

SEPARATE FINANCIAL STATEMENTS

PHU TAI JOINT STOCK COMPANY

For the fiscal year ended as at 31 December 2023

(Audited)



Phu Tai Joint Stock Company
No. 278 Nguyen Thi Dinh, Quy Nhon City, Binh Dinh Province

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REPORT OF THE BOARD OF GENERAL DIRECTORS

The Board of General Directors of Phu Tai Joint Stock Company ("the Company") presents its report and the Company's Separate Financial Statements for the fiscal year ended as at 31 December 2023.

THE COMPANY

Phu Tai Joint Stock Company was established under the Decision No. 150/QĐ-BQP dated 10 November 2004 by the Ministry of Defence on changing Phu Tai Company of Military Zone 5 into Phu Tai Joint Stock Company.

The Company operates under Certificate of Business Registration and Tax Registration No. 4100259236 issued for the first time on December 30, 2004 and amended for the 28th time on August 16, 2023 by the Department of Planning and Investment of Binh Dinh Province.

The Company's head office is located at No. 278 Nguyen Thi Dinh Street, Nguyen Van Cu Ward, Quy Nhon City, Binh Dinh Province.

BOARD OF MANAGEMENT, BOARD OF GENERAL DIRECTORS AND AUDIT COMMITTEE

The members of the Board of Management during the fiscal year and to the reporting date are:

Mr. Le Vy	Chairman	
Mr. Le Van Thao	Vice Chairman	
Mr. Tran Thanh Cung	Member	
Mr. Phan Quoc Hoai	Member	
Mr. Nguyen Sy Hoe	Member	
Mr. Le Van Loc	Member	
Mr. Do Xuan Lap	Member	
Mr. Doan Minh Son	Independent Member	(Appointed on 16 April 2023)
Mr. Tran Huu Duc	Independent Member	(Resigned on 16 April 2023)

The members of the Board of General Directors during the fiscal year and to the reporting date are:

Mr. Le Van Thao	General Director
Mr. Tran Thanh Cung	Deputy General Director
Mr. Phan Quoc Hoai	Deputy General Director
Mr. Nguyen Sy Hoe	Deputy General Director

The legal representative of the Company during the year and at the date of this report is Mr. Le Van Thao (General Director).

Member of the Audit Committee of the Company are:

Mr. Doan Minh Son	Chairman	(Appointed on 18 April 2023)
Mr. Tran Huu Duc	Chairman	(Resigned on 18 April 2023)
Mr. Do Xuan Lap	Member	(Appointed on 18 April 2023)

AUDITORS

The auditors of AASC Auditing Firm Company Limited have taken the audit of Separate Financial Statements for the Company.

STATEMENT OF THE BOARD OF GENERAL DIRECTORS' RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of General Directors is responsible for the Separate Financial Statements which give a true and fair view of the Financial position of the Company, its operating results and its cash flows for the year. In preparing those Separate Financial Statements, the Board of General Directors is required to:

Phu Tai Joint Stock Company

No. 278 Nguyen Thi Dinh, Quy Nhon City, Binh Dinh Province

- Establish and maintain an internal control system which is determined necessary by the Board of General Directors and Board of Management to ensure the preparation and presentation of Separate Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Separate Financial Statements;
- Prepare the Separate Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements;
- Prepare the Separate Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Board of General Directors is responsible for ensuring that accounting records are kept to reflect the Financial position of the Company, with reasonable accuracy at any time and to ensure that the Separate Financial Statements comply with the current State's regulations. It is responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board of General Directors confirms that the Separate Financial Statements give a true and fair view of the Financial position at 31 December 2023, its operation results and cash flows in the year 2023 of the Company in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of the Separate Financial Statements.

Other commitments

The Board of General Directors pledges that the Company complies with Decree No. 155/2020/ND-CP dated 31 December 2020 of Government on detailed regulations for implementing a number of articles of the Securities Law and that the Company does not violate the obligations to disclose information according to the provisions of Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance guiding the disclosure of information on Securities Market.

Binh Dinh, 02 April 2024

**On behalf of the Board of General Directors
General Director**



LÊ VĂN THẢO



No.: 020424.002/BCTC.KT5

INDEPENDENT AUDITOR'S REPORT

To: **Shareholders, Board of Management and Board of General Directors
Phu Tai Joint Stock Company**

We have audited the accompanying Separate Financial Statements of Phu Tai Joint Stock Company prepared on 02 April 2023, as set out on pages from 05 to 47, including: Separate Statement of Financial position as at 31 December 2023, Separate Statement of Income, Separate Statement of Cash flows and Notes to the Separate Financial Statements for the fiscal year ended as at 31 December 2023.

Board of General Directors' Responsibility

The Board of General Directors is responsible for the preparation and presentation of Separate Financial Statements that give a true and fair view in accordance with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements and for such internal control as management determines is necessary to enable the preparation and presentation of Separate 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 Separate Financial Statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with standards and ethical requirements; plan and perform the audit to obtain reasonable assurance about whether the Separate Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Separate Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Separate Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and presentation of Separate Financial Statements that give a true and fair view 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by Board of General Directors, as well as evaluating the overall presentation of the Separate Financial Statements.

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

Auditor's Opinion

In our opinion, the Separate Financial Statements give a true and fair view, in all material respects, of the Financial position of Phu Tai Joint Stock Company as at 31 December 2023, its operating results and its cash flows for the year then ended in accordance with the Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and the statutory requirements relevant to the preparation and presentation of Financial Statements.

SEPARATE STATEMENT OF FINANCIAL POSITION
As at 31 December 2023

Code	ASSETS	Note	31/12/2023	01/01/2023
			VND	VND
100	A. CURRENT ASSETS		2,219,883,252,337	2,593,617,853,050
110	I. Cash and cash equivalents	3	316,595,697,060	192,225,919,673
111	1. Cash		216,408,365,124	192,225,919,673
112	2. Cash equivalents		100,187,331,936	-
120	II. Short-term investments	4	19,642,998,519	16,099,130,000
121	1. Trading securities		19,642,998,519	21,380,003,873
122	2. Provision for diminution in value of trading securities		-	(5,280,873,873)
130	III. Short-term receivables		1,425,734,972,874	1,657,093,945,751
131	1. Short-term trade receivables	5	438,066,490,074	337,080,728,993
132	2. Short-term prepayments to suppliers	6	10,404,894,957	20,062,450,535
135	3. Short-term loan receivable	7	968,476,045,029	1,259,365,007,097
136	4. Other short-term receivables	8	56,577,108,017	45,889,150,690
137	5. Provision for short-term doubtful debts		(47,789,565,203)	(5,303,391,564)
140	IV. Inventories	10	399,787,380,029	642,933,614,508
141	1. Inventories		400,756,107,224	642,933,614,508
149	2. Provision for devaluation of inventories		(968,727,195)	-
150	V. Other short-term assets		58,122,203,855	85,265,243,118
151	1. Short-term prepaid expenses	11	12,109,076,921	15,269,997,646
152	2. Deductible VAT		45,562,387,649	69,992,386,720
153	3. Taxes and other receivables from State budget	17	450,739,285	2,858,752
200	B. NON-CURRENT ASSETS		1,753,681,678,123	1,447,648,813,980
210	I. Long-term receivables		9,775,636,381	10,487,619,775
216	1. Long-term trade receivables	8	9,775,636,381	10,487,619,775
220	II. Fixed assets		374,192,690,492	487,727,263,616
221	1. Tangible fixed assets	12	367,578,224,734	479,945,094,752
222	- Historical cost		1,001,896,921,612	1,263,188,814,038
223	- Accumulated depreciation		(634,318,696,878)	(783,243,719,286)
227	2. Intangible fixed assets	13	6,614,465,758	7,782,168,864
228	- Historical cost		19,037,566,359	19,647,521,656
229	- Accumulated amortization		(12,423,100,601)	(11,865,352,792)
240	III. Long-term assets in progress	14	2,968,081,424	4,187,724,780
242	1. Construction in progress		2,968,081,424	4,187,724,780
250	IV. Long-term investments	4	1,307,297,334,138	867,441,506,866
251	1. Investments in subsidiaries		1,076,736,775,243	863,757,475,243
252	2. Investments in joint ventures and associates		249,307,565,778	-
253	3. Equity investments in other entities		-	14,000,000,000
254	4. Provision for devaluation of long-term investments		(18,747,006,883)	(10,315,968,377)
260	V. Other long-term assets		59,447,935,688	77,804,698,943
261	1. Long-term prepaid expenses	11	57,314,880,208	75,419,426,099
262	2. Deferred income tax assets	34	2,133,055,480	2,385,272,844
270	TOTAL ASSETS		3,973,564,930,460	4,041,266,667,030

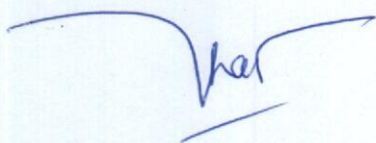
SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

(Continued)

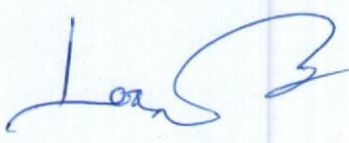
Code	CAPITAL	Note	31/12/2023	01/01/2023
			VND	VND
300	C. LIABILITIES		1,512,413,210,926	1,583,051,156,665
310	I. Current liabilities		1,501,504,185,384	1,526,518,863,293
311	1. Short-term trade payables	15	247,886,365,506	218,816,102,223
312	2. Short-term prepayments from customers	16	21,016,036,347	15,547,582,754
313	3. Taxes and other payables to State budget	17	26,962,668,325	70,852,615,974
314	4. Payables to employees		39,912,067,156	46,815,567,680
315	5. Short-term accrued expenses	18	9,468,559,467	11,336,387,831
319	6. Other short-term payables	19	19,807,049,026	87,284,858,817
320	7. Short-term borrowings and finance lease liabilities	20	1,087,652,857,518	1,034,491,571,906
321	8. Provisions for short-term payables	21	-	4,405,733,967
322	9. Bonus and welfare fund		48,798,582,039	36,968,442,141
330	II. Non-current liabilities		10,909,025,542	56,532,293,372
337	1. Other long-term payables	19	352,789,200	437,389,200
338	2. Long-term borrowings and finance lease liabilities	20	-	46,985,018,654
342	3. Provisions for long-term payables	21	10,556,236,342	9,109,885,518
400	D. OWNER'S EQUITY		2,461,151,719,534	2,458,215,510,365
410	I. Owner's equity	22	2,461,151,719,534	2,458,215,510,365
411	1. Contributed capital		669,384,030,000	680,384,030,000
411a	- Ordinary shares with voting rights		669,384,030,000	680,384,030,000
412	2. Share Premium		-	23,060,265,988
414	3. Other capital		1,575,298,307,128	1,415,061,816,343
421	4. Retained earnings		216,469,382,406	339,709,398,034
421b	- Retained earnings of the current year		216,469,382,406	339,709,398,034
440	TOTAL CAPITAL		3,973,564,930,460	4,041,266,667,030

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 02 April 2024

General Director

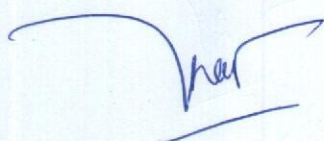



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SEPARATE STATEMENT OF INCOME
Year 2023

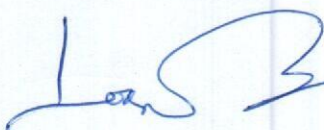
Code	ITEMS	Note	Year 2023 VND	Year 2022 VND
01	1. Revenues from sales of goods and rendering of services	24	2,127,451,240,660	2,997,247,926,343
02	2. Revenue deductions	25	54,824,509	656,345,003
10	3. Net revenues from sales of goods and rendering of services		2,127,396,416,151	2,996,591,581,340
11	4. Cost of goods sold	26	1,661,133,649,867	2,286,422,658,039
20	5. Gross profit from sales of goods and rendering of services		466,262,766,284	710,168,923,301
21	6. Financial income	27	217,643,075,503	270,451,876,682
22	7. Financial expense	28	107,965,519,733	107,806,023,853
23	<i>In which: Interest expense</i>		86,453,976,512	78,412,442,288
25	8. Selling expense	29	192,809,450,319	279,768,076,959
26	9. General and administrative expense	30	133,654,982,353	119,739,317,742
30	10. Net profit from operating activities		249,475,889,382	473,307,381,429
31	11. Other income	31	7,310,450,173	56,671,575,655
32	12. Other expense	32	12,611,978,084	63,795,557,398
40	13. Other profit		(5,301,527,911)	(7,123,981,743)
50	14. Total net profit before tax		244,174,361,471	466,183,399,686
51	15. Current corporate income tax expense	33	27,452,761,701	59,024,638,255
52	16. Deferred corporate income tax expense	34	252,217,364	(589,039,603)
60	17. Profit after corporate income tax		216,469,382,406	407,747,801,034

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 02 April 2024

General Director



LÊ VĂN THẢO

SEPARATE STATEMENT OF CASH FLOWS

Year 2023

(Indirect method)

Code	ITEMS	Note	Year 2023	Year 2022
			VND	VND
	I. CASH FLOWS FROM OPERATING ACTIVITIES			
01	1. Profit before tax		244,174,361,471	466,183,399,686
	2. Adjustment for			
02	- Depreciation and amortization of fixed assets and investment properties		77,554,493,040	123,559,252,947
03	- Provisions		45,337,550,351	(14,034,987,881)
04	- Exchange gains / losses from retranslation of monetary items denominated in foreign currency		(134,215,603)	194,536,873
05	- Gains / losses from investment		(211,351,743,716)	(279,356,211,400)
06	- Interest expense		86,453,976,512	78,890,501,674
07	- Other adjustments		-	59,823,953,001
08	3. Operating profit before changes in working capital		242,034,422,055	435,260,444,900
09	- Increase or decrease in receivables		(147,588,335,751)	142,415,177,956
10	- Increase or decrease in inventories		153,956,984,753	65,302,655,916
11	- Increase or decrease in payables		47,893,479,693	(193,470,033,816)
12	- Increase or decrease in prepaid expenses		(1,146,381,038)	4,053,953,940
13	- Increase or decrease in trading securities		1,737,005,354	34,330,078,722
14	- Interest paid		(85,845,784,466)	(77,867,615,750)
15	- Corporate income tax paid		(68,680,154,384)	(69,176,651,068)
17	- Other payments on operating activities		(8,557,250,154)	(19,333,480,381)
20	Net cash flows from operating activities		133,803,986,062	321,514,530,419
	II. CASH FLOWS FROM INVESTING ACTIVITIES			
21	1. Purchase or construction of fixed assets and other long-term assets		(28,466,823,057)	(92,265,494,458)
22	2. Proceeds from disposals of fixed assets and other long-term assets		8,659,795,518	64,057,599,370
23	3. Loans and purchase of debt instruments from other entities		(1,372,284,197,488)	(1,592,833,507,002)
24	4. Collection of loans and resale of debt instrument of other entities		1,774,526,113,774	1,643,241,026,241
25	5. Equity investments in other entities		(287,700,000,000)	(20,900,000,000)
26	6. Proceeds from equity investment in other entities		15,785,150,000	-
27	7. Interest and dividend received		135,476,629,539	129,037,784,988
30	Net cash flows from investing activities		245,996,668,286	130,337,409,139
	III. CASH FLOWS FROM FINANCING ACTIVITIES			
32	1. Repayment of capital contributions and repurchase of stock issued		(57,068,977,185)	-
33	2. Proceeds from borrowings		2,842,529,280,105	3,462,513,731,507
34	3. Repayment of principal		(2,836,353,013,147)	(3,751,314,768,489)
36	4. Dividends or profits paid to owners		(203,918,137,000)	(24,414,403,000)
40	Net cash flows from financing activities		(254,810,847,227)	(313,215,439,982)

SEPARATE STATEMENT OF CASH FLOWS

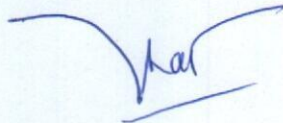
Year 2023

(Indirect method)

(Continued)

Code	ITEMS	Note	Year 2023	Year 2022
			VND	VND
50	Net cash flows in the year		124,989,807,121	138,636,499,576
60	Cash and cash equivalents at the beginning of the year		192,225,919,673	53,783,956,970
61	Effect of exchange rate fluctuations		(620,029,734)	(194,536,873)
70	Cash and cash equivalents at the end of the year	3	<u>316,595,697,060</u>	<u>192,225,919,673</u>

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan

Binh Dinh, 02 April 2024
General Director

LÊ VĂN THẢO

NOTES TO SEPARATE FINANCIAL STATEMENTS
Year 2023

1 GENERAL INFORMATION OF THE COMPANY

Form of ownership

Phu Tai Joint Stock Company was established under the Decision No. 150/QD-BQP dated 10 November 2004 by the Ministry of Defence on changing Phu Tai Company of Military Zone 5 into Phu Tai Joint Stock Company.

The Company operates under Certificate of Business Registration and Tax Registration No. 4100259236 issued for the first time on December 30, 2004 and amended for the 28th time on August 16, 2023 by the Department of Planning and Investment of Binh Dinh Province.

The Company's charter capital is VND 669,384,030,000, equivalent to 66.938.403 shares with the par value of VND 10,000.

The number of employees of the Company as at 31 December 2023 is 3.225 people (It was 3.192 people as at 31 December 2022).

Business field: Industrial manufacturing, trading and services.

Business activities: Main business activities of the Company include:

- Cutting, shaping and finishing of granite, basalt, marble;
- Exploiting granite and basalt; exploitation of stone, sand and gravel as construction materials;
- Production of beds, wardrobes, tables, chairs and other products from wood;
- Production of crushed stone, stone powder and similar products;
- Renting office;
- Buy and sell products from granite, basalt, marble stone.

Corporate structure

The Company's member entities are as follows:

<u>Name of member entities</u>	<u>Address</u>	<u>Main business activities</u>
380 Enterprise	Quy Nhon City	Manufacturing and trading of stone products
Nhon Hoa Construction Materials Enterprise	An Nhon District, Binh Dinh Province	Stone processing and mining
Granite Processing Factory in Binh Dinh Province	Phu Cat District, Binh Dinh Province	Stone trading and processing
Stone Exploitation Enterprise in Binh Dinh Province	Phu Cat District, Binh Dinh Province	Stone processing and mining
Granite Processing Factory in Long My (i)	Quy Nhon City	Stone trading and processing
Granite Processing Factory in Dong Nai Province (ii)	Nhon Trach District, Dong Nai Province	Stone trading and processing
Basalt and Granite Processing Factory in Dak Nong (iii)	ĐăkR'láp District, Dak Nong Province	Stone processing and mining
Stone Exploitation Enterprise in Dak Nong (iii)	ĐăkR'láp District, Dak Nong Province	Stone processing and mining
Granite Processing Factory in Khanh Hoa Province (iv)	Van Ninh District, Khanh Hoa Province	Stone processing and mining
Grannite Processing Factory in Dien Tan, Khanh Hoa Province (iv)	Dien Tan District, Khanh Hoa Province	Stone processing and mining
Stone Exploitation Enterprise in Khanh Hoa Province	Dien Tan District, Khanh Hoa Province	Stone processing and mining

<u>Name of member entities</u>	<u>Address</u>	<u>Main business activities</u>
Stone Exploitation Enterprise in Van Ninh Province	Van Ninh District, Khanh Hoa Province	Stone processing and mining
Thang Loi Enterprise	Tuy Phuoc District, Binh Dinh Province	Wood products trading and manufacturing
Branch in Ho Chi Minh City	Ho Chi Minh City	Trading in wooden products
Branch in Binh Duong Province	Di An Town, Binh Duong Province	Closed tax code on September 29, 2023

- (i) Granite Processing Factory in Long My has been merged into Phu Tai Binh Dinh Quartz Company Limited from 01 January 2023 according to Decision No. 117/QĐ - HĐQT dated 31 December 2023 of Management Board of the Company. The Company is carrying out procedures to close dependent tax code at this factory.
- (ii) Granite Processing Factory in Dong Nai Province has been merged into Phu Tai Dong Nai Stone Company Limited from 01 May 2023 according to decision No. 68/QĐ-HĐQT dated 24 April 2023 of Management Board of the Company. The Company is carrying out procedures to close dependent tax code at this factory.
- (iii) In 2023, the Company transferred assets belonging to the Basalt and Granite Processing Factory and Stone Exploitation Enterprise in Dak Nong. On 29 March 2023, Management Board of the Company issued Decision No. 37/QĐ-HĐQT and Decision No. 39/QĐ-HĐQT on terminating the operations of these factories. Up to now, the Company has completed procedures for closing dependent tax codes at these two factories.
- (iv) Granite Processing Factory in Khanh Hoa Province (Van Ninh Factory) and Granite Processing Factory in Dien Tan, Khanh Hoa Province have been merged into Phu Tai Khanh Hoa Stone Company Limited from 01 May 2023 according to decision No. 69/QĐ-HĐQT dated 24 April 2023 of Management Board of the Company. The Company is carrying out procedures to close dependent tax codes at these two factories.

Information about subsidiaries, joint ventures and associates: See details in Note 04.

The Company's operation in the year that affects the Separate Financial Statements

In 2023, the Company's consumption of stone and wood products faces many difficulties due to impact of global economic slowdown and stagnation of domestic real estate market, causing domestic consumption and export output to decrease sharply. Meanwhile, raw material prices and input costs continue to increase as inflation remains high. The Company has taken measures to cut production output as well as applied policies to reduce selling prices to support consumption activities. In addition, the Company continues to implement the policy of restructuring stone and wood industry units through merging branches into newly established subsidiaries in Dong Nai, Khanh Hoa, Binh Dinh and stop operating inefficient branches. Main reasons mentioned above have led to significant decrease in sales revenue and business results of the Company this year compared to last year, and at the same time the scale of assets and liabilities in the Separate Financial Statements of the Company decreased compared to the beginning of the year.

2 ACCOUNTING SYSTEM AND ACCOUNTING POLICY

2.1 Accounting year and accounting currency

Annual accounting year commences from 01 January and ends as at 31 December.

The Company maintains its accounting records in Vietnam Dong (VND).

2.2 Standards and Applicable Accounting Policies*Applicable Accounting Policies*

The Company applies Corporate Accounting System issued under the Circular No. 200/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance and the Circular No. 53/2016/TT-BTC dated 21 March 2016 issued by the Ministry of Finance amending and supplementing some articles of the Circular No. 200/2014/TT-BTC.

Declaration of compliance with Accounting Standards and Accounting System

The Company applies Vietnamese Accounting Standards and supplementary documents issued by the State. Financial statements are prepared in accordance with regulations of each standard and supplementary documents as well as with current Accounting Standards and Accounting System.

2.3 Basis for preparation of the Separate Financial Statements

The Separate Financial Statements are presented based on historical cost principle.

The Separate Financial Statements of the Company are prepared based on summarization of the Financial Statements of the independent accounting entities and the head office of the Company.

In the Separate Financial Statements of the Company, the intra-group balances and transactions related to assets, equity, receivables and payables are eliminated in full.

The Users of this Separate Financial Statements should study the Separate Financial Statements combined with the Consolidated Financial Statements of the Company and its subsidiaries for the fiscal year ended as at 31 December 2023 in order to gain enough information regarding the financial position, operating results and cash flows of the Group.

2.4 Accounting estimates

The preparation of Separate Financial Statements in conformity with Vietnamese Accounting Standards, Vietnamese Corporate Accounting System and legal regulations relating to financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of liabilities, assets and disclosures of contingent liabilities and assets at the date of the separate financial statements and the reported amounts of revenues and expenses during the fiscal year.

The estimates and assumptions that have a material impact in the Separate Financial Statements include:

- Provision for bad debts;
- Provision for devaluation of inventory;
- Estimated useful life of fixed assets;
- Classification and provision of financial investments;
- Estimate the percentage of completion of revenue;
- Estimated income tax.

Such estimates and assumptions are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Separate Financial Statements of the Company and that are assessed by the Board of General Directors to be reasonable under the circumstances.

2.5 Foreign currency transactions

Foreign currency transactions during the period are translated into Vietnam Dong using the actual rate at transaction date.

Actual exchange rate when revaluing monetary items denominated in foreign currencies at the reporting date of Separate Financial Statements is determined under the following principles:

- For asset accounts, applying the bid rate of the commercial bank where the Company regularly conducts transaction;
- For cash deposited in bank, applying the bid rate of the commercial bank where the Company opens its foreign currency accounts;
- For liability accounts, applying the offer rate of the commercial bank where the Company regularly conducts transactions.

All exchange differences arising as a result of transactions or revaluation at the balance sheet date shall be recorded into the financial income or expense in the period.

2.6 Cash and cash equivalents

Cash comprises cash on hand, demand deposits and monetary gold held as a reserve asset, exclusive of gold classified as inventories and used as raw materials for production of goods for sale.

Cash equivalents are short-term investments with the maturity of not over than 3 months from the date of investment, that are highly liquid and readily convertible into known amount of cash and that are subject to an insignificant risk of conversion into cash.

2.7 Financial investments

Trading securities are initially recognized at original cost, which includes purchase prices plus any directly attributable transaction costs such as brokerage, transaction fee, cost of information provision, taxes, bank's fees and charges. After initial recognition, trading securities are measured at original cost less provision for diminution in value of trading securities. Upon the liquidation or transfer, cost of trading securities is determined using weighted average method.

Investments in subsidiaries

Subsidiaries are businesses in which the Company has right to govern the financial and operating policies of the business in order to reap benefits from the operations of those businesses, generally accompanied by holding more than 50% of the voting rights. The existence and availability of potential voting rights that are currently exercisable or convertible will be considered when assessing whether the Company has control over the enterprise.

Investments in Affiliated Companies

Affiliated Companies are companies in which the Company has significant influence but are not subsidiaries or joint ventures of the Company. Significant influence is the power to participate in making decision of financial and operating policy of the investee but is not control or joint control of these policies, which is generally defined as expressed through holding from 20% to 50% of voting rights in those companies.

Investments in subsidiaries and joint ventures are initially recorded in the accounting books at original cost. After initial recognition, the value of these investments is determined at original cost minus provisions of investment devaluation.

Investments in capital contributions to other units

Investments in other entities comprise investments in equity instruments of other entities without having control, joint control, or significant influence on the investee. These investments are initially stated at original cost. After initial recognition, these investments are measured at original cost less provision for devaluation of investments.

Provision for devaluation of investments is made at the end of the year as follows:

Investments in trading securities: provision shall be made on the basis of the excess of original cost of the investments recorded in the accounting book over their market value at the provision date.

Investments in subsidiaries: provision shall be made when the investee incurs losses based on the Financial Statements of subsidiaries at the provision date.

Long-term investments (other than trading securities) without significant influence on the investee: the provision shall be made based on the Financial Statements at the provision date of the investee.

2.8 Receivables

The receivables shall be recorded in details in terms of due date, entities receivable, types of currency and other factors according to requirements for management of the Company. The receivables shall be classified into short-term receivables or long-term receivables on the Separate Financial Statements according to their remaining terms at the reporting date.

The provision for doubtful debts is made for receivables that are overdue under an economic contract, a loan agreement, a contractual commitment or a promissory note and for receivables that are not due but difficult to be recovered. Accordingly, the provisions for overdue debts shall be based on the due date stipulated in the initial sale contract, exclusive of the debt rescheduling between contracting parties and the case where the debts are not due but the debtor is in bankruptcy, in dissolution, or missing and making fleeing.

2.9 Inventories

Inventories are initially recognized at original cost including purchase price, processing cost and other costs incurred in bringing the inventories to their location and condition at the time of initial recognition. After initial recognition, at the reporting date, inventories are stated at the lower of cost and net realizable value.

The cost of inventory is calculated using weighted average method.

Inventory is recorded by perpetual method.

The value of work in progress is recorded based on actual cost incurred for each unfinished product.

Provision for devaluation of inventories made at the end of the year is based on the excess of original cost of inventory over their net realizable value.

2.10 Fixed assets

Fixed assets (tangible and intangible) are initially stated at the historical cost. During the using time, fixed assets (tangible and intangible) are recorded at cost, accumulated depreciation and carrying amount.

Value after initial recognition

If costs arise after initial recognition that increase future economic benefits expected to be obtained from the use of tangible fixed assets beyond standard operating level according to the initial assessment, these costs are capitalized as an additional historical cost of tangible fixed assets.

Other costs incurred after fixed assets have been put into operation, such as repair, maintenance and overhaul costs, are recorded in the Separate Income Statement in the year in which the costs are incurred.

Depreciation

Fixed assets are depreciated (amortised) using the straight - line method over their estimated useful lives as follows:

- Buildings, structures	06 - 30 years
- Machinery, equipment	04 - 10 years
- Vehicles, Transportation equipment	06 - 12 years
- Office equipment and furniture	03 - 08 years
- Compensation costs for leveling the site	10 - 25 years
- Right to exploit stone quarries	10 - 25 years

2.11 Construction in progress

Construction in progress includes fixed assets which is being purchased and constructed as at the balance sheet date and is recognised in historical cost. This includes costs of construction, installation of equipment and other direct costs.

2.12 Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to income statement on a straight-line basis over the period of the lease.

2.13 Prepaid expenses

The expenses incurred but related to operating results of several accounting years are recorded as prepaid expenses and are allocated to the operating results in the following accounting years.

The calculation and allocation of long-term prepaid expenses to operating expenses in each accounting year should be based on the nature of those expenses to select a reasonable allocation method and criteria.

Types of prepaid expenses include:

- Prepaid land expenses include prepaid land rental, including those related to leased land for which the Company has received certificate of land use right but not eligible for recording as intangible fixed asset in accordance with the Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance guiding regulation on management, use and depreciation of fixed assets and other expenses related to ensure for the use of leased land. These expenses are recognized in the Separate Statement of Income on a straight-line basis according to the lease term of the contract.
- Tools and supplies include assets which are possessed by the Company in an ordinary course of business, with historical cost of each asset less than VND 30 million and therefore not eligible for recording as fixed assets under legal regulations. The historical cost of tools and supplies are allocated on the straight-line basis from 01 to 03 years.
- Expenses for major repairs of machinery, equipment, factories, and offices are allocated on a straight-line basis over a period of 01 to 03 years.
- Other prepaid expenses are recorded according to their historical costs and allocated on the straight-line basis over their useful lives from 1 to 3 years.

2.14 Payables

The payables shall be recorded in details in terms of due date, entities payable, types of currency and other factors according to the requirements for management of the Company. The payables shall be classified into short-term payables or long-term payables on the Separate Financial Statements according to their remaining terms at the reporting date.

2.15 Borrowings

Borrowings shall be recorded in details in terms of lending entities, loan agreements and terms of borrowings. In case of borrowings denominated in foreign currency, they shall be recorded in details in terms of types of currency.

2.16 Borrowings costs

Borrowing costs are recognized as operating expenses in the year, in which it is incurred unless those which are directly attributable to the construction or production of a qualifying asset are capitalized as part of the cost of that asset in accordance with VAS No. 16 "Borrowing costs". Besides, regarding borrowings serving the construction of fixed assets and investment properties, the interests shall be capitalized even when the construction duration is under 12 months.

2.17 Accrued expenses

Accrued expenses include payables to goods or services received from the suppliers or provided for the customers during the reporting year, but the payments for such goods or services have not been made and other payables such as interest expenses, land rental, transportation expense, etc which are recorded as operating expenses of the reporting year.

The recording of accrued expenses as operating expenses during the year shall be carried out under the matching principle between revenues and expenses during the year. Accrued expenses are settled with actual expenses incurred. The difference between accrued and actual expenses is reverted.

2.18 Provision for payables

Provision or payables is only recognized when meeting all of the following conditions:

- The Company has a present debt obligation (legal obligation or joint obligation) as a result of past events;
- It is probable that the decrease in economic benefits may lead to the requirement for debt settlement;
- Debt obligation can be estimated reliably.

Value recorded as a provision for payable is the most reasonably estimated amount required to settle the present debt obligation at the end of the accounting year.

Provisions for payables are recorded as operating expenses of the accounting year. In case provision made for the previous accounting year but not used up exceeds the one made for the current accounting year, the difference is recorded as a decrease in operating expenses in the fiscal year.

Expenses for environmental restoration for mining mines are deducted in advance based on the total cost estimates for environmental restoration and mining duration approved by competent authorities. The advance deduction ensures the matching principle between revenue and expenses to avoid large cost fluctuations for the fiscal year of implementing environmental restoration

2.19 Owner's equity

Owner's equity is stated at actually contributed capital of owners.

Share premium is recorded at the difference between the par value with costs directly attributable to the issuance of shares and issue price of shares (including the case of re-issuing treasury shares) and can be a positive premium (if the issue price is higher than par value and costs directly attributable to the issuance of shares) or negative premium (if the issue price is lower than par value and costs directly attributable to the issuance of shares).

Other capital is the operating capital formed from the operating results.

Retained earnings are used to present the Company's operating results (profit, loss) after corporate income tax and profits appropriation or loss handling of the Company.

Dividends to be paid to shareholders are recognized as a payable in Statement of Financial position after the announcement of dividend payment from the Board of Management and announcement of cut-off date for dividend payment of Vietnam Securities Depository and Clearing Corporation.

2.20 Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when payment is being made. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, and sales returns. The following specific recognition conditions must also be met when recognizing revenue:

Revenue from sale of goods:

- The majority of risks and benefits associated with the right to own the products or goods have been transferred to the buyer;
- The Company no longer holds the right to manage the goods as the goods owner, or the right to control the goods;

Revenue from rendering of services:

- The percentage of completion of the transaction at the Balance sheet date can be measured reliably.

Financial income

Financial incomes include income from assets yielding interest, royalties, dividends and other financial gains by the company shall be recognised when the two conditions are satisfied:

- It is probable that the economic benefits associated with the transaction will flow to the Company; and
- The amount of the revenue can be measured reliably.

Dividends and distributed profits are recognized when the Company is entitled to receive dividends or receive profits from capital contribution.

2.21 Revenue deductions

Revenue deductions from sales of goods and rendering of services arising in the year include sales returns and sales discounts.

Sales returns and sales discounts incurred in the same period of sale of goods and rendering of services are recorded as a decrease in revenue in the incurring period. In case goods and services are sold in the previous periods, but until the next period they are incurred as deductible items, the Company records the decrease in revenue under the following principles: If it is incurred prior to the issuance of Financial Statements, it is then recorded as a decrease in revenue on the Separate Financial Statements of the reporting period (the previous period); and if it is incurred after the issuance of Separate Financial Statements, it is recorded as a decrease in revenue of incurring period (the next period).

2.22 Cost of goods sold

The recognition of cost of goods sold is matched against revenue in the year and complies with the prudence principle. Cases of loss of materials and goods exceeded the norm, abnormal expenses and losses of inventories after deducting the responsibility of collective and individuals concerned, etc. is recognized fully and promptly into cost of goods sold in the year.

2.23 Financial expenses

Items recorded into financial expenses comprise:

- Expenses or losses relating to financial investment activities;
- Borrowing costs;
- Losses from the disposal and transfer of short-term securities, transaction cost of selling securities;
- Provision for diminution in value of trading securities; provision for losses from investment in other entities, losses from sale of foreign currency, exchange loss, etc

The above items are recorded by the total amount arising in the year without offsetting against financial income.

2.24 Corporate income tax

Deferred income tax asset

Deferred income tax asset is recognized for deductible temporary differences and the carrying forward of unused tax losses and unused tax credits. Deferred income tax liability is determined on the basis of taxable temporary differences.

Deferred tax assets are determined based on prevailing corporate income tax rate, tax rates and tax laws enacted at the end of accounting year.

Current corporate income tax expenses and Deferred corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during the year and current corporate income tax rate.

Deferred corporate income tax expenses are determined based on deductible temporary differences, the taxable temporary differences and corporate income tax rate.

Current corporate income tax expenses and deferred corporate income tax expenses are not offset against each other.

Current corporate income tax rate

The Company applies the corporate income tax rate of 20% for the operating activities which has taxable income for the fiscal year ended as at 31 December 2023.

2.25 Related Parties

The parties are regarded as related parties if that party has the ability to control or significantly influence the other party in making decisions about the financial policies and activities. The Company's related parties include:

- Companies, directly or indirectly through one or more intermediaries, having control over the Company or being under the control of the Company, or being under common control with the Company, including the Company's parent and subsidiaries;
- Individuals, directly or indirectly, holding voting power of the Company that have a significant influence on the Company, key management personnel including directors and employees of the Company, the close family members of these individuals;
- Enterprises that the above-mentioned individuals directly or indirectly hold an important part of the voting power or have significant influence on these enterprises .

In considering the relationship of related parties to serve for the preparation and presentation of Separate Financial Statements, the Company should consider the nature of the relationship rather than the legal form of the relationship.

Detailed information of related party transactions are presented in both of the Company's Separate and Consolidated Financial Statements for the year ended as at 31 December 2023.

2.26 Segment information

A segment is distinguishable component of the Company that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other ones.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company in order to help users of financial statements better understand and make more informed judgements about the Company as a whole.

3 CASH AND CASH EQUIVALENTS

	<u>31/12/2023</u>	<u>01/01/2023</u>
	VND	VND
Cash on hand	5,094,243,465	5,830,038,951
Demand deposits	211,314,121,659	186,395,880,722
Cash equivalents (i)	100,187,331,936	-
	<u>316,595,697,060</u>	<u>192,225,919,673</u>

(i) As at 31 December 2023, cash equivalents are deposits with term of 03 months with value of VND 100,187,331,936 at Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch at the interest rate of 4.25%/year.

4 FINANCIAL INVESTMENTS

a) Trading securities

	Stock Code	31/12/2023			01/01/2023		
		Original cost VND	Fair value VND	Provision VND	Original cost VND	Fair value VND	Provision VND
- Vietnam Technological and Commercial Joint Stock Bank	TCB	3,690,379,840	3,711,060,000	-	1,057,584,000	775,500,000	(282,084,000)
- PC1 Group Joint Stock	PC1	3,248,114,875	3,643,200,000	-	-	-	-
- VICOSTONE Joint Stock Company	VCS	-	-	-	6,516,946,723	3,709,200,000	(2,807,746,723)
- Development Investment Construction Joint Stock Company	DIG	2,110,217,250	2,140,000,000	-	2,239,389,455	1,716,000,000	(523,389,455)
- Kinh Bac City Development Holding Corporation	KBC	942,842,498	952,500,000	-	1,887,975,736	1,694,000,000	(193,975,736)
- MBLand Holdings Joint Stock Company (i)		450,000,000		-	450,000,000		-
- Others		9,201,444,056	9,583,177,100	-	9,228,107,959	7,754,430,000	(1,473,677,959)
		19,642,998,519	20,029,937,100	-	21,380,003,873	15,649,130,000	(5,280,873,873)

The fair value of trading securities are closing price listed on HNX, HOSE and UPCOM on 30 December 2022 and 29 December 2023.

(i) For the investment in shares of MBLand Corporation, the Company has not determined the fair value of this financial investment because Vietnamese Accounting Standards and Vietnam's corporate accounting regime have not yet provided specific guidance on determining fair value.

b) Equity investments in other entities

	31/12/2023		01/01/2023	
	Value VND	Provision VND	Value VND	Provision VND
Investments in subsidiaries	1,076,736,775,243	(18,747,006,883)	863,757,475,243	(10,315,968,377)
- Phu Yen Construction Materials Joint Stock Company (vi)	-	-	9,620,700,000	-
- Tuan Dat Minerals One Member Company Limited	10,700,000,000	-	10,700,000,000	-
- Universal Stone Joint Stock Company	6,000,000,000	(3,266,718,170)	6,000,000,000	(3,233,011,364)
- Vi Na G7 Joint - Stock Company	41,877,750,000	-	41,877,750,000	-
- Toyota Binh Dinh Company Limited	25,309,025,243	-	25,309,025,243	-
- Toyota Danang Company Limited	70,000,000,000	-	70,000,000,000	-
- Phu Tai Dong Nai Company Limited	45,000,000,000	-	45,000,000,000	-
- Granite Manufacturing Company Limited	34,650,000,000	-	34,650,000,000	-
- Phu Tai Real Estate One Member Company Limited	255,000,000,000	-	220,000,000,000	-
- Thanh Chau Phu Yen Granite Company Limited	30,000,000,000	-	30,000,000,000	-
- Son Phat Production and Trading Company Limited	39,600,000,000	-	39,600,000,000	-
- Phu Tai Ninh Thuan Stone Joint Stock Company	5,000,000,000	-	5,000,000,000	-
- Phutai Quartz Stone Company Limited (i)	150,000,000,000	-	100,000,000,000	-
- Phu Tai Binh Dinh Wood Company Limited	146,000,000,000	-	146,000,000,000	-
- Phu Tai Binh Dinh Quartz Company Limited (ii)	64,900,000,000	-	50,000,000,000	-
- Phu Tai Yen Bai Stone Company Limited	30,000,000,000	(15,480,288,713)	30,000,000,000	(7,082,957,013)
- Phu Tai Khanh Hoa Stone Company Limited (iii)	60,000,000,000	-	-	-
- Phu Tai Dong Nai Stone Company Limited (iv)	50,000,000,000	-	-	-
- Phu Tai Home One Member Company Limited (v)	12,700,000,000	-	-	-
Investments in affiliated company	249,307,565,778	-	-	-
- Phu Yen Construction Materials Joint Stock Company (vi)	9,307,565,778	-	-	-
- Phu Tai Van Ha Investment Joint Stock Company (vii)	240,000,000,000	-	-	-
Investments in other entities	-	-	14,000,000,000	-
- Chanh Phu Hoa Joint Stock Construction and Investment Company (viii)	-	-	14,000,000,000	-
	<u>1,326,044,341,021</u>	<u>(18,747,006,883)</u>	<u>877,757,475,243</u>	<u>(10,315,968,377)</u>

The Company has not determined the fair value of this financial investment because Vietnamese Accounting Standards and Vietnam's corporate accounting regime have not yet provided specific guidance on determining fair value.

Reasons for changes for each investment in subsidiaries, affiliated and joint venture Companies:

- (i) According to the Decision No. 23/QD-HĐQT dated 22 March 2023 of the Board of Management, the Company converted the loan into capital contribution to Phu Tai Premium Quartz Stone Company Limited to increase the charter capital of subsidiary from 100 billion VND to 150 billion VND.
- (ii) According to the Decision No. 25/QD-HĐQT dated 22 March 2023 of the Board of Management, the Company converted the loan into capital contribution to Phu Tai Binh Dinh Quartz Stone Company Limited to increase the charter capital of subsidiary from VND 50 billion to VND 64,9 billion.
- (iii) According to the Decision No. 31/QD-HĐQT dated 22 March 2023 of the Board of Management, the Company established Phu Tai Khanh Hoa Stone Company Limited ("Phu Tai Khanh Hoa Stone") with charter capital of 60 billion VND (100% owned by the Company). On 07 April 2023, Phu Tai Khanh Hoa Stone was granted the first Business Registration Certificate with business code No. 4201976536 by the Department of Planning and Investment of Khanh Hoa Province; subsidiary's address at Ninh Lam Village, Van Khanh Commune, Van Ninh District, Khanh Hoa Province, Vietnam; main business activities are exploiting and processing granite stone, basalt stone, marble stone; exploiting sand and gravel as construction materials. During the year, the Company contributed enough capital to the subsidiary.
- (iv) Implementing the Decision No. 27/QD-HĐQT dated 22 March 2023 of the Board of Management, the Company established Phu Tai Dong Nai Stone Company Limited ("Phu Tai Dong Nai Stone") with charter capital of 50 billion VND (100% owned by the Company). On 18 April 2023, Stone Phu Tai Dong Nai was granted the first Business Registration Certificate with business code No. 3603910653 by the Department of Planning and Investment of Dong Nai Province; subsidiary's address at Lot No. IX, Nhon Trach II Industrial Park - Nhon Phu, Phu Hoi Commune, Nhon Trach District, Dong Nai Province, Vietnam; main business activities are exploiting and processing granida stone, basalt stone, marble stone; exploiting sand and gravel as construction materials. During the year, the Company contributed enough capital to the subsidiary.
- (v) According to the Decision No. 146/QD-HĐQT dated 25 October 2023 of the Board of Management, the Company established Phu Tai Home Company Limited ("Phu Tai Home") with charter capital of 50 billion VND (100% owned by the Company). On 31 October 2023, Phu Tai Home was granted the first Business Registration Certificate with business code No. 0318138225 by the Department of Planning and Investment of Ho Chi Minh City; subsidiary's address at 14E Phan Van Tri, Ward 7, Go Vap District, Ho Chi Minh City, Vietnam; main business activities are trading in wood and stone products. As of 31 December 2023, the amount of capital which the Company has contributed to the subsidiary is VND 12.7 billion (accounting for 25.4% of actual contributed capital).
- (vi) According to the Decision of the Board of Management, the Company has completed the transfer of 50,700 shares (in total of 1,557,701 shares) at Phu Yen Construction Materials Joint Stock Company ("Phu Yen Construction Materials"). After the transfer transaction, the Company still owns 1,507,001 shares, the percentage of interests and voting rights at Phu Yen Construction Materials has decreased from 50.65% to 49.01%. Therefore, at the end of the year, the investment in this Company is classified as an investment in an Affiliated Company.
- (vii) Pursuant to the Meeting Minutes No. 112/BB-HĐQT dated 05 October 2022 of the Board of Management, the Company participated in establishing a joint venture Company - Phu Tai Van Ha Joint Stock Company ("Phu Tai Van Ha") to implement the Van Ha Urban Area Investment Project, Nhon Phu Ward, Quy Nhon City with total charter capital of 480 billion VND, of which the Company's contributed capital is 240 billion VND (equivalent to 24,000,000 shares), corresponding to holding rate of 50%. On 14 March 2023, Phu Tai Van Ha was granted the first Business Registration Certificate with business code No. 4101626062 by the Department of Planning and Investment of Binh Dinh Province, joint-venture Company's address at No. 278 Nguyen Thi Dinh, Quy Nhon city, Binh Dinh Province, Vietnam. During the year, the Company contributed enough charter capital to Phu Tai Van Ha as committed.
- (viii) During the year, the Company transferred all of its shares owned at Chanh Phu Hoa Construction Investment Joint Stock Company to Mr. Nguyen Van Thien.

Detailed information on the Company's Investments in other as at 31 December 2023 is as follows:

Name of subsidiaries	Place of establishment and operation	Rate of interest	Principal activities
Investments in subsidiaries			
Tuan Dat Minerals One Member Company Limited	Quy Nhon City, Binh Dinh Province	100.00%	Stone processing and mining
Universal Stone Joint Stock Company	Phu Nhuan District, Ho Chi Minh City	60.00%	Stone products trading and manufacturing
Vina G7 Joint Stock Company	Bien Hoa City, Dong Nai Province	75.00%	Wood products trading and manufacturing
Toyota Binh Dinh Company Limited	Quy Nhon City, Binh Dinh Province	100.00%	Car repair and trading
Toyota Danang Company Limited	Da Nang City	100.00%	Car repair and trading
Phu Tai Dong Nai Company Limited	Bien Hoa City, Dong Nai Province	100.00%	Wood products trading and manufacturing
Granite Manufacturing Company Limited	District 9, Ho Chi Minh City	70.00%	Stone products trading and manufacturing
Phu Tai Real Estate One Member Company Limited	Quy Nhon City, Binh Dinh Province	100.00%	Real estate trading
Thanh Chau Phu Yen Granite Company Limited	Dong Xuan District, Phu Yen	100.00%	Stone processing and mining
Son Phat Production and Trading Company Limited	Van Ninh District, Khanh Hoa Province	99.00%	Stone processing and mining
Phu Tai Ninh Thuan Stone Joint Stock Company	Phan Rang - Thap Cham City, Ninh Thuan Province	98.00%	Stone processing and manufacturing
Phutai Quartz Stone Company Limited	Nhon Trach District, Dong Nai Province	100.00%	Stone processing and manufacturing
Phu Tai Binh Dinh Wood Company Limited	Phu Cat District, Binh Dinh Province	100.00%	Wood products trading and manufacturing
Phu Tai Binh Dinh Quartz Company Limited	Quy Nhon City, Binh Dinh Province	100.00%	Production and processing of stone and stone powder
Phu Tai Yen Bai Stone Company Limited	Luc Yen district, Yen Bai province	100.00%	Stone processing and mining
Phu Tai Khanh Hoa Stone Company Limited	Van Ninh district, Khanh Hoa Province	100.00%	Stone processing and mining
Phu Tai Dong Nai Stone Company Limited	Nhon Tranh district, Dong Nai Province	100.00%	Stone processing and mining
Phu Tai Home One Member Company Limited	Go Vap District, Ho Chi Minh City	100.00%	Wood products trading and manufacturing
Affiliated Company			
Phu Yen Construction Materials Joint Stock Company	Tuy Hoa City, Phu Yen Province	49.01%	Mining and processing of granite, construction stone, construction sand
Phu Tai Van Ha Investment Joint Stock Company	Quy Nhon City, Binh Dinh Province	50.00%	Real estate investment and trading

5 SHORT-TERM TRADE RECEIVABLES

	31/12/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Brico Depot Sas	26,085,262,000	-	9,420,254,230	-
Carrefour Imports Sas	41,879,685,809	-	62,752,135,741	-
Thien Trung Co.LTD	-	-	10,708,250,407	-
Home Goods Inc	24,094,357,700	-	-	-
Anavil Company Ltd	10,984,463,073	-	25,653,369,531	-
Coop Danmark	14,043,041,583	-	13,755,394,113	-
Speditionen A/S				
B and Q Plc	8,032,846,237	-	6,611,549,117	-
Noble House Home Furnishings LLC (i)	60,938,466,176	(42,656,926,323)	7,634,406,929	-
Anh Kim Co., Ltd	-	-	3,982,571,601	-
Huynh Le Wood Company Limited	24,816,412,574	-	-	-
Thien Son Stone Joint Stock Company	12,035,089,188	-	612,839,520	-
Others	215,156,865,734	(5,132,638,880)	195,949,957,804	(4,929,972,189)
	438,066,490,074	(47,789,565,203)	337,080,728,993	(4,929,972,189)

- (i) On September 11, 2023, Noble House Home Furnishings LLC ("Noble House"), a customer who purchased wooden products for export of the Company, applied for bankruptcy at the South Texas Court - United States under the Chapter 11 of United States Bankruptcy Code. Therefore, the Company has not been able to recover Noble House's receivables related to wooden product orders sold to Noble House during the year.

Up to now, there has been no final decision from the Court, the Company is still working with the Law Firm to represent members of Unsecured Creditors Committee to work with relevant parties in the lawsuit to recover this receivable debt. Pursuant to Document No. 21 dated 12 September 2023 which applied at the Court on asset purchase contract between Noble House and GigaClould and Document No. 166 dated 20 October 2023 on Summary of assets and liabilities sent to Court by Chief Financial Officer of the Noble House. The Company estimates provision level based on the amount collected from asset liquidation and payment of liabilities in order of priority for secured debts, then comes unsecured debt. Accordingly, the provision level determined by the Company as of 31 December 2023 is 70%.

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	31/12/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Hoang Ha Fire Protection Equipment Company Limited	-	-	4,189,537,728	-
Sudima International Pte Ltd	1,281,732,284	-	-	-
Others	9,123,162,673	-	15,872,912,807	(373,419,375)
	10,404,894,957	-	20,062,450,535	(373,419,375)

7 SHORT- TERM LOAN RECEIVABLES

	01/01/2023		31/12/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
Toyota Binh Dinh Company Limited	33,895,461,916	-	-	-
Thanh Chau Phu Yen Granite Company Limited	18,961,991,000	-	25,176,682,107	-
Phu Tai Ninh Thuan Stone Joint Stock Company	5,598,710,182	-	6,027,358,395	-
Son Phat Production and Trading Company Limited	36,941,695,498	-	32,262,665,311	-
Phutai Quartz Stone Company Limited	286,341,163,239	-	136,709,342,259	-
Phu Tai Binh Dinh Wood Company Limited	372,045,272,490	-	245,472,021,910	-
Phu Tai Binh Dinh Quartz Company Limited	102,414,738,477	-	98,711,659,942	-
Phu Tai Yen Bai Stone Company Limited	28,679,214,329	-	23,863,731,692	-
Toyota Danang Company Limited	34,773,164,963	-	-	-
Tuan Dat Minerals One Member Company Limited	11,291,234,095	-	1,480,586,693	-
Granite Manufacturing Company Limited	100,896,256,407	-	96,544,342,568	-
Universal Stone Joint Stock Company	3,962,855,095	-	3,966,855,095	-
Phu Tai Dong Nai Company Limited	-	-	43,490,620,675	-
Phu Tai Khanh Hoa Stone One Member Company Limited	-	-	1,737,775,233	-
Phu Tai Real Estate One Member Company Limited	223,563,249,406	-	203,032,403,149	-
Mrs. Dao Thi Lien	-	-	25,000,000,000	-
Mrs. Le Thi Trang	-	-	25,000,000,000	-
	1,259,365,007,097	-	968,476,045,029	-

The The above loans are made according to contracts signed between the Company and its subsidiaries and individuals for the purpose of borrowing to serve production and business activities; Loan currency is VND; Loan interest rates are floating according to commercial bank interest rates; Loan term is 12 months or less, loan security is unsecured.

8 OTHER RECEIVABLES

	31/12/2023		01/01/2023	
	Value	Provision	Value	Provision
	VND	VND	VND	VND
a) Short-term				
Interest receivable	8,311,478,089	-	6,966,802,289	-
Dividends and profits receivables	24,177,000,000	-	22,000,000,000	-
Advances	13,934,080,646	-	12,331,842,137	-
Receivables from sale of securities (i)	8,349,990,000	-	2,425,000,000	-
Receivables from social insurance, health insurance, unemployment insurance	663,104,888	-	1,869,753,014	-
Others	1,141,454,394	-	295,753,250	-
	56,577,108,017	-	45,889,150,690	-
b) Long-term				
Receivables from site clearance which are offset against land rental at Thang Loi Enterprise(ii)	2,579,104,219	-	2,676,369,763	-
Collateral, deposits	7,196,532,162	-	7,811,250,012	-
- <i>Environmental restoration deposit (iii)</i>	6,833,532,162	-	6,344,875,012	-
- <i>Others</i>	363,000,000	-	1,466,375,000	-
	9,775,636,381	-	10,487,619,775	-

(i) Receivables from securities sales are the amount from sale of business securities that have not yet been returned to the Company's accounts at securities Companies at the end of the fiscal year.

(ii) The compensation for site clearance at Thang Loi Enterprise will continue to be offset against the land rental payable according to the annual land rental notice.

(iii) These are deposits for environmental restoration for quarrying activities paid by the Company according to the notices of the competent authorities.

9 DOUBTFUL DEBTS

Total value of receivables and debts that are overdue or not due but difficult to be recovered:

	31/12/2023		01/01/2023	
	Original	Recoverable value	Original	Recoverable value
	VND	VND	VND	VND
Noble House Home Furnishings LLC	60,938,466,176	18,281,539,853		
Tan Cuong Company Limited	-	-	1,175,007,342	-
Vuong Minh Production and Trading Company Limited	-	-	1,365,605,000	-
Ha Binh Company Limited	668,552,930	-	668,552,930	-
Others	5,501,301,008	1,037,215,058	2,441,274,331	347,048,039
	67,108,320,114	19,318,754,911	5,650,439,603	347,048,039

10 INVENTORIES

	31/12/2023		01/01/2023	
	Original cost	Provision	Original cost	Provision
	VND	VND	VND	VND
Goods in transit	-	-	5,024,528,795	-
Raw materials	138,092,391,458	-	197,816,851,612	-
Tools, supplies	1,520,000	-	4,543,407	-
Work in process	148,313,234,692	-	210,177,263,316	-
Finished goods	89,807,257,872	-	204,050,663,707	-
Goods	24,541,703,202	(968,727,195)	25,859,763,671	-
	400,756,107,224	(968,727,195)	642,933,614,508	-

11 PREPAID EXPENSES

	31/12/2023	01/01/2023
	VND	VND
a) Short-term		
Mining expenses	1,857,295,438	2,860,005,416
Tools and supplies awaiting for allocation	5,036,383,288	6,345,762,243
Expenditure on fixing machinery, equipment, factories	454,255,307	1,114,738,299
Insurance expenses	1,872,709,689	1,970,280,971
Other short-term prepaid expenses	2,888,433,199	2,979,210,717
	12,109,076,921	15,269,997,646
b) Long-term		
Expenses for land rental and infrastructure of Granite Processing Factory in Binh Dinh Province (i)	11,029,213,866	11,357,735,699
Expenses for the right to use leased land in Dien Tan, Dien Khanh, Khanh Hoa Province (ii)	6,292,929,294	9,998,780,933
Infrastructure rental expenses at Lot D7, Phu Tai Industrial Park under Enterprise 380 (iii)	9,054,183,975	9,418,715,152
Infrastructure rental expenses of Long My Factory, Binh Dinh Province	-	7,905,799,847
Tools and supplies awaiting for allocation	5,199,647,788	7,476,656,624
Expenses for mining	16,348,716,091	6,766,474,948
Expenditure on overhaul of machinery, equipment, factories	7,017,456,397	17,258,692,804
Other long-term prepaid expenses	2,372,732,797	5,236,570,092
	57,314,880,208	75,419,426,099

(i) Including the value of land rental and infrastructure at Cat Nhon Industrial Cluster, Phu Cat District, Binh Dinh Province with areas of 39,426.5 m² and 32,439 m² respectively, lease term of 41 years from 2017 and 38 years from 2019 to serve the construction and implementation of production and business activities at Granite Processing Factory in Binh Dinh Province.

(ii) This is the amount that the Company paid to households under the land transfer contracts to serve stone mining work in Dien Tan Commune, Dien Khanh District, Khanh Hoa Province, allocation time is 50 years from January 2019.

(iii) This is rental value of infrastructure at Lot D7 Phu Tai Industrial Park, Binh Dinh Province with rental area of 47,086.1 m², rental period until 31 December 2048 to serve for the construction and implementation of production and business activities at Stone Processing Factory at Enterprise 380.

12 TANGIBLE FIXED ASSETS

	Buildings, structures VND	Machinery, equipment VND	Vehicles, transportation VND	Office equipment VND	Total VND
Historical cost					
Beginning balance	483,928,472,583	658,728,163,183	118,825,131,070	1,707,047,202	1,263,188,814,038
- Purchase in the year	-	5,936,386,856	-	-	5,936,386,856
- Completed construction investment	1,121,764,530	16,973,894,076	9,824,052,338	-	27,919,710,944
- Liquidation, disposal	-	(40,954,408,171)	-	-	(40,954,408,171)
- Decrease due to merger (i)	(113,879,959,688)	(122,881,984,153)	(17,394,110,305)	(37,527,909)	(254,193,582,055)
Ending balance of the year	371,170,277,425	517,802,051,791	111,255,073,103	1,669,519,293	1,001,896,921,612
Accumulated depreciation					
Beginning balance	278,769,699,217	425,956,128,607	76,929,683,622	1,588,207,840	783,243,719,286
- Depreciation for the year	20,055,222,061	46,776,757,094	8,640,703,066	34,085,004	75,506,767,225
- Liquidation, disposal	-	(36,221,977,001)	-	-	(36,221,977,001)
- Decrease due to merger (i)	(81,155,741,981)	(92,232,135,760)	(14,784,406,982)	(37,527,909)	(188,209,812,632)
Ending balance of the year	217,669,179,297	344,278,772,940	70,785,979,706	1,584,764,935	634,318,696,878
Net carrying amount					
Beginning balance	205,158,773,366	232,772,034,576	41,895,447,448	118,839,362	479,945,094,752
Ending balance	153,501,098,128	173,523,278,851	40,469,093,397	84,754,358	367,578,224,734

The carrying amount of tangible fixed assets pledged as collaterals for borrowings as at 31 December 2023 is VND 235,666,982,336 (It was VND 299,492,198,772 as at 31 December 2022).

Cost of fully depreciated tangible fixed assets but still in use as at 31 December 2023 is VND 341,336,881,009 (It was VND 292,460,974,949 as at 31 December 2022).

(i) Decrease due to Long My Granite Processing Factory being merged into Phu Tai Binh Dinh Quartz Stone Company Limited; the Granite Stone Processing Factory in Dong Nai Province was merged into Phu Tai Dong Nai Stone Company Limited, the Granite Stone Processing Factory in Khanh Hoa Province (Van Ninh Factory) and the Granite Stone Processing Factory in Dien Tan, Khanh Hoa Province was merged into Phu Tai Khanh Hoa Stone Company Limited.

13 INTANGIBLE FIXED ASSETS

	Site preparation expenses	Mining right	Total
	VND	VND	VND
Historical cost			
Beginning balance	11,705,395,393	7,942,126,263	19,647,521,656
- Decrease due to merger (i)	(609,955,297)	-	(609,955,297)
Ending balance of the year	11,095,440,096	7,942,126,263	19,037,566,359
Accumulated amortization			
Beginning balance	9,639,369,901	2,225,982,891	11,865,352,792
- Depreciation for the year	850,936,924	316,766,182	1,167,703,106
- Decrease due to merger (i)	(609,955,297)	-	(609,955,297)
Ending balance of the year	9,880,351,528	2,542,749,073	12,423,100,601
Net carrying amount			
Beginning balance	2,066,025,492	5,716,143,372	7,782,168,864
Ending balance of the year	1,215,088,568	5,399,377,190	6,614,465,758

Cost of fully amortized intangible fixed assets but still in use as at 31 December 2023 is VND 666,698,122 (It was VND 1,453,035,065 as at 31 December 2022).

(i) Decrease due to the Granite Stone Processing Factory in Khanh Hoa Province (Van Ninh Factory) was merged into Phu Tai Khanh Hoa Stone Company Limited.

14 CONSTRUCTION IN PROGRESS

	31/12/2023	01/01/2023
	VND	VND
Purchase of fixed assets	2,750,712,100	2,017,067,653
- Machinery and equipment for stone exploitation	2,750,712,100	2,017,067,653
Construction in progress	217,369,324	2,170,657,127
- Tan Dan Bach Viet mine project	217,369,324	165,569,325
- Other projects	-	2,005,087,802
	2,968,081,424	4,187,724,780

15 SHORT-TERM TRADE PAYABLES

	31/12/2023		01/01/2023	
	Outstanding balance	Amount can be paid	Outstanding balance	Amount can be paid
	VND	VND	VND	VND
Vu Tin Co., Ltd	760,399,600	760,399,600	5,735,262,080	5,735,262,080
Binh Thanh Co., Ltd	8,000,669,050	8,000,669,050	5,702,326,450	5,702,326,450
Hoang Giang Co., Ltd	40,986,664,578	40,986,664,578	50,440,478,619	50,440,478,619
Tan Dat Packaging Co., Ltd	6,680,969,758	6,680,969,758	5,202,171,446	5,202,171,446
Hoang Trang Company Limited	5,297,160,489	5,297,160,489	8,046,001,233	8,046,001,233
Hoang Tam Co., Ltd	5,242,004,431	5,242,004,431	5,681,277,047	5,681,277,047
Thai Binh Company Limited	12,475,987,981	12,475,987,981	-	-
Others	168,442,509,619	168,442,509,619	138,008,585,348	138,008,585,348
	247,886,365,506	247,886,365,506	218,816,102,223	218,816,102,223

16 PREPAYMENT FROM CUSTOMERS

	31/12/2023	01/01/2023
	VND	VND
The Sunrise Limited Company	-	1,104,850,150
Dat Phuong Company Limited	1,521,306,744	1,521,306,744
Gries Deco Company GMBH	1,102,774,781	-
Faccio IO SRL	977,406,820	722,028,669
Thanh Cong Construction Consulting Company Limited	2,575,800,000	-
ACC-244 Joint Stock Company	5,274,241,520	-
Others	9,564,506,482	12,199,397,191
	21,016,036,347	15,547,582,754

17 TAX AND OTHER PAYABLES TO THE STATE BUDGET

	Tax receivable at the beginning of year	Tax payable at the beginning of year	Tax payable in the year	Tax paid in the year	Tax receivable at the end of the year	Tax payable at the end of the year
	VND	VND	VND	VND	VND	VND
Value-added tax	-	3,124,930,108	51,441,282,407	53,222,525,214	288,484,373	1,632,171,674
Export, import duties	-	-	591,915,532	753,274,132	161,358,600	-
Corporate income tax	-	58,453,466,122	27,452,761,701	68,680,154,384	-	17,226,073,439
Personal income tax	1,858,752	145,383,416	11,137,384,814	11,170,149,170	896,312	111,656,620
Natural resource tax	-	1,752,504,300	18,329,541,674	18,591,888,975	-	1,490,156,999
Land tax and land rental	-	-	3,120,120,591	3,120,120,591	-	-
Environmental protection tax and other	1,000,000	-	13,000,000	12,000,000	-	-
Fees, charges and other payables	-	7,376,332,028	11,754,504,336	12,628,226,771	-	6,502,609,593
	2,858,752	70,852,615,974	123,840,511,055	168,178,339,237	450,739,285	26,962,668,325

The Company's tax settlements are subject to examination by the tax authorities. Because the application of tax laws and regulations on many types of transactions is susceptible to varying interpretations, amounts reported in the Separate Financial Statements could be changed at later date upon final determination by the tax authorities.

18 SHORT-TERM ACCRUED EXPENSES

	<u>31/12/2023</u>	<u>01/01/2023</u>
	VND	VND
Accrued interest expenses	1,346,510,406	1,695,394,766
Accrued land rental	1,079,992,758	643,877,606
Accrued electricity expenses	1,147,931,878	195,896,419
Accrued commission expenses	4,259,362,032	4,439,649,398
Accrued transportation expenses	-	472,573,688
Accrued design and material expenses	1,187,224,600	2,340,236,465
Others	447,537,793	1,548,759,489
	<u>9,468,559,467</u>	<u>11,336,387,831</u>

19 OTHER PAYABLES

	<u>31/12/2023</u>	<u>01/01/2023</u>
	VND	VND
a) Short-term		
Trade union fee	2,891,747,092	2,206,107,271
Insurance fee	1,847,655	12,751,785
Dividends payable to Owners	335,755,800	68,177,086,800
Land rental to Financial Department - Ministry of Defence	12,791,999,054	12,602,947,000
Interest payable	1,784,692,213	827,615,807
Labour Union, Communist membership fee	1,679,182,830	1,605,672,027
Others	321,824,382	1,852,678,127
	-	-
	<u>19,807,049,026</u>	<u>87,284,858,817</u>
b) Long-term		
Long-term deposits, collateral received	352,789,200	437,389,200
	<u>352,789,200</u>	<u>437,389,200</u>

20 BORROWINGS

	01/01/2023		Trong năm		31/12/2023	
	Outstanding balance	Amount can be paid	Increase	Decrease	Outstanding balance	Amount can be paid
	VND	VND	VND	VND	VND	VND
a) Short-term borrowings (i)						
Short-term borrowings	978,391,630,504	978,391,630,504	2,841,814,298,759	2,780,253,071,745	1,039,952,857,518	1,039,952,857,518
Current portion of long-term borrowings	56,099,941,402	56,099,941,402	47,700,000,000	56,099,941,402	47,700,000,000	47,700,000,000
	<u>1,034,491,571,906</u>	<u>1,034,491,571,906</u>	<u>2,889,514,298,759</u>	<u>2,836,353,013,147</u>	<u>1,087,652,857,518</u>	<u>1,087,652,857,518</u>
b) Long-term borrowings (ii)						
Long-term borrowings	7,699,941,402	7,699,941,402	-	7,699,941,402	-	-
Common bonds	95,385,018,654	95,385,018,654	714,981,346	48,400,000,000	47,700,000,000	47,700,000,000
	<u>103,084,960,056</u>	<u>103,084,960,056</u>	<u>714,981,346</u>	<u>56,099,941,402</u>	<u>47,700,000,000</u>	<u>47,700,000,000</u>
Amount due for settlement within 12 months	(56,099,941,402)	(56,099,941,402)	(47,700,000,000)	(56,099,941,402)	(47,700,000,000)	(47,700,000,000)
Amount due for settlement after 12 months	<u>46,985,018,654</u>	<u>46,985,018,654</u>			<u>-</u>	<u>-</u>

(i) Detailed information on short-term borrowings and current portion of long-term debts are as follows:

	Interest rate/year	Loan purpose	Guarantee	31/12/2023		01/01/2023	
				Original currency	VND	Original currency	VND
Short-term borrowings(VND)					901,356,431,593		619,882,458,417
Joint Stock Commercial Bank for Investment and Development of Vietnam - Phu Tai Branch	Floating rate	For operating activities	Secured by asset (*)	-	193,117,838,838	-	253,366,561,332
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	Floating rate	For operating activities	Secured by asset (*)	-	314,974,158,193	-	189,860,839,342
Military Commercial Joint Stock Bank - Binh Dinh Branch	Floating rate	For operating activities	Secured by asset (*)	-	24,820,767,573	-	83,044,157,743
HSBC Bank (Viet Nam) Ltd - Ho Chi Minh City Branch	Specified in each loan agreement	For operating activities	Unsecured	-	70,652,393,772	-	26,500,000,000
Phu Tai Van Ha Investment Joint Stock Company	Specified in each loan agreement	For operating activities	Unsecured	-	237,500,000,000	-	-
Others	Specified in each loan agreement	For operating activities	Unsecured	-	13,180,373,217	-	-
Short-term Personal loans	Specified in each loan agreement	For operating activities	Unsecured	-	47,110,900,000	-	67,110,900,000
Short-term borrowings (USD)					138,596,425,925		358,509,172,087
Joint Stock Commercial Bank for Investment and Development of Vietnam - Ho Chi Minh City Branch	Floating rate	For operating activities	Secured by asset (*)	1,043,309.52	25,467,185,383	-	-
Military Commercial Joint Stock Bank - Binh Dinh Branch	Floating rate	For operating activities	Secured by asset (*)	47,224.84	1,154,175,090	879,200.00	20,876,604,000
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	Floating rate	For operating activities	Secured by asset (*)	805,988.65	19,682,242,833	10,187,704.42	241,754,225,887
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Binh Dinh Branch	Floating rate	For operating activities	Secured by asset (*)	270,383.33	6,602,760,919	2,053,844.00	48,737,718,120
Vietnam Technological and Commercial Joint Stock Bank - Quy Nhon Branch	Floating rate	For operating activities	Secured by asset (*)	3,504,706.00	85,690,061,700	1,984,033.00	47,140,624,080
Current portion of long-term borrowings					47,700,000,000		56,099,941,402
					<u>1,087,652,857,518</u>		<u>1,034,491,571,906</u>

(ii) Detailed information on long-term borrowings:

	Currency	Interest rate/ year	Year of maturity	Loan purpose	Loan guarantee	31/12/2023 VND	01/01/2023 VND
Long-term borrowings							
Military Commercial Joint Stock Bank - Binh Dinh Branch	USD	Floating rate	2023	Project investment	Secured by asset (*)	-	237,953,394
Military Commercial Joint Stock Bank - Binh Dinh Branch	VND	Floating rate	2023	Project investment	Secured by asset (*)	-	1,591,592,948
Joint Stock Commercial Bank for Foreign Trade of Vietnam - Quy Nhon Branch	VND	Floating rate	2023	Project investment	Secured by asset (*)	-	5,870,395,060
Bonds issuance (**)					Secured by asset (*)	47,700,000,000	95,385,018,654
						<u>47,700,000,000</u>	<u>103,084,960,056</u>
Amount due for settlement within 12 months						(47,700,000,000)	(56,099,941,402)
Amount due for settlement after 12 months						<u>-</u>	<u>46,985,018,654</u>

(*) The loans are secured by assets under mortgage contracts which were fully registered as secured transactions

(**) In 2019 and 2020, the Company issued private bonds through issuing agent for less than 100 investors in the following issuances:

Privately issued 1,500 bonds with par value of 100 million VND/bond according to Resolution 105/NQ-HĐQT dated 22 October 2019, with purpose of paying costs to implement the Artificial Quartz Factory project at Textile and Garment Industrial Park - Nhon Trach, Dong Nai; the issuance was carried out in phase 1 on 12 November 2019 with the number of 204 bonds, phase 2 on 17 December 2019 with amount of 256 bonds, phase 3 on 16 January 2020 with amount of 600 bonds and phase 4 on 21 August 2020 with amount of 440 bonds for 01 investor is Military Commercial Joint Stock Bank - Binh Dinh Branch; issue price equal to 100% of face value; bond form is certificate; bond term is 60 months from date of issuance; bond interest rate for the first four interest periods is 9%/year, the following periods will be adjusted according to medium and long-term interest rate, 24-month term of Military Commercial Joint Stock Bank - Binh Dinh Branch; the secured asset is the Property Rights arising from the land lease contract between Phu Tai Premium Quartz Stone Company Limited and Vinatex Tan Tao Joint Stock Company according to land lease Contract No. 43/HDTLQSDD-VNT/KD-2019 dated August 8, 2019; all factories, offices and other assets attached to land formed in the future under the Artificial Quartz Factory Project in Nhon Trach Textile Industrial Park - Dong Nai and all machinery, equipment and production lines under the Artificial Quartz Factory Project in Nhon Trach Textile Industrial Park - Dong Nai. By December 31, 2023, the Company has used 100% of above bond issuance money for the correct purpose.

Privately issued 348 bonds with par value of 100 million VND/bond according to Resolution 108/NQ-HĐQT dated 18 November 2020, with purpose of paying costs to implement the Artificial Quartz Factory project in Textile and Garment Industrial Park - Nhon Trach, Dong Nai; The issuance was carried out on 30 November 2020 for 01 investor is Military Commercial Joint Stock Bank - Binh Dinh Branch; Issue price equal to 100% of face value; Bond form is certificate; The term is 1443 days from the date of issuance; The bond interest rate is calculated as 2.7%/year plus the reference interest rate, in which the reference interest rate for each interest period is calculated as 2.7% plus interest rate for medium and long-term savings products. Flexible 24-month term of Military Commercial Joint Stock Bank; Collateral is property rights arising from land lease contract between Phu Tai Premium Quartz Stone Company Limited and Vinatex Tan Tao Joint Stock Company according to land lease Contract No. 42/HDTLQSDD-VNT/KD-2019 dated 08 August 2019; All factories, offices and other assets attached to land formed in the future under the Artificial Quartz Factory Project in Nhon Trach Textile Industrial Park - Dong Nai and all machinery, equipment and production lines under the Artificial Quartz Stone Factory Project in Nhon Trach Textile Industrial Park - Dong Nai. By 31 December 2023, the Company has used 100% of the above bond issuance money for the correct purpose.

The Company has agreed by contract with Military Commercial Joint Stock Bank - Binh Dinh Branch on the bond redemption schedule at redemption price equal to par value plus accumulated interest up to time of redemption. From 2019 to present, the Company has repurchased 1,185 bonds, corresponding to an amount of VND 118,500,000,000. As of 31 December 2023, the bond principal balance is 47,700,000,000 VND, equivalent to 477 bonds; The number of bonds to be repurchased within the next 12 months is 477 bonds corresponding to principal debt of 47,700,000,000 VND, which is classified by the Company as short-term debt.

21 PROVISIONS FOR PAYABLES

	31/12/2023	01/01/2023
	VND	VND
a) Short-term		
Cost of mineral mining right	-	4,405,733,967
	<u>-</u>	<u>4,405,733,967</u>
b) Long-term		
Cost of environmental restoration	5,617,036,342	4,876,285,518
Land rental without contract (i)	4,939,200,000	4,233,600,000
	<u>10,556,236,342</u>	<u>9,109,885,518</u>

- (i) This is land rental at some mines in Binh Dinh Province. Because the Company has not signed a land lease contract and has not yet received payment notice of land rental from Tax Department of Binh Dinh Province, the Company is temporarily deducting into production and business expenses in the year based on land rental unit price announced by the People's Committee of Binh Dinh Province.

22 OWNERS' EQUITY

a) Changes in owners' equity

	Contributed capital	Share premium	Other capital	Treasury shares	Retained earnings	Total
	VND	VND	VND	VND	VND	VND
Beginning balance of previous year	485,994,410,000	23,191,561,459	1,201,009,320,503	(131,295,471)	455,517,722,463	2,165,581,718,954
Profit of the previous year	-	-	-	-	407,747,801,034	407,747,801,034
Dividend in 2021	-	-	-	-	(24,299,720,500)	(24,299,720,500)
Dividend advance in 2022	-	-	-	-	(68,038,403,000)	(68,038,403,000)
Dividend distribution by stock	194,389,620,000	-	8,144,000	-	(194,397,764,000)	-
Additional deductions for other capital of the owner	-	-	214,044,351,840	-	(214,044,351,840)	-
Bonus and welfare fund	-	-	-	-	(22,775,886,123)	(22,775,886,123)
Distribution of treasury shares	-	(131,295,471)	-	131,295,471	-	-
Ending balance of previous year	680,384,030,000	23,060,265,988	1,415,061,816,343	-	339,709,398,034	2,458,215,510,365
Additional capital of the owner (ii)	-	-	183,245,201,982	-	(183,245,201,982)	-
Profit of the this year	-	-	-	-	216,469,382,406	216,469,382,406
Dividend	-	-	-	-	(136,076,806,000)	(136,076,806,000)
Bonus and welfare fund	-	-	-	-	(20,387,390,052)	(20,387,390,052)
Shares repurchased (i)	(11,000,000,000)	(23,060,265,988)	(23,008,711,197)	-	-	(57,068,977,185)
Ending balance of this year	669,384,030,000	-	1,575,298,307,128	-	216,469,382,406	2,461,151,719,534

(i) On 11 July 2023, the Company completed the buyback of 1,100,000 shares (in total of 6,500,000 shares expected to be purchased) at an average price of 51,681 VND/share, using surplus resources. Share capital and other capital belonging to equity through agreement and order matching on the stock exchange. The repurchase of shares issued by the Company is carried out in accordance with the policy of Resolution No. 02/NQ-DHCD dated 16 April 2023 of annual general meeting of shareholders 2023 and Resolution No. 63/NQ-HĐQT dated 27 April 2023 of the Board of Management on approving the plan to repurchase shares of the Company.

(ii) The Company supplements other capital of the owner from undistributed profits according to Resolution No. 02/NQ-DHCD dated 16 April 2023 of 2023 annual general meeting of shareholders.

The Company has distributed profits in 2022 according to Resolution No. 02/NQ-DHDCD dated 16 April 2023 of Annual General Meeting of Shareholders 2022, as follows:

	Rate	Amount VND
Net profit after tax in 2022		407,747,801,034
Additional capital of the owner	44.9%	183,245,201,982
Bonus and welfare fund	5.0%	20,387,390,052
Dividend distribution in cash:	50.1%	204,115,209,000
- The first phase spends 10% of charter capital	16.7%	68,038,403,000
- The second phase spends 20% of charter capital (equivalent to VND 3.000 per share)	33.4%	136,076,806,000

b) Details of contributed capital of the Owner

	31/12/2023 VND	Rate	01/01/2023 VND	Rate
Mr. Le Vy	89,804,230,000	13.42%	90,166,230,000	13.25%
Mr. Le Van Thao	58,148,600,000	8.69%	58,148,600,000	8.55%
Mr. Nguyen Sy Hoe	41,878,290,000	6.26%	41,878,290,000	6.16%
Mr. Le Van Loc	40,881,050,000	6.11%	41,685,050,000	6.13%
Others	438,671,860,000	65.52%	448,505,860,000	65.91%
	669,384,030,000	100%	680,384,030,000	100%

c) Capital transactions with owners and distribution of dividends and profit

	Year 2023 VND	Year 2022 VND
Owners' contributed capital		
- At the beginning of the year	680,384,030,000	485,994,410,000
- Increase in the year	-	194,389,620,000
- Decrease in the year	11,000,000,000	-
- At the end of the year	669,384,030,000	680,384,030,000
Distributed dividends and profits		
- Dividends, profit payable at the beginning of the year	68,177,086,800	253,366,300
- Dividends, profit payable in the year	136,076,806,000	92,338,123,500
+ Dividends and profits distributed from the previous year's profit	136,076,806,000	24,299,720,500
+ Estimated dividends payable from this year's profits	-	68,038,403,000
- Dividends and profits paid during the year	203,918,137,000	24,414,403,000
+ Dividends and profits paid from the previous year's profit	203,918,137,000	24,414,403,000
- Provisional dividend paid from this year's profit	335,755,800	68,177,086,800

d) Shares

	31/12/2023	01/01/2023
Quantity of Authorized issuing shares	66,938,403	68,038,403
Quantity of issued shares	66,938,403	68,038,403
- Common shares	66,938,403	68,038,403
Quantity of outstanding shares in circulation	66,938,403	68,038,403
- Common shares	66,938,403	68,038,403
Par value per share: VND 10,000		

23 OFF STATEMENT OF FINANCIAL POSITION ITEMS AND OPERATING LEASE COMMITMENT**a) Operating assets for leasing**

The Company is the lessor under operating lease contracts. As at 31 December 2023, total future minimum lease income under operating lease contracts are presented as follows:

	<u>31/12/2023</u> VND	<u>01/01/2023</u> VND
Under 1 year	1,460,501,495	1,366,901,495
From 1 year to 5 years	4,404,904,485	5,467,605,980

b) Operating leased assets

The Company has land lease contracts with the State to serve production and business activities in localities. According to these contracts, the Company must pay annual land rental until the contract maturity date according to current State regulations.

In addition, the Company also has contracts to sublease land with developed infrastructure in Industrial Parks (details in Note No. 11) for purpose of serving production and business activities. The Company paid one-time fee for infrastructure rental for the entire rental period.

c) Foreign currencies

	<u>31/12/2023</u>	<u>01/01/2023</u>
USD	363,831.38	1,651,006.19
EUR	29.10	6,210.14

d) Doubtful debts written-offs

	<u>31/12/2023</u> VND	<u>01/01/2023</u> VND
Doubtful debts written-offs	2,694,973,701	2,694,973,701

24 TOTAL REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	<u>Year 2023</u> VND	<u>Year 2022</u> VND
Revenue from sale of goods	2,125,781,326,811	2,995,580,451,237
- Stone products	782,298,947,379	1,082,744,216,704
- Wood products	1,335,524,032,174	1,898,258,955,361
- Others	7,958,347,258	14,577,279,172
Revenue from rendering of services	1,669,913,849	1,667,475,106
- Offices and factories for lease	1,669,913,849	1,667,475,106
	<u><u>2,127,451,240,660</u></u>	<u><u>2,997,247,926,343</u></u>

25 REVENUE DEDUCTIONS

	Year 2023	Year 2022
	VND	VND
Sale returns	-	558,416,968
Sale discounts	54,824,509	97,928,035
	<u>54,824,509</u>	<u>656,345,003</u>

26 COST OF GOODS SOLD

	Year 2023	Year 2022
	VND	VND
Cost of goods sold	1,660,104,082,672	2,286,361,818,039
- Stone products	582,666,992,078	800,909,396,823
- Wood products	1,072,703,632,557	1,476,900,821,418
- Others	4,733,458,037	8,551,599,798
Cost of services rendered	60,840,000	60,840,000
- Offices and factories for lease	60,840,000	60,840,000
Provision for devaluation of inventory	968,727,195	-
	<u>1,661,133,649,867</u>	<u>2,286,422,658,039</u>

27 FINANCIAL INCOME

	Year 2023	Year 2022
	VND	VND
Interest income	88,674,362,592	76,488,496,955
Gain from disposal of financial investments	5,611,425,948	11,564,876,383
Dividends or profits received	117,278,001,000	171,582,529,400
Realised exchange gain	5,945,070,360	10,612,343,603
Unrealised exchange gain	134,215,603	62,508,660
Interest from deferred payment sale or payment discount	-	141,121,681
	<u>217,643,075,503</u>	<u>270,451,876,682</u>

28 FINANCIAL EXPENSES

	Year 2023	Year 2022
	VND	VND
Interest expenses	86,453,976,512	78,412,442,288
Loss of trading securities	-	6,801,324,759
Realised exchange loss	14,524,065,713	35,657,154,779
Unrealised exchange loss	-	257,045,533
Provision for devaluation of trading securities and loss of investment	3,150,164,633	(14,451,729,650)
Trading securities expenses	3,837,312,875	1,129,786,144
	<u>107,965,519,733</u>	<u>107,806,023,853</u>

29 SELLING EXPENSES

	Year 2023	Year 2022
	VND	VND
Raw materials	67,341,038,589	114,581,660,377
Labour expenses	10,037,170,146	16,004,858,690
Depreciation expenses for fixed assets	92,499,996	214,229,017
Tax, Charge, Fee	16,297,440,623	12,303,658,046
Expenses of outsourcing services	96,355,779,090	135,757,983,754
Other expenses in cash	2,685,521,875	905,687,075
	<u>192,809,450,319</u>	<u>279,768,076,959</u>

30 GENERAL AND ADMINISTRATIVE EXPENSE

	Year 2023	Year 2022
	VND	VND
Labour expenses	51,541,374,299	77,315,623,173
Tools and supplies	5,417,519,261	5,592,651,251
Depreciation expenses for fixed assets	5,117,597,030	6,886,516,682
Tax, Charge, Fee	3,222,867,618	4,307,285,349
Provision expenses/ Reversal of provision expenses	43,691,531,375	(871,375,007)
Expenses of outsourcing services	6,207,267,547	6,424,294,246
Other expenses in cash	18,456,825,224	20,084,322,048
	<u>133,654,982,353</u>	<u>119,739,317,742</u>

31 OTHER INCOME

	Year 2023	Year 2022
	VND	VND
Gain from liquidation, disposal of fixed assets	3,927,364,346	31,285,185,045
Gain from sales support	432,186,555	7,093,372,193
Land rental is reduced	690,216,630	-
Gain from debt collection	391,843,285	56,411,531
Gain from compensation insurance	-	17,258,407,095
Others	1,868,839,357	978,199,791
	<u>7,310,450,173</u>	<u>56,671,575,655</u>

32 OTHER EXPENSES

	Year 2023	Year 2022
	VND	VND
Penalty due to late delivery, defective products	918,669,694	1,573,540,853
Fine for administrative and tax violations	1,693,523,763	682,462,601
Debt collection expenses	2,326,628,995	966,891,079
Value of loss due to fire incident of finished product warehouse at Thang Loi Factory	-	59,823,953,001
Others	7,673,155,632	748,709,864
	<u>12,611,978,084</u>	<u>63,795,557,398</u>

33 CURRENT CORPORATE INCOME TAX EXPENSES

	Year 2023 VND	Year 2022 VND
Total profit before tax	244,174,361,471	466,183,399,686
In which:		
- Profits are eligible for tax exemptions and reductions	-	10,528,438,719
- Profits are not eligible for tax incentives	286,831,211,235	455,654,960,967
Increase	9,665,566,967	5,522,725,455
- Fines	1,693,523,763	682,462,601
- The depreciation cost of cars which are more than 1.6 billion	965,127,836	1,114,432,180
- Value added tax is not deductible	3,840,928,018	-
- Others	3,165,987,350	3,725,830,674
Decrease	(117,709,561,244)	(171,582,529,400)
- Dividend payment	(117,278,001,000)	(171,582,529,400)
- Deferred corporate income tax expenses	(431,560,244)	-
Taxable income	136,130,367,194	300,123,595,741
CIT incentives	-	(1,053,432,860)
- Deductible CIT at the Stone Processing Factory in Binh Dinh Province	-	(1,053,432,860)
Current corporate income tax expense (tax rate 20%)	27,226,073,439	58,971,286,288
Adjustments of tax expenses from previous years to current year	226,688,262	53,351,967
Tax payable at the beginning of the year	58,453,466,122	68,605,478,935
Tax paid in the year	(68,680,154,384)	(69,176,651,068)
Corporate income tax payable at the end of the year	17,226,073,439	58,453,466,122

34 DEFERRED INCOME TAX**a) Deferred income tax assets**

	31/12/2023 VND	01/01/2023 VND
Corporate income tax rate used to determine deferred income tax assets	20%	20%
Deferred income tax assets related to deductible temporary differences	2,133,055,480	2,385,272,844
	2,133,055,480	2,385,272,844

b) Deferred corporate income tax expense

	Year 2023 VND	Year 2022 VND
Deferred CIT expense relating to reversal of deferred income tax assets	541,487,529	1,796,233,241
Deferred CIT income arising from deductible temporary difference	(289,270,165)	(2,385,272,844)
	252,217,364	(589,039,603)

35 BUSINESS AND PRODUCTIONS COST BY ITEMS

	Year 2023	Year 2022
	VND	VND
Raw materials	838,442,129,219	1,293,110,605,131
Labour expenses	244,736,232,995	306,038,305,153
Tools and supplies	35,573,319,966	21,542,788,598
Depreciation expenses for fixed assets	76,674,470,331	123,167,708,064
Tax, Charge, Fee	33,906,978,858	32,429,122,822
Provision expenses/ Reversal of provision expenses	44,178,041,666	(871,374,317)
Expenses of outsourcing services	243,674,766,759	501,330,073,288
Other expenses in cash	22,232,751,934	31,911,623,478
	<u>1,539,418,691,728</u>	<u>2,308,658,852,217</u>

36 ADDITIONAL INFORMATION FOR THE ITEMS OF THE SEPARATE STATEMENT OF CASH FLOWS

	Year 2023	Year 2022
	VND	VND
a) Proceeds from borrowings during the year		
Proceeds from ordinary contracts	2,842,529,280,105	3,462,513,731,507
b) Actual repayments on principal during the year		
Repayment on principal from ordinary contracts	2,787,953,013,147	3,691,914,768,489
Repayment on principal of common bonds	48,400,000,000	59,400,000,000

37 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

On 25 January 2024, the Board of Management issued Resolution No. 21/NQ-HĐQT to approve the policy of capital contribution to establish Phu Tai Dieu Tri Investment Company Limited, in which the Company will contribute capital of VND 108,000,000,000 to own 60.00% of charter capital in this Company. On 30 January 2024, Phu Tai Dieu Tri Investment Co., Ltd. was granted the first Business Registration Certificate by Department of Planning and Investment of Binh Dinh Province.

On 26 January 2024, the Company advanced dividends to shareholders for the first period of 2023 in cash at the rate of 15% /share according to Resolution No. 168/NQ-HĐQT dated 15 December 2023 of the Board of Management.

In addition to the events mentioned above, there have been no material events occurring after the end of the financial year that require adjustment or disclosure in these Separate Financial Statements.

38 SEGMENT REPORTING

a) Under business fields

	Stone business	Wood business	Trading and Services	Total from all segments	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	782,252,492,870	1,335,515,662,174	9,628,261,107	2,127,396,416,151	-	2,127,396,416,151
- Domestic	518,774,256,562	282,097,043,040	9,628,261,107	810,499,560,709	-	810,499,560,709
- Export	263,478,236,308	1,053,418,619,134	-	1,316,896,855,442	-	1,316,896,855,442
Cost of goods sold	582,666,992,078	1,073,672,359,752	4,794,298,037	1,661,133,649,867	-	1,661,133,649,867
Profit from business activities	199,585,500,792	261,843,302,422	4,833,963,070	466,262,766,284		466,262,766,284
The total cost of acquisition of fixed assets	19,822,814,276	12,813,640,168	-	32,636,454,444	-	32,636,454,444
Segment assets	1,786,294,096,581	1,347,570,347,472	843,341,428,392	3,977,205,872,445	(66,255,464,073)	3,910,950,408,372
Unallocated assets	-	-	-	62,614,522,088	-	62,614,522,088
Total assets	1,786,294,096,581	1,347,570,347,472	843,341,428,392	4,039,820,394,533		3,973,564,930,460
Segment liabilities	468,824,616,818	714,047,438,513	230,629,930,628	1,413,501,985,959	(66,255,464,073)	1,347,246,521,886
Unallocated liabilities	-	-	-	165,166,689,040	-	165,166,689,040
Total liabilities	468,824,616,818	714,047,438,513	230,629,930,628	1,578,668,674,999	(66,255,464,073)	1,512,413,210,926

b) Under geographical areas:

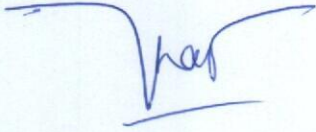
	Binh Dinh	Ho Chi Minh City	Dong Nai	Khanh Hoa	Elimination	Grand Total
	VND	VND	VND	VND	VND	VND
Net revenue from sales to external customers	1,734,156,859,731	249,415,326,145	60,084,741,711	83,739,488,564	-	2,127,396,416,151
- Domestic	435,569,024,375	249,415,326,145	41,775,721,625	83,739,488,564	-	810,499,560,709
- Export	1,298,587,835,356	-	18,309,020,086	-	-	1,316,896,855,442
Department assets	3,924,843,209,983	74,748,678,193	695,224,293	52,102,042,456	(78,824,224,465)	3,973,564,930,460
Total cost of acquisition of fixed assets	23,820,276,461	-	2,898,040,085	393,518,519	-	27,111,835,065

39 COMPARATIVE FIGURES

The comparative figures are figures in the Separate Financial Statements for the fiscal year ended as at 31 December 2022, which was audited by AASC Auditing Firm Company Limited

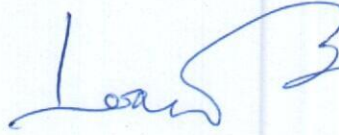
Binh Dinh, 02 April 2024
General Director

Preparer



Vo Phuong Thao

Chief Accountant



Nguyen Thi My Loan



LÊ VĂN THẢO

