

VIMICO - THAI NGUYEN NON - FERROUS METAL JOINT STOCK COMPANY

AUDITED FINANCIAL STATEMENTS

For the year ended 31/12/2024

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VIMICO - THAI NGUYEN NON - FERROUS METAL JOINT STOCK COMPANY

Group 3, Phu Xa Ward, Thai Nguyen City, Thai Nguyen Province

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of Vimico - Thai Nguyen Non-Ferrous Metals Joint Stock Company presents this Report along with the audited Financial Statements for the fiscal year ended December 31, 2024.

THE COMPANY

Vimico - Thai Nguyen Non-Ferrous Metals Joint Stock Company was equitized from the State-owned One Member Limited Liability Company - Thai Nguyen Non-Ferrous Metals Company under Decision No. 212/QĐ-TKV dated February 21, 2014, issued by Vietnam National Coal - Mineral Industries Group (Vinacomin). The Company operates under the Enterprise Registration Certificate No. 4600100003, first issued by the Department of Planning and Investment of Thai Nguyen Province on April 10, 2005. The latest amendment was made on February 8, 2023 (13th revision).

The charter capital of the Company, as stated in the Enterprise Registration Certificate No. 4600100003 (13th revision) dated February 8, 2023, is VND 180,000,000,000 (in words: One hundred eighty billion Vietnamese dong).

The Company's shares are currently traded on the UpCOM stock exchange under the ticker symbol TMG.

The Company's headquarters is located at: Group 3, Phu Xa Ward, Thai Nguyen City, Thai Nguyen Province.

BOARD OF MANAGEMENT, BOARD OF SUPERVISORS AND BOARD OF DIRECTORS

Members of Boards of Management, Supervisors and Directors who held the Company during the year and at the date of this report are as follows:

Board of Management

Mr	Ly Xuan Tuyen	Chairman
Mr	Tran Van Long	Member
Mr	Pham The Vinh	Member
Mr	Tran Minh Tuan	Member
Mr	Pham Vu Hai	Member

Board of Supervisors

Mr	Nguyen Dinh Chien	Head of the Board
Mr	Le Van Luong	Member
Mrs	Ngo Thi Nham	Member
Mrs	Dao Thi Khue	Member
Mrs	Vu Thi Thanh Hao	Member

Board of Directors

Mr	Tran Van Long	Director
Mr	Bui Huy Tuan	Deputy Director
Mr	Nguyen Van Hau	Deputy Director

SUBSEQUENT EVENTS

According to the assessment of the Board of Directors, in all material respects, no unusual events have occurred after the accounting closing date that would impact the Company's financial position and operations, requiring adjustments or disclosures in the financial statements for the fiscal year ended December 31, 2024.

STATEMENT OF THE BOARD OF DIRECTORS (CONTINUED)

AUDITORS

The financial statements for the fiscal year ended December 31, 2024, were audited by CPA VIETNAM Co., Ltd. – a member of the INPACT International Audit Firm.


RESPONSIBILITY OF THE BOARD OF DIRECTORS

The Company's Board of Directors is responsible for preparing the financial statements that fairly and accurately reflect the Company's financial position as of December 31, 2024, as well as the business performance and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on financial statement preparation and presentation. In preparing these financial statements, the Board of Directors is required to:

- Select appropriate accounting policies and apply them consistently;
- Make reasonable and prudent judgments and estimates;
- Clearly state whether applicable accounting principles have been adhered to, and disclose and explain any material deviations in the financial statements;
- Design, implement, and maintain an internal control system related to the preparation and fair presentation of the financial statements to prevent material misstatements, whether due to fraud or error;
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the Company will continue its operations.

The Board of Directors is responsible for ensuring that accounting records are properly maintained to accurately reflect the Company's financial position at any given time and that the financial statements are prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements. The Board of Directors is also responsible for safeguarding the Company's assets and, accordingly, implementing appropriate measures to prevent and detect fraud and other irregularities.

The Board of Directors confirms that the Company has complied with the above requirements in the preparation of the financial statements.

On behalf of and representing the Board of Directors, 



Tran Van Long

Director

Thai Nguyen, 24 March 2025

Head Office in Hanoi:

8th floor, VG Building, No. 235 Nguyen Trai Str.,
Thanh Xuan Dist., Hanoi, Vietnam

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No: 122/2025/BCKT-CPA VIETNAM-NVI

INDEPENDENT AUDITORS' REPORT

To: **Shareholders,
Boards of Management, Supervisors and Directors
Vimico - Thai Nguyen Non - Ferrous Metal Joint Stock Company**

We have audited the accompanying financial statements of Vimico - Thai Nguyen Non - Ferrous Metal Joint Stock Company, prepared on 24 March 2025, from pages 05 to 36, including the Balance Sheet as of December 31, 2024, the Income Statement, the Cash Flow Statement for the financial year then ended, and the Notes to the Financial Statements.

The Board of Directors' responsibility

The Board of Directors of Vimico - Thai Nguyen Non - Ferrous Metal Joint Stock Company is responsible for preparing and fairly presenting the Company's financial statements in accordance with the Vietnamese Accounting Standards, the prevailing Vietnamese Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements. The Board of Directors is also responsible for implementing internal controls as deemed necessary to ensure that the preparation and presentation of the financial statements are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on the results of our audit. We conducted our audit in accordance with Vietnamese Auditing Standards. These standards require us to comply with ethical requirements and auditing standards, as well as to plan and perform the audit to obtain reasonable assurance about whether the Company's financial statements are free from material misstatement.

The audit procedures include performing various tasks to obtain audit evidence regarding the figures and disclosures in the financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of the risk of material misstatement in the financial statements due to fraud or error. In assessing these risks, the auditor considers the Company's internal controls related to the preparation and fair presentation of the financial statements to design appropriate audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls. The audit also includes evaluating the appropriateness of the accounting policies applied and the reasonableness of management's accounting estimates, as well as assessing 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, the accompanying financial statements present fairly, in all material respects, the financial position of Vimico - Thai Nguyen Non - Ferrous Metal Joint Stock Company as of December 31, 2024, as well as its financial performance and cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations on the preparation and presentation of financial statements.



Phan Thanh Nam**Deputy Director**

Audit Practising Registration Certificate

No: 1009-2023-137-1

Power of Attorney No: 02/2025/UQ-CPA VIETNAM of Chairman of Management Board dated 02/01/2025

For and on behalf of

CPA VIETNAM AUDITING COMPANY LIMITED**An Independent member of INPACT***Hanoi, 24 March, 2025*

Luu Anh Tuan**Auditor**

Audit Practising Registration Certificate

No: 1026-2024-137-1

BALANCE SHEET
As at 31st December 2024

ASSETS		Code	Note	31/12/2024 VND	01/01/2024 VND (Representation)
A - CURRENT ASSETS		100		242,136,566,464	181,066,042,672
(100 = 110+130+140+150)					
I. Cash and cash equivalents		110	5.1	94,613,369,527	8,299,498,121
1. Cash		111		54,613,369,527	8,299,498,121
2. Cash equivalents		112		40,000,000,000	-
II. Short-term receivables		130		8,764,130,980	34,111,885,980
1. Short-term receivables from customers		131	5.2	5,232,017,519	29,348,589,756
2. Prepayments to suppliers in short-term		132	5.3	1,222,124,699	2,925,509,925
3. Other short-term receivables		136	5.4	2,912,028,762	2,439,826,299
4. Short-term allowances for doubtful debts		137	5.5	(602,040,000)	(602,040,000)
III. Inventories		140	5.6	97,817,108,021	87,842,726,963
1. Inventories		141		99,292,028,298	89,317,647,240
2. Allowances for devaluation of inventories		149		(1,474,920,277)	(1,474,920,277)
IV. Other current assets		150		40,941,957,936	50,811,931,608
1. Short-term prepaid expenses		151	5.7	39,713,475,399	40,428,098,351
2. Deductible value added tax		152		341,160,566	-
3. Taxes and other receivables from government budget		153	5.8	887,321,971	10,383,833,257
B - NON-CURRENT ASSETS		200		337,516,213,801	298,397,970,085
(200 = 210+220+240+250+260)					
I. Long-term receivables		210		9,799,661,843	9,117,354,061
1. Other long-term receivables		216	5.4	9,799,661,843	9,117,354,061
II. Fixed assets		220		187,487,868,557	216,100,186,669
1. Tangible fixed assets		221	5.9	187,487,868,557	216,100,186,669
<i>Historical costs</i>		222		993,375,752,582	983,895,996,213
<i>Accumulated depreciation</i>		223		(805,887,884,025)	(767,795,809,544)
2. Intangible fixed assets		227	5.10	-	-
<i>Historical costs</i>		228		629,245,319	629,245,319
<i>Accumulated amortization</i>		229		(629,245,319)	(629,245,319)
III. Long-term assets in progress		240		46,027,069,653	10,886,456,556
1. Construction in progress		242	5.11	46,027,069,653	10,886,456,556
IV. Long-term investments		250	5.12	-	-
1. Investments in joint ventures and associates		252		1,020,246,000	1,020,246,000
2. Allowances for long-term investments		254		(1,020,246,000)	(1,020,246,000)
V. Other long-term assets		260		94,201,613,748	62,293,972,799
1. Long-term prepaid expenses		261	5.7	94,201,613,748	62,293,972,799
TOTAL ASSETS (270 = 100+200)		270		579,652,780,265	479,464,012,757

BALANCE SHEET (CONTINUED)

As at 31st December 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND (Representation)
C- LIABILITIES	300		315,572,065,027	229,619,867,435
(300 = 310+330)				
I. Short-term liabilities	310		294,601,949,700	214,845,782,167
1. Short-term trade payables	311	5.13	154,696,658,700	91,507,258,097
2. Short-term prepayments from customers	312	5.14	1,430,576,109	3,459,019,779
3. Taxes and other payables to government budget	313	5.8	17,957,577,801	14,237,493,854
4. Payables to employees	314		49,098,252,565	57,185,180,172
5. Short-term accrued expenses	315	5.15	6,940,525,336	2,960,198,223
6. Other short-term payments	319	5.16	51,991,210,564	20,545,958,984
7. Short-term borrowings and finance lease liabilities	320	5.17	12,060,000,000	20,124,077,441
8. Bonus and welfare fund	322		427,148,625	4,826,595,617
II. Long-term liabilities	330		20,970,115,327	14,774,085,268
2. Long-term borrowings and finance lease liabilities	338	5.17	13,570,800,000	7,272,647,000
3. Long-term provisions	342	5.18	7,399,315,327	7,501,438,268
B- OWNERS' EQUITY	400		264,080,715,238	249,844,145,322
(400 = 410)				
I. Owners' equity	410	5.19	264,080,715,238	249,844,145,322
1. Contributed capital	411		180,000,000,000	180,000,000,000
- Ordinary shares with voting rights	411a		180,000,000,000	180,000,000,000
2. Undistributed profit after tax	421		84,080,715,238	69,844,145,322
- Undistributed profit after tax brought forward	421a		15,367,155,344	31,567,155,344
- Undistributed profit after tax for the current year	421b		68,713,559,894	38,276,989,978
TOTAL RESOURCES	440		579,652,780,265	479,464,012,757
(440 = 300+400)				

Thai Nguyen, 24 March 2025

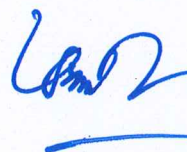
Preparer

Chief Accountant

General Director



Pham Thi Thuy Duong



Nguyen Thi Xuan Huong



Tran Van Long

INCOME STATEMENT
For the year ended 31 December 2024

ITEMS	Code	Note	Year 2023	
			Year 2024 VND	VND (Representation)
1. Revenues from sales and services rendered	01	6.1	1,158,378,432,592	966,714,639,956
2. Revenue deductions	02		-	-
3. Net revenues from sales and services rendered (10 = 01-02)	10		1,158,378,432,592	966,714,639,956
4. Costs of goods sold	11	6.2	1,004,841,554,328	846,253,288,281
5. Gross revenues from sales and services rendered (20 = 10-11)	20		153,536,878,264	120,461,351,675
6. Financial income	21	6.3	515,794,628	1,535,824,043
7. Financial expenses	22	6.4	2,579,871,466	3,556,168,375
<i>In which: Interest expenses</i>	23		2,299,179,356	3,458,275,643
8. Selling expenses	25	6.5	2,497,176,321	2,094,848,051
9. General administration expenses	26	6.5	61,808,599,777	64,514,567,908
10. Net profits from operating activities {30 = 20+(21-22)+24-(25+26)}	30		87,167,025,328	51,831,591,384
11. Other income	31	6.6	5,008,933,273	816,099,019
12. Other expenses	32	6.6	5,629,411,203	1,202,765,076
13. Other profits (40 = 31-32)	40		(620,477,930)	(386,666,057)
14. Total net profit before tax (50 = 30+40+45)	50		86,546,547,398	51,444,925,327
15. Current corporate income tax expenses	51	6.7	17,596,845,754	13,167,935,349
16. Profits after enterprise income tax (60 = 50-51-52)	60		68,949,701,644	38,276,989,978
17. Basic earnings per share	70	6.8	3,771.19	1,846.23

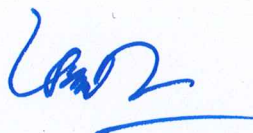
Thai Nguyen, 24 March, 2025

Preparer



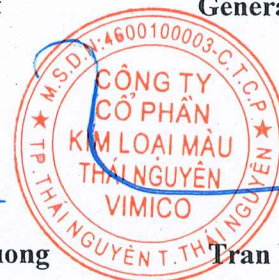
Pham Thi Thuy Duong

Chief Accountant



Nguyen Thi Xuan Huong

General Director



Tran Van Long

CASH FLOW STATEMENT

(Indirect method)

For the year ended 31 December 2024

ITEMS	Code Note	Year 2024	Year 2023
		VND	VND (Representation)
I. Net cash flows from operating activities			
1. Profit before tax	01	86,546,547,398	51,444,925,327
2. Adjustments for			
- Depreciation of fixed assets and investment properties	02	38,369,108,470	35,271,570,894
- Provisions	03	-	(23,962,346,367)
- Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04	230,977,279	97,892,732
- Gains (losses) on investing activities	05	515,794,628	(1,523,432,558)
- Interest expenses	06	2,299,179,356	3,458,275,643
3. Operating profit before changes in working capital	08	127,961,607,131	64,786,885,671
- Increase (decrease) in receivables	09	33,820,797,938	(34,823,327,082)
- Increase (decrease) in inventories	10	(9,974,381,058)	45,714,023,343
- Increase (decrease) in payables (excluding interest payable, corporate income tax payable)	11	41,297,830,256	(53,271,085,461)
- Increase (decrease) in prepaid expenses	12	(31,193,017,997)	38,064,252,780
- Interest paid	14	(2,299,179,356)	(3,458,275,643)
- Paid enterprise income tax	15	(8,385,558,918)	(24,619,247,908)
- Other proceeds from operating activities	16	-	153,480,000
- Other expenditures on operating activities	17	-	(1,868,868,897)
Net cash flows from operating activities	20	151,228,097,996	30,677,836,803
II. Cash flows from investing activities			
1. Expenditures on purchase and construction of fixed assets and long-term assets	21	(40,333,339,777)	(18,418,830,316)
2. Proceeds from interests, dividends and distributed profits	27	515,794,628	1,139,857,207
Net cash flows from investing activities	30	(39,817,545,149)	(17,278,973,109)
III. Cash flows from financial activities			
1. Proceeds from borrowings	33	131,041,402,421	149,456,877,676
2. Repayment of principal	34	(132,807,326,862)	(139,804,269,235)
3. Dividends and profits paid to owners	36	(23,330,757,000)	(80,128,605,000)
Net cash flows from financial activities	40	(25,096,681,441)	(70,475,996,559)
Net cash flows during the fiscal year (50 = 20+30+40)	50	86,313,871,406	(57,077,132,865)
Cash and cash equivalents at the beginning of the fiscal year	60	8,299,498,121	65,376,630,986
Cash and cash equivalents at the end of the fiscal year(70 = 50+60)	70 5.1	94,613,369,527	8,299,498,121

Preparer



Pham Thi Thuy Duong

Chief Accountant



Nguyen Thi Xuan Huong

General Director




Tran Van Long

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

1. COMPANY INFORMATION

1.1. Structure of ownership

Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company was equitized from the state-owned company Thai Nguyen Non - Ferrous Metals One Member Limited Liability Company under Decision No. 212/QĐ-TKV dated February 21, 2014, issued by the Vietnam National Coal - Mineral Industries Group.

The company operates under the Business Registration Certificate No. 4600100003, initially issued by the Department of Planning and Investment of Thai Nguyen Province on April 10, 2005, with its 13th amendment registered on February 8, 2023.

The charter capital of Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company is VND 180,000,000,000, divided into 18,000,000 shares, with a par value of VND 10,000 per share.

The company's shares are currently traded on the UpCOM exchange under the stock code: TMG.

The company's headquarters is located at: Group 3, Phu Xa Ward, Thai Nguyen City, Thai Nguyen Province, Vietnam.

As of December 31, 2024, the company had 1,271 employees (the same as on December 31, 2023).

1.2. Operating industries and principle activities

- Mining of rare ores; production of non-ferrous and precious metals; iron ore mining;
- Mining of other non-ferrous metals; mining of chemical and fertilizer minerals;
- Production of iron, steel, and pig iron; production of basic chemicals; wholesale of metals and metal ores;
- Casting of non-ferrous metals; forging, stamping, pressing, and rolling of metals; powder metallurgy; production of metal structures; mechanical processing; metal treatment and coating; production of tanks, containers, and metal storage equipment.

The company's main activity during the year is the mining and processing of lead-zinc ore.

1.3. Normal operating cycle

The company's normal business production cycle is 12 months.

1.4. The Company structure

As of December 31, 2024, the Company has the following subsidiaries and affiliated companies:

Subsidiaries:	Address:	Main Activities:
Lang Hich Lead-Zinc Enterprise	Thai Nguyen Province	Mining and processing of lead-zinc ore
Dai Tu Tin Enterprise	Thai Nguyen Province	Mining and processing of tin ore
Bac Kan Non-Ferrous Metals Branch – Thai Nguyen Non-Ferrous Metals JSC - Vimico	Bac Kan Province	Mining and processing of lead-zinc ore

Affiliated Companies:

Companies	Address	Voting Ratio	Ownership Ratio	
Vietnam - Thai Zinc Industry Joint Venture Company	Bac Kan Province	50%	40%	Mining and smelting of zinc

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

1.5. Statement of Comparability of Information in the Consolidated Financial Statements

The Company consistently applies accounting policies in accordance with the Vietnamese Enterprise Accounting System, issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, by the Ministry of Finance, and Circular No. 53/2016/TT-BTC dated March 21, 2016, amending and supplementing certain provisions of Circular No. 200/2014/TT-BTC.

As a result, the information and figures presented in the financial statements are comparable.

2. ACCOUNTING PERIOD, MONETARY UNIT IN ACCOUNTING

Accounting period

The Company's fiscal year begins on January 1 and ends on December 31 each year.

Accounting currency

The accompanying financial statements are presented in Vietnamese Dong (VND).

3. ADOPTED ACCOUNTING STANDARDS AND ACCOUNTING SYSTEM

Adopted Accounting System

The Company applies the Vietnamese Enterprise Accounting System, issued under Circular No. 200/2014/TT-BTC dated December 22, 2014, by the Ministry of Finance, and Circular No. 53/2016/TT-BTC, which amends and supplements certain provisions of Circular No. 200/2014/TT-BTC dated December 22, 2014.

Statements for the compliance with Accounting Standards and System

The Company's Board of Directors ensures full compliance with the applicable Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System in effect regarding the preparation and presentation of these financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the financial statements

The accompanying financial statements are presented in Vietnamese Dong (VND), based on the historical cost principle and in accordance with Vietnamese Accounting Standards, the Vietnamese Enterprise Accounting System, and relevant legal regulations governing the preparation and presentation of financial statements.

The Company's financial statements are prepared by aggregating transactions, balances, and financial data from its dependent accounting units and the Company's headquarters. All internal transactions and balances have been entirely eliminated in the consolidation process.

The accompanying financial statements are not intended to present the financial position, business results, or cash flows in accordance withly accepted accounting principles and practices in countries other than Vietnam.

Accounting Estimate

The preparation of financial statements in compliance with Vietnamese Accounting Standards requires the Board of Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets, and the presentation of contingent liabilities and assets as of the reporting date, as well as the reported amounts of revenue and expenses during the accounting period. The actual business results may differ from these estimates and assumptions.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Types of Exchange Rates Applied in Accounting

For transactions denominated in foreign currencies:

Foreign currency transactions are converted into VND at the exchange rates applicable at the transaction date. Foreign exchange differences arising from these transactions are recorded as financial income or financial expenses in the Statement of Profit and Loss.

Revaluation of monetary items denominated in foreign currencies at the reporting date:

(i) Foreign currency-denominated monetary assets (such as cash, receivables, etc.) are revalued using the buying exchange rate of the bank conducting the foreign exchange transaction as of December 31, 2024.

(ii) Foreign currency-denominated monetary liabilities (such as payables to suppliers, loans, etc.) are revalued using the selling exchange rate of the bank conducting the foreign exchange transaction as of December 31, 2024.

Foreign exchange differences arising from the revaluation process are recorded in Account No. 413 – Foreign Exchange Differences. The balance of this account is transferred to financial income or financial expenses at the time of preparing the financial statements.

Cash and Cash Equivalents

Cash includes cash on hand and bank deposits.

Cash equivalents are short-term investments with a maturity or redemption period of no more than three months from the purchase date, which are readily convertible to a known amount of cash and carry minimal risk of value fluctuation upon conversion.

Investments in Associates

Investments in affiliated companies where the Company has significant influence are presented using the cost method in the financial statements.

Distributions of profits received by the Company from the accumulated earnings of affiliated companies after the date the Company gains control are recognized in the Company's profit and loss for the year. Other distributions are considered a return on investment and deducted from the investment value.

Investments in affiliated companies and other investments are presented in the balance sheet at cost, net of any impairment provisions (if applicable).

Provision for Investment Losses

Provisions for impairment of investments in affiliated companies are made when there is clear evidence of a decline in the value of these investments as of the end of the fiscal year.

Receivables

Receivables represent amounts recoverable from customers or other parties. They are presented at their recorded value, net of any allowance for doubtful debts.

The allowance for doubtful debts is assessed and recognized for receivables that are past due and difficult to collect or for receivables where the debtor is unlikely to settle due to liquidation, bankruptcy, or other financial difficulties.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories

Inventories are measured at the lower of cost and net realizable value. Inventory cost includes direct materials, direct labor, and applicable manufacturing overheads necessary to bring the inventory to its current location and condition.

Net realizable value is determined as the estimated selling price less the estimated costs of completion and the estimated costs necessary to market, sell, and distribute the inventory.

Inventories are accounted for using the perpetual inventory system and valued using the weighted average method.

A provision for inventory devaluation is recognized when there is reliable evidence that the net realizable value is lower than the cost of inventory.

Depreciation of Tangible Fixed Assets

Tangible fixed assets are recorded at historical cost and presented at cost less accumulated depreciation. The historical cost of fixed assets includes all expenses incurred by the Company to acquire the assets and bring them to a ready-for-use condition.

Fixed assets are depreciated using the straight-line method over their estimated useful lives. The specific depreciation periods are as follows:

	<u>Depreciation Period (Years):</u>
Buildings and structures	06 - 37
Machinery and equipment	05 - 15
Transportation vehicles	06 - 10
Management equipment and tools	03 - 05

When a fixed asset is sold or disposed of, its original cost and accumulated depreciation are written off. Any gain or loss arising from the disposal is recognized as other income or other expenses in the year.

Accounting Principles and Amortization of Intangible Fixed Assets

The Company's intangible fixed asset consists of management software, which is recorded at cost less accumulated amortization.

The historical cost of intangible fixed assets includes all expenses incurred by the Company to acquire the asset and bring it to a ready-for-use condition.

Management software is amortized using the straight-line method over its estimated useful life of five years.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction in Progress Costs

Assets under construction for production, leasing, administration, or other purposes are recorded at historical cost. This cost includes service costs and related borrowing costs, in accordance with the Company's accounting policies.

Depreciation of these assets follows the same principles as other assets and begins when the asset is in a ready-for-use condition.

Prepaid Expenses

Prepaid expenses include actual costs incurred that relate to the Company's business operations over multiple accounting periods. The Company's prepaid expenses primarily include the following:

Repair Expenses

Expenses incurred for the repair and major overhaul of machinery and equipment are allocated over a period of **3 to 36 months**, based on the maintenance cycle of the equipment.

Costs of Using Geological Exploration Documents

Expenses incurred for the use of geological documents from the Department of Geology for mineral extraction purposes are allocated in proportion to the mining duration.

Mining Rights Acquisition Costs

Expenses paid to the government for mining rights are allocated based on the annual payment notice from the regulatory authorities and the extracted production volume each year.

Tool and Equipment Costs, Other Remaining Expenses

These expenses are allocated over **12 to 24 months**, based on the usage period.

Accounting Principles for Liabilities

Liabilities are tracked in detail based on payment terms, creditors, currency type, and other factors according to the Company's management needs.

Liabilities, including trade payables, loan payables, and other payables, are recognized when their value and settlement period are reasonably certain and are recorded at no less than the payment obligation. They are classified as follows:

- **Trade payables:** Amounts payable arising from transactions involving the purchase of goods, services, or assets between the Company and independent suppliers.
- **Other payables:** Non-commercial payables that are not related to the purchase or supply of goods and services.

Principles for Loan Recognition

Loans include borrowed funds but exclude borrowings in the form of bond issuances or preferred shares with mandatory repurchase terms at a specific future date.

The Company tracks loans in detail for each creditor and classifies them as short-term or long-term based on repayment periods.

Direct costs related to loans are recorded as financial expenses, except for costs incurred from borrowings used for investment, construction, or production of assets under development, which are **capitalized** in accordance with the Accounting Standard on Borrowing Costs.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Recognition and capitalization of Borrowing costs

All borrowing costs are recognized in the Income Statement when incurred, except for the borrowing cost capitalized under Vietnamese Accounting Standards "Borrowing cost".

Accrued expenses

Accrued expenses are those already recorded in operating expenses in the period/year but not actually paid to ensure that when these expenses actually occur, they will not have a significant influence on operating expenses based on matching principle between income and expenses.

The Company recognizes Accrued expenses as follows:

- **Borrowing costs:** Accrued in advance according to loan agreements.
- **Other accrued expenses:** Recognized for expenses incurred during the year but lacking complete documentation.

Provisions (for payables)

The recognized amount of a provision for payables is the best estimate of the amount that will be required to settle the present obligation as at the fiscal year end date.

Only expenses related to the provision for payables made initially will be offset by such provision. The basis for provisioning specific payable reserves is as follows:

Assets formed from the Centralized Fund: The provision for payables currently tracks the remaining value of assets formed from the Centralized Fund of the Vietnam National Coal and Mineral Industries Group, in accordance with the Guidance in Document No. 6764/TKV-KTTC dated December 25, 2018, issued by the Group.

Provision for Environmental Rehabilitation Costs: Based on the estimated environmental rehabilitation costs.

The difference between the provision recognized in the previous accounting period that has not been fully utilized and the lower provision recognized in the reporting period is reversed and recorded as a reduction in production and business costs for the year.

Owners' equity

Capital is recorded according to the actual amounts invested by shareholders.

Undistributed profit is determined based on the business results after corporate income tax and the distribution of profits or loss settlement of the Company.

Profit after corporate income tax is distributed to shareholders after allocating funds in accordance with the Company's Charter, legal regulations, and approval by the Meeting of Shareholders.

Dividends are recognized as liabilities after the resolution of the Meeting of Shareholders.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue and other income

The Company's revenue includes sales of goods and finished products, primarily zinc ingots, zinc concentrate, and sulfuric acid.

Revenue from sale of goods shall be recognized when it satisfies all the five (5) conditions below:

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

For interest, dividends, distributed profits, and other income: Revenue is recognized when the Company is likely to obtain economic benefits from these activities and the amount can be reasonably determined.

Cost of goods sold.

Cost of goods sold or services rendered including the cost of products, goods, services, sold during the period is recorded corresponding to revenue of the period. For cost which is over the normal level of inventories is recorded directly into the cost of goods sold.

Financial expenses

Borrowing costs: Recognized monthly based on the loan amount, interest rate, and actual loan duration.

Foreign exchange loss: Recognized on an actual basis upon payment or collection of foreign currency-denominated receivables and payables.

Current corporate income tax expense and deferred corporate income tax, others tax

Corporate income tax expenses (or corporate income tax income): is total current and deferred income tax expenses (or total current and deferred tax) in determining profit or loss of a period

Current corporate income tax expense: The amount of corporate income tax payable, calculated based on taxable income for the year and the applicable corporate income tax rate. Current income tax is determined based on taxable income and the tax rate applicable for the tax year.

The taxable income differs from accounting profit due to adjustments for discrepancies between accounting profit and taxable income under the prevailing tax regulations..

The Company is obligated to pay corporate income tax at a rate of 20% on taxable income.

The determination of the Company's income tax is based on the prevailing tax regulations. However, these regulations may change from time to time, and the final determination of corporate income tax depends on the results of inspections by the competent tax authorities..

Other Types of Taxes Applied Under the Current Tax Laws in Viet Nam.

Earnings per share

Basic earnings per share is calculated by dividing net profit (loss) after tax for the year attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

When considering the relationship of related parties, the nature of relationship is focused more than its legal form.

Segment reporting

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments

The Company primarily operates in the field of mineral mining and processing, mainly within the territory of Vietnam. Therefore, the Company does not prepare segment reporting.

5. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET

5.1 Cash and cash equivalents

	31/12/2024	01/01/2024
	VND	VND
Cash on hand	362,184,855	333,356,272
Cash at bank	54,251,184,672	7,966,141,849
Cash equivalents (*)	40,000,000,000	-
Total	94,613,369,527	8,299,498,121

(*) A one-month term deposit at the Bank for Investment and Development of Thai Nguyen.

5.2 Receivables from customers

	31/12/2024	01/01/2024
	VND	VND
Short-term	5,232,017,519	29,348,589,756
Hung Thinh Cao Bang Mineral Joint Stock Company	-	15,920,003,591
Dong Duong Minerals Joint Stock Company	3,564,121,558	7,894,933,389
Thanh Phat Non-Ferrous Metal Minerals Joint Stock Company	-	5,492,754,850
Trung Nhat Bao Thang Vietnam Industrial Co., Ltd	1,430,461,182	-
Others	237,434,779	40,897,926
Total	5,232,017,519	29,348,589,756

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.3 Repayments to suppliers

	31/12/2024 VND	01/01/2024 VND
Short-term	1,222,124,699	2,925,509,925
Geological Analysis and Verification Center	213,012,699	-
Geotechnical Research Center	-	1,839,311,600
Others	1,009,112,000	1,086,198,325
Total	1,222,124,699	2,925,509,925

5.4 Other receivables

	31/12/2024 (VND)		01/01/2024 (VND)	
	Book value	Allowances	Book value	Allowances
Short-term	2,912,028,762	-	2,439,826,299	-
Advance (*)	331,400,000	-	-	-
Social insurance receivable	753,592,973	-	750,234,907	-
Interest on Environmental Deposit	1,238,264,772	-	-	-
Others	588,771,017	-	1,689,591,392	-
Long-term	9,799,661,843	-	9,117,354,061	-
Deposits	9,799,661,843	-	9,117,354,061	-
Total	12,711,690,605	-	11,557,180,360	-

5.5 Short-term allowances for doubtful debts

	31/12/2024 (VND)		01/01/2024 (VND)	
	Historical cost	Recoverable value	Historical cost	Recoverable value
<i>Total value of receivables, overdue debts or no overdue doubtful debts</i>	<i>602,040,000</i>	-	<i>602,040,000</i>	-
Truong Son Investment and Construction Joint Stock Company	602,040,000	-	602,040,000	-
Total	602,040,000	-	602,040,000	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.6 Inventories

	31/12/2024 (VND)		01/01/2024 (VND)	
	Historical Cost	Allowances	Historical Cost	Allowances
Raw materials	9,703,918,935	-	10,828,268,159	-
Tools and supplies	455,355,296	-	975,423,718	-
Work in progress	45,763,600,584	(1,474,920,277)	45,762,243,905	(1,474,920,277)
Finished goods	43,369,153,483	-	31,751,711,458	-
Total	99,292,028,298	(1,474,920,277)	89,317,647,240	(1,474,920,277)

5.7 Prepaid expenses

	31/12/2024 VND	01/01/2024 VND
Short-term	39,713,475,399	40,428,098,351
Prepaid materials, tools and supplies expenses and others	77,383,744	62,924,082
Fixed asset repair costs	20,814,217,750	22,462,582,875
Other short-term costs	18,821,873,905	17,902,591,394
Long-term	94,201,613,748	62,293,972,799
Expenses for the use of geological documents	21,636,055,377	24,330,529,518
Exploration costs for upgrading tin ore reserves	12,849,876,760	-
Mineral exploitation licensing fees	18,454,948,526	10,595,704,360
Land clearance costs offset against land rental payments	14,224,979,767	16,471,029,199
Cost of implementing the project of drilling exploration to upgrade the reserves of Cho Dien mine	11,111,588,418	-
Major repair costs pending allocation	1,419,369,341	1,873,685,657
Other long-term prepaid expenses	14,504,795,559	9,023,024,065
Total	133,915,089,147	102,722,071,150

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.8 Taxes and other payables to, receivables from the government budget

	01/01/2024	Additions	Paid	31/12/2024
	VND	VND	VND	VND
Payables	14,237,493,854	160,772,998,077	157,052,914,130	17,957,577,801
Value Added Tax	8,663,324,208	50,920,683,286	58,459,427,208	1,124,580,286
Corporate income tax	-	17,596,845,754	8,385,558,918	9,211,286,836
Personal Income Tax	204,928,794	1,807,125,561	1,510,067,042	501,987,313
Natural resource tax	945,355,828	43,180,168,539	38,532,241,537	5,593,282,830
Land tax, Land rental charges	-	2,230,088,087	2,230,088,087	-
Other taxes	3,577,617,599	9,813,534	3,587,431,133	-
Fee, charges and other receivables	846,267,425	45,028,273,316	44,348,100,205	1,526,440,536

	01/01/2024	Receivables	Amount Collected	31/12/2024
	VND	VND	VND	VND
Receivables	10,383,833,257	887,320,971	10,383,832,257	887,321,971
Overpaid Corporate Income Tax	7,208,416,036	-	7,208,416,036	-
Overpaid Resource Tax	81,354,961	887,320,971	81,354,961	887,320,971
Land Tax and Land Rental Fees	15,000,000	-	15,000,000	-
Other Fees, Charges, and Payables	3,079,062,260	-	3,079,061,260	1,000

VIMICO - THAI NGUYEN NON – FERROUS METAL JOINT STOCK COMPANY

Group 3, Phu Xa Ward, Thai Nguyen City, Thai Nguyen Province

Form B 09 - DN

Issued under Circular 200/2014/TT-BTC 22/12/2014 of the Ministry of Finance

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.9 Tangible fixed assets

Unit: VND

	Buildings and Structures	Machinery, equipment	Motor vehicles	Office equipment	Total
HISTORICAL COST					
As at 01/01/2024	572,210,984,696	340,778,674,824	66,447,934,608	4,458,402,085	983,895,996,213
Increase	289,814,815	8,094,600,358	2,287,021,624	-	10,671,436,797
Purchase	-	7,564,767,025	1,208,000,000	-	8,772,767,025
Construction completed	289,814,815	529,833,333	1,079,021,624	-	1,898,669,772
Decrease	(1,191,680,428)	-	-	-	(1,191,680,428)
Other decrease (*)	(1,191,680,428)	-	-	-	(1,191,680,428)
As at 31/12/2024	571,309,119,083	348,873,275,182	68,734,956,232	4,458,402,085	993,375,752,582
ACCUMULATED DEPRECIATION					
As at 01/01/2024	480,075,464,924	243,058,347,757	40,861,444,300	3,800,552,563	767,795,809,544
Increase	15,032,797,761	19,305,824,478	4,699,241,887	230,991,717	39,268,855,843
Depreciation	14,133,050,388	19,305,824,478	4,699,241,887	230,991,717	38,369,108,470
Wear and tear	899,747,373	-	-	-	899,747,373
Decrease	(1,176,781,362)	-	-	-	(1,176,781,362)
Other decrease (*)	(1,176,781,362)	-	-	-	(1,176,781,362)
As at 31/12/2024	493,931,481,323	262,364,172,235	45,560,686,187	4,031,544,280	805,887,884,025
NET BOOK VALUE					
As at 01/01/2024	92,135,519,772	97,720,327,067	25,586,490,308	657,849,522	216,100,186,669
As at 31/12/2024	77,377,637,760	86,509,102,947	23,174,270,045	426,857,805	187,487,868,557

(*) Decrease due to the Company's decision to dismantle fixed assets that are no longer needed to construct new collective housing for employees at the Bac Kan Non-Ferrous Metal Branch, according to Decision No. 2647/QĐ-TMC dated 31/07/2024.

The carrying value of tangible fixed assets pledged or mortgaged for loans as of 31/12/2024: VND 21.369.742.442 (as of 31/12/2023: VND 32.431.049.173).

The original cost of fully depreciated tangible fixed assets still in use as of 31/12/2024: VND 581.526.110.426 (as of 31/12/2023: VND 599.401.770.271).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.10 Intangible fixed assets

	Computer software VND	Total VND
HISTORICAL COST		
As at 01/01/2024	629,245,319	629,245,319
As at 31/12/2024	<u>629,245,319</u>	<u>629,245,319</u>
ACCUMULATED AMORTISATION		
As at 01/01/2024	629,245,319	629,245,319
As at 31/12/2024	<u>629,245,319</u>	<u>629,245,319</u>
NET BOOK VALUE		
As at 01/01/2024	-	-
As at 31/12/2024	<u>-</u>	<u>-</u>

The original cost of fully depreciated intangible fixed assets still in use as of December 31, 2024, is VND 629,245,319 (as of December 31, 2023: VND 629,245,319).

5.11 Construction in progress

	31/12/2024 VND	01/01/2024 VND
Investment in the construction and upgrading of the Sa Lung tailings dump at the Lang Hich lead-zinc mine.	1,434,277,778	2,018,827,037
Investment in the construction of a dormitory for the Bac Kan Non-Ferrous Metals Branch.	5,581,641,086	598,703,704
Thai Nguyen Electrolytic Zinc Plant.	29,728,742,268	2,464,639,625
Project for the expansion and capacity enhancement of the Lang Hich lead-zinc mine.	5,767,292,617	4,834,981,796
Others	3,515,115,904	969,304,394
Total	<u>46,027,069,653</u>	<u>10,886,456,556</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.12 Long-term financial investments

	31/12/2024 (VND)		01/01/2024 (VND)	
	Original cost	Fair value	Original cost	Fair value
Investment in joint ventures and associates	1,020,246,000	(*)	1,020,246,000	(*)
Vietnam - Thai Zinc Industry Joint Venture Company	1,020,246,000	(1,020,246,000)	1,020,246,000	(1,020,246,000)
Total	1,020,246,000	(1,020,246,000)	1,020,246,000	(1,020,246,000)

(*) These investments are not listed and traded on the stock market. The Company has not determined the fair value of these investments, as Vietnamese Accounting Standards and the Vietnamese Enterprise Accounting System do not provide specific guidance on the use of valuation techniques for determining fair value.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.13 Trade payables

	31/12/2024 (VND)		01/01/2024 (VND)	
	Book value	Repayable amount	Book value	Repayable amount
Short-term	154,696,658,700	154,696,658,700	91,507,258,097	91,507,258,097
Yunnan Van Huy Trading & Industry Company Limited China	-	-	2,655,815,209	2,655,815,209
Branch of Hoang Nam Trading & Service Company Limited	11,693,530,746	11,693,530,746	-	-
TNV - Hai Duong Minerals Production, Trading and Port Services Joint Stock Company	4,015,316,250	4,015,316,250	-	-
EIC Company Limited	6,281,526,150	6,281,526,150	-	-
Duc Bao Company Limited	-	-	2,768,478,308	2,768,478,308
PLC Production and Trading Company Limited	-	-	3,295,381,000	3,295,381,000
Nghe Tinh Non-Ferrous Metals Joint Stock Company	-	-	3,494,590,532	3,494,590,532
Geotechnical Research Center	8,826,875,891	8,826,875,891	-	-
Duc Anh Trading and Services One Member Company Limited	-	-	6,116,499,200	6,116,499,200
Quang Nhat Company Limited	5,563,680,911	5,563,680,911	-	-
Others	118,315,728,752	118,315,728,752	73,176,493,848	73,176,493,848
Total	154,696,658,700	154,696,658,700	91,507,258,097	91,507,258,097
<i>Payables are related parties. (Details in Note 7.2)</i>	<i>8,870,372,397</i>	<i>8,870,372,397</i>	<i>763,852,376</i>	<i>763,852,376</i>

5.14 Short-term prepayments from customers

	31/12/2024	01/01/2024
	VND	VND
Short-term	1,430,576,109	3,459,019,779
Bac Kan Mineral Joint Stock Corporation	-	612,193,379
Vietnam Samho Co., Ltd	351,969,388	-
Hoang Nam Trading and Services Company Limited	107,497,996	838,147,846
GTN Vietnam Industrial Equipment Company Limited	-	406,562,004
Others	971,108,725	1,602,116,550
Total	1,430,576,109	3,459,019,779
<i>Receivables from customers are related parties. (Details are in Note 7.2)</i>	<i>150,000,000</i>	<i>150,000,000</i>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.15 Accrued expenses

	31/12/2024	01/01/2024
	VND	VND
Short-term	6,940,525,336	2,960,198,223
Accrued electricity expenses	1,067,773,366	2,512,554,118
Accrued licensing fees for Cho Dien mine	4,921,173,000	-
Others	951,578,970	447,644,105
Total	6,940,525,336	2,960,198,223

5.16 Other payables

	31/12/2024	01/01/2024
	VND	VND
Short-term	51,991,210,564	20,545,958,984
Short-term deposits and guarantees received	20,890,847,234	13,732,781,076
Other payables	31,100,363,330	6,813,177,908
<i>Hardship support fund</i>	756,020,640	731,950,051
<i>Bonus payables</i>	331,200,000	1,522,320,000
<i>Dividends payable to shareholders</i>	24,866,913,500	-
<i>Bonuses for employees in the company</i>	-	2,020,980,000
<i>Others</i>	5,146,229,190	2,537,927,857
Total	51,991,210,564	20,545,958,984
<i>Other payables are related parties</i> (Detail in note No.7.1)	<i>25,117,200,000</i>	<i>25,117,200,000</i>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.17 Borrowings and finance lease liabilities

	31/12/2024 (VND)		Movement during the year			01/01/2024 (VND)	
	Carrying value	Amount within repayment capacity	Increase	Decrease	Carrying value	Amount within repayment capacity	
Short-term borrowings	12,060,000,000	12,060,000,000	124,743,249,421	132,807,326,862	20,124,077,441	20,124,077,441	
Short-term borrowings	-	-	112,683,249,421	119,707,326,862	7,024,077,441	7,024,077,441	
<i>Vietnam Joint Stock Commercial Bank for Investment and Development – Thai Nguyen Branch (i)</i>	-	-	112,683,249,421	119,707,326,862	7,024,077,441	7,024,077,441	
- Current portion of long-term borrowings	12,060,000,000	12,060,000,000	12,060,000,000	13,100,000,000	13,100,000,000	13,100,000,000	
<i>Vietnam Joint Stock Commercial Bank for Investment and Development – Thai Nguyen Branch (ii)</i>	12,060,000,000	12,060,000,000	12,060,000,000	13,100,000,000	13,100,000,000	13,100,000,000	
Long-term borrowings	13,570,800,000	13,570,800,000	18,358,153,000	12,060,000,000	7,272,647,000	7,272,647,000	
<i>Vietnam Joint Stock Commercial Bank for Investment and Development – Thai Nguyen Branch (ii)</i>	13,570,800,000	13,570,800,000	18,358,153,000	12,060,000,000	7,272,647,000	7,272,647,000	
Total	25,630,800,000	25,630,800,000	143,101,402,421	144,867,326,862	27,396,724,441	27,396,724,441	

Information about loans:

Details related to short term loans:

- (i) Credit Agreement No. 01/2024/469085/HĐTD dated January 13, 2024, between Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company and BIDV Thai Nguyen. The credit limit is VND 70,000,000,000. The loan is intended for working capital supplementation, guarantee, and L/C issuance. The loan term is 12 months from the signing date of this Agreement. The interest rate is floating, subject to adjustment, and determined based on each specific Credit Agreement. Collateral arrangements are recorded in pledge/mortgage/guarantee/deposit agreements or other agreements (collectively referred to as Security Agreements).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.17 Borrowings and finance lease liabilities (continued)**Detailed Information on Long-Term Loans:**

- (ii) The long-term loan from the Bank for Investment and Development of Vietnam – Thai Nguyen Branch (BIDV Thai Nguyen) consists of three credit agreements:
 - Credit Agreement No. 01/2021/469085/HBTD dated December 16, 2021, between Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company and BIDV Thai Nguyen. The credit limit is VND 70,000,000,000. The loan is intended for payment of expenses related to the investment project "Mining of Primary Tin Ore in the Southern Subzone of the Western Nui Phao Area, Ha Thuong Commune, Than Thai Commune, and Hung Son Town, Dai Tu District, Thai Nguyen Province." The loan term is 60 months from the date of the first withdrawal. The interest rate is floating and subject to adjustment. Collateral: As per Mortgage Agreement No. 02/2020/469085/HBTCTS dated June 23, 2020, with a total pledged asset value of VND 70,300,000,000 and all assets formed from the project "Investment in the Expansion of Underground Mining for Tin, Copper, and Bismuth Ore in the Southern Subzone of the Western Nui Phao Area, Ha Thuong Commune, Than Thai Commune, and Hung Son Town, Dai Tu District, Thai Nguyen Province."
 - Credit Agreement No. 02/2024/469085/HBTD dated March 10, 2024, between Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company and BIDV Thai Nguyen. The credit limit is VND 3,900,000,000. The loan is intended for refinancing the investment in the project "HM A10 Conversion Tower System – Thai Nguyen Zinc Electrolysis Plant." The loan term is 36 months, with a floating interest rate adjusted every six months. The loan is secured by all assets formed from the project "HM A10 Conversion Tower System – Thai Nguyen Zinc Electrolysis Plant" and other security measures recorded in pledge/mortgage/guarantee/deposit agreements or other agreements (collectively referred to as Security Agreements).
 - Credit Agreement No. 03/2024/469085/HBTD dated August 21, 2024, between Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company and BIDV Thai Nguyen. The credit limit is VND 11,450,000,000. The loan is intended for the investment project to maintain production in 2024 at the Bac Kan Non-Ferrous Metals Branch and Lang Hich Zinc-Lead Enterprise of Thai Nguyen Non-Ferrous Metals Joint Stock Company. The loan term is 36 months, with a floating interest rate adjusted every six months. The loan is secured by all assets formed from the investment project to maintain production in 2024 at the Bac Kan Non-Ferrous Metals Branch and Lang Hich Zinc-Lead Enterprise of Vimico - Thai Nguyen Non-Ferrous Metals Joint Stock Company, along with other security measures recorded in pledge/mortgage/guarantee/deposit agreements or other agreements (collectively referred to as Security Agreements).
 - Credit Agreement No. 02/2024/469085/HBTD dated December 26, 2024, between Vimico - Thai Nguyen Non - Ferrous Metals Joint Stock Company and BIDV Thai Nguyen. The credit limit is VND 24,800,000,000. The loan is intended for financing the payment of legitimate and eligible expenses related to the purchase of machinery, equipment, and other associated costs under the environmental rehabilitation project for the Thai Nguyen Zinc Electrolysis Plant. The loan term is 60 months, with a floating interest rate adjusted every six months. The loan is secured by agreements on security measures, including pledge/mortgage/guarantee/deposit agreements or other related contracts and agreements (collectively referred to as Security Agreements).

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.18 Provisions

	31/12/2024	01/01/2024
	VND	VND
Short - term	7,399,315,327	7,501,438,268
Assets formed from centralized funds	190,554,449	3,785,472,633
Environmental rehabilitation provision	7,208,760,878	3,715,965,635
Total	7,399,315,327	7,501,438,268

5.19 Owners' equity

a. Reconciliation of Changes in Owners' Equity

	Share capital	Retained earnings	Total
	<i>Unit: VND</i>		
As at 01/01/2023	180,000,000,000	128,885,882,838	308,885,882,838
Increase	-	38,276,989,978	38,276,989,978
Profit in the previous year	-	38,276,989,978	38,276,989,978
Decrease	-	(97,318,727,494)	(97,318,727,494)
Appropriation of Reward Fund for Management Officers and Others	-	(4,318,727,494)	(4,318,727,494)
Appropriation of Reward and Welfare Fund	-	(12,000,000,000)	(12,000,000,000)
Dividend Payment for 2022	-	(81,000,000,000)	(81,000,000,000)
As at 31/12/2023	180,000,000,000	69,844,145,322	249,844,145,322
As at 01/01/2024	180,000,000,000	69,844,145,322	249,844,145,322
Increase	-	68,949,701,644	68,949,701,644
Profit in this year	-	68,949,701,644	68,949,701,644
Decrease	-	(54,713,131,728)	(54,713,131,728)
Provision for Welfare Reward Fund (i)	-	(1,068,250,000)	(1,068,250,000)
Provision for Welfare Reward Fund (ii)	-	(5,044,881,728)	(5,044,881,728)
Dividend Payment for 2023 (ii)	-	(48,600,000,000)	(48,600,000,000)
As at 31/12/2024	180,000,000,000	84,080,715,238	264,080,715,238

(i) Temporary allocation to the Welfare Reward Fund from the profit of 2024.

(ii) Distribution of dividends and allocation to the Welfare Reward Fund from the profit of 2023 in accordance with Resolution No. 52/NQ-DHĐCĐ dated May 23, 2024, of the Annual Meeting of Shareholders for 2024.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

5.19 Owners' equity (Continued)

b. Details of owners' equity

	31/12/2024	01/01/2024
	VND	VND
Vinacomin - Minerals Holding Corporation (JSC)	91,800,000,000	91,800,000,000
Others	88,200,000,000	88,200,000,000
Total	180,000,000,000	180,000,000,000

c. Capital transactions with shareholders and appropriation of profits and dividends

	Year 2024	Year 2023
	VND	VND
Shareholders' capital		
Opening balance	180,000,000,000	180,000,000,000
Increased during the year	-	-
Decreased during the year	-	-
Closing balance	180,000,000,000	180,000,000,000
Dividend, Profit distribution	48,600,000,000	81,000,000,000

d. Shares

	31/12/2024	01/01/2024
	Shares	Shares
Quantity of registered shares	18,000,000	18,000,000
Quantity of issued shares	18,000,000	18,000,000
Common shares	18,000,000	18,000,000
Outstanding shares	18,000,000	18,000,000
Common shares	18,000,000	18,000,000
<i>Par value of outstanding shares (VND/ share)</i>	<i>10,000</i>	<i>10,000</i>

6. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT

6.1 Revenues from sales and services rendered

	Year 2024	Year 2023
	VND	VND
Revenue from sales of goods	1,158,378,432,592	966,714,639,956
Total	1,158,378,432,592	966,714,639,956
<i>Revenue with related parties</i> <i>(Detail in note No.7.2)</i>	<i>1,450,657,837</i>	<i>9,626,287,296</i>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.2 Cost of goods sold

	Year 2024	Year 2023
	VND	VND
Cost of goods and services	1,004,841,554,328	870,215,634,648
Allowances for devaluation of inventories	-	(23,962,346,367)
Total	1,004,841,554,328	846,253,288,281

6.3 Financial income

	Year 2024	Year 2023
	VND	VND
Interest income from deposits and loans	424,965,044	1,523,432,558
Unrealized foreign exchange gains	90,829,584	12,391,485
Total	515,794,628	1,535,824,043

6.4 Financial expenses

	Year 2024	Year 2023
	VND	VND
Interest expense	2,299,179,356	3,458,275,643
Unrealized foreign exchange losses	230,977,279	97,892,732
Other financial operating expenses	49,714,831	-
Total	2,579,871,466	3,556,168,375

6.5 Selling, general and administrative expenses

	Year 2024	Year 2023
	VND	VND
General and administration expenses	61,808,599,777	64,514,567,908
Employee expenses	19,819,161,689	20,797,348,500
Materials expenses	2,806,790,679	2,539,334,051
Office supplies expenses	38,275,454	79,795,600
Amortization and Depreciation expenses	3,238,322,985	3,381,471,231
Charges and fee	262,461,528	187,156,030
Outsourcing expenses	1,544,755,860	1,715,113,172
Other cash expense	34,098,831,582	35,814,349,324
Selling expenses	2,497,176,321	2,094,848,051
Employee expenses	2,444,746,941	2,086,711,171
Outsourcing expenses	52,429,380	8,136,880
Total	64,305,776,098	66,609,415,959

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.6 Other Income/expenses

	Year 2024 VND	Year 2023 VND
Other income		
Lease of premises, electricity, and water	513,098,935	461,846,019
Increase in inventory value after stocktaking	4,271,603,195	-
Others	224,231,143	354,253,000
Total	5,008,933,273	816,099,019
Other expenses		
Penalty expenses	130,654,113	1,132,991,432
Survey and exploration expenses for Phuc Linh mine	3,083,757,000	-
Donation expenses for Thai Nguyen province affected by the storm	1,320,000,000	-
Others	1,095,000,090	69,773,644
Total	5,629,411,203	1,202,765,076
Other income/other expenses (net)	(620,477,930)	(386,666,057)

6.7 Current corporate income tax expense

	Year 2024 VND	Year 2023 VND (Representation)
Total accounting profit before tax	86,546,547,398	51,444,925,327
Adjustment for taxable income	1,437,681,370	13,132,349,548
Increase adjustment	1,437,681,370	13,132,349,548
<i>Non-Deductible Expenses</i>	<i>851,027,257</i>	<i>11,657,358,116</i>
<i>Remuneration of the part-time Board of Directors</i>	<i>456,000,000</i>	<i>342,000,000</i>
<i>Late tax payment penalty</i>	<i>130,654,113</i>	<i>1,132,991,432</i>
Taxable income	87,984,228,768	64,577,274,875
Corporate Income Tax rate	20%	20%
Corporate income tax	17,596,845,754	13,167,935,349
Current corporate income tax expense	17,596,845,754	12,915,454,975
- Adjust to increase the previous year's missing accounting number	-	252,480,374
Total	17,596,845,754	13,167,935,349

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.8 Basic earnings per share

	Year 2024	Year 2023
	VND	VND
Profit after corporate income tax (VND)	68,949,701,644	38,276,989,978
Adjustments (Provision for reward and welfare funds, bonuses for management executives, and salaries for non-executive members of the Board of Directors and the Supervisory Board)	(1,068,250,000)	(5,044,881,728)
Profit / Loss distributable to common shareholders (VND)	67,881,451,644	33,232,108,250
Average quantity of outstanding common shares	18,000,000	18,000,000
Treasury shares (stocks)	-	-
Average number of outstanding shares in the period/ year	18,000,000	18,000,000
Basic earnings per share	3,771.19	1,846.23

(i) As of the reporting date, the Company has provisionally allocated a Reward Fund from after-tax profits with a value of 1,068,250,000, the final amount will be approved by the Meeting of Shareholders.

The company reassesses the amount allocated to the Reward and Welfare Fund for the financial year ending December 31, 2023, according to the profit distribution ratio for the year 2023, which has been approved in the resolutions of the Meeting of Shareholders in 2024. Accordingly, the basic earnings per share for the year 2023 are restated as follows:

	Numbers presented in last year's report	Representation	Differences
Net profit after corporate income tax (VND)	38,276,989,978	38,276,989,978	-
Amount allocated to the Reward and Welfare Fund, management bonuses (VND)	-	(5,044,881,728)	(5,044,881,728)
Profit for calculating basic earnings per share (VND)	38,276,989,978	33,232,108,250	(5,044,881,728)
Weighted average number of shares outstanding during the period	18,000,000	18,000,000	-
Basic earnings per share (VND/share)	2,126.50	1,846.23	(280.27)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

6.9 Production and business expenses by factors

	Year 2024	Year 2023
	VND	VND
Raw material expenses	627,720,462,983	461,186,273,065
Employee expenses	237,211,363,943	216,346,103,794
Amortization and Depreciation expenses	38,369,108,470	35,266,405,953
Outsourcing expenses	87,112,174,833	54,719,461,878
Other expenses	180,672,833,409	142,641,449,471
Total	1,171,085,943,638	910,159,694,161

7. OTHER INFORMATION

7.1 Operating lease commitments

The company signs land lease contracts in the districts of Dong Hy, Vo Nhai, Cho Don, the city of Song Cong, and Thai Nguyen City, Thai Nguyen Province, for the purpose of establishing offices, production workshops, and mineral extraction sites. According to these contracts, the company is required to pay the land rent in a lump sum and annually until the lease agreement expires.

7.2 Transactions and balances with related parties

Information of related parties

<i>Related parties</i>	<i>Relationship</i>
Vinacomin - Minerals Holding Corporation (JSC)	Parent company
Viet Nam National Coal - Mineral Industries Group (Vinacomin)	Parent company of Vimico
Bang Giang Tourism and Trading Joint Stock Company	Under the same parent company
Sin Quyen Copper Ore Processing Branch - Lao Cai	Under the same parent company
Lao Cai Copper Smelting Branch - Vimico	Under the same parent company
Occupational Disease Treatment and Rehabilitation Center - VIMICO	Under the same parent company
Vinacomin - Mining Chemical Industry Corporation	Affiliated within the same Group
Vinacomin Tourism and Trading Joint Stock Company	Affiliated within the same Group
Viet Nam Coal and Mineral College	Affiliated within the same Group
Vinacomin Business Administration School	Affiliated within the same Group
Vinacomin Institute of Energy and Mining Mechanics	Affiliated within the same Group
Vinacomin - Viet Bac Geology Joint Stock Company	Affiliated within the same Group
Vinacomin Mining Geology Joint Stock Company	Affiliated within the same Group
Members of the Board of Management, Board of Supervisors, Board of General Directors, other managers and close individuals in the families of these members	Significant impact

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Transactions and balances with related parties (Continued)

a. Remuneration for Boards of Management, Supervisors and Directors

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Board of Directors		Remuneration, Salary	713,600,008	907,612,428
Ly Xuan Tuyen	Chairman of the Board of Directors		199,250,004	148,350,936
Pham The Vinh	Member		189,050,000	386,990,064
Tran Minh Tuan	Member		163,850,000	240,187,164
Pham Vu Hai	Member		161,450,004	132,084,264
Supervisory Board		Remuneration	712,450,128	1,094,834,874
Nguyen Dinh Chien	Head of the Supervisory Board		164,450,112	224,261,172
Nguyen Thanh Long	Member		-	93,062,588
Le Van Luong	Member		137,000,004	198,529,524
Ngo Thi Nham	Member		137,000,004	198,529,524
Dao Thi Khue	Member		137,000,004	198,529,524
Vu Thi Thanh Hao	Member		137,000,004	181,922,542
Board of Directors		Salary, Remuneration	1,909,684,481	1,946,360,484
Tran Van Long	Director		802,386,640	818,486,775
Bui Huy Tuan	Deputy Director		550,605,633	565,620,107
Nguyen Van Hau	Deputy Director		556,692,208	562,253,602
Total			3,335,734,617	3,948,807,786

b. Transactions with related parties

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Purchase			7,671,032,021	2,923,495,830
Vinacomin - Minerals Holding Corporation (JSC)	Parent company	Purchase of raw materials, tools, and equipment	1,671,485,400	2,538,995,830
Viet Nhat Gemstone Branch	Under the same parent company	Purchase of raw materials, tools, and equipment	493,000,000	384,500,000
Vinacomin Tourism and Trading Joint Stock Company Occupational Disease Treatment and Rehabilitation Center - VIMICO	Affiliated within the same Group	Purchase of raw materials and services	3,772,221,000	-
Vinacomin Institute of Mining Science and Technology	Under the same parent company	Services	645,380,000	-
Viet Nam Coal and Mineral College	Affiliated within the same Group	Services	760,045,621	-
	Affiliated within the same Group	Services	328,900,000	-

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Transactions and Balances with Related Parties (Continued)

a. Transactions with Related Parties (Continued)

Related parties	Relationship	Transaction nature	Year 2024 VND	Year 2023 VND
Sales				
Sin Quyen Copper Ore Processing Branch	Under the same parent company	Revenue from sales	1,450,657,837	9,626,287,296
Lao Cai Copper Smelting Branch	Under the same parent company	Revenue from sales	287,804,667	225,278,896
Thai Nguyen Mining Chemical Industry Company – Branch of the Corporation	Affiliated within the same Group	Revenue from sales	1,162,853,170	8,620,267,250
Vinacomin Mining Chemical Industry Corporation			-	780,741,150

b. Balance with related parties

Related parties	Relationship	Transaction nature	31/12/2024 VND	01/01/2024 VND
Trade receivables				
Viet Nhat Gemstone Branch	Under the same parent company	Trade receivables	8,870,372,397	763,852,376
Vinacomin Mining Chemical Industry Corporation	Affiliated within the same Group	Trade receivables	328,000,000	-
Institute of Mining Science and Technology	Affiliated within the same Group	Trade receivables	292,874,400	3,000,000
Viet Nam Coal and Mineral Vocational College	Affiliated within the same Group	Trade receivables	731,849,271	540,802,376
Vinacomin - Viet Bac Geology Joint Stock Company	Affiliated within the same Group	Trade receivables	151,600,000	220,050,000
Vinacomin Mining Geology Joint Stock Company	Affiliated within the same Group	Trade receivables	7,116,048,726	-
			250,000,000	-
Other payables			24,786,000,000	-
Vinacomin - Minerals Holding Corporation (JSC)	Parent company	Dividends payable	24,786,000,000	-
Prepayments from customers			150,000,000	150,000,000
Vinacomin Mining Chemical Industry Corporation	Affiliated within the same Group	Deposit money	150,000,000	150,000,000

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.3 Retrospective Adjustment

The Company has retrospectively adjusted certain items in the financial statements for the year 2023 in accordance with the conclusions of the State Audit as stated in the audit report dated July 19, 2024. The adjusted and restated items are as follows:

BALANCE SHEET

Assets	Code	31/12/2023 Re-representation VND	31/12/2023 Disclosed VND	Difference VND
CURRENT ASSETS	100	181,066,042,672	181,051,480,851	14,561,821
Other short-term receivables	136	2,439,826,299	2,056,250,948	383,575,351
Inventories	141	89,317,647,240	89,163,033,240	154,614,000
Taxes and other receivables from government budget	153	10,383,833,257	10,907,460,787	(523,627,530)
NON-CURRENT ASSETS	200	298,397,970,085	297,232,697,048	1,165,273,037
Tangible fixed assets	221	216,100,186,669	215,556,392,168	543,794,501
Historical costs	222	983,895,996,213	983,347,036,771	548,959,442
Accumulated depreciation	223	(767,795,809,544)	(767,790,644,603)	(5,164,941)
Long-term prepaid expenses	261	62,293,972,799	61,672,494,263	621,478,536
Total change in assets		479,464,012,757	478,284,177,899	1,179,834,858
Short-term liabilities		214,845,782,167	214,498,055,559	347,726,608
Taxes and other payables to government budget	313	14,237,493,854	13,889,767,246	347,726,608
Owners' equity	410	249,844,145,322	249,012,037,072	832,108,250
Undistributed profit after tax for the current year	421b	38,276,989,978	37,444,881,728	832,108,250
Total changes in capital		479,464,012,757	478,284,177,899	1,179,834,858

INCOME STATEMENT

Assets	Code	Year 2023 VND (After adjustment)	Year 2023 VND (Before adjustment)	Difference VND
Costs of goods sold	11	846,253,288,281	847,070,834,710	(817,546,429)
Financial income	21	1,535,824,043	1,152,248,692	383,575,351
General administration expenses	26	64,514,567,908	64,669,181,908	(154,614,000)
Current corporate income tax expenses	51	13,167,935,349	12,644,307,819	523,627,530
Profits after enterprise income tax	60	38,276,989,978	37,444,881,728	832,108,250
Basic earnings per share	70	2126.50	2080.27	46

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2024

7.2 Retrospective Adjustment (Continued)

CASH FLOW STATEMENT

Assets	Code	Year 2023	Year 2023	Difference VND
		VND (After adjustment)	VND (Before adjustment)	
<i>Profit before tax</i>	01	51,444,925,327	50,089,189,547	1,355,735,780
- Depreciation of fixed assets and investment properties	02	35,271,570,894	35,266,405,953	5,164,941
- Gains (losses) on investing activities	05	(1,523,432,558)	(1,139,857,207)	(383,575,351)
<i>Operating profit before changes in working capital</i>	08	64,786,885,671	63,809,560,301	977,325,370
- Increase (decrease) in receivables	09	(34,823,327,082)	(35,346,954,612)	523,627,530
- Increase (decrease) in inventories	10	45,714,023,343	45,868,637,343	(154,614,000)
- Increase (decrease) in payables (excluding interest payable, corporate income tax payable)	11	(53,271,085,461)	(52,546,225,097)	(724,860,364)
- Increase (decrease) in prepaid expenses	12	38,064,252,780	38,685,731,316	(621,478,536)
<i>Net cash flows from operating activities</i>	20	30,677,836,803	30,677,836,803	-

7.4 Comparative figures

Comparative information is taken from the financial statements for the year ended 31 December 2023, which are audited by CPA VIETNAM Auditing Company Limited – A Member of INPACT. Certain comparative information has been restated in Note 7.3 Retrospective Adjustment due to the Company's retrospective adjustment of financial statement data for the fiscal year ended December 31, 2023, in accordance with the conclusions of the State Audit.

Preparer



Pham Thi Thuy Duong

Chief Accountant



Nguyen Thi Xuan Huong

Thai Nguyen, 24 March, 2025

General Director



Tran Van Long