



**FINANCIAL STATEMENTS**  
FOR THE FISCAL YEAR ENDED 31 DECEMBER 2023

**CIC39 CORPORATION**

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**STATEMENT OF THE BOARD OF DIRECTORS**

The Board of Directors of CIC39 Corporation (hereinafter referred to as “the Corporation”) presents this statement together with the Financial Statements for the fiscal year ended 31 December 2023.

**Business highlights**

CIC39 Corporation (renamed from Construction Investment Corporation 3-2) is an enterprise which has been equitized from a State-owned enterprise - Construction Investment Company 3-2 under the Decision No. 1214/QĐ-UBND dated 21 April 2008 of People’s Committee of Binh Duong Province. The Corporation has been operating under the Business Registration Certificate No. 3700146225, registered for the first time on 24 December 2008 and amended for the 12<sup>th</sup> time on 18 July 2022, granted by Department of Planning and Investment of Binh Duong Province.

**Head office**

- Address : No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province.
- Tel. : (84 - 274) 3 759 446
- Fax : (84 - 274) 3 755 605

The Corporation has the following affiliates:

Affiliates	Address
Branch of CIC39 Corporation - Construction Stone Plant	No. 635/1A, 1K Highway, Tan An Quarter, Tan Dong Hiep Ward, Di An City, Binh Duong Province
Branch of CIC39 Corporation - Concrete Sewer Plant	No. 6, Hill Road 16, Cay Cham Quarter, Thanh Phuoc Ward, Tan Uyen Town, Binh Duong Province
Branch of CIC39 Corporation - Concrete Brick Plant	No. 5/138 Binh Duong Boulevard, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province
Business location of CIC39 Corporation - Long Nguyen Concrete Plant	No. 216B, Bung Thuoc Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province
Business location of CIC39 Corporation - 279 Construction Material Trading Center	No. 1/278, 22/12 Street, Hoa Lan 2 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

Principal business activities of the Corporation as in the Business Registration Certificate are:

- Growing rubber trees; Growing trees;
- Dismantling;
- Drainage and waste water treatment;
- Installing industrial machinery and equipment;
- Wholesaling materials, other installation equipment in construction;
- Wholesaling iron and steel;
- Trading real estate; leasing land, offices, houses and workshops (in accordance with the planning); investing and trading traffic bridges, waterway ferry docks, roads;
- Completing construction works;
- Producing beds, wardrobes, tables, chairs;
- Growing trees, urban grass;
- Installing low-voltage power grids and stations with lines of under 35KV; constructing lighting systems; installing protection, alarm equipment, fire protection systems, lightning protection systems for construction works;
- Forging, stamping, pressing and laminating metal; refining metal powder (not forging, stamping, pressing, laminating, refining metal at the head office, the head office is only used as transaction office); mechanical processing (except for metal processing, coating, plating);
- Warehouse and yard operations;
- Exploiting stone, sand, gravel, soil and clay (only after obtaining permits from competent agencies); processing stone);



## CIC39 CORPORATION

### STATEMENT OF THE BOARD OF DIRECTORS (cont.)

- Providing construction consultancy. Designing civil and industrial construction works, road traffic works: designing architecture for works; providing interior and exterior designing for works; designing landscape; designing construction structure; designing electrical - electromechanical system for works; designing water supply and drainage systems; designing ventilation - heat supply and drainage system; designing information and communication networks for construction works; designing fire protection system;
- Contributing capital, purchasing shares;
- Weighing goods in relation to transportation;
- Leasing motor vehicles;
- Building road works;
- Building residential houses;
- Exploiting other forest products except wood;
- Planting other perennials;
- Building non-residential houses;
- Building water supply and drainage works;
- Planting forests, taking care of forests and nurturing forestry trees;
- Building telecommunications and communication works;
- Building other public works;
- Building other civil engineering works;
- Producing concrete and products from concrete, cement and plaster.

#### Board of Management and Executive Officers

The Board of Management and the Executive Officers of the Corporation during the year and as of the date of this statement include:

##### *The Board of Management*

Full name	Position	Appointing/re-appointing date
Mr. Nguyen Le Van	Chairman	Appointed on 01 August 2020
Mr. Vo Van Lanh	Member	Appointed on 01 August 2020
Mr. Tran Van Binh	Member	Re-appointed on 23 April 2019
Mr. Trinh Tien Bay	Member	Appointed on 23 April 2019
Mr. Bui Tien Duc	Member cum Audit Committee Member	Appointed on 21 April 2022

##### *The Board of Directors*

Full name	Position	Re-appointing date
Mr. Vo Van Lanh	General Director	25 March 2020
Mr. Tran Van Binh	Deputy General Director	25 March 2020

#### Legal Representative

The Corporation's legal representative during the year and as of the date of this statement is Mr. Vo Van Lanh - General Director (re-appointed on 25 March 2020).

#### Auditor

A&C Auditing and Consulting Co., Ltd. has been appointed to perform the audit on the Corporation's Financial Statements for the fiscal year ended 31 December 2023.

#### Responsibilities of the Board of Directors

The Board of Directors of the Corporation is responsible for the preparation of the Financial Statements to give a true and fair view of the financial position, the financial performance, and the cash flows of the Corporation during the year. In order to prepare these Financial Statements, the Board of Directors must:

- select the appropriate accounting policies and apply them consistently;
- make judgments and estimates prudently;



## CIC39 CORPORATION

### STATEMENT OF THE BOARD OF DIRECTORS (cont.)

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- state clearly whether the accounting standards applied to the Corporation are followed or not, and all the material differences from these standards are disclosed and explained in the Financial Statements;
- prepare the Financial Statements of the Corporation on the going-concern basis, except for the cases that the going-concern assumption is considered inappropriate;
- design and implement effectively the internal control system in order to ensure that the preparation and presentation of the Financial Statements are free from material misstatements due to frauds or errors.

The Board of Directors hereby ensures that all the accounting books of the Corporation have been fully recorded and can fairly reflect the financial position of the Corporation at any time, and that all the accounting books have been prepared in compliance with the applicable Accounting System. The Board of Directors is also responsible for managing the Corporation's assets and consequently has taken appropriate measures to prevent and detect frauds and other irregularities.

The Board of Directors hereby commits to the compliance with the aforementioned requirements in preparation of the Financial Statements.

#### Approval of the Financial Statements

The Board of Directors hereby approves the accompanying Financial Statements, which give a true and fair view of the financial position as of 31 December 2023 of the Corporation, its financial performance and its cash flows for the fiscal year then ended, in conformity with the Vietnamese Accounting Standards and System and other regulatory requirements on preparation and presentation of the Financial Statements.

For and on behalf of the Board of Directors,



**Vo Van Lanh**  
**General Director**

Date: 30 March 2024



# A&C AUDITING AND CONSULTING CO., LTD.

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No. 1.0884/24/TC-AC

## INDEPENDENT AUDITOR'S REPORT

**To: THE SHAREHOLDERS, THE BOARD OF MANAGEMENT AND THE BOARD OF DIRECTORS  
CIC39 CORPORATION**

We have audited the accompanying Financial Statements of CIC39 Corporation (hereinafter referred to as "the Corporation"), which were prepared on 30 March 2024 (from page 6 to page 45), including the Balance Sheet as of 31 December 2023, the Income Statement, the Cash Flow Statement for the fiscal year then ended and the Notes to the Financial Statements.

### Responsibilities of the Board of Directors

The Corporation's Board of Directors is responsible for the preparation, true and fair presentation of these Financial Statements in accordance with the Vietnamese Accounting Standards and System as well as other regulatory requirements on preparation and presentation of the Financial Statements; and responsible for such internal control as the Corporation's Board of Directors determines necessary to enable the preparation and presentation of Financial Statements to be free from material misstatement, whether due to fraud or error.

### Responsibilities of Auditors

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

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

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

### Opinion of the Auditors

In our opinion, the Financial Statements give a true and fair view, in all material respects, of the financial position as of 31 December 2023 of CIC39 Corporation, its financial performance and its cash flows for the fiscal year then ended, in accordance with Vietnamese Accounting Standards and System and other regulatory requirements on preparation and presentation of the Financial Statements.

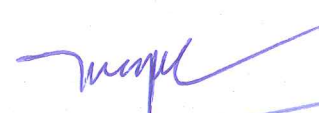
For and on behalf of  
A&C Auditing and Consulting Co., Ltd.



**Phan Vu Cong Ba**  
**Partner**

Audit Practice Registration Certificate No. 0197-2023-008-1  
Authorized Signatory

Ho Chi Minh City, 30 March 2024

  
**Nguyen Hoang Yen**  
**Auditor**

Audit Practice Registration Certificate No. 0088-2023-008-1

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**BALANCE SHEET**

As of 31 December 2023

Unit: VND

ITEMS	Code	Note	Ending balance	Beginning balance
<b>A - CURRENT ASSETS</b>	<b>100</b>		<b>424.025.565.876</b>	<b>539.678.155.056</b>
<b>I. Cash and cash equivalents</b>	<b>110</b>	<b>V.1</b>	<b>63.173.666.263</b>	<b>97.399.693.822</b>
1. Cash	111		49.173.666.263	10.899.693.822
2. Cash equivalents	112		14.000.000.000	86.500.000.000
<b>II. Short-term financial investments</b>	<b>120</b>		<b>45.786.556.067</b>	<b>131.964.010.327</b>
1. Trading securities	121	V.2a	49.901.236.366	53.184.701.768
2. Provisions for devaluation of trading securities	122	V.2a	(4.114.680.299)	(7.359.864.034)
3. Held-to-maturity investments	123	V.2b	-	86.139.172.593
<b>III. Short-term receivables</b>	<b>130</b>		<b>215.511.418.254</b>	<b>230.049.803.782</b>
1. Short-term trade receivables	131	V.3	160.167.874.442	128.398.564.782
2. Short-term prepayments to suppliers	132	V.4	7.775.461.613	21.949.953.362
3. Short-term inter-company receivables	133		-	-
4. Receivable according to the progress of construction contract	134		-	-
5. Receivables for short-term loans	135		-	-
6. Other short-term receivables	136	V.5	77.061.730.337	84.371.925.055
7. Allowance for short-term doubtful debts	137	V.6	(29.493.648.138)	(4.670.639.417)
8. Deficit assets for treatment	139		-	-
<b>IV. Inventories</b>	<b>140</b>	<b>V.7</b>	<b>95.799.786.321</b>	<b>74.395.772.824</b>
1. Inventories	141		103.986.936.674	82.425.627.415
2. Allowance for inventories	149		(8.187.150.353)	(8.029.854.591)
<b>V. Other current assets</b>	<b>150</b>		<b>3.754.138.971</b>	<b>5.868.874.301</b>
1. Short-term prepaid expenses	151	V.8a	1.243.321.271	607.409.881
2. Deductible VAT	152		-	-
3. Taxes and other receivables from the State	153	V.16	2.510.817.700	5.261.464.420
4. Trading Government bonds	154		-	-
5. Other current assets	155		-	-

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>B- NON-CURRENT ASSETS</b>	<b>200</b>		<b>432.530.352.054</b>	<b>445.907.601.827</b>
<b>I. Long-term receivables</b>	<b>210</b>		-	-
1. Long-term trade receivables	211		-	-
2. Long-term prepayments to suppliers	212		-	-
3. Working capital in affiliates	213		-	-
4. Long-term inter-company receivables	214		-	-
5. Receivables for long-term loans	215		-	-
6. Other long-term receivables	216		-	-
7. Allowance for long-term doubtful debts	219		-	-
<b>II. Fixed assets</b>	<b>220</b>		<b>151.659.217.024</b>	<b>169.349.766.512</b>
1. Tangible fixed assets	221	V.9	94.766.752.785	110.621.991.397
- <i>Historical cost</i>	222		254.571.601.788	253.143.002.508
- <i>Accumulated depreciation</i>	223		(159.804.849.003)	(142.521.011.111)
2. Financial leased assets	224		-	-
- <i>Historical cost</i>	225		-	-
- <i>Accumulated depreciation</i>	226		-	-
3. Intangible fixed assets	227	V.10	56.892.464.239	58.727.775.115
- <i>Initial cost</i>	228		101.647.895.261	101.647.895.261
- <i>Accumulated amortization</i>	229		(44.755.431.022)	(42.920.120.146)
<b>III. Investment property</b>	<b>230</b>	<b>V.11</b>	<b>3.279.719.638</b>	<b>3.707.330.994</b>
- Historical costs	231		8.331.392.116	8.331.392.116
- Accumulated depreciation	232		(5.051.672.478)	(4.624.061.122)
<b>IV. Long-term assets in process</b>	<b>240</b>		<b>1.626.513.370</b>	<b>2.780.947.603</b>
1. Long-term work in process	241		-	-
2. Construction-in-progress	242	V.12	1.626.513.370	2.780.947.603
<b>V. Long-term financial investments</b>	<b>250</b>		<b>213.342.381.245</b>	<b>205.671.076.937</b>
1. Investments in subsidiaries	251	V.2c	36.850.000.000	37.200.000.000
2. Investments in joint ventures and associates	252	V.2c	136.907.156.453	136.907.156.453
3. Investments in other entities	253	V.2c	22.700.887.800	22.700.887.800
4. Provisions for devaluation of long-term financial investments	254		(385.663.008)	(386.967.316)
5. Held-to-maturity investments	255	V.2b	17.270.000.000	9.250.000.000
<b>VI. Other non-current assets</b>	<b>260</b>		<b>62.622.520.777</b>	<b>64.398.479.781</b>
1. Long-term prepaid expenses	261	V.8b	62.622.520.777	64.398.479.781
2. Deferred income tax assets	262	V.13	-	-
3. Long-term components and spare parts	263		-	-
4. Other non-current assets	268		-	-
<b>TOTAL ASSETS</b>	<b>270</b>		<b>856.555.917.930</b>	<b>985.585.756.883</b>



**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>C - LIABILITIES</b>	<b>300</b>		<b>328.578.069.072</b>	<b>423.241.046.718</b>
<b>I. Current liabilities</b>	<b>310</b>		<b>328.578.069.072</b>	<b>394.137.779.218</b>
1. Short-term trade payables	311	V.14	19.274.722.094	15.217.049.513
2. Short-term advances from customers	312	V.15	48.344.481.060	8.698.781.797
3. Taxes and other obligations to the State Budget	313	V.16	-	110.500.789
4. Payables to employees	314	V.17	3.315.280.827	5.617.214.399
5. Short-term accrued expenses	315	V.18	5.154.428.118	38.338.910.663
6. Short-term inter-company payables	316		-	-
7. Payable according to the progress of construction contracts	317		-	-
8. Short-term unearned revenue	318		16.727.251	14.545.437
9. Other short-term payables	319	V.19	5.051.424.114	7.420.630.253
10. Short-term borrowings and financial leases	320	V.20a	245.624.922.212	316.372.736.095
11. Provisions for short-term payables	321	V.21	884.602.811	897.339.561
12. Bonus and welfare funds	322	V.22	911.480.585	1.450.070.711
13. Price stabilization fund	323		-	-
14. Trading Government bonds	324		-	-
<b>II. Non-current liabilities</b>	<b>330</b>		<b>-</b>	<b>29.103.267.500</b>
1. Long-term trade payables	331		-	-
2. Long-term advances from customers	332		-	-
3. Long-term accrued expenses	333		-	-
4. Inter-company payables for working capital	334		-	-
5. Long-term inter-company payables	335		-	-
6. Long-term unearned revenue	336		-	-
7. Other long-term payables	337		-	-
8. Long-term borrowings and financial leases	338	V.20b	-	29.103.267.500
9. Convertible bonds	339		-	-
10. Preferred shares	340		-	-
11. Deferred income tax liability	341		-	-
12. Provisions for long-term payables	342		-	-
13. Science and technology development fund	343		-	-



**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**Balance Sheet (cont.)**

ITEMS	Code	Note	Ending balance	Beginning balance
<b>D - OWNERS' EQUITY</b>	<b>400</b>		<b>527.977.848.858</b>	<b>562.344.710.165</b>
<b>I. Owners' equity</b>	<b>410</b>		<b>527.977.848.858</b>	<b>562.344.710.165</b>
1. Capital	411	V.23	150.301.450.000	150.301.450.000
- Ordinary shares carrying voting right	411a		150.301.450.000	150.301.450.000
- Preferred shares	411b		-	-
2. Share premiums	412	V.23	2.190.000.000	2.190.000.000
3. Bond conversion options	413		-	-
4. Other sources of capital	414		-	-
5. Treasury stocks	415	V.23	(20.100.000)	(20.100.000)
6. Differences on asset revaluation	416		-	-
7. Foreign exchange differences	417		-	-
8. Investment and development fund	418	V.23	216.217.666.135	214.632.363.885
9. Business arrangement supporting fund	419		-	-
10. Other funds	420		-	-
11. Retained earnings	421	V.23	159.288.832.723	195.240.996.280
- Retained earnings accumulated to the end of the previous period	421a		178.042.153.163	195.240.996.280
- Retained loss of the current period	421b		(18.753.320.440)	-
12. Construction investment fund	422		-	-
<b>II. Other sources and funds</b>	<b>430</b>		<b>-</b>	<b>-</b>
1. Sources of expenditure	431		-	-
2. Fund to form fixed assets	432		-	-
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>440</b>		<b>856.555.917.930</b>	<b>985.585.756.883</b>



Binh Duong, 30 March 2024

Nguyen Thi Cam Van  
Preparer

Nguyen Xuan Hieu  
Chief Accountant



Vo Van Lanh  
General Director

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**INCOME STATEMENT**  
For the fiscal year ended 31 December 2023

Unit: VND

ITEMS	Code	Note	Current year	Previous year
1. Sales	01	VI.1	494.136.907.209	571.794.811.757
2. Sales deductions	02	VI.2	20.885.000	31.552.000
3. Net sales	10		494.116.022.209	571.763.259.757
4. Cost of sales	11	VI.3	446.720.856.972	510.015.748.603
5. Gross profit	20		47.395.165.237	61.747.511.154
6. Financial income	21	VI.4	15.998.255.303	11.212.812.988
7. Financial expenses	22	VI.5	14.858.816.368	21.648.413.104
In which: Loan interest expenses	23		17.838.603.505	15.213.346.653
8. Selling expenses	25	VI.6	27.785.326.370	22.087.834.334
9. General and administration expenses	26	VI.7	40.739.623.967	17.352.479.068
10. Net operating profit/(loss)	30		(19.990.346.165)	11.871.597.636
11. Other income	31	VI.8	1.387.149.075	8.682.834.106
12. Other expenses	32	VI.9	150.123.350	1.421.236.794
13. Other profit	40		1.237.025.725	7.261.597.312
14. Total accounting profit/(loss) before tax	50		(18.753.320.440)	19.133.194.948
15. Current income tax	51	V.16	-	3.280.172.452
16. Deferred income tax	52		-	-
17. Profit/(loss) after tax	60		(18.753.320.440)	15.853.022.496
18. Basic earnings per share	70	VI.10		
19. Diluted earnings per share	71	VI.10		



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 30 March 2024

Võ Văn Lanh  
General Director

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**CASH FLOW STATEMENT**  
(Indirect method)  
For the fiscal year ended 31 December 2023

Unit: VND

ITEMS	Note	Code	Current year	Previous year
<b>I. Cash flows from operating activities</b>				
<b>1. Profit/(loss) before tax</b>	<b>01</b>		<b>(18.753.320.440)</b>	<b>19.133.194.948</b>
<b>2. Adjustments</b>				
- Depreciation of fixed assets and investment properties	02	V.9, V.10, V.11	24.694.353.548	24.827.304.346
- Provisions and allowances	03	V2, V.6, V.7, V.21	21.721.079.690	11.169.932.094
- Exchange gain/(loss) due to revaluation of monetary items in foreign currencies	04		-	-
- Gain/(loss) from investing activities	05	VI.4, VI.8	(15.738.045.952)	(11.552.221.986)
- Interest expenses	06	VI.5	17.838.603.505	15.213.346.653
- Others	07		-	-
<b>3. Operating profit before changes of working capital</b>	<b>08</b>		<b>29.762.670.351</b>	<b>58.791.556.055</b>
- Increase/(decrease) of receivables	09		(9.289.813.394)	(18.602.774.428)
- Increase/(decrease) of inventories	10		(21.561.309.259)	(9.353.061.587)
- Increase/(decrease) of payables	11		5.827.683.283	(59.140.957.345)
- Increase/(decrease) of prepaid expenses	12		1.140.047.614	293.483.742
- Increase/(decrease) of trading securities	13		3.283.465.402	(42.526.975.533)
- Interests paid	14	V.18, VI.5	(17.927.981.575)	(15.024.507.735)
- Corporate income tax paid	15		-	(11.515.184.932)
- Other cash inflows	16	V.22	947.810.000	784.000.000
- Other cash outflows	17	V.22, V.23	(2.069.795.993)	(8.727.500.079)
<b>Net cash flows from operating activities</b>	<b>20</b>		<b>(9.887.223.571)</b>	<b>(105.021.921.842)</b>
<b>II. Cash flows from investing activities</b>				
1. Purchases and construction of fixed assets and other non-current assets	21	V.9, V.12	(5.943.810.482)	(3.594.746.012)
2. Proceeds from disposals of fixed assets and other non-current assets	22	V.9, VI.8	946.881.820	573.070.909
3. Cash outflow for lending, buying debt instruments of other entities	23	V.2b	(11.802.990.643)	(39.639.625.906)
4. Cash recovered from lending, selling debt instruments of other entities	24	V.2b	89.922.163.236	45.531.123.087
5. Investments in other entities	25		-	(20.965.667.400)
6. Withdrawals of investments in other entities	26	V.2c	350.000.000	1.789.563.228
7. Interest earned, dividends and profits received	27	V.5, VI.4	17.069.053.064	13.343.272.733
<b>Net cash flows from investing activities</b>	<b>30</b>		<b>90.541.296.995</b>	<b>(2.963.009.361)</b>

**CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**Cash Flow Statement (cont.)**

ITEMS	Code	Note	Current year	Previous year
<b>III. Cash flows from financing activities</b>				
1. Proceeds from issuing stocks and capital contributions from owners	31		-	-
2. Repayment for capital contributions and re-purchases of stocks already issued	32		-	(20.100.000)
3. Proceeds from borrowings	33	V.20	493.216.264.585	592.023.588.469
4. Repayment for loan principal	34	V.20	(593.067.345.968)	(463.850.099.243)
5. Payments for financial leased assets	35		-	-
6. Dividends and profit paid to the owners	36	V.18, V.23	(15.029.019.600)	(36.070.194.240)
<b>Net cash flows from financing activities</b>	<b>40</b>		<b>(114.880.100.983)</b>	<b>92.083.194.986</b>
<b>Net cash flows during the year</b>	<b>50</b>		<b>(34.226.027.559)</b>	<b>(15.901.736.217)</b>
<b>Beginning cash and cash equivalents</b>	<b>60</b>	V.1	<b>97.399.693.822</b>	<b>113.301.430.039</b>
Effects of fluctuations in foreign exchange rates	61		-	-
<b>Ending cash and cash equivalents</b>	<b>70</b>	V.1	<b>63.173.666.263</b>	<b>97.399.693.822</b>



Nguyen Thi Cam Van  
Preparer



Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 30 March 2024

Vo Van Lanh  
General Director

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## CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

## NOTES TO THE FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

### I. GENERAL INFORMATION

#### 1. Ownership form

CIC39 Corporation (hereinafter referred to as “the Corporation”) is a joint stock company.

#### 2. Operating field

The Corporation’s operating fields are manufacturing, constructing, trading, real estate trading and servicing.

#### 3. Principal business activities

Principal business activities of the Corporation are manufacturing stone, concrete and bricks; constructing works; trading construction materials; trading real estate; leasing cars, construction tools.

#### 4. Normal operating cycle

Normal operating cycle of the Corporation is within 12 months.

#### 5. Effects of the Corporation’s operation during the year on the Financial Statements

The Corporation’s revenue in the current year decreased against that of the previous year, mainly due to the decrease in construction activities. However, the decrease in gross profit from construction activities and the increase in operation costs (mainly allowance for doubtful debts) are the main reason for the Corporation’s business loss in the current year.

#### 6. Structure of the Corporation

##### *Subsidiaries*

The Corporation only invested in Tien Phuoc Construction Mineral Joint Stock Company – a subsidiary, located at Nam Dong Phu Industrial Park, Tan Lap Commune, Dong Phu District, Binh Phuoc Province. Principal business activities of this subsidiary are exploiting and processing stone. As of the balance sheet date, the Corporation’s capital contribution rate at this subsidiary is 80%, the voting rate and benefit rate are 83,38%.

##### *Associates*

Associates	Address	Principal business activities	Contribution rate	Ownership rate	Voting rate
Mien Dong Joint-Stock Company	Road No. 1, Bien Hoa 1 Industrial Park, An Binh Ward, Bien Hoa City, Dong Nai Province	Manufacturing, quarrying stone, trading real estate and construction and installation activities	32,01%	32,01%	32,01%
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Hamlet 3, An Thanh Commune, Ben Luc District, Long An Province	Trading construction materials	42,50%	42,50%	42,50%

##### *Affiliates which are not legal entities and cannot do accounting works independently*

Affiliates	Address
Branch of CIC39 Corporation - Construction Stone Plant	No. 635/1A, 1K Highway, Tan An Quarter, Tan Dong Hiep Ward, Di An City, Binh Duong Province
Branch of CIC39 Corporation - Concrete Sewer Plant	No. 6, Hill Road 16, Cay Cham Quarter, Thanh Phuoc Ward, Tan Uyen Town, Binh Duong Province
Branch of CIC39 Corporation - Concrete Brick Plant	No. 5/138 Binh Duong Boulevard, Hoa Lan 1 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province
Business location of CIC39 Corporation - Long Nguyen Concrete Plant	No. 216B, Bung Thuoc Hamlet, Long Nguyen Commune, Bau Bang District, Binh Duong Province

## CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

Affiliates	Address
Business location of CIC39 Corporation - 279 Construction Material Trading Center	No. 1/278, 22/12 Street, Hoa Lan 2 Quarter, Thuan Giao Ward, Thuan An City, Binh Duong Province

#### 7. Statement of information comparability on the Financial Statements

The corresponding figures in the previous year can be comparable with the figures in the current year.

#### 8. Headcount

As of the balance sheet date, the Corporation's headcount is 222 (headcount at the beginning of the year: 221).

### II. FISCAL YEAR AND ACCOUNTING CURRENCY

#### 1. Fiscal year

The fiscal year of the Corporation is from 01 January to 31 December annually.

#### 2. Accounting currency unit

The accounting currency unit is Vietnamese Dong (VND) since the Corporation's transactions are primarily made in VND.

### III. ACCOUNTING STANDARDS AND SYSTEM

#### 1. Accounting System

The Corporation applies the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of Financial Statements.

#### 2. Statement of the compliance with the Accounting Standards and System

The Board of Directors ensures to follow all the requirements of the Vietnamese Accounting Standards and System, which were issued together with the Circular No. 200/2014/TT-BTC dated 22 December 2014, the Circular No. 53/2016/TT-BTC dated 21 March 2016 as well as other Circulars guiding the implementation of Vietnamese Accounting Standards of the Ministry of Finance in the preparation and presentation of Financial Statements..

### IV. ACCOUNTING POLICIES

#### 1. Accounting convention

All the Financial Statements are prepared on the accrual basis (except for the information related to cash flows).

#### 2. Cash and cash equivalents

Cash includes cash on hand and demand deposits in banks. Cash equivalents are short-term investments of which the due dates cannot exceed 3 months from the dates of the investments and the convertibility into cash is easy, and which do not have a lot of risks in the conversion into cash as of the balance sheet date.

## CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

### 3. Financial investments

#### *Trading securities*

Investments classified as trading securities are those held by the Corporation for the trading purpose with the aim of making profit.

Trading securities are recognized at costs which include fair value of the payments made at the time of the transaction plus other costs attributable to transaction costs.

The time of recognizing trading securities is when the Corporation acquires the ownership, as follows:

- For listed securities: recognized at the time of order-matching (T+0).
- For unlisted securities: recognized at the time of acquiring official ownership as stipulated by law.

Dividends of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Dividends of the periods after the acquisition of such securities are recorded in the Corporation's revenues. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity is followed up.

Convertible shares are determined on the basis of the fair value at the date of exchange. The fair value of the shares is determined as follows:

- For shares of listed companies: the closing price listed on the stock market at the date of exchange. In case at the date of exchange, the stock market is not traded, the fair value of shares is the closing price of the preceding trading with the date of exchange.
- For unlisted shares traded on UPCOM: the closing price on UPCOM at the date of exchange. In case at the date of exchange, the UPCOM is not traded, the fair value of shares is the closing price of the preceding trading with the date of exchange.
- For other unlisted shares: the price agreed by the parties under the contracts or the carrying value at the time of exchange.

Provisions for devaluation of trading securities are made for each particular type of securities in the market of which the fair value is lower than costs. The fair value of trading securities which are securities listed on the stock market is the closing price at the most recent trading date by the balance sheet date.

Increases/(decreases) in the provisions for devaluation of trading securities as of the balance sheet date are recorded into financial expenses.

Gain or loss from transfer of trading securities is recognized into financial income or financial expenses. The costs are determined in accordance with the mobile weighted average method.

#### *Held-to-maturity investments*

Investments are classified as held-to-maturity investments that the Corporation intends and is able to hold to maturity. Held-to-maturity investments include term deposits, held-to-maturity bonds for the purpose of receiving periodical interest.

Held-to-maturity investments are initially recognized at cost including the purchase cost and other transaction costs. After initial recognition, these investments are recorded at recoverable value. Interest from these held-to-maturity investments after acquisition date is recognized in the profit or loss on the basis of the interest income to be received. Interests arising prior to the Corporation's acquisition of held-to-maturity investments are recorded as a decrease in the costs as at the acquisition time.





## **CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

#### **Notes to the Financial Statements (cont.)**

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When there are reliable evidences proving that a part or the whole investment cannot be recovered and the loss are reliably determined, the loss is recognized as financial expenses during the period while the investment value is derecognized.

#### ***Investments in subsidiaries, associates***

##### ***Subsidiary***

Subsidiary is an entity that is controlled by the Corporation. Control is the Corporation's power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

##### ***Associates***

An associate is an entity which the Corporation has significant influence but not the control to govern the financial and operating policies. Significant influence is the right to participate in making the associate's financial and operating policies but not control those policies.

##### ***Initial recognition***

Investments in subsidiaries, associates are initially recognized at costs, including the cost of purchase or capital contributions plus other directly attributable transaction cost. In case of investment in non-monetary assets, the costs of the investment are recognized at the fair value of non-monetary assets at the arising time.

Dividends and profit of the periods prior to the acquisition of trading securities are recorded as a decrease in the value of such securities. Dividends and profit of the periods after the acquisition of such securities are recorded in the Corporation's revenues. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity is followed up.

##### ***Provisions for impairment of investments in subsidiaries, associates***

Provisions for impairment of investments in subsidiaries, associates are made when the subsidiaries, associates suffer from losses at the rate equal to the difference between the actual capital invested by investors in subsidiaries, associates and the actual owner's equity multiplying (x) by the ownership rate of the charter capital actually contributed by the Corporation in subsidiaries, associates. If the subsidiaries, associates are consolidated into Consolidated Financial Statements, the basis for impairment provisions is the Consolidated Financial Statements.

Increases/(decreases) in the provisions for impairment of investments in subsidiaries, associates are recorded into financial expenses.

##### ***Investments in equity instruments of other entities***

Investments in equity instruments of other entities include such investments in equity instruments that do not enable the Corporation to have the control, joint control or significant influence on these entities.

Investments in equity instruments of other entities are initially recognized at costs, including cost of purchase plus other directly attributable transaction costs. Values of these investments are derecognized for dividends and profits arising in the periods prior to the acquisition of such investments. Dividends and profit arising in the periods after the acquisition of investments are recorded into the Corporation's revenue. Particularly, the dividends paid in form of shares are not recorded as an increase in values, but the increasing quantity of shares is followed up.

## **CIC39 CORPORATION**

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

#### **Notes to the Financial Statements (cont.)**

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Provisions for impairment of investments in equity instruments of other entities are made as follows:

- For investments in listed shares or fair value of investments which is reliably measured, provisions are made on the basis of the market value of shares.
- For investments of which the fair value cannot be measured at the time of reporting, provisions are made on the basis of the losses suffered by investees, at the rate equal to the difference between the actual capital invested by owners and the owner's equity as of the balance sheet date multiplying (x) by the Corporation's rate of charter capital over the total actual charter capital invested in these investees.

Increases/(decreases) in the provisions for impairment of investments in equity instruments of other entities are recorded into financial expenses.

#### **4. Receivables**

Receivables are recognized at the carrying amounts less allowances for doubtful debts.

The classification of receivables as trade receivables and other receivables is made according the following principles:

- Trade receivables reflect receivables concerning the commercial nature arising from purchase and sale transactions between the Corporation and customers who are independent to the Corporation.
- Other receivables reflect receivables not concerning the commercial nature and irrelevant to purchase and sale transactions.

Allowance is made for each doubtful debt on the basis of estimated loss.

Increases/(decreases) in the obligatory allowance for doubtful debts as of the balance sheet date are recorded into general and administration expenses.

#### **5. Inventories**

Inventories are recognized at the lower of cost or net realizable value.

Cost of inventories is determined as follows:

- For materials and merchandises: Costs comprise costs of purchases and other directly relevant costs incurred in bringing the inventories to their present location and conditions.
- Work-in-process: Costs comprise costs of main materials, labor and other directly relevant costs.
- For finished goods: Costs comprise costs of materials, direct labor and directly relevant general manufacturing expenses allocated on the basis of normal operations.

Stock-out costs are determined in accordance with the weighted average method and recorded in line with the perpetual method.

Net realizable value is the estimated selling price of inventories in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Allowance for inventories is recognized for each type of inventories when their costs are higher than their net realizable values. Increases/(decreases) in the obligatory allowance for inventories as of the balance sheet date are recorded into costs of sales.

#### **6. Prepaid expenses**

Prepaid expenses comprise actual expenses arising and relevant to financial performance in several accounting periods. Prepaid expenses of the Corporation mainly include expenses of tools, land use right, land rental and repair expenses. These prepaid expenses are allocated over the prepayment period or period of corresponding economic benefits generated from these expenses.

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

##### *Tools*

Expenses of tools being put into use are allocated into expenses in accordance with the straight-line method for the maximum period of 3 years.

##### *Land use rights*

Expenses of impermanent land use rights reflects the amount paid for the transfer and prepaid rental for land being used by the Corporation. Expenses of impermanent land use rights are allocated over the term regulated in Certificates of land use rights.

##### *Prepaid land rental*

Prepaid land rental reflects the rental prepaid for the land being used by the Corporation and is allocated over the lease term as regulated in the land lease.

##### *Repair expenses*

Expenses of fixed asset repairs arising once with high value are allocated into expenses in accordance with the straight-line method in 3 years.

#### 7. Operating leased assets

A lease is classified as an operating lease if it transfers substantially all the risks and rewards incident to ownership belonging to the lessor. The lease expenses are allocated in the Corporation's operation costs in accordance with the straight-line method over the lease term and do not depend on the method of lease payment.

#### 8. Tangible fixed assets

Tangible fixed assets are determined by their historical costs less accumulated depreciation. Historical costs of tangible fixed assets include all the expenses paid by the Corporation to bring the asset to its working condition for its intended use. Other expenses arising subsequent to initial recognition are included into historical costs of fixed assets only if it can be clearly demonstrated that the expenditure has resulted in future economic benefits expected to be obtained from the use of these assets. Those which do not meet the above conditions will be recorded into operation costs during the year.

When a tangible fixed asset is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

Tangible fixed assets are depreciated in accordance with the straight-line method over their estimated useful lives. The depreciation years applied are as follows:

<u>Fixed assets</u>	<u>Years</u>
Buildings and structures	06 – 25
Machinery and equipment	06 – 14
Vehicles	06 – 10
Office equipment	03 – 04

#### 9. Intangible fixed assets

Intangible fixed assets are determined by their initial costs less accumulated amortization.

Initial costs of intangible fixed assets include all the costs paid by the Corporation to bring the asset to its working condition for its intended use. Other costs relevant to intangible fixed assets arising subsequent to initial recognition are included into operation costs during the period only if these costs are associated with a specific intangible fixed asset and result in future economic benefits expected to be obtained from the use of these assets.

When an intangible fixed asset is sold or disposed, its initial costs and accumulated amortization are written off, then any gain or loss arising from such disposal is included in the income or the expenses during the year.

## CIC39 CORPORATION

Address: No. 45A, Nguyen Van Tiet Street, Lai Thieu Ward, Thuan An City, Binh Duong Province

### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

The Corporation's intangible fixed assets include:

##### *Land use right*

Land use right includes all the actual expenses paid by the Corporation directly related to the land being used such as expenses to obtain the land use right, expenses for house removal, land clearance and ground leveling, registration fees, etc.

The land use right of the Corporation is amortized as follows:

- Land use right assigned by the State with collection of land use fees is amortized in accordance with the straight-line method over the land assigned period (i.e. 50 years); if the land use right is permanent, it is not amortized.
- Land use right legally transferred is amortized in accordance with the straight-line method over the term of land use right (i.e. 42 – 50 years), if the land use right is permanent, it is not amortized.

##### *Computer software*

Expenses attributable to computer software, which is not a part associated with the relevant hardware, will be capitalized. Costs of computer software include all the expenses paid by the Corporation until the date the software is put into use. Computer software is amortized in accordance with the straight-line method in 3-5 years.

#### **10. Investment properties**

Investment property is property which is a building or part of a building, infrastructure held by the Corporation or by the lessee under a finance lease to earn rentals. Investment properties for lease are measured at their historical costs less accumulated depreciation. Historical cost includes all the expenses paid by the Corporation or the fair value of other considerations given to acquire the assets up to the date of its acquisition or construction.

Expenses related to investment property arising subsequent to initial recognition should be added to the historical cost of the investment property when it is probable that future economic benefits, in excess of the originally assessed standard of performance of the existing investment property, will flow to the Corporation.

When the investment property is sold or disposed, its historical cost and accumulated depreciation are written off, then any gain or loss arising from such disposals is included in the income or the expenses during the year.

The transfer from owner-occupied property or inventories into investment property shall be made when, and only when, there is a change in use evidenced by the end of owner-occupation and the commencement of an operating lease to another party or the end of construction. The transfer from investment property to owner-occupied property or inventories shall be made when, and only when, there is a change in use evidenced by the commencement of owner-occupation or the commencement of development with a view to sale. The transfer from investment property to owner-occupied property or inventories does not change the historical cost or net book value of investment property at the date of transfer.

Investment property for lease is depreciated in accordance with the straight-line method and the depreciation years of houses and infrastructure are 15-25 years and 6 years respectively.

#### **11. Construction-in-progress**

Construction-in-progress reflects the expenses (including relevant loan interest expenses following the accounting policies of the Corporation) directly attributable to assets under construction, machinery and equipment under installation for purposes of production, leasing and management as well as the repair of fixed assets in progress. These assets are recorded at historical costs and not depreciated.

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

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#### 12. Payables and accrued expenses

Payables and accrued expenses are recorded for the amounts payable in the future associated with the goods and services received. Accrued expenses are recorded based on reasonable estimates for the amounts payable.

The classification of payables as trade payables, accrued expenses and other payables is made on the basis of following principles:

- Trade payables reflect payables of commercial nature arising from the purchase of goods, services, or assets, of which the seller is an independent entity with the Corporation.
- Accrued expenses reflect expenses for goods, services received from suppliers or supplied to customers but have not been paid, invoiced or lack of accounting records and supporting documents; pay on leave payable to employees; and accrual of operation expenses.
- Other payables reflect payables of non-commercial nature and irrelevant to purchase, sales of goods or provisions of services.

The payables and accrued expenses are classified as short-term and long-term items in the Balance Sheet on the basis of their remaining term as of the balance sheet date.

#### 13. Provisions for warranty of construction works

Provisions for warranty expenses are made for each type of construction works under the commitment of warranty.

The extraction of provisions for warranty is 0,19% on total value of warranty works for civil works, and 0,45% on total value of infrastructure works and is specified in each contract, but not exceeding 5% for other construction works. This rate is estimated on the basis of the warranty expenses in the previous years and weighted rate of all the possible bad results with corresponding probability. Upon expiry of the warranty period, provisions for warranty of construction works which are not used or not used up are recorded in other income.

#### 14. Owner's equity

##### *Capital*

Capital is recorded according to the actual amounts invested by shareholders.

##### *Share premiums*

Share premiums are recorded in accordance with the difference between the issuance price and face value upon the IPO, additional issue or the difference between the re-issuance price and carrying value of treasury shares and the equity component of convertible bonds upon maturity date. Expenses directly related to the additional issue of shares and the re-issuance of treasury shares are recorded as a decrease in share premiums.

##### *Treasury shares*

When a share capital in the owner's equity is re-purchased, the amount payable including the expenses related to the transaction is recorded as treasury shares and a corresponding decrease in owner's equity then is recognized. When this share capital is re-issued, the difference between the re-issuance price and carrying value of treasury shares is recorded in share premiums.

#### 15. Profit distribution

Profit after tax is distributed to the shareholders after appropriation for funds under the Charter of the Corporation as well as legal regulations and approved by the General Meeting of Shareholders.



## CIC39 CORPORATION

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

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The distribution of profits to the shareholders is made with consideration toward non-cash items in the retained earnings that may affect cash flows and payment of dividends such as profit due to revaluation of assets contributed as investment capital, profit due to revaluation of monetary items, financial instruments and other non-cash items.

Dividends are recorded as payables upon approval of the General Meeting of Shareholders and notice on dividend payment of the Board of Management.

#### 16. Recognition of sales and income

##### *Sales of merchandises, finished goods*

Sales of merchandises, finished goods shall be recognized when all of the following conditions are satisfied:

- The Corporation transfers most of risks and benefits incident to the ownership of goods, products to customers.
- The Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods, products sold.
- The amount of sales can be measured reliably. When the contracts stipulate that buyers have the right to return products, goods purchased under specific conditions, sales are recorded only when those specific conditions are no longer exist and buyers retains no right to return goods, products (except for the case that such returns are in exchange for other goods or services).
- The Corporation received or shall probably receive the economic benefits associated with sale transactions.
- The cost incurred or to be incurred in respect of the sale transaction can be measured reliably.

##### *Sales of service provision*

Sales of service provision shall be recognized when all of the following conditions are satisfied:

- The amount of sales can be measured reliably. When the contract stipulates that the buyer is entitled to return the services provided under specific conditions, sales is recognized only when these specific conditions are no longer existed and the buyer is not entitled to return the services provided.
- The Corporation received or shall probably receive the economic benefits associated with the provision of services.
- The stage of completion of the transaction at the end of reporting period can be measured reliably.
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

In the case that the services are provided in several accounting periods, the determination of sales is done on the basis of the volume of work done as of the balance sheet date.

##### *Sales of real estates*

Sales of real estates that invested by the Corporation shall be recognized when all of the following conditions are satisfied:

- real estates are fully completed and handed over to the buyers, and the Corporation transfers most of risks and benefits incident to the ownership of real estate to the buyer.
- the Corporation retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estates sold.
- the amount of sales can be measured reliably.
- the Corporation received or shall probably receive the economic benefits associated with the transaction.
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

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### **FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

#### **Notes to the Financial Statements (cont.)**

In case the customer has the right to complete the interior of the real estate and the Corporation completes the interiors according to the designs, models as requested by customer under a separate contract on interior completion, revenues are recognized upon the completion and handover of the main construction works to customers.

#### ***Income from lease of operating assets***

Income from leases of operating assets is recognized in accordance with the straight-line method during the lease term. Rentals received in advance for several periods are allocated to revenues in consistence with the lease term.

#### ***Interest***

Interest is recorded, based on the term and the actual interest rate applied in each particular period.

#### ***Dividends and profit shared***

Dividends and profit shared are recognized when the Corporation has the right to receive dividends or profit from the capital contribution. Particularly, the dividends paid in form of shares are not recorded as an increase in value, but the increasing quantity is followed up.

### **17. Construction contracts**

Construction contract is a contract agreed for acquisition of an asset or combined assets closely relevant or mutually dependent on their design, technology, function or basic using purpose.

When the outcome of the construction contracts is estimated reliably:

- For the construction contracts stipulating that the contractors are paid according to the planned progress, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as determined by the Corporation itself as of the balance sheet date.
- For the construction contracts stipulating that the contractors are paid according to the work actually performed, revenue and costs related to these contracts are recognized in proportion to the stage of completion of contract activity as confirmed in the invoices made by the customers.

Increases/(decreases) in revenue of the works done, compensation receivable and other receivables are only recognized upon the agreement with customers.

When the results of the contract implementation cannot be estimated reliably:

- Contract revenue is recognized only to the extent that contract costs incurred are expected to be reliably recoverable.
- Contract costs are only recognized as actually incurred.

The difference between the accumulated revenue from the construction contract recognized and the accumulated amount in the invoices according to the planned progress of contract is recognized as an amount receivable or an amount payable according to the planned progress of implementation of the construction contracts.

### **18. Sales deductions**

Sales deductions include trade discounts, sales allowances, sales returns incurred in the same period of providing goods, merchandises, services, in which revenues are derecognized.

In case of goods, merchandises, services provided in the previous years but trade discounts, sales allowances, sales returns incurred in the current year, revenues are derecognized as follows:

- If sales allowances, trade discounts, sales returns incur prior to the release of the Financial Statements, revenues are derecognized on the Financial Statements of the current year.
- If sales allowances, trade discounts, sales returns incur after the release of the Financial Statements, revenues are derecognized on the Financial Statements of the following year.

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### FINANCIAL STATEMENTS

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#### Notes to the Financial Statements (cont.)

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#### 19. Borrowing costs

Borrowing costs are interests and other costs that the Corporation directly incurs in connection with the borrowing.

Borrowing costs are recorded as an expense when it is incurred. In case the borrowing costs are directly attributable to the construction or the production of an asset in progress, which takes a substantial period of time (over 12 months) to get ready for intended use or sales of the asset, these costs will be included in the cost of that asset. To the extent that the borrowings are especially for the purpose of construction of fixed assets and investment properties, the borrowing cost is eligible for capitalization even if construction period is under 12 months. Incomes arisen from provisional investments as loans are recognized as a decrease in the costs of relevant assets.

In the event that general borrowings are partly used for the acquisition, construction or production of an asset in progress, the costs eligible for capitalization will be determined by applying the capitalization rate to average accumulated expenditure on construction or production of that asset. The capitalization rate is computed at the weighted average interest rate of the borrowings not yet paid during the period, except for particular borrowings serving the purpose of obtaining a specific asset.

#### 20. Expenses

Expenses are those that result in outflows of the economic benefits and are recorded at the time of transactions or when incurrence of the transaction is reliable regardless of whether payment for expenses is made or not.

Expenses and their corresponding revenues are simultaneously recognized in accordance with matching principle. In the event that matching principle conflicts with prudence principle, expenses are recognized based on the nature and regulations of accounting standards in order to guarantee that transactions can be fairly and truly reflected.

#### 21. Corporate income tax

Corporate income tax includes current income tax and deferred income tax.

##### *Current income tax*

Current income tax is the tax amount computed based on the taxable income. Taxable income is different from accounting profit due to the adjustments of temporary differences between tax and accounting figures, non-deductible expenses as well as those of non-taxable income and losses brought forward.

##### *Deferred income tax*

Deferred income tax is the amount of corporate income tax payable or refundable due to temporary differences between book values of assets and liabilities serving the preparation of the Financial Statements and the values for tax purposes. Deferred income tax liabilities are recognized for all the temporary taxable differences. Deferred income tax assets are recorded only when there is an assurance on the availability of taxable income in the future against which the temporarily deductible differences can be used.

Carrying values of deferred corporate income tax assets are considered as of the balance sheet date and will be reduced to the rate that ensures enough taxable income against which the benefits from part of or all of the deferred income tax can be used. Deferred corporate income tax assets, which have not been recorded before, are considered as of the balance sheet date and are recorded when there is certainly enough taxable income to use these unrecognized deferred corporate income tax assets.





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#### Notes to the Financial Statements (cont.)

Deferred income tax assets and deferred income tax liabilities are determined at the estimated rate to be applied in the year when the assets are recovered or the liabilities are settled based on the effective tax rates as of the balance sheet date. Deferred income tax is recognized in the Income Statement. In the case that deferred income tax is related to the items of the owner's equity, corporate income tax will be included in the owner's equity.

The Corporation shall offset deferred tax assets and deferred tax liabilities if:

- The Corporation has the legal right to offset current income tax assets against current income tax liabilities; and
- Deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority either:
  - Of the same subject to corporate income tax; or
  - The Corporation has intention to pay current income tax liabilities and current income tax assets on a net basis or recover tax assets and settle tax liability simultaneously in each future period to the extent that the majority of deferred income tax liabilities or deferred income tax assets are paid or recovered.

#### 22. Related parties

A party is considered a related party of the Corporation in case that party is able to control the Corporation or to cause material effects on the financial decisions as well as the operations of the Corporation. A party is also considered a related party of the Corporation in case that party is under the same control or is subject to the same material effects.

Considering the relationship of related parties, the nature of relationship is focused more than its legal form.

#### 23. Segment reporting

A business segment is a distinguishable component of the Corporation that is engaged in manufacturing or providing products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Corporation that is engaged in manufacturing or providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments.

The segment information is prepared and presented in conformity with the accounting policies applicable to the preparation and presentation of the Financial Statements of the Corporation.

## V. ADDITIONAL INFORMATION ON THE ITEMS OF THE BALANCE SHEET

### 1. Cash and cash equivalents

	<u>Ending balance</u>	<u>Beginning balance</u>
Cash on hand	565.559.936	466.153.189
Demand deposits in banks	48.583.306.327	10.433.540.633
Cash in transit	24.800.000	-
Cash equivalents (Deposits of which the principal maturity is within 3 months) <sup>(i)</sup>	14.000.000.000	86.500.000.000
<b>Total</b>	<b><u>63.173.666.263</u></b>	<b><u>97.399.693.822</u></b>

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For the fiscal year ended 31 December 2023

**Notes to the Financial Statements (cont.)****2. Financial investments**

The financial investments of the Corporation include trading securities, held-to-maturity investments and investments in other entities. The Corporation's financial investments are as follows:

**2a. Trading securities**

	Ending balance			Beginning balance		
	Original amount	Provisions	Fair values	Original amount	Provisions	Fair values
Petrolimex Gas Corporation JSC	3.735.084.570	(1.456.209.570)	2.278.875.000	3.697.623.460	(1.115.323.460)	2.582.300.000
Cat Lai Port Joint Stock Company	-	-	-	7.677.142.814	(1.203.852.814)	6.473.290.000
Vingal-Vnsteel Industries Joint Stock Company	15.822.791.067	-	15.822.791.067	16.853.067.734	-	16.853.067.734
Tan Cang Warehousing Joint Stock Company	10.321.562.389	(687.392.389)	9.634.170.000	10.501.971.310	(1.875.521.310)	8.626.450.000
Can Don Hydro Power Joint Stock Company	18.190.113.875	(1.624.113.875)	16.566.000.000	14.454.896.450	(3.165.166.450)	11.289.730.000
Viet Nam Medicinal Materials Joint Stock Company	44.510.302	(9.710.302)	34.800.000	-	-	-
Industrial Urban Development Joint - Stock Company No 2	1.576.859.163	(326.939.163)	1.249.920.000	-	-	-
Petrovietnam Oil Corporation	210.315.000	(10.315.000)	200.000.000	-	-	-
<b>Total</b>	<b>49.901.236.366</b>	<b>(4.114.680.299)</b>	<b>45.786.556.067</b>	<b>53.184.701.768</b>	<b>(7.359.864.034)</b>	<b>45.824.837.734</b>

Fluctuations in provisions for impairments of trading securities are as follows:

	Current year	Previous year
Beginning balance	7.359.864.034	932.146.235
Reversal/Extraction of provisions	(3.245.183.735)	6.427.717.799
<b>Ending balance</b>	<b>4.114.680.299</b>	<b>7.359.864.034</b>

**2b. Held-to-maturity investments**

	Ending balance		Beginning balance	
	Original amount	Carrying value	Original amount	Carrying value
<b>Short-term</b>				
Term deposit	-	-	86.139.172.593	86.139.172.593
<b>Long-term</b>				
Bonds <sup>(i)</sup>	17.270.000.000	17.270.000.000	9.250.000.000	9.250.000.000
<b>Total</b>	<b>17.270.000.000</b>	<b>17.270.000.000</b>	<b>95.389.172.593</b>	<b>95.389.172.593</b>

<sup>(i)</sup> This item reflects bonds issued by BIDV and VietinBank. Details are as follows:

Issuers	Year of issuance	Term (years)	Ending balance	Beginning balance
BIDV	2018	10 years	-	1.980.000.000
BIDV	2019	10 years	1.270.000.000	1.270.000.000
BIDV	2023	7 years	10.000.000.000	-
VietinBank	2020	10 years	6.000.000.000	6.000.000.000
<b>Total</b>			<b>17.270.000.000</b>	<b>9.250.000.000</b>

All of these bonds have been mortgaged to secure the overdraft loans from BIDV – Southern Binh Duong Branch (see Note No. V.20).

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**Notes to the Financial Statements (cont.)****2c. Investments in other entities**

	Ending balance			Beginning balance		
	Original amount	Provisions	Fair value	Original amount	Provisions	Fair value
<b>Investments in subsidiaries</b>	<b>36.850.000.000</b>	<b>(184.775.208)</b>		<b>37.200.000.000</b>	<b>(162.308.828)</b>	
Tien Phuoc Construction Mineral Joint Stock Company <sup>(i)</sup>	36.850.000.000	(184.775.208)		37.200.000.000	(162.308.828)	
<b>Investments in associates</b>	<b>136.907.156.453</b>	<b>-</b>		<b>136.907.156.453</b>	<b>-</b>	
Thu Duc - Long An Centrifugal Concrete Joint Stock Company <sup>(ii)</sup>	94.688.324.245	-		94.688.324.245	-	
Mien Dong Joint-Stock Company <sup>(iii)</sup>	42.218.832.208	-	48.966.357.500	42.218.832.208	-	41.473.285.000
<b>Investments in other entities</b>	<b>22.700.887.800</b>	<b>(200.887.800)</b>		<b>22.700.887.800</b>	<b>(224.658.488)</b>	
Binh Duong General Construction and Consultation Joint Stock Company <sup>(iv)</sup>	200.887.800	(200.887.800)		200.887.800	(200.887.800)	
Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company <sup>(v)</sup>	22.500.000.000	-		22.500.000.000	(23.770.688)	
<b>Total</b>	<b>196.458.044.253</b>	<b>(385.663.008)</b>		<b>196.808.044.253</b>	<b>(386.967.316)</b>	

- (i) According to the initial agreement of the founding shareholders, CIC39 Corporation registered for the direct contribution capital of VND 55.200.000.000, accounting for 80% of total charter capital of Tien Phuoc Construction Mineral Joint Stock Company. During the year, the Corporation divested VND 350.000.000. As of the balance sheet date, the Corporation contributed VND 36.850.000.000, equivalent to 53,41% of charter capital. The charter capital to be invested in Tien Phuoc Construction Mineral Joint Stock Company is VND 18.350.000.000.
- (ii) As of the balance sheet date, the Corporation held 6.394.368 shares, equivalent to 42,50% of charter capital of Thu Duc - Long An Centrifugal Concrete Joint Stock Company at the acquiring price of VND 20.965.667.400. As of the balance sheet date, the Corporation held.
- (iii) As of the balance sheet date, the Corporation held 3.485.150 shares, equivalent to 32,01% of charter capital of Mien Dong Joint-Stock Company.
- (iv) As of the balance sheet date, the Corporation held 18.098 shares, equivalent to 3,52% of charter capital of Binh Duong General Construction and Consultation Joint Stock Company.
- (v) The Corporation registered to purchase 3.375.000 shares at the acquiring price of VND 33.750.000.000 (accounting for 15% of charter capital of Dong Phu - Binh Duong Highway Building Operation Transfer Joint Stock Company). As of the balance sheet date, the Corporation held 2.250.000 shares at the value of VND 22.500.000.000 (Beginning balance: 1.687.500 shares at the value of VND 16.875.000.000). The charter capital to be invested is VND 11.250.000.000.

**Fair value**

Fair value of investments with listed price is determined at the listed price as of the balance sheet date. The Corporation has not measured the fair value of the investments without listed price because there is no specific instruction on measurement of fair value.

**Operation of subsidiaries and associates**

Tien Phuoc Construction Mineral Joint Stock Company is currently in the stage of construction and has not generated revenue yet.

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**Notes to the Financial Statements (cont.)**

Other associates have been in the normal operation with profits and have not experienced any significant change against that of the previous year.

*Provisions for investments in other entities*

Fluctuations in provisions for investments in other entities are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	386.967.316	386.967.316
Reversal of provisions	(1.304.308)	-
<b>Ending balance</b>	<b>385.663.008</b>	<b>386.967.316</b>

*Transactions with subsidiaries and associates*

Significant transactions between the Corporation and its subsidiaries and associates are as follows:

	<u>Current year</u>	<u>Previous year</u>
<b>Thu Duc - Long An Centrifugal Concrete Joint Stock Company</b>		
Capital contribution	-	20.965.667.400
Receipt of dividends held before 2020	-	1.786.653.498
Sales of merchandises	11.589.531.617	7.910.350.461
Dividends shared	6.138.593.280	1.020.038.200
Interest on late payment for acquisition of shares	-	2.092.428.606
Interest on late payment of goods	50.153.939	-
<b>Mien Dong Joint-Stock Company</b>		
Sales of merchandises	1.952.826.354	21.292.174.282
Sales of finished goods	60.530.581.856	62.132.121.008
Sales of services	358.400.000	-
Purchases of materials	52.772.438.817	50.029.013.776
Purchases of services	489.089.703	1.341.393.775
Dividends shared	2.091.090.000	2.439.605.000
Acquisition of fixed assets	400.000.000	-
Interest on late payment of goods	395.679.308	-

**3. Short-term trade receivables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<b>Receivables from related parties</b>		
Mien Dong Joint-Stock Company	58.005.644.691	54.885.868.709
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	5.115.590.493	1.535.378.117
<b>Receivables from other customers</b>	<b>97.046.639.258</b>	<b>71.977.317.956</b>
Management Board of Dau Tieng District Construction Investment Project	3.058.732.547	12.242.148.100
Phuc Tai Cooperative	1.125.173.724	1.647.076.080
Management Board of Thuan An City Construction Investment Project	122.372.510	14.336.731.996
Hwan Tai Vietnam Co., Ltd.	3.576.015.078	6.003.179.703
Management Board of Di An City Construction Investment Project	28.836.948.739	-
Other customers	60.327.396.660	37.748.182.077
<b>Total</b>	<b>160.167.874.442</b>	<b>128.398.564.782</b>

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**Notes to the Financial Statements (cont.)****4. Short-term prepayments to suppliers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Phu Dong Phat Design Construction Trade Company Limited	6.320.639.577	20.610.939.772
Phuc Tai Cooperative	811.649.503	-
Other suppliers	643.172.533	1.339.013.590
<b>Total</b>	<b><u>7.775.461.613</u></b>	<b><u>21.949.953.362</u></b>

**5. Other short-term receivables**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	Value	Allowance	Value	Allowance
<i>Receivables from related parties</i>	<b>5.814.399.608</b>	-	<b>5.406.540.000</b>	-
Mr. Tran Van Binh - Advance	5.386.540.000	-	5.406.540.000	-
Mien Dong Joint-Stock Company - Interest on late payment	395.679.308	-	-	-
Thu Duc - Long An Centrifugal Concrete Joint Stock Company - Interest on late payment	32.180.300	-	-	-
<i>Receivables from other organizations and individuals</i>	<b>71.247.330.729</b>	-	<b>78.965.385.055</b>	-
Advances	65.444.407.657	-	70.669.544.386	-
Short-term deposits and mortgages	5.227.256.099	-	5.226.900.360	-
Receivable of dividends	-	-	182.280.000	-
Interest to be received	443.062.301	-	2.016.619.222	-
Other short-term receivables	132.604.672	-	870.041.087	-
<b>Total</b>	<b><u>77.061.730.337</u></b>	<b>-</b>	<b><u>84.371.925.055</u></b>	<b>-</b>

**6. Doubtful debts**

	Overdue period	<u>Ending balance</u>		Overdue period	<u>Beginning balance</u>	
		Original amount	Recoverable amount		Original amount	Recoverable amount
<i>Mien Dong Joint-Stock Company</i>						
Trade receivables	Irrecoverable	24.115.779.500	-	-	-	-
<i>Construction Investment Joint Stock Company No. 14</i>						
Trade receivables	More than 3 years	2.087.609.955	-	More than 3 years	2.087.609.955	-
<i>Thien Bao Thanh Construction Co., Ltd.</i>						
Trade receivables	More than 3 years	1.328.429.946	-	From 2 years to less than 3 years	1.328.429.946	398.528.984
<i>Quang Phuoc Co., Ltd.</i>						
Trade receivables	More than 3 years	264.782.117	-	More than 3 years	264.782.117	-
<i>Xuan Loan Pte.</i>						
Trade receivables	More than 3 years	200.366.498	-	More than 3 years	200.366.498	-
<i>Receivables from other organizations and individuals</i>						
Trade receivables	More than 3 years	744.309.516	-	More than 3 years	544.207.796	-
	From 2 to 3 years	560.884.190	168.265.257	From 2 to 3 years	352.390.230	105.717.069
	From 1 to 2 years	684.163.452	342.081.726	From 1 to 2 years	532.636.730	266.318.365
	Less than 1 year	58.899.820	41.229.873	Less than 1 year	435.932.404	305.151.841
<b>Total</b>		<b><u>30.045.224.994</u></b>	<b><u>551.576.856</u></b>		<b><u>5.746.355.676</u></b>	<b><u>1.075.716.259</u></b>

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**Notes to the Financial Statements (cont.)**

Fluctuations in allowances for doubtful debts are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	4.670.639.417	4.628.130.630
Additional allowances	24.823.008.721	42.508.787
<b>Ending balance</b>	<b><u>29.493.648.138</u></b>	<b><u>4.670.639.417</u></b>

**7. Inventories**

	<u>Ending balance</u>		<u>Beginning balance</u>	
	<u>Original costs</u>	<u>Allowance</u>	<u>Original costs</u>	<u>Allowance</u>
Materials and supplies	14.596.500.725	(10.671.302)	13.167.019.201	(10.671.302)
Tools	707.936.555	-	499.924.495	-
Work-in-process	8.066.300.111	(6.161.776.443)	9.156.404.740	(6.161.776.442)
Finished goods (*)	80.295.238.781	(2.014.700.909)	57.944.666.767	(1.857.406.847)
Merchandises	320.960.502	(1.699)	1.657.612.212	
<b>Total</b>	<b><u>103.986.936.674</u></b>	<b><u>(8.187.150.353)</u></b>	<b><u>82.425.627.415</u></b>	<b><u>(8.029.854.591)</u></b>

Fluctuations in allowances for inventories are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	8.029.854.591	759.664.499
Additional allowances	157.295.762	7.270.190.092
<b>Ending balance</b>	<b><u>8.187.150.353</u></b>	<b><u>8.029.854.591</u></b>

**8. Prepaid expenses****8a. Short-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	362.574.123	428.024.660
Expenses of asset repairs	811.223.444	151.635.223
Other short-term prepaid expenses	69.523.704	27.749.998
<b>Total</b>	<b><u>1.243.321.271</u></b>	<b><u>607.409.881</u></b>

**8b. Long-term prepaid expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Expenses of tools	4.484.817.761	5.262.514.511
Land use right (*)	43.513.893.391	44.539.761.211
+ Expenses of land use right transfer	38.205.257.671	39.105.971.011
+ Land rental paid once	5.308.635.720	5.433.790.200
Land rental (*)	13.281.054.792	13.617.209.280
Expenses of asset repairs	973.968.023	509.441.290
Other long-term prepaid expenses	368.786.810	469.553.489
<b>Total</b>	<b><u>62.622.520.777</u></b>	<b><u>64.398.479.781</u></b>

(\*) Land use rights and land rental, of which the net book values are VND 54.883.096.782 (Beginning balance: VND 56.189.114.946), have been mortgaged to secure loans from BIDV - Southern Binh Duong Branch (see Note No. V.20).

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**Notes to the Financial Statements (cont.)****9. Tangible fixed assets**

	Buildings and structures	Machinery and equipment	Vehicles	Office equipment	Total
<b>Historical costs</b>					
Beginning balance	75.599.856.015	134.651.826.561	41.434.034.116	1.457.285.816	253.143.002.508
Acquisition during the year	179.431.094	1.069.598.728	1.108.916.293	52.000.000	2.409.946.115
Completed construction	1.831.089.967	2.808.354.268	48.854.365	-	4.688.298.600
Liquidation and disposal	-	(2.853.829.135)	(2.768.995.391)	(46.820.909)	(5.669.645.435)
<b>Ending balance</b>	<b><u>77.610.377.076</u></b>	<b><u>135.675.950.422</u></b>	<b><u>39.822.809.383</u></b>	<b><u>1.462.464.907</u></b>	<b><u>254.571.601.788</u></b>
<i>In which:</i>					
Assets fully depreciated but still in use	10.092.367.049	20.279.063.509	9.631.532.525	1.315.254.907	41.318.217.990
Assets waiting for liquidation	-	-	-	-	-
<b>Depreciation</b>					
Beginning balance	39.074.332.840	71.637.192.214	30.433.988.273	1.375.497.784	142.521.011.111
Depreciation during the year	6.871.631.583	12.728.889.085	2.805.772.033	25.138.615	22.431.431.316
Liquidation and disposal	-	(2.331.777.124)	(2.768.995.391)	(46.820.909)	(5.147.593.424)
<b>Ending balance</b>	<b><u>45.945.964.423</u></b>	<b><u>82.034.304.175</u></b>	<b><u>30.470.764.915</u></b>	<b><u>1.353.815.490</u></b>	<b><u>159.804.849.003</u></b>
<b>Net book values</b>					
Beginning balance	36.525.523.175	63.014.634.347	11.000.045.843	81.788.032	110.621.991.397
<b>Ending balance</b>	<b><u>31.664.412.653</u></b>	<b><u>53.641.646.247</u></b>	<b><u>9.352.044.468</u></b>	<b><u>108.649.417</u></b>	<b><u>94.766.752.785</u></b>
<i>In which:</i>					
Assets temporarily not in use	-	-	-	-	-
Assets waiting for liquidation	-	-	-	-	-

Some tangible fixed assets, of which the net book values are VND 3.862.721.130 (Beginning balance: VND 10.765.256.275), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch and VietinBank - Binh Duong Branch (see Note No. V.20).

**10. Intangible fixed assets**

	Land use right	Computer software	Total
<b>Initial costs</b>			
Beginning balance	100.504.903.261	1.142.992.000	101.647.895.261
<b>Ending balance</b>	<b><u>100.504.903.261</u></b>	<b><u>1.142.992.000</u></b>	<b><u>101.647.895.261</u></b>
<i>In which:</i>			
Assets fully amortized but still in use	24.867.893.735	561.920.000	25.429.813.735
<b>Amortization</b>			
Beginning balance	42.028.709.019	891.411.127	42.920.120.146
Amortization during the year	1.747.286.868	88.024.008	1.835.310.876
<b>Ending balance</b>	<b><u>43.775.995.887</u></b>	<b><u>979.435.135</u></b>	<b><u>44.755.431.022</u></b>
<b>Net book values</b>			
Beginning balance	58.476.194.242	251.580.873	58.727.775.115
<b>Ending balance</b>	<b><u>56.728.907.374</u></b>	<b><u>163.556.865</u></b>	<b><u>56.892.464.239</u></b>
<i>In which:</i>			
Assets temporarily not in use	-	-	-
Assets waiting for liquidation	-	-	-

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**Notes to the Financial Statements (cont.)**

Some intangible fixed assets, i.e. land use right, of which the net book values are VND 13.819.252.302 (Beginning balance: VND 28.328.374.408), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch (see Note No. V.20).

**11. Investment property for lease**

	<u>Houses</u>	<u>Infrastructure</u>	<u>Total</u>
<b>Historical costs</b>			
Beginning balance	7.374.299.499	957.092.617	8.331.392.116
<b>Ending balance</b>	<u>7.374.299.499</u>	<u>957.092.617</u>	<u>8.331.392.116</u>
<i>In which:</i>			
Assets fully depreciated but still leasing	-	823.279.689	823.279.689
<b>Depreciation</b>			
Beginning balance	3.698.231.099	925.830.023	4.624.061.122
Depreciation during the year	400.065.780	27.545.576	427.611.356
<b>Ending balance</b>	<u>4.098.296.879</u>	<u>953.375.599</u>	<u>5.051.672.478</u>

**Net book values**

Beginning balance	3.676.068.400	31.262.594	3.707.330.994
<b>Ending balance</b>	<u>3.276.002.620</u>	<u>3.717.018</u>	<u>3.279.719.638</u>

Investment properties for lease, of which the net book values are VND 1.276.466.520 (Beginning balance: VND 1.409.828.700), have been mortgaged to secure the loans from BIDV - Southern Binh Duong Branch (see Note No. V.20).

List of investment properties as at the balance sheet date is as follows:

	<u>Historical costs</u>	<u>Accumulated depreciation</u>	<u>Net book values</u>
Nguyen Van Tiet Showroom	3.373.745.556	2.097.279.036	1.276.466.520
Kindergarten	4.000.553.943	2.001.017.843	1.999.536.100
Kios (Kt: 15.2*6.6) at Nguyen Van Tiet Residential Area	206.917.348	206.917.348	-
Kios (Kt: 6.8*3) at Nguyen Van Tiet Residential Area	238.837.166	238.837.166	-
Kios (Kt: 7.5*23.7) at Nguyen Van Tiet Residential Area	377.525.175	377.525.175	-
Kios Road D4 - at Nguyen Van Tiet Residential Area	133.812.928	130.095.910	3.717.018
<b>Total</b>	<u>8.331.392.116</u>	<u>5.051.672.478</u>	<u>3.279.719.638</u>

**12. Construction-in-progress**

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Inclusion into fixed assets during the year</u>	<u>Inclusion into expenses</u>	<u>Ending balance</u>
Acquisition of fixed assets	689.504.509	1.852.836.742	(2.039.793.387)	-	502.547.864
Construction-in-progress	2.091.443.094	3.853.024.532	(4.688.298.600)	(132.203.520)	1.123.965.506
Thanh Phuoc concrete workshop - Phase 2	1.988.944.736	2.669.724.783	(3.600.415.997)	-	1.058.253.522
Thuan Giao brick workshop	102.498.358	626.461.479	(544.218.415)	(132.203.520)	52.537.902
Other works	-	556.838.270	(543.664.188)	-	13.174.082
<b>Total</b>	<u>2.780.947.603</u>	<u>5.705.861.274</u>	<u>(6.728.091.987)</u>	<u>(132.203.520)</u>	<u>1.626.513.370</u>



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**Notes to the Financial Statements (cont.)****13. Deferred income tax assets**

The Company has not recognized deferred income tax assets for following items:

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan interest expenses <sup>(i)</sup>	7.716.027.026	-
Taxable losses <sup>(ii)</sup>	21.286.067.640	-
<b>Total</b>	<b><u>29.002.094.666</u></b>	<b><u>-</u></b>

(i) According to the Government's Decree No. 132/2020/NĐ-CP dated 05 November 2020, from the tax period of 2019 onwards, the non-deductible loan interest is carried forward to the next tax period for the determination of total deductible loan interest if the actually incurred loan interest in the next tax period is lower than the amount of prescribed deductible loan interest. The loan interest may be carried forward for a maximum consecutive period of 5 years, counting from the year following the year of incurring non-deductible loan interest. Deferred income tax assets are not recognized since there is little possibility on use of such loan interest expenses.

(ii) According to the current Law on Corporate Income Tax, the loss of any tax year is brought forward to offset against the profit of the following years for the maximum period of 5 years from year after the loss suffering year. ~~Deferred income tax assets are not recognized for these accounts since there is little possibility on the availability of taxable income in the future against which these accounts can be used.~~

**14. Short-term trade payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
<i>Payables to related party</i>	<b>9.986.772.587</b>	<b>606.219.941</b>
Mien Dong Joint-Stock Company	9.986.772.587	606.219.941
<i>Payables to other suppliers</i>	<b>9.287.949.507</b>	<b>14.610.829.572</b>
Thu Thanh Phat Company Limited	-	2.148.850.050
Hop Nhan Trading Transport and Mechanical Construction Joint Stock Company	2.054.637.000	2.205.236.144
Hoang Phuong Dong Co., Ltd.	470.012.111	1.087.844.878
Far-East Construction - Trade Company Limited	790.520.659	1.060.520.659
Other suppliers	5.972.779.737	8.108.377.841
<b>Total</b>	<b><u>19.274.722.094</u></b>	<b><u>15.217.049.513</u></b>

The Corporation has no overdue trade payables.

**15. Short-term advances from customers**

	<u>Ending balance</u>	<u>Beginning balance</u>
Management Board of Thuan An City Construction Investment Project	13.540.145.167	-
Management Board of Phu Giao District Construction Investment Project	12.856.000.000	-
Management Board of Thu Dau Mot City Construction Investment Project	7.064.588.782	-
Management Board of Di An City Construction Investment Project	5.692.000.000	-
Mr. Bien Thanh Nhan	3.496.416.000	3.496.416.000
Other customers	5.695.331.111	5.202.365.797
<b>Total</b>	<b><u>48.344.481.060</u></b>	<b><u>8.698.781.797</u></b>

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**Notes to the Financial Statements (cont.)****16. Taxes and other obligations to the State Budget**

	Beginning balance		Increase during the year		Ending balance	
	Payables	Receivables	Amount payable	Amount paid	Payables	Receivables
VAT on local sales	-	3.792.973.239	3.154.300.956	(200.469.569)	-	839.141.852
Corporate income tax	-	1.224.413.526	-	-	-	1.224.413.526
Personal income tax	-	244.077.655	821.387.283	(1.024.571.950)	-	447.262.322
Natural resource tax	83.083.300	-	257.580.000	(340.663.300)	-	-
Other taxes	-	-	8.000.000	(8.000.000)	-	-
Fees, legal fees and other duties	27.417.489	-	90.712.491	(118.129.980)	-	-
<b>Total</b>	<b>110.500.789</b>	<b>5.261.464.420</b>	<b>4.331.980.730</b>	<b>(1.691.834.799)</b>	<b>-</b>	<b>2.510.817.700</b>

**Value added tax (VAT)**

The Corporation has to pay VAT in accordance with the deduction method at the rate of 10%. Particularly, from 01 July 2023 to 31 December 2023, some goods and services are applied the tax rate of 8% according to Decree No. 44/2023/NĐ-CP dated 30 June 2023 of the Government.

**Corporate income tax**

The Corporation has to pay corporate income tax on taxable income at the rate of 20%.

Estimated corporate income tax payable during the year is as follows:

	Current year	Previous year
Total accounting profit/(loss) before tax	(18.753.320.440)	19.133.194.948
Increases/(decreases) of accounting profit to determine profit subject to corporate income tax:		
- Non-deductible loan interest <sup>(i)</sup>	7.716.027.026	-
- Other increases	281.689.054	909.840.513
- Decreases	-	-
Income subject to tax	(10.755.604.360)	20.043.035.461
Income exempted from tax	(10.530.463.280)	(3.642.173.200)
Taxable income	(21.286.067.640)	16.400.862.261
Corporate income tax rate	20%	20%
<b>Corporate income tax payable</b>	<b>-</b>	<b>3.280.172.452</b>

- <sup>(i)</sup> This non-deductible loan interest expense is brought forward to the next taxable period for the determination of total loan interest expenses deductible if actually incurred loan interest expenses in the next taxable period is lower than the amount of prescribed deductible loan interest. The loan interest expenses may be brought forward for a maximum consecutive period of 5 years, starting from the year following the year of incurring non-deductible loan interest expenses.

Determination of corporate income tax liability of the Corporation is based on currently applicable regulations on tax. Nonetheless, these tax regulations may change from time to time and tax regulations applicable to variety of transactions can be interpreted differently. Hence, the tax amounts presented in the Financial Statements can be changed upon the inspection of tax authorities.

**Natural resource tax**

The Corporation has to pay natural resource tax imposed on quarrying at the rate of 10% over the taxable value.

**Land rental**

Land rental is paid according to the notices of the tax authority.

**Other taxes**

The Corporation has declared and paid these taxes in line with the prevailing regulations.

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**Notes to the Financial Statements (cont.)****17. Payables to employees**

This item reflects the salary to be paid to employees.

**18. Short-term accrued expenses**

	<u>Ending balance</u>	<u>Beginning balance</u>
Temporarily accrued costs of construction and installation	4.692.415.309	36.312.332.457
Appropriation of local support expenses at Tan Dong Hiep quarry	462.012.809	1.894.606.950
Other short-term accrued expenses	-	131.971.256
<b>Total</b>	<b><u>5.154.428.118</u></b>	<b><u>38.338.910.663</u></b>

**19. Other short-term payables**

	<u>Ending balance</u>	<u>Beginning balance</u>
Trade Union's expenditure	78.165.000	78.500.520
Dividends payable	27.342.075	26.216.675
Payables for temporarily works warranty of construction teams, subcontractors	3.644.073.474	6.013.379.529
Short-term deposits, mortgages	883.097.137	883.097.137
Loan interest payable	272.587.502	361.965.572
Other short-term payables	146.158.926	57.470.820
<b>Total</b>	<b><u>5.051.424.114</u></b>	<b><u>7.420.630.253</u></b>

The Corporation has no other overdue payables.

**20. Borrowings****20a. Short-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Short-term loans from banks	245.624.922.212	307.124.336.095
<i>Loan from BIDV – Southern Binh Duong Branch <sup>(i)</sup></i>	<i>241.332.072.814</i>	<i>307.124.336.095</i>
<i>Loan from Vietcombank – Southern Binh Duong Branch <sup>(ii)</sup></i>	<i>4.292.849.398</i>	-
Current portions of long-term loans	-	9.248.400.000
<b>Total</b>	<b><u>245.624.922.212</u></b>	<b><u>316.372.736.095</u></b>

(i) Loan from BIDV – Southern Binh Duong Branch is to supplement the working capital with credit line of VND 480.000.000.000 at the interest rate defined for each loan acknowledgement. The maximum loan term for each loan is 12 months. This loan is secured by mortgaging 12-month deposit balance, bonds issued by banks and some other assets, i.e. prepaid expenses which are land use right, tangible fixed assets, intangible fixed assets and investment property (see Notes No. V.2b, V.8, V.9, V.10 and V.11).

(ii) Loan from Vietcombank – Southern Binh Duong Branch is to supplement the working capital with credit line of VND 40.000.000.000 at the interest rate defined for each loan acknowledgement. The loan term is 12 months. This loan is secured by mortgaging some assets i.e. prepaid expenses which are land use right and intangible fixed assets (see Notes No. V.8 and V.10).

The Corporation is solvent over short-term loans.

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**Notes to the Financial Statements (cont.)**

Details of increases/(decreases) of short-term borrowings during the year are as follows:

	<u>Beginning balance</u>	<u>Increase during the year</u>	<u>Transfer from long-term borrowings</u>	<u>Amount repaid during the year</u>	<u>Ending balance</u>
Short-term loans from banks	307.124.336.095	493.216.264.585	-	(554.715.678.468)	245.624.922.212
Current portions of long-term loans	9.248.400.000	-	29.103.267.500	(38.351.667.500)	-
<b>Ending balance</b>	<b>316.372.736.095</b>	<b>493.216.264.585</b>	<b>29.103.267.500</b>	<b>(593.067.345.968)</b>	<b>245.624.922.212</b>

**20b. Long-term borrowings**

	<u>Ending balance</u>	<u>Beginning balance</u>
Loan from BIDV – Southern Binh Duong Branch	-	5.400.000.000
Loan from VietinBank - Binh Duong Branch	-	23.703.267.500
<b>Total</b>	<b>-</b>	<b>29.103.267.500</b>

Details of increase/(decrease) of long-term borrowings are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	29.103.267.500	38.391.667.500
Increase	-	-
Transfer to short-term borrowings	(29.103.267.500)	(9.288.400.000)
<b>Ending balance</b>	<b>-</b>	<b>29.103.267.500</b>

**20c. Overdue borrowings**

The Corporation has no overdue loans.

**21. Provisions for short-term payables**

This item reflects provisions for warranty of construction works. Details are as follows:

	<u>Current year</u>	<u>Previous year</u>
Beginning balance	897.339.561	3.467.824.145
Increase due to extraction	421.149.702	574.237.347
Amount used	(392.854.017)	(265.698.622)
Reversal	(41.032.435)	(2.879.023.309)
<b>Ending balance</b>	<b>884.602.811</b>	<b>897.339.561</b>

**22. Bonus and welfare funds**

	<u>Beginning balance</u>	<u>Increase due to other proceed</u>	<u>Increase due to appropriation from profit</u>	<u>Disbursement during the year</u>	<u>Adjustment of funds</u>	<u>Decrease due to excessive extraction</u>	<u>Ending balance</u>
Bonus fund	572.117.520	-	-	(1.020.494.869)	450.000.000	-	1.622.651
Welfare fund	877.953.191	947.810.000	-	(256.650.000)	(450.000.000)	(209.255.257)	909.857.934
Bonus fund for the Executive Officers	-	-	396.325.562	(396.325.562)	-	-	-
<b>Total</b>	<b>1.450.070.711</b>	<b>947.810.000</b>	<b>396.325.562</b>	<b>(1.673.470.431)</b>	<b>-</b>	<b>(209.255.257)</b>	<b>911.480.585</b>

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**Notes to the Financial Statements (cont.)****23. Owner's equity****23a. Statement of fluctuations in owner's equity**

Information on the fluctuations in owner's equity is presented in the attached Appendix 01.

**23b. Details of capital contribution of the owners**

	<u>Ending balance</u>	<u>Beginning balance</u>
Domestic individuals	133.560.590.000	134.469.360.000
Foreign individuals	806.800.000	684.890.000
Domestic organizations	10.964.010.000	9.257.180.000
Foreign organizations	4.960.050.000	5.880.020.000
Treasury shares	10.000.000	10.000.000
<b>Total</b>	<b><u>150.301.450.000</u></b>	<b><u>150.301.450.000</u></b>

**23c. Shares**

	<u>Ending balance</u>	<u>Beginning balance</u>
Number of shares registered to be issued	15.030.145	15.030.145
Number of shares sold to the public	15.030.145	15.030.145
- Common shares	15.030.145	15.030.145
- Preferred shares	-	-
Number of shares repurchased	1.000	1.000
- Common shares	1.000	1.000
- Preferred shares	-	-
Number of outstanding shares	15.029.145	15.029.145
- Common shares	15.029.145	15.029.145
- Preferred shares	-	-

Face value of outstanding shares: VND 10.000.

**23d. Profit distribution**

The Corporation distributed profit in accordance with the Resolution No. 01/NQ-ĐHĐCĐ dated 20 April 2022 of 2023 Annual General Meeting of Shareholders as follows:

	<u>Amount distributed</u>	<u>Amount appropriated in the previous year</u>	<u>Amount appropriated in the current year</u>
• Dividends distributed to shareholders	15.030.145.000	-	15.030.145.000
• Appropriation for investment and development fund	1.585.302.250	-	1.585.302.250
• Appropriation for bonus and welfare funds	792.651.125	1.001.906.382	(209.255.257)
• Appropriation for bonus fund to the Executive Officers	396.325.562	-	396.325.562
• Appropriation for remuneration of the Board of Management	396.325.562	-	396.325.562

**24. Off-balance sheet items****24a. External leased assets**

The total minimum lease payment in the future for irrevocable leasing contracts will be settled as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	480.000.000	400.000.000
More than 1 year to 5 years	1.360.000.000	-
<b>Total</b>	<b><u>1.840.000.000</u></b>	<b><u>400.000.000</u></b>

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**Notes to the Financial Statements (cont.)****24b. Treated doubtful debts**

	<u>Ending balance</u>	<u>Beginning balance</u>	Reasons for writing off
Van Hai Construction Company Limited	484.735.894	484.735.894	Irrecoverable
Tien Phat Iron and Steel Construction Company Limited	660.504.913	660.504.913	Irrecoverable
Other subjects	1.149.413.384	1.149.413.384	Irrecoverable
<b>Total</b>	<b><u>2.294.654.191</u></b>	<b><u>2.294.654.191</u></b>	

**VI. ADDITIONAL INFORMATION ON THE ITEMS OF THE INCOME STATEMENT****1. Sales****1a. Gross sales**

	<u>Current year</u>	<u>Previous year</u>
Sales of merchandises	191.778.311.191	172.095.291.578
Sales of finished goods	258.972.596.163	245.711.921.589
Sales of service provisions	2.348.865.925	9.270.282.508
Sales of real estate trading	2.399.636.387	2.175.454.559
Sales of construction contracts	38.198.314.245	141.884.086.506
Others	439.183.298	657.775.017
<b>Total</b>	<b><u>494.136.907.209</u></b>	<b><u>571.794.811.757</u></b>

**1b. Sales to related parties**

Apart from sales of goods and service provisions to subsidiaries and associates presented in Note No. V.2c, the Corporation has no sales of goods and service provisions to other related parties.

**2. Sales deductions**

This item reflects sales returns.

**3. Costs of sales**

	<u>Current year</u>	<u>Previous year</u>
Costs of merchandises sold	179.684.501.832	145.181.944.547
Costs of finished goods sold	224.839.840.902	221.601.361.914
Costs of services provided	2.798.894.617	8.114.679.746
Costs of real estate trading	454.081.202	569.936.903
Costs of construction activities	38.329.980.849	126.619.860.384
Allowance for inventories	157.295.762	7.270.190.092
Others	456.261.808	657.775.017
<b>Total</b>	<b><u>446.720.856.972</u></b>	<b><u>510.015.748.603</u></b>

**4. Financial income**

	<u>Current year</u>	<u>Previous year</u>
Demand deposit interests	16.951.727	21.947.261
Term deposit interests	3.904.640.863	6.905.955.251
Dividends and profit received	10.530.463.280	3.642.173.200
Interest on bonds	878.112.000	429.357.000
Interest on trading securities	668.087.433	211.714.650
Proceeds from liquidation of other long-term investments	-	1.665.626
<b>Total</b>	<b><u>15.998.255.303</u></b>	<b><u>11.212.812.988</u></b>

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**Notes to the Financial Statements (cont.)****5. Financial expenses**

	<u>Current year</u>	<u>Previous year</u>
Loan interest expenses	17.838.603.505	15.213.346.653
Expenses on sales of securities	23.362.481	7.348.652
Provisions/Reversal of provision for impairment of investments	(3.246.488.043)	6.427.717.799
Other expenses	243.338.425	-
<b>Total</b>	<b><u>14.858.816.368</u></b>	<b><u>21.648.413.104</u></b>

**6. Selling expenses**

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	81.805.201	273.586.032
Materials, packages	26.920.786	-
Depreciation/(amortization) of fixed assets	187.353.096	187.353.096
Transportation expenses	20.770.703.114	16.734.553.045
Other expenses	6.718.544.173	4.892.342.161
<b>Total</b>	<b><u>27.785.326.370</u></b>	<b><u>22.087.834.334</u></b>

**7. General and administration expenses**

	<u>Current year</u>	<u>Previous year</u>
Expenses for employees	8.903.719.979	10.281.191.189
Office supplies	177.818.802	188.721.651
Depreciation/(amortization) of fixed assets	1.860.965.611	1.738.292.893
Taxes, fees and legal fees	27.538.131	27.538.131
Allowance for doubtful debts	24.823.008.721	42.508.787
External services rendered	1.293.838.165	1.242.977.790
Other cash expenses	3.652.734.558	3.831.248.627
<b>Total</b>	<b><u>40.739.623.967</u></b>	<b><u>17.352.479.068</u></b>

**8. Other income**

	<u>Current year</u>	<u>Previous year</u>
Proceeds from liquidation, disposal of fixed assets	424.829.809	573.070.909
Income from liquidation of tools	176.374.818	-
Recovery of spilled rock from the mine	19.167.807	1.181.176.784
Fines for violation of the contract	20.888.000	38.694.500
Reversal of provision for constructions under warranty	41.032.435	2.879.023.309
Interest on late payment for acquisitions of shares	466.285.688	2.092.428.606
Other income	238.570.518	1.918.439.998
<b>Total</b>	<b><u>1.387.149.075</u></b>	<b><u>8.682.834.106</u></b>

**9. Other expenses**

	<u>Current year</u>	<u>Previous year</u>
Fines for administrative violations	6.900.000	121.252.273
Expenses on liquidation of tools	15.769.497	-
Tax fines and tax collected in arrears	-	3.200.000
Compensation	-	318.000.000
Other expenses	127.453.853	978.784.521
<b>Total</b>	<b><u>150.123.350</u></b>	<b><u>1.421.236.794</u></b>

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**Notes to the Financial Statements (cont.)****10. Earnings per share**

Information on the earnings per share is presented in the Consolidated Financial Statements.

**11. Operating costs**

	<u>Current year</u>	<u>Previous year</u>
Materials and supplies	194.084.751.256	234.782.037.100
Labor costs	38.099.274.310	37.573.720.709
Depreciation/(amortization) of fixed assets and investment property	24.694.353.548	24.827.304.346
External services rendered	106.980.689.368	90.564.759.358
Other expenses	12.478.254.662	21.826.063.988
<b>Total</b>	<b><u>376.337.323.144</u></b>	<b><u>409.573.885.501</u></b>

**VII. OTHER DISCLOSURES****1. Operating leased assets**

As at the balance sheet date, the total minimum rental can be collected in the future from irrevocable operating leases is as follows:

	<u>Ending balance</u>	<u>Beginning balance</u>
1 year or less	4.090.400.000	4.957.709.091
More than 1 year to 5 years	3.548.763.636	2.775.074.242
More than 5 years	667.636.364	2.620.300.000
<b>Total</b>	<b><u>8.306.800.000</u></b>	<b><u>10.353.083.333</u></b>

**2. Transactions and balances with related parties**

The Corporation's related parties include the key managers, their related individuals and other related parties.

**2a. Transactions and balances with the key managers and their related individuals**

The Corporation's key managers include the Board of Management and the Executive Officers (the Board of Directors and the Chief Accountant). The key managers' related individuals are their close family members.

*Transactions with the key managers and their related individuals*

The Corporation has no sales of goods and service provisions with the key managers and their related individuals. During the year, there only advance of VND 106.000.000 for Mr. Tran Van Binh (Previous year: VND 266.000.000).

*Receivables from and payables to the key managers and their related individuals*

Receivables from and payables to the key managers and their related individuals are presented in Note No. V.5.



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**FINANCIAL STATEMENTS**

For the fiscal year ended 31 December 2023

**Notes to the Financial Statements (cont.)***Income of the key managers*

	<u>Position</u>	<u>Salary</u>	<u>Bonus</u>	<u>Remuneration</u>	<u>Allowance</u>	<u>Total</u>
<b>Current year</b>						
<b>Board of Management</b>						
Mr. Nguyen Le Van	Chairman	-	-	88.242.459	48.000.000	136.242.459
Mr. Vo Van Lanh	Member	-	-	44.864.452	36.000.000	80.864.452
Mr. Tran Van Binh	Member	-	-	44.864.452	36.000.000	80.864.452
Mr. Trinh Tien Bay	Member	-	-	63.152.603	48.000.000	111.152.603
Mr. Bui Tien Duc	Member	-	-	61.355.289	48.000.000	109.355.289
<b>Executive Officers</b>						
Mr. Vo Van Lanh	General Director	723.588.000	166.985.650	-	-	890.573.650
Mr. Tran Van Binh	Deputy General Director	533.182.000	117.444.956	-	-	650.626.956
<b>Other managers</b>						
Mr. Nguyen Xuan Hieu	Chief Accountant	430.935.000	117.444.956	-	-	548.379.956
Mr. Lu Minh Quan	Corporate Administrator	142.908.922	8.118.000	27.148.339	24.000.000	202.175.261
<b>Total</b>		<b>1.830.613.922</b>	<b>409.993.562</b>	<b>329.627.594</b>	<b>240.000.000</b>	<b>2.810.235.078</b>

**Previous year****Board of Management**

Mr. Nguyen Le Van	Chairman	-	-	309.165.000	108.000.000	417.165.000
Mr. Vo Van Lanh	Member	-	-	175.472.000	84.000.000	259.472.000
Mr. Tran Van Binh	Member	-	-	163.666.000	84.000.000	247.666.000
Mr. Nguyen Huu Nghia	Member	-	-	166.465.000	29.232.000	195.697.000
Mr. Trinh Tien Bay	Member	-	-	199.082.000	96.000.000	295.082.000
Mr. Bui Tien Duc	Member	-	-	44.423.000	63.422.000	107.845.000

**Executive Officers**

Mr. Vo Van Lanh	General Director	676.673.000	559.527.000	-	-	1.236.200.000
Mr. Tran Van Binh	Deputy General Director	493.657.000	391.669.000	-	-	885.326.000

**Other managers**

Mr. Nguyen Xuan Hieu	Chief Accountant	415.617.500	430.836.000	-	-	846.453.500
Mr. Lu Minh Quan	Corporate Administrator	135.509.323	21.947.000	120.251.000	60.000.000	337.707.323

**Total**

<b>1.721.456.823</b>	<b>1.403.979.000</b>	<b>1.178.524.000</b>	<b>524.654.000</b>	<b>4.828.613.823</b>
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**2b. Transactions and balances with other related parties**

Other related parties of the Corporation include:

**Other related parties**

<u>Other related parties</u>	<u>Relationship</u>
Tien Phuoc Construction Mineral Joint Stock Company	Subsidiary
Mien Dong Joint-Stock Company	Associate
Thu Duc - Long An Centrifugal Concrete Joint Stock Company	Associate

## CIC39 CORPORATION

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### FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

#### Notes to the Financial Statements (cont.)

##### *Transactions with other related parties*

Transactions are presented in Note No. V.2c.

The prices of merchandises and services supplied to other related parties are mutually agreed prices. The purchases of merchandises and services from other related parties are done at the agreed prices.

##### *Receivables from and payables to other related parties*

Receivables from and payables to other related parties are presented in Notes No. V.3, V.5 and V.14.

The receivables from other related parties are unsecured and will be paid in cash. There are no allowances for doubtful debts made for the receivables from other related parties.

### 3. Segment information

The Corporation's segment information is presented according to business segment and geographical segment. The primary reporting format is the business segment.

#### 3a. Information on business segment

The Corporation has the following main business segments:

- Segment 01: Manufacture sewer, brick and stone.
- Segment 02: Construction.
- Segment 03: Construction materials.
- Segment 04: Others.

Segment information on business segment of the Corporation is presented in the attached Appendix 02.

#### 3b. Information on geographical segment

All operations of the Corporation take place only in Vietnamese territory.

### 4. Subsequent events

There is no material subsequent event which is required adjustments or disclosures in the Financial Statements.

Nguyen Thi Cam Van  
Preparer

Nguyen Xuan Hieu  
Chief Accountant



Binh Duong, 30 March 2024

Vo Van Lanh  
General Director

**CIC39 CORPORATION**

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**FINANCIAL STATEMENTS**

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**Appendix 01: Statement of fluctuation in owner's equity**

	Capital	Share premiums	Treasury shares	Investment and development fund	Retained earnings	Total
Beginning balance of the previous year	150.301.450.000	2.190.000.000	-	214.632.363.885	198.411.349.163	565.535.163.048
Repurchase of issued shares	-	-	(20.100.000)	-	-	(20.100.000)
Profit in the previous year	-	-	-	-	15.853.022.496	15.853.022.496
Appropriation for funds in the previous year	-	-	-	-	(1.001.906.382)	(1.001.906.382)
Dividend distribution in the previous year	-	-	-	-	(18.034.974.000)	(18.034.974.000)
Proceed from fund due to excessive extraction	-	-	-	-	13.505.003	13.505.003
<b>Ending balance of the previous year</b>	<b>150.301.450.000</b>	<b>2.190.000.000</b>	<b>(20.100.000)</b>	<b>214.632.363.885</b>	<b>195.240.996.280</b>	<b>562.344.710.165</b>
Beginning balance of the current year	150.301.450.000	2.190.000.000	(20.100.000)	214.632.363.885	195.240.996.280	562.344.710.165
Profit in the current year	-	-	-	-	(18.753.320.440)	(18.753.320.440)
Appropriation for funds in the current year	-	-	-	1.585.302.250	(1.981.627.812)	(396.325.562)
Dividend distribution in the current year	-	-	-	-	(15.030.145.000)	(15.030.145.000)
Remuneration of the Board of Management	-	-	-	-	(396.325.562)	(396.325.562)
Adjustment of bonus fund due to excessive extraction	-	-	-	-	209.255.257	209.255.257
<b>Ending balance of the current year</b>	<b>150.301.450.000</b>	<b>2.190.000.000</b>	<b>(20.100.000)</b>	<b>216.217.666.135</b>	<b>159.288.832.723</b>	<b>527.977.848.858</b>

Unit: VND



Nguyen Thi Cam Van  
Preparer



Vo Van Lanh  
General Director

Nguyen Xuan Hieu  
Chief Accountant

**CIC39 CORPORATION**

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**Appendix 02: Segment information according to business segments**

Unit: VND

The information on financial performance, fixed assets, other non-current assets and remarkable non-cash expenses according to business segments of the Corporation is as follows:

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
Current year					
Net external sales	258.951.711.163	38.198.314.245	191.778.311.191	5.187.685.610	494.116.022.209
Net inter-segment sales	-	-	-	-	-
<b>Total net sales</b>	<b>258.951.711.163</b>	<b>38.198.314.245</b>	<b>191.778.311.191</b>	<b>5.187.685.610</b>	<b>494.116.022.209</b>
Segment financial performance	33.954.574.499	(131.666.604)	12.093.809.359	1.478.447.983	47.395.165.237
Expenses not attributable to segments					(68.524.950.337)
Operating profit					(21.129.785.100)
Financial income					15.998.255.303
Financial expenses					(14.858.816.368)
Other income					1.387.149.075
Other expenses					(150.123.350)
Current income tax					-
Deferred income tax					-
<b>Profit after tax</b>					<b>(18.753.320.440)</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>4.709.934.492</b>	<b>694.768.734</b>	<b>3.488.153.365</b>	<b>94.356.045</b>	<b>8.987.212.656</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>15.467.272.033</b>	<b>2.281.598.044</b>	<b>11.454.982.459</b>	<b>309.862.191</b>	<b>29.513.714.727</b>

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 FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

**Appendix 02: Segment information according to business segments (cont.)**

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
Previous year					
Net external sales	245.680.369.589	141.884.086.506	172.095.291.578	12.103.512.084	571.763.259.757
Net inter-segment sales	-	-	-	-	-
<b>Total net sales</b>	<b>245.680.369.589</b>	<b>141.884.086.506</b>	<b>172.095.291.578</b>	<b>12.103.512.084</b>	<b>571.763.259.757</b>
Segment financial performance	16.808.817.583	15.264.226.122	26.913.347.031	2.761.120.418	61.747.511.154
Expenses not attributable to segments					(39.440.313.402)
Operating profit					22.307.197.752
Financial income					11.212.812.988
Financial expenses					(21.648.413.104)
Other income					8.682.834.106
Other expenses					(1.421.236.794)
Current income tax					(3.280.172.452)
Deferred income tax					-
<b>Profit after tax</b>					<b>15.853.022.496</b>
<b>Total expenses on acquisition of fixed assets and other non-current assets</b>	<b>2.729.976.763</b>	<b>1.814.101.219</b>	<b>3.198.559.512</b>	<b>328.149.745</b>	<b>8.070.787.239</b>
<b>Total depreciation/(amortization) and allocation of long-term prepayments</b>	<b>10.109.502.496</b>	<b>6.717.881.650</b>	<b>11.844.732.822</b>	<b>1.215.186.413</b>	<b>29.887.303.381</b>
<b>Total remarkable non-cash expenses (except for depreciation/(amortization) and allocation of long-term prepayments)</b>	<b>208.616.900</b>	<b>138.628.349</b>	<b>244.424.634</b>	<b>25.076.252</b>	<b>616.746.135</b>



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 FINANCIAL STATEMENTS

For the fiscal year ended 31 December 2023

**Appendix 02: Segment information according to business segments (cont.)**

The Corporation's assets and liabilities according to business segments are as follows:

	Production of sewers, bricks and stones	Construction	Construction materials	Others	Total
<b>Ending balance</b>					
Direct assets of segment	46.182.957.013	313.105.971.101	231.865.978.297	6.272.074.207	597.426.980.618
Unallocated assets					259.128.937.312
<b>Total assets</b>					<b>856.555.917.930</b>
Direct liabilities of segment	25.329.642.720	171.727.037.302	127.169.907.888	3.440.000.577	327.666.588.487
Unallocated liabilities					911.480.585
<b>Total liabilities</b>					<b>328.578.069.072</b>
<b>Beginning balance</b>					
Direct assets of segment	278.417.259.715	160.790.129.990	195.026.975.787	13.716.304.127	647.950.669.619
Unallocated assets					337.635.087.264
<b>Total assets</b>					<b>985.585.756.883</b>
Direct liabilities of segment	181.238.932.559	104.668.193.183	126.955.063.590	8.928.786.675	421.790.976.007
Unallocated liabilities					1.450.070.711
<b>Total liabilities</b>					<b>423.241.046.718</b>

Binh Duong, 30 March 2024



Nguyen Xuan Hieu  
 Chief Accountant

Vo Van Lanh  
 General Director

