

**577 INVESTMENT CORPORATION**  
**AUDITED CONSOLIDATED FINANCIAL STATEMENTS**  
**For the year ended 31 December 2023**

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**STATEMENT OF THE BOARD OF GENERAL DIRECTORS**

The Board of General Directors of 577 Investment Corporation ("the Company") presents this report together with consolidated financial statements of the Company for the year ended 31 December 2023.

**THE BOARDS OF MANAGEMENT, SUPERVISORY AND GENERAL DIRECTORS**

The members of the Boards of Management, Supervisory and General Directors of the Company during the year and to the date of this report are as follows:

**Board of Management**

Mr. Luu Hai Ca	Chairman
Mr. Le Quoc Binh	Permanent Vice Chairman
Ms. Nguyen Quynh Huong	Member
Mr. Nguyen Van Chinh	Member
Mr. Nguyen Ba Lan	Member
Mr. Pham Thanh Vu	Independent member

**Board of Supervisory**

Ms. Duong Quynh Diep	Head of the Board
Mr. Le Trung Hieu	Member
Ms. Le Thi Kieu Diem	Member

**Board of General Directors**

Mr. Nguyen Ba Lan	General Director
Mr. Nguyen Quy Binh	Deputy General Director
Mr. Nguyen Van Ty	Deputy General Director (appointed on 09 May 2023)
Mr. Mai Thanh Truc	Deputy General Director (resigned on 22 May 2023)

**Legal Representative**

The legal representative of the Company for the year and to the date of this report is Mr. Nguyen Ba Lan - The General Director.

**THE AUDITORS**

The consolidated financial statements of the Company for the year ended 31 December 2023 have been audited by International Auditing Company Limited - An independent member firm of AGN International.

**BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY**

The Board of General Directors of the Company is responsible for preparing the consolidated financial statements, which give a true and fair view of the consolidated financial position of the Company as of 31 December 2023, and consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. In preparing these consolidated financial statements, the Board of General Directors is required to:

**STATEMENT OF THE BOARD OF GENERAL DIRECTORS (continued)****BOARD OF GENERAL DIRECTORS' STATEMENT OF RESPONSIBILITY (continued)**

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the consolidated financial statements;
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the consolidated financial statements to minimize errors and frauds.

The Board of General Directors is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Company and that the consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting. The Board of General Directors is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of General Directors confirms that the Company has complied with the above requirements in preparing these consolidated financial statements.

For and on behalf of the Board of General Directors,



Nguyen Ba Lan  
General Director

Ho Chi Minh City, 25 March 2024

No. 1868/2024/BCKT-ICPA.SG

**INDEPENDENT AUDITORS' REPORT**

**To:**  
The shareholders  
The Boards of Management and General Directors  
577 Investment Corporation

We have audited the accompanying consolidated financial statements of 577 Investment Corporation (hereinafter referred to as "the Company"), prepared on 25 March 2024, as set out from page 4 to page 56, which comprise the consolidated balance sheet as of 31 December 2023, the consolidated statements of income and consolidated cash flows for the year then ended, and notes to the consolidated financial statements.

**Board of Management's Responsibility**

The Board of Management is responsible for the preparation and presentation of these consolidated financial statements comply with Vietnamese Standards on Accounting, Vietnamese Accounting Regime for enterprise and prevailing relevant regulations in the consolidated financial statements preparation and disclosure and for such internal control as the Board of Management determines is necessary to enable the preparation of 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 auditor's 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 auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by 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.

**Opinion**

In our opinion, the accompanying consolidated financial statements give a true and fair view of, in all material respects, the consolidated financial position of the Company as of 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.



Lương Xuân Truong  
Branch Director  
Audit Practising Registration Certificate  
No. 1741-2023-072-1

Tran Thi Xuan Tuoc  
Auditor  
Audit Practising Registration Certificate  
No. N.4184-2022-072-1

Ho Chi Minh City, 25 March 2024

## CONSOLIDATED BALANCE SHEET

As at 31 December 2023

Unit: VND

ASSETS	Codes	Notes	31/12/2023	01/01/2023
<b>A. CURRENT ASSETS</b>	100		<b>2,680,822,497,187</b>	<b>2,806,084,422,141</b>
<b>I. Cash and cash equivalents</b>	110	V.1	<b>15,804,716,334</b>	<b>12,148,248,353</b>
1. Cash	111		15,714,716,334	12,148,248,353
2. Cash equivalents	112		90,000,000	-
<b>II. Short-term receivables</b>	130		<b>1,034,923,625,981</b>	<b>1,392,575,890,115</b>
1. Short-term trade receivables	131	V.2	360,409,156,665	353,430,869,507
2. Short-term advances to suppliers	132	V.3	361,090,173,238	846,360,646,932
3. Short-term loan receivables	135	V.4	2,300,000,000	2,300,000,000
4. Other short-term receivables	136	V.5	380,489,764,772	239,125,256,256
5. Provision for short-term doubtful debts	137	V.6	(69,365,468,694)	(48,640,882,580)
<b>III. Inventories</b>	140	V.7	<b>1,578,459,559,282</b>	<b>1,355,529,998,264</b>
1. Inventories	141		1,578,459,559,282	1,355,529,998,264
<b>IV. Other short-term assets</b>	150		<b>51,634,595,590</b>	<b>45,830,285,409</b>
1. Short-term prepayments	151	V.8	16,669,391	29,577,185
2. Value added tax deductibles	152		51,547,210,418	45,800,708,224
3. Taxes and other receivables from the State budget	153	V.18	70,715,781.00	-

## CONSOLIDATED BALANCE SHEET (continued)

As at 31 December 2023

Unit: VND

ASSETS	Codes	Notes	31/12/2023	01/01/2023
<b>B. NON-CURRENT ASSETS</b>	<b>200</b>		<b>4,229,309,633,826</b>	<b>3,581,171,900,486</b>
<b>I. Long-term receivables</b>	<b>210</b>		<b>2,032,074,039,629</b>	<b>1,587,155,078,800</b>
1. Other long-term receivables	216	V.4	2,032,074,039,629	1,587,155,078,800
<b>II. Fixed assets</b>	<b>220</b>		<b>221,874,005,981</b>	<b>246,126,127,391</b>
1. Tangible fixed assets	221	V.9	190,496,177,995	213,300,923,933
- Cost	222		273,719,819,022	253,504,678,990
- Accumulated depreciation	223		(83,223,641,027)	(40,203,755,057)
2. Intangible fixed assets	227	V.10	31,377,827,986	32,825,203,458
- Cost	228		31,746,927,986	33,132,758,452
- Accumulated amortisation	229		(369,100,000)	(307,554,994)
<b>III. Investment property</b>	<b>230</b>	<b>V.11</b>	<b>9,487,563,482</b>	<b>10,144,146,110</b>
- Cost	231		14,719,606,029	14,719,606,029
- Accumulated depreciation	232		(5,232,042,547)	(4,575,459,919)
<b>IV. Long-term assets in progress</b>	<b>240</b>		<b>1,653,623,647,376</b>	<b>1,606,617,757,413</b>
1. Long-term construction in progress	242	V.12	1,653,623,647,376	1,606,617,757,413
<b>V. Long-term financial investments</b>	<b>250</b>	<b>V.13</b>	<b>36,550,000,000</b>	<b>16,150,000,000</b>
1. Equity investments in other entities	253		38,550,000,000	18,150,000,000
2. Provision for impairment of long-term financial investments	254		(2,000,000,000)	(2,000,000,000)
<b>VI. Other long-term assets</b>	<b>260</b>		<b>275,700,377,358</b>	<b>114,978,790,772</b>
1. Long-term prepayments	261	V.8	231,457,692,497	109,622,704,352
2. Deferred tax assets	262	V.14	6,242,684,861	5,356,086,420
3. Goodwill	269	V.15	38,000,000,000	-
<b>TOTAL ASSETS (270 = 100 + 200)</b>	<b>270</b>		<b>6,910,132,131,013</b>	<b>6,387,256,322,627</b>

## CONSOLIDATED BALANCE SHEET (continued)

As at 31 December 2023

Unit: VND

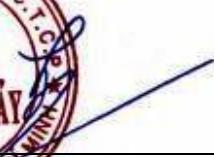
RESOURCES	Codes	Notes	31/12/2023	01/01/2023
<b>C. LIABILITIES</b>	<b>300</b>		<b>5,089,477,676,732</b>	<b>4,567,447,492,416</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>2,244,732,416,752</b>	<b>1,884,476,593,967</b>
1. Short-term trade payables	311	V.16	130,532,484,607	92,397,109,825
2. Short-term advances from customers	312	V.17	51,407,978,226	27,796,563,364
3. Taxes and amounts payable to the State budget	313	V.18	73,316,133,969	131,865,793,625
4. Payables to employees	314		3,646,829,655	3,002,161,649
5. Short-term accrued expenses	315	V.19	57,676,240,911	31,417,883,292
6. Other current payables	319	V.20	500,455,429,113	297,279,337,773
7. Short-term loans and obligations under finance leases	320	V.21	1,101,012,692,962	971,948,604,185
8. Short-term provisions	321	V.22	322,879,240,867	321,000,000,000
9. Bonus and welfare funds	322	V.23	3,805,386,442	7,769,140,254
<b>II. Long-term liabilities</b>	<b>330</b>		<b>2,844,745,259,980</b>	<b>2,682,970,898,449</b>
1. Other long-term payables	337	V.20	301,454,445,765	520,642,428,537
2. Long-term loans and obligations under finance leases	338	V.21	2,539,396,000,000	2,158,200,685,697
3. Deferred tax liabilities	341	V.14	786,852,028	786,852,028
4. Long-term provisions	342	V.22	3,107,962,187	3,340,932,187
<b>D. EQUITY</b>	<b>400</b>		<b>1,820,654,454,281</b>	<b>1,819,808,830,211</b>
<b>I. Owner's equity</b>	<b>410</b>	<b>V.24</b>	<b>1,820,654,454,281</b>	<b>1,819,808,830,211</b>
1. Owner's contributed capital	411		1,004,756,560,000	1,004,756,560,000
- Ordinary shares carrying voting rights	411a		1,004,756,560,000	1,004,756,560,000
2. Share premium	412		207,059,165,444	207,059,165,444
3. Treasury shares	415		(7,087,077,763)	(7,087,077,763)
4. Retained earnings	421		610,213,583,599	608,545,980,580
- Retained earnings accumulated to the prior year end	421a		608,305,839,876	602,542,462,968
- Retained earnings of current year	421b		1,907,743,723	6,003,517,612
5. Non-controlling interests	429		5,712,223,001	6,534,201,950
<b>TOTAL RESOURCES (440 = 300 + 400)</b>	<b>440</b>		<b>6,910,132,131,013</b>	<b>6,387,256,322,627</b>



Nguyen Tran Phuong Uyen  
Preparer



Nguyen Van Minh  
Chief Accountant

Nguyen Ba Lan  
General Director

25 March 2024

## CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	Notes	2023	2022
<b>1. Gross revenue from goods sold and services rendered</b>	<b>01</b>	<b>VI.1</b>	<b>293,035,706,646</b>	<b>466,361,957,012</b>
2. Deductions	02		-	-
<b>3. Net revenue from goods sold and services rendered (10 = 01 - 02)</b>	<b>10</b>		<b>293,035,706,646</b>	<b>466,361,957,012</b>
4. Cost of sales	11	VI.2	188,456,424,710	239,614,773,428
<b>5. Gross profit from goods sold and services rendered (20 = 10 - 11)</b>	<b>20</b>		<b>104,579,281,936</b>	<b>226,747,183,584</b>
6. Financial income	21	VI.3	353,051,313,410	151,411,222,870
7. Financial expenses	22	VI.4	322,759,563,812	259,786,006,383
- <i>In which: Interest expense</i>	23		263,149,412,401	170,490,729,603
8. Selling expenses	25	VI.5	1,329,151,640	2,922,155,477
9. General and administration expenses	26	VI.6	49,065,991,283	42,550,206,674
<b>10. Operating profit</b>				
[ $30 = 20 + (21 - 22) + 24 - (25 + 26)$ ]	<b>30</b>		<b>84,475,888,611</b>	<b>72,900,037,920</b>
11. Other income	31	VI.7	18,248,031,900	2,110,549,456
12. Other expenses	32	VI.8	66,754,015,205	51,360,379,930
<b>13. Loss from other activities</b>				
( $40 = 31 - 32$ )	<b>40</b>		<b>(48,505,983,305)</b>	<b>(49,249,830,474)</b>
<b>14. Accounting profit before tax</b>				
( $50 = 30 + 40$ )	<b>50</b>		<b>35,969,905,306</b>	<b>23,650,207,446</b>
15. Current corporate income tax expense	51	VI.9	35,770,738,973	17,515,985,308
16. Deferred corporate tax income	52	V.14	(886,598,441)	(1,042,301,794)
<b>17. Net profit after corporate income tax</b>				
( $60 = 50 - 51 - 52$ )	<b>60</b>		<b>1,085,764,774</b>	<b>7,176,523,932</b>
18. Net profit attributable to owners of the parent	61		1,907,743,723	6,003,517,612
19. Net (loss)/profit attributable to non-controlling interest	62		(821,978,949)	1,173,006,320
<b>20. Basic earnings per share</b>	<b>70</b>	VI.10	<b>18</b>	<b>58</b>



Nguyen Tran Phuong Uyen  
Preparer



Nguyen Van Minh  
Chief Accountant



Nguyen Ba Lan  
General Director

25 March 2024

**CONSOLIDATED CASH FLOW STATEMENT***(Indirect method)*

For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	2023	2022
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
1. Accounting profit before tax	01	35,969,905,306	23,650,207,446
2. Adjustments for:			
Depreciation and amortisation of fixed assets and investment properties	02	10,152,125,823	10,110,019,098
Provisions	03	18,643,005,219	13,221,405,360
Gain from investing activities	05	(220,984,040,680)	(185,092,271,512)
Interest expense	06	263,149,412,401	170,490,729,603
3. Operating profit before movements in working capital	08	106,930,408,069	32,380,089,995
Decrease/(increase) in receivables	09	345,808,534,214	(576,611,234,343)
Increase in inventories	10	(96,572,488,607)	(357,400,816,301)
Decrease in payables (excluding accrued loan interest and corporate income tax payable)	11	(234,074,108,720)	(681,697,086)
Increase in prepaid expenses	12	(111,952,899,634)	(8,422,844,579)
Interest paid	14	(411,362,911,925)	(124,377,685,966)
Corporate income tax paid	15	(94,879,890,851)	(87,116,768,664)
Other cash outflows	17	(4,203,894,516)	(21,903,446,263)
<b>Net cash used in operating activities</b>	<b>20</b>	<b>(500,307,251,970)</b>	<b>(1,144,134,403,207)</b>
<b>II. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
1. Acquisition and construction of fixed assets and other long-term assets	21	(39,400,000)	(3,864,603,378)
2. Proceeds from sales of fixed assets and other long-term assets disposal	22	40,000,000,000	82,523,050,257
3. Cash outflow for lending and buying debt instruments of other companies	23	(1,331,415,824,648)	(1,150,800,000,000)
4. Cash recovered from lending and selling debt instruments of other entities	24	896,888,925,578	147,648,247,018
5. Investments in other entities	25	(84,933,875,018)	-
6. Cash recovered from investments in other entities	26	-	6,105,500,000
7. Interest earned, dividends and profits received	27	221,432,926,680	101,462,845,095
<b>Net cash used in investing activities</b>	<b>30</b>	<b>(258,067,247,408)</b>	<b>(816,924,961,008)</b>

## CONSOLIDATED CASH FLOW STATEMENT (continued)

(Indirect method)

For the year ended 31 December 2023

Unit: VND

ITEMS	Codes	2023	2022
<b>III. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
1. Proceeds from borrowings	33	2,899,446,155,133	2,145,474,989,702
2. Repayment of borrowings	34	(2,137,415,187,774)	(202,457,714,220)
<b>Net cash generated from financing activities</b>	<b>40</b>	<b>762,030,967,359</b>	<b>1,943,017,275,482</b>
<b>Net increase/(decrease) in cash and cash equivalents (50 = 20 + 30 + 40)</b>	<b>50</b>	<b>3,656,467,981</b>	<b>(18,042,088,733)</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>60</b>	<b>12,148,248,353</b>	<b>30,190,337,086</b>
<b>Cash and cash equivalents at the end of the year (70 = 50 + 60)</b>	<b>70</b>	<b>15,804,716,334</b>	<b>12,148,248,353</b>


  
Nguyen Tran Phuong Uyen  
Preparer


  
Nguyen Van Minh  
Chief Accountant


  
Nguyen Ba Lan  
General Director

25 March 2024

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

For the year ended 31 December 2023

**I. GENERAL INFORMATION****Structure of ownership**

577 Investment Corporation (hereinafter referred to as "the Company") was incorporated under the Enterprise Registration Certificate No. 4103003556 issued by the Department of Planning and Investment of Ho Chi Minh City dated 4 July 2005 and the 17th amendment dated 09 August 2023 about the change of the Company's address.

The charter capital of the Company is VND 1,004,756,560,000, divided equally into 100,475,656 shares with par value of VND 10,000.

The head office of the Company is located at CII Tower Building, No. 152, Dien Bien Phu Street, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam.

The English name of the Company: 577 Investment Corporation.

The Company's shares were officially listed on the Ho Chi Minh City Stock Exchange with the stock code as NBB.

The number of employees of Company and its subsidiaries as of 31 December 2023 were 152 (as of 01 January 2023: 137).

**Business sector**

The Company operates in the real estate business sector.

**Operating industry**

The operating industry of the Company consist of developing and trading real estate properties; executing transportation and civil construction, investing in urban infrastructure; exploiting and processing minerals.

**Principal activities**

The principal activities of the Company during the year comprise of developing and trading real estate properties; civil engineering construction, mineral exploitation and processing.

**Normal production and business cycle**

The average production and business cycle of the Company's real estate sector starts from the time of applying for the investment license, carrying out site clearance and construction until completion. Therefore, the business cycle of the real estate sector is estimated for the period from 24 months to 60 months.

The production and business cycle of other activities of the Company is normally carried out in a period not exceeding 12 months.

**Significant events took place during the year that affected the consolidated financial statements**

During the year, the Company received the transfer of 100% of the charter capital of NBB Quang Ngai Limited Liability Company from Infrastructure Construction Joint Stock Company (CII), an affiliate of the Company. The transfer transaction was completed on 30 June 2023, and NBB Quang Ngai Limited Liability Company became a subsidiary of the Company from this date. The impact of this business combination transaction on the Company's consolidated financial statements is detailed in Note V.15.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**I. GENERAL INFORMATION (continued)****The Company's structure**

The Company has invested directly in three (03) subsidiaries and one (01) associate. Details of these investees are as follows:

Name of Companies	31/12/2023		01/01/2023		Places of incorporation and operation	Principal activity
	Proportion of ownership interest (%)	Proportion of voting right power held (%)	Proportion of ownership interest (%)	Proportion of voting right power held (%)		
<b>Subsidiaries</b>						
1. NBB Quang Ngai One Member Company Limited	100.00%	100.00%	0.00%	0.00%	Quang Ngai Province	Stone mining, construction and project execution
2. Hung Thanh Construction - Trading - Service - Manufacturing Company Limited	95.00%	95.00%	95.00%	95.00%	Ho Chi Minh City	Trading real estate
3. Quang Ngai Mineral Investment Joint Stock Company	90.00%	90.00%	90.00%	90.00%	Quang Ngai Province	Exploitation of stone, sand, gravel and clay
4. Huong Tra Company Limited	99.00%	99.00%	99.00%	99.00%	Quang Ngai Province	Investing, managing and running Tra Bong mineral water mine
<b>Associate</b>						
1. Tam Phu Investment & Construction Company Limited	49.00%	49.00%	49.00%	49.00%	Quang Nam Province	Trading real estate

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**I. GENERAL INFORMATION (continued)****The Company's structure (continued)**

The Company's dependent accounting branches include:

- Binh Thuan Branch, registered at Group 2, Phuoc Hai Hamlet, Tan Phuoc Commune, Lagi Town, Binh Thuan Province.
- Southwest Branch, registered at 444 Ninh Binh Street, Ward 2 Residential Area, Bac Lieu City, Bac Lieu Province.
- Northern Branch, registered at 2<sup>nd</sup> Floor, Villa A29, Lot BT-A3, Doi Thuy San Villa area, 9B Area, Bai Chay Ward, Ha Long City, Quang Ninh Province.
- Quang Ngai Branch, registered at 364 Vo Nguyen Giap, Truong Quang Trong Ward, Quang Ngai City, Quang Ngai Province.

**Disclosure of information comparability in the consolidated financial statements**

The company consistently applies accounting policies in accordance with the Vietnamese Accounting Standards, the Accounting Regime of Enterprises issued under Circular No. 200/2014/TT-BTC ("Circular 200") dated 22 December 2014, of the Ministry of Finance, Circular No. 53/2016/TT-BTC dated 21 March 2016, of the Ministry of Finance amending and supplementing some provisions of Circular No. 200/2014/TT-BTC, Circular No. 202/2014/TT-BTC dated 22 December 2014, of the Ministry of Finance, as well as guidance documents issued by the Ministry of Finance on the implementation of accounting standards for the preparation and presentation of consolidated financial statements. Therefore, the information and figures presented in the consolidated financial statements are comparable.

**II. ACCOUNTING CONVENTION AND FINANCIAL YEAR****Accounting convention**

The accompanying consolidated financial statements, expressed in Vietnamese Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting.

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

**Financial year**

The Company's financial year begins on 01 January and ends on 31 December.

**III. ACCOUNTING STANDARDS AND REGIME APPLIED**

The Board of General Directors ensures to compliance with requirements of Vietnamese Accounting Standards and the Accounting regime for enterprises promulgated under Circular No. 200/2014/TT-BTC ("Circular 200") dated 22 December 2014 by the Ministry of Finance guiding the accounting regime for enterprises, and Circular No. 53/2016/TT-BTC dated 21 March 2016 amending and supplementing some articles of Circular No. 200/2014/TT-BTC, and Circular No. 202/2014/TT-BTC ("Circular 202") dated 22 December 2014 guiding the preparing and presenting of the consolidated financial statements, as well as circulars guiding the implementation of accounting standards of the Ministry of Finance in the preparation and presentation of consolidated financial statements.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The significant accounting policies, which have been adopted by the Company in the preparation of these consolidated financial statements, are as follows:

**Estimates**

The preparation of consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime for enterprises and legal regulations relating to consolidated financial reporting requires the Board of General Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Although these accounting estimates are based on the Board of General Directors's best knowledge, actual results may differ from those estimates.

**Basis of consolidation**

The consolidated financial statements incorporated the financial statements of the Company and enterprises controlled by the Company (its subsidiaries) which were prepared for the year ended 31 December 2023. Control is achieved where the Company has the power to govern the financial and operating policies of an investee enterprise so as to obtain benefits from its activities.

Results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Company.

Intragroup transactions and balances are eliminated in full on consolidation.

Non-controlling interests in the net assets of consolidated subsidiaries are presented separately from the equity of the owners of the parent in the consolidated balance sheet. Non-controlling interests consist of those at the date of initial business combination and the portion of non-controlling interests in changes of total equity since the date of business combination. Losses incurred in a subsidiary must be allocated to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

**Business combinations**

On acquisition, the assets and liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the financial year of acquisition.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**
**Disposal of subsidiary**

When the Company loses control over a subsidiary, it shall derecognize assets, liabilities, and non-controlling interests in the former subsidiary, including other equity components at the date of loss control. Gain or loss resulting from the disposal is immediately recognized in the consolidated income statement for the year in which the disposal is taken place.

After partial disposal of a subsidiary, any interest retained in the former subsidiary shall be stated at carrying amount of the retained investment in the separate financial statements and adjusted thereafter for post-acquisition changes in the Company's share of the investee's equity if the former subsidiary is now an associate or shall be stated at cost if the former subsidiary is now an equity investment in another entity.

If the Company had disposed a part of the interest in a subsidiary and directly recognized in retained earnings of the consolidated balance sheet the effects of the transactions and now disposes of further interest in that subsidiary which results in a loss of control, the gain or loss previously recognized retained earnings would be transferred to the consolidated income statement when control is lost.

When the proportion of equity held by the Company in a subsidiary changes without loss of control, the transactions shall be accounted for as equity transactions. The effects of these transactions shall be recognised directly in retained earnings of the consolidated balance sheet, not being recorded in the consolidated income statement for the year in which the transaction occurred.

**Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term, highly liquid investments, which are matured within three months commencing on transaction date, are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Receivables**

Receivables represent the amounts recoverable from customers or other debtors and are stated at book value less provision for doubtful debts.

Provision for doubtful debts is made for: overdue receivables stated in economic contract, loan agreements, contractual commitments or debt commitments, and outstanding receivables which are doubtful of being recovered. Provision for overdue receivables is made based on overdue days in payment of principals following the initial economic contract, exclusive of the debts rescheduling between contracting parties, provision for outstanding receivables is made when the debtor is in bankruptcy, or is doing procedures to dissolve, missing, escaped.

An increase or decrease in provision for doubtful debts at the closing date is recognized in general and administration expenses in the year.

**Loan receivables**

Loan receivables present the loans under agreements which are not traded on the market as securities.

Loan receivables are measured at cost less provision for doubtful debts. Provision for doubtful debts relating to loan receivables is made based on expected losses that may arise.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

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

**Inventories**

*Properties held for sale*

Properties held for sale include properties acquired or constructed for sale in the ordinary course of business and shall be measured at the lower of cost and net realisable value. Cost of properties held for sale include freehold and leasehold rights for land, costs of site preparation; construction and borrowing costs, planning and design costs, construction management cost and other related costs (if any) that have been incurred in bringing the inventory property to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, based on market price prevailing at reporting date less costs to completion and estimated costs of sale.

*Other inventories*

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Provision for devaluation of inventories is made in accordance with prevailing accounting regulations which allow provision to be made for obsolete, damaged, or sub-standard inventories and for those which have costs higher than net realisable values as at reporting date. The provision for devaluation of obsolete, damaged, or sub-standard inventories is not included in deductible expenses for calculation of corporate income tax until such inventories are disposed.

An increase or decrease in provision for devaluation of inventories at the closing date is recognized in the cost of sales in the year.

**Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less accumulated depreciation.

The costs of purchased tangible fixed assets comprise their purchase prices and any directly attributable costs of bringing the assets to their working condition and location for their intended use.

The costs of self-constructed or manufactured assets are the actual construction or manufacturing cost plus installation and test running costs.

Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives, as follows:

	<u>Years</u>
Building and structure	50
Machinery and equipment	04 - 10
Motor vehicle and transmission	06 - 8
Office equipment	03

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognized in the consolidated income statement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Leasing**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated balance sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to consolidated profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs.

Leases where substantially all the rewards and risks of ownership of assets remain with the leasing company are accounted for as operating leases. Rentals payable under operating leases are charged to the consolidated income statement on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight-line basis over the lease term.

The sale and leaseback are made when the fixed asset is sold and leased back to the seller. The difference in the selling price is less than the fair value of the fixed asset in the case of an operating lease, but the rental price is lower than the market rent, which is amortized to consolidated income statement with the lease payment during the lease period.

**Intangible fixed assets and amortisation**

Intangible fixed asset is presented at cost less accumulated amortization. Intangible fixed assets of the Company consist of land use rights with indefinite term and the computer software.

The costs of land use rights comprise all directly attributable costs of bringing the land to the condition available for use. Land use rights with indefinite term are not amortized.

The costs of computer software comprise their directly attributable costs of bringing the assets to their working condition for their intended use. Computer software is amortized using the straight-line method within 3 years.

**Investment properties**

Investment properties are composed of fitness room for rent at Diamond Riverside project and utilities, swimming pool, tennis court in Carina Apartment held by the Company to earn rentals. Investment properties held to earn rentals are stated at cost less accumulated depreciation. The costs of self-constructed investment properties are the finally accounted construction or directly attributable costs of the properties.

Investment properties held to earn rentals are depreciated using the straight-line method over their estimated useful lives, as follow:

	<u>Years</u>
Fitness room at Diamond Riverside	20
Utilities, swimming pool, tennis cour in Carina Apartment	10 - 30

According to current regulations, no depreciation is recorded for investment properties held for capital appreciation and indefinite-term land use right. Where there is evidence that investment property held for appreciation has declined in value and the impairment can be measured reliably, the impairment loss of the property shall be recognized in cost of sales for the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Investment properties (continued)**

A transfer of property to, or from investment property should only be made when there is a change in the intended use, evidenced by: end of owner-occupation and inception of an operating lease to another party for a transfer from owner-occupied property to investment property; commencement of owner-occupation for a transfer from investment property to owner-occupied property; commencement of development with a view to sale for a transfer from investment property to inventories; commencement of an operating lease to another party for a transfer from inventories to investment property.

Completion of construction and being available for investment for a transfer from self-constructed property to investment property.

The transfer between investment property, owner-occupied property and inventories do not change carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

An investment property should be derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from its disposal. Revenue from the sale of the investment property should be recognized at fair value of the proceeds received or to be received. Cost to sell and net book value of the investment property are recognized as cost of the sale of the investment property in consolidated income statement.

**Construction in progress**

Properties during construction for production, rental or administrative purposes, or for the purposes not yet determined, are carried at cost. Cost includes professional fees, and for qualifying assets, borrowing costs dealt with in accordance with the Company's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

**Investments in associates**

An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not control or joint control over those policies.

The company adopts the equity method to present investments in associates in the consolidated financial statements. Accordingly, investments in associates are initially recognized at cost and subsequently adjusted to reflect changes in the company's ownership interest in the earnings or losses of the investee after the date of investment. Distributions received from the investee are deducted from the carrying amount of the investment. The adjustment to the carrying amount is also made when the investor's interest changes resulting from income recognized directly in the equity of the investee, such as revaluation of fixed assets, exchange differences arising from financial statements translation.

When the investor's share of losses in an associate equals or exceeds the carrying amount of the investment, the Company shall not continue to recognize further losses unless the Company has a legal or constructive obligation to make payments on behalf of the associate or has made payments on behalf of the associate that it has guaranteed or otherwise committed to bear. If subsequently, the associate generates profits, the Company shall only recognize its share of profits after it has recovered its share of any previously unrecognized net losses.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**
**Investments in associates (continued)**

The financial statements of associates are prepared for the same period as the Company's consolidated financial statements and apply accounting policies consistent with that of the Company. Appropriate consolidation adjustments have been made to ensure the accounting policies are applied consistently with the Company.

When the Company divests disposes a part of its stake interest in an associate, profit gain or loss from the transactionon the disposal is recognized in the consolidated income statement.

In case the Company or any of its subsidiaries engage in transactions with an associate, unrealized gains/losses corresponding to the Company's ownership interest in the associate must be eliminated from the consolidated financial statements.

Where a group entity transacts with an associate of the Company, unrealised profits and losses are eliminated to the extent of the Company's interest in the relevant associate.

**Equity investment in other entities**

Investments in other entities present the Company's investments in equity of the entities over which the Company has no control, joint control, or significant influence.

Investments in other entities are initially recognized at cost, including the purchase price, capital contribution and any directly attributable transaction costs. Pre-acquisition dividends and profits of the investment are recorded as a reduction in the value of the investment. Post-acquisition dividends and profits are recognized as revenue. When the investors receive stock dividends, they only record the number of additional shares, not recording an increase in the value of investments and income from stock dividends.

Provisions for impairment of equity investment are made as follows:

- For investments in listed companies or equity investments for which the fair value can be reliably measured, the allowance shall be made according to the fair value of the shares;
- For investments whose fair value is not identifiable at the reporting date, the allowance shall be made according to the investee's loss with an amount equal to the difference between the actually contributed capital and the owner's equity multiplied by the portion of ownership interest.

An increase or decrease in allowance for diminution in value of investments in other entities at the closing date is recognized as a financial expense in the period.

**Goodwill**

Goodwill represents the excess of the cost of acquisition over the Company's interest in the net fair value of the identifiable assets, liabilities, and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition.

Goodwill arising on the acquisition of a subsidiary is recognized as a non-current asset in the consolidated balance sheet and is amortized on the straight-line basis over its estimated period of benefit which the maximum estimated period should not exceed 10 years. Periodically, the parent company must assess impairment losses of the commercial advantage in the subsidiary. 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 recognized in the consolidated income statement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Goodwill (continued)**

Goodwill arising on the acquisition of associates and jointly controlled entities is included in the carrying amount of the associates and jointly controlled entities. The Company does not amortize this goodwill.

On disposal of a subsidiary, the attributable amount of unamortized goodwill included in the determination of the profit or loss on disposal.

**Negative goodwill**

Negative goodwill represents the excess of the Company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of a subsidiary, associate or jointly controlled entity at the date of acquisition over the cost of acquisition. Negative goodwill is immediately recognised in the consolidated income statement at the acquisition date.

**Prepayments**

Prepayments are expenses which have already been paid but relate to results of operations of multiple accounting periods and are expected to provide future economic benefits to the Company. Prepayments comprise cost of show flat and real estate brokerage commissions; mining cost unqualified for capitalization and other types of prepayments.

Cost of show flat and real estate brokerage commissions are recognized as long-term prepayments and amortized to the consolidated income statement as a proportion of revenue of projects when the Company hands over properties to customers.

The mineral exploitation rights acquired by the Company through the acquisition of a subsidiary are recorded as a long-term prepaid expense. These mineral exploitation rights will be allocated based on the actual production volume in each period compared to the estimated remaining reserves of the mine.

Mining cost unqualified for capitalization includes:

- Expenditures for exploration, mine reserve assessment and compensation costs, mine construction;
- The cost of removal of overburden during the stone quarrying process;
- Mining fees paid to the People's Committee of the locality where the mining takes place.

*Cost of exploration, mine reserve assessment, compensation and mine construction*

The costs herein are recognized as long-term prepayments on the basis of actual costs incurred. These costs are amortized on a straight-line basis over the granted period for mining.

*The cost of removing the overburden during the stone quarrying process*

The cost of removal of overburden during the stone quarrying process is deferred where the Company can access the new stone for mining; it is probable that the future economic benefits can be obtained by the Company and the costs incurred could be reliably measured. This cost is allocated at the ratio of actual annual quantity and total estimated volume of stone.

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**
**Prepayments (continued)**
***Mining fees***

Mining fees is calculated based on the exploitable reserve multiplied by the unit price announced by the People's Committee of the province where the mining takes place in accordance with the Decree No. 203/2013/NĐ-CP dated 28 November 2013 of the Government. Mining fees is recognized as a prepaid expense and is amortized over the granted period.

Tools and supplies issued for consumption are capitalized as prepayments, and are allocated to operating cost using the straight-line method within 3 years in accordance with the current prevailing accounting regulations.

**Trade and other payables**

Accounts payable are monitored in detail by payable terms, debtors, original currency and other factors depending on the Company's managerial requirements. Accounts payable to suppliers include trade payables arising from buying-selling transactions and payables for import through entrustees (in import entrustment transactions). Other payables include non-trade payables, not related to buying-selling transactions. Accounts payable are classified as short-term and long-term in the consolidated statement of financial position based on the remaining period of these payables at the reporting date.

**Accrued expenses**

Accrued expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company or lack of accounting document, which are recorded to operating expenses of the reporting year.

**Payable provisions**

Payable provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation. Provisions are measured at the management's best estimate of the expenditure required to settle the obligation as at the balance sheet date.

**Business cooperation contract**

Business cooperation contract ("BCC") is an agreement between the Company and its contractual partners to carry out economic activities jointly but does not form an independent legal entity. This activity is controlled by one of the parties. BCC stipulates that the parties to BCC are entitled to share profits if BCC's operating results are profitable or guaranteed at least according to the terms of the contract.

**Loans and obligations under finance leases**

Including loans and finance lease liabilities of the Company. Loans under the forms of issuance of bonds or preference shares with provisions requiring the issuer to repurchase at a certain time in the future shall not be recorded in this account. The Company accounts for in details each object of the loans and finance lease liabilities and classifies short-term and long-term debt by payable term of loans, finance lease liabilities.

Expenses directly attributable to the loan are recognized as finance expenses, except for costs incurred on a particular loan for investment, construction, or production of an asset in progress, which are capitalized under the accounting standard "Borrowing costs".

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Bonds**

Bonds are issued as long-term borrowings.

Carrying value of straight bond is recorded on net basis, equal to bonds' nominal amount less (-) Bond discount plus (+) Bond premium.

The Company accounts for the issued bonds' discount and premium individually and recognizes their amortization for the purpose of determining borrowing costs which are recorded as expenses or capitalized during each period, as follows:

- Bond discount is amortized gradually during bonds' life, accounted for as borrowing costs;
- Bond premium is amortized gradually during bonds' life, reducing borrowing costs;

Discount or premium is amortized by using straight-line method during bond term.

Costs directly attributable to the issuance of straight bond are initially recorded as a deduction from the principal of the straight bond. Periodically, such costs are allocated under the straight-line method over the term of the bond by increasing the principal and corresponding borrowing cost.

**Owner's equity recognition**

Owner's equity is recognized by actual capital contributions from shareholders.

Share premium is recognized at the larger or smaller difference between issuing price and par value of shares upon the initial public offering, additional issuance or re-issuance of treasury shares. Costs directly attributable to issuance of additional shares and re-issuance of treasury shares are recorded as a reduction in share premium.

Treasury shares are shares issued by the Company and then acquired. Treasury shares are recorded at the actual value and presented on the consolidated balance sheet as a deduction from equity. No gain or loss is recognized upon purchase, sale, issue or cancellation of the Company's own equity instruments.

Retained earnings is recognized by operating results less (-) current corporate income tax expense and adjustments due to the retrospective application of changes in accounting policies and the retrospective adjustments for material misstatements of prior years.

Net profit after tax is available for distribution to the shareholders and being paid in the following year under approval in the Annual General Meeting of the Company.

Appropriation of reserves and funds from profit after tax is based on the Company's ordinance and approval in the Annual General Meeting.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

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

**Revenue recognition**

*Revenue from the sale of real estate*

Revenue from the sale of real estate which the Company is the investor is recognized when all five (5) following conditions are satisfied:

- (a) The real estate has been completed and transferred to the buyer, the Company has transferred to the buyer the significant risks and rewards of ownership of the real estate;
- (b) The Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;
- (c) The amount of revenue can be measured reliably;
- (d) The economic benefits associated with the transaction flowed or will flow to the Company; and
- (e) The costs incurred or to be incurred in respect of the transaction can be measured reliably.

For subdivided land plot for sale, if it is transferred to the customer (regardless legal procedures for land use right certificate done or not) and contract is irrevocable, revenue is recognized when satisfying the following conditions:

- (a) Risks and rewards associated with land plot are transferred to the buyer;
- (b) The amount of revenue can be measured reliably;
- (c) Costs related to sale of plots may be determined; and
- (d) The Company has received or will receive economic benefits from sales of the plots.

*Revenue from services rendered*

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

- (a) The amount of revenue can be measured reliably. Where the contract stipulates that the buyer is entitled to return the supplied services under specific conditions, revenue is recognized only when those specific conditions no longer exist and the buyer is not entitled to return the services;
- (b) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (c) The percentage of completion of the transaction at the balance sheet date can be measured reliably; and
- (d) The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

*Interest income*

Interest income is accrued on a time basis, by reference to the principal outstanding and at the applicable interest rate. Gains on financial investments are recognized when the Company's right to receive payment has been established.

*Income from transferring the right to participate in project*

Income from transferring the right to participate in project is defined as the amount received from the transfer contract and is recognized in consolidated income statement when the contract is operative. The economic benefits associated with the transaction flowed or will flow to the Company without any obligation to repay under any circumstances.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Cost of sales recognition***Cost of real estate properties sold*

The cost of real estate sold is determined and recognized in profit or loss by reference to directly attributable cost and an allocation of overhead costs to corresponding size of the properties sold.

*Goods and other services*

Cost of goods sold and services rendered are recorded at actually incurred amount and aggregated by value and quantity of finished goods, merchandise and materials sold and services rendered to customers, conforming to the matching principle and the precautionary principle. The costs exceeded normal levels of inventory and services are recognized immediately in operating results in the year.

**Borrowing costs**

Borrowing costs are recognized in the consolidated income statement in the year when incurred unless they are capitalized in accordance with Vietnamese Accounting Standard "Borrowing costs". Accordingly, borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial year of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the cost of those assets. For specific borrowings for the purpose of construction of fixed assets and investment properties, borrowing costs are capitalized even when the construction period is under 12 months.

**Cost of project investment cooperation**

Regarding the investment cooperation contracts of real estate projects where the Company is the controlling party of activities and assets, the annually settled profits distributed to the partners shall be recognized in the consolidated income statement as the cost of project investment cooperation.

**Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled, or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**IV. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****Taxation (continued)**

The determination of the tax currently payable is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

**Earnings per share**

Basic earnings per share is calculated by dividing post-tax profits or loss attributable to ordinary shareholders (after adjusting for appropriation for bonus and welfare funds) by weighted average number of ordinary shares in circulation during the year.

**Related parties**

The enterprises, associates and individuals are considered to be related to the Company if one party has ability, directly or indirectly through one or more intermediaries, to control over the other party or is under the control of the Company, or joint control with the Company; the associates and individuals directly or indirectly holding the voting power over the Company that exercise significant influence over the Company. Related parties may be the key management personnel, General Director and officers of the Company. Close family members of any individuals or associates herein or associates of these individuals are also considered as related parties.

In considering the relationship of each related party, the substance of the relationship is noted over the legal form.

**Segment report**

A segment is a distinguishable part of the Company involved in the provision of related products or services (by business segment), or in the provision of products or services within the scope a particular economic environment (geographical area) that has a risk and economic benefit different from the other business units. The Board of General Directors is of the view that the Company operates in its business segments of trading real estate properties, other activities and operates in a single geographic area of Vietnam. Therefore, segment report is prepared in term of business sector and segment report by geographical area will not be presented.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET****1. Cash**

	31/12/2023 VND	01/01/2023 VND
Cash on hand	198,154,721	504,123,356
Bank demand deposits	15,516,561,613	11,644,124,997
Cash equivalents	90,000,000	-
<b>Total</b>	<b>15,804,716,334</b>	<b>12,148,248,353</b>

**2. Short-term trade receivables**

	31/12/2023 VND	01/01/2023 VND
Receivables from transferring real estate properties (i)	321,266,598,568	339,360,374,925
<i>Diamond Riverside High-rise Apartment project</i>	140,692,590,116	140,692,590,116
<i>City Gate Towers Apartment project</i>	103,950,610,505	103,950,610,505
<i>Son Tinh Residential Area Project</i>	56,298,102,474	73,525,358,831
<i>Seafood Hill Villas project</i>	20,325,295,473	21,191,815,473
Receivables from transferring investments in other entities	5,500,000,000	5,500,000,000
Other trade receivables	33,642,558,097	8,570,494,582
<b>Total</b>	<b>360,409,156,665</b>	<b>353,430,869,507</b>

(i) The balance consists of 5% of the value of the real estate that has been transferred and is awaiting issuance of ownership certificates to customers.

**3. Short-term advances to suppliers**

	31/12/2023 VND	01/01/2023 VND
<b>Related party</b>		
CII Engineering and Construction Joint Stock Company	82,035,956,810	559,173,356,280
<b>Other suppliers</b>		
Arch Real Estate Service Joint Stock Company	192,841,775,900	192,841,775,900
E&C Civil Construction Joint Stock Company	40,447,883,701	40,447,883,701
Other suppliers	45,764,556,827	53,897,631,051
<b>Total</b>	<b>279,054,216,428</b>	<b>287,187,290,652</b>
<b>Total</b>	<b>361,090,173,238</b>	<b>846,360,646,932</b>

**4. Short-term loan receivables**

The closing balance reflects the capital support for E&C Civil Construction Joint Stock Company with an interest rate of 12% per annum and no collateral. This capital support will mature on 30 June 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)**

**5. Other receivables**

	31/12/2023 VND	01/01/2023 VND
<b>a. Short-term</b>		
Advances for land compensation	150,244,084,533	104,000,309,602
Deposits	103,965,000,000	6,965,000,000
Interest receivables from support capital and investment cooperation	54,768,178,049	70,889,676,250
Receivables on financial support	43,639,882,834	43,639,882,834
Receivable from dividends	3,910,563,176	-
Other receivables	23,962,056,180	13,630,387,570
	<b>380,489,764,772</b>	<b>239,125,256,256</b>
<b>b. Long-term</b>		
Investment cooperation capital contributions (i)	2,007,490,000,000	1,566,063,100,930
Project performance deposits	24,584,039,629	21,054,310,000
Other receivables	-	37,667,870
	<b>2,032,074,039,629</b>	<b>1,587,155,078,800</b>
<b>Total other receivables</b>	<b>2,412,563,804,401</b>	<b>1,826,280,335,056</b>
<b><i>In which, receivable from related parties:</i></b>		
CII Company (i)	2,061,061,615,770	1,167,432,000,000
Dien Bien Phu Building Investment Company Limited	1,442,102,130	-
CII Engineering and Construction Joint Stock Company	17,570,498	-
Khu Bac Thu Thiem Company Limited	-	468,617,785,399
<b>Total</b>	<b>2,062,521,288,398</b>	<b>1,636,049,785,399</b>

(i) The accounts receivable from Ho Chi Minh City Infrastructure Investment Joint Stock Company (hereinafter referred to as "CII Company") include:

- The contributed capital and profits shared amount to VND 1,150,000,000,000 and VND 37,545,660,000, respectively, from the joint venture contract to cooperate in developing a real estate investment project owned by CII Company. Throughout the cooperation period, CII Company holds the rights to exploit and operate the project. The company is entitled to share benefits as agreed in the contract. The total accounts receivable under this contract is 1,187,545,660,000 VND; and
- The amount paid and profits shared are respectively VND 857,490,000,000 and 16,025,955,770 VND related to the transfer contract of the shared money of the Hanoi Highway project for the period from 1 July 2023 to 30 September 2032. According to the contract, the Company will be entitled to distributions from the project or based on the agreed minimum value between the two parties at each point in time. The total accounts receivable under this contract is VND 873,515,955,770.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****6. Bad debts**

	31/12/2023			01/01/2023		
	Recoverable		Provision VND	Recoverable		Provision VND
	Cost VND	amount VND		Cost VND	amount VND	
Short-term trade receivables	7,407,605,201	3,367,674,522	(4,039,930,679)	1,209,811,486	-	(1,209,811,486)
Short-term advances to suppliers	26,504,416,020	-	(26,504,416,020)	26,500,314,720	12,721,405,360	(13,778,909,360)
Other short-term receivables	38,821,121,995	-	(38,821,121,995)	33,652,161,734	-	(33,652,161,734)
<b>Total</b>	<b>72,733,143,216</b>	<b>3,367,674,522</b>	<b>(69,365,468,694)</b>	<b>61,362,287,940</b>	<b>12,721,405,360</b>	<b>(48,640,882,580)</b>

The movements in provision for bad debts during the year are as follows:

	2023	2022
	VND	VND
<b>Opening balance</b>	<b>48,640,882,580</b>	<b>35,419,477,220</b>
Additional provision	18,643,005,219	13,221,405,360
Increase due to combination of subsidiary	2,081,580,895	-
<b>Closing balance</b>	<b>69,365,468,694</b>	<b>48,640,882,580</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****7. Inventories**

	31/12/2023		01/01/2022	
	Cost VND	Provision VND	Cost VND	Provision VND
Raw materials	10,892,736	-	-	-
Tools and supplies	38,740,171	-	-	-
Real estate properties in progress (*)	1,520,845,445,033	-	1,340,146,116,737	-
Cost of defective product manufacturing	19,691,053,098	-	-	-
Cost of defective construction work	4,400,000,000	-	-	-
Finished product	18,089,546,717	-	-	-
Finished real estate properties	15,383,881,527	-	15,383,881,527	-
Properties held for sale	-	-	-	-
<b>Total</b>	<b>1,578,459,559,282</b>		<b>1,355,529,998,264</b>	

(i) The Company has implemented a business cooperation engagement and committed to share profits in Son Tinh Residential Area Project - Quang Ngai with a another partner.

	31/12/2023		01/01/2022	
	Cost VND	Provision VND	Cost VND	Provision VND
De Lagi luxury resort and residential area	845,292,541,978	-	713,340,236,730	-
Son Tinh Residential Area - Quang Ngai	604,529,728,521	-	555,819,425,473	-
Other projects	71,023,174,534	-	70,986,454,534	-
<b>Total</b>	<b>1,520,845,445,033</b>		<b>1,340,146,116,737</b>	

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****8. Prepayments**

	31/12/2023 VND	01/01/2023 VND
<b>a. Short-term</b>		
Tools and supplies issued for consumption	15,765,171	25,020,647
Other prepayments	904,220	4,556,538
	<b>16,669,391</b>	<b>29,577,185</b>
<b>b. Long-term</b>		
Real estate brokerage commission (i)	103,454,109,092	103,454,109,092
Cost of acquiring the right to participate in the project Son Tinh (ii)	114,916,531,940	-
Costs related to stone mining	5,958,428,389	-
Cost of show flat	4,368,913,276	4,906,709,573
Cost of office repair	2,331,509,716	-
Tools and supplies issued for consumption	377,749,842	866,604,391
Other prepayments	50,450,242	395,281,296
	<b>231,457,692,497</b>	<b>109,622,704,352</b>
<b>Total of prepayments</b>	<b>231,474,361,888</b>	<b>109,652,281,537</b>

(i) The balance represents the brokerage expenses for seeking customers to purchase real estate in the NBB Garden II high-rise apartment project. This expense will be allocated to business results when the project generates revenue.

(ii) The balance represents the amount of money the Company has spent to repurchase a 55% stake in the investment and development of the Sơn Tinh Residential Area project in Quảng Ngãi, which was previously transferred to a partner. This expense will be allocated to business results based on the remaining business area of the project.

The movements in long-term prepayments during the year are as follows:

	2023 VND	2022 VND
<b>Openning balance</b>	<b>109,622,704,352</b>	<b>101,207,075,475</b>
Arising in the year	122,883,964,955	11,299,469,571
Increase due to combination of subsidiary	9,823,585,443	-
Allocate to expenses in the year	(10,632,162,253)	(2,417,206,773)
Other decrease	(240,400,000)	(466,633,921)
<b>Closing balance</b>	<b>231,457,692,497</b>	<b>109,622,704,352</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****9. Tangible fixed assets**

	Buildings and structures VND	Machinery and equipment VND	Motor vehicles and transmission VND	Office equipment VND	Total VND
<b>Cost</b>					
<b>As at 01/01/2023</b>	<b>234,616,241,243</b>	<b>2,711,985,442</b>	<b>15,039,587,668</b>	<b>1,136,864,637</b>	<b>253,504,678,990</b>
New purchases during the year	-	-	-	39,400,000	39,400,000
Increase due to combination of subsidiary	8,311,199,006	24,864,331,787	5,332,287,088	135,349,000	38,643,166,881
Disposals during the year	(18,467,426,849)	-	-	-	(18,467,426,849)
<b>As at 31/12/2023</b>	<b>224,460,013,400</b>	<b>27,576,317,229</b>	<b>20,371,874,756</b>	<b>1,311,613,637</b>	<b>273,719,819,022</b>
<b>Accumulated depreciation</b>					
<b>As at 01/01/2023</b>	<b>26,786,921,485</b>	<b>2,130,652,049</b>	<b>10,493,279,541</b>	<b>792,901,982</b>	<b>40,203,755,057</b>
Charged for the year	5,408,990,069	492,093,483	1,373,499,226	155,407,280	7,429,990,058
Increase due to combination of subsidiary	8,070,271,463	23,616,374,109	5,060,621,218	135,349,000	36,882,615,790
Disposals during the year	(1,292,719,878)	-	-	-	(1,292,719,878)
<b>As at 31/12/2023</b>	<b>38,973,463,139</b>	<b>26,239,119,641</b>	<b>16,927,399,985</b>	<b>1,083,658,262</b>	<b>83,223,641,027</b>
<b>Net book value</b>					
<b>As at 01/01/2023</b>	<b>207,829,319,758</b>	<b>581,333,393</b>	<b>4,546,308,127</b>	<b>343,962,655</b>	<b>213,300,923,933</b>
<b>As at 31/12/2023</b>	<b>185,486,550,261</b>	<b>1,337,197,588</b>	<b>3,444,474,771</b>	<b>227,955,375</b>	<b>190,496,177,995</b>

The cost of tangible fixed assets fully depreciated but still in use as of 31 December 2023 and as of 01 January 2023 was respectively VND 40,582,941,777 and VND 8,229,885,443.

The net book value of tangible fixed assets used as collateral for loans as of 31 December 2023, was VND 737,204,921 (refer to Note V.21 for more details).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****10. Intangible fixed assets**

	Land use right VND	Software program VND	Total VND
<b>Cost</b>			
<b>As at 01/01/2023</b>	<b>32,863,658,452</b>	<b>269,100,000</b>	<b>33,132,758,452</b>
Increase due to combination of subsidiary	100,000,000	-	100,000,000
Disposals during the year	(1,485,830,466)	-	(1,485,830,466)
<b>As at 31/12/2023</b>	<b>31,477,827,986</b>	<b>269,100,000</b>	<b>31,746,927,986</b>
<b>Accumulated amortisation</b>			
<b>As at 01/01/2023</b>	<b>59,433,219</b>	<b>248,121,775</b>	<b>307,554,994</b>
Charged for the year	44,574,912	20,978,225	65,553,137
Increase due to combination of subsidiary	100,000,000	-	100,000,000
Disposals during the year	(104,008,131)	-	(104,008,131)
<b>As at 31/12/2023</b>	<b>100,000,000</b>	<b>269,100,000</b>	<b>369,100,000</b>
<b>Net book value</b>			
<b>As at 01/01/2023</b>	<b>32,804,225,233</b>	<b>20,978,225</b>	<b>32,825,203,458</b>
<b>As at 31/12/2023</b>	<b>31,377,827,986</b>	<b>-</b>	<b>31,377,827,986</b>

The cost of intangible fixed assets that have been fully depreciated but are still in use as of 31 December 2023 is VND 369,100,000.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****11. Investment properties**

	Swimming pool and tennis court at Carina Plaza VND	Utilities on the 4th floor at Carina Plaza VND	Fitness room at Diamond Riverside project VND	Total VND
<b>Cost</b>				
<b>As at 01/01/2023</b>	<b>1,977,748,637</b>	<b>9,356,509,045</b>	<b>3,385,348,347</b>	<b>14,719,606,029</b>
<b>As at 31/12/2023</b>	<b>1,977,748,637</b>	<b>9,356,509,045</b>	<b>3,385,348,347</b>	<b>14,719,606,029</b>
<b>Accumulated depreciation</b>				
<b>As at 01/01/2023</b>	<b>1,080,369,935</b>	<b>3,352,749,044</b>	<b>142,340,940</b>	<b>4,575,459,919</b>
Charged for the year	46,416,240	467,825,448	142,340,940	656,582,628
<b>As at 31/12/2023</b>	<b>1,126,786,175</b>	<b>3,820,574,492</b>	<b>284,681,880</b>	<b>5,232,042,547</b>
<b>Net book value</b>				
<b>As at 01/01/2023</b>	<b>897,378,702</b>	<b>6,003,760,001</b>	<b>3,243,007,407</b>	<b>10,144,146,110</b>
<b>As at 31/12/2023</b>	<b>850,962,462</b>	<b>5,535,934,553</b>	<b>3,100,666,467</b>	<b>9,487,563,482</b>

The fair value of the investment properties has not been measured and presented in the notes to the consolidated financial statements. However, on the basis of market value of similar assets and occupancy rates, the Company's Board of General Directors believes that the fair value of these properties exceeds its carrying amount on the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****11. Investment properties (continued)**

Revenues and operating expenses related to investment properties are presented as follows:

	2023 VND	2022 VND
Investment properties rental income	276,618,183	2,825,686,738
Directly operating expenses generating rental income during the year	656,582,628	4,068,272,526
<b>Investment properties rental loss</b>	<b>(379,964,445)</b>	<b>(1,242,585,788)</b>

**12. Long-term construction in progress**

	31/12/2023 VND	01/01/2023 VND
NBB Garden III real estate investment project	851,376,014,572	826,159,350,930
NBB II real estate investment project	802,247,632,804	778,819,819,210
Other projects	-	1,638,587,273
<b>Total</b>	<b>1,653,623,647,376</b>	<b>1,606,617,757,413</b>

The movements in construction in progress are as follows:

	2023 VND	2022 VND
<b>Opening balance</b>	<b>1,606,617,757,413</b>	<b>1,595,707,989,463</b>
Investment expenses incurred during the year	48,811,564,509	18,786,055,313
Transfer to fixed assets	-	(7,876,287,363)
Transferred to expenses during the year	(1,805,674,546)	-
<b>Closing balance</b>	<b>1,653,623,647,376</b>	<b>1,606,617,757,413</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****13. Long-term financial investments****a. Investment in associate**

	31/12/2023			01/01/2023		
	Voting right %	Cost VND	Post-acquisition profits VND	Voting right %	Cost VND	Post-acquisition profits VND
Tam Phu Investment & Construction Company Limited	49.00%	4,579,636,245	(4,579,636,245)	49.00%	4,579,636,245	(4,579,636,245)
<b>Carrying amount</b>			<b>-</b>			<b>-</b>

**b. Equity investments in other entities**

	31/12/2023			01/01/2023		
	Voting % %	Cost VND	Provision VND	Voting % %	Cost VND	Provision VND
Pearl City Investment Joint Stock Company	18.55%	20,400,000,000	-	-	-	-
Sai Gon Dan Kia Water Supply Corporation	9.50%	16,150,000,000	-	9.50%	16,150,000,000	-
Hifill Holding Company	5.00%	2,000,000,000	(2,000,000,000)	5.00%	2,000,000,000	(2,000,000,000)
<b>Carrying amount</b>			<b>36,550,000,000</b>			<b>16,150,000,000</b>

Fair value of these investments has not been determined for disclosure in the consolidated financial statements because there is no quoted market price and no comprehensive guidance of Vietnamese Accounting Standards and accounting regime for enterprises on determination of fair value of these financial investments. The fair value of these investments may differ from the carrying amount.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****14. Deferred tax assets**

	Unrealized profit from intra-group transactions eliminated on consolidation VND	Expenses deducted from taxable income in the future VND	Total VND
<b>a. Deferred tax assets</b>			
<b>As at 01/01/2022</b>	<b>674,901,000</b>	<b>3,638,883,626</b>	<b>4,313,784,626</b>
Charge to consolidated income statement for the year	220,704,000	821,597,794	1,042,301,794
<b>As at 01/01/2023</b>	<b>895,605,000</b>	<b>4,460,481,420</b>	<b>5,356,086,420</b>
Charge to consolidated income statement for the year	220,704,000	665,894,441	886,598,441
<b>As at 31/12/2023</b>	<b>1,116,309,000</b>	<b>5,126,375,861</b>	<b>6,242,684,861</b>

	Unrealized profit from intra-group transactions eliminated on consolidation VND	Provisions for investments in subsidiaries VND	Total VND
<b>b. Deferred tax liabilities</b>			
<b>As at 01/01/2022</b>	-	<b>786,852,028</b>	<b>786,852,028</b>
Charge to consolidated income statement for the year	-	-	-
<b>As at 01/01/2023</b>	-	<b>786,852,028</b>	<b>786,852,028</b>
Increase due to combination of subsidiary	-	-	-
<b>As at 31/12/2023</b>	-	<b>786,852,028</b>	<b>786,852,028</b>

**Tax rate used to calculate deferred tax** 20%

The tax rate used to calculate deferred tax is the estimated tax rate of the future period when assets are recovered or liquidated, or when liabilities become payable.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****15. Business combinations and goodwill**

On 30 June 2023, the Company completed the transaction to acquire 100% of the charter capital in NBB Quang Ngai One Member Limited Liability Company. The impact of this business consolidation transaction on the Company's consolidated financial statements is as follows:

	Book value noted at purchase date (*) VND
<b>Assets</b>	<b>137,831,832,748</b>
Cash and cash equivalents	66,124,982
Short-term receivables	39,350,208,674
Inventories	64,345,807,655
Other short-term assets	45,595,274
Other long-term receivables	2,039,959,629
Tangible fixed assets	1,760,551,091
Intangible fixed assets	-
Long-term financial investments	20,400,000,000
Other long-term assets	9,823,585,443
<b>Liabilities</b>	<b>92,831,832,748</b>
Current liabilities	65,531,832,748
Long-term liabilities	27,300,000,000
<b>Identifiable net assets</b>	<b>45,000,000,000</b>
<b>Business combination fees</b>	<b>85,000,000,000</b>
<b>Goodwill</b>	<b>40,000,000,000</b>

(\*) As of the date of preparing this consolidated financial statement, the Company is in the process of evaluating and determining the fair value of assets and liabilities of NBB Quang Ngai Limited Liability Company. Accordingly, the Company temporarily consolidates the subsidiary at book value. This value will be adjusted within the next 12 months from the acquisition date once the Company has determined the fair value.

The movement of goodwill during the year is as follows:

	Book value VND
<b>Cost</b>	<b>-</b>
<b>As at 01/01/2023</b>	<b>-</b>
Business consolidation within the year	40,000,000,000
<b>As at 31/12/2023</b>	<b>40,000,000,000</b>
<b>Accumulated amortisation</b>	<b>-</b>
<b>As at 01/01/2023</b>	<b>-</b>
Allocation to consolidated financial statements within the year	2,000,000,000
<b>As at 31/12/2023</b>	<b>2,000,000,000</b>
<b>As at 01/01/2023</b>	<b>-</b>
<b>As at 31/12/2023</b>	<b>38,000,000,000</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****16. Short-term trade payables**

	31/12/2023		01/01/2023	
	Carrying amount VND	Amount able to be paid off VND	Carrying amount VND	Amount able to be paid off VND
<b>Related parties</b>				
CII Engineering and Construction Joint Stock Company	21,070,618,494	21,070,618,494	6,128,109,903	6,128,109,903
CII Company	14,520,000,000	14,520,000,000	-	-
Dien Bien Phu Building Investment Company Limited	28,886,524	28,886,524	-	-
CII Infrastructure Service Limited Company	13,443,885	13,443,885	13,443,885	13,443,885
NBB Quang Ngai One Member Company Limited	-	-	4,881,217,832	4,881,217,832
	<b>35,632,948,903</b>	<b>35,632,948,903</b>	<b>11,022,771,620</b>	<b>11,022,771,620</b>
<b>Trade payables to other suppliers</b>				
Sai Gon Construction Joint Stock Company	45,536,691,002	45,536,691,002	48,736,691,002	48,736,691,002
Other suppliers	49,362,844,702	49,362,844,702	32,637,647,203	32,637,647,203
	<b>94,899,535,704</b>	<b>94,899,535,704</b>	<b>81,374,338,205</b>	<b>81,374,338,205</b>
<b>Total</b>	<b>130,532,484,607</b>	<b>130,532,484,607</b>	<b>92,397,109,825</b>	<b>92,397,109,825</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****17. Short-term advances from customers**

	31/12/2023 VND	01/01/2023 VND
Advances from customers transferring real estate properties (i)	28,031,401,597	27,791,499,364
CII Engineering and Construction Joint Stock Company ( <i>related party</i> )	23,331,720,629	-
Other advances from customers	44,856,000	5,064,000
<b>Total</b>	<b>51,407,978,226</b>	<b>27,796,563,364</b>

(i) The balance represented payments in progress from customers transferring real estate properties of the Company which the Company is investing and developing.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****18. Taxes and other receivables, payables to the State budget**

	01/01/2023 VND	Increase due to combination of subsidiary VND	Payable during the period VND	Payment during the period VND	31/12/2023 VND
<b>a. Receivables</b>					
Personal income tax	-	-	-	70,715,781	70,715,781
<b>b. Payables</b>					
Value added tax	22,431,631,471	841,100,726	19,951,446,011	6,715,183,215	36,508,994,993
Corporate income tax	81,530,468,006	239,705,690	35,770,738,973	94,879,890,851	22,661,021,818
Personal income tax	4,598,086,674	110,851,303	6,763,507,878	9,911,578,718	1,560,867,137
Other taxes	23,305,607,474	1,177,890,383	21,334,951,658	33,233,199,494	12,585,250,021
<b>Total</b>	<b>131,865,793,625</b>	<b>2,369,548,102</b>	<b>83,820,644,520</b>	<b>144,739,852,278</b>	<b>73,316,133,969</b>

**19. Short-term accrued expenses**

	31/12/2023 VND	01/01/2023 VND
<b>Interest expense</b>		
Interest expense	52,339,449,522	24,432,412,948
Land use levy for Diamond Riverside project	4,583,183,933	4,806,087,886
Other accrued expenses	753,607,456	2,179,382,458
<b>Total</b>	<b>57,676,240,911</b>	<b>31,417,883,292</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****20. Other payables**

	31/12/2023 VND	01/01/2023 VND
<b>a. Short-term</b>		
Investment cooperation capital contribution payables (i)	290,766,338,258	-
Deposits received from customers	147,555,048,800	207,000,880,850
Maintenance fund of apartments	42,389,547,736	44,889,547,736
Profit payables on capital support and investment cooperation	13,289,379,275	-
Profit payable to BCC contract	-	37,253,837,197
Other payables	6,455,115,044	8,135,071,990
	<b>500,455,429,113</b>	<b>297,279,337,773</b>
<b>b. Long-term</b>		
Investment cooperation capital contribution payables (ii)	209,314,068,524	357,304,068,524
Profit payables on capital support and investment cooperation	84,598,403,870	156,293,243,977
Deposits received	6,594,888,335	6,098,031,000
Maintenance fund of apartments	947,085,036	947,085,036
	<b>301,454,445,765</b>	<b>520,642,428,537</b>
<b>Total other payables</b>	<b>801,909,874,878</b>	<b>817,921,766,310</b>

***In which, payables to the related parties:***

CII Engineering and Construction	291,802,713,400	25,430,136,987
Joint Stock Company	221,568,624,417	3,917,698,631
Khu Bac Thu Thiem Company Limited	71,844,330,170	425,906,874,142
CII Company	-	29,186,438,357
Lu Gia Real Estate Trading Investment Company Limited	-	29,156,164,384
Ha Noi Highway Construction and Investment Joint Stock Company	-	585,215,667,987
<b>Total</b>	<b>513,597,312,501</b>	

(i) The balance reflects the amount of capital contributions received from the investment cooperation agreement with CII Infrastructure Construction Joint Stock Company (CII E&C), with a cooperation period of 12 months and a maximum limit of 750 billion VND. CII E&C will receive proportional profit sharing according to the agreement.

(ii) The balance reflects the cooperative investment capital related to projects, including:

- Investment cooperation in the Son Tinh - Quang Ngai residential area project with Khu Bac Thu Thiem Company Limited ("BTT") (BTT). The value of the cooperation agreement is VND 146,814,068,524, with cooperation period until 31 December 2025. BTT will receive proportional profit sharing according to the contract.
- Investment cooperation in land area in Ward 16, District 8, Ho Chi Minh City with CII Company. The value of the cooperation agreement is VND 50,000,000,000, with cooperation period until the project is completed. CII Company will receive benefits as agreed in the contract.
- Investment cooperation in the deluxe resort project combined with the De Lagi residential area with CII Company. The value of the cooperation agreement is VND 12,500,000,000, with cooperation period until 13 January 2028. CII Company will receive benefits as agreed in the contract.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****21. Loans and obligations under finance leases**

	31/12/2023		Arising during the year			01/01/2023	
	Carrying amount VND	Principal able to be paid off VND	Borrowing in the year VND	Payments in the year VND	Increase due to combination of subsidiary VND	Carrying amount VND	Principal able to be paid off VND
<b>a. Short-term loans</b>							
Loans from individuals	571,164,973,437	571,164,973,437	42,761,331,678	383,544,962,426	-	911,948,604,185	911,948,604,185
BIDV - Quang Ngai Branch	11,699,033,828	11,699,033,828	10,751,485,197	10,747,225,348	11,694,773,979	-	-
Current portion of long-term loans (See note b)	518,148,685,697	518,148,685,697				60,000,000,000	60,000,000,000
<b>Total</b>	<b>1,101,012,692,962</b>	<b>1,101,012,692,962</b>	<b>53,512,816,875</b>	<b>394,292,187,774</b>	<b>11,694,773,979</b>	<b>971,948,604,185</b>	<b>971,948,604,185</b>
<b>b. Long-term loans</b>							
Loans	2,539,396,000,000	2,539,396,000,000	2,955,167,000,000	1,853,123,000,000	27,300,000,000	1,868,200,685,697	1,868,200,685,697
Related parties (*)	967,300,000,000	967,300,000,000	1,369,175,000,000	1,790,175,000,000	27,300,000,000	1,361,000,000,000	1,361,000,000,000
Vietinbank - Branch 11	897,052,000,000	897,052,000,000	900,000,000,000	2,948,000,000	-	-	-
VPBank	685,992,000,000	685,992,000,000	685,992,000,000	-	-	-	-
Vietcombank - Nam Binh Duong Branch	507,200,685,697	507,200,685,697	-	60,000,000,000	-	567,200,685,697	567,200,685,697
Less: Amount due for settlement within 12 months	(518,148,685,697)	(518,148,685,697)			-	(60,000,000,000)	(60,000,000,000)
<b>Bond</b>							
NBBH2124001 bond	-	-	-	290,000,000,000	-	290,000,000,000	290,000,000,000
<b>Total</b>	<b>2,539,396,000,000</b>	<b>2,539,396,000,000</b>	<b>2,955,167,000,000</b>	<b>2,143,123,000,000</b>	<b>27,300,000,000</b>	<b>2,158,200,685,697</b>	<b>2,158,200,685,697</b>
<b>Total loans and bond</b>	<b>3,640,408,692,962</b>	<b>3,640,408,692,962</b>	<b>3,008,679,816,875</b>	<b>2,537,415,187,774</b>	<b>38,994,773,979</b>	<b>3,130,149,289,882</b>	<b>3,130,149,289,882</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****21. Loans and obligations under finance leases (continued)**

	31/12/2023		Arising during the year			01/01/2023	
	Carrying amount VND	Principal able to be paid off VND	Borrowing in the year VND	Payments in the year VND	Increase due to combination of subsidiary VND	Carrying amount VND	Principal able to be paid off VND
<b>(* Details of loan balances of related parties:</b>							
CII Company	940,000,000,000	940,000,000,000	940,000,000,000	125,000,000,000	-	125,000,000,000	125,000,000,000
CII Engineering and Construction Joint Stock Company	27,300,000,000	27,300,000,000	-	350,000,000,000	27,300,000,000	350,000,000,000	350,000,000,000
Khu Bac Thu Thiem Company Limited	-	-	429,175,000,000	515,175,000,000	-	86,000,000,000	86,000,000,000
Lu Gia Real Estate Trading Invesment Company Limited	-	-	-	400,000,000,000	-	400,000,000,000	400,000,000,000
Ha Noi Highway Construction and Investment Joint Stock Company	-	-	-	400,000,000,000	-	400,000,000,000	400,000,000,000
<b>Total</b>	<b>967,300,000,000</b>	<b>967,300,000,000</b>	<b>1,369,175,000,000</b>	<b>1,790,175,000,000</b>	<b>27,300,000,000</b>	<b>1,361,000,000,000</b>	<b>1,361,000,000,000</b>

**Additional information for short-term loans**

Creditors	Closing balance	Credit duration	Interest		Collateral and other information
			rate	Loan using purposes	
Loans from individuals	571,164,973,437	Up to 30/06/2024 or another duration under argreement	8,00% - 9,00%	Supplement to working capital and serve in the Company's operations.	None collateral.
BIDV - Quang Ngai Branch	11,699,033,828	8 months from disbursement date	7.20%	Additional working capital, payment guarantee, opening L/C.	Factory, machinery and equipment, vehicles, conveyors, quarrying rights at Tho Bac Quarry, Tinh Tho Commune, Son Tinh District, Quang Ngai Province, all inventory, and all receivables.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****21. Loans and obligations under finance leases (continued)****Additional information for long-term loans**

Creditors	Closing balance	Credit duration	Interest rate	Loan using purposes	Collateral and other information
Vietinbank - Branch 11	897,052,000,000	180 months, up to 16/06/2038	11.50%	Offsetting capital sources for implementing business cooperation contracts with CII Company.	All rights to exploit, manage and benefit from De Lagi project, Binh Thuan and a real estate project owned by CII Company. Capital contribution in a subsidiary, shares and time deposit agreements of CII company.
VPBank	685,992,000,000	7 year 3 months, up to 25/09/2030	11.50%	Payment of transfer receipts cash flow for CII Company.	The property rights arising from the contract for the future distribution of proceeds from the transfer of money of the Hanoi Expressway project and the guarantee by CII.
Vietcombank - Nam Binh Duong Branch	507,200,685,697	144 months, up to 19/05/2034	8.50%	Finance in De Lagi project, Binh Thuan	Secured by deposits of 137 billion VND from the Company and 411 billion VND from CII Company.
CII Company	940,000,000,000	60 months up to 11/12/2028	9.60%	Reimbursement of capital for investment in assets, real estate projects currently being invested and developed by the Company.	None collateral.
CII Engineering and Construction Joint Stock Company	27,300,000,000	Up to 01/04/2027	9.00%	Finance in business activities.	None collateral.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****21. Loans and obligations under finance leases (continued)****Long-term loans and bonds are repayable on the following schedule**

	31/12/2023 VND	01/01/2023 VND
On demand	518,148,685,697	60,000,000,000
In the second year	23,268,000,000	495,000,000,000
In the third to fifth year inclusive	1,132,838,000,000	345,000,000,000
After five years	1,383,290,000,000	1,318,200,685,697
	<b>3,057,544,685,697</b>	<b>2,218,200,685,697</b>
Less: Amount due for settlement within 12 months	(518,148,685,697)	(60,000,000,000)
<b>Amount due for settlement after 12 months</b>	<b>2,539,396,000,000</b>	<b>2,158,200,685,697</b>

**22. Payable provisions**

	31/12/2023 VND	01/01/2023 VND
<b>a. Short-term</b>		
Land use levies of real estate projects (*)	321,000,000,000	321,000,000,000
Project cost provision	1,879,240,867	-
	<b>322,879,240,867</b>	<b>321,000,000,000</b>

**b. Long-term**

Project cost provision	3,107,962,187	3,340,932,187
<b>Total payable provisions</b>	<b>325,987,203,054</b>	<b>324,340,932,187</b>

**(\*) Details of land use levies of projects:**

Diamond Riverside High-rise Apartment project	201,000,000,000	201,000,000,000
City Gate Towers Apartment project	120,000,000,000	120,000,000,000
<b>Total</b>	<b>321,000,000,000</b>	<b>321,000,000,000</b>

As of the date of preparing this consolidated financial statement, the Company has not yet been able to settle the land use fees with the competent authority for submission to the State Budget.

**23. Bonus and welfare funds**

	2023 VND	2022 VND
<b>Opening balance</b>	<b>7,769,140,254</b>	<b>13,423,225,313</b>
Appropriation of fund during the year	240,140,704	12,976,011,591
Utilization of fund during the year	(4,203,894,516)	(18,630,096,650)
<b>Closing balance</b>	<b>3,805,386,442</b>	<b>7,769,140,254</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****24. Owner's equity****a. Movements of owner's equity**

	Owner's contributed capital VND	Share premium VND	Treasury shares VND	Retained earnings VND	Non-controlling interests VND	Total VND
<b>As at 01/01/2022</b>	<b>1,004,756,560,000</b>	<b>207,059,165,444</b>	<b>(7,087,077,763)</b>	<b>618,642,613,957</b>	<b>6,831,172,880</b>	<b>1,830,202,434,518</b>
Profit for the year	-	-	-	6,003,517,612	1,173,006,320	7,176,523,932
Dividends paid	-	-	-	-	(1,450,000,000)	(1,450,000,000)
Appropriation of bonus and welfare funds	-	-	-	(12,956,034,341)	(19,977,250)	(12,976,011,591)
Remuneration for the Boards of Management and Supervisory	-	-	-	(3,144,116,648)	-	(3,144,116,648)
<b>As at 01/01/2023</b>	<b>1,004,756,560,000</b>	<b>207,059,165,444</b>	<b>(7,087,077,763)</b>	<b>608,545,980,580</b>	<b>6,534,201,950</b>	<b>1,819,808,830,211</b>
Profit for the year	-	-	-	1,907,743,723	(821,978,949)	1,085,764,774
Appropriation of bonus and welfare funds	-	-	-	(240,140,704)	-	(240,140,704)
<b>As at 31/12/2023</b>	<b>1,004,756,560,000</b>	<b>207,059,165,444</b>	<b>(7,087,077,763)</b>	<b>610,213,583,599</b>	<b>5,712,223,001</b>	<b>1,820,654,454,281</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**V. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED BALANCE SHEET (continued)****24. Owner's equity (continued)****b. Shares**

	31/12/2023	01/01/2023
	Shares	Shares
Number of shares authorized to be issued	100,475,656	100,475,656
Number of shares issued to the public	100,475,656	100,475,656
+ <i>Ordinary share</i>	<i>100,475,656</i>	<i>100,475,656</i>
Number of treasury shares	(315,861)	(315,861)
+ <i>Ordinary share</i>	<i>(315,861)</i>	<i>(315,861)</i>
Number of outstanding shares in circulation	100,159,795	100,159,795
+ <i>Ordinary share</i>	<i>100,159,795</i>	<i>100,159,795</i>
Par value is of VND 10,000/share		

**c. Dividends**

According to Resolution No. 51/NQ-DHĐCD of the Annual General Meeting of Shareholders dated 24 May 2023, the Company will not distribute dividends for the years 2022 and 2023.

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT****1. Revenue**

	2023	2022
	VND	VND
Revenue from sales of real estate properties	257,182,492,405	438,406,779,649
Revenue from services rendered	16,199,298,577	27,955,177,363
Revenue from sales	9,420,375,954	-
Revenue from quarry transfer	7,800,000,000	-
Revenue from construction contracts	2,433,539,710	-
<b>Total</b>	<b>293,035,706,646</b>	<b>466,361,957,012</b>

**Of which, revenue from transactions with related parties:**

CII Engineering and Construction	793,457,377	-
Joint Stock Company	-	-
Revenue from transfer of real estate investment to CII Company	-	80,194,762,379
<b>Total</b>	<b>793,457,377</b>	<b>80,194,762,379</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT (continued)****2. Cost of sales**

	2023 VND	2022 VND
Cost of real estate properties sold	128,762,538,429	209,508,288,419
Cost of services rendered	26,225,097,856	30,106,485,009
Cost of sales	19,138,816,183	-
Cost of quarry transfer	5,241,718,328	-
Cost of construction contracts	9,088,253,914	-
<b>Total</b>	<b>188,456,424,710</b>	<b>239,614,773,428</b>

**3. Financial income**

	2023 VND	2022 VND
Profit arising from investment cooperation, bank and loan interest income	202,006,313,410	149,131,222,870
Income from transferring the right to participate in the project (i)	150,000,000,000	-
Dividends, profits distributed	1,045,000,000	2,280,000,000
<b>Total</b>	<b>353,051,313,410</b>	<b>151,411,222,870</b>

***Of which, financial income from transactions with related parties:***

CII Company (i)	319,978,000,000	86,931,000,000
Khu Bac Thu Thiem Company Limited	31,000,182,726	61,401,675,962
Saigon Dankia Water Supply Corporation	1,045,000,000	2,280,000,000
<b>Total</b>	<b>352,023,182,726</b>	<b>150,612,675,962</b>

(i) Revenue generated during the year includes:

- Profit share amounting to VND 169,978,000,000, which the Company received from various business cooperation contracts as presented in the explanatory note V.5.
- Income from transferring the participation rights in the investment and development of the Land Plot Project in Ward 16, District 8, Ho Chi Minh City, amounting to 150 billion VND. According to the transfer agreement, the Company has no obligation to refund these amounts under any circumstances. As of the preparation date of this separate financial report, the Company has received the entire amount mentioned above.

**4. Financial expenses**

	2023 VND	2022 VND
Interest expenses	263,149,412,401	170,490,729,603
Project investment cooperation costs (i)	54,437,222,521	89,295,276,780
Other financial expenses	5,172,928,890	-
<b>Total</b>	<b>322,759,563,812</b>	<b>259,786,006,383</b>

(i) This is the profit distribution to a partner related to investment cooperation in Son Tinh - Quang Ngai project.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT (continued)****4. Financial expenses (continued)***Of which, financial expenses from transactions with related parties:*

	2023 VND	2022 VND
CII Engineering and Construction		
Joint Stock Company	71,367,790,971	25,430,136,987
Khu Bac Thu Thiem Company Limited	29,727,212,669	3,917,698,631
Lu Gia Real Estate Trading Investment Company Limited	16,375,610,970	29,186,438,357
CII Company	12,260,837,019	13,750,000,001
Ha Noi Highway Construction and Investment Joint Stock Company	6,334,246,575	29,156,164,384
<b>Total</b>	<b>136,065,698,204</b>	<b>101,440,438,360</b>

**5. Selling expenses**

	2023 VND	2022 VND
Cost of show flat	537,796,297	716,611,736
Other monetary expenses	791,355,343	2,205,543,741
<b>Total</b>	<b>1,329,151,640</b>	<b>2,922,155,477</b>

**6. General and administration expenses**

	2023 VND	2022 VND
Management staff costs	20,906,909,973	20,593,875,195
Office stationary expenses	101,914,385	139,348,869
Depreciation of fixed assets	2,613,463,049	2,524,640,419
Tax, duties and fees	84,015,739	145,760,939
Provision	18,643,005,219	13,221,405,360
Outsourced services expenses	2,671,423,496	570,455,161
Other monetary expenses	2,045,259,421	5,354,720,731
Allocation of goodwill	2,000,000,000	-
<b>Total</b>	<b>49,065,991,283</b>	<b>42,550,206,674</b>

**7. Other income**

	2023 VND	2022 VND
Gain from disposal of fixed assets	17,932,727,270	184,371,044
Fines received from breach of contract	245,860,186	1,237,813,517
Other income	69,444,444	688,364,895
<b>Total</b>	<b>18,248,031,900</b>	<b>2,110,549,456</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VI. INFORMATION SUPPLEMENTING THE ITEMS IN THE CONSOLIDATED INCOME STATEMENT (continued)****8. Other expenses**

	2023 VND	2022 VND
Fine on contractual violation	36,820,752,681	35,775,096,055
Fine on tax violation	20,696,964,550	10,989,753,881
Other expenses	9,236,297,974	4,595,529,994
<b>Total</b>	<b>66,754,015,205</b>	<b>51,360,379,930</b>

**9. Current corporate income tax expense**

	2023 VND	2022 VND
<b>Accounting profit before tax</b>	<b>35,969,905,306</b>	<b>23,650,207,446</b>
<b>Adjustments</b>		
Add: Expenses not deducted and goodwill allocated	136,824,452,566	64,430,613,579
Add: adjustment to increase taxable revenue	2,251,090,847	-
Less: non-taxable profit	(8,545,000,000)	(2,280,000,000)
Other adjustments for taxable income	1,357,272,345	(1,150,825,145)
Tax loss carryforwards offset upon consolidation	27,562,600,513	7,794,003
Reversal of provision for losses of subsidiary's investment	(16,588,554,635)	-
Unrealized profit from intercompany transactions excluded upon consolidation	1,837,462,195	1,103,520,000
<b>Assessable income</b>	<b>180,669,229,137</b>	<b>85,761,309,883</b>
Normal tax rate	20%	20%
Corporate income tax payable	36,133,845,827	17,152,261,977
Corporate income tax for the previous year	(363,106,854)	363,723,331
<b>Current corporate income tax expense</b>	<b>35,770,738,973</b>	<b>17,515,985,308</b>

**10. Basic earnings per share**

	2023 VND	2022 Restated VND
Net profit attributable to the owners of parent Company	1,907,743,723	6,003,517,612
Less: Appropriation of bonus and welfare funds and remuneration for the Boards of Management and Supervisory	(95,387,186)	(240,140,704)
<b>Net profit attributable to the ordinary shareholders of the parent Company</b>	<b>1,812,356,537</b>	<b>5,763,376,908</b>
Weighted average number of ordinary shares	100,159,795	100,159,795
<b>Basic earnings per share</b>	<b>18</b>	<b>58</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION****1. Related parties**

<u>List of related parties</u>	<u>Relationship</u>
Ho Chi Minh City Infrastructure Investment Joint Stock Company (Referred to as "CII Company")	Shareholders have significant influence
Hung Thanh Construction - Trading - Service - Manufacturing Company Limited	Subsidiary
NBB Quang Ngai One Member Company Limited	Subsidiary
Huong Tra Company Limited	Subsidiary
Quang Ngai Mineral Investment Joint Stock Company	Subsidiary
Tam Phu Investment & Construction Company Limited	Associate
Khu Bac Thu Thiem Company Limited	Subsidiary of CII Company
CII Engineering and Construction Joint Stock Company	Subsidiary of CII Company
CII Bridges and Roads Investment Joint Stock Company (CII B&R)	Subsidiary of CII Company
CII Infrastructure Service Limited Company	Subsidiary of CII Company
Sai Gon Dan Kia Water Supply Corporation	The related party of CII Company
Dien Bien Phu Building Investment Company Limited	Subsidiary of CII Company
Lu Gia Real Estate Trading Invesment Company Limited	Subsidiary of CII Company
Ha Noi Highway Construction and Investment Joint Stock Company	Subsidiary of CII Company
The boards of management and general directors	Key management personnel

In addition to the balances and transactions with related parties which have been presented in other notes of these consolidated financial statements, during the year, the Company entered into other significant transactions with related parties as follows:

	2023 VND	2022 VND
<b>CII Company</b>		
Receipt of future installment proceeds from investment disposition	857,490,000,000	-
Transfer of funds for project investment cooperation	-	1,150,000,000,000
Receipt of project investment cooperation capital	45,360,000,000	371,266,082,192
Repayment of project investment cooperation capital.	402,664,068,524	39,000,000,000
Asset transfer	36,489,256,576	-
Rental expenses	13,200,000,000	-
<b>Khu Bac Thu Thiem Company Limited</b>		
Transfer of investment cooperation funds	995,931,692,130	-
Recovery of investment cooperation funds	522,005,867,482	146,848,247,018
Recovery of investment cooperation funds through offsetting debts	489,928,002,882	-
Receipt of project investment cooperation capital	96,150,000,000	-
Receipt of project investment cooperation capital through offsetting debts	802,664,068,524	-
Repayment of investment cooperation capital	752,000,000,000	-
Receipt of capital support funds	29,175,000,000	86,000,000,000
Repayment of capital support funds	115,175,000,000	-
Purchasing fixed assets	-	1,580,909,091
<b>NBB Quang Ngai One Member Company Limited</b>		
Purchasing materials and construction cost	4,531,053,978	11,133,832,564

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION (continued)****1. Related parties (continued)**

	2023 VND	2022 VND
<b>CII Engineering and Construction Joint Stock Company</b>		
Receipt of investment cooperation capital	943,137,000,000	-
Repayment of investment cooperation capital	652,370,661,742	-
Transfer of advance payment for project construction	-	630,032,948,046
Recovery of advance payment for project construction	490,000,000,000	-
Receipt of capital support funds	-	350,000,000,000
Project construction costs	53,167,286,677	102,719,116,737
Receipt of subsidiary transfer	<u>85,000,000,000</u>	-

**Dien Bien Phu Building Investment Company Limited**

Office rental and other utility expenses.	<u>3,620,579,507</u>	-
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**Ha Noi Highway Construction and Investment Joint Stock Company**

Receive capital support	-	400,000,000,000
Repay capital support through offsetting against accounts payable	<u>400,000,000,000</u>	-

**Lu Gia Real Estate Trading Invesment Company Limited**

Receive capital support	-	400,000,000,000
Repay capital support	145,418,644,258	-
Repay capital support through offsetting against accounts payable	<u>400,000,000,000</u>	-

Remuneration for the Boards of Management, Supervisory and General Directors during the year:

	2023 VND	2022 VND
<b>Board of Management</b>		
Mr. Luu Hai Ca	-	522,535,157
Ms. Nguyen Quynh Huong	-	495,436,563
Mr. Le Quoc Binh	-	457,326,058
Mr. Nguyen Van Chinh	-	381,105,048
Mr. Nguyen Ba Lan	-	158,793,770
Mr. Doan Tuong Trieu (Resigned)	154,639,175	-
Mr. Pham Thanh Vu	-	31,758,754
	<u>-</u>	<u>2,201,594,525</u>
<b>Board of Supervisory</b>		
Ms. Duong Quynh Diep	-	381,105,048
Mr. Le Trung Hieu	-	190,552,524
Ms. Le Thi Kieu Diem	-	190,552,524
	<u>-</u>	<u>762,210,096</u>
<b>Board of General Directors</b>		
Mr. Nguyen Ba Lan	1,040,000,000	1,980,769,231
Mr. Nguyen Quy Binh	780,000,000	1,596,923,077
Mr. Nguyen Van Ty	584,347,826	-
Mr. Mai Thanh Truc (resigned)	279,130,435	1,520,000,000
Mr. Truong Hai Dang Khoa (resigned)	-	1,382,857,143
	<u>2,683,478,261</u>	<u>6,480,549,451</u>
<b>Chief accountant</b>		
Mr. Nguyen Van Minh	760,652,174	1,368,076,923

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION (continued)****2. Segment report**

For management purposes, the Company is organized into different business units. Accordingly, the primary segment report is based on type of production and business activities.

Segment reporting results include items directly attributable to a segment and to segments that are divided on a reasonable basis. The items not allocated to segment reporting results include assets, liabilities, financial income, financial expenses, selling expenses, general and administrative expenses, other profit, losses and corporate income tax.

The Company's business divisions include two (02) divisions as follows:

- Real estate sector: Investing, developing and selling apartments, land plots and other infrastructures.
- Other activities: Leasing premises and providing utility services.

The Company prepares segment reports following 2 business units. Business results of each segment are presented in the table below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION (continued)****2. Segment report (continued)****For the year ended 31 December 2023**

	Revenue from sales of real estate properties VND	Revenue from services rendered VND	Other revenue VND	Elimination of intra- group transactions VND	Total VND
External customers	257,182,492,405	16,199,298,577	19,653,915,664	-	293,035,706,646
Inter-segment	-	2,535,772,769	3,447,777,837	(5,983,550,606)	-
<b>Net revenue of segment</b>	<b>257,182,492,405</b>	<b>18,735,071,346</b>	<b>23,101,693,501</b>	<b>(5,983,550,606)</b>	<b>293,035,706,646</b>
<b>Cost of sales of segment</b>	<b>128,762,538,429</b>	<b>26,225,097,856</b>	<b>33,468,788,425</b>		<b>188,456,424,710</b>
<b>Gross profit /(loss) of segment</b>	<b>128,419,953,976</b>	<b>(7,490,026,510)</b>	<b>(10,367,094,924)</b>	<b>(5,983,550,606)</b>	<b>104,579,281,936</b>
Financial income					353,051,313,410
Financial expenses					322,759,563,812
Selling expenses					1,329,151,640
General and administration expenses					49,065,991,283
Other income					18,248,031,900
Other expenses					66,754,015,205
Current corporate income tax expense					35,770,738,973
Deferred corporate tax income					(886,598,441)
<b>Net profit after tax</b>					<b>1,085,764,774</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION (continued)****2. Segment report (continued)****For the year ended 31 December 2022**

	Revenue from sales of real estate properties VND	Revenue from services rendered VND	Other revenue VND	Elimination of intra- group transactions VND	Total VND
External customers	438,406,779,649	27,955,177,363	-	-	466,361,957,012
Inter-segment	-	3,398,752,506	-	(3,398,752,506)	-
<b>Net revenue of segment</b>	<b>438,406,779,649</b>	<b>31,353,929,869</b>	<b>-</b>	<b>(3,398,752,506)</b>	<b>466,361,957,012</b>
<b>Cost of sales of segment</b>	<b>209,508,288,419</b>	<b>30,106,485,009</b>	<b>-</b>	<b>-</b>	<b>239,614,773,428</b>
<b>Gross profit /(loss) of segment</b>	<b>228,898,491,230</b>	<b>1,247,444,860</b>	<b>-</b>	<b>(3,398,752,506)</b>	<b>226,747,183,584</b>
Financial income					151,411,222,870
Financial expenses					259,786,006,383
Selling expenses					2,922,155,477
General and administration expenses					42,550,206,674
Other income					2,110,549,456
Other expenses					51,360,379,930
Current corporate income tax expense					17,515,985,308
Deferred corporate tax income					(1,042,301,794)
<b>Net profit after tax</b>					<b>7,176,523,932</b>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

**VII. OTHER INFORMATION (continued)****3. Operating lease commitments**

	2023 VND	2022 VND
Office rental expenses recognized in the consolidated income statement for the year	<u>5,052,832,276</u>	-

At balance sheet date, the Company had the outstanding commitment under non-cancellable operating lease, which fall due as follows:

	31/12/2023 VND	01/01/2023 VND
Within one year	5,768,408,520	-
In the second year	5,768,408,520	-
In the third to fifth year inclusive	<u>2,403,503,550</u>	-
<b>Total</b>	<b><u>13,940,320,590</u></b>	-

The payment for lease operations reflects the rental of 624 square meters of office space at CII TOWER, 152 Dien Bien Phu, Ward 25, Binh Thanh District, Ho Chi Minh City, Vietnam, owned by Investment Company Limited. The lease contract is for a term of 3 years from June 1, 2023, to May 31, 2026. Of this, 239 square meters are subleased by the Company to CII Infrastructure Joint Stock Company for an annual rent of VND 2,147,429,340.

**4. Information supplementing the items in the consolidated cash flow statement**

	2023 VND	2022 VND
<b>Proceeds from borrowings during the year</b>		
Proceeds from related parties	1,259,941,338,258	1,236,000,000,000
Proceeds from borrowing under normal contracts	<u>1,639,504,816,875</u>	909,474,989,702
<b>Total</b>	<b><u>2,899,446,155,133</u></b>	<b><u>2,145,474,989,702</u></b>
<b>Repayment of borrowings during the year</b>		
Repayment of borrowings to related parties	1,390,175,000,000	-
Repayment of borrowings under normal contracts	457,240,187,774	142,457,714,220
Repayment of bond principals	<u>290,000,000,000.00</u>	60,000,000,000
<b>Total</b>	<b><u>2,137,415,187,774</u></b>	<b><u>202,457,714,220</u></b>

**5. Contingent liabilities**

In note V.22, The Company has used available information and assumptions to estimate the reasonable land use levies of the Diamond Riverside project and City Gate Towers Apartment project in the amount of VND 201 billion and VND 120 billion, respectively. As of the date of this report, the Company has not yet finalized the land use levies with the competent authority to accurately determine the amount payable to the State budget. Therefore, the land use levies of the project may differ from the value that the Company has estimated and recognized in the consolidated income statement.

As of 16 February 2022, the investigation agency completed files for the fire incident at Carina Apartment. Consequences caused by the fire have been agreed to compensate by the investor and victims. Some disagreed compensation claims shall be resolved during the trial of the case. However, the Company's Board of Directors considers that these obligations will not have a material impact on the consolidated financial statements of the Company.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**

For the year ended 31 December 2023

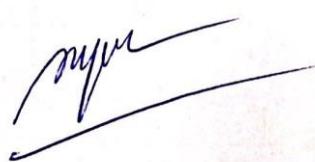
**VII. OTHER INFORMATION (continued)****6. Comparative figures**

The comparative figures are those of the audited consolidated financial statements for the year ended 31 December 2022.

**7. Subsequent events**

As of 15 January 2024, the Company has fully repaid the principal debt to Vietcombank - Nam Binh Duong Branch (refer to Note V.21) with a total value of VND 507,200,685,697.

Other than the event stated above, there have been no significant events occurring after the balance sheet date which would require adjustments or disclosure in the consolidated financial statements.



Nguyen Tran Phuong Uyen  
Preparer



Nguyen Van Minh  
Chief Accountant



Nguyen Ba Lan  
General Director

25 March 2024