

DAP-VINACHEM JOINT STOCK COMPANY

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PHẦN DAP-VINACHEM  
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Date: Thursday, 6 March 2025 3:15:50 PM

No.: 142 /GT-DAP

Re: Explanation of the reason for profit after tax in 2024  
change of 10% or more compared to the same period last  
year

Hai Phong, February 28<sup>th</sup>, 2025

To: HANOI STOCK EXCHANGE

Company: DAP - VINACHEM Joint Stock Company (DDV)

Head office: Lot N5.8. Dinh Vu Industrial Zone. Dinh Vu. Cat Hai Economic zone. Dong Hai 2 Ward. Hai An District. Haiphong City.

Phone: 02253 979 368 Fax: 02253 979 170

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Based on the audited financial statements for 2024, DAP - VINACHEM Joint Stock Company (stock code DDV) would like to explain the reasons for the change in profit after corporate income tax of 10% or more compared to the same period last year as follows:

**1. This year's after-tax profit results compared to the same period last year**

Report Type	Profit after tax	Difference	Difference	Increase/decrease rate (%)
	2024	2023		
Financial report	168.349.285.928	68.980.874.156	99.368.411.772	144,05%

**Reason:**

STT	Target	2024	2023	Difference	Increase. decrease rate %
1	2	3	4	5 = 4 - 3	6
1	Revenues from sales and services rendered	3.392.023.440.273	3.233.143.085.711	158.880.354.562	4,91%
2	Revenue deductions	26.795.943.441	52.108.086.022	(25.312.142.581)	-48,58%
3	Net revenues from sales and services rendered	3.365.227.496.832	3.181.034.999.689	184.192.497.143	5,79%
4	Cost of goods sold	3.001.926.887.006	2.921.201.911.490	80.724.975.516	2,76%
5	Gross revenues from sales and services rendered	363.300.609.826	259.833.088.199	103.467.521.627	39,82%
6	Revenue from financial activities	49.563.858.756	53.750.156.403	(4.186.297.647)	-7,79%
7	Financial expenses	6.323.143.503	8.361.304.153	(2.038.160.650)	-24,38%
8	Selling expenses	88.184.259.562	117.901.961.792	(29.717.702.230)	-25,21%
9	General administrative expenses	107.554.898.815	104.393.819.422	3.161.079.393	3,03%
10	Net profits from operating activities	210.802.166.702	82.926.159.235	127.876.007.467	154,20%
11	Other income	1.201.237.177	205.094.539	996.142.638	485,70%
12	Other expenses	462.048.565	2.592.115.106	(2.130.066.541)	-82,17%
13	Other profits	739.188.612	(2.387.020.567)	3.126.209.179	-130,97%
14	Total net profit before tax	211.541.355.314	80.539.138.668	131.002.216.646	162,66%
15	Current corporate income tax expenses	43.192.069.386	11.558.264.512	31.633.804.874	273,69%
17	Profit after corporate income tax	168.349.285.928	68.980.874.156	99.368.411.772	144,05%

Profit after corporate income tax this year is 168,35 million VND, an increase of 99,37 million VND compared to the same period last year, equivalent to an increase of 144% due to:

- Revenue from sales and services rendered increased by 4,91% due to the average selling price this period increasing compared to the same period last year (average selling price this period is 13,36 million VND/ton; the same period in 2023 is 12,65 million VND/ton).

- Revenue deductions this period decreased by 48,58% mainly due to the Company's export activities. Sales and service revenue increased while revenue deductions this period decreased. so net revenue from sales and service provision increased by 5,79% compared to the same period last year.

- Financial income this period decreased by 7,79% compared to the same period last year mainly due to a decrease in income from bank deposit interest and a decrease in interest from deferred payment sales.

- Financial expenses this period decreased by 24,38% compared to the same period last year mainly due to a decrease in bank interest expenses and payment discounts.

- Selling expenses this period decreased by 25,21% compared to the same period last year mainly due to reduced shipping costs and reduced export commission fees due to the company's direct export.

- General administrative expenses this period increased slightly (3%) compared to the same period last year.

- Other income this period increased by 485,7% compared to the same period last year due to the receipt of compensation for losses after the storm and the liquidation of fully depreciated fixed assets...

- Other expenses this period decreased by 82,17% compared to the same period last year.

Thus in 2024, the Company's production and business situation was stable, the indicators of sales revenue and other income increased while most of the expenses in the period decreased compared to the same period last year. The result of profit after tax in 2024 increased by VND 99.368 million equivalent to an increase of 144% over the same period last year.

We commit that the information published above is true and are fully responsible before the law for the content of the published information.

*Best regards!* 

**Recipient:**

- As above;
- Save KTTC.

**LEGAL REPRESENTATIVE  
CEO**

  
  
**Vu Van Bang**

**DAP – VINACHEM JOINT STOCK COMPANY**  
**AUDITED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2024**

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**Hai Phong - February, 2025**

**DAP – VINACHEM JOINT STOCK COMPANY**

Lot N5.8 Dinh Vu Industrial Park, Dinh Vu Economic Zone, Cat Hai, Dong Hai 2 Ward, Hai An District,  
Hai Phong City, Vietnam

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## **DAP – VINACHEM JOINT STOCK COMPANY**

Lot N5.8 Dinh Vu Industrial Park, Dinh Vu Economic Zone, Cat Hai, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam

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### **STATEMENT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Directors of DAP - VINACHEM Joint Stock Company presents this report together with the Company's audited financial statements for the year ended 31<sup>st</sup> December 2024.

#### **THE COMPANY**

DAP - VINACHEM Joint Stock Company (hereinafter referred to as the "the Company"), originally was DAP – VINACHEM One – member Limited Liability Company, which was established under the Decision No. 405/QĐ-HCVN dated 24/7/2008 of the Board of Members of Vietnam Chemical Corporation (now known as Vietnam Chemical Group). The Company officially began operating under the joint stock company model on January 1, 2015. The Company was granted the Certificate of Business Registration No. 0200827051 by the Hai Phong Department of Planning and Investment for the first time on July 29, 2008, amended and supplemented for the 7th time on May 9, 2024.

Company name: DAP – VINACHEM Joint Stock Company.

The Company's Charter capital according to the Certificate of Business Registration No. 0200827051 changed for the 7th time on May 9, 2024 is 1,461,099,000,000 VND (*In word: One thousand four hundred and sixty-one billion, ninety-nine million VND*).

The Company's shares are trading on the stock exchange of an unlisted public company (UpCom) with the stock code: DDV.

The Company's registered office is located at: Lot N5.8 Dinh Vu Industrial Park, Dinh Vu Economic Zone, Cat Hai, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam.

#### **BOARDS OF MANAGEMENT, SUPERVISORS AND GENERAL DIRECTORS**

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

##### **Board of Management**

Mr. Nguyen Tuan Dung	Chairman
Mr. Vu Van Bang	Member
Mr. Le Ngoc Nhan	Member
Mrs. Nguyen Thi Mai	Member
Mr. Nguyen Van Phien	Member

##### **Board of Supervisors**

Mr. Ha Trung Kien	Head of the Board
Mr. Luong Thanh Trung	Member (Dismissed on 19/4/2024)
Mrs. Nguyen Thi Xuan Quyen	Member
Mrs. Pham Thi Nhung	Member (Appointed on 19/4/2024)

##### **Board of General Directors**

Mr. Vu Van Bang	General Director
Mr. Le Ngoc Nhan	Deputy General Director
Mr. Nguyen Ngoc Son	Deputy General Director
Mr. Nguyen Hoang Trung	Deputy General Director
Mr. Nguyen Thanh Hai	Deputy General Director (Appointed on 11/7/2024)

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS (Continued)**

**SUBSEQUENT EVENTS**

According to the Board of General Directors, in all material respects, there have been no other significant events occurring after the balance sheet date, affecting the financial position and operation of the Company which would require adjustments to or disclosures to be made in the financial statements for the year ended 31<sup>st</sup> December 2024.

**AUDITORS**

The Company's financial statements for the year ended 31<sup>st</sup> December 2024 have been audited by CPA VIETNAM Auditing Company Limited - A Member Firm of INPACT.

**RESPONSIBILITY OF THE BOARD OF GENERAL DIRECTORS**

The Company's Board of General Directors is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Company as at 31/12/2024 as well as of its income and cash flows statements for the year then ended, complying with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant regulations in preparation and disclosure of financial statements. In preparing these financial statements, the Board of General Directors is required to:

- Select appropriate accounting policies and apply them consistently;
- Make judgments and estimates prudently;
- State clearly whether the Accounting Standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- Design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors.
- Prepare the Financial Statements of the Company on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate.

The Board of General Directors 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 to ensure that the financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting System and relevant legal regulations in preparation and presentation of the financial statements. The Board of General Directors 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 General Directors confirms that the Company has complied with the above requirements in preparing the financial statements.

For and on behalf of the Board of General Directors,



**Vu Van Bang**

**General Director**

*Hai Phong, 26<sup>th</sup> February, 2025*

**Head Office In Hanoi:**

8<sup>th</sup> floor, VG Building, No. 235 Nguyen Trai Str.,  
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No: 82/2025/BCKT-CPA VIETNAM-NVI

**INDEPENDENT AUDITORS' REPORT**

**To:**                    **Shareholders**  
**Boards of Management, Supervisors and General Directors**  
**DAP – VINACHEM Joint Stock Company**

We have audited the accompanying financial statements of DAP - VINACHEM Joint Stock Company as set out on pages 06 to page 36, prepared on February 26, 2025 including the Balance sheet as at 31/12/2024, the Income Statement, and Cash flows Statement for the year then ended, and Notes to the financial statements.

**Responsibility of the Board of General Directors**

The Company's Board General of Directors is responsible for the true and fair preparation and presentation of these financial statements in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System and the statutory requirements relevant to the preparation and presentation of the financial statements, and for the internal control as the Board of General Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

**Responsibility of Auditors**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. These Standards require us to comply with the Standards and codes of ethics, to plan and perform the audit to obtain reasonable assurance as to whether the Company's separate financial statements are there any significant errors or not.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The audit procedures are selected based on the auditor's judgment, including the assessment of risks of material misstatement in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design appropriate audit procedures to the actual situation, which is not intended to give 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 management, as well as evaluating the overall presentation of the financial statements.

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

**Auditors' Opinion**

In our opinion, the accompanying financial statements gives a true and fair view of, in all material respects, the financial position of DAP – VINACHEM Joint Stock Company as at 31 December 2024 and the results of its operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the financial statements in Vietnam.

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**Emphasis of matters**

As stated in the Notes to the Financial Statements, implementing the direction of the Deputy Prime Minister, Official Letter No. 1001/BTC-TCDN dated 15/9/2017 of the Ministry of Finance and Official Letter No. 1757/HCVN-TCKT dated 21/9/2017 of Vietnam Chemical Group on adjustment of depreciation of fixed assets (corresponding to the depreciation reduction of 40% in 2017, 30% in 2018, and 20% in 2019 of the annual deduction rate according to the straight-line method), the depreciation reduction for these three years is allocated equally over the remaining useful life of fixed assets.

Our audit opinion is not related to this matter.

**Other matters**

The Company's financial statements for the fiscal year ended 31/12/2023 have been audited by other auditors and auditing firm. The audited report No. 0703.02-24/BC-TC/VAE, issued on 07/03/2024, expresses an unqualified opinion.



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**Phan Thanh Nam**  
**Deputy General Director**  
Audit Practising Registration Certificate  
No. 1009-2023-137-1

*Authorised Letter No. 02/2025/UQ-CPA VIETNAM dated 02 January 2025 of Chairman*

For and on behalf of

**CPA VIETNAM AUDITING COMPANY LIMITED**

**A member firm of INPACT**

*Hà Nội, 26<sup>th</sup> February, 2025*

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**Luu Anh Tuan**  
**Auditor**  
Audit Practising Registration Certificate  
No. 1026-2024-137-1



**BALANCE SHEET**  
 As at 31<sup>st</sup> December 2024

ASSETS	Code	Note	31/12/2024	01/01/2024
			VND	VND
<b>A. CURRENT ASSETS</b> (100 = 110+120+130+140+150)	<b>100</b>		<b>1,766,632,681,641</b>	<b>1,313,386,594,915</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>5.1</b>	<b>30,831,262,123</b>	<b>218,744,560,184</b>
1. Cash	111		30,831,262,123	7,744,560,184
2. Cash equivalents	112		-	211,000,000,000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>1,145,150,000,000</b>	<b>609,150,000,000</b>
1. Held to maturity investments	123	5.2	1,145,150,000,000	609,150,000,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>170,379,531,956</b>	<b>119,360,081,074</b>
1. Short-term receivables from customers	131	5.3	52,859,218,895	73,167,264,136
2. Short-term prepayments to suppliers	132	5.4	51,165,888,894	13,192,054,243
3. Other short-term receivables	136	5.5	68,274,442,805	41,111,542,268
4. Short-term allowances for doubtful debts	137	5.6	(1,920,018,638)	(8,110,779,573)
<b>IV. Inventories</b>	<b>140</b>	<b>5.7</b>	<b>413,870,280,353</b>	<b>351,174,853,213</b>
1. Inventories	141		413,870,280,353	352,624,402,419
2. Allowances for devaluation of inventories	149		-	(1,449,549,206)
<b>V. Other current assets</b>	<b>150</b>		<b>6,401,607,209</b>	<b>14,957,100,444</b>
1. Short-term prepaid expenses	151	5.8	254,700,201	1,470,678,533
2. Taxes and other receivables from government budget	153	5.15	6,146,907,008	13,486,421,911
<b>B. NON-CURRENT ASSETS</b> (200 = 210+220+240+250+260)	<b>200</b>		<b>470,452,595,132</b>	<b>612,282,758,691</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>1,613,526,830</b>	<b>1,613,526,830</b>
1. Other long-term receivables	216	5.5	1,613,526,830	1,613,526,830
<b>II. Fixed assets</b>	<b>220</b>		<b>451,509,514,278</b>	<b>576,109,352,421</b>
1. Tangibles fixed assets	221	5.9	451,259,514,278	576,109,352,421
<i>Historical costs</i>	222		2,502,644,463,461	2,475,494,456,098
<i>Accumulated depreciation</i>	223		(2,051,384,949,183)	(1,899,385,103,677)
2. Intangibles fixed assets	227	5.10	250,000,000	-
<i>Historical costs</i>	228		430,000,000	180,000,000
<i>Accumulated amortization</i>	229		(180,000,000)	(180,000,000)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>10,726,758,498</b>	<b>3,944,793,650</b>
1. Construction in progress	242	5.11	10,726,758,498	3,944,793,650
<b>V. Long-term investments</b>	<b>250</b>		<b>4,267,911,178</b>	<b>4,649,644,778</b>
1. Investments in equity of other entities	253	5.12	5,000,000,000	5,000,000,000
2. Allowances for long-term investments	254	5.12	(732,088,822)	(350,355,222)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>2,334,884,348</b>	<b>25,965,441,012</b>
1. Long-term prepaid expenses	261	5.8	2,334,884,348	25,965,441,012
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>2,237,085,276,773</b>	<b>1,925,669,353,606</b>

**BALANCE SHEET (Continued)**  
 As at December 31st, 2024

RESOURCES	Code	Note	31/12/2024	01/01/2024
			VND	VND
<b>C. LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>460,248,306,960</b>	<b>223,582,553,721</b>
<b>I. Short-term liabilities</b>	<b>310</b>		<b>458,007,283,960</b>	<b>221,341,530,721</b>
1. Short-term trade payables	311	5.13	297,457,245,885	108,297,229,330
2. Short-term prepayments from customers	312	5.14	32,263,449,015	6,885,178,502
3. Taxes and other payables to government budget	313	5.15	18,970,245,556	9,298,233,469
4. Payables to employees	314		96,345,836,446	75,278,861,889
5. Short-term accrued expenses	315	5.16	1,599,585,909	6,867,385,004
7. Other short-term payables	319	5.17	1,965,725,199	1,595,915,504
8. Short-term borrowings and finance lease liabilities	320	5.18	-	-
9. Bonus and welfare fund	322		9,405,195,950	13,118,727,023
<b>II. Long-term liabilities</b>	<b>330</b>		<b>2,241,023,000</b>	<b>2,241,023,000</b>
1. Other long-term payables	337	5.17	2,241,023,000	2,241,023,000
<b>D. OWNERS' EQUITY (400 = 410 + 430)</b>	<b>400</b>		<b>1,776,836,969,813</b>	<b>1,702,086,799,885</b>
<b>I. Owners' equity</b>	<b>410</b>	<b>5.19</b>	<b>1,776,836,969,813</b>	<b>1,702,086,799,885</b>
1. Contributed capital	411		1,461,099,000,000	1,461,099,000,000
- Ordinary share with voting rights	411a		1,461,099,000,000	1,461,099,000,000
2. Investment and development fund	418		126,092,311,000	111,687,289,000
3. Undistributed profit after tax	421		189,645,658,813	129,300,510,885
- Undistributed profit after tax brought forward	421a		21,296,372,885	60,319,636,729
- Undistributed profit after tax for the current year	421b		168,349,285,928	68,980,874,156
<b>II. Funding sources and other funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>2,237,085,276,773</b>	<b>1,925,669,353,606</b>

Hai Phong, 26<sup>th</sup> February, 2025

Preparer



Dang Thi Hoa

Head of Financial Accounting  
 Department



Le Thi Hien

General Director



Vu Van Bang

**INCOME STATEMENT**  
 For the year ended 31<sup>st</sup> December 2024

ITEMS	Code	Note	Year 2024	Year 2023
			VND	VND
1. Revenues from sales and services rendered	01	6.1	3,392,023,440,273	3,233,143,085,711
2. Revenue deductions	02		26,795,943,441	52,108,086,022
<b>3. Net revenues from sales and services rendered (10 = 01 - 02)</b>	<b>10</b>	<b>6.1</b>	<b>3,365,227,496,832</b>	<b>3,181,034,999,689</b>
4. Costs of goods sold	11	6.2	3,001,926,887,006	2,921,201,911,490
<b>5. Gross revenues from sales and services rendered (20 = 10 - 11)</b>	<b>20</b>		<b>363,300,609,826</b>	<b>259,833,088,199</b>
6. Financial income	21	6.3	49,563,858,756	53,750,156,403
7. Financial expenses	22	6.4	6,323,143,503	8,361,304,153
<i>In which: interest expenses</i>	23		423,463,769	1,048,282,559
8. Selling expenses	25	6.5	88,184,259,562	117,901,961,792
9. General administrative expenses	26	6.6	107,554,898,815	104,393,819,422
<b>10. Net profits from operating activities (30 = 20 + (21 - 22) + 24 - (25 + 26)</b>	<b>30</b>		<b>210,802,166,702</b>	<b>82,926,159,235</b>
11. Other income	31	6.7	1,201,237,177	205,094,539
12. Other expenses	32	6.7	462,048,565	2,592,115,106
<b>13. Other profits (40 = 31 - 32)</b>	<b>40</b>	<b>6.7</b>	<b>739,188,612</b>	<b>(2,387,020,567)</b>
<b>14. Total net profit before tax (50 = 30+40)</b>	<b>50</b>		<b>211,541,355,314</b>	<b>80,539,138,668</b>
15. Current corporate income tax expenses	51	6.8	43,192,069,386	11,558,264,512
16. Deferred corporate income tax expenses	52		-	-
<b>17. Profits after corporate income tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>168,349,285,928</b>	<b>68,980,874,156</b>
18. Basic earnings per share	70	6.9	1,152	432

Hai Phong, 26th February 2025

Preparer



Dang Thi Hoa

Head of Financial Accounting  
 Department



Le Thi Hien

General Director



Vu Van Bang

**CASH FLOW STATEMENT**  
*(Indirect method)*  
 For the year ended 31<sup>st</sup> December 2024

ITEMS	Code Note	Year 2024	Year 2023
		VND	VND
<b>I. Net cash flows from operating activities</b>			
1. Profit before tax	01	211,541,355,314	80,539,138,668
2. Adjustments for			
Depreciation of fixed assets and investment properties	02	158,379,512,377	156,110,495,925
Provisions	03	(7,258,576,541)	3,098,445,897
Gains (losses) on exchange rate differences from revaluation of accounts derived from foreign currencies	04	(40,019,216)	44,762,723
Gains (losses) on investing activities	05	(32,523,749,705)	(34,411,196,762)
Interest expenses	06	423,463,769	1,048,282,559
<i>Operating profit before changes in working capital</i>	08	330,521,985,998	206,429,929,010
- Increase /Decrease in receivables	09	(37,218,440,630)	254,765,340,203
- Increase /Decrease in inventories	10	(61,245,877,934)	210,295,869,477
- Increase /Decrease in payables	11	228,661,317,872	37,019,828,037
- Increase /Decrease in prepaid expenses	12	24,846,534,996	19,762,829,050
- Interest paid	14	(423,463,769)	(1,189,327,094)
- Enterprise income tax paid	15	(36,879,697,761)	(3,593,193,950)
- Other receipts from operating activities	16	-	12,980,000
- Other payments on operating activities	17	(10,434,154,143)	(19,405,402,364)
<i>Net cash flows from operating activities</i>	20	437,828,204,629	704,098,852,369
<b>II. Cash flows from investing activities</b>			
1. Expenditures on purchase and construction of fixed assets and long-term assets	21	(34,382,203,547)	(9,048,060,439)
2. Proceeds from disposal or transfer of fixed assets and other long-term assets	22	509,090,908	-
3. Expenditures on loans and purchase of debt instruments from other entities	23	(1,235,150,000,000)	(1,192,000,000,000)
4. Proceeds from lending or repurchase of debt instruments from other entities	24	699,150,000,000	795,000,000,000
5. Proceeds from interests, dividends and distributed profits	27	31,743,924,383	34,540,381,533
<i>Net cash flows from investing activities</i>	30	(538,129,188,256)	(371,507,678,906)
<b>III. Cash flows from financial activities</b>			
1. Proceeds from borrowings	33	422,370,034,716	594,943,614,369
2. Repayment of principal	34	(422,370,034,716)	(732,959,741,006)
3. Dividends and profits paid to owners	36	(87,665,940,000)	(146,109,900,000)
<i>Net cash flows from financial activities</i>	40	(87,665,940,000)	(284,126,026,637)
<i>Net cash flows during the period (50 = 20+30+40)</i>	50	(187,966,923,627)	48,465,146,826
Cash and cash equivalents at the beginning of the period	60	218,744,560,184	170,250,558,469
<i>Effect of exchange rate fluctuations</i>	61	53,625,566	28,854,889
Cash and cash equivalents at the end of the period (70=50+60+61)	70 5.1	30,831,262,123	218,744,560,184

Preparer



Dang Thi Hoa

Head of Financial Accounting Department



Le Thi Hien

Hai Phong, 26<sup>th</sup> February 2025

General Director



Vu Van Bang

## **NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31<sup>st</sup>, 2024

### **1. COMPANY INFORMATION**

#### **1.1 Ownership structure**

DAP - VINACHEM Joint Stock Company originally was DAP -VINACHEM One - member Limited Liability Company, which was established under the Decision No. 405/QĐ-HCVN dated 24/7/2008 of the Board of Members of Vietnam Chemical Corporation (now known as Vietnam Chemical Group). The Company officially began operating under the joint stock company model on January 1, 2015. The Company was granted the Certificate of Business Registration No. 0200827051 by the Hai Phong Department of Planning and Investment for the first time on July 29, 2008, amended and supplemented for the 7th time on May 9, 2024.

The Company's Charter capital according to the Certificate of Business Registration No. 0200827051 changed for the 7th time on May 9, 2024 is 1,461,099,000,000 VND (*In word: One thousand four hundred and sixty-one billion, ninety-nine million VND*).

The Company's shares are trading on the stock exchange of an unlisted public company (UpCom) with the stock code: DDV.

The Company's registered office is located at: Lot N5.8 Dinh Vu Industrial Park, Dinh Vu Economic Zone, Cat Hai, Dong Hai 2 Ward, Hai An District, Hai Phong City, Vietnam.

The total number of the Company's employees as at 31/12/2024 is 659 (as at 31/12/2023 is 638).

#### **1.2 Operating industries and principal activities**

- Production of fertilizers and nitrogen compounds;
- Basic chemical production;
- Repair of machinery and equipment;
- Repair of electrical equipment;
- Installation of industrial machinery and equipment;
- Other specialized wholesalers have not been classified in detail. Details: Wholesale of fertilizers, nitrogen compounds and basic chemicals (excluding pesticides and pesticides);
- Real estate business, land use rights owned, used, or leased. Details: Warehouse leasing;
- Other supporting services related to transportation. Details: Port fee collection;
- Electricity Generation; Electricity transmission and distribution (including electricity sales);
- Road freight transport;
- Construction of non-residential buildings; Construction of road works; Construction of electrical works; Construction of water supply and drainage works;
- Demolition, Site preparation; Completion of construction works; Other specialized construction activities.

The principal activities of the Company during the period: Production and trading of agricultural fertilizers.

#### **1.3 Normal operating cycle**

The Company's normal operating cycle is 12 months.

#### **1.4 Statement of information comparability on the financial statements**

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014 and Circular No. 53/2016/TT-BTC on amending and supplementing a number of articles of Circular No. 200/2014/TT-BTC dated December 22, 2014 issued by the Ministry of Finance. Therefore, the information and figures presented in the financial statements are comparable.



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**2. FISCAL YEAR AND ACCOUNTING CURRENCY**

**Fiscal year**

The Company's fiscal year applicable for the preparation of its financial statements starts on 1st January and ends on 31st December of solar year.

**Accounting currency**

The accompanying financial statements are expressed in Vietnam Dong (VND).

**3. ACCOUNTING STANDARDS AND SYSTEM**

**Accounting System**

The Company applied to Vietnamese Accounting System promulgated under Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance and Circular No. 53/2016/TT- BTC dated March 21, 2016 amending and supplementing a number of articles of Circular 200/2014/TT- BTC dated December 22, 2014.

**Statements for the compliance with Accounting Standards and System**

The Board of General Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued to guide the preparation and presentation of the Financial Statements.

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of preparation of the financial statements**

The attached financial statements are expressed in Vietnam Dong (VND), under the historical cost convention and in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and legal regulations relevant to the preparation and presentation of financial statements.

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

**Accounting estimates**

The preparation of the financial statements in conformity with Vietnamese Accounting Standards requires the Board of [General] Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the fiscal year. Actual results may differ from those estimates and assumptions.

**Transactions in foreign currencies**

Transactions arising in foreign currencies shall be converted into Vietnam Dong (VND) at the actual exchange rate on the date of the transaction. At the time of making financial statements, all monetary items of foreign currency origin are re-evaluated according to the actual exchange rate.

Exchange differences arising from transactions in foreign currencies are recorded as revenue from financial activities or financial expenses. Exchange differences due to revaluation of currency items of foreign currency origin are offset for the increase and decrease difference in order to record as revenue from financial activities or financial expenses at the balance sheet date.

**Cash and cash equivalents**

Cash comprises cash on hand, monetary gold used for storage and payment functions (excluding monetary gold classified as inventory), bank deposits (without term) and cash equivalents. Cash on hand, monetary gold, bank deposits are recorded on the basis of actual receipt and payment.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Financial investments**

*Held to maturity investments*

Held to maturity investments are those that the Company has intention and ability to hold until maturity. Held to maturity investments includes: term bank deposits with original maturities of more than 3 months.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received.

Interests arising prior to the Company's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.

Other investments are recorded at cost, including purchase price plus directly attributable acquisition costs. After the initial recognition, these investments are measured at cost less allowance for diminution in value of investments.

Allowance for losses of held to maturity investments, investments in equity instruments of other entities is made when there is apparent evidence for impairment in value of the investments as at the balance sheet date.

**Receivables**

The receivables comprise the customer receivables and other receivables. Receivables are recognized at the carrying amounts less allowances for doubtful debts.

Allowance for doubtful debts is assessed and made for overdue receivables that are difficult to be collected, or the debtor is unable to pay due to dissolution, bankruptcy or similar difficulties.

**Inventories**

Inventories are measured at the lower of cost and net realizable value. Cost of inventories comprise costs of direct materials, direct labor, and general operation (if any) incurred in bringing the inventories to their present location and conditions. Net realizable value is the estimated selling price of inventory items less all estimated costs of completion and costs of marketing, selling and distribution. Inventory is recorded using the perpetual inventory method and valued using the weighted average method.

Allowance for impairment of inventories is made when there is reliable evidence of impairment of the net realizable value compared to the history cost of inventories.

**Tangible fixed assets and Depreciation**

Tangible fixed assets are stated at history cost less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.



## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31<sup>st</sup>, 2024

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Tangible fixed assets and Depreciation (Continued)

Fixed assets that are buildings, structures, motor vehicles used for management and administrative purposes, which are depreciated using the straight-line method over their estimated useful lives. Details are as follows:

	<u>Years</u>
Buildings, structures	05 - 25
Machinery and equipment	03 - 15
Motor vehicles	06 - 15
Office equipment	03 - 10
Others	04 - 15

Implementing the directives according to the Official Letter No. 1001/BTC-TCDN dated 15/9/2017 of the Ministry of Finance and Official Letter No. 1757/HCVN-TCKT dated 21/9/2017 of Vietnam Chemical Group regarding the adjustment of fixed asset depreciation rates, accordingly, the depreciation of fixed assets will be implemented by the Company as follows: In 2017, 60% will be deducted; in 2018, 70% will be deducted; in 2019, 80% of the annual deduction rate will be deducted according to the straight-line depreciation method (corresponding to a reduction in depreciation of 40% in 2017, 30% in 2018, and 20% in 2019, compared to the required annual depreciation under the straight-line method). The reduction in depreciation of fixed assets for the three years is evenly distributed over the remaining useful life of the fixed assets.

#### Intangible fixed assets and Amortization

The Company's intangible assets are software programs, are stated at history cost less accumulated amortization. Historical costs of software programs include all the expenses paid by the Company to bring the asset to its working condition for its intended use.

Software programs is amortized on a straight-line basis over its estimated useful life of six (06) years.

#### Construction in progress

Construction in progress reflects the Properties in progress for production, leasing, administrative purposes, or for any other purposes are recognized at the historical cost. This cost includes relevant service fees, interest fees in accordance with the Company's accounting policies. Depreciation of these assets is the same as the other assets, commencing from these assets are ready for their intended use.

#### Prepaid expenses

Prepaid expenses comprise actual expenses arising but relevant to financial performance in several accounting periods and the transfer of these expenses into the production costs of subsequent accounting periods. Prepaid expenses are recorded at the original price and classified by short-term and long-term on the Balance sheet based on the duration of each contract.

Long-term prepaid expenses related to tools and supplies, major repair costs of fixed assets are initially reflected at the historical cost and allocated according to the straight-line, with the allocation period not exceeding 36 months.

The goodwill arising from the equitization of state-owned enterprises is determined according to the data of the Record of enterprise valuation dated 09/7/2014 of DAP – VINACHEM One Member Limited Company Limited and allocated within 10 years according to the provisions of Circular No. 138/2012/TT-BTC dated 20/8/2012 of the Ministry of Finance; Circular No. 127/2014/TT-BTC of the Ministry of Finance and Official Letter No. 16246/BTC-TCDN dated 03/11/2015 of the Ministry of Finance guiding the allocation of goodwill after equitization transformation.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Payables**

The account payables are monitored in details by payable terms, payable parties, original currency and other factors depending on the Company's management requirement.

The account payables include payables as trade payables, loans payable and other payables which are determined almost certainly about the recorded value and term, which is not carried less than amount to be paid. They are classified as follows:

- Trade payables: reflect payables of commercial nature arising from the purchase of goods, services, or assets, payables for import through trustees of which the seller is an independent entity with the Company.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

**Loans and finance lease liabilities**

Loans and finance lease liabilities include loans, financial leases from credit institutions and other organizations or individuals, excluding loans in the form of bonds or preference shares with terms that the issuer is required to repurchase at a certain point in the future. The Company monitors loan amounts and financial liabilities in details by each type and classifies them into short-term and long-term according to repayment term.

Expenses directly related to the loan are recognized to financial expenses, except for expenses incurred from a separate loan for investment, construction or production in progress, which are capitalized according to Accounting Standard "Borrowing costs".

**Accrued expenses**

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

The Company recognizes Accrued expenses as follows:

- Interest expense accrued: accrued according to the loan agreement;
- Other expenses for business operations: Recognized based on the amounts payable in the future related to goods, assets and services received but the Company has not received the complete invoices and documents.

**Provisions for payables**

Provisions are recognized when the Company has a current obligation resulting from a past event, and it is probable that the Company will be required to settle this obligation. The recognized amount of a provision for payables is the estimate of the Board of Directors for the amount that will be required to settle the present obligation as at the fiscal year end date.

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31<sup>st</sup>, 2024

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Provisions for payables (Continued)

The Company's provisions include: Provision for the cost of repair and maintenance of fixed floor assets periodically. The advance deduction of expenses for repair and maintenance of fixed assets on a periodic basis shall be based on the plan for repair and maintenance of fixed assets. If the actual cost of repair and maintenance of fixed assets is higher than the deducted amount, the difference shall be fully accounted into expenses or gradually allocated to defamiation expenses within a period of 36 months. If the actual cost of repair and maintenance of fixed assets is smaller than that deducted, the difference shall be accounted for to reduce costs.

#### Unrealized revenues

Unrealized revenue includes revenue received in advance from customers for multiple accounting periods related to the leasing of assets.

Periodically, the Company calculates, determines and recognizes the unrealized revenue in the revenue in the period in accordance with the lease term of the asset.

#### Owners' equity

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

Profit after corporate income tax is distributed to shareholders after setting up funds in accordance with the Company's Charter as well as the provisions of law and approved by the General Meeting of Shareholders.

Dividends/profits are recognized as a liability when approved by the Annual General Meeting of Shareholders; there is a notice of dividend distribution of the Board of Directors of the Company and a notice of the last registration date and confirmation of the list of securities holders to receive dividends from the Vietnam Securities Depository.

Funds belonging to equity are set aside based on the Charter of the Company, the specific level of appropriation is based on the approval of the Board of Shareholders at the Annual General Meeting.

#### Revenue and other income

##### *Revenue from sale of goods and products*

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

- *The Company has transferred to the buyer the significant risks and reward 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*
- *Costs related to transactions can be determined.*

##### *Revenue from services*

Revenue from services is recognized when the outcome of that transaction can be reliably determined. Where a transaction involving the rendering of services is attributable to several periods, revenue is recognized in the year by reference to the percentage of completion of the transaction at the balance sheet date of that period. The outcome of a transaction can be measured reliably when all four (4) following conditions are satisfied:

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended December 31<sup>st</sup>, 2024

### 4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### Revenue and other income (Continued)

- *The amount of revenue can be measured reliably;*
- *It is probable that the economic benefits associated with the transaction will flow to the Company;*
- *Identify the completed work as at the balance sheet date; and*
- *Determine the costs incurred for the transaction as well as the cost to complete the transaction to provide that service.*

#### Revenue from interest income, dividends and profits received and other income

The revenue is recognized when the Company can obtain economic benefits from the above activities and when it is reliably measured.

#### Cost of goods sold

Cost of goods sold or services rendered including the cost of depreciation, repairs are recorded corresponding to revenue of the period.

For direct material cost which is over the normal level, labor costs, and fixed manufacturing overhead that cannot be allocated to the value of products in inventory is recorded directly into the cost of goods sold (after deducting any compensation, if applicable), even when the products or goods have not yet been identified as sold of inventories.

#### Borrowing expenses

Interest expenses are recorded in the Statement of Business Results when incurred, unless capitalized in accordance with the accounting standard "Borrowing expenses".

The borrowing expenses as follows:

- *Loan interest is recorded monthly based on the principal balance, loan interest rate and actual number of loan days;*
- *Payable fees related to the guarantee.*

#### Current corporate income tax expense

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

Current income tax expenses: are corporate income tax payable calculated on taxable profit during the year and current corporate income tax rate.

The Company has an obligation to pay corporate income tax at the rate of 20% on taxable profits.

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

#### Earnings per share

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

#### Related parties

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

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



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Segment reporting**

A business segment is a distinguishable component of the Company that is engaged in manufacturing or providing products or related services (by business segment) or in providing products or services within a particular economic environment (geographical area) which is subject to risks and returns that are different from those of other segments. The Board of General Directors confirms that the Company operates in business segments of producing and trading of agricultural fertilizers and the export of goods so the segment report will be prepared by geographical area including revenue, division based on the geographical location of customers within the territory of Vietnam (domestic) and customers outside the geographical territory of Vietnam (export).

**4. SUPPLEMENTARY INFORMATION TO ITEMS DISCLOSED IN THE BALANCE SHEET**

**5.1 Cash and cash equivalents**

	31/12/2024	01/01/2024
	VND	VND
Cash (VND)	300,019,714	488,840,484
Monetary gold	288,060,000	220,074,000
Bank deposits (VND)	5,000,776,764	5,824,108,148
Bank deposits (USD)	25,242,405,645	1,211,537,552
Cash equivalents (VND)	-	211,000,000,000
<b>Total</b>	<b>30,831,262,123</b>	<b>218,744,560,184</b>

**5.2 Investments held to maturity**

	<i>Unit: VND</i>			
	31/12/2024		01/01/2024	
	Original cost	Book value	Original cost	Book value
<b>Short-term</b>				
An Binh Commercial Joint Stock Bank	57,000,000,000	57,000,000,000	22,000,000,000	22,000,000,000
Vietnam Joint Stock Commercial Bank For Industry And Trade	65,150,000,000	65,150,000,000	45,150,000,000	45,150,000,000
Joint Stock Commercial Bank for Investment and Development of Vietnam - Lach Tray Branch	238,000,000,000	238,000,000,000	148,000,000,000	148,000,000,000
Vietnam Bank for Agriculture and Rural Development - Dong Hai Phong Branch	785,000,000,000	785,000,000,000	394,000,000,000	394,000,000,000
<b>Total</b>	<b>1,145,150,000,000</b>	<b>1,145,150,000,000</b>	<b>609,150,000,000</b>	<b>609,150,000,000</b>

Deposits at commercial banks with a term of over 3 months to 12 months, with interest rates ranging from 4.2%/year to 5.2%/year.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.3 Short-term receivables from customers**

	31/12/2024	01/01/2024
	VND	VND
Can Tho Fertilizer and Chemical JSC	22,209,472,618	32,053,748,525
Binh Dien Fertilizer JSC	11,422,782,000	-
The Southern Fertilizer JSC	-	9,664,818,133
Cat Long Import Export JSC	11,795,638,211	19,515,514,487
Others	7,431,326,066	11,933,182,991
<b>Total</b>	<b>52,859,218,895</b>	<b>73,167,264,136</b>
<i>Receivables from related parties (Details in Note 7.1)</i>	<i>37,785,759,195</i>	<i>41,833,557,670</i>

**5.4 Short-term prepayments to suppliers**

	31/12/2024	01/01/2024
	VND	VND
Howden Viet Nam Company Limited	260,948,600	6,895,350,000
Bach Dang 234 Construction JSC	-	2,310,000,000
BIMEXCO EC JSC	-	1,949,513,400
HITECO Investment and Development JSC	9,576,396,560	-
Hai Viet Electric Equipment JSC	21,756,865,900	-
Tripple Peals Laocai Apatite Investment JSC	18,583,706,499	-
Others	987,971,335	2,037,190,843
<b>Total</b>	<b>51,165,888,894</b>	<b>13,197,054,243</b>
<i>Repayments to related parties (Details in Note 7.1)</i>	<i>59,450,000</i>	<i>398,545,740</i>

**5.5 Short-term receivables from customers**

	31/12/2024		01/01/2024	
	Book value	Allowances	Book value	Allowances
<b>a) Short - term</b>	<b>68,274,442,805</b>	<b>(526,705,892)</b>	<b>41,111,542,268</b>	<b>(526,705,892)</b>
Advances	397,852,858	-	558,552,838	-
Deposits	587,165,439	-	-	-
Others	67,289,424,508	(526,705,892)	40,552,989,430	(526,705,892)
- The Hai Phong City department of taxation (1)	65,808,480,263	-	39,613,715,460	-
- Accrued interest from deposit contracts	387,261,479	-	116,527,065	-
- Others	1,093,682,766	(526,705,892)	822,746,905	(526,705,892)
<b>b) Long - term</b>	<b>1,613,526,830</b>	<b>-</b>	<b>1,613,526,830</b>	<b>-</b>
Hai Phong House Trading Co., Ltd	1,613,526,830	-	1,613,526,830	-
<b>Total</b>	<b>69,887,969,635</b>	<b>(526,705,892)</b>	<b>42,725,069,098</b>	<b>(526,705,892)</b>

(1) Input VAT receivables proposed for refund from June 2024 to December 2024 and VAT temporarily paid for the DAP project.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.6 Short-term allowances for doubtful debts**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Recoverable amount	Original value	Recoverable amount
Total value of receivables, loans that are overdue or not pass due but hardly recoverable	3,135,261,383	1,215,242,745	24,872,890,949	16,762,111,376
<i>In which:</i>				
	Original value	Allowances	Original value	Allowances
Can Tho Fertilizer and Chemical JSC	-	-	20,898,129,566	6,269,438,870
Cat Long Import Export JSC	1,306,954,691	653,477,346	1,606,954,691	482,086,407
Quang Binh Import Export JSC	1,039,530,800	519,765,400	1,039,530,800	311,859,240
Others	788,775,892	746,775,893	1,328,275,892	1,047,395,056
<b>Total</b>	<b>3,135,261,383</b>	<b>1,920,018,638</b>	<b>24,872,890,949</b>	<b>8,110,779,573</b>

**5.7 Inventories**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Allowances	Original value	Allowances
Raw materials	252,550,236,346	-	144,254,595,642	-
Raw materials	67,324,655,613	-	62,744,823,045	-
Work in progress	8,102,892,940	-	7,631,274,015	-
Finished goods	63,086,159,561	-	107,773,723,226	(1,449,549,206)
Goods	22,806,335,893	-	-	-
Goods on consignment	-	-	30,219,986,491	-
<b>Total</b>	<b>413,870,280,353</b>	<b>-</b>	<b>352,624,402,419</b>	<b>(1,449,549,206)</b>

**5.8 Prepaid expenses**

	31/12/2024	01/01/2024
	VND	VND
<b>Short - term</b>	<b>254,700,201</b>	<b>1,470,678,533</b>
Fire and explosion insurance	254,700,201	398,663,206
Transportation and warehousing costs	-	1,072,015,327
<b>Long - term</b>	<b>2,334,884,348</b>	<b>25,965,441,012</b>
Goodwill when equitization	-	18,979,632,629
Major repair of fixed assets	2,334,884,348	6,985,808,383
<b>Total</b>	<b>2,589,584,549</b>	<b>27,436,119,545</b>



**NOTES TO THE FINANCIAL STATEMENTS(CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.9 Tangible fixed assets**

	<i>Unit: VND</i>					
	Buildings and Structures	Machinery, equipment	Transportation means	Office equipment	Others	Total
<b>HISTORICAL COST</b>						
As at 01/01/2024	996,890,035,482	1,099,937,798,240	304,835,199,430	1,590,931,371	72,240,491,575	2,475,494,456,098
Purchase	92,927,893	1,603,635,516	20,106,471,567	67,562,633	6,982,950,393	28,853,548,002
Transfers from construction in progress	748,122,712	4,001,012,577	-	-	-	4,749,135,289
Disposal	-	-	(6,452,675,928)	-	-	(6,452,675,928)
As at 31/12/2024	<u>997,731,086,087</u>	<u>1,105,542,446,333</u>	<u>318,488,995,069</u>	<u>1,658,494,004</u>	<u>79,223,441,968</u>	<u>2,502,644,463,461</u>
<b>ACCUMULATED AMORTIZATION</b>						
As at 01/01/2024	551,384,528,195	998,425,753,774	279,462,805,066	1,561,752,075	68,550,264,567	1,899,385,103,677
Depreciation	53,844,168,953	78,312,278,748	22,231,873,459	13,356,274	4,050,844,000	158,452,521,434
Disposal	-	-	(6,452,675,928)	-	-	(6,452,675,928)
As at 31/12/2024	<u>605,228,697,148</u>	<u>1,076,738,032,522</u>	<u>295,242,002,597</u>	<u>1,575,108,349</u>	<u>72,601,108,567</u>	<u>2,051,384,949,183</u>
<b>NET BOOK VALUE</b>						
As at 01/01/2024	445,505,507,287	101,512,044,466	25,372,394,364	29,179,296	3,690,227,008	576,109,352,421
As at 31/12/2024	<u>392,502,388,939</u>	<u>28,804,413,811</u>	<u>23,246,992,472</u>	<u>83,385,655</u>	<u>6,622,333,401</u>	<u>451,259,514,278</u>

Historical cost of tangible fixed assets which are fully depreciated but still in use as at 31/12/2024 is 1,379,066,426,484 VND (as at 01/01/2024: 228,636,404,575 VND).

Net book value of tangible fixed assets used to secure bank loans as at 31/12/2024 is 402,782,715,861 VND (as at 01/01/2024: 552,122,435,124 VND).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.10 Intangible fixed assets**

*Unit: VND*

	Accounting software	Total
<b>HISTORICAL COST</b>		
As at 01/01/2024	180,000,000	180,000,000
Increase	250,000,000	250,000,000
As at 31/12/2024	<b>430,000,000</b>	<b>430,000,000</b>
<b>ACCUMULATED AMOTIZATION</b>		
As at 01/01/2024	180,000,000	180,000,000
Depreciation	-	-
As at 31/12/2024	<b>180,000,000</b>	<b>180,000,000</b>
<b>NET BOOK VALUE</b>		
As at 01/01/2024	-	-
As at 31/12/2024	<b>250,000,000</b>	<b>250,000,000</b>

Historical cost of intangible fixed assets which have been fully amortized but still in use as at 31/12/2024 is 180,000,000 VND (as at 01/01/2024: 180,000,000 VND).

**5.11 Construction in progress**

*Unit: VND*

	31/12/2024		01/01/2024	
	Original value	Recoverable amount	Original value	Recoverable amount
Investment in Phosphoric Acid and MAP Fertilizer production technology	3,937,705,814	3,937,705,814	3,451,870,019	3,451,870,019
Na <sub>2</sub> SiF <sub>6</sub> production line	616,542,174	616,542,174	-	-
Production line for recovering residual P <sub>2</sub> O <sub>5</sub> in gypsum	950,593,524	950,593,524	110,529,808	110,529,808
Project for dilute phosphoric acid tank	1,413,311,058	1,413,311,058	172,252,197	172,252,197
Construction and renovation of Administrative area	2,117,821,738	2,117,821,738	114,473,302	114,473,302
Access road and bridge to DAP Port	1,595,115,866	1,595,115,866	-	-
Project for building staff housing	95,668,324	95,668,324	95,668,324	95,668,324
<b>Total</b>	<b>10,726,758,498</b>	<b>10,726,758,498</b>	<b>3,944,793,650</b>	<b>3,944,793,650</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.12 Investments in equity of other entities**

*Unit: VND*

	31/12/2024			01/01/2024		
	Original cost	Fair value	Provison	Original cost	Fair value	Provison
Dinh Vu Gypsum JSC	5,000,000,000	(*)	(732,088,822)	5,000,000,000	(*)	(350,355,222)
<b>Total</b>	<b>5,000,000,000</b>		<b>(732,088,822)</b>	<b>5,000,000,000</b>	-	<b>(350,355,222)</b>

Dinh Vu Gypsum Joint Stock Company is headquartered in Dinh Vu Economic Zone, Dong Hai, Hai An, Hai Phong City. The main business of this Company is the recycling of non-metallic scrap. At the end of the accounting period, the Company's capital contribution ratio at this Company is 3.86%, the voting rights ratio and interest rate are equivalent to the capital contribution ratio.

(\*) The company has not determined the fair value of the investment because the shares of Dinh Vu Gypsum Joint Stock Company has not been listed. Due to current regulations, there is no specific guidance on determining the fair value of these financial investments at the date of making financial statements.

**5.13 Short-term Trade payables**

*Unit: VND*

	31/12/2024		01/01/2024	
	Book value	Repayable amount	Book value	Repayable amount
Vietnam Apatit Limited Company	13,403,046,009	13,403,046,009	35,141,552,152	35,141,552,152
DAPHANOI, JSC	9,307,285,131	9,307,285,131	14,089,905,152	14,089,905,152
Red River Coal JSC	15,373,100,753	15,373,100,753	9,881,142,944	9,881,142,944
Chinh Thao Hieu Thang Solo Member Co.,Ltd	-	-	4,778,249,187	4,778,249,187
Viet Nam Industrial and Commercial Construction Co.,Ltd	8,166,922,416	8,166,922,416	5,143,366,069	5,143,366,069
Traco Transport Joint Stock Corporation No.1	12,358,254,144	12,358,254,144	4,094,575,591	4,094,575,591
Tuong Nguyen Import Export Trading Service Co., Ltd	65,536,940,000	65,536,940,000	-	-
OBLENE CO, LIMITED	53,298,008,035	53,298,008,035	-	-
PHU THINH IMPORT., JSC	37,968,163,982	37,968,163,982	-	-
Others	82,045,525,415	82,045,525,415	35,168,438,235	35,168,438,235
<b>Total</b>	<b>297,457,245,885</b>	<b>297,457,245,885</b>	<b>108,297,229,330</b>	<b>108,297,229,330</b>
<i>Payables to related parties (Details in Note 7.1)</i>	<i>13,630,540,269</i>	<i>13,630,540,269</i>	<i>35,692,038,870</i>	<i>35,692,038,870</i>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.14 Short-term prepayments from customers**

	31/12/2024	01/01/2024
	VND	VND
Tuong Nguyen Import Export Trading Service Co., Ltd	1,693,695,900	1,396,110,324
Hung Phu Fertilizer Company Limited	1,985,957,140	1,549,795,550
Hong Van Transport Service Trading Co.,Ltd	2,174,458,330	1,380,095,131
Liven Nutrients PTE. LTD	22,738,245,203	-
Others	3,671,092,442	2,559,177,497
<b>Total</b>	<b>32,263,449,015</b>	<b>6,885,178,502</b>
<i>Prepayments from related parties (Details in Note 7.1)</i>	<i>241,305,081</i>	<i>63,247,269</i>

**5.15 Taxes and other receivables from/ payables to government budget**

a) Receivables				<i>Unit: VND</i>
	01/01/2024	Incurred during the year		31/12/2024
	Receivables	Additional payables	Paid	Receivables
Land tax, Land rental charges	13,486,421,911	24,465,046,392	17,125,531,489	6,146,907,008
<b>Total</b>	<b>13,486,421,911</b>	<b>24,465,046,392</b>	<b>17,125,531,489</b>	<b>6,146,907,008</b>
b) Payables				31/12/2024
	01/01/2024	Incurred during the year		Payables
	Payables	Additions	Paid	Payables
VAT on domestic sales	818,182	-	-	818,182
VAT on imported goods	-	54,893,986,826	51,702,746,942	3,191,239,884
Import-export tax	-	2,976,955,315	2,976,955,315	-
Corporate income tax	9,153,246,395	43,192,069,386	36,879,697,761	15,465,618,020
Personal income tax	144,168,892	2,882,731,020	2,714,330,442	312,569,470
Fees, charges and other payables	-	344,742,573	344,742,573	-
<b>Total</b>	<b>9,298,233,469</b>	<b>104,290,485,120</b>	<b>94,618,473,033</b>	<b>18,970,245,556</b>

**5.16 Short-term Accrued expenses**

	31/12/2024	01/01/2024
	VND	VND
Cost of ore import and transportation	-	292,309,640
Cost of expanding the storage yard in Area 1	-	4,012,659,000
Accrual for electricity expenses	1,599,585,909	2,370,176,364
Others	-	192,240,000
<b>Total</b>	<b>1,599,585,909</b>	<b>6,867,385,004</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31<sup>st</sup>, 2024

**5.17 Other payables**

	31/12/2024	01/01/2024
	VND	VND
<b>Short - term</b>	<b>1,965,725,199</b>	<b>1,595,915,504</b>
Trade Union fees	1,066,796,467	856,370,683
Social insurance	97,578,810	-
Health insurance	16,882,290	-
Unemployment insurance	7,503,240	-
Deposits received	152,062,000	-
Others	624,902,392	739,544,821
<b>Long - term</b>	<b>2,241,023,000</b>	<b>2,241,023,000</b>
The people's committee of Hai Phong City (*)	2,241,023,000	2,241,023,000
<b>Total</b>	<b>4,206,748,199</b>	<b>3,836,938,504</b>
<i>Payables to related parties</i> (Details in Note 7.1)	222,451,196	72,604,529

(\*) DAP project's payables about expenses for compensation and site clearance and bomb disposal. This amount will be offset against the annual land rent payable. According to Official Letter No. 871/STC-QLN&NTNS dated March 13, 2023, the Department of Finance of Hai Phong on responding to the Company's request for guidance on the procedures for reimbursing compensation, site clearance, and bomb disposal costs against the land rent. Currently, the Company is still continuing to work with the authorities to complete this procedure.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**5.18 Borrowings and finance lease liabilities***Unit: VND*

Short-term	31/12/2024		Movement during the year		01/01/2024	
	Value	Repayable amount	Increase	Decrease	Value	Repayable amount
Vietnam Bank for Agriculture and Rural Development - Dong Hai Phong Branch (1)	-	-	398,377,534,716	398,377,534,716	-	-
Joint Stock Commercial Bank for Investment and Development of Vietnam - Lach Tray Hai Phong Branch (2)	-	-	23,992,500,000	23,992,500,000	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>422,370,034,716</b>	<b>422,370,034,716</b>	<b>-</b>	<b>-</b>

(1) The loan under Contract No. 2112-LAV-20240C518 dated June 26, 2024, has a credit limit of VND 500 billion with the following interest rates::

+ USD loan: Up to 3 months: 4.5% per year, Over 3 months to 5.5 months: 5.0% per year (USD)

+ VND loan: Up to 3 months: 3.8% per year, Over 3 months to 5.5 months: 4.5% per year (VND)

The loan term is defined in each promissory note, but not exceeding 5.5 months from the day following the disbursement of the loan. The purpose of the loan is to supplement working capital and pay for expenses related to the production of DAP fertilizer. These loans are secured by short-term receivables, raw materials, work-in-progress production costs, finished goods, and goods in transit that are formed from the loan proceeds from the Vietnam Bank for Agriculture and Rural Development – Dong Hai Phong Branch under the Inventory Mortgage Agreement No. 30.06.2022/HĐTC dated June 30, 2022.

The loans from the bank are secured by mortgage agreements with the lender and have been duly registered for secured transactions.

(2) Contract No. 01/2024/5825177/HĐTD dated May 30, 2024, with a credit limit of VND 520 billion, the interest rate is determined based on each promissory note. The purpose of the loan is to supplement working capital, issue guarantees, and open L/Cs to serve the business operations of the Company;

The loans from BIDV - Lach Tray Branch are secured by the borrower's assets, including:

- All machinery, equipment, transportation vehicles, and management tools under Asset Mortgage Agreement No. 02/2017/5825177/HĐBĐ dated December 29, 2017;

- All buildings and machinery under Asset Mortgage Agreement No. 03/2018/5825177/HĐBĐ dated May 7, 2018;

- Inventory under Mortgage Agreement No. 04/2018/5825177/HĐBĐ dated May 16, 2018;

- Machinery, equipment, transportation vehicles, and transmission equipment under Asset Mortgage Agreement No. 05/2018/5825177/HĐBĐ dated October 9, 2018;

- Mortgage Agreement for Receivables No. 01/2019/5825177/HĐBĐ dated May 15, 2019;

- Certificate of land use rights, housing ownership rights, and other assets attached to land No. CV200981, registered under Certificate No. 13830 issued by the Department of Natural Resources and Environment of Hai Phong City on June 11, 2020; Land Use Rights Lease Agreement No. 21/HĐ-TĐ dated June 15, 2020, signed between DAP-Vinachem Joint Stock Company and the People's Committee of Hai Phong City, under Asset Mortgage Agreement No. 01/2020/5825177/HĐBĐ dated August 11, 2020;



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**5.19 Owners' equity**

**a) Changes of owners' equity**

*Unit: VND*

	Share capital of owners	Development and Investment Fund	Undistributed profit after tax	Total
As at 01/01/2023	1,461,099,000,000	4,508,269,000	339,751,896,729	1,805,359,165,729
Profit in the previous year	-	107,179,020,000	68,980,874,156	176,159,894,156
Allocated for funds	-	-	(133,322,360,000)	(133,322,360,000)
Dividends	-	-	(146,109,900,000)	(146,109,900,000)
As at 31/12/2023	1,461,099,000,000	111,687,289,000	129,300,510,885	1,702,086,799,885
As at 01/01/2024	1,461,099,000,000	111,687,289,000	129,300,510,885	1,702,086,799,885
Profit in the year	-	-	168,349,285,928	168,349,285,928
Allocated for funds (*)	-	14,405,022,000	(20,338,198,000)	(5,933,176,000)
Deividends (*)	-	-	(87,665,940,000)	(87,665,940,000)
As at 31/12/2024	1,461,099,000,000	126,092,311,000	189,645,658,813	1,776,836,969,813

(\*) Dividend distribution: 87,665,940,000 VND, allocation to the Development Investment Fund: 14,405,022,000 VND, allocation to the Welfare Reward Fund: 5,762,009,000 VND and allocation to the Executive Board Reward Fund: 171,167,000 VND from the profit after tax of 2023 according to Resolution No. 10/NQ-DHĐCD dated April 19, 2024 of the 2024 Annual General Meeting of Shareholders.

**b) Details of owners' investment capital**

	31/12/2024 VND	01/01/2024 VND
Vietnam National Chemical Group	935,103,360,000	935,103,360,000
Capital contribution from other shareholders	525,995,640,000	525,995,640,000
<b>Total</b>	<b>1,461,099,000,000</b>	<b>1,461,099,000,000</b>

**c) Capital transactions with owners and dividend and profit distribution**

	Year 2024 VND	Year 2023 VND
<b>Shareholders' capital</b>		
- Opening balance	1,461,099,000,000	1,461,099,000,000
- Increased during the period	-	-
- Decreased during the period	-	-
- Closing balance	1,461,099,000,000	1,461,099,000,000
<b>Dividend, Profit distribution</b>	<b>(87,665,940,000)</b>	<b>(146,109,900,000)</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**5.19 Owners' equity (Continued)**

**d) Shares**

	<u>31/12/2024</u>	<u>01/01/2024</u>
	Shares	Shares
Quantity of registered shares	146,109,900	146,109,900
Quantity of issued shares	146,109,900	146,109,900
- Common shares	146,109,900	146,109,900
Outstanding shares	146,109,900	146,109,900
- Common shares	146,109,900	146,109,900
Par value of outstanding shares: 10,000 VND/ shares.		

**5.20 Off Balance Sheet items**

	<u>31/12/2024</u>	<u>01/01/2024</u>
	VND	VND
<b>1. Foreign currencies</b>		
- USD	998,328.44	50,253.81
<b>2. Monetary gold</b>		
- 14K gold (Company pin, 1 piece = 0,12 ounce)	60.00	60.00
<b>3. Goods and materials held in custody</b>		
- Amoniac (ton)	1,019.46	1,812.04
- DAP fertilizer (ton)	5,679.58	6,415.084

**6. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT**

**6.1 Revenue from sales of goods and provision of services**

	<u>Year 2024</u>	<u>Year 2023</u>
	VND	VND
Revenue from sales of goods	3,339,259,360,593	3,197,365,379,086
Revenue from services rendered	52,177,515,113	35,456,241,443
Others	586,564,567	321,465,182
<b>Total</b>	<b><u>3,392,023,440,273</u></b>	<b><u>3,233,143,085,711</u></b>
<i>Trade discount</i>	26,795,943,441	52,108,086,022
<b>Net revenues from sales and services rendered</b>		
Revenue from sales of goods	3,312,463,417,152	3,145,257,293,064
Revenue from services rendered	52,177,515,113	35,456,241,443
Others	586,564,567	321,465,182
<b>Total net revenues</b>	<b><u>3,365,227,496,832</u></b>	<b><u>3,181,034,999,689</u></b>
<i>Revenue from related parties</i>	290,104,507,595	185,676,670,917
<i>(Details in Note 7.1)</i>		

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**6.2 Cost of goods sold**

	Year 2024 VND	Year 2023 VND
Cost of goods	3,001,789,623,171	2,923,530,135,351
Allowances for devaluation of inventories	-	17,229,305,564
Reversal for devaluation of inventories	(1,449,549,206)	(20,926,151,691)
Cost of services rendered	1,012,488,496	1,134,400,192
Others	574,324,545	234,222,074
<b>Total</b>	<b>3,001,926,887,006</b>	<b>2,921,201,911,490</b>

**6.3 Financial income**

	Year 2024 VND	Year 2023 VND
Interest income from deposits	32,014,658,797	34,411,196,762
Foreign exchange gains arising during the period	16,290,004,840	16,717,439,592
Foreign exchange gains from revaluation at the end of the period	40,019,216	-
Gains from deferred sales, payment discount	1,219,175,903	2,621,520,049
<b>Total</b>	<b>49,563,858,756</b>	<b>53,750,156,403</b>
<i>Financial income from related parties</i> (Details in Note 7.1)	<i>1,219,175,903</i>	<i>2,621,520,049</i>

**6.4 Financial expenses**

	Year 2024 VND	Year 2023 VND
Interest expense on borrowings	423,463,769	1,048,282,559
Payment discount	2,900,194,512	5,000,073,388
Foreign exchange losses arising during the period	2,617,751,622	2,405,546,786
Foreign exchange losses from revaluation at the end of the period	-	44,762,723
Allowances for financial investments' provision	381,733,600	-
Reversal of provision for financial investments	-	(137,361,303)
<b>Total</b>	<b>6,323,143,503</b>	<b>8,361,304,153</b>
<i>Financial expenses from related parties</i> (Details in Note 7.1)	<i>382,685,617</i>	<i>455,387,218</i>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**6.5 Selling expenses**

	Year 2024 VND	Year 2023 VND
Employee expenses	5,332,137,584	3,983,007,579
Materials expenses	6,167,194	14,750,915
Office supplies expenses	286,289,030	373,141,903
Outsourcing expenses	71,213,715,093	106,358,951,490
Other cash expenses	11,345,950,661	7,172,109,905
<b>Total</b>	<b>88,184,259,562</b>	<b>117,901,961,792</b>

**6.6 General and administrative expenses**

	Year 2024 VND	Year 2023 VND
Employee expenses	47,882,212,462	37,873,973,432
Materials expenses	1,152,938,075	1,204,334,375
Office supplies expenses	3,117,377,723	1,594,045,977
Amortization and Depreciation expenses	2,735,594,216	2,387,347,799
Charges and fees	777,844,664	347,692,031
Provision expenses	1,850,457,252	7,538,519,411
Reversal of provision	(8,041,218,187)	(605,866,084)
Outsourcing expenses	22,470,303,105	24,037,676,141
Other cash expenses	35,609,389,505	30,016,096,340
<b>Total</b>	<b>107,554,898,815</b>	<b>104,393,819,422</b>

**6.7 Other profit**

	Year 2024 VND	Year 2023 VND
<b>Other income</b>	<b>1,201,237,177</b>	<b>205,094,539</b>
Gains from fine, penalty received	200,000,000	-
Disposals of fixed assets	509,090,908	-
Handling discrepancies after stocktaking	70,096,941	134,207,637
Others	422,049,328	70,886,902
<b>Other expenses</b>	<b>462,048,565</b>	<b>2,592,115,106</b>
Penalty for administrative offense and late submission	46,909,121	1,774,910,591
VAT refund recovery	174,673,317	397,956,815
Others	240,466,127	419,247,700
<b>Other profit</b>	<b>739,188,612</b>	<b>(2,387,020,567)</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**6.8 Current corporate income tax expense**

	Year 2024 VND	Year 2023 VND
<b>Total net profit before tax (1 + 3)</b>	<b>211,541,355,314</b>	<b>80,539,138,668</b>
<b>1. Profit from tax incentive activities</b>	-	<b>49,413,422,387</b>
Non-Deductible Expenses	-	4,724,756,670
Other adjustments (if any)	-	(8,109,365,203)
- Increase	-	45,161,183
- Decrease	-	(8,154,526,386)
<b>Taxable income</b>	-	<b>46,028,813,854</b>
- Corporate Income Tax rate of tax incentive activities	10%	10%
<b>2. Current CIT expense from tax incentive activities</b>	-	<b>4,602,881,386</b>
<b>3. Profit from non-tax incentive activities</b>	<b>211,541,355,314</b>	<b>31,125,716,281</b>
- Non-Deductible Expenses	4,819,046,491	-
- Increase/ Decrease adjustment	(948,238,965)	-
<b>Taxable income</b>	<b>215,412,162,840</b>	<b>31,125,716,281</b>
- CIT rate	20%	20%
<b>4. Current CIT expense from non-tax incentive activities</b>	<b>43,082,432,568</b>	<b>6,225,143,256</b>
5. Adjustment of CIT expenses of previous years into current CIT expenses for the current year	109,636,818	730,239,870
<b>Total current CIT expense (2 + 4 + 5)</b>	<b>43,192,069,386</b>	<b>11,558,264,512</b>

**6.9 Basic earnings per share**

	Year 2024 VND	Year 2023 VND
<b>Profit after corporate income tax</b>	<b>168,349,285,928</b>	<b>68,980,874,156</b>
Decrease adjustments (*)	-	(5,933,176,000)
<b>Profit to calculate basic earnings per share</b>	<b>168,349,285,928</b>	<b>63,047,698,156</b>
Average quantity of outstanding common shares (shares)	146,109,900	146,109,900
<b>Basic earnings per share (VND/ share)</b>	<b>1,152</b>	<b>432</b>

At the reporting date, the Company cannot estimate of the profit for the year ended December 31, 2024 that can be allocated to the bonus and welfare funds, remuneration for Board of Management. If the Company uses the bonus and welfare funds to pay remuneration for Board of management for the year ended 31/12/2024, the net profit for shareholders and basic earnings per share will reduce.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**6.9 Basic earnings per share (Continued)**

(\*) Basic earnings per share for the year ended 31 December 2023 have been restated due to the allocation of the bonus and welfare funds, remuneration for managers from profit after CIT for the year ended 31 December 2023, in accordance with the resolution of the General Shareholders' Meeting. Accordingly, basic earnings per share for the year ended 31 December 2023 are restated as follows:

*Unit: VND*

	Amount stated in the previous year's financial statements	Re-stated amount	Differences
Profit after corporate income tax	68,980,874,156	68,980,874,156	-
Amount distracted from bonus and welfare funds, remuneration for managers	-	(5,933,176,000)	(5,933,176,000)
Profit used to calculate basic earnings per share	68,980,874,156	63,047,698,156	(5,933,176,000)
Average number of outstanding shares in the year	146,109,900	146,109,900	-
<b>Basic earnings per share (VND/ share)</b>	<b>472</b>	<b>432</b>	<b>(41)</b>

**6.10 Production and business expenses by factors**

	Year 2024 VND	Year 2023 VND
Raw materials and tools expenses	2,380,209,808,043	2,357,839,064,501
Employee expenses	204,680,808,784	169,479,056,964
Amortization and Depreciation expenses	158,379,512,377	156,110,495,925
Outsourcing expenses	319,925,300,223	252,220,674,117
Other cash expenses	47,733,184,830	37,535,898,276
<b>Total</b>	<b>3,110,928,614,257</b>	<b>2,973,185,189,783</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**7. OTHER INFORMATION**

The Company's related parties includes:

<b>Related parties</b>	<b>Relationship</b>
Vietnam National Chemical Group	Parent company (Group)
Vietnam Apatit Limited Company	In the same group
The Southern Fertilizer JSC	In the same group
Can Tho Fertilizer and Chemical JSC	In the same group
Lam Thao Fertilizers and Chemicals JSC	In the same group
Ninh Binh Phosphate Fertilizer JSC	In the same group
Binh Dien Fertilizer JSC	In the same group
Vietnam Institute of Industrial Chemistry	In the same group
Ninh Binh Nitrogenous Fertilizer Ltd. Company	In the same group
South Basci Chemicals JSC	In the same group
DAP2 - Vinachem JSC	In the same group
Chemical Industry Engineering JSC (CECO)	Associate company of Parent company
Sao Vang Rubber JSC	Associate company of Parent company
Dinh Vu Gypsum JSC	Company receiving capital contribution
Key members (Boards of Management, Supervisors and General Directors) and close relatives of these individuals	Significant influence

**7.1 Transactions and balances with related parties**

**a. Transactions with key members**

<b>Remuneration for Board of Management</b>		<b>Year 2024</b>	<b>Year 2023</b>
<b>Full name</b>	<b>Title</b>	<b>VND</b>	<b>VND</b>
Nguyen Tuan Dung	Chairman	222,046,000	144,516,000
Vu Van Bang	Member (presented at Remuneration for Board of Directors)	-	48,000,000
Le Ngoc Nhan	Member (presented at Remuneration for Board of Directors)	-	48,000,000
Nguyen Thi Mai	Member	178,237,000	113,483,000
Nguyen Van Phien	Member	155,212,000	52,900,000
Nguyen Hoang Trung	Secretary of the Board of Directors (resigned on 1 January 2024)	-	36,000,000
Nguyen Anh Dung	Secretary of the Board of Directors (appointed on 1 January 2024)	52,636,000	-
<b>Total</b>		<b>608,131,000</b>	<b>442,899,000</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**7.1 Transactions and balances with related parties (Continued)**

**a. Transactions with key members (Continued)**

<i>Remuneration for Board of Supervisors</i>		Year 2024	Year 2023
Full name	Title	VND	VND
Ha Trung Kien	Head	716,415,000	419,818,000
Nguyen Thi Xuan Quyen	Member	127,515,000	89,691,000
Pham Thi Nhung	Member (appointed on 19 April 2024)	49,909,000	-
Luong Thanh Trung	Member (resigned on 19 April 2024)	22,045,000	83,734,000
<b>Total</b>		<b>915,884,000</b>	<b>593,243,000</b>

<i>Remuneration for Board of General Directors and others</i>		Year 2024	Year 2023
Full name	Title	VND	VND
Vu Van Bang	General Director	944,513,200	597,017,200
Le Ngoc Nhan	Deputy General Director	844,388,600	505,503,200
Bui Dang Duan	Deputy General Director (dismissed on 1 July 2023)	-	254,558,000
Nguyen Ngoc Son	Deputy General Director	768,060,400	504,545,600
Nguyen Hoang Trung	Deputy General Director (appointed on 25 July 2023)	723,068,800	221,444,000
Nguyen Thanh Hai	Deputy General Director (appointed on 11 July 2024)	405,568,400	
Le Thi Hien	Head of Accounting and Finance Department	650,846,000	474,542,000
<b>Total</b>		<b>4,336,445,400</b>	<b>2,557,610,000</b>

**b. Transactions with related parties**

<i>Sales transactions and provision of services</i>	<i>Relationship</i>	Year 2024	Year 2023
		VND	VND
The Southern Fertilizer JSC	In the same group	43,625,325,730	57,677,929,240
Can Tho Fertilizer and Chemical JSC	In the same group	31,026,935,500	18,987,180,000
Lam Thao Fertilizers and Chemicals JSC	In the same group	43,416,998,050	17,852,799,450
Binh Dien Fertilizer JSC	In the same group	171,817,228,520	90,155,275,500
Ninh Binh Phosphate Fertilizer JSC	In the same group	-	792,591,738
Dinh Vu Gypsum JSC	Company receiving capital contribution	218,019,795	210,894,989
<b>Total</b>		<b>290,104,507,595</b>	<b>185,676,670,917</b>



**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**7.1 Transactions and balances with related parties (Continued)**

<b>Purchase transactions of goods and services</b>	<b>Relationship</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Vietnam National Chemical Group	Parent company	930,900,000	-
Vietnam Apatit Limited Company	In the same group	617,295,229,299	558,830,856,403
Vietnam Institute of Industrial Chemistry	In the same group	12,213,975,600	15,863,518,750
Ninh Binh Nitrogenous Fertilizer Ltd. Company	In the same group	5,698,900,000	26,235,074,725
Habac Nitrogenous Fertilizer and Chemicals JSC	In the same group	29,258,400,000	20,280,000,000
South Basci Chemicals JSC	In the same group	7,272,727	1,120,706,600
Chemical Industry Engineering JSC (CECO)	Associate company of Parent company	2,404,212,132	496,850,564
Chemical Industry College	In the same group	-	306,000,000
Can Tho Fertilizer and Chemical JSC	In the same group	200,000,000	-
<b>Total</b>		<b>668,008,889,758</b>	<b>623,133,007,042</b>

<b>Trade discount</b>	<b>Relationship</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
The Southern Fertilizer JSC	In the same group	855,595,992	2,331,696,462
Lam Thao Fertilizers and Chemicals JSC	In the same group	868,339,961	570,560,737
Ninh Binh Phosphate Fertilizer JSC	In the same group	-	23,341,216
Binh Dien Fertilizer JSC	In the same group	3,881,272,320	3,403,378,265
Can Tho Fertilizer and Chemical JSC	In the same group	693,738,710	343,325,400
<b>Total</b>		<b>6,298,946,983</b>	<b>6,672,302,080</b>

<b>Payment discount (Financial expenses)</b>	<b>Relationship</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
The Southern Fertilizer JSC	In the same group	66,847,399	74,016,157
Ninh Binh Phosphate Fertilizer JSC	In the same group	-	-
Binh Dien Fertilizer JSC	In the same group	315,838,218	316,157,002
Lam Thao Fertilizers and Chemicals JSC	In the same group	-	65,214,059
<b>Total</b>		<b>382,685,617</b>	<b>455,387,218</b>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**7.1 Transactions and balances with related parties (Continued)**

**b. Transactions with related parties (Continued)**

<b>Gains from deferred sales (Financial income)</b>	<b>Relationship</b>	<b>Year 2024 VND</b>	<b>Year 2023 VND</b>
Can Tho Fertilizer and Chemical JSC	In the same group	1,219,175,903	2,621,520,049
<b>Total</b>		<b>1,219,175,903</b>	<b>2,621,520,049</b>

**c. Balances with related parties**

<b>Related parties</b>	<b>Relationship</b>	<b>31/12/2024 VND</b>	<b>01/01/2024 VND</b>
<b>1) Receivables from customers</b>		<b>37,785,759,195</b>	<b>41,833,557,670</b>
Can Tho Fertilizer and Chemical JSC	In the same group	22,209,472,618	32,053,748,525
The Southern Fertilizer JSC	In the same group	-	9,664,818,133
Lam Thao Fertilizers and Chemicals JSC	In the same group	4,153,504,577	81,067,429
Binh Dien Fertilizer JSC	In the same group	11,422,782,000	-
Dinh Vu Gypsum JSC	Company receiving capital contribution	-	33,923,583
<b>2) Prepayments to suppliers</b>		<b>59,450,000</b>	<b>398,545,740</b>
Ninh Binh Nitrogenous Fertilizer Ltd.Company	In the same group	59,350,000	-
Chemical Industry Engineering JSC (CECO)	In the same group	-	398,545,740
Vietnam Institute of Industrial Chemistry	In the same group	100,000	-
<b>3) Trade payables</b>		<b>13,630,540,269</b>	<b>35,692,038,870</b>
Vietnam Institute of Industrial Chemistry	In the same group	-	440,553,300
Sao Vang Rubber JSC	Associate company of Parent company	-	53,953,130
Vietnam Apatit Limited Company	In the same group	13,403,046,009	35,141,552,152
South Basci Chemicals JSC	In the same group	-	55,980,288
Chemical Industry Engineering JSC (CECO)	In the same group	227,494,260	-
<b>4) Prepayments from customers</b>		<b>241,305,081</b>	<b>63,247,269</b>
Binh Dien Fertilizer JSC	In the same group	-	63,247,269
The Southern Fertilizer JSC	In the same group	241,305,081	-
<b>5) Other short-term payables</b>		<b>222,451,196</b>	<b>72,604,529</b>
DAP2 - Vinachem JSC	In the same group	222,451,196	72,604,529

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended December 31st, 2024

**7.2 Geographical segment reporting**

**a) Business performance by geographical region**

*Unit: VND*

Items	Year 2024		
	Domestic	Overseas	Total
Revenue from sales of goods	1,294,298,158,719	2,070,929,338,113	3,365,227,496,832
Cost of goods sold	1,110,004,013,322	1,891,922,873,684	3,001,926,887,006
Segment gross profit	184,294,145,397	179,006,464,429	363,300,609,826

  

Items	Year 2023		
	Domestic	Overseas	Total
Revenue from sales of goods	1,373,839,203,937	1,807,195,795,752	3,181,034,999,689
Cost of goods sold	1,211,534,756,032	1,709,667,155,458	2,921,201,911,490
Segment gross profit	162,304,447,905	97,528,640,294	259,833,088,199

**b) Assets and Liabilities**

	31/12/2024	01/01/2024
	VND	VND
Assets cannot be allocated	2,237,085,276,773	1,925,669,353,606
Liabilities cannot be allocated	460,248,306,960	223,582,553,721

**7.3 Comparative figures**

Comparative figures in the financial statement are taken from the financial statements for the year ended 31 December 2023 which are audited by other auditors and audit firm.

Preparer



Dang Thi Hoa

Head of Financial Accounting  
 Department



Le Thi Hien

Hai Phong, 26<sup>th</sup> February 2025  
 General Director



Vũ Văn Bang