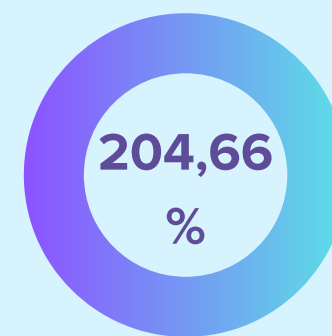
## Business performance vs. plan

The Board of Directors has implemented synchronous and drastic solutions from the beginning of the year, operating activities closely followed the Company's and the market's developments, together with the efforts of employees, the results achieved in 2024 are relatively positive, some basic plan targets are as follows:

| No. | Target   | Unit    | Plan  | Perform |
|-----|--|---------|-------|---------|
| 1   | Sales revenue                                  | Billion | 181   | 370,45  |
| 2   | Consumed products                              | Ton     | 680   | 756,34  |
| 3   | Metal Manufacturing                            | Ton     | 500   | 684,7   |
| 4   | Material mining                                | Ton     | 5.000 | 6.222   |
| 5   | Labor  | People  |       | 142     |
| 6   | Average income                                 | Million |       | 22,16   |
| 7   | Budget contribution                            | Billion |       | 76      |
| 8   | Profit before tax and financial provisions (*) | Billion | 50    | 242     |
| 9   | Profit before tax and financial provisions (*) | %       | ≥ 15  | 50      |

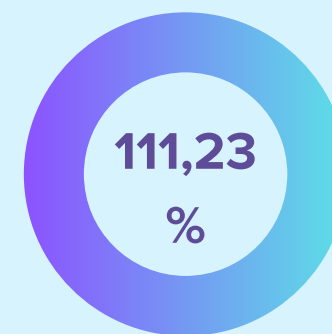
(\*) According to Resolution No. 01 /NQ-ĐHĐCĐ of the General Meeting of Shareholders approved on March 28, 2024, the The pre-tax profit for 2024 is 50 billion, excluding financial provisions.

(\*\*) According to Resolution No. 01 /NQ-ĐHĐCĐ of the General Meeting of Shareholders approved on March 28, 2024, the dividend for 2024 is ≥ 15% , The Company has advanced a 20% payment for the first installment of 2024 and 30% for the second installment.



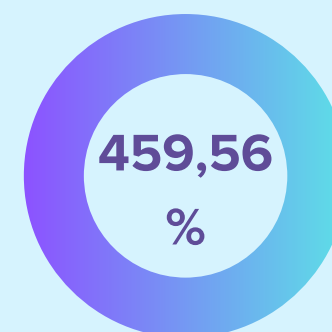
### SALES REVENUE

Sales revenue in 2024 reached 204,66% compared to the plan set at the beginning of the year, reaching 210,86% compared to the same period in 2023.



### CONSUMED PRODUCTS

Consumed products in 2024 reached 111,23% compared to the plan set at the beginning of the year, reaching 115,07% compared to the same period in 2023.



### PROFIT BEFORE TAX AND FINANCIAL PROVISIONS

Profit before tax and financial provisions in 2024 reached 459,56% compared to the plan set at the beginning of the year, reaching 331,38% compared to the same period in 2023.

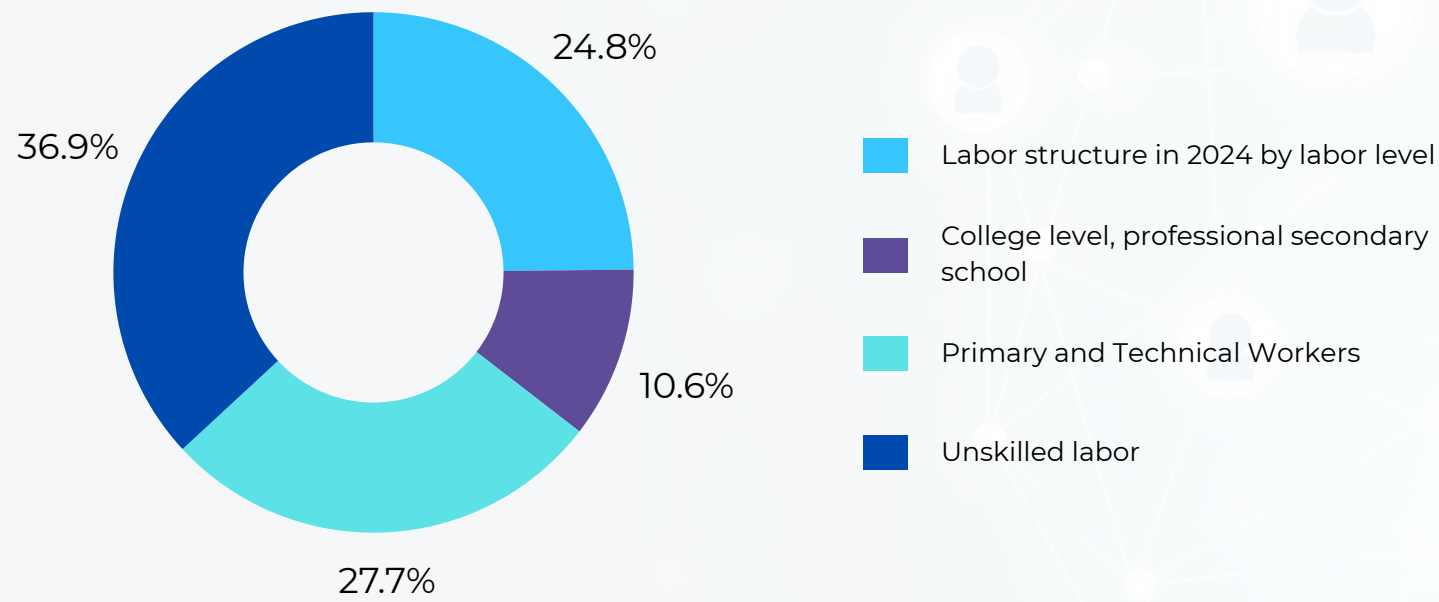


# ORGANIZATION AND PERSONNEL

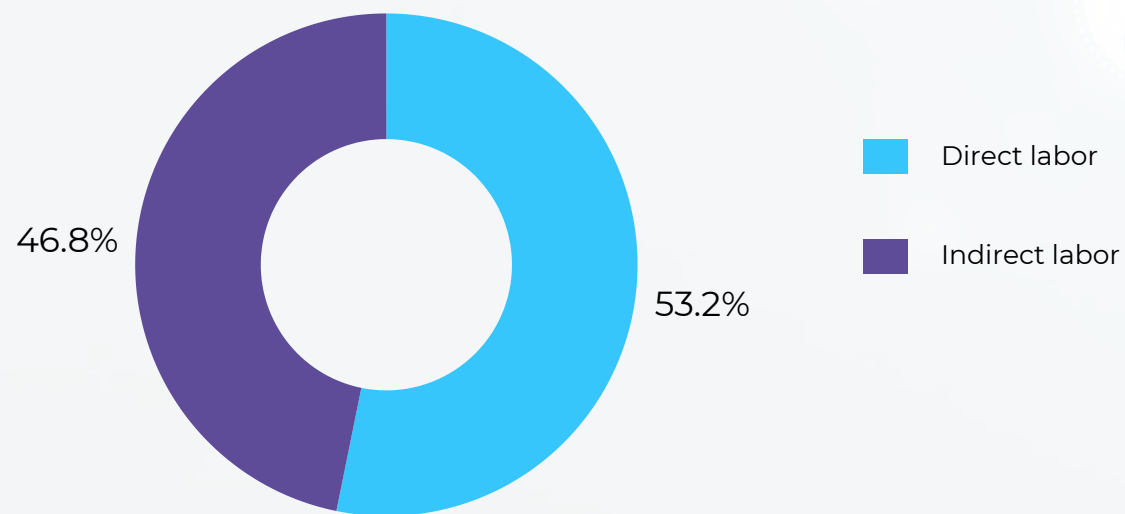
## Workforce structure

As of December 31, 2024, the Company's total number of employees is 141 people. Specifically as follows:

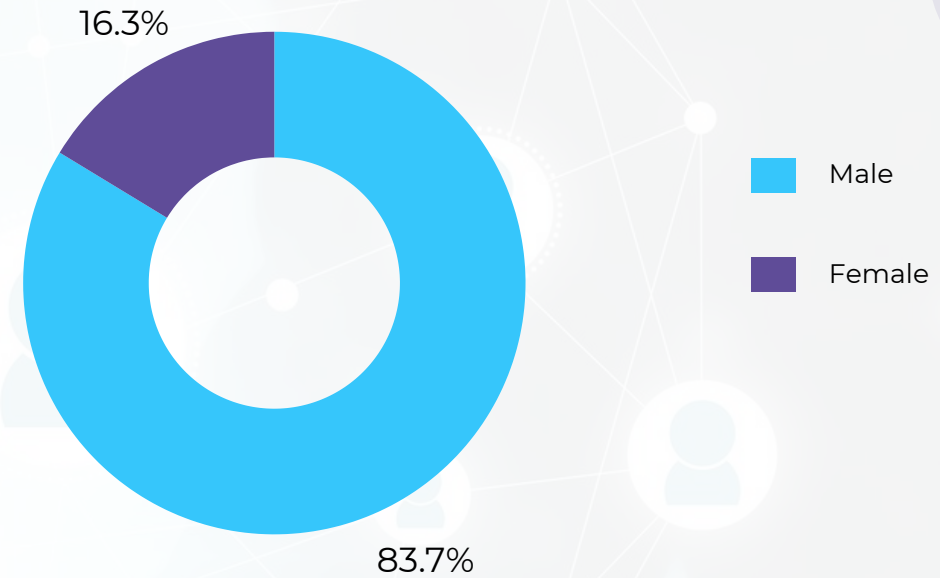
Labor structure in 2024 by labor level



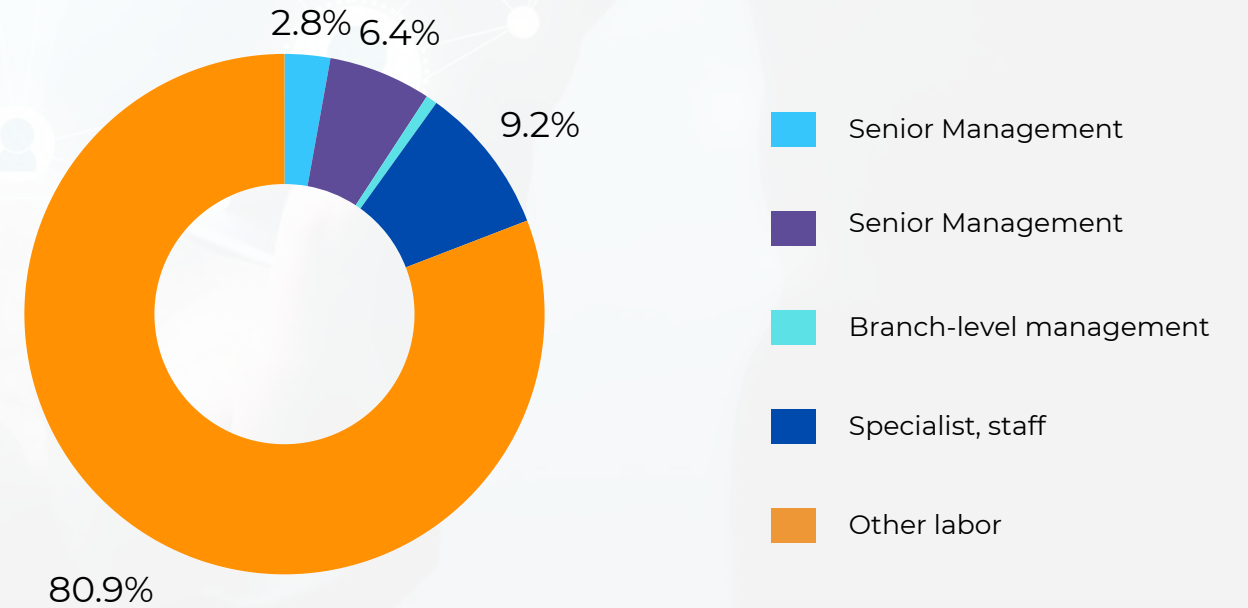
Labor structure in 2024 by labor group



Labor structure in 2024 by gender



Labor structure in 2024 by management level



## Changes in management

In 2024, there is no change in the Company's Board of Management structure.



## Summary of policy for employees

The company implements a full labor policy and ensures employee benefits according to the law. Working hours are reasonable with flexible shift regimes, along with overtime policies with appropriate benefits. Vacation, sick leave, and maternity leave are applied in accordance with the law, providing good support for employees. Benefits such as insurance, work equipment, hazardous work compensation, and shift meal support help improve working conditions. The company also focuses on labor safety, personnel training, and systematic recruitment, creating a professional working environment. In general, the company's labor policy is quite comprehensive, ensuring good rights and benefits, contributing to improving human resource quality and work efficiency, complying with regulations under the Labor Law, Social Insurance, etc





## INVESTMENT SITUATION AND INVESTMENT PROJECT IMPLEMENTATION

### Investment project implementation status

In 2024, the Company is implementing the following major projects:

|    |   |  |
|----|---|--|
| 1  | Project name:                               | Project to adjust mining license and investment in processing plant  |
| 2  | Investor                                    | Ha Giang Mineral and Mechanics Joint Stock Company   |
| 3  | Investment form                             | Direct investment  |
| 4  | Investment objective                        | The construction company has adjusted the mining license for the Project, with an expected exploitation period of 20 years based on the approved upgraded reserves.  |
| 5  | Production capacity                         | The scale of the project is to exploit 20 thousand tons of raw materials/year to serve the production needs of 1000 tons of metal/year and have conditions to expand the scale of the Company in the field of mineral processing and exploitation.   |
| 6  | Production capacity                         | Exploiting 20 thousand tons of raw materials/year to serve the production needs of 1000 tons of metal/year.  |
| 7  | Project location                            | Mau Due Commune, Yen Minh District, Ha Giang Province  |
| 8  | Total project investment                    | 96.575.919.000 VND   |
| 9  | Commercial operation timing plan            | 2026   |
| 10 | Project status and progress during the year | Complete the content of adding land area to the mineral land use planning until 2030, complete the topographic survey of the processing plant area, work on understanding the technology and techniques of ore processing.<br>Agree on the adjusted project master plan, complete the feasibility study report of the basic design awaiting appraisal.<br>Prepare documentation to request an adjustment to the Investment Certificate for the Antimony Mining and Processing Project. |



In addition, the Company implemented 5 other investment items with a scale of less than 10 billion VND according to the Resolution of the 2024 Shareholders' Meeting. The implementation results will be shown in Part V - Evaluation of the BOD on the company's operations.

### Operations at subsidiaries and affiliates

**Subsidiaries:** None

**Affiliated companies:** Cao Bang Iron and Steel Joint Stock Company (code CBI)

| No. | Target   | Implementation in 2024 |
|-----|--|------------------------|
| 1   | Total assets as of December 31, 2024                         | 1.976.151.956.533 VND  |
| 2   | Charter capital as of December 31, 2024                      | 430.063.660.000 VND    |
| 3   | HGM's actual investment contribution as of December 31, 2024 | 69.469.880.000 VND     |
| 4   | HGM's provision for investment in the affiliated company     | 28.600.000.000 VND     |
| 5   | Profit after tax   | (150.442.421.215) VND  |

**Affiliated companies:** Hai Duong Mineral Processing and Exploitation Joint Stock Company (code KHD)

In 2024, the Company fully divested from Hai Duong Mineral Processing and Exploitation Joint Stock Company.

# FINANCIAL SITUATION

## Summary of Financial Situation

Unit: Billion VND

| Target                           | 2023   | 2024   | 2024   |
|----------------------------------|--------|--------|--------|
| Total assets                     | 238,84 | 424,86 | 77,9%  |
| Net revenue                      | 175,68 | 370,45 | 110,9% |
| Profit from operating activities | 70,96  | 234,14 | 230,0% |
| Other profit                     | -1,61  | -4,35  | 169,5% |
| Profit before tax                | 69,35  | 229,79 | 231,4% |
| Profit after tax                 | 54,85  | 183,16 | 233,9% |
| Dividend payout ratio            | 45%    | 50%    |        |

## Key financial indicators

| Financial indicators             | Unit  | 2023   | 2024  |
|----------------------------------|-------|--------|-------|
| <b>Liquidity ratios</b>          |       |        |       |
| Current Ratio                    | Time  | 5,74   | 4,99  |
| Quick Ratio                      | Time  | 4,52   | 4,65  |
| Cash Ratio                       | Time  | 0,81   | 1,53  |
| <b>Leverage ratios</b>           |       |        |       |
| Debt/Total Assets                | %     | 17,30  | 19,23 |
| Debt/Equity                      | %     | 20,91  | 23,81 |
| Financial debt/Total assets      | %     | -      | -     |
| <b>Efficiency ratios</b>         |       |        |       |
| Average inventory turnover       | Times | 2,52   | 4,47  |
| Average inventory days           | Day   | 145,05 | 81,68 |
| Average receivable turnover      | Times | 29,58  | 63,85 |
| Average days receivable          | Day   | 12,34  | 5,72  |
| Average payables turnover        | Times | 13,66  | 15,61 |
| Average days payable             | Day   | 26,72  | 23,38 |
| Cash conversion cycle            | Day   | 130,68 | 64,01 |
| Net Revenue/Average Total Assets | Time  | 0,77   | 1,12  |
| <b>Profitability ratios</b>      |       |        |       |
| Gross profit margin              | %     | 46,76  | 64,69 |
| Operating profit margin          | %     | 40,39  | 63,20 |
| Net profit margin                | %     | 31,22  | 49,44 |
| ROAA                             | %     | 24,15  | 55,19 |
| ROEA                             | %     | 28,90  | 67,75 |

## SHAREHOLDER STRUCTURE, CHANGE IN EQUITY

### Stock information

As of December 31, 2024, Ha Giang Mineral and Mechanics Joint Stock Company has issued 12.600.000 shares. Of which:

|                                      |   |
|--------------------------------------|---|
| Stock name                           | Shares of Ha Giang Mineral and Mechanics Joint Stock Company  |
| Stock type                           | Common stock  |
| Stock code                           | HGM   |
| Share price                          | 10.000 VND/share  |
| Listing date                         | December 21, 2009, Ha Giang Mineral and Mechanics Joint Stock Company's shares were officially traded on the Hanoi Stock Exchange (HNX) with the stock code HGM.  |
| Number of common shares              | 12.600.000 share  |
| Number of preferred shares           | 0 share   |
| Number of shares outstanding         | 12.600.000 share  |
| Total treasury shares                | 0 share   |
| Number of freely transferable shares | 12.600.000 share  |
| Number of restricted shares          | 200 share   |
| Treasury Share Transactions in 2024  | In October 2024, the Company sold 679.280 treasury shares according to the plan in Resolution of the Board of Directors No. 44/NQ-HĐQT dated August 9, 2024.<br>Trading method: Matching orders and/or negotiated transactions<br>Selling price: According to market price at the time of transaction and not lower than 64.000 VND per share |

### Other securities

In 2024, the Company did not issue any other securities.

### Shareholder structure

| Chỉ tiêu                                     | Number of Shares | Ownership Percentage | Number of shareholders | Organization | Individual |
|--|------------------|----------------------|------------------------|--------------|------------|
| Total number of shares                       | 12.600.000       | 100%                 | 165                    | 9            | 156        |
| State shareholder (*)                        | 5.876.280        | 46,64%               | 1                      | 1            | 0          |
| Major shareholder (owning 5% or more shares) | 6.877.380        | 54,58%               | 2                      | 2            | 0          |
| • Domestic                                   | 6.877.380        | 54,58%               | 2                      | 2            | 0          |
| • Foreign                                    | 0                | 0                    | 0                      | 0            | 0          |
| Minority shareholder                         | 5.722.620        | 45,42%               | 163                    | 7            | 156        |
| • Domestic                                   | 5.697.520        | 45,22%               | 149                    | 3            | 146        |
| • Foreign                                    | 25.100           | 0,20%                | 14                     | 4            | 10         |
| Company Union                                | 0                | 0                    | 0                      | 0            | 0          |
| Treasury stock                               | 0                | 0                    | 0                      | 0            | 0          |

# 0%

Maximum foreign ownership: The Company has a maximum foreign ownership limit of 0%.

## List of major shareholders

Source: HGM shareholder list on November 13, 2024

| No. | Name  | Address   | Number of shares | Ownership ratio/Charter capital (%) |
|-----|---|---|------------------|-------------------------------------|
| 1   | State Capital Investment Corporation (SCIC) | Charmvit Building - 117 Tran Duy Hung - Cau Giay District - Hanoi City            | 5.876.280        | 46,6%                               |
| 2   | DP International Limited Company            | No. 8, Group 34, Hoang Cau, O Cho Dua Ward, Dong Da District, Hanoi City, Vietnam | 1.001.100        | 7,9%                                |

## Changes in equity

In 2024, there were no changes in the Company's equity.

| Time                      | Number of additional shares issued | Charter capital after issuance (VND) | Capital increase method                              |
|---------------------------|------------------------------------|--------------------------------------|--|
| Năm 2006                  | 0                                  | 10.000.000.000                       | Initial capital after equitization                   |
| First issuance: June 2009 | 5.000.000                          | 60.000.000.000                       | Issuing shares to increase share capital from equity |
| Second issuance: 2012     | 300.000                            | 63.000.000.000                       | Issuing shares under employee option program         |
| Third issuance: 2013      | 6.300.000                          | 126.000.000.000                      | Issuing shares to increase share capital from equity |



## REPORT ON ENVIRONMENTAL AND SOCIAL IMPACT

### Environmental Impact

Total direct and indirect greenhouse gas (GHG) emissions: not recorded

Initiatives and measures to reduce greenhouse gas emissions: none



### Raw material management

• Total amount of raw materials used to produce and package the organization's main products and services during the year.

- Total diesel consumption during the year: 110.535 liters (up 4,4% from 105.866 liters in 2023)
- Total coal consumption across all types for production: 2.545 tons (up 9,9% compared to 2.316 tons in 2023)

Report the percentage of recycled materials used to produce the organization's main products and services. The following materials are mainly used: Antimony ore slag: 4.116,3 tons, foam slag: 45,1 tons.

### Energy consumption

Total direct and indirect energy consumption: The main consumption is electricity: 616.179 kWh, mainly used to run air compressors, dust extraction fan systems, water pumps, lighting in production areas and for daily living and working activities of staff and workers.

Energy saved through energy efficiency initiatives:

- Save electricity for lighting by gradually replacing incandescent bulbs with LED bulbs to illuminate production activities to save energy. Electrify production machinery and equipment, limit the use of diesel engines that pollute the environment. Save electricity in production: Limit the operation of machines and equipment with high power consumption in the factory during peak hours such as:
- Turn off the power switch of air compressors about 20 minutes before finishing work, regularly organize periodic inspection of the steam system to avoid steam leakage, causing loss of electricity.
- The factory's electrical system is regularly checked for wiring, switches, circuit breakers, and contact points that are hot due to short circuits, electrical leakage, and grounding to reduce power loss.
- Turn off all unnecessary electrical devices when leaving the room and after working hours, turn off the power completely when no longer using devices such as: Computers, printers, photocopiers, scanners, ventilation fans...
- Optimize production at some stages to save energy
- Use a solar-powered lighting system in the security area.

Promote propaganda on economical electricity use:

Thoroughly educate each employee to thoroughly implement electricity saving.

Each employee must set an example in saving electricity at work and at home, and must also be an active propagandist in mobilizing family and relatives to participate in the electricity saving program.



## Water consumption

The company uses reservoir water from mountain streams and rainwater for production and daily life, The Company's water consumption in 2024 is 14.600 m<sup>3</sup>.

The main source of water used is natural water used in the smelting production process, for cooling the furnace system and for daily activities of staff.

The main source of water used is natural water used in the smelting production process, for cooling the furnace system and for daily activities of staff.



- Stormwater overflow treatment plan: Stormwater overflow on the mine site and rock and soil waste dump is collected through an open ditch system, flowing into sedimentation pit 01. The water is deposited in sedimentation pit 01, continues to flow through the canal system to sedimentation pit 02, then discharged into the environment through the wastewater discharge gate with coordinates X(m): 2553 032; Y(m): 474 481. Wastewater quality meets QCVN 40:2011/BTNMT.

Domestic wastewater treatment plan: Domestic wastewater is divided into 2 sources:

- Wastewater stream No. 01 (corresponding to source No. 01): Wastewater from toilets, urinals in the office area and the workshop is preliminarily treated through a 3-compartment septic tank, then combined with wastewater from the bathroom, sink, and kitchen (through a grease trap) and sent to a domestic wastewater treatment system with a capacity of 15 m<sup>3</sup>/day and night for treatment before being discharged into the environment.
- Wastewater stream No. 02 (corresponding to source No. 02): Wastewater from toilets and urinals in the mine operation area is preliminarily treated through a 3-compartment septic tank, then combined with wastewater from bathrooms and faucets and passed through a biological filter tank before being discharged into the environment.

## Comply with environmental protection laws

Number of times fined for non-compliance with environmental laws and regulations: None

Total amount of fines imposed for non-compliance with environmental laws and regulations : None.

Information about internal waste treatment system: The company hires a third party to treat waste and invests in a production and domestic wastewater treatment system, planting trees to cover the waste dumps.



## Employee related policies

### Number of employees, average salary for employees

As of December 31, 2024, the Company has 141 employees. The average salary for employees in 2024 is: 20,8 million VND/person/month. The average income is 22,3 million VND/person/month.

## The average income 22,3 million VND



### Labor policy to ensure the health, safety and welfare of workers

**Working time:** The company is implementing a 48-hour working week, employees in the office work during office hours, and in the company's factories, they are organized to work in shifts with a density of 2-3 shifts/day. When there is a requirement for work progress, employees are responsible for working overtime and the company has regulations to ensure the rights of employees according to state regulations and adequate treatment for employees.

**Leave, holidays, Tet:** According to the Labor Law, employees of the Company working for 12 months are entitled to 12 days of leave and the time not working for 12 months is calculated according to the working time ratio. In addition, for every 5 years of working at the Company, employees are entitled to 1 additional day of leave per year. Employees are entitled to 9 days of holidays and Tet according to the provisions of the Labor Law.

**Sick leave, maternity leave:** Company employees are entitled to 03 days of sick leave (non-consecutive) per year and receive full salary. During maternity leave, in addition to 04 months of leave with insurance according to regulations, they are also entitled to 04 months of basic salary paid by Social Insurance.

**Benefits:** The company fully implements social security policies for employees according to the Labor Law:

- Pay social insurance, health insurance, unemployment insurance for 100% of employees according to regulations
- Provide working tools for 100% of workers.
- Toxic compensation according to current regulations for direct and indirect production departments as prescribed.
- Direct production workers are provided with protective clothing.
- Meal allowance.
- Buy combined accident - life - hospitalization and surgery insurance for all employees at the Company.

**Safety and labor protection policy:** Company regularly emphasizes to employees the importance of technical safety and occupational safety. Annual training sessions are conducted on fire prevention and fighting (PCCC), hazardous material safety, environmental incidents, and more.

### Training and recruitment activities:

- **Recruitment:** The Company's recruitment goal is to attract qualified, capable and experienced workers who meet job requirements. The Company regularly focuses on recruiting, arranging, and perfecting the staff team with appropriate capacity and professional qualifications to meet production requirements and tasks.
- **Training:** The company focuses on promoting training and development activities, especially professional qualifications. The company closely combines training and employee development, always creating conditions for employees to participate in training courses to improve their professional qualifications..



## Employee related policies

### Employee training activities

In 2024, the company identifies training and capacity building for employees as a key task to optimize production processes, ensure labor safety and improve management efficiency. The training program focuses on key departments, including:

#### Mining department training

- Knowledge and skills in operating machinery and mining equipment.
- Drilling and blasting techniques and safety in mining.
- Legal regulations on mineral exploitation and environmental protection.

#### Ore Incineration and Ore Smelting Training

- Antimony sintering and metallurgy technology.
- Control product quality during processing.
- Occupational safety and health protection in metallurgical environments.

#### Office block training

- Organization - administration - human resources: Human resource management skills, building corporate culture.
- Planning - technical and sales: Mineral market analysis, marketing strategy and market expansion.
- Accounting: Use ACMEN accounting software, manage finances and prepare reports according to accounting standards.



In addition, the company will also organize general training sessions on labor safety, environmental protection and raising awareness of corporate social responsibility. Training will be conducted in many forms such as internal training, cooperation with industry experts, as well as sending staff to study at experienced units. Through this training program, the company hopes to improve the quality of human resources, ensure safe, efficient and sustainable production activities, contributing to the long-term development of the enterprise.

### Report on responsibility to local communities

The company is deeply aware of its responsibility to the local community and is committed to making a positive contribution to the sustainable development of society. We implement many programs to support education, health care, environmental protection and local economic development. Specifically, the company sponsors scholarships for disadvantaged students, accompanies projects to improve school infrastructure and organizes career guidance activities.

In addition, the company actively participates in community health care programs such as free medical examination and treatment, and medical equipment support for local medical facilities. The company also focuses on environmental protection activities through minimizing the impact of production, planting trees, and raising awareness about natural resource protection.

In addition, the company encourages employees to participate in volunteer activities and contribute to programs to support people in difficulty and natural disasters. These efforts not only demonstrate the company's social responsibility but also help connect the company with the community, creating sustainable value for both parties.

The total amount of money the company spends on local support in 2024 is 3,05 billion.

### Report on Green Capital market activities None





# REPORT OF THE BOARD OF MANAGEMENT 4



Evaluation of operating performance in 2024

Financial situation.

Improvements in organizational structure and management policies.

Development direction in 2025.

Assessment of environmental and social responsibility.

# EVALUATION OF OPERATING PERFORMANCE IN 2024

## 2024 performance and Board of Management's assessment

Unit: Billion VND

| Performance                    | 2023   | 2024   | % Growth |
|--------------------------------|--------|--------|----------|
| Net revenue                    | 175,68 | 370,45 | 110,9%   |
| Cost of goods sold             | 93,53  | 130,80 | 39,8%    |
| Gross profit                   | 82,15  | 239,65 | 191,7%   |
| Financial revenue              | 7,07   | 10,99  | 55,3%    |
| Financial expenses             | 1,19   | 11,07  | N/a      |
| - Including: Interest expenses | 0,00   | 0,00   | N/a      |
| Selling expenses               | 1,72   | 3,04   | 77,2%    |
| Administrative expenses        | 15,36  | 24,53  | 59,7%    |
| Net operating profit           | 70,96  | 234,14 | 230,0%   |
| Other profits                  | -1,61  | -4,35  | 169,5%   |
| Profit before income taxes     | 69,35  | 229,79 | 231,4%   |
| Net income                     | 54,85  | 183,16 | 233,9%   |

(Source: Audited financial statements for 2023, 2024)

2024 is a year of outstanding success for Ha Giang Mineral and Mechanics Joint Stock Company, with most business indicators achieving impressive growth compared to 2023.

Total **net revenue** reached **370,45 billion VND**, up **110,9%** over the previous year. This reflects the continued increase in market demand for antimony metal, especially from export markets. The Company's products continue to affirm their brand reputation and quality.

Gross profit increased sharply by 191,7%, reaching 239,65 billion VND, thanks to the strategy of optimizing production, improving ore recovery efficiency, and reducing fuel expenses. The company has applied the method of re-selecting ore after crushing, helping to increase the proportion of ore put into incineration according to levels, thereby saving raw materials and increasing recovery output.

In terms of finance, **financial revenue** reached **VND 10,99 billion VND**, up **55,3%** over the previous year. Of which, more than 2,5 billion VND was recorded from the profit from selling shares of Hai Duong Mineral Exploitation and Processing JSC. In addition, **financial expenses** decreased sharply, from **1,19 billion VND to negative 11,07 billion VND (changed from positive to negative)**, mainly due to recording a provision for financial investment of nearly 13,3 billion VND.

The company continues to increase investment in technology and equipment, helping to optimize operating expenses. However, **selling expenses** and **administrative expenses** also tended to increase by **77,2%** and **59,7%** respectively, reflecting the expansion of production and operating activities.

Thanks to the above factors, **net profit from operating activities** increased by **230%**, reaching **234,1 billion VND**, compared to **70,96 billion VND** in 2023. **Total profit before tax** reached **229,79 billion VND**, up **231,4%**, while net income reached **183,16 billion VND**, up **233,9%**.

In general, production activities during the year were stable, with the smelting furnace system operating continuously without having to stop the furnace. Effective technical and management solutions helped the Company ensure production output according to plan. The Company also proactively researched and ordered the production of fabric bag dust collection systems for the smelting furnace and vertical shaft, contributing to improving recovery efficiency and enhancing operational efficiency.

The company also focuses on improving the working environment and improving workers' skills. Investing in modern equipment not only helps increase productivity but also shortens production time, enhances workplace safety and improves the operational efficiency of production lines. Coordinating vehicles, machinery and arranging labor reasonably helps maintain a safe production plan, ensuring stable jobs and income for workers.

In addition, construction and repair of production infrastructure is also being carried out synchronously, including the smelting furnace system, exhaust gas treatment station, weighing system and other auxiliary works.

With impressive results in 2024, the Company has exceeded its production and business targets. This success is a proof to the continuous efforts of all officers, employees, as well as the effective management and operation strategy of the Board of Directors.

## FINANCIAL SITUATION

### Assets

Unit: Million VND

| Target   | 2023           | 2024           | Value Growth   | % Growth      |
|--|----------------|----------------|----------------|---------------|
| <b>Current assets</b>                                | <b>162.956</b> | <b>343.844</b> | <b>180.888</b> | <b>111,0%</b> |
| Cash and cash equivalents                            | 23.051         | 105.181        | 82.130         | 356,3%        |
| Short-term investments                               | 94.000         | 202.700        | 108.700        | 115,6%        |
| Short-term receivables                               | 11.111         | 12.117         | 1.006          | 9,1%          |
| - Short-term trade receivables                       | 7.017          | 4.587          | (2.430)        | -34,6%        |
| - Provision for doubtful debts                       | (726)          | (726)          | -              | 0,0%          |
| Inventory  | 34.693         | 23.846         | (10.847)       | -31,3%        |
| Other current assets                                 | 101            | -              | (101)          | -100,0%       |
| <b>Other current assets</b>                          | <b>75.886</b>  | <b>81.017</b>  | <b>5.131</b>   | <b>6,8%</b>   |
| Long-term receivables                                | 3.159          | 3.730          | 571            | 18,1%         |
| Fixed assets   | 14.499         | 17.809         | 3.310          | 22,8%         |
| Long-term assets in progress                         | 10.476         | 11.933         | 1.457          | 13,9%         |
| Long-term investments                                | 46.370         | 46.864         | 494            | 1,1%          |
| - Investment in joint ventures and associates        | 12.757         | -              | (12.757)       | -100,0%       |
| - Equity investments                                 | 69.470         | 69.470         | -              | 0,0%          |
| - Provision for devaluation of long-term investments | (41.857)       | (28.606)       | 13.251         | -31,7%        |
| <b>Other long-term assets</b>                        | <b>1.381</b>   | <b>681</b>     | <b>(700)</b>   | <b>-50,7%</b> |
| <b>Total assets</b>                                  | <b>238.841</b> | <b>424.861</b> | <b>186.020</b> | <b>77,9%</b>  |



The Company's total assets as of December 31, 2024 reached **424,861 billion VND**, an increase of **186,02 billion VND (77,9%)** compared to 2023. In which, short-term assets grew strongly, accounting for a large proportion of total assets, while long-term assets grew at a lower rate.

In general, the Company has had a strong expansion in total asset, especially short-term assets, showing solid financial capacity and abundant cash flow. Effective management of inventories and receivables improves the Company improve cash flow and minimize financial risks. As of December 31, 2024, the Company is allocating 726 million VND in provisions for short-term doubtful receivables. The growth in fixed assets and long-term assets in progress shows that the Company continues to expand production and invest in infrastructure, creating a foundation for future development. Divesting capital from long-term investments is a strategic move to optimize capital resources and focus on core business segments.

Source: Audited financial statements for 2023, 2024

## Liabilities

Unit: Million VND

| Target                                       | 2023          | 2024          | Value Growth  | % Growth      |
|--|---------------|---------------|---------------|---------------|
| <b>Current Liabilities</b>                   | <b>28.377</b> | <b>68.870</b> | <b>40.493</b> | <b>142,7%</b> |
| Short-term trade payables                    | 7.533         | 9.224         | 1.692         | 22,4%         |
| Taxes and other payables to the State budget | 6.321         | 18.746        | 12.425        | 196,6%        |
| Payable to employees                         | 5.050         | 10.314        | 5.264         | 104,2%        |
| Short-term accrued expenses                  | 75            | 75            | -             | 0%            |
| Other short-term payables                    | 8.455         | 15.691        | 7.236         | 85,6%         |
| Short-term loans and finance leases          | 0             | 0             | -             | N/a           |
| Bonus and welfare fund                       | 943           | 14.820        | 13.877        | 1471,6%       |
| <b>Non-current liabilities</b>               | <b>12.933</b> | <b>12.830</b> | <b>(103)</b>  | <b>-0,8%</b>  |
| Other long-term payables                     | 9             | 9             | -             | N/a           |
| Provision for long-term payables             | 12.924        | 12.821        | (103)         | -0,8%         |
| <b>Total liabilities</b>                     | <b>41.311</b> | <b>81.700</b> | <b>40.389</b> | <b>97,8%</b>  |

The Company's total liabilities as of **December 31, 2024** are **81,7 billion VND**, an increase of **40,39 billion VND (97,8%)** compared to 2023. The increase mainly comes from **short-term payables**, while **long-term payables tend to decrease slightly**. In general, the strong increase in short-term payable may reflect the expansion of business operations, especially the increase in purchasing expenses, taxes payable, employee salaries and welfare funds. The strong growth of the bonus and welfare fund shows that the company is having a better compensation policy for employees, in line with production expansion and increased profits. The stability of long-term payables shows that the company does not rely heavily on long-term capital to finance its operations. The Company's long-term payable is mainly composed of long-term provisions, including 9,85 billion VND in provisions for environmental rehabilitation expenses at Mau Due Antimony Mine until 2026 and 2,97 billion VND in deposits for environmental rehabilitation of landfill 1 - Mau Due Antimony Mine until 2026. The Company has no overdue liabilities as of December 31, 2024.

Source: Audited financial statements for 2023, 2024

## IMPROVEMENTS IN ORGANIZATIONAL STRUCTURE AND MANAGEMENT POLICIES

Over many years of production and operating activities, the Company has grown stronger and stronger in many aspects. The current charter capital is 126 billion VND, up from 10 billion VND in 2006. Total assets at the end of the year reached 424,86 billion VND, up 77,9% compared to 2023. The number of employees by the end of December 31, 2024 is 141 people.

In order to streamline the indirect management apparatus and improve cost efficiency, the Board of Management has reviewed the organizational structure, reassigned suitable jobs, recruited and trained new workers to increase production efficiency. At the same time, to monitor more closely the enterprises with the Company's investment capital.



## DEVELOPMENT DIRECTION IN 2025

### 2025 Operational Plan

The specific production and business plan targets are expected as follows:

| No. | Target  | Unit        | Plan 2025 |
|-----|---|-------------|-----------|
| 1   | Antimony Ore Mining   | Ton         | 5,000     |
| 2   | Antimony Metal Production                                       | Ton         | 500       |
| 3   | Antimony Metal Selling  | Ton         | 550       |
| 4   | Revenue from sales  | Billion VND | 400       |
| 5   | Profit before tax<br>(excluding financial investment provision) | Billion VND | 248       |
| 6   | Dividend rate (incash)  | %           | ≥50%      |

### Operating solutions

#### Solutions for mining and smelting production

Organize mining work well to ensure technical standards according to the design plan, use appropriate measures, take into account efficiency, save resources, avoid ore impoverishment; provide enough ore according to the plan ≥ 5,000 tons of ore; Manage supervision work to improve the selection work. Reduce the proportion of impurities (including soil and rock) in the finished product to ≤ 8%. Organize to maintain continuous smelting and roasting production. following the process implemented in 2025, focusing on technical improvement to save costs, improve recovery efficiency, reduce Antimony content in slag to the lowest level. Maintain ore classification before roasting to ensure recovery efficiency, reduce raw material and labor costs.

#### Solutions on occupational safety and environment

Ensure environmental work, labor safety and compliance with the provisions of the Law on labor protection and environment in accordance with the granted environmental license.

#### Management and Operation Solutions

Leaders and managers must increase their visits to operational site and specify the tasks of their departments. Focus on leading and directing the key tasks of the year; Strengthen inspection and supervision of the use of raw materials, supplies, tools and equipment to ensure proper use, save material consumption, save costs and reduce product prices; Ensure a stable supply of raw materials for production. Strengthen inspection and supervision of all stages of production, management and saving of raw materials.

#### Financial solutions

Organize the implementation of inspection and supervision of compliance with norms, review and supplement regulations on raw material consumption norms; Continue to implement cost-saving solutions, carry out cost planning for departments, cut unnecessary costs and ineffective investments; Select reputable banks to negotiate and agree on interest rates and foreign currency exchange rates.

#### Human resource solutions

Continue to review and rearrange human resources appropriately to have a training plan to improve the qualifications and skills of staff and workers to ensure current requirements. Pay attention to training and fostering the next generation of leaders and managers to have immediate and long-term replacement sources. Recruit qualified human resources for the company's industry. Supplement and edit labor norms and unit wages to suit and ensure income to encourage workers in production. Implement timely reward and discipline mechanisms. Continue training to improve professional skills for managers and employees. Recruit more qualified and unskilled workers for the Company.

#### Technology and engineering solutions

Develop appropriate production plans. The burning and smelting plan ensures maximum production days, has a plan to inspect and maintain machinery and equipment in accordance with the production plan of 500 tons of metal, and distributes production evenly throughout the quarters. Continue to research and apply technical operating procedures to improve recovery efficiency and reduce raw material consumption compared to the norm. Speed up the progress of mine reserve upgrade projects, complete legal procedures on mines to ensure mine operations meet mining capacity.

#### Market solutions

Maintain reputation with customers on product quality and sales services. Pay attention to the terms of the contract, avoid disputes after signing the contract, payment terms to avoid risks. It is necessary to research the market, grasp price opportunities, balance the quantity of goods, to maximize profit for the Company. In 2025, the metal market is expected to be at a high price and a shortage of goods due to the Chinese market restricting exports. Therefore, the Company's quantity of goods has not met all customers. So we need to choose customers with low and safe costs to ensure the most optimal profit for the Company.

# ASSESSMENT OF ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

## Assessment of environmental indicators

The company always strives to implement environmental protection policies with the motto of sustainable development, associated with responsibility to the environment and the community.

The company focuses on implementing measures to reuse raw materials, while enhancing the treatment of waste and wastewater generated from production and daily activities in accordance with legal regulations. Every quarter, Ha Giang Mineral and Mechanics Joint Stock Company conducts monitoring and testing of wastewater quality, ensuring compliance with environmental protection standards. In addition, the company actively promotes and raises awareness among employees, encourages self-awareness and makes environmental protection an inseparable part of the production process.

The policies for employees at Ha Giang Mineral and Mechanics Joint Stock Company are implemented systematically, fully and reasonably, creating a stable and safe working environment with many development opportunities. Policies on benefits, training, labor safety and social security help employees feel secure at work, while contributing to the sustainable development of the Company.

In 2024, the workforce continues to be stable. The abundant labor force available locally is an advantage for recruiting companies to increase production expansion when needed. However, it is difficult to recruit skilled local workers, so appropriate policies are needed to ensure attracting qualified workers and prevent worker turnover, affecting production plans.

## Assessment related to workers and occupational safety

## Assessment related to corporate responsibility towards local communities

The Company continues to maintain and promote social security activities, while supporting the locality in many areas such as education, helping the poor, developing infrastructure and contributing to charity funds. With a sense of responsibility towards the community, the Company always considers this an important part of its sustainable development strategy and is committed to closely connecting with the locality during its operations.



# 05 BOARD OF DIRECTORS' ASSESSMENT OF COMPANY PERFORMANCE



Board of Directors' assessment of the company's operations

Board of Directors' assessment of the performance of the Board of Management.

Plan and orientation of the Board of Directors.



## BOARD OF DIRECTORS' ASSESSMENT OF THE COMPANY'S OPERATIONS

### About operating results

The Board of Directors has implemented synchronous and drastic solutions from the beginning of the year, the management activities closely followed the developments of the Company's operations and the market, together with the efforts of the employees, the results achieved in 2024 are relatively positive, some basic planning indicators are as follows: (For details, see the audited financial statements).

| No. | Target                | Unit    | Plan 2024 | Perform 2024 | Performance comparison (%) |                                  |
|-----|-----------------------|---------|-----------|--------------|----------------------------|----------------------------------|
|     |                       |         |           |              | Compared to annual target  | Compared to the same period 2023 |
| 1   | Sales revenue         | Billion | 181       | 370,45       | 204,66                     | 210,86                           |
| 2   | Consumed products     | Ton     | 680       | 756,34       | 111,23                     | 115,07                           |
| 3   | Consumed products     | Ton     | 500       | 684,7        | 136,94                     | 109,95                           |
| 4   | Material exploitation | Ton     | 5.000     | 6.222        | 124,44                     | 120,36                           |
| 5   | Labor                 | Person  | -         | 142          | N/a                        | N/a                              |
| 6   | Average income        | Million | -         | 22,16        | N/a                        | 126,63                           |
| 7   | Budget contribution   | Billion | -         | 76           | N/a                        | 251,49                           |
| 8   | Budget contribution   | Billion | 50        | 242          | 484,00                     | 345,71                           |
| 9   | Cash dividend (**)    | %       | ≥ 15      | 50           | -                          | -                                |

(\*) According to Resolution No. 01 /NQ-ĐHĐCĐ of the General Meeting of Shareholders approved on March 28, 2024, the pre-tax profit in 2024 is 50 billion excluding financial provisions.

(\*\*) According to Resolution No. 01 /NQ-ĐHĐCĐ of the General Meeting of Shareholders approved on March 28, 2024, the dividend for 2024 is ≥ 15% , the Company has made an advance payment of 20% for the first installment of 2024 and 30% for the second installment of 2024.

### About the results of investment projects in 2024

According to the resolution of the 2024 General Meeting of Shareholders, there are 5 investment categories, specifically:

| No.          | Investment project   | Estimated cost    | Realized value       |
|--------------|--|-------------------|----------------------|
| 1            | Project to adjust mineral exploitation license   | 8 billion         | 1,15 billion         |
| 2            | Research and investment cost for ore processing technology                             | 2 billion         | 377 million          |
| 3            | Repair of smelting and roasting furnace systems  | 2 billion         | 0,9 billion          |
| 4            | Investment in machinery and equipment (wheel loader, 3.5 ton truck, 4-seat office car) | 6 billion         | 6,94 billion         |
| 5            | Office building and accommodation for mining workshop staff                            | 2 billion         | 1,5 billion          |
| <b>Total</b> |  | <b>20 billion</b> | <b>10,87 billion</b> |

#### Project to adjust mineral exploitation license

Completed the addition of land area to the land use planning for mineral activities until 2030 of Yen Minh district. Completed the topographic survey of the processing workshop area. Agreed on the adjusted project master plan, completed the design feasibility study report awaiting appraisal.

#### Research on investment in ore selection line

Visit and work to learn about technology, ore selection techniques, discuss issues related to the production line project. Agreed to provide additional data and information for the project.

#### Repair of smelting and roasting furnace systems

The construction of the new Luyen furnace has been completed; the remaining 02 incinerators have been actively repaired and fixed to ensure continuous production until the end of the year. The construction of the 02 new incinerators is completed and ready to be put into production right after the Tet holiday, ensuring the production plan for 2025.

#### Investment in machinery and equipment (wheel loader, 3,5 ton truck, 4-seat office car)

Investment in machinery and equipment according to plan includes: wheel loader, bulldozer, 3,5 ton truck, 4-seat office car; The investment has contributed significantly to the completion of the Company's production plan, ensuring investment efficiency.



• **Office building and accommodation for mining workshop staff**

Completed as planned. Handed over and put into use in December 2024. Some auxiliary facilities are still under completion.

About production organization activities

In 2024, the company achieved 103,7% of the planned antimony ore mining target. The processed metal output reached 684,7 tons, achieving 114,11% of the plan.



About financial activities

• The main source of funds is deposited for 1, 6 and 12 months at reputable banks such as BIDV, Vietinbank in Ha Giang and Hanoi. The company complies with current regulations, the conversion of foreign currencies and term deposits between banks is competitive, bringing efficiency and capital preservation to the company. Financial revenue in 2024 reached nearly 11 billion VND.

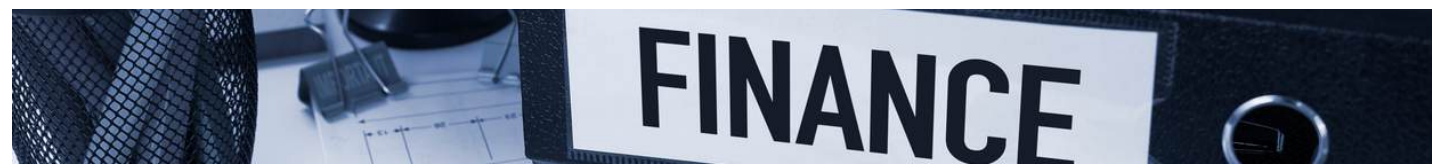
For capital investment in other entities:

During the year, the Company reversed financial investment provisions for capital contributions at **Cao Bang Iron and Steel Joint Stock Company (CBI)**. **HGM's ownership ratio at CBI : 9.69%**

Unit: Billion VND

| No. | Target           | Annual plan 2024 | Implemented in 2024 | Compare to the plan |
|-----|------------------|------------------|---------------------|---------------------|
| 1   | Revenue          | 3.056            | 2.188               | 71,59%              |
| 2   | Profit after tax | 5                | -150                | n/a                 |

The production and business results of Cao Bang Iron and Steel Joint Stock Company in 2024 in terms of revenue and profit did not meet the set plan, mainly due to reduced selling prices and consumption output. However, during the year, the Company reversed financial investment provisions based on the value of CBI's shares on the UPCOM market.



About human resources

Total number of employees as of December 31, 2024: 141 people. The company continues to maintain stability in many departments, strengthens training to add more management staff from experienced workers to supervise production. Attracting and retaining qualified and skilled workers still faces many difficulties due to the nature of the work, remote locations and limited policies.

Currently, the work of caring for the material and spiritual life of workers is being carried out as follows:

- The company ensures employment and signs labor contracts for 100% of employees according to regulations; fully pays social insurance, health insurance, and unemployment insurance according to regulations.
- Working hours, rest hours, salary, bonuses, allowances and salary increases are implemented in accordance with regulations; Employees are fully equipped with labor protection and safety equipment.
- Occupational safety and hygiene work is focused on and well implemented. During the year, no serious safety incidents occurred. Periodic health check-ups are conducted for 100% of staff and workers.
- Organize training for department and workshop managers to improve middle-level management skills. Regularly organize sightseeing and vacation trips to help employees recover their labor capacity.
- Visit, encourage, give gifts on holidays and Tet during the year.



## About labor safety and environmental protection

### LABOR SAFETY

Comply with occupational safety and hygiene measures as committed, strengthen the activities of the occupational safety department, develop plans and provide full protective equipment for workers. Train on occupational safety and hygiene, fire prevention and fighting, and provide periodic health check-ups for workers.

Pay salary regimes to employees in full and on time. Review salary increases and promotions in accordance with regulations. Pay benefits contributions to employees in full and on time. Pay benefits in accordance with regulations.

Implement well the Grassroots Democracy Regulations, publicize and make transparent the policies, management and operation activities of the Company.



### ENVIRONMENTAL PROTECTION

In 2024, environmental facilities serving the preparation of environmental permit application documents, as required by the company, operated effectively. These include the exhaust gas treatment station system, the open-pit surface water reservoir, and the domestic wastewater treatment system at the mining and smelting workshops. This is a component of Environmental Permit No. 245/GPMT-BTNMT, issued by the Ministry of Natural Resources and Environment on July 4, 2024.

Comply with regulations, processes and procedures in managing production activities, in investing in basic construction and using labor and other resources of the Company in accordance with the Enterprise Law, relevant laws and the Company Charter.

Implement legal regulations on periodic and ad hoc reporting in the field of mineral exploitation and mineral processing as required by regulations;

Comply with environmental protection regulations in mineral exploitation and processing activities. Plant trees and improve the landscape to protect the environment in the mining area according to the requirements of the relevant authorities. Ensure good safety at work.

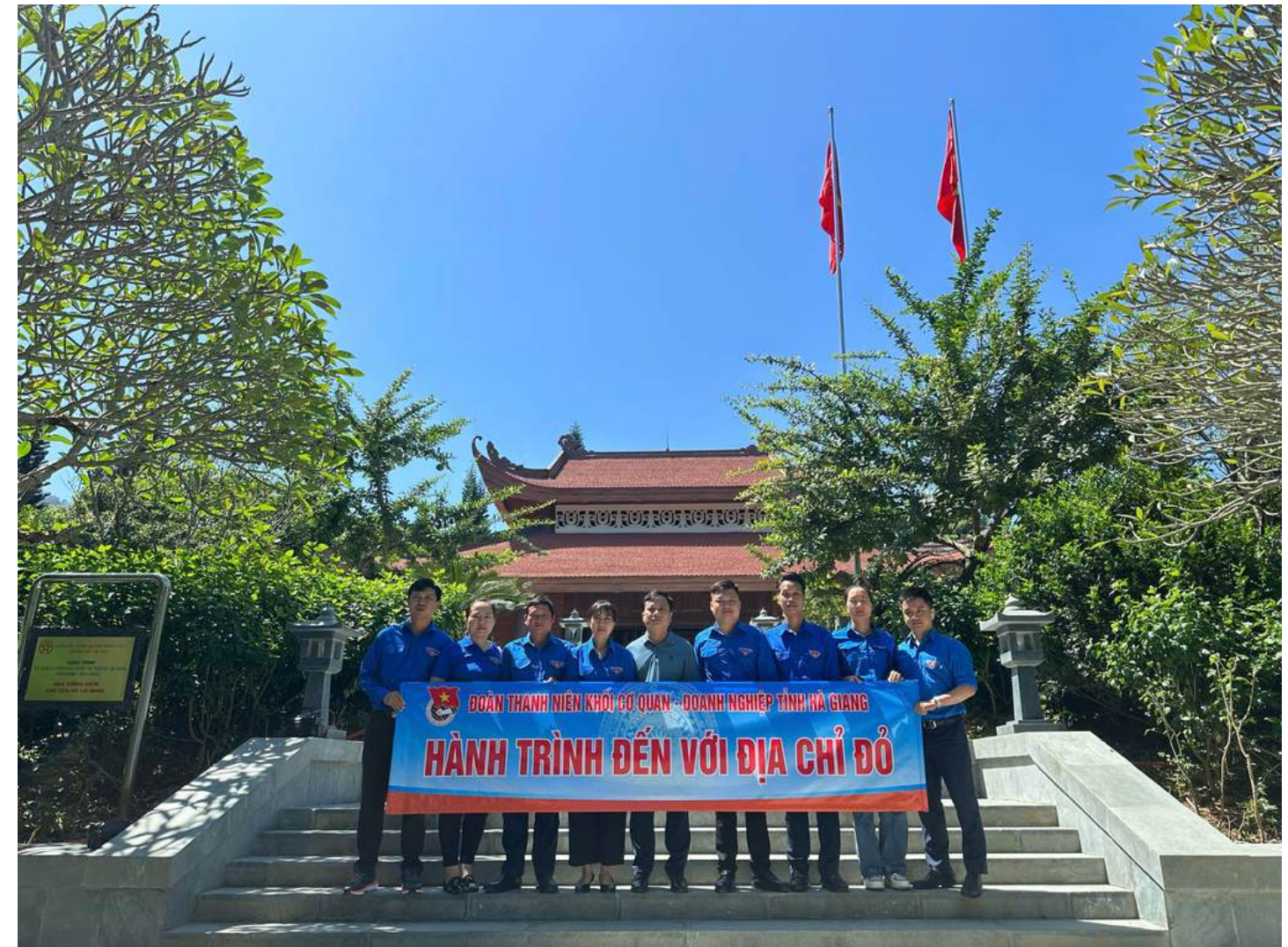
### ABOUT ENVIRONMENTAL AND SOCIAL RESPONSIBILITY

The Board of Directors always places the top priority on sustainable production, so the Company's instructions on landscape protection and environmental emission reduction are focused on. Many safety and labor hygiene measures have been applied in the production organization.

Strictly comply with environmental protection regulations in mineral exploitation and processing activities. Plant trees and improve the environmental landscape of the mine area as required by the authorities.

In 2024, the Company has carried out a number of social security and local support tasks in areas such as education, support for poor households, construction of local infrastructure, support for housing for the poor and support for local and foreign charity funds. The total implementation expenses for the commune assigned to sponsor, the commune with the Company's production facilities and other programs for the whole year of 2024 is 3,05 billion VND.

In addition, mass organizations in the Company have regularly promoted and mobilized staff and employees to carry out humanitarian charity work and voluntary blood donation.





## BOARD OF DIRECTORS' ASSESSMENT OF THE PERFORMANCE OF THE BOARD OF MANAGEMENT

Directing resolutely in investment, cost reduction, grasping the development of the consumption market, reviewing and rebuilding the product mechanism to meet the consumption needs of domestic customers. The Board of Directors closely monitors the activities of the Director, promptly resolves emerging issues within its authority, and facilitates the Executive Board's management operations; Establish a legal framework for the Executive Board to implement through regulations and rules suitable for the company.

Overall, in 2024, the Board of Management and business managers responsibly and effectively implemented the directions and decisions of the Board of Directors.

## PLAN AND ORIENTATION OF THE BOD

### Development orientation

In order for the Company to develop sustainably and scientifically, in addition to maintaining production, it is necessary to focus on completing legal procedures and building the foundation for mining and processing. Adjusting the Mining License with new reserves and carrying out the foundation construction of the mine.

The Board of Directors directs the Board of Management to continue to conduct production and business in a sustainable manner, utilize resources, structure products in an effective manner, develop a diversified consumer market, innovate governance and effective management to achieve production and business goals.

### Development plan

In the near future, the Company will focus on completing legal procedures to adjust the mining license according to new reserves and carry out fundamental mine construction. Therefore, it is necessary to reduce raw materials and metal output to serve the excavation to expand the mining area.

### Executive management

Direct the Board of Management to develop plans and specific solutions to ensure the completion of the targets set by the 2025 Annual General Meeting of Shareholders.

Strengthen management and supervision of the activities of the Board of Management and the Company's support apparatus.

Organize the 2025 Annual General Meeting of Shareholders, propose to the General Meeting issues within the decision-making authority of the General Meeting of Shareholders.

Organize regular and extraordinary meetings to discuss, monitor and approve reports on the Company's performance, to promptly and effectively direct the implementation of Resolutions of the General Meeting of Shareholders and the Board of Directors.

Continue to review, supplement and adjust the Company's regulations, processes and rules in accordance with the production and business performance.

Carry out other activities under the authority of the Board of Directors

Regarding local support work in 2025, the Board of Directors directs the Company to continue focusing on the program of supporting housing construction for meritorious people, poor veterans, and poor households with housing difficulties in Ha Giang province.

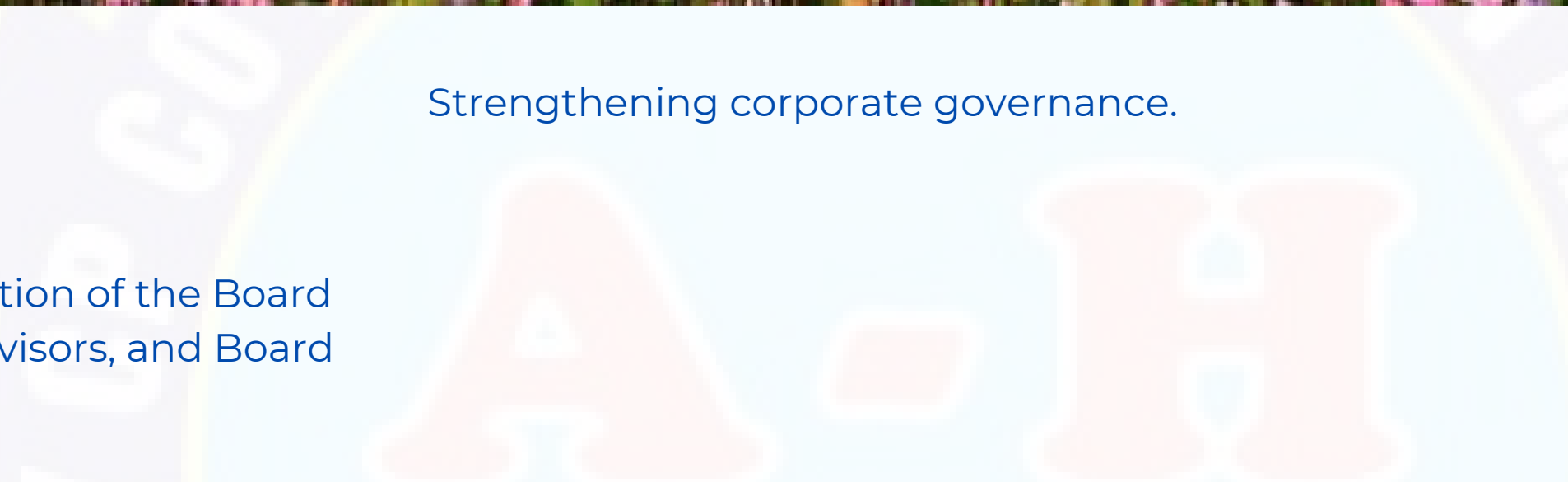


Board of Directors

Board of Supervisors.

Transactions and remuneration of the Board of Directors, Board of Supervisors, and Board of Management.

Strengthening corporate governance.



## BOARD OF DIRECTORS

### Members of the Board of Directors

| Full name              | Position   | Number of shares held   | Ownership ratio (%) |
|------------------------|--|---|---------------------|
| Mr. Pham Thanh Do      | Chairman of the Board of Directors - Non-executive | Personal ownership: 399.800   | 3,17                |
| Mr. Nguyen Viet Phuong | Vice Chairman of the BOD - Non-executive           | State Representative ownership: 2.205.000                               | 17,5                |
| Mr. Tran Nguyen Nam    | Member - Non-Executive                             | State Representative ownership: 2.205.000                               | 17,5                |
| Mr. Do Khac Hung       | Member - Director                                  | Personal ownership: 28.000<br>State Representative ownership: 1.466.280 | 11,86               |
| Mr. Ta Hong Thang      | Member – Independent BOD                           | Personal ownership: 32.400  | 0,26                |
| Mr. Nguyen Trung Hieu  | Member – Independent BOD                           | Personal ownership: 70.100  | 0,56                |
| Mr. Trinh Ngoc Hieu    | Member - Deputy Director                           | Personal ownership: 245.200   | 1,94                |

Changes in the Board of Directors in 2024: None



## Subcommittees under the Board of Directors

### Subcommittee in charge of investment projects

|                        |  |
|------------------------|--|
| Mr. Pham Thanh Do      | Chairman of the BOD - Head of the subcommittee |
| Mr. Nguyen Viet Phuong | Vice Chairman of BOD - Member                  |
| Mr. Do Khac Hung       | Director - Member                              |
| Mr. Trinh Ngoc Hieu    | Deputy Director - Member                       |
| Mr. Nguyen Van Bien    | Deputy Director - Member                       |
| Mr. Vu Thang Binh      | Deputy Director - Member                       |

### Subcommittee in charge of mining and smelting

|                       |   |
|-----------------------|---|
| Mr. Pham Thanh Do     | Chairman of the BOD - Head of the subcommittee        |
| Mr. Nguyen Trung Hieu | Member of BOD - Member                                |
| Mr. Do Khac Hung      | Director - Member                                     |
| Mr. Nguyen Van Bien   | Deputy Director - Member                              |
| Mr. Trinh Ngoc Hieu   | Deputy Director - Member                              |
| Mr. Trinh Van Truong  | Workshop Manager - Member                             |
| Mr. Dao Van Canh      | Mining Workshop Manager - Member                      |
| Mr. Van Quoc Tan      | Deputy Head of Technical Planning Department - Member |

### Financial Planning Subcommittee

|                        |   |
|------------------------|---|
| Mr. Nguyen Viet Phuong | Vice Chairman of the BOD- Head of the subcommittee    |
| Mr. Tran Nguyen Nam    | Member of BOD - Member                                |
| Mr. Do Khac Hung       | Director - Member                                     |
| Mr. Trinh Ngoc Hieu    | Deputy Director - Member                              |
| Ms. Hoang Le Khanh     | Chief Accountant - Member                             |
| Ms. Vu Thi Vui         | Deputy Head of Technical Planning Department - Member |

### Subcommittee in charge of product consumption and foreign affairs

|                   |   |
|-------------------|---|
| Mr. Pham Thanh Do | Chairman of the BOD - Head of the subcommittee.       |
| Mr. Ta Hong Thang | Member of BOD - Member                                |
| Mr. Do Khac Hung  | Director - Member                                     |
| Mr. Vu Thang Binh | Deputy Director - Member                              |
| Mrs. Vu Thi Vui   | Deputy Head of Technical Planning Department – Member |

## Activities of the BOD

### Attendance at Board of Directors meetings

| BOD Member             | Number of meetings attended | Attendance rate | Reason for Absence          |
|------------------------|-----------------------------|-----------------|-----------------------------|
| Mr. Pham Thanh Do      | 4/4                         | 100%            |                             |
| Mr. Nguyen Viet Phuong | 3/4                         | 75%             | Absent due to business trip |
| Mr. Tran Nguyen Nam    | 3/4                         | 75%             | Absent due to business trip |
| Mr. Do Khac Hung       | 4/4                         | 100%            |                             |
| Mr. Ta Hong Thang      | 2/4                         | 50%             | Absent due to business trip |
| Mr. Nguyen Trung Hieu  | 4/4                         | 100%            |                             |
| Mr. Trinh Ngoc Hieu    | 4/4                         | 100%            |                             |

### General assessment of the Board of Directors' performance

In 2024, the Board of Directors successfully organized the Annual General Meeting of Shareholders on March 28, 2024.

At the same time, the Board of Directors has maintained regular meetings once a quarter, in the form of direct meetings, online meetings or written opinions. The total number of meetings of the Board of Directors in the year is 04 sessions. The contents and participants of the Board of Directors' meetings are in accordance with the provisions of the Charter, the Law on Enterprises, and the meetings of the Board of Directors have closely followed the orientation of the Resolution of the General Meeting of Shareholders and the actual situation of the Company for implementation. In 2024, the Board of Directors issued 29 Decisions and 16 Board of Directors' resolutions. The detailed contents of the Resolutions and Decisions of the Board of Directors during the year and the approval voting rate are shown by the Company in the 2024 Corporate Governance Report.

The members of the Board of Directors have actively coordinated and supported the management of production and operating activities, regularly sent members of the Board of Directors to attend meetings with the Board of Management to listen to reports on the organization and operating activities, gave direct instructions at the meetings, agreed on instructions, and made decisions. Therefore, the Board of Directors always kept abreast of the Company's operations. The Resolutions and Decisions issued by the Board of Directors have received high approval from the members.

### Supervisory activities of the Board of Directors over the Board of Management

The Board of Directors regularly monitors and directs the activities of the Board of Management and other management and operation tasks, and coordinates with the Company's Supervisory Board to inspect issues;

Implement the contents of the Resolutions of the General Meeting of Shareholders, the Board of Directors and the decisions issued by the Board of Directors on progress and implementation measures;

The Board of Directors regularly reviews and evaluates the implementation of business plans and economic indicators to promptly direct the Board of Management to meet resource requirements for the Company's operations;

Check and supervise the implementation and compliance with the provisions of the Enterprise Law, the Company Charter and current regulations of the State

### Activities of Independent BOD Members

As of December 31, 2024, Ha Giang Mineral and Mechanics Joint Stock Company has 02 independent members of the Board of Directors, Mr. Ta Hong Thang and Mr. Nguyen Trung Hieu. In 2024, the independent members of the Board of Directors completed their assigned tasks with a high sense of prudence and responsibility, promoting their independent role in performing management and supervision work through the activities of subcommittees, inspection topics, reports, meetings and work with the Board of Management as well as at Board of Directors meetings.

### Corporate Governance Training

BOD Members proactively research and learn about corporate governance issues. During the year, the Board of Directors appointed Mr. Đào Minh Tân to attend the workshop on Guidelines for Using the ESG Implementation and Disclosure Handbook, co-organized by the State Securities Commission; and the Internal Audit Training Course in Hanoi.



## BOARD OF SUPERVISORS

### Information about BOS members

| Member                     | Position    | Number of shares hold | Ownership ratio (%) |
|----------------------------|-------------|-----------------------|---------------------|
| Mr. Nguyen Ngoc Tuan       | Head of BOS | -                     | -                   |
| Ms. Nguyen Thi Luong Thanh | BOS member  | -                     | -                   |
| Mr. Nguyen Huu Trong       | BOS member  | 200                   | 0,0016              |

### Board of Supervisors Activities

| BOS Member                 | Number of meetings attended | Attendance rate | Voting ratio | Reason for Absence          |
|----------------------------|-----------------------------|-----------------|--------------|-----------------------------|
| Mr. Nguyen Ngoc Tuan       | 4/4                         | 100%            | 100%         |                             |
| Ms. Nguyen Thi Luong Thanh | 4/4                         | 100%            | 100%         |                             |
| Mr. Nguyen Huu Trong       | 3/4                         | 75%             | 100%         | Absent due to business trip |

### Supervisory activities of the Board of Supervisors over the Board of Directors, Board of Management and shareholders

The Board of Supervisors fully participated in the meetings of the Board of Directors to promptly grasp the Company's production and operating activities and contribute opinions according to its functions and authority.

The Board of Supervisors has audited the 6-month and annual financial statements conducted by AASC Auditing Company Limited.

The Board of Supervisors has reviewed the Company's charter and internal governance regulations. The Board of Supervisors assessed the Board of Directors' operations in compliance with the Company's charter, governance regulations and relevant legal provisions.

The Board of Supervisors assessed that the Board of Management has been making efforts to implement the Resolution of the 2024 Shareholders' Meeting and the decisions of the Board of Directors.

The Board of Supervisors does not receive any requests or complaints from shareholders or groups of shareholders with the percentage and duration of share ownership as prescribed in the Company's Charter.

### Coordination of activities between the Board of Supervisors and the activities of the Board of Directors, the Board of Management and other management staffs.

The Board of Supervisors has coordinated well with the Board of Directors, the Board of Management and other managers in the process of implementing the Resolution of the General Meeting of Shareholders, in organizing effective production and business.

The Board of Supervisors has been provided with full Resolutions and Decisions by the Board of Directors in a timely manner.

The Board of Management and functional departments of the Company coordinate and facilitate the updating of the Company's operations, collecting information and documents for inspection and supervision when required.



## TRANSACTIONS AND REMUNERATION OF THE BOARD OF DIRECTORS, BOARD OF SUPERVISORS, AND BOARD OF MANAGEMENT

### Salary, bonus, remuneration, other benefits during the year

| No. | Member                 | Title                           | Total salary, bonus, remuneration (VND) |
|-----|------------------------|---------------------------------|---|
| 1   | Pham Thanh Do          | Chairman of BOD                 | 539.000.000                             |
| 2   | Pham Thanh Do          | Vice Chairman of BOD            | 115.000.000                             |
| 3   | Tran Nguyen Nam        | Member of BOD                   | 115.000.000                             |
| 4   | Nguyen Trung Hieu      | Member of BOD                   | 345.000.000                             |
| 5   | Ta Hong Thang          | Member of BOD                   | 345.000.000                             |
| 6   | Do Khac Hung           | Member of BOD - Director        | 1.846.103.900                           |
| 7   | Trinh Ngoc Hieu        | Member of BOD - Deputy Director | 1.349.524.400                           |
| 8   | Nguyen Van Bien        | Deputy Director                 | 1.248.123.000                           |
| 9   | Vu Thang Binh          | Deputy Director                 | 1.161.222.250                           |
| 10  | Nguyen Ngoc Tuan       | Head of BOS                     | 575.000.000                             |
| 11  | Nguyen Huu Trong       | Member of BOS                   | 519.000.000                             |
| 12  | Nguyen Thi Luong Thanh | Member of BOS                   | 79.000.000                              |

### Stock transactions of insiders and related parties

| Transaction executor | Insider Relations   | Number of shares owned at the beginning of the period |            | Number of shares owned at the end of the period |            | Reason for increase, decrease (buy, sell, convert, reward...) |
|----------------------|---|---|------------|---|------------|---|
|                      |   | Number of shares                                      | Proportion | Number of shares                                | Proportion |   |
| Dao Xuan Tuat        | Father of Mr. Dao Minh Tan - Person in charge of Company Administration | 56.500  | 0,448      | 10.000  | 0,079      | Family financial needs  |
| Dao Xuan Tuat        | Father of Mr. Dao Minh Tan - Person in charge of Company Administration | 10.000  | 0,079      | 0   | 0          | Family financial needs  |
| Do Khac Hung         | Member of BOD - Director  | 78.000  | 0,619      | 28.000  | 0,222      | Personal financial needs                                      |

### Contracts or transactions with insiders

During the year, the Company did not enter into any contracts or transactions with insiders of the Company.

## STRENGTHENING CORPORATE GOVERNANCE

### Assessment of implementation of corporate governance regulations

The Company has fully implemented and complied with the provisions of the law on corporate governance and information disclosure applicable to listed enterprises: implemented and fully disclosed the 6-month and full-year 2024 Governance Report; Major shareholder report; Information disclosure according to regulations is always timely regarding the Company's periodic and irregular information.

The person in charge of corporate governance regularly updates regulations issued by the State Securities Commission, the Stock Exchange and other relevant agencies, promptly consults the Board of Directors to make appropriate preparations and seriously implement them into the Company's internal governance.

The Company Charter, Internal Governance Regulations, Operating Regulations of the Board of Directors, and Operating Regulations of the Board of Supervisors are built in strict compliance with current legal regulations, ensuring the rights of shareholders



### Improve corporate governance efficiency

In order to further improve management efficiency, in 2024, the Company continues to create conditions for officers and employees to participate in training programs to improve management capacity combined with increased investment in developing a modern management system. Specifically:

#### 1. Personnel training

The Company sent the Head of the Board of Supervisors and the person in charge of corporate governance to attend the AIA internal audit course.

#### 2. Financial - accounting management

The company is using ACMEN accounting software, a professional solution that supports effective financial and accounting management. The main features of ACMEN include: Automating accounting processes, helping to record transactions quickly and accurately; Managing debts, taxes, and electronic invoices according to legal regulations; Integrating financial reports to help management monitor financial status in real time; High data security, ensuring the safety of the company's accounting system.

#### Implementation efficiency

- Minimize errors in financial recording and reporting.
- Increase data processing speed, helping accountants save working time.
- Improve transparency, meet tax reporting and auditing requirements.
- Optimize financial management, helping companies easily control cash flow and optimize expenses.

#### Plan to improve the efficiency of financial and accounting management

- The company is currently planning to upgrade to the latest version of ACMEN to take advantage of more modern features. Integrate ACMEN with the ERP system to synchronize financial data with other departments.
- Applying artificial intelligence (AI) to financial analysis, helping to forecast trends and optimize cash flow.
- Train accounting staff to maximize ACMEN's features and improve work performance.

### 3. Human resource management

The company is applying a human resource management system that combines traditional methods and modern technology. Human resource processes such as recruitment, training, performance evaluation and salary management are carried out according to standard procedures, with close supervision from the human resource department and the management board. The company is currently using human resource management software to support activities such as:

- Regarding personnel records management, the Company uses Microsoft Office and iOffice software from VNPT to support the storage of employee information, labor contracts, sending official dispatches, timekeeping and salary calculation.
- Use the tax declaration system of the tax department to pay taxes and insurance

#### Implementation efficiency

The application of technology in human resource management has helped the company optimize processes, save time, improve accuracy in records management and salary calculation. This system also helps increase transparency and improve employee experience. However, there are still some challenges such as:

- Some employees are not familiar with using the software and need more training time.
- Need to improve system integration with other company software.

#### Plan to improve human resource management efficiency

- In the coming time, the company plans to upgrade its human resource management software to increase automation capabilities.
- Organize internal training sessions to help employees use the software more effectively.
- Integrate additional data analytics tools to support HR decision making.
- Improve compensation policies and work environment to enhance employee engagement.

#### 4. Quality Relationship Management

The company uses ISO 9001:2015 process to control product quality. The specific quality control process is as follows:

- Input inspection: Raw materials and components are inspected before being put into production.
- Control during production: Apply periodic inspection steps, evaluate product quality at each stage.
- Output inspection: Finished products are inspected according to prescribed standards before leaving the factory.
- Feedback and improvement: Collect feedback from customers and partners to continuously improve product and service quality.

##### Results achieved

- Improve product quality, reduce defect rate, ensure consistency.
- Increase customer satisfaction by providing quality products.
- Comply with environmental and occupational safety laws.
- Improve productivity, optimize production processes and save expenses.

##### Plan to improve quality relationship efficiency

- Applying 4.0 technology in quality monitoring and control.
  - Enhance employee training on new standards and quality control skills.
  - Expand the scope of certification to enhance reputation and competitiveness.
- Improve management systems to optimize operational efficiency.





07

**FINANCIAL  
REPORT**



## CONTENTS

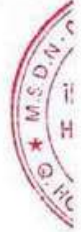
|                                   | Page    |
|-----------------------------------|---------|
| Report of the Board of Management | 02 - 03 |
| Independent Auditors' Report      | 04 - 05 |
| Audited Financial Statements      | 06 - 36 |
| Statement of Financial position   | 06 - 07 |
| Statement of Income               | 08      |
| Statement of Cash flows           | 09 - 10 |
| Notes to the Financial Statements | 11 - 36 |

## FINANCIAL STATEMENTS

### HA GIANG MINERAL AND MECHANICS JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2024

(Audited)



## REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Ha Giang Mineral and Mechanics Joint Stock Company ("the Company") presents its report and the Company's Financial Statements for the fiscal year ended as at 31 December 2024.

### THE COMPANY

Ha Giang Mineral and Mechanics Joint Stock Company is established under Decision No. 604/QD-UB dated 09 August 1995 of the People's Committee of Ha Giang province. According to Decision No. 2050/QD-UBND dated 30 September 2005 of the People's Committee of Ha Giang province, Ha Giang Mechanics and Mineral Exploitation Company was converted into Ha Giang Mineral and Mechanics Joint Stock Company. The company officially came into operation on 01 March 2006 and operates under Business Registration Certificate No. 1003000027 dated 28 February 2006, 8th re-registered on 01 June 2021 issued by Ha Giang Authority for Planning and Investment.

The Company's head office is located at: No. 390 Nguyen Trai Street, Ha Giang City, Ha Giang Province.

### BOARD OF DIRECTORS, BOARD OF MANAGEMENT AND BOARD OF SUPERVISION

Members of the Board of Directors during the fiscal year and to the reporting date are:

|                        |               |
|------------------------|---------------|
| Mr. Pham Thanh Do      | Chairman      |
| Mr. Nguyen Viet Phuong | Vice Chairman |
| Mr. Trinh Ngoc Hieu    | Member        |
| Mr. Nguyen Trung Hieu  | Member        |
| Mr. Ta Hong Thang      | Member        |
| Mr. Do Khac Hung       | Member        |
| Mr. Tran Nguyen Nam    | Member        |

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

|                     |  |
|---------------------|--|
| Mr. Do Khac Hung    | Director                                   |
| Mr. Trinh Ngoc Hieu | Vice Director                              |
| Mr. Vu Van Bien     | Vice Director                              |
| Mr. Vu Thang Binh   | Vice Director and Director of Hanoi Branch |

Members of the Board of Supervision are:

|                             |               |
|-----------------------------|---------------|
| Mr. Nguyen Ngoc Tuan        | Head of Board |
| Mrs. Nguyen Thi Luong Thanh | Member        |
| Mr. Nguyen Huu Trong        | Member        |

### LEGAL REPRESENTATIVE

The legal representative of the Company during the year and until the preparation of this Financial Statements is Mr. Do Khac Hung – Director

### AUDITORS

The auditors of AASC Auditing Firm Company Limited have taken the audit of Financial Statements for the Company.

### STATEMENT OF THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE FINANCIAL STATEMENTS

The Board of Management is responsible for the Financial Statements which give a true and fair view of the financial position of the Company, its operating results and its cash flows for the year. In preparing those Financial Statements, the Board of Management is required to:

- Establish and maintain of an internal control system which is determined necessary by the Board of Directors and Board of Management to ensure the preparation and presentation of Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- Prepare the Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements;
- Prepare the Financial Statements on going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of Management is responsible for ensuring that accounting records are kept to reflect the financial position of the Company, with reasonable accuracy at any time and to ensure that the Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of Management, confirms that the Financial Statements give a true and fair view of the financial position at 31 December 2024, its operation results and cash flows for the fiscal year ended as at 31 December 2024 of Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

### Other commitments

The Board of Management pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 by Government on detailing and guiding the implementation of a number of articles of the Law on Securities and the Company does not violate the obligations of information disclosure in accordance with the regulations of the Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market and Circular No. 68/2024/TT-BTC dated 18 September 2024 issued by the Ministry of Finance on amending and supplementing a number of articles of Circular No. 96/2020/TT-BTC.

On behalf of the Board of Management,



Do Khac Hung  
Director

Ha Giang, 03 March 2025



No: 040325.001/BCTC.KT3

### INDEPENDENT AUDITORS' REPORT

To: Shareholders, the Board of Directors and Board of Management  
Ha Giang Mineral and Mechanics Joint Stock Company

We have audited the Financial Statements of Ha Giang Mineral and Mechanics Joint Stock Company prepared on 03 March 2025, as set out on pages 06 to 36, including: Statement of Financial position as at 31 December 2024, Statement of Income, Statement of Cash flows and Notes to the Financial Statements for the fiscal year ended as at 31 December 2024.

#### Board of Management' responsibility

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

#### Auditor's responsibility

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

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

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

#### Auditor's opinion

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position of Ha Giang Mineral and Mechanics Joint Stock Company as at 31 December 2024, its operations results and its cash flows for the fiscal year ended as at 31 December 2024 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to preparation and presentation of Financial Statements.

#### Emphasis of matter

We draw the attention of users of Financial Statement to Note 32 of the Notes to the Financial Statements, which describes the uncertainty related to the additional corporate income tax payable for the period 2008 - 2018 based on the results of the State Audit in 2019.

This emphasis does not change our unqualified opinion stated above.

AASC Auditing Firm Company Limited



Vu Xuan Bien  
Deputy General Director  
Registered Auditor No. 0743-2023-002-1  
Hanoi, 04 March 2025

Le Van Hung  
Auditor  
Registered Auditor No. 3953-2023-002-1



**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

| Code | ASSETS  | Note | 31/12/2024             | 01/01/2024              |
|------|---|------|------------------------|-------------------------|
|      |   |      | VND                    | (Representation)<br>VND |
| 100  | <b>A. CURRENT ASSETS</b>                              |      | <b>343,844,060,919</b> | <b>162,955,703,480</b>  |
| 110  | <b>I. Cash and cash equivalents</b>                   | 3    | <b>105,181,201,313</b> | <b>23,051,370,309</b>   |
| 111  | 1. Cash   |      | 82,181,201,313         | 23,051,370,309          |
| 112  | 2. Cash equivalents                                   |      | 23,000,000,000         | -                       |
| 120  | <b>II. Short-term investments</b>                     | 4    | <b>202,699,870,000</b> | <b>94,000,000,000</b>   |
| 123  | 1. Held-to-maturity investments                       |      | 202,699,870,000        | 94,000,000,000          |
| 130  | <b>III. Short-term receivables</b>                    |      | <b>12,117,057,609</b>  | <b>11,110,726,359</b>   |
| 131  | 1. Short-term trade receivables                       | 5    | 4,586,780,997          | 7,017,038,709           |
| 132  | 2. Short-term prepayments to suppliers                | 6    | 2,416,493,974          | 2,012,332,734           |
| 136  | 3. Other short-term receivables                       | 7    | 5,840,023,491          | 2,807,595,769           |
| 137  | 4. Provision for short-term doubtful debts            |      | (726,240,853)          | (726,240,853)           |
| 140  | <b>IV. Inventories</b>                                | 9    | <b>23,845,931,997</b>  | <b>34,692,643,612</b>   |
| 141  | 1. Inventories  |      | 23,845,931,997         | 34,692,643,612          |
| 150  | <b>V. Other short-term assets</b>                     |      | <b>-</b>               | <b>100,963,200</b>      |
| 151  | 1. Short-term prepaid expenses                        | 13   | -                      | 100,963,200             |
| 200  | <b>B. NON-CURRENT ASSETS</b>                          |      | <b>81,016,905,069</b>  | <b>75,885,590,258</b>   |
| 210  | <b>I. Long-term receivables</b>                       |      | <b>3,730,143,409</b>   | <b>3,159,390,801</b>    |
| 216  | 1. Other long-term receivables                        | 7    | 3,730,143,409          | 3,159,390,801           |
| 220  | <b>II. Fixed assets</b>                               |      | <b>17,808,565,434</b>  | <b>14,498,989,898</b>   |
| 221  | 1. Tangible fixed assets                              | 11   | 13,931,432,850         | 9,271,072,137           |
| 222  | - Historical costs                                    |      | 83,430,659,608         | 75,553,377,872          |
| 223  | - Accumulated depreciation                            |      | (69,499,226,758)       | (66,282,305,735)        |
| 227  | 2. Intangible fixed assets                            | 12   | 3,877,132,584          | 5,227,917,761           |
| 228  | - Historical costs                                    |      | 46,168,552,193         | 46,168,552,193          |
| 229  | - Accumulated amortization                            |      | (42,291,419,609)       | (40,940,634,432)        |
| 240  | <b>IV. Long-term assets in progress</b>               | 10   | <b>11,932,719,736</b>  | <b>10,476,210,583</b>   |
| 242  | 1. Construction in progress                           |      | 11,932,719,736         | 10,476,210,583          |
| 250  | <b>V. Long-term investments</b>                       | 4    | <b>46,864,262,320</b>  | <b>46,370,140,720</b>   |
| 252  | 1. Investments in joint ventures and associates       |      | -                      | 12,756,900,240          |
| 253  | 2. Equity investments in other entities               |      | 69,469,880,000         | 69,469,880,000          |
| 254  | 3. Provision for devaluation of long-term investments |      | (28,605,617,680)       | (41,856,639,520)        |
| 255  | 4. Held-to-maturity investments                       |      | 6,000,000,000          | 6,000,000,000           |
| 260  | <b>VI. Other long-term assets</b>                     |      | <b>681,214,170</b>     | <b>1,380,858,256</b>    |
| 261  | 1. Long-term prepaid expenses                         | 13   | 681,214,170            | 1,380,858,256           |
| 270  | <b>TOTAL ASSETS</b>                                   |      | <b>424,860,965,988</b> | <b>238,841,293,738</b>  |

**STATEMENT OF FINANCIAL POSITION**

As at 31 December 2024

(continued)

| Code | CAPITAL  | Note | 31/12/2024             | 01/01/2024              |
|------|--|------|------------------------|-------------------------|
|      |  |      | VND                    | (Representation)<br>VND |
| 300  | <b>C. LIABILITIES</b>                            |      | <b>81,700,126,334</b>  | <b>41,310,671,026</b>   |
| 310  | <b>I. Current liabilities</b>                    |      | <b>68,870,256,361</b>  | <b>28,377,182,803</b>   |
| 311  | 1. Short-term trade payables                     | 14   | 9,224,219,533          | 7,532,721,016           |
| 313  | 2. Taxes and other payables to State budget      | 15   | 18,745,730,781         | 6,321,422,349           |
| 314  | 3. Payables to employees                         |      | 10,314,207,063         | 5,050,387,524           |
| 315  | 4. Short-term accrued expenses                   | 16   | 75,000,000             | 75,000,000              |
| 319  | 5. Other short-term payments                     | 17   | 15,690,765,274         | 8,454,947,409           |
| 322  | 6. Bonus and welfare fund                        |      | 14,820,333,710         | 942,704,505             |
| 330  | <b>II. Non-current liabilities</b>               |      | <b>12,829,869,973</b>  | <b>12,933,488,223</b>   |
| 337  | 1. Other long-term payables                      | 17   | 9,000,000              | 9,000,000               |
| 342  | 2. Provisions for long-term payables             | 18   | 12,820,869,973         | 12,924,488,223          |
| 400  | <b>D. OWNER'S EQUITY</b>                         |      | <b>343,160,839,654</b> | <b>197,530,622,712</b>  |
| 410  | <b>I. Owner's equity</b>                         | 19   | <b>343,160,839,654</b> | <b>197,530,622,712</b>  |
| 411  | 1. Contributed capital                           |      | 126,000,000,000        | 126,000,000,000         |
| 411a | - Ordinary shares with voting rights             |      | 126,000,000,000        | 126,000,000,000         |
| 412  | 2. Share Premium                                 |      | 9,478,311,977          | 4,500,000,000           |
| 415  | 3. Treasury shares                               |      | -                      | (42,833,907,079)        |
| 418  | 4. Development and investment funds              |      | 50,000,000,000         | 50,000,000,000          |
| 420  | 5. Other reserves                                |      | 1,103,464,642          | 1,103,464,642           |
| 421  | 6. Retained earnings                             |      | 156,579,063,035        | 58,761,065,149          |
| 421a | - Retained earnings accumulated to previous year |      | 7,781,133,433          | 18,572,607,744          |
| 421b | - Retained earnings of the current year          |      | 148,797,929,602        | 40,188,457,405          |
| 440  | <b>TOTAL CAPITAL</b>                             |      | <b>424,860,965,988</b> | <b>238,841,293,738</b>  |

Hoang Le Khanh  
Preparer

Ha Giang, 03 March 2025

Hoang Le Khanh  
Chief Accountant



Do Khắc Hưng  
Director



STATEMENT OF INCOME

Year 2024

| Code ITEMS   | Note | Year 2024        | Year 2023       |
|--|------|------------------|-----------------|
|  |      | VND              | VND             |
| 01 1. Revenue from sales of goods and rendering of services      | 21   | 370,448,864,861  | 175,681,807,310 |
| 02 2. Revenue deductions   |      | -                | -               |
| 10 3. Net revenue from sales of goods and rendering of services  |      | 370,448,864,861  | 175,681,807,310 |
| 11 4. Cost of goods sold and services rendered                   | 22   | 130,800,612,610  | 93,532,230,961  |
| 20 5. Gross profit from sales of goods and rendering of services |      | 239,648,252,251  | 82,149,576,349  |
| 21 6. Financial income   | 23   | 10,985,293,912   | 7,073,476,687   |
| 22 7. Financial expenses   | 24   | (11,072,969,232) | 1,187,757,606   |
| 23 <i>In which: Interest expenses</i>                            |      | -                | -               |
| 25 8. Selling expenses   | 25   | 3,043,754,343    | 1,715,296,089   |
| 26 9. General and administrative expense                         | 26   | 24,525,432,731   | 15,359,685,683  |
| 30 10. Net profit from operating activities                      |      | 234,137,328,321  | 70,960,313,658  |
| 31 11. Other income  |      | -                | 292,612,727     |
| 32 12. Other expense   | 27   | 4,352,114,326    | 1,906,491,218   |
| 40 13. Other profit  |      | (4,352,114,326)  | (1,613,878,491) |
| 50 14. Total net profit before tax                               |      | 229,785,213,995  | 69,346,435,167  |
| 51 15. Current corporate income tax expenses                     | 28   | 46,629,498,624   | 14,494,669,478  |
| 52 16. Deferred corporate income tax expenses                    |      | -                | -               |
| 60 17. Profit after corporate income tax                         |      | 183,155,715,371  | 54,851,765,689  |
| 70 18. Basic earnings per share                                  | 29   | 14,394           | 4,373           |

Hoang Le Khanh  
Preparer

Hoang Le Khanh  
Chief Accountant

Do Khắc Hưng  
Director



STATEMENT OF CASH FLOWS

Year 2024  
(Indirect method)

| Code ITEMS  | Note | Year 2024         | Year 2023         |
|---|------|-------------------|-------------------|
|   |      | VND               | VND               |
| <b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>  |      |                   |                   |
| 01 1. Profit before tax   |      | 229,785,213,995   | 69,346,435,167    |
| <b>2. Adjustments for</b>   |      |                   |                   |
| 02 - Depreciation and amortization of fixed assets and investment properties                    |      | 4,567,706,200     | 5,716,817,397     |
| 03 - Provisions   |      | (13,354,640,090)  | 800,702,346       |
| 04 - Exchange gains/losses from retranslation of monetary items denominated in foreign currency |      | (1,848,442,388)   | (175,437,578)     |
| 05 - Gains/losses from investment activities  |      | (8,488,347,444)   | (6,189,994,742)   |
| 08 3. Operating profit before changes in working capital  |      | 210,661,490,273   | 69,498,522,590    |
| 09 - Increase/decrease in receivable  |      | 135,026,047       | (3,208,354,526)   |
| 10 - Increase/decrease in inventories   |      | 10,846,711,615    | 4,955,594,493     |
| 11 - Increase/decrease in payable (excluding interest payable/ corporate income tax payable)    |      | 14,983,630,599    | 10,516,125,987    |
| 12 - Increase/decrease in prepaid expenses  |      | 800,607,286       | (658,683,435)     |
| 15 - Corporate income tax paid  |      | (34,997,684,870)  | (5,942,833,095)   |
| 17 - Other payments on operating activities   |      | (4,537,568,280)   | (14,494,651,300)  |
| 20 Net cash flows from operating activities   |      | 197,892,212,670   | 60,665,720,714    |
| <b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>   |      |                   |                   |
| 21 1. Purchase or construction of fixed assets and other long-term assets                       |      | (9,333,790,889)   | (3,686,034,142)   |
| 23 2. Loans and purchase of debt instruments from other entities                                |      | (202,699,870,000) | (100,000,000,000) |
| 24 3. Collection of loans and resale of debt instrument of other entities                       |      | 94,000,000,000    | 69,000,000,000    |
| 26 4. Proceeds from equity investment in other entities   |      | 15,260,438,900    | -                 |
| 27 5. Interest and dividend received  |      | 4,272,698,879     | 6,574,279,672     |
| 30 Net cash flows from investing activities   |      | (98,500,523,110)  | (28,111,754,470)  |
| <b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>  |      |                   |                   |
| 31 1. Proceeds from issuance of shares and receipt of contributed capital                       |      | 47,812,219,056    | -                 |
| 36 2. Dividends or profits paid to owners   |      | (66,922,520,000)  | (29,801,800,000)  |
| 40 Net cash flows from financing activities   |      | (19,110,300,944)  | (29,801,800,000)  |
| 50 Net cash flows in the year   |      | 80,281,388,616    | 2,752,166,244     |

## NOTES TO THE FINANCIAL STATEMENTS

Year 2024

### 1. GENERAL INFORMATION

#### Form of ownership

Ha Giang Mineral and Mechanics Joint Stock Company is established under Decision No. 604/QD-UB dated 09 August 1995 of the People's Committee of Ha Giang province. According to Decision No. 2050/QD-UBND dated 30 September 2005 of the People's Committee of Ha Giang province, Ha Giang Mechanics and Mineral Exploitation Company was converted into Ha Giang Mineral and Mechanics Joint Stock Company. The company officially came into operation on 01 March 2006 and operates under Business Registration Certificate No. 1003000027 dated 28 February 2006, 8th re-registered on 01 June 2021 issued by Ha Giang Authority for Planning and Investment.

The Company's head office is located at: No. 390 Nguyen Trai Street, Ha Giang City, Ha Giang Province.

Company's Charter capital is VND 126,000,000,000, actual contributed Charter capital by 31 December 2024 is VND 126,000,000,000; equivalent to 12,600,000 shares with the price of VND 10,000 per share.

The number of employees of the Company as at 31 December 2024 was 141 (as at 01 January 2024: 142).

#### Business field

Mining and processing of Antimony ore.

#### Business activities

Main business activities of the Company include:

- Mining of other non-ferrous metal ores;
- Mining of rare ores and metals.

#### The Company's operation in the fiscal year that affects the Financial Statements

The Company's average selling price of Antimony metal in 2024 increased by 83.24% compared to 2023 due to the increase in world Antimony metal prices and increased sales volume, resulting in a 110.86% increase in revenue in 2024, equivalent to an increase of VND 194.7 billion compared to the previous year.

#### Corporate structure

| The Company's member entities are as follows: | Address           | Main business activities                         |
|---|-------------------|--|
| Company Office                                | Ha Giang Province | Mining and processing of Antimony ore            |
| Hanoi Branch                                  | Hanoi             | Distribution of finished Antimony metal products |

### 2. ACCOUNTING SYSTEM AND ACCOUNTING POLICY

#### 2.1. Accounting period and accounting currency

Annual accounting period commences from 1 January and ends as at 31 December.

The Company maintains its accounting records in Vietnam Dong (VND).

#### 2.2. Standards and Applicable Accounting Policies

##### Applicable Accounting Policies

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

#### Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial Statements are prepared and presented in accordance with regulations of each standard and supplementary document as well as with current Accounting Standards and Accounting System.

#### 2.3. Basis for preparation of Financial Statements

Financial Statements are presented based on historical cost principle.

Financial Statements of the Company are prepared based on summarization of the Financial Statements of the dependent accounting entities and the head office of the Company.

#### 2.4. Accounting estimates

The preparation of Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Financial Statements include:

- Provision for bad debts
- Provision for payables
- Estimated allocation of prepaid expenses
- Estimated useful life of fixed assets
- Classification and provision of financial investments
- Provision for inventory write-down
- Estimated corporate income tax

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are assessed by the Board of Management to be reasonable under the circumstances.

#### 2.5. Financial instruments

##### Initial recognition

Financial assets

Financial assets of the Company include cash, cash equivalents, trade receivables, other receivables, lending loans, long-term and short-term investments. At initial recognition, financial assets are identified by purchasing price/issuing cost plus other expenses directly related to the purchase and issuance of those assets.

Financial liabilities

Financial liabilities of the Company include borrowings, trade payables, other payables and accrued expenses. At initial recognition, financial liabilities are determined by issuing price plus other expenses directly related to the issuance of those liabilities.

##### Subsequent measurement after initial recognition

Financial assets and financial liabilities are not revalued according to fair value at the end of the year because the Circular No.210/2009/TT-BTC and prevailing statutory regulations require to present Financial statements and Notes to financial instruments but not provide any relevant instruction for assessment and recognition of fair value of financial assets and financial liabilities.

#### 2.6. Foreign currency transactions

Foreign currency transactions during the year are translated into Vietnam Dong using the actual rate at transaction date.

Actual exchange rate when revaluating monetary items denominated in foreign currencies at the reporting date of Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transactions.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the year.

#### 2.7. Cash and cash equivalents

Cash comprises cash on hand, demand deposits.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

#### 2.8. Financial investments

Investments held to maturity comprise term deposits held to maturity to earn profits periodically and other held to maturity investments.

Investments in associates are initially recognized at original cost. After initial recognition, value of these investments is measured at original cost less provision for devaluation of investments.

Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as follows:

- Investments in associates: provisions shall be made when the investee incurs a loss, based on the associate's Financial Statements at the provision date;
- Long-term investments (other than trading securities) without significant influence on the investee. Provisions shall be made on the basis of the market value of the shares (average reference price in the 30 most recent consecutive trading days before the end of the fiscal year announced by the Stock Exchange);
- Investments held to maturity: provision for doubtful debts shall be made based on the recovery capacity in accordance with statutory regulations.

#### 2.9. Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables shall be classified into short-term receivables or long-term receivables on the financial statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing or estimating the possible losses.

#### 2.10. Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

Net realizable value is estimated based on the selling price of the inventory minus the estimated costs for completing the products and the estimated costs needed for their consumption.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

#### 2.11. Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

##### *Subsequent measurement after initial recognition*

If these costs ament future economic benefits obtained from the use of tangible fixed assets are extended to their initial standards conditions, these costs are capitalized as an incremental in their historical cost. Other costs incurred after tangible fixed assets have been put into operation such as repair, maintenance and overhaul costs are recognized in the Statement of Income in the year in which the costs are incurred.

Fixed assets are depreciated (amortised) using the straight-line method over their estimated useful lives as follows:

|                                      |               |
|--------------------------------------|---------------|
| - Buildings, structures              | 05 - 25 years |
| - Machinery, equipment               | 03 - 07 years |
| - Vehicles, Transportation equipment | 06 - 10 years |
| - Office equipment and furniture     | 03 years      |
| - Land use rights                    | 10 - 48 years |
| - Copyrights, patents                | 03 years      |
| - Other intangible fixed assets      | 05 years      |

#### Antimony Mining Rights and Environmental Restoration Costs

Antimony Mining Rights and Environmental Restoration Costs include mineral mining rights and environmental restoration costs.

Pursuant to the Mineral Exploitation License No. 3940/QD/DCKS ("License") dated 27 December 1996 issued by the Minister of Industry (now the Ministry of Industry and Trade), the Company is granted the right to exploit minerals in Mau Due commune, Yen Minh district, Ha Giang province for 30 years from the date of signing the License. Mineral exploitation rights are stated at cost less accumulated depreciation. The original cost of this asset includes the total amount of mineral exploitation rights payable under Decision No. 3068/QD-BTNMT dated 26 December 2014 of the Minister of Natural Resources and Environment on "Approval of the fee for granting the right to exploit Antimony ore at Mau Due mine, Mau Due commune, Yen Minh district, Ha Giang province". The mineral exploitation rights are depreciated by the Company based on the amount of mineral exploitation rights payable annually according to the Notice of the Ha Giang Tax Department.

Environmental restoration costs are the estimated costs incurred after the end of exploitation to close the mine, restore the original state of the ground and environment of the mine in Mau Due commune, Yen Minh district, Ha Giang province, depreciated using the straight-line method over the remaining time of the Mineral Exploitation License calculated from the time the environmental restoration costs are recorded.

#### 2.12. Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

#### 2.13. Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

#### 2.14. Prepaid expenses

The expenses incurred but related to operating results of several fiscal years are recorded as prepaid expenses and are allocated to the operating results in the following fiscal years.

The calculation and allocation of long-term prepaid expenses to operating expenses in each fiscal year should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

- Office rent at Hanoi Branch is paid in advance every 3 months.
- Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than 30 million dong and therefore not eligible for recording as fixed asset under current legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis over the period of 24 months.
- Other prepaid expenses are recorded at their historical costs and allocated on the straight-line basis from 24 to 34 months.

#### 2.15. Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the financial statements according to their remaining terms at the reporting date.

#### 2.16. Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, but the payments for such goods or services have not been made and other payables which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

#### 2.17. Provision for payables

Provision for payables is only recognized when meeting all of the following conditions:

- The Company has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the current debt obligation at the end of the fiscal year.

Only expenses related to the previously recorded provision for payables shall be offset by that provision for payable.

Provisions for payables are recorded as operating expenses of the fiscal year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses.

#### 2.18. Owner's equity

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

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results or from gifts, presents, financing, assets revaluation (if these items are allowed to be recorded as a decrease or increase in the owner's equity).

Treasury shares bought before the effective date of the Securities Law 2019 (01 January 2021) are shares issued by the Company and bought-back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities. Treasury shares bought after 01 January 2021 will be cancelled and adjusted to reduce equity.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Company.

Dividends to be paid to shareholders are recognised as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Directors and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

## 2.19. Revenues

Revenue is recognized when it is probable that the economic benefits, which can be measured reliably, will flow to the Company. Revenue is determined at the fair value of amounts received or expect to get after deducting trade discounts, sales discounts, and sales returns. The following specific recognition criteria must also be met when revenue is recognized:

### Revenue from sale of goods:

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

### Financial income

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the company shall be recognised when the two conditions are satisfied:

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

Dividend income shall be recognised when the Company's right to receive dividend is established.

## 2.20. Cost of goods sold

Cost of goods sold are cost of finished goods, merchandises, materials sold or services rendered during the year, and recorded on the basis of matching with revenue and on a prudence basis. Cases of loss of materials and goods exceeded the norm, labour cost and fixed manufacturing overheads not allocated to the value of inventory, provision for devaluation of inventory, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year even when products and goods have not been determined as sold.

## 2.21. Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Provision for diminution in value of trading securities price; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc.

The above items are recorded by the total amount arising in the year without offsetting against financial income.

## 2.22. Corporate income tax

### a) Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

### b) Current corporate income tax rate

For the fiscal year ended as at 31 December 2024, The Company applies the corporate income tax rate of 20% for the operating activities which has taxable income.

## 2.23. Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Company (after adjusting for the bonus and welfare fund and allowance for Board of Management) by the weighted average number of ordinary shares outstanding during the year.

## 2.24. Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent, subsidiaries and associates;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises.

In considering the relationship of related parties to serve for the preparation and presentation of Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

## 2.25. Segment information

Due to the Company operating solely in the field of mining and processing Antimony ore in Vietnam, the Company does not prepare segment reports by business segment and geographical segment.

## 3. CASH AND CASH EQUIVALENTS

|                    | 31/12/2024             | 01/01/2024            |
|--------------------|------------------------|-----------------------|
|                    | VND                    | VND                   |
| - Cash on hand     | 936,628,337            | 709,754,321           |
| - Demand deposits  | 81,244,572,976         | 22,341,615,988        |
| - Cash equivalents | 23,000,000,000         | -                     |
|                    | <b>105,181,201,313</b> | <b>23,051,370,309</b> |

At 31 December 2024, the cash equivalents are deposits with term of from 1 to 3 months with the amount of VND 23,000,000,000 at commercial banks at the interest rate of 3.4%/year to 4.4%/year.

## 4. FINANCIAL INVESTMENTS

### a) Held to maturity investments

|                        | 31/12/2024             |           | 01/01/2024 (Representation) |           |
|------------------------|------------------------|-----------|-----------------------------|-----------|
|                        | Original cost          | Provision | Original cost               | Provision |
|                        | VND                    | VND       | VND                         | VND       |
| Short-term investments | 202,699,870,000        | -         | 94,000,000,000              | -         |
| - Term deposits (*)    | 202,699,870,000        | -         | 94,000,000,000              | -         |
| Long-term investments  | 6,000,000,000          | -         | 6,000,000,000               | -         |
| - Bonds (**)           | 6,000,000,000          | -         | 6,000,000,000               | -         |
|                        | <b>208,699,870,000</b> | <b>-</b>  | <b>100,000,000,000</b>      | <b>-</b>  |

(\*) At 31 December 2024, the term deposits are deposits with term of from 6 to 12 months with the amount of VND 202,699,870,000 at commercial banks at the interest rate of 3.4%/year to 5%/year.

(\*\*) At 31 December 2024, the outstanding bonds held are bonds purchased under certificate No. CTG2230T2/02\_260 dated 01 November 2023.

Bond name: Joint Stock Commercial Bank for Industry and Trade Bonds; Bond code: CTG22230T2/02; Quantity: 60,000; Issue date: 01 November 2023; Term: 8 years; Interest rate: 6.45%/year; Face value: VND 100,000/bond.

4. FINANCIAL INVESTMENTS

b) Equity investments in other entities

| Stock Code  | 31/12/2024            |                       | 01/01/2024              |                         |
|---|-----------------------|-----------------------|-------------------------|-------------------------|
|   | Original cost         | Fair value            | Provision               | Provision               |
|   | VND                   | VND                   | VND                     | VND                     |
| <b>Investments in joint ventures and associates</b>                     |                       |                       |                         |                         |
| - Haiduong Mineral Eineal Processing Joint Stock Company <sup>(1)</sup> |                       |                       |                         |                         |
|   | 69,469,880,000        | 40,864,262,320        | (28,605,617,680)        | 27,613,240,480          |
| <b>Investments in other entities</b>                                    |                       |                       |                         |                         |
| - Cao Bang Cast Iron And Steel Joint Stock Company <sup>(2)</sup>       | 69,469,880,000        | 40,864,262,320        | (28,605,617,680)        | 27,613,240,480          |
|   | <u>69,469,880,000</u> | <u>40,864,262,320</u> | <u>(28,605,617,680)</u> | <u>35,309,478,613</u>   |
|   |                       |                       |                         | <u>(41,856,639,520)</u> |

<sup>(1)</sup> The fair value of this investment is determined based on the average closing price of the 30 most recent consecutive trading days prior to 31 December 2023 of this security on the UPCOM stock exchange.

During the year, the Company sold 1,164,919 shares of Haiduong Mineral Eineal Processing Joint Stock Company to other investors, equivalent to a total par value of VND 11,649,190,000, with a cost of VND 15,260,438,900. After the above transaction, at 31 December 2024, the Company no longer owns shares of Haiduong Mineral Eineal Processing Joint Stock Company.

<sup>(2)</sup> Provisions are estimated based on actual market prices of securities (average reference price in the 30 most recent consecutive trading days before 31 December 2023 and 31 December 2024 announced by the Stock Exchange).

Investments in other entities:

| Name of financial investments                                     | Place of establishment and operation | Rate of interest | Rate of voting | Principal activities          |
|---|--------------------------------------|------------------|----------------|-------------------------------|
| Name of investee  |                                      |                  |                |                               |
| - Cao Bang Cast Iron And Steel Joint Stock Company <sup>(2)</sup> | Cao Bang Province                    | 9.69%            | 9.69%          | Mining and mineral processing |

5. SHORT-TERM TRADE RECEIVABLES

|                                     | 31/12/2024           |                      | 01/01/2024           |                      |
|-------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                     | Value                | Provision            | Value                | Provision            |
|                                     | VND                  | VND                  | VND                  | VND                  |
| <b>Other</b>                        | <b>4,586,780,997</b> | <b>(234,386,987)</b> | <b>7,017,038,709</b> | <b>(234,386,988)</b> |
| - Chemico Chemicals Private Limited | -                    | -                    | 6,782,651,721        | -                    |
| - TOKOKOSENORP - Japan              | 4,352,394,010        | -                    | -                    | -                    |
| - Hoang Van Thiem                   | 71,642,500           | (71,642,500)         | 71,642,500           | (71,642,500)         |
| - Others                            | 162,744,487          | (162,744,487)        | 162,744,488          | (162,744,488)        |
|                                     | <u>4,586,780,997</u> | <u>(234,386,987)</u> | <u>7,017,038,709</u> | <u>(234,386,988)</u> |

6. SHORT-TERM PREPAYMENTS TO SUPPLIERS

|  | 31/12/2024           |                      | 01/01/2024           |                      |
|--|----------------------|----------------------|----------------------|----------------------|
|  | Value                | Provision            | Value                | Provision            |
|  | VND                  | VND                  | VND                  | VND                  |
| <b>Other</b>   | <b>2,416,493,974</b> | <b>(377,254,720)</b> | <b>2,012,332,734</b> | <b>(377,254,720)</b> |
| - Viet Nam Development Natural Resources And Environment Corporation | 1,249,895,340        | -                    | 1,131,000,000        | -                    |
| - Capital Environment And Resources Development JSC                  | -                    | -                    | 133,220,100          | -                    |
| - TTT Tuyen Quang Company Limited                                    | 200,000,000          | -                    | 116,224,000          | -                    |
| - Others   | 966,598,634          | (377,254,720)        | 631,888,634          | (377,254,720)        |
|  | <u>2,416,493,974</u> | <u>(377,254,720)</u> | <u>2,012,332,734</u> | <u>(377,254,720)</u> |

7. OTHER RECEIVABLES

|   | 31/12/2024           |                      | 01/01/2024           |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | Value                | Provision            | Value                | Provision            |
|   | VND                  | VND                  | VND                  | VND                  |
| <b>a) Short-term</b>                            |                      |                      |                      |                      |
| <b>a.1) Details by content</b>                  |                      |                      |                      |                      |
| - Receivables from interest of deposit, loan    | 2,580,556,479        | -                    | 868,446,574          | -                    |
| - Advances                                      | 121,697,525          | (12,217,300)         | 93,859,680           | (12,217,300)         |
| - Receivables from employee personal income tax | 2,929,418,523        | -                    | 1,652,756,860        | -                    |
| - Other receivables                             | 208,350,964          | (102,381,846)        | 192,532,655          | (102,381,845)        |
|   | <u>5,840,023,491</u> | <u>(114,599,146)</u> | <u>2,807,595,769</u> | <u>(114,599,145)</u> |
| <b>b) Long-term</b>                             |                      |                      |                      |                      |
| <b>b.1) Details by content</b>                  |                      |                      |                      |                      |
| - Mortgages                                     | 3,730,143,409        | -                    | 3,159,390,801        | -                    |
|   | <u>3,730,143,409</u> | <u>-</u>             | <u>3,159,390,801</u> | <u>-</u>             |

### 8. DOUBTFUL DEBTS

|  | 31/12/2024         |                   | 01/01/2024         |                   |
|--|--------------------|-------------------|--------------------|-------------------|
|  | Original cost      | Recoverable value | Original cost      | Recoverable value |
|  | VND                | VND               | VND                | VND               |
| - Total value of receivables and debts that are overdue or not due but difficult to be recovered |                    |                   |                    |                   |
| <b>Trade receivables</b>   | 234,386,987        | -                 | 234,386,988        | -                 |
| + Hoang Van Thiem  | 71,642,500         | -                 | 71,642,500         | -                 |
| + Bac Quang Agricultural and Forestry Products Processing Company                                | 61,017,368         | -                 | 61,017,368         | -                 |
| + Management Board of Binh Vang Electricity Construction Department                              | 47,780,025         | -                 | 47,780,025         | -                 |
| + Others   | 53,947,094         | -                 | 53,947,095         | -                 |
| <b>Prepayments to suppliers</b>  | 377,254,720        | -                 | 377,254,720        | -                 |
| + Thanh Dong Construction Enterprise   | 202,440,273        | -                 | 202,440,273        | -                 |
| + Ha Long Viglacera Company Limited  | 114,814,447        | -                 | 114,814,447        | -                 |
| + Industrial Promotion Center - Department of Industry and Trade                                 | 60,000,000         | -                 | 60,000,000         | -                 |
| <b>Advances</b>  | 12,217,300         | -                 | 12,217,300         | -                 |
| + Others   | 12,217,300         | -                 | 12,217,300         | -                 |
| <b>Other receivables</b>   | 102,381,846        | -                 | 102,381,845        | -                 |
| + Pha Lai Company Limited  | 40,000,000         | -                 | 40,000,000         | -                 |
| + Others   | 62,381,846         | -                 | 62,381,845         | -                 |
|  | <b>726,240,853</b> | <b>-</b>          | <b>726,240,853</b> | <b>-</b>          |

### 9. INVENTORIES

|                   | 31/12/2024            |           | 01/01/2024            |           |
|-------------------|-----------------------|-----------|-----------------------|-----------|
|                   | Original cost         | Provision | Original cost         | Provision |
|                   | VND                   | VND       | VND                   | VND       |
| - Raw material    | 4,645,373,220         | -         | 5,342,909,128         | -         |
| - Tools, supplies | 1,012,208,327         | -         | 1,005,812,201         | -         |
| - Finished goods  | 18,188,350,450        | -         | 28,343,922,283        | -         |
|                   | <b>23,845,931,997</b> | <b>-</b>  | <b>34,692,643,612</b> | <b>-</b>  |

### 10. CONSTRUCTION IN PROGRESS

|   | 31/12/2024            | 01/01/2024            |
|---|-----------------------|-----------------------|
|   | VND                   | VND                   |
| - Mau Due Antimony Mine Reserve Exploration and Upgrade Project (*) | 9,802,839,133         | 9,391,665,985         |
| - Environmental permit issuance cost for Mau Due mine               | -                     | 586,758,502           |
| - Non-fired brick production line system - PXL (**)                 | 522,426,533           | 347,852,892           |
| - Technical Department office building (***)                        | 1,131,079,043         | -                     |
| - Other projects  | 476,375,027           | 149,933,204           |
|   | <b>11,932,719,736</b> | <b>10,476,210,583</b> |

(\*) According to Decision No. 1241/QD-HDTLQG dated 23 December 2022, the National Council for Evaluation of Mineral Reserves approved the reserves of antimony ore and metal in the "Report on the results of the exploration to upgrade reserves within the scope of Exploitation License No. 3940 QD/DCKS dated 27 December 1996 of the Ministry of Industry (now the Ministry of Industry and Trade) of Mau Due antimony mine, Mau Due commune, Yen Minh district, Ha Giang province" with the following contents:

- The area of the area for exploration to upgrade and approve reserves is 35.2 hectares;
- Approved reserves of level 122 antimony ore are 355,271 tons containing 17,755 tons of Sb metal;
- Level 333 antimony ore resources are 190,126 tons containing 8,055 tons of Sb metal;
- Depth of the reserve blocks The approval is specifically stipulated in the decision.

The above decision is the premise for the Company to implement the project "Adjusting the Antimony Mining License" from 2023 and is expected to be completed in 2025. The Company has established a Project Management Board according to the Decision of the Company Director No. 55/QD-CKKS dated March 10, 2023 to implement the Project to adjust the Mineral Mining License. Currently, the project is in the stage of requesting the investment project adjustment policy of Ha Giang province.

(\*\*) Project: Non-fired brick production line

Construction: Slag treatment at antimony smelting workshop in Mau Due commune, Yen Minh district, Ha Giang province.

Investor: Ha Giang Mechanical and Mineral Joint Stock Company.

Implementing unit: T&T Tuyen Quang Company Limited.

Total investment: VND 1,525,273,000.

Implementation progress to 31 December 2024: expected to be completed in the first quarter of 2025.

(\*\*\*) The project is expected to be completed in the first quarter of 2025

11. TANGIBLE FIXED ASSETS

|                                     | Buildings, structures | Machinery,<br>equipment | Vehicles,<br>transportation<br>equipment | Office equipment and<br>furniture | Total                 |
|-------------------------------------|-----------------------|-------------------------|--|-----------------------------------|-----------------------|
|                                     | VND                   | VND                     | VND                                      | VND                               | VND                   |
| <b>Historical cost</b>              |                       |                         |  |                                   |                       |
| Beginning balance                   | 28,717,272,405        | 36,237,166,902          | 10,042,490,365                           | 556,448,200                       | 75,553,377,872        |
| - Purchase in the year              | -                     | 3,285,691,111           | 3,780,668,519                            | -                                 | 7,066,359,630         |
| - Completed construction investment | 810,922,106           | -                       | -  | -                                 | 810,922,106           |
| <b>Ending balance of the year</b>   | <b>29,528,194,511</b> | <b>39,522,858,013</b>   | <b>13,823,158,884</b>                    | <b>556,448,200</b>                | <b>83,430,659,608</b> |
| <b>Accumulated depreciation</b>     |                       |                         |  |                                   |                       |
| Beginning balance                   | 24,105,912,111        | 33,386,693,948          | 8,233,251,476                            | 556,448,200                       | 66,282,305,735        |
| - Depreciation in the year          | 1,178,206,849         | 1,269,526,442           | 769,187,732                              | -                                 | 3,216,921,023         |
| <b>Ending balance of the year</b>   | <b>25,284,118,960</b> | <b>34,656,220,390</b>   | <b>9,002,439,208</b>                     | <b>556,448,200</b>                | <b>69,499,226,758</b> |
| <b>Net carrying amount</b>          |                       |                         |  |                                   |                       |
| Beginning balance                   | 4,611,360,294         | 2,850,472,954           | 1,809,238,889                            | -                                 | 9,271,072,137         |
| <b>Ending balance</b>               | <b>4,244,075,551</b>  | <b>4,866,637,623</b>    | <b>4,820,719,676</b>                     | <b>-</b>                          | <b>13,931,432,850</b> |

In which:

- Cost of fully depreciated tangible fixed assets but still in use at the end of the year:

VND 63,228,709,176

23

12. INTANGIBLE FIXED ASSETS

|                                   | Land use rights      | Mineral exploitation<br>rights | Environmental<br>restoration costs | Copyrights, patents | Other intangible<br>fixed assets | Total                 |
|-----------------------------------|----------------------|--------------------------------|------------------------------------|---------------------|----------------------------------|-----------------------|
|                                   | VND                  | VND                            | VND                                | VND                 | VND                              | VND                   |
| <b>Historical cost</b>            |                      |                                |                                    |                     |                                  |                       |
| Beginning balance                 | 2,827,595,455        | 22,723,027,000                 | 17,920,493,837                     | 380,554,359         | 2,316,881,542                    | 46,168,552,193        |
| <b>Ending balance of the year</b> | <b>2,827,595,455</b> | <b>22,723,027,000</b>          | <b>17,920,493,837</b>              | <b>380,554,359</b>  | <b>2,316,881,542</b>             | <b>46,168,552,193</b> |
| <b>Accumulated depreciation</b>   |                      |                                |                                    |                     |                                  |                       |
| Beginning balance                 | 1,550,120,123        | 22,723,027,000                 | 13,970,051,408                     | 380,554,359         | 2,316,881,542                    | 40,940,634,432        |
| - Amortization in the year        | 53,775,041           | -                              | 1,297,010,136                      | -                   | -                                | 1,350,785,177         |
| <b>Ending balance of the year</b> | <b>1,603,895,164</b> | <b>22,723,027,000</b>          | <b>15,267,061,544</b>              | <b>380,554,359</b>  | <b>2,316,881,542</b>             | <b>42,291,419,609</b> |
| <b>Net carrying amount</b>        |                      |                                |                                    |                     |                                  |                       |
| Beginning balance                 | 1,277,475,332        | -                              | 3,950,442,429                      | -                   | -                                | 5,227,917,761         |
| <b>Ending balance</b>             | <b>1,223,700,291</b> | <b>-</b>                       | <b>2,653,432,293</b>               | <b>-</b>            | <b>-</b>                         | <b>3,877,132,584</b>  |

In which:

- Cost of fully amortized intangible fixed assets but still in use at the end of the year:

VND 26,507,751,401



13. PREPAID EXPENSES

|                                 | 31/12/2024         | 01/01/2024           |
|---------------------------------|--------------------|----------------------|
|                                 | VND                | VND                  |
| a) Short-term prepaid expenses  |                    |                      |
| - Office rental expenses        | -                  | 100,963,200          |
|                                 | <u>-</u>           | <u>100,963,200</u>   |
| b) Long-term prepaid expenses   |                    |                      |
| - Dispatched tools and supplies | 681,214,170        | 1,380,858,256        |
|                                 | <u>681,214,170</u> | <u>1,380,858,256</u> |

14. SHORT-TERM TRADE PAYABLES

|   | 31/12/2024           |                      | 01/01/2024           |                      |
|---|----------------------|----------------------|----------------------|----------------------|
|   | Value                | Amount can be paid   | Value                | Amount can be paid   |
|   | VND                  | VND                  | VND                  | VND                  |
| <i>Others</i>   | 9,224,219,533        | 9,224,219,533        | 7,532,721,016        | 7,532,721,016        |
| - Minh Tuan Trading And Construction Investment Company Limited | -                    | -                    | 358,183,540          | 358,183,540          |
| - Hung Dung Transport and Trading Services Company Limited      | 3,109,310,148        | 3,109,310,148        | 1,210,413,028        | 1,210,413,028        |
| - Hung Minh 868 Company Limited                                 | 3,426,986,274        | 3,426,986,274        | 4,425,298,253        | 4,425,298,253        |
| - Others  | 2,687,923,111        | 2,687,923,111        | 1,538,826,195        | 1,538,826,195        |
|   | <u>9,224,219,533</u> | <u>9,224,219,533</u> | <u>7,532,721,016</u> | <u>7,532,721,016</u> |

15. TAX AND PAYABLES FROM STATE BUDGET

|                                    | Tax payable at the beginning of year | Tax payable in the year | Tax paid in the year  | Tax payable at the end of the year |
|------------------------------------|--------------------------------------|-------------------------|-----------------------|------------------------------------|
|                                    | VND                                  | VND                     | VND                   | VND                                |
| - Value-added tax                  | 248,411,826                          | 1,450,301,052           | 1,698,712,878         | -                                  |
| - Export, import duties            | -                                    | 18,582,132,613          | 18,582,132,613        | -                                  |
| - Corporate income tax             | 2,295,179,077                        | 46,629,498,624          | 34,997,684,870        | 13,926,992,831                     |
| - Personal income tax              | 256,350,279                          | 4,928,710,101           | 5,115,409,929         | 69,650,451                         |
| - Natural resource tax             | 317,745,792                          | 16,838,945,444          | 15,612,928,802        | 1,543,762,434                      |
| - Land tax and land rental         | -                                    | 71,311,719              | 71,311,719            | -                                  |
| - Environmental tax                | 23,746,375                           | 455,635,142             | 454,045,452           | 25,336,065                         |
| - Fees, charges and other payables | 3,179,989,000                        | 5,860,130               | 5,860,130             | 3,179,989,000                      |
|                                    | <u>6,321,422,349</u>                 | <u>88,962,394,825</u>   | <u>76,538,086,393</u> | <u>18,745,730,781</u>              |

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

16. SHORT-TERM ACCRUED EXPENSES

|                          | 31/12/2024        | 01/01/2024        |
|--------------------------|-------------------|-------------------|
|                          | VND               | VND               |
| - Other accrued expenses | 75,000,000        | 75,000,000        |
|                          | <u>75,000,000</u> | <u>75,000,000</u> |

17. OTHER PAYABLES

|   | 31/12/2024            | 01/01/2024           |
|---|-----------------------|----------------------|
|   | VND                   | VND                  |
| a) Short-term   |                       |                      |
| a.1) Details by content   |                       |                      |
| - Social insurance  | 3,446,055             | 3,445,255            |
| - Short-term deposits, collateral received                            | -                     | 1,526,043,890        |
| - Bonus for employees   | 14,335,500,000        | 6,515,876,600        |
| - Remuneration of the Board of Directors and the Board of Supervisors | 180,000,000           | 180,000,000          |
| - Others  | 1,171,819,219         | 229,581,664          |
|   | <u>15,690,765,274</u> | <u>8,454,947,409</u> |
| a.2) Detail by object   |                       |                      |
| <i>Related party</i>  | <u>1,642,703,700</u>  | <u>180,000,000</u>   |
| - Mr. Do Khac Hung  | 479,792,700           | 24,000,000           |
| - Mr. Trinh Ngoc Hieu   | 376,479,000           | 24,000,000           |
| - Mr. Nguyen Van Bien   | 351,276,000           | -                    |
| - Mr. Vu Thang Binh   | 303,156,000           | -                    |
| - Mr. Pham Thanh Do   | 30,000,000            | 30,000,000           |
| - Mr. Nguyen Trung Hieu   | 24,000,000            | 24,000,000           |
| - Mr. Ta Hong Thang   | 24,000,000            | 24,000,000           |
| - Mr. Dao Minh Tan  | 15,000,000            | 15,000,000           |
| - Mr. Nguyen Ngoc Tuan  | 24,000,000            | 24,000,000           |
| - Mr. Nguyen Huu Trong  | 15,000,000            | 15,000,000           |
| <i>Others</i>   | <u>14,048,061,574</u> | <u>8,274,947,409</u> |
| - Others  | 14,048,061,574        | 8,274,947,409        |
|   | <u>15,690,765,274</u> | <u>8,454,947,409</u> |
| b) Long-term  |                       |                      |
| b.1) Details by content   |                       |                      |
| - Long-term deposits, collateral received                             | 9,000,000             | 9,000,000            |
|   | <u>9,000,000</u>      | <u>9,000,000</u>     |
| b.2) Detail by object   |                       |                      |
| <i>Others</i>   | <u>9,000,000</u>      | <u>9,000,000</u>     |
| - Others  | 9,000,000             | 9,000,000            |
|   | <u>9,000,000</u>      | <u>9,000,000</u>     |

18. PROVISION FOR LONG-TERM PAYABLES

|                                       | 31/12/2024            | 01/01/2024            |
|---------------------------------------|-----------------------|-----------------------|
|                                       | VND                   | VND                   |
| - Environmental restoration costs (i) | 12,820,869,973        | 12,924,488,223        |
|                                       | <u>12,820,869,973</u> | <u>12,924,488,223</u> |

(i) Provision for long-term payables is the estimated environmental restoration cost that the Company must pay to the State Budget after the end of mineral exploitation to improve and restore the environment according to the provisions of the Law on Environmental Protection and guiding documents.

19. OWNER'S EQUITY  
a) Changes in owner's equity

|                                    | Contributed capital    |                      | Share premium           |                       | Treasury shares      |                        | Development and investment funds |     | Other reserves |     | Retained earnings |     | Total |     |
|------------------------------------|------------------------|----------------------|-------------------------|-----------------------|----------------------|------------------------|----------------------------------|-----|----------------|-----|-------------------|-----|-------|-----|
|                                    | VND                    | VND                  | VND                     | VND                   | VND                  | VND                    | VND                              | VND | VND            | VND | VND               | VND | VND   | VND |
| <b>Beginning balance of</b>        | <b>126,000,000,000</b> | <b>4,500,000,000</b> | <b>(42,833,907,079)</b> | <b>50,000,000,000</b> | <b>1,103,464,642</b> | <b>43,256,838,958</b>  | <b>182,026,396,521</b>           |     |                |     |                   |     |       |     |
| Profit for previous year           | -                      | -                    | -                       | -                     | -                    | 54,851,765,689         | 54,851,765,689                   |     |                |     |                   |     |       |     |
| Profit distribution                | -                      | -                    | -                       | -                     | -                    | (39,347,539,498)       | (39,347,539,498)                 |     |                |     |                   |     |       |     |
| <b>Ending balance of previous</b>  | <b>126,000,000,000</b> | <b>4,500,000,000</b> | <b>(42,833,907,079)</b> | <b>50,000,000,000</b> | <b>1,103,464,642</b> | <b>58,761,065,149</b>  | <b>197,530,622,712</b>           |     |                |     |                   |     |       |     |
| <b>Beginning balance of</b>        | <b>126,000,000,000</b> | <b>4,500,000,000</b> | <b>(42,833,907,079)</b> | <b>50,000,000,000</b> | <b>1,103,464,642</b> | <b>58,761,065,149</b>  | <b>197,530,622,712</b>           |     |                |     |                   |     |       |     |
| Profit for this year               | -                      | -                    | -                       | -                     | -                    | 183,155,715,371        | 183,155,715,371                  |     |                |     |                   |     |       |     |
| Profit distribution (**)           | -                      | -                    | -                       | -                     | -                    | (85,337,717,485)       | (85,337,717,485)                 |     |                |     |                   |     |       |     |
| Reissuing treasury shares (*)      | -                      | 4,978,311,977        | 42,833,907,079          | -                     | -                    | -                      | 47,812,219,056                   |     |                |     |                   |     |       |     |
| <b>Ending balance of this year</b> | <b>126,000,000,000</b> | <b>9,478,311,977</b> | <b>42,833,907,079</b>   | <b>50,000,000,000</b> | <b>1,103,464,642</b> | <b>156,579,063,035</b> | <b>343,160,839,654</b>           |     |                |     |                   |     |       |     |

(\*) During the fiscal year, the Company reissued treasury shares:

- Number of treasury shares reissued: 679,280;
- Par value: VND 10,000/share;
- Transaction method: Order matching and/or negotiation at Hanoi Stock Exchange (HNX);
- Implementation period: from 18 September 2024 to 02 October 2024;
- Purpose of sale: To supplement capital for business operations.



(\*\*) According to the Resolution No 01/NQ-DHDCD dated 28 March 2024, the Company announced its profit distribution year 2023 as follows:

|  | Rate    | Amount         |
|--|---------|----------------|
|  |         | VND            |
| Remaining profit in 2022 (1)                                   |         | 18,572,607,744 |
| Business results after tax in 2023 (2)                         |         | 54,851,765,689 |
| Total profit used for distribution (3)=(1)+(2)                 | 100.00% | 73,424,373,433 |
| Bonus and welfare fund   | 16.34%  | 12,000,000,000 |
| - Provisional appropriated in 2023 (5)                         |         | 2,742,588,284  |
| - Additional appropriated in 2024 (6)                          |         | 9,257,411,716  |
| Dividend payment (equal to 45% of charter capital) (7)=(8)+(9) | 73.06%  | 53,643,240,000 |
| - Dividends paid in 2023 (8)                                   |         | 11,920,720,000 |
| - Dividends payable in 2024 (9)                                |         | 41,722,520,000 |
| Retained profit  | 10.60%  | 7,781,133,433  |

According to Resolution No. 01/NQ-DHDCD dated 28 March 2024 of the Company's 2024 General Meeting of Shareholders, the Company temporarily deducts 5% of the bonus and welfare fund based on the Profit after corporate income tax in 2024, the amount: VND 9,157,785,769.

According to Resolution No. 47/NQ-HDQT of the Board of Directors dated 01 November 2024, the Company announces the first interim dividend payment in 2024 as follows:

- Dividend payment at the rate of 20% (VND 2,000/share).
- Last registration date: 13 November 2024.
- Payment date: 29 November 2024.
- Amount: VND 25,200,000,000.

b) Details of Contributed capital

|  | 31/12/2024             | Rate       | 01/01/2024             | Rate       |
|--|------------------------|------------|------------------------|------------|
|  | VND                    | %          | VND                    | %          |
| State Capital Investment Corporation   | 58,762,800,000         | 46.64      | 58,762,800,000         | 46.64      |
| DP International Company Limited   | 10,011,000,000         | 7.95       | 10,011,000,000         | 7.95       |
| Internal shareholders (members of the Board of Directors, Board of Management, Supervisory Board and Chief Accountant) | 1,252,300,000          | 0.99       | 1,252,300,000          | 0.99       |
| Treasury shares  | -                      | 0.00       | 6,792,800,000          | 5.39       |
| Other shareholders   | 55,973,900,000         | 44.42      | 49,181,100,000         | 39.03      |
|  | <b>126,000,000,000</b> | <b>100</b> | <b>126,000,000,000</b> | <b>100</b> |

c) Capital transactions with owners and distribution of dividends and profits

|  | Year 2024<br>VND       | Year 2023<br>VND       |
|--|------------------------|------------------------|
| Owner's contributed capital                          |                        |                        |
| - At the beginning of year                           | 126,000,000,000        | 126,000,000,000        |
| - At the ending of year                              | <u>126,000,000,000</u> | <u>126,000,000,000</u> |
| Distributed dividends and profit                     |                        |                        |
| - Dividend payable at the beginning of the year      | -                      | -                      |
| - Dividend payable in the year                       | 66,922,520,000         | 29,801,800,000         |
| + Dividend payable from last year's profit           | 41,722,520,000         | 17,881,080,000         |
| + Estimated dividend payable from this year's profit | 25,200,000,000         | 11,920,720,000         |
| - Dividend paid in cash in the year                  | (66,922,520,000)       | (29,801,800,000)       |
| + Dividend paid from last year's profit              | (41,722,520,000)       | (17,881,080,000)       |
| + Provisional dividend paid from this year's profit  | (25,200,000,000)       | (11,920,720,000)       |
| - Dividend payable at the end of the year            | <u>-</u>               | <u>-</u>               |

d) Share

|   | 31/12/2024<br>VND | 01/01/2024<br>VND |
|---|-------------------|-------------------|
| Quantity of Authorized issuing shares                   | 12,600,000        | 12,600,000        |
| Quantity of issued shares and full capital contribution | 12,600,000        | 12,600,000        |
| - Common shares   | 12,600,000        | 12,600,000        |
| Quantity of shares repurchased (Treasury shares)        | -                 | 679,280           |
| - Common shares   | -                 | 679,280           |
| Quantity of outstanding shares in circulation           | 12,600,000        | 11,920,720        |
| - Common shares   | 12,600,000        | 11,920,720        |
| Par value per share (VND)                               | 10,000            | 10,000            |

e) Company's reserves

|                                    | 31/12/2024<br>VND     | 01/01/2024<br>VND     |
|------------------------------------|-----------------------|-----------------------|
| - Development and investment funds | 50,000,000,000        | 50,000,000,000        |
| - Other funds                      | 1,103,464,642         | 1,103,464,642         |
|                                    | <u>51,103,464,642</u> | <u>51,103,464,642</u> |

20. OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT

a) Operating leased assets

- At 31 December 2024, the Company rents an office (Hanoi Branch) at Prime Center, 53 Quang Trung, Hanoi with a rental area of 80 m2, rental fee of VND 48,256,000/month (including service fee and VAT), the rental fee will be paid in advance every 3 months.
- The Company rents land under contract No. 06/HDTD dated 10 March 2010: rental area is 10,440 m2 in Mau Due commune, Yen Minh district, Ha Giang and uses the land as a production and business facility. The rental price is VND 1,252,800/year, the rental term is until 30 October 2032. Land rental fee is paid according to the annual notice of the Tax Department of Ha Giang Province.
- The company leases land under contract No. 07/DTD dated 10 March 2010: the leased area is 29,943 m2 in Mau Due commune, Yen Minh district, Ha Giang and is used for mineral exploitation activities. The lease price is VND 3,593,160/year, the lease term is until 30 October 2032. The land rent is paid according to the annual notice of the Tax Department of Ha Giang Province.
- The company leases land under contract No. 08/HDTD dated 10 March 2010: the leased area is 130,940.7 m2 in Pac Den village, Mau Due commune, Yen Minh district, Ha Giang and is used for mineral exploitation activities. The lease price is VND 15,712,884/year, the lease term is until 27 December 2026. The land rent is paid according to the annual notice of the Tax Department of Ha Giang Province.

- The company leases land under contract No. 01/HDTD dated 05 January 2015: the leased area is 102,247.3 m2 in Ngam Sooc village, Mau Due commune, Yen Minh district, Ha Giang and is used for mineral exploitation activities. Land rent is paid annually according to the notice, the lease term is until 27 December 2026. Land rent is paid according to the annual notice of the Ha Giang Provincial Tax Department.

b) Foreign currencies

|       | 31/12/2024   | 01/01/2024 |
|-------|--------------|------------|
| - USD | 2,051,275.96 | 921,466.00 |
| - CNY | 26,221.16    | 8,849.00   |

c) Foreign currency gold

|  | 31/12/2024 | 01/01/2024 |
|--|------------|------------|
|  | 19.22      | 19.22      |

21. TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

|                            | Year 2024<br>VND       | Year 2023<br>VND       |
|----------------------------|------------------------|------------------------|
| Revenue from sale of goods | 370,448,864,861        | 175,681,807,310        |
|                            | <u>370,448,864,861</u> | <u>175,681,807,310</u> |

22. COSTS OF GOODS SOLD AND SERVICES RENDERED

|                    | Year 2024<br>VND       | Year 2023<br>VND      |
|--------------------|------------------------|-----------------------|
| Cost of goods sold | 130,800,612,610        | 93,532,230,961        |
|                    | <u>130,800,612,610</u> | <u>93,532,230,961</u> |

23. FINANCIAL INCOME

|   | Year 2024<br>VND      | Year 2023<br>VND     |
|---|-----------------------|----------------------|
| Interest income                               | 5,984,808,784         | 6,189,994,742        |
| Gain from disposal of financial investments   | 2,503,538,660         | -                    |
| Gain on exchange difference in the year       | 648,504,080           | 574,464,019          |
| Gain on exchange difference at the year - end | 1,848,442,388         | 203,670,497          |
| Other financial incomes                       | -                     | 105,347,429          |
|   | <u>10,985,293,912</u> | <u>7,073,476,687</u> |

24. FINANCIAL EXPENSES

|   | Year 2024               | Year 2023            |
|---|-------------------------|----------------------|
|   | VND                     | VND                  |
| Loss on exchange difference in the year   | 1,864,028,644           | 144,738,091          |
| Loss on exchange difference at the year - end   | -                       | 28,232,919           |
| Provision for diminution in value of trading securities and impairment loss from investment | (13,251,021,840)        | 834,786,596          |
| Other financial expenses  | 314,023,964             | 180,000,000          |
|   | <u>(11,072,969,232)</u> | <u>1,187,757,606</u> |

25. SELLING EXPENSES

|                                  | Year 2024            | Year 2023            |
|----------------------------------|----------------------|----------------------|
|                                  | VND                  | VND                  |
| Raw materials                    | 149,131,603          | 154,042,992          |
| Expenses of outsourcing services | 2,869,712,740        | 1,477,288,097        |
| Other expenses in cash           | 24,910,000           | 83,965,000           |
|                                  | <u>3,043,754,343</u> | <u>1,715,296,089</u> |

26. GENERAL AND ADMINISTRATIVE EXPENSES

|                                  | Year 2024             | Year 2023             |
|----------------------------------|-----------------------|-----------------------|
|                                  | VND                   | VND                   |
| Raw materials                    | 728,453,903           | 786,215,236           |
| Labour expenses                  | 19,850,017,440        | 11,330,258,301        |
| Depreciation expenses            | 1,190,447,200         | 1,078,842,904         |
| Tax, Charge, Fee                 | 96,195,915            | 90,972,234            |
| Expenses of outsourcing services | 1,140,297,028         | 613,786,681           |
| Other expenses in cash           | 1,520,021,245         | 1,459,610,327         |
|                                  | <u>24,525,432,731</u> | <u>15,359,685,683</u> |

27. OTHER EXPENSES

|  | Year 2024            | Year 2023            |
|--|----------------------|----------------------|
|  | VND                  | VND                  |
| Disaster recovery fund support for Ha Giang province | 300,000,000          | -                    |
| Other support and sponsorship                        | 2,106,980,000        | 621,460,000          |
| Others   | 1,945,134,326        | 1,285,031,218        |
|  | <u>4,352,114,326</u> | <u>1,906,491,218</u> |

28. CURRENT CORPORATE INCOME TAX EXPENSES

|   | Year 2024       | Year 2023      |
|---|-----------------|----------------|
|   | VND             | VND            |
| <i>Corporate income tax from main business activities</i> |                 |                |
| Total profit before tax                                   | 229,785,213,995 | 69,346,435,167 |
| Increase  | 3,995,196,947   | 3,905,046,738  |
| - Ineligible expenses                                     | 3,995,196,947   | 3,732,075,728  |
| - Unrealized loss on foreign exchanges revaluation        | -               | 28,232,919     |
| - Other increase  | -               | 144,738,091    |
| Decrease  | (632,917,824)   | (778,134,515)  |
| - Unrealized gain on foreign exchanges revaluation        | (632,917,824)   | (203,670,497)  |
| - Other decrease  | -               | (574,464,018)  |
| Taxable income  | 233,147,493,118 | 72,473,347,390 |

Current corporate income tax expense (tax rate 20%)

46,629,498,624      14,494,669,478

Tax payable at the beginning of year

2,295,179,077      (6,256,657,306)

Tax paid in the year

(34,997,684,870)      (5,942,833,095)

Corporate income tax payable at the end of the year

13,926,992,831      2,295,179,077

29. BASIC EARNINGS PER SHARE

Basic earnings per share distributed to common shareholders of the Company are calculated as follows:

|  | Year 2024       | Year 2023       |
|--|-----------------|-----------------|
|  | VND             | VND             |
| Net profit after tax   | 183,155,715,371 | 54,851,765,689  |
| Adjustment   | (9,157,785,769) | (2,742,588,284) |
| - Bonus and welfare funds  | (9,157,785,769) | (2,742,588,284) |
| Profit distributed to common shares                                    | 173,997,929,602 | 52,109,177,405  |
| Average number of outstanding common shares in circulation in the year | 12,088,214      | 11,920,720      |
| <b>Basic earnings per share</b>  | <u>14,394</u>   | <u>4,371</u>    |

At the time of preparing the Financial Statement, the Company temporarily deducted 5% of the Bonus and welfare fund based on the Profit after corporate income tax.

As at 31 December 2024, the Company does not have shares with dilutive potential for earnings per share.

30. BUSINESS AND PRODUCTIONS COST BY ITEMS

|                                  | Year 2024              | Year 2023              |
|----------------------------------|------------------------|------------------------|
|                                  | VND                    | VND                    |
| Raw materials                    | 26,688,079,157         | 23,257,192,098         |
| Labour expenses                  | 59,406,286,336         | 33,934,916,892         |
| Depreciation expenses            | 4,567,706,200          | 5,716,817,397          |
| Expenses of outsourcing services | 27,212,377,627         | 19,626,088,901         |
| Other expenses in cash           | 30,339,778,531         | 21,703,434,155         |
|                                  | <u>148,214,227,851</u> | <u>104,238,449,443</u> |

### 31. FINANCIAL INSTRUMENTS

#### Financial risk management

The Company's financial risks include market risk, credit risk and liquidity risk. The Company has developed its control system to ensure the reasonable balance between cost of incurred risks and cost of risk management. The Board of Management of the Company is responsible for monitoring the risk management process to ensure the appropriate balance between risk and risk control.

#### Market risk

The Company's business operations will bear the risks of changes in prices, exchange rates and interest rates.

#### Price Risk:

The Company bears price risk of equity instruments from short-term and long-term investments in securities due to the uncertainty of future prices of the securities. As regards, long-term securities held for long-term strategies, at the end of the fiscal year, the Company has no plan to sell these investments.

|                         | Under 1 year | From 1 to 5 years | Over 5 years          | Total                 |
|-------------------------|--------------|-------------------|-----------------------|-----------------------|
|                         | VND          | VND               | VND                   | VND                   |
| <b>As at 31/12/2024</b> |              |                   |                       |                       |
| Long term investments   | -            | -                 | 40,864,262,320        | 40,864,262,320        |
|                         | <u>-</u>     | <u>-</u>          | <u>40,864,262,320</u> | <u>40,864,262,320</u> |
| <b>As at 01/01/2024</b> |              |                   |                       |                       |
| Long term investments   | -            | -                 | 35,309,478,613        | 35,309,478,613        |
|                         | <u>-</u>     | <u>-</u>          | <u>35,309,478,613</u> | <u>35,309,478,613</u> |

#### Exchange rate risk:

The Company bears the risk of interest rates due to the transaction made in a foreign currency other than VND such as: borrowings, revenue, cost, importing materials, good, machinery and equipment.

#### Interest rate risk:

The Company bears the risk of interest rates due to the fluctuation in fair value of future cash flow of a financial instrument in line with changes in market interest rates if the Company has time or demand deposits, borrowings and debts subject to floating interest rates. The Company manages interest rate risk by analyzing the market competition situation to obtain interest beneficial for its operation purpose.

#### Credit Risk

Credit risk is the risk of financial loss to the Company if a counterparty fails to perform its contractual obligations. The Company has credit risk from operating activities (mainly to trade receivables) and financial activities (including deposits, loans and other financial instruments), detailed as follows:

|                             | Under 1 year           | From 1 to 5 years    | Over 5 years         | Total                  |
|-----------------------------|------------------------|----------------------|----------------------|------------------------|
|                             | VND                    | VND                  | VND                  | VND                    |
| <b>As at 31/12/2024</b>     |                        |                      |                      |                        |
| Cash and cash equivalents   | 104,244,572,976        | -                    | -                    | 104,244,572,976        |
| Trade and other receivables | 10,077,818,355         | 3,730,143,409        | -                    | 13,807,961,764         |
| Loans                       | 202,699,870,000        | -                    | 6,000,000,000        | 208,699,870,000        |
|                             | <u>317,022,261,331</u> | <u>3,730,143,409</u> | <u>6,000,000,000</u> | <u>326,752,404,740</u> |
| <b>As at 01/01/2024</b>     |                        |                      |                      |                        |
| Cash and cash equivalents   | 22,341,615,988         | -                    | -                    | 22,341,615,988         |
| Trade and other receivables | 9,475,648,345          | 3,159,390,801        | -                    | 12,635,039,146         |
| Loans                       | 94,000,000,000         | -                    | 6,000,000,000        | 100,000,000,000        |
|                             | <u>125,817,264,333</u> | <u>3,159,390,801</u> | <u>6,000,000,000</u> | <u>134,976,655,134</u> |

#### Liquidity Risk

Liquidity risk is the risk that the Company has trouble in settlement of its due date financial obligations due to the lack of funds. Liquidity risk of the Company mainly arises from different maturity of its financial assets and liabilities.

Due date for payment of financial liabilities based on expected payment under the contracts (based on cash flow of the original debts) as follows:

|                          | Under 1 year          | From 1 to 5 years | Over 5 years | Total                 |
|--------------------------|-----------------------|-------------------|--------------|-----------------------|
|                          | VND                   | VND               | VND          | VND                   |
| <b>As at 31/12/2024</b>  |                       |                   |              |                       |
| Trade and other payables | 24,914,984,807        | 9,000,000         | -            | 24,923,984,807        |
| Accrued expenses         | 75,000,000            | -                 | -            | 75,000,000            |
|                          | <u>24,989,984,807</u> | <u>9,000,000</u>  | <u>-</u>     | <u>24,998,984,807</u> |
| <b>As at 01/01/2024</b>  |                       |                   |              |                       |
| Trade and other payables | 15,987,668,425        | 9,000,000         | -            | 15,996,668,425        |
| Accrued expenses         | 75,000,000            | -                 | -            | 75,000,000            |
|                          | <u>16,062,668,425</u> | <u>9,000,000</u>  | <u>-</u>     | <u>16,071,668,425</u> |

The Company believes that risk level of loan repayment is controllable. The Company has the ability to pay due debts from cash flows from its operating activities and cash received from mature financial assets.

### 32. OTHER INFORMATION

According to the Minutes of the meeting dated 05 September 2019 of the Ha Giang Provincial Local Budget Audit Team, the General Revenue Audit Team, the Ha Giang Provincial Local Budget Audit Team proposed to collect additional corporate income tax for the period 2008 - 2018 with the amount of VND 39.6 billion. The Company confirmed on the Minutes that it did not agree with the above tax collection content because the Audit Team had not considered the tax incentives that the Company was enjoying during this period according to Decree No. 108/2006/ND-CP dated 22 September 2006 of the Government detailing and guiding the implementation of a number of articles of the Investment Law. The Audit Team also requested written opinions on the above contents from the Audit Team, State Audit Region VII. On 20 September 2019, the Ha Giang Provincial Tax Department issued Official Letter No. 716/CT-KK to the General Department of Taxation requesting guidance on the handling plan. At the time of issuance of this Financial Statement, the General Department of Taxation has not yet responded. On 09 March 2022, the Inspection Department of the Ha Giang Provincial Tax Department had a meeting with the Company on these issues, however, the Company has not yet agreed with the contents as mentioned before. On 13 October 2023, the Company sent Official Letter No. 26/CV-CKKS on the final implementation of the conclusions and recommendations of the State Audit in Ha Giang province to the Ha Giang Department of Finance, however, the Company has not yet received a response from the Department. Therefore, as at 31 December 2024, the Company has not recorded this additional corporate income tax payable due to the uncertain outcome of the above issue.

### 33. SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

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

### 34. TRANSACTION AND BALANCES WITH RELATED PARTIES

In addition to the information with related parties presented in the above Notes. During the year, the Company has transactions with related parties as follows:

|                               | Title                                      | Year 2024     | Year 2023     |
|-------------------------------|--|---------------|---------------|
|                               |  | VND           | VND           |
| <b>Manager's income</b>       |  |               |               |
| - Mr. Pham Thanh Do           | Chairman                                   | 539,000,000   | 284,000,000   |
| - Mr. Nguyen Viet Phuong      | Vice Chairman                              | 115,000,000   | 110,000,000   |
| - Mr. Nguyen Trung Hieu       | Board Member                               | 345,000,000   | 316,000,000   |
| - Mr. Ta Hong Thang           | Board Member                               | 345,000,000   | 220,000,000   |
| - Mr. Tran Nguyen Nam         | Board Member                               | 115,000,000   | 110,000,000   |
| - Mr. Do Khac Hung            | Board Member and Director                  | 1,846,103,900 | 1,282,495,800 |
| - Mr. Trinh Ngoc Hieu         | Board Member and Vice Director             | 1,349,524,400 | 962,920,700   |
| - Mr. Nguyen Van Bien         | Vice Director                              | 1,248,123,000 | 922,357,200   |
| - Mr. Vu Thang Binh           | Vice Director and Director of Hanoi Branch | 1,161,222,250 | 749,517,697   |
| - Mr. Nguyen Ngoc Tuan        | Head of Supervisory                        | 575,000,000   | 530,256,026   |
| - Mrs. Nguyen Thi Luong Thanh | Member of Supervisory                      | 79,000,000    | 74,000,000    |
| - Mr. Nguyen Huu Trong        | Member of Supervisory                      | 519,000,000   | 467,626,200   |


In addition to the above related parties transactions, other related parties did not have any transactions during the year and have no balance at the end of the fiscal year with the Company.

### 35. COMPARATIVE FIGURES

The comparative figures are figures in the Financial Statements for the fiscal year ended as at 31 December 2023, which was audited by AASC Auditing Firm Company Limited.

The Board of Management of the Company decided to retrospectively adjust some of the items in the Financial Statements for the fiscal year ended as at 31 December 2023. Accordingly, some of the items in the Financial Statements for the fiscal year ended as at 31 December 2023 were adjusted as follows:

|   | Code | Figures in the Financial Statements of previous year | Adjusted figures | Difference      |
|---|------|--|------------------|-----------------|
|   |      | VND  | VND              | VND             |
| <b>a) Statement of Financial position</b> |      |  |                  |                 |
| - CURRENT ASSETS                          | 100  | 168,955,703,480                                      | 162,955,703,480  | (6,000,000,000) |
| - Short-term investments                  | 120  | 100,000,000,000                                      | 94,000,000,000   | (6,000,000,000) |
| - Held-to-maturity investments            | 123  | 100,000,000,000                                      | 94,000,000,000   | (6,000,000,000) |
| - NON-CURRENT ASSETS                      | 200  | 69,885,590,258                                       | 75,885,590,258   | 6,000,000,000   |
| - Long-term investments                   | 250  | 40,370,140,720                                       | 46,370,140,720   | 6,000,000,000   |
| - Held-to-maturity investments            | 255  | -  | 6,000,000,000    | 6,000,000,000   |

  
**Hoang Le Khanh**  
Preparer  
Ha Giang, 03 March 2025

  
**Hoang Le Khanh**  
Chief Accountant

  
**Do Khac Hung**  
Director





**LEGAL REPRESENTATIVE**

**DIRECTOR**



**Do Khắc Hưng**