

**QUAN TRIEU CEMENT
JOINT STOCK COMPANY - VVMI**

Audited Financial Statements
for the fiscal year ended
31 December 2024



QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2024

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QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

CORPORATE INFORMATION

Corporate Information

Quan Trieu Cement Joint Stock Company - VVMI (hereinafter referred to as “the Company”) was established and operates in accordance with the initial Business Registration Certificate No. 1703000299 issued by the Department of Planning and Investment of Thai Nguyen Province on 31 May 2007. During its operation, changes in founding shareholders, the legal representative, and the business registration number have been approved in the amended Business Registration Certificates, from the first to the seventh amendment, with Certificate No. 4600409377 dated 07 October 2022.

Board of Directors

Member of Board of Directors managing the operations of the Company throughout the fiscal year ended 31 December 2024 and up to the date of this Financial Statements are as follows:

- | | |
|-----------------------|----------------------------------|
| - Mr. Nguyen Van Dung | Chairman |
| - Mr. Ha Van Chuyen | Member of the Board of Directors |
| - Ms. Do Thu Huong | Member of the Board of Directors |
| - Mr. Tran Viet Cuong | Member of the Board of Directors |
| - Mr. Do Ngoc Huy | Member of the Board of Directors |

Board of Management

Member of Board of Managements managing the operations of the Company throughout the fiscal year ended 31 December 2024 and up to the date of this Financial Statements are as follows:

- | | |
|-----------------------|-----------------|
| - Mr. Tran Viet Cuong | Director |
| - Mr. Dao Trung Dung | Deputy Director |
| - Mr. Do Ngoc Huy | Deputy Director |

Board of Supervisory

Member of Board of Supervisory of the Company throughout the fiscal year ended 31 December 2024 and up to the date of this Financial Statements are as follows:

- | | |
|-----------------------------|---------------------------------|
| - Mr. Ta Van Long | Head of the Supervisory Board |
| - Ms. Nguyen Thi Hong Nhung | Member of the Supervisory Board |
| - Ms. Pham Thi Thuy Nga | Member of the Supervisory Board |

Legal Representative

Legal representative of the Company for this fiscal year ended 31 December 2024 and up to the date of this Financial Statements is: Mr. Tran Viet Cuong - Position: Director.

Business Registration Office

The Company's is located at An Khanh commune, Dai Tu district, Thai Nguyen province.

Auditor

BDO Audit Services Co., Ltd was selected to audit the Financial Statements for the year ended 31 December 2024 of Quan Trieu Cement Joint Stock Company - VVMI.

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMJ

REPORT OF BOARD OF MANAGEMENT

Financial statements for the fiscal year ended 31 December 2024

The Board of Management of Quan Trieu Cement Joint Stock Company - VVMJ (hereinafter referred to as the "Company") presents this report together with the Company's Financial Statements for the year ended 31 December 2024.

RESPONSIBILITIES OF BOARD OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

The Board of Management are responsible for preparing the Financial Statements of VVMJ Quan Trieu Cement Joint Stock Company, which give a fair and true view of the financial position of the Company at 31 December 2024, its operations results and its cash flows for the fiscal year then ended in accordance with Vietnamese Accounting Standards, current Enterprise Accounting Law of Vietnam and relevant legal regulations for preparing and presenting the Financial Statements. In preparing the Financial Statements, the Board of Management are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State applicable accounting principles that have been followed, any material deviations (if any) discovered and explained in Financial Statements;
- Prepare 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 adequately to give a fair and true view of the financial position of the Company at any time and to ensure that the accompanying Financial Statements of the Company were prepared in accordance with Vietnamese Accounting Standards, current Enterprise Accounting Law of Vietnam and relevant legal regulations. The Board of Management are also responsible for safeguarding the Company's assets and hence for taking reasonable measures for the prevention and detection of fraud and other irregularities.

The Board of Management confirms that it has complied with the above requirements in preparing and presenting the accompanying Financial Statements.

In addition, the Board of Management commits that the Company has not violated any information disclosure obligations as stipulated in Circular No. 96/2020/TT-BTC dated 16 November 2020, issued by the Ministry of Finance, which provides guidelines for information disclosure on the securities market.

APPROVAL OF FINANCIAL STATEMENTS

The Board of Management approves the Financial Statements for the fiscal year ended 31 December 2024, which are presented from pages 05 to 46 according to the opinion of the Board of Management. This statement gives a true and fair view, in all material respects, of the financial position of the Company as at 31 December 2024, the results of its operations and its cash flows for the fiscal year then ended in accordance with Vietnamese Accounting Standards, Vietnamese corporate accounting regime and legal regulations related to the preparation and presentation of Financial Statements.

For and on behalf of the Board of Management.



Tran Viet Cuong
Director

Thai Nguyen, 27 February 2025

No: BC/BDO/2025. 48

Hanoi, 27 February 2025

INDEPENDENT AUDITORS' REPORT

*Financial Statements of VVMi Quan Trieu Cement Joint Stock Company
for the fiscal year ended 31 December 2024*

To: **SHAREHOLDERS, BOARD OF DIRECTORS, BOARD OF MANAGEMENT
QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMi**

We have audited the accompanying Financial Statements of VVMi Quan Trieu Cement Joint Stock Company (hereinafter referred to as the "Company") dated 27 February 2025 which are set out on pages 05 to 46, including Balance sheet as at 31 December 2024, Income statement, Cash flow statement and Notes to the Financial Statements for the fiscal year then ended.

Responsibilities of The Board of Management

The Board of Management are responsible for the preparation and fair presentation of the Company's Financial Statements in accordance with Vietnamese accounting standards, Vietnamese Corporate Accounting System and other prevailing legal regulations, and for such internal control as the Board of Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatements, whether due to fraud or errors.

Responsibilities of auditors

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

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

Opinion of auditors

In our opinion, in all material respects, the accompanying Financial Statements give a true and fair view of the financial position of VVMi Quan Trieu Joint Stock Company as at 31 December 2024, its financial performance and its cash flows for the year ended 31 December 2024 in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting Framework and other prevailing legal regulations on preparation and presentation of Financial Statements.



BDO AUDIT SERVICES CO., LTD

LE THI MINH HONG

Deputy Director

Certificate for Audit application: 1922-2023-038-1


NGUYEN THI LAN HOA

Auditor

Certificate for Audit application: 2003-2023-038-1

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

BALANCE SHEET

B01 - DN

As at 31 December 2024

Unit: VND

ASSETS	Code	Note	Closing balance	Opening balance
A. CURRENT ASSETS	100		93,318,863,702	109,272,871,652
I. Cash and cash equivalents	110	V.1	6,229,672,739	7,569,556,563
1. Cash	111		6,229,672,739	7,569,556,563
II. Short-term financial investments	120		-	-
III. Short-term receivables	130		53,954,770,651	42,725,021,841
1. Short-term trade receivables	131	V.2	58,126,038,995	49,376,579,984
2. Short-term prepayments to suppliers	132	V.3	425,450,400	401,065,854
3. Other short-term receivables	136	V.4	1,804,458,669	1,705,899,337
4. Provision for uncollectible short-term receivables (*)	137	V.5	(6,401,177,413)	(8,758,523,334)
IV. Inventories	140	V.7	31,288,715,669	57,443,393,670
1. Inventories	141		31,559,898,063	57,714,576,064
2. Provision for devaluation of inventories (*)	149		(271,182,394)	(271,182,394)
V. Other current assets	150		1,845,704,643	1,534,899,578
1. Short-term prepaid expenses	151	V.8	1,646,541,559	1,108,578,939
2. Taxes and other receivables from the State	153	V.11	199,163,084	426,320,639
B. NON-CURRENT ASSETS	200		419,183,726,753	479,486,317,858
I. Long-term receivables	210		-	-
II. Fixed assets	220		384,641,983,827	446,940,723,658
1. Tangible fixed assets	221	V.6	384,641,983,827	446,940,723,658
Cost	222		1,428,336,237,067	1,423,312,514,857
Accumulated depreciation (*)	223		(1,043,694,253,240)	(976,371,791,199)
2. Intangible fixed assets	227		-	-
Cost	228		-	-
Accumulated depreciation (*)	229		-	-
III. Investment property	230		-	-
IV. Long-term assets in progress	240		370,291,592	190,572,390
1. Cost of construction in progress	242		370,291,592	190,572,390
V. Long-term financial investments	250		-	-
VI. Other long-term assets	260		34,171,451,334	32,355,021,810
1. Long-term prepaid expenses	261	V.8	34,171,451,334	32,355,021,810
TOTAL ASSETS	270		512,502,590,455	588,759,189,510

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

BALANCE SHEET (Continued)

B01 - DN

As at 31 December 2024

Unit: VND

RESOURCES	Code	Note	Closing balance	Opening balance
C. LIABILITIES	300		252,288,435,595	304,753,952,873
I. Current liabilities	310		211,586,122,700	267,305,261,734
1. Short-term trade payables	311	V.10	100,917,952,938	134,614,583,498
2. Short-term advances from customers	312	V.9	10,161,945,071	5,321,117,718
3. Taxes and other payables to State	313	V.11	14,554,032,686	11,581,516,339
4. Payables to employees	314		10,668,043,864	13,885,547,777
5. Short-term accrued expenses	315	V.12	794,375,694	1,084,667,425
6. Other short-term payables	319	V.13	1,287,591,742	620,915,227
7. Short-term borrowings and finance lease liabilities	320	V.14	66,758,515,072	96,388,846,356
8. Bonus and welfare funds	322	V.15	6,443,665,633	3,808,067,394
II. Non-current liabilities	330		40,702,312,895	37,448,691,139
1. Long-term borrowings and finance lease liabilities	338	V.14	40,702,312,895	37,448,691,139
D. OWNER'S EQUITY	400		260,214,154,860	284,005,236,637
I. Owner's equity	410	V.15	260,214,154,860	284,005,236,637
1. Contributions from owners	411		250,000,000,000	250,000,000,000
- Shares with voting rights	411a		250,000,000,000	250,000,000,000
2. Undistributed earnings	421		10,214,154,860	34,005,236,637
- Undistributed post-tax profits/ (accumulated losses) of the previous year	421a		6,244,685,790	6,188,248,036
- Undistributed post-tax profits of current period	421b		3,969,469,070	27,816,988,601
II. Other fund	430		-	-
TOTAL RESOURCES	440		512,502,590,455	588,759,189,510

Thai Nguyen, 27 February 2025

Preparer

Chief Accountant

Director



Nguyen Minh Hai



Nguyen Anh Tuan



Tran Viet Cuong

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

INCOME STATEMENT

B02 - DN

For the fiscal year ended 31 December 2024

Unit: VND

ITEMS	Code	Note	Current year	Prior year
1. Revenue from sales and services provisions	01	VI.1	592,693,625,998	618,108,754,521
2. Revenue deductions	02		-	-
3. Net revenue from sales and services provisions	10	VI.1	592,693,625,998	618,108,754,521
4. Cost of goods sold	11	VI.2	541,553,116,584	531,494,681,350
5. Gross profit/(loss) from sales and service provisions	20		51,140,509,414	86,614,073,171
6. Financial income	21	VI.3	10,578,264	14,106,239
7. Financial expenses	22	VI.4	13,567,038,427	19,286,378,849
<i>In which: Interest expenses</i>	23		8,494,438,538	11,638,307,738
8. Selling expenses	25	VI.5	12,153,394,564	12,971,541,651
9. General and administrative expenses	26	VI.6	21,180,619,257	24,167,977,751
10. Net profit from operating activities	30		4,250,035,430	30,202,281,159
11. Other income	31	VI.7	6,328,522	653,107,653
12. Other expenses	32	VI.8	59,737,327	594,522,585
13. Other profit	40		(53,408,805)	58,585,068
14. Total accounting profit/(loss) before tax	50		4,196,626,625	30,260,866,227
15. Current corporate income tax expenses	51	VI.10	227,157,555	2,443,877,626
16. Deferred corporate income tax expenses	52		-	-
17. Net profit after tax	60		3,969,469,070	27,816,988,601
18. Earnings per share	70	VI.11	80	802

Thai Nguyen, 27 February 2025

Preparer



Nguyen Minh Hai

Chief Accountant



Nguyen Anh Tuan

Director



Tran Viet Cuong

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMi

CASH FLOWS STATEMENT

B03 - DN

For the fiscal year ended 31 December 2024

(Indirect method)

Unit: VND

ITEMS	Code	Note	Current year	Prior year
I. Cash flows from operating activities				
1. Profit before tax	01		4,196,626,625	30,260,866,227
2. Adjustments				
- Depreciation and amortization	02		67,322,462,041	66,785,638,305
- Provision	03		(151,145,911)	(464,556,192)
- (Profit)/Loss from investment activities	05		(10,578,264)	(14,106,239)
- Interest expenses	06		8,494,438,538	11,638,307,738
3. Operating profit before changes in working capital	08		79,851,803,029	108,206,149,839
- (Increase)/Decrease in receivables	09		(11,078,602,899)	(5,486,240,043)
- (Increase)/Decrease in inventory	10		26,154,678,001	(29,599,931,942)
- Increase/(Decrease) in payables (excluding loan interest payable, corporate income tax payable)	11		(27,101,819,912)	(41,127,615,525)
- (Increase)/Decrease in prepaid expenses	12		(2,354,392,144)	(655,997,026)
- Interest on loans paid	14		(6,371,176,203)	(11,519,916,321)
- Corporate income tax paid	15		-	(2,792,984,565)
- Other receivables from operating activities	16		5,400,000	-
- Other payments from operating activities	17		(5,130,352,608)	(2,893,523,600)
Net cash flows from operating activities	20		53,975,537,264	14,129,940,817
II. Cash flows from investment activities				
1. Purchases to fixed assets and other long-term assets	21		(7,185,322,210)	(1,330,038,758)
2. Collections on investment in other entities	27		10,578,264	14,106,239
Net cash flows from investment activities	30		(7,174,743,946)	(1,315,932,519)
III. Cash flows from financial activities				
1. Proceeds from short-term and long-term borrowings	33		268,062,904,871	324,745,498,789
2. Repayments of borrowings	34		(296,934,089,073)	(338,348,854,354)
3. Payments of interest, dividends	36		(19,269,492,940)	(9,484,672,500)
Net cash flows from financial activities	40		(48,140,677,142)	(23,088,028,065)
Net cash flows during the period	50		(1,339,883,824)	(10,274,019,767)
Cash and cash equivalents at the beginning of the year	60	V.1	7,569,556,563	17,843,576,330
Impact of exchange rate difference on foreign currency	61		-	-
Cash and cash equivalents at the end of the year	70	V.1	6,229,672,739	7,569,556,563

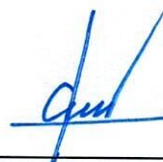
Thái Nguyên, 27 February 2025

Preparer



Nguyen Minh Hai

Chief Accountant



Nguyen Anh Tuan



Tran Viet Cuong

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI REPORT OF BOARD OF MANAGEMENT

Financial Statements for the fiscal year ended 31 December 2024

B09 - DN

I. GENERAL INFORMATION

1. Ownership

VVMI Quan Trieu Cement Joint Stock Company (hereinafter referred to as “the Company”) was established and operates in accordance with the initial Business Registration Certificate No. 1703000299 issued by the Department of Planning and Investment of Thai Nguyen Province on 31 May 2007. During its operation, changes in founding shareholders, the legal representative, and the business registration number have been approved in the amended Business Registration Certificates, from the first to the seventh amendment, with Certificate No. 4600409377 dated 07 October 2022.

The information about investors and the ownership structure of equity as of 31 December 2024, is as follows:

Shareholders	Contributed capital as at 31/12/2024	
	Amount (VND)	Rate %
Vinacomin - Vietbac Mining Industry Holding Corporation	212,280,140,000	84.91%
Other shareholders	37,719,860,000	15.09%
Total	250,000,000,000	100%

The Company's shares are registered for trading on the Unlisted Public Company Market, with the stock code CQT.

The Company's head office is located at An Khanh commune, Dai Tu district, Thai Nguyen province.

2. Business sector

The Company's main business activities include: mining stone, sand, pebbles and clay; producing cement, lime and gypsum; and cargo rail transport.

3. Business activities

The Company's business activities includes:

- Producing cement, lime and gypsum;
- Destroying and dismantling;
- Installing electricity systems;
- Maintenance, repair of automobiles and other motor vehicles;
- Wholesale of construction materials, installing equipment (cement, bricks, tiles, stones, gravel và other construction materials and installing equipment);
- Installing industrial machines and equipment;
- Building public utility works;
- Building other civil engineering works;
- Installing water supply and drainage, radiator and air-conditioning systems;
- Other specialized construction;
- Wholesale of other machines, equipment and spare parts (wholesale of machines, equipment and spare parts for ore-mining and construction and uncategorized machines, equipment and spare parts);
- Mining stone, sand, pebbles and clay;
- Construction of all kinds of houses;
- Preparing construction sites;
- Installing other construction systems;
- Completing construction works;
- Cargo road transport;
- Goods loading;
- Producing building materials from clay;
- Producing concrete and products from cement and gypsum;
- Repairing other equipment;
- Building railways and highway construction (Building highways);
- Cargo rail transport;
- Warehouses and commodity storage;
- Direct supporting services for rail and road transport.

I. GENERAL INFORMATION (Continued)

4. Normal business, manufacturing cycle

The normal business, manufacturing cycle of the Company is carried out within a period of no more than 12 months.

5. Number of employee

As at 31 December 2024, total employees of the Company were 350 people (As at 31 December 2023 were 350 people).

II. ACCOUNTING PERIOD, ACCOUNTING CURRENCY

1. Accounting period

The Company's accounting period is from 01 January to 31 December of calendar year.

2. Accounting currency

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

III. APPLIED ACCOUNTING STANDARDS AND REGIME

1. Basis of preparing Financial Statements and accounting framework

The Company applies Vietnamese Corporate Accounting System issued accompanying with Circulars No. 200/2014/TT-BTC dated 22 December 2014 of the Ministry of Finance, and Circular 53/2016 TT-BTC dated 21/03/2016 issued by the Ministry of Finance for amended, supplementing some articles of Circular No.200/2014/TT-BTC.

Financial Statements are prepared at cost in accordance with Vietnamese Accounting Standards. Financial Statements do not represent financial position, operation results and cash flows in accordance with accounting principles and practices generally accepted in jurisdictions other than Vietnam.

2. Compliance with Vietnamese Accounting Standards and Framework

The Company ensures that the Financial Statements have been prepared and presented in accordance with the requirements of the Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant guidance documents to the preparation and presentation of Financial Statements.

IV. APPLICABLE ACCOUNTING POLICIES

The following are the main accounting policies adopted by the Company in the preparation of this Financial Statement. The accounting policies applied by the Company in the preparation of Financial Statement are consistent with those applied in the preparation of the Financial Statement for the most recent financial year.

1. Principle of recognizing cash and cash equivalents

Cash and cash equivalents include: cash, non-term and term deposits with a maturity of no more than 3 months, cash in transit, and short-term investments with a recovery period of no more than 3 months from the investment date, which can be easily converted into a fixed amount of cash and are not subject to risk in converting to cash at the reporting date. The identification of cash and cash equivalents is in accordance with Vietnam Accounting Standard No. 24 "Cash Flow Statement".

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

2. Principle of recognizing Receivables

Receivables is the amount which are recoverable from customers or others. Receivables from customers and other receivables are stated at cost less allowance for doubtful debts.

The amounts of receivables shall be classified into following principles:

- **Trade receivables:** arising from sales of goods and rendering of services.
- **Other receivables:** including non-commercial receivables, not related to purchase and sale transactions (such as: receivable from loan interest, deposits, receivables from employees for social insurance (SI), health insurance (HI), unemployment insurance (UI), personal income tax (PIT), and other receivables...).

Monitoring receivables

Receivables shall be recorded specifically to original terms and remaining recovery terms as at the reporting date, original currencies and each object. At the Financial Statements' preparation date, receivables which have remaining recovery terms of less than 12 months or a business cycle are classified as current receivables, receivables which have remaining recovery terms of over 12 months or a business cycle are classified as non - current receivables.

The receivables are recognized not exceeding the recoverable amount.

The method of making provisions for doubtful receivables

Provisions for doubtful receivables represent the portion of receivables that the company expects to be unable to recover as of the end of the fiscal year. Increases or decreases in the provision balance are recognized as administrative expenses for the period.

Receivables that are overdue for more than 6 months (the overdue period is determined based on the initial purchase and sale agreement, without considering any debt extensions between the parties) are provisioned at the following rates:

<u>Doubtful receivables</u>	<u>Provision rate</u>
Over 6 months to less than 1 year	30%
From 1 year to less than 2 years	50%
From 2 years to less than 3 years	70%
3 years or more	100%

3. Principle of recognizing inventory

Inventory is determined based on the lower of cost or net realizable value. The determination is made in accordance with Vietnam Accounting Standard No. 02 - "Inventories", specifically: The cost of inventory includes the purchase price, costs of purchase, and other directly related costs incurred to bring the inventory to its current location and condition. The net realizable value is determined by the estimated selling price minus (-) the estimated costs to complete the product and the estimated costs necessary for its sale.

Inventory valuation method: Weighted average.

Inventory accounting method: Perpetual inventory.

Method for determining the cost of work in progress at the end of the period: The cost of work-in-progress at the end of the period is the total cost of work-in-progress accumulated based on the actual costs incurred for unfinished goods at the end of the period.

Method for making Provision for devaluation of inventories: The provision for devaluation of inventories is made for the portion of value that is expected to be impaired due to declines in value (such as discounts, damage, poor quality, obsolescence, etc.) that may occur for raw materials and inventories owned by the Company, based on reasonable evidence of the impairment at the end of the financial year. Increases or decreases in the provision balance are recorded as part of the cost of goods sold during the period.

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

4. Principles of accounting and depreciation of fixed assets

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation.

The historical cost of tangible fixed asset comprises of its purchase price and any directly attributable costs to bring the tangible fixed assets into working condition for its intended use. The determination of historical cost of tangible fixed assets is in accordance with Vietnamese accounting standard No. 03 - "Tangible Fixed Assets".

Expenditures incurred after putting the asset in use (costs of upgrading, renovation, maintenance and repair.) are recognized as production and business expenses in the period. Where it can be clearly demonstrated that these expenses increase the expected future economic benefits of the use of fixed assets that exceed the standard operating level initially assessed, these expenses are capitalized as additional costs of the fixed asset.

When a tangible fixed asset is sold or disposed of, its historical cost and accumulated depreciation are removed from the balance sheet, and any gain or loss resulted from the disposal of the asset is included in the income statement.

Depreciation of tangible fixed assets is calculated on a straight - line method over their estimated useful lives as follows:

<u>Fixed assets</u>	<u>Useful life</u>
Building and structure	10 - 25 years
Machinery and equipment	20 years
Means of transportation	07 - 10 years
Management tools and equipment	05 - 07 years

5. Principle of accounting prepaid expenses

Prepaid expenses are the actual expenses incurred but related to the results of production and business activities of several accounting periods.

Prepaid expenses mainly include compensation and land clearance costs, tools and supplies, repairing costs.... and other expenses incurred in the course of business activities of the Company and are considered likely to generate future economic benefits for the Company. These costs are amortized to the Income Statement on a straight-line basis over their estimated useful lives.

Prepaid expense shall be recorded in details by term. As at reporting date, prepaid expenses which have term less than 12 months or less than a business cycle since the date of prepayment are classified as short-term prepaid expenses, expenses which have term over 12 months or over a business cycle since the date of prepayment are classified as long-term prepaid expenses.

6. Principle of accounting payables

Payables are presented at their original value. The classification of payables is as follows:

- **Payables to suppliers:** These include trade payables arising from transactions involving the purchase of goods, services, and assets.
- **Other payables:** These include non-trade payables, which are unrelated to the purchase, sale of goods and services (such as payables related to dividends and profit distributions; payables for social insurance, health insurance, unemployment insurance, trade union fees, other payables, etc.).

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

6. Principle of accounting payables (Continued)

Monitoring payables

Payables are tracked in detail based on their original term, remaining term at the reporting date, original currency, and by each individual debtor. At the time of preparing the financial statements, payables with a remaining term of no more than 12 months or within one operating cycle are classified as current payables, while payables with a remaining term of more than 12 months or more than one operating cycle are recognized as non-current payables.

Payables are recognized at no less than the amount to be paid.

7. Principle of recognizing borrowings and financial lease liabilities, borrowing costs

Borrowings and financial lease liabilities

Loans and financial lease liabilities are monitored in detail by each debtor, term, and original currency. At the time of preparing the financial statements, loans and financial lease liabilities due within 12 months or the next operating cycle are classified as short-term loans and financial lease liabilities. Amounts with repayment periods longer than 12 months or more than one operating cycle are recognized as long-term loans and financial lease liabilities.

Borrowing costs

Borrowing costs are loan interest and other costs incurred in direct relation to borrowings.

Borrowing costs are recognized in financial expenses in the period (except for capitalization as required by Vietnamese Accounting Standard 16 - "Borrowing costs").

8. Principle of recognizing accrued expenses

Accrued expenses include amounts owed for goods and services received from suppliers during the period but not yet paid due to the absence of invoices or incomplete accounting documents. These expenses are recognized in the reporting period based on the terms outlined in the corresponding contracts.

9. Principle of recognizing owner's equity

Owner's contributions

Owner's contributions is recognised on the contribution date at the actual amount contributed by shareholders. The charter capital according to the seventh amendment of the Business Registration Certificate No. 4600409377 issued by the Department of Planning and Investment of Thai Nguyen province on 07 October 2022, is VND 250,000,000,000. As at 31 December 2024, the entire charter capital has been fully contributed by the shareholders.

Principle of recognizing the reward and welfare fund

Contribution rate: As per the decision of the General Meeting of Shareholders in line with the company's charter.

Purpose: For rewards, incentives, material benefits, serving public welfare needs, and improving the physical and mental well-being of employees.

Authority to decide on the establishment and use of the fund: The General Meeting of Shareholders.

Principle of recognizing the management board reward fund

Contribution rate: As per the decision of the General Meeting of Shareholders in line with the company's charter.

Purpose: To reward the Board of Directors and the company's management team, with the reward amount linked to the company's operational effectiveness and performance evaluation results.

Authority to decide on the establishment and use of the fund: The General Meeting of Shareholders.

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

9. Principle of recognizing owner's equity (Continued)

Principle of recognizing undistributed profits

Undistributed profits reflect the company's after-tax profit or loss and the situation of profit distribution or loss handling. Undistributed profits are tracked in detail according to the business results of each financial year (the previous year, the current year), and also monitored in detail by the content of profit distribution (funds provisioning, increase in owner's equity, dividend distribution, and profits for shareholders).

10. Principles and methods of revenue recognition

Sales Revenue

Sales revenue is recognized in the income statement when most of the risks and benefits associated with the ownership rights of the product or goods are transferred to the buyer. Revenue is not recognized if there are significant uncertainties related to the ability to recover receivables or the possibility of goods being returned. Sales revenue is recognized based on the net amount after deducting the discount or allowances noted on the sales invoice.

Service Revenue

Service revenue is recognized in the income statement based on the percentage of completion of the transaction at the end of the financial year. The completion percentage is assessed based on the survey of the work performed. Revenue is not recognized if there are significant uncertainties related to the ability to recover receivables.

If the outcome of a contract cannot be determined reliably, revenue will only be recognized up to the recoverable amount of costs that have been recognized.

Financial income

Financial income includes: Interest income from deposits.

Interest income from deposits: is recognized based on the actual time and interest rate for each period, unless the ability to collect the interest is uncertain.

11. Principles of recognizing revenue deductions

Revenue deductions include: trade discounts, sales discounts, and returned goods. Revenue deductions that arise during the period of consumption of products, goods, or services are adjusted by reducing the revenue of the period in which they occur.

In cases where products, goods, or services were consumed in previous periods, and revenue deductions arise in a later period, and the event occurs before the financial statements are issued: The company will reduce the revenue in the financial statements of the period in which the report is prepared (the previous period), in accordance with Vietnam Accounting Standard No. 23 "Events Occurring After the End of the Fiscal Year."

If products, goods, or services were consumed in previous periods, and the revenue deductions arise after the issuance of the financial statements for the following period: The company will reduce the revenue in the period in which the deduction occurs (the following period).

12. Principle of recognizing cost of goods sold

Cost of goods sold is recognized on the principle of matching with revenue.

For the fiscal year ended 31 December 2024

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

13. Principle of recognizing accounting financial expenses

Financial expenses include: Expenses or losses related to financial investment activities, expenses for loans and borrowings, payment discount, late payment interest on coal and bagging.

Interest expenses (including accrued interests) of the reporting period are fully recognized in the period.

14. Selling and general and administrative expenses

Selling expenses: are actual expenses incurred in the sale of products, goods and services, including costs of offering, introducing products, advertising products, sale commissions, costs of product and goods warranty, costs of preservation, packaging, and transportation...

The Company did not incur any reductions in selling expenses during the year.

General and administrative expenses: are general administrative expenses, including administrative employees expenses (salaries, wages, allowances, etc.); social insurance, health insurance, union funds of administrative employees; expenses of office supplies, labor tools, depreciation of fixed assets used for management; land rental, license tax; provision for doubtful debts; outsourced services (electricity, water, telephone, fax, asset insurance, explosion, etc.) and other monetary expenses (guest reception, customer conference, etc.).

Deductions in general and administrative expenses include reversal of provision of doubtful debts.

15. Principle of accounting tax

Current corporate income tax

The company applies a 10% tax rate for a period of 15 years from 2014 to 2028, as the project is implemented in an area with particularly difficult economic conditions, in accordance with Decree No. 118/2015/ND-CP dated 12 November 2015, providing detailed regulations and guidelines for implementing certain provisions of the Investment Law.

The company is exempt from tax for 4 years, starting from 2014, and receives a 50% reduction in tax for the following 9 years (2018 - 2026), in accordance with Clause 1, Article 20, Circular No. 78/2014/TT-BTC dated 18 June 2014, by the Ministry of Finance, guiding the implementation of Decree No. 218/2013/ND-CP dated 26 December 2013, of the Government on the regulations and guidelines for the implementation of the Corporate Income Tax Law.

Other taxes

Other taxes are applied in accordance with applicable tax laws in Vietnam.

The company's tax reports will be subject to inspection by the tax authorities. As the application of laws and regulations on taxes for different types of transactions may be interpreted in various ways, the tax amounts presented in the financial statements may be subject to change according to the final decision of the tax authorities.

16. Related parties

Related parties are those where one party has the ability to control or exert significant influence over the other party in making financial and operating policy decisions. Parties are also considered related if they share joint control or significant common influence.

In considering the relationship of related parties, the nature of the relationship is given more importance than the legal form.

Transactions and balances with related parties during the year presented in **Note VII.3**.

IV. APPLICABLE ACCOUNTING POLICIES (Continued)

17. Financial instruments

Initial recognition

Financial assets

At the initial recognition, financial assets are recorded at cost, including any directly attributable transaction costs related to the issuance or acquisition of the financial asset. Financial assets include cash, deposits with credit institutions, accounts receivable from customers and other receivables, loans, and other financial assets.

Financial liabilities

Financial liabilities are initially recognized at cost, including any directly attributable transaction costs related to the issuance of the financial debt. The company's financial liabilities include accounts payable to suppliers, other payables, loans, and accrued expenses.

Value after initial recognition

There are no regulations for revaluation of financial instruments; therefore, the value after initial recognition of financial instruments is reflected at cost.

18. Segment reporting

Segment reportings are part of consolidated financial statements, that provide information about different types of products and services in different geographical regions are called segment information.

A business segment is a separately identifiable part that is engaged in the production or provision of products or services and has risks and economic benefits that are different from those of other business segments.

A geographical segment is a separately identifiable part that is engaged in the production or provision of a product or service within a particular economic environment and that is subject to economic risks and economic benefits different from business segments in other economic environments.

Segment reporting is presented in **Note VII.2.**

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET

Following items are prepared in Vietnam dong (VND).

1. Cash and cash equivalents

	Closing balance	Opening balance
Cash on hand	2,357,954	651,758,080
Cash in bank	6,227,314,785	6,917,798,483
Total	6,229,672,739	7,569,556,563

2. Short-term trade receivables

	Closing balance	Opening balance
<i>Short-term trade receivables from related parties</i>	-	-
<i>Short-term trade receivables from third parties</i>	58,126,038,995	49,376,579,984
People's Committee of Dai Tu District	33,902,420,861	33,591,211,160
People's Committee of Phu Luong District	15,964,609,585	8,421,040,265
Viet Architecture Consultant Construction Joint Stock Company	-	1,877,520,010
Ngoc Mai Construction Joint Stock Company	1,452,868,400	1,452,868,400
Other customers	6,806,140,149	4,033,940,149
Total	58,126,038,995	49,376,579,984

3. Short-term prepayments to suppliers

	Closing balance	Opening balance
<i>Short-term prepayments to suppliers are related parties</i>	-	-
<i>Short-term prepayments to suppliers are third parties</i>	425,450,400	401,065,854
Analmec Company Limited	-	272,213,654
Nam Phat Technical Service and Trading Company Limited	-	58,852,200
3T Consultant and Investment Company Limited	230,000,000	-
Viet An Environment Technology Joint Stock Company	170,450,400	-
Other supplies	25,000,000	70,000,000
Total	425,450,400	401,065,854

4. Other short-term receivables

	Closing balance	Opening balance
Receivables from employees regarding social insurance, health insurance, and unemployment insurance	234,410,400	195,546,015
Receivable from employees regarding personal income tax	184,243,175	116,158,547
Mr. Duong Van Huong	800,388,864	800,388,864
Mr. Do Viet Tho	560,000,000	593,805,911
Advances	25,416,230	-
Total	1,804,458,669	1,705,899,337

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

5. Provision for uncollectible short-term receivables

	Closing balance			Opening balance		
	Historical cost	Provision	Recoverable amount	Historical cost	Provision	Recoverable amount
Short-term receivables from customers	5,040,788,549	(5,040,788,549)	-	7,364,328,559	(7,364,328,559)	-
Viet Architecture Consultant Construction Joint Stock Company	-	-	-	1,877,520,010	(1,877,520,010)	-
Ngoc Mai Construction Joint Stock Company	1,452,868,400	(1,452,868,400)	-	1,452,868,400	(1,452,868,400)	-
Nguyen Hong Investment Development and Trading Services Joint Stock Company	895,735,000	(895,735,000)	-	895,735,000	(895,735,000)	-
Duc Hung Technology Trading Joint Stock Company	512,450,000	(512,450,000)	-	512,450,000	(512,450,000)	-
Long Son Company Limited	374,186,000	(374,186,000)	-	374,186,000	(374,186,000)	-
Quang Loi Engineering Service Trading Company Limited	-	-	-	328,680,000	(328,680,000)	-
Trung Tuan Private Enterprise	255,986,400	(255,986,400)	-	255,986,400	(255,986,400)	-
19 - 8 Contraction and Investment Company Limited	140,000,000	(140,000,000)	-	230,000,000	(230,000,000)	-
Hai Ngoan Construction Materials Store	640,000,000	(640,000,000)	-	667,340,000	(667,340,000)	-
Hop Thanh Trading and Transportation Company Limited	769,562,749	(769,562,749)	-	769,562,749	(769,562,749)	-
Other short-term receivables	1,360,388,864	(1,360,388,864)	-	1,394,194,775	(1,394,194,775)	-
Mr. Duong Van Huong	800,388,864	(800,388,864)	-	800,388,864	(800,388,864)	-
Mr. Do Viet Tho	560,000,000	(560,000,000)	-	593,805,911	(593,805,911)	-
Total	6,401,177,413	(6,401,177,413)	-	8,758,523,334	(8,758,523,334)	-

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMJ

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

6. Increase, decrease in tangible fixed assets

	Building and structures	Machinery equipment	Means of transportation	Management tools and equipment	Total
COST					
As at 01/01/2024	402,249,438,784	1,004,950,188,510	10,056,663,933	6,056,223,630	1,423,312,514,857
New purchase	2,560,319,691	1,656,127,347	806,535,126	740,046	5,023,722,210
Other increase	-	-	-	-	-
Disposal	-	-	-	-	-
Other decrease	-	-	-	-	-
As at 31/12/2024	404,809,758,475	1,006,606,315,857	10,863,199,059	6,056,963,676	1,428,336,237,067
ACCUMULATED DEPRECIATION (*)					
As at 01/01/2024	(245,039,272,671)	(724,149,115,294)	(3,556,719,573)	(3,626,683,661)	(976,371,791,199)
Depreciation during the year	(18,154,297,605)	(47,507,777,653)	(1,054,063,036)	(606,323,747)	(67,322,462,041)
Fixed assets depreciation during the year	-	-	-	-	-
Disposal	-	-	-	-	-
Other decrease	-	-	-	-	-
As at 31/12/2024	(263,193,570,276)	(771,656,892,947)	(4,610,782,609)	(4,233,007,408)	(1,043,694,253,240)
CARRYING VALUE					
As at 01/01/2024	157,210,166,113	280,801,073,216	6,499,944,360	2,429,539,969	446,940,723,658
As at 31/12/2024	141,616,188,199	234,949,422,910	6,252,416,450	1,823,956,268	384,641,983,827

In which:

The cost of tangible assets fully depreciated but still in used:	VND	129,126,169,681
The cost of tangible assets temporarily unused:	VND	-
The carrying amount of tangible fixed assets at the end of the period used as collateral or pledge for loans:	VND	378,116,670,163

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

7. Inventories

	Closing balance		Opening balance	
	Cost	Provision	Cost	Provision
Raw materials	12,958,433,183	(271,182,394)	13,366,049,125	(271,182,394)
Tools and supplies	23,009,296	-	18,150,157	-
Work in progress	18,578,455,584	-	44,330,376,782	-
Total	31,559,898,063	(271,182,394)	57,714,576,064	(271,182,394)

Inventory used as security for the following borro

- Credit limit contract No. 01/2023/1698437/HĐTD dated 26/09/2023, at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch.

- Credit contract No. 104428.22.090.502368.TD dated 23/12/2022, and Credit contract No. 177403.23.090.502368.TD dated 25/12/2023, at the Military Commercial Joint Stock Bank - Thai Nguyen Branch

Setting up and using the provision for devaluation of inventories are as follows:

	Current year	Prior year
Opening balance	(271,182,394)	(339,723,590)
Additional provision in the year	-	-
Provision reversal in the year	-	68,541,196
Closing balance	(271,182,394)	(271,182,394)

8. Prepaid expenses

	Closing balance	Opening balance
Short-term prepaid expenses	1,646,541,559	1,108,578,939
Reparing costs	43,430,192	163,805,886
Tools and supplies	1,396,272,670	759,895,104
Other short-term prepaid expenses	206,838,697	184,877,949
Long-term prepaid expenses	34,171,451,334	32,355,021,810
Compensation and land clearance costs	12,525,188,778	13,596,595,830
Reparing costs	3,028,551,009	4,919,664,095
Tools and supplies	18,494,786,903	13,693,487,754
Other long-term prepaid expenses	122,924,644	145,274,131
Total	35,817,992,893	33,463,600,749

9. Short-term advances from customers

	Closing balance	Opening balance
Short-term advances from customers are related parties	-	-
Short-term advances from customers are third parties	10,161,945,071	5,321,117,718
Dona Ha Company Limited	1,001,711,241	1,143,890,621
Sao Mai Construction and Trading Company Limited	725,609,804	572,995,007
Thai Duong Joint Stock Company	883,091,059	340,856,990
Tran Van Hoat Business Household	-	204,222,975
Other customers	7,551,532,967	3,059,152,125
Total	10,161,945,071	5,321,117,718

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

10. Short-term trade payables

	Closing balance		Opening balance	
	Value	Recoverable amount	Value	Recoverable amount
Short-term trade payables for related parties	80,700,881,776	80,700,881,776	114,527,223,901	114,527,223,901
Details at Note VII.3	80,700,881,776	80,700,881,776	114,527,223,901	114,527,223,901
Short-term trade payables for third parties	20,217,071,162	20,217,071,162	20,087,359,597	20,087,359,597
Phuong Trung JSC	611,687,600	611,687,600	2,502,070,818	2,502,070,818
Thai Nguyen Power Company - Dai Tu Power Branch	1,717,576,905	1,717,576,905	2,485,131,166	2,485,131,166
UFO Vietnam Co., Ltd	-	-	2,161,600,000	2,161,600,000
Dai Tu Commercial JSC	1,758,631,876	1,758,631,876	2,022,413,544	2,022,413,544
Quang Minh Duc One Member Co., Ltd	2,594,007,072	2,594,007,072	2,009,954,520	2,009,954,520
Son Dang Trading Co., Ltd	-	-	1,453,980,114	1,453,980,114
Van Long Co., Ltd	1,482,965,000	1,482,965,000	564,800,000	564,800,000
Uyen Hien Trading and Transportation Co., Ltd	1,576,751,073	1,576,751,073	1,274,646,888	1,274,646,888
Kien Truong Giang Co., Ltd	488,552,718	488,552,718	874,547,131	874,547,131
Binh Duong Co., Ltd	2,621,557,449	2,621,557,449	164,678,728	164,678,728
Quang Hung Co., Ltd	1,052,946,210	1,052,946,210	-	-
Other suppliers	6,312,395,259	6,312,395,259	4,573,536,688	4,573,536,688
Total	100,917,952,938	100,917,952,938	134,614,583,498	134,614,583,498

11. Taxes and other receivables, payables to the State

11.1 Taxes and other receivables from the State

	Closing balance	Opening balance
Excess corporate income tax paid	199,163,084	426,320,639
Total	199,163,084	426,320,639

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

11. Taxes and other receivables, payables to the State (Continued)

11.2 Taxes and other payables to the State

	Opening balance	Amount payable during the year	Amount paid during the year	Closing balance
Value added tax	11,525,815,741	9,172,270,280	6,224,570,230	14,473,515,791
Coporate income tax	-	227,157,555	227,157,555	-
Personal income tax	29,387,499	571,660,795	536,490,568	64,557,726
Resource tax	13,294,445	28,753,520	36,424,265	5,623,700
Other taxes	13,018,654	93,644,180	96,327,365	10,335,469
Total	11,581,516,339	10,093,486,330	7,120,969,983	14,554,032,686

12. Short-term accrued expenses

	Closing balance	Opening balance
Interest expense payables	579,060,694	950,273,033
Bank interest expenses	51,257,951	89,915,510
Interest expense on loans from employees and other individuals	527,802,743	860,357,523
Other accrued expenses	215,315,000	134,394,392
Board of Directors and Supervisory Board allowances	69,024,000	69,024,000
Other accrued expenses	146,291,000	65,370,392
Total	794,375,694	1,084,667,425

13. Other short-term payables

	Closing balance		Opening balance	
	Value	Recoverable amount	Value	Recoverable amount
Union fund	649,600	649,600	3,249,670	3,249,670
Union fee	10,483,727	10,483,727	841,710	841,710
Liability compensation	-	-	89,527,500	89,527,500
Dividends	1,245,834,560	1,245,834,560	515,327,500	515,327,500
Other payables	30,623,855	30,623,855	11,968,847	11,968,847
Total	1,287,591,742	1,287,591,742	620,915,227	620,915,227

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

14. Short-term borrowings and finance lease liabilities

a/ Details of borrowing balances

	Note	Opening balance		During the year		Closing balance	
		Value	Recoverable amount	Increase	Decrease	Value	Recoverable amount
Short-term borrowings		84,404,602,882	84,404,602,882	247,778,905,036	270,652,415,241	61,531,092,677	61,531,092,677
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	(1)	52,517,760,586	52,517,760,586	113,814,419,249	139,169,915,230	27,162,264,605	27,162,264,605
Military Joint Stock Commercial Bank - Thai Nguyen Branch	(2)	17,415,292,943	17,415,292,943	108,513,892,076	93,854,083,349	32,075,101,670	32,075,101,670
Southeast Asia Joint Stock Commercial Bank - Thai Nguyen Branch	(3)	-	-	25,450,593,711	23,156,867,309	2,293,726,402	2,293,726,402
Vietnam Prosperity Joint Stock Commercial Bank - Thai Nguyen Branch		14,471,549,353	14,471,549,353	-	14,471,549,353	-	-
Long-term borrowings due for repayment		11,984,243,474	11,984,243,474	1,895,199,835	8,652,020,914	5,227,422,395	5,227,422,395
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	(4)	800,000,000	800,000,000	1,895,199,835	1,102,000,000	1,593,199,835	1,593,199,835
Borrowings from employees and other individuals	(5)	11,184,243,474	11,184,243,474	-	7,550,020,914	3,634,222,560	3,634,222,560
Total		96,388,846,356	96,388,846,356	249,674,104,871	279,304,436,155	66,758,515,072	66,758,515,072

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

14. Short-term borrowings and finance lease liabilities (Continued)

a/ Details of the borrowing balances (Continued)

	Note	Opening balance		During the year		Closing balance	
		Value	Recoverable amount	Increase	Decrease	Value	Recoverable amount
Long-term borrowings							
Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	(6)	1,703,600,000	1,703,600,000	5,783,999,835	1,895,199,835	5,592,400,000	5,592,400,000
Borrowings from employees and other individuals	(7)	35,745,091,139	35,745,091,139	16,994,474,674	17,629,652,918	35,109,912,895	35,109,912,895
Total		37,448,691,139	37,448,691,139	22,778,474,509	19,524,852,753	40,702,312,895	40,702,312,895

b/ Detailed informations of borrowings

Details in Appendix 01.

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

15. Owner's equity

a/ Reconciliation table of owner's equity fluctuations

	Owner's equity	Undistributed profit	Total
As at 01/01/2023	250,000,000,000	22,889,839,030	272,889,839,030
Equity increase in the previous period	-	27,816,988,601	27,816,988,601
Dividends distributed to shareholders	-	(10,000,000,000)	(10,000,000,000)
Distribution of funds	-	(6,701,590,994)	(6,701,590,994)
As at 31/12/2023	250,000,000,000	34,005,236,637	284,005,236,637
Equity increase in this year	-	3,969,469,070	3,969,469,070
Dividends distributed to shareholders (*)	-	(20,000,000,000)	(20,000,000,000)
Distribution of funds (*)	-	(7,760,550,847)	(7,760,550,847)
As at 31/12/2024	250,000,000,000	10,214,154,860	260,214,154,860

(*): According to Resolution No. 10/NQ-DHDCD, dated 23/04/2024, approving the profit distribution plan for 2023, the Company allocates funds and the dividend payment plan for 2024 as follows:

- Reward and welfare fund: total amount of VND 7,638,066,354 including: allocation for Bonus fund of VND 3,055,226,542 and Welfare fund of VND 4,582,839,812.
- Bonus fund for the Company's Management Board: total amount of VND 122,484,493.
- Dividends to shareholders: total amount of VND 20,000,000,000.

b/ Details of owner's equity

	Closing balance	Opening balance
Vinacomin - Vietbac Mining Industry Holding Corporation	212,280,140,000	212,280,140,000
Other shareholders	37,719,860,000	37,719,860,000
Total	250,000,000,000	250,000,000,000

c/ Capital transactions with shareholders and distribution of dividends, profit sharing

	Current year	Prior year
Contribution from owners		
As at beginning of year	250,000,000,000	250,000,000,000
Increase during the year	-	-
Decrease during the year	-	-
As at end of the year	250,000,000,000	250,000,000,000
Dividends, profit distributed	20,000,000,000	10,000,000,000

For the fiscal year ended 31 December 2024

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE BALANCE SHEET (Continued)

Following items are prepared in Vietnam dong (VND).

15. Owner's equity (Continued)

d/ Shares

	Closing balance	Opening balance
Authorized shares	25,000,000	25,000,000
Issued shares	25,000,000	25,000,000
+ Common shares	25,000,000	25,000,000
Treasury shares	-	-
Shares in circulation	25,000,000	25,000,000
+ Common shares	25,000,000	25,000,000

Par value of outstanding shares: 10,000 VND/share

e/ Funds

	Opening balance	Additional fund	Used amount	Closing balance
Bonus fund	2,736,763,497	3,060,626,542	1,563,358,885	4,234,031,154
Welfare fund	1,049,293,497	4,582,839,812	3,456,757,680	2,175,375,629
Bonus fund for the Company's Management	22,010,400	122,484,493	110,236,043	34,258,850
Total	3,808,067,394	7,765,950,847	5,130,352,608	6,443,665,633

Bonus and welfare funds: use for reward and encouragement of physical benefits, serving the needs of public welfare, improvement and enhancement of the standard of physical and spirit life of employees.

Bonus fund for the Company's Management Board: used to reward the Board of Directors and the executive board of the company; the bonus allocation is tied to the company's performance and the results of evaluating the Company's operational effectiveness.

16. Off-balance sheet items

Bad debt resolved

Doubtful debts that have been fully provisioned (100%) and written off during the year, as assessed by the Board of Management as being uncollectible. Details as follows:

	Accumulated to the end of the year	Accumulated to the beginning of the year
Viet Architecture Consultant Construction Joint Stock Company	1,877,520,010	-
Quang Loi Engineering Service Trading Company Limited	328,680,000	-
Total	2,206,200,010	-

For the fiscal year ended 31 December 2024

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT

Following items are prepared in Vietnam dong (VND).

1. Revenue from sales and services provisions

	Current year	Prior year
Revenue from sale of finished goods	586,921,997,504	612,107,134,905
Revenue from rendering services	5,771,628,494	6,001,619,616
Total	592,693,625,998	618,108,754,521
<i>In which:</i>		
Revenue from sales to related party (Details at Note VIII.3)	15,102,136,338	2,964,494,770
Revenue from sales to third party	577,591,489,660	615,144,259,751
Revenue deductions	-	-
Net revenue from sales and services provisions	592,693,625,998	618,108,754,521

2. Cost of goods sold

	Current year	Prior year
Cost of finished goods sold	536,049,575,092	526,572,352,923
Cost of services rendered	5,503,541,492	4,990,869,623
Reversal of inventory write-down provision	-	(68,541,196)
Total	541,553,116,584	531,494,681,350

3. Financial income

	Current year	Prior year
Interest income	10,578,264	14,106,239
Total	10,578,264	14,106,239

4. Financial expenses

	Current year	Prior year
Interest expenses	8,494,438,538	11,638,307,738
Payment discount	3,964,439,945	3,374,561,448
Late payment interest on coal and bagging	1,108,159,944	4,273,509,663
Total	13,567,038,427	19,286,378,849

5. Selling expenses

	Current year	Prior year
Payroll expenses	5,641,775,451	6,045,808,904
Costs of materials, package	509,754,502	825,757,873
Fixed asset depreciation cost	205,249,314	202,751,526
Outsourced expenses	3,795,817,019	3,019,651,430
Other monetary expenses	2,000,798,278	2,877,571,918
Total	12,153,394,564	12,971,541,651

For the fiscal year ended 31 December 2024

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT (Continued)

Following items are prepared in Vietnam dong (VND).

6. General and administrative expenses

	Current year	Prior year
Payroll expenses	12,952,425,830	13,361,828,073
Costs of materials, package	547,428,877	650,161,820
Fixed asset depreciation cost	512,147,989	434,213,176
Tax, fees and charges	3,000,000	3,000,000
Outsourced expenses	1,960,518,917	3,270,279,227
Other monetary expenses	5,356,243,555	6,844,510,451
Deductions of general and administrative expenses		
Provision for doubtful receivables reversal in the year	(151,145,911)	(396,014,996)
Total	21,180,619,257	24,167,977,751

7. Other income

	Current year	Prior year
Income from contract violation penalties	6,328,522	632,444,813
Other income	-	20,662,840
Total	6,328,522	653,107,653

8. Other expenses

	Current year	Prior year
Late tax payment penalty	9,521,327	594,339,136
Other expenses	50,216,000	183,449
Total	59,737,327	594,522,585

9. Cost of operation by factor

	Current year	Prior year
Payroll expenses	51,418,847,585	53,692,072,689
Costs of materials, package	385,684,585,089	431,989,994,603
Fixed asset depreciation cost	67,322,462,041	66,785,638,305
Outsourced expenses	14,135,055,429	13,308,670,606
Other monetary expenses	31,295,023,073	33,137,111,063
Total	549,855,973,217	598,913,487,266

For the fiscal year ended 31 December 2024

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT (Continued)

Following items are prepared in Vietnam dong (VND).

10. Current corporate income tax expenses

	Current year	Prior year
Current corporate income tax expenses	227,157,555	2,443,877,626
Total	227,157,555	2,443,877,626

Current corporate income tax payables are determined based on taxable income of current year. The Company's taxable income is different from the income reported in the Company's business income statement because the taxable income does not include taxable income items or deductible expenses for the tax purposes in other years and do not include items that are not taxable or not deductible for tax purposes. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

The detailed table of current corporate income tax expenses and profit before tax in the year is as follows:

	Current year	Prior year
Net accounting profit/(loss) before tax	4,196,626,625	30,260,866,227
<u>Adjustment of increase/(decrease) in accounting profit/(loss)</u>	346,524,494	1,212,720,999
<u>Adjustments of increase</u>	346,524,494	1,212,720,999
<i>Illegible expenses</i>	97,404,494	963,600,999
<i>Compensation for the Board of Directors and the Supervisory Board not directly involved in management</i>	249,120,000	249,120,000
<u>Adjustments of decrease</u>	-	-
Adjusted (loss)/profit before tax excluding loss carried	4,543,151,119	31,473,587,226
Estimated taxable income in current year	4,543,151,119	31,473,587,226
Income tax rate (*)	10%	10%
<i>Estimated corporate income tax payable in current year</i>	454,315,112	3,147,358,723
<i>Exempted corporate income tax (**)</i>	227,157,556	1,573,679,361
Estimated corporate income tax payable in current year	227,157,556	1,573,679,361
Adjusting the income tax expense of the previous year into the current year's income tax expense according to the tax inspection report dated 18/09/2023	-	870,198,265
Current corporate income tax expenses	227,157,556	2,443,877,626
Corporate income tax payable at the beginning of the year	(426,320,639)	422,786,300
Corporate income tax paid during the year	-	2,792,984,565
Adjusting the reclassification from value added tax payment to corporate income tax	-	500,000,000
Corporate income tax payable/(excess tax paid) at the end of the year.	(199,163,083)	(426,320,639)

For the fiscal year ended 31 December 2024

VI. ADDITIONAL INFORMATION FOR ITEMS IN THE INCOME STATEMENT (Continued)

Following items are prepared in Vietnam dong (VND).

11. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss attributable to the shareholders of common shares by the weighted average number of outstanding common shares during the year.

The company uses the following information to calculate basic earnings per share:

	Current year	Prior year
Accounting profits after corporate income tax	3,969,469,070	27,816,988,601
Distributed profits to the Company's preference shareholders	-	-
Distributed profits to the Company's common shareholders	3,969,469,070	27,816,988,601
Allocation to Bonus and Welfare funds for the year	1,964,154,860	7,760,550,847
Average outstanding common shares during the year (*)	25,000,000	25,000,000
Basic earnings per share (**)	80	802

(*) Average outstanding common shares during the year are identified as follows:

	Current year	Prior year
Average number of outstanding common shares at the beginning of the year	25,000,000	25,000,000
Additional common shares issued during the year	-	-
Minus: Average number of treasury stocks bought back during the year	-	-
Average number of outstanding common shares during the year	25,000,000	25,000,000

(**): Basic earnings per share for 2023 have been recalculated due to the re-determination of adjustments based on the allocation of Bonus and Welfare Fund and the Bonus Fund for the Company's Management Board, as approved in Resolution No. 10/NQ-DHDCD, dated 23/04/2024. This adjustment has caused the basic earnings per share for 2023 to decrease from VND 1,113 per share to VND 802 per share.

Figures for this year's bonus and welfare fund are estimated to be VND 1,964,154,860, and the basic earnings per share this year may change due to the impact of changes in the bonus and welfare fund allocation after the approval of the General Shareholders' Meeting regarding the profit distribution for 2024.

For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS

Following items are prepared in Vietnam dong (VND).

1. Financial instruments

Purpose and policy of financial risk management

The Company's activities are exposed to market risk, credit risk, liquidity risk. Policies of financial risk management of the Company focus on anticipating unexpected fluctuations of market and solution to minimize negative impacts on the Company's operation.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changes in market value. Market prices comprise: exchange rate risk, interest rate risk, currency risk, and other price risks, such as shares price risk. Financial instruments affected by market risk include deposits, loans, debts, short-term investments, and available-for-sale securities investment. The purpose of managing market risk is to manage and control market risks within acceptable limits, while still maximizing the profits earned.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The market risk arising from interest rate changes for the Company primarily relates to the Company's cash and short-term deposits.

The Company manages interest rate risk by analyzing the competitive situation in the market to obtain favorable interest rates for the Company's purposes, while staying within its risk management limits.

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in exchange rates. The Company engages in some transactions denominated in foreign currencies, and as such, it is exposed to risk when exchange rate fluctuations occur. The Company maintains a reasonable balance of foreign currency-denominated cash assets to ensure it meets its regular usage needs and fulfills its foreign currency-denominated payment obligations when due.

Credit risk

Credit risk is the risk due that counterparty will not meet its obligation, leading the risk of loss. The Company set up an appropriate credit policy and regularly monitor to assess the possibility of credit risk. Credit risk of the Company is assessed at low level.

The Company is exposed to credit risk from cash at bank, trade receivables and financial investments. Maximum credit risk of each class of financial assets is book value of such class of financial assets on the balance sheet.

Cash in bank

The company primarily maintains deposit balances at well-known banks in Vietnam. The company recognizes that the level of credit risk concentration related to bank deposits is low.

Trade receivables

Receivables with risks have been provisioned as presented in the balance sheet.

Liquidity risk

Liquidity risk is the risk when the Company could not meet the financial obligations due to shortage of capital. Liquidity risk of the Company is due to different maturity between financial assets and liabilities.

The Company managed liquidity risk through maintaining a suitable level of cash to meet the demand of operation and mitigate impact of cash flows fluctuations.

For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

1. Financial instruments (Continued)

Informations on the maturity dates of the Company's financial assets and financial liabilities based on the undiscounted payment values according to the contracts are as follows:

	Less than 1 year	From 01 to 05 years	More than 5 years	Total
As at 31/12/2024				
Cash and cash equivalents	6,229,672,739	-	-	6,229,672,739
Trade receivables and other receivables	49,349,899,018	-	-	49,349,899,018
Provision for doubtful receivables	(6,401,177,413)	-	-	(6,401,177,413)
Total	49,178,394,344	-	-	49,178,394,344
As at 31/12/2024				
Loans and finance lease liabilities	66,758,515,072	40,702,312,895	-	107,460,827,967
Trade payables and other payables	101,768,960,953	-	-	101,768,960,953
Accrued expenses	794,375,694	-	-	794,375,694
Total	169,321,851,719	40,702,312,895	-	210,024,164,614
Net difference	(120,143,457,375)	(40,702,312,895)	-	(160,845,770,270)
	Less than 1 year	From 01 to 05 years	More than 5 years	Total
As at 01/01/2024				
Cash and cash equivalents	7,569,556,563	-	-	7,569,556,563
Trade receivables and other receivables	45,449,657,041	-	-	45,449,657,041
Provision for doubtful receivables	(8,758,523,334)	-	-	(8,758,523,334)
Total	44,260,690,270	-	-	44,260,690,270
As at 01/01/2024				
Loans and finance lease liabilities	96,388,846,356	37,448,691,139	-	133,837,537,495
Trade payables and other payables	134,740,813,991	-	-	134,740,813,991
Accrued expenses	1,084,667,425	-	-	1,084,667,425
Total	232,214,327,772	37,448,691,139	-	269,663,018,911
Net difference	(187,953,637,502)	(37,448,691,139)	-	(225,402,328,641)

For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

1. Financial instruments (Continued)

Financial assets and financial liabilities

The table below presents the book value and fair value of the financial instruments disclosed in the Company's financial statements:

	Book value		Fair value	
	As at 31/12/2024	As at 01/01/2024	As at 31/12/2024	As at 01/01/2024
Financial assets				
Cash and cash equivalents	6,229,672,739	7,569,556,563	6,229,672,739	7,569,556,563
Trade receivables	47,964,093,924	44,055,462,266	42,923,305,375	36,691,133,707
Other receivables	1,385,805,094	1,394,194,775	25,416,230	-
Total	55,579,571,757	53,019,213,604	49,178,394,344	44,260,690,270
Financial liabilities				
Loans and finance lease liabilities	107,460,827,967	133,837,537,495	107,460,827,967	133,837,537,495
Trade payables	100,492,502,538	134,213,517,644	100,492,502,538	134,213,517,644
Accrued expenses	794,375,694	1,084,667,425	794,375,694	1,084,667,425
Other payables	1,276,458,415	527,296,347	1,276,458,415	527,296,347
Total	210,024,164,614	269,663,018,911	210,024,164,614	269,663,018,911

The fair value of financial assets and financial liabilities is reflected by the value at which the financial instrument could be exchanged in a current transaction between participating parties, except in cases where forced sale or liquidation is required.

The Company uses the following methods and assumptions to estimate fair value:

The fair value of cash and short-term deposits, trade receivables, trade payables, and other short-term liabilities is equivalent to the historical cost of these items because these instruments have short maturities.

The fair value of trade receivable is determined by the book value minus any provisions made.

2. Segment reporting

a/ Report by business segments

For management purposes, the Company's organizational structure is divided into two business segments: Construction materials business and other business activities. The Company prepares segment reports based on these two business segments.

For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

2. Segment reporting (Continued)

a/ Report by business segments (Continued)

By business segment for the fiscal year ended 31/12/2024

Items	Construction materials	Other business activities	Total
Revenue from sales and services provisions	586,921,997,504	5,771,628,494	592,693,625,998
Total net revenue	586,921,997,504	5,771,628,494	592,693,625,998
Operating expenses	569,383,588,913	5,503,541,492	574,887,130,405
Cost of goods sold	536,049,575,092	5,503,541,492	541,553,116,584
Selling expenses	12,153,394,564	-	12,153,394,564
General and administrative expenses	21,180,619,257	-	21,180,619,257
Net accounting profit from operating activities	17,538,408,591	268,087,002	17,806,495,593
Financial income			(13,556,460,163)
Other profit			(53,408,805)
Net accounting profit/ (loss) before tax			4,196,626,625

By business segment for the fiscal year ended 31/12/2023

Items	Construction materials	Other business activities	Total
Revenue from sales and services provisions	612,107,134,905	6,001,619,616	618,108,754,521
Total net revenue	612,107,134,905	6,001,619,616	618,108,754,521
Operating expenses	563,643,331,129	4,990,869,623	568,634,200,752
Cost of goods sold	526,503,811,727	4,990,869,623	531,494,681,350
Selling expenses	12,971,541,651	-	12,971,541,651
General and administrative expenses	24,167,977,751	-	24,167,977,751
Net accounting profit from operating activities	48,463,803,776	1,010,749,993	49,474,553,769
Financial income			(19,272,272,610)
Other profit			58,585,068
Net accounting profit/ (loss) before tax			30,260,866,227

b/ Report by geographical segments

Report by geographical segments (secondary report): The report by geographical segments is based on the location of customers generating segment revenue. In the fiscal year ending 31/12/2024, the Company's business activities mainly took place in the Northern region, so the Company does not prepare a secondary segment report (by geographical segments).

For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

3. Related parties

a/ List of related parties

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

Related parties	Relationship
Vinacomin - Vietbac Mining Industry Holding Corporation	Parent company
Khanh Hoa Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Company in the same Corporate
Nui Hong Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Company in the same Corporate
VVMI Viet Bac Mechanical Joint Stock Company	Company in the same Corporate
VVMI - Manufacturing and Materials Equipment Trading Joint Stock Company	Company in the same Corporate
VVMI - Buidling Material and General Trading Joint Stock Company	Company in the same Corporate
VVMI - Thai Nguyen Hotel Joint Stock Company	Company in the same Corporate
VVMI Coal Industry Convalescence Center	Company in the same Corporate
VVMI - Tan Quang Cement Joint Stock Company	Company in the same Corporate
Cao Ngan Thermal Power Company - TKV - Branch of Vinacomin - Power Holding Corporation	Company in the same Group
Hanoi Mining Chemical Materials Company - Branch of Vinacomin - Mining Chemical Industry Holding Corporation Limited	Company in the same Group
Vinacomin Business School	Company in the same Group
Vinacomin - Informatics, Technology, Evironment Joint Stock Company	Company in the same Group
Vinacomin Hospital	Company in the same Group
Vinacomin - Materials Trading Joint Stock Company - Hanoi Branch	Company in the same Group
Vietnam Coal and Mineral College	Company in the same Group
Vinacomin - Viet Bac Geology Joint Stock Company	Company in the same Group
Mr. Tran Viet Cuong	Director
Mr. Do Ngoc Huy	Deputy Management
Mr. Dao Trung Dung	Deputy Management
Mr. Nguyen Anh Tuan	Chief Accountant
Mr. Nguyen Van Dung	Chairman
Mr. Ha Van Chuyen	Member of the Board of Directors
Ms. Do Thu Huong	Member of the Board of Directors

b/ Transactions with related parties

Key management personnel and related individuals include: members of the Board of Directors, Board of Management, and the Supervisory Board.

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

3. Related parties (Continued)

b/ Transactions with related parties (Continued)

The income (including: salary, bonus, allowance) of the Board of Directors, Board of Management, and Supervisory Board is as follows:

Related parties	Transactions	Current year	Prior year
Mr. Tran Viet Cuong	Board of Management salary	406,096,377	355,680,000
	Board of Directors allowance	48,000,000	48,000,000
Mr. Do Ngoc Huy	Board of Management salary	357,870,977	312,000,000
	Board of Directors allowance	48,000,000	48,000,000
Mr. Dao Trung Dung	Board of Management salary	339,305,620	192,173,913
Mr. Nguyen Anh Tuan	Chief Accountant salary	321,711,577	282,360,000
Mr. Ta Van Long	Supervisory Board salary	351,130,577	327,600,000
Mr. Nguyen Van Dung	Board of Directors allowance	61,620,000	57,120,000
Mr. Ha Van Chuyen	Board of Directors allowance	51,500,000	48,000,000
Ms. Do Thu Huong	Board of Directors allowance	51,500,000	48,000,000
Ms. Nguyen Thi Hong Nhung	Supervisory Board allowance	51,500,000	48,000,000
Ms. Pham Thi Thuy Nga	Supervisory Board allowance	51,500,000	48,000,000

c/ Revenue from sales and services provisions with related parties

Related parties	Transactions	Current year	Prior year
VVMI - Mechancial and Pressure Equipment Joint Stock Company	Revenue from sales	-	832,564,000
VVMI Viet Bac Mechanical Joint Stock Company	Revenue from sales	407,163,000	781,612,000
Nui Hong Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Revenue from sales	83,703,704	958,333
VVMI - Tan Quang Cement Joint Stock Company	Revenue from sales	14,527,792,782	-
Khanh Hoa Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Revenue from sales	83,476,852	87,043,770

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

3. Related parties (Continued)

d/ Purchase goods and services from related parties

Related parties	Transactions	Current year	Prior year
VVMI La Hien Cement Joint Stock Company	Revenue from sales	-	1,262,316,667
Vinacomin - Vietbac Mining Industry Holding Corporation	Cost of purchasing goods	127,897,725,958	139,536,559,770
	Late payment interest exceeds the outstanding loan limit	929,304,823	3,563,722,751
	Distributed dividends	16,982,411,200	8,491,205,600
	Paid dividends	16,982,411,200	8,491,205,600
Khanh Hoa Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Cost of purchasing goods	28,158,929,498	28,685,255,962
	Car wash expenses	-	274,536,422
	Late payment interest exceeds the outstanding loan limit	67,724,558	255,419,139
Nui Hong Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	Cost of purchasing goods	31,373,736,900	29,481,677,400
	Freight costs	2,201,108,500	1,822,194,400
	Vacation costs	23,463,000	23,463,000
	Late payment interest exceeds the outstanding loan limit	111,130,563	454,367,773
VVMI - Thai Nguyen Hotel Joint Stock Company	Catering services, hall rentals, rooms rentals, vacations costs	1,234,232,038	1,181,852,086
	Cost of purchasing goods	1,806,278,500	1,277,056,500
VVMI Viet Bac Mechanical Joint Stock Company	Cost of purchasing goods	1,144,962,000	2,197,258,000
	Processing, repair, replacement and restoration costs	63,660,000	1,183,678,335
VVMI - Tan Quang Cement Joint Stock	Cost of purchasing goods	767,179,906	-
VVMI - Buidling Material and General Trading Joint Stock Company	Warehouse rental costs	300,000,000	300,000,000
VVMI - Manufacturing and Materials Equipment Trading Joint Stock Company	Cost of purchasing goods	375,000,000	1,736,966,890
Vinacomin - Informatics, Technology, Environment Joint Stock Company	Cost of purchasing services	97,222,222	81,481,481

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

3. Related parties (Continued)

d/ Purchase goods and services from related parties (Continued)

Related parties	Transactions	Current year	Prior year
Cao Ngan Thermal Power Company - TKV - Branch of Vinacomin - Power Holding Corporation	Cost of purchasing services	-	5,462,827
Vinacomin - Materials Trading Joint Stock Company - Hanoi Branch	Cost of purchasing goods	744,403,660	1,165,083,040
VVMI Coal Industry Convalescence Center	Conferences, vacations costs	796,377,777	884,418,182
Hanoi Mining Chemical Materials Company - Branch of Vinacomin - Mining Chemical Industry Holding Corporation Limited	Cost of purchasing goods	181,318,200	390,214,800
Vinacomin Hospital	Periodic health check-up costs	-	175,021,000
Vietnam Coal and Mineral College	Traning costs	201,848,500	-
Vinacomin Business School	Traning costs	10,571,000	58,678,000
Vinacomin - Viet Bac Geology Joint Stock Company	Geological survey costs	49,903,040	-

e/ Balance with related parties

Short-term trade payables

	Closing balance	Opening balance
Vinacomin - Vietbac Mining Industry Holding Corporation	20,436,225,862	47,371,429,163
Vinacomin - Informatics, Technology, Evironment Joint Stock Company	19,300,000	88,000,000
Vinacomin - Materials Trading Joint Stock Company - Hanoi Branch	-	36,995,508
Cao Ngan Thermal Power Company - TKV - Branch of Vinacomin - Power Holding Corporation	-	-
Nui Hong Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	40,696,852,090	40,196,706,678
Khanh Hoa Coal Company - VVMI - Branch of Vinacomin - Vietbac Mining Industry Holding Corporation	18,980,155,124	26,383,768,247
VVMI - Thai Nguyen Hotel Joint Stock Company	312,338,740	241,056,064
VVMI Viet Bac Mechanical Joint Stock Company	94,009,960	-

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

VII. OTHER INFORMATIONS (Continued)

Following items are prepared in Vietnam dong (VND).

3. Related parties (Continued)

e/ Balance with related parties

Short-term trade payables

	Closing balance	Opening balance
VVMI - Buidling Material and General Trading Joint Stock Company	81,000,000	81,000,000
VVMI - Manufacturing and Materials Equipment Trading Joint Stock Company	81,000,000	128,268,241
Total	80,700,881,776	114,527,223,901

Pricing policy for transactions between the Company and other related parties

The price of services and goods provided by related parties is the agreed-upon price.

The trade receivables are unsecured and will be settled in cash.

4. Operating lease commitments

As at 31 December 2024, the Company has operating lease commitments with the following payment date as follows:

	As at 31/12/2024	As at 01/01/2024
Within 1 year	300,000,000	300,000,000
Total	300,000,000	300,000,000

5. Subsequent event

There are no events occurring after the end of the financial year that have a material impact or could have a material impact on the company’s operations and business results in future periods after the end of the financial year.

6. Comparative information

The comparative datas are the datas in the financial statements for the fiscal year ending on 31/12/2023 which have been audited by BDO Audit Services Company Limited.

Thai Nguyen, 27 February 2025

Preparer



Nguyen Minh Hai

Chief Accountant



Nguyen Anh Tuan

Director



Tran Viet Cuong

QUAN TRIEU CEMENT JOINT STOCK COMPANY - VVMI

NOTES TO FINANCIAL STATEMENTS (Continued)

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For the fiscal year ended 31 December 2024

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Short-term borrowings								
1	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit limit contract No. 01/2024/1698437/HĐTD dated 30/10/2024	60,000,000,000	Until 30/09/2025	Details of each disbursement and debt receipt (according to each promissory note)	27,162,264,605	Supplement working capital for guarantees and opening L/C.	Factory production lines, machinery and equipment.
2	Military Joint Stock Commercial Bank - Thai Nguyen Branch	Credit contract No. 264305.24.090.502368.TD, dated 24/12/2024	50,000,000,000	From the date of contract conclusion (24/12/2024) to 24/08/2025	Details of each disbursement and debt receipt (according to each promissory note)	32,075,101,670	Supplement working capital, issue guarantees to support production and business activities in the cement industry.	Property: Goods are finished products, raw materials, materials, and work-in-progress owned by Quan Trieu Cement Joint Stock Company - VVMI at the Company's production facility in An Khanh commune, Dai Tu district, Thai Nguyen province. Guarantee commitment number 2314/CMV-KTTKTC dated 31/10/2024, guarantor: Vinacomin - Vietbac Mining Industry Holding Corporation.
3	Southeast Asia Joint Stock Commercial Bank - Thai Nguyen Branch	Borrowing contract No. REF2422000171/HĐHMTDTL dated 12/08/2024	30,000,000,000	12 months	Details of each disbursement and debt receipt (according to each promissory note)	2,293,726,402	Supplementing working capital, issuing payment guarantees to support business operations.	Guarantee commitment number 2316/CMV-KTTKTC dated 31/10/2024, guarantor: Vinacomin - Vietbac Mining Industry Holding Corporation.
Total						61,531,092,677		

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings due within 1 year								
4	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2021/1698437/HDTD dated 23/07/2021	1,817,600,000	60 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	400,000,000	Payment for sufficient costs to implement the hydraulic excavator investment project.	All assets generated from the company's hydraulic excavator investment project.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2022/1698437/HDTD dated 27/09/2022	1,986,000,000	60 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	400,000,000	Investment in a 2-ton hoist for the heat exchange tower and invest in a dust filtration system for the clinker discharge area to support the maintenance of production and business operations.	All assets generated from the investment project in the 2-ton hoist for the heat exchanger tower and the dust filtration system for the clinker discharge area to support the maintenance of production and business activities.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 01/2024/1698437/HDTD dated 05/02/2024	2,161,600,000	84 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	308,800,000	Payment for sufficient costs to implement the motor grader investment project.	All assets generated from the company's motor grader investment project.

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings due within 1 year (Continued)								
4	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2024/1698437/HDTD dated 13/11/2024	1,792,399,835	96 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	224,399,835	Investment project to expand the production control building.	All assets generated from the investment project to expand the production control building.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 03/2024/1698437/HDTD dated 24/12/2024	1,830,000,000	84 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	260,000,000	Investment in environmental protection equipment: mist spraying system for dust suppression in clinker storage yards, industrial dust cleaning vehicles.	All assets generated from the customer's environmental protection equipment investment project.

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings due within 1 year (Continued)								
5	Borrowings from employees and other individuals	According to the borrowing contracts signed individually with employees and other individuals		3 years from the date of signing the borrowing contract	- Borrowing interest rate: the interest rate on customer deposits, with a term of 12 months, plus 2.5% per annum. - Adjustment every 3 months: according to the deposit interest rate of Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch.	3,634,222,560	Compensate for the company's resource deficit	No collateral
Total						5,227,422,395		

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings								
6	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2021/1698437/HDTD dated 23/07/2021.	1,817,600,000	60 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	217,600,000	Payment for sufficient costs to implement the hydraulic excavator investment project.	All assets generated from the company's hydraulic excavator investment project.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2022/1698437/HDTD dated 27/09/2022.	1,986,000,000	60 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	686,000,000	Investment in a 2-ton hoist for the heat exchange tower and invest in a dust filtration system for the clinker discharge area to support the maintenance of production and business operations.	All assets generated from the investment project in the 2-ton hoist for the heat exchanger tower and the dust filtration system for the clinker discharge area to support the maintenance of production and business activities.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 01/2024/1698437/HDTD dated 05/02/2024	2,161,600,000	84 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	1,550,800,000	Payment for sufficient costs to implement the motor grader investment project.	All assets generated from the company's motor grader investment project.

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings (Continued)								
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 02/2024/1698437/HDTD dated 13/11/2024	1,792,399,835	96 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	1,568,000,000	Investment project to expand the production control building.	All assets generated from the investment project to expand the production control building.
	Joint Stock Commercial Bank for Investment and Development of Vietnam - Thai Nguyen Branch	Credit contract No. 03/2024/1698437/HDTD dated 24/12/2024	1,830,000,000	84 months from the date of the first withdrawal of funds	Apply a floating interest rate, adjusted every 6 months	1,570,000,000	Investment in environmental protection equipment: mist spraying system for dust suppression in clinker storage yards, industrial dust cleaning vehicles.	All assets generated from the customer's environmental protection equipment investment project.

Appendix 01

DETAILS INFORMATION ABOUT BORROWINGS

Unit: VND

Note	Lender	Contract	Credit limit	Tenor	Interest rate	Principal value (VND)	Borrowing purpose	Collaterals
Long-term borrowings (Continued)								
7	Loans from employees and other individuals	According to the individual loan contracts signed with employees and other individuals		3 years from the date of signing the loan contract	- Loan interest rate: the interest rate on customer deposits, with a term of 12 months, plus 2.5% per annum. - Adjustment every 3 months: according to the deposit interest rate of Joint Stock Commercial Bank for Industry and Trade - Thai Nguyen Branch.	35,109,912,895	Compensate for the company's resource deficit.	No collateral.
Total						40,702,312,895		