

QUANG NAM MINERAL INDUSTRY CORPORATION
(Incorporated in the Socialist Republic of Vietnam)

**AUDITED CONSOLIDATED
FINANCIAL STATEMENTS**

For the year ended 31 December 2024



QUANG NAM MINERAL INDUSTRY CORPORATION

Ha Lam - Cho Duoc Industrial Cluster, Binh Phuc Commune, Thang Binh District,
Quang Nam Province, Vietnam

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QUANG NAM MINERAL INDUSTRY CORPORATION

Ha Lam - Cho Duoc Industrial Cluster, Binh Phuc Commune, Thang Binh District,
Quang Nam Province, Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Quang Nam Mineral Industry Corporation (the "Company") presents this report together with the Company's consolidated financial statements for the year ended 31 December 2024.

THE BOARDS OF DIRECTORS AND MANAGEMENT

The members of the Boards of Directors and Management of the Company during the year and to the date of this report are as follows:

Board of Directors

Ms. Le Thi Thu Huong	Chairman
Mr. Pham Ngoc An	Member
Mr. Nguyen The Lam	Member
Mr. Nguyen Van Viet	Member (request for resignation on 10 February 2025)
Mr. Nguyen Anh Nguyen	Member

Board of Management

Mr. Pham Ngoc An	General Director
Mr. Tran Thanh Son	Deputy General Director

BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

The Board of Management of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated 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;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. 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 frauds and other irregularities.

The Board of Management confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

QUANG NAM MINERAL INDUSTRY CORPORATION

Ha Lam - Cho Duoc Industrial Cluster, Binh Phuc Commune, Thang Binh District,
Quang Nam Province, Vietnam


STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

APPROVAL FOR FINANCIAL STATEMENTS

The Board of Directors approved the accompanying consolidated financial statements, which present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

For and on behalf of the Board of Directors and Management,




Pham Ngoc An

Member of the Board of Directors

General Director

27 March 2025

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
The Board of Directors and Board of Management
Quang Nam Mineral Industry Corporation

We have audited the accompanying consolidated financial statements of Quang Nam Mineral Industry Corporation (the "Company"), prepared on 27 March 2025 as set out from page 05 to page 33, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated statement of income and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Responsibilities of the Auditor

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of the Company as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.



Pham Nam Phong
Deputy General Director
Audit Practising Registration Certificate
No. 0929-2024-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

27 March 2025
Hanoi, S.R. Vietnam

Vu Van Hung
Auditor
Audit Practising Registration Certificate
No. 5070-2024-001-1

CONSOLIDATED BALANCE SHEET

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
A. CURRENT ASSETS	100		53,946,378,651	45,795,975,888
I. Cash and cash equivalents	110	4	2,843,387,751	796,389,191
1. Cash	111		1,943,387,751	796,389,191
2. Cash equivalents	112		900,000,000	-
II. Short-term financial investments	120	5	2,770,000,000	2,770,000,000
1. Held-to-maturity investments	123		2,770,000,000	2,770,000,000
III. Short-term receivables	130		42,565,156,121	32,549,017,235
1. Short-term trade receivables	131	6	36,870,456,308	23,389,713,136
2. Short-term advances to suppliers	132	7	5,904,659,591	7,301,998,696
3. Other short-term receivables	136	8	3,114,972,361	3,372,963,944
4. Provision for short-term doubtful debts	137	9	(3,324,932,139)	(1,515,658,541)
IV. Inventories	140	10	3,053,417,699	6,687,790,150
1. Inventories	141		4,153,016,496	6,687,790,150
2. Provision for devaluation of inventories	149		(1,099,598,797)	-
V. Other short-term assets	150		2,714,417,080	2,992,779,312
1. Short-term prepayments	151	11	1,291,536,594	1,030,690,843
2. Value-added tax deductibles	152		2,240,000	449,912,368
3. Taxes and other receivables from the State budget	153	12	1,420,640,486	1,512,176,101

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2024

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
B. NON-CURRENT ASSETS	200		120,427,144,819	121,281,303,526
I. Long-term receivables	210		47,706,789,300	41,575,472,832
1. Other long-term receivables	216	8	47,706,789,300	41,575,472,832
II. Fixed assets	220		59,641,909,305	64,561,891,205
1. Tangible fixed assets	221	13	34,266,593,516	36,032,549,498
- Cost	222		107,144,392,748	104,575,157,147
- Accumulated depreciation	223		(72,877,799,232)	(68,542,607,649)
2. Finance lease assets	224	14	25,375,315,789	28,526,729,869
- Cost	225		30,174,863,075	30,174,863,075
- Accumulated depreciation	226		(4,799,547,286)	(1,648,133,206)
3. Intangible assets	227		-	2,611,838
- Cost	228		652,427,974	652,427,974
- Accumulated amortisation	229		(652,427,974)	(649,816,136)
III. Long-term assets in progress	240		4,020,040,395	6,314,440,763
1. Construction in progress	242	15	4,020,040,395	6,314,440,763
IV. Long-term financial investments	250	5	-	1,380,000,000
1. Equity investments in other entities	253		1,568,600,000	1,568,600,000
2. Provision for impairment of long-term financial investments	254		(1,568,600,000)	(1,568,600,000)
3. Held-to-maturity investments	255		-	1,380,000,000
V. Other long-term assets	260		9,058,405,819	7,449,498,726
1. Long-term prepayments	261	11	9,042,283,819	7,433,376,726
2. Other long-term assets	268		16,122,000	16,122,000
TOTAL ASSETS (270=100+200)	270		174,373,523,470	167,077,279,414

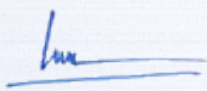
The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED BALANCE SHEET (CONTINUED)

As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
C. LIABILITIES	300		82,511,640,592	85,649,979,636
I. Current liabilities	310		76,889,520,266	74,570,631,160
1. Short-term trade payables	311	16	10,367,506,498	14,595,565,983
2. Short-term advances from customers	312		62,087,850	5,924,112,456
3. Taxes and amounts payable to the State budget	313	12	9,649,169,474	4,406,848,374
4. Payables to employees	314		2,081,788,402	2,256,444,975
5. Short-term accrued expenses	315	17	12,930,944,061	3,959,567,075
6. Other current payables	319		610,612,702	66,477,109
7. Short-term loans and obligations under finance leases	320	19	40,749,471,996	41,178,448,497
8. Short-term provisions	321	18	437,939,283	2,183,166,691
II. Long-term liabilities	330		5,622,120,326	11,079,348,476
1. Long-term loans and obligations under finance leases	338	20	3,977,997,599	9,976,894,303
2. Deferred tax liabilities	341	31	1,644,122,727	1,102,454,173
D. EQUITY	400		91,861,882,878	81,427,299,778
I. Owner's equity	410	21	91,861,882,878	81,427,299,778
1. Owner's contributed capital	411		55,449,460,000	55,449,460,000
- Ordinary shares carrying voting rights	411a		55,449,460,000	55,449,460,000
2. Treasury shares	415		(413,094,230)	(413,094,230)
3. Other reserves	420		401,117,136	401,117,136
4. Retained earnings	421		35,205,237,472	24,770,654,372
- Retained earnings accumulated to the prior year end	421a		24,770,654,372	14,005,517,754
- Retained earnings of the current year	421b		10,434,583,100	10,765,136,618
5. Construction investment fund	422		1,219,162,500	1,219,162,500
TOTAL RESOURCES (440=300+400)	440		174,373,523,470	167,077,279,414


Trương Thao Nguyễn
Preparer


Phan Minh Tuan
Chief Accountant


Phạm Ngọc An
General Director

27 March 2025

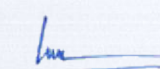
The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED INCOME STATEMENT


For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Notes	Current year	Prior year
1. Gross revenue from goods sold and services rendered	01	24	230,404,048,106	180,415,956,498
2. Net revenue from goods sold and services rendered (10=01)	10		230,404,048,106	180,415,956,498
3. Cost of sales	11	25	183,598,270,318	137,431,410,147
4. Gross profit from goods sold and services rendered (20=10-11)	20		46,805,777,788	42,984,546,351
5. Financial income	21	27	1,433,733,037	876,856,971
6. Financial expenses	22	28	3,606,867,043	3,150,082,668
- In which: Interest expense	23		3,603,347,043	3,107,497,668
7. Selling expenses	25	29	3,583,510,795	4,868,915,291
8. General and administration expenses	26	29	23,242,844,338	17,504,338,505
9. Operating profit (30=20+(21-22)-(25+26))	30		17,806,288,649	18,338,066,858
10. Other income	31		24,364,559	533,577,723
11. Other expenses	32	30	847,181,953	3,264,033,962
12. Losses from other activities (40=31-32)	40		(822,817,394)	(2,730,456,239)
13. Accounting profit before tax (50=30+40)	50		16,983,471,255	15,607,610,619
14. Current corporate income tax expense	51	31	6,007,219,601	4,373,960,066
15. Deferred corporate tax expense	52	31	541,668,554	468,513,935
16. Net profit after corporate income tax (60=50-51-52)	60		10,434,583,100	10,765,136,618
17. Basic earnings per share	70	32	1,892	1,952


Truong Thao Nguyen
Preparer


Phan Minh Tuan
Chief Accountant


Phan Ngoc An
General Director

27 March 2025

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
I. CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit before tax	01	16,983,471,255	15,607,610,619
2. Adjustments for:			
Depreciation and amortisation of fixed assets	02	7,489,217,501	7,372,302,809
Provisions	03	1,163,644,987	(1,257,719,014)
Gain from investing activities	05	(1,390,088,188)	(596,344,583)
Interest expense	06	3,603,347,043	3,107,497,668
3. Operating profit before movements in working capital	08	27,849,592,598	24,233,347,499
Changes in receivables	09	(18,039,558,261)	(13,883,922,945)
Changes in inventories	10	2,534,773,654	434,915,494
Changes in payables (excluding accrued loan interest and corporate income tax payable)	11	3,035,073,371	(20,535,024,138)
Changes in prepaid expenses	12	137,532,705	355,430,454
Interest paid	14	(3,607,326,310)	(3,096,004,059)
Corporate income tax paid	15	(4,324,342,136)	(5,141,898,429)
Net cash generated by/(used in) operating activities	20	7,585,745,621	(17,633,156,124)
II. CASH FLOWS FROM INVESTING ACTIVITIES			
1. Acquisition and construction of fixed assets and other long-term assets	21	(1,381,084,336)	(8,049,497,003)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	-	12,285,105,922
3. Cash outflow for lending, buying debt instruments of other entities	23	-	(2,770,000,000)
4. Cash recovered from lending, selling debt instruments of other entities	24	2,130,000,000	-
5. Interest earned, dividends and profits received	27	140,210,480	104,340,000
Net cash generated by investing activities	30	889,126,144	1,569,948,919

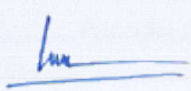
The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)


For the year ended 31 December 2024

Unit: VND

ITEMS	Codes	Current year	Prior year
III. CASH FLOWS FROM FINANCING ACTIVITIES			
1. Proceeds from borrowings	33	92,696,813,288	72,684,648,398
2. Repayment of borrowings	34	(93,326,782,958)	(61,082,416,357)
3. Repayment of obligations under finance leases	35	(5,797,903,535)	(2,662,270,040)
Net cash (used in)/generated by financing activities	40	(6,427,873,205)	8,939,962,001
 Net increase/(decrease) in cash (50=20+30+40)	 50	 2,046,998,560	 (7,123,245,204)
 Cash at the beginning of the year	 60	 796,389,191	 7,919,634,395
 Cash and cash equivalents at the end of the year (70=50+60)	 70	 2,843,387,751	 796,389,191


Trương Thao Nguyễn
Preparer


Phan Minh Tuấn
Chief Accountant


Phạm Ngọc An
General Director

27 March 2025

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

Structure of ownership

Quang Nam Mineral Industry Corporation (hereinafter referred to as the "Company") was established on the basis of equitization of State-owned enterprises (Mien Trung Industrial Company, formerly known as Quang Nam - Da Nang Industrial Sand and Export Enterprise, established in 1984) under Decision No. 5078/QD-UB dated 9 December 2004 of the Provincial People's Committee of Quang Nam Province.

The Company operates under Enterprise Registration Certificate No. 4000100139 issued by the Department of Planning and Investment of Quang Nam Province for the first time on 25 May 2005 and as amended, with the latest 13th amendment dated 21 November 2020.

The Company's shares were officially listed on the Hanoi Stock Exchange ("HNX") starting from 19 March 2025 with the code MIC.

The Company's headquarters and factory are located in Ha Lam – Cho Duoc Industrial Cluster, Binh Phuc Commune, Thang Binh District, Quang Nam Province.

The total number of employees of The Company as at 31 December 2024 is 97 (as at 31 December 2023: 96).

Principal activities

The Company's main activities are mining, processing, trading minerals and providing transportation services.

Normal production and business cycle

The Company's normal production and business cycle is carried out for a time period of 12 months or less.

The Company's structure

As at 31 December 2024, the Company has 01 subsidiary as follow:

Name	Place of incorporation and operation	Proportion of ownership interest (%)	Proportion of voting power held (%)	Principal activity
Dai Loc Feldspar Company Limited	Quang Nam Province	100	100	Mineral mining

During the year, the Company completed the additional capital contribution to Dai Loc Feldspar Company Limited according to Decision No. 09/QD-KNKS of the Board of Directors of the Company dated 27 June 2024 with a contributed amount of VND 3,900,000,000.

Disclosure of information comparability in the consolidated financial statements

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

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

The accompanying consolidated financial statements are prepared on consolidation of the Company's financial statements and its subsidiary's financial statements.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Company's financial year begins on 01 January and ends on 31 December.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

Estimates

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting 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 consolidated financial statements and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) up to 31 December each year. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Cash and cash equivalent

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments (not exceeding 3 months) that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Financial investments

Investment held to maturity

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits and bonds.

Held-to-maturity investments are recognised on a trade date basis and are initially measured at acquisition price plus directly attributable transaction costs. Post-acquisition interest income from held-to-maturity investments is recognised in the consolidated income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

Held-to-maturity investments are measured at cost less provision for impairment of held-to-maturity investments.

Provision for impairment of held-to-maturity investments is made in accordance with prevailing accounting regulations.

Equity investments in other entities

Equity investments in other entities represent the Company's investments in ordinary shares of the entities over which the Company has no control, joint control, or significant influence.

Equity investments in other entities are carried at cost less provision for impairment.

Receivables

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for receivables that are overdue, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt as assessed by the Board of Management.

Inventories

The Company applies perpetual method to account for inventories. Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and those overheads (primarily taxes, fees and contributions related to sand exploitation) that have been incurred in bringing the inventories to their present location and condition. For merchandise, cost comprises cost of purchases and other directly attributable expenses. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

The evaluation of necessary provision for inventory obsolescence follows current prevailing accounting regulations which allow provisions to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at the consolidated balance sheet date.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	Years
Buildings and structures	05 - 30
Machinery and equipment	02 - 25
Motor vehicles	02 - 10
Office equipment	03 - 10

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

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as lessee

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives, as follows:

	Years
Machinery and equipment	03 - 10

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Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost including costs that are necessary to form the assets in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other assets, commences when the assets are ready for their intended use.

Prepayments

Prepayments are expenses which have already been paid for but relate to results of operations of multiple accounting periods, including costs of tools, supplies issued for consumption, mining license fee and other prepayments.

Mining license fee comprise expenses incurred to obtain the mineral exploitation license and shall be allocated to the Consolidated Income Statement according to the straight-line method over the duration the mineral exploitation rights are in effect.

Other types of prepayments comprise overhaul expenses costs of small tools, supplies and spare parts issued for consumption and other prepayments which are expected to provide future economic benefits to the Company. These expenditures have been capitalised as prepayments and are allocated to the consolidated income statement using the straight-line method in accordance with the current prevailing accounting regulations.

Payable provisions

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation as at the consolidated balance sheet date.

Revenue recognition

Sales revenue

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

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

Sales of services

Revenue from transportation services is recognized upon completion of the transportation service.

For other revenues, revenue of a transaction involving the rendering of services is recognised when the outcome of such transactions can be measured reliably. Where a transaction involving the rendering of services is attributable to several years, revenue is recognised in the year by reference to the percentage of completion of the transaction at the consolidated balance sheet date of that year. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

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

Interest on deposits and dividend income from investments

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

Dividend income from investments is recognised when the Company's right to receive payment has been established.

Foreign currencies

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction date. The balances of monetary items denominated in foreign currencies as at the consolidated balance sheet date are retranslated at the exchange rates of commercial bank where the Company usually transacts on the same date. Exchange differences arising from the translation of these accounts are recognised in the consolidated income statement.

Borrowing costs

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

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred tax is recognised on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognised for all temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Company intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

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

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Cash on hand	79,756,544	74,587,072
Cash at bank	1,863,631,207	721,802,119
Cash equivalents (i)	900,000,000	-
	<u>2,843,387,751</u>	<u>796,389,191</u>

- (i) Represents term deposit at Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch in Vietnam Dong at with the original term of 1 month, earning interest at the rate of 2.9% per annum. As at 31 December 2024, the entire balance of this term deposit has been pledged to secure the Company's loans at the Bank (see Note 19).

5. FINANCIAL INVESTMENTS

5.1. HELD-TO-MATURITY INVESTMENTS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Deposits (i)	2,770,000,000	2,770,000,000
	<u>2,770,000,000</u>	<u>2,770,000,000</u>
b. Non-current		
Bonds	-	1,380,000,000
	<u>-</u>	<u>1,380,000,000</u>

- (i) Represents term deposits with original terms ranging from 6 months to 12 months at Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch earning interest at rates from 4.4%-4.9% per annum (as at 31 December 2023: 4.4%-4.9% per annum). As at 31 December 2024, the entire balance of these term deposits have been pledged to secure the Company's loans at the Bank (see Note 19).

5.2. EQUITY INVESTMENTS IN OTHER ENTITIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision	Cost	Provision
Bong Mieu Gold Mining Company Limited	1,568,600,000	(1,568,600,000)	1,568,600,000	(1,568,600,000)
	<u>1,568,600,000</u>	<u>(1,568,600,000)</u>	<u>1,568,600,000</u>	<u>(1,568,600,000)</u>

The Company has not assessed fair value of its financial investments as at the consolidated balance sheet date since there is no comprehensive guidance of relevant prevailing regulations on determination of fair value of financial investment into unlisted entities.

The operation status of the financial investment is as follows:

	Current year	Prior year
	VND	VND
Investments in other entities		
Bong Mieu Gold Mining Company Limited	Suspended	Suspended

6. SHORT-TERM TRADE RECEIVABLES

	Closing balance	Opening balance
	VND	VND
VP SILICA Joint Stock Company	15,526,266,143	17,933,306,552
Hai Tien Thanh Investment Construction Company Limited	9,072,525,650	-
Hoang Tiep Vietnam Company Limited	6,528,592,350	82,508,970
Vietnam Float Glass Company Limited	2,224,185,600	1,741,555,200
Others	3,518,886,565	3,632,342,414
	<u>36,870,456,308</u>	<u>23,389,713,136</u>
In which: Receivables from related parties (Details stated in Note 33)	22,054,858,493	18,015,815,522

As at 31 December 2024 and 31 December 2023, short-term trade receivables were used to secure the Company's loan at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch (see Note 19).

7. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Hoang Tiep Vietnam Company Limited	5,140,000,000	130,000,000
Chi Linh Trading & Construction Company Limited	-	5,140,000,000
Others	764,659,591	2,031,998,696
	<u>5,904,659,591</u>	<u>7,301,998,696</u>
 In which: Advances to related parties (Details stated in Note 33)	 5,140,000,000	 130,000,000

8. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
a. Current		
Advances to employees	1,683,235,642	2,005,994,377
Others	1,431,736,719	1,366,969,567
	<u>3,114,972,361</u>	<u>3,372,963,944</u>
 b. Non-current		
Deposits (i)	44,792,568,077	39,877,304,661
Deposits interest receivables	2,914,221,223	1,698,168,171
	<u>47,706,789,300</u>	<u>41,575,472,832</u>

- (i) Deposits mainly include deposit amount for environmental renovation and restoration during mineral mining. As at 31 December 2024 the balance of the deposit is VND 41,026,235,963 (as at 31 December 2023: VND 35,950,972,547).

9. BAD DEBTS

	<u>Closing balance</u>		<u>Opening balance</u>	
	Cost	Recoverable amount	Cost	Recoverable amount
		VND		VND
Sai Gon Dai Loi Joint Stock Company	703,411,950	-	703,411,950	-
Viet Cuong Trading and Technic Joint Stock Company	333,760,000	-	333,760,000	-
Others	2,289,607,984	1,847,795	485,892,866	7,406,275
	<u>3,326,779,934</u>	<u>1,847,795</u>	<u>1,523,064,816</u>	<u>7,406,275</u>
 Provisions	 <u>3,324,932,139</u>	 <u>1,515,658,541</u>		

Recoverable amounts of bad debts were calculated at original cost of the debts less the value of the provisions recognised.

10. INVENTORIES

	Closing balance		Opening balance	
	Cost	VND Provision	Cost	VND Provision
Raw materials	441,886,677	(222,059,200)	1,710,153,057	-
Tools and supplies	838,069,832	-	1,420,647,421	-
Work in progress	544,686,911	(544,686,911)	544,686,911	-
Finished goods	2,328,373,076	(332,852,686)	3,012,302,761	-
	<u>4,153,016,496</u>	<u>(1,099,598,797)</u>	<u>6,687,790,150</u>	<u>-</u>

On 31 December 2024 and 31 December 2023, all inventories were used to secure the Company's loan at the Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch (see Note 19).

11. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
a. Current		
Tools and dies issued for consumption	436,946,179	190,874,417
Others	854,590,415	839,816,426
	<u>1,291,536,594</u>	<u>1,030,690,843</u>
b. Non-current		
Mineral mining license	4,422,891,978	2,596,026,415
Maintenance and repair costs	1,803,940,781	2,141,101,536
Others	2,815,451,060	2,696,248,775
	<u>9,042,283,819</u>	<u>7,433,376,726</u>

12. TAXES AND AMOUNTS RECEIVABLE FROM/PAYABLE TO THE STATE BUDGET

	Opening balance	Payable during the year	Paid/Offset during the year	Closing balance
	VND	VND	VND	VND
a. Receivables				
Value-added tax	3,270,155	3,270,155	-	-
Export and import duties	61,365,450	7,873,072,458	7,873,072,458	61,365,450
Personal income tax	58,850,368	50,697,782	-	8,152,586
Severance tax	531,984,308	531,984,308	-	-
Land tax	847,801,410	3,381,246,483	3,875,663,113	1,342,218,040
Others	8,904,410	953,335,000	953,335,000	8,904,410
	<u>1,512,176,101</u>	<u>12,793,606,186</u>	<u>12,702,070,571</u>	<u>1,420,640,486</u>
b. Payables				
Value-added tax	3,723,691	20,613,372,236	18,021,915,974	2,595,179,953
Corporate income tax	4,373,960,066	6,007,219,601	4,324,342,136	6,056,837,531
Personal income tax	3,000,000	67,863,070	45,964,349	24,898,721
Severance tax	-	19,583,281,226	18,724,449,533	858,831,693
Others	26,164,617	1,767,189,270	1,679,932,311	113,421,576
	<u>4,406,848,374</u>	<u>48,038,925,403</u>	<u>42,796,604,303</u>	<u>9,649,169,474</u>

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13. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures	Machinery and equipment	Motor vehicles	Office equipment	Total
	VND	VND	VND	VND	VND
COST					
Opening balance	41,742,778,921	52,227,427,894	8,178,102,609	2,426,847,723	104,575,157,147
Additions	1,603,840,146	637,645,455	-	327,750,000	2,569,235,601
Closing balance	43,346,619,067	52,865,073,349	8,178,102,609	2,754,597,723	107,144,392,748
ACCUMULATED DEPRECIATION					
Opening balance	28,772,888,068	32,137,859,440	5,925,128,964	1,706,731,177	68,542,607,649
Charge for the year	1,709,425,592	2,316,314,816	156,080,077	153,371,098	4,335,191,583
Closing balance	30,482,313,660	34,454,174,256	6,081,209,041	1,860,102,275	72,877,799,232
NET BOOK VALUE					
Opening balance	12,969,890,853	20,089,568,454	2,252,973,645	720,116,546	36,032,549,498
Closing balance	12,864,305,407	18,410,899,093	2,096,893,568	894,495,448	34,266,593,516

As at 31 December 2024, the cost of the Company's tangible fixed assets includes VND 43,768,014,602 (31 December 2023: VND 31,126,884,760) of assets which have been fully depreciated but are still in use.

As at 31 December 2024, the Company has pledged a number of assets with the carrying amount of VND 16,927,345,065 (as at 31 December 2023: VND 15,566,071,287) to secure the Company's loans at banks (see Note 19 and 20).

There were some assets with carrying amount of VND 2,043,496,736 which were temporarily not in use. (As at 31 December 2023: VND 2,306,888,336).

14. INCREASES, DECREASES IN FINANCE LEASE ASSETS

	Machinery and equipment VND
COST	
Opening balance	30,174,863,075
Closing balance	30,174,863,075
ACCUMULATED DEPRECIATION	
Opening balance	1,648,133,206
Charge for the year	3,151,414,080
Closing balance	4,799,547,286
NET BOOK VALUE	
Opening balance	28,526,729,869
Closing balance	25,375,315,789

15. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Capital expenditure for mining capacity expansion	2,775,739,704	4,783,025,253
Feldspar Processing Plant	1,244,300,691	1,244,300,691
Others	-	287,114,819
	4,020,040,395	6,314,440,763

16. SHORT-TERM TRADE PAYABLES

	Closing balance VND	Opening balance VND
	Amount/Amount able to be paid off	Amount/Amount able to be paid off
Logistics Portserco Joint Stock Company	5,355,001,654	4,256,014,675
Da Nang Port Joint Stock Company	1,633,819,179	351,713,449
Giang Phu Thanh One Member Company Limited	914,667,670	1,741,599,350
VP SILICA Joint Stock Company	282,058,064	2,244,000,000
Others	2,181,959,931	6,002,238,509
	10,367,506,498	14,595,565,983
In which: Trade payables to related parties (Details stated in Note 33)	282,058,064	2,244,000,000

17. SHORT-TERM ACCRUED EXPENSES

	Closing balance	Opening balance
	VND	VND
Contributions to State budget for local infrastructure development	10,950,197,300	3,075,022,300
Freight expenses	1,753,577,911	645,163,919
Others	227,168,850	239,380,856
	12,930,944,061	3,959,567,075

18. SHORT-TERM PROVISIONS

	Closing balance	Opening balance
	VND	VND
Environmental restoration costs for Area C, Thang Binh	437,939,283	2,183,166,691
	437,939,283	2,183,166,691

19. SHORT-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year	Closing balance
	VND		VND	VND
	Amount/Amount able to be paid off	Increases	Decreases	Amount/Amount able to be paid off
Short-term loans	34,790,544,959	92,696,813,288	92,736,782,958	34,750,575,289
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch (i)	34,790,544,959	92,696,813,288	92,736,782,958	34,750,575,289
Current portion of long-term loans (see Note 20)	6,387,903,538	5,998,896,704	6,387,903,535	5,998,896,707
Loans	590,000,000	590,000,000	590,000,000	590,000,000
Finance leases	5,797,903,538	5,408,896,704	5,797,903,535	5,408,896,707
	41,178,448,497	98,695,709,992	99,124,686,493	40,749,471,996

- (i) Represents short-term loan from Joint Stock Commercial Bank for Investment and Development of Vietnam – Quang Nam Branch ("BIDV Quang Nam") under the Credit Limit Contract No. 01/2024/586184/HDTD dated 28 November 2024 to finance working capital, guarantee, and open LC with a regular credit limit of VND 35,000,000,000. The term of the Contract is 12 months from the date of signing the contract. The loan term of each loan is stated on each debt receipt. Applicable interest rate is determined at the time of disbursement according to the bank's periodic interest rate notice and recorded on each debt receipt. Interest is paid monthly on the 25th day.

The loan is secured by:

- The Company's term deposits with book value as at 31 December 2024 of VND 3,670,000,000 (as at 31 December 2023: term deposits, bonds with book value of VND 2,770,000,000 and VND 1,380,000,000) as presented in Note 04 and 05;
- The Company's tangible fixed assets with carrying amount of VND 13,997,873,210 as at 31 December, 2024 (as at 31 December 2023: VND 12,259,934,000), as presented in Note 13;
- Short-term receivables and inventories with a minimum total value of VND 14,650,905,214 (See Note 6 and 10); and
- The Company's minerals extraction rights in area C, Huong An white marine sand mine in Thang Binh district, Quang Nam province.

20. LONG-TERM LOANS AND OBLIGATIONS UNDER FINANCE LEASES

	Opening balance		In the year	Closing balance
	VND		VND	VND
	Amount/Amount	Increases	Decreases	Amount/Amount
	able to be paid			able to be paid
	off			off
Long-term loans	2,072,500,000	-	590,000,000	1,482,500,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch (i)	2,072,500,000	-	590,000,000	1,482,500,000
Long-term finance lease	14,292,297,841	-	5,797,903,535	8,494,394,306
Chailease Vietnam International Leasing Company Limited - Hanoi Branch (ii)	14,292,297,841	-	5,797,903,535	8,494,394,306
	16,364,797,841	-	6,387,903,535	9,976,894,306

In which:

- Amount due for settlement within 12 months	6,387,903,538	5,998,896,707
- Amount due for settlement after 12 months	9,976,894,303	3,977,997,599

(i) Represents long-term loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Quang Nam Branch under:

- Credit Contract No. 01/2021/586184/HDTD dated 22 July 2021 to finance the acquisition of Ford Everest Titanium 2.0L AT 4x2 with a total value of VND 700,000,000 and a loan term of 05 years from the first disbursement date. Applicable loan interest rate is 8% per annum from the date of disbursement to 30 June 2022, and from 1 July 2022 onwards, floating interest rate is applied and adjusted every 06 months. Interest rate is adjusted by 24-month deferred interest personal saving accounts interest rate + bank fees, at least 3% per annum. Applicable interest rate as at 31 December 2024 is 7.7% per annum. Interest is paid monthly on the 25th day. The loan is secured by fixed assets formed from the loan contract with carrying amount as at 31 December 2024 of VND 746,502,119 (as at 31 December 2023: VND 859,894,847) as presented in Note 13.

- Credit Contract No. 01/2023/586184/HDTD dated 11 July 2023 to finance the acquisition of 2 LIUGONG wheel loaders with a total value of VND 1,800,000,000 and a loan term of 04 years from the first disbursement date. Applicable interest rate is 9% per annum from the date of disbursement to 30 June 2024, and from 1 July 2024 onwards, floating interest rate is applied and adjusted every 06 months. Interest rate is adjusted by 24-month deferred interest personal saving accounts interest rate + bank fees, at least 3.5% per annum. Applicable interest rate as at 31 December 2024 is 9% per annum. Interest is paid monthly on the 25th day. The loan is secured by fixed assets formed from the loan contract with carrying amount as at 31 December 31, 2024 of VND 2,182,969,736 (31 December 2023: VND 2,446,242,440) as presented in Note 13.
- (ii) Represents finance lease liabilities from Chailease Vietnam International Leasing Company Limited - Hanoi Branch with the principal amounts of VND 10,718,977,264, VND 3,008,527,866 and VND 3,579,868,600 with terms of 3 years, 3 years, 4 years from the lease commencement date, respectively. Interest and principal are paid monthly on the 25th day. Applicable interest rate to the principal amounts of the finance lease as at 31 December 2024 ranged from 8.9% per annum to 10.85% per annum. As at 31 December 2024, the balances of finance lease liabilities are VND 5,657,238,006, VND 1,554,406,068 and VND 1,282,750,231 respectively.

Long-term loans are repayable as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	590,000,000	590,000,000
In the second year	520,000,000	590,000,000
In the third to fifth year inclusive	372,500,000	892,500,000
	1,482,500,000	2,072,500,000
Less: Amount due for settlement within 12 months	(590,000,000)	(590,000,000)
Amount due for settlement after 12 months	892,500,000	1,482,500,000

Other long-term obligations under finance lease are repayable as follows:

	Closing balance VND	Opening balance VND
On demand or within one year	5,408,896,707	5,797,903,538
In the second year	3,085,497,599	5,408,896,702
In the third to fifth year inclusive	-	3,085,497,601
	8,494,394,306	14,292,297,841
Less: Amount due for settlement within 12 months	(5,408,896,707)	(5,797,903,538)
Amount due for settlement after 12 months	3,085,497,599	8,494,394,303

QUANG NAM MINERAL INDUSTRY CORPORATION
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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21. OWNERS' EQUITY

Movement in owners' equity

	Owner's contributed capital VND	Treasury shares VND	Other owners' capital VND	Retained earnings VND	Construction investment fund VND	Total VND
Prior year's opening balance	55,449,460,000	(413,094,230)	401,117,136	14,005,517,754	1,219,162,500	70,662,163,160
Profit for the year	-	-	-	10,765,136,618	-	10,765,136,618
Current year's opening balance	55,449,460,000	(413,094,230)	401,117,136	24,770,654,372	1,219,162,500	81,427,299,778
Profit for the year	-	-	-	10,434,583,100	-	10,434,583,100
Current year's closing balance	55,449,460,000	(413,094,230)	401,117,136	35,205,237,472	1,219,162,500	91,861,882,878

Charter capital

According to the 13th amended to Enterprise Registration Certificate (the latest) dated 21 November 2020 issued by the Department of Planning and Investment of Quang Nam Province, the Company's charter capital is VND 55,449,460,000. As at 31 December 2024, the Company's charter capital has been fully contributed by shareholders as follows:

	Contributed capital			
	Closing balance		Opening balance	
	VND	%	VND	%
Viet Phuong Investment Group Joint Stock Company	14,173,300,000	25.56	14,173,300,000	25.56
VP SILICA Joint Stock Company	13,660,250,000	24.64	13,660,250,000	24.64
Mr. Nguyen Ba Phong	5,869,000,000	10.58	5,869,000,000	10.58
Mr. Le Tuan Diep	3,428,550,000	6.18	3,428,550,000	6.18
Other shareholders	18,015,110,000	32.49	18,015,110,000	32.49
	55,146,210,000	99.45	55,146,210,000	99.45
Treasury shares	303,250,000	0.55	303,250,000	0.55
Total	55,449,460,000	100.00	55,449,460,000	100.00

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
	Shares	Shares
Number of shares issued to the public	5,544,946	5,544,946
<i>Ordinary shares</i>	5,544,946	5,544,946
Number of treasury shares	(30,325)	(30,325)
<i>Ordinary shares</i>	(30,325)	(30,325)
Number of outstanding shares in circulation	5,514,621	5,514,621
<i>Ordinary shares</i>	5,514,621	5,514,621

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

22. OFF BALANCE SHEET ITEMS

Foreign currencies

	<u>Closing balance</u>	<u>Opening balance</u>
US Dollar (USD)	1,271.38	962.31

Operating lease assets

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Within one year	1,915,733,058	2,841,315,628
In the second to fifth year inclusive	1,112,668,816	2,325,722,670
After five years	8,516,643,057	4,950,069,044
	<u>11,545,044,931</u>	<u>10,117,107,342</u>

Operating leases represent the total amount of land rent of the Company under lease agreements signed effective from 1995 to 2067.

23. BUSINESS AND GEOGRAPHICAL SEGMENTS

Business segments

During the year, the Company's main production and business activities were exploitation, processing, trading and transportation of sand and sand-based products. The Company has no other material production and business activities. Therefore, no report by business segments needs to be presented. Revenue and cost of sales by lines of product/service are presented in Notes 24 and 25.

Geographical segments

	Vietnam VND	Korea VND	Thailand VND	Taiwan	Japan VND	Total VND
Current year/Closing balance						
1. Net external sales	209,813,700,529	12,255,254,000	8,335,093,577	-	-	230,404,048,106
2. Segment assets	174,373,523,470	-	-	-	-	174,373,523,470
3. Segment liabilities	82,511,640,592	-	-	-	-	82,511,640,592
4. Total expenditures on acquisition of fixed assets (based on the location of assets)	2,569,235,601	-	-	-	-	2,569,235,601
Prior year/Opening balance						
1. Net external sales	156,901,785,698	10,265,761,950	-	13,154,020,850	94,388,000	180,415,956,498
2. Segment assets	167,077,279,414	-	-	-	-	167,077,279,414
3. Segment liabilities	79,894,459,636	5,755,520,000	-	-	-	85,649,979,636
4. Total expenditures on acquisition of fixed assets (based on the location of assets)	12,632,667,819	-	-	-	-	12,632,667,819

24. REVENUE OF GOODS SOLD AND SERVICES RENDERED

	Current year VND	Prior year VND
Revenue from export sales	18,122,967,577	23,514,170,800
- Revenue from sales of processed white sand	18,122,967,577	23,514,170,800
Revenue from domestic sales	151,967,260,814	113,882,217,527
- Revenue from sales of processed white sand	149,772,741,361	106,904,771,892
- Revenue from sales of silica powder	2,016,774,000	6,913,860,182
- Revenue from sales of dried white sand	177,745,453	63,585,453
Revenue from sand-shipping service and others	60,313,819,715	43,019,568,171
	230,404,048,106	180,415,956,498
 In which: Sales to related parties (Details stated in Note 33)	 143,555,460,513	 104,974,122,288

25. COST OF SALES

	Current year VND	Prior year VND
Cost of export goods sold	8,138,964,242	11,309,004,996
- Cost of processed white sand sold	8,138,964,242	11,309,004,996
Cost of domestic goods sold	115,506,350,326	90,665,021,722
- Cost of processed white sand sold	112,980,432,832	84,766,786,797
- Cost of silica powder sold	2,410,146,843	5,825,951,930
- Cost of dried white sand sold	115,770,651	72,282,995
Cost of sand-shipping services and other services rendered	58,853,356,953	35,457,383,429
Provision for inventory devaluation	1,099,598,797	-
	183,598,270,318	137,431,410,147

26. PRODUCTION COST BY NATURE

	Current year VND	Prior year VND
Raw materials and consumables	15,683,553,186	10,970,776,508
Labour	19,647,528,484	18,773,072,566
Depreciation and amortisation	7,225,825,901	7,027,608,228
Out-sourced services	111,915,338,087	82,829,676,391
Provisions/(Reversal) of provisions	2,908,872,395	(1,257,719,014)
Others	21,362,127,222	15,221,097,092
	178,743,245,275	133,564,511,771

27. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Interest from bank deposits, loans, bonds and guarantee deposits	1,391,791,637	755,791,471
Foreign exchange gain	41,941,400	121,065,500
	1,433,733,037	876,856,971

28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	3,603,347,043	3,107,497,668
Other financial expenses	3,520,000	42,585,000
	3,606,867,043	3,150,082,668

29. SELLING EXPENSES AND GENERAL AND ADMINISTRATION EXPENSES

	Current year	Prior year
	VND	VND
General and administration expenses		
Labour	8,174,075,433	7,307,965,089
Depreciation and amortisation	457,378,675	522,302,981
Out-sourced services	3,662,329,011	3,778,398,279
Provisions	1,809,273,598	(30,000,000)
Others	9,139,787,621	5,925,672,156
	23,242,844,338	17,504,338,505
Selling expenses		
Shipping and handling expenses	3,498,310,795	4,566,785,291
Others	85,200,000	302,130,000
	3,583,510,795	4,868,915,291

30. OTHER EXPENSES

	Current year	Prior year
	VND	VND
Penalties for late payment of taxes and social insurance	557,289,611	2,883,551,522
Depreciation and amortisation	263,391,600	344,694,581
Others	26,500,742	35,787,859
	847,181,953	3,264,033,962

31. CURRENT CORPORATE INCOME TAX EXPENSE/DEFERRED TAX LIABILITIES

	Current year	Prior year
	VND	VND
Current corporate income tax expense		
Corporate income tax expense based on taxable profit in the current year	6,007,219,601	4,373,960,066
Deferred corporate income tax expense	541,668,554	468,513,935
Total current corporate income tax expense	6,548,888,155	4,842,474,001

Details of deferred tax liabilities are as follow:

	Closing balance	Opening balance
	VND	VND
Deferred tax liabilities arising from consolidation	1,644,122,727	1,102,454,173
	1,644,122,727	1,102,454,173

32. BASIC EARNINGS PER SHARE

	Current year	Prior year
	VND	VND
Accounting profit after corporate income tax of Parent Company's Shareholders	10,434,583,100	10,765,136,618
Average ordinary shares in circulation for the year	5,514,621	5,514,621
Basic earnings per share	1,892	1,952

At the date of these consolidated financial statements, the Company has not made a reliable estimation of the amount of profit in the year to be allocated to Bonus and welfare funds because the General Meeting of Shareholders has not decided the rate of such allocation for 2024 and 2023. If the Company allocates profit to Bonus and welfare funds, net profit of ordinary shareholders and basic earnings per share of this year and the previous year will decrease.

33. RELATED PARTY TRANSACTIONS AND BALANCES

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

Related Parties	Relationship
VP SILICA Joint Stock Company	Major shareholder
Hoang Tiep Viet Nam Company Limited	Related company with common key personnel

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

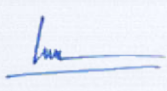
	Current year	Prior year
	VND	VND
Sales		
VP SILICA Joint Stock Company	136,122,091,331	102,626,873,142
Hoang Tiep Viet Nam Company Limited	7,433,369,182	2,347,249,146
	<u>143,555,460,513</u>	<u>104,974,122,288</u>
Purchases		
VP SILICA Joint Stock Company	3,732,258,344	2,048,148,148
Hoang Tiep Viet Nam Company Limited	-	7,745,444,900
	<u>3,732,258,344</u>	<u>9,793,593,048</u>


Significant balances with related parties at the balance sheet date:


	Closing balance	Opening balance
	VND	VND
Short-term trade receivables		
VP SILICA Joint Stock Company	15,526,266,143	17,933,306,552
Hoang Tiep Viet Nam Company Limited	6,528,592,350	82,508,970
	<u>22,054,858,493</u>	<u>18,015,815,522</u>
Short-term advances to suppliers		
Hoang Tiep Viet Nam Company Limited	5,140,000,000	130,000,000
	<u>5,140,000,000</u>	<u>130,000,000</u>
Short-term payables to suppliers		
VP SILICA Joint Stock Company	282,058,064	2,244,000,000
	<u>282,058,064</u>	<u>2,244,000,000</u>

The total income and remuneration of the Board of Directors, Board of Management, Supervisory Board and other managers in the year are as follows:

Name	Position	Current year VND	Prior year VND
Board of Directors			
Mrs. Le Thi Thu Huong	Chairman of the Board of Directors	72,000,000	48,000,000
Mr. Pham Ngoc An	Member of the Board of Directors cum General Director	757,800,000	708,300,000
Mr. Nguyen The Lam	Member of the Board of Directors	36,000,000	36,000,000
Mr. Nguyen Anh Nguyen	Member of the Board of Directors	36,000,000	36,000,000
Mr. Nguyen Van Viet	Member of the Board of Directors	36,000,000	24,000,000
Mr. Hoang Le Son	Member of the Board of Directors (resigned on 26 April 2023)	-	24,000,000
Mr. Nguyen Ba Canh	Member of the Board of Directors (resigned on 26 April 2023)	-	12,000,000
Board of Management			
Mr. Tran Thanh Son	Deputy General Director	721,800,000	672,300,000
Mr. Pham Van Sa	Deputy General Director (resign on 17 May 2023)	-	291,277,153
Chief Accountant			
Mr. Phan Minh Tuan	Chief Accountant	342,995,500	321,118,429
Board of Supervisors			
Mrs. Le Thi Hanh	Head of the Board of Supervisors	36,000,000	24,000,000
Mr. Nguyen Anh Tai	Member of the Board of Supervisors	30,000,000	30,000,000
Mr. Nguyen Van Dung	Member of the Board of Supervisors	30,000,000	20,000,000
Mr. Hoang Minh Sang	Member of the Board of Supervisors (resigned on 26 April 2023)	-	12,000,000
Mr. Tran Van Giang	Member of the Board of Supervisors (resigned on 26 April 2023)	-	10,000,000
		2,098,595,500	2,268,995,582


Trương Thao Nguyễn
Preparer


Phan Minh Tuan
Chief Accountant


Phạm Ngọc An
General Director

27 March 2025