

No: TT.XMHM-HĐQT

Nghe An,

March 2025

DRAFT

**PROPOSAL**

**Regarding the Approval of the Audited Financial Statements for 2024**

To: The General Meeting of Shareholders of Vicem Hoang Mai  
Cement Joint Stock Company

Pursuant to the Law on Enterprises dated June 17, 2020;

Pursuant to the Charter of Vicem Hoang Mai Cement Joint Stock Company  
as approved by the General Meeting of Shareholders on April 21, 2023;

Pursuant to the audited 2024 Financial Statements of the Company by  
Deloitte Vietnam Co., Ltd.

The Board of Directors of Vicem Hoang Mai Cement Joint Stock Company  
reports to the General Meeting of Shareholders on the Company's 2024 Financial  
Statements, which have been audited by Deloitte Vietnam Co., Ltd. and disclosed  
by Vicem Hoang Mai Cement Joint Stock Company in accordance with  
regulations, as follows:

The report consists of two parts:

Part I: Independent Auditor's Report.

Part II: Audited Financial Statements, including:

- Balance Sheet as of December 31, 2024.
- Income Statement for the fiscal year ended December 31, 2024.
- Cash Flow Statement for the fiscal year ended December 31, 2024.
- Notes to the Financial Statements for the fiscal year ended December 31, 2024.

The detailed audited 2024 Financial Statements are attached to this Proposal  
and have also been disclosed on the website [ximanghoangmai.vn](http://ximanghoangmai.vn), under the  
Shareholder Relations section.

The Board of Directors of Vicem Hoang Mai Cement Joint Stock Company  
respectfully submits this matter to the General Meeting of Shareholders for  
consideration and approval.

Recipients: 

- As above;
- Finance & Accounting Dept;
- Corporate Secretary;
- Filed at: Office Archives; Board of Directors.

**ON BEHALF OF THE BOARD OF  
DIRECTORS  
CHAIRMAN OF THE BOARD**

**Le Trung Kien**

**VICEM HOANG MAI CEMENT JOINT STOCK COMPANY**

*(Incorporated in the Socialist Republic of Vietnam)*

**AUDITED FINANCIAL  
STATEMENTS**

**For the year ended 31 December 2024**



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## VICEM HOANG MAI CEMENT JOINT STOCK COMPANY

Tan Tien Block, Quynh Thien Ward, Hoang Mai Town, Nghe An Province, Vietnam

### STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS

The Board of Executive Officers of Vicem Hoang Mai Cement Joint Stock Company (the “Company”) presents this report together with the Company’s financial statements for the year ended 31 December 2024.

### THE BOARDS OF DIRECTORS AND EXECUTIVE OFFICERS

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

#### Board of Directors

Mr. Le Trung Kien	Chairman
Mr. Nguyen Dinh Dung	Member
Mr. Nguyen Ngoc Tinh	Member
Mr. Nguyen Le Dinh Thang	Member
Mr. Dau Duc Son	Member (appointed on 26 April 2024)
Mr. Nguyen Van Dung	Member (resigned on 26 April 2024)

#### Board of Executive Officers

Mr. Nguyen Dinh Dung	Chief Executive Officer (appointed on 19 March 2024)
Mr. Le Dinh Thang	Deputy Chief Executive Officer
Mr. Dang Ngoc Long	Deputy Chief Executive Officer
Mr. Nguyen Ngoc Tinh	Deputy Chief Executive Officer
Mrs. Dau Thi Nga	Deputy Chief Executive Officer (appointed on 11 October 2024)



### THE BOARD OF EXECUTIVE OFFICERS’ STATEMENT OF RESPONSIBILITY

The Board of Executive Officers of the Company is responsible for preparing the financial statements, which give a true and fair view of 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 financial reporting. In preparing these financial statements, the Board of Executive Officers 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 financial statements;
- prepare the 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 financial statements so as to minimize errors and frauds.



**STATEMENT OF THE BOARD OF EXECUTIVE OFFICERS (Continued)**

The Board of Executive Officers 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 that the financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to financial reporting. The Board of Executive Officers 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 Executive Officers confirms that the Company has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Executive Officers,



\_\_\_\_\_  
Nguyen Dinh Dung  
Chief Executive Officer

17 March 2025

No.: 0620 /VN1A-HN-BC

## INDEPENDENT AUDITORS' REPORT

**To: The Shareholders**  
**The Boards of Directors and Executive Officers of**  
**Vicem Hoang Mai Cement Joint Stock Company**

We have audited the accompanying financial statements of Vicem Hoang Mai Cement Joint Stock Company (the "Company"), prepared on 17 March 2025 as set out from page 05 to page 35, which comprise the balance sheet as at 31 December 2024, the statement of income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *The Board of Executive Officers' Responsibility for the Financial Statements*

The Board of Executive Officers is responsible for the preparation and fair presentation of these 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 the Board of Executive Officers determines is necessary to enable the preparation of 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 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 Executive Officers, 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.

## INDEPENDENT AUDITORS' REPORT (Continued)

### Opinion

In our opinion, the financial statements 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 financial reporting.



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

**DELOITTE VIETNAM AUDIT COMPANY LIMITED**

17 March 2025  
Hanoi, S.R. Vietnam

Pham Huy Bac  
Auditor  
Audit Practising Registration Certificate  
No. 5197-2021-001-1





**BALANCE SHEET**  
*As at 31 December 2024*

Unit: VND

ASSETS	Codes	Notes	Closing balance	Opening balance
<b>A. CURRENT ASSETS</b>	<b>100</b>		<b>501,012,788,752</b>	<b>677,158,886,701</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>4</b>	<b>206,412,400,685</b>	<b>194,231,023,139</b>
1. Cash	111		56,412,400,685	194,231,023,139
2. Cash equivalents	112		150,000,000,000	-
<b>II. Short-term financial investments</b>	<b>120</b>		<b>-</b>	<b>15,025,920,000</b>
1. Held-to-maturity investments	123		-	15,025,920,000
<b>III. Short-term receivables</b>	<b>130</b>		<b>186,591,410,493</b>	<b>215,908,486,857</b>
1. Short-term trade receivables	131	5	166,820,988,504	215,013,090,891
2. Short-term advances to suppliers	132	6	20,124,303,816	325,677,406
3. Other short-term receivables	136	7	4,979,003,944	8,048,250,138
4. Provision for short-term doubtful debts	137	8	(6,063,334,934)	(7,478,531,578)
5. Deficits in assets awaiting solution	139		730,449,163	-
<b>IV. Inventories</b>	<b>140</b>	<b>9</b>	<b>89,828,377,969</b>	<b>227,406,481,119</b>
1. Inventories	141		89,917,424,962	230,762,744,089
2. Provision for devaluation of inventories	149		(89,046,993)	(3,356,262,970)
<b>V. Other short-term assets</b>	<b>150</b>		<b>18,180,599,605</b>	<b>24,586,975,586</b>
1. Short-term prepayments	151	10	12,293,085,659	5,412,420,675
2. Value added tax deductibles	152		5,507,422,507	18,794,463,472
3. Taxes and other receivables from the State budget	153	13	380,091,439	380,091,439
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>738,497,004,273</b>	<b>778,160,377,217</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>15,549,698,062</b>	<b>14,442,400,213</b>
1. Other long-term receivables	216	7	15,549,698,062	14,442,400,213
<b>II. Fixed assets</b>	<b>220</b>		<b>476,835,694,932</b>	<b>468,123,417,519</b>
1. Tangible fixed assets	221	11	476,123,861,114	466,649,487,993
- Cost	222		3,036,715,017,243	2,992,608,005,679
- Accumulated depreciation	223		(2,560,591,156,129)	(2,525,958,517,686)
2. Intangible assets	227	12	711,833,818	1,473,929,526
- Cost	228		4,842,380,370	4,842,380,370
- Accumulated amortisation	229		(4,130,546,552)	(3,368,450,844)
<b>III. Long-term assets in progress</b>	<b>240</b>	<b>14</b>	<b>120,194,017,591</b>	<b>130,649,367,514</b>
1. Long-term construction in progress	242		120,194,017,591	130,649,367,514
<b>IV. Other long-term assets</b>	<b>260</b>		<b>125,917,593,688</b>	<b>164,945,191,971</b>
1. Long-term prepayments	261	10	32,924,016,197	69,795,561,572
2. Deferred tax assets	262		1,441,674,483	1,441,674,483
3. Long-term reserved spare parts	263	9	91,551,903,008	93,707,955,916
<b>TOTAL ASSETS (270=100+200)</b>	<b>270</b>		<b>1,239,509,793,025</b>	<b>1,455,319,263,918</b>

*The accompanying notes are an integral part of these financial statements*



**BALANCE SHEET (Continued)**


As at 31 December 2024

Unit: VND

RESOURCES	Codes	Notes	Closing balance	Opening balance
<b>C. LIABILITIES</b>	<b>300</b>		<b>380,296,908,540</b>	<b>526,245,810,366</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>369,249,272,898</b>	<b>516,863,125,101</b>
1. Short-term trade payables	311	15	161,764,720,555	201,743,000,566
2. Short-term advances from customers	312	16	9,472,263,860	2,273,670,656
3. Taxes and amounts payable to the State budget	313	13	20,106,778,487	18,064,820,198
4. Payables to employees	314		25,570,278,123	44,990,037,951
5. Short-term accrued expenses	315	17	20,833,954,603	20,651,605,859
6. Other current payables	319	18	32,893,301,265	43,210,158,091
7. Short-term loans	320	19	95,000,000,000	177,253,291,972
8. Bonus and welfare funds	322		3,607,976,005	8,676,539,808
<b>II. Long-term liabilities</b>	<b>330</b>		<b>11,047,635,642</b>	<b>9,382,685,265</b>
1. Long-term provisions	342	20	11,047,635,642	9,382,685,265
<b>D. EQUITY</b>	<b>400</b>		<b>859,212,884,485</b>	<b>929,073,453,552</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>21</b>	<b>859,212,884,485</b>	<b>929,073,453,552</b>
1. Owner's contributed capital	411		747,691,310,000	747,691,310,000
- Ordinary shares carrying voting rights	411a		747,691,310,000	747,691,310,000
2. Share premium	412		19,138,086,811	19,138,086,811
3. Treasury shares	415		(28,199,462,462)	(28,199,462,462)
4. Investment and development fund	418		215,841,168,663	215,841,168,663
5. Accumulated losses	421		(95,258,218,527)	(25,397,649,460)
- Accumulated (losses)/Retained earnings accumulated to the prior year end	421a		(25,397,649,460)	5,746,555,413
- Losses of the current year	421b		(69,860,569,067)	(31,144,204,873)
<b>TOTAL RESOURCES (440=300+400)</b>	<b>440</b>		<b>1,239,509,793,025</b>	<b>1,455,319,263,918</b>

  
 Le Thi Nhan  
Preparer

  
 Tran Van Duc  
Accountant in charge

  
 Nguyen Dinh Dung  
Chief Executive Officer

17 March 2025

The accompanying notes are an integral part of these financial statements

## 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	1,800,835,667,739	1,817,969,472,302
2. Deductions	02	24	91,023,056,334	79,804,673,540
3. Net revenue from goods sold and services rendered (10=01-02)	10		1,709,812,611,405	1,738,164,798,762
4. Cost of sales	11	25	1,490,453,516,984	1,458,021,078,677
5. Gross profit from goods sold and services rendered (20=10-11)	20		219,359,094,421	280,143,720,085
6. Financial income	21	27	4,307,419,401	2,175,097,783
7. Financial expenses	22	28	3,658,568,344	14,674,445,442
- In which: Interest expense	23		3,532,384,087	14,302,863,150
8. Selling expenses	25	29	201,084,456,536	210,064,540,149
9. General and administration expenses	26	29	92,310,701,692	91,305,225,289
10. Operating loss (30=20+(21-22)-(25+26))	30		(73,387,212,750)	(33,725,393,012)
11. Other income	31		4,199,205,768	3,839,091,138
12. Other expenses	32		672,562,085	1,137,696,507
13. Profit from other activities (40=31-32)	40		3,526,643,683	2,701,394,631
14. Accounting loss before tax (50=30+40)	50		(69,860,569,067)	(31,023,998,381)
15. Current corporate income tax expense	51	30	-	120,206,492
16. Net loss after corporate income tax (60=50-51)	60		(69,860,569,067)	(31,144,204,873)
17. Basic losses per share	70	31	(970)	(433)


Le Thi Nhan  
Preparer

Tran Van Duc  
Accountant in chargeNguyen Dinh Dung  
Chief Executive Officer

17 March 2025

The accompanying notes are an integral part of these financial statements

**CASH FLOW STATEMENT**  
*For the year ended 31 December 2024*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. <i>Loss before tax</i>	01	(69,860,569,067)	(31,023,998,381)
2. <i>Adjustments for:</i>			
Depreciation and amortization of fixed assets and investment properties	02	39,110,822,537	37,823,814,234
Provisions	03	(3,009,730,119)	4,125,598,012
Foreign exchange (gain)/loss arising from translating foreign currency items	04	126,184,257	(127,686,191)
(Gain) from investing activities	05	(1,666,058,565)	(2,399,530,771)
Interest expense	06	3,532,384,087	14,302,863,150
3. <i>Operating (loss)/profit before movements in working capital</i>	08	(31,766,966,870)	22,701,060,053
Decrease in receivables	09	43,773,689,226	108,091,166,905
Decrease in inventories	10	142,993,639,910	13,215,735,546
(Decrease) in payables (excluding accrued loan interest and corporate income tax payable)	11	(31,972,855,439)	(68,185,933,656)
(Increase)/decrease in prepaid expenses	12	29,990,880,391	(14,120,836,817)
Interest paid	14	(3,595,287,210)	(14,371,728,790)
Corporate income tax paid	15	-	(824,821,781)
Other cash outflows	17	(5,068,563,803)	(5,986,384,811)
<i>Net cash generated by operating activities</i>	20	144,354,536,205	40,518,256,649
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(65,670,334,931)	(11,144,061,762)
2. Proceeds from sale, disposal of fixed assets and other long-term assets	22	26,611,161	2,200,283,150
3. Cash outflow for lending, buying debt instruments of other entities	23	-	(14,944,878,053)
4. Cash recovered from lending, selling debt instruments of other entities	24	14,944,878,053	-
5. Interest earned, dividends and profits received	27	777,774,302	26,742,430
<i>Net cash (used in) investing activities</i>	30	(49,921,071,415)	(23,861,914,235)

*The accompanying notes are an integral part of these financial statements*



**CASH FLOW STATEMENT (Continued)**

*For the year ended 31 December 2024*

Unit: VND

ITEMS	Codes	Current year	Prior year
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	1,009,850,526,193	1,469,644,235,733
2. Repayment of borrowings	34	(1,092,103,818,165)	(1,436,901,154,674)
<b>Net cash (used in)/generated by financing activities</b>	<b>40</b>	<b>(82,253,291,972)</b>	<b>32,743,081,059</b>
 Net increase in cash (50=20+30+40)	<b>50</b>	<b>12,180,172,818</b>	<b>49,399,423,473</b>
 Cash and cash equivalents at the beginning of the year	<b>60</b>	<b>194,231,023,139</b>	<b>144,784,955,422</b>
Effects of changes in foreign exchange rates	61	1,204,728	46,644,244
<b>Cash and cash equivalents at the end of the year (70=50+60+61)</b>	<b>70</b>	<b>206,412,400,685</b>	<b>194,231,023,139</b>

  
**Le Thi Nhan**  
Preparer

  
**Tran Van Duc**  
Accountant in charge



  
**Nguyen Dinh Dung**  
Chief Executive Officer

17 March 2025

*The accompanying notes are an integral part of these financial statements*



**NOTES TO THE FINANCIAL STATEMENTS**

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

**1. GENERAL INFORMATION****Structure of ownership**

Vicem Hoang Mai Cement Joint Stock Company (the "Company"), formerly known as Hoang Mai Cement Company, a State-owned company which maintained a separate accounting system, operated under Vietnam National Cement Corporation ("Vicem") and subsequently transformed into a joint stock company in accordance with Vietnam Law Enterprise and the Enterprise Registration Certificate No. 2703001834 dated 01 April 2008 issued by the Department of Planning and Investment of Nghe An Province. The Company's Enterprise Registration Certificate has subsequently been amended, in which the 11<sup>th</sup> amended certificate dated 03 April 2024 is the latest amendment. The Company's shares have been listed on Hanoi Stock Exchange with the stock symbol of HOM.

The parent company of the Company is Vietnam National Cement Corporation.

The total number of employees of the Company as at 31 December 2024 was 690 (31 December 2023: 760).

**Principal activities**

The principal activities include:

- Production of cement, lime and gypsum;
- Exploitation of stone, sand, gravel and clay;
- Drainage and wastewater treatment;
- Construction of railway works;
- Construction of road works;
- Restaurants and mobile catering services;
- Construction of residential houses;
- Construction of non-residential houses;
- Non-hazardous waste collection;
- Collection of hazardous waste;
- Treatment and destruction of non-hazardous waste;
- Treatment and destruction of hazardous waste;
- Pollution treatment and other waste management activities;
- Real estate activities with own or leased properties;
- Other mining support service activities;
- Manufacture of other non-metallic mineral products n.e.c.;
- Freight transport by road;
- Short-stay services;
- Transport of freight overseas and coastal waters;
- Freight inland waterway;
- Wholesale of materials and other installation equipment in construction;
- Producing all kinds of building materials;
- Wholesale of other machinery, equipment and spare parts;
- Operation of sports facilities;
- Reservation services and support services related to tour promotion and operator activities.

The main activities of the Company are manufacturing and trading cement, clinker and other building materials.

**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:**

The Company' dependent units during the year and as at 31 December 2024 are as follows:

No	Name of dependent unit	Address	Main business activities
1	Vicem Hoang Mai Cement Joint Stock Company - Consumption department	Tan Tien Block, Quynh Thien Ward, Hoang Mai Town, Nghe An Province	Implements activities related to the field of product consumption, market development, brand development of the Company
2	Vicem Hoang Mai Cement Joint Stock Company - Industrial service department	Tan Tien Block, Quynh Thien Ward, Hoang Mai Town, Nghe An Province	Implements repair, maintenance, processing, installation, construction, cleaning, transportation and operation services of electricity and water... and service activities in production and business of the Company and outside the Company
3	Vicem Hoang Mai Cement Joint Stock Company - Investment and Construction department	Tan Tien Block, Quynh Thien Ward, Hoang Mai Town, Nghe An Province	Implements investment projects, constructions for production and business activities of the Company
4	Vicem Hoang Mai Cement Joint Stock Company - Mining department (*)	Tan Tien Block, Quynh Thien Ward, Hoang Mai Town, Nghe An Province	Implements activities of producing raw limestone for the production of clinker, cement; produces clay stone as raw materials for the production of clinker and cement; provides and performs blasting and mining services

(\*) From 01 December 2024, the Mining department is conversed into Mining factory and no longer a dependent unit Company from this date.

**Disclosure of information comparability in the 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 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 financial reporting.

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 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 financial statements, are as follows:

**Estimates**

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

**Cash and cash equivalents**

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

**Held-to-maturity investments**

Held-to-maturity investments comprise investments that the Company has the positive intent or ability to hold to maturity, including term deposits held to maturity to earn periodic interest.

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 income statement on accrual basis. Pre-acquisition interest is deducted from the cost of such investments at the acquisition date.

**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 for six months or more, or when the debtor is in dissolution, in bankruptcy, or is experiencing similar difficulties and so may be unable to repay the debt.



### **Inventories**

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and where applicable direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. 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 perpetual method is used to account for raw materials, finished goods, work-in-progress whose values are determined as follows:

Raw materials	Cost of purchase on a weighted average basis
Finished goods and work-in-progress	Cost of direct materials and labour plus attributable overheads allocated based on the normal operating capacity on a weighted average basis

For tools and equipment, the Company applies perpetual method to account for to inventory which is valued based on cost of purchases on a weighted average basis.

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 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:

	<u>Years</u>
Buildings and structures	05 - 50
Machinery and equipment	03 - 20
Motor vehicles	06 - 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 income statement.

### **Intangible assets and amortisation**

#### **Computer software**

Computer software is recorded based on purchase price and amortized into the income statement on a straight-line basis based on its estimated useful life.



### 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.

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 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.

### Construction in progress

Properties in the course of construction for production, rental or administrative purposes, or for other purposes, are carried at cost. Cost includes costs that are necessary to form the asset in accordance with accounting policy of the Company. 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 but relate to results of operations of multiple accounting periods. Prepaid expenses include refractory bricks and accessories expenses, consumable liner plates and grinding media expenses, fixed asset repairing expenses, cost of changing the land using purpose for limestone quarries Hoang Mai B and other prepaid expenses.

Substantial costs of reserved tools, supplies, equipment and spare parts issued for consumption in multiple periods (include refractory bricks, ball bearings, linings,..) are accounted into short-term prepaid expenses and long-term prepaid expenses and allocated into the income statement based on the estimated useful life. The Company has allocated the costs of materials, equipment, and spare parts used for major repairs from the time the costs were incurred.

Cost of changing the land using purpose for limestone quarries Hoang Mai B is allocated on the straight-line basic from the costs incurred date until the end of the project's mining license.

Prepayments are accounted to long-term prepaid expenses to allocate from more than 1 year to 3 years to the income statement:

- Fixed asset repairing expenses incurred in substantial amount;
- Refractory bricks and accessories expenses;
- Consumable liner plates and grinding media expenses; and
- Other prepaid expenses.

### 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 Executive Officers' best estimate of the expenditure required to settle the obligation as at the balance sheet date. Provision payable at the Company represents the environmental restoration expenses for the quarries that the Company is exploiting.

### Revenue recognition

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.

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

### Sales deductions

Sales deductions include trade discounts.

Sales deductions incurred in the same year of the related revenue from sales of products, goods and rendering of services are recorded as a deduction from the revenue of that year/period. In case that sales deductions for sales of products, goods or rendering of services sold in the year incurred after the balance sheet date but before the issuance of the financial statements, the Company recorded as revenue deductions for the year.

### 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 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 income statement.

### Borrowing costs

Borrowing costs are recognised in the income statement in the year when incurred unless they are capitalised in accordance with Vietnamese Accounting Standard No. 16 "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalised even when the construction period is under 12 months.

### 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 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 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 AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	299,451,850	364,168,216
Bank demand deposits	56,112,948,835	193,866,854,923
Cash equivalents (i)	150,000,000,000	-
	<b>206,412,400,685</b>	<b>194,231,023,139</b>

(i) As of 31 December 2024, the Company's cash equivalents include 2-month term deposit contracts with an interest rate of 4.7% per annum at Vietnam International Bank - Vinh Branch.

#### 5. SHORT-TERM TRADE RECEIVABLES

	Closing balance VND	Opening balance VND
Nghe An Department of Finance	107,120,376,418	159,566,069,999
Siam City Cement Vietnam Co., Ltd	19,584,021,498	-
Binh Dinh Department of Finance	17,845,792,364	17,063,446,661
Vicem Tam Diep Cement One Member Company Limited	770,896,868	4,497,791,380
Bim Son Cement Joint Stock Company	-	8,084,362,312
Vicem Ha Tien Cement Joint Stock Company	-	1,769,235,705
Others	21,499,901,356	24,032,184,834
	<b>166,820,988,504</b>	<b>215,013,090,891</b>

*In which: Trade receivables from related parties* **20,452,235,189** **15,514,563,857**  
*(Details stated in Note 33)*

(\*) As presented in Note 19, the Company has mortgaged the rights arising from the Company's circulating receivables to secure loans from commercial banks.

6. SHORT-TERM ADVANCES TO SUPPLIERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
Nanjing C-HOPE Cement Engineering Group Co., Ltd	11,816,442,224	-
National Research Institute of Mechanical Engineering	6,281,871,765	-
Others	2,025,989,827	325,677,406
	<u>20,124,303,816</u>	<u>325,677,406</u>

7. OTHER RECEIVABLES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
<b>a. Other short-term receivables</b>		
Interest income receivables from deposit in environment protection	2,147,807,581	1,747,725,000
Advance to employees	1,207,851,350	1,381,532,271
Receivable expenses related to Viet Nam Import-Export and Trading Service Co., Ltd	-	800,000,000
Others	1,623,345,013	4,118,992,867
	<u>4,979,003,944</u>	<u>8,048,250,138</u>
<b>b. Other long-term receivables</b>		
Deposits	15,549,698,062	14,442,400,213
	<u>15,549,698,062</u>	<u>14,442,400,213</u>
<i>In which:</i>		
<i>Other receivables from related parties</i> <i>(Details stated in Note 33)</i>	<i>565,223,400</i>	<i>-</i>



8. BAD DEBTS

	Closing balance			Opening balance		
	VND			VND		
	Cost	Provision amount	Overdue time	Cost	Provision amount	Overdue time
<b>Provision for short-term trade receivables</b>	<b>6,063,334,934</b>	<b>6,063,334,934</b>		<b>7,478,531,578</b>	<b>7,478,531,578</b>	
Puzolan Gia Lai Cement Joint Stock Company	2,658,439,332	2,658,439,332	Over 3 years	2,658,439,332	2,658,439,332	Over 3 years
Phuc Minh Services Trading Joint Stock Company	-	-	Over 3 years	1,145,196,644	1,145,196,644	Over 3 years
Hoang Khoa Phat Company Limited	988,120,250	988,120,250	Over 3 years	988,120,250	988,120,250	Over 3 years
Petro Nghe An Minerals and Construction Joint Stock Corporation	734,610,000	734,610,000	Over 3 years	734,610,000	734,610,000	Over 3 years
Others	1,682,165,352	1,682,165,352	Over 3 years	1,952,165,352	1,952,165,352	Over 3 years
	<b>6,063,334,934</b>	<b>6,063,334,934</b>		<b>7,478,531,578</b>	<b>7,478,531,578</b>	

9. INVENTORIES

	Closing balance		Opening balance	
	VND		VND	
	Cost	Provision (*)	Cost	Provision (*)
<b>Short-term (**)</b>				
Raw materials	46,939,227,199	(89,046,993)	58,163,415,889	(126,672,597)
Tools and supplies	25,552,347,520	-	33,001,608,067	-
Work in progress	4,827,221,130	-	104,225,919,464	(791,776,954)
Finished goods	12,598,629,113	-	35,371,800,669	(2,437,813,419)
	<b>89,917,424,962</b>	<b>(89,046,993)</b>	<b>230,762,744,089</b>	<b>(3,356,262,970)</b>
<b>Long-term (**)</b>				
Replacing tools, equipment, supplies	92,422,087,245	(870,184,237)	94,570,408,028	(862,452,112)
	<b>182,339,512,207</b>	<b>(959,231,230)</b>	<b>325,333,152,117</b>	<b>(4,218,715,082)</b>

(\*) Detail of movement in provision for inventories during the year as below:

	Current year	Prior year
	VND	VND
Opening balance	4,218,715,082	1,044,512,580
Add: Additional provision for the year	-	3,229,590,373
(Reversed) during the year	(3,259,483,852)	(55,387,871)
Closing balance	959,231,230	4,218,715,082

During the year, the Company reversed the provision for inventory devaluation in the amount of VND 3,259,483,852 (previous year: VND 55,387,871). The Company reversed the provision during the period due to the sale and use of inventories for which provisions had been previously made.

(\*\*) As of December 31, 2024, the Company's circulating inventories were used as collaterals for the credit limit at Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Dien Branch, Joint Stock Commercial Bank for Industry and Trade - North Nghe An Branch and Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thanh Cong Branch with minimum value at all times of VND 97,000,000,000, VND 100,000,000,000 and VND 100,000,000,000 respectively (details in Note 19).

#### 10. PREPAYMENTS

	Closing balance	Opening balance
	VND	VND
<b>a. Current</b>		
Refractory bricks and accessories expense	11,040,669,429	3,723,207,897
Consumable liner plates and balls expense	583,470,578	1,000,563,093
Other current prepaid expenses	668,945,652	688,649,685
	<b>12,293,085,659</b>	<b>5,412,420,675</b>
<b>b. Non-current</b>		
Allocated repairing expense	12,280,575,163	29,865,679,300
Refractory bricks and accessories expense	10,860,794,762	18,095,243,451
Consumable liner plates and balls expense	584,007,507	5,502,692,933
Cost of changing the land using purpose for limestone quarries (Hoang Mai B)	2,010,296,040	2,106,790,248
Other non-current prepaid expense	7,188,342,725	14,225,155,640
	<b>32,924,016,197</b>	<b>69,795,561,572</b>

11. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings and structures VND	Machinery and equipment VND	Office equipment VND	Motor vehicles VND	Total VND
<b>COST</b>					
Opening balance	817,407,319,231	2,123,941,951,263	31,538,963,318	19,719,771,867	2,992,608,005,679
Additions	-	33,396,447,834	-	510,303,160	33,906,750,994
Transfer from construction in progress	16,042,472,828	-	-	-	16,042,472,828
Disposals	-	(3,048,992,035)	(358,840,897)	(308,255,454)	(3,716,088,386)
Others	(2,126,123,872)	-	-	-	(2,126,123,872)
Closing balance	831,323,668,187	2,154,289,407,062	31,180,122,421	19,921,819,573	3,036,715,017,243
<b>ACCUMULATED DEPRECIATION</b>					
Opening balance	475,914,144,800	2,004,559,832,402	30,331,151,035	15,153,389,449	2,525,958,517,686
Charge for the year	18,461,112,093	17,676,940,767	660,950,867	1,549,723,102	38,348,726,829
Disposals	-	(3,048,992,035)	(358,840,897)	(308,255,454)	(3,716,088,386)
Closing balance	494,375,256,893	2,019,187,781,134	30,633,261,005	16,394,857,097	2,560,591,156,129
<b>NET BOOK VALUE</b>					
Opening balance	341,493,174,431	119,382,118,861	1,207,812,283	4,566,382,418	466,649,487,993
Closing balance	336,948,411,294	135,101,625,928	546,861,416	3,526,962,476	476,123,861,114

As at 31 December 2024, the original cost of fully depreciated tangible fixed assets but still in use is VND 2,066,059,401,830 (as at 31 December 2023 is VND 2,053,591,686,857).

As at 31 December 2024, the carrying amount of tangible fixed assets used as collateral for short-term loan contracts is VND 240,692,405,820, detailed in Note 18 (as at 31 December 2023 is VND 256,287,607,737).



12. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Software VND
<b>COST</b>	
Opening balance	4,842,380,370
Closing balance	4,842,380,370
<b>ACCUMULATED AMORTISATION</b>	
Opening balance	3,368,450,844
Charge for the year	762,095,708
Closing balance	4,130,546,552
<b>NET BOOK VALUE</b>	
Opening balance	1,473,929,526
Closing balance	711,833,818

As at 31 December 2024, the cost of fully amortized intangible assets but still in use is VND 1,535,185,370 (as at 31 December 2023 the amount is VND 1,135,185,370).

13. TAXES AND AMOUNT RECEIVABLES/PAYABLES TO THE STATE BUDGET

	Opening balance VND	Receivable/ Payable during the year VND	Received/Paid during the year VND	Closing balance VND
<b>a. Receivables</b>				
Corporate income tax	380,091,439	-	-	380,091,439
	<u>380,091,439</u>	<u>-</u>	<u>-</u>	<u>380,091,439</u>
<b>b. Payables</b>				
Personal income tax	349,891,131	2,396,162,821	2,150,651,782	595,402,170
Nature resource consumption tax	1,897,524,991	12,408,669,004	13,469,519,040	836,674,955
Environmental protection fee	931,287,390	6,558,894,499	7,100,899,426	389,282,463
Fees for granting rights to exploit minerals and water resources	14,848,577,513	5,931,775,996	2,500,961,000	18,279,392,509
Real estate tax, land rent and other taxes	37,539,173	11,083,013,207	11,114,525,990	6,026,390
	<u>18,064,820,198</u>	<u>38,378,515,527</u>	<u>36,336,557,238</u>	<u>20,106,778,487</u>

14. CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
<b>Construction in progress</b>		
Infrastructure of Zone A - Hoang Mai Cement Urban Area (*)	61,722,746,000	61,722,746,000
Hoang Mai II Project (**)	33,381,210,735	33,304,318,301
Hoang Mai B Limestone quarry - phase III (***)	22,039,069,737	22,039,069,737
Others	3,050,991,119	13,583,233,476
	<u>120,194,017,591</u>	<u>130,649,367,514</u>

(\*) Represents the compensation amount for site clearance costs to the Compensation, Support and Resettlement Council of Hoang Mai Town People's Committee to implement the Hoang Mai Cement Urban Area project in Quynh Vinh commune.

(\*\*) Represents initial investment costs for Hoang Mai II Cement Factory Project, mainly mine exploration expenses.

(\*\*\*) Represents investment costs related to upgrading the mine reserves of Hoang Mai B limestone quarry, mainly including (i) cost of site clearance, (ii) exploration and upgrading of reserves, obtaining license for Hoang Mai B limestone quarry. At the date of these financial statements, the Company is in the process of applying for renewal of the license.

**15. SHORT-TERM TRADE PAYABLES**

	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
	Amount/ Amount	Amount/ Amount
	able to be paid off	able to be paid off
Vinh Plastic and Bags Joint Stock Company	26,878,515,012	29,622,361,143
Vicem Energy and Environment Joint Stock Company	13,255,852,698	25,903,936,080
Truong An Company Limited	4,281,860,905	8,117,905,994
Vietnam National Cement Corporation	3,630,276,093	-
Hoa Long Production and Trading Company Limited	1,784,455,467	1,622,270,145
Huy Kien Trading Company Limited	-	23,387,546,782
Sao Mai Joint Stock Company	-	1,866,240,000
Other suppliers	111,933,760,380	111,222,740,422
	<b>161,764,720,555</b>	<b>201,743,000,566</b>
<b>In which: Trade payables to related parties</b> (Details stated in Note 33)	19,628,810,101	31,632,655,243

**16. SHORT-TERM ADVANCES FROM CUSTOMERS**

	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
Hai Oanh Transport Trading Company Limited	2,363,187,026	1,489,703
Giang Dinh Transport Trading Company Limited	2,350,493,998	42,799,997
Dung Tram Trading and Services Limited Company	825,387,378	51,203,766
Others	3,933,195,458	2,178,177,190
	<b>9,472,263,860</b>	<b>2,273,670,656</b>
<b>In which: Advances from related parties</b> (Details stated in Note 33)	326,250,280	-

**17. SHORT-TERM ACCRUED EXPENSES**

	<b>Closing balance</b>	<b>Opening balance</b>
	<b>VND</b>	<b>VND</b>
Consumption supporting expense	17,363,570,000	17,430,894,500
Interest expense	38,477,128	101,380,251
Others	3,431,907,475	3,119,331,108
	<b>20,833,954,603</b>	<b>20,651,605,859</b>

18. OTHER SHORT-TERM PAYABLES

	Closing balance	Opening balance
	VND	VND
Thanh Cong Trading Company Limited (*)	27,427,489,009	27,427,489,009
Payable to employees (**)	1,444,467,324	3,336,848,064
Dividend payable to shareholders	1,790,001,750	1,788,119,800
Social, Health, Unemployment insurance, Union fee	411,939,200	784,482,608
Others	1,819,403,982	9,873,218,610
	<b>32,893,301,265</b>	<b>43,210,158,091</b>
<b>In which: Trade payables to related parties</b> (Details stated in Note 33)	<b>-</b>	<b>2,610,776,600</b>

(\*) Represents the compensation amount for site clearance costs to the Compensation, Support and Resettlement Council of Hoang Mai Town People's Committee to implement the Hoang Mai Cement Urban Area project in Quynh Vinh Commune paid by Thanh Cong Trading Company Limited according to the cooperation agreement.

(\*\*) Represents the support amount for employees who voluntarily terminate their labor contracts.



19. SHORT-TERM LOANS

	Opening balance		In the year		Closing balance	
	VND	VND	VND	VND	VND	VND
	Amount	Amount able to be paid off	Increases	Decreases	Amount	Amount able to be paid off
Vietnam International Commercial Joint Stock Bank - Vinh Branch	27,599,932,388	27,599,932,388	3,221,255,200	30,821,187,588	-	-
Joint Stock Commercial Bank for Investment and Development of Viet Nam - Phu Dien Branch (i)	80,646,449,993	80,646,449,993	802,204,250,846	787,850,700,839	95,000,000,000	95,000,000,000
Vietnam Joint Stock Commercial Bank for Industry and Trade - North Nghe An Branch (ii)	18,951,301,268	18,951,301,268	192,549,462,342	211,500,763,610	-	-
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thanh Cong Branch (iii)	50,055,608,323	50,055,608,323	11,875,557,805	61,931,166,128	-	-
	<b>177,253,291,972</b>	<b>177,253,291,972</b>	<b>1,009,850,526,193</b>	<b>1,092,103,818,165</b>	<b>95,000,000,000</b>	<b>95,000,000,000</b>

- (i) Loan from Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Dien Branch under Credit Contract No. 01/2024/818422/HDTD dated 10 December 2024 with a limit of VND 200,000,000,000 (including the outstanding balance carried forward from the Credit Contract No. 01/2023/818422/HDTD dated 28 November 2023). The term of the credit limit is from the date of signing the contract to end of 30 November 2025. The loan is used to supplement working capital, guarantee and open L/C. The interest rate is determined according to each debt receipt. Interest will be paid on the 25th of every month. The credit limit is secured by all fixed assets formed from loans under the Company's investment projects approved under Decision No. 216/TTg dated 15 April 1996 of the Prime Minister together with land use rights and land-attached assets No. BT 344736, BT 344728 and BT 344741; the Company's rotational debt collection rights to the parties with payment obligations to the Company raised during production and business with the value of not less than VND 66,000,000,000; the Company's inventories in working capital with a minimum value at all time of VND 97,000,000,000.



- (ii) Loan from Vietnam Joint Stock Commercial Bank for Industry and Trade - North Nghe An Branch under Credit Contract No. 24160079/2024-HĐCVHM/NHCT444-XIMANG dated 10 December 2024 with a limit of VND 200,000,000,000. The term of the credit limit is until the end of 10 December 2025. The loan is used to supplement working capital for production and business activities. The interest rate is determined according to each debt receipt and is valid from the date of disbursement until the interest rate is adjusted. Interest will be paid on the 26th of each month. The collaterals of the loan are transportation vehicle, machinery system specified in the collateral contract No. 20320079/2020/HĐBD/NHCT444 date 5 August 2020, No. 22590996/2022/HĐBD/NHCT/444 date 29 December 2022, No. 22590997/2022/HĐBD/NHCT/444 dated 29 December 2022 and No. 23590380/2023/HĐBd/NHCT444 dated 29 March 2023; the Company's rotational debt collection rights to the parties with payment obligations to the Company raising during production and business with the value of not less than VND 100,000,000,000; the Company's inventories in working capital with a minimum value at all time of VND 100,000,000,000.
- (iii) Loan from Joint Stock Commercial Bank for Foreign Trade of Vietnam - Thanh Cong Branch under Credit Contract No. 01/24/HM/10723788 dated 19 June 2024 with a limit of VND 87,400,000,000 (including the outstanding balance carried forward from the Credit Contract No. 01/23/HM/10723788 dated 20 February 2023). The term of the credit limit is until the end of 24 May 2025. The loan is used to finance reasonable and legal short-term credit needs for production and business activities of the Company (excluding fixed asset investment activities). The interest rate is determined according to each debt receipt. Interest will be paid on the 26th of each month. The collateral of the loan is the coal weighing system; DCS system, the automatic and continuous emission monitoring system; receivables and the goods circulating in business process owned by the Company with the minimum value at all times is VND 100,000,000,000 and all assets attached to the factory land.

20. PAYABLE PROVISIONS

	Contingent of environmental restoration fee payable
	VND
Opening balance	9,382,685,265
Additional provision for the year	1,664,950,377
Closing balance	<u>11,047,635,642</u>



21. OWNER'S EQUITY

Movement in owner's equity

	Owner's contributed capital	Share premium	Treasury shares	Investment and development fund	Retained earnings/Accumulated (loss)	Total
	VND	VND	VND	VND	VND	VND
Prior year's opening balance	747,691,310,000	19,138,086,811	(28,199,462,462)	208,210,192,057	25,436,588,685	972,276,715,091
(Loss) for the year	-	-	-	-	(31,144,204,873)	(31,144,204,873)
Fund provision	-	-	-	7,630,976,606	(19,925,393,272)	(12,294,416,666)
Other increases	-	-	-	-	235,360,000	235,360,000
Current year's opening balance	747,691,310,000	19,138,086,811	(28,199,462,462)	215,841,168,663	(25,397,649,460)	929,073,453,552
(Loss) for the year	-	-	-	-	(69,860,569,067)	(69,860,569,067)
Current year's closing balance	747,691,310,000	19,138,086,811	(28,199,462,462)	215,841,168,663	(95,258,218,527)	859,212,884,485

Charter capital

According to the amended enterprise registration certificate, the Company's charter capital is VND 747,691,310,000 (as at 31 December 2023: VND 747,691,310,000). As at 31 December 2024, the charter capital has been fully contributed by shareholders as follows:

	According to amended enterprise registration certificate		Contributed capital	
	VND	%	Closing balance	Opening balance
	VND		VND	VND
Vietnam National Cement Corporation	531,354,720,000	71.07	531,354,720,000	531,354,720,000
Other shareholders	216,336,590,000	28.93	216,336,590,000	216,336,590,000
<b>Total</b>	<b>747,691,310,000</b>	<b>100</b>	<b>747,691,310,000</b>	<b>747,691,310,000</b>

Shares

	<u>Closing balance</u>	<u>Opening balance</u>
<b>Number of shares issued to the public</b>	<b>74,769,131</b>	<b>74,769,131</b>
<i>Ordinary shares</i>	<i>74,769,131</i>	<i>74,769,131</i>
<b>Number of treasury shares</b>	<b>(2,771,400)</b>	<b>(2,771,400)</b>
<i>Ordinary shares</i>	<i>(2,771,400)</i>	<i>(2,771,400)</i>
<b>Number of outstanding shares in circulation</b>	<b>71,997,731</b>	<b>71,997,731</b>
<i>Ordinary shares</i>	<i>71,997,731</i>	<i>71,997,731</i>

All ordinary shares have a par value of VND 10,000/share.

**22. OFF BALANCE SHEET ITEMS**

**Foreign currency:**

	<u>Closing balance</u>	<u>Opening balance</u>
Euro (EUR)	599.05	618.40
US Dollar (USD)	490.9	1,942,055.57

**Operating lease commitments:**

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND</u>	<u>VND</u>
Within one year	10,536,647,653	10,327,252,780
In the second to fifth year inclusive	36,678,222,773	38,516,342,265
After five years	126,449,441,541	130,136,543,496
	<b>173,664,311,967</b>	<b>178,980,138,541</b>

Operating lease payments represent the payable amounts under the signed long-term land lease contracts from 06 - 50 years to serve the Company's production and business activities.

**23. BUSINESS SEGMENT AND GEOGRAPHY SEGMENT**

The main production and business activities of the Company are the production and trading of cement, clinker and certain related building materials. During the year, the Company did not have any other material business activities, accordingly, the financial information presented on the balance sheet as at 31 December 2024 and revenue and expenses presented in the income statement for the year then ended related to trading of cement, clinker and certain related building materials. Revenue and cost of goods sold by each business activity are presented in Note 24 and Note 25, respectively.

The Company's business activities mainly take place in Vietnam with over 90% of revenue and profit recorded in Vietnam; therefore, the Company does not prepare geographical report.

24. REVENUE

	Current year	Prior year
	VND	VND
Sales of cement and clinker	1,798,137,587,387	1,816,231,679,714
Other sales	2,698,080,352	1,737,792,588
	<b>1,800,835,667,739</b>	<b>1,817,969,472,302</b>
<i>In which: Sales to related parties (Details are presented in Note 32)</i>	120,820,854,118	171,331,056,841
<b>Deductions</b>		
Sales discount	91,023,056,334	79,804,673,540
	<b>91,023,056,334</b>	<b>79,804,673,540</b>

25. COST OF SALES

	Current year	Prior year
	VND	VND
Cost of cement and clinker sold	1,493,542,180,877	1,454,605,456,589
Cost of other products sold	170,819,959	241,419,586
(Reserval of)/Provision for inventory devaluation	(3,259,483,852)	3,174,202,502
	<b>1,490,453,516,984</b>	<b>1,458,021,078,677</b>

26. PRODUCTION COST BY NATURE

	Current year	Prior year
	VND	VND
Raw materials and consumables	872,124,023,473	1,000,084,389,493
Out-sourced services	415,064,747,664	412,939,064,641
Depreciation and amortisation	39,110,822,537	37,823,814,234
Labour	164,317,706,992	164,134,540,083
Other expenses	168,911,074,951	162,141,919,267
Provisions (reversed)/made	(4,674,680,496)	2,498,402,502
	<b>1,654,853,695,120</b>	<b>1,779,622,130,220</b>

27. FINANCIAL INCOME

	Current year	Prior year
	VND	VND
Bank and loan interest	1,641,418,527	401,559,130
Foreign exchange gain	2,666,000,874	1,773,538,653
	<b>4,307,419,401</b>	<b>2,175,097,783</b>

28. FINANCIAL EXPENSES

	Current year	Prior year
	VND	VND
Interest expense	3,532,384,087	14,302,863,150
Foreign exchange loss	126,184,257	371,582,292
	<b>3,658,568,344</b>	<b>14,674,445,442</b>



29. GENERAL AND ADMINISTRATION EXPENSES AND SELLING EXPENSES

	Current year	Prior year
	VND	VND
<b>General and administration expenses</b>		
Labour expense	40,555,369,642	40,364,062,707
Depreciation and amortisation of fixed assets	3,673,473,745	3,762,157,022
Other expenses	48,081,858,305	47,179,005,560
	<b>92,310,701,692</b>	<b>91,305,225,289</b>
<b>Selling expenses</b>		
Loading and transportation expenses	109,348,449,755	114,558,094,206
Promotion and Consumption supporting expenses	46,378,393,500	51,627,928,403
Sales staff expense	11,612,051,282	11,246,815,737
Product advertising and introduction expenses	3,354,068,780	2,675,099,368
Receptions and Conferences expense	8,327,626,793	8,820,060,659
Other expenses	22,063,866,426	21,136,541,776
	<b>201,084,456,536</b>	<b>210,064,540,149</b>

30. CORPORATE INCOME TAX EXPENSES

	Current year	Prior year
	VND	VND
<b>Current corporate income tax expense</b>		
Corporate income tax expense based on taxable profit in the current year	-	120,206,492
<b>Total current corporate income tax expense</b>	<b>-</b>	<b>120,206,492</b>

Corporate income tax expense based on taxable profit in the current year is calculated as follow:

	Current year	Prior year
	VND	VND
(Loss)/Profit before tax	(69,860,569,067)	(31,023,998,381)
<b>Adjustments for taxable profit</b>	<b>6,582,805,463</b>	<b>12,152,079,407</b>
<i>Less: non-taxable income</i>	-	(127,686,191)
<i>Add back: non-deductible expenses</i>	6,582,805,463	12,024,393,216
<b>Taxable profit</b>	<b>-</b>	<b>-</b>
Normal tax rate	20%	20%
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>-</b>	<b>-</b>
Adjustment of corporate income tax expenses of prior year to current income tax expense	-	120,206,492
<b>Corporate income tax expense based on taxable profit in the current year</b>	<b>-</b>	<b>120,206,492</b>

The Company's tax losses can be used to offset against future taxable profits for a maximum of 5 years from the year in which the loss was incurred. The Company's unused tax losses as at 31 December 2024 are as follows:

Incurring year	Forfeited year	Taxable losses (VND)	Carried forward losses as of 31/12/2024 (VND)	Unused taxable losses as of 31/12/2024 (VND)
2023	2028	18,316,872,967	-	18,316,872,967
2024	2029	63,277,763,604	-	63,277,763,604
		<b>81,594,636,571</b>	<b>-</b>	<b>81,594,636,571</b>

The Company's tax returns are subject to examination by the tax authorities. Since the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the financial statements may change upon final determination by the tax authorities. Accordingly, the Company has no deferred tax assets recorded in relation to tax losses due to uncertainty about future realisation.

### 31. BASIC LOSSES PER SHARE

	Current year	Prior year (Restated)
	VND	VND
Accounting loss after corporate income tax	(69,860,569,067)	(31,144,204,873)
Decreasing adjustments	-	-
Loss attributable to ordinary shareholders	(69,860,569,067)	(31,144,204,873)
Average ordinary shares in circulation for the year	71,997,731	71,997,731
<b>Basic loss per share</b>	<b>(970)</b>	<b>(433)</b>

### 32. COMMITMENTS

#### Commitment on fees for granting mineral mining rights

According to Decision No. 92/QĐ-BTNMT dated 16 January 2015 of the Ministry of Natural Resources and Environment approving the fee for granting mineral mining rights and Decision No. 988/QĐ-HĐTLQG date 31 August 2015 of The National Council for Assessment of Mineral Deposit, the Company has obligation to pay the fee for granting mineral mining rights for the period from 01 January 2014 to the end of the licensing period on 24 October 2045. Accordingly, the estimated fee for granting mineral mining rights still payable as of 31 December 2024 is about VND 132.6 billion.

#### Commitment on environmental remediation and rehabilitation fees

Pursuant to the notices and instructions of the People's Committee of Nghe An Province and the Department of Natural Resources and Environment of Nghe An Province and Decision No. 757/QĐ-BTNMT dated 20 November 2017 of the Ministry of Natural Resources and Environment on approving plans for environmental remediation and rehabilitation of projects of mining and using Hoang Mai B limestone quarry and Quynh Vinh clay quarry that the Company is licensed to mine, the Company has commitments related to the payment of environmental remediation and rehabilitation fee as at 31 December 2024. The total deposit must be VND 26,864,440,000. Accordingly, the first deposit amount is VND 4,029,666,000 and the deposit amount for each year (from 2024 to 2049) is VND 787,406,000.

33. RELATED PARTY TRANSACTIONS AND BALANCES

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

Related parties	Relationship
Vietnam National Cement Corporation	Parent company
Vicem Ha Tien Cement Joint Stock Company	Affiliate
Bim Son Cement Joint Stock Company	Affiliate
Vicem But Son Packaging Joint Stock Company	Affiliate
Vicem Gypsum and Cement Joint Stock Company	Affiliate
Vicem Da Nang Building Material Joint Stock Company	Affiliate
Vicem Energy and Environment Joint Stock Company	Affiliate
Vicem Hai Van Cement Joint Stock Company	Affiliate
Vicem Tam Diep One Member Company Limited	Affiliate
Ha Long Cement Joint Stock Company	Affiliate
Vicem But Son Cement Joint Stock Company	Affiliate
Vicem Bim Son Packaging Joint Stock Company	Affiliate
Vicem Cement Trading Joint Stock Company	Affiliate
Siam City Cement (Vietnam) Limited Company	Associate of the Parent Company
Vicem Cement Technology Institute	Affiliates of the Parent Company
Cement Development Investment Consultation Company	Affiliates of the Parent Company
Vicem Cement Technical Vocational College	Affiliates of the Parent Company
Dung Tram Trading and Services Limited Company	Having the same key managerial member (no longer a related party from 26 April 2024)
Son Thanh Trading Company Limited	Having the same key managerial member (related party from 26 April 2024)



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

	Current year VND	Prior year VND
<b>Sales of goods and services rendered</b>	<b>120,820,854,118</b>	<b>171,331,056,841</b>
Siam City Cement (Vietnam) Limited Company	75,869,734,117	50,545,898,174
Dung Tram Trading and Services Limited Company	32,273,515,129	108,137,186,649
Son Thanh Trading Company Limited	11,001,893,424	Not yet a related party
Vicem Energy and Environment Joint Stock Company	1,087,325,000	-
Vietnam National Cement Corporation	588,386,448	2,363,646,433
Vicem Ha Tien Cement Joint Stock Company	-	7,877,003,183
Vicem Cement Trading Joint Stock Company	-	2,407,322,402
<b>Purchases</b>	<b>66,381,048,862</b>	<b>310,454,910,602</b>
Vicem Energy and Environment Joint Stock Company	56,797,960,530	296,853,544,400
Vicem Bim Son Packaging Joint Stock Company	4,311,948,600	2,588,004,000
Vicem But Son Packaging Joint Stock Company	2,555,056,480	3,533,418,310
Vicem Hoang Thach Cement Company Limited	1,969,081,400	-
Vicem Cement Technical Vocational College	295,150,000	-
Cement Development Investment Consultation Company	292,592,593	746,137,037
Ha Long Cement Joint Stock Company	159,259,259	-
Vicem Gypsum and Cement Joint Stock Company	-	3,259,557,400
Vicem Da Nang Building Material Joint Stock Company	-	3,061,692,000
Vicem Cement Technology Institute	-	412,557,455
<b>Cement export entrustment transaction</b>	<b>70,804,224,452</b>	<b>90,185,119,475</b>
Vicem Tam Diep One Member Company Limited (in accordance with entrusted export contract)	47,531,222,452	60,118,104,475
Ha Long Cement Joint Stock Company (in accordance with entrusted export contract)	23,273,002,000	30,067,015,000
<b>Entrusted export fee</b>	<b>937,666,633</b>	<b>1,205,761,967</b>
Vicem Tam Diep One Member Company Limited	703,846,068	815,680,485
Ha Long Cement Joint Stock Company	233,820,565	390,081,482
<b>Consulting expense</b>	<b>7,817,166,888</b>	<b>8,035,998,874</b>
Vietnam National Cement Corporation	7,817,166,888	8,035,998,874
<b>Remuneration for the representative of capital contribution portion</b>	<b>324,000,000</b>	<b>310,800,001</b>
Vietnam National Cement Corporation	324,000,000	310,800,001
<b>Out-sourcing expense</b>	<b>3,577,431,669</b>	<b>11,848,716,938</b>
Vicem Ha Tien Cement Joint Stock Company	3,577,431,669	11,848,716,938

*Significant related party balances as at the balance sheet date were as follows:*

	Closing balance	Opening balance
	VND	VND
<b>Short - term trade receivables</b>	<b>20,452,235,189</b>	<b>15,514,563,857</b>
Siam City Cement (Vietnam) Limited Company	19,584,021,498	-
Vicem Tam Diep One Member Company Limited	770,896,868	4,497,791,380
Vicem Hai Van Cement Joint Stock Company	97,316,823	97,316,823
Bim Son Cement Joint Stock Company	-	8,084,362,312
Vicem Ha Tien Cement Joint Stock Company	-	1,769,235,705
Vietnam National Cement Corporation	-	974,471,767
Ha Long Cement Joint Stock Company	-	91,385,870
<b>Other short-term receivables</b>	<b>565,223,400</b>	<b>-</b>
Vicem But Son Cement Joint Stock Company	565,223,400	-
<b>Short-term trade payables</b>	<b>19,628,810,101</b>	<b>31,632,655,243</b>
Vicem Energy and Environment Joint Stock Company	13,255,852,698	25,903,936,080
Vietnam National Cement Corporation	3,630,276,093	-
Vicem Bim Son Packaging Joint Stock Company	930,612,240	-
Vicem But Son Packaging Joint Stock Company	926,568,011	1,108,154,610
Vicem Ha Tien Cement Joint Stock Company	339,155,135	-
Vicem Cement Technical Vocational College	266,590,000	-
Ha Long Cement Joint Stock Company	138,615,528	-
Vicem Hoang Thach Cement Company Limited	106,380,396	-
Cement Development Investment Consultation Company	34,760,000	569,972,741
Vicem Gypsum and Cement Joint Stock Company	-	3,585,513,140
Vicem Da Nang Building Material Joint Stock Company	-	465,078,672
<b>Advance from customers</b>	<b>326,250,280</b>	<b>-</b>
Son Thanh Trading Company Limited	326,250,280	Not yet a related party
<b>Other short-term payables</b>	<b>-</b>	<b>2,610,776,600</b>
Vicem But Son Cement Joint Stock Company	-	2,610,776,600

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Remuneration of members of the Board of Directors and Board of Executive Officers during the year is presented as follows:

Name	Title	Current year	Prior year
		VND	VND
Mr. Dinh Quang Dung	Chairman of Board of Directors (resigned on 21 April 2023)	-	29,333,333
Mr. Le Trung Kien	Chairman of Board of Directors (appointed on 21 April 2023)	96,000,000	203,988,812
Mr. Nguyen Quoc Viet	Member of Board of Directors (resigned on 21 April 2023)	-	51,458,283
Mr. Nguyen Dinh Dung	Member of Board of Directors/Chief Executive Officer (appointed as member of Board of Director on 21 April 2023)	790,809,932	712,519,716
Mr. Nguyen Van Dung	Member of Board of Directors (resigned on 26 April 2024)	24,000,000	100,847,561
Mr. Dau Duc Son	Independent member of Board of Directors (appointed on 26 April 2024)	48,000,000	-
Mr. Dang Ngoc Long	Deputy Chief Executive Officer	586,161,727	600,095,554
Mr. Nguyen Ngoc Tinh	Member of Board of Directors/Deputy Chief Executive Officer (appointed as member of Board of Director on 21 April 2023)	668,308,042	618,456,483
Mr. Le Dinh Thang	Member of Board of Directors/Deputy Chief Executive Officer (appointed on 21 April 2023)	625,706,631	282,218,696
Mrs. Dau Thi Nga	Deputy Chief Executive Officer (appointed on 11 October 2024)	539,311,386	552,491,663
Ms. Nguyen Thi Anh Tu	Head of Board of Supervisors (appointed on 21 April 2023)	443,737,384	170,898,286
Mr. Nguyen Van Tuan	Head of Board of Supervisors (resigned on 21 April 2023)	-	176,323,235
Mr. Thai Huy Chuong	Member of Board of Supervisors (resigned on 21 April 2023)	-	87,434,110
Mr. Nguyen Quang Ton	Member of Board of Supervisors (appointed on 21 April 2023)	48,000,000	33,333,333
Mr. Cao Trong Nghien	Member of Board of Supervisors	254,851,879	208,025,373
		<b>4,124,886,982</b>	<b>3,827,424,439</b>

Le Thi Nhan  
Preparer

Tran Van Duc  
Accountant in charge

Nguyen Dinh Dung  
Chief Executive Officer

17 March 2025





VIETNAM NATIONAL CEMENT CORPORATION  
VICEM HOANG MAI CEMENT JSC

SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness

No: TTT-XMHM-HĐQT

Nghe An, March 2025

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## PROPOSAL

### Regarding the Approval of the 2024 Profit Distribution Plan

To: The General Meeting of Shareholders of Vicem Hoang Mai  
Cement Joint Stock Company

Pursuant to the Charter of Vicem Hoang Mai Cement Joint Stock Company  
as approved by the General Meeting of Shareholders on April 21, 2023;

Pursuant to the audited financial statements of Vicem Hoang Mai Cement  
Joint Stock Company for the year 2024.

The Board of Directors respectfully reports and submits the 2024 profit  
distribution plan to the General Meeting of Shareholders for approval as follows:

- |   |                      |
|---|----------------------|
| 1. Profit before tax for 2024                       | (69.860.569.067) VND |
| 2. Accumulated undistributed after-tax profit as of | (95.258.218.527) VND |
| 2024  |                      |

Including:

- |  |                      |
|--|----------------------|
| - Accumulated undistributed after-tax profit as of |                      |
| 2023   | (25.397.649.460) VND |
| - Profit after tax for 2024:                       | (69.860.569.067) VND |

Accordingly, the Company shall not distribute dividends nor allocate funds  
from the distributable Profit After Tax for 2024.

The Board of Directors of Vicem Hoang Mai Cement Joint Stock Company  
respectfully submits this matter to the General Meeting of Shareholders for  
consideration and approval.

*Recipients:* 

- As above;
- Finance & Accounting Dept;
- Corporate Secretary;
- Filed at: Office Archives; Board of Directors.

ON BEHALF OF THE BOARD OF  
DIRECTORS  
CHAIRMAN OF THE BOARD

Le Trung Kien