

**CÔNG TY CỔ PHẦN  
KHOÁNG SẢN FECON  
FECON MINING  
JOINT STOCK COMPANY**

Số: 0415/2025/CBTT.FCM  
No: 0415/2025/CBTT.FCM

**CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM  
Độc lập - Tự do - Hạnh phúc  
THE SOCIALIST REPUBLIC OF VIETNAM  
Independence - Freedom - Happiness**

Hà Nam, ngày 15 tháng 04 năm 2025  
Ha Nam, 15/04/2025

**CÔNG BỐ THÔNG TIN ĐỊNH KỲ  
PERIODIC INFORMATION DISCLOSURE**

**Kính gửi: - Ủy ban Chứng khoán Nhà nước  
- Sở Giao dịch Chứng khoán TP. Hồ Chí Minh  
To: - State Securities Commission  
- Ho Chi Minh Stock Exchange**

1. Tên tổ chức/Name of organization: **CÔNG TY CỔ PHẦN KHOÁNG SẢN FECON  
FECON MINING JOINT STOCK COMPANY**

- Mã chứng khoán/Mã thành viên/ Stock code/ Broker code: **FCM**
- Địa chỉ/Address: **Cụm công nghiệp Thi Sơn, phường Thi Sơn, thị xã Kim Bảng, tỉnh Hà Nam/Thi Son Industrial Cluster, Thi Son Ward, Kim Bang Town, Ha Nam Province**
- Điện thoại/Tel: 0226 3533038 - Email: [info@feconmining.com.vn](mailto:info@feconmining.com.vn)
- Website: [feconmining.com.vn](http://feconmining.com.vn)

2. Nội dung thông tin công bố/Contents of disclosure:

**Báo cáo thường niên năm 2024 của Công ty cổ phần khoáng sản FECON/Annual report 2024**

3. Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 15/04/2025 tại đường dẫn <http://feconmining.com.vn>/This information was published on the company's website on 15/04/2025(date), as in the link <http://feconmining.com.vn>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố/We hereby certify that the information provided is true and correct and we bear the full responsibility to the law.

Tài liệu đính kèm/Attached documents:

- + Báo cáo thường niên năm 2024
- + Annual report 2024

**ĐẠI DIỆN CÔNG TY CP KHOÁNG SẢN FECON**

**Organization representative**

**Người được UQ CBTT**

*Person authorized for disclose information*



**Nguyễn Hữu Thiều**

*Ha Nam, date 15<sup>th</sup> April 2025*

## **ANNUAL REPORT 2024**

### **I. General Information**

#### **1. Overview Information**

- Company Name: FECON Mining Joint Stock Company
- Abbreviated Name: FECON MINING J.S.C
- Business Registration Certificate: FECON Mining Joint Stock Company with tax code 0700252549 issued by the Department of Planning and Investment of Ha Nam Province for the first time on September 3, 2007, and registered for the 9th change on 16/12/2024.
- Charter Capital: 462.266.260.000 VND
- Address: Thi Son Industrial Cluster, Thi Son Ward, Kim Bang Town, Ha Nam Province
- Phone: 0226 3 533.038 Email: info@feconmining.com.vn
- Website: feconmining.com.vn
- Securities Code: FCM

#### **\* Formation and Development Process**

- FECON Mining Joint Stock Company was formerly FECON Prestressed Concrete Co., Ltd. (a subsidiary of FECON Foundation Engineering and Underground Construction Joint Stock Company) established on September 3, 2007, with a charter capital of 30 billion VND.
- On May 5, 2010, FECON Prestressed Concrete Co., Ltd. converted into a Joint Stock Company, raising the charter capital to 150 billion VND. The additional investment capital was used to build production line 2 with equipment for producing piles from D400 to D1000 with a maximum length of 27m.
- On February 20, 2013, additional capital was issued for existing shareholders for the first time, raising the ownership capital to 268 billion VND.
- On August 8, 2014, additional capital was issued for existing shareholders for the second time, raising the ownership capital to 410 billion VND.
- The mobilized capital is invested in additional machinery and equipment for the pile production line to expand production, with part of it used to supplement working capital. A portion of the investment goes to Fecon Nghi Son Joint Stock Company and another part is invested in FECON Hai Dang Mining Joint Stock Company.
- Right from its establishment, with the goal of becoming a leading company in pile quality, the company has invested in technology, continuously researching and improving technology and mix design to achieve stable quality.



- The company places great emphasis on training its management staff with basic knowledge in management according to Japanese production management methods. It adopts 5S management and continuous improvement to boost production and enhance the quality of pile products.

- In 2011, the company participated in the National Quality Award. This award is based on 7 evaluation criteria from the American Business Enterprise. Although it was the first time participating in this award, the production management system, quality management, and the quality of the pile products of the factory met the established evaluation criteria. On December 28, 2011, the Prime Minister signed a decision to award the National Quality Gold Award 2011 to the company (under Decision No. 2468/QĐ-TTg).

- From February 20, 2013, the company changed its name to FECON Mining Joint Stock Company.

- On May 8, 2013, the Ho Chi Minh City Stock Exchange issued decision number 173/2013/QĐ-SGDHCM approving the listing registration of shares for FECON Mining Joint Stock Company. On May 15, 2013, the shares were traded on the Ho Chi Minh City Stock Exchange (HOES) – Stock code: FCM.

- On June 30, 2018, FECON Mining Joint Stock Company completely divested its capital from FECON Hai Dang Mining Joint Stock Company.

- On September 29, 2018, Phan Vu Investment Corporation officially held 51% of shares – FCM and became the parent company of FECON Mining Joint Stock Company.

- In October 2019, FECON Mining Joint Stock Company purchased and owned 99.9% of shares of Thai Ha Concrete Joint Stock Company and became the parent company of Thai Ha Concrete Joint Stock Company.

- In December 2021, FECON Mining Joint Stock Company increased its equity capital to 450,999,690,000 VND (issuing additional shares for the 2020 dividend).

- In June 2024, FECON Mining Joint Stock Company completed its divestment from FECON Nghi Son Joint Stock Company.

- In December 2024, FECON Mining Joint Stock Company increased its equity capital to 462,266,260,000 VND (issuing additional shares for the 2023 dividend).

**\* Vision - Mission - Values:**

**- Vision:**

To become a leading company providing precast concrete products that meet the construction and infrastructure development needs of the country in a modern industrial direction.

**- Mission:**

Customer satisfaction is the key factor for FECON Mining to strive continuously to improve and enhance the quality of products and services provided to bring maximum added value to customers.

**- Values:**

- + The core value of all products and services is to satisfy customers;
- + The core value of the company is its people, enthusiasm, and determination to create together;
- + Increasing value and developing harmoniously and sustainably is the principle of all actions;
- + Quality, efficiency, and punctuality to leave a professional impression in the minds of customers;



+ Corporate culture is an important factor that connects employees and enhances trust with customers;

+ Innovation to adapt is the awareness and responsibility of every member of FECON Mining.

**\* Corporate culture:**

- Always create conditions and opportunities for employees to learn, practice, and enhance their abilities;

- Always learn and apply advanced scientific and technical methods to improve productivity as well as the quality of output products;

- Always understand and fulfill the requirements set by customers to provide them with quality products at the best prices.

**2. Industry and business area:**

- Business sectors:

+ Production of concrete and products made from cement and gypsum;

+ Mining of iron ore, mining of other non-ferrous metal ores, mining of rare metal ores; mining of stone, sand, gravel, clay;

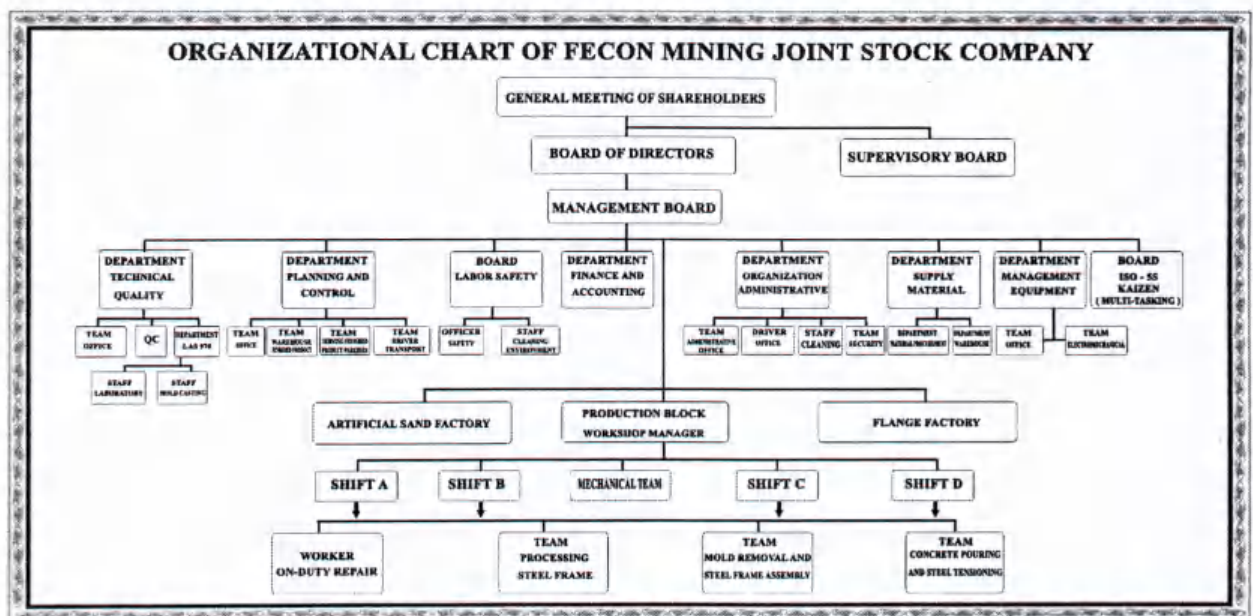
+ Construction: Foundations and underground structures for high-rise buildings, industrial projects, transportation projects, irrigation projects, technical infrastructure projects in industrial zones and urban areas, high-tech pile testing;

- The business area of FECON Mining Joint Stock Company spans provinces from Central to Northern Vietnam and export activities primarily focus on Southeast Asian countries....

**3. Information about the governance model, business organization, and management apparatus**

FECON Mining Joint Stock Company is applying the organizational model of a Joint Stock Company. This governance model is built based on the strategic business development goals of the Company. Through the development process and increasingly perfecting the management apparatus, the current management structure of the company is organized as follows:

➤ Organizational chart:



➤ General Meeting of Shareholders:



The General Meeting of Shareholders is the highest authority of the Company. The annual General Meeting of Shareholders is held within 4 months from the end of the financial year. The General Meeting of Shareholders decides on matters stipulated by Law and the Company's Charter. Shareholders will approve the company's annual financial statements and the financial budget for the following year, elect, dismiss, or remove members of the Board of Directors and members of the Supervisory Board of the Company.

➤ Board of Directors:

The Board of Directors is the management body of the Company with the authority to act on behalf of the company to decide on all issues related to the Company's operations, except for matters under the jurisdiction of the General Meeting of Shareholders. Currently, the Board of Directors of FECON Mining Joint Stock Company has 5 members.

The Board of Directors is responsible for supervising the Director and other management staff. The rights and obligations of the Board of Directors are defined by law, the Company's Charter, the Company's internal regulations, and the resolutions of the General Meeting of Shareholders.

➤ Supervisory Board

The Supervisory Board is an agency under the General Meeting of Shareholders elected by the General Meeting of Shareholders. The Supervisory Board operates independently of the Board of Directors and the Executive Board. The Supervisory Board is responsible for checking the reasonableness and legality of the management activities of the Board of Directors, the business operations of the Executive Board, and the accounting records and financial reports of the Company. Currently, the Company's Supervisory Board consists of 3 members elected by the General Meeting of Shareholders.

➤ Executive Board

The Executive Board of the Company consists of 1 Director and 2 Deputy Directors.

The Director is responsible for managing the daily operations of the Company and is accountable to the Board of Directors for the implementation of the assigned rights and duties.

The Deputy Directors assist the Director and are responsible to the Director and the Board of Directors for the assigned tasks, proactively resolving the tasks authorized and assigned by the Director in accordance with the Company's Charter and governance regulations.

The Director is the legal representative of the Company.

➤ Subsidiaries:

+ Thai Ha Concrete Joint Stock Company, with business registration number: 0700775193, was first issued by the Department of Planning and Investment of Ha Nam Province on June 23, 2016; registered for the 7th change on January 10, 2025; (ownership ratio is 99.9% of charter capital).

+ On June 29, 2024, FECON Mining Joint Stock Company completed its divestment from FECON Nghi Son Joint Stock Company (the ownership ratio of FECON Mining Joint Stock Company in FECON Nghi Son Joint Stock Company is: 0%).

**4. Development Orientation**

- The main objectives of the Company: To become a leading company in centrifugal concrete piles in the northern market to supply piles for high-rise construction projects, factories, seaports, roads, and bridges...



- Medium and long-term development strategy: FECON Mining aims to become a leading company in providing modern concrete products, meeting the demand for construction and infrastructure development during the country's integration period. The technologies applied by the Company not only aim to benefit the enterprise and customers but also contribute to sustainable development, as one of FECON Mining's operating principles is that all company activities are directed towards the long-term goal of benefiting the country and the people.

***The Company's objectives regarding the environment, society, and community:***

➤ Improving the working environment: Green - Clean - Beautiful. The Company's leadership always pays attention to improving the working environment, such as:

+ Classifying hazardous waste for proper disposal.

+ Treating boiler dust before discharging it into the environment.

+ Treat wastewater before discharging it into the environment.

+ Plant more greenery in the factory.

+ Build sports facilities to create conditions for health training and enhance the spirit of solidarity among employees.

➤ Participate in local movements and fulfill social responsibilities.

***5. Risks:***

***5.1. Market risk***

The financial market is directly influenced by macroeconomic policies, the growth rate of the economy, and other economic factors such as inflation, interest rates, and financial policies... Fluctuations in factors such as growth rate, exchange rates, market liquidity, and capital costs will directly affect the market, thereby impacting the company's business operations.

***5.2. Raw material risk***

- As a company producing industrial concrete products, the cost of input materials is very high. The material market is complex and fluctuating, with rapid price changes, especially for imported steel. Prices for oil and cement are also increasing and unstable, causing significant difficulties for the company.

- Loose building materials like sand and gravel have unstable quality, making it challenging to manage quality to produce stable quality piles.

Given the characteristics of the industry, the company is very cautious and careful in signing contracts for raw material supply, maximizing the use of local raw materials, and selecting reputable and quality material suppliers.

***4.3. Payment time risk***

In construction activities, the construction time of projects is often prolonged compared to the initial estimate, and the acceptance, handover, and final settlement with investors and contractors are often delayed. Therefore, debt recovery must be regularly reconciled, urging customers to repay debts, closely monitoring debt recovery while still maintaining long-term cooperative relationships with the Company's partners.

***4.4. Other risks:***

In addition to the aforementioned risks, other risks such as natural disasters and epidemics are considered force majeure risks, which, if they occur, will cause significant damage to assets, people, and the overall operational situation of the Company.

**II. Operational situation in the year**

**1. Business production situation**



- In 2024, the government has many solutions to stimulate the economy, including promoting public investment in the transportation infrastructure sector, implementing various solutions to remove difficulties in the real estate sector, and from mid-year, a series of real estate projects from large corporations were launched, such as the Sun Hà Nam project, Vin Co Loa, Vin Dan Phuong, Vin Vu Yen..., with a strong shift of FDI capital from Chinese and Taiwanese enterprises to Vietnam... FCM provided over 1.7 million meters of piles to serve more than 100 projects nationwide.

- The domestic economy is recovering well, with growth in 2024 reaching 7.09%, but it still harbors many risks due to the high openness of the economy and its susceptibility to international market fluctuations. The construction industry has recovered and grown by about 8%. However, there is uneven development among regions across the country.

Regarding the deposit demand: The North is booming due to several real estate projects from major groups such as Vin Group/Sun Group/Sunshine, and the industrial market is developing steadily. The price level in the market has been elevated, and payment conditions have improved in a better direction for sellers.

## **2. Organization and Personnel:**

### **a) List of Executive Board:**

No.	Full Name	Position	Number of Shares Held (CP)			Notes
			Representative	Individual	Represented Unit	
1	Pham Trung Thanh	Director	0	31.006		
2	Cao Van Thai	Deputy Director	0	0		
3	Luong Anh Kiem	Deputy Director	0	0		
<b>Chief Accountant</b>						
1	Ngo Thi Thanh	Chief Accountant	0	0		

### **b) Curriculum Vitae of the Board of Directors and Chief Accountant**

#### **b.1 Pham Trung Thanh – Director of the Company**

- Gender : Male
- Date of Birth : November 21, 1977
- Place of Birth : Yen Phu – Y Yen – Nam Dinh
- Nationality : Viet Nam
- Ethnicity : Kinh
- Professional Qualification : Bachelor of Chemistry
- Work History:

Time	Position
From June 2008 – October 2009	Head of Supply Department at FECON Prestressed Concrete Co., Ltd
From October 2009 – April 2010	Workshop Manager at FECON Prestressed Concrete Co., Ltd
From May 2010 – December 31, 2014	Deputy Director at FECON Mining Joint Stock Company
From January 1, 2015 - present	Director at FECON Mining Joint Stock Company

- Current Position: Director of FECON Mining Joint Stock Company.
- Position held in other organizations (if any): Member of the Board of Directors of FECON Mining Joint Stock Company.
- Legal Violations: None
- Conflicts of Interest with the Company: None.
- Debts owed to the company: None.
- Number of shares held: 31,006 shares, accounting for 0.07% of charter capital.
- Among them:
  - Personal ownership: 31,006 shares (corresponding to 0.07% of charter capital)
  - Number of shares held by related persons: None

#### **b.2 Cao Van Thai – Deputy Director of the Company**

- Gender : Male
- Date of birth : June 28, 1982
- Place of Birth : Thanh Hoa
- Nationality : Viet Nam
- Ethnicity : Kinh
- Professional Qualification: Civil engineer.
- Work History:

Time	Position
From October 2008 to March 2014	Team leader of the construction team at FECON Joint Stock Company
From April 2016 - present	Deputy Director of FECON Mining Joint Stock Company

- Current position: Deputy Director of FECON Mining Joint Stock Company.
- Position held in other organizations: None.
- Legal violations: None.
- Conflicts of interest with the Company: None.
- Debts to the Company: None.
- Number of shares held: 0 shares, accounting for 0% of charter capital..



- Among them:
  - Personal ownership: 0 shares (corresponding to 0% of charter capital).
  - Authorized representative: 0 shares (corresponding to 0% of charter capital).
- Number of shares held by related persons: None

### **b.3 Luong Anh Kiem – Deputy Director of the Company**

- Gender : Male
- Date of Birth : June 16, 1979
- Place of Birth : Thai Binh
- Nationality : Viet Nam
- Ethnicity : Kinh
- Professional qualification: Master of Business Administration.
- Work History:

<b>Time</b>	<b>Position</b>
From October 2001 - March 2004	General accountant – Phu Nam Co., Ltd
From April 2004 - November 2007	Investment specialist – Investment Development Management Board – Xuan Mai Concrete and Construction Joint Stock Company
From December 2007 - December 2014	Head of Sales Department – Vinaconex Phan Vu Concrete Joint Stock Company
From January 2015 - February 2020	Head of Sales Department – Phan Vu Investment Corporation (Phan Vu Northern Region)
From March 2020 - present	Deputy Director of FECON Mining Joint Stock Company

- Current position: Deputy Director of FECON Mining Joint Stock Company.
- Position held in other organizations: None.
- Legal violations: None.
- Conflicts of interest with the Company: None.
- Debts to the Company: None
- Number of shares held: 0 shares, accounting for 0% of charter capital.
- Among them:
  - Personal ownership: 0 shares (corresponding to 0% of charter capital).
- Number of shares held by related persons: None

### **b.4 Ngo Thi Thanh – Chief Accountant**

- Gender : Female
- Date of Birth : November 5, 1986
- Place of Birth : Ha Nam
- Nationality : Viet Nam
- Ethnicity : Kinh
- Professional Qualification: Bachelor of Economics.
- Work History:



Time	Position
From November 2009 – November 2022	Accountant at FECON Mining Joint Stock Company
From January 2018 – April 2020	Chief Accountant at Xuyen Viet Company Limited
From November 2022 - present	Chief Accountant at FECON Mining Joint Stock Company

- Current position: Chief Accountant at FECON Mining Joint Stock Company.
- Position held in other organizations: None.
- Legal violations: None.
- Conflicts of interest with the Company: None.
- Debts to the Company: None
- Number of shares held: 0 shares, accounting for 0% of charter capital.
- Among them:
  - Personal ownership: 0 shares.
  - Authorized representative: 0 shares.
- Number of shares held by related persons: None

**c. Changes in the executive board:** None

**d. Number of staff and employees, summary of policies and changes in policies for workers:**

- Number of employees: specifically, the FECON Mining Joint Stock Company had 267 people as of December 31, 2024.
- Working regime:
  - ✓ Regarding working hours: The company organizes work for 8 hours/day; 5.5-6 days/week. Employees are entitled to leave, holidays, Tet holidays, and maternity leave in accordance with the Labor Code.
  - ✓ The office and workshop are fully equipped with machinery and equipment to serve the work. For direct labor force, the company provides adequate personal protective equipment, occupational hygiene, and strictly adheres to safety principles.
- Salary, bonus, and welfare policies:
  - ✓ Employees in the company, in addition to fixed contract salaries, are also paid based on their qualifications, capabilities, and the effectiveness of the assigned work.
  - ✓ Besides the salary regime, the company fully and fairly implements policies to encourage employees, such as meal allowances, holiday bonuses, and bonuses for completing plans. It always creates a secure and enthusiastic environment for employees to strive in production labor. The company regularly checks the implementation of policies regarding salaries, social insurance, and health insurance for employees, and promotes salary increases for employees within the company.
  - ✓ The company has a reward policy that is commensurate with individuals and collectives who have outstanding achievements and contribute innovative solutions that help bring high business efficiency. At the same time, the company applies measures and regulations for handling and punishing officials who have behaviors that negatively affect the company's operations and production.



- ✓ Mass organizations are facilitated to operate and receive attention from all levels of leadership. In addition to the regime of visiting, condolences, and illness for workers and their relatives, the company always pays attention to implementing these.
- Recruitment and training policy:
- ✓ The company's recruitment goal is to attract competent labor with appropriate professional qualifications to work at the company, meeting the demand for expanding the company's operational scale. Depending on each specific position, the company sets its own standards, but all positions must meet basic requirements regarding qualifications, experience, and work ethic. For important positions, recruitment is stricter with requirements for work experience, analytical ability, and independent operation.
- ✓ The company has a salary, bonus, and high remuneration policy for excellent employees with high educational qualifications and experience in fields related to the company's operational industry, aiming to create a stable mindset for employees and attract quality human resources to work for the company.

### **3. Investment situation, implementation status of projects**

#### **a) Major investments made in 2024**

In 2024, FECON Mining Joint Stock Company continues to implement the agreement on land use rights transfer and compensation for site clearance for the investment project to build a concrete product manufacturing plant in Chan Ly Commune, Ly Nhan District, Ha Nam Province.

#### **b) Subsidiaries and affiliated companies:**

Thai Ha Concrete Joint Stock Company: (Not yet operational; currently, the company is continuing to negotiate the transfer of land use rights and compensation, site clearance, and implementing the next steps of the project to build the concrete product manufacturing plant)

### **4. Financial situation**

#### **a) Financial situation**

Data from the consolidated financial report for 2024.

No.	Indicators	Year 2023 (VND)	Year 2024 (VND)	Increase, decrease (+,-)
1	Total asset value	807.561.235.493	631.739.686.153	-175.821.549.340
2	Net revenue	458.971.576.519	469.074.237.334	+10.102.660.815
3	Profit from business operations	20.139.329.551	4.528.645.126	-15.610.684.425
4	Other profits	228.505.723	-1.773.002.426	-2.001.508.149
5	Profit before tax	20.367.835.274	2.755.642.700	-17.612.192.574
6	Profit after tax	15.652.456.601	1.005.253.302	-14.647.203.299

#### **b) Key financial indicators**



Indicators	2023	2024	Note
1. Liquidity indicators			
+ Current ratio:	3,06	5,78	
Current assets / Current liabilities			
+ Quick ratio:	2,67	4,87	
<u>Current assets – Inventory</u>			
Short-term debt			
2. Capital structure indicators:			
+ Debt ratio / Total assets	0,28	0,15	
+ Debt ratio / Equity	0,38	0,18	
3. Operating capacity indicators:			
+ Inventory turnover:	4,09	4,75	
<u>Cost of goods sold</u>			
Average inventory			
+ Net revenue / Total assets	0,57	0,74	
4. Profitability indicators			
+ After-tax profit margin / Net revenue	3,4%	0,21%	
+ After-tax profit margin / Equity	2,7%	0,19%	
+ After-tax profit margin / Total assets	1,9%	0,16%	
+ Operating profit margin / Net revenue	4,4%	0,97%	

## 5. Shareholder structure, changes in owner's investment capital

### a) Shares:

- Total number of shares outstanding: 46,226,626 shares.
- Number of shares restricted from transfer according to legal regulations: 0 shares.
- Number of freely transferable shares: 46,226,626 shares
- Number of treasury shares: None

List of restrictions on transfer: None.

### b) Shareholder structure:

Based on the shareholder list prepared by the Vietnam Securities Depository and Clearing Corporation (as of March 26, 2024).

Nominal value: 10,000 VND/share

No.	Shareholder	Number of shareholders	Number of shares owned	Ownership percentage (%)
1.	Domestic	3.625	44.883.074	97,09
1.1	Organization	15	23.598.556	51,05



1.2	Individual	3.610	21.284.518	46,04
2.	Foreign	36	1.343.552	2,91
2.1	Organization	6	44.843	0,10
2.2	Individual	30	1.298.709	2,81
3.	Treasury shares	-	-	-
Total		3.661	46.226.626	100

Including:

No.	Shareholder	Number of shareholders	Number of shares owned	Ownership percentage (%)
1.	Major shareholders	1	23.576.025	51
1.1	Organization	1	23.576.025	51
1.2	Individual	0	0	0

c) **Changes in owner's investment capital:** In 2024, FECON Mining Joint Stock Company issued additional shares to distribute dividends for 2023, increasing the owner's equity to 462,266,260,000 VND.

d) **Treasury share transactions:** None.

e) **Other securities:** None.

## 6. Report on the company's environmental and social impacts:

### 6.1 Management of raw material sources:

a) The total amount of raw materials used for the production and packaging of the organization's main service products in the year: This includes various types of input materials, with the quantity depending on specific production orders at particular times.

b) Report on the percentage of raw materials recycled and used for the production of the organization's main products and services:

- Fly ash from thermal power plants is used as a replacement for 10% to 12% for cement; Blast furnace slag from metallurgical plants is used as a replacement for 25-40% for cement. This is a significant success that addresses waste disposal into the environment, reduces costs, and improves the quality of concrete.
- Using rice husk as fuel (instead of coal) to provide steam for pile maintenance.
- Using 100% artificial sand to produce centrifugal concrete → both reduces product costs and protects the natural environment.

### 6.2 Energy consumption:

a) Direct and indirect energy consumption:

Electricity: 4.151.350 KWh

DO oil: 268.654 liters

b) Energy savings achieved through energy efficiency initiatives: Not measured.



c) Reports on energy-saving initiatives (providing energy-efficient products and services or using renewable energy): None

### **6.3 Water consumption:**

a) Water supply sources and amount of water used: Tap water and well water.

b) Percentage and total amount of recycled and reused water: Not measured; however, during the production process, the Company has reused wastewater in the mixing chamber washing process using a three-compartment sedimentation treatment system, where water is settled in tanks 1 and 2 and then flows to tank 3. Water from tank 3 will be pumped for reuse in concrete mixing. This method saves a lot of water and ensures environmental protection during production.

### **6.4 Compliance with environmental protection laws:**

The Company is always concerned and complies with environmental protection laws. The environmental sanitation department regularly maintains and implements cleaning and waste collection. Waste types are sorted and collected in storage facilities. The Company has signed contracts for the collection, transportation, and treatment of hazardous waste, as well as regular domestic and industrial waste with authorized units, ensuring compliance with current legal regulations.

For wastewater in production, the company has invested in a treatment system through sedimentation tanks, and this water is reused in production, not discharged into the environment.

### **6.5 Policies related to employees:**

a) Number of employees, average salary for employees:

- Average number of employees in 2024: 266 people
- Average income: 13 million VND/person

b) Labor policies to protect the health, safety, and welfare of employees:

- Organizing annual health check-ups for employees.
- Periodic training on occupational safety and health according to legal regulations.
- There is a safety committee, and a medical room with 2 medical staff with university and college degrees.
- Establish a labor hygiene file for the facility.
- Organize periodic environmental monitoring as required
- Provide sufficient personal protective equipment for employees when participating in work.
- Ensure meal allowances.

c) Employee training activities:

In addition to mandatory training courses as required throughout the year, the company mainly focuses on internal training, specifically:

In 2024, departments/units will actively conduct internal training; onboarding training for 100% of new employees.

Organize safety training courses for groups 2, 3, and 6, and training on fire prevention and first aid;

Training on key techniques in the production of precast concrete piles; training on operating cranes and forklifts to meet the requirements for precast concrete production;



## 6.6 Reports related to responsibilities towards the local community:

Throughout the year, the company has participated with the local community in giving gifts to families in policy categories, poor households in the area, and supporting children during the Mid-Autumn Festival... in Thi Son Ward, Kim Bang Town.

## 6.7 Reports related to green capital market activities according to the guidelines of the State Securities Commission: No

### III. Reports and evaluations from the Board of Directors

#### 1. Evaluation of production and business results

- Achievements obtained:

No.	Indicators	Year 2024 (billion VND)	% increase/decrease compared to 2023	% compared to plan
1	Net revenue	469	+ 2%	117%
2	Profit before tax	2,755	-86%	
3	Profit after tax	1,005	-94%	6,7%
4	Profit after tax margin on revenue	0,21%		

#### 2. Financial situation

##### a) Asset situation

No.	Indicators	Year 2023 (VND)	Year 2024 (VND)	Compared to 2023 (%)
1	Current assets	682.187.734.636	557.644.884.476	81,7%
2	Inventory	88.528.875.427	88.488.498.446	100%
3	Other current assets	3.912.925.280	5.760.226.265	147,2%
4	Long-term assets	125.373.500.857	74.094.801.677	59,1%
5	Fixed assets	75.184.705.333	23.198.641.742	30,9%
6	Other long-term assets	966.079.085	964.831.542	99,9%
7	Total assets	807.561.235.493	631.739.686.153	78,2%

##### b) Payables situation

No.	Indicators	Year 2023 (Unit: VND)	Year 2024 (Unit: VND)	Compared to 2023 (%)
A	SHORT-TERM DEBT	222.663.267.353	96.416.717.478	43,3%
	Including: + Short-term loans	111.426.508.935	-	
	+ Short-term payables	86.352.286.820	77.399.978.472	89,6%
B	LONG-TERM DEBT	286.000.000	287.000.000	100,3%
	Including: + Long-term loans			
C	TOTAL PAYABLES	222.949.267.353	96.703.717.478	43,4%



### 3. Improvements in organizational structure, policies, management

#### Improvement work:

- This is an ongoing task with the participation of a large number of employees. Improvements are made in almost all stages of the production process, from scientific arrangement and renovation of the production site to upgrading machinery and equipment to enhance equipment capacity and improve production processes and technical processes.
- Total number of initiatives successfully implemented in the year: 61 initiatives.
- The initiatives have directly contributed to serving production to enhance productivity, product quality, reduce human labor, and lower product costs → Enhance competitiveness.

#### Product Quality:

"Reputation, quality, efficiency" is the core value throughout the Phan Vu Group in general and the motto "Nothing can compromise product quality" of FECON Mining Joint Stock Company in particular. Each year, the company always focuses on improvement activities, especially initiatives aimed at enhancing productivity, product quality, and improving the working environment for employees. The quality results of the company's products are always ensured even in harsh production conditions.

#### Labor Productivity:

Labor productivity is an indicator that is always closely monitored and evaluated daily, weekly, and monthly. Labor productivity reached 619m3/person/year and over 1.7 million linear meters of piles in 2024.

### 4. Future Development Plan

Consolidated business plan targets for 2024:

No.	Indicators	Unit	Year 2024	Plan for 2025
1	Consolidated revenue	Billion VND	469	420
2	Consolidated profit after tax	Billion VND	1,005	16,8

### 5. Measures to implement the future plan:

- Continue to maintain and promote the advantages and address the limitations from 2024, enhance management capacity to ensure the sustainable development of the company; Focus on implementing improvements to reduce waste costs and increase labor productivity.
- Implement measures to retain employees to ensure the company has a stable workforce serving production and business activities. To ensure good preparation of the goods supply, the company develops a plan suitable for the fluctuations of the market and controls quality to ensure timely delivery as committed to customers.
- Train technical staff and employees to meet the technical requirements for production, working directly with customers...

### 6. Explanation from the Board of Directors regarding the audit opinion: None.

### 7. Evaluation report related to the company's environmental and social responsibilities:



**a. Evaluation related to environmental indicators:**

- In 2024, the company will carry out environmental monitoring as committed in the "Environmental Impact Assessment Report" of the investment project for the production of prestressed concrete piles by FECON Mining Joint Stock Company, which has been approved.
- The results of periodic measurements show that most evaluation indicators are within the allowed standard limits.

**b. Evaluation related to labor issues:**

- In 2024, the company conducted environmental measurements affecting employees' health. This includes measurements of temperature, humidity, lighting, wind speed, etc., which are within the thresholds and standards allowed by the Ministry of Health.
- There is a reward policy for holidays and collective activities such as vacations, cultural and sports events... ensuring compliance with regulations.
- Concern for improving the working environment of employees, ensuring safe and convenient working equipment.
- Concern for the spiritual life of employees
- Social insurance policy: 100% of employees in the regulated category participate in social insurance according to state law.
- Visiting policy: In collaboration with the trade union executive committee, visit employees in the company and their relatives (parents, spouses, children) in cases of illness, maternity, bereavement, and celebrations....

**c. Evaluation related to the company's responsibility to the local community:**

Every year, the company is always responsible to the local community, participating in giving gifts to families in policy categories and poor households during the Lunar New Year...

- Actively participating in local security and order work and building, maintaining, and ensuring the company meets the "Safety in security and order" standards.

**IV. Evaluation of the Board of Directors on the company's activities**

**1. Evaluation of the Board of Directors on the company's operational aspects**

Overall, in 2024, the domestic economy is recovering, with growth in 2024 reaching 7.09%, but still faces many risks due to the high openness of the economy and vulnerability to international market impacts. The construction industry has recovered and grown by about 8%. However, there is uneven development among regions across the country.

The Board of Directors has been very proactive in implementing solutions with a high sense of responsibility to execute the resolutions and decisions of the Board of Management in order to achieve the set goals. Throughout the year, the Board of Directors continued to focus on organizing improvements to equipment lines, working conditions for employees, and enhancing labor productivity.

**2. Evaluation of the Board of Directors regarding the activities of the company's Executive Board.**

The Board of Directors always closely monitors and supervises the activities of the Executive Board regularly and thoroughly:



- The Executive Board always complies with and strictly implements the provisions of the law, the Company's Charter, the resolutions of the General Meeting of Shareholders, and the resolutions of the Board of Directors. The Executive Board operates actively, responsibly, and diligently, providing timely information, organizing regular weekly and monthly meetings, as well as ad hoc meetings to discuss and unify solutions for implementation. Each member of the Executive Board closely monitors their work, reports promptly, and collaborates with each other to effectively address production and business tasks.
- The management work of the FCM Executive Board has always been proactive in developing flexible response plans to difficult situations, with very positive shifts in technology improvement and production management to enhance labor productivity and stabilize product quality.
- The Executive Board regularly keeps track of market conditions and implements flexible response plans for emerging situations in 2024.

### **3. Plans and orientations of the Board of Directors**

- Directing the step-by-step research and application of improvement initiatives, research, and production of new types of products such as piles and precast concrete components... ensuring high quality and environmental friendliness.
- Continuously improving towards 4.0 technology, automating each part of the old production line, especially applying it to the new technology line.
- Focusing on training and developing human resources, with an emphasis on the management staff and highly skilled technical workers to meet the increasingly higher demands in the trend of international integration and rising competition.
- Enhancing quality to export to the Southeast Asian market, serving as a springboard to enter the markets of developed countries like Japan and South Korea in line with the overall development direction of Phan Vu Group.
- Always paying attention to improving working conditions, income levels of workers, and cultural and social activities. Building a healthy corporate culture... to increasingly garner support from local authorities, organizations, and people to attract more high-quality labor.
- Continuing to complete the construction of the Thai Ha Concrete Factory to fully leverage its geographical advantages (central location for raw materials, convenient for water transport) to expand the market deeper into the south and for export markets.

## **V. Corporate Governance**

### **1. Board of Directors**

#### **a) Members and structure of the Board of Directors:**

Number of shares held:

No.	Full name	Position	Number of representative shares	Number of personal shares	Representing	Notes
1	Phan Khac Long	Chairman	23.576.025	0	Phan Vu Investment Corporation	



2	Tran Vu Anh Tuan	Member of the Board of Directors	0	0		
3	Dang Kien Hung	Member of the Board of Directors	0	0		
4	Hoang Kim Anh	Independent Board Member	0	0		
5	Pham Trung Thanh	Member of the Board of Directors, Director, Legal Representative	0	31.006		

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**b) Subcommittees of the Board of Directors: None.**

**c) Activities of the Board of Directors:**

Board Meeting Minutes:

No.	Member of the Board of Directors	Position	Number of meetings attended	Rate	Notes
1	Phan Khac Long	Chairman	8/8	100%	
2	Tran Vu Anh Tuan	Member of the Board of Directors	8/8	100%	
3	Dang Kien Hung	Member of the Board of Directors	8/8	100%	
4	Hoang Kim Anh	Independent Board Member	8/8	100%	
5	Pham Trung Thanh	Member of the Board of Directors, Director, Legal Representative	8/8	100%	

\* Content of the meetings:

No.	Resolution/Decision No.	Date	Content	Approval Rate
1	No: 0126/2024/NQ-HĐQTFCM	January 26, 2024	Regarding: Approval of the content of the Board of Directors meeting for Q4 2023	100%
2	No: 0304/2024/NQ-HĐQTFCM	March 4, 2024	Regarding: Annual General Meeting of Shareholders 2024	100%
3	No: 040401/2024/NQ-HĐQTFCM	April 4, 2024	Regarding: Approval of the program and documents presented at the Annual General Meeting of Shareholders 2024	100%
4	No: 040402/2024/NQ-HĐQTFCM	April 4, 2024	Regarding: Complete divestment of capital at FECON Nghi Son Joint Stock Company	100%
5	No: 0415/2024/NQ-	April 15,	Regarding: Approval of the list of	100%



	HĐQTFCM	2024	candidates for election to the Board of Directors and Supervisory Board for the term 2024-2029	
6	No: 042601/2024/NQ-HĐQTFCM	April 26, 2024	Regarding: Election of the Chairman of the Board of Directors for the term 2024-2029	100%
7	No: 0704/2024/NQ-HĐQTFCM	July 4, 2024	Regarding: Selection of the auditing unit for the financial statements of 2024	100%
8	No: 0726/2024/NQ-HĐQTFCM	July 26, 2024	Regarding: Approval of the business operation results for the first 6 months of 2024	100%
9	No: 102201/2024/NQ-HĐQTFCM	October 22, 2024	Regarding: Approval of the implementation plan for issuing shares to pay dividends to existing shareholders of FECON Mining Joint Stock Company	100%
10	No: 102202/2024/NQ-HĐQTFCM	October 22, 2024	Regarding: Approval of the business operation results for the first 9 months of 2024	100%
11	No: 111401/2024/NQ-HĐQTFCM	November 14, 2024	Regarding: Approval of the date to finalize the shareholder list for issuing shares to pay dividends for the year 2023	100%
12	No: 121201/2024/NQ-HĐQTFCM	December 12, 2024	Regarding: Increase of charter capital and change of business registration content	100%
13	No: 121201/2024/NQ-HĐQTFCM	December 20, 2024	Regarding: Decision to reappoint Mr. Pham Trung Thanh as Director of FECON Mining Joint Stock Company	100%
14	No: 121202/2024/NQ-HĐQTFCM	December 20, 2024	Regarding: Approval of the policy to implement trading contracts for the year 2025	100%

- During the year, the Board of Directors met regularly every quarter to hear reports on the business production results of the enterprise, difficulties, and proposals from the Management Board; assigned members to support and supervise the implementation of the Board of Directors' resolutions, creating conditions for the Management Board to fulfill the objectives assigned by the General Meeting of Shareholders and the Board of Directors.

- The Board of Directors has exercised its rights and duties in accordance with the Company's Charter. The Board of Directors operates actively with a high sense of responsibility aiming for the company to develop sustainably.



- The decisions of the Board of Directors over the year have clearly demonstrated the role of strategic development orientation, helping the company overcome immediate difficulties and continue to develop in the context of a very challenging economy.

- The activities of the Board of Directors have ensured compliance with legal regulations and the Charter approved by the General Meeting of Shareholders.

**d) Activities of independent non-executive Board members**

- Independent Board members have participated in contributing opinions at Board meetings attended by members, focusing on directing the company's activities to ensure compliance with current legal regulations, in line with the company's development orientation as well as the general direction of the parent company. Independent Board members assess that the Board's decisions are in line with actual circumstances, ensuring sustainable development goals for the company and compliance with state legal policies.

- Independent Board members have been active in monitoring activities to ensure objectivity and transparency, providing objective contributions leading to decisions beneficial to the majority of shareholders.

**đ) Activities of subcommittees within the Board of Directors: None**

**e) List of Board members with training certificates in corporate governance:**

Board members and the company's director have participated in corporate governance training programs, specifically:

+ Mr. Phan Khac Long- Chairman of the Board of Directors has attended training courses: Building a Management Accounting System (2021); 4 Execution Principles (4DX - 2022).

+ Mr. Tran Vu Anh Tuan - Member of the Board of Directors has participated in training courses: Building a Management Accounting System (2021); 4 Execution Principles (4DX - 2022).

+ Mr. Dang Kien Hung - Member of the Board of Directors has participated in training courses: Building a Management Accounting System (2021); 4 Execution Principles (4DX - 2022).

+ Mr. Pham Trung Thanh - Member of the Board of Directors and Director has participated in training courses: Building a Management Accounting System (2021); 4 Execution Principles (4DX - 2022); Corporate Financial Management and Experiences of Japanese Businesses; Corporate Governance for Public Joint Stock Companies (2014).

## **2. Supervisory Board**

**a) Members and structure of the Supervisory Board:**

No.	Full Name	Position	Number of Shares Held (CP)		Notes
			Representative	Individual	
1	Le Thi Anh	Head of the Supervisory Board	0	0	
2	Ha Thi My Quyen	Member of the Supervisory Board	0	0	
4	Nguyen Hoang Tam Quyen	Member of the Supervisory Board	0	0	

**b) Activities of the Supervisory Board:**

The Supervisory Board of the company for the term 2024-2029 consists of 3 members; in 2024, the Supervisory Board has consolidated and conducted the following activities:



- Monitoring the Board of Directors and the Executive Board in managing and implementing the production and business targets, profits for 2024 according to the resolution of the General Meeting of Shareholders;
- Organizing regular meetings of the Supervisory Board;
- Appointing representatives to fully participate in the meetings of the Board of Directors;
- Contributing opinions in the development of regulations...
- Evaluating, proposing, and selecting an independent auditing firm to carry out the financial statement audit of the Company;
- Discuss the nature and scope with Ernst & Young Vietnam Limited (the selected unit to conduct the financial statement audit) before and during the audit process of the 2024 financial statements; consider external opinions affecting the quality of the Company's financial statements;
- Verify the reasonableness, validity, and prudence in organizing accounting, statistics, and preparing quarterly financial statements and annual financial statements audited by Ernst & Young Vietnam Limited.
- In 2024, during the exercise of control rights, the Supervisory Board found that practical activities at the Company continued normally, and no recommendations were received from shareholders regarding any violations by the Board of Directors in carrying out their duties.

### **3. Transactions, remuneration, and benefits of the Board of Directors, Executive Board, and Supervisory Board**

- Salary, bonuses, remuneration, and benefits: The total remuneration for the Board of Directors and Supervisory Board in 2024 is: 810,000,000 VND (Eight hundred ten million VND).

No.	Full Name	Position	Monthly Remuneration (VND)	Total Remuneration/Year (VND)	Notes
1	Phan Khac Long	Chairman	12.500.000	150.000.000	
2	Tran Vu Anh Tuan	Member of the BOD	8.000.000	96.000.000	
3	Dang Kien Hung	Member of the BOD	8.000.000	96.000.000	
4	Hoang Kim Anh	Member of the BOD	8.000.000	96.000.000	
5	Pham Trung Thanh	Member of the BOD	8.000.000	96.000.000	
6	Le Thi Anh	Head of the Supervisory Board	8.000.000	96.000.000	
7	Ha Thi My Quyen	Member of the Supervisory Board	5.000.000	60.000.000	
8	Nguyen Hoang Tam Quyen	Member of the Supervisory Board	5.000.000	60.000.000	
9	Nguyen Huu Thieu	Secretary of the BOD	5.000.000	60.000.000	
Total				810.000.000	

- Insider stock transactions: None.

## **VI. Financial Statements**

1. Auditor's opinions: The financial statements for the year 2024 of the Parent Company and the consolidated statements have been fully approved by Ernst & Young Vietnam Limited, specifically as follows:



- For the separate financial statements for the year 2024: "In our opinion, the separate financial statements give a true and fair view, in all material respects, of the separate financial position of the Company as at 31 December 2024, and of the separate results of its operations and its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the separate financial statements".

- For the consolidated financial statements for the year 2024: "In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements"

2. Audited financial statements (The audited annual financial statements include: Balance sheet, Income statement, Cash flow statement, Notes to the financial statements as required by law on accounting and auditing). The financial statements presented in the Annual Report are the consolidated financial statements for the year 2024. The entire consolidated financial statements (attached to this report) and the separate financial statements for the year 2024 have been published on the company's website at: [www.feconmining.com.vn](http://www.feconmining.com.vn).

**CONFIRMATION BY THE COMPANY'S  
LEGAL REPRESENTATIVE**



GIÁM ĐỐC  
*Phạm Trung Thành*



## **FECON Mining Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2024



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# **FECON Mining Joint Stock Company**

Consolidated financial statements

For the year ended 31 December 2024





# FECON Mining Joint Stock Company

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# **FECON Mining Joint Stock Company**

## **GENERAL INFORMATION**

### **THE COMPANY**

FECON Mining Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Enterprise Registration Certificate ("ERC") No. 0700252549 issued by the Department of Planning and Investment of Ha Nam Province on 3 September 2007, and the subsequently amended ERCs.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with code FCM in accordance with Decision No. 54/2013/QĐ-SGDHCM issued by HOSE on 15 May 2013.

The Company and its subsidiaries ("the Group")'s current principal activities are to manufacture and trade the prestressed centrifugal concrete piles and to manufacture and trade precast concrete products.

The Company's registered head office is located at Thi Son Industrial Complex, Thi Son Commune, Kim Bang District, Ha Nam Province, Vietnam.

### **BOARD OF DIRECTORS**

The Board of Directors ("BOD") during the year and at the date of this report consists of:

Mr. Phan Khac Long	Chairman
Mr. Tran Vu Anh Tuan	Member
Mr. Dang Kien Hung	Member
Mr. Pham Trung Thanh	Member
Mr. Hoang Kim Anh	Independent member

### **BOARD OF SUPERVISION**

The Board of Supervision ("BOS") during the year and at the date of this report consists of:

Ms. Le Thi Anh	Head
Ms. Ha Thi My Quyen	Member
Ms. Nguyen Hoang Tam Quyen	Member

### **MANAGEMENT**

The management during the year and at the date of this report consists of:

Mr. Pham Trung Thanh	Director
Mr. Luong Anh Kiem	Deputy Director
Mr. Cao Van Thai	Deputy Director

### **LEGAL REPRESENTATIVE**

The legal representative of the Company during the year and at the date of this report is Mr. Pham Trung Thanh.

### **AUDITOR**

The auditor of the Company is Ernst & Young Vietnam Limited.



# FECON Mining Joint Stock Company

## REPORT OF MANAGEMENT

Management of FECON Mining Joint Stock Company ("the Company") is pleased to present this report and the consolidated financial statements of the Company and its subsidiaries ("the Group") for the year ended 31 December 2024.

### MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Group, and of consolidated results of its operations and its consolidated cash flows for the year. In preparing those consolidated financial statements, management is required to:

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgments and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue its business.

Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Group and ensuring that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Management confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements.

### STATEMENT BY MANAGEMENT

Management does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

For and on behalf of management:   


Phạm Trung Thanh  
Director

Ha Nam Province, Vietnam

31 March 2025



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Ernst & Young Vietnam Limited  
20th Floor, Bitexco Financial Tower  
2 Hai Trieu Street, District 1  
Ho Chi Minh City, Vietnam

Tel: +84 28 3824 5252  
Email: eyhcmc@vn.ey.com  
Website (EN): ey.com/en\_vn  
Website (VN): ey.com/vi\_vn

Reference: 12821045/67735187-HN

## INDEPENDENT AUDITORS' REPORT

**To: Shareholders of FECON Mining Joint Stock Company**

We have audited the accompanying consolidated financial statements of FECON Mining Joint Stock Company ("the Company") and its subsidiaries (collectively referred to as "the Group"), as prepared on 31 March 2025 and set out on pages 5 to 35, which comprise the consolidated balance sheet as at 31 December 2024, and the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

### *Management's responsibility*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' responsibility*

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

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

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





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### Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Group as at 31 December 2024, and of the consolidated results of its operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Enterprise Accounting System and the statutory requirements relevant to preparation and presentation of the consolidated financial statements.

### Ernst & Young Vietnam Limited



Maria Cristina M. Calimbas  
Deputy General Director  
Audit Practicing Registration Certificate  
No: 1073-2023-004-1

Ly Hong My  
Auditor  
Audit Practicing Registration Certificate  
No: 4175-2022-004-1

Ho Chi Minh City, Vietnam

31 March 2025

# FECON Mining Joint Stock Company

B01-DN/HN

## CONSOLIDATED BALANCE SHEET as at 31 December 2024

VND

Code	ASSETS	Notes	Ending balance	Beginning balance
<b>100</b>	<b>A. CURRENT ASSETS</b>		<b>557,644,884,476</b>	<b>682,187,734,636</b>
<b>110</b>	<b>I. Cash and cash equivalents</b>	<b>5</b>	<b>31,633,185,640</b>	<b>60,276,416,254</b>
111	1. Cash		11,633,185,640	41,576,416,254
112	2. Cash equivalents		20,000,000,000	18,700,000,000
<b>120</b>	<b>II. Short-term investment</b>		<b>6,597,100,000</b>	<b>26,597,100,000</b>
123	1. Held-to-maturity investment	6	6,597,100,000	26,597,100,000
<b>130</b>	<b>III. Current accounts receivable</b>		<b>425,165,874,125</b>	<b>502,872,417,675</b>
131	1. Short-term trade receivables	7	444,570,544,777	522,488,419,659
132	2. Short-term advances to suppliers		1,164,117,510	1,051,653,598
136	3. Other short-term receivables	8	15,517,771,762	13,223,956,729
137	4. Provision for doubtful short-term receivables	7	(36,086,559,924)	(33,891,612,311)
<b>140</b>	<b>IV. Inventories</b>	<b>9</b>	<b>88,488,498,446</b>	<b>88,528,875,427</b>
141	1. Inventories		98,291,043,222	98,814,310,550
149	2. Provision for obsolete inventories		(9,802,544,776)	(10,285,435,123)
<b>150</b>	<b>V. Other current assets</b>		<b>5,760,226,265</b>	<b>3,912,925,280</b>
151	1. Short-term prepaid expenses	10	5,635,230,430	3,780,316,582
152	2. Value-added tax deductible	17	123,213,957	119,184,398
153	3. Tax receivable from the State	17	1,781,878	13,424,300
<b>200</b>	<b>B. NON-CURRENT ASSETS</b>		<b>74,094,801,677</b>	<b>125,373,500,857</b>
<b>210</b>	<b>I. Long-term receivable</b>		<b>2,518,051,950</b>	<b>2,557,051,951</b>
216	1. Other long-term receivable	8	2,518,051,950	2,557,051,951
<b>220</b>	<b>II. Fixed assets</b>		<b>23,198,641,742</b>	<b>75,184,705,333</b>
221	1. Tangible fixed assets	11	18,853,757,451	70,661,545,843
222	Cost		402,625,026,527	512,395,958,454
223	Accumulated depreciation		(383,771,269,076)	(441,734,412,611)
227	2. Intangible fixed assets	12	4,344,884,291	4,523,159,490
228	Cost		7,003,276,109	7,153,776,109
229	Accumulated amortization		(2,658,391,818)	(2,630,616,619)
<b>230</b>	<b>III. Investment property</b>		<b>864,700,000</b>	<b>864,700,000</b>
231	1. Cost		864,700,000	864,700,000
<b>240</b>	<b>IV. Long-term asset in progress</b>		<b>32,596,776,443</b>	<b>31,849,164,488</b>
242	1. Construction in progress	13	32,596,776,443	31,849,164,488
<b>250</b>	<b>V. Long-term investments</b>		<b>13,951,800,000</b>	<b>13,951,800,000</b>
253	1. Investment in another entity	14	13,951,800,000	13,951,800,000
<b>260</b>	<b>VI. Other long-term assets</b>		<b>964,831,542</b>	<b>966,079,085</b>
261	1. Long-term prepaid expenses	10	964,831,542	948,204,085
269	2. Goodwill		-	17,875,000
<b>270</b>	<b>TOTAL ASSETS</b>		<b>631,739,686,153</b>	<b>807,561,235,493</b>



# FECON Mining Joint Stock Company

B01-DN/HN

CONSOLIDATED BALANCE SHEET (continued)  
as at 31 December 2024

VND

Code	RESOURCES	Notes	Ending balance	Beginning balance
<b>300</b>	<b>C. LIABILITIES</b>		<b>96,703,717,478</b>	<b>222,949,267,353</b>
<b>310</b>	<b>i. Current liabilities</b>		<b>96,416,717,478</b>	<b>222,663,267,353</b>
311	1. Short-term trade payables	15	77,399,978,472	86,352,286,820
312	2. Short-term advances from customers	16	4,964,765,788	6,203,905,946
313	3. Statutory obligations	17	1,282,398,560	5,651,364,166
314	4. Payable to employees		4,176,202,544	4,394,943,411
315	5. Short-term accrued expenses	18	4,026,838,840	3,308,098,864
319	6. Other short-term payables	19	611,455,630	751,264,733
320	7. Short-term loans	21	-	111,426,508,935
322	8. Bonus and welfare fund	20	3,955,077,644	4,574,894,478
<b>330</b>	<b>ii. Non-current liability</b>		<b>287,000,000</b>	<b>286,000,000</b>
337	1. Other long-term payable	19	287,000,000	286,000,000
<b>400</b>	<b>D. OWNERS' EQUITY</b>		<b>535,035,968,675</b>	<b>584,611,968,140</b>
<b>410</b>	<b>i. Owners' equity</b>	<b>22</b>	<b>535,035,968,675</b>	<b>584,611,968,140</b>
411	1. Share capital		462,266,260,000	450,999,690,000
411a	- Ordinary shares with voting rights		462,266,260,000	450,999,690,000
412	2. Share premium		(1,873,645,455)	(1,873,645,455)
414	3. Other owners' capital		-	946,684,088
418	4. Investment and development fund		40,630,016,668	38,282,148,178
421	5. Undistributed earnings		33,994,328,981	47,947,535,676
421a	- Undistributed earnings as at prior year-end		32,454,802,394	31,690,688,503
421b	- Earnings for the year		1,539,526,587	16,256,847,173
429	6. Non-controlling interest		19,008,481	48,309,555,653
<b>440</b>	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>631,739,686,153</b>	<b>807,561,235,493</b>



Ngo Thi Thanh  
Preparer cum Chief Accountant



Phạm Trung Thanh  
Director

# FECON Mining Joint Stock Company

B02-DN/HN

## CONSOLIDATED INCOME STATEMENT for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
01	1. Revenue from sale of goods and rendering of services	24.1	469,074,237,334	463,642,989,019
02	2. Deductions	24.1	-	(4,671,412,500)
10	3. Net revenue from sale of goods and rendering of services	24.1	469,074,237,334	458,971,576,519
11	4. Cost of goods sold and services rendered	25	(420,429,399,543)	(403,697,919,841)
20	5. Gross profit from sale of goods and rendering of services		48,644,837,791	55,273,656,678
21	6. Finance income	24.2	1,585,323,760	3,529,474,348
22	7. Finance expenses	26	(21,338,479,039)	(11,722,854,411)
23	In which: Interest expense		(2,509,396,125)	(9,783,093,083)
25	8. Selling expense	27	(664,649,479)	(919,041,396)
26	9. General and administrative expenses	27	(23,698,387,907)	(26,021,905,668)
30	10. Operating profit		4,528,645,126	20,139,329,551
31	11. Other income		208,622,939	305,675,972
32	12. Other expenses	28	(1,981,625,365)	(77,170,249)
40	13. Other (loss) profit		(1,773,002,426)	226,505,723
50	14. Accounting profit before tax		2,755,642,700	20,367,835,274
51	15. Current corporate income tax expense	30.1	(1,750,389,398)	(4,715,378,673)
60	17. Net profit after tax		1,005,253,302	15,652,456,601
61	18. Net profit after tax attributable to shareholders of the parent		1,539,526,587	17,066,847,173
62	19. Net profit after tax attributable to non-controlling interests	22.1	(534,273,285)	(1,414,390,572)
70	20. Basic earnings per share (VND/share)	23	31	335
71	21. Diluted earnings per share (VND/share)	23	31	335

*[Signature]*

Ngo Thi Thanh  
Preparer cum Chief Accountant

*[Red circular stamp: MSDN 0700252548, CÔNG TY TNHH KHOÁNG SẢN FECON, TX. KIM BANG - T. HÀ NAM]*  
Hà Nam Province, Vietnam  
31 March 2025  
*[Signature]*

Pham Trung Thanh  
Director



CONSOLIDATED CASH FLOW STATEMENT  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
	<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
01	<b>Accounting profit before tax</b>		<b>2,755,642,700</b>	<b>20,367,835,274</b>
	<i>Adjustments for:</i>			
02	Depreciation and amortization of fixed assets and goodwill		15,806,195,632	23,342,715,556
03	Provisions		9,473,549,677	8,252,935,144
05	Loss (profit) from investing activities		16,204,371,441	(3,021,031,942)
06	Interest expense	26	2,509,396,125	9,783,093,083
08	<b>Operating profit before changes in working capital</b>		<b>46,749,155,575</b>	<b>58,725,547,115</b>
09	Decrease (increase) in receivables		41,377,259,986	(21,370,326,968)
10	(Increase) decrease in inventories		(32,675,134,558)	20,672,432,315
11	Increase (decrease) in payables		30,436,676,182	(39,362,789,194)
12	Increase in prepaid expenses		(1,822,881,639)	(346,357,485)
14	Interest paid		(2,675,954,486)	(9,781,064,810)
15	Corporate income tax paid	17	(3,278,575,395)	(5,845,717,066)
16	Other cash inflow from operating activity		-	50,000,000
17	Other cash outflows from operating activities		(2,484,395,791)	(1,452,353,547)
20	<b>Net cash flows from operating activities</b>		<b>75,626,149,874</b>	<b>1,289,370,360</b>
	<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
21	Purchase of fixed assets		(779,611,955)	(3,754,193,042)
23	Placement in term deposits		-	(20,000,000,000)
24	Proceeds from term deposits		20,000,000,000	19,000,000,000
26	Net proceeds from sale of investment in subsidiaries (net of cash held by subsidiaries being disposed)		(23,700,844,049)	-
27	Interest received		1,725,254,963	3,021,031,942
30	<b>Net cash flows used in investing activities</b>		<b>(2,755,201,041)</b>	<b>(1,733,161,100)</b>
	<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
33	Drawdown of borrowings	21	87,252,751,978	251,754,419,323
34	Repayment of borrowings	21	(188,766,931,425)	(251,899,968,146)
40	<b>Net cash flows used in financing activities</b>		<b>(101,514,179,447)</b>	<b>(145,548,823)</b>

# FECON Mining Joint Stock Company

B03-DN/HN

CONSOLIDATED CASH FLOW STATEMENT (continued)  
for the year ended 31 December 2024

VND

Code	ITEMS	Notes	Current year	Previous year
50	Net decrease in cash and cash equivalents for the year		(28,643,230,614)	(589,339,563)
60	Cash and cash equivalents at beginning of year		60,276,416,254	60,865,755,817
70	Cash and cash equivalents at end of year	5	31,633,185,640	60,276,416,254



\_\_\_\_\_  
Ngo Thi Thanh  
Preparer cum Chief Accountant



Ho Nam Province, Vietnam

31 March 2025

\_\_\_\_\_  
Pham Trung Thanh  
Director



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
as at 31 December 2024 and for the year then ended

**1. CORPORATE INFORMATION**

FECON Mining Joint Stock Company ("the Company") is a shareholding company incorporated under the Law on Enterprise of Vietnam pursuant to Enterprise Registration Certificate ("ERC") No. 0700252549 issued by the Department of Planning and Investment of Ha Nam Province on 3 September 2007, and the subsequently amended ERCs.

The Company's shares were listed on the Ho Chi Minh City Stock Exchange ("HOSE") with code FCM in accordance with Decision No. 54/2013/QĐ-SGDHCM issued by HOSE on 15 May 2013.

The current principal activities of the Company and its subsidiaries ("the Group") are to manufacture and trade the prestressed centrifugal concrete piles and to manufacture and trade precast concrete products.

The Company's normal course of business cycle is 12 months.

The Company's registered head office is located at Thi Son Industrial Park, Thi Son Commune, Kim Bang District, Ha Nam Province, Vietnam.

The number of the Group's employees as at 31 December 2024 was 268 (31 December 2023: 408).

**Corporate structure**

The details of the Company's subsidiaries are as follows:

Company	Location	Business activities	31 December 2024		31 December 2023	
			Ownership	Voting right	Ownership	Voting right
			%	%	%	%
<b>Direct subsidiaries</b>						
Thai Ha Concrete Joint Stock Company ("Thai Ha")	Ha Nam	Producing concrete and products from concrete and gypsum	99.9	99.9	99.9	99.9
FECON Nghi Son Joint Stock Company ("FECON Nghi Son") (Note 4)	Thanh Hoa	Producing all kinds of concrete components	-	-	51.5	51.5
<b>Indirect subsidiary</b>						
FECON Nghi Son Mechanical Manufacture and Concrete Company Limited ("FECON Nghi Son Mechanical") (Note 4)	Thanh Hoa	Producing and selling prefabricated concrete components	-	-	51.5	51.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 2. BASIS OF PREPARATION

### 2.1 *Accounting standards and system*

The consolidated financial statements of the Group, expressed in Vietnam dong ("VND"), are prepared in accordance with the Vietnamese Enterprise Accounting System and Vietnamese Accounting Standards issued by the Ministry of Finance as per the:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the consolidated financial position and the consolidated results of operations and the consolidated cash flows of the Group in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

### 2.2 *Applied accounting documentation system*

The Group's applied accounting documentation system is the General Journal system.

### 2.3 *Fiscal year*

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

### 2.4 *Accounting currency*

The consolidated financial statements are prepared in VND which is also the Group's accounting currency.

### 2.5 *Basis of consolidation*

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries for the year 31 December 2024.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control, and continued to be consolidated until the date that such control ceases.

The financial statements of subsidiaries are prepared for the same reporting year as the parent company, using consistent accounting policies.

All intra-company balances, income and expenses and unrealised gains or losses resulted from intra-company transactions are eliminated in full.

Non-controlling interests represent the portion of profit or loss and net assets not held by the Group and are presented separately in the consolidated income statement and within equity in the consolidated balance sheet.

Impact of change in the ownership interest of a subsidiary, without a loss of control, is recorded in undistributed earnings.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash in banks and short-term, highly liquid investments with an original maturity of not more than three (3) months that are readily convertible into known amounts of cash and that are subject to an insignificant risk of changes in value.

#### 3.2 Receivables

Receivables are presented in the consolidated balance sheet at the carrying amounts due from customers and other debtors, along with the provision for doubtful debts.

The provision for doubtful debts represents outstanding receivables at the balance sheet date which are doubtful of being recovered. Increases or decreases to the provision balance are recorded as general and administrative expenses in the consolidated income statement. When bad debts are determined as unrecoverable and accountant writes off those bad debts, the difference between the provision for doubtful receivables previously made and historical cost of receivables is included in the consolidated income statement.

#### 3.3 Inventories

Inventories are measured at historical cost comprising cost of purchase and their conversion (including raw materials, direct labor cost, other directly related costs, and manufacturing general overheads allocated based on the normal operating capacity) incurred in bringing the inventories to their present location and condition.

Inventories are stated at the lower of cost and net realizable value.

Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs to complete and the estimated costs necessary to make the sale.

The perpetual method is used to record inventories, which are valued as follows:

Raw materials, consumables and goods for resale - cost of purchase on weighted average.

Finished goods and construction work in process - cost of direct materials and labor plus attributable construction overheads.

##### *Provision for obsolete inventories*

An inventory provision is made for the estimated loss arising due to the impairment of value (through diminution, damage, obsolescence, etc.) of construction materials, and construction work-in-process owned by the Group, based on appropriate evidence of impairment available at the balance sheet date.

Increases or decreases to the provision balance are recorded into the cost of goods sold account in the consolidated income statement. When inventories are expired, obsolete, damaged or become useless, the difference between the provision previously made and the historical cost of inventories is included in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.4 *Tangible fixed assets*

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of a tangible fixed asset comprises its purchase price and any directly attributable costs of bringing the tangible fixed asset to working condition for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

#### 3.5 *Intangible fixed assets*

Intangible fixed assets are stated at cost less accumulated amortization.

The cost of an intangible fixed asset comprises its purchase price and any directly attributable costs of preparing the intangible asset for its intended use.

Expenditures for additions, improvements and renewals are added to the carrying amount of the assets and expenditures for maintenance and repairs are charged to the consolidated income statement as incurred.

When intangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the consolidated income statement.

##### *Land use rights*

Land use rights are recorded as intangible fixed assets representing the value of the right to use the land parcels acquired by the Group. The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use. Accordingly, the land use right with definite useful life is amortized over term while the land use right with indefinite useful life is not amortized.

#### 3.6 *Depreciation and amortization*

Depreciation of tangible fixed assets and amortization of intangible assets are calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 - 25 years
Machinery and equipment	6 - 15 years
Means of transportation	6 - 10 years
Office equipment	6 - 8 years
Land use rights	39 years
Computer software	9 years
Others	8 years

#### 3.7 *Investment properties*

Investment properties are stated at cost including transaction costs less accumulated depreciation or amortization. Investment properties held for capital appreciation are not depreciated/amortized but subject to impairment review.

#### 3.8 *Borrowing costs*

Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds and are recorded as expense during the year when they are incurred.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.9 Construction in progress**

Construction in progress represents the costs of acquiring new assets that have not yet been fully installed or the costs of construction that have not yet been fully completed. Construction in progress is stated at cost, which includes all necessary costs to construct, repair, renovate, expand, or re-equip the projects with technologies, such as construction costs, tools and equipment costs, project management costs, construction consulting costs, and borrowing costs that are eligible for capitalization.

Construction in progress will be transferred to the appropriate fixed asset account when these assets are fully installed or the construction project is fully completed, and depreciation of these assets will commence when they are ready for their intended use.

Construction costs are recognized as expenses when such costs do not meet the conditions to be recognized as fixed assets.

**3.10 Prepaid expenses**

Prepaid expenses are reported either as short-term or long-term prepaid expenses in the consolidated balance sheet and amortized over the period for which the amounts are paid or the period in which economic benefits are generated in relation to these expenses.

**3.11 Investments**

*Investment in other entities*

Investment in other entities is stated at acquisition cost.

*Held-to-maturity investment*

Held-to-maturity investment is stated at acquisition cost. After initial recognition, held-to-maturity investment is measured at recoverable amount. Any impairment loss incurred is recognized as expense in the consolidated financial statements and deducted against the value of such investments.

*Provision for diminution in value of investments*

Provision for diminution in value of investments is made when there are reliable evidences of the diminution in value of those investments at the balance sheet date.

Increases or decreases to the provision balance are recorded as finance expense in the consolidated income statement.

**3.12 Operating leases**

Rentals under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the lease.

**3.13 Goodwill**

Goodwill acquired in a business combination is initially measured at cost being the excess of the cost the business combination over the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. After initial recognition, goodwill is measured at cost less any accumulated amortization. Goodwill is amortized over 10-years period on a straight-line basis. The parent company conducts the periodical review for impairment of goodwill of investment in subsidiaries. If there are indicators of impairment loss incurred is higher than the yearly allocated amount of goodwill on the straight-line basis, the higher amount will be recorded in the consolidated income statement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.14 Asset acquisition**

The Group acquires subsidiaries that own assets and production activities. At the date of acquisition, the Group considers whether the acquisition represents the acquisition of a business. The Group accounts for an acquisition as a business combination where an integrated set of activities is acquired in addition to the assets.

When the acquisition of subsidiaries does not represent a business combination, it is accounted for as an acquisition of a group of assets and liabilities. The cost of the acquisition is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill or deferred tax is recognized.

**3.15 Payables and accruals**

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Group.

**3.16 Expenditures on overhaul of fixed assets**

Provision for expenditure on overhaul of fixed assets is made in accordance with the overhaul provision plan.

**3.17 Share capital**

*Ordinary shares*

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

*Share premium*

Share premium is the difference between the par value and the issuance price of the shares, minus the actual expenses incurred for the issuance of the shares.

**3.18 Foreign currency transactions**

Transactions in currencies other than the Group's reporting currency of VND are recorded at the actual exchange rates at transaction dates, determined as follows:

- ▶ Transactions resulting in receivables are recorded at the buying exchange rate of the commercial bank designated for collection; and
- ▶ Transactions resulting in liabilities are recorded at the selling exchange rate of the commercial bank designated for payment.

At the end of year, monetary balances denominated in foreign currencies are translated at the actual exchange rates at the balance sheet date, determined as follows:

- ▶ Monetary assets are translated at the buying exchange rate of the commercial bank where the Group conducts transactions regularly; and
- ▶ Monetary liabilities are translated at the selling exchange rate of the commercial bank where the Group conducts transactions regularly.

All foreign exchange differences incurred are taken to the consolidated income statement.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**3.19 Appropriation of net profits**

Net profit after tax is available for appropriation to shareholders after approval by the Board of Directors and subject to approval by shareholders at the Annual General Meeting, and after making appropriation to reserve funds in accordance with the Company's Charter and Vietnamese regulatory requirements.

The Group maintains the following reserve funds which are appropriated from the Group's net profit as proposed by the Board of Directors and subject to approval by shareholders at the Annual General Meeting.

▶ *Investment and development fund*

This fund is set aside for use in the Group's expansion of its operation or of in-depth investment.

▶ *Bonus and welfare fund*

This fund is set aside for the purpose of pecuniary rewarding and encouraging, common benefits and improvement of the employees' benefits, and presented as a liability in the consolidated balance sheet.

**3.20 Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales return. The following specific recognition criteria must also be met before revenue is recognized:

*Sale of goods*

Revenue is recognized when the significant risks and rewards of ownership of the merchandise goods have passed to the buyer, usually upon the delivery of the goods.

*Rendering of services*

Revenue is recognized when the services have been rendered and completed.

*Interest*

Interest income is recognized as the interest accrues (taking into account the effective yield on the asset) unless collectability is in doubt.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

#### 3.21 *Taxation*

##### *Current income tax*

Current income tax assets and liabilities for the current and prior year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted as at the balance sheet date.

Current income tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when the Group intends to settle its current tax assets and liabilities on a net basis.

##### *Deferred tax*

Deferred tax is provided using the liability method on temporary differences at the balance sheet date between the tax base of assets and liabilities and their carrying amount for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Previously unrecognized deferred income tax assets are re-assessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled based on tax rates and tax laws that have been enacted at the balance sheet date.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred income tax is also dealt with in the equity account.

Deferred tax assets and liabilities are offset when there is a legally enforceable right for the Group to offset current tax assets against current tax liabilities and when they relate to income taxes levied on the same taxable entity by the same taxation authority.

#### 3.22 *Earnings per share*

Basic earnings per share amounts are calculated by dividing net profit after tax for the year attributable to ordinary shareholders of the Group (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share amounts are calculated by dividing the net profit after tax attributable to ordinary equity holders of the Group (after adjusting for interest on the convertible preference shares) by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3.23 Segment information

A segment is a component determined separately by the Group which is engaged in providing products or related services (business segment) or providing products or services in a particular economic environment (geographical segment), that is subject to risks and returns that are different from those of other segments.

The Group's principal activities are to manufacture and trade precast concrete products and thus considered as the only major business segment since other activities are immaterial to the consolidated results of operations. In addition, all activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

3.24 Related parties

Parties are considered to be related parties of the Group if one party has the ability to, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operating decisions, or when the Group and other party are under common control or under common significant influence. Related parties can be enterprises or individuals, including close members of their families.

4. SIGNIFICANT EVENT DURING THE YEAR

On 29 June 2024, FECON Nghi Son repurchased 5,150,000 shares of FECON Nghi Son, equivalent to 51.5% of the chartered capital in FECON Nghi Son, which were owned by the Company in accordance with Resolution of FECON Nghi Son's Annual General Meeting of Shareholders No. 02/2024/QD-DHCD dated 9 April 2024. Accordingly, FCN and its subsidiary, FECON Nghi Son Mechanical, are no longer subsidiaries of the Group since that date. The loss from this transaction amounting to VND 17,796,719,654 has been recognized as finance expense in the consolidated income statement (Note 26). This transaction was approved by the Board of Directors through issuance of Resolution No. 040402/2024/NQ-HDQTFCM dated 4 April 2024.

5. CASH AND CASH EQUIVALENTS

	VND	
	Ending balance	Beginning balance
Cash on hand	3,214,832,983	1,857,252,894
Cash at banks	8,418,352,657	39,719,163,360
Cash equivalents	20,000,000,000	18,700,000,000
<b>TOTAL</b>	<b>31,633,185,640</b>	<b>60,276,416,254</b>

Cash equivalents comprise term deposits at commercial banks with original maturity of not more than three (3) months and interest at applicable bank rates.

6. SHORT-TERM HELD-TO-MATURITY INVESTMENT

This comprises term deposits at commercial banks with original maturity term from six (6) to twelve (12) months and interest at 4.3% per annum.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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## 7. SHORT-TERM TRADE RECEIVABLES

	VND	
	Ending balance	Beginning balance
A related party (Note 31)	276,630,339,982	331,073,389,705
Third party customers	167,940,204,795	191,415,029,954
- Ha Hai An Trading Company Limited	98,930,271,970	14,443,082,052
- Hai Dang Infrastructure Construction JSC	14,618,009,182	14,618,009,182
- Hoa Binh Construction Group JSC	6,138,905,373	6,138,905,373
- Vietnam Giza Engineering and Construction Joint Stock Company	4,779,726,055	5,579,771,221
- GL Construction And Transport Joint Stock Company	4,106,437,668	6,106,437,668
- TM DT An Phu Thinh Company Limited	-	36,209,609,372
- TDK Trading Development and Investment JSC	-	34,139,792,934
- Others	39,366,854,547	74,179,422,152
<b>TOTAL</b>	<b>444,570,544,777</b>	<b>522,488,419,659</b>
Provision for doubtful short-term trade receivables	(35,594,907,895)	(33,399,960,282)
<b>NET</b>	<b>408,975,636,882</b>	<b>489,088,459,377</b>

Movements of provision for doubtful short-term trade receivables were as follows:

	VND	
	Current year	Previous year
Beginning balance	33,399,960,282	25,123,445,694
Provision made during the year	9,364,649,920	8,511,503,058
Disposal of subsidiaries	(7,169,702,307)	-
Reversal of provision during the year	-	(234,988,470)
Ending balance	35,594,907,895	33,399,960,282

## 8. OTHER RECEIVABLES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>15,517,771,762</b>	<b>13,223,956,729</b>
Staff advances	13,613,826,000	12,754,456,774
Others	1,903,945,762	469,499,955
<b>Long-term</b>	<b>2,518,051,950</b>	<b>2,557,051,951</b>
Others		
<b>TOTAL</b>	<b>18,035,823,712</b>	<b>15,781,008,680</b>



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 9. INVENTORIES

	VND	
	Ending balance	Beginning balance
Finished goods	79,699,046,657	63,581,544,826
Raw materials	11,888,576,633	24,077,344,676
Tools and equipment	4,331,573,787	6,612,871,575
Merchandise	2,224,833,945	1,008,317,771
Work in process	119,868,200	119,868,200
Goods in transit	27,144,000	3,414,363,502
<b>TOTAL</b>	<b>98,291,043,222</b>	<b>98,814,310,550</b>
Provision for obsolete inventories	(9,802,544,776)	(10,285,435,123)
<b>NET</b>	<b>88,488,498,446</b>	<b>88,528,875,427</b>

Movements of provision for obsolete inventories were as follows:

	VND	
	Current year	Previous year
Beginning balance	10,285,435,123	10,650,014,567
Provision made during the year	108,899,757	-
Disposal of subsidiaries	(591,790,104)	-
Reversal of provision during the year	-	(364,579,444)
Ending balance	9,802,544,776	10,285,435,123

## 10. PREPAID EXPENSES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>5,635,230,430</b>	<b>3,780,316,582</b>
Prepaid transportation fee	5,264,606,197	2,798,721,748
Insurance fee	208,046,450	247,093,754
Prepaid operating lease	-	519,932,272
Others	162,577,783	214,568,808
<b>Long-term</b>	<b>964,831,542</b>	<b>948,204,085</b>
Fixed asset overhaul	325,153,066	341,671,939
Others	639,678,476	606,532,146
<b>TOTAL</b>	<b>6,600,061,972</b>	<b>4,728,520,667</b>

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 11. TANGIBLE FIXED ASSETS

						VND
	<i>Buildings and structures</i>	<i>Machinery and equipment</i>	<i>Means of transportation</i>	<i>Office equipment</i>	<i>Other fixed assets</i>	<i>Total</i>
<b>Cost:</b>						
Beginning balances	161,153,542,824	270,855,160,467	77,678,990,155	840,681,182	1,867,583,826	512,395,958,454
Disposal of subsidiaries	(47,935,030,855)	(55,680,592,426)	(5,976,237,964)	(179,070,682)	-	(109,770,931,927)
Ending balance	<u>113,218,511,969</u>	<u>215,174,568,041</u>	<u>71,702,752,191</u>	<u>661,610,500</u>	<u>1,867,583,826</u>	<u>402,625,026,527</u>
<i>In which:</i>						
<i>Fully depreciated</i>	<i>81,374,146,210</i>	<i>134,714,485,272</i>	<i>37,863,424,840</i>	<i>221,005,546</i>	<i>1,290,746,826</i>	<i>255,463,808,694</i>
<b>Accumulated depreciation:</b>						
Beginning balance	(128,620,612,310)	(238,086,403,033)	(72,785,731,233)	(686,535,573)	(1,555,130,462)	(441,734,412,611)
Depreciation for the year	(4,913,213,121)	(7,717,015,319)	(2,835,944,875)	(71,767,493)	(72,104,625)	(15,610,045,433)
Disposal of subsidiaries	26,703,276,399	40,930,110,171	5,760,731,716	179,070,682	-	73,573,188,968
Ending balance	<u>(106,830,549,032)</u>	<u>(204,873,308,181)</u>	<u>(69,860,944,392)</u>	<u>(579,232,384)</u>	<u>(1,627,235,087)</u>	<u>(383,771,269,076)</u>
<b>Net carrying amount:</b>						
Beginning balance	<u>32,532,930,514</u>	<u>32,768,757,434</u>	<u>4,893,258,922</u>	<u>154,145,609</u>	<u>312,453,364</u>	<u>70,661,545,843</u>
Ending balance	<u>6,387,962,937</u>	<u>10,301,259,860</u>	<u>1,841,807,799</u>	<u>82,378,116</u>	<u>240,348,739</u>	<u>18,853,757,451</u>



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## 12. INTANGIBLE FIXED ASSETS

	<i>Land use rights</i>	<i>Computer software</i>	<i>VND Total</i>
<b>Cost:</b>			
Beginning balance	6,722,430,109	431,346,000	7,153,776,109
Disposal of subsidiaries	-	(150,500,000)	(150,500,000)
Ending balance	<u>6,722,430,109</u>	<u>280,846,000</u>	<u>7,003,276,109</u>
<i>In which:</i>			
<i>Fully amortized</i>	-	247,846,000	247,846,000
<b>Accumulated amortisation:</b>			
Beginning balance	(2,202,937,243)	(427,679,376)	(2,630,616,619)
Amortisation for the year	(174,608,575)	(3,666,624)	(178,275,199)
Disposal of subsidiaries	-	150,500,000	150,500,000
Ending balance	<u>(2,377,545,818)</u>	<u>(280,846,000)</u>	<u>(2,658,391,818)</u>
<b>Net carrying amount:</b>			
Beginning balance	<u>4,519,492,866</u>	<u>3,666,624</u>	<u>4,523,159,490</u>
Ending balance	<u>4,344,884,291</u>	<u>-</u>	<u>4,344,884,291</u>

## 13. CONSTRUCTION IN PROGRESS

	<i>Ending balance</i>	<i>VND Beginning balance</i>
Thai Ha factory project	32,124,627,230	31,576,437,215
Other	<u>472,149,213</u>	<u>272,727,273</u>
<b>TOTAL</b>	<u><b>32,596,776,443</b></u>	<u><b>31,849,164,488</b></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

14. INVESTMENT IN ANOTHER ENTITY

	Ending and beginning balances			
	Voting right	Cost of investment	Provision	Net
	%	(VND)	(VND)	(VND)
Tan Cang Construction Joint Stock Company ("Tan Cang")	10	13,951,800,000	-	13,951,800,000

Tan Cang is a joint stock company incorporated under the Law on Enterprise of Vietnam pursuant to ERC No. 0304941312 issued by the Department of Planning and Investment of Ho Chi Minh City on 9 April 2007, and the subsequently amended ERCs.

As at balance sheet date, the Group had not determined the fair values of the investment in the another entity to disclose in the consolidated financial statements because they do not have listed prices. The fair values of such investments may be different from their book values.

15. SHORT-TERM TRADE PAYABLES

	VND	
	Ending balance	Beginning balance
Outside suppliers	62,289,314,709	71,812,582,845
- Thanh Long Mechanical Co., Ltd.	7,224,472,209	3,511,598,068
- Truong Hai Company Limited	7,215,635,337	20,744,628,398
- Thanh Nam Trading JSC	6,668,411,613	7,520,427,298
- Quang Vinh Trading and Transport Services Co., Ltd.	4,984,360,097	3,273,601,729
- Chau Son Trading and Transport Co., Ltd.	2,710,267,143	1,732,276,415
- Others	33,486,168,310	35,030,050,937
Related party (Note 31)	15,110,663,763	14,539,703,975
<b>TOTAL</b>	<b>77,399,978,472</b>	<b>86,352,286,820</b>

16. SHORT-TERM ADVANCES FROM CUSTOMERS

	VND	
	Ending balance	Beginning balance
FLC Land One member Company Limited	2,871,000,000	2,871,000,000
Manh Minh Transport Trading Company Limited	772,296,000	772,296,000
P&P Construction Investment Joint Stock Company	620,030,290	620,030,290
Others	701,439,498	1,940,579,656
<b>TOTAL</b>	<b>4,964,765,788</b>	<b>6,203,905,946</b>



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## 17. STATUTORY OBLIGATIONS

VND

	31 December 2023	Disposal of subsidiaries	Increase during the year	Decrease during the year	31 December 2024
<b>Receivables:</b>					
Value-added tax	119,184,398	-	31,467,114,423	(31,463,084,864)	123,213,957
Others	13,424,300	(13,424,300)	1,781,878	-	1,781,878
<b>TOTAL</b>	<b>132,608,698</b>	<b>(13,424,300)</b>	<b>31,468,896,301</b>	<b>(31,463,084,864)</b>	<b>124,995,835</b>
<b>Payables:</b>					
Corporate income tax	1,804,103,959	-	1,750,389,398	(3,278,575,395)	275,917,962
Value-added tax	3,541,309,134	(1,916,191,986)	32,993,309,253	(33,656,570,313)	961,856,088
Personal income tax	305,951,073	(274,680,293)	371,902,447	(358,548,717)	44,624,510
Others	-	-	625,010,845	(625,010,845)	-
<b>TOTAL</b>	<b>5,651,364,166</b>	<b>(2,190,872,279)</b>	<b>35,740,611,943</b>	<b>(37,918,705,270)</b>	<b>1,282,398,560</b>

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## 18. SHORT-TERM ACCRUED EXPENSES

	VND	
	Ending balance	Beginning balance
Bonus	4,026,838,840	2,926,152,299
Others	-	269,996,297
<b>TOTAL</b>	<b>4,026,838,840</b>	<b>3,196,148,596</b>

## 19. OTHER PAYABLES

	VND	
	Ending balance	Beginning balance
<b>Short-term</b>	<b>611,455,630</b>	<b>751,264,733</b>
Trade union fee	537,124,752	562,613,614
Others	74,330,878	188,651,119
<b>Long-term</b>	<b>287,000,000</b>	<b>286,000,000</b>
Deposits	287,000,000	286,000,000
<b>TOTAL</b>	<b>898,455,630</b>	<b>1,037,264,733</b>

## 20. BONUS AND WELFARE FUND

	VND	
	Current year	Previous year
Beginning balance	4,574,894,478	2,857,440,044
Increase during the year	1,878,294,792	2,296,092,146
Allocation from parent company	-	50,000,000
Disposal of subsidiaries	(13,715,835)	-
Decrease during the year	(2,484,395,791)	(628,637,712)
Ending balance	<u>3,955,077,644</u>	<u>4,574,894,478</u>

## 21. SHORT-TERM LOANS

Movements of loans were as follows:

	VND
	Amount
Beginning balance	111,426,508,935
Drawdown of loans	87,252,751,978
Repayment of loans	(188,766,931,425)
Disposal of subsidiaries	(9,912,329,488)
Ending balance	<u>-</u>



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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 22. OWNERS' EQUITY

### 22.1 Movements in owners' equity

	Share capital	Share premium	Other owners' capital	Investment and development fund	Undistributed earnings	Non-controlling interest	VND Total
<b>Previous year:</b>							
Beginning balance	450,999,690,000	(1,873,645,455)	946,684,088	35,147,690,280	37,121,238,546	49,723,946,225	572,065,603,684
Net profit for the year	-	-	-	-	17,066,847,173	(1,414,390,572)	15,652,456,601
Transfer to investment and development fund	-	-	-	3,134,457,898	(3,134,457,898)	-	-
Transfer to bonus and welfare fund	-	-	-	-	(2,089,638,598)	-	(2,089,638,598)
Bonus for management	-	-	-	-	(206,453,547)	-	(206,453,547)
Remuneration of the Board of Directors and Board of Supervision	-	-	-	-	(810,000,000)	-	(810,000,000)
Ending balance	<u>450,999,690,000</u>	<u>(1,873,645,455)</u>	<u>946,684,088</u>	<u>38,282,148,178</u>	<u>47,947,535,676</u>	<u>48,309,555,653</u>	<u>584,611,968,140</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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22. OWNERS' EQUITY (continued)

22.1 *Movements in owners' equity* (continued)

							VND
	Share capital	Share premium	Other owners' capital	Investment and development fund	Undistributed earnings	Non-controlling interest	Total
<b>Current year:</b>							
Beginning balance	450,999,690,000	(1,873,645,455)	946,684,088	38,282,148,178	47,947,535,676	48,309,555,653	584,611,968,140
Net profit for the year	-	-	-	-	1,539,526,587	(534,273,285)	1,005,253,302
Dividends declared (*)	11,266,570,000	-	-	-	(11,266,570,000)	-	-
Transfer to investment and development fund	-	-	-	2,347,868,490	(2,347,868,490)	-	-
Transfer to bonus and welfare fund	-	-	-	-	(1,565,245,660)	-	(1,565,245,660)
Bonus for management	-	-	-	-	(313,049,132)	-	(313,049,132)
Disposal of subsidiaries	-	-	(946,684,088)	-	-	(47,756,273,887)	(48,702,957,975)
Ending balance	462,266,260,000	(1,873,645,455)	-	40,630,016,668	33,994,328,981	19,008,481	535,035,968,675

(\*) In accordance with the Resolution of the Annual General Meeting of Shareholders No. 0426/2024/NQ-DHDCCD dated 26 April 2024, shareholders approved the issuance of shares in form of stock dividend from 2023 undistributed earnings. On 10 December 2024, the Company issued stock dividends of 1,126,657 shares according to Official Letter No. 8000/UBCK-QLCB issued by the State Securities Commission on reporting documents of issuing shares to pay dividends. Accordingly, the Company's share capital increased from VND 450,999,690,000 to VND 462,266,260,000 and this change has been approved by the Department of Planning and Investment of Ha Nam Province through issuance of 9<sup>th</sup> amended ERC on 16 December 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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22. OWNERS' EQUITY (continued)

22.2 Issued shares capital

	Ending balance			Beginning balance		
	Number of shares	Amount (VND)	Owner -ship (%)	Number of shares	Amount (VND)	Owner -ship (%)
Phan Vu Investment Corporation	23,575,579	235,755,760,000	51	23,001,000	230,010,000,000	51
Others	22,651,047	226,510,500,000	49	22,098,969	220,989,690,000	49
<b>TOTAL</b>	<b>46,226,626</b>	<b>462,266,260,000</b>	<b>100</b>	<b>45,099,969</b>	<b>450,999,690,000</b>	<b>100</b>

22.3 Capital transactions with shareholders and distribution of dividends

		VND
	Current year	Previous year
<b>Issued shares capital</b>		
Beginning balance	450,999,690,000	450,999,690,000
Stock dividends distribution	11,266,570,000	-
Ending balance	462,266,260,000	450,999,690,000
<b>Dividends declared and paid during the year</b>		
Dividends declared by cash	-	11,274,992,250
Dividends declared by share	11,266,570,000	-

22.4 Shares

	Number of shares	
	Ending balance	Beginning balance
Authorized shares	46,226,626	45,099,969
Shares issued and fully paid		
Ordinary shares	46,226,626	45,099,969
Shares in circulation		
Ordinary shares	46,226,626	45,099,969

The par value of the Company's shares is VND 10,000 per share. The holders of the ordinary shares are entitled to receive dividends as and when declared by the Company. Each ordinary share carries one vote per share without restriction.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

22. OWNERS' EQUITY (continued)

22.5 Non-controlling interest

	VND	
	Ending balance	Beginning balance
Contributed capital	48,500,000,000	48,500,000,000
Other fund	905,248,743	905,248,743
Accumulated losses	(1,629,956,335)	(1,095,693,090)
Disposal of subsidiaries	(47,756,273,887)	-
<b>TOTAL</b>	<b>19,018,521</b>	<b>48,309,555,653</b>

23. EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted earnings per share computation:

	VND		
	Current year	Previous year (as previously presented)	Previous year (as restated)
Net profit after tax attributable to ordinary shareholders (VND)	1,539,526,587	17,066,847,173	17,066,847,173
Distribution to bonus and welfare fund (*)	(100,525,330)	(1,565,245,660)	(1,565,245,660)
<b>Net profit attributable to ordinary shareholders for calculation of basic earnings per share</b>	<b>1,439,001,257</b>	<b>15,501,601,513</b>	<b>15,501,601,513</b>
Weighted average number of ordinary shares (**)	46,226,626	45,099,969	46,226,626
<b>Basic earnings and diluted earnings (VND/share)</b>	<b>31</b>	<b>344</b>	<b>335</b>

(\*) Net profit used to compute earnings per share for the year ended 31 December 2023 was adjusted for the provisional allocation to bonus and welfare fund from the 2023 undistributed earnings following the Resolution of Annual General Meeting No. 0426/2024/NQ-DHDCD dated 26 April 2024.

Net profit used to compute earnings per share for the year ended 31 December 2024 was adjusted for the provisional allocation to bonus and welfare fund from the 2024 undistributed earnings following the Resolution of Annual General Meeting No. 0426/2024/NQ-DHDCD dated 26 April 2024.

(\*\*) Weighted average number of ordinary shares for earnings per share computation for the year ended 31 December 2023 as presented in the consolidated financial statements for the same year was restated to reflect the issuance of 1,126,657 shares as stock dividends in 2023 from the 2024 undistributed earnings.

There had been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of completion of these consolidated financial statements.



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## 24. REVENUES

### 24.1. Revenue from sale of goods and rendering of services

	VND	
	Current year	Previous year
<b>Gross revenue</b>	<b>469,074,237,334</b>	<b>463,642,989,019</b>
<i>Of which:</i>		
<i>Sale of finished goods</i>	466,692,770,580	459,956,495,417
<i>Sale of merchandise and materials</i>	2,173,706,000	734,375,272
<i>Rendering of services</i>	207,760,754	2,952,118,330
<b>Less:</b>		
Sales returns	-	(4,671,412,500)
<b>NET REVENUE</b>	<b>469,074,237,334</b>	<b>458,971,576,519</b>
<i>Of which:</i>		
<i>Related party (Note 31)</i>	261,312,300,139	300,438,599,106
<i>Others</i>	207,761,937,195	158,532,977,413

### 24.2. Finance income

	VND	
	Current year	Previous year
Income interest	1,565,348,213	3,021,031,942
Foreign exchange gains	19,975,547	508,442,406
<b>TOTAL</b>	<b>1,585,323,760</b>	<b>3,529,474,348</b>

## 25. COST OF GOODS SOLD AND SERVICES RENDERED

	VND	
	Current year	Previous year
Cost of finished goods sold	418,107,655,339	400,129,251,969
Cost of merchandise and materials sold	2,125,770,434	738,399,350
Cost of services rendered	195,973,770	2,830,268,522
<b>TOTAL</b>	<b>420,429,399,543</b>	<b>403,697,919,841</b>

## 26. FINANCE EXPENSES

	VND	
	Current year	Previous year
Loss from disposal of subsidiaries (Note 4)	17,769,719,654	-
Loan interest	2,509,396,125	9,783,093,083
Foreign exchange losses	1,059,363,260	1,718,819,702
Others	-	220,941,626
<b>TOTAL</b>	<b>21,338,479,039</b>	<b>11,722,854,411</b>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

## 27. SELLING AND GENERAL AND ADMINISTRATIVE EXPENSES

	VND	
	Current year	Previous year
<b>Selling expense</b>		
Labor costs	664,649,479	919,041,396
<b>General and administrative expenses</b>	<b>23,698,387,907</b>	<b>26,021,905,668</b>
Labor costs	9,835,164,400	10,290,418,924
Provision for doubtful short-term receivables	9,364,649,920	8,617,514,588
External services	750,870,827	1,167,739,100
Depreciation and amortization	507,462,930	700,606,781
Others	3,240,239,830	5,245,626,275
<b>TOTAL</b>	<b>24,363,037,386</b>	<b>26,940,947,064</b>

## 28. OTHER EXPENSE

	VND	
	Current year	Previous year
Penalty expense	1,039,940,440	-
Others	941,684,925	77,170,249
<b>TOTAL</b>	<b>1,981,625,365</b>	<b>77,170,249</b>

## 29. PRODUCTION AND OPERATING COSTS

	VND	
	Current year	Previous year
Raw materials and tools and supplies	322,957,002,807	273,119,918,785
Labor costs	66,420,634,920	60,346,796,326
External services	47,301,298,088	53,188,999,076
Depreciation and amortization	15,806,195,632	23,342,715,556
Provisions	9,585,749,434	8,252,935,144
Others	5,363,523,731	4,667,935,494
<b>TOTAL</b>	<b>467,434,404,612</b>	<b>422,919,300,381</b>

## 30. CORPORATE INCOME TAX

The statutory corporate income tax ("CIT") rates applicable to the Company and its subsidiary are 20% of taxable income.

The tax returns filed by the Group are subject to examination by the tax authorities. As the application of tax laws and regulations is susceptible to varying interpretations, the amounts reported in the consolidated financial statements could change at a later date upon final determination by the tax authorities.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

**30. CORPORATE INCOME TAX (continued)**

**30.1 CIT expense**

	VND	
	Current year	Previous year
Current CIT expense	<u>1,750,389,398</u>	<u>4,715,378,673</u>

Reconciliation between CIT expense and the accounting profit before tax multiplied by CIT rate is presented below:

	VND	
	Current year	Previous year
<b>Accounting profit before tax</b>	<b><u>2,755,642,700</u></b>	<b><u>20,367,835,274</u></b>
At applicable CIT rate for the Group	253,879,345	4,317,571,710
<i>Adjustments:</i>		
- Non-deductible expenses	381,359,695	175,518,144
- Under-accrual of tax from prior years	974,471,426	32,730,725
- Unrecognized deferred tax asset on subsidiary's tax losses carry forward	140,678,932	187,839,282
- Other	-	1,718,812
<b>CIT expense</b>	<b><u>1,750,389,398</u></b>	<b><u>4,715,378,673</u></b>

**30.2 Current tax**

The current tax payable is based on taxable profit for the current year. The taxable profit of the Group for the year differs from the profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

**30.3 Tax losses carried forward**

The Group is entitled to carry tax loss forward to offset against taxable income arising within five years subsequent to the year in which the loss was incurred. As at 31 December 2024, the Group had accumulated tax losses of VND 44,498,291 (31 December 2023: VND 1,745,285,465) available for offset against future taxable income. Details are as follows:

						VND
Originating year	Can be utilized up to	Tax loss amount	Utilized up to 31 December 2024	Forfeited	Decrease during the year	Unutilized as at 31 December 2024
2021	2026	282,550,690	-	-	(276,551,610)	5,999,080
2022	2027	523,538,365	-	-	(520,471,690)	3,066,675
2023	2028	939,196,410	-	-	(934,874,160)	4,322,250
2024	2029	703,394,660	-	-	(672,284,374)	31,110,286
<b>TOTAL</b>		<b><u>2,448,680,125</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>(2,404,181,834)</u></b>	<b><u>44,498,291</u></b>

The above estimated tax losses from subsidiaries' corporate income tax declarations have not been audited by the local tax authorities as of the date of these consolidated financial statements.

No deferred tax asset was recognized in respect of the above tax losses because future taxable income cannot be ascertained at this stage.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 31. RELATED PARTY DISCLOSURES

List of related parties that have a controlling relationship and transactions with the Group during the year and as at 31 December 2024 is as follows:

<i>Related party</i>	<i>Relationship</i>
Phan Vu Investment Corporation ("Phan Vu")	Parent company
FECON Nghi Son	Direct subsidiary to 29 June 2024
FECON Nghi Son Mechanical	Indirect subsidiary to 29 June 2024
Thai Ha	Subsidiary
Mr. Phan Khac Long	Chairman
Mr. Tran Vu Anh Tuan	BOD member
Mr. Dang Kien Hung	BOD member
Mr. Pham Trung Thanh	BOD member, Director
Mr. Hoang Kim Anh	BOD independent member
Ms. Le Thi Anh	Head of Board of Supervision
Ms. Ha Thi My Quyen	Board of Supervision member
Ms. Nguyen Hoang Tam Quyen	Board of Supervision member
Mr. Luong Anh Kiem	Deputy Director
Mr. Cao Van Thai	Deputy Director
Ms. Ngo Thi Thanh	Chief Accountant

Significant transactions with a related party were as follows:

			VND
<i>Related party</i>	<i>Transaction</i>	<i>Current year</i>	<i>Previous year</i>
Phan Vu	Sale of finished goods	261,312,300,139	304,632,095,606
	Service fees	93,020,000	17,758,744
	Sales returns	-	4,193,496,500

Amounts due from and due to a related party were as follows:

			VND
<i>Related party</i>	<i>Transaction</i>	<i>Ending balance</i>	<i>Beginning balance</i>
<b>Short-term trade receivable (Note 7)</b>			
Phan Vu	Sale of finished goods	<u>276,630,339,982</u>	<u>331,073,389,705</u>
<b>Short-term trade payable (Note 15)</b>			
Phan Vu	Purchase of finished goods	<u>15,110,663,763</u>	<u>14,539,703,975</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at 31 December 2024 and for the year then ended

### 31. RELATED PARTY DISCLOSURES (continued)

#### *Other related party transaction*

Details of remuneration of the Board of Directors ("BOD"), Board of Supervision ("BOS") and key management and other executives are as follows:

<i>Individual</i>	<i>Position</i>	<i>Remuneration</i>		<i>VND</i>
		<i>Current year</i>	<i>Previous year</i>	
Mr. Phan Khac Long	Chairman of BOD	163,717,865	150,000,000	
Mr. Tran Vu Anh Tuan	BOD member	107,663,399	168,000,000	
Mr. Dang Kien Hung	BOD member	107,663,399	96,000,000	
Ms. Hoang Kim Anh	BOD independent member	107,663,399	96,000,000	
Ms. Le Thi Anh	Head of BOS	106,078,587	96,000,000	
Ms. Ha Thi My Quyen	BOS member	66,191,506	60,000,000	
Ms. Nguyen Hoang Tam Quyen	BOS member	66,191,506	60,000,000	
Mr. Pham Trung Thanh	BOD member cum Director	701,544,016	706,404,696	
Mr. Luong Anh Kiem	Deputy Director	383,309,167	377,943,000	
Mr. Cao Van Thai	Deputy Director	381,692,253	344,086,440	
Ms. Ngo Thi Thanh	Chief Accountant	316,432,224	327,622,927	
<b>TOTAL</b>		<b>2,508,147,321</b>	<b>2,482,057,063</b>	

### 32. OPERATING LEASE COMMITMENTS

The Group leases office and land under an operating lease arrangement, with future rental amounts due as follows:

	<i>VND</i>	
	<i>Ending balance</i>	<i>Beginning balance</i>
Less than 1 year	285,379,200	865,122,752
From 1 to 5 years	1,141,516,800	1,141,516,800
Over 5 years	7,657,675,200	7,895,491,200
<b>TOTAL</b>	<b>9,084,571,200</b>	<b>9,902,130,752</b>

### 33. SEGMENT INFORMATION

As disclosed in Note 3.23, the Group's principal activities are to manufacture and trade precast concrete products and thus considered as the only major business segment since other activities are immaterial to the consolidated results of operations. In addition, all activities are mainly taking place within Vietnam. Therefore, the Group's risks and returns are not impacted by the Group's products that the Group is manufacturing or the locations where the Group is trading. As a result, the Group's management is of the view that there is only one segment for business and geography and therefore presentation of segmental information is not required.

### 34. EVENTS AFTER THE BALANCE SHEET DATE

There have been no significant events occurring after the balance sheet date which would require adjustments or disclosures to be made in the consolidated financial statements.



**Ngo Thi Thanh**  
**Preparer cum Chief Accountant**



**Pham Trung Thanh**  
Director

