

VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025



**VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY**

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FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

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## VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

### CORPORATE INFORMATION

#### Enterprise Registration Certificate

No. 5300656602 dated 13 January 2014

The Enterprise Registration Certificate was initially issued by the Department for Planning and Investment (now known as the Department of Finance) of Lao Cai Province on 13 January 2014. The latest amendment (8<sup>th</sup>) to the Enterprise Registration Certificate was issued on 07 August 2025.

#### Investment Registration Certificate

No. 2486541018 dated 21 June 2017

The Investment Registration Certificate was initially issued by the People's Committee of Lao Cai Province on 23 October 2014. The latest amendment (5<sup>th</sup>) to the Investment Registration Certificate was issued on 10 September 2021.

#### Board of Directors

Mr. Dao Huu Huyen	Chairman
Mr. Dao Huu Duy Anh	Member
Mr. Pham Van Hung	Member
Mr. Dang Tien Duc	Member
Mr. Vuong Quoc Hung	Member (to 27 March 2025)
Mr. Vuong Duyen Hai	Member (from 27 March 2025)

#### Board of Supervision

Ms. Pham Thi Bich	Chief Supervisor
Mr. Tran Van Cuong	Member
Mr. Pho Duc Tung	Member

#### Board of Management

Mr. Dang Tien Duc	Director
Mr. Nguyen Hung Cuong	Deputy Director
Mr. Nguyen Van Tuan	Deputy Director (from 21 January 2025)

#### Legal Representative

Mr. Dang Tien Duc	Director
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#### Registered Office

Tang Loong Industrial Zone, Tang Loong Ward, Lao Cai Province, Vietnam

#### Auditor

PwC (Vietnam) Limited

## VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

### STATEMENT OF THE BOARD OF MANAGEMENT

#### Responsibility of the Board of Management of the Company in respect of the interim financial statements

The Board of Management of Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) is responsible for preparing interim financial statements of the Company which give a true and fair view of the financial position of the Company as at 30 June 2025, and the results of its financial performance and its cash flows for the six-month period then ended. In preparing these interim financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the interim financial statements on a 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 proper accounting records are kept which disclose, with reasonable accuracy at any time, the financial position of the Company and enable interim financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim financial statements. The Board of Management is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud or error.

#### Approval of the interim financial statements

We hereby approve the accompanying interim financial statements as set out on pages 5 to 32. The interim financial statements give a true and fair view of the financial position of the Company as at 30 June 2025 and of the results of its financial performance and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim financial statements.

On behalf of the Board of Management



Dang Tien Duc  
Director  
Legal Representative

Lao Cai, SR Vietnam  
12 August 2025



## REPORT ON THE REVIEW OF INTERIM FINANCIAL INFORMATION

### TO SHAREHOLDERS AND THE BOARD OF DIRECTORS OF VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

We have reviewed the accompanying interim financial statements of Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) which were prepared on 30 June 2025, and approved by the Board of Management of the Company on 12 August 2025. The interim financial statements comprise the interim balance sheet as at 30 June 2025, the interim income statement, the interim cash flow statement for the six-month period then ended, and explanatory notes to the interim financial statements including significant accounting policies, as set out on pages 5 to 32.

#### **The Board of Management’s responsibility**

The Board of Management of the Company is responsible for the preparation and the true and fair presentation of these interim financial statements of the Company in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim financial statements, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of interim financial statements that are free from material misstatement, whether due to fraud or error.

#### **Auditor’s responsibility**

Our responsibility is to express a conclusion on the interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PwC (Vietnam) Limited  
No. 29, Le Duan Street, Saigon Ward,  
Ho Chi Minh City, Vietnam  
+84 (28) 3823 0796

### **Auditor's conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements do not present fairly, in all material respects, the financial position of the Company as at 30 June 2025, its financial performance and its cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim financial statements.

### **Other Matter**

The report on the review of interim financial information is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

**For and on behalf of PwC (Vietnam) Limited**



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Tran Khắc The  
Audit Practising License:  
2043-2023-006-1  
Authorised signatory

Review reference number: HAN 4167  
Hanoi, 12 August 2025

VIET NAM APATITE – PHOSPHORUS JOINT STOCK COMPANY

Form B 01a – DN

INTERIM BALANCE SHEET

Code	ASSETS	Note	As at	
			30.6.2025 VND	31.12.2024 VND
<b>100</b>	<b>CURRENT ASSETS</b>		<b>692,628,809,882</b>	<b>619,450,520,441</b>
<b>110</b>	<b>Cash and cash equivalents</b>	<b>3</b>	<b>7,303,885,680</b>	<b>7,285,796,455</b>
111	Cash		7,303,885,680	7,285,796,455
<b>120</b>	<b>Short-term investments</b>		<b>334,123,068,493</b>	<b>424,123,068,493</b>
123	Investments held to maturity	4	334,123,068,493	424,123,068,493
<b>130</b>	<b>Short-term receivables</b>		<b>249,955,470,182</b>	<b>101,859,411,092</b>
131	Short-term trade accounts receivable	5	236,148,682,986	89,658,173,144
132	Short-term prepayments to suppliers		2,160,153,052	2,181,620,952
136	Other short-term receivables	6	11,646,634,144	10,019,616,996
<b>140</b>	<b>Inventories</b>	<b>7</b>	<b>92,273,300,914</b>	<b>84,699,844,431</b>
141	Inventories		92,273,300,914	84,699,844,431
<b>150</b>	<b>Other current assets</b>		<b>8,973,084,613</b>	<b>1,482,399,970</b>
151	Short-term prepaid expenses		55,700,000	995,790,133
152	Value Added Tax ("VAT") to be reclaimed		3,185,011,914	-
153	Tax and other receivables from the State	11(a)	5,732,372,699	486,609,837
<b>200</b>	<b>LONG-TERM ASSETS</b>		<b>297,343,304,195</b>	<b>313,167,267,536</b>
<b>210</b>	<b>Long-term receivables</b>		<b>2,000,000,000</b>	<b>2,000,000,000</b>
216	Other long-term receivables		2,000,000,000	2,000,000,000
<b>220</b>	<b>Fixed assets</b>		<b>272,755,738,751</b>	<b>287,149,386,223</b>
221	Tangible fixed assets	8	272,755,738,751	287,149,386,223
222	Historical cost		572,856,691,337	565,042,407,218
223	Accumulated depreciation		(300,100,952,586)	(277,893,020,995)
<b>240</b>	<b>Long-term assets in progress</b>		<b>64,036,000</b>	<b>2,583,610,047</b>
242	Construction in progress		64,036,000	2,583,610,047
<b>260</b>	<b>Other long-term assets</b>		<b>22,523,529,444</b>	<b>21,434,271,266</b>
261	Long-term prepaid expenses	9	22,523,529,444	21,434,271,266
<b>270</b>	<b>TOTAL ASSETS</b>		<b>989,972,114,077</b>	<b>932,617,787,977</b>

The notes on pages 9 to 32 are an integral part of these interim financial statements.



INTERIM BALANCE SHEET  
(CONTINUED)

Code	RESOURCES	Note	As at	
			30.6.2025 VND	31.12.2024 VND
<b>300</b>	<b>LIABILITIES</b>		<b>334,878,811,688</b>	<b>363,897,086,209</b>
<b>310</b>	<b>Short-term liabilities</b>		<b>334,878,811,688</b>	<b>363,897,086,209</b>
311	Short-term trade accounts payable	10	114,742,170,210	189,097,605,148
312	Short-term advances from customers		223,267,560	2,201,556,760
313	Tax and other payables to the State	11(b)	10,763,310,405	2,468,090,642
314	Payables to employees		8,981,441,969	14,791,530,380
315	Short-term accrued expenses		356,737,739	117,464,646
319	Other short-term payables		836,655,914	603,202,803
320	Short-term borrowings	12	127,050,047,369	84,758,485,633
322	Bonus and welfare fund	13	71,925,180,522	69,859,150,197
<b>400</b>	<b>OWNERS' EQUITY</b>		<b>655,093,302,389</b>	<b>568,720,701,768</b>
<b>410</b>	<b>Capital and reserves</b>		<b>655,093,302,389</b>	<b>568,720,701,768</b>
411	Owners' capital	14, 15	250,000,000,000	250,000,000,000
411a	- Ordinary shares with voting rights		250,000,000,000	250,000,000,000
418	Investment and development fund	15	242,733,123,401	228,779,348,646
421	Undistributed earnings	15	162,360,178,988	89,941,353,122
421a	- Undistributed post-tax profits of previous years		-	-
421b	- Post-tax profit of current period/year		162,360,178,988	89,941,353,122
<b>440</b>	<b>TOTAL RESOURCES</b>		<b>989,972,114,077</b>	<b>932,617,787,977</b>



Pham Thi Thu Loan  
Preparer

Pham Thi Bich Phuong  
Chief AccountantDang Tien Duc  
Director  
Legal Representative  
12 August 2025

The notes on pages 9 to 32 are an integral part of these interim financial statements.

## INTERIM INCOME STATEMENT

Code		Note	For the six-month period ended 30 June	
			2025 VND	2024 VND
01	Revenue from sales of goods		914,108,105,402	666,617,371,454
02	Less deductions		-	-
10	Net revenue from sales of goods	18	914,108,105,402	666,617,371,454
11	Cost of goods sold	19	(697,496,039,170)	(520,721,592,208)
20	Gross profit from sales of goods		216,612,066,232	145,895,779,246
21	Financial income	20	20,928,719,626	26,148,396,264
22	Financial expenses	21	(6,264,818,990)	(8,953,738,182)
23	- Including: Interest expense		(722,180,410)	(2,842,099,502)
25	Selling expenses	22	(42,638,201,860)	(32,898,005,272)
26	General and administration expenses	23	(8,719,329,512)	(7,472,673,191)
30	Net operating profit		179,918,435,496	122,719,758,865
40	Net other income		-	-
50	Accounting profit before tax		179,918,435,496	122,719,758,865
51	Corporate income tax ("CIT") - current	24	(17,558,256,508)	(6,167,532,570)
52	CIT - deferred	24	-	-
60	Profit after tax		162,360,178,988	116,552,226,295
70	Basic earnings per share	16(a)	6,105	4,382
71	Diluted earnings per share	16(b)	6,105	4,382

  
 \_\_\_\_\_  
 Pham Thi Thu Loan  
 Preparer

  
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 Pham Thi Bich Phuong  
 Chief Accountant

  
 \_\_\_\_\_  
 Dang Tien Duc  
 Director  
 Legal Representative  
 12 August 2025

The notes on pages 9 to 32 are an integral part of these interim financial statements.



**INTERIM CASH FLOW STATEMENT**  
 (Indirect method)

		For the six-month period ended 30 June	
Code	Note	2025 VND	2024 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	Accounting profit before tax	179,918,435,496	122,719,758,865
	Adjustments for:		
02	Depreciation and amortisation	22,207,931,591	24,150,407,082
04	Unrealised foreign exchange losses/(gains)	453,429,843	(49,934,277)
05	Profits from investing activities	(9,267,384,376)	(11,542,046,586)
06	Interest expense	722,180,410	2,842,099,502
08	Operating profit before changes in working capital	194,034,592,964	138,120,284,586
09	(Increase)/decrease in receivables	(154,027,598,714)	128,533,215,089
10	Increase in inventories	(7,573,456,483)	(95,991,582,778)
11	(Decrease)/increase in payables	(80,249,387,445)	44,715,444,631
12	(Increase)/decrease in prepaid expenses	(149,168,045)	1,853,572,127
14	Interest paid	(714,384,590)	(1,656,018,117)
15	CIT paid	(8,177,702,039)	(2,639,973,295)
17	Other payments on operating activities	(11,421,548,042)	(5,278,020,600)
20	Net cash (outflows)/inflows from operating activities	(68,278,652,394)	207,656,921,643
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchases of fixed assets and other long-term assets	(7,814,284,119)	-
23	Loans granted, purchases of debt instruments of other entities	(115,000,000,000)	(35,000,000,000)
24	Collection of loans, proceeds from sales of debt instruments of other entities	205,000,000,000	215,000,000,000
27	Dividends and interest received	7,592,817,182	21,119,753,682
30	Net cash inflows from investing activities	89,778,533,063	201,119,753,682
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Proceeds from borrowings	137,807,811,734	240,899,325,596
34	Repayments of borrowings	(96,791,364,910)	(427,246,464,871)
36	Dividends paid, profits distributed to owners	(62,500,000,000)	(250,000,000,000)
40	Net cash outflows from financing activities	(21,483,553,176)	(436,347,139,275)
50	Net increase/(decrease) in cash and cash equivalents	16,327,493	(27,570,463,950)
60	Cash and cash equivalents at beginning of period	7,285,796,455	61,642,004,700
61	Effect of foreign exchange differences	1,761,732	2,622,974
70	Cash and cash equivalents at end of period	7,303,885,680	34,074,163,724

Pham Thi Thu Loan  
Preparer

Pham Thi Bich Phuong  
Chief Accountant

Dang Tien Duc  
Director  
Legal Representative  
12 August 2025

The notes on pages 9 to 32 are an integral part of these interim financial statements.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****1 GENERAL INFORMATION**

Vietnam Apatite – Phosphorus Joint Stock Company (“the Company”) is a joint stock company established in SR Vietnam pursuant to the Enterprise Registration Certificate No. 5300656602 dated 13 January 2014 issued by the Department for Planning and Investment (now known as the Department of Finance) of Lao Cai Province. The latest amendment (8<sup>th</sup>) to the Enterprise Registration Certificate was issued on 07 August 2025.

The Company’s shares are traded in the unlisted public company market (“UPCOM”) with stock ticker code PAT.

The Company’s business sector is industrial manufacturing. The Company’s principal activity is to manufacture chemical products.

The normal business cycle of the Company is 12 months.

The Company’s operation is not affected by the seasonality and cyclicity.

As at 30 June 2025, the Company had 264 employees (as at 31 December 2024: 256 employees).

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

The comparative figures presented in the interim balance sheet and the relevant notes are the figures of the audited financial statements for the year ended 31 December 2024. The comparative figures presented in the interim income statement, the interim cash flow statement and the relevant notes are the figures of the reviewed interim financial statements for the six-month period ended 30 June 2024.

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of the interim financial statements**

The interim financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim financial statements. The interim financial statements have been prepared under the historical cost convention.

The accompanying interim financial statements are not intended to present the financial position and financial performance and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The interim financial statements in the Vietnamese language are the official statutory interim financial statements of the Company. The interim financial statements in the English language have been translated from the Vietnamese version.

**2.2 Fiscal year**

The Company’s fiscal year is from 1 January to 31 December. The interim financial statements of the Company are prepared for the six-month period from 1 January to 30 June.

**2.3 Currency**

The financial statements are measured and presented in Vietnamese Dong (“VND”), which is the Company’s accounting currency.



NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.4 Exchange rates**

Transactions arising in foreign currencies are translated at an exchange rate which is the rate approximating the average transfer exchange rate of the buying and selling rates of the commercial banks where the Company regularly transacts. The Company ensures that the disparity of the approximate exchange rate does not exceed +/- 1% compared with the average transfer exchange rate and does not materially impact the financial position and result of financial performance during the accounting period. The average transfer exchange rate is determined daily based on the average between the daily buying transfer rate and selling transfer rate of the commercial banks. Foreign exchange differences arising from these translations are recognised in the interim income statement.

Monetary assets and liabilities denominated in foreign currencies at the interim balance sheet date are respectively translated at the buying and selling exchange rates at the interim balance sheet date of the commercial bank(s) with which the Company regularly transacts. Foreign currencies deposited in bank(s) at the interim balance sheet date are translated at the buying exchange rate of the commercial bank(s) where the Company opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim income statement.

**2.5 Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, cash at banks, cash in transit and other short-term investments with an original maturity of three months or less.

**2.6 Receivables**

Receivables represent trade receivables from customers arising from sales of goods or non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the estimated loss that may arise. The difference between the provision of this period and the provision of the previous period is recognised as an increase or decrease of general and administration expenses in the period. Bad debts are written off when identified as uncollectible.

Receivables are classified into long-term and short-term receivables on the interim balance sheet based on the remaining period from the interim balance sheet date to the maturity date.

**2.7 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase, costs of conversion and other directly-related costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.7 Inventories (continued)**

The Company applies the periodic system for finished goods and raw materials and the perpetual system for sub-materials, tools and spare parts.

Provision is made, where when necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous year is recognised as an increase or decrease of cost of goods sold in the period.

**2.8 Investments held to maturity**

Investments held to maturity are investments which the Company has a positive intention and ability to hold until maturity.

Investments held to maturity include term deposits with maturity over three months and other investments held to maturity. Those investments are initially accounted for at cost. Subsequently, the Company reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for diminution in value of investments held to maturity is made when there is evidence that the investment is uncollectible in whole or in part. Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

Investments held to maturity are classified into short-term and long-term investments held to maturity on the interim balance sheet based on remaining period from the interim balance sheet date to the maturity date.

**2.9 Fixed assets***Tangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes any expenditure that is directly attributable to the acquisition of the fixed assets bringing them to suitable conditions for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is charged to the interim income statement when incurred in the period.

*Depreciation and amortisation*

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amount of the fixed assets over their estimated useful lives. Depreciable amount equals to the historical cost of fixed assets recorded in the financial statements minus (-) the estimated disposal value of such assets. Depreciation and amortisation are included in the operating expenses of the period. The estimated useful lives of each asset class are as follows:

Plant and buildings	14 – 16 years
Machinery	7 – 10 years
Motor vehicles	6 – 7 years
Office equipment	10 years



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.9 Fixed assets (continued)***Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the interim income statement.

*Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, which are recorded at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

**2.10 Prepaid expenses**

Prepaid expenses include short-term and long-term prepayments on the interim balance sheet. Short-term prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period not exceeding 12 months or a business cycle from the date of prepayment. Long-term prepaid expenses represent prepayments for services; or tools, which do not meet the recognition criteria for fixed assets for a period exceeding 12 months or more than one business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a systematic basis over their estimated useful lives.

Prepayments for land rental contracts which are effective after the effective date of the land law 2003 (ie. 1 July 2004) or which land use right certificates are not granted are recorded as prepaid expenses and allocated using the straight-line method over the lease term. Land clearance costs related to the leased land are allocated in proportion to the lease term.

**2.11 Payables**

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified into long-term and short-term payables on the interim balance sheet based on the remaining period from the interim balance sheet date to the maturity date.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.12 Borrowings**

Borrowings include borrowings from banks and other entities.

Borrowings are classified into long-term and short-term borrowings on the interim balance sheet based on the remaining period from the interim balance sheet date to the maturity date.

Borrowing costs that are directly attributable to the construction or production of any qualifying assets are capitalised during the period of time that is required to complete and prepare the asset for its intended use. In respect of general-purpose borrowings, a portion of which used for the purpose of construction or production of any qualifying assets, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the weighted average expenditure on the assets. The capitalisation rate is the weighted average of the interest rates applicable to the Company's borrowings that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. Other borrowing costs are recognised in the interim income statement when incurred.

**2.13 Accrued expenses**

Accrued expenses include liabilities for goods and services received in the period but not yet paid for, due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

**2.14 Provisions**

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

**2.15 Capital and reserves**

*Owners' capital* is recorded according to the actual amounts contributed at the par value of the shares.

*Undistributed earnings* record the Company's results after CIT at the reporting date.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.16 Appropriation of net profit**

The Company's dividends are recognised as a liability in the Company's interim financial statements in the period in which the dividends are approved by the Company's General Meeting of shareholders.

Net profit after CIT could be distributed to shareholders after approval at General Meeting of shareholders, and after appropriation to other funds in accordance with the Company's charter and Vietnamese regulations.

The Company's funds are as below:

**(a) Investment and development fund**

The investment and development fund is appropriated from profit after CIT of the Company and approved by shareholders in the General Meeting of shareholders. This fund is used to expand the scale of business or in-depth investment of the Company.

**(b) Bonus and welfare fund**

The bonus and welfare fund is appropriated from the Company's profit CIT and subject to shareholders approval at the General Meeting of shareholders. This fund is presented as a liability on the interim balance sheet. The fund is used to pay bonus and benefits to the Company's employees in accordance with the Company's bonus and welfare policies.

**2.17 Revenue recognition****(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the interim income statement when all five (5) following conditions are satisfied:

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

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the "substance over form" principle and allocated to each sales obligation.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.17 Revenue recognition (continued)****(b) Interest income**

Interest income is recognised in the interim income statement on the basis of the actual time and interest rates for each period when both (2) of the following conditions are simultaneously satisfied:

- It is probable that economic benefits will be generated associated with the transaction will flow to the Company; and
- Income can be measured reliably.

**2.18 Cost of goods sold**

Cost of goods sold are the cost of finished goods, merchandise, materials sold during the period and recorded on the basis of matching with revenue and on a prudence basis.

**2.19 Financial expenses**

Financial expenses are expenses incurred in the period for financial activities including expenses of borrowings and losses from foreign exchange differences.

**2.20 Selling expenses**

Selling expenses represent expenses that are incurred in the process of selling products, and goods.

**2.21 General and administration expenses**

General and administration expenses represent expenses for administrative purposes.

**2.22 Current and deferred income tax**

Income tax include all Income tax which are based on taxable profits. Income tax expense comprises current income tax expense and deferred income tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current period taxable profits at the current period tax rates. Current and deferred income tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)****2.22 Current and deferred income tax (continued)**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the interim balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**2.23 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company, key management personnel, including the Board of Directors, Board of Supervision, Board of Management of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Company considers the substance of the relationships, not merely the legal form.

**2.24 Segment reporting**

A segment is a component which can be separated by the Company engaged in sales of goods ("business segment"), or sales of goods within a particular economic environment ("geographical segment"). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Company's business segment or the Company's geographical segment.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**2.25 Critical accounting estimates**

The preparation of interim financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim financial statements requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim financial statements and the reported amounts of revenues and expenses during the accounting period.

The areas involving significant estimates and assumptions in the interim financial statements are as follows:

- Estimated useful lives of fixed assets (Note 2.9);
- Corporate income tax (Note 24); and
- Contingent liabilities (Note 29).

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

**3 CASH AND CASH EQUIVALENTS**

	30.6.2025 VND	31.12.2024 VND
Cash on hand	145,368,183	268,272,997
Cash in banks	7,158,517,497	7,017,523,458
	<u>7,303,885,680</u>	<u>7,285,796,455</u>

**4 INVESTMENT HELD TO MATURITY**

	30.6.2025		31.12.2024	
	Cost VND	Book value VND	Cost VND	Book value VND
Bank deposits	<u>334,123,068,493</u>	<u>334,123,068,493</u>	<u>424,123,068,493</u>	<u>424,123,068,493</u>

Included term deposits at domestic commercial banks with original terms more than 3 months and remaining term less than 12 months with interest rates being from 5.0% to 5.4% per annum (2024: 4.4% to 5.5% per annum).

As at 30 June 2025 and as at 31 December 2024, a deposit of VND 70 billion with the original term of 12 months at Joint Stock Commercial Bank for Investment and Development of Vietnam – Ha Thanh Branch was used as a collateral for issuing Letter of Guarantee for the purpose of guarantee for electricity payment obligations.



NOTES TO THE INTERIM FINANCIAL STATEMENTS  
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## 5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	30.6.2025 VND	31.12.2024 VND
Third parties (*)	236,135,875,391	89,658,173,144
Related parties (Note 27(b))	12,807,595	-
	<u>236,148,682,986</u>	<u>89,658,173,144</u>

(\*) Details for third party customers accounting for 10% or more of the total short-term trade accounts balance as follows:

	30.6.2025 VND	31.12.2024 VND
ICL Specialty Products Inc	86,632,687,287	12,325,114,104
K.S International	69,646,080,000	28,806,113,749
Italmatch Chemicals S.P.A	62,455,219,200	41,209,632,000

As at 30 June 2025 and 31 December 2024, there was no balance of short-term trade accounts receivable that was past due or not past due but doubtful.

## 6 OTHER SHORT-TERM RECEIVABLES

	30.6.2025 VND	31.12.2024 VND
Interest income for bank deposits	11,641,992,379	9,959,005,263
Others	4,641,765	60,611,733
	<u>11,646,634,144</u>	<u>10,019,616,996</u>

## 7 INVENTORIES

	30.6.2025		31.12.2024	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	27,480,006,245	-	18,754,934,861	-
Tools and supplies	767,705	-	12,731,184	-
Finished goods	64,792,526,964	-	65,932,178,386	-
	<u>92,273,300,914</u>	<u>-</u>	<u>84,699,844,431</u>	<u>-</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

8 TANGIBLE FIXED ASSETS

	Plant and buildings VND	Machinery VND	Motor vehicles VND	Office equipment VND	Total VND
<b>Historical cost</b>					
As at 1 January 2025	300,295,843,947	233,406,454,928	30,835,388,724	504,719,619	565,042,407,218
Additions in the period	5,246,052,080	1,058,972,780	1,509,259,259	-	7,814,284,119
As at 30 June 2025	305,541,896,027	234,465,427,708	32,344,647,983	504,719,619	572,856,691,337
<b>Accumulated depreciation</b>					
As at 1 January 2025	(115,383,994,740)	(132,952,071,793)	(29,226,086,300)	(330,868,162)	(277,893,020,995)
Charge for the period	(9,593,708,180)	(12,268,896,693)	(321,742,025)	(23,584,693)	(22,207,931,591)
As at 30 June 2025	(124,977,702,920)	(145,220,968,486)	(29,547,828,325)	(354,452,855)	(300,100,952,586)
<b>Net book value</b>					
As at 1 January 2025	184,911,849,207	100,454,383,135	1,609,302,424	173,851,457	287,149,386,223
As at 30 June 2025	180,564,193,107	89,244,459,222	2,796,819,658	150,266,764	272,755,738,751

The historical cost of tangible fixed assets that were fully depreciated but still in use as at 30 June 2025 was VND 27,998,301,989 (as at 31 December 2024: VND 27,998,301,989).

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

9 LONG-TERM PREPAID EXPENSES

	30.6.2025 VND	31.12.2024 VND
Land clearance costs (*)	15,192,505,396	16,006,389,613
Overhaul of fixed assets	7,331,024,048	5,427,881,653
	<u>22,523,529,444</u>	<u>21,434,271,266</u>

(\*) Included expenses incurred for land clearance which are allocated to the income statement on straight-line basis over 16 years in accordance with the land lease term.

10 SHORT-TERM TRADE ACCOUNTS PAYABLE

	30.6.2025		31.12.2024	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Third parties (*)	29,298,375,846	29,298,375,846	26,957,438,642	26,957,438,642
Related parties (Note 27(b))	85,443,794,364	85,443,794,364	162,140,166,506	162,140,166,506
	<u>114,742,170,210</u>	<u>114,742,170,210</u>	<u>189,097,605,148</u>	<u>189,097,605,148</u>

(\*) Details for suppliers accounting for 10% or more of the total balance of short-term trade accounts payable are as follows:

	30.6.2025 VND	31.12.2024 VND
SBM Energy Service JSC	<u>11,475,871,344</u>	<u>11,013,336,180</u>

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11 TAXES AND OTHER RECEIVABLES/ PAYABLES TO THE STATE

Movements in tax and other receivables/payables to the State during the period were as follows:

(a) Receivables

	As at 1.1.2025 VND	Receivable during the year VND	Collection during the year VND	Reclassification VND	As at 30.6.2025 VND
Personal income tax	486,609,837	-	-	5,245,762,862	5,732,372,699

(b) Payables

	As at 1.1.2025 VND	Payable during the year VND	Payment during the year VND	Reclassification VND	As at 30.6.2025 VND
Value added tax for domestic sales	1,085,334,706	7,713,562,874	(8,798,897,580)	-	-
Value added tax for imported goods	-	1,090,038,670	(1,090,038,670)	-	-
Import, export tax	-	41,842,686,826	(41,842,686,826)	-	-
CIT	1,382,755,936	17,558,256,508	(8,177,702,039)	-	10,763,310,405
Personal income tax	-	4,119,400,610	(9,365,163,472)	5,245,762,862	-
Others	-	3,000,000	(3,000,000)	-	-
	2,468,090,642	72,326,945,488	(69,277,488,587)	5,245,762,862	10,763,310,405



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NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

12 SHORT-TERM BORROWINGS

	As at 1.1.2025 VND	Additions VND	Repayments VND	Loss on foreign currency translation VND	As at 30.6.2025 VND
Asia Commercial Joint Stock Bank – Hoang Cau Branch – USD (i)	-	81,965,605,481	(11,459,267,439)	928,163,788	71,434,501,831
Bank for Investment and Development of Vietnam – Ha Thanh Branch (ii)					
• Short-term borrowing – USD	13,061,502,575	55,342,206,253	(13,135,114,413)	346,951,124	55,615,545,538
• Short-term borrowing – VND	71,696,983,058	-	(71,696,983,058)	-	-
Vietnam International Commercial Joint Stock Bank – Dong Da Branch - VND	-	500,000,000	(500,000,000)	-	-
	<u>84,758,485,633</u>	<u>137,807,811,734</u>	<u>(96,791,364,910)</u>	<u>1,275,114,912</u>	<u>127,050,047,369</u>

Detail of outstanding short-term borrowing balances as at 30 June 2025 are as follows:

No	Lenders	Credit limit and period	Year-end balance VND	Interest rate	Purpose	Collaterals
I	Asia Commercial Joint Stock Bank – Hoang Cau Branch	Credit limit of VND 200 billion or USD equivalent. The period of each loan doesn't exceed 4 months from the date of drawdown.	71,434,501,831	3.0% per annum	Working capital funding	- Payment guarantee from Duc Giang Chemicals Group JS (the ultimate parent company).
ii	Bank for Investment and Development of Vietnam – Ha Thanh Branch	Credit limit of VND 200 billion or foreign currency equivalent. The period of each loan doesn't exceed 135 days from the date of drawdown.	55,615,545,538	3.0% per annum	Working capital funding	- Payment guarantee from the parent company with a limit of VND 200 billion. - Payment guarantee from Duc Giang Chemicals Group JS (the ultimate parent company) with a limit of VND 200 billion.
		<b>Total</b>	<u>127,050,047,369</u>			



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FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

13 BONUS AND WELFARE FUND

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 31.12.2024 VND
Beginning of period/year	69,859,150,197	61,510,769,320
Appropriation in period/year (Note 15)	13,487,578,367	16,227,101,477
Utilisation in period/year	(11,421,548,042)	(7,878,720,600)
End of period/year	<u>71,925,180,522</u>	<u>69,859,150,197</u>

14 OWNERS' CAPITAL

(a) Number of shares

	30.6.2025 Ordinary shares	31.12.2024 Ordinary shares
Number of shares registered	<u>25,000,000</u>	<u>25,000,000</u>
Number of shares issued	<u>25,000,000</u>	<u>25,000,000</u>
Number of existing shares in circulation	<u>25,000,000</u>	<u>25,000,000</u>

(b) Details of owners' shareholding

	30.6.2025		31.12.2024	
	Ordinary shares	%	Ordinary shares	%
Duc Giang Lao Cai Chemicals Limited Company	12,750,422	51.00	12,750,422	51.00
Mr. Dao Huu Duy Anh	2,258,333	9.03	2,258,333	9.03
Mr. Dao Huu Huyen	1,921,666	7.69	1,921,666	7.69
Others	8,069,579	32.28	8,069,579	32.28
Number of shares issued	<u>25,000,000</u>	<u>100</u>	<u>25,000,000</u>	<u>100</u>

(c) Movement of share capital

	Number of shares	Total VND
As at 1 January 2024	<u>25,000,000</u>	<u>250,000,000,000</u>
As at 31 December 2024	<u>25,000,000</u>	<u>250,000,000,000</u>
As at 30 June 2025	<u>25,000,000</u>	<u>250,000,000,000</u>

Par value per share: VND 10,000.

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15 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Investment and development fund VND	Undistributed earnings VND	Total VND
As at 1 January 2024	250,000,000,000	209,414,785,539	60,591,664,584	520,006,450,123
Net profit for the year	-	-	264,941,353,122	264,941,353,122
Appropriation to investment and development fund	-	19,364,563,107	(19,364,563,107)	-
Appropriation to bonus and welfare fund	-	-	(16,227,101,477)	(16,227,101,477)
Cash dividend payment	-	-	(200,000,000,000)	(200,000,000,000)
As at 31 December 2024	250,000,000,000	228,779,348,646	89,941,353,122	568,720,701,768
Net profit for the period	-	-	162,360,178,988	162,360,178,988
Appropriation to investment and development fund (*)	-	13,953,774,755	(13,953,774,755)	-
Appropriation to bonus and welfare fund (Note 13) (*)	-	-	(13,487,578,367)	(13,487,578,367)
Cash dividend payment (*)	-	-	(62,500,000,000)	(62,500,000,000)
As at 30 June 2025	250,000,000,000	242,733,123,401	162,360,178,988	655,093,302,389

(\*) The appropriation to investment and development fund, to bonus and welfare fund and dividend distribution for the year 2024 were made in accordance with the resolution of the Annual General Meeting of Shareholders No. 01/2025/NQ-DHDCD dated 27 March 2025.



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**16 EARNINGS PER SHARE**

**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period excluding ordinary shares repurchased by the Company and held as treasury shares. The details were as follows:

	<b>From 1.1.2025 to 30.6.2025</b>	<b>From 1.1.2024 to 30.6.2024</b>
Net profit attributable to shareholders (VND)	162,360,178,988	116,552,226,295
Less amount allocated to bonus and welfare fund (VND) (*)	(9,741,610,739)	(6,993,133,578)
Profit for calculation basic profit per share	152,618,568,249	109,559,092,717
Weighted average number of ordinary shares in issue (shares)	25,000,000	25,000,000
Basic earnings per share (VND)	6,105	4,382

(\*) The bonus and welfare fund of the year 2025 is temporarily calculated at the same method of the previous year.

**(b) Diluted earnings per share**

The diluted earnings per share of the Company is equal to the basic earnings per share as the Company did not have any potential ordinary shares to be dilutive during the period and up to the date of these interim financial statements.

**17 OFF BALANCE SHEET ITEMS**

**Foreign currencies**

As at 30 June 2025, included in cash and cash equivalents were balances held in currencies other than VND of USD 44,086.44 and EUR 66.81 (as at 31 December 2024: USD 10,568.15 and Euro 72.26).

**18 NET REVENUE FROM SALES OF GOODS**

	<b>From 1.1.2025 to 30.6.2025 VND</b>	<b>From 1.1.2024 to 30.6.2024 VND</b>
Net revenue from sales of finished goods	849,079,178,722	665,449,834,748
Net revenue from sales of merchandise	65,028,926,680	1,167,536,706
	914,108,105,402	666,617,371,454

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
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**19 COST OF GOODS SOLD**

	<b>From 1.1.2025 to 30.6.2025 VND</b>	<b>From 1.1.2024 to 30.6.2024 VND</b>
Cost of finished goods sold	638,125,079,420	519,526,143,333
Cost of merchandise sold	59,370,959,750	1,195,448,875
	<u>697,496,039,170</u>	<u>520,721,592,208</u>

**20 FINANCIAL INCOME**

	<b>From 1.1.2025 to 30.6.2025 VND</b>	<b>From 1.1.2024 to 30.6.2024 VND</b>
Interest income from deposits	9,275,804,298	11,547,170,131
Realised foreign exchange gains	11,652,915,328	14,551,291,856
Net gain from foreign currency translation at period-end	-	49,934,277
	<u>20,928,719,626</u>	<u>26,148,396,264</u>

**21 FINANCIAL EXPENSES**

	<b>From 1.1.2025 to 30.6.2025 VND</b>	<b>From 1.1.2024 to 30.6.2024 VND</b>
Interest expense	722,180,410	2,842,099,502
Realised foreign exchange losses	5,089,208,737	6,111,638,680
Net loss from foreign currency translation at period-end	453,429,843	-
	<u>6,264,818,990</u>	<u>8,953,738,182</u>

**22 SELLING EXPENSES**

	<b>From 1.1.2025 to 30.6.2025 VND</b>	<b>From 1.1.2024 to 30.6.2024 VND</b>
Transportation	32,197,754,082	22,127,655,284
Commission	6,234,988,800	7,993,859,560
Others	4,205,458,978	2,776,490,428
	<u>42,638,201,860</u>	<u>32,898,005,272</u>



NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

## 23 GENERAL AND ADMINISTRATION EXPENSES

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 30.6.2024 VND
Staff costs	4,481,584,941	5,173,534,575
Depreciation and amortisation	1,182,816,954	1,182,816,954
Others	3,054,927,617	1,116,321,662
	<u>8,719,329,512</u>	<u>7,472,673,191</u>

## 24 CORPORATE INCOME TAX (“CIT”)

The CIT tax on the Company's accounting profit before tax differs from theoretical amount that would arise using the applicable tax rate of 20% as follows:

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 30.6.2024 VND
Accounting profit before tax	179,918,435,496	122,719,758,865
Tax calculated at a rate of 20%	35,983,687,099	24,543,951,773
Effect of:		
Expenses not deductible for tax purposes	500,043,304	126,178,509
Tax deduction/exemption (*)	(25,720,419,998)	(18,502,597,712)
Other	6,794,946,103	-
CIT charge (**)	<u>17,558,256,508</u>	<u>6,167,532,570</u>
Charged to the interim income statement:		
CIT – current	17,558,256,508	6,167,532,570
CIT – deferred	-	-
CIT charge (**)	<u>17,558,256,508</u>	<u>6,167,532,570</u>

(\*) The Company's yellow phosphorus project is entitle to preferential tax rate of 10% for 15 years from the operation of yellow phosphorus project (from 2018 to 2032), and tax exemption for 4 years from the first year of having income (from 2018 to 2021) and 50% tax deduction for the next 9 consecutive years (from 2022 to 2030).

(\*\*) The CIT charge for the period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**25 COSTS OF OPERATION BY FACTOR**

Costs of operation by factor represent all costs incurred during the period from the Company's operating activities, excluding cost of merchandise for trading activities. The details are as follows:

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 30.6.2024 VND
Raw materials	392,672,841,526	358,362,715,454
Staff costs	40,196,791,947	36,290,216,007
Depreciation and amortisation	22,207,931,591	24,150,407,082
External services	227,772,600,857	227,144,765,052
Others	5,492,793,449	3,866,461,398
	<u>688,342,959,370</u>	<u>649,814,564,993</u>

**26 SEGMENT REPORTING**

The Board of Management of the Company determines that the managerial decisions of the Company are based primarily on the type of products and services provided by the Company. As a result, the primary segment reporting of the Company is presented in respect of the Company's business segments.

**Primary segment report (business segments)**

During the six-month period ended 30 June 2025, revenue from sales of goods (mainly yellow phosphorus) accounted for 99.89% of the Company's total revenue (six-month period ended 30 June 2024: 99.82%). Accordingly, the Company does not present Segment report by business sector.

**Secondary segment report (geographical segments)**

Segment information of net revenue from sales of goods based on the geographical location of the Company's customers is as follows:

	For the six-month period ended 30 June 2025		
	Domestic VND	Overseas VND	Total VND
Total net revenue	93,200,037,719	820,908,067,683	914,108,105,402
Total segment assets at period-end (unallocated)	(*)	(*)	989,972,114,077
Total expenses incurred for purchases of fixed assets (unallocated)	(*)	(*)	7,814,284,119



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
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**26 SEGMENT REPORTING (CONTINUED)**

**Secondary segment report (geographical segments) (continued)**

	For the six-month period ended 30 June 2024		
	Domestic VND	Overseas VND	Total VND
Total net revenue	148,195,018,495	518,422,352,959	666,617,371,454
Total segment assets at period-end (unallocated)	(*)	(*)	929,151,036,167
Total expenses incurred for purchases of fixed assets (unallocated)	(*)	(*)	-

(\*) The Company does not present assets and liabilities on geographical segment report because the Company operates in one geographical area that is Vietnam and does not monitor assets and liabilities by customers location.

**27 RELATED PARTY DISCLOSURES**

The Company is controlled by Duc Giang Lao Cai Chemicals Limited Company, which owns 51% of the Company's charter capital. The ultimate parent of the Company is Duc Giang Chemicals Group Joint Stock Company, a company incorporated in Vietnam.

Details of the key related parties and relationship are given as below:

Related parties	Relationship
Duc Giang Chemicals Group Joint Stock Company	Ultimate parent company
Duc Giang Lao Cai Chemicals Limited Company	Parent company
Duc Giang – Dinh Vu Chemicals One Member Company Limited	Group subsidiary
Duc Giang Nghi Son Chemicals Limited Company	Group subsidiary
Duc Giang Chemicals Sport One Member Company Limited	Group subsidiary
Duc Giang Real Estate Limited Company	Group subsidiary
Duc Giang – Dak Nong Chemicals Limited Company	Group subsidiary
Tia Sang Battery Joint Stock Company	Group subsidiary
Photphorus 6 One Member Limited Company (until 1 December 2024)	Group subsidiary
Van Minh Limited Company	Under common control of the Chairman
Member of the Board of Directors, Board of Supervision, Board of Management, Chief Accountant and related individuals	Key management

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
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## 27 RELATED PARTY DISCLOSURES (CONTINUED)

## (a) Related party transactions

The primary transactions with related parties incurred in the the period are:

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 30.6.2024 VND
<b>i) Duc Giang Chemicals Group Joint Stock Company</b>		
Purchase of materials and services	2,963,170,533	1,943,975,467
Sales of finished goods	546,290,000	653,952,500
<b>ii) Duc Giang Lao Cai Chemicals Limited Company</b>		
Purchase of materials	371,562,086,458	276,576,125,787
Sales of materials, finished goods	80,476,196,762	135,573,025,648
Dividend declared	31,876,055,000	12,750,422,000
Dividend paid	31,876,055,000	127,504,220,000
<b>iii) Photphorus 6 One Member Limited Company</b>		
Purchases of materials	-	479,675,386
Sales of materials	-	463,574,448
<b>iv) Van Minh Limited Company</b>		
Purchase of materials	159,801,062	188,721,024
Sales of finished goods	19,220,000	-
<b>v) Duc Giang – Dak Nong Chemicals Limited Company</b>		
Sales of finished goods	2,304,238,500	606,493,390
<b>vi) Mr. Dao Huu Huyen - Chairman of Board of Directors ("BOD")</b>		
Dividend declared	4,804,165,000	1,921,666,000
Dividend paid	4,804,165,000	19,216,660,000
<b>vii) Mr. Dao Huu Duy Anh - Member of BOD</b>		
Dividend declared	5,645,832,500	2,258,333,000
Dividend paid	5,645,832,500	22,583,330,000

NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

## 27 RELATED PARTY DISCLOSURES (CONTINUED)

## (a) Related party transactions (continued)

	From 1.1.2025 to 30.6.2025 VND	From 1.1.2024 to 30.6.2024 VND
<b>vii) Compensation of key management</b>		
Mr. Dao Huu Huyen – Chairman of BOD	48,000,000	48,000,000
Mr. Dao Huu Duy Anh – Member of BOD	42,000,000	42,000,000
Mr. Dang Tien Duc – Member of BOD/Director	841,322,596	662,360,705
Mr. Pham Van Hung – Member of BOD	42,000,000	42,000,000
Mr. Vuong Quoc Hung – Member of BOD/Deputy Director	21,000,000	42,000,000
Mr. Nguyen Hung Cuong – Member of BOD/ Deputy Director	-	353,303,462
Mr. Vuong Duyen Hai – Member BOD	21,000,000	-
Ms. Pham Thi Bich Phuong – Chief Accountant	329,260,962	262,413,078
Ms. Pham Thi Bich – Head of Board of Supervision (“BOS”)	36,000,000	36,000,000
Mr. Tran Van Cuong – Member of BOS	187,903,756	146,197,705
Mr. Pho Duc Tung – Member of BOS	24,000,000	24,000,000
	<u>1,592,487,314</u>	<u>1,658,274,950</u>

## (b) Period/year-end balances with related parties

	30.6.2025 VND	31.12.2024 VND
<b>i) Short-term trade accounts receivables (Note 5)</b>		
Van Minh Limited Company	12,807,595	-
<b>ii) Short-term trade account payables (Note 10)</b>		
Duc Giang Lao Cai Chemicals Limited Company	85,125,268,786	161,592,955,397
Duc Giang Chemicals Group Joint Stock Company	318,525,578	460,268,509
Van Minh Limited Company	-	86,942,600
	<u>85,443,794,364</u>	<u>162,140,166,506</u>



**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

**28 COMMITMENTS UNDER OPERATING LEASES**

The future minimum lease payments under non-cancellable operating leases were as follows:


	<b>Land rental fees</b>	
	<b>30.6.2025</b>	<b>31.12.2024</b>
	<b>VND</b>	<b>VND</b>
Between one and five years	875,379,887	767,570,379
Over five years	3,343,000,318	3,450,809,825
Total minimum payments	4,218,380,205	4,218,380,204

**29 CONTINGENT LIABILITIES**

**Land restoration obligations**

The Company signed land rental contracts and carried out the construction of infrastructure on these lands. These contracts do not contain any clause on land restoration obligation. Therefore, the Board of Management of the Company assessed that the Company may have future obligations related to dismantling, removing the Company's assets from the lands and restoring the lands to original conditions at the end of the lease term. However, these obligations can only be ascertained when there are further events such as additional negotiation with the lessor and when the competent authority promulgates additional legal documents clarifying the lessee's obligations when the land rental contract does not contain any clause on land restoration obligation. Accordingly, the Board of Management did not recognise a provision for land restoration obligations in the Company's interim financial statements for the six-month period ended 30 June 2025.

The interim financial statements for the six-month period ended 30 June 2025 were approved by the Board of Management of the Company on 12 August 2025.

  
\_\_\_\_\_  
Pham Thi Thu Loan  
Preparer

  
\_\_\_\_\_  
Pham Thi Bich Phuong  
Chief Accountant

  
\_\_\_\_\_  
Dang Tien Duc  
Director  
Legal Representative