



**Phu Bai Spinning Mill Joint Stock Company**

Financial Statements for the year ended  
31 December 2024



**Phu Bai Spinning Mill Joint Stock Company**  
**Corporate Information**

**Investment Certificate No.** 31321000019 1 June 2009

**Enterprise Registration Certificate No.** 3300352720 14 January 2003

The Enterprise Registration Certificate has been amended several times, the most recent of which is Enterprise Registration Certificate No. 3300352720 dated 4 January 2025. The Enterprise Registration Certificate was issued by the Department of Planning and Investment of Hue City, and the Investment Certificate was issued by the Economic and Industrial Zones Authority of Hue City.

<b>Board of Management</b>	Mr. Pham Van Tan	Chairman <i>(from 24 June 2024)</i>
	Mr. Cao Huu Hieu	Chairman <i>(until 23 June 2024)</i>
	Mr. Bui Thanh Hung	Member <i>(from 24 June 2024)</i>
	Mr. Truong Van Hien	Member
	Ms. Le Thi Que Huong	Member
	Mr. Tran Dinh Hiep	Member
<b>Board of Directors</b>	Mr. Tran Thi Kim Chi	Member <i>(until 23 June 2024)</i>
	Mr. Tran Dinh Hiep	General Director <i>(from 24 June 2024)</i>
	Mr. Tran Thi Kim Chi	General Director <i>(until 23 June 2024)</i>
	Ms. Le Thi Que Huong	Deputy General Director
	Ms. Hoang Thai Truc	Deputy General Director <i>(from 14 November 2024)</i>
<b>Supervisory Board</b>	Ms. Nguyen Ngoc Mai Chi	Head of Supervisory Board
	Mr. Vo Hoang Phung	Member
	Ms. Nguyen Thi Thu Thao	Member <i>(from 24 June 2024)</i>
	Ms. Pham Thi Van Ha	Member <i>(until 23 June 2024)</i>
<b>Registered Office</b>	Phu Bai Industrial Zone, Phu Bai Ward Huong Thuy Town, Hue City Vietnam	
<b>Auditor</b>	KPMG Limited Vietnam	

## **Phu Bai Spinning Mill Joint Stock Company**

### **Statement of the Board of Directors**

The Board of Directors of Phu Bai Spinning Mill Joint Stock Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2024.

The Company’s Board of Directors is responsible for the preparation and true and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Directors:

- (a) the financial statements set out on pages 5 to 38 give a true and fair view of the financial position of the Company as at 31 December 2024, and of its results of operations and cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Company’s Board of Directors to believe that the Company will not be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised the accompanying financial statements for issue.



On behalf of the Board of Directors

Trần Đình Hiệp  
General Director

Hue City, 27 March 2025



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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Phu Bai Spinning Mill Joint Stock Company**

We have audited the accompanying financial statements of Phu Bai Spinning Mill Joint Stock Company ("the Company"), which comprise the balance sheet as at 31 December 2024, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Directors on 27 March 2025, as set out on pages 5 to 38.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

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





## Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of Phu Bai Spinning Mill Joint Stock Company as at 31 December 2024, and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

**KPMG Limited**

Vietnam

Audit Report No.: 24-04-00046-25-1



Truong Vinh Phuc  
Practicing Auditor Registration  
Certificate No.: 1901-2023-007-1  
*Deputy General Director*

Hanoi, 27 March 2025

Truong Tuyet Mai  
Practicing Auditor Registration  
Certificate No.: 2594-2024-007-1



**Phu Bai Spinning Mill Joint Stock Company**  
**Balance sheet as at 31 December 2024**

**Form B 01 – DN**

(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>ASSETS</b>				
<b>Current assets</b> <b>(100 = 110 + 120 + 130 + 140 + 150)</b>	<b>100</b>		<b>488,058,079,129</b>	<b>439,843,620,824</b>
<b>Cash and cash equivalents</b>	<b>110</b>	<b>5</b>	<b>52,096,040,114</b>	<b>3,688,490,588</b>
Cash	111		1,753,840,114	3,688,490,588
Cash equivalents	112		50,342,200,000	-
<b>Short-term financial investments</b>	<b>120</b>	<b>6</b>	<b>16,000,000,000</b>	-
Held-to-maturity investments	123		16,000,000,000	-
<b>Accounts receivable – short-term</b>	<b>130</b>		<b>149,743,803,413</b>	<b>149,904,091,033</b>
Accounts receivable from customers	131	7	53,240,725,084	81,127,629,648
Prepayments to suppliers	132		10,942,550,824	7,373,128,615
Other receivables	136	8	85,560,527,505	61,403,332,770
<b>Inventories</b>	<b>140</b>	<b>9</b>	<b>250,354,350,572</b>	<b>233,307,946,197</b>
Inventories	141		253,574,665,579	237,573,081,516
Allowance for inventories	149		(3,220,315,007)	(4,265,135,319)
<b>Other current assets</b>	<b>150</b>		<b>19,863,885,030</b>	<b>52,943,093,006</b>
Short-term prepaid expenses	151		2,734,909,763	1,587,587,304
Deductible value added tax	152		15,395,962,463	49,450,194,083
Taxes and others receivable from State Treasury	153	15(a)	1,733,012,804	1,905,311,619
<b>Long-term assets</b> <b>(200 = 220 + 240 + 250 + 260)</b>	<b>200</b>		<b>423,841,014,718</b>	<b>437,851,869,733</b>
<b>Fixed assets</b>	<b>220</b>		<b>416,809,542,179</b>	<b>434,555,261,451</b>
Tangible fixed assets	221	10	416,693,482,785	434,378,649,329
Cost	222		922,535,592,120	927,986,320,561
Accumulated depreciation	223		(505,842,109,335)	(493,607,671,232)
Intangible fixed assets	227		116,059,394	176,612,122
Cost	228		549,040,000	549,040,000
Accumulated amortisation	229		(432,980,606)	(372,427,878)
<b>Long-term work in progress</b>	<b>240</b>	<b>11</b>	<b>1,852,827,335</b>	-
Construction in progress	242		1,852,827,335	-
<b>Long-term financial investments</b>	<b>250</b>	<b>12</b>	-	-
Equity investments in other entities	253		1,075,000,000	1,075,000,000
Allowance for diminution in the value of long-term financial investments	254		(1,075,000,000)	(1,075,000,000)
<b>Other long-term assets</b>	<b>260</b>		<b>5,178,645,204</b>	<b>3,296,608,282</b>
Long-term prepaid expenses	261	13	5,028,101,679	3,146,064,757
Deferred tax assets	262		150,543,525	150,543,525
<b>TOTAL ASSETS</b> <b>(270 = 100 + 200)</b>	<b>270</b>		<b>911,899,093,847</b>	<b>877,695,490,557</b>

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Balance sheet as at 31 December 2024 (continued)**

**Form B 01 – DN**

(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	31/12/2024 VND	1/1/2024 VND
<b>RESOURCES</b>				
<b>LIABILITIES (300 = 310 + 330)</b>	<b>300</b>		<b>674,825,143,380</b>	<b>655,777,670,888</b>
<b>Current liabilities</b>	<b>310</b>		<b>377,649,585,240</b>	<b>336,922,721,608</b>
Accounts payable to suppliers	311	14	80,882,082,094	56,195,769,825
Advances from customers	312		6,201,897,870	674,532,442
Taxes and others payable to State Treasury	313	15(b)	651,355,355	3,812,538,561
Payables to employees	314		23,012,980,464	5,316,776,838
Accrued expenses	315	16	1,016,251,429	1,071,278,566
Other payables – short-term	319	17	2,080,449,895	2,382,328,298
Short-term borrowings	320	18(a)	258,443,149,884	257,734,338,829
Bonus and welfare fund	322	19	5,361,418,249	9,735,158,249
<b>Long-term liabilities</b>	<b>330</b>		<b>297,175,558,140</b>	<b>318,854,949,280</b>
Long-term borrowings	338	18(b)	297,175,558,140	318,854,949,280
<b>EQUITY (400 = 410)</b>	<b>400</b>		<b>237,073,950,467</b>	<b>221,917,819,669</b>
<b>Owners' equity</b>	<b>410</b>	<b>20</b>	<b>237,073,950,467</b>	<b>221,917,819,669</b>
Share capital	411	21	133,000,870,000	133,000,870,000
- Ordinary shares with voting rights	411a		133,000,870,000	133,000,870,000
Capital surplus	412		52,790,556,000	52,790,556,000
Investment and development fund	418	22	68,451,731,553	68,451,731,553
Other equity funds	420		830,000	830,000
Accumulated losses	421		(17,170,037,086)	(32,326,167,884)
- (Accumulated losses)/retained profits brought forward	421a		(32,326,167,884)	7,282,502,681
- Profit/(loss) for the current year	421b		15,156,130,798	(39,608,670,565)
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>911,899,093,847</b>	<b>877,695,490,557</b>

27 March 2025

Prepared by:



Nguyen Trung Hieu  
General Accountant

Approved by:



Hoang Thai Truc  
Chief Accountant



Tran Dinh Hiep  
General Director

The accompanying notes are an integral part of these financial statements



**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of income for the year ended 31 December 2024**


**Form B 02 – DN**

(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)

	Code	Note	2024 VND	2023 VND
<b>Revenue from sales of goods and provision of services</b>	<b>01</b>	<b>24</b>	<b>1,327,357,195,008</b>	<b>1,231,568,353,942</b>
<b>Cost of sales</b>	<b>11</b>	<b>25</b>	<b>1,219,794,081,945</b>	<b>1,161,352,746,557</b>
<b>Gross profit (20 = 01 - 11)</b>	<b>20</b>		<b>107,563,113,063</b>	<b>70,215,607,385</b>
Financial income	21	26	17,994,899,151	20,380,515,039
Financial expenses	22	27	36,802,270,462	55,742,788,235
<i>In which: Interest expense</i>	23		31,707,920,774	42,247,923,995
Selling expenses	25	28	50,113,226,004	52,431,534,963
General and administration expenses	26	29	23,961,380,708	19,108,820,923
<b>Net operating profit/(loss) {30 = 20 + (21 - 22) - (25 + 26)}</b>	<b>30</b>		<b>14,681,135,040</b>	<b>(36,687,021,697)</b>
Other income	31		1,122,567,711	1,041,744,345
Other expenses	32		302,649,356	436,670,632
<b>Results of other activities (40 = 31 - 32)</b>	<b>40</b>		<b>819,918,355</b>	<b>605,073,713</b>
<b>Accounting profit/(loss) before tax (50 = 30 + 40)</b>	<b>50</b>		<b>15,501,053,395</b>	<b>(36,081,947,984)</b>
<b>Income tax expense – current</b>	<b>51</b>	<b>31</b>	<b>344,922,597</b>	<b>-</b>
<b>Income tax expense – deferred</b>	<b>52</b>	<b>31</b>	<b>-</b>	<b>3,526,722,581</b>
<b>Net profit/(loss) after tax (60 = 50 - 51 - 52)</b>	<b>60</b>		<b>15,156,130,798</b>	<b>(39,608,670,565)</b>
<b>Restated</b>				
<b>Basic earnings/(loss) per share</b>				
Basic earnings/(loss) per share	70	32	1,140	(3,343)

27 March 2025

Prepared by:



Nguyen Trung Hieu  
General Accountant

Approved by:



Hoang Thai Truc  
Chief Accountant



Tran Dinh Hiep  
General Director

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



**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2024**  
**(Indirect method)**

**Form B 03 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
<b>Profit/(loss) before tax</b>	<b>01</b>		<b>15,501,053,395</b>	<b>(36,081,947,984)</b>
<b>Adjustments for</b>				
Depreciation and amortisation	02		31,501,070,051	28,648,110,676
Allowances and provisions	03		(1,044,820,312)	(39,300,520,838)
Exchange (gains)/losses arising from revaluation of monetary items denominated in foreign currencies	04		(240,970,373)	4,068,921
Profits from investing activities	05		(2,588,045,199)	(2,767,292,026)
Interest expense	06		31,707,920,774	42,247,923,995
<b>Operating profit/(loss) before changes in working capital</b>	<b>08</b>		<b>74,836,208,336</b>	<b>(7,249,657,256)</b>
Change in receivables	09		37,648,584,889	(19,947,557,206)
Change in inventories	10		(16,001,584,063)	147,262,260,631
Change in payables and other liabilities	11		44,679,269,838	(45,610,825,533)
Change in prepaid expenses	12		(3,029,359,381)	(3,000,659,093)
			<b>138,133,119,619</b>	<b>71,453,561,543</b>
Interest paid	14		(31,613,003,689)	(42,584,862,587)
Income tax paid	15		(354,935,200)	(711,365,935)
Other payments for operating activities	17		(4,373,740,000)	(4,991,300,000)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>101,791,440,730</b>	<b>23,166,033,021</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Payments for additions to fixed assets and other long-term assets	21		(19,654,732,732)	(42,977,547,018)
Proceeds from disposals of fixed assets	22		377,386,102	198,947,700
Placement of term deposits	23		(16,000,000,000)	-
Receipts of interests	27		2,890,210,592	2,299,280,623
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>(32,387,136,038)</b>	<b>(40,479,318,695)</b>

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Statement of cash flows for the year ended 31 December 2024**  
**(Indirect method - continued)**

**Form B 03 – DN**  
*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

	Code	Note	2024 VND	2023 VND
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Proceeds from equity issued	31		-	57,002,680,000
Proceeds from borrowings	33		895,383,511,953	966,966,220,040
Payments to settle loan principals	34		(916,383,557,399)	(995,339,882,905)
Payments of dividends	36		-	(9,500,000,000)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(21,000,045,446)</b>	<b>19,129,017,135</b>
<b>Net cash flows during the year (50 = 20 + 30 + 40)</b>	<b>50</b>		<b>48,404,259,246</b>	<b>1,815,731,461</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>		<b>3,688,490,588</b>	<b>1,869,728,575</b>
<b>Effect of exchange rate fluctuations on cash and cash equivalents</b>	<b>61</b>		<b>3,290,280</b>	<b>3,030,552</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60 + 61)</b>	<b>70</b>	<b>5</b>	<b>52,096,040,114</b>	<b>3,688,490,588</b>

27 March 2025

Prepared by:

  
**Nguyen Trung Hieu**  
*General Accountant*

Approved by:

  
**Hoang Thai Truc**  
*Chief Accountant*

  
**Tran Dinh Hiep**  
*General Director*

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

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

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

**1. Reporting entity**

**(a) Ownership structure**

Phu Bai Spinning Mill Joint Stock Company (“the Company”) is incorporated as a joint stock company in Vietnam.

As at 31 December 2024, the Company had 661 employees (1/1/2024: 734 employees).

**(b) Principal activities**

The principal activities of the Company are production and trading of assorted fibres, raw materials and equipment for the spinning industry.

**(c) Normal operating cycle**

The normal operating cycle of the Company is generally within 12 months.

**2. Basis of preparation**

**(a) Statement of compliance**

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Enterprises and the relevant statutory requirements applicable to financial reporting.

**(b) Basis of measurement**

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the indirect method.

**(c) Annual accounting period**

The annual accounting period of the Company is from 1 January to 31 December.

**(d) Accounting and presentation currency**

The Company’s accounting currency is Vietnam Dong (“VND”), which is also the currency used for financial statement presentation purpose.



**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**3. Summary of significant accounting policies**

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

**(a) Foreign currency transactions**

Transactions in currencies other than VND during the year have been translated into VND at actual rates at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate (for assets) and account transfer selling rate (for liabilities) at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

**(b) Cash and cash equivalents**

Cash comprises cash balances and call deposits. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

**(c) Investments in equity instruments of other entities**

Investments in equity instruments of other entities are initially recognised at cost which include purchase price plus any directly attributable transaction costs. Subsequent to initial recognition, these investments are stated at cost less allowance for diminution in value.

An allowance is made for diminution in investment values if the investee has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

**(d) Accounts receivable**

Trade and other receivables are stated at cost less allowance for doubtful debts.



**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(e) Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is determined on a weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition. Cost in the case of finished goods and work in progress includes raw materials, direct labour and attributable manufacturing overheads. Net realisable value is the estimated selling price of inventory items, less the estimated costs of completion and estimated costs to sell.

The Company applies the perpetual method of accounting for inventories.

**(f) Tangible fixed assets**

**(i) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition for its intended use. Expenditure incurred after tangible fixed assets have been put into operation, such as repair, maintenance and overhaul cost, is charged to the statement of income in the year in which the cost is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond their originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

**(ii) Depreciation**

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

- |                                 |              |
|---------------------------------|--------------|
| ▪ buildings and infrastructures | 6 – 30 years |
| ▪ plant and equipment           | 5 – 15 years |
| ▪ motor vehicles                | 3 – 6 years  |
| ▪ office equipment              | 3 – 5 years  |

**(g) Intangible fixed assets**

***Software***

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software cost is amortised on a straight-line basis over 3 years.

**(h) Construction in progress**

Construction in progress represents the costs of tangible and intangible fixed assets which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

**Phu Bai Spinning Mill Joint Stock Company**  
**Notes to the financial statements for the year ended 31 December 2024 (continued)**

**Form B 09 – DN**

*(Issued under Circular No. 200/2014/TT-BTC  
dated 22 December 2014 of the Ministry of Finance)*

**(i) Long-term prepaid expenses**

***Tools and instruments***

Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulations. Cost of tools and instruments are amortised on a straight-line basis over 3 years.

**(j) Trade and other payables**

Trade and other payables are stated at their cost.

**(k) Provisions**

Except for the provisions as defined in other notes, a provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**(l) Share capital**

***Ordinary shares***

Ordinary shares are stated at par value. The cash proceeds over the par value is recognised in share premium. Incremental costs directly attributable to the issue of shares, net of tax effects, are recognised as a deduction from share premium.

**(m) Taxation**

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.



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A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**(n) Revenue and other incomes**

**(i) Goods sold**

Revenue from the sales of goods is recognised in the statement of income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods. Revenue on sales of goods is recognised at the net amount after deducting sales discounts.

**(ii) Processing services**

Revenue from processing services is recognised in the statement of income when the goods have been processed and the significant risks and rewards of ownership have been transferred to the ordering parties. No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due.

**(iii) Interest income**

Interest income is recognised on a time proportion basis with reference to the principal outstanding and the applicable interest rate.

**(iv) Dividend income**

Dividend income is recognised when the right to receive dividend is established.

**(o) Leases**

**(i) Leased assets**

Assets held under leases of which the Company, as lessee, does not assume substantially all the risks and rewards of ownership, are classified as operating leases and are not recognised in the Company's balance sheet.

**(ii) Operating lease payments**

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense, over the term of the lease.

**(p) Borrowing costs**

Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs relate to borrowings in respect of the construction of qualifying assets, in which case the borrowing costs incurred during the period of construction are capitalised as part of the cost of the assets concerned.

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**(q) Earnings/(loss) per share**

The Company presents basic earnings/(loss) per share for its ordinary shares. Basic earnings/(loss) per share is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company (after deducting any amounts appropriated to bonus and welfare funds for the annual accounting period) by the weighted average number of ordinary shares outstanding during the year.

During the year, the Company had no potential dilutive ordinary shares and therefore does not present diluted earnings per share.

**(r) Segment reporting**

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Company's Board of Directors considers that the Company operates in one business area which is the production and trading of assorted fibres and raw materials and equipment for the spinning industry.

Geographical segment of the Company is determined based on the country of generating revenue. The Company's Board of Directors has assessed that a geographical area that generates more than 10% of total revenue is a segment that needs to be reported.

**(s) Related parties**

Parties are considered to be related to the Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

Related companies refer to the parent company - Vietnam National Textile And Garment Group, and its subsidiaries and associates.

**(t) Comparative information**

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year's financial statements and is intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operation or cash flows for the prior year.



# Phu Bai Spinning Mill Joint Stock Company

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### 4. Segment reporting

The Company comprises the following geographical segments, based on geographical locations of customers:

- Vietnam
- Republic of Korea;
- Japan;
- Others.

	Vietnam VND	Republic of Korea VND	Japan VND	Others VND	Total VND
<b>For the year ended 31 December 2024</b>					
Total segment revenue	244,380,851,753	829,948,945,883	233,991,633,366	19,035,764,006	1,327,357,195,008
Segment results	2,039,738,812	64,084,962,849	39,133,594,237	2,304,817,165	107,563,113,063
Unallocated expenses (net)					(92,881,978,023)
Results from operating activities					14,681,135,040
Other income					1,122,567,711
Other expenses					(302,649,356)
Income tax					(344,922,597)
Net profit after tax					15,156,130,798

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	Vietnam VND	Republic of Korea VND	Japan VND	Others VND	Total VND
<b>For the year ended 31 December 2023</b>					
Total segment revenue	92,847,991,808	872,951,955,690	145,968,561,337	119,799,845,107	1,231,568,353,942
Segment results	5,735,998,298	33,198,902,231	22,131,005,606	9,149,701,250	70,215,607,385
Unallocated expenses (net)					(106,902,629,082)
Results from operating activities					(36,687,021,697)
Other income					1,041,744,345
Other expenses					(436,670,632)
Income tax					(3,526,722,581)
Net loss after tax					(39,608,670,565)
Capital expenditure				2024 VND	2023 VND
Depreciation of tangible fixed assets				19,654,732,732	42,977,547,018
Amortisation of intangible fixed assets				31,440,517,323	28,587,557,949
				60,552,728	60,552,727

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	Vietnam VND	Korea VND	Japan VND	Others VND	Consolidated VND
<b>At 31 December 2024</b>					
Segment assets	104,295,228	37,580,086,356	15,556,343,500	-	53,240,725,084
Unallocated assets					858,658,368,763
Total assets					911,899,093,847
Segment liabilities	6,115,857,412	-	62,966,053	23,074,405	6,201,897,870
Unallocated liabilities					668,623,245,510
Total liabilities					674,825,143,380
<b>At 1 January 2024</b>					
Segment assets	199,881,270	55,131,479,036	23,513,645,956	2,282,623,386	81,127,629,648
Unallocated assets					796,567,860,909
Total assets					877,695,490,557
Segment liabilities	588,491,984	-	62,966,053	23,074,405	674,532,442
Unallocated liabilities					655,103,138,446
Total liabilities					655,777,670,888

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**5. Cash and cash equivalents**

	31/12/2024 VND	1/1/2024 VND
Cash on hand	113,281,496	117,256,490
Cash in banks	1,640,558,618	3,571,234,098
Cash equivalents (*)	50,342,200,000	-
	52,096,040,114	3,688,490,588

(\*) As at 31 December 2024, cash equivalents represented term deposits at banks with original terms not exceeding 3 months from the transaction dates and annual interest rates from 1.5% to 3.9% .

**6. Held-to-maturity investments**

Held-to-maturity investments represented deposits at banks with an original term of more than 3 months and the remaining term of less than 12 months from the end of the annual accounting period. Held-to-maturity investments were deposited in VND and earned interest at rates from 2.8% to 3.2% per annum.

**7. Accounts receivable from customers**

**Accounts receivable from customers detailed by significant customer**

	31/12/2024 VND	1/1/2024 VND
<b>Other parties</b>		
Color and Touch Co., Ltd.	22,123,496,488	19,905,397,750
YSK Co., Ltd.	8,138,402,605	-
Shinatomy Co., Ltd	7,639,094,377	4,626,741,314
Toyoshima & Co., Ltd.	4,435,392,268	8,985,143,866
Samkang Co., Ltd	2,586,671,533	5,178,350,543
Shinatomy Co., Ltd Osaka Branch	1,969,948,180	6,817,302,767
Jungwoo Vina Co., Ltd.	969,770,463	11,879,570,367
Sewang Textile Co., Ltd	904,988,785	6,576,987,255
Other customers	4,472,960,385	17,158,135,786
	53,240,725,084	81,127,629,648

At 1 January 2024 and 31 December 2024, all short-term receivables from customers are pledged with banks as security for the loans granted to the Company (Note 18(a)).



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**8. Other short-term receivables**

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Receivables from employees	122,033,045	122,033,045
Short-term deposits (*)	84,607,800,000	59,150,000,000
Interest income	628,970,136	1,308,521,631
Others	201,724,324	822,778,094
	<hr/>	<hr/>
	85,560,527,505	61,403,332,770

- (\*) Short-term deposits included term deposits at banks to secure the opening of letters of credit and the Company's loans (Note 18(a)). These deposits earned interest at rates from 1.9% to 4.2% per annum (1/1/2024: from 1.9% to 6.2% per annum).

**9. Inventories**

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Cost</b>	<b>Allowance</b>	<b>Cost</b>	<b>Allowance</b>
	<b>VND</b>	<b>VND</b>	<b>VND</b>	<b>VND</b>
Goods in transit	108,519,145,300	(1,560,374,817)	80,954,047,251	(81,585,822)
Raw materials	108,442,157,861	(1,446,569,613)	79,461,950,749	(80,082,082)
Tools and supplies	41,012,321	-	44,121,377	-
Work in progress	17,455,041,751	(213,370,577)	14,598,342,287	(14,712,270)
Finished goods	19,117,308,346	-	62,514,619,852	(4,088,755,145)
	<hr/>	<hr/>	<hr/>	<hr/>
	253,574,665,579	(3,220,315,007)	237,573,081,516	(4,265,135,319)

Included in inventories at 31 December 2024 was VND231,148 million of raw materials, work in progress recognised at net realisable value.

Included in inventories at 31 December 2023 was VND221,541 million of raw materials, work in progress, finished goods recognised at net realisable value.

As at 31 December 2024 inventories with a cost of VND253,574 million (1/1/2024: VND237,573 million) were pledged with banks as security for loans granted to the Company (Note 18(a)).

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**10. Tangible fixed assets**

	<b>Buildings and structures VND</b>	<b>Plant and equipment VND</b>	<b>Motor vehicles VND</b>	<b>Office equipment VND</b>	<b>Total VND</b>
<b>Cost</b>					
Opening balance	139,310,866,319	764,891,655,828	23,474,869,522	308,928,892	927,986,320,561
Additions	-	13,755,350,779	-	-	13,755,350,779
Disposals	-	(19,206,079,220)	-	-	(19,206,079,220)
Closing balance	139,310,866,319	759,440,927,387	23,474,869,522	308,928,892	922,535,592,120
<b>Accumulated depreciation</b>					
Opening balance	52,523,876,977	417,866,484,694	22,908,380,669	308,928,892	493,607,671,232
Charge for the year	3,283,035,962	27,994,396,908	163,084,453	-	31,440,517,323
Disposals	-	(19,206,079,220)	-	-	(19,206,079,220)
Closing balance	55,806,912,939	426,654,802,382	23,071,465,122	308,928,892	505,842,109,335
<b>Net book value</b>					
Opening balance	86,786,989,342	347,025,171,134	566,488,853	-	434,378,649,329
Closing balance	83,503,953,380	332,786,125,005	403,404,400	-	416,693,482,785

Included in tangible fixed assets were assets costing VND396,441 million which were fully depreciated as of 31 December 2024 (1/1/2024: VND415,863 million), but are still in active use.

At 31 December 2024, tangible fixed assets, including the assets of the 30,240-spindle spinning mill project with a net book value of VND338,375 million (1/1/2024: VND412,554 million), were pledged with banks as security for loans granted to the Company (Note 18).

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**11. Construction in progress**

	<b>2024 VND</b>
Additions and closing balance	1,852,827,335
<hr/>	
Major constructions in progress were as follows:	
	<b>31/12/2024 VND</b>
Upgrading Mill No. 2	877,932,144
Upgrading administration and office building area	974,895,191
	<hr/>
Closing balance	1,852,827,335
	<hr/>



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**12. Long-term financial investments**

	31/12/2024				1/1/2024			
	Address	Number of shares	% of equity owned and voting rights	Cost VND	Allowance for diminution in value VND	Number of shares	% of equity owned and voting rights	Cost VND
Equity investments in other entities								
▪ Dong Phu Spinning								
Joint Stock Company Hung Yen		107,500	3.84%	1,075,000,000	(1,075,000,000)	107,500	3.84%	1,075,000,000
								(1,075,000,000)

The Company has not determined fair values of the equity investment in other entities for disclosure in the financial statements because information about its market price is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System for Enterprises. The fair value of this investment may differ from its carrying amount.

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**13. Long-term prepaid expenses**

	<b>Tools and instruments VND</b>
Opening balance	3,146,064,757
Additions	3,371,594,429
Amortisation for the year	(1,489,557,507)
Closing balance	5,028,101,679

**14. Accounts payable to suppliers – short-term**

**Accounts payable to suppliers detailed by significant suppliers**

	<b>Cost and amount within payment capacity</b>	
	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
<b>Other parties</b>		
ADM International Sàrl	29,238,797,767	128,644,560
Cofco International Singapore Pte.Ltd	13,605,907,500	-
Olam Global Agri Pte Ltd	10,731,287,646	-
Louis Dreyfus Company Suisse Sa	8,231,799,653	8,041,464,242
Toyoshima & Co., Ltd	8,942,850	5,698,407,000
Foryoutex Com	2,453,207,467	5,847,811,735
Devcot SA	27,676,332	11,619,952,483
Targray Technology International Inc.	-	10,205,104,081
Other suppliers	16,584,462,879	14,654,385,724
	80,882,082,094	56,195,769,825

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**15. Taxes and others receivable from and payable to State Treasury**

**(a) Taxes and others receivable from State Treasury**

	1/1/2024 VND	Offset VND	31/12/2024 VND
Corporate income tax	1,905,311,619	(172,298,815)	1,733,012,804

**(b) Taxes and others payable to State Treasury**

	1/1/2024 VND	Incurred during the year VND	Paid during the year VND	Offset during the year VND	Offset VND	31/12/2024 VND
Value added tax	-	30,023,332,809	(18,249,122,956)	(11,774,209,853)	-	-
Corporate income tax	182,311,418	344,922,597	(354,935,200)	-	(172,298,815)	-
Personal income tax	764,050,156	949,720,375	(1,062,415,176)	-	-	651,355,355
Import tax	-	41,473,044	(41,473,044)	-	-	-
Other taxes	2,866,176,987	4,000,000	(2,870,176,987)	-	-	-
	3,812,538,561	31,363,448,825	(22,578,123,363)	(11,774,209,853)	(172,298,815)	651,355,355



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**16. Accrued expenses**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Accrued interest expenses on borrowings	543,332,872	448,415,787
Others	472,918,557	622,862,779
	1,016,251,429	1,071,278,566

**17. Other payables – short-term**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Trade union fees	224,386,165	904,609,768
Others	1,856,063,730	1,477,718,530
	2,080,449,895	2,382,328,298

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**18. Borrowings**

**(a) Short-term borrowings**

	1/1/2024	Movements during the year			31/12/2024
	Carrying amount and amount within repayment capacity VND	Addition VND	Decrease VND	Revaluation VND	Carrying amount and amount within repayment capacity VND
Short-term borrowings	251,445,106,329	887,861,685,753	(880,893,107,559)	29,465,361	258,443,149,884
Current portion of long-term borrowings (Note 18(b))	6,289,232,500	6,305,600,000	(12,594,832,500)	-	-
	257,734,338,829	894,167,285,753	(893,487,940,059)	29,465,361	258,443,149,884

Terms and conditions of short-term borrowings were as follows:

	Currency	Annual interest rate	31/12/2024 VND	1/1/2024 VND
Joint Stock Commercial Bank for Foreign Trade of Vietnam (“Vietcombank”)	VND	3.6% - 4.1%	162,156,831,725	155,724,828,378
Joint Stock Commercial Bank for Investment and Development of Vietnam	VND	3.8% - 4.9%	60,279,856,009	42,691,986,758
Vietnam Joint Stock Commercial Bank for Industry and Trade	VND	3.8% - 4.0%	24,726,932,063	35,612,590,170
Vietnam Technological and Commercial Joint Stock Bank	VND	4.0% - 4.2%	11,279,530,087	17,415,701,023
			258,443,149,884	251,445,106,329

These borrowings were secured over receivables from customers, other receivables, inventories and certain tangible fixed assets (Notes 7, 8, 9, 10).

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**(b) Long-term borrowings**

	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Long-term borrowings	297,175,558,140	325,144,181,780
Repayable within twelve months	-	(6,289,232,500)
	<u>297,175,558,140</u>	<u>318,854,949,280</u>

Terms and conditions of long-term borrowings were as follows:

	<b>Currency</b>	<b>Annual interest rate</b>	<b>Year of maturity</b>	<b>31/12/2024</b> <b>VND</b>	<b>1/1/2024</b> <b>VND</b>
Borrowings from Vietcombank	VND	7.1% - 7.6%	2026 - 2035	297,175,558,140	325,144,181,780

Long-term borrowings were secured by certain tangible fixed assets of the Company (Note 10).

**19. Bonus and welfare fund**

Bonus and welfare fund is established by appropriating from retained profits as approved by shareholders at shareholders' meeting. This fund is used to pay bonus and welfare to the Company's employees in accordance with the Company's bonus and welfare policies. Movements of bonus and welfare fund during the year were as follows:

	<b>2024</b> <b>VND</b>	<b>2023</b> <b>VND</b>
Opening balance	9,735,158,249	14,726,458,249
Utilisation	(4,373,740,000)	(4,991,300,000)
Closing balance	<u>5,361,418,249</u>	<u>9,735,158,249</u>



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**20. Changes in owners' equity**

	Share capital VND	Capital surplus VND	Investment and development fund VND	Other equity funds VND	(Accumulated losses)/ retained profit VND	Total VND
<b>Balance at 1/1/2023</b>	95,000,000,000	24,289,216,000	68,451,731,553	9,500,360,000	16,782,502,681	214,023,810,234
Net loss for the year	-	-	-	-	(39,608,670,565)	(39,608,670,565)
Dividends	-	-	-	-	(9,500,000,000)	(9,500,000,000)
Share dividends for 2021	9,499,530,000	-	-	(9,499,530,000)	-	-
Ordinary shares issued	28,501,340,000	28,501,340,000	-	-	-	57,002,680,000
<b>Balance at 1/1/2024</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(32,326,167,884)	221,917,819,669
Net profit for the year	-	-	-	-	15,156,130,798	15,156,130,798
<b>Balance at 31/12/2024</b>	133,000,870,000	52,790,556,000	68,451,731,553	830,000	(17,170,037,086)	237,073,950,467

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## 21. Share capital

The Company's authorised and issued share capital are:

	31/12/2024		1/1/2024	
	Number of shares	VND	Number of shares	VND
<b>Authorised share capital</b>	13,300,087	133,000,870,000	13,300,087	133,000,870,000
<b>Issued share capital</b>				
Ordinary shares	13,300,087	133,000,870,000	13,300,087	133,000,870,000
<b>Shares in circulation</b>				
Ordinary shares	13,300,087	133,000,870,000	13,300,087	133,000,870,000

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

The issued and outstanding share capital of the shareholders is as follows:

	31/12/2024 and 1/1/2024 Issued and outstanding		
	Number of shares	VND	%
Vietnam National Textile and Garment Group	8,076,809	80,768,090,000	60.73%
Nghe An Food Agricultural Materials Joint Stock Company	2,095,500	20,955,000,000	15.76%
Mr. Bui Nguyen Tien	376,515	3,765,150,000	2.83%
Others	2,751,263	27,512,630,000	20.68%
	13,300,087	133,000,870,000	100%

Vietnam National Textile and Garment Group, the parent company, is incorporated in Vietnam.

## 22. Investment and development fund

This fund is established by appropriating from retained profits as approved by the shareholders at shareholders' meeting. This fund was established for the purpose of future business expansion.

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**Notes to the financial statements for the year ended 31 December 2024 (continued)**

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**23. Off balance sheet items**

**(a) Lease**

The future minimum lease payments under non-cancellable operating leases were:

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Within one year	869,916,000	869,916,000
Within two to five years	3,479,663,000	3,479,663,000
More than five years	18,413,214,000	19,283,130,000
	<hr/>	<hr/>
	22,762,793,000	23,632,709,000
	<hr/>	<hr/>

**(b) Foreign currencies**

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Original currency</b>	<b>VND equivalent</b>	<b>Original currency</b>	<b>VND equivalent</b>
USD	31,216	789,247,078	112,906	2,718,768,925
EUR	330	8,627,854	340	8,973,762
		<hr/>		<hr/>
		797,874,932		2,727,742,687
		<hr/>		<hr/>

**(c) Capital expenditure commitments**

As at 31 December 2024 the Company had the following outstanding capital commitments approved but not provided for in the balance sheet:

	<b>31/12/2024</b>	<b>1/1/2024</b>
	<b>VND</b>	<b>VND</b>
Approved but not contracted	16,226,166,665	-
Approved and contracted	69,858,660,000	-
	<hr/>	<hr/>
	86,084,826,665	-
	<hr/>	<hr/>



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**24. Revenue from sales of goods and provision of services**

	<b>2024 VND</b>	<b>2023 VND</b>
Total revenue from sales of goods and services		
▪ Finished goods sold	1,266,297,705,008	1,177,599,932,512
▪ Scrap sales	61,048,375,000	53,718,159,500
▪ Processing services	11,115,000	250,261,930
	<hr/>	<hr/>
	1,327,357,195,008	1,231,568,353,942
	<hr/>	<hr/>

**25. Cost of sales**

	<b>2024 VND</b>	<b>2023 VND</b>
Cost of finished goods sold	1,159,780,344,697	1,146,920,999,642
Cost of scraps sold	61,048,375,000	53,718,159,500
Processing services	10,182,560	14,108,253
Reversal of allowance for inventories	(1,044,820,312)	(39,300,520,838)
	<hr/>	<hr/>
	1,219,794,081,945	1,161,352,746,557
	<hr/>	<hr/>

**26. Financial income**

	<b>2024 VND</b>	<b>2023 VND</b>
Interest income from deposits	2,210,659,097	2,568,344,326
Realised foreign exchange gains	15,543,269,681	17,812,170,713
Unrealised foreign exchange gains	240,970,373	-
	<hr/>	<hr/>
	17,994,899,151	20,380,515,039
	<hr/>	<hr/>

**Phu Bai Spinning Mill Joint Stock Company**  
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**27. Financial expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Interest expense	31,707,920,774	42,247,923,995
Realised foreign exchange losses	5,094,349,688	13,490,795,319
Unrealised foreign exchange losses	-	4,068,921
	<b>36,802,270,462</b>	<b>55,742,788,235</b>

**28. Selling expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Packaging costs	10,780,251,994	11,715,002,181
Brokerage commissions	11,562,779,588	12,159,733,350
Transportation costs	22,122,943,231	24,049,648,268
Customs documents and declaration expenses	5,647,251,191	4,507,151,164
	<b>50,113,226,004</b>	<b>52,431,534,963</b>

**29. General and administration expenses**

	<b>2024 VND</b>	<b>2023 VND</b>
Staff costs	11,785,725,266	8,650,606,545
Depreciation	318,466,890	138,201,880
Outside services	231,526,191	390,809,274
Others	11,625,662,361	9,929,203,224
	<b>23,961,380,708</b>	<b>19,108,820,923</b>

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**30. Production and business costs by element**

	<b>2024 VND</b>	<b>2023 VND</b>
Raw material costs included in production costs	932,498,251,632	880,315,380,275
Reversals of allowance for inventories	(1,044,820,312)	(39,300,520,838)
Staff costs	116,371,445,984	91,113,976,363
Depreciation and amortisation	31,501,070,051	28,648,110,676
Outside services	170,425,500,172	169,027,763,659
Other expenses	3,576,629,088	2,488,632,538

**31. Income tax**

**(a) Recognised in the statement of income**

	<b>2024 VND</b>	<b>2023 VND</b>
<b>Current tax expense</b>		
Current year	344,922,597	-
<b>Deferred tax expense</b>		
Origination and reversal of temporary differences	-	3,526,722,581
Income tax expense	344,922,597	3,526,722,581

**(b) Reconciliation of effective tax rate**

	<b>2024 VND</b>	<b>2023 VND</b>
Accounting profit/(loss) before tax	15,501,053,395	(36,081,947,984)
Tax at the Company's tax rate	3,100,210,679	(7,216,389,597)
Non-deductible expenses	565,251,991	223,600,124
Tax losses utilised	(4,880,644,333)	-
Effect of unrecognised temporary differences	1,560,104,260	10,519,512,054
	344,922,597	3,526,722,581



**Phu Bai Spinning Mill Joint Stock Company**  
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**(c) Unrecognised deferred tax assets**

Deferred tax assets have not been recognised in respect of the following items:

	<b>31/12/2024</b>		<b>1/1/2024</b>	
	<b>Temporary difference VND</b>	<b>Tax value VND</b>	<b>Temporary difference VND</b>	<b>Tax value VND</b>
Deductible temporary differences	40,452,176,766	8,090,435,353	32,651,655,464	6,530,331,093
Tax losses	-	-	24,403,221,664	4,880,644,333
	<b>40,452,176,766</b>	<b>8,090,435,353</b>	<b>57,054,877,128</b>	<b>11,410,975,426</b>

Deductible temporary differences include interest expenses allowed to be carried forward for deduction against future taxable profit in accordance with regulation in Decree 132/2020/ND-CP dated 5 November 2020. These deductible temporary differences expire in the following years:

<b>Year of expiry</b>	<b>Interest expenses deductible in future periods VND</b>
2027	561,931,105
2028	30,000,868,736
2029	6,793,421,647
	<b>37,356,221,488</b>

**(d) Applicable tax rates**

Under the provisions of the current Law on Corporate Income Tax, the Company has an obligation to pay the government income tax at the rate of 20% of taxable profits.

In addition, the additional income from the investment project to expand the Spinning Mill No. 3 is exempt from income tax for 2 years starting from the first year it generates a taxable profit (from 2021 to 2022) and entitled to a 50% reduction in income tax for the 4 succeeding years (from 2023 to 2026).

The computation of corporate income tax as well as the application of tax incentives according to the Company's interpretation of the prevailing CIT regulations is subject to the review and approval of the tax authority.

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**32. Basic earnings/(loss) per share**

The calculation of basic earnings/(loss) per share for the year ended 31 December 2024 was based on the profit/(loss) attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding at the date of these financial statements. Details are as follows:

**(a) Net profit/(loss) attributable to ordinary shareholders**

	<b>2024 VND</b>	<b>2023 VND</b>
Net profit/(loss) attributable to ordinary shareholders	15,156,130,798	(39,608,670,565)

**(b) Weighted average number of ordinary shares**

	<b>2024</b>	<b>2023</b>
Issued ordinary shares at the beginning of the year	13,300,087	9,500,000
Effect of dividends paid in 2021 by the form of shares	-	949,953
Effect of issued ordinary shares	-	1,397,737
Weighted average number of ordinary shares outstanding during the year	13,300,087	11,847,690

**(c) Basic earnings/(loss) per share**

	<b>2024</b>	<b>2023</b>
Net profit/(loss) for the year (VND)	15,156,130,798	(39,608,670,565)
Weighted average number of ordinary shares (number of shares)	13,300,087	11,847,690
Basic earnings/(loss) per share	1,140	(3,343)

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**33. Significant transactions with related parties**

In addition to related party balances disclosed in other notes to the financial statements, the Company had the following significant transactions with related parties during the year:

	<b>Transaction value</b>	
	<b>2024</b>	<b>2023</b>
	<b>VND</b>	<b>VND</b>
<b>The parent company</b>		
<i>Vietnam National Textile and Garment Group</i>		
Purchase of services	183,413,246	-
Issued ordinary shares	-	48,999,300,000
Payment of cash dividends	-	5,115,313,000
<b>Others related parties</b>		
<i>Hue Textile Garment Joint Stock Company</i>		
Purchase of goods	408,316,749	301,643,880
Issued ordinary shares	-	4,033,660,000
Payment of cash dividends	-	421,098,000
<i>Vinatex Phu Cuong Spinning Mill</i>		
Sales of raw materials	11,115,000	-
<i>Vinatex Phu Hung Joint Stock Company</i>		
Sales of goods and services	-	250,261,930
<b>General Director</b>		
Salary and bonus	1,145,528,770	941,676,182
<b>Chairman of Board of Management</b>		
Bonus	100,000,000	400,000,000
Remuneration	180,000,000	180,000,000
<b>Member 1 of the Board of Management</b>		
Salary	50,000,000	300,000,000
Remuneration	120,000,000	120,000,000
<b>Member 2 of the Board of Management</b>		
Salary	50,000,000	100,000,000
Remuneration	120,000,000	120,000,000
<b>Member 3 of the Board of Management</b>		
Salary	50,000,000	200,000,000
Remuneration	120,000,000	120,000,000
<b>Member 4 of the Board of Management</b>		
Salary	50,000,000	200,000,000
Remuneration	120,000,000	120,000,000
<b>Other members of Board of Directors</b>		
Remuneration, salary and bonus	1,206,503,117	1,167,938,642

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**34. Comparative information**

Comparative information as at 1 January 2024 was derived from the balances and amounts reported in the Company's audited financial statements as at and for the year ended 31 December 2023.

27 March 2025

Prepared by:



Nguyen Trung Hieu  
*General Accountant*

Approved by:



Hoang Thai Truc  
*Chief Accountant*



Tran Dinh Hiep  
*General Director*

